**FINANCIAL MANAGEMENT**

**ASSIGNMENT – 14**

**Working Capital Management**

1. Explain the importance of trade credit and accruals as sources of working capital.

2. Elucidate Commercial Paper. Explain its pros & cons.

3. Explain the concept ‘Cash Conversion Cycle’. Given below are the data on the company’s turnover ratios. Calculate the Cash Conversion Cycle

Receivable Turnover Ratio = 10.5

Inventory Turnover Ratio = 7.2

Payable Turnover Ratio = 8.5