

Roll No. ....

**29102**

**MBA 2 Year 1st Semester (NEP-2020)  
Examination – December, 2025**

**FINANCE FOR MANAGERS**

**Paper : 24IMS201DS02**

***Time : Three Hours ]***

***[ Maximum Marks : 70***

*Before answering the questions, candidates should ensure that they have been supplied the correct and complete question paper. No complaint in this regard, will be entertained after examination.*

**Note:** Section-A is *compulsory*. Attempt any *four* questions from section-B by selecting *one* question from each Unit. Each question carries equal marks.

**SECTION – A**

**1. Define :**

- (a) Final accounts
- (b) Sink cost
- (c) Cost center

- (d) Difference between cash budget and cash flow statement
- (e) Master Budget
- (f) Margin of safety
- (g) Cost of capital

## SECTION – B

### UNIT – I

2. What do you mean by Accounting ? State the objectives of accounting. Who are the users of accounting information ?
3. Mr. X is a trader dealing in textiles. For the following transactions, pass journal entries and prepare ledger for the month of January, 2023 :

Date	Transaction	Amount (in Rs.)
Jan 1	Commenced business with cash	70,000
Jan 2	Purchased goods from A and Co. on credit	30,000
Jan 5	Cash deposited into Bank	40,000
Jan 9	Bought a building from L. and Co. on credit	95,000
Jan 11	Cash withdrawn from bank for office use	5,000
Jan 13	Cash withdrawn from bank for personal use of Mr. X	4,000

Jan 16	Towels given as charities	3,000
Jan 21	Shirts taken over by Mr. X for personal use	12,000
Jan 23	Sarees distributed as free samples	3,000
Jan 25	Goods (table clothes) used for office use	200

## UNIT – II

4. What is cash flow statement ? Discuss its format with imaginary figures.
5. Explain the meaning and significance of the following ratios : <https://www.pyqonline.com>
- (a) Operating ratio
  - (b) Liquidity ratio
  - (c) Stock turnover ratio

## UNIT – III

6. What is marginal costing ? Discuss its application in managerial decision making.
7. Write short note on :
- (a) Performance Budgeting
  - (b) Master Budget
  - (c) Budgeting vs. Forecasting

## UNIT - IV

8. What do you mean by capital budgeting ? Discuss the purpose of capital budgeting from the point of view of an industrial concern.
9. What is cost of capital ? How will you calculate cost of different sources of capital ?
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