Examination October 2026

CFA - 305

GOA UNIVERSITY

T.Y.B.Com. (NEP) (Semester-VI)
Subject Name: Financial Reporting and Sustainability Practices

Paper Title: Financial Reporting and Sustainability Practices **Paper Code: CFA - 305**

Duration: 2:00 Hours **Total Marks: 80**

Instructions: i) All questions are compulsory
ii) Internal choice is available from Q.No.2 to Q.No.5
iii) Answer the questions carrying four marks in not more than 100 words.
iv) Answer the questions carrying twelve marks in not more than 400 words.
v) Figures to the right indicate full marks

Q1. Answer the following questions in not more than 50 words. **(8 x 2 =16)**

i. List the enhancing qualitative characteristics of financial information.
ii. What is meant by Interim Reporting?
iii. Recall the purpose of Accounting Standards.
iv. What is meant by Basic Earnings per Share?
v. What is IFRS convergence?
vi. State the items to be reported under Ind AS 108 - Segment Reporting.
vii. List the key aspects of Triple Bottom Line Reporting.
viii. Mention the applicable threshold limits for CSR reporting?

Q.2.A) Describe the provisions of Companies Act 2013 with respect to financial reporting. **(12)**

B) Discuss the role of National Financial Reporting Authority as a regulatory body. **(4)**

OR

C) Summarise the regulatory role played by the Securities and Exchange Board of India. **(4)**

Q.3.A) Apply the provisions of the concerned Accounting Standards and answer the following questions (x-z) **(4 x 3=12)**

x) Brightline Traders sent goods on a sale or approval basis as mentioned below during the year ended 31.3.2026. The approval period was 30 days. The following transactions took place during the year ended 31.3.2026.

i. On 1.2.2026, goods worth ₹ 40,000 were sent to Customer A. Mr. A approved the goods on 20.2.2026.
ii. On 15.2.2026, goods worth Rs. 24,000 were sent to Customer B. B did not respond, and the 30-day approval period expired on 17.3.2026.
iii. On 5.3.2026, goods worth Rs. 20,000 were sent to Customer C. The customer returned the goods on 2.4.2026.

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iv. On 10.3.2026, goods worth Rs. 30,000 were sent to Customer D. As of 31.3. 2026, Mr. D has not yet communicated regarding the approval.
Determine the revenue to be recognized for the year ended 31.3.2026.

y) Alpha Engineering Works Ltd. constructed a fixed asset for its own use and incurred the following expenses during the construction period:

i. Materials – ₹12,00,000
ii. Direct expenses – ₹2,50,000
iii. Total direct labour – ₹5,00,000 *(1/4th of the labour time was chargeable to the construction)*
iv. Total office and administration expenses – ₹8,00,000 *(5% is chargeable to construction)*
v. Depreciation on assets used for the construction of this asset – ₹20,000

Calculate the cost of the fixed asset to be capitalized.

z) Calculate Diluted EPS of Delta Manufacturing Ltd.

Net Profit for the current year	₹ 1,20,00,000
No. of Equity shares outstanding	40,00,000
No. of 12% convertible debentures of Rs.100 each *(each debenture is convertible into 8 Equity shares)*	80,000
Interest expense for the current year	₹ 9,60,000
Tax relating to interest expenses (30%)	₹ 2,88,000

B) Discuss the framework for preparation and presentation of financial statements. **(4)**

OR

C) Explain the process involved for setting the Accounting Standards in India. **(4)**

Q.4. A) Galaxy Enterprises Ltd. has the following operating segments:

Particulars	Solar	Gas	Power	Hydro	Biofuel	Refinery	Total
External Sales (₹)	30,000	25,000	20,000	15,000	6,000	4,000	1,00,000
Inter-Segment Sales(₹)	10,000	5,000	4,000	6,000	3,000	2,000	30,000
Total Sales	40,000	30,000	24,000	21,000	9,000	6,000	1,30,000
Segment Profit/Loss(₹)	38,100	(20,800)	24,000	16,500	6,300	8,400	72,500
Segment Assets (₹)	14,000	18,500	16,200	8,000	3,500	5,800	66,000

Identify the reportable segments using the 10% revenue test, profitability test, asset test and also the 75% external revenue test. **(12)**

B) Compare and contrast IFRS with Ind AS. **(4)**

OR

C). DEF Ltd. has trade receivables from a company XYZ worth ₹10,00,000 and trade payables to the subsidiary company of ABF worth ₹3,00,000.
The accountant proposes presenting only the net receivable of Rs. 7,00,000 in the Balance Sheet.

i. Is this presentation allowed under Ind AS-1?
ii. Under what circumstances can offsetting be permitted?
iii. How should the amounts be presented in the financial statements? **(4)**

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Q.5.A) Elucidate the facilitators of sustainability reporting at global level **(12)**

B) Explain the significance of Integrated Reporting. **(4)**

OR

C) Examine the purpose behind the introduction of BRSR Lite. **(4)**

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