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2205N622

Candidate's Seat No : _____

MBA in DM Sem.-2 Examination
DM-207

Financial Reporting & Statement Analysis
May-2025

Time : 2-30 Hours]

[Max. Marks : 70

Instructions:

- Question no 1 to 5 carry 14 marks each.
- Question no. 1 is compulsory.
- In question 5, each of the question is of 2 marks each.

Question 1

What is financial reporting? Discuss conceptual framework of reporting and Explain Qualitative characteristics of financial report.

Question 2

From the following information prepare trend statement considering 2012 as base year

Particulars	2012	2013	2014
Sales	12,00,000	14,00,000	16,00,000
Purchase	6,00,000	8,00,000	5,80,000
Expenses	20,000	40,000	2,20,000
Profit	5,80,000	5,60,000	8,00,000

Particulars	2010	2011	2012
Cash	40,00,000	45,00,000	60,00,000
Debtors	8,00,000	6,00,000	12,00,000
Stock	16,00,000	10,00,000	8,00,000
Other current assets	4,50,000	13,00,000	5,50,000
Total current assets	68,50,000	74,00,000	85,50,000
Fixed Assets			
Land	80,00,000	90,00,000	75,00,000
Building	20,00,000	22,00,000	20,00,000
Plant	40,00,000	18,00,000	17,00,000
Total fixed Assets	20850000	20400000	19750000

Question 3

- A. From the following information prepare a summarized balance sheet of XYZ Co Ltd, for the year ended on 31st December 2023. (7 Marks)

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a) Working capital	Rs 12,00,000	
b) Reserves and surplus	Rs 8,00,000	
c) Creditors	Rs 2,00,000	
d) Assets (Fixed) Proprietorship ratio	0.75	
e) Current ratio	2.5	
f) Liquid ratio	1.5	
B. Gross profit (20% of sales)	Rs 24,00,000	(7 Marks)
Shareholder equity	Rs 30,00,000	
Credit sales to total sales	80%	
Total assets turnover	3 times	
Inventory turnover (on the basis of cost of sales)	8 times	
Average collection period (360 days)	18 days	
Current ratio	1.6	
Long term Debt to equity ratio	40%	

Question 4-

From the following information, prepare common size statement

Particulars	Amount
Sales	15,50,000
Raw material	4,40,000
Direct wages	1,20,000
Factory expenses	1,80,000
Cost of goods sold	7,40,000
Gross Profit	8,10,000
Less: Administrative expenses	1,40,000
Selling expenses	70,000
Operating Profit	6,00,000
Less: Interest	50,000
Profit before tax	5,50,000
Tax	1,20,000
Profit after tax	4,30,000

Particular	Amount
Fixed Assets	
Land	60,00,000
Building	22,00,000
Machinery	36,00,000
Current Assets	
Inventory	
Raw Material	7,00,000
Work-in- Progress	4,00,000
Finished goods	12,00,000
Sundry Debtors	17,00,000
Cash and Bank	4,00,000
Total	1,62,00,000
Liabilities	
Equity share capital	60,00,000
Preference share capital	30,00,000
General Reserve	10,00,000
Debentures	20,00,000

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Current Liabilities	
Sundry Creditors	10,00,000
Outstanding expenses	10,00,000
Bills payables	22,00,000
Total	1,62,00,000

Question 5-Write the short note on following (Any Four)

1. AS- 9 Revenue Recognition
2. Audit Committee
3. Corporate governance report
4. AS -2 Valuation of Inventories
5. AS- 10 Property, Plant and Equipment
6. Methods of Cash flow statement

.....**End of Paper**.....