

00648
MASTER OF BUSINESS
ADMINISTRATION (RETAIL SERVICES)
(MBARS)

Term-End Examination

December, 2013

MRS-006 : COMMERCIAL ACCOUNTING AND
FINANCIAL MANAGEMENT

Time : 3 hours

Maximum Marks : 100

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

1. "The knowledge of accounting and finance 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 declaration.

2. State briefly the various methods of financial statement analysis. Between funds flow and cash flow statements which one would you prefer and why ? 20

3. Explain the meaning and components of working capital management. How would you manage inventory in an organisation ? 20

4. Briefly write about budgeting process in an organisation. How can zero-base budgeting help in this respect. 20
5. Distinguish between (a) book - keeping and accounting (b) financial accounting and management accounting and (c) cost accounting and management accounting. Is it true to say that financial accounting is the most important type of accounting ? 20
6. Write an essay on generally accepted accounting principles. What happens when an organisation deviates from these ? 20
7. With the help of assumed figures, calculate the short term solvency and profitability ratios and comment on these. 20
8. Write short notes on **any two** of the following : 20
- (a) Retail Accounting
 - (b) Cost sheet and its uses
 - (c) Computerised Accounting
 - (d) Break - even point and its managerial uses
-