

**SVKM's NMIMS**  
**NMIMS – GLOBAL ACCESS SCHOOL FOR CONTINUING EDUCATION**

Programme: PGDBM/PGDFM

Examination: June 2017  
Subject: Financial Analysis & Management

Semester: III  
Course : New  
Marks : 70  
Time: 3.00 p.m. to 6.00 p.m.

Date: 13.06.2017

**Instructions:**

1. Answer to each new question to be started on a fresh page.
2. Figures in bracket indicate full marks.

**Q.1) Attempt any 2 out of 4**

**(Marks: 2X5=10)**

- a) Explain the difference between static and dynamic analysis.
- b) Describe the costs of holding inventory.
- c) What do you mean by Net Working capital?
- d) List any 5 items of Cash Flow from investing activities.

**Q.2) Write short notes on (2 out of 5)**

**(Marks: 2X5=10)**

- a) Dupont Analysis
- b) Motives for holding Cash
- c) Reorder level and Safety Stock
- d) Trade Credit
- e) Certificate of Deposits

**Q.3) Attempt any 3 out of 5**

**(Marks: 3X10=30)**

- a) What do you mean by Ratio analysis? Explain its advantages.
- b) Discuss the various cash management techniques.

c) With the help of information furnished below for Sun Ltd you are asked to compute the following ratios -

The total capital employed of the company is Rs33,00,000 out of which Ordinary share capital comprises of Rs 24,00,000. The remaining capital bears a fixed return of 12%. The face value of the company for all types of shares is Rs 10 each. The Company's EBIT for financial year 2016-17 is Rs 16,26,000 ( Tax rate 25% ). The dividend declared by company is 12.5% and its current market price is 40% lower than its book value. The depreciation for current year amounted to Rs 1,80,000.

Compute – EPS, Price Earning Ratio, Net Cash flows.

d) What do you mean by trend analysis? Explain its different methods.

e) What are the characteristics of Marketable securities?

**Q.4) Attempt both the questions**

**(Marks: 2X10=20)**

a) Discuss the various finance functions.

b) What are the reasons for change in the working capital?

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