



INDIAN SCHOOL AL WADI AL KABIR

<b>Class: XII ACCOUNTANCY</b>	<b>Department: Commerce</b>
<b>Worksheet No:1</b>	<b>Topic: ISSUE OF DEBENTURES</b>

1. Citizen Watches Ltd. issued 7,500, 8% Debentures of Rs. 100 each at par for subscription payable along with application. Subscription was received for 7,000 Debentures. The debentures were duly allotted. Pass necessary journal entries
2. Narain Laxmi Ltd. invited applications for issuing 7,500; 12% Debentures of Rs.100 each at a premium of Rs.35 per debenture. The full amount was payable on application. Applications were received for 10,000 Debentures. Debentures were allotted to the remaining applicants. Pass necessary Journal entries for the above transactions in the books of Narain Laxmi Ltd.
3. Raj Ltd. issued 5,000; 8% Debentures of Rs.100 each at a discount of 5% payable in lumpsum. Pass necessary Journal entries
4. Nipa Limited issued Rs.10,00,000 Debentures of Rs.100 each at discount of 10% redeemable at par, payable as 40 on application and the balance on allotment. Journalize
5. Y Ltd issued Rs. 20,00,000 9% Debentures of Rs. 100 each at a discount of 4% redeemable at par after 4 years.. The full amount was payable on application. Pass necessary journal entries.
6. Z ltd, issued Rs. 5,00,000 9% debentures of 200 each at par redeemable after 3 years at 20% premium. Pass entries for issue of debentures.
7. A ltd. Issued 10,000 10% debentures of Rs 500 each issued at par redeemable after 5 years @ 30% premium payable as Rs 200 on application and balance on allotment. Journalize.
8. B ltd. Issued Rs. 5,00,000 8% debentures of 200 each @ 20% premium redeemable at 30% premium after 3 years. Journalize.
9. Alok Ltd. issued 7,000, 10% Debentures of Rs.500 each at a premium of Rs.50 per debenture redeemable at a premium of 10% after 5 years. According to the terms of issue, Rs.200 was payable on application and balance on allotment.  
Record necessary Journal entries at the time of issue of 10% Debentures.
10. O ltd. Issued Rs. 10,00,000 9% debentures of 1000 each @ 10% discount redeemable after 2 years @ 20% premium. Journalize.
11. Alka Ltd. issued 5,000, 10% Debentures of Rs.1,000 each at a discount of 10% redeemable at a premium of 5% after 5 years. According to the terms of issue Rs.500 was payable on application and the balance amount on allotment of debentures. Record necessary entries regarding issue of 10% Debentures.

12. Journalise the following:

- a. A debenture Issued at Rs.95, repayable at Rs.100.
- b. A debenture issued at Rs.95, repayable at Rs.105.
- c. A debenture issued at Rs.100, repayable at Rs.105.

The face value of debenture is Rs.100 in each of the above cases.

13. Footfall Ltd. issues 10,000 Debentures of Rs.100 each at a discount of 10% redeemable at a premium of 5% after the expiry of three years.

Pass Journal entries for issue of debentures.

14. Pass necessary Journal entries for the issue of debentures in the following cases:

- a. Rs.40,000; 12% debentures of Rs.100 each issued at a premium of 5% redeemable at par.
- b. Rs.70,000; 12% debentures of Rs.100 each issued at a premium of 5% redeemable at 110.

15. Best Barcode Ltd. took a loan of Rs.5.00,000 from a bank giving Rs.6,00.000; 9% Debentures as collateral security. Pass Journal entries regarding issue of debentures, if any, and show this loan in the Balance Sheet of the company.

16. Z ltd. Issued Rs. 20,00,000 10% debentures as collateral security to ICICI bank ltd while borrowing a loan of Rs. 25,00,000. Journalize

Case A. If the company does not want to pass entry for issue of debentures.

Case B. If the company passes entry for issue of debentures.