Dr. Babasaheb Ambedkar Open University
Term End Examination December – 2019

Course	**:**	**BBA**	**Date**	**:**	**30-Dec-2019**
Subject Code	**:**	**BBA-502(NEW)**	**Time**	**:**	**11:00am to 02:00pm**
Subject Name	**:**	**Management Accounting**	**Duration**	**:**	**03 Hours**
			Max. Marks	**:**	**70**

Section A

Answer the following (Attempt any three) **(30)**

1. Explain need of working capital in detail.
2. Explain sources of long term finance detail.
3. Define important steps in preparing fund flow statement.
4. Explain the nature and concept of working capital management.
5. Explain the limitations of financial statements analysis.

Section B

Answer the following (Attempt any four) **(20)**

1. Explain objectives of management accounting in detail.
2. Explain the several type of debentures.
3. Define debentures terminology in detail.
4. Ex[plain the benefits of financial accounting.
5. Define working capital management cycle in detail.
6. Explain steps in cash flow statement in detail.

Section C

Part – A (Multiple Choice Questions) **(10)**

1 Equity Shareholders are also called as _____ of the company.

A Preference shares B Redeemable preference shares
C Residual owners D Cumulative preference shares

2 The sources of Fund Flow includes:

A fixed asset sale B investment sell off
C funds D all of above

3 Working capital in finance relates to:

A total assets B fixed assets
C current assets D all of above

4 The idea of Cash Flow Statement is to:

A Analyze cash position B Short-term cash planning
C Evaluate liquidity D Comparing operating Performance

5 Working capital management is a methodology used by company to handle:

A management issues B salary issues
C relationship among assets and liabilitie D all of above

6 ICICI was into:

A Banking
B Financer to bodies
C Source of finance to industries
D all of above

7 Debt-Equity Ratio help to study?

A Solvency
B Liquidity
C Profitability
D Turnover

8 The accounting standard certifies Cash Flow as:

A Operating activities and investing activities
B Investing activities and financing activities
C Operating activities and financing activities
D Operating activities, financing activities and investing activities

9 Working capital as per firms depends on:

A Its inventory
B Its goods
C Its production
D All of above

10 Cash budget is

A present cash receipts
B future cash receipts
C current expenditures
D none of above

Part – B (Do as Directed) **(10)**

State Weather the Following Statement are True or False

1 Cash flow is calculates funds from operation.
2 Cash flow analysis is based on cash concept.
3 The term management accounting was first coined in 1945.
4 All personal transactions are quantified, measured and related in monetary terms.
5 Industrial Finance Company of India is a full form of IFCI.
6 Financial statements are regarded as Indices of an enterprises performance.
7 Income statements that give only the vertical percentage or ration for financial data without giving rupee value are known as common size statement.
8 Solvency is a useful to study Debt-Equity Ratio.
9 As common size statement are most valuable in marketing comparisons among the companies in the some industry.
10 IFCI was established in the year 1948.