

[LF 1014]

OCTOBER 2014

Sub.Code :2032

**MBA (HOSPITAL & HEALTH MANAGEMENT) DEGREE EXAMS  
FIRST YEAR  
(2011-2012 Batch onwards)  
PAPER II – FINANCIAL AND MANAGEMENT ACCOUNTING**

*Q.P. Code: 432032*

**Time: Three hours**

**Maximum : 100 Marks**

**I. Elaborate on:**

**(2 x 20 = 40)**

1. Explain about accounting concepts and conventions.
2. Find profit by marginal costing as per the data given. Selling Price Rs 15/- per unit.  
Quantity sold 50,000 units, variable cost per unit Rs 3/-, fixed cost per unit Rs 5,000/-
  - a) If the variable cost is increased to Rs 6/- per unit the impact on profit.
  - b) If the selling price is reduced to Rs 10/- per unit the impact on profit.
  - c) Find breakeven point in units.

**II. Write notes on:**

**(10 x 6 = 60)**

1. Explain hedging in detail.
2. Limitations of ratio analysis.
3. What is shares and how it is different from preference shares?
4. Write the relevance and irrelevance of MM Hypothesis.
5. Explain cash flow analysis.
6. Total assets Rs 1, 10,000/- fixed assets Rs 50,000/- capital employed Rs 1, 00,000/- there is no long term investment. Calculate current ratio.
7. Explain how pricing of rights issue is done with example?
8. Write short notes on cost of capital.
9. Define management accounting, and cost accounting.
10. What is the purpose of working capital is needed?

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