

**AB-3378/AB**

Seat No. \_\_\_\_\_

**M. Phil. Examination**

April / May – 2003

**Accountancy : Paper - II**  
**(Commerce)**  
*(New & Old Course)*

Time : 3 Hours]

[Total Marks : 100

- Instructions :** (1) All questions carry **equal** marks.  
(2) Answers to **both** the sections be given in the same answer book.

*(New Course)*

**SECTION - I**

- 1** "There is no single comprehensive theory of accounting." – Discuss the statement in the Right of various approaches and attempts made in evolving accounting theory.

**OR**

- 1** "The behavioural approach to formulation of accounting theory emphasizes the relevance to decision making of the information being communicated" – Discuss.
- 2** Define 'Accounting Standards' ? Why do we need accounting standards. What are their limitations ? Discuss the view points about the harmonisation of the accounting standards.

**OR**

- 2** How accounting standards are formulated ? Explain AS-14-Accounting for Amalgamation; AS-19-Leases and A.S. 20-Earnings per share issued by the Institute of Chartered Accountants of India.

## **SECTION - II**

- 3** "Human being cannot be owned like other physical assets. They, therefore, cannot command any value." Do you agree with the statement ? Why ?

**OR**

- 3** Make a comparative study of the 'Current Purchasing Power' (CPP) and 'Current Cost Accounting' (CCA) methods of inflation accounting. Give hypothetical examples. Which methods do you consider best according to the Indian condition ?
- 4** Explain the concept of 'social accounting' and 'value added'. "The concept of value added is a more versatile measure of judging the efficiency and performance of an enterprise than the concept of social accounting", critically evaluate the statement.

**OR**

- 4** "Environmental Accounting has proved to be very useful in measuring the economic development, social welfare, industrial development, pollution control and in satisfying the needs of the government". Explain the statement in details.

***(Old Course)***

## **SECTION - I**

- 1** "There is no single comprehensive theory of accounting." – Discuss the statement in the light of various approaches and attempts made in evolving accounting theory.

**OR**

- 1** Explain the structure of accounting theory and discuss, in details, the nature of accounting postulates and theoretical concepts of accounting.

- 2 Discuss in details, how Generally Accepted Accounting Principles (GAAP) have contributed to the development of accounting as a science.

**OR**

- 2 How Accounting Standards are formulated ? Explain AS-3-Cash Flow Statement and AS-14-Amalgamation issued by the Institute of Chartered Accountants of India.

**OR**

- 2 "The behavioural approach to formulation of accounting theory emphasizes the relevance to decision making of the information being communicated" – Discuss.

## **SECTION - II**

- 3 Do you think that the traditional tools and techniques of accounting hold true or effective even in the changing accounting environments ? Why ? Illustrate your answer suggesting the new tools and techniques used for the purpose.

**OR**

- 3 Describe briefly the various approaches to the valuation of Human Resources by a company. Which one will you choose for the purpose ? Give your reasons.
- 4 Make a comparative study of the 'Current Purchasing Power' (CPP) and 'Current Cost Accounting' (CCA) methods of inflation accounting. Give hypothetical examples. Which methods do you consider best according to the Indian condition ?

**OR**

- 4 Explain the concepts of social accounting. Discuss the different approaches which are used in corporate social accounting, audit and reporting.