Roll No.												

PRESIDENCY UNIVERSITY

School of Commerce

Mid - Term Examinations - November 2024

Semester: VII | **Date**: 08-11-2024

Course Code: COM2011 | **Time**: 02.00pm to 03.30pm

Course Name: Sustainability for Finance and Accounting | **Max Marks**: 50

Program: B.Com LLB (Hons.) | **Weightage**: 25%

Instructions:

(i) Read all questions carefully and answer accordingly.

(ii) Do not write anything on the question paper other than roll number.

Part A

Answer ALL the Questions. Each question carries 2 marks. **5Qx2M=10M**

1	What are the possible outcomes if environmental factors are not incorporated into the accounting framework?	**2 Marks**	**Remember**	**CO-1**
2	What is the benefit for stakeholders if corporations can provide formal environmental reporting within their annual report?	**2 Marks**	**Understand**	**CO-2**
3	How much financing is needed to achieve the SDGs?	**2 Marks**	**Remember**	**CO-1**
4	"Mobilizing resources, both domestic and global, to support sustainable development remains a major challenge for many developing countries"-How can developing countries attract sustainable investments?	**2 Marks**	**Understand**	**CO-1**
5	How can chemical industries benchmark themselves based on the ESG performance?	**2 Marks**	**Remember**	**CO-2**

Part B

Answer ALL Questions. Each question carries 10 marks. **4QX10M=40M**

6	Calculate the profit as per section 198, with the given information	**10**	**Apply**	**CO-3**

Particulars	Amount
Profit before tax(P&L	**5,00,00,000**

Statement)	
Manager remuneration	**2,00,00,000**
Provision of bad debts	**10,00,000**
Loss on sale of investments	**2,00,00,000**
Fixed asset written off	**11,00,000**
Written off investments	**2,00,000**
Provision for contingencies	**10,00,000**
Infructures Project expenses	**24,00,000**
Loss on sale of underwriting	**26,00,000**
Provision of wealth tax	**7,00,000**
Compensation paid on VRS	**39,00,000**
Profit on sale on any undertaking	**2,00,00,000**
Profit/discount on redemption of shares and debentures	**12,00,000**
Profit on sale of investments	**1,00,00,000**
Compensation received on non-competent agreement	**90,00,000**
Write back of provision for doubtful debts	**45,00,000**
Write back of provision for doubtful advances	**56,00,000**
Profit on sale of forfeiture shares and shares of subsidy	**2,00,000**
Appreciation in the value of any investments	**2,00,00,000**
Profit on sale of undertaking	**1,00,00,000**

Or

7 Nature and biodiversity risk is a rapidly emerging issue of global concern. It has quickly become a key topic for financial institutions since the adoption of the Kunming-Montreal **10** **L** **CO**

Global Biodiversity Framework (GBF) aiming to halt and reverse biodiversity loss by 2030, and the development of disclosure guidance by the Taskforce on Nature-related Financial Disclosures (TNFD).

The speed and scale of biodiversity loss and ecosystem degradation is the highest in history. Approximately 85% of the world's largest companies have a significant dependency on nature, indicating the critical importance of greater transparency for market participants on nature-related risks and opportunities.

An Asia-based financial institution joined the Partnership for Biodiversity Accounting Financials (PBAF) to collaborate with international organizations on how best to respond to nature-related issues, and was one of the first in its home country to join the TNFD.

Members of the risk management team of the financial institution were looking to assess the institution's nature-related impacts and dependencies, and be the first financial institution in their home country to publish a report in line with the TNFD recommendations. They wanted to identify specialists in the field who could help support this analysis.

In 2022, S&P Global Sustainable1 ("S1") convened a Knowledge Community to inform the development of data intelligence to accelerate a shift of capital towards nature-positive outcomes through the universal lens of the TNFD. The Knowledge Community's pilot program Framing the Future for Nature received global interest, and this financial institution became one of the partners in the initiative. To date, the Knowledge Community is comprised of over 270 global organizations, representing financial institutions, corporations, government, academia, and interest groups. Being familiar with the work of S1, the risk management team contacted the S1 product group to discuss what support was available.

The TNFD is gaining momentum as organizations around the world recognize the need to take action to address the critical state of nature and biodiversity.

Questions for discussion:

1. How does Global nature bio diversity risk data help to create an eco system foot print?
2. What are the evaluation keys for bio diversity Areas

and how do they assess the impact on ecosystem?

8	You are the president of Silver Fiddle construction (SFC), which specializes in building high-quality, customized homes in the Grand Junction, colorado area. You have just been hired by the Czopeks to build their dream home. You operate as a general contractor and employ only a part-time bookkeeper. You subcontract work to local trade professionals. Housing construction in Grand Junction is booming. You are tentatively scheduled to complete 11 houses this year. You have promised the Czopeks that the final costs will range from $450,000 to $500,000 and that it will take five months to complete the house once groundbreaking has begun. The Czopeks are willing to have the project delayed in order to save costs. You have just finished a preliminary scope statement for the project. You are now branistorming potential risks associated with the project. Questions: 1. Identify potential risks associated with this project. Try to come up with at least five different risks. 2.Use a risk assessment, to analyse identified risks. 3. Develop a risk response and outline how you would deal with each of the risks.	**10**	**Apply**	**CO-3**

Or

9	From the following is the trial balance of Vishal Ltd., prepare the Balance Sheet of the company as on 31st March 2015 as per Schedule III of the Companies Act.	**10**	**Apply**	**CO-3**

DEBIT	**Rs.**	**CREDIT**	**Rs.**
Advances to employees	3,00,000	Equity Share Capital	52,00,000
Cash at Bank	3,14,320	Capital Reserve	60,000
Furniture & Fixture	7,50,000	Loan from SBI	8,00,000
Patents	10,00,000		

Premises	41,09,940	Provision for Employees Welfare Fund	6,00,000
Discount on issue of shares(unwritten off)	25,000	Proposed Dividend	1,64,000
Trade Receivables	3,66,240	Short term loan rom bank	4,90,200
Advance Tax	50,000	Unpaid dividend	64,800
8% Govt. Bonds	3,36,000	Profit & Loss A/c	42,980
Stock in trade	3,55,600	Bills Payable	85,100
		Sundry Creditors	1,00,000
Total	**76,07,100**	Total	**76,07,100**

10 Mysore, a city in southern India, has been making significant efforts towards becoming a sustainable city in recent years. **10** **Apply** **CO-3**

The city has implemented various initiatives to promote green living, reduce its carbon footprint, and become more eco-friendly.

Efforts and Steps Taken-

Mysore has implemented several measures to promote sustainability and green living. One of the most significant initiatives was the implementation of the Mysore City Corporation (MCC) Green City project, which aimed to transform the city into a green and sustainable city.

The project was launched in 2010 and focused on various aspects of sustainability, including waste management, water conservation, and renewable energy.

The city also introduced a number of eco-friendly transportation options, such as cycle sharing programs, electric rickshaws, and hybrid buses. These efforts were aimed at reducing the carbon footprint of the city's transportation sector, which is a significant contributor to air pollution.

To promote waste management and recycling, Mysore launched a door-to-door garbage collection program and implemented a waste segregation system.

The city also established composting centers and encouraged citizens to compost their organic waste at home.

In addition, Mysore focused on promoting the use of renewable energy sources, such as solar energy. The city installed solar panels on government buildings and provided subsidies for citizens who wanted to install solar panels on their homes.

Questions:

1. What are the challenges faced by the government in attaining sustainability goals.

2. Under 17 principles comment on any two principles associated with the case.

Or

11	"Though sustainability reporting is not a simple extension of financial reporting — it's about protecting humanity, not just protecting investors, after all — we can use financial reporting's evolution as a blueprint. Go back a century and financial reporting looked a lot like sustainability reporting today with a lack of clear standards and reporting requirements. Yet society found its way forward with government agencies and professional organizations leading the way." Questions: 1.What stands in the way of deeper adoption of sustainability reporting? 2.Where do you see sustainability reporting heading in the coming years?	**10**	**Remember**	**CO-2**

12 Sulphur and fly ash emissions from coal-fired power stations can now be reduced to acceptable levels by commercially-available capture technologies. Economic recycling of the residue materials is a further contribution to the sustainable use of coal in power generation. In 1997, CONSOL Energy commenced development of a beneficial use for these by-products in a joint venture with Syn Aggs LLC, aided by funding from the US Department of Energy and other co-sponsors. CONSOL developed a synthetic aggregate from a mixture of flue gas desulphurisation sludge and pulverized coal fly ash, which can be used in road paving applications and for the manufacture of concrete blocks. A new company, Universal Aggregates LLC, has been formed to commercialise and market the technology. CONSOL's approach illustrates several important lessons for the commercial application of sustainable development principles: it is a "zero-waste" approach; it reduces the need for costly land disposal of wastes; it creates a business opportunity, providing jobs and economic stimulus to regional support industries; it provides a compatible technology in support of flue gas scrubbing at coal-fired power stations, itself a sound technology for improving air quality and public health.

10 **Understand** **CO-1**

The technology has been demonstrated in both bench-scale and pilot-plant tests. It is capable of producing manufactured aggregates from a variety of coal combustion by-products, including pulverized coal fly ash, fluidized bed combustion ash, and those generated from wet and dry flue gas desulphurization (FGD).

Universal Aggregates LLC signed a Co-operative Agreement with the Department of Energy (DOE), through the Power Plant Improvement Initiative, to demonstrate the technology on a commercial scale.

Universal Aggregates built and operates the aggregate manufacturing plant in Virginia using spray-dryer ash from the Birchwood Power Station. Previously, the power station had to pay the costs of disposing more than 100 000 tons of ash in a local land-fill each year, but Universal Aggregates' newly-built, recycling plant saves Birchwood operators land-fill costs by converting some of the waste into raw material for concrete block manufacturing. Across the USA, a greater proportion of the estimated 28 million tons of FGD waste could be converted into building materials, rather than sending this waste to land-fills.

US Secretary of Energy Samuel Bodman has commented, "By seeking alternative uses for these waste materials, we are showing how innovation is the key to environmental stewardship. Materials that once were discarded are now going into construction projects, not land-fills." Universal Aggregates is currently in negotiations with several electricity generation companies that have expressed a strong interest in the technology.

Questions:

1.Under SDG comment on "zero waste approach" dealt in this case.

2. State the Guidelines to prepare BRSR associated with the case.

OR

13	. The owners of Taiwan's Taipei 101 tower, the tallest building in East Asia, wanted to show the world that it is possible to make an existing building sustainable by winning a LEED(Leadership in energy and environmental design) certification. When the building was constructed in 1998, advanced elements of sustainability were included, such as low-emissivity windows, energy efficient HVAC systems, and smart controls on its double-deck elevators. The new $1.8 million effort will extend these green elements to include eco-friendly processes (cleaning, solid-waste management, purchasing), healthy office environments (air-quality testing, environmental inspections), energy consumption (optimizing operating and maintenance programs, automatic turnoff lightning in unoccupied restrooms), water usage (replacing toilet and urinal flush valves, reducing washbasin faucet flow rates), and tenant recycling, waste management, and office fit-outs. However, the engineering aspects of the tower refitting were the easy parts of the project. More difficult was getting all 85 organizations occupying the tower, comprising over 10,000 people, on board with the recycling (including purchase of recycled supplies) and other sustainability routines. The project manager does notes that changing people's attitudes is by far the greatest challenge for sustainability. QUESTIONS 1. Why did the owners pick such a big building for sustainability refitting? 2. What aspect of the tenant's habits and routines relates to sustainability, as opposed to "green"?	**10**	**Remember**	**CO-1**