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Reg. No. | | | | | | | | |

VI Semester B.Com. B.Com. (Tourism)/LSCM Degree Examination, September/October - 2022

COMMERCE

Indian Accounting Standards and IFRS

CBCS Scheme onwards 2019-20 (F)

Paper : 6.2

Time : 3 Hours **Maximum Marks : 70**

Instructions to Candidates :

Answers should be written Completely in English only.

SECTION - A

Answer any **Five** Sub questions. **Each** Sub question carries **Two** marks: (5×2=10)

1. a) Give the meaning of Accounting Standards.
   b) Expand IASB and IFRS.
   c) What are Non-current Assets?
   d) Sports club charges Rs.2,00,000 as entrance fee. An additional annual fee of Rs.30,000 is charged for using the club facilities. Can Sports recognize the entrance fee as revenue upon receipt?
   e) Who is Key Management Personnel?
   f) What is meant by Holding Company?
   g) Give the meaning of Non-Controlling Interest.

SECTION - B

Answer any **Three** questions. **Each** question carries **Five** marks. (3×5=15)

2. What are the disadvantages of IFRS?

3. X Ltd. acquired 60% shares of Y Ltd on 1-7-2021. The following information is available as on 31-3-2022 in respect of Y Ltd.
   a) Share Capital : 1,00,000 equity shares of Rs.50 each.
   b) General Reserve as on 1-4-2021 Rs.4,00,000
   c) P & L A/c balance (Cr) on 1-4-2021 Rs. 3,00,000
   d) Net Profit for the year ending 31-3-2022 Rs. 5,00,000

   Calculate Non-Controlling Interest.

4. From the following particulars of ABC Co. Ltd., prepare a statement of Profit and Loss for the year ended 31-03-2022 as per Schedule III of the Companies Act, 2013.

Particulars	Amount (Rs.)
Revenue from Operations	7,80,000
Cost of Materials Consumed	4,90,000
Other Income	1,20,000

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Changes in Inventory	50,000
Changes in WIP	30,000
Finance Cost	20,000
Employees Benefit	40,000
Depreciation and Amortization	60,000
Other Expenses	10,000
Income tax Expenses	24,000
Non-Controlling Interest	80,000

5. A Ltd. purchased a plant from X Ltd. On 30-9-2020 with a quoted price of Rs. 200 lakhs. X Ltd offered a trade discount of 1.5% and GST payable @ 12% on the quoted price. A Ltd incurred 2% on transportation cost and 3% on erection cost of the quoted price. Pre-operative cost amounted to Rs. 2 Iakhs, Estimated life of the plant is 8 years. Residual value of the plant is Rs.20 lakhs.
   a) Calculate the original cost of the plant.
   b) Calculated depreciation for the first year under Straight Line Method.

SECTION - C

Answer any **Three** questions. **Each** question carries **Fifteen** marks. (3×15=45)

6. a) Mention the disclosure requirements of operating segments under Ind AS–108.
   b) Explain the contents of interim financial statements as per Ind AS–34.
7. a) The Trail Balance of Bangalore Ltd on 31-3-2022 was given as under:

Particulars	**Dr. (Rs.)**	**Cr. (Rs.)**
Share Capital: Shares of Rs.100 each	-	40,00,000
8% Mortgage Debentures	-	10,00,000
Plant & Machinery	45,00,000	-
Furniture	5,00,000	-
Land and Building	10,00,000	-
Accounts Payable	-	12,00,000
Long term Loans	-	20,00,000
Provision for depreciation	-	5,00,000
Inventories	18,00,000	-
Accounts Receivables	2,00,000	-
Investment in flats	16,00,000	-
Technical know-how	4,00,000	-
Cash and cash equivalents	2,00,000	-
Profit & Loss Account	-	13,00,000
Revenue received in advance	-	2,00,000
Total	**1,02,00,000**	**1,02,00,000**

Prepare a statement of financial position of Bangalore Ltd as on 31-3-2022 as per Schedule III of the Companies Act, 2013.

b) The particulars are given for Trivial Ltd for the year ending 31-3-2021:

Particulars	Rs.
Goods acquired	6,00,000
Stock of goods on 1-4-2020	80,000
Stock of goods on 31-3-2021	90,000
Sales	10,00,000
Depreciation on fixed assets	10,000
Preliminary expenses written off	8,000
Salaries to the employees	19,000
Rent of showroom	12,000
Interest on loan	10,000
Discount received from suppliers	5,000
Office expenses	2,000
Printing and stationeries	1,800
Carriage outwards	1,200
Advertisement	800
Income tax @ 40%	-

From the above particulars prepare a statement of Profit and Loss as per Schedule III of the Companies Act, 2013.

8. a) Qaid Ltd has purchased an equipment for its manufacturing unit. The price paid for the equipment is Rs. 4,40,000 inclusive of GST of Rs.79,200. The company gets a credit of GST while calculating tax payable on finished goods sold.

The additional costs incurred are:

Freight Rs. 9,000

Customs duty Rs. 8,000

Installation expenses Rs.6,000

Estimated cost of dismantling and removing the item would be Rs.3,000.

After the equipment was put into use Rs.22,000 was spent for cleaning the spare parts.

Calculate the cost of PPE as per Ind AS – 16.

b) Calculate the borrowing cost of Nice Ltd.

i) Rs. 8 crores arranged by a loan by issuing 8% debentures repayable after 10 years.

ii) Rs. 3 crores by a loan from IDBI with 10 years term at interest of 10% p.a.

iii) Rs. 3 crores overdraft from Canara Bank at interest of 10% p.a.

iv) Cost of issue of debentures is Rs.15,00,000,

v) Processing and consultancy charges for IDBI loan – 5% of loan.

vi) Debentures are repayable at 5% premium.

9\. a) H Ltd acquired 4,000 equity shares of S Company Ltd as on 1st April 2021. The following are the Balance Sheets of the two companies as on 31-3-2022:

Assets	H Ltd.	S Co. Ltd.
Land and Buildings	10,00,000	9,00,000
Investments: Shares of S Co. Ltd.	10,00,000	--
Sundry Debtors	1,00,000	1,20,000
Inventories	1,50,000	1,00,000
B/R	80,000	10,000
Cash	5,00,000	3,20,000
Total	**28,30,0000**	**14,50,000**
Equity and Liabilities		
Equity Share Capital (Rs. 100 each)	20,00,000	10,00,000
General Reserves (1-4-2021)	4,00,000	2,00,000
P/L a/c (1-4-2021)	1,00,000	60,000
Profit during the year (2021-22)	2,00,000	80,000
Sundry Creditors	1,30,000	1,10,000
Total	**28,30,0000**	**14,50,000**

Calculate NCI (Non Controlling interest) and Goodwill / Capital Reserve.

b) X Ltd acquired whole of the shares in Y Ltd on 1-4-2021. The Balance Sheets as on 31-3-2022 were as follows:

Assets	X Ltd.	Y Ltd.
Sundry Assets	8,60,000	8,00,000
Investments: Share in Y Ltd.	5,40,000	
Total	**14,00,000**	**8,00,000**
Equity and Liabilities		
Share Capital (Rs. 10 each)	10,00,000	6,00,000
General Reserves	2,00,000	1,00,000
P and L a/c	1,00,000	50,000
Sundry Creditors	1,00,000	50,000
Total	**14,00,000**	**8,00,000**

From the above Balance Sheets, calculate Capital Reserve.