

00263

**MASTER OF BUSINESS ADMINISTRATION
(NETWORK INFRASTRUCTURE
MANAGEMENT)
(MBANIM)**

Term-End Examination

June, 2012

**MCR-002 : ACCOUNTING AND FINANCE FOR
MANAGERS**

Time : 3 hours

Maximum Marks : 100

Note : Attempt any five questions. All questions carry equal marks.

1. "The knowledge of accounting and finance data is very essential for decision making." **20**

In the light of the above statement, state the role played by accounting and finance information in facilitating the decision making in an organisation with respect to :

- (a) Price fixation
- (b) Selection of product mix and
- (c) Dividend decision

2. What do you mean by 'Generally Accepted Accounting Principles'? What purpose do these principles serve ? Briefly state the important accounting concepts. **20**

3. Outline the utility of ratios in financial statement analysis. What ratios would you calculate to identify the solvency of an organisation ? Give suitable examples. 20
4. Briefly explain the procedure for setting budgetary limits in an organisation. How does Zero-Base Budgeting facilitate the process of budgeting ? 20
5. State your views on the changing role of finance function in an organisation. What are the objectives of financial management ? 20
6. How are standards set for the purpose of 'Standard costing' ? How would you calculate the direct material cost variances ? Give an example in this regard. How are variances disposed - off ? 20
7. What do you mean by 'Capital Budgeting' ? State the important methods of investment appraisal with appropriate examples. 20
8. Write short notes on *any Two* of the following : 20
 - (a) Managerial uses of Marginal costing technique.
 - (b) Working Capital Management
 - (c) Funds Flow Statement
 - (d) Operating and Financial Leverages