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Roll No. Total	No. of Pages
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Total No. of Questions: 07

BBA (Sem.-6) BANKING AND WORKING CAPITAL MANAGEMENT

Subject Code: BB-605 Paper ID: [C0233]

Time: 3 Hrs. Max. Marks: 60

INSTRUCTIONS TO CANDIDATES:

- 1. SECTION-A is COMPULSORY consisting of TEN questions carrying TWO marks each.
- 2. SECTION-B contains SIX questions carrying TEN marks each and students have to attempt any FOUR questions.

SECTION-A

Q1 Write briefly:

- a) Letter of credit
- b) Cash management cycle
- c) VED analysis
- d) Importance of working capital
- e) LIFO Vs FIFO methods of pricing issue of Raw material
- f) Speculative Motive
- g) Factoring
- h) Cost of holding inventory
- i) Safety stock
- j) Seasonal working capital with example.

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SECTION-B

- Q2 How would you determine the optimum level of current assets? Illustrate your answer.
- Q3 What are the various factors that affects the working capital needs of the firm?
- Q4 How can the appropriate level of operating cash balance be determined? How does uncertainty affect this problem?
- Q5 Write the detailed note on credit management system.
- Q6 Discuss the various dangerous situations that management should usually avoid in controlling inventories. Identify the danger points and explain.
- Q7 Define the economic order Quantity. How is it computed?

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