

# VIDYA BHAWAN BALIKA VIDYA PITH

शक्तिउत्थानआश्रमलखीसरायबिहार

Class 12 commerce Sub. ACT Date 05.01.2021

Teacher name – Ajay Kumar Sharma

## Issue and Redemption of Debentures (H.W)

Question 1: G.Ltd. issued 75,00,000, 6% Debenture of Rs 50 each at par payable Rs 15 on application and Rs 35 on allotment, redeemable at par after 7 years from the date of issue of debenture. Record necessary entries in the books of Company.

ANSWER:

Book of G. Ltd.

Journal

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bank A/c Dr. To 6% Debenture Application A/c (Application money @ Rs 15 each received for 75,00,000 debentures)		11,25,00,000	11,25,00,000
	6% Debenture Application A/c Dr. To 6% Debenture A/c (Application money of 75,00,000 debentures transferred to 6% Debentures Account)		11,25,00,000	11,25,00,000
	6% Debenture Allotment A/c Dr. To 6% Debenture A/c (Allotment money @ Rs 35 each due for 75,00,000 debentures )		26,25,00,000	26,25,00,000
	Bank A/c Dr. To 6% Debenture Allotment A/c (Allotment money received @ Rs 35 each on 75,00,000 debentures)		26,25,00,000	26,25,00,000

Question 2:

Y.Ltd. issued 2,000, 6% Debentures of Rs 100 each payable as follows: Rs 25 on application; Rs 50 on allotment and Rs 25 on First and Final call.

ANSWER:

Books of Y Ltd.				
Journal				
Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bank A/c Dr. To 6% Debentures Application A/c (Application money @ Rs 25 each received for 2,000 6% Debentures)		50,000	50,000
	6% Debenture Application A/c Dr. To 6% Debenture A/c (Application money on 2,000 debentures transferred to 6% Debentures Account)		50,000	50,000
	6% Debenture Allotment A/c Dr. To 6% Debenture A/c (Debenture Allotment money @ Rs 50 each due on 2,000 6% Debentures)		1,00,000	1,00,000
	Bank A/c Dr. To 6% Debenture Allotment A/c (Allotment money for 2,000 6% Debentures received)		1,00,000	1,00,000
	6% Debenture First and Final Call A/c Dr. To 6% Debenture A/c (Debenture First and Final Call @ 25 each due on 2,000 6% Debentures)		50,000	50,000

Bank A/c	Dr.	50,000	
To 6% Debenture First and Final Call A/c			50,000
(First and Final Call for 2,000 6% Debentures received)			

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