

Register No.: Name.:

SAINTGITS COLLEGE OF ENGINEERING (AUTONOMOUS)

(AFFILIATED TO APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY, THIRUVANANTHAPURAM)

THIRD SEMESTER MBA DEGREE EXAMINATION (R), DECEMBER 2023**(2021 Scheme)****Course Code : 21MBA261****Course Name: Financial Statement Analysis****Max. Marks : 60****Duration: 3 Hours****PART A****(Answer all questions. Each question carries 2 marks)**

1. What is inter firm analysis?
2. Illustrate relative valuation.
3. Explain Cash Realization Ratio.
4. Write a note on percentage of sales method of forecasting.
5. What is DuPont analysis?

PART B**(Answer any 3 questions. Each question carries 10 marks)**

6. a. Identify the role of valuation. (4 marks)
b. Explain the various steps involved in discounted cash flow technique of valuation. (6 marks)
7. Construct a Balance Sheet from the following information:
Sales for the year Rs.12,00,000
Gross profit margin 25%
Inventory Turnover Ratio 9 times
Debt Collection period 1.5 months
Cash and Bank Balance Rs.1,00,000
Current Ratio 1.75
Quick Ratio 1.25
Fixed Assets Turnover ratio 1.6
Fixed Assets to Total Equity 1.25
Reserves & Surplus to Capital (Paid up) 0.2
Long term debt to Equity 0.5

Balance Sheet			
Liabilities	Amount	Assets	Amount
Capital (Paid up)		Fixed Assets	
Reserves & Surplus		Inventory	
Long Term Debt		Receivables	
Current Liabilities		Cash	100000

8. a. Prepare a comparative statement from the following information. (7 marks)
 b. Analyse the profitability of the firm (3 marks)

Particulars	2022	2023
Sales	13,544	16,204
Cost of Goods Sold	2,094	2,850
Gross Profit	11,450	13,354
Selling, general and administrative expenses	5,568	6,552
Interest expense	143	236
Tax	1,727	2,127
PAT	4,012	4,439

9. Summarise the following types of forecasting techniques with the help of examples:
 Forecasting from Book Values, Forecasting from Earning and Book Values, Forecasting from Accounting Rate of Returns
10. Discuss the following with formula and interpretation:
- Inventory turnover ratio
 - Receivable turnover ratio
 - Payables turnover ratio
 - Asset turnover ratio
 - Cash conversion cycle

PART C

(Compulsory question, the question carries 20 marks)

11. Nrithiyaa, a finance trainee at CT Ltd. has been provided with the following information.

Liabilities	2022 (Rs)	2023 (Rs)	Assets	2022 (Rs)	2023 (Rs)
Share Capital	4,50,000	4,50,000	Plant	4,00,000	3,20,000
General Reserve	3,00,000	3,10,000	Investments	50,000	60,000
P&L	56,000	68,000	Inventory	2,40,000	2,10,000
Creditors	1,68,000	1,34,000	Debtors	2,10,000	4,55,000
Provision for Tax	75,000	10,000	Cash	1,49,000	1,97,000
Mortgage Loan	0	270000			
	10,49,000	12,42,000		10,49,000	12,42,000

Additional information:

- Investments worth 8,000 was sold for 8,500
- Provision for tax for the year is Rs. 9,000
- Plant costing Rs.10,000 was sold for Rs. 12,000
- Dividend paid Rs. 44,080

You are required to help Nrithiyaa in preparing the Cash Flow Statement of CT Ltd. for the year 2023
