

# VIDYA BHAWAN BALIKA VIDYA PITH

शक्तिउत्थानआश्रमलखीसरायबिहार

Class 12 commerce Sub. ACT Date 07.01.2021

Teacher name – Ajay Kumar Sharma

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

Question 5:

A. Ltd. issued 4,000, 9% Debentures of Rs 100 each on the following terms:

Rs 20 on Application;

Rs 20 on Allotment;

Rs 30 on First call; and

Rs 30 on Final call.

The public applied for 4,800 Debentures. Applications for 3,600 Debentures were accepted in full. Applications for 800 Debentures were allotted 400 Debentures and applications for 400 Debentures were rejected.

**ANSWER:**

### Books of A Ltd.

Date	Particulars	L.F.	Debit Amount Rs	Credit Amount Rs
	Bank A/c Dr. To 9% Debenture Application A/c (9% Debenture Application money received on 4,800 Debentures @ 20 each)		96,000	96,000
	9% Debenture Application A/c Dr. To 9% Debenture A/c To 9% Debenture Allotment A/c To Bank A/c (9% Debenture Application money of 4000 debentures transferred to Debentures Account, 400 debentures rejected returned and		96,000	80,000 8,000 8,000

remaining amount adjusted on allotment)			
9% Debenture Allotment A/c To 9% Debenture A/c (9% Debenture Allotment due on 4,000 Debentures @ Rs 20 each)	Dr.	80,000	80,000
Bank A/c To 9% Debenture Allotment A/c (9% Debenture Allotment money received)	Dr.	72,000	72,000
9% Debenture First Call A/c To 9% Debenture A/c (9% Debenture First Call due on 4000 debentures @ Rs 30 each)	Dr.	1,20,000	1,20,000
Bank A/c To Debenture First Call A/c (9% Debenture first call received for 4000 debentures @ Rs 30 each)	Dr.	1,20,000	1,20,000
9% Debenture Final Call A/c To 9% Debenture A/c (9% Debenture Final Call due on 4000 debentures @ Rs 30 each )	Dr.	1,20,000	1,20,000
Bank A/c To 9% Debenture Final Call A/c (9% Debenture Final Call received on 4000 debentures @ Rs 30 each)	Dr.	1,20,000	1,20,000

*Question 6:*

T. Ltd. offered 2,00,000, 8% debenture of Rs 500 each on June 30, 2014 at a premium of 10% payable as Rs 200 on application (including premium) and balance on allotment, redeemable at par after 8 years. But application are received for 3,00,000 debentures and the allotment is made on pro-rata basis. All the money due on

application and allotment is received. Record necessary entries regarding issue of debentures.

**ANSWER:**

**Books of T. Ltd.**

**Journal**

<b>Date</b>	<b>Particulars</b>	<b>L.F.</b>	<b>Debit Amount (₹)</b>	<b>Credit Amount (₹)</b>
2014 Jun. 30	Bank A/c Dr.  To 8% Debenture Application A/c (8% Debenture application money received for 3,00,000 debentures @ ₹200 each)		6,00,00,000	6,00,00,000
Jun.30	8% Debenture Application A/c Dr. To 8% Debenture A/c To 8% Debenture Allotment A/c To Securities Premium A/c (8% Debenture Application money of 2,00,000 debentures @ ₹200 each including ₹50 premium transferred to Debenture Account and rest of the amount adjusted on allotment)		6,00,00,000	3,00,00,000 2,00,00,000 1,00,00,000
	8% Debenture Allotment A/c Dr. To 8% Debenture A/c (8% Debenture allotment on 2,00,000 debentures @ ₹350 due)		7,00,00,000	7,00,00,000
	Bank A/c Dr. To 8% Debenture Allotment A/c (8% Debenture Allotment money received)		5,00,00,000	5,00,00,000