Marks: 60

Q.1 Following information of Rajendra Ltd. for the year ended 31st March, 2010 and 31st March, 2011 year. You are required to comment with the help of comparative statement after rearranging in vertical form suitable for analysis. [15]

Particulars	2010 ₹	2011 ₹
Sales ven to others is a financing activity	15,20,000	22,80,000
Return inward	20,000	30,000
Opening stock Raw Material	7,600	oT 67,600
Purchase of Raw Material	3,90,000	5,85,000
Working in-progress -opening	10,000	10,000
Work-in-progress closing	10,000	15,000
Closing stock - Raw Material	7,600	11,400
Power rawle equivalent rawoq	50,400 mg	75,600
Depreciation on Machinery	70,000	1,05,000
Repair factory Building	40,000	60,000
Direct labour	2,50,500	3,75,750
Selling and Distribution expenses	1,05,400	1,58,100
Finance Expenses Throw boxil (b	tiqs 20,000 dans	70,000
Administrative Expenses	73,500	73,500

OR

Q.1 Moon Ltd Provides you following Balance sheets. Rearrange them in vertical form and prepare common size statements and offer your comments.

[15]

Liabilities	31.3.2010	31.3.2011	Assets of laupe	31.3.2010	31.3.2011
14% Preference	cuatics and	d expenses)	Goodwill	42,500	32,500
share capital	1,05,000	1,50,000	Plant	1,20,000	2,29,000
Equity Share cap.	1,28,000	1,28,000	Factory Bldg	85,000	80,700
Dividend Equalis-	24,000	35,000	Trade Invt	60,000	80,200
ation Reserve		id expense	Short Term	75,800	47,700
Capital Reserve	48,000	48,000	invt		an first
10% Debenture	80,000	1,80,000	Debtors	52,000	95,600
Creditors	60,500	75,000	Stock	27,500	68,300
Bills Payable	20,500	27,500	Cash / Bank	26,200	45,000
Tax provision	23,000	35,500		days	(o
8. Purchase c	4,89,000	6,79,000		4,89,000	6,79,000

A) I	7i11	in	the	blanks	
------	------	----	-----	--------	--

				[8]
A) Fill in the blanks.			All questions are	[O]
1. In common size analysis the items is	n the income	statement	are expressed	2.7
as percentage of				
a) Total assets 18 behne usey edit	b) Net sales	ation of R	Following inform	1.0
c) Gross Sales w memmo of berin	d) Total exp	penses	and 31st March,	
in vertical form suitable for analysis. 1	r rearranging	ement afte	comparative stat	
2. The proprietary ratio shows in the r	elation between	en propriet	cors funds	
1108 20108 3011			Particulars	
and	b) Total fix	red assets	Sales	
OO (c) Total tangible assets	d) Total as		Return inwar Opening stoc	
000, C) Total taligible assets			Purchase of	
3) Marketable securities will be classi				
		Service and the service of the servi		
OOA a) Operating activities		SM WSM - 1	toors aureord	
Odd c) Financing activities	d) Cash or	r Cash equ	ivalents	
70,000 1,05,000			Depreciation	
4) refers to idle funds wh	nich earns no	return.	Repair tactor	9
a) shortage of working capital	b) excess	working ca	apital Selling and	
000.0 c) variable working capital			ital sansais	
73,500 73,500	as	уе Ехрепа	Administrati	
5) Capital employed in equal to				
a) Fixed assets + current assets		orth + Long	-term Liabilities	
s sneets, recentainge them in vertical	d) Total a	es you follo	Moon Ltd Provid	1.0
c) Shareholders funds			form and prepar	
		e gage access and provide a construction of		
6) Quick Liabilities is equal to		31,3,2010	satilities.1	
a) Current assets - (stock - prepa	id expenses)		14% Preference	
b) Current assets - (stock + prepa	aid expenses)	1,05,000	Share capital Equity Share cap	
c) Current assets + (stock - prepare	aid expenses)	1,28,000	Dividend Equalis-	
	1 martine	The state of 1 miles	The second secon	

6) Quick Liabilities is equal to	ataasa	34.3.301.	31,3,2010	zeijilidak.i
a) Current assets - (stock	prepaid	expenses)		14% Preference
b) Current assets - (stock	the state of		1,05,000	share capital
1 190 100 1 190 100 1 2000	Y TOTAL ZET TOTAL	1174 Ob. 1	1,20,000	Equity Share cap.
Current assets + (stock				Dividend Equalis-
d) Current assets + (stock				anon Reserve
52.000 95.600		48,000	48,000	Capital Reserve
7) The average Collection per	iod is	1,80,000	\$0,000. 60,500	Creditors
000 a a) 55 days	Cash /	b) 47 d	ays 20.500	Bills Payable
c) 57 days		od) 52 d	ays 8	Tax prevision
4,89,000 6,79,000	0	6,79,00	4,89,000	

8)	A high Gross Profit Ratio indicate			DAS
E-ICh.	a) low cost indicates	b) high	cost of production	Foll
	c) high sales		net sales no es sales sales an Balance	
. ₹al	culating profit at 20% on salozal	20 9	andstitted a	
B) (State whether TRUE or FALSE:	pap000100	Liabilities Estima Share capital yd 2 01	[7
1.	Owed funds is an internal source	of finance.	6% preference share cap. 1	
2. 1	Debt service Ratio = $\frac{PBIT}{Interest}$	40,099,00	70% Debentures	
	Tax-Refund is an non-operating C	ash flow.	8% Public Deposits	
	The term net working capital refer	and the same of th	Bank over draft	
	Loans given to others is a financin	STEM SHALLOWS STREET	Oreditors Unpaid dividend	
	Bank over draft = Current Assets	Material States and the	Outstanding expenses	
	The Unclaimed dividends are class		ick and balance 758, to a such	
	inancial statement.		ent liabilities in vertical	
000.	Calls in arrears	ne 999,99	Profit & Loss A/c	
	estada viirost ei	OR	all suppliers of 80% material	
.2 A) IV	Match the following colums:			[6]
000,	Column A	O Colun	nn B	*
1. II	nternal analysis		ability ratio	>
2. T	est of Solvency	2) Receip	ots from goods	
	perating Inflows (5	3) Financ	cing outflows that memory	B
4. N	let working Capital		equity ratio	
	eturn on Investments		nt assets - current liabilities	
6. B	uy back of Shares		rs or managers of the concern i	4.00
	1	Jepuors	1 Meson State of the Company of the	
B) C	lassify the following into cash f	lows from	Control Contro	
	Operating activities	5,50000	201820	[9]
	A REED TO SECURITY AND ASSESSED AND ADDRESS TO THE	00000	org Cost of sales.	
	Investing activities and		00Margin 000,00	
	Open cons	3008	Management expenses	
	Cash payments of salaries and v	wages to emp		
2.	Interest paid on debentures.	1100	Total Expenses	
3.	Cash paid to supplier of raw ma		Profit before Depri	
4.	Payment of dividends		on furniture original of the form	
5.	Brokerage paid on purchase of i		Profit before Tax	
	Dividend paid on preference sha	res	ss on ₹ 4,000kaT amoonI	
	Income Tax paid	Datid \$ 10,00	bid Brofftafter Tern bne 00	
	vais (absolute figures need not be	lare house		

Balance sheet as on 31st March, 2012

Liabilities	₹	Assets	₹
Equity Share capital	1,00,000	Cash in hand	2,000
6% preference share cap.	1,00,000	Cash at Bank	10,000
7% Debentures	40,000	Bills Receivable	30,000
8% Public Deposits	20,000	Debtors of the solid solid	70,000
Bank over draft	40,000	Stock	40,000
Creditors	60,000	Advances	20,000
Unpaid dividend	10,000	Furniture	30,000
Outstanding expenses	7,000	Machinery	1,00,000
Reserves	1,50,000	Land & Building	2,20,000
Provision for Tax	20,000	Goodwill Despis Depais	30,000
Profit & Loss A/c	20,000	Preliminary Exp.	10,000
Marketable securings will	be charged	Calls in arrears	5,000
a) Operating activities		in Equity shares	i dotali (A)
i Financing activities	5,67,000	Cash or Cash equivalent A am	5,67,000

Convert the above balance sheet in vertical form and calculate

- a) Current Ratio b) Quick Ratio
- c) Proprietory Ratio

- d) Capital gearing Ratio e) Stock working Capital Ratio.

Q.3 You are furnished with the following revenue statements for the 4 years ended

31st December

[15]

Particulars	2009	2010	2011	2012
Sales	50000	60000	72000	86400
(-) Cost of sales	32000	38000	46000	56000
Margin	18000	22000	26000	30400
Management expenses	3000	3500	4000	4500
Sales Expenses	5000	6000	7200	8640
Interest on loan	3000	4000	5000	6000
Total Expenses	11000	13500	16200	19140
Profit before Depri	7000	8500	9800	11260
Depreciaiton	5000	4500	6000	6500
Profit before Tax	2000	4000	3800	4760
Income Tax	800	2000	1850	2400
Profit after Tax	1200	2000	1950	2360

You are required to make trend analysis (absolute figures need not be shown)

year 2012.

The material required per unit is ₹ 550/- The direct labour is ₹ 12,00,000/- per month. The expenses are 1,26,00,000/- per annum. The sale price is fixed by calculating profit at 20% on sale price.

Calculate requirement of working capital for 2012 by taking into consideration following information.

- 1. Stock of raw materials will be two months.
- 2. Process time is one month.
- 3. Stock of finished goods will be 1.5 months
- 4. Credit allowed to 50% customers two months on acceptance of bills and balance 50% customers given one month credit
- 5. 25% of expenses are paid one month in advance and balance 75% is paid after one month.
- 6. Time lag in payment of wages is one month.
- 7. 20% of material is purchased on cash basis and suppliers of 80% material give 1.5 months credit
 - 8. Cash required is 15% of net working capital

OR

Q.4 Following are summarised Balance sheets of Mercury Ltd as on 31st Dec., 2011 and 2012

Liabilities	2011	2012	Assets	2011	2012
Equity Share cap.	2,00,000	2,50,000	Bank	35,000	16,000
12% Debenture	1,00,000	80,000	Stock	40,000	75,000
10% Preference	50,000	80,000	Debtors	90,000	1,50,000
share capital	0.000.890		Machinery	75,000	60,000
Bank loan	70,000	1,10,000	Furniture	10,000	8,000
Reserves	20,000	25,000	Land	1,70,000	2,80,000
Profit and loss a/d	50,000	60,000	Buildings	1,40,000	99,000
Creditors	60,000	75,000	Goodwill	30,000	25,000
Bills Payable	40,000	33,000	a Plating	1,20,00	2.30
Builty Share car	1 74 757		The heav Blds	75.00	F 1
Lavadend Popula	5,90,000	7,13,000) Trade Invi	5,90,000	7,13,000

Additional Information

- Depreciation charged during 2012 was ₹ 4000 on furniture, ₹ 12000 on machinery and ₹ 20,000 on buildings
- 2. Part of Machinery was sold for ₹ 15000 at a loss on ₹ 4,000.
- 3. During 2012 Interim dividend was paid ₹ 10,000 and Income Tax was paid ₹ 5000.
- 4. During the year part of the Ruilding was sold at healt walker