Assignment-6

The due date for submitting this assignment has passed. Due on 2019-09-11, 23:59 IST. As per our records you have not submitted this assignment.

1) Accounts receivables management refers to the sets of policies, procedures, and practices employed by a company with respect to sales offered on:

- Cash
- Credit
- Debit
- Any of the above

No, the answer is incorrect.
Score: 0
Accepted Answers: Credit

2) Accounts Receivable is shown in the balance sheet of a company as a:

- Current asset
- Fixed asset
- Intangible asset
- None of the above

No, the answer is incorrect.
Score: 0
Accepted Answers: Current asset

3) A firm’s investment in accounts receivables depends upon how much it ________ on credit and how long it takes to _________ receivable.
4) Receivables management involves:

- the volume of credit sales
- the terms of credit granted to customer deemed creditworthy
- the paying practices of credit customers
- all of the above

No, the answer is incorrect.
Score: 0
Accepted Answers: all of the above

5) Good receivables management directly contributes to a company’s profits because:

- it reduces bad debt
- it leads to better cash flow in the company
- it boosts company’s professional image
- all of the above

No, the answer is incorrect.
Score: 0
Accepted Answers: all of the above

6) Accounts receivables management ensures that:

- customers pay their dues on time
- the business doesn’t run out of cash at any point of time
- the business financial and liquidity position is built
- all of the above

No, the answer is incorrect.
Score: 0
Accepted Answers: all of the above

7) An Account receivables management involves maintaining customer relations to reduce bad debts.

- True
- False
- May be
- Can’t say

No, the answer is incorrect.
Score: 0
Accepted Answers: True
8) Cost(s) of maintaining receivables involve(s):

- Cost of financing
- Cost of collection
- Bad debts
- All of the above

No, the answer is incorrect.
Score: 0
Accepted Answers: All of the above

9) The volume of credit sales has no impact on the size of receivables.

- True
- False
- May be
- Can’t say

No, the answer is incorrect.
Score: 0
Accepted Answers: False

10) An efficient credit collection machinery will ___________ the size of receivables

- Not impact
- Increase
- Reduce
- Can’t say

No, the answer is incorrect.
Score: 0
Accepted Answers: Reduce

11) A company that is unable to convert its receivables into cash can find itself in a poor liquidity position and crippling working capital.

- False
- True
- Maybe
- Can’t say

No, the answer is incorrect.
Score: 0
Accepted Answers: True

12) Which method of inventory management is helpful in reworking the inventory level if, working capital restrictions are imposed by the bank?

- ABC
- EOQ
- Just-in-time
- None of the above

No, the answer is incorrect.
Score: 0
Accepted Answers:
EOQ