

2125
Bachelor of Business Administration
Fifth Semester
BBA-307: Financial Statement Analysis

Time allowed: 3 Hours

Max. Marks: 80

NOTE: Attempt four short answer type questions from Section-A. Attempt two questions each from Section B and C respectively.

x-x-x

Section - A

I. Attempt any four of the following:-

- What is meant by statement of Retained earnings
- Calculate current ratio, when inventory is Rs.80,000, prepaid expenses are Rs.2000, quick ratio 2.5 to 1 and current liabilities are Rs. 50000.
- Give two examples of
(i) Investing activities (ii) operating activities
- Write a short note on Corporate Social Responsibility.
- Explain the difference between Value added Statement and Profit and Loss account.
- Write a short note on Trading on equity. (4x5)

Section - B

- II. The directors of general cloth mills Ltd. are concerned at the persistent decline in their gross profit rates for the last three years. You are required to list the possible reasons for the decline. (15)
- III. The following is the statement of profit and loss of Shyam Ltd. for the year ended 2024-2025

Particulars	31-3-2024	31-03-2025
	Rs.	Rs.
I. Revenue from operations		7,25,000
Gross Sales	8,15,000	25,000
Less returns	15000	
	800,000	7,00,000
II. Other income	8,050	1,200
III Total revenue (I+II)	8,08,050	7,01,200
IV Expenses :		
Cost of material consumed	6,15,000	5,95,000
	12,500	12,700
Employee benefits expenses		1,750
Depreciation and Amortisation Expenses	1,940	
Other expenses	24,000	23,000
Profit Before tax (III- IV)	1,54,610	68,750

Prepare Common Size Statement of Profit and loss and interpret the changes. (15)

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(2)

IV. What do you mean by Value added Statement? What are its advantages and disadvantages? (15)

V. Explain in detail the Income Statement For Service Companies. (15)

Section - C

VI. What is an annual report? What are the various components of annual report? (15)

VII. What do you mean by Cash flow Statement? Give a specimen of cash Flow statement as per AS -3 (Revised). (15)

VIII. Explain in detail the importance of Corporate Social responsibility and Disclosure. Is CSR disclosure mandatory? (15)

IX. Explain how corporate compliance is beneficial against fraud, abuse, and penalties. (15)

x-x-x