DEPARTMENT OF MANAGEMENT
SCHOOL OF MANAGEMENT &BUSINESS STUDIES
JAMIA HAMDARD

Odd Semester Examination (Online) January 2021

MBA Semester III

Subject Name: ...Financial Statement Analysis

MM: 75

Subject Code: MBA-GE-FM-04Hours: 3 hours

Email Id of the Examiner:

...drabdulwahid12@gmail.com..

Email Id of the Assistant Superintendent of Exams:
assistant.superintendent.exams@gmail.com
Email Id of Dean: deanmanagement@jamiahamdard.ac.in

Note:

- Students have to submit the **Scanned hand written solutions** to the Examiner, Assistant Superintendent of Examination and Dean on the email ids as mentioned above.
- Students shall use **ruled white paper & blue ink** to write the solution. Each page must have a **serial number and the signature** of the student.
- An additional ½ an hour will be given to the examinees to scan the answer sheets, convert it into single PDF and upload it on the id's given on the question papers.
- If any two copies are found to be similar then both the copies shall be cancelled. Such students will be considered/ tried for unfair means.
- The attached PDF shall be named as follows – Full Name-Enrollment Number-Course-Semester-Subject Abbreviation (Example: Rabia Shaheen-2017-334-032-MBA-III-QTM) and students shall also mention the same in subject line of the email & his/her answer copy also.
- Answer All Questions, each carry equal marks.

1. "Financial Statement and its analysis provide material information to different stakeholders which serves their respective objectives". In the light of this statement, what are various internal and external users of financial statements and explain the relevance of financial statement analysis for various stakeholders' point of view?

2. "Preparation and requirement for the demand of financial statement are different from country to country". Comment? Briefly explain the requirement of disclosures under Indian Companies Act 2013 as applicable to the financial statements of a company?

3. a) From the following information, prepare a Comparative Statement of Profit and Loss of Tata Motors for the ended 31st March 2020. Give analysis and comment also. **(10)**

PARTICULARS	31.03.2020	31.03.2019
Revenue from Operations	Rs. 20,00,000	Rs. 10,00,000
Cost of Material Consumed	Rs. 15,00,000	Rs. 6,00,000
Other Expenses	12% of Cost of Material Consumed	10% of Cost of Material Consumed
Income Tax	40%	30%

b) Give major heads under which following items will be shown as per Schedule III Part I of the Companies Act 2013-**(5)**

i. Trade Payable
ii. Provision of Tax
iii. Cash and Cash Equivalents
iv. Surplus i.e., Balance in Statement of Profit and Loss
v. Debentures

4. Prepare a Cash Flow Statement (as per AS-3 (Revised)) for the year ended 31st March, 2020 from the following Balance Sheet as at 31st March, 2020-

Sunlight India Ltd
BALANCE SHEET as at 31st March, 2020

Particulars	**Note No.**	**31st March, 2020 (Rs.)**	**31st March 2019 (Rs.)**
1. **EQUITY AND LIABILITES**			
1. **Shareholders Funds**			
a) Share Capital (Equity Share Capital)		6,00,000	4,00,000
b) Reserve and Surplus (Statement of Profit & Loss)		2,00,000	1,00,000
2. **Non-Current Liabilities**			
Long term Borrowings		2,00,000	1,00,000
3. **Current Liabilities**			
a) Short term Borrowings (Bank Loan)		-	10,000
b) Trade Payable (Creditors)	1	45,000	60,000
c) Short term Provisions		70,000	40,000
Total		*10,15,000*	*8,10,000*
2. **ASSETS**			
1. **Non-Current Assets**			
a) Fixed Assets:			
i. Tangible (Building)		6,00,000	6,00,000
ii. Intangible (Patents)		45,000	50,000
b) Non- Current Investments		75,000	-
2. **Current Assets**			
a) Inventories		15,000	10,000
b) Trade Receivables (Debtors)		1,95,000	1,20,000
c) Cash and Cash Equivalents (Cash)		85,000	30,000
Total		*10,15,000*	*8,10,000*

Note to Accounts-

Particulars	**31st March. 2020 (Rs.)**	**31st March. 2019 (Rs.)**
1. **Short term Provisions** Provisions for Tax	70,000	40,000

Note: Dividend proposed for the years ended 31st March, 2019 and 2020 are Rs. 60,000 and Rs 80,000respectively.

Additional Information:

During the year 2019-20:

i. Building was purchased for Rs. 75,000.
ii. An old building, the book value of which was Rs. 63,000 and sold at a loss of Rs. 5,000.
iii. Tax provided during the year was Rs. 80,000.

5. From the following information, calculate- **(3x5=15)**

i. Operating Ratio
ii. Quick Ratio
iii. Current Ratio
iv. Working Capital Turnover Ratio
v. Debt to Equity Ratio

Information:

Equity Share Capital Rs. 1,00,000
12 %Preference Share Capital Rs. 80,000
12% Debentures Rs. 60,000
General Reserve Rs. 40,000
Revenue from Operations Rs. 3,00,000
Opening Inventory Rs. 10,000
Purchase Rs. 1,20,000
Wages Rs. 30,000
Closing Inventory Rs. 30,000
Selling & Distribution Expenses Rs. 10,000
Quick Asset Rs. 2,00,000
Current Liabilities Rs. 1,20,000

..................X..............