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Register Number:

Name of the Candidate:

M.B.A. DEGREE EXAMINATION, May 2015**(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)****Write short notes on:**

1. Ratio Analysis.
2. Flow of funds.
3. UTI
4. Industrial Financing
5. SSI
6. Capital Market
7. Short – Term – Financing
8. ICICI

SECTION - B**Answer any THREE questions****(3 × 10 = 30)**

9. What is efficiency ratio? Explain their significance.
10. What do you mean by Commercial Bank? Explain its functions.
11. Define IDBI. Explain the financial assistance provided by IDBI?
12. Explain the investments available to Small Scale Industries?
13. From the following particulars, prepare a schedule showing changes in the working capital:

Particulars	2006	2007
	₹	₹
<u>Current Assets</u>		
Cash in Hand	3,000	1,000
Cash at Bank	4,000	5,000
Debtors	13,000	10,000
Bills Receivable	5,000	9,000

Prepaid Expenses	7,000	1,000
Stock	30,000	20,000
Short term investment	9,000	10,000
<u>Current Liabilities</u>		
Creditors	8,000	5,000
Bills Payable	3,000	4,000
Outstanding expenses	7,000	2,000
Income received in advance	1,000	3,000

SECTION - C**Answer any ONE question****(1 × 15 = 15)**

14. Discuss the advantage & disadvantage of Funds Flow Analysis.
15. "The Challenge of small scale industries is not of production but of marketing" – Discuss.
16. Following are the summarized Balance Sheets of Arul Ltd., as on 31st December 1991 and 1992.

Liabilities	1991 ₹	1992 ₹	Assets	1991 ₹	1992 ₹
Share Capital	1,00,000	1,50,000	Land & Building	1,00,000	90,000
General Reserve	50,000	30,000	Plant & Machinery	1,00,000	1,19,000
P & L A/c	30,500	30,000	Stock	50,000	24,000
Bank Loan	70,000	--	Debtors	75,000	63,200
Sundry Creditors	50,000	37,200	Cash	500	1,000
Provision for Taxation	32,000	35,000	Bank	2,000	15,000
			Goodwill	5,000	--
	3,32,500	3,12,200		3,32,500	3,12,200

Additional information:

During the year ended 31st December 1992.

- a) Dividend of ₹23,000 was paid.
- b) Depreciation written off on building ₹10,000, Machinery ₹14,000
- c) Income tax paid during the year ₹ 28,000

Prepare a statement of cash flow for the year ended 31st December 1992.

**SECTION - D
COMPULSORY****(1 × 15 = 15)**

17. From the following particulars, Prepare Balance

Working Capital	: ₹75,000
Reserve & Surplus	: ₹1,00,000
Bank Overdraft	: ₹60,000
Current Ratio	: 1.75
Quick Ratio	: 1.15

Fixed Assets to Proprietor's fund: 0.75. There is no long term liability.

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