

Roll No.
Total No. of Questions : 07]

AIM
D2010

[Total No. of Pages : 02

BBA (Sem. - 6th)
BANKING AND WORKING CAPITAL MANAGEMENT
SUBJECT CODE : BB - 605
Paper ID : [C0233]

[Note : Please fill subject code and paper ID on OMR]

Time : 03 Hours

Maximum Marks : 60

Instruction to Candidates:

- 1) Section - A is **Compulsory**.
- 2) Attempt any **Four** questions from Section - B.

Section - A

(10 × 2 = 20)

Q1)

- a) Explain briefly the concept of working capital.
- b) What are the characteristics of current asset?
- c) Write a short note on carrying cost and ordering cost.
- d) Explain the concept of reorder point.
- e) Give a brief explanation of FIFO.
- f) Explain briefly current asset financial policy.
- g) What are the advantages of cash planning?
- h) How firms can accelerate the cash collection?
- i) Explain open market operations.
- j) What is CRR? Give its current value.

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Section - B

(4 × 10 = 40)

- Q2)** Explain factors affecting working capital requirements.
- Q3)** What is the need for inventory management? Explain in detail the Economic Order Quantity (EOQ) model.
- Q4)** What are the advantages of working capital management? Explain operating cycle in detail.
- Q5)** What are the motives for holding cash? Explain the strategies of managing surplus cash.
- Q6)** What are the types of collection system? Explain optimal cash balance system.
- Q7)** Explain various instruments of credit policy in detail.

