

4) Surabhi Ltd. issued 40000 shares of ₹20 each at 20% premium.

On application ₹12 (including premium)

On allotment ₹12

The company is engaged in manufacturing and selling low cost computers in rural sectors.

Applications were received for 65000 shares of which applications for 10000 shares were rejected and remaining were allotted in the following manner:

Category A: 20000 shares to the applicants of 25000 shares.

Category B: 20000 shares to the applicants of 30000 shares.

Surplus money on application applied towards amount due on allotment.

Ashmita to whom 500 shares were allotted under Category A and Priyanka to whom 400 shares were allotted under Category B failed to pay the amount due on allotment and of these 600 shares including all shares of Priyanka were reissued at a discount of ₹5 per share.

Pass journal entries.

5) Devansh Medical Ltd. issued 20000 equity shares of ₹100 each at a premium of 10%. The amount was payable as follows:

On application ₹30

On allotment ₹50

On first and final call Balance

Applications were received for 35000 shares and allotment was made as follows:

Applications for 10000 shares were rejected.

Applications for 15000 shares were allotted 10000 shares on pro-rata basis and

Remaining applications were accepted in full.

The company is engaged in manufacturing and selling low cost medicines in rural sectors.

Jay to whom 300 shares were debited on full allotment basis and Pratik who applied for 300 shares and to whom pro-rata allotment was made, paid nothing after application. Their shares were forfeited.

Of which 400 shares were reissued to Naman for ₹90 per share including all shares of Pratik.

Pass the necessary journal entries.

6). Sudha Ltd. offered for public subscription 5,00,000 equity shares of ₹50 each at 10% discount payable as follows :

On application ₹10 , On allotment ₹15 and balance on 1st and final call.

The issue was fully subscribed. Shares were allotted to the applicants. Mr. A to whom 6,000 shares were allotted paid the entire amount of his share money at the time of allotment. Mr. B to whom 5,000 shares were allotted failed to pay the allotment money and his shares were immediately forfeited. Afterwards the next call was made and Mr. C did not pay call money on his 4,000 shares and his shares were also forfeited.

All the forfeited shares of Mr. A and 4,000 shares of Mr. B were reissued for ₹40 per share fully paid.

Pass necessary journal entries in the books of the company for the above transactions

7) AB Ltd. invited applications for issuing 1,00,000 equity shares of ₹10 each. The amount was payable as follows:

On application ₹2 per share

On allotment ₹3 per share

On call ₹5 per share.

Applications were received for 1,50,000 shares and pro-rata allotment was made to all applicants as follows:

Applicants for 80,000 shares were allotted 60,000 shares

Applicants for 70,000 shares were allotted 40,000 shares.

Asha who applied for 1,400 shares out of group applying for 70,000 shares, failed to pay call money and Nisha who was allotted 600 shares out of group applying for 80,000 shares failed to pay allotment money and call money. Their shares were forfeited and later on 50% shares of each defaulter shareholders were reissued at a discount of 10%.

Give journal entries for the above transactions.

8) A Ltd. had an authorized capital of ₹.40,00,000 divided into equity shares of ₹.20 each. The company offered for subscription 1,00,000 shares. Gaurav holds 500 shares and Lakshya holds 300 shares of ₹.20 each which were issued to them at a discount of 10% on which Gaurav has paid ₹.3 and ₹.4 per share on application and allotment respectively and Lakshya has paid ₹.3 on application, ₹.4 on allotment and ₹.5 on final call. The shares were fully subscribed.

Both of them failed to pay their arrears and final call. These shares were forfeited and 55 shares (including all shares of Lakshya) were reissued to Anjan at ₹.15 per share as fully paid. Show how the 'Share Capital' will show in the company's Balance Sheet.

9) A Ltd. had an authorized capital of Rs.10,00,000 divided into equity shares of Rs.10 each. The company offered for subscription 50,000 shares. Applications for 40,000 shares were received. All calls were made and duly received except the final call of Rs 2 per share on 10,000 shares. Out of the shares on which final call was not received 7,500 shares were forfeited. Show how the 'Share Capital' will show in the company's Balance Sheet as per schedule VI of Companies Act 1956.