

Question	Answer1	Answer2	Answer3	Answer4	CorrectOption
_____ is allowed to customer to make payment	Cash Period	Holding Period	Credit period	Debit Period	Answer3
_____ is not element of cash budgeting	Determining of capital structure	selection of time period	Operating cash flow	Financial cash flow	Answer1
_____ of the following is not opportunity cost in receivable management	Debt collection charges	Bad Debts	Anticipated Return on alternative Investment	Discount received	Answer4
_____ is not objective of cash management	Cash Planning	Cash imbalance	Holding Optimum cash	Investment of idle cash	Answer2
Cash Budget Represents _____	Cash Receipt	Cash Payment	Cash Receipts and Cash Payment	Cash and Credit transactions	Answer3
Cash term implies _____	sale on cash	sale on credit	sale on approval	consignment	Answer1
Commercial Paper is essentially _____	another term of junk bond	short term unsecured corporate IOU	intermediate -term corporate bond.	exchanged for share of common stock specified future	Answer2
Credit Evaluation is part of _____ management	cash	Credit	participative	strategic	Answer2
Credit Policy does not have _____ aspect	Credit Standard	Credit Period	Cash Discount	Cash Sales	Answer4
Defaulting cost is the _____	loss sales	Bad Debts	Discount Allowed	Late receipt	Answer2
Factoring does not provide _____ Service	Identification of customers	Credit worthiness of customers	Days Sales outstanding	Payment method of customers	Answer4
if Credit sales for year is Rs.4,00,000 and Debtors are Rs.20,000. Then Detor Turnover ratio= _____	20	40	60	80	Answer1
If the chances of bad debts are high from a particular group of customers, then firm should follow _____ Credit Policy	Stringent	Relaxed	any	suggested by finance manager	Answer1
In a non-resources factoring agreement, the amount of bad debts is borne by the _____	Factor	Customer	The firm under consideration	the insurance Company	Answer1
In cash budget _____ transaction is to be included	Proposed Dividend	Provision for Tax	Outstanding Expenses	Latest Machinery Purchased	Answer4
In cash budget,payment of dividend and prepaid expenses are _____	Deducted from Opening Balance	Added to Opening balance	Not affect Closing balance	Not included in cash balance	Answer1

Investment in debtors is ____ when sales = 4,50,000 ,Variable cost is 40% and Credit period is 3 months.	115,500	120,400	112,500	136,400	Answer3
Marketable securities are Primarily _____	Short term debt instrument	short term Equity Instrument	Long term debt instrument	Long tern equity instrument	Answer1
Marketable securities are_____	Fixed Assets	intangible assets	highly liquid short term investments	Current liabilities for transaction, Precautionary and Speculative matter all together	Answer3
Motive for holding cash is _____	Transactive motive	Precautionary motive	Speculative Motive		Answer4
Net Benefit = _____	Sales- Total Cost	Sales- variable cost	Profit - Opportunity cost	Contribution - Fixed Cost	Answer3
PV Ratio =	Sales/ Contribution X100	Contribution / sales X100	Fixed Cost / Contribution X100	Profit / Sales X100	Answer2
Receivable include _____	Creditors	Bills Payable	Bills Receivable	Cash	Answer3
Receivable does not include _____	Debtors	Bad Debts	Bills Receivable	Account Receivable	Answer2
Receivable management is managing _____	Sale Profit	Account Receivables	Cash Sales	Total cost	Answer2
Sales -Contribution = _____		Fixed Cost	Variable cost	Purchase	Answer3
Sales=1,00,000, Variable cost =60%, Fixed Cost =10,000, Bad debts = Rs.5,000, Rate of interest on investment =20% Credit Period = 2 months, Net benefit = _____	21,667	22,667	22,833	25,000	Answer2
Term deposits with banks are _____	Fixed Assets	Non Current Assets	Repayable on Maturity	Marketable securities	Answer4
The term 8/20 implies that _____	8% Discount	payment within 20 days	8% discount if payment within 0 days	20% discount if payment made within 8 days	Answer3
Treasury Bills issued for minimum _____ days	45	91	151	72	Answer2
While selecting credit policy _____ should be calculated	Contribution	Gross Profit	Net Profit	Net Benefits	Answer4