

**MASTER OF BUSINESS ADMINISTRATION  
(MBACN)**

00448

**Term-End Examination  
December, 2013**

**MCNE-007 : WORKING CAPITAL MANAGEMENT**

*Time : 3 hours*

*Maximum Marks : 100*

*Note : (i) Attempt any five questions.  
(ii) All questions carry equal marks.*

1. Define working capital. What factors would you take into consideration in estimating the working capital needs of a firm ? 20
2. "Efficient cash management will aim at maximising the cash inflows and showing cash outflows." Discuss. 20
3. What is receivable management ? How is it useful for business concerns ? Discuss the factors which influence the size of receivables. 20
4. What is meant by inventory management ? Explain EOQ and ABC techniques of inventory management. 20
5. Do you recommend that a firm should finance its current assets entirely with short term financing ? Explain your answer with suitable examples. 20

6. What credit and collection procedures should be adopted in case of individual accounts ? Dissuss 20
7. Write short notes on the following : 20
- (a) Liquidity Vs Profitability
  - (b) Conservative and Aggressive working capital policy.
8. "The cash budget is just a glorified name for a cash forecast". Comment. 10+10
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