

2023-24

Time - 3 hours

Full Marks - 80

Answer all groups as per instructions.

Figures in the right hand margin indicate marks.

*Candidates are required to answer
in their own words as far as practicable.*

GROUP - A

1. Fill in the blanks. (all) [1 × 12]
- (a) Financial statements are the means of communicating accounting _____.
- (b) Financial statements are prepared on the basis of _____ costs.
- (c) The term financial analysis includes both analysis and _____.
- (d) Horizontal analysis is also known as _____.
- (e) Liquid ratio is also known as _____ ratio.
- (f) Rule of thumb for a current ratio is _____.

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- (g) Gross capital employed is equal to total _____.
- (h) One of the simplest means of analyzing the data is _____ technique.
- (i) Decrease in creditors is _____ of cash.
- (j) Income from investments is a cash flow from _____ activities.
- (k) CSR stands for _____.
- (l) Environment report is a _____ report.

GROUP - B

2. Answer any eight of the following within two or three sentences each. [2 × 8]

- (a) What are financial statements ?
- (b) State any two limitations of financial statements.
- (c) What is a common size statement ?
- (d) What are the various types of financial analysis ?
- (e) State any two liquidity ratios.
- (f) How is current ratio calculated ?

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- (g) What is multivariate analysis ?
- (h) What is meant by the term 'cash flow' ?
- (i) Give two examples of cash equivalent.
- (j) What is corporate reporting ?

GROUP - C

3. Answer any eight of the following within 75 words each. [3 × 8]

- (a) What is Owner's equity ?
- (b) What is meant by net worth ?
- (c) What is trend analysis ?
- (d) Explain any two advantages of Comparative Balance Sheet.
- (e) What is debt equity ratio ?
- (f) How Stock Turnover Ratio is calculated ?
- (g) List out four advantages of ratio analysis.
- (h) What are the sources of cash inflow ?
- (i) Give three examples of Financing Activities.
- (j) Name at least three statutory reports.

[4]

GROUP - D

4. Answer any four of the following within 500 words each. [7 × 4]

- (a) Describe various characteristics of Ideal Financial Statements.
- (b) What are the different methods used for the analysis and interpretation of financial statements.
- (c) What do you understand by sustainability reporting? What is its purpose?
- (d) From the following data, prepare a comparative statement of profit and loss :

<u>Particulars</u>	<u>31.03.2020</u>	<u>31.03.2021</u>
Revenue from operations	₹ 15,00,000	₹ 20,00,000
Cost of material consumed (% of Revenue from operations)	70%	60%
Employee Benefit Express	₹ 1,00,000	₹ 2,50,000
Income Tax Rate	40%	40%

- (e) Discuss the practical applications of univariate techniques in financial statement analysis.

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- (f) The current ratio of a company is 2 : 1. Which of the following transactions would increase or decrease or do not affect the ratio with reason :
- (i) To pay a current liability.
- (ii) Purchase of machinery for cash.
- (iii) Payment to Sr. Creditors by cheques
- (iv) Purchase of stock for cash.
- (v) Issue of shares for cash.
- (g) Calculate cash flow from Investing Activities.

<u>Particulars</u>	<u>31.03.2021</u>	<u>31.03.2020</u>
	(₹)	(₹)
Fixed Assets	10,50,000	7,80,000
Investments (Non-current)	4,00,000	2,20,000

Additional Informations :

- (i) Depreciation charged on fixed assets during the year ₹ 78,000
- (ii) Interest received on investments ₹ 30,000.
- (iii) Dividend received from other company ₹ 20,000.
- (iv) 40% of investments held in the beginning of the year were sold at a profit of 20%.