

Roll No.....

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BBA/M-18
ANALYSIS OF FINANCIAL STATEMENTS
Paper: BBA-109

Time: Three Hours

Maximum Marks: 80

Note: Q. No. 1 is compulsory. Attempt five questions in all. All questions carry equal marks.

1. Write notes on the following :
 - (i) Financial Statements
 - (ii) Debentures
 - (iii) Capital Employed
 - (iv) Stock Turnover Ratio
 - (v) Long term Solvency
 - (vi) Financial Analysis
2. What do you understand by analysis of Financial Statements? Explain the objects and significance of Financial Analysis.
3. What are the objectives of Ratio Analysis? Explain its significance.
4. What is Funds Flow Statement? How does it differ from Balance-Sheet? Explain the significance of funds flow statement to Financial Management.
5. Explain the procedure of preparing "Cash Flow Statement" as per Accounting Standards (AS)-3 Revised. Show with example.
6. Explain the following :
 - (i) Profitability Ratios based on Investments
 - (ii) Funds from operations.
7. Explain the following :
 - (i) Capital Gearing Ratio
 - (ii) Current Ratio.
8. Using the Information, complete the Balance-Sheet given below :

Gross Profit (20% of Sales)	Rs. 60,000
Equity Share Capital	Rs. 50,000
Credit Sales to Total Sales	80%
Total Sales/Total Assets	3 Times
Inventory turnover Ratio	8 Times
Average Collection Period (360 days/year)	18 Days
Current Ratio	1.6
Long term Debt Equity Ratio	40%

Balance Sheet (as on)

Liabilities	Rs.	Assets	Rs.
Creditors	---	Cash	---
Long Term Debt	---	Debtors	---
Equity Share Capital	50,000	Stock	---
		Fixed Assets	---