

2019

M. Com.

4th Semester Examination

Financial Statement Analysis

PAPER – COM – 404

Full Marks : 50

Time : 2 Hours

Use separate sheet for each Unit

Candidates are required to give their answers in their own words as far as practicable.

UNIT – I

- 1. Answer any two questions of the following: 5 X 2**
- a) What is Financial Statement? What are the main contents of the Financial Statement of a Ltd. Company? 2+3
- b) Distinguish between Cash Flow Statement and Income Statement.
- c) i) From the following particulars of X Ltd. calculate Debtor Turnover Ratio – Total Credit Sales Rs. 365000.00. Total debtors including BR Rs. 60000.00.
ii) Y Ltd. gives the following particulars you are required to calculate debtor balance in terms of days – debtor balance as on 31.03.18 Rs. 1800000.00, Sales- January Rs. 1200000.00, February Rs. 800000.00, March Rs. 600000.00 $2\frac{1}{2} + 2\frac{1}{2}$
- d) State and interpret the ratios – Debt-Equity, Proprietary and Fixed Asset Ratio.

(Turn over)

2. Answer any one questions of the following: 10 X 1

a) From the following information prepare Cash Flow Statement of Sourav & Co. for the year ended 31.03.2019.

Liabilities	Amount (₹)	Amount (₹)	Assets	Amount (₹)	Amount (₹)
Equity Capital	300000	350000	Fixed Assets	510000	620000
Preference Capital	200000	100000	Investment	30000	80000
Debenture	100000	200000	Current Assets	240000	375000
Reserve	110000	270000	Discount on debenture	10000	5000
Provision for Debtors	10000	15000			
Current liability	70000	145000			
TOTAL -	790000	1080000	TOTAL -	790000	1080000

b) The following data of Six same Companies obtained from inter-firm comparison study

Company	Sales (₹)	Total Assets (₹)	Net Profit (₹)
A	10	8	0.07
B	20	10	2
C	08	6	0.8
D	05	2.5	0.5
E	12	4	1.5
F	17	8	1

Calculate the Asset turnover, Net profit margin and the Earning Power of each Companies also comment on the performance of the Companies.

UNIT - II

3. Answer any two questions of the following: 5 X 2

- Write in brief the need for Segment Reporting.
- Define Balanced Scorecard and what are the three areas it specifically balances?

- In the context of Social Accounting what do you mean by 'Social Cost'? State the benefits of Social Accounting in a corporate. 2+3
- What is IASB? State its objectives. 1+4

4. Answer any one questions of the following: 10 X 1

a) An Enterprise operates through eight segments. The relevant information about these segments given below –

	A	B	C	D	E	F	G	H	Total (segment)	Total (enterprise)
Segment Revenue :										
External	-	255	15	10	15	50	20	35	400	400
Inter segment	100	60	30	05	-	-	05	-	200	-
Total Revenue	100	315	45	15	15	50	25	35	600	400
Segment P/L	5	(90)	15	(5)	8	(5)	5	7	-	-
Segment assets	15	47	5	11	3	5	5	9	-	-

Identify the reportable segments as per the provision of Indian AS 108.

- (i) Define the term Economic Value Added and state the utility of its.
(ii) What is the difference between EVA and MVA? How MVA is calculated. 2+4+2+2

(Internal Assessment :10 marks)