Assignment 10

The due date for submitting this assignment has passed. Due on 2019-10-09, 23:59 IST. As per our records you have not submitted this assignment.

1) Which out of the following current assets takes the most time to convert in cash in hand?  
   - Inventory
   - Sundry debtors
   - Cash at bank
   - Marketable securities

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

2) What we mean by ‘Pure Liquidity’:
   - Only cash
   - Cash in hand and cash at bank
   - Cash & marketable securities
   - Any of the above

No, the answer is incorrect.
Score: 0
Accepted Answers:
Cash in hand and cash at bank

3) A cash flow statement must depict the cash flows within the period classifying them as:
   - Operating Activities

https://onlinecourses.nptel.ac.in/noc19_mg40/unit?unit=67&assessment=112
4) Who developed certainty model of cash management?  
- R.J. Baumol  
- W.J. Baumol  
- A.J. Baumol  
- X.J. Baumol  
No, the answer is incorrect.  
Score: 0  
Accepted Answers:  
All of the above

5) Certainty model of cash management has its genesis from which another model?  
- ABC model of Inventory management  
- EOQ model of Inventory management  
- Just-in-time model of inventory management  
- FIFO method of inventory valuation  
No, the answer is incorrect.  
Score: 0  
Accepted Answers:  
EOQ model of Inventory management

6) Which of the followings is/are the important assumption(s) of Certainty model of cash management?  
- Portfolio of cash & marketable securities  
- Every transaction has a fixed cost  
- Both a & b  
- None of the above  
No, the answer is incorrect.  
Score: 0  
Accepted Answers:  
Both a & b

7) Certainty model of cash may not work when:  
- There is high fluctuation in cash flows  
- There is less fluctuation in cash flows  
- There is no change in cash flows  
- None of the above  
No, the answer is incorrect.  
Score: 0  
Accepted Answers:  
There is high fluctuation in cash flows

8) Who developed Uncertainty model of cash management?  
- R.H. Miller & Daniel Orr  
- W.J. Baumol  
- R.J. Baumol  
- X.J. Baumol  
- A.J. Baumol
No, the answer is incorrect.  
Score: 0  
Accepted Answers:  
R.H. Miller & Daniel Orr
9) Uncertainty model of cash management is based upon which scientific theory?  
- Control theory  
- Motion theory  
- Race theory  
- Speed theory  

No, the answer is incorrect.  
Score: 0  
Accepted Answers:  
M.H. Miller & Daniel Orr

10) Collection float is the:  
- Total time between mailing of the check by the customer and the availability of cash to the receiving firm  
- Time consumed in clearing the check through the banking system  
- Time the check is in the mail  
- Time during which the check received by the firm remains uncollected  

No, the answer is incorrect.  
Score: 0  
Accepted Answers:  
Total time between mailing of the check by the customer and the availability of cash to the receiving firm

11) Deposit float is the:  
- Total time between mailing of the check by the customer and the availability of cash to the receiving firm  
- Time consumed in clearing the check through the banking system  
- Time the check is in the mail  
- Time during which the check received by the firm remains uncollected  

No, the answer is incorrect.  
Score: 0  
Accepted Answers:  
Time during which the check received by the firm remains uncollected

12) 'A firm should hold a cash balance that is slightly less than its future need for cash'  
- True  
- False  
- May be  
- Can't say  

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