



Chapter 2 – Ratio Analysis

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Q.1



Particulars	Amount (Rs)
Sales	5,00,000
COGS	2,00,000
Admin Expenses	40,000
S&D Expenses	50,000
15% Debentures	60,000
Profit on Sale of Investments	30,000
Provision For Tax	30%
No. of Equity Shares	20,000

Find out the following ratios:

- 1) GP Ratio
- 2) Operating Profit Ratio
- 3) Operating Ratio
- 4) EPS
- 5) Net Profit Ratio

Q.2

Particulars	Amount (Rs)
Equity Share Capital	20,00,000
Term Loan	50,00,000
12% Debentures	10,00,000
R&S	20,00,000
Current Liabilities	4,00,000
Current Assets	6,00,000
Fixed Assets	70,00,000
Long Term Investments	28,00,000

Find out the following ratios:

- 1) Debt Equity Ratio
- 2) Proprietary Ratio
- 3) Current Ratio

Q.3

Using the data given in Q.1 & Q.2 calculate the following Ratios

- 1) Asset T/o
- 2) Fixed Asset T/o
- 3) ROCE
- 4) ROE
- 5) ROSF

Q.4



Equity Share Capital (Rs.10 each) Rs.4,00,000,
12% Preference Share Capital Rs.4,00,000,
Net profit after tax Rs.2,70,000; equity
dividend paid, 20%; Market price of equity
shares, Rs 40. You are required to compute
the following, showing the necessary
workings:

- 1) Dividend yield on the equity shares
- 2) Earnings per share
- 3) Price earnings ratio.

1. Euro Drops to Dollar Parity for First Time in Two Decades
2. HDFC Bank Net Up 19% to Rs.9,196 Cr
3. RBI, Centre look to Ensure Gradual Rupee Depreciation
4. Infosys to buy Denmark firm BASE Life for Rs.110 mn
5. Q1 GDP growth seen at 14-15% on services revival

ET Review: July 18, 2022



1. Cos with Overseas Liabilities Rush to Cover Currency Risk
2. Russian Steel Imports worry Indian Players
3. Blinkit is Integrating with Zomato's Hyperpure as Deal Draws to a Close
4. Foxconn Planning India Skill Centre to Propel EV Plans
5. Rupee Depreciation Impact

Positive: IT, Pharma, Garments, Tea, Steel, Auto

Negative: Oil & Gas, Renewable, FMCG, Cons. Elect, Aviation, Telecom, Cement