

Jan. - 2007

Subject Code—5819-X

**M.I.B. (First Year) EXAMINATION**

(Re-appear)

MIB-103

**ACCOUNTING AND FINANCE**

*Time : 3 Hours*

*Maximum Marks : 100*

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

1. Describe the relationship among the accounting process, accounting information, decision-makers and economic activities.
2. What are the components of an annual report ? Explain any *three* in detail.
3. How does budgeting help management coordinate business activities ? What are the benefits of zero base budgeting ?

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4. Discuss various methods of depreciation and describe the circumstances under which these methods are advantageously used.
5. Give a comparative description of various methods of ranking investment proposals.
6. Identify four ratios or other analytical tools used to evaluate profitability. Explain how each is computed ?
7. How are financial statements prepared in insurance companies ? Explain with the help of a suitable illustration.
8. Write notes on the following :
  - (a) Responsibility Accounting
  - (b) Performance Budgeting.