

2025

**FINANCIAL REPORTING AND
FINANCIAL STATEMENT ANALYSIS — HONOURS**

Paper : DSE-6.1AH

Full Marks : 80

The figures in the margin indicate full marks.

*Candidates are required to give their answers in their own words
as far as practicable.*

Group - A

1. (a) State the different concepts of maintenance of capital as per the conceptual framework of Ind-AS.
- (b) What are the elements directly related to the measurement of financial position of the firm as per the conceptual framework of Ind-AS? 2+3

Or,

- (a) What are the objectives of preparation of financial statements as per Ind-AS 1?
- (b) Mention any four components of financial statements as per Ind-AS 1. 3+2
2. From the following information, calculate the net cash flows from the financing activities of Pilu Ltd. 5

	31.3.2024	31.3.2025
	(₹)	(₹)
Equity Share capital (₹ 10 each)	4,00,000	4,00,000
12% Preference share Capital (₹ 100 each)	3,00,000	4,00,000
10% Debentures (₹ 100 each)	1,00,000	50,000

Additional information :

- (i) Pref. shares were issued (if any) at 10% premium.
- (ii) Debentures were redeemed at 15% premium at the end of year.
- (iii) Preference dividend paid during the year ₹ 36,000 and interest paid ₹ 10,000.

Please Turn Over

(2289)

3. From the given particulars of Sujata Pvt. Ltd. compute working capital turnover ratio :

Debtors velocity	3 months
Stock velocity	6 months
Creditors turnover	6 times
Gross profit ratio	20%
Gross profit for the year ended 31.3.2025	₹ 1,00,000
Cash balance	₹ 15,000

(assuming that no cash purchase and sales are made and opening and closing stock figures are similar.)

5

Or,

From the given particulars of Swati Ltd. compute Debt-equity ratio and Capital gearing ratio. 3+2

	₹
Equity share capital	6,00,000
10% Preference share capital	2,50,000
Reserve surplus	1,20,000
9% Debentures	3,20,000
8% Term loan (Secured)	1,30,000
Creditors	50,000
Preliminary expenses not written off	70,000

Group - B

4. From the following information, prepare a Comparative Income statement :

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Particulars	31.03.2023 (₹)	31.03.2024 (₹)
Revenue from operation (Sales)	3,75,000	5,25,000
Other Income	20,000	30,000
Cost of Goods sold	3,00,000	3,90,000
Administrative Expenses	1,25,000	15,000
Income Tax	30%	30%

(3)

C(6th Sm.)-Financial Reporting and Financial
Statement Analysis-H/DSE-6.1AH/CBCS**Or,**

Summarized Income Statements of two firms in the same industry are given below :

	X Co. (₹)	Y Co. (₹)
Revenue from operation	3,00,000	98,00,000
Cost of Goods sold	1,60,000	42,00,000
Employee benefits expenses	25,000	8,00,000
Finance cost	15,000	6,00,000
Depreciation	10,000	18,00,000
Other expenses	12,000	12,00,000
Net Profit	78,000	12,00,000

Prepare Common Size Income Statements for the two firms.

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5. (a) What is potential ordinary shares? Give two examples of potential ordinary shares.
- (b) From the following information, compute weighted average number of equity shares outstanding at the end of the year 31.03.2025 and Basic EPS as per Ind-AS 33. 4+6

Equity shares opening balance 01.04.2024 @ ₹ 10 each	1,20,000 shares
Public issue 01.09.2024 @ ₹ 10 each	40,000 shares
Further Public issue 01.12.2024 @ ₹ 10 each	20,000 shares
Buy-back of equity shares on 01.01.2025	10,000 shares
Earnings attributable to Equity shareholders of 2024-25	₹ 8,40,000

Group - C

6. The Balance Sheets of Karabi Ltd. and Manju Ltd. as at 31.03.2025 are as follows :

Particulars	Karabi (₹)	Manju (₹)
Equity And Liabilities		
Shareholders' funds		
Equity Share Capital of ₹ 100 each	10,00,000	4,00,000
General Reserve	3,00,000	1,20,000
Profit & Loss balance	2,60,000	1,80,000
Current liabilities		
Creditors	1,90,000	1,50,000
Bills payable	40,000	50,000
Total	17,90,000	9,00,000

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Assets		
Non-current assets		
Property, Plant and Equipment		
Land & Buildings	3,80,000	3,40,000
Plant & Machinery	4,20,000	1,80,000
Non-current investments		
3,200 Shares in Manju Ltd. purchased on 30.9.2024 (at cost)	4,80,000	-
Current assets		
Inventories	1,90,000	1,70,000
Debtors	1,40,000	1,50,000
Cash at Bank	1,80,000	60,000
Total	17,90,000	9,00,000

Other information :

- (i) The balances of Reserves and Surpluses of Manju Ltd. on 01.04.2024 were :
 - (a) Profit and Loss (Cr.) ₹ 1,00,000
 - (b) General Reserve ₹ 80,000
- (ii) Plant & Machinery of Manju Ltd. were revalued at ₹ 3,00,000 on 30.9.2024 which stood in the books at ₹ 2,00,000 at the beginning. No entry has been passed in the books of Manju Ltd. There were no addition or sale during the year.
- (iii) Manju Ltd. paid dividend @ 10% on 1.11.2024 for the year 2023-24, the entire dividend received by Karabi Ltd. was credited to its Profit and Loss A/c.
- (iv) Stock of Manju Ltd. includes goods worth ₹ 20,000 which were supplied by Karabi Ltd. at a profit of 25% on sales.

Prepare Consolidated Balance Sheet on 31.03.2025 in the books of Karabi Ltd.

15

7. From the following Balance Sheets of PM Enterprise Ltd., prepare a Cash Flow Statement as per AS-3 for the year ended 31.3.2025 : 15

Particulars	31.3.2024 (₹)	31.3.2025 (₹)
Equity And Liabilities		
Shareholders' funds		
Equity Share Capital of ₹ 100 each	5,00,000	11,00,000
8% Preference share Capital (Redeemable at 10% premium)	2,00,000	1,50,000
General Reserve	60,000	65,000
Profit & Loss Balance	1,50,000	1,55,000
Non-current liabilities		
11% Debentures	3,00,000	4,50,000
Current liabilities		
Creditors	1,50,000	1,00,000
Provision for tax	40,000	40,000
Total	14,00,000	20,60,000
Assets		
Non-current assets		
Property, Plant and Equipment and Intangible Assets		
Plant and Machinery	7,50,000	14,20,000
Goodwill	80,000	55,000
Non-current investments		
Investment	1,30,000	1,00,000
Current assets		
Inventories	1,80,000	2,70,000
Debtors	2,40,000	1,75,000
Cash and Bank	20,000	40,000
Total	14,00,000	20,60,000

Additional information :

- An old Plant and Machinery (Written down value ₹ 14,000 and accumulated depreciation ₹ 6,000) was sold for ₹ 12,000. The accumulated depreciation on plant and machinery as on 31.3.2024 and 31.3.2025 were ₹ 1,80,000 and 2,10,000 respectively.
- Machinery of another firm purchased for a consideration ₹ 3,00,000 by issue of shares at par.
- Tax paid during the year ₹ 40,000.
- Debenture issued at par on 31.3.2025.
- Investments were sold at profit of ₹ 30,000 and income received from investment was ₹ 7,000.
- Total dividend paid during the year ₹ 30,000.

Please Turn Over

(2289)

Or,

Prepare Fund Flow Statement of ABC Ltd. from the following :

	31.12.2023 (₹)	31.12.2024 (₹)
(I) EQUITY AND LIABILITIES		
1. Shareholders' Fund		
(a) Share Capital	12,00,000	16,00,000
(b) Reserve and Surplus	8,40,000	11,00,000
Non-current Liabilities :		
Long-term borrowings (Debentures)	8,00,000	5,60,000
Current Liabilities :		
(a) Trade Payable (Sundry Creditors)	4,80,000	5,36,000
(b) Short-term Provisions (Provision for tax)	4,80,000	4,84,000
Total	38,00,000	42,80,000
(II) ASSETS :		
Non-current Assets :		
(a) PPE & Intangible Assets : PPE	22,80,000	26,40,000
(b) Non-current Investment (Trade Investment)	4,00,000	3,20,000
Current Assets (including inventory)	11,20,000	13,20,000
	38,00,000	42,80,000
NOTES TO ACCOUNTS :		
	31.12.2023	31.12.2024
	(₹)	(₹)
1. Reserve & Surplus :		
(a) Capital Reserve	—	40,000
(b) General Reserve	6,80,000	8,00,000
(c) Balance in Statement of Profit & Loss	1,60,000	2,60,000
	8,40,000	11,00,000
2. PPE & Intangible Assets : PPE		
At cost	32,00,000	38,00,000
Less : Depreciation	9,20,000	11,60,000
	22,80,000	26,40,000

Additional Information :

- (a) Sold one machine for ₹ 1,00,000, the cost of the machine was ₹ 2,56,000 and the depreciation provided for it amounted to ₹ 1,40,000.
- (b) Provided ₹ 3,80,000 on depreciation.
- (c) Redeemed 30% Debentures @ ₹ 103.
- (d) Some Trade Investments were sold at a profit and the profit was credited to Capital Reserve.
- (e) Decided to value the stock at cost, whereas previously the practice was to value stock at cost less 10%. The stock according to books on 31.12.2023 was ₹ 2,16,000; the stock on 31.12.2024 ₹ 3,00,000 was correctly valued at cost.

8. The following information of Rat Ltd. for the year ended 31.3.2025 are given below :

Current ratio	1.75
Quick ratio	1.25
Issued capital (equity shares)	₹ 1,20,000
Working capital	₹ 60,000
Fixed assets as percentage on Shareholders' Equity	60%
Gross profit %	20%
Stock turnover (based on Cost of goods sold)	5 times
Debtors credit period	1.5 months
Net profit % on issued capital	16%
Long-term loan	Nil

You are required to prepare Income Statement for the year ended 31.3.2025 and Balance Sheet as on that date (Make necessary assumptions if required. Schedule III format is not necessary). 15

Or,

- (a) From the following particulars prepare Statement of Proprietors' Fund of Tudu Ltd. as at 31.03.2025 :

Fixed assets to net worth = 0.75 : 1
 Current ratio = 2 : 1
 Fixed Assets = ₹ 15,00,000
 Reserve included in Proprietors fund = 25%
 Acid test ratio = 3 : 2
 Cash & Bank = ₹ 2,50,000
 Long-term loan = ₹ 4,00,000
 Bank overdraft = Nil

- (a) Subhash Ltd. has a Profit margin of 15% and Return on investment is 30%. What is the company's asset turnover ratio? What will be the return on investment if Profit Margin is decreased by 5%?

12+3