

DR-416**M.B.A. (III-Sem.) (FT) Examination, 2019-20****WORKING CAPITAL MANAGEMENT****FSF-2****Time : 3:00 Hours****Maximum Marks : 80****Section-A****Short Answer Type Questions****Note:** Attempt any four questions. All questions carry equal marks.

1. What is working capital? Explain the difference between Gross and Net Working Capital.
2. Write short notes on any two:
 - (i) Commercial Paper
 - (ii) Cash Budget
 - (iii) Cheque truncation
 - (iv) Cash Credit Arrangement
3. Explain the sources of working capital for an organisation.
4. How does an efficient cash management system helps in overcoming the liquidity crunch in an organisation.
5. What do you understand by ordering cost and carrying cost ?

6. What are major decisions which are to be taken in respect of Receivables Management?
7. Explain the different Cash Management Models.
8. Explain the following with respect of Inventory Management: <http://www.onlinebu.com>
 - (a) Economic Order Quantity (EOQ)
 - (b) ABC classification of Inventories.

Section-B**Long Answer Type Questions****Note:** Attempt any three questions. All questions carry equal marks. 3×16=48

9. What is Working Capital Cycle? Explain. Also explain the factors which affect Working Capital Requirements in a manufacturing organisation.
10. Explain how the credit policy is formulated and executed in Receivables Management ?
11. What is Inventory Management. Explain the different techniques of Inventory Management?
12. What are the different motives of Holding Cash? Where the Surplus Funds can be invested ?
13. Write a detailed note on New Trends in Financing of working capital by Banks.

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