



**Term Evaluation (Even) Semester Examination March 2025**

Roll no.....

Name of the Course: MBA

Semester: IV

Name of the Paper: Working Capital Management

Paper Code: MB401(F)

Time: 1.5 hour

**Maximum Marks: 50**

**Note:**

- (i) This question paper contains two Sections - A and B
- (ii) Both Sections are compulsory
- (iii) Answer any two sub questions from a, b & c in each main question of Section A. Each sub question carries 5 marks.
- (iv) Section B, consisting of a case study, is compulsory. It is of 20 Marks.

**Section A**

Q1.

(2X5 = 10 Marks)

- a. Analyse the significance of working capital for a micro small and medium enterprise (MSME). CO 1, 2 C04
- b. Analyse the utility of operating cycle in the era of AI. CO 1, 2 C04
- c. Analyse the impact of liquidity-profitability trade-off for a start-up. CO 1, 2 C04

Q2.

(2X5 = 10 Marks)

- a. Evaluate the factors influencing working capital requirement in the era of quick commerce. CO 1, 2 C03
- b. Evaluate the role of inventory management in working capital for a firm in service sector. CO 1, 2 C03
- c. Evaluate the role of technology in inventory and working capital management. CO 1, 2 C03

Q3.

(2X5 = 10 Marks)

- a. Evaluate the ABC method of inventory management. CO 1, 2 C03
- b. "Just in Time (JIT)" inventory management system is not possible in India" Comment. CO 1, 2 C02
- c. Evaluate the impact of recent geo-political developments on supply chain and working capital management in India. CO 1, 2 C03

**Section B**

Q5. Case Study

(20 Marks)

C05

The Star Equipment Company estimates carrying cost at 15% and ordering cost at ₹ 9 per order. The estimated annual requirement is 48,000 units at a price of ₹ 4 per unit. Evaluate the inventory levels using economic order quantity with reference to the most economical number of units to order, how many orders should be placed in a year, and how often should an order be placed.