

00978

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

**Term-End Examination**

**June, 2011**

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

*Time : 3 hours*

*Maximum Marks : 100*

*Note : Answer any five questions. All questions carry equal marks.*

- 
1. Define sales mix. How would the firm's break - even point and profit be affected if sales mix changes ? Illustrate your answer. **20**
  
  2. Show with the help of an illustration that the annual equivalent value and the NPV for an infinite period procedures lead to same results in case of the mutually exclusive projects with different lives. **20**
  
  3. (a) Explain the merits and demerits of the various measures of financial leverages. **10**  
(b) Show the impact of financial leverage on the earnings per share. **10**

4. "The contention that dividends have an impact on the share price has been characterised as the bird - in - hand argument". Explain the essentials of the argument. **20**
5. Differentiate between the following :
- (a) Average cost method and FIFO method. **10**
  - (b) Abnormal Loss and Gain **10**
6. Write short notes on :
- (a) Value Added Analysis **10**
  - (b) Cost Volume Profit (CVP) Analysis **10**
7. (a) The behavioural aspects of budgeting are often overlooked, but are extremely important. Do you agree ? **10**
- (b) Why do some people think that the cash budget is the most important budget ? **10**

8. The following particulars are related to a manufacturing company. 20

Material used	95,000
Wages	60,000
Factory overhead	30,000
Office overhead	18,500

Find out the works cost and total cost.

Determine also the % age of factory overhead cost to labour cost and offices overhead cost to factory cost. Ascertain the lender price of a machine if.

Materials	10,500
Labour	3,000
Percentage, of profit on S. P	20 %.

---