BHAGYA ACHIEVERS TEST SERIES

CA Inter — Advanced Accounting

Exam Analysis Sept 2026

S.No.	Chapter / Topic	Question Reference	Marks	Difficulty
1	**Amalgamation of Companies – AS 14**	Q2(b), Q3	**14–15**	**Difficult**
2	**Consolidated Financial Statements**	Q5	**14**	**Difficult**
3	**Cash Flow Statement – AS 3**	Q4(a), MCQ 1	**12**	**Moderate–Difficult**
4	**Buy-back of Shares + CRR**	MCQ 1–4	**8**	**Moderate**
5	**AS 10 – PPE**	Q1(a)	**Part of 8 marks**	**Difficult**
6	**AS 16 – Borrowing Costs**	Q1(a), MCQ 13	**4–6**	**Moderate–Difficult**
7	**AS 11 – Foreign Exchange**	Q1(a), MCQ 8	**4**	**Moderate**
8	**AS 20 – EPS**	Q1(c)	**4**	**Difficult**
9	**Schedule III**	Q2(a), MCQ 4	**7**	**Moderate**
10	**AS 28 – Impairment of Assets**	Q4(b)	**4**	**Moderate–Difficult**
11	**Branch Accounts**	Q6(c)	**4**	**Moderate**
12	**Internal Reconstruction**	Q6(b)	**4**	**Moderate**

S.No.	Chapter / Topic	Question Reference	Marks	Difficulty
13	AS 19 – Leases	Q1(b)	4–5	Moderate
14	AS 15 – Employee Benefits	MCQ 6, 10	4	Moderate
15	AS 29 – Provisions	MCQ 7, 11	4	Moderate
16	AS 12 – Government Grants	MCQ 9	2	Easy–Moderate
17	AS 13 – Investments	MCQ 14	2	Easy–Moderate
18	AS 2 – Inventories	MCQ 12	2	Easy–Moderate
19	AS 18 – Related Party Disclosures	Q6(a)	4	Easy–Moderate
20	Revenue Recognition	Q6(a) OR	4	Moderate
21	Accounting Framework	MCQ 15	2	Easy

PART I — MCQs

MCQ 1 — Buy-back + Cash Flow

Question: Gram Dynamics Ltd. buys back 20% of its equity shares. It asks how the **buy-back payment and sale of investments** should be classified in Cash Flow Statement under AS 3.

Chapter:
➡ Company Accounts – Buy-back of Shares
➡ Cash Flow Statement – AS 3

Reference: MCQ 1, Paper p. 3

Importance: Very High

MCQ 2 — Capital Redemption Reserve

Question: Immediately after completion of buy-back, whether the company can utilise **Capital Redemption Reserve** and for what purpose.

Chapter:
➡ **Company Accounts – Buy-back / CRR**

Reference: MCQ 2, Paper p. 4

Importance: Very High

MCQ 3 — Amount transferred to CRR

Question: What exact amount should be transferred to **Capital Redemption Reserve** after buy-back?

Chapter:
➡ **Buy-back of Shares + CRR**

Reference: MCQ 3, Paper p. 4

Importance: Very High

MCQ 4 — Schedule III after Buy-back

Question: What amount should be shown under **"Reserves & Surplus"** in the Balance Sheet after passing the buy-back entries?

Chapter:
➡ **Schedule III – Balance Sheet**
➡ **Buy-back of Shares**

Reference: MCQ 4, Paper p. 5

Importance: High

MCQ 5 — Dividend out of Free Reserves

Question: How much can be withdrawn from reserves for declaration of dividend when the average dividend rate of the last 3 years is given?

Chapter:
➡ **Company Accounts – Declaration of Dividend out of Reserves**

Reference: MCQ 5, Paper p. 5

Importance: High

MCQ 6 — AS 15: Employee Benefits

Question: Calculate the **fair value of plan assets** where the opening plan assets, actual return and contributions are given.

Chapter:
➡ **AS 15 – Employee Benefits**

Reference: MCQ 6, Paper p. 8

Importance: Very High

MCQ 7 — AS 29: Warranty Provision

Question: Provision for warranty is required to be computed based on the remaining warranty period.

Chapter:
➡ **AS 29 – Provisions, Contingent Liabilities and Contingent Assets**

Reference: MCQ 7, Paper p. 9

Importance: Very High

MCQ 8 — AS 11: Forward Contract

Question: Loss/profit on a forward contract entered into for a foreign currency transaction is to be determined.

Chapter:
➡ **AS 11 – Effects of Changes in Foreign Exchange Rates**

Reference: MCQ 8, Paper p. 10

Importance: High

MCQ 9 — AS 12: Government Grant

Question: What will be the **carrying amount of machinery after refund of government grant**?

Chapter:
➡ **AS 12 – Accounting for Government Grants**

Reference: MCQ 9, Paper p. 10

Importance: High

MCQ 10 — AS 15: Sabbatical Leave

Question: Employee sabbatical leave available once in 5 years — how should it be classified under AS 15?

Chapter:
➡ **AS 15 – Employee Benefits**

Reference: MCQ 10, Paper p. 11

AS 15 is clearly important for MCQs.

MCQ 11 — AS 29: Lawsuit + Environmental Obligation

Question: Customer lawsuit and environmental clean-up obligation — how should these be recognised/disclosed?

Chapter:
➡ **AS 29**

Reference: MCQ 11, Paper p. 12

AS 29 is another major MCQ chapter.

MCQ 12 — AS 2: Inventories

Question: Determine the value of **semi-finished flats** at 31 March 2026 under AS 2.

Chapter:
➡ **AS 2 – Valuation of Inventories**

Importance: High

MCQ 13 — AS 16: Borrowing Costs

Question: Determine the amount of **borrowing cost that can be capitalised** as part of the cost of an asset.

Chapter:
➡ **AS 16 – Borrowing Costs**

Reference: MCQ 13, Paper p. 13

Importance: Very High

MCQ 14 — AS 13: Investments

Question: Determine carrying amount of **short-term/current investment** at year-end.

Chapter:
➡ **AS 13 – Accounting for Investments**

Reference: MCQ 14, Paper p. 13

Importance: High

MCQ 15 — Accounting Framework

Question: Identify the correct definition of **Income** under the Accounting Standard Framework.

Chapter:
➡ **Accounting Framework / Conceptual Framework**

Reference: MCQ 15, Paper p. 13

Importance: Moderate, but easy marks.

PART II — DESCRIPTIVE QUESTIONS

Q1(a) — AS 10 + AS 16 + AS 11

Actual question theme:

A company wants to construct a new office building. The question gives:

- USD loan
- Interest rate
- Land cost
- Demolition cost
- Salvage from old structure
- Material salvage
- Legal fees
- Architect fees
- Labour/material charges
- Interior designer fees
- Foreign exchange rate

It asks:

1. **Value of office building to be capitalised under AS 10 and AS 16**
2. **Treatment of exchange difference under AS 11**

Reference: Q1(a), Paper p. 14

Chapters:

AS 10 – Property, Plant & Equipment
AS 16 – Borrowing Costs
AS 11 – Foreign Exchange

Priority: High

Q1(b) — AS 16 / Borrowing Cost

Actual question theme:

A machine is purchased for ₹12 lakh with useful life of 5 years. Estimated production/output is given for each year. The question asks treatment where the machine is used over the useful period.

Reference: Q1(b), Paper p. 15

Chapter:

➡ AS 16 – Borrowing Costs / Related practical treatment

Priority: High

Q1(b)continuation — AS 19 Lease

Actual question theme:

A machine is given on a **3-year operating lease**.

Given:

- Cost of machine
- Lease rentals
- Output-based income recognition
- Straight-line depreciation

Required:

1. Annual lease rent

2. Lease income each year
3. Journal entries

Reference: Q1(b), Paper p. 16

Chapter:

Priority: High

Q1(c) — AS 20 EPS

Actual question:

Z Technologies Ltd. has:

- Equity shares
- Preference shares
- ESOP
- Exercise price
- Fair market value
- Bonus issue
- Number of shares

Required:

Calculate Basic EPS and Diluted EPS according to AS 20.

Reference: Q1(c), Paper p. 16–17

Chapter:

➡ AS 20 – Earnings Per Share

Priority: High

Q2(a) — Schedule III

Actual question:

Prepare **Balance Sheet of Gama Ltd. as per Division I, Schedule III of Companies Act, 2013** using the given Trial Balance and additional information.

Additional adjustments include:

- Loan
- Trade receivables
- Cost of assets
- Inventory
- Bills receivable discounted
- Non-scheduled bank
- General Reserve transfer

Reference: Q2(a), Paper p. 18–19

Chapter:

➡ **Schedule III – Financial Statements of Companies**

Priority: High

Q2(b) — Amalgamation

Actual question:

B Ltd. takes over business of A Ltd. and discharges purchase consideration through:

- Preference shares
- Debentures
- Equity shares
- Cash
- Reimbursement of expenses

Required:

Calculate Purchase Consideration as per AS 14.

Reference: Q2(b), Paper p. 20

Chapter:

➡ **Amalgamation of Companies – AS 14**

Priority: Very High

Q3 — Amalgamation / Absorption + Consolidation-style Working

The question gives Balance Sheets of **Big Ltd. and Small Ltd.**

It then gives:

- Revaluation of assets
- Purchase consideration
- Preference shares
- Debentures
- Equity shares
- Liquidation expenses

Required:

Prepare necessary Ledger Accounts in the books of Small Ltd. and pass necessary Journal Entries in the books of Big Ltd.

Reference: Q3, Paper p. 21–23

Chapter:

➡ Amalgamation / Absorption of Companies

Important sub-topics:

- Realisation Account
- Equity Shareholders Account
- Preference Shareholders Account
- Debentureholders
- Purchase consideration
- Revaluation
- Liquidation expenses
- Entries in transferee company

Priority: Very High

Q4(a) — Cash Flow Statement AS 3

Actual question:

Prepare **Cash Flow Statement as per AS 3** using comparative Balance Sheet/financial information and additional information.

Adjustments include:

- Depreciation
- Provision for doubtful debts
- Income tax
- Dividend
- Investments
- Purchase of investments
- Sale of investments

Reference: Q4(a), Paper p. 25–26

Chapter:

➡ AS 3 – Cash Flow Statements

Priority: Very High

Q4(b) — AS 28 Impairment of Assets

Actual question:

Plant:

- Cost
- Carrying amount
- Revaluation surplus
- Recoverable amount
- Remaining useful life
- Salvage value

Required:

Calculate **impairment loss** and show accounting treatment under AS 28 and current year's depreciation.

Reference: Q4(b), Paper p. 26

Chapter:

➡ **AS 28 – Impairment of Assets**

Priority: High

Q5 — Consolidated Financial Statements

Actual question:

Balance Sheets of **Himalaya Ltd. and Sagar Ltd.** are given.

Himalaya acquired **75% shares of Sagar Ltd.**

Additional information includes:

- Pre-acquisition reserves
- Revaluation of assets
- Depreciation adjustment
- Inter-company receivable
- Goods supplied by holding company
- Unrealised profit in inventory
- Shares held by parent company

Required:

Prepare **Consolidated Balance Sheet of Himalaya Ltd. with subsidiary Sagar Ltd.**

Reference: Q5, Paper p. 27–30

Chapter:

➡ **Consolidated Financial Statements**

Must prepare:

Priority: Extremely High

Q6(a) — AS 18

Question:

“Who are related parties under AS 18? What are the related party disclosure requirements? Explain.”

Reference: Q6(a), Paper p. 31

Chapter:

➡ **AS 18 – Related Party Disclosures**

Priority: High

OR Q6(a) — Revenue Recognition Cases

Two independent cases are given.

Case 1:

Goods purchased on consignment and sold by agent.

Case 2:

Goods sold under a **bill-and-hold arrangement**.

Reference: Q6(a) OR, Paper p. 31–32

Priority: High

Q6(b) — Internal Reconstruction

Actual question:

Green Ltd. has suffered losses and proposes a reconstruction scheme.

It includes:

- Shareholders' sacrifice
- Reduction of equity shares
- Preference shares
- Debentures
- Writing off goodwill
- Plant & machinery reduction
- Freehold property reduction

Required:

1. Journal entries
2. Capital Reduction Account

Reference: Q6(b), Paper p. 32

Chapter:

➡ Internal Reconstruction

Priority: High

Q6(c) — Branch Accounts

Actual question:

A firm has branches at:

- Delhi
- Bangalore

Goods are sent to branches at **25% above cost**.

Given:

- Opening stock
- Closing stock
- Debtors
- Cash sales
- Credit sales
- Cash remitted
- Expenses
- Bad debts
- Goods transferred between branches

Required:

Prepare Branch Accounts under the **Debtors Method** and determine branch profit/loss.

Reference: Q6(c), Paper p. 32

Chapter:

➡ **Branch Accounts**

Priority: High

📊 ANALYSIS SAVE KAR LIYA ???

AB BATAO — ISKO APNI PREPARATION MEIN **IMPLEMENT** KAB KAROGE ? 🤔📚

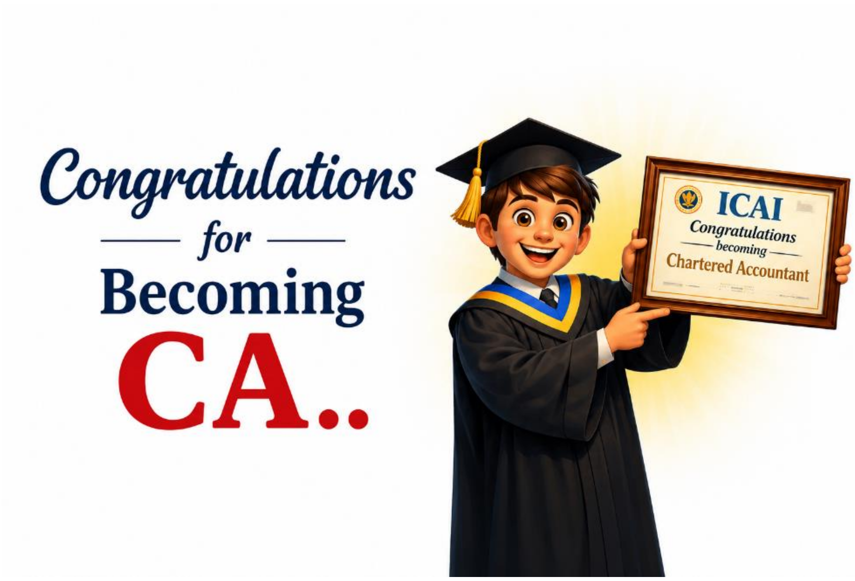
Sirf chapters dekh lena enough nahi hai! ❌

📌 Kya **pehle** padhna hai ,

⏳ Kis chapter ko **kitna time** dena hai ??

Kya tum bhi apni preparation ko **isi analysis ke basis par PLAN** karna chahte ho?

Aur kya tum bhi yeh sunna chahte ho ?



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