

MC-206

May-2025

IMBA Sem.-2 (NEP) (Regular/Repeater)**IMBA in Finance (FM) / IMBA in HR and Public Administration(HRPA)/****IMBA in Business Management (BM)****Financial Statement Analysis (FSA)****DPPG-IMBA-DSC-M-123/DPPG-IMBAF-DSC-M-123/DPPG-IMBAH-DSC-M-123)****Time : 2:00 Hours]****[Max. Marks : 50**

1. Discuss the meaning of Financial Statement Analysis, also explain concept of GAAP in detail with chart. **10**

OR

1. Define : IFRS, also discuss the concept of convergence of IFRS and IND AS with its benefits. **10**
2. Analyse the financial position of CSK Ltd. based on the following ratio analysis. Compare the company's actual performance with the standard benchmark and provide your comments on its financial health. **10**

| Ratio | Actual Performance | Standard Performance |
|-------------------------|---------------------------|-----------------------------|
| Gross Profit Margin | 40% | >35% |
| Operating Profit Margin | 20% | >15% |
| Net Profit Margin | 10% | >10% |
| Current Ratio | 1.67 | 1.5-2.0 |
| Quick Ratio | 1.33 | >1.0 |

OR

2. (A) You are required to calculate the following for Kajal and Singh Enterprise, also state significance of the ratios : **10**
- (a) Liquid Ratio,
 (b) Fixed assets turnover,
 (c) Current Ratio,
 (d) Gross Profit Margin and
 (e) Net Profit Margin

The information available is as under :

Capital employed ₹ 8,00,000; Current assets ₹ 4,00,000; Current liabilities ₹ 70,000; Inventory ₹ 30,000 Net fixed assets ₹ 5,50,000; Sales ₹ 8,00,000; Direct Expenses ₹ 2,00,000; and Indirect Expense ₹ 1,50,000.

- (B) Discuss the concept of ratio analysis with the help of Classification of ratios in detail.

3. From the following Balance-Sheet prepare cash flow statement for the year 2012. **10**

| Liabilities | 1-4-2020 | 31-3-2021 | Assets | 1-4-2020 | 31-3-2021 |
|--------------------|-----------------|------------------|---------------|-----------------|------------------|
| Share Capital | 1,25,000 | 1,53,000 | Cash | 10,000 | 7,000 |
| Creditors | 40,000 | 44,000 | Debtors | 30,000 | 50,000 |
| Loan from Z | 25,000 | - | Stock | 40,000 | 25,000 |
| Loan from Bank | 40,000 | 50,000 | Machinery | 80,000 | 55,000 |
| | | | Land | 35,000 | 50,000 |
| | | | Building | 35,000 | 60,000 |
| | 2,30,000 | 2,47,000 | | 2,30,000 | 2,47,000 |

OR

3. Write down the proforma of cash flow statement as per AS 3, also explain the different methods of recording a transaction in cash flow statement in detail. **10**

4. Write a detailed note on: Window Dressing in Corporate Financial Reporting. **10**

OR

4. Discuss the concept of Corporate Financial Reporting, also explain the objectives of it in detail. **10**

5. Answer the following questions. (Any **10** out of **12**) **10**

- (1) Define : Classification of Cash Flows.
- (2) Explain the concept of Creative Accounting.
- (3) Explain the significance of Profitability Ratio.
- (4) Discuss the concept of Horizontal v/s Vertical Analysis.
- (5) Define : Fund Flow Statement.
- (6) Answer in brief : What is the purpose of ratio analysis ?
- (7) Explain the term : Deferred Tax Liability v/s Deferred Tax Asset.
- (8) Explain the term : Investing Activity.
- (9) Write and also Explain the formula of : Proprietary Ratio.
- (10) Discuss the concept of IND AS, also write four benefits of IND AS.
- (11) Explain Indirect Method of cash flow.
- (12) What is the meaning of Provision of tax and Proposed Dividend ?