



DSEBC – 604

VI Semester B.Com. Examination, July/August 2024
(NEP Scheme) (Freshers)
COMMERCE
Indian Accounting Standards – 2

Time : 2½ Hours

Max. Marks : 60

Instruction : Answers to be written **completely** in **English** or **Kannada** only.

SECTION – A

Answer **any five** sub-questions. **Each** question carries **two** marks.

(5×2=10)

1. a) Define a wholly owned subsidiary.
- b) What do you mean by non-controlling interest ?
- c) What are share warrants ?
- d) What is a sale and lease back agreement ?
- e) Give two examples of non-monetary government grants.
- f) Mention any two types of Accounting Errors.
- g) How do you define a financial liability ?

SECTION – B

Answer **any three** of the following questions. **Each** question carries **four** marks. **(3×4=12)**

2. Differentiate between operating lease and finance lease.
3. How does an entity change its accounting policies ?
4. KLR Ltd. acquired 7500 shares of ₹ 100 each in MBL Ltd. on 1-10-2023. The following balances are extracted from the Balance Sheet of MBL Ltd. as on 31-3-2024.

Share capital 10000 shares of ₹ 100 each

General Reserve (on 1-4-2023) ₹ 14,00,000

Profit and Loss A/c (on 1-4-2023) ₹ 24,00,000

P.T.O.



Profit during the year 2023 – 24 ₹ 15,00,000.

Calculate Non-controlling interest.

5. Rajini Sports Club sells memberships for ₹ 1,500 per year to 1000 customers with an option to renew at a discount in second and third years at ₹ 1,000 per year.

The entity estimates an annual attrition rate of 60% each year. Determine the amount of revenue to be recognised in the first year and the amount of contract liability against the option given to the customers for renewing the memberships at a discount.

6. An asset is sold in two different active markets at different prices. An entity enters into transactions in both markets and can access the price in these markets on measurement date.

Kolar Market

Price of the asset ₹ 56,000

Transaction costs ₹ 2,200

Transportation costs ₹ 1,500

Chikkaballapur Market

Price of the asset ₹ 60,000

Transaction costs ₹ 1,500

Transportation costs ₹ 1,500

Calculate :

- a) Fair value of asset if Kolar Market is the principal market.
b) Fair value of asset if Chikkaballapur market is the principal market.

SECTION – C

Answer **any three** of the following questions. **Each** question carries **ten** marks. **(3×10=30)**

7. What are post employment benefits ? Differentiate between defined benefit and defined contribution plans.
8. Explain equity settled and cash settled share based payments as per Ind AS 102.



9. Following are the Balance Sheets of Raja Ltd. and Kumar Ltd. as on 31-3-2024.

Raja Ltd. Kumar Ltd.

Assets

Fixed Assets	2,00,000	30,000
Stock	1,50,000	60,000
Debtors	37,500	42,500
Bills Receivable	10,000	—
Investments :		
3750 shares in Kumar Ltd.	37,500	—
	4,35,000	1,32,500

Liabilities

Equity shares of ₹ 10 each	2,50,000	50,000
Reserve fund	30,000	15,000
Profit and Loss A/c	1,00,000	30,000
Bills payable	—	7,500
Creditors	55,000	30,000
	4,35,000	1,32,500

Additional information :

- 1) The bills accepted by Kumar Ltd. are all in favour of Raja Ltd.
- 2) The stock of Raja Ltd. includes ₹ 25,000 bought from Kumar Ltd. at a profit of 20% on sales.
- 3) All the profits of Kumar Ltd. have been earned since the shares were acquired by Raja Ltd. but the reserves consists of ₹ 10,000 belonging to the period before acquisition.

Prepare consolidated Balance Sheet as on 31-3-2024.

10. KIA Ltd. issued 20000, 10% debentures @ ₹ 100 each for 5 years term. Debentures are mandatorily convertible after 5 years.

Market interest rate for similar debenture without conversion right is 15%.

Calculate value of equity and liability as per Ind AS 109.



11. ABC Ltd. acquired 5% equity shares of XYZ Ltd. for ₹ 10,00,000 in the year 2021 – 22. Determine the fair value of the investment made in XYZ Ltd. for the year 2022 – 23 based on observable input method.

The company identified a similar nature of transaction in which PQR Ltd. acquired 20% equity shares in XYZ Ltd. for ₹ 60,00,000. The price of such transaction was determined on the basis of comparable companies method.

Enterprise Value (EV/EBITDA was 8)

For the current year the EBITDA of XYZ Ltd. is ₹ 40,00,000.

At the time of acquisition the valuation was determined after considering 5% of liquidity discount and 5% of non-controlling stake discount.

What will be the fair value of ABC Ltd.'s investment in XYZ Ltd. as per Ind AS 113 ?

SECTION – D

Answer **any one** question. **Each** question carries **eight** marks.

(8×1=8)

12. What is principal market for fair value determination ? Under what circumstances a foreign market can be considered as a principal market.
13. The following are the Balance Sheets of P Ltd. and Q Ltd. as on 31-3-2019.

Liabilities	P Ltd.	Q Ltd.
Share Capital shares of ₹ 10 each	16,00,000	8,00,000
Reserves on 1-4-2018	80,000	1,20,000
P and L A/c	4,00,000	3,20,000
Current liabilities	2,80,000	3,20,000
	23,60,000	15,60,000
Assets		
Plant and Equipment	8,00,000	11,20,000
Investments :		
60000 shares on Q Ltd.	8,00,000	—
Current Assets	7,60,000	4,40,000
	23,60,000	15,60,000

P and L A/c of Q Ltd. stood at ₹ 1,20,000 on 1-4-2018. P Ltd. acquired shares of Q Ltd. on 1-1-2019.

Calculate the controlling interest.



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ವಿಭಾಗ - ಎ

ಯಾವುದಾದರೂ ಐದು ಉಪ-ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಿಸಿ. ಪ್ರತಿ ಉಪ-ಪ್ರಶ್ನೆಗೆ ಎರಡು ಅಂಕಗಳು.

(5×2=10)

1. a) ಸಂಪೂರ್ಣ ಸ್ವಾಮ್ಯದ ಅಂಗಸಂಸ್ಥೆಯನ್ನು ವ್ಯಾಖ್ಯಾನಿಸಿ.
- b) ನಿಯಂತ್ರಣಕ್ಕೆ ಒಳಪಡದ ಆಸಕ್ತಿ ಎಂದರೇನು ?
- c) ಷೇರು ವಾರಂಟ್‌ಗಳು ಎಂದರೇನು ?
- d) ಮಾರಾಟ ಮತ್ತು ಗುತ್ತಿಗೆ ಮರಳಿ ಒಪ್ಪಂದ ಎಂದರೇನು ?
- e) ವಿತ್ತೀಯವಲ್ಲದ ಸರ್ಕಾರಿ ಅನುದಾನಗಳಿಗೆ 2 ಉದಾಹರಣೆಗಳನ್ನು ಕೊಡಿ.
- f) ಯಾವುದಾದರೂ 2 ಲೆಕ್ಕಪತ್ರ ದೋಷದ ವಿಧಗಳನ್ನು ತಿಳಿಸಿ.
- g) ಹಣಕಾಸಿನ ಹೊಣೆಗಾರಿಕೆಯನ್ನು ಹೇಗೆ ವ್ಯಾಖ್ಯಾನಿಸುವಿರಿ ?

ವಿಭಾಗ - ಬಿ

ಯಾವುದಾದರೂ ಮೂರು ಪ್ರಶ್ನೆಗಳಿಗೆ ಉತ್ತರಿಸಿ. ಪ್ರತಿ ಪ್ರಶ್ನೆಗೂ ನಾಲ್ಕು ಅಂಕಗಳು.

(3×4=12)

2. ಕಾರ್ಯಾಚರಣೆ ಗುತ್ತಿಗೆ ಮತ್ತು ಹಣಕಾಸು ಗುತ್ತಿಗೆ ನಡುವಿನ ವ್ಯತ್ಯಾಸಗಳನ್ನು ನೀಡಿ.
3. ಒಂದು ಘಟಕವು ಲೆಕ್ಕಪತ್ರ ನೀತಿಗಳನ್ನು ಹೇಗೆ ಬದಲಾಯಿಸುತ್ತದೆ ? ವಿವರಿಸಿ.
4. KLR ಲಿಮಿಟೆಡ್, 1-10-2023 ರಂದು MBL ಲಿಮಿಟೆಡ್‌ನಲ್ಲಿ ₹ 100 ರಂತೆ 7500 ಷೇರುಗಳನ್ನು ಸ್ವಾಧೀನಪಡಿಸಿಕೊಂಡಿತು. ಮುಂದಿನ ಬಾಕಿ 31-3-2024 ರಂದು MBL ಲಿಮಿಟೆಡ್‌ನ ಆಯವ್ಯಯವನ್ನು ಪಡೆಯಲಾಗುವುದು.

ಬಂಡವಾಳದ 10000 ಷೇರುಗಳು, ಪ್ರತಿ ಷೇರು ಬೆಲೆ ₹ 100

ಸಾಮಾನ್ಯ ಮೀಸಲು (1-4-2023) ₹ 14,00,000

ಲಾಭ ಮತ್ತು ನಷ್ಟದ ಖಾತೆ (1-4-2023) ₹ 24,00,000

2023 - 24 ರಲ್ಲಿ ಲಾಭ ₹ 15,00,000.

ನಿಯಂತ್ರಿಸದ ಆಸಕ್ತಿಗಳನ್ನು ಲೆಕ್ಕಾಚಾರ ಮಾಡಿ.