D6BHC2305 (PAGES 4) **Reg. No.............................**

Name: ....

SIXTH SEMESTER UG DEGREE EXAMINATION, APRIL 2026

(Regular/Improvement/Supplementary)

B. COM. HONOURS

GBCH6E04T: FINANCIAL REPORTING AND ANALYSIS

Time: 3 hours **Maximum Marks: 80**

Part A. Answer *all* the questions. Each question carries *one* mark.

Choose the correct answer.

1. Which of the following statements is false with respect to IASB?

   A) ′The IASB (International Accounting Standards Board) is the independent standard- setting body of the IFRS Foundation.

   B) IASC renamed as IASB

   C) It has 16 members from 8 countries.

   D) The accounting standards issued by IASB are known as IFRS

2. While calculating value in use in your cash flow estimations, you shall include ______.

   A) Cash inflows and cash outflows from financing activities.

   B) Income tax receipts and payments.

   C) Cash outflows expected to arise from improving or enhancing the asset’s performance.

   D) None of the above

3. The useful life of an intangible asset may be ___________.

   A) Finite C) Either (A) or (B)

   B) Infinite D) None of these

4. An entity assesses inventories for impairment, ___________________.

   A) Only when there are external indicators that, an impairment has occurred

   B) At each reporting date

   C) Only when there are internal indicators that an impairment has occurred

   D) None of these

5. Specify which Ind AS is Applicable for Owned by a Company and leased out under an Operating Lease.

   A) Ind AS 10 C) Ind AS 2

   B) Ind AS 40 D) None of these

(PTO)

Fill in the Blanks.

6. NFRA consists of one chairman, _____ full-time members and one secretary.
7. As per AS ____, revenue is the gross inflow of cash, receivables or other consideration. arising in the course of the ordinary activities of an enterprise.
8. IFRS 8 deals with __________.
9. _______ are employee benefits that are payable after the completion of employment.
10. IAS _____ provides guidance on calculating and presenting basic and diluted earnings per share (EPS) for companies.

(10 × 1 = 10 Marks)

Part B. Answer any *eight* questions. Each question carries *two* marks.

11. What do you mean by conceptual framework?
12. What is stand - alone price?
13. Comment on Basic Earnings Per Share.
14. Define Accounting Standards.
15. What is deferred tax liability?
16. Define borrowing cost.
17. What is employee benefit?
18. What do you mean by IFRSIC?
19. How is revaluation gain accounted as per Ind AS 16?
20. Who is "related Party"?

(8 × 2 = 16 Marks)

Part C. Answer any *six* questions. Each question carries *four* marks.

21. What is meant by IFRS? What are the Process of Setting IFRS?
22. Elaborate the various methods used for the valuation of inventories.
23. An entity's PPE Carrying Value - ₹12,00,000

    Revalued at ₹16,00,000

    Rate of Tax 30%

    What is the Deferred Tax Liability and the entry to be passed?
24. X Ltd. Presents interim financial report (IFR) quarterly, earns ₹8500 lakh pre-tax profit in the first quarter ending 30.6.24 but expect to incur losses of 150 lakh in each of the remaining three quarters. Effective income tax rate is 35%. Calculate the income-tax expense to be reported for each quarter as per IAS?
25. What are the Functions of Accounting Standard Board of India?

26. A manufacturer sells one of its products for ₹500 per unit. However, the manufacturer gives customers a 20 per cent discount on orders of 100 units or more. Furthermore, when the customer has purchased 1,000 or more units in a single annual financial reporting period, the retailer awards the customer a further volume discount of 10 per cent of the list price for all units acquired by the customer in that financial year. A customer buys 100 units of the product each month for one annual financial reporting period. How should manufacturer measure the total revenue?
27. Discuss the scope and objectives of Ind AS 23.
28. Mr. Rajesh enters into a 12-month telecom plan with the local mobile operator DSNL

    The terms of plan are as follows:

    a) Mr. Rajesh 's monthly fixed fee is ₹2000.

    b) Mr. Rajesh 's receives a free handset at the inception of the plan.

    c) DSNL sells the same handsets for ₹4000 and the same monthly prepayment plans without handset for ₹800/month.

    How should DSNL recognize the revenues from this plan in line with IFRS 15?

(6 × 4 = 24 Marks)

Part D. Answer any *two* questions. Each carries *fifteen* marks.

29. On 1 April 2024 Dev Ltd entered, as lessee, into a five-year non-cancellable lease of a machine that has an economic life of ten years, at the end of which it is expected to have no value. At the inception of the lease, the fair value (cash cost) of the machine is ₹100,000.

    On 31 March for each of the first four years of the lease term the lessee is required to pay the lessor ₹23,000. At the end of the lease term ownership of the machine passes to the lessee upon payment of the final lease payment of ₹23,539. The interest rate implicit in the lease is 5% per year, which approximates the lessee's incremental borrowing rate.

    1. Determine type of this lease arrangement
    2. Illustrate the PV table of MLP.
30. Jose Ltd. has recently been constructed an off shore oil rig, and will be commencing production during the current financial year. The management estimate that the oil field has useful life of 15 years, following which the rig will need to be dismantled and removed to restore the sight in its original condition. The estimated cost of this decommissioning amount to ₹15,00,000 and ₹150000 for final clearing of residual pollution damage which is likely to occur through normal production activities over the 15-year period. The cost of capital of the enterprise is estimated at 5% per annum. How these two costs are accounted for?

(PTO)

31. Briefly explain Indian accounting standards related to E-Commerce Entities and its Implication on E-commerce companies?

(2 × 15 = 30 Marks)