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7520

Name of the Candidate :

P.G. DIPLOMA IN FINANCIAL MANAGEMENT EXAMINATION MAY 2014.

140 — FINANCIAL ANALYSIS AND INDUSTRIAL FINANCING

Time : Three hours

Maximum : 100 marks

Answer any FIVE questions.

(5 × 20 = 100)

All questions carry equal marks.

1. What is known as 'financial statement'? Explain the techniques of financial statement analysis.
2. What do you mean by 'Ratios'? Discuss the uses and limitations of Ratios.
3. Prepare cash flow statement for the year ended 31.12.98.

Financial Position of Mr. Raju					
Liabilities	1.1.98	31.12.98	Assets	1.1.98	31.12.98
	Rs.	Rs.		Rs.	Rs.
Bills payable	29,000	25,000	Cash	40,000	30,000
Capital	7,39,000	6,15,000	Debtors	20,000	17,000
			Stock	8,000	13,000
			Buildings	7,00,000	5,80,000
	7,68,000	6,40,000		7,68,000	6,40,000

Additional Data :

- (a) There were no drawings
 - (b) There were no purchase or sale of building.
4. Explain in detail the method of classifying ratios.
 5. What is fund flow statement? What are its uses?
 6. Explain the recent trends in capital market in India.
 7. Analyse the role of IDBI in institutional financing.
 8. Explain the recent trends in short-term financing.
 9. What is SSI? and state its functions.

10. From the following information of a textile company complete the proforma balance sheets if its sales are Rs. 32,00,000.

Sales to net worth (times)	2.3
Credit debt to net worth (ratio)	42
Total debt to net worth (ratio)	75
Current ratio (times)	2.9
Net sales to inventory (times)	4.7
Average collection period (days)	64
Fixed assets to net worth (ratio)	53.2

Proforma Balance sheet

Long-term debt	?	Cash	?
Current debt	?	Stock	?
		Sundry debtors	?
