



CB – 453

VI Semester B.B.A. (Aviation Management)
Examination, August/September 2023
(CBCS) (Fresh) (2022 – 23 and Onwards)
Paper – 6.6 : FINANCIAL ANALYSIS AND REPORTING

Time : 3 Hours

Max. Marks : 70

Instruction : Answer should be written in **English** only.

SECTION – A

1. Answer **any five** sub-questions. **Each** sub-question carries **2** marks. **(5×2=10)**
- What do you mean by Non-controlling interest ?
 - Write any four operating cash flows.
 - Define the term ratio analysis.
 - What is working capital ?
 - Mention any four sources of fund.
 - What is meant by consolidate financial statement ?
 - Which are elements of cash equivalents ?

SECTION – B

Answer **any three** questions. **Each** question carries **6** marks. **(3×6=18)**

2. Briefly explain objectives of financial analysis.

3. Given :

Gross profit – ₹4,80,000, Net profit – ₹ 2,88,000

Gross sales – ₹ 24,72,000, Sales return – ₹ 72,000

Opening stock – ₹ 5,40,000 and Closing stock – ₹ 4,20,000

Compute :

- i) Gross Profit Ratio ii) Net Profit Ratio iii) Stock Turnover Ratio.

4. Prepare schedule of changes in working capital from the following :

Particulars	2022 (₹)	2023 (₹)
Sundry creditors	1,60,000	2,00,000
Tax payable	1,00,000	1,60,000
O/s expenses	40,000	56,000
Bills payable	20,000	16,000
Sundry debtors	1,40,000	2,50,000
Stock	54,000	66,000
Bills receivable	10,000	8,000
Work-in-progress	6,000	10,000

Calculate cash flow from operating activity.

P.T.O.



5. Harsha Ltd. acquired 70% of 8,00,000 shares of ₹ 10 each in Sandeep Ltd. on 1st Jan. 2023. The consideration was ₹ 8 per share. The fair value of NCI on acquisition date was ₹ 6,00,000. Sandeep Ltd. had retained earnings of ₹ 21,50,000 on the date of acquisition.

Calculate Bargain Purchase in the books of acquire as per Ind AS - 103.

6. Zayan Ltd. had profit of ₹ 10,80,000 for the year ended 31-3-2023. From the following balances, calculate “cash from operation”.

Particulars	31-3-2022	31-3-2023
Stock	4,20,000	5,10,000
Bank	3,90,000	3,00,000
Debtors	3,30,000	2,70,000
Creditors	2,70,000	3,00,000
O/s rent	30,000	15,000
Bills payable	2,40,000	2,10,000
Bills receivable	2,70,000	3,30,000

SECTION – C

Answer **any three** questions. **Each** question carries **14** marks.

(3×14=42)

7. What is Financial Analysis ? Explain in detail the advantages and disadvantages of Financial Analysis.
8. From the following Balance Sheet of Zayan Ltd. as at 31-3-2022 and 31-3-2023.

Liabilities	2022 (₹)	2023 (₹)	Assets	2022 (₹)	2023 (₹)
Share capital	2,25,000	2,25,000	Fixed assets	2,40,000	2,10,000
General reserve	1,50,000	1,55,000	Investments	25,000	30,000
P and L A/c	28,000	34,000	Stock	1,20,000	1,05,000
Creditors	84,000	67,000	Debtors	1,05,000	2,27,500
Provision for taxation	37,500	5,000	Cash at Bank	74,500	98,500
Proposed dividend	40,000	50,000			
Mortgage loan	–	1,35,000			
	5,64,500	6,71,000		5,64,500	6,71,000



Additional Information :

- a) Dividend paid during the year 2023 was ₹ 20,000.
 - b) During 2023 a part of fixed asset costing ₹ 5,000 was sold for ₹ 6,000.
 - c) Provision for taxation made during the year 2023 was ₹ 45,000.
 - d) Investment costing ₹ 4,000 were sold during the year 2023 for ₹ 4,250.
- Prepare cash flow statement under Indirect Method.

9. Following is the extracted information from the financial statement of Label Company Ltd. as at 31st March 2023.

Particulars	₹
Equity share capital (shares of ₹ 10 each	32,00,000
8% preference share capital	10,00,000
Reserves and surplus	6,00,000
9% secured debentures	12,00,000
Trade payables	10,00,000
Short term provisions	6,00,000
Inventories	16,00,000
Trade receivables	4,50,000
Cash and cash equivalents	3,50,000
Fixed assets	52,00,000
Profit before interest and tax for the year	18,00,000
Tax paid	1,72,000

Calculate :

- a) Current Ratio
- b) Liquid Ratio
- c) Return on capital employed
- d) Long term Debt Equity ratio
- e) Earning Per Share (EPS) and
- f) Shareholders funds to total assets ratio.



10. From the following Balance Sheet of ABC Ltd. as at 31st March 2022 and 31st March 2023, prepare cash flow statement under Indirect Method.

Balance Sheet as on					
Liabilities	31-3-2022	31-3-2023	Assets	31-3-2022	31-3-2023
	(₹)	(₹)		(₹)	(₹)
Equity share capital	3,00,000	3,50,000	L and B	2,30,000	3,90,000
Share premium	—	30,000	P and M	85,400	1,40,000
General reserve	45,000	65,000	Furniture	5,500	6,500
P and L A/c	30,000	80,800	Stock	82,400	95,700
6% debentures	—	70,000	Debtors	75,000	85,500
Creditors	85,000	90,700	Bank	34,200	44,300
Provision for taxation	22,500	40,500			
Proposed dividend	30,000	35,000			
	5,12,500	7,62,000		5,12,500	7,62,000

Additional Information :

- Depreciation written off during the year : L and B ₹ 60,000, P and M ₹ 50,000 and furniture ₹ 1,200.
- Ignore interest on debenture.
- Tax paid during the year ₹ 20,000.
- Dividend ₹ 30,000 was paid during the year.

11. a) Calculate non-controlling interest from the following :

Geetha Ltd. acquired 75% of equity shares in Seetha Ltd. on 1-07-2022. The following balances are extracted from the financial position of Seetha Ltd. as on 31-3-2023.

- Share capital (20,000 shares of ₹ 10 each)
- Balances as on 1-4-2022 :
General reserve ₹ 70,000
Profit and Loss A/c ₹ 55,000
- Net profit for the year ending 31-3-2023 ₹ 45,000.

- b) H Ltd. acquired 75% of the 5,00,000 shares of ₹ 10 each of S Ltd. on 1st Jan. 2022. The consideration was ₹ 3 per share. The fair value of NCI was ₹ 3,75,000. S Ltd. had retained earnings of ₹ 6,00,000 on the date of acquisition.

Calculate Goodwill of H Ltd.