

**MMPF-001**

**Master of Business Administration (MBA)/ Master of Business  
Administration (Online) MBA(OL) / Master of Business  
Administration(Financial Management) (MBAFM)/ Post Graduate Diploma  
in Financial Management (PGDIFM)**

**ASSIGNMENT**

**For**

**July 2025 and January 2026 Semesters**

**MMPF-001:Working Capital Management**

**(Last date of submission for July2025 Semester is 31<sup>st</sup> October 2025  
and for January2026 Semester is 30<sup>th</sup> April, 2026)**



**School of Management Studies  
INDIRA GANDHI NATIONAL OPEN UNIVERSITY  
MAIDAN GARHI, NEW DELHI – 110 068**

## ASSIGNMENT

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<b>Course Code</b>	<b>:</b>	<b>MMPF-001</b>
<b>Course Title</b>	<b>:</b>	<b>Working Capital Management</b>
<b>Assignment Code</b>	<b>:</b>	<b>MMPF-001/TMA/JULY/2025</b>
<b>Coverage</b>	<b>:</b>	<b>All Blocks</b>

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**Note: Attempt all the questions and submit this assignment to the Coordinator of your study centre. Last date of submission for July 2025 Semester is 31<sup>st</sup> October, 2025 and for January 2026 Semester is 30<sup>th</sup> April 2026.**

Q1. What is the Role of Central Bank in designing and implementing monetary and credit Policy? Highlight the main points of the latest monetary and credit policy declared by Reserve Bank of India.

Q2. You are required to prepare a Cash Budget of XYZ Ltd. for the months June 2025 to October 2025 from the details given below:

(a) The Actual sales for April, May 2025 and Estimated Sales during June 2025 to December 2025

**(Rs. In Lakhs)**

April	May	June	July	August	September	October	November	December
160	140	160	200	160	200	180	240	200

(b) On an average 20% of sales are cash sales. The credit sales 80%, payable in the third month.

(c) Variable expenses 5% on turnover, there is a time lag of half a month.

(d) Commission 5% on credit sales payable in the third month.

(e) Purchases amount to 60% of sales. Payment will be made in the third month of purchases.

(f) Rent Rs. 6,00,000 paid every month.

(g) Other Payments:       Fixed assets purchased – August Rs. 100 lakhs;  
                                          Taxes – September Rs. 40 lakhs.

(h) Opening cash balance Rs. 50,00,000

Q3. As a Finance Manager which sources you would prefer to raise short term loans from the money market for meeting working capital needs of your business and why?

Q4. Study the case of ‘Receivables Management In Tata Consultancy Services Limited’ given in **Unit 15** of this course and answer the questions given at the end of the case, on page 324.