



**III Semester M.Com. (FA) Examination, March/April 2025
(CBCS Scheme) (2021 – 22)**

FINANCIAL ANALYSIS

Paper – 3.4 : Financial Reporting

Time : 3 Hours

Max. Marks : 70

Instruction : Answer all Sections.

SECTION – A

1. Answer **any seven** questions out of ten. **Each** question carries **two** marks. **(7×2=14)**

- State the purpose of conceptual framework under IND AS.
- Give the meaning of materiality in the context of financial reporting.
- State any two objectives of IASB's principles of disclosure initiative.
- What are financial statements ?
- What do you mean by global reporting initiative ?
- State any two advantages of triple bottom line reporting.
- Name any four activities may be included by the company in their CSR policy as per Schedule VII of the Companies Act, 2013.
- Give the meaning of value added statement.
- What is corporate environmental accounting ?
- What is human resource reporting ?

SECTION – B

Answer **any four** questions out of six. **Each** question carries **five** marks. **(4×5=20)**

- What are ethics ? Explain the fundamental ethical and professional principles of corporate reporting.
- What is integrated reporting ? Explain the categorization of capitals as per this framework.
- Write a note on SEBI LODR regulations.
- Distinguish between financial reporting and triple bottom line reporting.
- Explain the qualities of financial reporting in banking.
- Write a note on financial reporting by merchant bankers.

P.T.O.



SECTION – C

Answer **any two** questions out of four. **Each** question carries **twelve** marks. **(2×12=24)**

8. What is sustainability reporting ? Explain its forms and importance.
9. CSR is a self-regulating business model that helps a company be socially accountable to itself, its stakeholders, and the public – Comment.
10. Explain RBI's prudential norms on income recognition, asset classification and provisioning pertaining to advances.
11. Write a note on economic value added, market value added and shareholders value added.

SECTION – D

Compulsory skill based question on subject.

(1×12=12)

12. Given below is the Profit and Loss A/c of ABC Company Ltd.

Profit and Loss A/c for the year ended 31st March, 2024

| | Notes | Amount (Rs. '000) |
|----------------------------|-------|----------------------|
| Income | | |
| Sales | 1 | 28,525 |
| Other income | | 756 |
| | | 29,281 |
| Expenditure | | |
| Operating cost | 2 | 25,658 |
| Excise duty | | 1,718 |
| Interest on bank overdraft | 3 | 93 |
| Interest on 10% debentures | | 1,157 |
| | | 28,626 |



| | | |
|---|---|------------|
| Profit before depreciation | | 655 |
| Less: Depreciation | | <u>255</u> |
| Profit before tax | | 400 |
| Provision for tax | 4 | <u>275</u> |
| Profit after tax | | 125 |
| Less: Transfer to fixed asset replacement reserve | | <u>25</u> |
| | | 100 |
| Less : Dividend paid and payable | | <u>45</u> |
| Retained profit | | 55 |

Notes :

- 1) This represents the invoice value of goods supplied after deducting discounts, returns and sales tax.
- 2) Operating cost includes Rs. ('000) 10,247 as wages, salaries and other benefits to employees.
- 3) The bank overdraft is treated as a temporary source of finance.
- 4) The charge for taxation includes a transfer of Rs. ('000) 45 to the credit of deferred tax account.

You are required to prepare a value added statement for the year ended 31st March, 2024.
