

Reg No.: \_\_\_\_\_

Name: \_\_\_\_\_

**APJ ABDUL KALAM TECHNOLOGICAL UNIVERSITY**

Fourth Semester MBA Degree (R,S) Examination June 2024

**Course Code: 20MBA232****Course Name: Financial Information Analysis**

Max. Marks: 60

Duration: 3 Hours

**PART A***Answer all questions. Each question carries 2 marks*

Marks

- 1 Mention any 2 uses of fund flow statement (2)
- 2 List out any 4 principal ratios which you consider significant to test the long term solvency analysis. (2)
- 3 What does the stock turnover ratio indicate? (2)
- 4 State the significance of forecasting from sales (2)
- 5 Write a short note on trading comparable analysis (2)

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

- 6 From the Balance sheets of Talent Ltd, prepare a statement showing changes in the working capital. (10)

LIABILITIES	AS ON 31.03.2021	AS ON 31.03.2022	ASSETS	AS ON 31.03.2021	AS ON 31.03.2022
Equity share capital	1,250,000	1,350,000	Goodwill	800,000	500,000
Preference capital	480,000	140,000	Machinery	1,200,000	1,150,000
Profit and Loss A/c	60,000	75,000	Bills receivables	250,000	122,500
Bank loan -long term	300,000	100,000	Prepaid exp:	50,000	63,000
Accounts payable	300,000	140,000	Stock	60,000	35,000
Bank Over draft	74,000	110,000	Investments	100,000	52,000
Proposed dividend	40,000	25,000	Cash	50,000	52,500
Provision for taxation	6,000	35,000			
	2,510,000	1,975,000		2,510,000	1,975,000

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Year	Sales	Stock	Profit Before Tax
2017 - 2018	1,80,000	70,000	32,000
2018 - 2019	2,30,000	78,100	43,500
2019 - 2020	2,65,000	81,500	45,700
2020 - 2021	3,02,000	94,400	52,700
2021 - 2022	3,76,000	1,15,000	67,300

Calculate the trend ratios from the above figures of MPM Ltd taking 2017-2018 as base year and comment thereon.

- 8 From the following details of Q Developers calculate cash from operations (10)

Particulars	2020-21	2021-22
Debtors	1,00,000	94,000
Bills receivable	20,000	25,000
Creditors	40,000	50,000
Bills Payable	16000	12000
Outstanding expenses	2000	2400
Prepaid expenses	1600	1400
Accrued Income	1200	1500
Income received in advance	600	500
Profit made during the year	-	26000

- 9 Elucidate forecasting balance sheet in detail with supportive example (10)
- 10 Write short notes on (10)
- Price earnings ratio
  - Dividend earning yield ratio
  - Discounted cash flow model
  - SOTP

**PART C**

*Compulsory question. This question carries 20 marks*

- 11 A) Prepare Balance sheet from the following data (14)
- Gross profit ratio - 20%
  - Gross profit - 1,08,000
  - Stock turnover ratio - 4 times
  - Credit sales to total sales - 80%
  - Debt collection period - 20 days ( 360 days a year)
  - Total assets turnover - .3 times
  - Long term debt to equity - 40%
  - Share holder's equity - 12, 00,000.
  - Current ratio - 1.8:1

- B) Explain residual income model in valuation and market based valuation (6)

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