

By  
 Mr. S.N. Pathan  
 Dept of Commerce, R.N.C. Hatipar

Question. ①

April 2016 and discharged consideration on 1st Feb 2017  
 Business as follows.

① Issued 42000 fully paid equity share of Rs 10 each at par to the equity shareholders of B limited.

② Issued fully paid 15% preference share of Rs 100 each to discharge the preference shareholders (170000) of B limited at a premium of 10%.

③ It is agreed that the debenture of B limited (50000) will be converted in to equal number of B limited and amount of 13% debenture of A limited

Ans.

Calculation of purchase consideration:

①	42000 equity share @ 10 each	42000
②	15% preference share of	
	$170000 \times 110$	187000
	<hr/>	<hr/>
	120	
	Total purchase price	<u>607000</u>

