

Roll No.

Total No. of Pages : 02

Total No. of Questions : 17

M.Com. (2019 Batch) (Sem.-1)

ACCOUNTING THEORY

Subject Code : MCOP-104-18

M.Code : 75336

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES :

1. SECTION-A contains EIGHT questions carrying TWO marks each and students has to attempt ALL questions.
2. SECTION-B consists of FOUR Subsections : Units-I, II, III & IV. Each Subsection contains TWO questions each carrying EIGHT marks each and student has to attempt any ONE question from each Subsection.
3. SECTION-C is COMPULSORY and consist of ONE Case Study carrying TWELVE marks.

SECTION-A

Write briefly :

- 1) Salvage Value
- 2) Double Entry Vs Single Entry System
- 3) Environment Accounting.
- 4) Accounting for crypto currency
- 5) Minority Interest
- 6) International Accounting Standard
- 7) CSR
- 8) Financial Reporting

SECTION-B

UNIT-I

- 9) State the meaning of Accounting. Differentiate between financial accounting, cost accounting and management accounting.
- 10) Discuss in detail GAAP.

UNIT-II

- 11) Define meaning of hire purchase and its accounting treatment.
- 12) Discuss briefly important approaches to the valuation of human resource.

UNIT-III

- 13) Define AS-21 in detail.
- 14) Discuss briefly Indian Accounting Standards.

UNIT-IV

- 15) Discuss the utility of segment reporting in company's financial reporting. Explain salient features of AS-17.
- 16) Explain the provisions of interim reporting as per AS-25.

SECTION-C

- 17) **Read the case study and answer the following Question :**

A Company is considering whether it should buy or lease equipment that cost Rs. 80 lakh. A finance company has offered to lease the equipment for 5 years at annual lease payments Rs. 20 lakh at the beginning of each year. The owner of the equipment can claim depreciation on WDV basis at 25% each year. The company tax rate is 35% and the cost of borrowing is 14% and cost of capital is 16%.

Question:

- Should company buy the asset or lease?
- What will be your answer if we assume that the equipment has a salvage value of Rs. 10 lakh and the lessor will maintain the equipment which would cost Rs. 1 lakh each year.

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.