



11222

III Semester M.Com. Examination, May/June 2023

(CBCS)

COMMERCE

Corporate Financial Reporting

Time : 3 Hours

Max. Marks : 70

SECTION – A

Note : Answer **any seven** of the following sub-questions. **Each** sub-question carries **two** marks : (7×2=14)

1. a) What do you mean by corporate financial reporting ?
- b) What is IFAC ?
- c) What is sustainable reporting ?
- d) Who are merchant bankers ?
- e) Give the meaning of hedge accounting.
- f) What do you mean by human resource reporting ?
- g) What is GRI ?
- h) What do you mean by shareholder value added ?
- i) State the meaning of compound financial instruments.
- j) What are NBFCs ?



SECTION – B

Note : Answer **any four** questions. **Each** question carries **five** marks : (4×5=20)

2. Explain the types of Accounting Standards.
3. Explain the requirements to be fulfilled by a merchant banker for registration with SEBI.
4. Briefly explain the issues and problems with special reference to published financial statements.
5. Briefly explain the functions of different boards under International Federation of Accountants (IFAC).

P.T.O.



6. Write a note on Human Resource Accounting.
7. From the following data, compute historical and CPP adjusted cost of goods sold when FIFO and LIFO method is in use.

Opening Stock Rs. 1,20,000, Purchases during the year Rs. 7,20,000, Closing Stock Rs. 1,80,000. Price Index at the beginning of the year 100, at the end of the year 140 and the average 125.

SECTION – C

Note : Answer **any three** questions. **Each** question carries **twelve** marks : **(3×12=36)**

8. "The Triple Bottom Line Reporting (TBL) is made up of social, economic and environment dimensions". Discuss.
9. Discuss the procedure adopted by Indian Standard setters for developing IndAS converged with IFRS.
10. What do you mean by financial instruments ? Briefly discuss the recognition and measurement of financial instruments.
11. From the following Profit and Loss a/c of XL Co. Ltd, prepare a Gross Value Added statement for the year ended 31/12/2023. Also show the reconciliation between Gross Value Added and Profit Before Taxation.

Profit and Loss Account for the year ended 31st December 2023

(Rs. in lakhs)

| Particulars | Amount | Amount |
|-------------------------------------|-----------|--------------|
| Sales | | 6,240 |
| Other Incomes | | <u>55</u> |
| | | 6,295 |
| Expenditure : | | |
| Production and Operational expenses | 4,320 | |
| Administrative expenses (Factory) | 180 | |
| Interest and other charges | 624 | |
| Depreciation | <u>16</u> | 5,140 |
| Profit Before Taxes | | <u>1,155</u> |
| Provision for Taxes | | <u>55</u> |



| | | |
|---|------------|--------------|
| | | 1,100 |
| Balance as per last balance sheet | | 60 |
| | | <u>1,160</u> |
| Transferred to fixed assets replacement reserve | 400 | |
| Dividend paid | <u>160</u> | 560 |
| Surplus Carried to balance sheet | | 600 |

Notes :**(Rs. in lakhs)**

1. Production and operation expenses :

| | | |
|----------------------------------|--|------------|
| Consumption of raw materials | | 3,210 |
| Consumption of stores | | 40 |
| Local tax | | 8 |
| Salaries to administrative staff | | 620 |
| Other manufacturing expenses | | <u>442</u> |
| | | 4,320 |

2. Administration expenses include salaries and commission to directors

3. Interest and other charges include :

| | | |
|---|--|-----|
| a. Interest on Bank overdraft (Overdraft is of temporary nature) | | 109 |
| b. Fixed loan from I.C.I.C.I. | | 51 |
| c. Working Capital loan from I.F.C.I. | | 20 |
| d. Excise duties amount to one-tenth of total value added by manufacturing and trading activities | | |

12. The Balance Sheet of Excellent Ltd as on 31st March 2023 and the profit and loss account for the year ended 31st March 2023 were as under.

Profit and Loss Account for the year ended 31st March 2023

| Particulars | Rs. | Rs. |
|----------------------|---------------|--------|
| Sales | | 40,000 |
| Opening Stock | 9,600 | |
| Purchases | <u>18,400</u> | |
| | 28,000 | |
| Less : Closing Stock | <u>8,000</u> | 20,000 |





6. Write a note on Human Resource Accounting.
7. From the following data, compute historical and CPP adjusted cost of goods sold when FIFO and LIFO method is in use.
 Opening Stock Rs. 1,20,000, Purchases during the year Rs. 7,20,000, Closing Stock Rs. 1,80,000. Price Index at the beginning of the year 100, at the end of the year 140 and the average 125.

SECTION – C

Note : Answer **any three** questions. **Each** question carries **twelve** marks : **(3×12=36)**

8. "The Triple Bottom Line Reporting (TBL) is made up of social, economic and environment dimensions". Discuss.
9. Discuss the procedure adopted by Indian Standard setters for developing IndAS converged with IFRS.
10. What do you mean by financial instruments ? Briefly discuss the recognition and measurement of financial instruments.
11. From the following Profit and Loss a/c of XL Co. Ltd, prepare a Gross Value Added statement for the year ended 31/12/2023. Also show the reconciliation between Gross Value Added and Profit Before Taxation.

Profit and Loss Account for the year ended 31st December 2023

| Particulars | (Rs. in lakhs) | |
|-------------------------------------|----------------|--------------|
| | Amount | Amount |
| Sales | | 6,240 |
| Other Incomes | | 55 |
| | | <u>6,295</u> |
| Expenditure : | | |
| Production and Operational expenses | 4,320 | |
| Administrative expenses (Factory) | 180 | |
| Interest and other charges | 624 | |
| Depreciation | 16 | |
| Profit Before Taxes | | <u>5,140</u> |
| Provision for Taxes | | 1,155 |
| | | <u>55</u> |