1813124 ATUT SYBMS (AMDCOD) DURATION: - 21/2 hrs 536061123 **MARKS:- 75** Note: -(1) All questions are compulsory. (2) All questions carry equal marks. Q.1 (A) Choose the correct alternatives from following .(Any 8) CO1,2,3,4(U) (08) Internal analysis of financial statements is done by a) Potential investors b) the owers or managers of the concern c) Government d) creditors. 2. Capital employed is equal to a)Fixed Assests + Investment +Current Assets b)Fixed Assets +Investments +Working Capital c) Own Funds +Loan Funds + Current Liabilities. d)Fixed Assets +Current Liabilities 3. Proprietory Ratio Comes under the ratio a) Balance Sheet b) Revenue Statement c) Composite d)All of the above. 4. Debty Equity ratio comes under the ratio. a) Balance sheet b) Revenue statement c) Composite d)All of the above. 5 The principal revenue producing activity of the enterprises is a) investing activity b) operating activity c) financial activity d) Non- operating activity 6. The acquisition and the disposal of long term assets and investments is a) investing activity)operating activity c)financing activity d)non-operating activity. 7. is not an element of credit policy. a) Credit terms b) collection policy c) cash discount terms d) sales price. 8. If cash discount is offered to customer then would increase. a) Sales b) Debtors c) Debt collection period d) Purchase return. 9. Receivable management deals with a) Receipt of raw materials b) Debtors Collection c) Creditors management d) Inventory management. 10, is not a technique of receiver's Management. a) Fund flow Analysis b) Ageing schedule c) Days sales outstanding d) Collection matrix. Q.1 (B) State whether following statements are True or False (Any 7) CO1,2,3,4(U) (7) Ageing schedule of receivable is one way or monitoring the receivables. 1 Liberalizing the discount rate means increasing the discount rate for the same 2. period. Working capital requirement is high when the supply from material is irregular. 3 If the debtors take longer to pay the operating cycle too becomes longer. Increase in outstanding expenses is added to net profit to arrive at cash from 4. 5. operations. 6. The formula of current ratio is Current Assets Current Liabilities 7. High Proprietory Ratio indicates high cost of goods sold. The formula of guick ratio 8. quick asset

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9. Common-size statements are used for a both horizontal and vertical analysis. 10

Owed Funds is an internal source of finance.

(A) Following is the summary balance sheet of star Product Limited.

AS on 31-03-17	Assets	As on 31-03-17
5,00,000 3,00,000 25,000 7,50,000 7,40,000 2,30,000 3,95,000 3,30,000	Fixed Assets Investment Stock Sundry Debtors Prepaid Expenses Advance Income Tax Cash and Bank Balances Share Issue Expenses Preliminary Expenses	13,00,000 4,00,000 8,50,000 5,00,000 40,000 78,000 62,000 10,000 30,000
	5,00,000 3,00,000 25,000 7,50,000 7,40,000 2,30,000 3,95,000	5,00,000Fixed Assets3,00,000Investment25,000Stock7,50,000Sundry Debtors7,40,000Prepaid Expenses2,30,000Advance Income Tax3,95,000Cash and Bank Balances3,30,000Share Issue ExpensesPreliminary Expenses

(01,C02(A

CO1,2(AP)

(15)

(15)

You are required to compute the following ratios: 1) Current Ratio (2) Liquid Ratio (3) Proprietory Ratio (4) Stock-Working Capital Ratio. OR

Q 2) B) Following is the Profits & Loss Account summary of Well –balanced Limited for the year ended 31st March, 2017. You are required to prepare Vertical Income statement for purpose on analysis. CO2(AP) (15M CO2(AP) (15M)

Particulars	Rs	Particulars	Rs
To Opening stock-Raw	7,00,000	By Sales	
Materials		Cash 5,20,000	
To Purchase	9,00,000	Credit 15,00,000	
To Wages	1,50,000	20,20,000	(I)
To factory Expenses	3,50,000	Less:Returns &	
To Office Salaries	25,000	Allowances 20,000	20,00,000
To Office Rent	39,000		
To Postage & Telegram	5,000	By Closing Stock – Raw Materials	6,00,000
To Directors Fees	6,000	By Dividend on Investment	10,000
To Salesman Salaries	12,000	By Profit on Sale of Furniture	20,000
To Advertising	18,000		1-0,000
To Delivery Expenses	20,000		
To Debenture Interest	20,000	the second se	
To Depreciation			
On Office Furniture	10,000		
On Plant	30,000.	-	
On Delivery Van	20,000	- C	
To Loss on Sale of van	5,000	-	
To Income Tax	1,75,000		
To Net Profit	1,45,000	ALC: N A	
	26,30,000		26,30,000

Q3

A)

Q.2

following is the revenue statement of prodent Enterprises during profit and loss account for the year end 31st March 2017 Trading ,Profit and Loss Account for the year ended 31st March,2017

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Particulars	Rs	Particulars	Rs
To Opening stock To Purchase	27,150	By Sales By Closing Stock	2,55,000
To Carriage Inward To Office Expenses To Sales Expenses	4,275 45,000 13.500	By Interest Received on Investment	2,700
To Loss on Sale of Fixed Assets To Net Profit o/d	1,200 45,000		
	2,99,700	1	2,99,700

Calculate the following ratio :

e) Net Profit Before Tax Ratio.

e.

a)Gross profit Ratio c)Stock Turnover Ratio

b) Operating ratio d) Office Expenses Ratio

Q 3 B) M/s. Anurag Ltd carring of business, furnished their position as on 31st March CO1,2-A/P (15) 2015,2016 and 2017.

Balance Sheet as at 31st March.				
Particulars	2015 (Rs)	2016(Rs)	2017(Rs)	
Assets				
Fixed Assests	30,000	25,500	43,800	
Investment	13,000	13,000	18,400	
Current Assets	27,000	33,200	18,900	
Liabilities	70,000	71,700	81,100	
Share Capital	33,000	31,350	41,000	
Debentures	27,000	28,350	9,500	
Liabilities for expenses	10,000	12,000	30,600	
	70,000	71,700	81,100	

Q.4 A) Prepare Trend Balance sheet in vertical form.

From the following data provided by M/s Alpha Ltd. estimate working capital requirements for the year ended 31st March, 2017. a)Estimated activity/ operations for the year 2,60,000 units (52 weeks). CO1,2-A/P (15)

b) Raw materials remains in a stock for 2 weeks and production cycle takes 2
c) Finished Goods remaining in a stock for 2 weeks.
d) 2 weeks credit is allowed by suppliers.

e) 4 weeks credit is allowed to Debtors.

f) Time lag in payment of wages and overheads is 2 weeks each. g) cash and bank balance to be maintained rs. 25000.

h) Selling price per unit is rs 15.

i) Analysis of cost for unit as follow:
(1) Raw material 1/3rd of Sales (2) Labour 20% of sales

(2) Overheads rs 2 per unit. (4) Profit is at rs 5 per unit.

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Assume that operations are evenly spread throughout the year, wages and overheads accure similarly. Manufacturing process required feeding of material fully at the beginning. Degree of work-in- progress is 50%. Debtors are to be estimated at selling price.

OR

2

Q.4 B)

CO1,2-A/P (15M)

Liabilities	2016	2017	1 st March,2016 and 2 Assets	2017	
Equity share capital	3,00,000	5,00,000	Goodwill	1,10,000	90,000
General Reserve		60,000	Land & Building	1,60,000	1,80,000
Profit & loss A/c.	240	98,000	Plant & machinery	80,000	2,00,000
Debentures	2,00,000		stock	84,000	1,06,000
Sundry Creditors	1,14,000	92,000	Debtors	1,80,000	1,56,000
Bills Payable	60,000	12,000	Advance income tax	-	40,000
Provision for income tax	-	50,000	Bills Receivable	16,000	24,000
			Prepaid Expenses	12,000	8,000
		1. No. 11	Cash in Hand	20,000	8,000
			Profit & loss A/c.	12,000	2

Additional Information :

(1) During the year ended 31st March 2017 Depreciation of Rs 16,000 and Rs 20,000 have been charged on Land and Building and Plant and Machiery respectively.
(2) An interim Dividend of rupees 15,000 was paid during the year ended on 31st-03-2017.
(3) During the year machinery having book-value of Rs 16,000 was sold for Rs 14,000. Prepare a cash flow statement by indirect method for the year ended 31st March,2017 as per AS-3.
(5) A) Q 5 A) Distinguish between Gross working capital and Net working rapital

Q.5)

Q.3)	B)	U.5 A) Distinguish between Gross working capital and Net working capital. Explain in a brief non-operating Income.	(CO1,2-U) (CO1,2-U)	08 7M
C		OR	(001,2-0)	7111
C)		Short notes (any 3)	(CO1,2-U)	15M
		Classification of assets. Types of working capital with its components Importance of cash flow analysis Different forms of accounting ratio Cash flow from investing activities	(CO1,2-U) (CO1,2-U) (CO1,2-U) (CO1,2-U) (CO1,2-U)	

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