

Dr. Babasaheb Ambedkar Open University

Term End Examination January- 2026

Course	: MBA	Date	: 08/03/2026
Subject Code	: MBA03EF306	Time	: 11:30am to 01:45pm
Subject Name	: Analysis of Financial Statement & Report	Duration	: 02.15 Hours
		Max. Marks	: 70

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- Q-1** Explain the Types of financial analysis in detail. **14**
- OR**
- Q-2** Explain the Benefits of Vertical and Horizontal Income Statement Analysis
Explain the application of trend analysis in the analysis of financial statements. **14**
- OR**
- the following information given below:
- Share capital 2,60,000
Plant & Machinery 1,50,000
General Reserve 60,000
Land & Building 3,00,000
Profit & loss Account 90,000
Stock 4,00,000
10% Debentures 4,60,000
Bill's receivables 17,000
Creditors 1,50,000
Debtors 1,70,000
Bills Payable 75,000
Bank Balance 58,000
You are required to calculate:
1. Capital Gearing Ratio
 2. Current Ratio
 3. Liquid Ratio
 4. Current Assets to Fixed Assets
 5. Debt Equity Ratio
 6. Proprietary Ratio
- Q-3** From the following information given below **14**
- Cash flow from operations 3,00,000
Sales 5,00,000.
EBIT 1,50,000
10% Debenture 1,00,000
Average Current Liabilities 1,00,000
Share price 200
Number of shares 10,000 each of 100
Cash dividend 20,000
Non-cash expenses 50,000
Total liabilities 2,00,000
You are required to calculate:
- Current liability coverage ratio
Operating cash flow ratio
Cash interest coverage ratio
Cash flow coverage ratio
Price to cash flow ratio
Cash flow margin ratio
Cash flow to net income ratio
- OR**
- Q-4** Explain the Different Types of Profitability Ratio in detail.
Explain the Meaning and types of leverage. **14**
- OR**
- Q-5** Explain the Factor Affecting Analysis of Investment Environment.
Write a short note (any three) **09**
1. Usefulness of the financial statement
 2. Uses of Cash Flow Statement
 3. Users of Accounting Information
 4. Scope of IFRS
 5. Main Differences between IFRS and Indian GAAP

- 1 Corporate Financial Analysis includes :
(A) Probability Analysis (B) Leverage Analysis
(C) Liquidity Analysis (D) All of the above
- 2 The Income Statement shows:
(A). Assets, liabilities, and equity (B). Revenues, expenses, and net income
(C). Changes in cash flow (D). Shareholder dividends
- 3 A cash flow statement includes which of the following?
(A) Cash only (B) Bank only
(C) Cash and Bank only (D) Cash, Bank and Cash Equivalents
- Current liabilities do not include:
(A) Bills payable (B) Creditors
(C) Debenture (D) Bank overdraft
- 5 What are derivatives instruments?
(A) Future and forward (B) option
(C) warrants and rights (D) all of the above

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