



SNS College of Technology

Coimbatore - 35



19BAE711 – Working Capital Management

Unit II - Types of Working Capital

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Guest the topic

Working Capital





Recall

- Working Capital Financing
- Importance
- Benefits
- Types



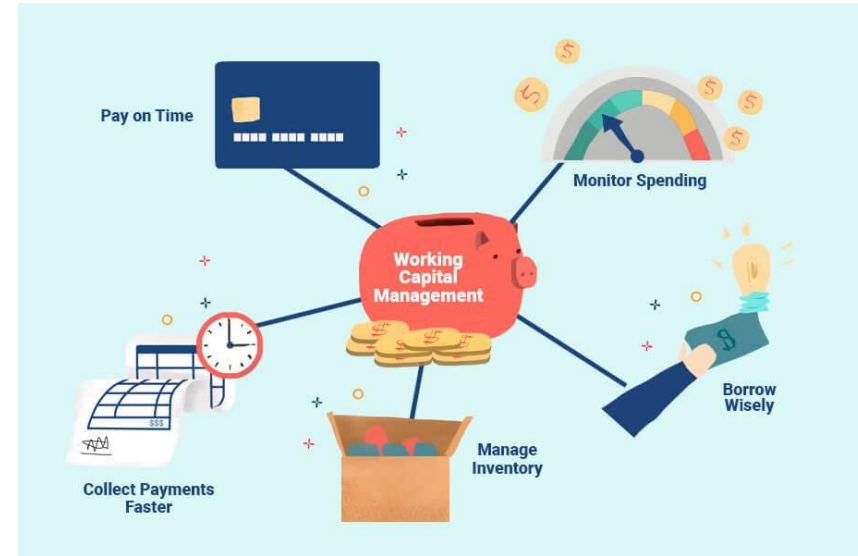


What is Monitoring?



Tips for Effective WC

- Manage Procurement and Inventory Effectively
- Make On-Time Payments to Vendors
- Improve Your Accounts Receivable Process
- Manage Accounts Payable Properly





Manage Procurement and Inventory

- Establish Clear Procedures and Protocols
- Use Technology
- Stay Organized
- Keep Track of What You Have On Hand
- Don't Wait Until You're Out of Stock to Reorder
- Use the Just-in-Time (JIT) inventory Method





Accounts Receivable Process

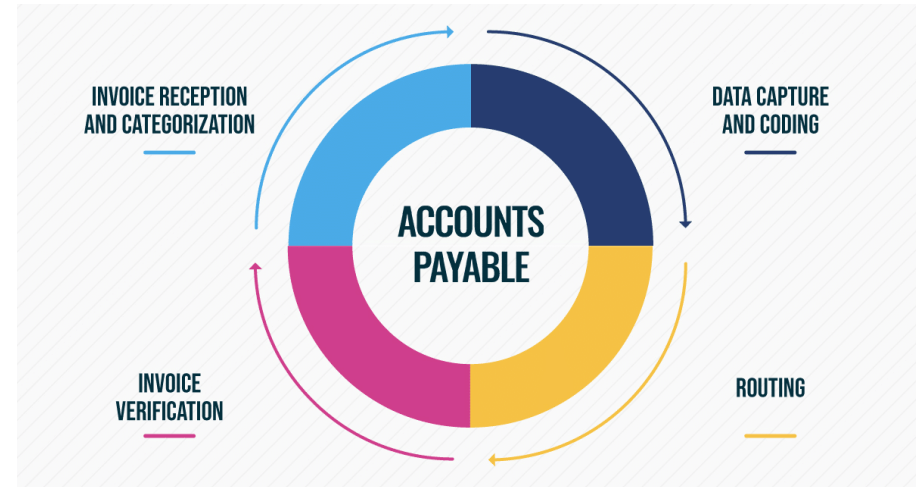
- Establish Clear Payment Terms with Customers from the Beginning
- Stay on Top of Invoicing
- Follow Up on Past-due Invoices Promptly
- Consider Offering Discounts for Early Payment
- Use Accounting Software to Automate Receivables Management





Manage Accounts Payable

- Establish Internal Controls
- Develop Policies and Procedures for Invoice Processing
- Carefully Review Invoices Before Paying





Assessment

Better Working Capital improves cash flows.

True / False

Ans: True





Summary

- Tips for effective Working Capital
- *Manage Procurement and Inventory Effectively*
- *Make On-Time Payments to Vendors*
- *Improve Your Accounts Receivable Process*
- *Manage Accounts Payable Properly*

SUMMARY





Reference

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- <https://www.taxmann.com/post/blog/overview-of-working-capital-and-its-planning-management/#7>
- <https://planergy.com/blog/managing-working-capital/>



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*Thank
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