

**MASTER OF BUSINESS  
ADMINISTRATION (RETAIL)  
(MBARS)**

**Term-End Examination**

**June, 2012**

**MRS-006 : COMMERCIAL ACCOUNTING AND  
FINANCIAL MANAGEMENT**

*Time : 3 hours*

*Maximum Marks : 100*

---

*Note : Attempt any five questions.*

---

1. How does accounting and finance data contribute to decision making in an organisation ? Give specific examples to highlight the importance of accounting and finance information in modern day organisations. 20
  
2. State the meaning and importance of 'financial statement analysis'. Outline the system of ratio analysis. What ratios would you use to ascertain the profitability of an organisation ? Give appropriate examples also. 20
  
3. Describe the major accounting concepts and conventions that guide the preparation of financial statements. What purpose is served by following generally accepted accounting principles ? 20

4. Outline the changing role of a finance manager. 20  
What, according to you, are the objectives of financial management in a modern organisation ?
5. What are the objectives of working capital 20  
management ? How would you manage inventory in your organisation ? Give appropriate examples in this regard.
6. What do you mean by 'budget' and 'budgetary 20  
control' ? Describe the procedure of setting budgetary limits in an organisation. What are the major objectives of fixing budgetary limits ?
7. How would you explain the meaning of 20  
'management accounting' ? How does it differ from 'financial accounting' ? State the specific uses of management accounting with the help of suitable examples.
8. Write short notes on *any two* of the following : 20
- (a) Computerised accounting.
  - (b) Funds flow statements.
  - (c) Retail accounting.
  - (d) Trial Balance.
-