



**AAL-010-003406**      **Seat No. \_\_\_\_\_**

**M. B. A. (Sem. IV) (CBCS) Examination**

**April / May - 2016**

**Financial Statement Analysis & Valuation  
(ECT - 10407) (New Course)**

**Faculty Code : 010**

**Subject Code : 003406**

**Time : 3 Hours]**

**[Total Marks : 70**

**Instruction :** All the questions carry equal marks.

**1 Short Answer Questions (07 Out of 09) :**

- (a) Net Worth
- (b) Productivity Analysis
- (c) Cash Flow Statement
- (d) Dividend Payout Ratio
- (e) Gross Block of Assets
- (f) Value Based Management
- (g) Interest Coverage Ratio
- (h) Market Value Added
- (i) Director's Report

**2** (a) Explain the Assets structure analysis. What benefits do we get by undertaking such study ?  
(b) What is meant by Working Capital ? Explain how does it affect the solvency and Risk of any organization with suitable examples.

**OR**

**2** (a) What is Activity Analysis ? Explain the components of Cost structure Analysis.  
(b) Explain the meaning and significance of Shareholder's Value Analysis.

3 What are the objectives of Financial Statement Analysis ? Also give the Importance and limitations of it.

OR

3 What is meant by corporate valuation ? Briefly explain the different approaches to corporate valuation.

4 (a) What is meant by profitability analysis ? Which ratios helps to analyze the profitability from the view of shareholders  
(b) What is the significance of analyzing the long term and short term funds ?

OR

4 Calculate EVA from the following data for the year ended 31<sup>st</sup> March 2016

Particulars	Rs. (in Crores)
Average debt	50
Average Equity	2766
Profit after Tax, before exceptional item	15.41
Interest after Taxes	5

Cost of debt (Post tax) 7.22 %  
Cost of equity 16.70 %  
Weighted average cost of capital 16.54 %

5 Write Short notes on:

(1) Adjusted Book Value Approach  
(2) CAMELS.

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