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MMPF-001

**MASTER OF BUSINESS
ADMINISTRATION**

(MBA) (NEW)

Term-End Examination

December, 2023

MMPF-001 : WORKING CAPITAL MANAGEMENT

Time : 3 Hours

Maximum Marks : 100

Note : (i) Answer any **five** questions.

(ii) All questions carry equal marks.

1. Explain the 'Gross Concept' and 'Net Concept' of working capital. Discuss the different types of working capital and their behaviour in different categories of firms.

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2. Discuss the Industry Norm Approach and Economic Modelling Approach to the determination of working capital.
3. Why do firms need to manage cash ? What are the motives of holding cash ?
4. How does uncertainty affect inventory management ? Explain any *one* model of inventory management under the condition of uncertainty.
5. Explain the significance of trade credit. What are the factors that influence the availability of trade credit ?
6. What are the objectives of working capital management in Small and Medium Enterprises (SMEs) ? Discuss the various barriers in optimization of working capital in SMEs.
7. What factors are considered while estimating the working capital needs of a large company ?

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8. Write short notes on any *four* of the following :

(a) Cash Reserve Ratio (CRR)

(b) Bridge loans

(c) Behavioural Biases

(d) Mortgage

(e) F-S-N Analysis