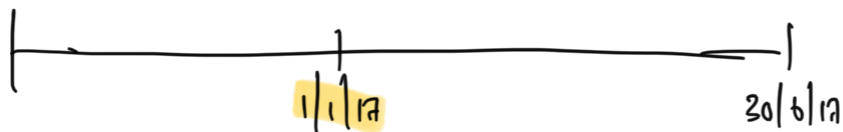


(I) Acqⁿ of GRATE (Lim)

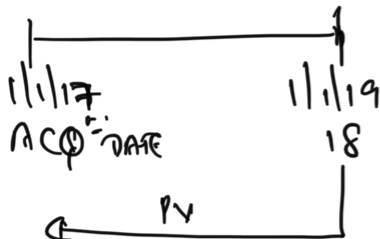


B $\xrightarrow{80\%}$ n 6

INV

- SHARE ISSUING
 10MN x 6.80
 = 68 (1)

- CONTINGENT CONSIDERATION



16
 x 25% (PROBABILITY)

4 FV (2)

- NCI @ FV

20MN SHARES x 20% x Rs. 4.25 = 17 (3)

	NA	
SPC	- 20	(20MN SHARES)
RIE	- 42	
OLE	- 8	
<u>BYOP</u>	<u>70</u>	
NA		
<u>FVADT</u>		
(AND)	+ 5	
	<u><u>75</u></u>	(4)
FV		
OF		
NA		



CORRECT GW CALCULATION

INV - S/I	(1)	68
- CONTINGENT CONSIDERATION	(2)	4
+ NCI	(3)	17
(-) FV OF NA	(4)	(75)
GW		<u>14</u>

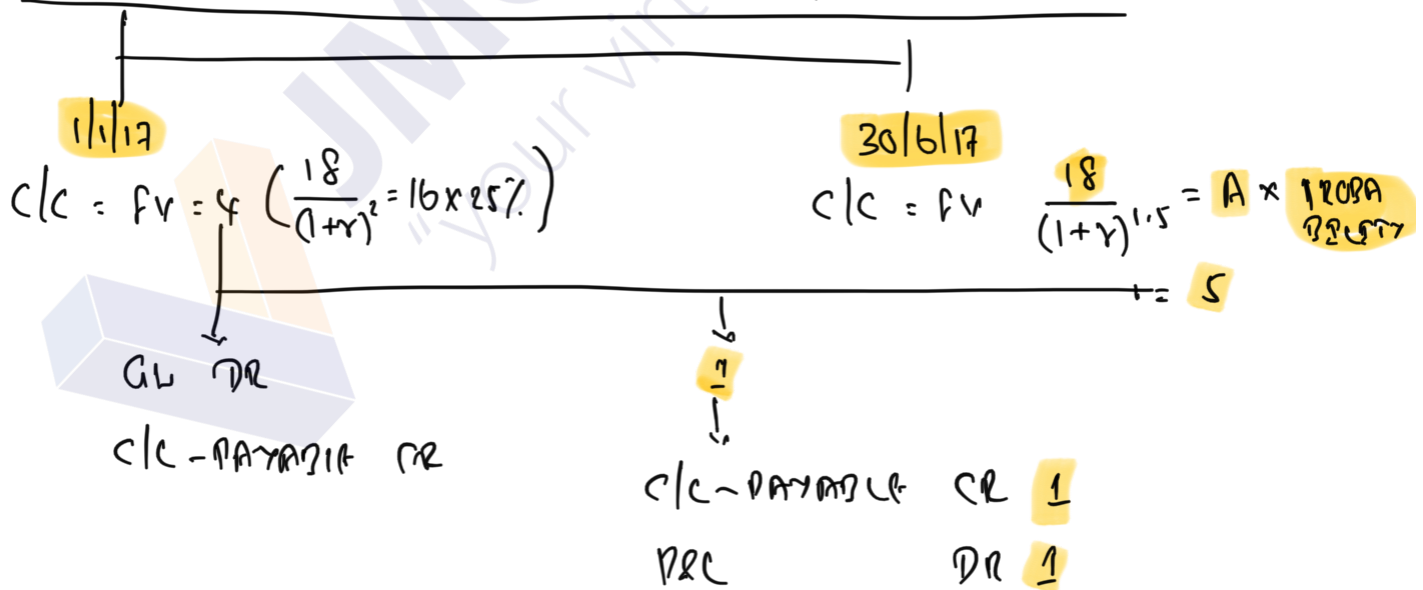
INCORRECT CALCULATION

68
-
14
(70)
<u>12</u>

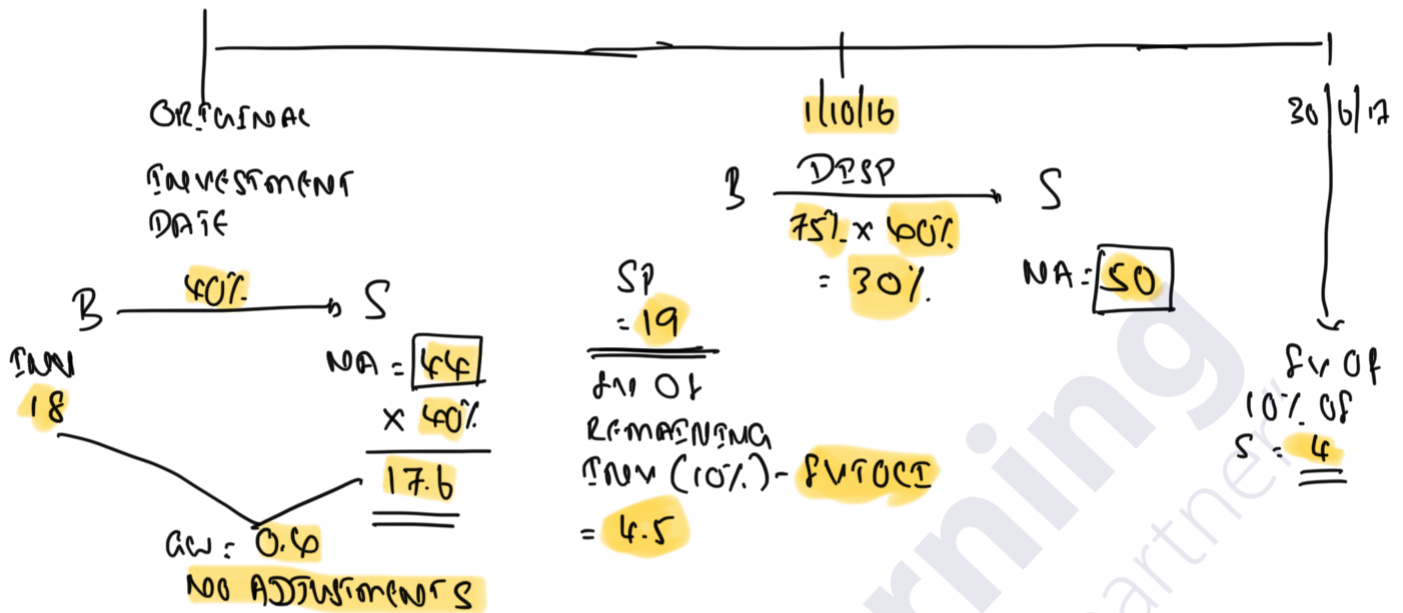
CORRECTION ENTRIES

CONTINGENT CONSIDERATION PAYABLE	CR	4	}	7
NCI	CR	3		
CASH	DR	5	}	7
GW	DR	2		

SUBSEQUENT ACCOUNTING FOR C (CONSIDERATION)



(II) STRAWBERRY



RECORDED A LOSS $4 - 18 = \underline{\underline{14}}$ LOSS

WHY EQUITY ACCOUNTING WAS APPROPRIATE UP TO 1/10/16

- 40% EQUITY SHARES + 1/5 DIRECTOR
- INDICATES PARTICIPATION IN DECISION MAKING & $\geq 20\%$ VOTING RIGHTS SHOWS SIGNIFICANT INFLUENCE

CA BEFORE DISPOSAL

ACQⁿ DATE VALUE 18

POST ACQⁿ SHARE OF NA CHANGE = $(50 - 44) \times 40\%$ 2.4

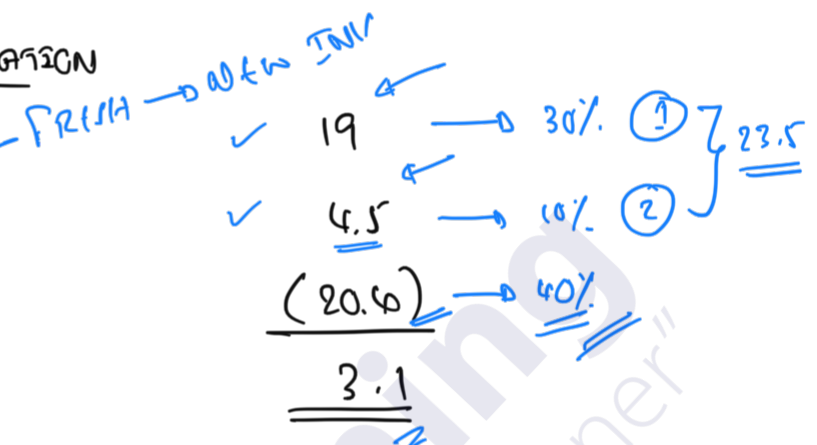
CA BEFORE DISPOSAL 20.4

DESP

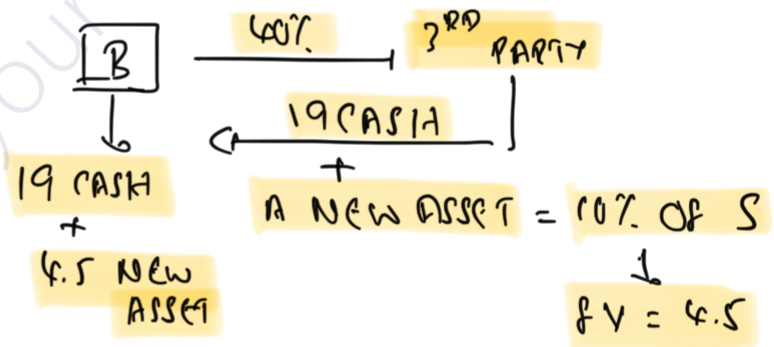
CA	20.4	CASH	19
		NEW ASSET	4.5
GAIN	9.1		<u>23.5</u>

DISPOSAL GAIN / LOSS CALCULATION

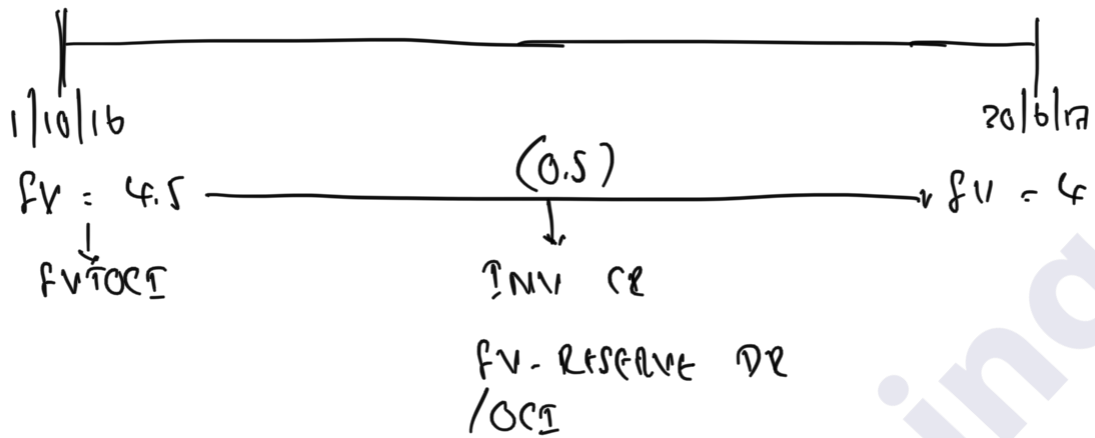
SP
 + FV OF REMAINING INV
 (-) CA OF INV
DISPOSAL GAIN



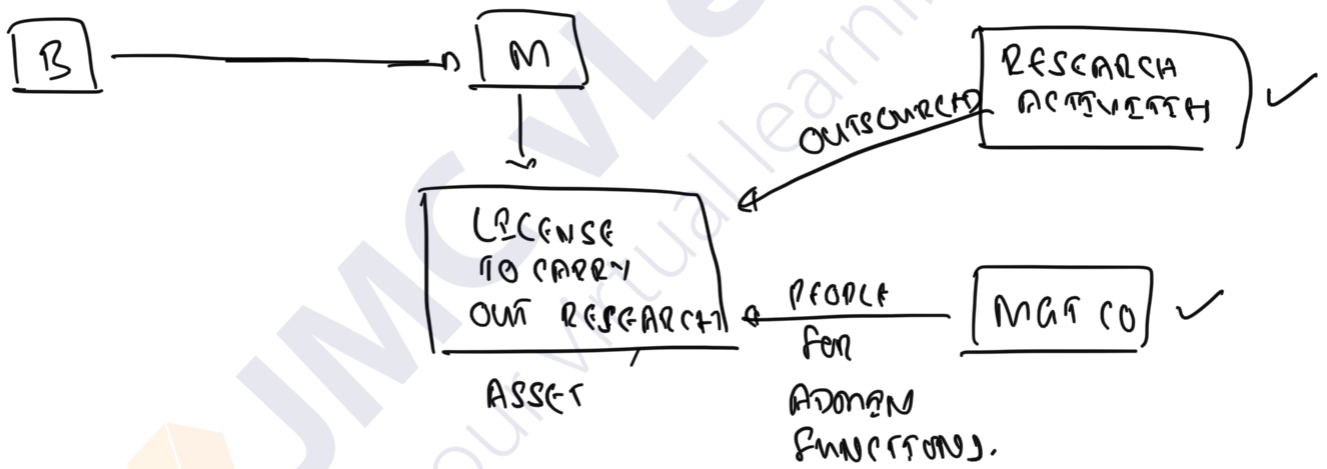
COMPANY HAS RECORDED A LOSS OF 14 THAT SHOULD BE REVERSED & A GAIN OF 21 SHOULD BE RECOGNIZED.



SUBSEQUENT ACCOUNTING.



(IV) ACQⁿ OF MFCO.



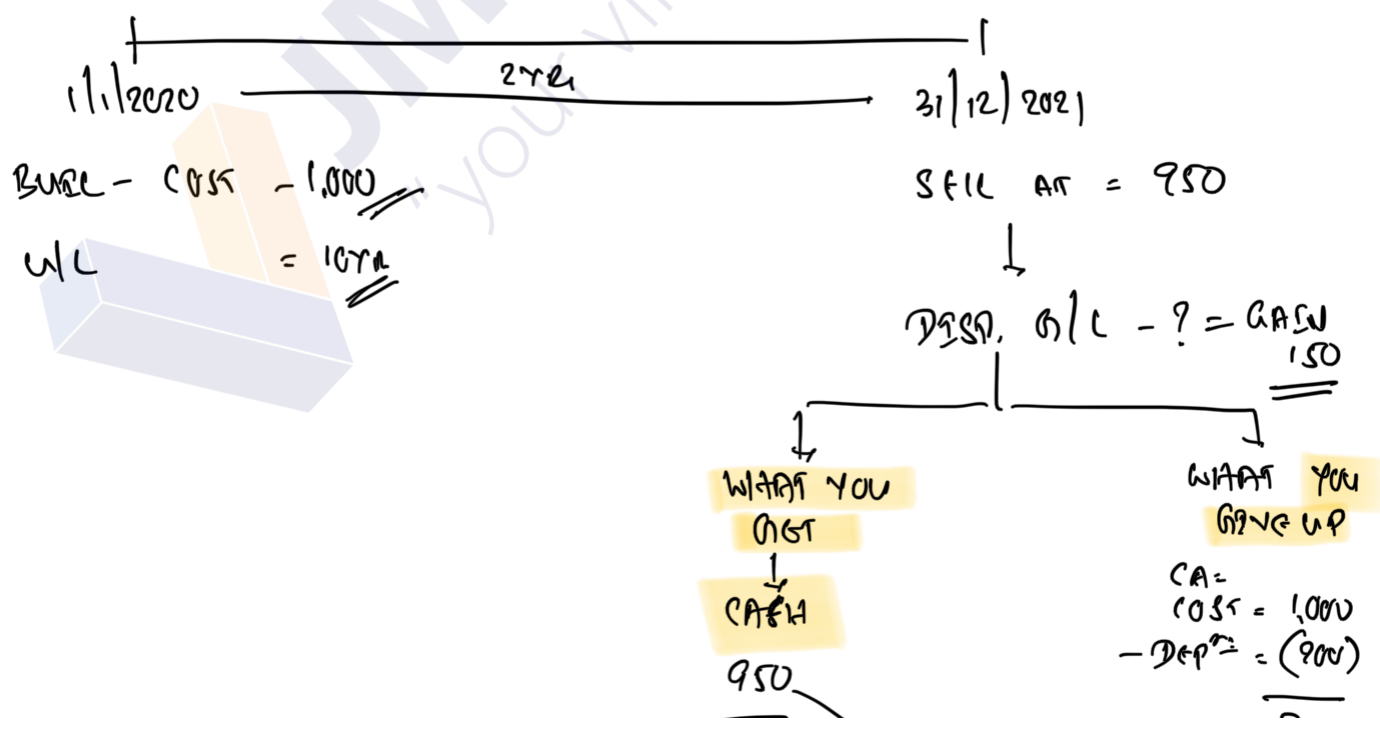
BUSINESS (AS PER SLIP 3)

INTEGRATED SET OF ASSETS
 +
 CAPABLE OF BEING MANAGED
 +
 TO PROVIDE A RETURN
 TO INVESTOR.

INPUTS + PROCESSED = OUTPUTS

- MENTION AS A BUSINESS — SLIP 3 APPROX — GW CALCULATION
- ON SHOULD BE PERFORMED.

DISPOSALS OF SUBSIDIARIES





INCREASE OF
A SUBSIDIARY.

ALL ASSETS	1,000	✓
ALL LIABILITIES	(200)	✓
GW	100	✓
NCI	(100)	✓
FV ADJ	<u>50</u>	
NET AMT	<u><u>790</u></u>	



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