



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

**SECTION – B**

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

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



## SECTION – C

Answer **any two** questions out of four. **Each** question carries **twelve** marks. **(2x12=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. (1x12=12)**

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

**Profit and Loss A/c for the year ended 31<sup>st</sup> March, 2024**

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



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 31<sup>st</sup> March, 2024.

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