

## COST AND FINANCIAL MANAGEMENT

1. \_\_\_\_\_ is a broad concept. It deals with all financial activities of business.
  - a) Business Finance
  - b) Capitalization
  - c) Earning Theory
  - d) Cost theory
2. \_\_\_\_\_ is an analysis of financial statement at different period of time.
  - a) Common- size statement.
  - b) Comparative Statement
  - c) Trend Analysis
  - d) Fund Flow Statement
3. CFIA Stands for \_\_\_\_\_
  - a) Cash Flows from Investing Activities.
  - b) Cash Fund from Investing Account.
  - c) Current Fund from Investing Account.
  - d) Cash outflows from Income Accounts.
4. \_\_\_\_\_ Efficiency and Performance Ratios'
  - a. Liquidity Ratios
  - b. Leverage Ratios
  - c. Activity Ratios
  - d. Ratio analysis
5. \_\_\_\_\_ It presents the cash flow from primary activities of a business.
  - a. Investing Activities
  - b. Financing Activities
  - c. Operating Activities
  - d. Regular operational Activities
6. Fixed Assets Turnover Ratio = \_\_\_\_\_ / Fixed Assets.
  - a. Sales
  - b. Fixed Liabilities
  - c. Purchase
  - d. Capital
7. Sale of assets and investments is equivalent to \_\_\_\_\_
  - a. Cash outflows
  - b. Income on sales
  - c. Profit on sales
  - d. Cash Inflows
8. The term ' \_\_\_\_\_ ' means recording of transactions based on evidence in the books of accounts
  - a. Recorded facts
  - b. Accounting entry
  - c. Transaction

- d. Double Entry
9. \_\_\_\_\_ may be defined as money advanced to a borrower.
- Bank Loan
  - Gold Loan
  - Home Loan
  - Term Loan
10. If a business spends more money than it has in its bank account, we say that it has become \_\_\_\_\_
- Overdrawn
  - Bank Loan
  - Term Loan
  - Bank Balance
11. The share capital of company is divided into a large number of equal parts and each part is individually called a \_\_\_\_\_.
- Debenture
  - Shares
  - Dividend
  - Interest
12. The shares which are issued to the founders or promoters are called \_\_\_\_\_
- Debenture
  - Preference Shares
  - Equity Shares
  - Deferred shares or founders shares.
13. The word \_\_\_\_\_ is derived from the Latin word 'Lebere' meaning 'to owe'.
- Debenture
  - Preference
  - Equity
  - Deferred
14. \_\_\_\_\_ is the sum of the par value of stocks and bonds outstanding.
- Debenture
  - Working Capital
  - Capitalization
  - Watered stock.
15. \_\_\_\_\_ Funds which are not owner's funds or generated from internal sources are fall under this category.
- Others Fund
  - Owner's Funds or Owners Capital
  - Reserve and Surplus
  - Borrowed Funds or Non-Ownership Capital
16. A share may be defined as a unit of measure of a shareholder's interest in the company.

- a. Assets
  - b. Stock
  - c. Profit
  - d. Share
17. The estimated annual earnings of Sunny Enterprises Ltd. is Rs. 3,00,000/- What will be the amount of capitalization of the company if the fair rate of return earned by company is 12% = \_\_\_\_\_
- a. 25,00,000/-
  - b. 20,00,000/-
  - c. 30,00,000/-
  - d. 15,00,000/-
18. \_\_\_\_\_ one of the most important parts of financial decision, which is related to the total amount of capital employed in the business concern.
- a. Term Loan
  - b. Working Capital
  - c. Capitalization
  - d. Fixed Assets
19. \_\_\_\_\_ Appraisal is to examine the financial viability of the project.
- a. Technical
  - b. Economical
  - c. Financial
  - d. Social
20. \_\_\_\_\_ is the ratio of the present value of future cash benefits, at the required rate of return to the initial cash outflow of the investment.
- a. Profitability index
  - b. Gross Profit Ratio
  - c. Net Profit Ratio
  - d. Financial Ratio
21. The sum total of all current assets of a business concern is termed as \_\_\_\_\_.
- a. Positive working Capital
  - b. Total Working Capital
  - c. Gross Working Capital
  - d. Negative Working Capital
22. \_\_\_\_\_ liabilities are those which are generally paid in the ordinary course of business within a short period of time, i.e. one year.
- a. Current
  - b. Fixed
  - c. Total
  - d. Net
23. The \_\_\_\_\_ process includes identifying and then evaluating capital projects for the company.
- a. Capital Financing
  - b. Capital budgeting

- c. Finance budgeting
- d. Net Working Capital

24. The \_\_\_\_\_ is one of the discounted cash flow or time-adjusted technique.

- a. ARR
- b. NPV
- c. IRR
- d. Payback Period

25. Bank overdraft , Dividend payable and short term loans are comes under \_\_\_\_\_

- a. Current Assets
- b. Fixed Assets
- c. Total Liabilities
- d. Current Liabilities

\_\_\_\_\_ **END** \_\_\_\_\_