



b) Calculate the current ratio and quick ratio from the following information: Working capital Rs.9,60,000; Total debts Rs.20,80,000; Long-term Liabilities Rs.16,00,000; Stock Rs.4,00,000; Prepaid expenses Rs.80,000.

13.a) Calculate Cash Flow from Operating Activities from the following details:

Particulars	31st March, 2019 (Rs.)	31st March, 2018 (Rs.)
Surplus, <i>i.e.</i> , Balance in Statement of Profit and Loss	80,000	60,000
Trade Receivables	25,000	31,000
Provision for Depreciation	40,000	30,000
Inventories	80,000	60,000
Outstanding Rent	12,000	21,000
Goodwill	30,000	38,000
Prepaid Insurance	1,000	2,000
Trade Payables (Creditors)	13,000	19,000

(OR)

b) From the following information relating to the Bright Ltd Calculate funds lost in operation.

- Net loss for the year – Rs.40,000
- Dividend received – Rs.7,000
- Depreciation charged – Rs. 10,000
- Profit on sale of assets – Rs. 5,000
- Refund of tax –Rs. 2,000

14. a) The expenses budgeted for production of 1,000 units in a factory are furnished below:

Particulars	Per Unit Rs.
Material Cost	700
Labour Cost	250
Variable overheads	200
Selling expenses (20% fixed)	130
Administrative expenses (Rs. 2,00,000)	200
Total Cost	1,480

Prepare a budget for production of 600 units and 800 units assuming administrative expenses are rigid for all level of production.

(OR)

b) TATA Co. Ltd. is to start production on 1st January 2022. The prime cost of a unit is expected to be Rs. 40 (Rs. 16 per materials and Rs. 24 for labour). In addition, variable expenses per unit are expected to be Rs. 8 and fixed expenses per month Rs. 30,000. Payment for materials is to be made in the month following the purchase. One-third of sales will be for cash and the rest on credit for settlement in the following month. Expenses are payable in the month in which they are incurred. The selling price is fixed at Rs. 80 per unit. The number of units to be produced and sold is expected to be: January 900; February 1200; March 1800; April 2000; May 2,100; June 2400 . Draw a Cash Budget indicating cash requirements from month to month.

15.a) Calculate Break – Even Point from the following particulars.

Fixed expenses Rs.1,50,000

	<b>/3/</b>
Variable Cost per Unit	Rs.10
Selling Price per Unit	Rs.15
	<b>(OR)</b>

b) From the following information find out the amount of profit earned during the year using the marginal costing technique. Fixed cost Rs, 2,50,000; Variable cost Rs.10 per unit; Selling price Rs. 15 per unit; Output level 75,000 units.

**SECTION - C**

**(4 X 10 = 40 MARKS)**

**ANSWER ANY FOUR OUT OF SIX QUESTIONS**

**(16<sup>th</sup> QUESTION IS COMPULSORY AND ANSWER ANY THREE QUESTIONS**

**(FROM Qn. No : 17 to 21)**

**(K4/K5)**

16.The following details are given:

Year	Sales (Rs.)	Profit (Rs.)
2013	10,00,000	2,00,000
2014	15,00,000	4,00,000

Calculate : (a) P.V.Ratio (b) Fixed Cost (c) Break Even Point (Value) (d) Profit on Sale of Rs.20,00,000 (e) Sales required to make a profit of Rs.6,00,000.

17.Describe the various tools of Financial Statement Analysis.

18.The following ratios are taken from Jagannath Traders: Gross profit for the current year ended 31<sup>st</sup> march 2019 amounted to Rs.900000, closing stock for the year is Rs.30000 more than the opening stock . Bills receivable amounts to Rs. 50,000 and bills payable to Rs. 30,000. Find out Amount of sales, sundry debtors, closing stock and sundry creditors.

Stock velocity	5 months
Debtors velocity	2.5 months
Creditors velocity	3 months
Gross profit Ratio	30%

19.From the following balance sheets of Mr.Sridhar prepare a funds flow statement.

	30 <sup>th</sup> June 2022 Rs.	30 <sup>th</sup> June 2023 Rs.
Cash	5,000	2,300
Debtors	17,500	19,200
Stock	12,500	11,000
Land	10,000	15,000
Building	25,000	27,500
Machinery	40,000	43,000
	1,10,000	1,18,000
Creditors	18,000	20,500
Bank Loan	15,000	19,500
Capital	77,000	78,000
	1,10,000	1,18,000

Drawings of Mr.Sridhar during the year was Rs.20,000. Depreciation charges on machinery was Rs.4,000.

20.S. K. Brothers wish to approach the bankers for temporary overdraft facility for the period from October 2022 to December 2022. During the period of this period of these three months, the firm will be manufacturing mostly for stock. You are required to prepare a cash budget for the above period.

/4/

Month	Sales (Rs.)	Purchases (Rs.)	Wages (Rs.)
August	3,60,000	2,49,600	24,000
September	3,84,000	2,88,000	28,000
October	2,16,000	4,86,000	22,000
November	3,48,000	4,92,000	20,000
December	2,52,000	5,36,000	30,000

- a) 50% of credit sales are realized in the month following the sales and remaining 50% in the second following.
- b) Creditors are paid in the month following the month of purchase.
- c) Estimated cash as on 1-10-2019 is Rs.50,000.

21. You are given :

Margin of safety Rs. 10,000 which represents 40% of sales. P.V. ratio 50%.

Calculate (a) Sales (b) Break Even Sales (c) Fixed cost (d) Profit.