

BUSINESS ECONOMICS AND FINANCIAL ANALYSIS UNIT WISE IMPORTANT QUESTIONS

UNIT – V

SHORT QUESTIONS

S.No	Question	CO	BT Level
1	Define Ratio Analysis.	CO5	L1
2	Describe the advantages of Ratio Analysis.	CO5	L2
3	State the meaning of Funds.	CO5	L1
4	Explain the concept of Funds Flow Statement.	CO5	L2
5	Identify the meaning of Working Capital.	CO5	L1
6	Illustrate the concept of Funds from Operations.	CO5	L2
7	Discuss the importance of Funds Flow Analysis.	CO5	L2
8	Summarize the limitations of Funds Flow Statement.	CO5	L2
9	Recall the meaning of Cash Flow Statement.	CO5	L1
10	List the financial ratios used in business analysis.	CO5	L1

LONG QUESTIONS

S.No	Question	CO	BT Level
1	Assess the utility of Ratio Analysis in financial decision-making.	CO5	L5
2	Examine the classification of Financial Ratios with suitable examples.	CO5	L4
3	Compute Gross Profit Ratio, Net Profit Ratio, Operating Ratio, and Operating Profit Ratio from the given data.	CO5	L3
4	Determine Current Assets and Current Liabilities from the given Current Ratio and Working Capital.	CO5	L3
5	Investigate the concept and significance of Funds Flow Statement.	CO5	L4

6	Compare Funds Flow Statement and Income Statement.	CO5	L4
7	Distinguish between Funds Flow Statement and Balance Sheet.	CO5	L4
8	Inspect the procedure for preparing a Statement of Changes in Working Capital.	CO5	L4
9	Construct a Statement showing Funds from Operations from the given information.	CO5	L3
10	Appraise the preparation and significance of the Statement of Sources and Application of Funds.	CO5	L5