

14.7.20

Specialised Accounts T.D.C. Part II

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Question.

After amalgamation of X and Y Limited on 1 April 2016 Z Limited was formed on the following conditions.

- (i) Z Limited to issue 500, 10% Debentures of 100 each to the debentureholders of X Limited
- (ii) Preference share of X Limited, issued the allotment of 1500, 12% Preference share of 100 each.
- (iii) Equity shareholders of X Limited are to be allotted 10 equity shares at par for 5 equity share held by them. The share of X Limited are 20000 of 10 each.

Ans.

determination of purchase price as per (A s 14)

(i) 1500, 12% Preference share of 100 each	$1500 \times 100 = 150000$	
(ii) 20000 x 10% =	$\frac{20000 \times 10}{5} = 40000$	150000
	<u>550000</u>	<u>550000</u>
	Total purchase price.	