



Institute of Management
JK Lakshmipat University
Jaipur



MID TERM- I EXAMINATION (Aug 2018)

B.Com(H)- Sem-V

Course: Accounting Standard and Practice

MM: 20 Marks

Time: 1.5 Hours

Subject code: AC12

Instructions: Attempt any three questions from Section A. Section B is compulsory.

Section A

Q1. What is GAAP, discuss its various components, and explain the accounting concepts and conventions. (4marks).

Q2. Define Accounting Standard and discuss the process of setting accounting standards in India.(4marks).

Q3. Mention the names of at least 10 accounting standards applicable to Level -1 companies in India.(4marks).

Q4 What if IFRS? Why convergence of accounting standards to IFRS is essential.

Q5. Define Inventory as per AS 2 and also mention the costs excluded while making valuation of inventories.

Section B

Q6.

1. Explain any two of the following- (4 marks)
 - a. Cost of Conversion
 - b. Net Realizable Value
 - c. Disclosure of Accounting policies
2. The company incurred Rs. 20,00,000 as fixed production overhead per year. It normally produces 1,00,000 units in a year. In 2009-10 however its production has been only 40,000 units. At the year-end 31-3-2010 the closing stock was 10,000 units. The cost of unit is below:
Material = Rs. 500 per unit
Labour = Rs. 250 per unit
Fixed production overhead = Rs. 20,00,000 p.a.
Fixed Administration = Rs. 10,00,000 p.a.
Calculate the value of closing stock ? (2 Marks)
3. In a production process, normal waste is 5% of input. 5000 MT of input were put in process resulting in wastage of 300 MT. Cost per MT of input is Rs. 1000. The entire quantity of waste is on stock at the year end. if waste has nil realizable value. What is the cost per unit? (2 Marks)