|  |  |  |
| --- | --- | --- |
| **Accounting**  **fundamentals**  **end term**  **Year 2020- 22**  **term 1**    **marks 40**  **time – 2 hours**  **Answer all questions**  **AF question set 1** | |  |
| **A CeMENT LTD**  **EQUITIES AND LIABILITIES (in Rs. crore)** | |  |  |  |  |  |  |
| **SHAREHOLDER'S FUNDS** | |  | **2019** | **2018** | **2017** |  |  |
| Equity Share Capital | |  | 397.13 | 397.13 | 397.13 |  |  |
| Reserves and Surplus | |  | 21,808.05 | 20,615.40 | 19,576.08 |  |  |
| **TOTAL SHAREHOLDERS FUNDS** | |  | **22,205.18** | **21,012.53** | **19,973.21** |  |  |
| **NON-CURRENT LIABILITIES** | |  |  |  |  |  |  |
| Long Term Borrowings | |  | 35.28 | 39.68 | 24.12 |  |  |
| Deferred Tax Liabilities [Net] | |  | 216.06 | 372.16 | 458.36 |  |  |
| Other Long Term Liabilities | |  | 36.45 | 8.35 | 8.94 |  |  |
| Long Term Provisions | |  | 50.34 | 38.53 | 35.23 |  |  |
| **TOTAL NON-CURRENT LIABILITIES** | |  | **338.13** | **458.72** | **526.65** |  |  |
| **CURRENT LIABILITIES** | |  |  |  |  |  |  |
| Short Term Borrowings | |  | 0.00 | 0.00 | 0.00 |  |  |
| Trade Payables | |  | 935.98 | 1,109.46 | 1,046.53 |  |  |
| Other Current Liabilities | |  | 3,426.07 | 2,514.92 | 2,993.37 |  |  |
| Short Term Provisions | |  | 85.37 | 91.05 | 87.08 |  |  |
| **TOTAL CURRENT LIABILITIES** | |  | **4,447.42** | **3,715.43** | **4,126.98** |  |  |
| **TOTAL CAPITAL AND LIABILITIES** | |  | **26,990.73** | **25,186.68** | **24,626.84** |  |  |
| **ASSETS** | |  |  |  |  |  |  |
| **NON-CURRENT ASSETS** | |  |  |  |  |  |  |
| Tangible Assets | |  | 5,633.62 | 5,563.19 | 5,693.45 |  |  |
| Intangible Assets | |  | 178.83 | 100.41 | 28.54 |  |  |
| Capital Work-In-Progress | |  | 1,108.70 | 610.02 | 348.48 |  |  |
| **FIXED ASSETS** | |  | **6,921.15** | **6,273.62** | **6,119.91** |  |  |
| Non-Current Investments | |  | 11,789.01 | 11,813.76 | 11,844.70 |  |  |
| Long Term Loans And Advances | |  | 62.90 | 60.34 | 66.52 |  |  |
| Other Non-Current Assets | |  | 1,369.57 | 1,298.66 | 1,085.53 |  |  |
| **TOTAL NON-CURRENT ASSETS** | |  | **20,142.63** | **19,446.38** | **19,116.66** |  |  |
| **CURRENT ASSETS** | |  |  |  |  |  |  |
| Inventories | |  | 954.07 | 1,277.76 | 1,052.50 |  |  |
| Trade Receivables | |  | 513.22 | 470.26 | 307.97 |  |  |
| Cash And Cash Equivalents | |  | 4,699.49 | 3,329.97 | 3,497.07 |  |  |
| Short Term Loans And Advances | |  | 4.51 | 4.29 | 30.29 |  |  |
| Other Current Assets | |  | 676.81 | 658.02 | 622.35 |  |  |
| **TOTAL CURRENT ASSETS** | |  | **6,848.10** | **5,740.30** | **5,510.18** |  |  |
| **TOTAL ASSETS** | |  | **26,990.73** | **25,186.68** | **24,626.84** |  |  |
| **P/L Account**  **Year**  **Operating ReveUE** | **2019**  **11,667.88** | | **2018**  **11,356.76** | **2017**  **10,457.10** | |  |  |
| Other Income | 426.52 | | 374.98 | 359.09 | |  |  |
| **TOTAL REVENUE** | **12,094.40** | | **11,731.74** | **10,816.19** | |  |  |
| **EXPENSES** |  | |  |  | |  |  |
| Cost Of Materials Consumed | 3,580.84 | | 3,558.92 | 3,142.40 | |  |  |
| Changes In Inventories Of FG,WIP And Stock-In Trade | 42.80 | | -72.87 | -62.83 | |  |  |
| Employee Benefit Expenses | 672.63 | | 679.57 | 661.37 | |  |  |
| Finance Costs | 83.52 | | 82.33 | 107.19 | |  |  |
| Depreciation And Amortisation Expenses | 543.83 | | 548.09 | 572.92 | |  |  |
| Other Expenses | 5,140.64 | | 5,294.71 | 4,777.03 | |  |  |
| **TOTAL EXPENSES** | **10,146.38** | | **10,095.72** | **9,197.07** | |  |  |
| **PROFIT/LOSS BEFORE TAX** | **1,948.02** | | **1,506.07** | **1,619.12** | |  |  |

The above is the balance sheet and profit and loss account of A Cement Ltd for 3 years. The Company is exclusively engaged in cement business. The shares of the company are listed in stock exchange.

From the figures given above calculate following for all the years in a table form :

1) EBIT or PBIT

2) EBIDTA or PBIDTA

3) Return on capital employed

4) Margin

5) Capital turnover ratio.

6) Fixed assets turnover ratio

7) Inventory and debtors turnover ratio

8) Cash turnover ratio

9) Current ratio

10)Analyse the results.

Show your workings clearly.

11) The fixed asset and depreciation have remained stagnant. In the context how do you interpret and analyse the cement company’s numbers in the backdrop of economic situation of the country.

Marks 30

2) P/L A/c for the year ended 31.03.2020

|  |  |
| --- | --- |
| Particulars | Rs |
| A. Sales | 72,900 |
| Less: Expenses |  |
| a) Production, Admn. And distribution expenses | 54,100 |
| b) Depreciation | 3,100 |
| c) Interest Expenses | 2,700 |
| B. Total Expenses | 58,900 |
| PBT [A-B] | 13,000 |
| Tax Provision | 6,700 |
| PAT | 6,300 |

Relevant Balance sheet accounts at the end of 2019 and 2020 are given below:

|  |  |  |
| --- | --- | --- |
| Balances | 2020 | 2019 |
| Inventories | Rs 7400 | Rs 4500 |
| Debtors | 8300 | 8900 |
| Creditors | 9800 | 14900 |
| Tax payable | 4800 | 3300 |

Prepare Cash flow from operation statement.

Marks 10