

Total No. of Pages : 2

Register Number :

**6888**

Name of the Candidate :

**M.B.A. DEGREE EXAMINATION MAY 2014.**

**(FINANCIAL MANAGEMENT)**

**(SECOND YEAR)**

**230 — FINANCIAL ANALYSIS AND INDUSTRIAL FINANCING**

Time : Three hours

Maximum : 75 marks

**SECTION A**

**Answer any FIVE questions.**

**(5 × 3 = 15)**

**All questions carry equal marks.**

1. (a) What are the limitations of ratio analysis?
- (b) Explain the meaning of cash flow statement.
- (c) Mention the formulae for debt equity ratio.
- (d) What are the importance of capital market?
- (e) Mention any three all India levels of institutional financing.
- (f) What are the regulations of IDBI?
- (g) What is meant by Net Current Assets?

**SECTION B**

**Answer any THREE questions.**

**(3 × 10 = 30)**

**All questions carry equal marks.**

2. What are different types of ratio analysis?
3. Enumerate the importance of industrial financing.
4. What are the functions of life insurance corporation of India?
5. Shakura Ltd. provides the following information.

	Rs.
Cash sales during the year	1,50,000
Credit sales during the year	2,70,000
Return inwards	50,000
Trade debtors at the beginning	5,000

	Rs.
Bill receivables at the beginning	42,000
Trade debtors at the end	42,000
Bills receivables at the end	3,000
Provision for bad and doubtful	5,000

Calculate : (a) Debtors turnover ratio (b) Average collection period.

6. The income statement of a concern are given for the year ending on 31.12.2008 and 2009. Re-arrange the figures in a comparative form and study the profitability position of the concerns.

	2008	2009
Net sales	7,95,000	9,00,000
Cost of goods sold	5,00,000	5,50,000
General and administrative expenses	72,000	74,000
Selling expenses	90,000	1,00,000
Interest paid	30,000	35,000
Income tax	80,000	90,000

### SECTION C

Answer any ONE questions.

(1 × 15 = 15)

All questions carry equal marks.

7. Discuss the importance of small scale industries.
8. Write the functions and organisations of State Financial Corporation of India.
9. What are the role of commercial banks in meeting short term and long term financial needs of Indian industries?

### SECTION D

(Compulsory)

(1 × 15 = 15)

10. What are the factors to be considered while selecting location for the industrial unit?