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SEAT No. :

P2206

[Total No. of Pages : 3

[5805]-201
First Year M.Com.
201 : FINANCIAL ANALYSIS & CONTROL
(2019 Credit Pattern) (Semester - II)

Time : 3 Hours]

[Max. Marks : 60

Instructions to the candidates:

- 1) *All questions are compulsory.*
- 2) *Figures to right indicate full marks.*
- 3) *Use simple calculator is allowed.*

Q1) What is Financial Analysis and Control? State its Importance and Limitations. **[15]**

OR

Following are given Balance Sheet as on 31st December 2019 and 31st December 2020 of Mumbai Still Co. Ltd. You are required to Prepare a Common - Size Balance Sheet and Interpret the results.

Balance Sheets

Liabilities	2019 Rs.	2020 Rs.	Assets	2019 Rs.	2020 Rs.
Equity Share Capital	3,20,000	4,80,000	Fixed Assets:		
Capital Reserve	80,000	1,28,000	Land & Building	2,64,000	6,52,800
Revenue Reserve	1,77,600	1,67,200	Furniture & Fixtures	7,200	14,400
6% Debentures	1,60,000	2,60,000	Plant & Machinery	44,800	59,200
Current Liabilities :			Investments	2,16,000	1,36,000
Sundry Creditors	2,04,000	93,600	Current Assets:		
Bills Payable	5,600	8,000	Stock in Trade	1,28,000	1,04,000
			Debtors	1,67,200	1,52,000
			Bills Receivables	25,600	10,400
			CashBank	94,400	8,000
	9,47,200	11,36,800		9,47,200	11,36,800

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Q2) Critically examine the various tools available to the Financial Analyst. [15]

OR

Form the following Balance Sheet of Kalis Co. Ltd. for the year 2019 and 2020.

Prepare a Cash Flow Statement :

Liabilities	2019 Rs.	2020 Rs.	Assets	2019 Rs.	2020 Rs.
Equity Share of Rs. 100 each	4,50,000	6,00,000	Plant & Machinery	6,00,000	7,25,000
			Less-Accumulated Depreciation	(-) 1,20,000	(-) 1,45,000
				4,80,000	5,80,000
Share Premium	-----	15,000	Land	1,83,000	1,98,000
Profit & Loss Appropriation A/C	60,000	60,000	Loan to Subsidiary Co.	25,000	-----
Profit for the year	-----	50,000	Shares in Subsidiary Co.	30,000	40,000
8% Debentures	2,50,000	2,00,000	Inventory	1,60,000	1,48,000
Profit on Redemption of Debentures	-----	1,000	Sundry Debtors	1,20,000	1,62,000
Sundry Creditors	2,20,000	1,90,000	Bank Balance	67,000	98,000
Provision for Taxation	40,000	50,000			
Proposed Dividend	45,000	60,000			
	10,65,000	12,26,000		10,65,000	12,26,000

Additional Information:

- During the year plant Costing Rs. 40,000 was sold for Rs. 15,000.
- Accumulated Depreciation on Plant was Rs. 20,000
- Loss on Sale of Plant Was charged to Profit & Loss Account.
- Tax paid during the year was Rs. 55,000

Q3) What Cash flow Statement? What are the Advantages and Limitations of Cash Flow Statements? [15]

OR

From the following details you are required to prepare Trading and Profit & Loss Account

Cost of goods Sold	Rs. 16,00,000
Gross Profit Ratio	20%
Administrative Expenses Ratio	7%
Selling & Distribution Expenses Ratio	5%
Non-Operating Income to Sales	8%

Financial Expenses are equal to selling and distribution expenses.

Q4) Write short notes (Any Three out of Five) [15]

- a) Ratio Analysis.
- b) Comparative Balance Sheet.
- c) Fund Flow Statement.
- d) Working Capital.
- e) Sources of Cash.

