(FOR THE CANDIDATES ADMITTED DURING THE ACADEMIC YEAR 2021 - 24 ONLY)

SUB CODE 21UCF6E4

REG.NO. :

N.G.M.COLLEGE (AUTONOMOUS) : POLLACHI

END-OF-SEMESTER EXAMINATIONS : MAY 2024

B.Com FINANCE **MAXIMUM MARKS: 70**

SEMESTER: VI **TIME : 3 HOURS**

PART - III

WORKING CAPITAL MANAGEMENT

SECTION - A (10 X 1 = 10 MARKS)

ANSWER THE FOLLOWING QUESTIONS.(K1)

1.Which capital is invested in total current assets of the business concern _________

a)Gross working capital b) Net working capital

c) Permanent working capital d) Semi-variable

2. Which is short-term unsecured promissory note issued by reputed business organisation at a price lower than its face value and redeemable at par?

a)Treasury bill b) Commercial paper

c)Certificate of deposit d) Promissory note

3. The summary of Cash budget is__________.

a) Estimated cash receipt and cash payments b) Estimated expenses and income

c) Estimated purchase and sales d) Fund flow method

4. The goal of receivable management is to maximize the value of the firm by achieving a trade-off between_______

a)Risk and profitability b)Liquidity and profitability

c) Returns and profitability d)Returns and liquidity

5. Which one of the following is not a technique of inventory control?

a) ABC analysis b) FSN analysis

c) GOLF analysis d) FTMN analysis

ANSWER THE FOLLOWING IN ONE (OR) TWO SENTENCES (K2)

6. How to calculate net working capital?

7. What is aggressive approach?

8. What is meant by job of cash management?

9. What is receivable management?

10. What is just-in-time inventory?

(CON..2)

SECTION – B (5 X 4 = 20 MARKS)

ANSWER EITHER (a) OR (b) IN EACH OF THE FOLLOWING QUESTIONS.(K3)

11. a) What is working capital management?

    (OR)

    b) State the component of working capital.

12. a) What is Conservative approach?

    (OR)

    b) State the uses of trade credit.

13. a) Give the merits of cash management.

    (OR)

    b) Enumerate the features of optimal cash balance.

14. a)What is credit policy?

    (OR)

    b) Mention the advantages of credit evaluation

15. a) Bring out the need to hold inventories.

    (OR)

    b) List the purpose of inventory control systems.

SECTION - C (4 X 10 = 40 MARKS)

ANSWER ANY FOUR OUT OF SIX QUESTIONS (K4/ K5)

(16th QUESTION IS COMPULSORY AND ANSWER ANY THREE QUESTIONS)

16. Write and explain working capital life cycle.

17. Discuss the role of finance manager in working capital.

18. Analyse various sources of finance.

19. Write a detailed note on cash management system.

20. Describe the objective of receivable management.

21. Evaluate the various techniques of inventory management.

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