

	Chapter	Source		Covered
1	Ind AS 110	Nov-23	14	14
2	Ind AS 109	May'25 RTP	10	10
2b	Ind AS 7	Sep 25 RTP	4	4
3a	Ind AS 19	SM	8	8
3b	Ind AS 33	Similar SM	6	6
4a	Ind AS 23	SM	6	6
4b	Ind AS 21	SM/RTP	8	8
5a	Ind AS 115	SM	5	5
5b	Ind AS 101	SM	5	5
5c	Theory		4	
6a	Theory/Application		5	
6b	Ind AS 36	SM	5	5
6c	Ind AS 8	SM	4	4
			84	75
	Coverage excluding Theory			89.29%

Nov-23 : Same question | Hammer Ltd | Solved in Class

Assuming Goodwill as any other Intangible Asset

Working Notes

1. Goodwill

Fair value of Net Assets WN 3 463.875

	No of Shares	FV		%
FV of Existing stake	12	14	168.000	40.00%
FV of consideration	13.5		155.250	45.00%
NCI @ FV	4.5	14	63.000	15.00%
			386.250	
Capital Reserve			77.625	

2. Retained Earnings

To dividends	36	By Bal b/d	45
To GR	45	By PL	186
To Bal c/d	150		
	231		231

General Reserve			
		By Bal b/d	30
To Bal c/d	75	By P&L	45

Suggested Answers to Sep-25 Financial Reporting

Prepared by CA Suraj Lakhotia (AIR 1,4,2) @ 1FIN by IndigoLearn

Alternatively	31-Mar-25	01-Apr-24	Dividend	For the Year	Pre	Post
Equity	300	300		-		
General Reserve	75	30		45	33.750	11.250
Retained Earnings	150	45	36	141	105.750	35.250

3.					
Identifiable Net Assets on DOA	GR	RE	Equity	FV Adj	FV of INA
Bal on 1st April	30.000	45.000			75.000
Profit for 9 Months	33.750	105.750			139.500
Less: Dividends		(36.000)			(36.000)
Less: GW (Since not identifiable)					-
Less: PM FV				(14.625)	(14.625)
As on 1st Jan	63.750	114.750	300.000	(14.625)	463.875

If Goodwill is treated like any other intangible asset, Capital reserve and IA in BS will change accordingly

4.

Post Acquisition Profits (3/12)	11.250	35.250
Depreciation of FV Adj for 3m		0.375
Total	11.250	35.625
Parent	9.563	30.281
NCI	1.688	5.344

The question has given FV as on 1st Oct. Control is acquired as on 1st Jan.
 WDV is generally applied on yearly basis. If its applied on quarterly basis, answer will change

5. Valuation of P&M	Annual basis	Quarterly
Overvaluation as on 1/10	(15.000)	(15)
Dep - 10%	(0.375)	(0.375)
Balance as on 1-Jan	(14.625)	(14.625)
Dep for 3 months	(0.375)	(0.3656)
Balance as on 31st Mar	(14.250)	(14.259)

Balance Sheet as on 31st March 2025

1. Assets	Z	R	Adj	Consolidated
A. Non Current Assets				
PPE	450.000	248.000	(14.250)	683.75000
Intangible Assets	75.000	45.000		120.00000
Investments	375.000	68.000	(353.250)	89.75000
B Current Assets				
Inventories	75.000	75.000	-	150.00000
Financial Assets				
Trade Receivables	110.000	120.000	(1.000)	229.00000
Cash & Cash Equivalent	85.000	135.000		220.00000
BR				
Total				1,492.50000
Equity and Liabilities				
Equity Share capital	600.000	-		600.00000
Other Equity				424.96875
NCI				70.03125
Non Current Liabilities				
Financial Liabilities				
Borrowing	120.000	60.000	(22.500)	157.50000
Current Liabilities				
FL				
Short term borrowings				
Bank OD	45.000	30.000		75.00000
Trade Payable	90.000	76.000	(1.000)	165.00000
Total				1,492.50000

Other Equity	GR	RE	CR	
Z Ltd	120	195.00000		
Add: Post Acquisition	9.56	30.28125		
Gain on FV of Investment		24.00000		
Loss on cancellation of PS		-31.50000		
	129.5625	217.78125	77.625	424.96875

NCI Balance	
On DOA	63.00000
Post Acquisition Share	7.03125
	70.03125

Working Notes

1. Goodwill

Fair value of Net Assets WN 3 418.875

	No of Shares	FV		%
FV of Existing stake	12	14	168.000	40.00%
FV of consideration	13.5		155.250	45.00%
NCI @ FV	4.5	14	63.000	15.00%
			386.250	
Capital Reserve			32.625	

2. Retained Earnings

To dividends	36	By Bal b/d	45
To GR	45	By PL	186
To Bal c/d	150		
	231		231

General Reserve			
		By Bal b/d	30
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Bal on 1st April	30.000	45.000			75.000
Profit for 9 Months	33.750	105.750			139.500
Less: Dividends		(36.000)			(36.000)
Less: GW (Since not identifiable)				(45.000)	(45.000)
Less: PM FV				(14.625)	(14.625)
As on 1st Jan	63.750	114.750	300.000	(59.625)	418.875

If Goodwill is treated like any other intangible asset, Capital reserve and IA in BS will change accordingly

4.

Post Acquisition Profits (3/12)	11.250	35.250
Depreciation of FV Adj for 3m		0.375
Total	11.250	35.625
Parent	9.563	30.281
NCI	1.688	5.344

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Intangible Assets	75.000	-		75.00000
Investments	375.000	68.000	(353.250)	89.75000
B Current Assets				
Inventories	75.000	75.000	-	150.00000
Financial Assets				
Trade Receivables	110.000	120.000	(1.000)	229.00000
Cash & Cash Equivalent	85.000	135.000		220.00000
BR				
Total				1,447.50000
Equity and Liabilities				
Equity Share capital	600.000	-		600.00000
Other Equity				379.96875
NCI				70.03125
Non Current Liabilities				
Financial Liabilities				
Borrowing	120.000	60.000	(22.500)	157.50000
Current Liabilities				
FL				
Short term borrowings				
Bank OD	45.000	30.000		75.00000
Trade Payable	90.000	76.000	(1.000)	165.00000
Total				1,447.50000

Other Equity	GR	RE	CR	
Z Ltd	120	195.00000		
Add: Post Acquisition	9.56	30.28125		
Gain on FV of Investment		24.00000		
Loss on cancellation of PS		-31.50000		
	129.5625	217.78125	32.625	379.96875

NCI Balance	
On DOA	63.00000
Post Acquisition Share	7.03125
	70.03125

1. Initial Recognition

Cashflow		PVAF/PVF @ 12%	
Interest	1,20,000	3.605	4,32,600
Principal	15,00,000	0.567	8,50,500
			12,83,100
	Proceeds		1500000
	Equity		2,16,900

Bank A/c Dr.	1500000	
To Financial Liability - Debt		12,83,100
To Equity		2,16,900

2. Interest amortisation

Year	Op Bal	Int @ 12%	Payment	CB
2022	12,83,100	1,53,972	(1,20,000)	13,17,072
2023	13,17,072	1,58,049	(1,20,000)	13,55,121
2024	13,55,121	1,62,614	(1,20,000)	13,97,735
2025	13,97,735	1,67,728	(1,20,000)	14,45,463
2026	14,45,463	1,74,537	(1,20,000)	15,00,000

(b.f)

Suggested Answers to Sep-25 Financial Reporting

Prepared by CA Suraj Lakhotia (AIR 1,4,2) @ 1FIN by IndigoLearn

3. On date of redemption

PV of Liability

Cashflow	Amount	PVF	PV
Interest	1,20,000	1.759	2,11,080
Principal	15,00,000	0.842	12,63,000
			14,74,080
	Carrying Amount		13,97,735
	Loss		(76,345)

Redemption Value	1575000
FV of Liability	14,74,080
Redemption of Equity	1,00,920

Financial Liability A/c Dr.	13,97,735	
Equity Dr.	2,16,900	
Profit & Loss A/c Dr	76,345	
To Other equity		1,15,980
To Bank		15,75,000

2b. RTP Sep 25 | Same Question Solved

Profit before Taxation	16,00,000
Unrealised gain Loan	(3,00,000)
Unrealised gain Payable	(5,00,000)
Cashflow before WC changes	8,00,000
Add: Increase in Trade Payables	77,00,000
Cash flow from operating Activities	85,00,000

Sales	82,00,000
Purchases	(77,00,000)
Gross Profit	5,00,000
Unrealised Gain - Creditor	5,00,000
Realised Gain - Debtor	3,00,000
Unrealised gain - Loan	3,00,000
	16,00,000

3 Study material | Past RTP

	DBO	Plan Assets	Net	Accounting Treatment
Opening Balance	90	78	12	
Interest @ 6%	5.4	4.68	0.72	Charged to PL
CSC	9.3		9.3	Charged to PL
PSC	2.25		2.25	Charged to PL
Contributions		10.5	-10.5	
Benefit Paid	-6.3	-6.3	0	
Gain on Settlement	-12	-11.25	-0.75	Recognised in PL
Expected Closing Balance	88.65	75.63	13.02	
Closing FV	102	84	18	
Loss on Remeasurement			-4.98	Recognised in OCI

Suggested Answers to Sep-25 Financial Reporting

Prepared by CA Suraj Lakhota (AIR 1,4,2) @ 1FIN by IndigoLearn

3b	Study material Solved			
	Earnings available to ESH		91,20,000	
	No of Equity Shares		5,00,000	
	Basic EPS		18.24	
		ESOPs	Warrants	
	No	1,40,000	2,00,000	
	EP	112	84	
	Total Proceeds	1,56,80,000	1,68,00,000	
	Avg Price	140	140	
	Shares at Full Value	1,12,000	1,20,000	
	Dilutive shares	28,000	80,000	
	Diluted EPS		9120000	15.00
			500000+108000	

Suggested Answers to Sep-25 Financial Reporting
Prepared by CA Suraj Lakhotia (AIR 1,4,2) @ 1FIN by IndigoLearn

4a **RTP May-23/Study material |Solved**

Borrowing costs can be capitalized when a qualifying asset is being constructed, and all three conditions are met:

1. Expenditure on the qualifying asset.
2. Borrowing costs are incurred.
3. Activities to prepare the asset for its intended use or sale are in progress.

2022-23

Expenditure Date	Amount (₹ Lacs)	Period	WA Exp
1 st Jan 23	10	0	NIL

Borrowing Costs Eligible for Capitalization: ₹ 0

2023-24

Expenditure Date	Amount (₹ Lacs)	Period	WA Exp
01-Jan-23	10	9/12	7.5
30-Jun-23	40	9/12	30
31-Mar-24	30	0/12	0
Total	50		37.5

Borrowing Costs Eligible for Capitalization: (37.5 crore × 12%). 4.5

Suggested Answers to Sep-25 Financial Reporting

Prepared by CA Suraj Lakhota (AIR 1,4,2) @ 1FIN by IndigoLearn

2024-25

Expenditure Date	Amount (₹ Lacs)	Period	WA Exp
01-Jan-23	10	3/12	2.5
30-Jun-23	40	3/12	10
31-Mar-24	30	3/12	7.5
31-Mar-24	4.5	3/12	1.125
30-Jun-24	20	0/12	NIL
Total			21.125
Interest @ 12%			2.535

4b. Study Material / Past RTP | Solved

If Transaction price is assumed to be the fair value with an assumption that the loan would be paid at premium (May 2020 RTP)

Amortisation Schedule

Year	Op Bal	Int @ 11%	Payment	CB
2025	30,000.00	3,300.00	2400	30,900.00
2026	30,900.00	3,399.00	2400	31,899.00
2027	31,899.00	3,508.89	2400	33,007.89
2028	33,007.89	3,630.87	2400	34,238.76
2029	34,238.76	3,766.26	2400	35,605.02
2030	35,605.02	3,916.55	2400	37,121.57

Finance Cost for the year	Int @ 11%	72	2,37,600.00
Payment Made	2,400.00	78	1,87,200.00

Carrying amount of Loan

	Op Bal	Int	Payment	CB
2025	22,20,000	2,37,600	1,87,200	22,70,400

Translated amount of loan **CB in USD**

30,900.00	78	24,10,200.00
Exchange Diff		(1,39,800.00)

There is no information about whether the loan would be paid at premium & transaction charges

We could also compute the FV by using EIR of 11%

		11%,6 Years		PV	INR
Interest	2400	PVAF	4.2305	10,153.29	
Principal	30000	PV	0.5346	16,039.23	
				26,192.52	19,38,246.18
		Transaction Value		30,000.00	22,20,000.00
		Difference		3,807.48	2,81,753.82

Amortisation Schedule

Year	Op Bal	Int @ 11%	Payment	CB
2025	26,192.52	2,881.18	2400	26,673.69
2026	26,673.69	2,934.11	2400	27,207.80
2027	27,207.80	2,992.86	2400	27,800.66
2028	27,800.66	3,058.07	2400	28,458.73
2029	28,458.73	3,130.46	2400	29,189.19
2030	29,189.19	3,210.81	2400	30,000.00

Finance Cost for the year	2,881.18	72	2,07,444.73
Payment Made	2,400.00	78	1,87,200.00

Carrying amount of Loan

	<i>Op Bal</i>	<i>Int</i>	<i>Payment</i>	<i>CB</i>
2025	19,38,246	2,07,445	1,87,200	19,58,491

Translated amount of loan **CB in USD**

26,673.69	78	20,80,548.03
Exchange Diff		(1,22,057.12)

5a. Study Material | Solved

Consideration	1,20,00,000
Bonus	35,00,000
Expected Cost	71,00,000

31-Mar-24

		Completion	
31-Mar-24	Consideration	60%	72,00,000
	Cost	60%	(42,60,000)
	Profit		2940000

At contract inception, the bonus is excluded from the transaction price due to uncertainty and risk of revenue reversal. S Limited recognizes revenue based on 60% completion of the performance obligation.

31-Mar-25 As per information as on April 24

the contract is modified, increasing both consideration and costs. Since the bonus is now highly probable, it is included in the revised transaction price

Originally Estimated Cost	71,00,000
Add: Modification	7,60,000
Revised Cost	78,60,000
Cost Incurred	42,60,000
% Completion	54.20%

		Completion	
	Consideration	54.20%	92,40,840
	Cost	54.20%	(42,60,000)
	Profit		49,80,839.69

Cumulative Catchup Adjustment in April 2024

20,40,840

5b. From Multiple questions in SM

i. Rs. 15,00,000 will be accounted for as Investment Property on date of transition

On the transition date, the carrying amount of PPE under previous GAAP is retained as deemed cost without any adjustments for past capitalized exchange fluctuations.

ii. The entity can continue Goodwill as per erstwhile GAAP.

iii. The company can consider fair value of the loan on date of transition and measure the loan at 5,00,000/-. The difference would be recognised in Retained earnings.

6b

Basic Question**Computation of Value in Use**

Year	CF	PVAF	PV
2026	24,70,000	0.909	22,45,230
2027	18,60,000	0.826	15,36,360
2028	16,30,000	0.751	12,24,130
2029	10,10,000	0.683	6,89,830
2030	8,50,000	0.621	5,27,850
		VIU	62,23,400

Fair Value on 31-Mar-25		60,00,000
Less: Costs to sell		(11,50,000)
		48,50,000
Recoverable Amount		62,23,400
Carrying Amount of Machine		68,20,000
Impairment Loss		5,96,600
Revaluation Surplus		3,80,000
Balance to PL		2,16,600
Carrying Amount after Imp		62,23,400
Estimated life	5	
Depreciation		12,44,680

6ai	Robotic Process Automation
6aii	Block Chain Technology
6c	Issue I - Error Restate
	Issue II - Error Restate

Case	Topic	Issue	
Hans Ltd	ESOP	The question provides eligibility if employee remains in employment as on 31st March 2026. Hence the service condition is 3 years and not 4 years.	
Mohan Limited	Convertible N	The question does not have information on convertible notes but on preference	
Zebra Limited	Fair value	The options do not consider fair value changes in Fixed Assets	
Saurya Limited	Inventory	The inventory should be valued at lower of cost and NRV.	
Cost	340	Qty	Valuation
NRV Firm Contract	360	2760	938400
NRV others	260	2240	582400
			1520800
This option is not available			