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SNS College of Technology, Coimbatore-35.

(Autonomous)

Internal Assessment - III

Academic Year 2023-2024 (Even)

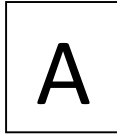
Fourth Semester

Department of Management Studies

19BAE711 – Working Capital Management

Time: 1 ½ Hours

Maximum Marks: 50



PART A

(5 * 2 Marks = 10 Marks)

Answer all the questions

	CO	Bloom	Marks
1. Define factoring.	CO 4	U	2
2. Define forfeiting.	CO 4	U	2
3. List the factors affecting cash needs.	CO 4	U	2
4. Name any suitable credit policy for an export company.	CO 4	U	2
5. Disadvantages of maintaining over inventory.	CO 4	R	2

PART B

(2 * 13 Marks = 26 Marks & 1*14 Marks = 14 Marks)

6. a.	Discuss the different types of credit control mechanism.	CO 4	An	13
	(or)			
b.	Discuss the different credit policies and evaluate the same.	CO 4	An	13
7. a.	Does receivables can be managed effectively? Justify your views.	CO 4	An	13
	(or)			
b.	Describe the advantaged and disadvantages of preparing cash budget.	CO 4	An	13
8. a.	On-Demand Trucking is a startup transportation carrier that works with retailers to move goods from their distribution centers to their stores. Though sales are strong for On-Demand, and they've signed 4 clients in their first 8 months of business, they've dealt with cash flow issues. Their major retail clients pay on terms of 45 days or later (75 for the slowest payer). Though they have happy clients and are generating revenue, they have business	CO 4	An	14

expenses that must be paid sooner than they get paid. Without invoice factoring, On-Demand would struggle to stay in business as it does not have enough cash to pay salaries and cover fuel and maintenance costs.

Comment on the role of factoring in this situation.

or

- b. Elaborate the advantages and disadvantages of factoring. CO 4 An 14

*Abbreviations: CO: Course Outcome, R: Remember, U: Understand, APP: Apply, An: Analyze, E: Evaluate, C: Create

Course Faculty

Teaching Coordinator

HOD / MBA