

Journal of Linux Ltd

Date	Particulars	Dr Amt	Cr Amt		
	Bank A/c Dr.. To Debenture Application A/c (Being Debenture application money received for 12000 debentures @ Rs 25 per Debenture)	300000	300000	12000	25
	Debenture Application A/c Dr.. To 8% Debenture A/c (Being application money transferred to 8% Debentures A/c)	300000	300000	12000	25
	Debenture Allotment A/c Dr.. Disocunt on Issue of Debentures A/c To 8% Debenture A/c (Being Debenture allotment money for 12000 debentures transferred to Debentures A/c @ Rs 25 per Debenture)	240000 60000	300000	12000	20 5 25
	Bank A/c Dr.. To Debenture Allotment A/c	240000	240000	#REF!	20

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Journal of Alka Ltd

Date	Particulars	Dr Amt	Cr Amt			
	Bank A/c Dr.. To Debenture Application A/c (Being Debenture application money received for 5000 debentures @ Rs 500 per Debenture)	2500000	2500000	5000	500	
	Debenture Application A/c Dr.. To 10% Debenture A/c (Being application money transferred to 8% Debentures A/c and excess money refunded)	2500000	2500000	5000	500	
	Debenture Allotment A/c Dr.. Discount on issue of Debentures A/c Dr.. Loss on issue of debntures A/c Dr.. To 10% Debenture A/c To Securities Premium Reserve A/c To Premium on Redemption of Debentures A/c	2000000 500000 250000	2500000 0 250000	5000	400 100 50 500	0 0 50

	(Being Debenture allotment money for 5000 debentures transferred to Debentures A/c @ Rs 500 per Debenture and redeemable at a premium of 5%)				
	Bank A/c Dr..	2500000		5000	
	To Debenture Allotment A/c		2500000		500
	(Being debenture allotment money received for 5000 debentures @ Rs 500 per debenture)				

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Journal of Joy Ltd

Date	Particulars	Dr Amt	Cr Amt		
	Building A/c Dr..	900000			
	To Vendor A/c		900000		
	(Being Buildig purchased from vendor)				
	Vendor A/c Dr..	900000			
	Discount on issue of Debentures A/c Dr..	100000		10000	10
	To 10% Debentures A/c		1000000	10000	100
	(Being 10% Debentures issued to Vendor for consideration other than cash)				

Working Note :

Calculation of No of Debentures Issued

Total consideration to be paid	900000
Nominal Value of Debenture	100
Discount per Debenture	10
Issue Price per Debenture	90
No of Debentures Issued	10000

(Always divide the purchase consideration with the issue price and not by the face value to find the no of debentures)

So if debentures issued at discount

No of debentures = Purchase consideration payable through debentures/(Face Value per debenture - Discount per debenture)

If debentures issued at premium

No of debentures = Purchase consideration payable through debentures/(Face Value per debenture + Premium per debenture)

If debentures issued at par

No of debentures = Purchase consideration payable through debentures/Face Value per debenture

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Journal of Amrit Ltd

Date	Particulars	Dr Amt	Cr Amt		
	Incorporation Expenses A/c Dr..	200000			
	To Amrit A/c		100000	1000	100
	To Bhaskar A/c		100000	1000	100
	(Incorporation Expenses Payable)				
	Amrit A/c Dr..	100000			

Bhaskar A/c	Dr..	100000	
	To 6% Debentures A/c		200000
(Being 6% Debentures issued to promoters)			

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Journal of B Ltd

Date	Particulars	Dr Amt	Cr Amt		
	Plant A/c	Dr..	600000		
		To Vendor A/c		600000	
(Being Plant purchased from vendor)					
	Vendor A/c	Dr..	600000		
		To 9% Debentures A/c		500000	5000
		To Securities Premium Reserve A/c		100000	100
(Being 9% Debentures issued to Vendor for consideration other than cash)					

Working Note :

Calculation of No of Debentures Issued

Total consideration to be paid 600000

Nominal Value of Debenture 100

Premium Per Debenture 20

Issue Price per Debenture 120

No of Debentures Issued

5000 (600000/120)

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Journal of Ananya Ltd

Date	Particulars	Dr Amt	Cr Amt		
	Business A/c Dr.. To Vendor A/c (Being Business purchased from vendor)	200000	200000		
	Vendor A/c Dr.. Discount on issue of Debentures A/c To 9% Debentures A/c To Bank A/c (Being 9% Debentures issued to Vendor for consideration other than cash)	200000 15000	150000 65000	1500	10 100

Working Note :

Calculation of No of Debentures Issued

Total consideration to be paid	200000
Less - Paid by check	65000
Balance Payable through Debentures	135000
Nominal Value of Debenture	100
Debenture per Debenture	10
Issue Price per Debenture	90

No of Debentures Issued

1500

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Journal of Reliance Ltd

Date	Particulars	Dr Amt	Cr Amt		
	Machinery A/c Dr.. To Vendor A/c (Being Machinery purchased from vendor)	135000	135000		
	Vendor A/c Dr.. To 9% Debentures A/c (Being 9% Debentures issued to Vendor for consideration other than cash)	135000	135000	1350	100
	Vendor A/c Dr.. Discount on issue of Debentures A/c To 9% Debentures A/c (Being 9% Debentures issued to Vendor for consideration other than cash)	135000 15000	150000	1500	10 100

Working Note :

Calculation of No of Debentures Issued (when issued at par)

Total consideration to be paid	135000
Nominal Value of Debenture	100

Issue Price per Debenture	100
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No of Debentures Issued	1350
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Calculation of No of Debentures Issued (when issued at discount)

Total consideration to be paid	135000
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Nominal Value of Debenture	100
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Discount per Debenture	10
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Issue Price per Debenture	90
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No of Debentures Issued	1500
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Assets	2000000
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Less - Creditors	200000
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Net Assets (Purchase Consideration)	1800000
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Working Note :

Calculation of No of Debentures Issued

Total consideration to be paid	1800000
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Nominal Value of Debenture	100
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Debt per Debenture	10
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Issue Price per Debenture	90
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No of Debentures Issued

20000

Journal of Romi Ltd

Date	Particulars	Dr Amt	Cr Amt		
	Sundry Assets A/c Dr..	2000000			
	To Creditors A/c		200000		
	To Kapil Enterprises A/c		1800000		
	(Being Assets purchased and liabilities taken over purchased from Kapil Enterprises)				
	Kapil Enterprises A/c Dr..	1800000			
	Discount on issue of Debentures A/c Dr..	200000			10
	To 8% Debentures A/c		2000000	20000	100
	(Being 8% Debentures issued to Kapil Enterprises for consideration other than cash)				

19	Assets	400000
	Less - Liabilities	50000
	Net Assets (A)	350000
	Purchase Consideration (B)	380000
	Goodwill (B - A)	30000

Working Note :

Calculation of No of Debentures Issued (At Par)

Total consideration to be paid	380000
Nominal Value of Debenture	100
Issue Price per Debenture	100
No of Debentures Issued	3800

Calculation of No of Debentures Issued (At Discount)

Total consideration to be paid	380000
Nominal Value of Debenture	100
Discount Per Debenture	10
Issue Price per Debenture	90
No of Debentures to be Issued	4222.22
No of Full Debenture	4222
Face Value of Debentures issued	422200
Issue Price of Debentures after Discount	379980
Amount paid in Cash	20

Calculation of No of Debentures Issued (At Premium)

Total consideration to be paid	380000
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Nominal Value of Debenture	100
Premium Per Debenture	10
Issue Price per Debenture	110
No of Debentures to be Issued	3454.55
No of Full Debenture	3454
Face Value of Debentures issued	345400
Issue Price of Debentures including premium	379940
Amount paid in Cash	60

Journal of Exi Ltd

Date	Particulars	Dr Amt	Cr Amt		
	Sundry Assets A/c Dr..	400000			
	Goodwill A/c Dr..	30000			
	To Sundry Liabilities A/c		50000		
	To Mohan Bros A/c		380000		
	(Being Assets purchased and liabilities taken over purchased from Mohan Bros)				
	At Par				
	Mohan Bros A/c Dr..	380000			
	To Debentures A/c		380000	3800	100
	(Being Debentures issued to Mohan Bros for consideration other than cash)				
	At Discount				
	Mohan Bros A/c Dr..	380000			
	Discount on issue of Debentures A/c Dr..	42220			10

	To Debentures A/c		422200	4222	100
	To Cash A/c		20		
	(Being Debentures issued to Mohan Bros for consideration other than cash)				
	At Premium				
	Mohan Bros A/c	Dr..	380000		
	To Debentures A/c		345400	3454	100
	To Securities Premium Reserve A/c		34540		10
	To Cash		60		
	(Being Debentures issued to Mohan Bros for consideration other than cash)				

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Land and Building	5000000
Furniture	1000000
Stock	500000
Total Assets	6500000
Less - Creditors	700000
Net Assets (A)	5800000
Purchase Consideration (B)	6000000
Goodwill (B - A)	200000

Calculation of No of Debentures Issued (At Premium)

Total consideration to be paid	6000000
Nominal Value of Debenture	100
Premium Per Debenture	20
Issue Price per Debenture	120
No of Debentures to be Issued	50000

Journal of Rama Ltd

Date	Particulars	Dr Amt	Cr Amt		
	Land and Building A/c Dr..	5000000			
	Furniture A/c Dr..	1000000			
	Stock A/c Dr..	500000			
	Goodwill A/c Dr..	200000			
	To Creditors A/c		700000		
	To Krishna Ltd A/c		6000000		
	(Being Assets purchased and liabilities taken over purchased from Krishna Ltd)				
	At Premium				
	Krishna Ltd A/c Dr..	6000000			
	To 12% Debentures A/c		5000000	50000	100
	To Securities Premium Reserve A/c		1000000		20
	(Being Debentures issued to Mohan Bros for consideration other than cash)				

Note : for calculating Goodwill or capital reserve the Net Assets and Purchase Consideration should be given separately in the question

If not given separately then Net Assets will be assumed to be the purchase consideration and so no goodwill/capital reserve will arise