

**Subject Name:-Management Accounting**

**Class: - TYB.Com**

**Semester: - V**

**Marks: - 40**

**Date:-15-9-2020**

**Time :- 30 min**

**Multiple choice questions:-**

1. The basic function of management accounting \_\_\_\_\_
  - a. To Serve government
  - b. To serve the management in performing its function effectively.**
  - c. To serve public
  - d. To serve the creditors
  
2. Goodwill is the \_\_\_\_\_ assets
  - a. Fictitious assets
  - b. Tangible assets
  - c. Current assets
  - d. Intangible assets**
  
3. \_\_\_\_\_ is not quick assets.
  - a. Debtors
  - b. Bills receivable
  - c. Advance tax**
  - d. Cash
  
4. Current ratio is \_\_\_\_\_
  - a. Balance Sheet Ratio**
  - b. Combined Ratio
  - c. Profit and Loss Ratio
  - d. Profit Ratio
  
5. Current assets minus current liabilities means \_\_\_\_\_
  - a. Gross Working Capital
  - b. Permanent Working Capital
  - c. Net Working Capital**
  - d. Temporary Working Capital
  
6. In vertical balance sheet bank overdraft is considered as \_\_\_\_\_
  - a. Quick liabilities
  - b. Secured Loan
  - c. Non quick liabilities**
  - d. Capital
  
7. In Common size profit and loss \_\_\_\_\_ is taken as 100%
  - a. Total assets
  - b. Net Sales**
  - c. Total Expenses
  - d. Capital
  
8. Capital budgeting is the process of making investment decision for \_\_\_\_\_
  - a. Expenses
  - b. Capital expenditure**

- c. Deferred revenue expenditure
  - d. Revenue expenditure
9. The current worth of sum of money received in future date is called as \_\_\_\_\_
- a. Future value**
  - b. Salvage Value
  - c. Present Value
  - d. Current Value
10. Satisfactory level of current ratio is \_\_\_\_\_
- a. 1:1
  - b. 2:1**
  - c. 3:1
  - d. 4:1
11. \_\_\_\_\_ provides the information of financial position of company
- a. Profit and Loss Account
  - b. Balance Sheet**
  - c. Trading Account
  - d. Cash Flow Statement
12. Internal analysis of financial statement is done by \_\_\_\_\_
- a. Investors
  - b. Management**
  - c. Creditors
  - d. Government
13. Capital Gearing Ratio is also known as \_\_\_\_\_
- a. Assets breaking ratio
  - b. Acid Test Ratio
  - c. Capital Structure Ratio**
  - d. Net worth Ratio
14. In Working Capital debtors are considered \_\_\_\_\_
- a. At net cost
  - b. At cost**
  - c. At selling price
  - d. At reasonable cost
15. Assets which are converted into cash is known as \_\_\_\_\_
- a. Fixed Assets
  - b. Current Assets**
  - c. Fictitious Assets
  - d. Non-current Assets
16. 1:1 is the ratio for \_\_\_\_\_
- a. Quick ratio**
  - b. Current ratio
  - c. Stock turnover ratio
  - d. Debt equity ratio

17. Total cash outflow is Rs.85, 000 and present value of each cash Inflow is Rs.75, 000. The net present value is \_\_\_\_\_

- a. Rs.10,000
- b. Rs.-10,000**
- c. Rs.2,000
- d. Rs.-2,000

18. Using profitability index the preference rule for selection of machine is \_\_\_\_\_

- a. Lower Profitability Index
- b. Higher Profitability Index**
- c. No Profitability Index
- d. No profit No Loss Index

19. Operating cycle refers to time requirement to convert the \_\_\_\_\_ to be converted into products and time it takes for those products to be sold and turned into cash,

- a. Cash**
- b. Assets
- c. Laibilities
- d. Raw material

20. Stock Rs.20, 000 and average stock is Rs. 4,000. The stock holding period for 360 days in a year is \_\_\_\_\_

- a. 72 days**
- b. 180 days
- c. 5 days
- d. 70 days