BC-202 CORPORATE ACCOUNTING

External : 80
Internal : 20
Time : 3 Hours

Note : Ten questions shall be set in the question paper with at least three questions from each unit. The candidates shall be required to attempt five questions in all, selecting at least one question but not more than two from each unit.

Unit-I Final accounts of Companies : Excluding Computation of Managerial Remuneration; Valuation of Goodwill and Shares.

Issue, Forfeiture and Re-issue of Shares : Redemption of Preference Shares; Issue and Redemption of Debentures.

Unit-II Accounting for Amalgamation Absorption of Companies as per Indian Accounting Standard 14; Accounting for internal reconstruction; excluding re-construction schemes; Consolidated Balance Sheet of Holding Companies with one Subsidiary only.

Unit-III Liquidation of companies. Accounts of Banking and Insurance Companies. Accounts relating to Insurance Claims.

Suggested Readings :

1. Agarwala, A.N., Agarwala K.N. : Higher Science of Accountance : Kitab Mahal.
2. Gupta, R.L. Radhaswamy, M : Company Accounts; Sultan Chand and Sons, New Delhi.
3. Maheshwari, S.N. : Corporate Accounting; Vikas Publishing House, New Delhi.
4. Monga, J.R. : Ahuja, Girish, and Sehgal, Ashok; Financial Accounting; Mayur Paper Back. Noida.
5. Moora, C.L., and Jaedick, R.K. : Managerial Accounting; South Western Publishing Co., Cincinnati, Ohio.
6. Shukla, M.C., Grewal, T.S., and Gupta, S.C. : Advanced Accounts; S. Chand & Co., New Delhi.

DIRECTORATE OF DISTANCE EDUCATION
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B. Com.-II

CORPORATE ACCOUNTING

BC 202 : Corporate Accounting

Lesson No. : 1 **Revised by: Pawan Singla**

v'kk dk fuxeu] v'kk dk gj.k ,o iu% fuxeu

(Issue of Shares, Forfeiture and Re-issue of Shares)

Structure :

(1) ifjp;

(2) mí';

(3) fo"k;&lkexh dk ^iLrrhdj.k

3.1 v'kk dk fuxeu

3.1.1 v'kk oQ fuxeu dk y[kk djuk

3.1.2 vnÙk ;kpuk, vkj mu ij C;kt

3.1.3 vfxe ;kpuk vkj C;kt

3.1.4 vko';drk l vf/d v'kk oQ fy, ikFkuk i=k vkuk

3.2 v'kk dk vigj.k

3.3 vigj.k fd, x, v'kk dk iu% fuxeu

(4) fu"d"k

(5) iLrkfor iLroQ

(6) ueu oQ fy, i'u

1. ifjp; (Introduction) :

ekuoh; vko';drk,¡ yxkrkj c<+ jgh gSA c<+rh gbZ ekuoh; vko';drkvksa u O;kolkf;d fo|kvksa dks vfHkof¼ inku dh gSA O;kolkf;d lxBu oQ ,dkdh LokfeRo ,o lk>nkjh tSls ik:i ,d cM+s O;olk; dh vko';drkvksa dks iwjk ugha dj ik,¡ D;ksafd buds vius lhek,¡ gSa tSls fd lhfer iw¡th] vlhfer nkf;Ro ,oa vU; dfe;ka vr% O;kolkf;d lxBu oQ ,dkdh LokfeRo ,o lk>nkjh tSls ik:iksa dh dfe;ksa dks nwj djus oQ fy,] eu"; dh opkfjd 'kfDr u lxfBr vo/kj.kk dks tUe fn;k tks dEiuh oQ :i esa tkuk tkrk gSA

pfd ,d dEiuh dh iw¡th cgqr vf/d ek=kk esa gksrh g] ftlds ,d O;fDr vfHkknku ugha dj ldrkA vr% bl iw¡th dks ,d fuf'pr jkf'k oQ fgLlksa esa foHkkftr dj fn;k tkrk gSA blds iR;sd fgLls v'k (Share) dgykrk gSA

2. mís'; (Objective) :

bl vè;k; dks i<+us oQ ckn vki dks fuEu fo"k;ksa dh tkudkjh feyxh—

(1) v'kksa dks fuxeu fdl idkj ls fd;k tkrk gSA

(2) v'kksa oQ fuxeu dk y[kk oQls fd;k tkrk gSA

(3) vnÙk ;kpuk,] vfxe ;kpuk o vko';drk ls vf/d v'kksa oQ fy, ikFkuk i=k vkus ij D;k fu;e gSA

(4) v'kksa dk gj.k fdu ifjfLFkfr;ksa esa vkSj oQls fd;k tk ldrk gSA

(5) gj.k fd; x; v'kksa dk iu% fuxeu oQls fd;k tk ldrk gSA

3. fo"k;&lkexh dk iLrrhdj.k (Presentation of Contents)

fo"k; lkexh dk iLrrhdj.k fuEufyf[kr idkj ls gSA

3.1 v'kksa dk fuxeu (Issue of Share) :

v'k fuxeu dh ,d fo'k"k fof/ g ftlds fofHkUu Hkkxksa esa foHkkftr fd;k tk ldrk gSA

1. ifooj.k dk fuxeu (To Issue Prospectus) : lkekU; :i ls ifooj.k ,d lpuk g ftlds lgk;rk ls turk dks v'k [kjhnus oQ fy, vkefU=kr fd;k tkrk gSA ;g ,d ukfVl vkj foKkiu oQ :i esa gks ldrk gSA blesa iw¡th fuxeu dk mís'; v'k vkonu i=k dh frfFk] cd dk uke tgk vkonu i=k tek djok;s tk;x] bR;kfn lpuk,¡ nh tkrh gSA

2. vkonu i=k ikIr djuk (To receive Application) : turk }kjk ifooj.k i<+us ij vkonu i=k vkj vkonu jkf'k vuqlfpr cd esa tek djokbZ tkrh gSA vkonu dh jkf'k v'k eY; oQ 5 ifr'kr ls de ugha gks ldrh gSA

3. v'kksa dk vkcVu djuk (To make a allotement of Shares) : turk ls vkonu i=k ikIr gksus oQ i'pkr lpkyd eMy LVkd ,DlpUt oQ vuqlkj nh xbZ fof/ oQ vuqlkj vkcVu djrk gSA ;fn fdlh vkond dks v'k vkcVu ugha fd; tkr rks mldh vkonu jkf'k okfil djuh gkxhA

4. ;kpuk, djuk (To make calls) : vkcVu oQ ckn 'k"k jkf'k ;kpuk oQ :i esa exkbZ tkrh gSA nks ;kpukvksa esa ,d eghus dk vUrj gksuk pkfg,A ;kpuk oQ fy, ,d ukfVl fn;k tkrk g ftlesa 14 fnu dk le; gksuk vko';d gSA vfUre ;kpuk oQ lkFk vfUre 'kCn dk i;kx fd;k tkuk vko';d gSA

3.1.1 v'kksa oQ fuxeu dk y[kk djuk (Accounting of Issue of Shares)

1. cd esa vkonu i=kksa dh jkf'k tek gksu ij ;g ifof"V dh tk;xhA

Bank A/c Dr.

To Share Application A/c

(for Shares App. money received)

2. ftu vkondk dk v'k vkcfVr fd; tkr g mudh jkf'k v'k ith [kkr e gLrkUrfjr dh tkrh gA

Share Application A/c Dr.

To Share Capital

(for application money transfered to Share Capital)

3. ftu vkondk dk ,d Hkh v'k vkcVu ugh fd;k tkrk mudk ilk okfil fd;k tkrk gA

Share Application A/c Dr.

To Bank A/c

(for Application money refunded)

vkcVu l lEcfU/r ifof"V;k

vkcVu dh jkf'k igy n; dh tk;xh o ckn e iklr dh tkrh gA

4. tc vkcVu dh jkf'k n; gkrh gA

Share allotment A/c Dr.

To Share Capital

(for allotment money due)

5. tc vkcVu dh jkf'k iklr dh tkrh gA

Bank A/c Dr.

To Share allotment

(for allotment money received)

;fn fdlh vkond }kjk vkcVu dh jkf'k dk Hkxrku ugh fd;k tkrk] n; jkf'k e l] bl jkf'k dk ?kVk dj 'k"k jkf'k l Bank A/c dk Dr. djxA

;kpuk l lEcfU/r ifof"V;k—

5. igy lpkyd eMy }kjk iFke ;kpuk dh tkrh gA blo fy, lpuk nh tkrh gA

Share First Call Dr.

To Share Capital

(for share first call due)

6. tc vkondk l ;kpuk jkf'k iklr dh tkrh gA

Bank A/c Dr.

To Share First Call

(for first call money received)

7. tc vdk ij nljh ;kpuk dh jkf'k n; dh tkrh g vkj ;g vfUre ;kpuk gkA

Share Second and Final Calls Dr.

To Share Capital

(for share second call due)

8. tc nljh dk vfUre ;kpuk dh jkf'k iklr dh tkrh gA

Bank A/c Dr.

To Share Second and Final Call

(for share second and final call received)

Åijfyf[kr ifof"V;k dh tkudkjh oQ ckn ;g è;ku j[kuk vko';d g fd v'kk dk fuxeu rhu idkj l fd;k tkrk gA bloQ fy, nk idkj oQ eY;k dh tkudkjh gkuh vko';d gA

1. vfdr eY; (Face Value) : og eY; tk v'k iek.ki=k ij fy[kk x;k g tl oreku le; e vfdr eY; vf/drj ifr v'k 10 #- gA

2. fuxfer eY; (Issued Price) : og eY; ftl ij v'k dk fuxeu fd;k tkrk g] og rhu idkj l gk ldrk g—

(i) le eY; ij v'kk dk fuxeu (Issue of Shares at par) ;fn vfdr eY; ij gh v'kk dk fuxfer fd;k tk;A

(ii) ihfe;e ij v'kk dk fuxeu (Issue of Share at premium) ;fn v'k dk fuxeu vfdr eY; l vf/d ij fd;k tk; tl 10 #- oQ v'k dk fuxeu 12 #- e fd;k tk;] ;gk ij 2 #- ifr v'k ihfe;e gA ,lh dEifu;k gh v'kk dk ihfe;e ij fuxeu dj ldrh g ftuoQ }kjk vf/d ykHk dek;k tkrk gA

ihfe;e dh jkf'k ,d vyx [kkr Share Premium A/c e fy[kk tk;xkA dEiuh vfèkfu;e dh /kjk 78 oQ vulkj Premium dk i;kx oQN fuf'pr mís';k oQ fy, gh fd;k tk ldrk gA

v'k ihfe;e dk y[kk djr le; ;g è;ku j[kuk pkfg, fd ihfe;e dh jkf'k dc n; gA ;g vkonu] vkcVu iFke ;k vfUre ;kpuk ij dHkh Hkh n; gk ldrh gA ;fn i'u e ihfe;e dc n; g ;g u fn;k x;k gk rk vkcVu ij n; gkxkA

;fn ihfe;e dh jkf'k vkcVu ij n; g rk fuEu idkj l y[kk fd;k tk;xkA

Share Allotment A/c Dr.

To Share Capital

To Share Premium

(for premium due on allotment)

;fn ikFkuk i=k ij ihfe;e dh jkf'k ikIr dh tk, rk mldk ihfe;e [kkr e gLrkUrj.k fuEu idkj gkxkA

Share Application A/c Dr.

To Share Capital

To Share Premium

(for application money transferred to Share Capital and Share premium)

v'kk dk dVkrh ij fuxeu—

tc v'k le eY; l de eY; ij fuxeu fd; tkr g rk bldk v'kk dk dVkrh ij fuxeu dgr gA v'kk dh dVkrh ij fuxfer djr le; dEiuh vf/fu;e dh /kjk 79 dk è;ku j[kuk pkfg,A dVkrh ij fuxeu djr le; y[kk fuEu idkj l fd;k tk;xkA ;fn dVkrh dh jkf'k vkcVu ij n; g—

Share Allotment A/c Dr.

Share Discount A/c Dr.

To Share Capital

(for the allotment money due excluding discount) v'kk ij dVkrh ,d ithxr gkfu gA blfy, bl ykHk&gkfu [kkr dh Dr. side e u fy[kdj fpVB oQ lEifÙk i{k e fofo/ [kpk e fy[kk tkrk gA bl gkfu dk lkekU; ykHkk e l vifyf[kr dj nuk pkfg,—

Profit and Loss A/c Dr.

To Share Discount A/c

(for discount written off)

jkdM oQ vykok fdlh vU; ifriQy oQ cny v'kk dk fuxeu (Issue of share for other consideration than cash)

;fn v'kk dk fuxeu lEifÙk ;k O;olk; oQ fooQrk dk fd;k tkrk gA

(1) Sundry Asset A/c Dr.

To Vendors A/c

(for Asset Purchased)

(2) Vendors A/c Dr.

To Share Capital

(for share allotted at par)

;fn v'k iordk dk fn; tk;—

Goodwill A/c Dr.

To Share Capital

(for share given to promoters)

Illustration 1.

On 1st January, 1986 X Ltd. Company Issued 1000 equity shares of Rs. 10 each at a premium of Rs. 2 per share. The payment on these share was to be received as follows :

On Application Rs. 2

On Allotment (Including Premium) Rs. 4

On First and Final Call Rs. 6

All these shares were applied for and all money was received Pass Journal entries and prepare balance sheet in the books of company.

Journal

Date	Particulars	L.F.	Dr. Amount Rs.	Cr. Amount Rs.
	Bank a/c Dr.		20,000	
	To Share Application a/c			20,000
	(for application money received)			
	Share Application a/c Dr.		20,000	
	To Share Capital a/c			20,000
	(for application money transferred)			
	Share Allotment a/c Dr.		40,000	
	To Share Capital			20,000
	To Share Premium			20,000
	(for allotment due)			
	Bank a/c Dr.		40,000	

To Share Allotment a/c (for allotment money received)			40,000
Share 1st & final call Dr. To Share Capital a/c (for share 1st and final call due)		60,000	60,000
Bank a/c Dr. To Share 1st and final call (for share 1st and final call money received)		60,000	60,000

Balance Sheet of X Ltd.

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Authorised Capital		Cash at Bank	1,20,000
10,000 shares of Rs. 10 each issued,	1,00,000		
subscribed and paid up capital			
10,000 shares of Rs. 10 each	1,00,000		
Share Premium a/c	20,000		
	1,20,000		1,20,000

3.1.2 vnÙk ;kpuk, vkj mu ij C;kt (Calls in Arrear and Interest) :

;fn ekx dh xb ;kpuk dk Hkxrku fdlh v'k/kjh }kjk u fd;k tk; rk bldk vnÙk ;kpuk dgxA y[kk dju oQ fy, vnÙk ;kpuk oQ fy, Calls in arrear a/c [kkyk Hkh tk ldrk g vkj ugh HkhA ;fn [kkrk [kkyk tk;xk] Calls in arrear a/c dk Dr. fd;k tk;xkA tc ;g [kkrk [kkyk ugh tkrk] rc ;kpuk dk 'k"k Dr. cpxkA bl fLFkfr fooj.k e ekxh xb ijth e vnÙk ;kpuk ?kVk dj fn[kkr gA ;fn dEiuh oQ vUrfu;ek e of.kr g rk dEiuh ml ij fu/kfjr nj l C;kt y ldrh gA yfdu Table-A ykx gku ij 5% okf"kd nj l C;kt yxhA

3.1.3 vfxe ;kpuk vkj C;kt (Calls in advance and interest) :

;fn dkb v'k/kjh ;kpuk dh ekx dju l igy mldk Hkxrku dj nrk g] bldk vfxe ;kpuk dgr gA bldk y[kk dju oQ fy, vfxe ;kpuk [kkrk [kkyk tkrk g vkj fuEu ifof"V;k dh tkrh g—

Bank a/c Dr.

To Calls in advance a/c

(for calls in advance received in cash)

tc ;kpuk dh jkf'k n; dh tkrh g rk ikl djr le; vfxe ikl jkf'k dk n; jkf'k e l ?kVk fn;k tk;xkA bloQ fy, fuEu ifof"V dh tkrh g—

Calls in advance a/c Dr.

To Calls a/c

(for calls in advance adjusted)

dEiuh oQ vUrfu;e iko/ku gku ij vfxe ;kpuk Lohdkj dh tk ldrh gA Table-A oQ vulkj 5% dh nj vfxe ;kpuk ij C;kt fn;k tk ldrk gA C;kt oQ Hkxrku oQ fy, fuEu ifof"V dh tk;xh—

Interest a/c Dr.

To Bank a/c

(for interest paid on calls in advance)

Ilustration 2 :

Z company issued 1,00,000 shares of Rs. 10/- each the payment of which is made as follows :

On Application (1-4-1985)	Rs. 2
On Allotment (1-7-1985)	Rs. 3
On First Call (1-10-1985)	Rs. 2
On Second and Final call (1-12-1985)	Rs. 3

All the shares were applied and allotted. All money was received except in of one shareholder of 1000 shares who failed to pay the second call and one shareholder who a 1000 shares paid the amount of first and second call with allotment. Interest at the rate of 5% per annum is payable on calls in advance.

Give Journal entries in the books of company and prepare the balance sheet.

Journal

Date	Particulars		L.F.	Dr. Amount Rs.	Cr. Amount Rs.
1985	Bank a/c	Dr.		2,00,000	
April	To Share Application a/c				2,00,000
	(for application money received)				
July 1	Share Application a/c	Dr.		2,00,000	
	To Share Capital a/c				2,00,000
	(for application money transferred to Share Capital)				
	Share Allotment a/c	Dr.		3,00,000	
	To Share Capital				3,00,000
	(for allotment money due)				
July 1	Bank a/c	Dr.		3,05,000	3.00,00
	To Share allotment				5,000
	To Calls in advance				
	(for allotment money and calls in advance received for 10 shares)				
Oct. 1	Share first & call a/c	Dr.		2,00,000	
	To Share Capital				2,00,000
	(for first call due)				
	Bank a/c	Dr.		1,98,000	

	Calls in advance Dr.		2,000	
	To Share first call			2,00,000
	(for first call received and calls in advance adjusted)			
Dec. 1	Share Second and Final call a/c Dr.		3,00,000	
	To Share Capital a/c			3,00,000
	(for second and final call due)			
	Bank a/c Dr.		2,94,000	
	Calls in advance a/c Dr.		3,000	
	To Share second and final call			2,97,000
	(for final call received and calls in advance adjusted			
	Interest a/c Dr.		87.50	
	To Bank a/c			87.50
	(for interest paid on calls in advance)			

Calculation of interest on calls in advance

Interest on 2000 for 3 months (1 July to 1 Sept.)

$$\frac{5\times 2000\times 3}{100\times 12} = 25 \text{ Rs.}$$

Interest on 3000 for 5 months (1 July to 1 Dec.)

$$\frac{5\times 3000\times 5}{100\times 12} = 62.50 \text{ Rs.}$$

Balance Sheet

Liabilities	Amount Rs.	Assets	Amount Rs.
Authorised Capital		Cash at Bank	9,96,912.50
1,00,000 share of Rs. 10 each issued,	10,00,000	Interest on call in advance (not written off)	87.50
subscribed and paid up capital			
1,00,000 share of Rs. 10 each 10,00,000			
Less Calls in arrear of 1000 share of Rs. 3 each 3000	9,97,000		
	9,97,000		9,97,000

3.1.4 vko';drk ls vf/d v'kksa oQ fy, ikFkuk i=k vkuk (Over Subscription of Shares)

vR;f/d vkonu djus ij v'k vkcVu djus e leL;k vk ldrh gA bl n'kk e lpkyd fuEu e ls dkb Hkh ,d ;k vf/d fof/;k viuk ldr g—

1. oQN dk i.k vkcVu vkj oQN dk vkuikfrd vkcVu djA

2. oQN dk dkb vkcVu u djA

3. lc vkondk dk vkuikfrd vkcVu djA

vR;f/d vkonu e vkcVu djus ij vkonu dh jkf'k oQ fy, fuEu idkj ls y[kk fd;k tk;xkA ;fn fdlh vkond dk dkb Hkh v'k ugh allot fd;k x;k mldh jkf'k okfil dh tk;xh vkj bl <x ls y[kk fd;k tk;xkA

Share Application Dr.

To Bank a/c

(for Application money refunded)

;fn fdlh vkond dk vkf'kd vkcVu fd;k x;k g] vkf/D; jkf'k dk v'k vkcVu [kkr e gLrkUrfjr djx—

Share Application a/c Dr.

To Share allotment a/c

(for application money transferred to share allotment a/c)

;fn fdlh vkond ls vkonu i=k ij bruh vf/d jkf'k iklr g fd vkcVu dh jkf'k dkVu oQ ckn Hkh jkf'k cp tk;] ifooj.k e O;oLFkk gku ij bldk Calls in Advance e gLrkUrfjr fd;k tk ldrk gA bloQ fy, fuEu ifof"V djA

Share Application a/c Dr.

To Share Allotment

To Calls in advance a/c

(for excess money transferred to share allotment and calls in the advance)

3.2. v'kk dk vigj.k (Forfeiture of Shares)

;fn dkb v'k/kjh viu v'kk ij vkcVu ;k ;kpuk dk Hkxrku ugh djrk] rk dEiuh mloQ v'kk dk vigj.k dj ldrh gA mldk uke lnL;k oQ jftLVj e ls dkV fn;k tkrk g vkj v'kk ij Hkxrku dh xb jkf'k dk tCr fd;k tk ldrk gA

v'kk dk vigj.k djr le; vUrfu;e ;k Table-A oQ fu;ek dk ikyu fd;k tkuk pkfg,A n; jkf'k dk Hkxrku u djus ij lpkyd eMy v'k/kjh dk lpuk Hktrk g fd og ,d fuf'pr frfFk rd ,d ekx dh jkf'k C;kt lfgr Hkxrku djA bl lpuk e Li"V fy[kk gkuk pkfg, fd fdl frfFk rd Hkxrku u djus ij v'kk dk gj.k dj fy;k tk;xkA

;fn Hkxrku iklr ugh gkrk rk lpkyd eMy v'kk oQ gj.k dk iLrko ikl dj ldr gA bl iLrko dh lpuk v'k/kjh dk Hkh nh tk ldrh g fd og v'k iek.k&i=k okfil dj nA v'kèkkjh ls iklr jkf'k dk Share forfeiture a/c e oQfMV dj fn;k tkrk gA v'kk e vigj.k dk y[kk dju oQ fy, rhu rF; è;ku j[ku pkfg,—

1. ekx dh iith (Called up Capital)—bl Share Capital a/c dk Debit fd;k tk,xkA

2. vnÙk ;kpuk,—budk Credit fd;k tk;xk] ol ;g vkcVu] iFke ;kpuk ;k vfUre ;kpuk gk ldrh gA

3. iklr jkf'k—;g v'k/kjh l iklr jkf'k gA bldk Share forfeiture a/c e gLrkUrfjr djxA

v'kk oQ gj.k dju ij y[kk—

v'kk d gj.k dh ifof"V;k djr le; og è;ku j[kuk pkfg, fd v'k fdl idkj fuxfer fd;k x;k Fkk] D;k le eY; ij] ihfe;e ij] cVV ij] rhuk n'kkvk e vyx&vyx <x l ifof"V dh tk;xhA

1. le eY; ij fuxfer v'kk dk gj.k—;gk ;g è;ku j[kuk pkfg, fd fdruh iith ekx dh tk pdh g vkj vnÙk ;kpuk dku&dku lh gA v'k ij iklr jkf'k fdruh gA bu rhuk l bl idkj ifof"V dh tk;xh]

Share Capital a/c Dr.

To Share allotment a/c

To share call a/c

To share forfeiture a/c

(for share forfeited)

2. ihfe;e ij fuxfer v'kk dk gj.k—;gk ij nk ifjfLFkfr;k gk ldrh gA

I. ,l v'kk dk gj.k ftu ij ihfe;e iklr u gvk gk—bl voLFkk e Share Capital oQ lkFk Share Premium dk Hkh Dr. djuk iMxkA ;g tkuu oQ fy, fd Share Premium iklr ugh gvk ;g è;ku j[kuk pkfg, fd ftl ;kpuk ij Premium n; Fkk ;fn og iklr ugh gb rk bldk vFk g ihfe;e Hkh iklr ugh gvkA ;fn Premium vkcVu oQ lkFk n; g vkj vkcVu dh jkf'k iklr u dh tk; bldk vFk g Premium Hkh iklr ugh gvkA bldh fuEu ifof"V djxA

Share Capital a/c Dr.

Share Premium a/c Dr.

To Share Allotment

To Share Call a/c

To Share Forfeiture a/c

(For share forfeiture due to non payment of allotment and calls)

II. ,l v'kk dk vigj.k ftu ij ihfe;e iklr fd;k tk pdk gk—bl ifjfLFkfr e ;g è;ku j[kk tk;xk fd Share Premium dk Dr. ugh fd;k tk;xk vkj ifof"V igy dh rjg dh tk;xhA mnkgj.k oQ fy, v'kk dk vigj.k iFke ;kpuk o nljh ;kpuk u nu oQ dkj.k fd;k tk jgk g tk igy Premium ij fuxfer fd; x; FkA ;gk ifof"V bl <x l djxA

Share Capital a/c Dr.

To Share first call a/c

To share second & final call a/c

To share forfeiture a/c

(for share forfeited due to non-payment of first and final call)

III. **dVkrh ij fuxfer v'kk oQ vigj.k**—;fn ,l v'kk dk vigj.k fd;k tk; tk dVkrh ij fuxfer fd; x; gk rk vigj.k dh ifof"V e dVkrh [kkr dk vo'; oQfMV fd;k tkrk g D;kfd tk i th fo|eku ugh g ml oQ Discount dk Hkh lekIr dj nuk pkfg,A tl v'k allotment vkj Call money u nu oQ dkj.k vigj.k fd; tk; rk fHkUu ifof"V djx—

Share Capital a/c Dr.

To Share Discount a/c

To Share allotment a/c

To Share call a/c

To Share forfeiture a/c

(for share forfeiture due to non-payment of allotment and call amount)

3.3 gj.k fd; x; v'kk dk iu% fuxeu (Re-issue of Forfeited Shares) :

gj.k fd; x; v'kk dk iu% fuxeu fd;k tk ldrk gA fuxeu djr le; eY; è;ku j[kuk pkfg, D;kfd ;g le eY;] dVkrh ij ;k ihfe;e ij gk ldrk gA yfdu dVkrh dh vf/dre jkf'k tCr dh xb jkf'k l ifr v'k vf/d ugh gk ldrhA ;g dVkrh dh jkf'k Share forfeiture a/c l yh tk ldrh gA Share forfeiture a/c oQ 'k"k dk Capital Reserve a/c e gLrkUrfjr dj fn;k tkrk gA yfdu Capital Reserve a/c e Transfer djr le; ;g è;ku j[kuk pkfg, fd ;fn tCr fd; x; v'kk e l oQN Hkkx fuxeu fd;k x;k rk vuikr l Share forfeiture a/c dk 'k"k Capital Rcs. a/c e Transfer djxA

iu% fuxeu ij ifof"V;k—

I. le eY; (at par) ij iu% fuxeu

Bank a/c Dr.

To Share Capital a/c

(for share re issued)

Share forfeiture a/c Dr.

To Capital Reserve a/c

(for share forfeiture balance transferred)

II. dVkrh ij (Discount) iu% fuxeu

Bank a/c Dr.

Share forfeiture a/c Dr.

To Share Capital

(for forfeited share issued at Discount)

Share forfeiture a/c Dr.

To Capital Reserve a/c

(for balance of share forfeiture transferred to Capital Reserve)

III. ihfe;e (Premium) ij iu% fuxeu

Bank a/c Dr.

To Share Capital

To Share Premium

(for forfeited share re-issued at discount)

Share forfeiture a/c Dr.

To Capital Reserve a/c

(for the balance transferred to Capital Reserve a/c)

Illustration-3

Give Journal entries for forfeiture and re-issue of shares :

(a) X Ltd. forfeited 30 shares of Rs. 10 each fully called up due to non payment of allotment money of Rs. 3 per share and final call of Rs. 4 per share. These shares for Rs. 8 per share fully paid up.

Journal

Date	Particulars		L.F.	Dr. Amount Rs.	Cr. Amount Rs.
	Share Capital a/c	Dr.		300	
	To Share Allotment				90
	To Share final call a/c				120
	To Share forfeiture a/c				90
	(for share forfeited due to non payment of allotment and final call).				
	Bank a/c	Dr.		240	
	Share forfeiture a/c	Dr.		60	
	To Share Capital a/c				300
	(for forfeited shares re-issued)				
	Forfeiture a/c	Dr.		30	
	To Capital Reserve a/c				30
	(for forfeiture balance transferred to Capital Reserve)				

bl mnkgj.k e share fully called up gA blfy, Share Capital dk 10 #- ifr v'k l MfcV fd;k x;k gA nkckjk v'k 8 #- ifr v'k dh nj l fuxeu fd;k x;k g 2 #- ifr Share forfeiture l fy;k x;k g ;k Share forfeiture dk 'k"k Capital Reserve e Transfer fd;k x;k gA

(b) X Ltd. forfeited 20 shares of Rs. 10 each Rs. 7 called up on which Mahesh had paid application and allotment money of Rs. 5 per share, of these 15 share were re-issued to Naresh as fully paid for Rs. 6 per share. Give journal entries.

Journal

Date	Particulars		L.F.	Dr. Amount Rs.	Cr. Amount Rs.
	Share Capital a/c	Dr.		140	
	To Share first Call a/c				40
	To Share forfeiture a/c				100
	(for share forfeited due to non payment of first called up)				

	Bank a/c Dr. Share forfeiture a/c Dr. To Share Capital a/c (for shares re-issued)		90 60	 150
	Share Forfeiture a/c Dr. To Capital Reserve a/c (for Transfer to Capital Reserve)		15	 15

Working Notes :

bl mnkgj.k e 7#- ifr v'k Called up gA blfy, 7#- ifr v'k l Share Capital dk Dr. fd;k x;k gA iu% fuxeu djr le; 6#- ifr v'k fooQ; eY; g vkj fully paid dju oQ fy, dgk x;k g] blfy, 4#- ifr v'k Share forfeiture l fy;k x;k gA

Capital Reserve dh amount bl idkj l Calculale dh xb g&

20 v'kk ij ykHk = 100 #-

1 $\frac{100}{20}$ = 5 #-

15 $\frac{100}{20}\times 15$ = 75 #-

15 v'kk ij Share forfeiture e jkf'k 75 #-

(-) 15 v'kk re-issue dju ij

Share forfeiture dk Dr. fd;k = 60 #-

Capital Res. e gLrkUrfjr = 15 #-

;g è;ku j[kuk pkfg, fd ;fn tCr fd; x; v'kk dk oQN Hkkx iu% fuxfer fd;k tk; rk igy mu v'kk dh l[;k oQ fy, Share forfeiture dh jkf'k dh x.kuk djxA mle l og jkf'k ?kVk;x tk iu% fuxeu dju oQ fy, i;kx dh tkrh gA 'k"k jkf'k Capital Reserve e Transfer djxA

(c) X. Ltd. forfeited 10 shares of Rs. 10 each (Rs. 6 called up) issued at a discount of 10% to Neeta on which she had paid Rs. 2 per share. Out of these, 8 share were re-issued to Meeta as Rs. 8 per share called up for Rs. 6 per share. Give journal entries.

Journal

Date	**Particulars**	**L.F.**	**Dr. Amount Rs.**	**Cr. Amount Rs.**
	Share Capital a/c Dr. To Share Discount a/c To Share Call a/c To Share forfeiture a/c (for share forfeited)		60	 10 30 20

	Bank a/c Dr.		48	
	Share Discount a/c Dr.		8	
	Share forfeiture a/c Dr.		8	
	To Share Capital a/c			64
	(for shares re-issued)			
	Share Forfeiture a/c Dr.		8	
	To Capital Reserve			8
	(for Transfer to Capital Reserve)			

Working Notes :

;fn v'kk dk Discount ij fuxfer fd;k x;k gk vkj tCr dju ij iu% fuxeu Discount ij fd;k tk;A igy Discount dk Dr. fd;k tk;xk ckn e Share forfeiture l amount yh tk;xhA ith lp; e gLrkrfjr jkf'k dh x.kuk bl idkj g—

8 v'kk ij Share forfeiture dh jkf'k

$= \frac{8}{10} \times 20 = 16$ #-

ith lp; $= (16 - 8) = 8$ #-

(d) X Ltd. forfeited 5 shares of Rs. 10 each issued to Mohan at a premium of 10% (Rs. 9 called up) on which he did not pay allotment (including premium) of Rs. 3 and first call of Rs. 2. Out of these, 3 shares were re-issued to Ram as fully called up for its. X per share and one share to Ghanshyam as fully paid up for Rs. 12 and one share to M as fully paid up for Rs. 5 at different intervals of times. Give Journal entries.

Journal

Date	Particulars	L.F.	Dr. Amount Rs.	Cr. Amount Rs.
	Share Capital a/c Dr.		45	
	Share Premium a/c Dr.		– 5	
	To Share allotment a/c			15
	To Share final call a/c			10
	To Share forfeiture a/c			25
	(for forfeiture of share issued at Premium)			
	Bank a/c Dr.		24	
	Share forfeiture a/c Dr.		9	
	To Share Capital			10
	To Share Premium			3
	(for shares re-issued)			

	Share Forfeiture a/c Dr. To Capital Reserve a/c (for balance of proportionate amount transferred to Capital Reserve)		6	6
	Bank a/c Dr. To Share Capital a/c To Share Premium a/c (for re-issue of one share at a premium of Rs. 2 per share)		12	10 2
	Share Forfeiture a/c Dr. To Capital Reserve a/c (for balance of forfeited share transferred to Capital Reserve)		5	5
	Bank a/c Dr. Share forfeiture a/c To Share Capital (for re-issue of one share)		5 5	10

Working Notes :

X Share forfeiture a/c l 2#- ifr v'k i.k nÙk dju oQ fy, vkj ,d #i;k ifr v'k ihfe;e oQ fy, fy;k x;k gA ith lp; e vuikfrd jkf'k dk 'k"k gLrkUrfjr dj fn;k x;k gA

X X ;gk ij Share forfeiture a/c dk MfcV bl fy, ugh fd;k x;k D;kfd ;g v'k ihfe;e ij iu% fuxfer fd; x; gA

X X X ;gk ij v'k 5#- e cpk x;k g vkj ifr v'k forfeiture e 5#- g bl fy, u Share Premium dk oQfMV fd;k x;k rFkk Capital Reserve e Hkh dkb jkf'k gLrkUrfjr ugh dh xbA

Illustration 4 :

X Ltd. issued for public subscription 20000 equity shares of Rs. 10 each of a premium of Rs. 2 per share payable as under :

Rs. 2 per share on Application; Rs. 5 per share (including premium) on allotment; Rs. 2 per share on first call, and Rs. 3 for share on final call.

Applications for 30000 shares were received, allotment was made prorate to the applicants of 24000 shares, the remaining applications being rejected. Money over paid on application was utilized towards sum due on allotment.

Y to whom 800 shares were allotted failed to pay the allotment money first call and second call and Z to whom 1000 share were allotted failed to pay last two calls.

These shares were subsequently forfeited after the second call was made.

Give Journal entries of above transactions.

Journal

Date	Particulars	L.F.	Dr. Amount Rs.	Cr. Amount Rs.
	Bank a/c Dr.		60,000	
	To Share application a/c			60,000
	(for application money received)			
	Share Application A/c Dr.		60,000	
	To Share Capital a/c			40,000
	To Share Allotment a/c			8,000
	To Bank a/c			12,000
	(for application money transferred to capital allotment and refunded)			
	Share Allotment a/c Dr.		1,00,000	
	To Share Premium a/c			40,000
	To Share Capital a/c			60,000
	(for allotment due including Premium)			
	Bank a/c Dr.		88,320	
	To Share Allotment a/c			88,320
	(for receipt of allotment money)			
	Share first call a/c Dr.		40,000	
	To Share Capital a/c			40,000
	(for share first call due)			
	Bank a/c Dr.		36,400	
	To Share first call a/c			36,400
	(for first call received)			
	Share Second and final call a/c Dr.		60,000	
	To Share Capital a/c			60,000
	(for second and final call due)			
	Bank a/c Dr.		54,600	
	To Share Second and final call a/c			54,600
	(for second call received)			
	Share Capital A/c Dr.		18,000	
	Share Premium a/c Dr.		1,600	
	To Share allotment a/c			3,680
	To Share first call a/c			3,600
	To Share Second and final call a/c			5,400
	To Share forfeiture a/c			6,920
	(for share forfeited).			

	Bank a/c	Dr.		14,400	
	Share forfeiture a/c	Dr.		3,600	
	To Share Capital				18,000
	(for forfeited shares re-issued)				
	Share forfeiture a/c	Dr.		3,320	
	To Capital Reserve a/c				3,320
	(for Transferred to Capital Reserve)				

Working Notes :

vkcVu dh jkf'k dh x.kuk—

vkcVu ij n; jkf'k = 100000 #-

igyh ikIr jkf'k = $\frac{8,000}{92,000}$ #-

(–) 800 v'kk ij u ikIr dh xb jkf'kA

800 v'kk ij vkcVu n; jkf'k = 800 × 5 = 4000 #-

(–) vkonu i=k ij vf/d ikIr jkf'k

$\frac{8000}{20,000} \times 800$ = 320 #-

= 3680 #-

vkcVu ij ikIr jkf'k = 92,000 – 3680 = 88,320 #-

800 v'kk ij vf/d ikIr jkf'k vuikfrd vkcVu dh lgk;rk l fudkyh tk ldrh g] tl ;gk Prorata allotment

24,000 : 20,000

6 : 5

vkuikfrd vkcVu oQ vulkj ftldk 5 v'k vkcfVr fd; x; mlu 6 v'kk oQ fy, vkonu i=k fn;k bl vk/kkj ij ftldk 800 v'k vkcfVr fd; x; mlu fdru v'kk oQ fy, vkonu i=k fn;kA

$\frac{6}{5} \times 800$ = 960 v'k

vf/d vkonu i=k jkf'k = 2(960 – 800)

= 320 #-

Illustration 5 :

N Ltd. issued 50000 equity shares of Rs. 10 each payable as Rs. 3 on application, Rs. 4 on allotment and 3 on call. Applications were received for 80000 equity shares out of which letter of regret issued for 15000 shares. Full allotment was made to the applicants for 20000 shares. Prorata allotment was made on the balance. A shareholder holding 50 shares to whom full allotment was made failed to pay allotment money. Another shareholder holding 100 shares to whom prorata allotment was made also failed to pay allotment money on the call. There was further default of 150 shares. All shares were forfeited. The first lot of shares was re-issued @ Rs. 8 per shares as fully paid up. Give Journal entries.

Journal

Date	Particulars		L.F.	Dr. Amount Rs.	Cr. Amount Rs.
	Bank a/c	Dr.		2,40,000	
	To Share Application a/c				2,40,000
	(for application money received)				
	Share Application A/c	Dr.		2,40,000	
	To Share Capital a/c				1,50,000
	To Share Allotment a/c				45,000
	To Bank a/c				45,000
	(for application money transferred to share capital allotment and refunded)				
	Share Allotment a/c	Dr.		2,00,000	
	To Share Capital a/c				2,00,000
	(for allotment due)				
	Bank a/c	Dr.		1,54,550	
	To Share Allotment a/c				1,54,550
	(for allotment money received)				
	Share first and final call a/c	Dr.		1,50,000	
	To Share Capital a/c				1,50,000
	(for first and final call due)				
	Bank a/c	Dr.		1,49,100	
	To Share first and final call a/c				1,49,100
	(for first and final call due)				
	Share Capital a/c	Dr.		3,000	
	To Share allotment a/c				450
	To Share first and final call a/c				900
	To Share forfeiture a/c				1,650
	(for forfeiture of 300 shares due to non payment of allotment and final call)				
	Bank a/c	Dr.		1,200	
	Share forfeiture a/c	Dr.		300	
	To Share Capital a/c				1,500
	(for 150 shares re-issued)				

	Share forfeiture a/c Dr. To Capital Reserve a/c (Being the balance of share forfeited account transferred to Capital Reserve)		300	 300

Working Notes :

vkuqikfrd vkcaVu dh x.kuk—

oqy ikIr vkonu i=k = 80000

(–) Rejected vkonu i=k = $\frac{15000}{65000}$

(–) i.k vkcaVu = 20000

'ks"k ikIr vkonu i=k = 45000

Prorata vkcaVu = 45000 : 30000 (3 : 2)

vkcaVu ij ikIr jkf'k dh x.kuk—

vkcaVu ij oqy ns; jkf'k (50000 × 4) = 200000 #-

(–) vkonu i=k dk vkf/D;

$(45000 - 30000)3 = \frac{45000}{155000}$ # -

(–) 50 va'kksa dh vkcaVu jkf'k tks

ikIr dh xbZ (50 × 4) = $\frac{200}{15480}$

pw¡fd 100 va'kksa dh vkcaVu jkf'k tks

vuqikfrd vkcaVu esa gS = 154800

100 va'kksa ij vkcaVu jkf'k (100 × 4) = 400

(–) 100 va'kksa ij vkf/D; jkf'k = $\frac{54000}{30000} \times 100$ = 150250

vkcaVu ij ikIr jkf'k = 154550

4. fu"d"kZ (Summary) :

cM+s iSekus ij O;kolkf;d foLr`r;k, pyku oQfy, vf/d ek=kk esa iw¡th dh vko';drk gksrh gSA vf/d ek=kk esa iw¡th tqVkus oQs fy, O;kolkf;d laxBu dks dEiuh izk:i vfLrRo esa vk;k vè;k; esa va'kksa oQs fuxeu ls lEcfU/r i'uksa tSls va'kksa dk fuxeu] va'kksa oQs fuxeu dk y[kk] vnÙk ;kpuk,] vfxze ;kpuk] va'kksa dk gj.k o iqu% fuxeu dk foLrkj ls vè;;u fd;k x;k gSA

5. iqLrdsa iBuh; (Suggested Reading)

(1) Corporate Accounting by Dr. R. K. Mittal, R.S. Singal

(2) Advanced Accounts by R.L. Gupta

(3) Advanced Accounts By S.N. Maheshwari

6. ueewu oQ fy, iz'u (Sample Questions)

(1) dEiuh dh v'k iwath l vki D;k le>rs g \ dEiuh dh v'k&iwath oQ e[; Hkkxk dk o.ku dhft,—

(2) v'kk oQ ihfe;e ij fuxeu djus oQ dEiuh vf/fu;e oQ iko/kuk dk o.ku dhft,A

(3) v'kk oQ gj.k l D;k vk'k; gA v'kk oQ gj.k dh fof/ dk o.ku dhft,A

(4) Mh- Mh- fyfeVM us 10 #- okys 10,000 v'kk oQ fy, 5 ifr'kr cV~Vs ij vkonu ekx] ftuoQ fy, Hkxrku] vkonu oQ lkFk 3 #-] vkcVu ij 3.50 #- (50 iSl dk cV~Vk) vkj ekxu ij 3 #- dk Hkxrku djuk gA 9,200 v'kk oQ fy, vkonu iklr g,A 200 v'kk oQ fy, ,d vkonu dk] iwjk u gkus oQ dkj.k] vLohdkj dj fn;k x;k vkj /u ykVk fn;k x;kA 'k"k vkonuk ij n; lkjk /u] flok; 300 v'kk ij ekx x; /u oQ] iklr gk x;k Fkk] bls fy, mUgs tCr dj fy;k x;k FkkA 100 v'k 9 #- ifr v'k dh nj l iw.kr% nÙk :i l iu% tkjh fd;k x;kA tuy ifof"V;k dhft; rFkk bu lO;ogkjk dk ryu&i=k e fn[kkb;A

DD Ltd. invited applications for 10,000 shares of Rs. 10 each at a discount of 5% payable Rs. 3 on application, Rs. 3 (discount 50 paise) on allotment and Rs. 3 on call. Application were received for 9,200 shares of application for 200 shares rejected being incomplete and the money refunded. All money due on remaining applications was received except call money on 300 shares, which were forfeited. 100 shares were re-issued @ Rs. 9 per share as fully paid. Make journal entries and show the transactions in the balance sheet.

(5) P. Ltd. invited application for 10,000 equity shares of Rs. 10 each payable as follows :

On Application	Rs. 1 per share
On Allotment	Rs. 4 per share
On First Call	Rs. 2 per share
On Second Call	Rs. 3 per share

All Shares were Subscribed and paid for with the following exceptions :

(i) A who help 300 shares did not pay the allotment money and calls money.

(ii) B who was allotted 600 shares failed to pay the money due on first call & final call.

(iii) C who held 100 shares did not pay the amount due on final call.

The Board of Directors passed a resolution forfeiting all the shares held by A, B and C.

These shares were subsequently re-issued as fully paid at a discount of 10%.

Give necessary journal entries regarding forfeiture and re-issue of shares in the books of P. Ltd.

(6) Hindustan Carpets Limited issued 40,000 equity shares of Rs. 10 each at a premium of Rs. 2.50 per share, payable per share Rs. 2 on appliation, Rs. 4.50

on allotment (including premium) and Rs. 6 on call. Applications were received for 96,400 shares and allotment was made as under :

Applications (whose applications were for 2,000 shares or more) for 23,000 shares were allotted 10,560 shares.

Applicants (whose applications were 1,000 shares or more) for 48,000 shares were allotted 14,200 shares.

Applicants for 25,400 shares were allotted 15,240 shares prorata.

It was decided to use excess amount received on applications for payment of allotment and the balance of this excess be paid back in cash. Anil, to whom 300 shares were allotted prorata, failed to pay allotment and call money. Nishikanta, to whom 450 shares were allotted prorata, failed to pay the call money. The shares of these parties were forfeited after the call.

Prepare cash book and pass necessary journal entries in the books of Hindustan Carpets Ltd. Shares have been permitted to be dealt in on the stock exchange.

(7) A company issued for public subscription 50,000 equity shares of Rs. 10 each at a premium of Rs. 2 per share, payable as under :

On application	Rs. 2 per share
On allotment	Rs. 5 per share (including premium)
On first and final call	Rs. 5 per share

Applications were reveived for 75,000 equity shares. The shares were allotted prorata to applicants of 60,000 shares, the remaining applications being rejected. Money overpaid on allotment was utilised towards the sum due on allotment.

'A' to whom 2,000 shares were allotted failed to pay the allotment money and the call money 'B' who was allotted 2,500 shares failed to pay the call money. These shares were subsequently forfeited after the first and final call was made. The shares, forfeited from B were allotted to 'X' at Rs. 9 per share fully paid. Of the shares forfeited from 'A' 1,500 shares were re-issued by 'Y' at Rs. 11 per share.

Pass necessary journal entries to record the above transactions in the books of the company and show the working notes clearly.

BC 202 : Corporate Accounting

Lesson No. : 2 **Revised by: Pawan Singla**

iokf/dkj v'kk dk 'kk/u

(Redemption of Preference Shares)

Structure :

(1) ifjp;

(2) mí';

(3) fo"k;&lkexh dk ^iLrrhdj.k

3.1 iokf/dkj v'kk dk 'kk/u

3.1.1 iokf/dkj v'kk oQ 'kk/u dk y[kk

3.2 ckul v'kk dk fuxeu

3.2.1 ykHkk oQ ithdj.k oQ idkj

3.2.2 ckul fuxeu oQ lc/ e loh oQ fn'kk fun'k

3.2.3 ckul v'kk oQ fuxeu oQ ykHk o gkfu;k

3.2.4 ckul v'kk oQ fuxeu oQ lEcU/ e y[k

3.3 dEiuh }kjk viu v'kk dk oQ;

3.3.1 dEiuh }kjk viu v'kk dk oQ; dju dh 'kr

3.3.2 y[kkdu 0;ogkj

(4) fu"d"k

(5) iLrkfor iLroQ

(6) ueu oQ fy, i'u

1. ifjp; (Introduction) :

dEiuh vf/fu;e] 1956 oQ vulkj ,d lkotfud dEiuh fuEu nks idkj oQ v'k turk dk fuxfer dj ldrh g—

(a) iokf/dkj v'k

(b) lerk v'k

iokf/dkj v'k l vk'k; ,l v'kk l g ftuoQ /kjdk dk ,d io fuf'pr nj l ykHkk'k ikIr dju dk lerk v'k/kfj;k l igy vf/dkj gkrk g rFkk dEiuh oQ lekiu ij muoQ }kjk nh xbZ iwth okil ikIr dju ij Hkh iokf/dkj ikIr gkrk gA iokf/dkj v'k fofHkUu idkj oQ gk ldr g] yfdu ge bl vè;k; e oQoy 'kkè; iokf/dkj v'k (Redeemable Preference Share) dk vè;;u djxA 'kkè; iokf/dkj v'k o v'k g ftudk Hkxrku fuf'pr vof/ oQ ckn dEiuh dh vUrfu;ek dh O;oLFkk oQ vulkj rFkk dEiuh vf/fu;e dh /kjk 80 oQ iko/kuk dk ikyu djoQ fd;k tk ldrk gA

2. mí'; (Objective) :

bl vè;k; dk i<u oQ ckn vki dk fuEu fo"k;k dh tkudkjh feyxh—

(1) iokf/dkj v'kk oQ 'kk/u dh 'kr o 'kk/u dk y[kkA

(2) ckul v'kk dk fuxeu fdl idkj fd;k tk ldrk gA

(3) dEiuh }kjk viu gh v'kk dk oQ; dc vkj oQl fd;k tk ldrk gA

(3) fo"k;&lkexh dk iLrrhdj.k (Presentation of Contents)

iokf/dkj v'kk oQ 'kk/u dh lkexh dk iLrrhdj.k fuEufyf[kr idkj l g—

3.1 iokf/dkj v'kk dk fuxeu (Redemption of Preference Shares) :

,d dEiuh lxBu }kjk iwth ,df=kr dju oQ fy, nks idkj oQ v'kk dk cpk tk ldrk gA

1. **lerk v'k (Equity Share) :** ,l v'kk ij ykHkk'k vkj iwth oQ Hkxrku oQ fy, dkbZ Hkh iokf/dkj ugh gkrkA

2. **iokf/dkj v'k (Preference Share) :** bu v'kk ij ykHkk'k vkj iwth oQ Hkxrku l lEcfU/r iokf/dkj gkrk gA

lk/kj.kr;k ,d dEiuh viu thou dky e viu v'kk dk u rk [kjhn ldrh g vkj okfil Hkh ugh dj ldrhA oQoy 'kkè; iokf/dkj v'kk dk okfil fd;k tk ldrk gA iokfèkdkjµv'kk dk 'kk/u dju oQ fy, dEiuh vf/fu;e dh /kjk 80 e fn; x; fofHkUu fu;ek dk ikyu fd;k tkuk pkfg,A ; fu;e bl idkj l g—

(1) **vUrfu;e (Articles) :** v'kk oQ 'kk/u oQ fy, vUrfu;e e O;oLFkk gkuh pkfg,A

(2) **i.knÙk (Fully Paid) :** v'k i.knÙk gku pkfg,A ;fn v'k vkf'kd nÙk g rk igy vfUre ;kpuk djoQ mudk i.knÙk fd;k tk,xkA

(3) **ykHkk vkj u, v'kk e l 'kk/u (Redemption out of Profits or Fresh Issue) :** iokfèkdkj v'kk dk 'kk/u dju oQ fy, nks lk/uk dk i;kx fd;k tk ldrk g—

(i) ykHkk'k oQ fy, miyC/ ykHkk l

(ii) 'kk/u dju oQ fy, fuxfer fd; x; v'kk e lA

;fn v'kk dk 'kk/u ykHkk e l fd;k g rk ;g è;ku j[kuk pkfg, fd v'kk oQ vfre eY; oQ cjkcj jkf'k dk ^iwth 'kk/u lp; [kkr* (Capital Redemption Reserve a/c) e gLrkUrfjr fd;k tk;xkA ;gk ij ;g è;ku j[kuk pkfg, fd fuEu ykHk ykHkk'k oQ fy, g—

(i) ykHk&gkfu [kkrk (Profit and Loss Account)

(ii) lkekU; lp; [kkrk (General Reserve Account)

(iii) ykHkk'k lekuhdj.k dk"k (Devidend Equalisation Fund)

(iv) Jfed {kfrifr dk"k (Workmen Compensation Fund)

(v) Jfed n?kVuk dk"k (Workmen Accident Fund)

iwthxr ykHkk e l ykHkk'k ugh fn;k tk ldrk g] ; ykHk fuEu g—

(i) v'k ihfe;e [kkrk (Share Premium Account)

(ii) v'k tCr [kkrk (Share Forfeiture Account)

(iii) iwth lp; (Capital Reserve Account)

(4) iwth 'kk/u lp; [kkrk dEiuh dh pdrk iwth dh rjg gA bl [kkr dk i;kx oQoy ckul v'kk dk fuxfer dju oQ fy, fd;k tk ldrk gA ;fn bldk dkb 'k"k g rk bldk fpVB oQ nkf;Ro i{k e fy[kk tk;xkA

(5) ;fn iokf/dkj v'kk dk 'kk/u u; v'kk e l fd;k tk, rk ;g u; v'kk oQ fuxeu oQ ,d ekg e okilh dk dk;Z ijk gkuk pkfg,A

(6) ;fn iokf/dkj v'k ihfe;e ij okfil fd; tk;] igy ;g ihfe;e v'k ihfe;e [kkr l fy;k tk,xkA ;fn v'k ihfe;e [kkr l ihfe;e ijk u gk rk 'k"k jkf'k ykHkk e l ijh dh tk;xhA

3.1.1 iokf/dkj v'kk oQ 'kk/u dk y[kk (Accounting Records for Redemption of Preference Share)

(1) ;fn iokf/dkj v'kk oQ 'kk/u oQ fy, u; v'k fuxfer fd; x, v'kk oQ fuxeu oQ fy, fuEu ifof"V;k dh tk;xhA

(a) ;fn u; v'k le eY; ij fuxfer fd; tk;A

Bank a/c Dr.

To Share Capital

(For shares issued at par)

(b) ;fn u; v'k Discount ij fuxfer gkA

Bank a/c Dr.

Share Discount a/c Dr.

To Share Capital

(for shares issued at Discount)

(c) ;fn u; v'kk dk fuxeu ihfe;e ij fd;k x;kA

Bank a/c Dr.

To Share Capital

To Share Premium

(for shares issued at Premium)

(2) 'kk/u ij n; ihfe;e oQ fy, ;gk i'u djr le; fuEu rhu ifjfLFkfr;k e l ,d ifjfLFkfr gk ldrh g—

(i) ;fn i'u Share Premium Account e iokf/dkj v'kk oQ 'kk/u ij fn; tku oky ihfe;e oQ fy; i;kIr jkf'k gA

Share Premium a/c Dr.

To Premium on redemption of Pref. Share

(for premium due on redemption of preference share)

(ii) ;fn ihfe;e dh jkf'k Profit and Loss a/c l yh tk;A

Profit and Loss a/c Dr.

To Premium on Redemption of Preference Share

(for Premium due)

(iii) ;fn 'kk/u ij fn; tku oky ihfe;e dh jkf'k Share Premium Account e i;kIr ugh rk igy Share Premium Account l Premium dh jkf'k yh tk;xhA 'k"k jkf'k Profit and Loss l yh tk;xh bloQ fy, fuEu ifof"V djxA

(i) Share Premium a/c Dr.

To Premium on Redemption of Pref. Share a/c

(for the share Premium a/c used for premium)

(ii) P/L a/c Dr.

To Premium on Redemption of Share Premium a/c

(for the balance taken from P/L a/c)

(3) ;fn v'kk dk 'kk/u nkuk lk/uk l fd;k tk; oQN jkf'k oQ u; v'k fuxfer fd; tk; vkj (oQN jkf'k oQ fy, Capital Redemption Reserve cuk;k tk;)A ;fn 'kk/u ij n; jkf'k u; fuxeu ikIr jkf'k l vf/d g rk nkuk oQ vUrj oQ cjkcj ^ith 'kk/u lp;* dk fuek.k djxA

Profit and Loss a/c Dr.

General Reserve a/c Dr.

To Capital Redemption Reserve a/c

(for amount transferred to Capital Redemption Reserve)

(4) iokf/dkj v'kk dh ith o ml ij n; ihfe;e dk n; dju oQ fy,—

Redeemable Pref. Share Capital a/c Dr.

Premium on Redeemable a/c Dr.

To Redeemable Pref. Shareholder a/c

(For Redeemable Preference Share Capital due for payment)

(5) iokf/dkj v'k/kfj;k dk Hkxrku djuk ijA

Redeemable Pref. Shareholders a/c Dr.

To Bank a/c

(for payment made)

Illustration I

A Company redems its 300 shares of Rs. 100 each at par, for this purpose 2000 shares were issued of Rs. 100 each at a premium of 10% and for the balance it utilizes the profit and loss account which had sufficient balance.

Journal

Date	Particulars	L.F.	Dr. Amount Rs.	Cr. Amount Rs.
	Bank a/c Dr.		2,20,000	
	To Equity Share Capital			2,00,000
	To Share Premium a/c			20,000
	(for equity shares issued)			
	Profit and Loss a/c Dr.		1,00,000	
	To Capital Redemption Reserve a/c			1,00,000
	(for the balance transferred to Capital Redemption Reserve a/c			
	Redeemable Pref. Share Capital a/c Dr.		3,00,000	
	To Redeemable Pref. Shareholder			3,00,000
	(for amount due for payment)			
	Redeemable pref. Shareholder a/c Dr.		3,00,000	
	To Bank a/c			3,00,000
	(for payments made)			

Illustration 2 :

5 Company redeems 15000 Redeemable Preference Shares of Rs. 10 each at par, for this purpose it issued 5000 equity shares of Rs. 10 each at discount of 10% and for the balance it utilizes the profit and loss a/c which had a sufficient balance. Record the transactions in the books of company.

Journal

Date	Particulars	L.F.	Dr. Amount Rs.	Cr. Amount Rs.
	Bank a/c Dr.		45000	

	Share Discount a/c Dr. To Equity Share Capital (for equity shares issued)		5000	50000
	Profit and Loss a/c Dr. To Capital Red. Reserve a/c (for Capital Red. Reserve created)		1,05,000	1,05,000
	Redeemable Pref. Share Capital a/c Dr. To Red. Pref. Shareholder a/c (for amount due to Red. Pref. Shareholder a/c)		150000	150000
	Redeemable pref. Shareholder a/c Dr. To Bank a/c (for payments made to shareholder's)		150000	150000

Illustration 3 :

On 1 Jan. 1988, 20000. 10% Redeemable Pref. Share Capital of Rs. 100 fully paid. These shares are to be redeemed at Rs. 120 each, 6000 equity shares of RS. 100 each are issued at Rs. 100 per share for the purpose of redemption. The balance of Profit and Loss a/c is Rs. 42,34,560 Pass journal entries.

Journal

Date	Particulars	L.F.	Dr. Amount Rs.	Cr. Amount Rs.
	Bank a/c Dr. To Equity Share Capital To Share Premium a/c (for share issued at Premium)		660000	 600000 60000
	Share Premium a/c Dr. Profit and Loss a/c Dr. To Premium on Redemption of Pref. Share (for Premium on Redemption due)		60000 340000	 400000
	Profit and Loss a/c Dr. To Capital Red. Reserve a/c (for amount transferred to Capital Red. Res.)		1400000	14000000
	10% Redeemable Pref. Share Capital a/c Dr. Premium on Redemption of Pref. Share To Red. Pref. Shareholder a/c (for Pref. Share capital and premium due for payment)		2000000 400000	 2400000
	Redeemable Pref. Shareholder a/c Dr. To Bank a/c (for payment made)		2400000	2400000

Illustration 4 :

The Balance Sheet of A Ltd. Co. as on 31 March.

Liabilities		Amount	Assets	Amount
Share Capital				
50000 equity shares of Rs. 10 each		5,00,000	Land and Building	1,00,000
fully paid 15000, 10% Red.			Machinery	1,50,000
Pref. Shares of Rs. 10 each fully			Stock	2,00,000
called up	1,50,000		Work in progress	2,50,000
Less calls in arrear	3000	147,000	S. Debtors	1,23,456
(Rs. 3 per share)			Cash at Bank	1,76,544
Share Premium a/c		2,345		
General Reserve		2,12,345		
Creditors		1,38,310		
		10,00,000		10,00,000

The Pref. Shares were redeemed on 1st April 1988 at a premium of Rs. 1 per share. For this purpose 5000 equity share of RS. 10 each were issued at a premium of 5% and these were fully subscribed. Pass Journal entries and give Balance Sheet.

Journal

Date	Particulars		L.F.	Dr. Amount Rs.	Cr. Amount Rs.
	Bank a/c	Dr.		52500	
	To Equity Share Capital				50000
	To Share Premium a/c				2500
	(for new equity shares issued)				
	Share Premium a/c	Dr.		4815	
	General Reserve a/c	Dr.		10155	
	To Premium on Red.				15000
	(for Premium on Redemption)				
	General Reserve a/c	Dr.		100000	
	To Capital Red. Reserve a/c				100000
	(for Capital Red. Res. created)				
	Redeemable Pref. Share Capital a/c	Dr.		140000	
	Premium on Redemption a/c			14000	
	To Red. Pref. Shareholder a/c				154000
	(for amount due for payment)				
	Redeemable Pref. Shareholder a/c	Dr.		1540000	
	To Bank a/c				1540000
	(for payment made)				

;gk 15000 Red. Pref. Share g] mue l 1000 v'kk dk Calls in arrear g] blfy, 1000 v'kk dk Hkxrku ugh fd;k x;kA yfdu Capital Red. Res. lHkh v'kk oQ fy, cuk;k x;k gA

Balance Sheet

Liabilities	Amount	Assets	Amount
Share Capital			
50000 equity shares of Rs. 10 each 1000	5,00,000	Land and Building	1,00,000
10% Pref. Shares of Rs. 10 each 10000		Machinery	1,50,000
Less calls in arrear 3000	7,000	Stock	2,00,000
Premium pay on Redemption	1000	Work in progress	2,50,000
Capital Red. Res.	102190	S. Debtors	1,23,456
Creditors	1,38,310	Bank a/c (1,76,544 + 52500 – 154000)	75044
	898500		898500

Redemption of Partly-paid Pref. Shares

The Balance Sheet of A. Ltd. Company was as on 31 Dec. 1985

Liabilities	Amount	Assets	Amount
Share Capital			
20000 equity shares of Rs. 10 each	2,00,000	Sundry Assets	280000
10,000 12% Redeemable Pref.		Investments	30000
Shares of Rs. 10 each		Cash at Bank	70000
Rs. 8 paid up	80000		
S. Creditors	42000		
Profit and Loss a/c	58000		
	380000		380000

The Directors have give notice to redeem the pref. share at a premium of 5% as provided in the company's Articles of Association. Investments have been sold for Rs. 25000. Director desired that minimum share will be issued at par.

Made Journal entries and a summarised Balance Sheet of the company after redemption.

Solution :

1. Since partly preferences shares can not be redeemed. Therefore a final call of Rs. 2 per share will be made due.

2. Balance of Profit & Loss a/c — Rs. 58000

Loss on sale of investments — Rs. 5000

53000

Less Premium Payable on redemtion, $100000 \times \frac{5}{100} =$ 5000

48000

Therefore Rs. 48000 can be transferred from Profit and Loss a/c to Capital Redemption Reserve a/c. Hence new issue will be made for Rs. 52000 (100000 – 48000).

Journal Entries

Date	Particulars		L.F.	Dr. Amount Rs.	Cr. Amount Rs.
	Pref. Share Final Call a/c	Dr.		20000	
	To Redeemable Pref. Share Capital a/c				20000
	(for final call of Rs. 2 per share due)				
	bank a/c	Dr.		20000	
	To Pref. Share Final call a/c				20000
	(for amount received on final call)				
	Bank a/c	Dr.		25000	
	Profit and Loss a/c	Dr.		5000	
	To Investment a/c				30000
	(for investment sold)				
	Bank a/c	Dr.		52000	
	To Equity Share Capital				52000
	(for fresh equity shares issued at par)				
	Profit and Loss a/c	Dr.		5000	
	To Premium on redemption				5000
	(for premium on redemption due)				
	Profit and Loss a/c	Dr.		48000	
	To Capital Red. Reserve a/c				48000
	(for amount transfered to Capital Redemption Res. a/c)				
	Redeemable Pref. Share Capital a/c	Dr.		100000	
	Premium on Redemption a/c			5000	
	To Redeemable Pref. Shareholder a/c				105000
	(for amout due)				
	Redeemable Pref. Shareholder a/c	Dr.		105000	
	To Bank a/c				105000
	(for amount paid to pref. shareholders)				

Balance Sheet
as on 31 Dec. 1988

Liabilities	Amount	Assets	Amount
Share Capital		Sundry Assets	280000
25200 Shares of Rs. 10 each	252000	Cash at Bank	
Capital Red. Res. a/c	48000	(70000 + 20000 +	
Sundry Creditors	42000	25000 + 52000 –	
		105000)	62000
	342000		342000

3.2 ckuI v'kk dk fuxeu

ik;% dEifu;k iR;d o"k viu leLr ykHkk dk v'k/kfj;k e ykHkk'k (Dividend) oQ :i e u foÙkfjr djoQ bu ykHkk dk oQN Hkkx lp; (Reserve) e gLrkrfjr djrh jgrh gA bldk mí'; 0;olk; dh foQ;kvk dk vkUrfjd lk/uk }kjk foÙkh; lgk;rk nuk o vkfFkd fLFkfr dk ln< cukuk gA tc bu lp;k e bruh vf/d jkf'k bdVBh gk tkrh g fd ikfFkd v'k ith (Subscribed Capital) o dEiuh e yxh iHkko'kkyh iath (Effective Capital Employed) dk vuikr vlUrfyr gk tkrk g rFkk Subscribed Capital o Fixed Assets dh jkf'k;k dh ryuk dju ij Hkh vuikr vlUrfyr utj vkrk gA ,lh fLFkfr e dEiuh bu lp;k e l lerk v'kèkkfj;k dk ckuI v'k nrh gA ckuI v'k l rkRi;Z ,l eÝr oQ v'kk l g ftuoQ cny e v'k/kfj;k l oQN Hkh ugh fy;k tkrk gA ;s v'k oreku v'k/kfj;k dk gh fuxfer fd, tkr gA ik;% ,l v'kk dk fuxeu mI le; fd;k tkrk g tc dEiuh oQ ikl i;kIr ek=kk e ykHk lp; oQ :i e gk ijUr ;k rk ykHkk'k nu oQ fy, dEiuh oQ ikl udn jkf'k dh deh g ;k dEiuh dk Hkfo"; dh ;kstukvk oQ fy, /u dh vko';drk gA ckuI v'k oQ fuxeu l lki Hkh ej tkrk g vkj ykBh Hkh ugh VVrh vFkkr dEiuh dh udnh e dHkh Hkh ugh vkrh vkj v'kèkkfj;k dk eÝr e v'k feyu l o Hkh [k'k gk tkr gA ckuI v'kk oQ fuxeu l dEiuh oQ ykHkk e l o lp;k oQ 'k"k e deh gk tk,xhA bl idkj ykHkk lp;h d 'k"kk e deh djoQ Subscribed Share Capital e of¼ dju dh ifoQ;k dk gh ykHkk dk iathdj.k (Capitalisation of Profit) dgr gA

3.2.1 ykHkk oQ iathdj.k oQ idkj

(i) ckuI v'kk oQ fuxeu }kjk YkkHkk dk iathdj.k—dEiuh oQoy udn e gh ykHkk'k dk Hkxrku dj ldrh g] ijUr ;fn dEiuh inÙk ckuI v'k fuxfer dju oQ mí'; l ykHkk dk iathdj.k djrh g] rk bl ij dEiuh vf/fu;e e dkbZ #dkoV ugh gA bl ifoQ;k e ykHkk dk mi;kx v'k/kfj;k dk u;s v'k (i.k inÙk) eÝr fuxfer dju e fd;k tkrk gA

(ii) ckuI v'k fuxfer fd; fcuk ykHkk dk iathdj.k—;fn ,d dEiuh viu lnL;k }kjk /kfjr v'kk ij vinÙk jkf'k (Unpaid Amount) dk Hkxrku dju oQ fy, ykHkk dk iathdj.k djrh g rk mI ckuI v'k fuxfer fd; fcuk ykHkk dk iathdj.k dgr gA bl l oreku v'kèkkfj;k dk ekx lEcU/h nkf;Ro lekIr gk tkrk gA

3.2.2 ckul v'kk d fuxeu oQ lEcU/ e lch oQ fn'kk funi'k
(SEBI Guidelines regarding Issue of Bonous Shares)

13 viy] 1994 dk lch u ckul fuxeu oQ lEcU/ e fuEu fn'kk fun'k tkjh fd, g—

(i) ckul v'kk dk fuxeu eDr lp;k e l fd;k tk,xk tkfd oQoy iklr ihfe;e ;k okLrfod ykHkk e l cuk, x, gkA

(ii) ykHkk'k oQ cny e ckul fuxeu dh ?kk"k.kk ugh dh tk;xhA

(iii) LFkk;h lEifÙk;k oQ iueY;kdu l mRiUu lp;k dk i thdj.k ugh fd;k tk,xkA

(iv) dEiuh oQ depkfj;k oQ o/kfud cdk;k oQ Hkxrku oQ lEcU/ e pd ugh dh gA

(v) ckul fuxeu rc rd ugh fd;k tk,xk tc rd fd oreku vkf'kdinÙk v'kk dk] ;fn dkb g] i.k inÙk ugh dj fy;k tkrkA

3.2.3 ckul v'kk oQ fuxeu oQ ykHk o gkfu;k

(i) i th e of¼ gku l dEiuh dh ½.k yu dh ;kX;rk Hkh c< tkrh gA

(ii) dEiuh dk fpVBk vf/d lUrfyr :i iLrr djrk gA

(iii) ykHkk'k dh rjg ckul udn ugh nuk iMrk_ bl l dEiuh dh dk;'khy i th ij vufpr iHkko ugh iMrkA

(iv) v'k/kfj;k dk Hkfo"; e vf/d v'kk ij ykHkk'k iklr gkxkA

ckul v'kk oQ fuxeu l gkfu;k—

(i) ckul v'kk oQ fuxeu l dEiuh oQ v'kk e rth l mrkj&p<ko gkr gA

(ii) ;fn Hkfo"; e dEiuh oQ ykHk ugh c<r rk dEiuh oQ fy, ykHkk'k dh oreku nj dk;e j[kuk dfBu gk tkrk gA

3.2.4 ckul v'kk oQ fuxeu oQ lEcU/ e y[k
(Accounting Records for the Issue of Bonus Shares)

(1) ;fn lpkyd e.My xr o"kk oQ lp;k e l ckul forj.k dh fl iQkfj'k djr g rk ftu ykHkk vFkok lp;k e l ckul v'k fuxfer fd, tku g mu ykHkk vFkok lp;k oQ [kkrk dk MfcV djr g rFkk v'k/kfj;k oQ ckul [kkr (Bonus to Shareholders Account) dk oQfMV djr gA vFkkr ;fn v'k/kfj;k dk ckul u; i.knÙk v'kk oQ :i e fn;k tkrk g rk fuEufyf[kr ifof"V;k dh tk,xh—

(i) ckul v'kk dh ?kk"k.kk gku ij—

Capital Redemption Reserve A/c	Dr.
Capital Reserve A/c	Dr.
Securities Premium A/c	Dr.
General Reserve A/c	Dr.
Profit and Loss Appropriation A/c	Dr.
To Bonus to Shareholders A/c	

(For the declaration of bonus to shareholders)

(ii) ckuI v'kk oQ fuxeu ij—

(a) If Bonus shares are issued at par :

Bonus to Shareholders A/c Dr.

To Equity Share Capital A/c

(For Fully paid shares allotted to shareholders as bonus)

(b) If Bonus shares are issued at premium :

Bonus to Shareholders A/c Dr.

To Share Capital A/c

To Securities Premium A/c

(For bonus shares issued at premium)

Illustration 5

The Balance Sheet of X Limited as at 1st January, 2000 was as under :

Liabilities	Amount	Assets	Amount
Authorised Capital :		Goodwill	10,000
25,000 equity shares of Rs. 10 easch	2,50,000	Building	1,00,000
Issued and Subscribed Capital :		Plant and Machinery	80,000
15,000 equity shares of Rs. 10 each	1,50,000	Sundry Assets	1,0,000
Securities Premium	20,000		
General Reserve	60,000		
Profit and Loss Account	45,000		
Sundry Creditors	25,000		
	3,00,000		3,00,000

On 31st March 2000, the company is its general meeting decided to issue bonus shares at the rate of two shares for every five shares held and, for this purpose, it was decided to utilize the following :

(i) Securities Premium Account to the full extent;

(ii) Rs. 20,000 out of General Reserve;

(iii) Balance out of Profit and Loss Account.

Give journal entries to incorporate the above decision and draft the balance sheet as would appear after the issue of bonus shares.

Solution :

(i) ckuI v'kk dh I[;k dh x.kuk—

oreku 5 v'kk oQ cny ckuI v'k = 2

oreku 1 v'k oQ cny ckuI v'k = 2/5

oreku 15,000 v'kk oQ cny ckuI v'k = 2/5 × 15,000 = 6,000 v'k

(ii) ckuI v'kk dh oQy jkf'k dh x.kuk—

6,000 ckul v'k × 10 #- ifr v'k = 60,000 #-

Journal of X Ltd.

			Rs.	Rs.
	Securities Premium A/c Dr.		20,000	
	General Reserve A/c Dr.		20,000	
	Profit and Loss Appropriation A/c Dr.		20,000	
	To Bonus to Sheareholders A/c			60,000
	(For the declacation of bonus to sharebolders)			
	Bonus to Shareholders A/c Dr.		60,000	
	To Equity Share Capital A/c			60,000
	(For fully paid shares allotted to shareholders as bonus)			

Balance Sheet of X Ltd. as on 31st March, 2000

Liabilities	Rs.	Assets	Rs.
Share Capital : Authorised Capital :		Fixed Assets :	
25,000 equity shares of Rs. 10 each	2,50,000	Goodwill	10,000
Issued and Subscribed Capital :		Building	1,00,000
21,000 equity shares of Rs. 10 each	2,10,000	Plant and Machinery	80,000
Reserve and Surplus :		Current Assets :	
General Reserve	40,000	Sundry Assets	1,10,000
Profit and Loss Account	25,000		
Current Liabilities :			
Sundry Creditors	25,000		
	3,00,000		3,00,000

2. ;fn ckul v'k pkyw o"k o ykHkk e l fn, tkr g rk fuEufyf[kr ifof"V;k dh tk,xh—

(i) lpkyd e.My }kjk ckud v'kk dh flQkfj'k dju ij—

Profit & Loss Appropriation A/c D.r

To Proposed Bonus to Shareholders A/c

(For bonus to shareholders proposed)

(ii) ckul v'kk dh ?kk"k.kk dju ij—

Proposed Bonus to Shareholders A/c Dr.

To Bonus to Shareholders A/c

(For balance of proposed bonus transferred to shareholders on declaration)

(iii) ckul v'kk o fuxeu ij—

(a) If bonus shares are issued at par :

Bonus to Shareholders A/c Dr.

To Equity Share Capital A/c

(For fully paid shares allotted to shareholders as bonus)

(b) If bonus shares are issued at premium :

Bonus to Shareholders A/c Dr.

To Share Capital A/c

To Securities Premium A/c

(For bonus shares issued at premium)

Illustration 6 :

fuEufyf[kr ifjfLFkfr;k e jktukepk ifof"V;k nhft;—

(v) ,d lhfer dEiuh] ftldh inÙk v'k ith 10 #- oky v'kk e foHkkftr 10,00,000 #- dh Fkh] oQ ikl xr o"kk oQ ykHkk e l lfpr 1,80,000 #- dk lkekU; lp; FkkA lkekU; lp; e l 1,00,000 #- dh jkf'k dk ithdj.k dju dk fu'p; fd;k x;kA mDr fu'p; oQ iQyLo:i iR;d 10 v'kk oQ /kjd dk ,d v'k oQ fgLkc l 10 #- oky 10,000 i.k inÙk ckul v'k fuxfer fd; x;A

(c) ,d lhfer dEiuh] ftldh inÙk v'k ith 10 #- oky v'kk e foHkkftr 1,60,000 #- dh Fkh] u pky o"k oQ ykHkk e l 60,000 #- dk ckul ?kkf"kr fd;kA mDr ckul dk Hkxrku 10 #- oky i.k inÙk v'kk oQ :i e fd;k tk;xkA ; ckul v'k 50 ifr'kr ihfe;e ij fuxfer fd; tk;xA

Pass Journal entries in the following circumstance :

(a) A Limited Company having a paid up share capital of Rs. 10,00,000 to shares of Rs. 10 each, had a general reserve of Rs. 1,80,000 built up out of profits. It was resolved to capitalise Rs. 1,00,000 out of general reserve by issuing 10,000 fully paid bonus shares of Rs. 10 each, cash shareholder to get one such share for every ten shares held by him in the company.

(b) A Limited Company with a paid up share capital of Rs. 1,60,000 in shares of Rs. 10 each declared a bonus of Rs. 60,000 out of current year’s profit payable in fully paid up shares of Rs. 10 each at a premium 50%.

Solution :

(a)

Journal

			Rs.	**Rs.**
	General Reserve A/c Dr.		1,00,000	
	To Bonus to Shareholders A/c			1,00,000
	(for the declaration of bonus to shareholders)			
	Bonus to Shareholders A/c Dr.		1,00,000	
	To Equity Shares Capital A/c			1,00,000
	(For fully paid shares allotted to shareholders as bonus)			

(b)

Journal

			Rs.	**Rs.**
	Profit & Loss Appropriation A/c Dr.		60,000	
	To Proposed Bonus to Shareholders A/c			60,000
	(for bonus to shareholders proposed)			
	Proposed Bonus to Shareholders A/c Dr.		60,000	
	To Bonus to Shareholders A/c			60,000
	(For transfer of proposed bonus to shareholders)			
	Bonus to Shareholders A/c Dr.		60,000	
	To Equity Share Capital A/c			40,000
	To Securities Premium A/c			20,000
	(For issuing bonus shares of Rs. 10 each at a premium of 50%)			

fVIi.kh % (1) pky o"k oQ ykHkk e l ckuI dh ?kk"k.kk fd; tku oQ dkj.k foÙkh; o"k oQ vUr e iLrkfor ckuI dh tuy ifof"V dh xb gA

(2) ;fn v'k/kfj;k dk ckuI muoQ vkf'kd pdrk v'kk (Partly paid shares) dk i.kr;k v'kk e cny dj fn;k tkrk g rk fuEufyf[kr ifof"V;k dh tk,xh—

(i) ;kpuk oQ fy, ckuI dh ?kk"k.kk dju ij—

Capital Reserve A/c Dr.

General Reserve A/c Dr.

Profit and Loss Appropriation A/c Dr.

To Bonus of Shareholders A/c

(For Capitalisation of profit by converting the partly paid up shares into fully paid up shares)

(ii) ;kpuk n; dju ij—

Share Final Call A/c Dr.

To Share Capital A/c

(For share final call money due on ......shares @ Rs........each)

(iii) ;kpuk oQ fy, ckuI jkf'k lek;kftr dju ij—

Bonus to Shareholders A/c Dr.

To Share Final Call A/c

(For share final call money adjusted towards payment of bonus)

fVIi.kh—fu;eku lkj ckuI ndj vkf'kd pdrk v'kk dk i.knÙk cuku oQ fy, Capital Redemption Reserve rFkk Securities dk i;kx ugh fd;k tk ldrk g vFkkr ; oQoy i.knÙk ckuI nu oQ fy, i;kx fd; tk ldr gA

3.3 dEiuh }kjk viu v'kk dk oØ; (Buy-Back of Shares by the Company)

tc dEiuh viu Lo; oØ v'kk dk ckthkj l oØ; dj ldrh gA ;g viu v'kk dk oØ; dgykrk gA dEiuh vf/fu;e 1956 dh /kjk 77 (v) oØ vulkj ,d dEiuh viu v'kk dk oØ; dj ldrh gA

3.3.1 dEiuh }kjk viu v'kk dk oØ; dju dh 'krI—

(i) v'kk dk oØ; vUrfu;ek }kjk vf/oØr gkuk pkfg,A

(ii) v'kk oØ oØ; gr leLr v'k i.knÙk gku pkfg,A

(iii) dEiuh dh lkekU; lHkk e fo'k"k iLrko ikl gkuk pkfg,A

(iv) v'kk oØ oØ; oØ i'pkr ½.k lerk vuikr 2 : 1 l vf/d ugh gkuk pkfg,A

3.3.2 y[kkdu 0;ogkj—

v'kk dh oØ; okilh gr y[kkdu 0;ogkj yxHkx mlh idkj l fd;k tkrk g tlk fd iokf/dkj v'kk oØ 'kk/u oØ ckj e fd;k tkrk gA v'kk dh oØ; okilh oØ y[k gr fuEu ifof"V;k dh tk,xh—

1. Buy back of equity shares out of the proceeds of fresh issue of securities :

Bank A/C Dr.

To Debentures A/c / Preference Share Capital A/c / other securities

To Securities Premium A/c (If any)

(For issue of securities)

2. Buy back of equity shares out of free reserves/securities premium :

Free Reserves A/c Dr. (with the amount transferred)

Securities Premium A/c Dr. (with the amount transferred)

To Capital Redemption Reserve Account

(For transfer of nominal value of shares purchased)

Note : In case of buy-back of shares, securities premium amount may also used for creating capital redemption reserve a/c.

3. Finally, equity shares purchased by the company :

(a) For buying back of shares : Dr. (with the amount paid)

Equity Shareholders A/c

To Bank A/c

(b) For cancellation of shares bought back :

(i) Buy-back of equity shares at par : Dr. (with the nominal value)

Equity Shares Capital A/c (with nominal value of shares bought back)

To Equity Shareholders A/c (with amount paid)

(ii) Buy-back of equity shares at premium :

Equity Share Capital A/c Dr. (With the nominal value of shares bought back)

Securities Premium/Free Reserve A/c (with excess amount paid over nominal value)

To Equity Shareholders A/c (with the amount paid)

(iii) Buy back of equity shares at a discount :

Equity Share Capital A/c Dr. (with the nominal value of shares bought back)

To Equity Shareholders A/c (with the amount paid)

To Capital Reserve A/c (with amount of discount on buy back of shares)

4. For expenses incurred in buy-back of shares :

Buy Back Expenses A/c Dr. (with the amount paid)

To Bank A/c

5. For transferred of buy back expenses to P/L A/c :

Profit & Loss A/c Dr.

To Buy-Back Expenses A/c

Illustration 7 :

The following is the balance sheet of Divya Ltd. as on 31st March, 2004 :

Liabilities	Amount	Assets	Amount
Issued and Paid up Capital 3,00,000 equity		Land and Building	6,30,000
shares of Rs. 10 each	30,00,000	Plant and Machinery	23,50,000
Profit & Loss A/c	7,00,000	Furniture	3,50,000
Securities Premium	5,05,000	Investment	3,70,000
14% Debentures	14,00,000	Stock	12,00,000
Sundry Creditors	4,60,000	Sundry Debtors	5,90,000
		Cash & Bank Balance	5,75,000
	60,65,000		60,65,000

On 1st April, 2004 the shareholders of the company have approved the scheme of buy back of equity shares as under :

(i) 15% of the equity shares would be bought back at Rs. 18.

(ii) Profit & Loss A/c balance may be utilised for this purpose.

(iii) Premium paid on buy back of shares should be met from securities premium account.

(iv) Investment would be sold for Rs. 4,00,000.

Pass journal entries to record the above transactions and prepare the balance sheet of the company immediately after the back of shares.

Solution :

Journal of Divya Ltd.

Date	Particulars	L.F.	Dr. Amount Rs.	Cr. Amount Rs.
	Bank A/c Dr.		4,00,000	
	To Investment A/c			3,70,000
	To Profit & Loss A/c			30,000
	(for sale of investment at profit)			
	Profit & Loss A/c Dr.		4,50,000	
	To Capital Redemption Reserve A/c			4,50,000
	(For required nominal value i.e. 15% of Rs. 30,00,000 transferred to capital redemption reserve a/c)			
	Equity, Shareholders A/c Dr.		8,10,000	
	To Bank a/c			8,10,000
	(for payment made to equity shareholders i.e. 45,000 shares @ Rs. 18)			
	Equity Share Capital A/c Dr.		4,50,000	
	Securities Premium A/c Dr.		3,60,000	
	To Equity Shareholders A/c			8,10,000
	(for cancellation of shares bought back at premium)			

Balance Sheet of Divya Ltd.

Liabilities	Rs.	Assets	Rs.
Share Capital :		Fixed Assets :	
Issued and Paid up Capital :		Land & Buildings	6,30,000
2,55,000 equity shares of		Plant & Machinery	23,50,000
Rs. 10 each fully paid	25,50,000	Furniture & Fittings	3,50,000
Reserve and Surplus :		Current Assets, Loans and Advance :	
Capital Redeemption Reserve	4,50,000	Stock	12,00,000
Securities Premium	1,45,000	Sundry Debtures	5,00,000
Profit & Loss A/c	2,80,000	Cash & Bank Balance (5,75,000 + 4,00,000 – 1,10,000)	1,65,000
Secured Loans :			
14 Debentures	14,00,000		
Current Liabilities & Provision :			
Sundry Creditors	4,60,000		
	52,85,000		52,85,000

4. fu"d"k (Summary) :

'kk/ iokf/dkj v'kk dk Hkxrku] dEiuh dh vUrfu;ek dh O;oLFkk d vuqlkj rFkk dEiuh vf/fu;e dh /kjk 80 oQ iko/kuk dk ikyu djoQ fd;k tk ldrk gA ik;% dEifu;k viuh vkfFkd fLFkfr dk lnq<cuku oQ fy, viu lHkh YkkHkk dh v'kèkkfj;k e ykHkk'k oQ :i e forfjr u djoQ bl ykHkk dk oQN Hkkx lp; e gLrkrfjr djrh gA tc bu lp;k e T;knk jkf'k bdVBh gk tkrh g rc dEiuh bu lp;k e l lerk v'kèkkfj;k dk ckul v'k nrh g—dEiuh vf/fu;e 1956 dh /kjk 77 v oQ vuqlkj ,d dEiuh fuèkkfjr 'krk dk ikyu djr g, viu Lo; oQ v'kk dk cktkj l oQ; dj ldrh gA

5. iLrkfor iLroQ (Suggested Readings) :

(1) Corporate Account Dr. R.K. Mittal & R.S. Singhal

(2) Corporate Account By S.P. Jain & K.L. Narang

(3) Advanced Account By R.L. Gupta

6. ueu oQ fy, i'u (Sample Questions)

(1) dEiuh vf/fu;e] 1956 dh /kjk 80 oQ vUrxr iokf/dkj v'kk oQ 'kk/u oQ fo"k; e dkuuh iko/kuk dk le>kb,A

(2) ykHkk oQ ithdj.k dk dEiuh fdu&fdu rjhdk l fuxfer dj ldrh g \ ckul v'kk oQ fuxeu dh ifoQ;k rFkk lkrk dk o.ku dhft,A

(3) v'kk oQ :i l D;k vk'k; g \ bu 'krk dk o.ku dj ftuoQ vUrxr dEiuh viu v'kk dk oQ; dj ldrh gA

(4) ,d dEiuh dh vf/oQr ith 80,00,000 #- g tk 100 #- oQ lkekU; v'kk e foHkDr gA fuxfer ith 48,00,000 #- g tk 100 #- oQ v'kk e foHkDr g vkj ftl ij 80 #- ifr v'k inÙk gA 27,60,000 #- oQ lkekU; lp; l ithdj.k fd;k x;k vkj bl ithoQr jde l lpkydk dk ;g vf/dkj g fd ; (i) ckul ykHkk'k dh ?kk"k.kk }kjk v'kk dk i.kr;k inÙk dj nA (ii) iR;d 100 #- oky 12,000 u; lkekU; v'k fuxfer dj fd 50 #- ifr v'k ihfe;e ij bl vk/kj ij fd pkj v'kk ij ,d v'k fn;k tk;A bl iLrko dk O;kogkfjd :i inku dju gr dEiuh dh iLrdk e vko';d tuy ifof"V;k dhft;A

The authorised capital of a company is Rs. 80,00,000 divided into equity shares of Rs. 100 cash. The issued capital Rs. 48,00,000 divided into shares of Rs. 100 on which Rs. 80 per share is paid up. A sum of Rs. 27,60,000 was capitalised out of general reserve and out of the amount so capitalised the directors were authorised to (i) declare a bonus dividend to make the shares fully paid and (ii) to issue 12,000 new equity shares of Rs. 100 each at a premium of Rs. 50 per share on the basis of one equity share for every four equity shares held. Assuming that the resolution was given effect to, you are required to pass necessary journal entries in the books of the company.

(5) The following is the summarised balance sheet of X Limited :

Balance Sheet

Liabilities	Rs.	Assets	Rs.
Issued and Paid up Capital		Sundry Assets	45,00,000
9,000 8% redeemable preference shares		Cash at Bank	6,67,500
of Rs. 100 each fully paid up	9,00,000		
4,500 9% redeemable preference shares			
of Rs. 100 each 75 paid up	3,37,500		
2,25,000 equity shares of Rs. 10 each			
Fully paid up	22,50,000		
Capital Reserve	1,50,000		
Securities Premium A/c	90,000		
Revenue Reserve A/c	9,00,000		
Current Liabilities	5,40,000		
	51,67,500		51,67,500

It was decided to redeem both the classes of preference share at a premium of 5%. The company issued for cash so many equity shares of Rs. 10 each at a premium of 10% as were necessary to provide for redemption of both classes of preference shares which could not otherwise be redeemed. The shortfall in funds for the purpose of redeemption, if any, is to be met by taking a bank loan.

Show Journal entries in the books of the company and draw up the amanded Balance Sheet.

(6) X Limited has issued 40,000, 8% redeemable preference shares of Rs. 10 each in 1993, which was fully called and paid up. On 1st January, 1993 the balance sheet of the company disclosed the following information :

General Reserve	Rs. 2,00,000
Profit and Loss Account Balance (Cr.)	Rs. 1,00,000
Securities Premium	Rs. 30,000

The company intends to redeem its redeemable preference shares by issuing 100, 8% debentures of Rs. 1,000 each at a premium of 10%. Can the company redeem its redeemable preference shares out of the proceeds received on the issue of these new debentures ? If not, what company will have to do in order to redeem its redeemable preference shares at a premium of 5% ? Give necessary Journal entries in this connection including the issue of debentures.

B.Com. Part-II

BC 202 : Corporate Accounting

Lesson No. : 3 **Revised by: Pawan Singla**

½.ki=kk dk fuxeu o 'kk/u

(Issue and Redemption of Debentures)

Structure :

(1) ifjp;

(2) mí';

(3) fo"k;&lkexh dk iLrrhdj.k

3.1 ½.k i=k dk vFk o idkj

3.1.1 ½.k i=k o v'k e vUrj

3.1.2 ½.k i=k dh voLFkk,

3.2 ½.kk i=kk dk fuxeu

3.2.1 ½.k i=k cVVk

3.2.2 ½.k i=kk ij C;kt

3.3 ½.k i=kk oQ 'kk/u gr iko/ku

3.3.1 'kk/d fof/

3.3.2 chek ikfyLh fof/

3.4 ½.ki=kk dk 'kk/u

3.4.1 'kk/u oQ le; dk fu/kj.k

3.4.2 'kk/u oQ le; nh tku okyh jkf'k dk fu/kj.k

3.4.3 foÙk oQ lkr

(4) fu"d"k

(5) iLrkfor iLroQ

(6) ueu oQ fy, i'u

1. ifjp; (Introduction) :

dkb Hkh dEiuh viuh vf/kdre iwath lh T;knk jkf'k oQ v'k fuxfer ugh dj ldrhA dEiuh dk ;fn vf/d /u dh vko';drk iM+rh g rk og ½.k i=kk oQ fuxeu }kjk turk l ½.k iwth oQ :i e ikIr dj ldrh gA ½.k i=kk oQ 'kk/u l vfHkik; ½.k i=kk oQ Hkxrku l gA ½.k i=kk oQ fuxeu oQ le; gh buoQ Hkxrku dh 'krs ½.k i=kk ij vfdr dj nh tkrh gA

2. mís'; (Objective) :

bl vè;k; dk mís'; vkidk fuEu fo"k;k oQ ckj e ifjfpr djokuk g—

(1) ½.k i=k D;k g \ vkj ;g fdru idkj oQ gkr gA

(2) ½.k i=k o v'kk e D;k vUrj gkrk g \

(3) ½.k i=kk dk fuxeu fdl idkj l fd;k tkrk gA

(4) ½.k i=kk dk 'kk/u fdl idkj l o fdu fof/;k oQ }kjk fd;k tk ldrk gA

3. fo"k;&lkexh dk iLrqrhdj.k (Presentation of Contents)

bl vè;k; dh fo"k;—lkexh dk iLrqrhdj.k fuEu idkj l Li"V fd;k tk ldrk g—

3.1 ½.k i=k dk vFk o idkj—

Definition : ½.k i=k e ½.k i=k LVkd] ck.M vkj dEiuh dh vU; ifrHkfr;k lfEefyr g pkg og dEiuh dh lEifÙk;k ij iHkkj gk vFkok ugh A ½.k i=k ,d ii=k g tk fdlh ½.k dh ikfIr dh LohoQfr rFkk tk dEiuh dh lhy oQ v/hu fuxfer fd;k tkrk g vkj ble mu 'krk dk mYy[k gkrk g ftuoQ v/hu ½.k fy;k x;k gA ½.k i=kk oQ fuxeu dk mís'; fofu;kxdÙkkvk l dEiuh oQ fy, ½.k ikIr djuk gkrk gA

½.k i=k iwth dh ioQfr (Nature of Debenture Capital)—½.k i=kk l ikIr fd;k x;k /u dEiuh oQ fy, nh?kdkyhu ioQfr dk lkr gkrk g D;kfd ½.k i=kk dk Hkxrku ik;% 5 o"k] 8 o"k] 10 o"k vFkok 12 o"k ckn fd;k tkrk gA D;kfd ½.k i=kk }kjk ikIr /u ik;% yEch vofèk oQ fy, gkrk gA vr% bl ½.k iwth (Loan Capital) Hkh dgk tkrk gA

½.k i=kk oQ idkj (Types of Debentures)

1. jftLVMZ ½.k i=k (Registered Debentures) : dEiuh oQ jftLVj e /kjdk dk uke gkrk g vkj mlh /kjd dk ey/u o C;kt dk Hkxrku djuk gkrk gA

2. 'kkè; ½.k i=k (Redeemable Debentures) : bue dEiuh ,d fuf'pr vof/ oQ ckn ½.k i=kk oQ ey/u dk Hkxrku dj nrh gA fuf'pr frfFk e u gku l dEiuh dh bPNkuqlkj dEiuh oQ thoudky e gh budk Hkxrku dj fn;k tkrk gA

3. v'kkè; ½.k i=k (Irredeemable Debentures) : buoQ ey/u dk Hkxrku dEiuh oQ thoudky e u gkdj dEiuh oQ lekiu ij gh fd;k tkrk gA

4. lqjf{kr vFkok cU/d lfgr ½.k i=k (Secured or Mortgaged Debentures) : dEiuh dh fdlh lEifÙk }kjk ey/u vkj C;kt lqjf{kr gkrk gA Hkxrku u gku ij /kjd viuh jde dEiuh dh lEifÙk l ikIr dj ldrk gA

5. vlqjf{kr vFkok lk/kj.k ½.k i=k (Unsecured or Simple Debentures) : ble dEiuh ey/u vkj C;kt oQ fy, ifrHkfr ugh nrhA

6. okgd ½.ki=k (Bearer Debentures) : ftl oQ ikl ½.ki=k gkrk g mlh O;fDr dk ey/u vkj C;kt dk Hkxrku fd;k tkrk gA muoQ uke dEiuh oQ jftLVj e ugh fy[k tkrA

7. ifjoru'khy ½.ki=k (Convertible Debentures) : ble ½.ki=kk oQ /kjd fuf'pr le; oQ ckn pkg rk viu ½.ki=k dh lEi.k ;k vkf'kd jkf'k dk fu/kfjr 'krk oQ vu lkj v'kk e cnyok ldr gA

3.1.1 ½.ki=k rFkk v'k e vUrj (Difference between a Debenture and a Share)

(1) ½.ki=k /kjh dEiuh oQ ½.knkrk (Loan Creditor) gkr g tcfd v'k/kjh dEiuh oQ Lokeh gkr gA

(2) ½.ki=k /kjh ½.k dh jkf'k ij C;kt ikIr djrk g tcfd v'k/kjh dEiuh oQ ykHk e l ykHkk'k ikIr djrk gA

(3) dEiuh dk ykHk gk ;k ugh ij ½.ki=kk ij C;kt dk Hkxrku vo'; gkrk g] ijUr v'kk ij ykHkk'k dk Hkxrku fliQ ykHk gku ij gh fd;k tkrk gA

(4) ½.ki=kk dh jkf'k dh vnk;xh 'kk/u dh 'krk oQ vu lkj gkrh g fdUr v'kk dh jkf'k dk o/kfud vkipkfjdrkvk oQ ijk fd, fcuk okil ugh fd;k tk ldrkA

(5) ½.ki=k /kjdk dk dEiuh oQ lekiu dh n'kk e lcl igy Hkxrku gkrk gA v'k /kjdk dk ;fn oQN 'k"k jkf'k cp rk Hkxrku fd;k tkrk gA

(6) ½.ki=kk dk fuxfer dju dh 'krk oQ lEcU/ e dkb ifrcU/ ugh ij v'kk dk cVV ij tkjh oQoy dEiuh vf/fu;e e nh xb 'krk dk ijk dju oQ i'pkr gh fd;k tk ldrk gA

3.1.2 ½.ki=k dh rhu voLFkk, (Three Stages of Debentures)

(1) tc ½.ki=kk dk fuxfer fd;k tkrk gA

(2) tc muoQ 'kk/u (Redemption) gr iko/ku dk vk;ktu fd;k tkrk gA

(3) tc ½.ki=kk dk 'kk/u fd;k tkrk gA

3.2 ½.ki=kk dk fuxeu (Issue of Debenture) :

½.ki=kk dk fuxeu mlh Hkkfr fd;k tkrk g ftl rjg v'kk dkA oQoy v'ki th [kkr (Share Capita A/c) oQ LFkku ij ½.ki=kk dk [kkrk (Debenture A/c) [kkyk tkrk gA ½.ki=kk ij C;kt dh nj dk ½.ki=kk l igy vfdr fd;k tkrk g tl C;kt dh nj 12 ifr'kr g rk fy[kr le; (12% ifr'kr Debenture) fy[kk tkrk gA

½.ki=k oQ fuxe dju dk vè;;u rhu fofHkUu nf"Vdk.kk l fd;k tk ldrk gA

(i) ifriQy oQ nf"Vdk.k l (From Consideration point of view)

(ii) eY; oQ nf"Vdk.k l (From Price point of view)

(iii) 'kk/u dh 'krk oQ nf"Vdk.k l (From condition of redemption point of view)

(i) ifriQy oQ nf"Vdk.k l—½.ki=kk dk fuEufyf[kr rhu fof/;k l fuxfer fd;k tk ldrk g—

(1) udn ifriQy oQ fy, (For Consideration in Cash)

tc ½.ki=k udnh oQ fy, fuxfer fd;k tkrk g rk fuEufyf[kr ifof"V gkrh g—

Bank A/c Dr.

To Debenture A/c

½.ki=k udnh oQ fy, le eY; cVV ij vFkok vf/eY; ij fuxfer fd;k tk ldrk gA

(2) udn oQ vykok fdlh vU; ifriQy oQ cny (For Consideration other than cash) dHkh&dHkh ge fdlh foo{rk l ifjlEifÙk [kjhnr g rFkk oQ; ifriQy oQ Hkxrku e ½.ki=k fuxfer dj nr gA yu&nu dk y[kk dju oQ fy, fuEufyf[kr tuy ifof"V;k gA

Assets A/c Dr.

To Vendor A/c

Vendor A/c Dr.

To Debenture A/c

(3) lkEikf'od ifrHkfr dh Hkkfr (As collateral security)—lkEikf'od ifrHkfr oQ :i e ½.ki=kk oQ fuxe dk vfHkik; ½.k dh vfrfjDr ;k xk.k tekur l g vFkkr ie[k ifrHkfr oQ vfrfjDr ifrHkfrA y[kk iLrdk e budh ifof"V nk fof/;k l gkrh gA

(a) iFke fof/—

Bank Dr.

To Bank Loan

(Collaterally secured by the issue of Deb.)

(b) f}rh; fof/—

(i) Bank Dr.

To Bank Loan

(ii) Debenture Suspence A/c Dr.

To Debenture A/c

(Debenture issued as collateral security for loan as per contra)

(iii) eY; oQ nf"Vdk.k l (From Price point of view)—

(1) le eY; ij

Bank Dr.

To Debenture

(2) cVV ij

Bank Dr.

Discount on Deb.

To Debenture A/c

(3) ihfe;e ij

Bank A/c Dr.

To Debenture A/c

To Debenture Premium A/c

(iii) 'kks/u dh 'krks oQ nf"Vdks.k ls (From consideration of redemption point of view)—tc ½.ki=k 'kks/u lEcfU/r fof'k"V 'krks oQ lkFk ftu 'kks/u fd;k tk,xk fuxfer fd; tkrs gSa rks fuEufyf[kr ikp idkj lEHko gks ldrs gSa%

Condition of Issue **fuxfer dh 'krs**	Condition of redemption **'kks/u dh 'krs**
(1) Issued at par	redeemable at par
(2) Issued at discount	redeemable at par
(3) Issued at premium	redeemable at par
(4) Issued at par	redeemable at premium
(5) Issued at discount	redeemable at premium

mQij okyh n'kkvks esa ls n[kk tk ldrk gS fd ½.ki=kks dk 'kks/u ;k rks leeY; ij vFkok ihfe;e ij fd;k x;k gSA ;g fLFkfr oQoy mlh le; lEHko gS tc 'kks/u lEcfU/r 'krks dk igys ls gh r; dj fy;k x;k gksA

tuy ifof"V;k fuEufyf[kr gksrh gS—

(1) tc leeY; ij fuxfer rFkk leeY; ij 'kks/u—

Bank A/c Dr.

To Debenture A/c

(2) tc cV~Vs ij fuxeu rFkk leeY; ij 'kks/u—

Bank A/c Dr.

Discount on Deb. Dr.

To Debenture A/c

(3) tc ihfe;e ij fuxeu rFkk leeY; ij 'kks/u—

Bank A/c Dr.

To Debenture A/c

To premium on issue of Deb. A/c

(4) tc leeY; ij fuxeu rFkk ihfe;e ij 'kks/u—

Bank A/c Dr.

Loss on issue of Deb. A/c Dr.

To Debenture A/c

To Premium on redeemption of Debenture A/c (Personnel A/c)

(5) tc cV~Vs ij fuxeu rFkk ihfe;e ij 'kks/u—

Bank A/c Dr.

Loss on issue of Debenture Dr.

To Debenture A/c

To Premium on redeemption A/c (Personnel A/c)

Illustration :

A Co. issued Rs. 100,000 7½% Deb. at par redeemable at 5% premium after 10 years.

Pass the necessary entry.

Solution :

Bank A/c	Dr.	100,000	
Loss on issue of Deb. A/c	Dr.	5000	
To 7½% Debenture A/c		100,000	
To Premium on redemption of Deb. A/c	5000		

Illustration :

A co. issued Rs. 100,000 5% Deb. at 10 discount redeemable after 10 years at 5% premium. Pass journal entry.

Solution :

Bank A/c	Dr.	90,000
Loss on issue of Deb. A/c	Dr.	15,000
To Deb. A/c		1,00,000
To Premium of redemption of Deb. A/c		5000

3.2.1 ½.ki=k cVVk (Debenture Discount)—

tc ½.ki=kk dk cVV ij fuxfer fd;k tkrk g rk dEiuh dk pkfg, fd ½.ki=kk oQ thoudky e gh gkfu dk viy[ku (Write off) dj nA viy[ku nk fof/;k }kjk fd;k tk ldrk g—

iFke fof/ (First Method)—bl fof/ oQ vrxr oQy cVV dk ½.ki=kk oQ thoudky e cjkcj&cjkcj iQyk fn;k tkrk gA

f}rh; fof/ (Second Method)—;fn ½.ki=kk dk 'kk/u ifr o"k lpuk ndj ;k ykVjh Mky dj fd;k tkrk g rk iFke fof/ dke;kc ugh g D;kfd cVV dk Hkkj vkuikfrd :i e foHkkftr ugh gkrk gA bl voLFkk oQ vUrxr f}rh; fof/ viukr gA bl fof/ oQ vUrxr cVV dk viy[ku ifro"k mlh vuikr e fd;k tkrk g ftl vuikr e ½.ki=kk dh jde l mBk;h x, ykHk gA

Illustration : A Ltd. Co. issued Rs. 100,000 Deb. on 1st Jan. 1984 at a discount of 5% repayable in annual drawing of Rs. 20,000 commancing on 1st Dec. 1984. Show the amount of discount to be charged to profit & loss account for five years.

Solution :

First Method : If the amount is to be written off equally every year, then Rs. 1000 (Rs. 5000 + 5 years) will be transferred to profit and loss account every year.

Second Method : If the amount is to be write of transjection is will be decided as follows :

Year	Amount	Ratio	Amount
1	100,000	5	5/15 × 5000 = 1667
2	80,000	4	4/15 × 5000 = 1333
3	60,000	3	3/15 × 5000 = 1000
4	40,000	2	2/15 × 5000 = 667
5	20,000	1	1/15 × 5000 = 333
		15	5000

Illustration :

Journalise the following transactions :

(a) A Deb. issued at Rs. 95, repayable at Rs. 100

(b) A Deb. issued at Rs. 95, repayable at Rs. 110

(c) A Deb. issued at Rs. 100, repayable at Rs. 110

(d) A Deb. issued at Rs. 105, repayable at Rs. 100

Solution :

(a)	Bank A/c	Dr.	95
	Discount on Deb.	Dr.	5
	To Deb. A/c		100
(b)	Bank A/c	Dr.	95
	Loss on issue of Deb. A/c	Dr.	15
	To Deb. A/c		100
	To Premium of Redeemption of Deb. A/c		15
(c)	Bank A/c	Dr.	100
	Loss on issue of Deb. A/c	Dr.	10
	To Debenture A/c		100
	To premium on redemption of Deb. A/c		10
(d)	Bank A/c	Dr.	105
	To Deb. A/c		100
	To Deb. Premium A/c		5

3.2.2 ½.ki=kk ij C;kt (Interest on Debenture) :

½.ki=kk ij C;kt dEiuh dh gkfu g vr% bl ykHk&gkfu [kkr l pkt fd;k tkrk gA vk;dj vf/fu;e oQ vUrxr ;g vko';d g fd dEiuh ½.k/kfj;k dk ½.ki=kk ij C;kt nu l io mle l vk;dj dkV yA bl lEcU/k e fuEufyf[kr tujy ifof"V;k gkrh g—

(i) C;kt n; gku ij

Deb. interest A/c	Dr. (Gross Amount)
To Income Tax (Provision of I. Tax)	

To Debenture holder A/c (Amount to be paid after tax)

(ii) jkf'k oQ Hkxrku djus ij

Debenture holder A/c Dr.

To Bank A/c

(Provision for Redemption of Debenture)

3.3 ½.ki=kks oQ 'kks/u grq iko/kku—

dEiuh oQ fgr esa lnSo ;g ykHkin gS fd n; frfFk ij ½.ki=kksa oQ 'kks/u grq /u jkf'k dk lafpr fd;k tk,A blls idkj oQ iko/ku oQ vHkko esa dEiuh oQ fy, ½.k dk ,d eq'r (lump-sum) Hkxrku djuk dfBu gks tkrk gSA blds uhps le>kbZ nks fof/;ksa esa ls fdlh ,d dk vuqdj.k fd;k tk ldrk gSA

3.3.1 (1) 'kks/d fof/ (Sinking Fund method)—

bl fof/ oQ vUrxZr dEiuh viuh ykHk esa ls o"kZ oQ vUr esa izfr o"kZ ,d ,lh /ujkf'k dks ifrHkfr;ksa esa poQof¼ C;kt ij fofu;ksftr fd;k tkrk gS tks ½.ki=kksa dh vof/ dh lekfIr ij ½.ki=kksa oQ 'kks/u grq vko';d jkf'k inku djrh gSA okf"kZd jkf'k dks fu/kZj.k flfoQx iQ.M lkj.kh dh lgk;rk ls fd;k tkrk gSA blfy, bl fof/ dks ½.ki=k 'kks/u dks"k fof/ Hkh dgrs gSA

½.ki=kksa oQ 'kks/u grq iko/ku djus oQ fy, fuEufyf[kr y[kk ifof"V;k¡ gksrh gSA

iFke o"kZ oQ vUr esa—

(1) P & L App. A/c Dr.

To S.F. A/c

(For setting aside the amount which is calculated after consulting the S.F. Table).

(2) S.F.I. A/c Dr.

To Bank A/c

(For investing the amount set aside)

f}rh; rFkk vkxkeh o"kks± esa—

(1) Bank A/c Dr.

To Interest on S.F.I. A/c

(For receiving interest on the investment made in the past year/years)

2. Interest on S.F.I. A/c Dr.

To S.F. A/c

(For transferred interest on S.F.)

odfYid ifof"V—

Bank A/c Dr.

To S.F. A/c

(For the amount of interest on S.F.I. received and transferred to S.F. A/c)

3. P & L App. A/c Dr.

To S.F. A/c

(For setting aside the amount calculated by consulting of S.F. Table)

4. S.F.I. A/c Dr.

To Bank

(For investing the amount set aside and the amount of interest received)

vfUre o"k

(1) Bank A/c Dr.

To S.F. A/c

(For the receipt of interest of S.F.I. A/c and transferred to S.F. A/c)

(2) P & L App. A/c Dr.

To S.F. A/c

(For setting aside the amount)

vfUre o"k ;g è;ku j[kuk pkfg, fd dEiuh oQ ykHkk e l fu;kftr ml o"k dh jkf'k dk rFkk S.F.I. ij ikIr C;kt dk fofu;kx ugh djrh g D;kfd vxy fnu ½.ki=kk dk 'kk/u dju oQ fy, ml jkf'k dh vko';drk gkxhA

Illustration :

A Co. issued 5% Deb. of Rs. 1,00,000 with a condition that they should be redeemed after 3 years at 11% premium. The amount set aside for the redemption of Deb. is invested in 5% govt. securities. The S.F. Table shows that 0.317208 at 5% compound interest in 3 years will become Rs. 1. You are required to give journal entries.

Solution :

Bank of Co's

First year

Jan. 1	Bank A/c	Dr.	100,000	
	Loss on issue of Deb.	Dr.	10.000	
	To 5% Deb. A/c			1,00,000
	To Premium on redemption A/c			10,000
	(For issue of Deb.)			
31st Dec.	P & L. App. A/c	Dr.	34892.94	
	To S.F. A/c		34,892.94	
	(being transfer of profit to Deb. Sinking fund for the redemption of Deb.)			
			317295 × 110,000	
31st Dec.	S.F.I. A/c	Dr.	34892.94	
	To Bank		34,892.94	

Second year

Dec. 31	Bank A/c	Dr.	1,744.65	
	To S.F. A/c		1,744,.65	
	(For interest on S.F.I. A/c received and transferred to S.F. A/c)			
31st Dec.	P & L App. A/c	Dr.	34892.94	
	To S.F. A/c		34,892.94	
	(For amount appropriated for S.F. A/c)			

31st Dec.	S.F.I. A/c	Dr.	36637.59
	To Bank A/c		36637.59

(for investment of amount appropriated and interest received on)

Third year

Dec. 31	Bank A/c	Dr.	3,576.53
	To S.F. A/c		3,576.53

(For interest at 5% on Total Investment of Rs. 71,530.53 received and credited to S.F. A/c)

31st Dec.	P & L App. A/c	Dr.	34,892.94
	To S.F. A/c		34,892.94

(For amount appropriated out of P & L A/c)

No investment will be made as this is the last year of provision.

3.3.2 Insurance Policy Method (chek ikfylh fof/)—

bl fof/ e ½.ki=kk dh fuf'pr vof/ dh lekfIr ij 'kk/u dju oQ fy, ,d vko';d /ujkf'k dh chek ikfylh yh tkrh gA bl fof/ oQ vUrxr ifr o"k ihfe;e dk fu;fer :i l Hkxrku fdLrk e fd;k tkrk g vkj blo ifriQy e chek dEiuh ½.k=kk dh vof/ lekfIr ij oQy lfpr /ujkf'k dEiuh dk ykVk nrh gA bl idkj iklr /ujkf'k dk i;kx ½.ki=kk oQ 'kk/u oQ fy, fd;k tkrk gA chek ikfylh oQ lEcU/ e fuEufyf[kr ifof"V;k gkxh—

1. P. & L. App. Dr.

   To S.F. A/c

   (For the appropriation of amount of premium to be paid on the policy)

2. S.F. Policy A/c Dr.

   To Bank A/c

   (For the payment of premium on the policy)

mi;Dr ifof"V;k vfUre o"k lfgr ifr o"k dh tk;xh ikfylh dh olyh ij fuEufyf[kr tuy ifof"V;k

Bank A/c Dr. (Amount of policy taken)

To D.R.F. Policy or S.F. Policy A/c (Amount for which policy was taken)

To S.F. A/c (with the difference on two amounts)

3.4 ½.ki=kk dk 'kk/u (Redemption of Debenture)

½.ki=k oQ 'kk/u dk vfHkik; ½.ki=kk oQ ifr n;rk dk lekIr djuk gA ½.ki=kk dk 'kèku dju ij dEiuh oQ le{k rhu ie[k leL;k, mifLFkr gkrh gA

3.4.1 'kk/u oQ le; dk fu/kj.k (Time of redemption of Deb.)—

½.ki=kk dk 'kk/u i.k vof/ dh lekfIr ij opuc¼ jkf'k dk Hkxrku djoQ fd;k tkrk gA fdUr ik;% dEiuh viu vf/dkjh oQ vUrxr ½.ki=kk dh 'kk/u vof/ lekfIr oQ i.k ;k rk fu;fer :i l ifr o"k fd'rk dk Hkxrku djoQ ;k mUg [kyk cktkj e [kjhn dj djrh gA vr% l{ki e ;g dg ldr g fd ½.ki=kk dk 'kk/u ;k rk—

(1) vof/ lekfIr ij ;k

(2) vof/ lekfIr oQ io ifro"k ykVjh Mky dj] ;k

(3) vof/ lekfIr oQ io dHkh Hkh mudk [kyh ckt+kj e [kjhn dj fd;k tk ldrk gA

3.4.2 'kk/u ij nh tku okyh jkf'k dk fu/kj.k (Amount to be paid on redemption)—

'kk/u ij nh tku okyh jkf'k dk fu/kj.k db dkj.kk ij fuHkj djrk gA ½.ki=kk dk 'kk/u ;fn vof/ dh lekfIr ij ;k ifr o"k fu;fer :i l lpuk ndj fd;k tkrk g rk 'kk/u dh jkf'k dEiuh }kjk fn; x; opuk oQ cjkcj gkuh pkfg,A ½.ki=kk dk ;g 'kk/u ;k rk le eY; ij ;k ihfe;e ij gkxkA fdUr ;fn ½.ki=kk dk 'kk/u dHkh Hkh mUg [kyh ckt+kj e [kjhnk x;k gk rk vnk eY; ckt+kj Hkko ij vk/kfjr g vFkkr ;g leeY; ij ;k cVV ij vFkok vf/eY; ij gk ldrk gA

3.4.3 foÙk oQ lkr (Sources of Finance)—

bl nf"Vdk.k l ½.ki=kk dk 'kk/u fuEufyf[kr fof/;k e l fdlh oQ }kjk fd;k tk ldrk g—

(1) ykHkk e l (Redemption out of profif)

(2) itH e l (Redemption out of capital)

(3) 'kk/u gr iko/ku e l (Redemption out of provision)

(4) ½.ki=kk dk v'kk ;k u, ½.ki=kk e ifjofrr djoQ (Redemption by conversion)

(1) ykHkk e l 'kk/u (Redemption out of profit)—;fn ½.ki=kk dk 'kk/u ykHkk e l gk rk ;g vko';d gkxk fd 'kk/u dh ifof"V djoQ vfrfjDr ykHk dk ½.ki=k 'kk/u lfpfr [kkr e gLrkUrfjr dju dh ,d ifof"V vkj djuh pkfg,A vr% fuEufyf[kr nk ifof"V;k gkrh g—

(i) Deb. A/c Dr.

To Bank

(For Repayment of Deb.)

(ii) P & L App. A/c Dr.

To Deb. Redemption Reserve fund

(iii) Deb. Redemption Reserve fund Dr.

To General Reserve A/c

(2) itH e l 'kk/u (Redemption out of Capital)—tc ½.ki=kk dk 'kk/u itH e l gkrk g rk oQoy ifof"V 'kk/u oQ fy, dh tkrh gA nljh ykHk e l C.R.R.F. oQ gLrkUrj.k dju oQ fy, ugh dh tkrh gA ifof"V fuEu idkj g—

Deb. A/c Dr.

To Bank A/c

(3) iko/ku e l 'kk/u (Redemption out of provision)—;fn dEiuh u ½.ki=k 'kkèku fuf/ iQ.M dk fuek.k fd;k g rk og bldk i;kx ½.ki=kk oQ 'kk/u gr dj ldrh gA bloQ fy, fuEufyf[kr y[kk ifof"V;k dh tkrh gA

(a) For disposing of Deb. Sinking Fund investment

Bank A/c Dr.

To S.F.I A/c

(b) For transferring P & L on realisation of investment

(i) S.F. A/c Dr.

To S.F.I. A/c

(Entry for recording a loss)

(ii) S.F.I. A/c Dr.

To S.F.

(Entry for recording a gain)

(c) For recording the redemption of Debenture

(i) Deb. A/c Dr.

To Bank A/c

(When redeemed at par)

(ii) Deb. A/c Dr.

To Bank A/c

To S.F. A/c

(when redeemed at Profit)

(iii) Deb. A/c Dr.

To S.F. A/c

To Bank A/c

(When redeemed at a loss)

(d) (For recording the transfer of debenture S.F. A/c to general reserve)

Deb. S.F. A/c Dr.

To General Reserve A/c

bl ckr dk è;ku j[kuk pkfg, fd ;fn ½.ki=kk oQ oQoy ,d Hkkx dk 'kk/u fd;k x;k g rk oQoy S.F. dk og Hkkx tk 'kk/u fd; x, ½.ki=kk oQ io inÙk eY; oQ cjkcj g] dk lkekU; lfpfr e gLrkUrfjr fd;k tkrk gA

(4) ifjoru }kjk 'kk/u (Redemption by Conversion)—oQN n'kkvk oQ vUrxr ½.ki=kk dk 'kk/u mudk u, v'kk vFkok ½.ki=kk e ifjoru djoQ fd;k tkrk gA ½.ki=kk dk ifjofrr dju dk ;g fodYi (option) ½.ki=k/kfj;k dk ;g vf/dkj inku djrk g fd ;fn o pkg rk ,d fuf'pr le; e viu ½.ki=kk dk u, v'kk ;k ½.ki=kk e cny ldr gA ifjoru oQ fy, tuy ifof"V fuEu idkj gkrh gA

Old Deb. A/c Dr.

To New Share or Deb. A/c

;fn u, v'kk vFkok ½.ki=kk dk ihfe;e ij tkjh fd;k tkrk g rk ihfe;e [kkr dk oQfMV fd;k tkrk g vkj ;fn mudk cVV ij tkjh fd;k tkrk g rk cVV [kkr dk MfcV fd;k tkrk gA

Illustration :

31st Dec. 1993 Rs. 20,000 Deb. were redeemed out of capital by Drawing a lot.

31st Dec. 1994 Rs. 15,000 10% Deb. were redeemed out of profit by Drawing a lot.

You are required to give journal entries in the book of the Co.

Solution :

31st Dec. 1993	10% Deb. A/c	Dr.	20,000/-	
	To Bank A/c		20,000/-	
	(For redemption of deb. out of capial)			
31st Dec. 1994	10% Deb. A/c	Dr.	15,000/-	
	To Bank A/c		15,000/-	
	(For redemtion of deb. out of profit)			
	P & L App. A/c	Dr.	15,000/-	
	To Deb. Redemption Reserve A/c		15,000/-	
	(For transfer of Profit to deb. R.F, A/c)			

Illustration :

A Co. issued 10,000 10% Deb. of Rs. 1000 each at par redeemable, at 10% premium after 5 years. Give the journal entries at the time of issue and redemption of Deb.

Solution :

1st year of	At the time of Issue			
Beginning	Bank A/c	Dr.	1,00,00,000	
	Loss on issue of Deb. A/c	Dr.	10,00,000	
	To Deb. A/c			1,00,00,000
	To Premium on redemption A/c			10,00,000
5the year of	At them time of redemption			
end	Deb. A/c	Dr.	1,00,00,000	
	Premium an redemption A/c	Dr.	10,00,000	
	To Bank A/c			1,10,00,000

Illustration :

A Co. made an issue of 3000 10% deb. of Rs. 100 each at Par A.S.F. is being created to provide for repayment. Co. have the right to purchase deb. in the open market provide for the cancellation. On 1st Jan, 1994 the Co. purchased Rs. 30,000 deb. at 97. In order to provide for the cancellation they realised Rs. 20,000 govt. bond at 80% and Rs. 13400 stock of HDFC Ltd. at Par. On 1st Jan. 1994 just before the date of redemption the following position was shown :

10% Deb.	2,00,000
S.F. A/c	1,90,000
S.F.I. A/c	

Govt. Bond of Rs.	100,000	70,000	
Stock of HDFC Ltd.	20,000	1,11,000	1,81,000
1,00,000			

You are required 10 made journal entries for the redemption of deb.

Solution :

1994

Jan, 1	Bank A/c		Dr.	29,400
	To S.F. A/c			29,400
	(Being realised of investment as follows) :			
Jan. 1	Govt. Bond	1600		1,20,000 × 80/100
	Stock of HDFC Ltd.	13,400 (at par)		
		29,400		
Jan. 1	S.F.I. A/c	3005		
	To. S.F. A/c	3005		
	(For transfer of profit on realisation to Deb. S.F.)			
	Deb.A/c		Dr.	30,000
Jan. 1	To Bank A/c			29,100
	To S.F. A/c			900
	(For Payment of Deb. and Profit transferred to S.F. A/c)			
	Deb. S.F. A/c		Dr.	30,000
	To General Reserve A/c			30,000

(For transfer of S.F. to general reserve on redemption of deb. the amount being equal to paid up value of Dev. cancelled.)

Illustration : On 1st Jan. 1993 A Co. issued Rs. 200,000 10% Deb. of Rs. 1000 each at par repayable at 5% premium. As per terms of issued the debenture holder had an option to convert their holding into 6% Preference share of Rs. 100 each at a premium of 20% at any time after 3 years.

On 31st Dec. 1993, a holder of 40 Deb. gave a notice of exercising option. Pass necessary journal entries.

Solution :

1990

Jan. 1	Bank A/c	Dr.	200,000
	Loss on issue of Deb.	Dr.	10,000
	To Deb. A/c		200,000
	To Premium on redemption of Deb.		10,000
	(For issue of 200 Deb. of Rs. 1000/- each at repayable at 5% Premium).		

1993

31st Dec.	Deb. A/c	Dr.	40,000
	Premium on redemption A/c	Dr.	2,000

To 6% Preference Share Cap. A/c	35,000
To Share Premium A/c	7,000

(Being issue of 6% P. Share Cap. at 20% premium in satisfaction of price of 40 Deb. at 5% premium).

Illustration :

The Deb. redemption. Fund of Ltd. stood at Rs. 1,600, represented by Rs. 20,000 (Nominal) investment, the Deb. stood in books at Rs. 50,000 and the Co. sold Rs. 12,000 (Nominal) Investment at Rs. 85 for the purpose of redeeming Rs. 10,000 Deb. at a premium of 1%. You are required to show the ledger account to record the above transactions.

Deb. A/c

	Rs.		Rs.
To Deb. Holder	10,000	By Bal. B/d	50,000
To Bal. C/d	40,000		

Debenture Holder A/c

	Rs.		Rs.
To Bank	10,100	By Deb. A/c	10,000
		By Premium on redemption of Deb. A/c	100
	10,100		10,100

Premium on Redemption of Deb. A/c

To Deb. Holder	100	By D.R.F. A/c	100

D.R.F. A/c

To General reserve	10,000	By D.R.F. C/d	16,000
To Premium on redemption of Deb.	100	By D.R.F.I. A/c	600
To Bal. C/d	6,500		
	16,600		16,600

D.R.F.I.

To Bal. B/d (20,000 facce value)	16,000	By Bank	10,200
To D.R.F. A/c	500	By Balance C/d	6,400
	16,600		16,600

Bank A/c

To Bal. B/d		By Deb. bolder	10,100
To D.R.F.I. A/c	10,200	Bal. C/d	100
	10,200		10,200

4. fu"d"k (Summary) :

tc 0;olkf;d foQ;kvk e vfHkof¼ gkrh g rk vf/d /u dh vko';drk iMrh gA v'kk oQ }kjk ik"kn lhek fu;e oQ i th okD; e of.kr i th gh bdVBh dh tk ldrh gA ;fn vkj /u dh vko';drk gk rk dEiuh ½.ki=k turk dk fuxfer djoQ /u tVk ldrh gA ½.ki=kk oQ fuxeu oQ le; gh] mlI ij fn;k tku okyk C;kt vkj ½.ki=kk oQ 'kk/u dk le; vfdr gkrk gA ½.ki=kk oQ 'kk/u oQ fy, dEiuh fofHkUu fof/;k tl 'kk/u fof/ o chek ikfylh fof/ viuk ldrh gA ½.ki=kk dk 'kk/u ykHkk e l] 'kk/u gr iko/ku e l ;k ½.ki=kk dk v'kk ;k u; ½.ki=kk e ifjofrr djoQ fd;k tk ldrk gA

5. iLrkfor iLroQ (Suggested Readings) :

(1) Corporate Accounting by Dr. R.K. Mittal, R.S. Singal

(2) Advanced Account by R.L. Gupta

(3) Advanced Account By S.N. Maheshwari

6. ueu oQ fy, i'u (Sample Questions) :

(1) ½.ki=k fdl dgr g \ ½.ki=kk oQ fofHkUu idkjk dk l{ki e le>kb,A lerk v'k o ½.ki=k e vUrj Li"V dhft,A

(2) ½.ki=kk oQ 'kk/u dh fofHkUu fof/;k dk mnkgj.k rFkk jktukepk ifof"V;k lfgr 0;k[;k dhft,A

(3) ½.ki=k 'kk/u dh ^'kk/ukFk 'kk/u dk"k fof/* foLrkjiod le>kb,A

(4) 1 tuojh 2000 dk ,d dEiuh dh iLrdk e fuEufyf[kr 'k"k ik, x,—

	#-
12% ½.ki=k (12% Debentures)	4,00,000
12% ½.ki=k ifj'kk/u dk"k (12% Debentures Sinking Fund)	3,00,000
12% ½.ki=k ifj'kk/u dk"k fofu;kx (12% Debentures Sinking Fund investment)	3,00,000

(tk fd Hkkjr ljdkj oQ 4,00,000 #- d 10% oky ljf{kr ck.Ml oQ :i e Fk represented by 10% Rs. 4,00,000 secured bonds of Govt. of India).

ifro"k 31 fnlEcj dk 60,000 #- okf"kd v'knku oQ :i e ifj'kk/u dk"k e fn, tkr FkA 31 fnlEcj] 2000 dk ½.ki=k ifj'kk/u dk"k fofu;kx ij C;kt iklr dju oQ ckn cd e 3,00,000 #- 'k"k FkA dEiuh u fofu;kxk dk 21% dh gkfu ij cpdj ½.ki=kk dk Hkxrku dj fn;kA o"k 2000 oQ fy, fuEufyf[kr [kkr cukb,—

(i) ½.ki=k [kkrk] (ii) ½.ki=k ifj'kk/u dk"k [kkrk] (iii) ½.ki=k ifj'kk/u dk"k fofu;kx [kkrk] (iv) cd [kkrkA

The following balances appeared in the books of a company on 1st January, 2000 :

	Rs.
12% Debentures	4,00,000
12% Debentures Sinking Fund	3,00,000
12% Debentures Sinking Fund Investment represent by 10% Rs. 4,00,000 several bonds of Govt. of India.	3,00,000

Annual contribution to the Sinking Fund was Rs. 60,000 made on 31st December each year. On 31st December 2000, balance at Bank was Rs. 3,00,000 after receipt of interest on Debenture Sinking Fund Investment. The company sold the investment at a loss of 21% and the debentures were paid off. You are required to prepare the following accounts for the year 2000 :

(i) Debentures Account, (ii) Debentures Sinking Fund Account, (iii) Debentures Sinking Fund Investment Account, (iv) Bank Account.

,Dlik\V b.MLVht fy- oQ ;gk ½.ki=k 'kks/u dk"k 16,000 #- Fkk tk fd 20,000 (vfdr eY;) dh ifrHkfr;k e fofu;kftr FkkA dEiuh dh iLrdk e ½.ki=k 50,000 #- oQ FkA dEiuh u 10,000 #- oQ ½.ki=kk dk 1% ihfe;e ij 'kks/u dju oQ mí'; l 12,000 #- vfdr eY; oQ fofu;kx 84 ifr'kr ij cp fn,A vki bu y[kk dk dEiuh oQ [kkrk e fyf[k,A

The Debentures, Redemption Fund of Export Industries Limited stood at Rs. 16,000 represented by Rs. 20,000 (nominal) investments. The Debentures stood is the books at Rs. 50,000 and the company sold Rs. 12,000 (nominal) investment at 84 percent for the purpose of redeeming Rs. 10,000 debentures at a premium of 1%. You are required to show the ledger accounts to record these transactions.

,d dEiuh u 3,000, 7½% ½.ki=k 100 #- oky leeY; ij tkjh fd,A muoQ Hkxrku gr flfoQx iQ.M cuk;k gvk gA fuxeu dh 'krk oQ vulkj dEiuh dk ;g vf/dkj g fd og [kyk ckt kj e ½.ki=k oQ; djoQ mUg jí dj ldrh gA

1 tuojh] 1979 dk lpkydk u 30,000 #- oQ ½.ki=k 97% ij oQ; fd,A foekpu ij èku dh 0;oLFkk oQ fy, mUgku 20,000 #- oQ txk/jh ck.Ml 80% ij vkj 14,400 #- dk t- oQ- fyfeVM dk LVkd le&eY; ij cp fn;kA 1 tuojh] 1979 dk foekpu dh frfFk l io fLFkfr fuEufyf[kr Fkh—

A company made an issue of 3,000, 7½% debentures of Rs. 100 each at par. A sinking fund is being created to provide for repayment. Under the terms of the issue, the company retained the right of purchasing debentures in the open market for cancellation. On 1st January, 1979 the directors of the company purchased Rs. 30,000 debentures at 97%. In order to provide for redemption, directors realised Rs. 20,000 Jagadhri Baonds at 80% and Rs. 14,400 stock of J.R. Limited at par. On 1st January, 1979 just before the date of redemption, the following position was shown :

	Rs.
7½ ½.ki=k (7½% Debentures)	2,00,000
flfoQx dk"k (Sinking Fund)	1,90,000
flfoQx dk"k fofu;kx (Sinking Fund Investment) :	
1,00,000 #- oQ txk/jh ck.Ml (Jagadhri Bonds of Rs. 1,00,000)	70,000
1,20,000 #- dk t-oQ- fyfeVM dk LVkd (Stock of J.K. Limited of Rs. 1,20,000)	
	1,11,000

vki] ½.ki=kk oQ 'kks/u oQ fy, jkstukepk ifof"V;k cukb, vkj mDr [kkrk oQ l'kkfèkr 'k"kk dk fpVB e inf'kr dhft, (You are required to make journal entries for the redemption of debentures and give the revised balance of the above accounts as they would appear in the balance sheet).

BC 202 : Corporate Accounting

Lesson No. : 5 **Revised by: Pawan Singla**

[;kfr dk eY;kdu] v'kk dk eY;kdu

(Valuation of Goodwill; Valuation of Shares)

Structure :

(1) ifjp;

(2) mí';

(3) fo"k;&lkexh dk iLrrhdj.k

3.1 [;kfr dk eY;kdu

3.1.1 [;kfr oQ eY;kdu dh vko';drk

3.1.2 [;kfr oQ eY; dk iHkkfor dju oky rÙo

3.2 [;kfr eY;kdu dh fof/;k

3.2.1 vklr ykHk vk/kj fof/

3.2.2 vf/&ykHk vk/kj fof/

3.2.3 ithdj.k vk/kj fof/

3.2.4 oQ; eY; oQ vk/kj ij

3.2.5 vf/&ykHk ij vk/kfjr okf"kdh i¼fr

3.3 v'kk dk eY;kdu

3.3.1 v'kk oQ eY;kdu dh vko';drk

3.3.2 v'kk oQ eY; dk iHkkfor dju oky ?kVd

3.4 v'kk oQ eY;kdu dh fof/;k

3.4.1 'k¼ lEifÙk fof/

3.4.2 ykHkk'k vk; fof/

3.4.3 miktu {kerk fof/

(4) fu"d"k

(5) iLrkfor iLroQ

(6) ueu oQ fy, i'u

(1) ifjp; (Introduction) :

[;kfr ,d ver lEifÙk g ftl n[kk ,o Nvk ugh tk ldrk ijUr bl egll fd;k tk ldrk gA bl lEifÙk dk u dkb Hkkfrd vkdkj g] u dkb :i] fiQj Hkh bldk vfLrRo O;olk; dh ln< fLFkfr dk ifjpk;d gA dEiuh dh ith NkV&NkV fuf'pr eY; oQ Hkkxk e foHkkftr gkrh g] mUg v'k dgr gA dEiuh oQ fpVB e v'kk dk vfdr eY; ij gh fn[kk;k tkrk g pkg budk cktkj eY; buoQ vfdr eY; l fHkUu D;k u gkA ,d fuf'pr frfFk ij dEiuh oQ v'kk dk eY; D;k g \ ;g ekye dju dh foQ;k dk gh v'kk dk eY;kdu dgr gA

(2) mís'; (Objective) :

bl vè;k; dk i<u l vki dk fuEu fo"k;k dh tkudkjh feyxh—

(1) [;kfr o v'kk oQ eY;kdu dh vko';drk D;k i<rh g \

(2) [;kfr o v'kk oQ eY;kdu dk dku l rÙo iHkkfor djr gA

(3) [;kfr o v'kk oQ eY;kdu dh dku&dku lh fof/;k gA

(3) fo"k;&lkexh dk iLrrhdj.k (Presentation of Contents) :

[;kfr o v'kk oQ eY;kdu dh fo"k;&lkexh dk iLrrhdj.k fuEu idkj l g—

3.1 [;kfr dk eY;kdu (Valuation of Goodwill) :

tc fdlh O;olk; dh ifr"Bk LFkkfir gk tkrh g rk og lkekU; ykHk l vf/d ykHk deku yxrk gA bl vf/d ykHk deku dh {kerk dk gh [;kfr dgr gA ;g ,d vn'; lEifÙk (Intangible Asset) gkrh gA bldk u rk N ldr g vkj u gh n[k ldr gA bloQ dkj.k O;olk; oQ ikl vf/d xkgd vkr gA blhfy, dgk x;k gA

"Anything that attracts, customers is Goodwill."

bloQ vfrfjDr ge ;g Hkh dg ldr g fd—

"Goodwill is the present value of the firm's anticipated excess earnings."

ifjHkk"kk, (Definitions)—fofHkUu fo}kuk u [;kfr dh ifjHkk"kk bl idkj nh g—

- ykM ,YMu oQ vulkj] ¶[;kfr bl lEHkkouk oQ vfrfjDr vkj oQN ugh fd ijku xkgd ijku LFkku dk gh pur gA¸

  "Goodwill is nothing more than the probability that the old customer will resort to the old place"—Lord Eldon).

- ekxh oQ vulkj] ¶Hkfo"; e ykHk miktu dju dh O;kikj dh {kerk gh [;kfr gA¸

  (The capability of a business to earn profits in future is basically what is meant by term goodwill"—J.O. Magee)

- Likblj o ixyj oQ 'kCnk e] ¶[;kfr og rÙo g tk fdlh O;olk; dh ifr"Bk] lEcU/ vkj O;olk; dk ikIr vU; ykHkk oQ dkj.k mRiUu gkrh g] ftloQ dkj.k og O;olk; mlh O;olk; e yxh gbZ er lEifÙk;k e fofu;kftr iwth ij lkekU; vif{kr ykHk l vf/d ykHk dekrk gA¸

("Goodwill may be said to be that element arising from the reputation, connection or other advantages possessed by a business which enables it to earn greater profits than the return normally to be expected on the capital represented by the net tangible assets employed in the business."—Spicer and Pegler)

vr% ; Li"V g fd [;kfr og 'kfDr g tk xkgdk dk viuh vkj [khprh gA ;g iQe dh ifr"Bk dk eY; gA

[;kfr dh y[kkdu fo'k"krk, (Accounting Characterstics of Goodwill)

y[kkdu oQ nf"Vdk.k l [;kfr dh fuEufyf[kr fo'k"krk, g—

1. [;kfr dk okLrfod ykxr ij fn[kk;k tkrk gA
2. [;kfr ij dkb ßkl (Depreciation) ugh yxk;k tkrkA
3. [;kfr dk iLrdk e fn[kkuk mfpr ugh ekuk tkrk ,o bl ykHk&gkfu l vifyf[kr dj fn;k tkrk gA
4. [;kfr oQ mPpkopu (Fluctuations) dk iLrdk e ugh fn[kk;k tkrkA
5. [;kfr dk vud rÙo iHkkfor djr gA
6. bl fpVB e ^LFkk;h lEifÙk* 'kh"kd e fn[kk;k tkrk gA

3.1.1. [;kfr oQ eY;kdu dh vko';drk (Need for Valuation of Goodwill) :

dEiuh dh n'kk e fuEufyf[kr ifjfLFkfr;k e [;kfr oQ eY;kdu dh vko';drk iMrh g—

1. dEiuh oQ v'kk oQ eY;kdu djr le;A
2. dEiuh dk 0;olk; cpr le;A
3. dEiuh dk 0;olk; ljdkj }kjk vfuok; :i l oQ; djr le;A
4. dEiuh dk vU; fdlh dEiuh oQ lkFk ,dhdj.k oQ fy,A

3.1.2. [;kfr oQ eY; dk iHkkfor dju oky rÙo
(Factors affecting the value of Goodwill) :

ok rÙo tk fdlh 0;olk; dk vf/d ykHk ikIr dju e lgk;rk djr g] [;kfr dk iHkkfor djr gA bl idkj [;kfr dh iHkkfor dju oky e[; ?kVd bl idkj g—

1. 0;olk; dk LFkku
2. oLr dh ioQfr (Trade Mark) okyh oLr dh vf/d [;kfr
3. rduhdh tkudkjh
4. icU/
5. 0;olk; dh vof/
6. ifrLi/k
7. ykHkk dh iofÙk
8. tkf[ke dh ek=kk

bloQ cgr l ,l rÙo g tk [;kfr dk iHkkfor djr gA

3.2 [;kfr eY;kadu dh fof/;k (Methods of Valuating Goodwill) :

[;kfr dk Bhd&Bhd eY; Kkr djuk rk lEHko ugh g D;kfd [;kfr ,d vn'; lEifÙk gA ij fiQj Hkh [;kfr dk eY;kadu dju oQ fy, vud fof/;k ipfyr g ftudk o.ku bl idkj g—

1. vklr ykHk vk/kj fof/ (Average Profit Basis Method)
2. vf/&ykHk vk/kj fof/ (Super Profit Basis Method)
3. iwthdj.k vk/kj fof/ (Capitilisation Basis Method)
4. oQ; eY; oQ vk/kj ij (On the Basis of Purchase Price)
5. vf/&ykHk ij vk/kfjr okf"kdh i¼fr (Annuity Method Based on Super Profit)

3.2.1. vklr ykHk vk/kj okf"kdh (Average Profit Basis Method) :

bl fof/ e [;kfr dk eY;kadu 0;olk; oQ vklr ykHk (Average Profit) dk vk/kj ekudj fd;k tkrk gA ;g ,d ljy ,o 0;kogkfjd fof/ gA bl fof/ e lcl igy vklr ykHk Kkr fd;k tkrk g ,o fiQj mls ,d fuf'pr l[;k ls x.kk fd;k tkrk gA ;g fuf'pr l[;k oQN o"kk oQ oQ; (tls rhu ;k pkj o"k) oQ cjkcj gkrh gA

ukV—;fn fdlh o"k gkfu gb gk rk mls ykHk oQ ;kx e ls de dj fn;k tkrk gA

Example : As per the agreement goodwill is to be valued at 3 years purchase of average profits of last/preceding 5 years. The details of the profit are as under :

Year	Profit
1988	+ 1000
1989	– 300
1990	– 200
1991	+ 1100
1992	+ 1700
1993	+ 1400
1994	+ 2000

Calculate the amount of Goodwill.

Solution :

bl i'u e lu 1988 ,o 1989 oQ ykHk vFkok gkfu dk è;ku e ugh j[kk tk,xk D;kfd geu rk 5 o"k gh yu g o Hkh vfUre o"kA vr% i'u bl idkj fd;k tk,xk—

Calculation of Average Prof. (AP)—

$$AP = \frac{-200 + 1100 + 1700 + 1400 + 200}{5}$$

$$= \frac{6000}{5}$$

$$= 1200$$

Now, the average Profit is to be multiplied by three as goodwill is to be calculated at three years purchase.

= Average Profit × Number of years Purchase

= 1200 × 3

= Rs. 3600 Ans.

bl idkj bl fof/ oQ vulkj ge vkSlr ykHk dk [;kfr oQ eY;kdu dk vk/kj ekurs g] ijUrq ,slk D;k \ bldk ljy lk mÙkj ;g g fd ;g [;kfr dk Hkxrku gh blfy, djrk g fd Hkfo"; e mlu ykHk dekuk gA vr% ykHk dk gh vk/kj ekuk tkrk gA ij ykHk dk vk/kj ekuu l igy oQN lko/kfu;k dk è;ku e j[kuk pkfg, tk fd bl idkj g—

1. ykHkk dk #[k (Trend) n[kuk pkfg,A ekuk fd vkidk bue l fdlh ,d dEiuh dk p;u djuk g rk fdldk djxA

Year	Business I	Business II
	X Ltd.	Y Ltd.
1991	500	200
1992	400	300
1993	300	400
1994	200	500
Total	1400	1400
Average	350	350

nkuk dEifu;k dk vkSlr ykHk 350 #- gh g ijUrq Business II (Y. Ltd.) vPNh g D;kfd ykHk c< jg gA vr% ykHk oQ vfrfjDr ykHk oQ #[k dk Hkh è;ku e j[kuk pkfg,A

2. dkb vlkekU; ykHk vFkok gkfu (Abnormal Profit or Loss) gk rk mldk lek;ktu dj yuk pkfg,A ykHk dk de dj yuk pkfg, D;kfd og vkx ugh gkxkA blh idkj gkfu dk tkM yuk pkfg,A

3. xj lpkyu vk; (Non-operating Income) dk Hkh de dj nuk pkfg, D;kfd mudk O;kolkf;d foQ;kvk l dkb lEcU/ ugh gkrkA

4. ;fn fofu;kxk l vk; (Income from Investments) gk rk ml Hkh de dj nuk pkfg,A

5. ;fn dkb vk; tk igy gk jgh Fkh ij Hkfo"; e gku dh lEHkkouk ugh g rk ml Hkh ?kVk nuk pkfg,A

6. vk;dj dk Hkh ?kVk nuk pkfg, D;kfd ;g O;olk; dk nkf;Ro ugh gA

7. Lokfe;k dk ikfjJfed ;fn igy fn;k tkrk Fkk ijUrq vc ugh nuk g rk ml tkM fn;k tk,xk ,o ;fn igy ugh fn;k tkrk Fkk ijUrq vc nuk g rk bl ykHkk e l ?kVk fn;k tk,xkA

vr% fiNy o"kk oQ ykHkk e lek;ktu dju oQ ckn ,l ykHk tk Hkfo"; e gku okyk g mudk vk/kj ekudj gh [;kfr dk eY; Kkr fd;k tk,xkA

Example : X who wishes to sell his business to Y asks you to find for him the amount to be received as goodwill. He provides you with the following details.

The Profits for the year ending on 31-12-91 to 31-12-94 were as follows :

Year ending on	Profit (in Rs.)
31-12-91	19,000
31-12-92	31,000
31-12-93	21,000
31-12-94	29,000

The following additional informations were also provided :

On 1-9-93 as capital expenditure of Rs. 6,000 to Plant and Machinery was charged to revenue. This has been agreed that it may now be capitalised subject to 10% p.a. depreciation on diminishing balance method.

The closing stock for the year 31-1-92 was over-valued by Rs. 4000/-

So as to manage some additional coasts, an annual charge of Rs. 4800 should be made for valuation of goodwill.

Compute the value of Goodwill for X at two years purchase.

Solution :

Calculation of Adjusted Profits	Rs.
"Total profit of four years	
(19,000 + 31,000 + 21,000 + 29,000)	1,00,000
"Add—Capital expenditure	
wrongly debited to P/L A/c	6,000
"Add—Over valuation of opening	
Stock for 1993	4,000
	1,10,000
Less—Depreciaiton on Plant & Machinery	
for 1993 (4 months)	
$6000 \times \frac{10}{100} \times \frac{4}{12} = 200$	
for 1994	
$5800 \times \frac{10}{100} = 580$	780
Less—Cost of managing	
(4800×4)	19,200
Less—Overvaluation of closing	4,000
stock in 1992	
Adjusted Profit	86,020

Average Adjusted Profit = 86020 ÷ 4 = Rs. 21505

Goodwill = Number of Years Purchase × Adjusted Profit = 2 × 21505 = Rs. 43010

3.2.2. vf/&ykHk vk/kj fof/ (Super Profit Basis Method) :

bl fof/ oQ vuqlkj [;kfr dk eY; vf/&ykHk (Super Profit) oQ vk/kj ij Kkr fd;k tkrk gA okLrfod vklr ykHk dk lkekU; ykHk ij tk vkf/D; gkxk og vf/&ykHk gkxkA l=k :i e—

Super Profit = Actual Average Profit – Normal Profit

blo0 ckn

Goodwill = Super Profit × No. of Years purchase.

okLrfod ykHk Kkr djr le;

1. Lokfe;k dk oru ;k lpkydk dh iQhl dk ?kVkuk pkfg,A

2. ;fn dkb vlk/kj.k gkfu gb gk rk] mlI mlI o"k oQ ykHk e tkM nuk pkfg, ,o vlkèkkj.k ykHk dk ?kVk nuk pkfg,A

3. vk;dj (Income Tax) Hkh ?kVk nuk pkfg, D;kfd lerk v'k/kfj;k dk ykHkk'k vk;dj dkVu oQ ckn gh iklr gkrk gA

Example : The following information relate of X Ltd. Calculate the amount of goodwill using Super Profit Method at 3 years purchase :

Actual Average Profit of last 3 years (1991, 1992, 1993) = Rs. 60,000

Normal Rate of Return = 10%

Actual Capital employed Rs. 3,50,000

The profit of 1992 included abnormal gain of Rs.

Solution :

We will first of all find out true average profit.

Average Profit of 3 years = 60,000

Total Profit of 3 years = 60,000 × 3 – 1,80,000

True Profit = Actual Profit – Abnormal gain

= Rs. 1,80,000 – Rs. 30,000

= Rs. 1,50,000

Average true profit of 3 years will be

= 1,50,000 ÷ 3 = Rs. 50,000

$$\text{Normal Profit} = \frac{\text{Capital employed} \times \text{Normal Rate of Return}}{100}$$

$$= \frac{\text{Rs. } 3{,}50{,}000 \times 10}{100}$$

= Rs. 35,000

Super Profit = Actual Profit – Normal Profit

= Rs. 50,000 – Rs. 35,000

= Rs. 15,000

Goodwill = Super profit × No. of years purchase

= 15,000 × 3

Goodwill = Rs. 45,000

3.2.3 iwathdj.k vk/kkj fof/k (Capitalisation Basis Method) :

iwathdj.k vk/kkj fof/k ls [;kfr dk eY;kadu djus oQs nks vk/kkj gS—

1. vkSlr ykHk dk vk/kkj ekuukA

2. vf/&ykHk (Super Method) dk vk/kj ekuukA

(I) vkSlr ykHk dk vk/kj ekuuk—bl fof/ esa vkSlr ykHk Kkr djoQs mldk iwathoQr eY; Kkr dj fy;k tkrk gSA iwathoQr eY; (Capitalised Value) Kkr djus oQ fy, fuEu dk iz;ksx fd;k tkrk g—

$$\text{Capitalised Value of Profit} = \frac{\text{Average profit} \times 100}{\text{Normal rate of return}}$$

blo oQ ckn fuEu lw=k }kjk [;kfr dk eY; Kkr fd;k tkrk gSA

Goodwill = Capitalised Profit – Actual Capital employed

(II) vf/&ykHk dk vk/kj ekuuk—bl fof/ esa lw=k esa vkSlr ykHk oQs LFkku ij vf/&ykHk dk iz;ksx fd;k tk,xk ,oa ckn esa [;kfr Kkr djus oQ fy, Actual Capital Employed ?kVkus dh vko';drk ugha i<rhA vr% bl fof/ esa [;kfr dk eY; Kkr djus oQ fy, fuEu lw=k dk iz;ksx gksxk—

$$\text{Goodwill} = \frac{\text{Super Profit} \times 100}{\text{Normal rate of profit}}$$

fofu;kftr iwath dh x.kuk djuk (Calculation of Capital Employed) : fofu;kftr iwath Kkr djus oQ fy, lHkh ewrZ lEifÙk;ksa dk tksM+k tkrk gSA fiQj mlesa ls T;knk nkf;Roksa dk ?kVk fn;k tkrk gSA [;kfr] ikjfEHkd O;; ,oa foKkiu vkfn lEifÙk;ksa dk ugha tksM+k tk,xk D;ksafd ;s lEifÙk;k¡ ewrZ lEifÙk;k¡ ugha gSaA

3.2.4. oz; eY; oQs vk/kj ij (On the basis of Purchase Price) :

bl fof/ oQs vuqlkj [;kfr dk eY; og jkf'k gksxh tks 'kq¼ lEifÙk;ksa ij oz; ifriQy dk tks vkf/D; gksxkA vU; 'kCnksa esa fdlh O;olk; dk Ø; mlh le; mldh 'kq¼ lEifÙk;ksa oQs y nkf;Ro ls ftruk Hkh vfèkd Hkh vf/d oz; eY;&ifriQy (Purchase Price/Consideration_ fn;k tk, og gh ml O;olk; dh [;kfr dk eY; gksxkA

Example : X Ltd. has assets worth Rs. 40,000 and liabilities worth Rs. 20,000. It was purchased by Y Ltd. for Rs. 35,000. Find the value of Goodwill.

Solution :

Net Assets = Assets – Liabilities

= Rs. 40,000 – Rs. 20,000

= Rs. 20,000

Goodwill = Purchase Consideration – Net Assets

= Rs. 35,000 – Rs. 20,000

= Rs. 15,000

Thus, goodwill is Rs. 15,000

3.2.5. okf"kdh fof/ (Annuity Method) :

O;olk; dk o{rk [;kfr dk Hkxrku bl fy, djrk g D;kfd vku oky o"kk e ml lkekU; ykHk o{ vfrfjDr ykHk gku dh lEHkkouk gkrh gA bl idkj Hkfo"; e gku oky ykHk o{ cny o{rk [;kfr o{ uke ,dne bdVBh jkf'k n nrk gA ij D;kfd og jkf'k bdVBh n jgk g ,o igy n jgk g rk o{N de rk vko';d nxkA jkf'k fdruh de nxk bl ckr ij fuHkj djxk fd C;kt dh nj D;k g ,o le; ftru o"k ykHk gku okyk g fdruk gA vr% mudk oreku eY; (Present Value) Kkr dj fy;k tkrk gA oreku eY; Kkr dju o{ fy, rkfydkvk dk fuek.k fd;k g ftUg Annuity Tables dgr g bl idkj Kkr fd;k x;k eY; [;kfr dgykrk gA

Example : The profits of a company during the last, four years were Rs. 1,600, Rs. 2,000, Rs. 2,800, and Rs. 3,200 respectively. The capital employed is Rs. 20,000 and retun in similar business 10 percent on capital employed. Calculate goodwill by annuity method based on super profits. The present value of Rs. 1 annuity for 4 years @ 5% return is Rs. 3,546.

Solution :

Calculation of Super Profits

Total Profits of 4 Years = 1,600 + 2,000 + 2,800 + 3,200 = Rs. 9,600

Average Profits = 9,600 ÷ 4 = 2,400

Normal Profit = $20,000 \times \frac{10}{100}$ = Rs. 2,000

Super Profit = Rs. 2,400 Rs. – 2,000 = Rs. 400

Calculation of Goodwill

= Super Profit × Annuity's Present Value

= 400 × 3,546

= Rs. 1,418.40 is the value of Goodwill

Example : The following is the Balance Sheet of Manu Ltd. as at 31 Dec. 1994

Liabilities	Rs.	Assets	Rs.
Share Capital		Goodwill	4,000
2500 shares @ 10 each	25,000	Land % Building	20,000
P/L A/c	2,000	Plant	15,000
Bank Overdraft	15,580	Current Assets	28,750
Sundry Creditors	23,420	Advertisement Outlays	1,800
Provision for Taxation	3,550		
	69,550		69,550

The profits earned during the past three years (before providing for location @ 50%) have been as follows—1992 Rs. 5,000, 1993, Rs. 6,000 and 1994 Rs. 7,600.

It is agreed that the present value of Land and building is Rs. 23,000. The average dividend paid by the company during last three years is 10% which is taken as reasonable return expected on the capital invested in the business.

Calculate the value of goodwill using the Capitalisation Methods :

Solution :

The value of Good will under this method is calculated using the following formula.

Goodwill = Capitalised Profit – Average Capital Employed.

So we will first of all calculate Capitalisation Profits using the following formula :

$$\text{Capitalised profits} = \frac{\text{Average profit} \times 100}{\text{Normal rate of profit}}$$

Calculation of Average Profit –

Total Profits for 3 years

Rs. 5000 + Rs. 6000 + Rs 7600 =	18,600
Less : Income Tax @ 50%	9,300
Total Net Profit	9,300

Average Profits = 9,300 ÷ 3

= Rs. 3,1000

Thus Capitalised Profits will be

$$\text{Capitalised profits} = \frac{\text{Average profit} \times 100}{\text{Normal rate of profit}}$$

$$= \text{Rs. } 3100 \times \frac{100}{10}$$

= Rs. 3100

Now we will calculated the value of Average Capital employed

		Rs.
Land and Building		
(Revised Values)		23,000
Plant		15,000
Current Assets		28,750
Total Assets		66,750
Less Outsides Liabilities		
Bank Overdraft	15,580	
Sundry Creditors	23,420	
Provision for Taxation	3,550	42,550
Capital employed		24,200
Less : 1/2 of current years profit		3,800
		20,400

Now Goodwill = Capitalisation Profit – Average capital employed

= Rs. 31,000 – Rs. 20,400

= Rs. 10,600

ukV—vkIr i th dh x.kuk oQ fy, pky o"k oQ Before Tax Profits dk 1/2 ?kVk;k tkrk g ;k

$$\text{Average Capital} = \frac{\text{Opening Capital + Closing Capital}}{2}$$

Opening Capital = Closing Capital – Profit

(we will get value with this formula also)

3.3. v'kk dk eY;kdu (Valuation of Shares) :

vkt oQ ;x e v'kk dk eY;kdu djuk ,d tfVy ,o rduhdh leL;k cu xb gA v'kk oQ eY;kdu l rkRi; v'kk oQ ,l eY; fuèkkj.k l gkrk g ftl ij mUg [kjhnk tk ldrk g vFkok ft lo }kjk O;kolkf;d fLFkfr e g, ifjoru dk ekik tk ldrk gA dEiuh oQ v'kk oQ db eY; gk ldr gA t l vfdr eY; (Face value), iLrdh; eY; (Book Value), vkUrfjd eY; (Intensic value), ckt kj eY; (Market value) vkfnA

3.3.1 v'kk oQ eY;kdu dh vko';drk (Need for Valuation of Shares) :

v'kk oQ eY;kdu dh vko';drk db dkj.kk l iM ldrh gA

(1) tc v'k/kjh v'kk dk okLrfod eY; Kkr djuk pkgrk gA

(2) mu dEifu;k oQ v'kk dk eY; Kkr dju oQ fy, tk LdU/ fofue; (Stock Exchange) dh lph e 'kkfey ugh gA

(3) nk ;k nk l vf/d dEifu;k oQ ,dhdj.k (Amalgarnation) rFkk lkoy;u (Absorption) dh ;ktuk cuku oQ fy,A

(4) ,d idkj oQ v'kk dk nlj idkj oQ v'kk e ifjoru dju oQ fy,A

(5) v'kk dh tekur ij ½.k yu oQ fy,] lEifÙk dj] migkj dj ,o eR; dj oQ fuèkkj.k oQ fy, Hkh v'kk dk eY;kdu fd;k tkrk gA

(6) ljdkj }kjk dEiuh dk jk"Vh;dj.k dju ij mldk {kfrifr vFkok evkotk nu oQ fy,A

(7) tc fdlh dEiuh ij fu;U=k.k dju oQ fy, v'k oQ; dju eA

3.3.2. v'kk oQ eY; dk iHkkfor dju oky ?kVd

(Factors affecting the value of Shares) : v'k oQ eY;k e mrkj&p<ko ;k ifjoru leU;r% fuEu dkj.kk l gkr g—

(1) v'kk dh ekx rFkk ifr (Demand and supply of shares), (2) n'k dh jktuhfrd ,o foÙkh; fLFkfr] (3) ckt kj e vi Qokg] (4) dEiuh dh ykHkkiktu {kerk] (5) dEiuh oQ O;olk; dh ioQfr] (6) m|kx dk Hkfo";] (7) dEiuh oQ fiNy o"kk oQ ?kkf"kr ykHkk'k] (8) mlh idkj oQ O;olk; e yxh vU; dEifu;k dh vk; vkfnA

3.4 v'kk oQ eY;kdu dh fof/;k (Methods of Valuation of Shares) :

v'kk oQ eY;kdu dh fof/;k dk pkV }kjk iLrr fd;k tk ldrk gA

eY;kdu dh fof/;k

- 'k¼ lEifÙk fof/ (Net Assets Method)
- vk; fof/ (Yield Method)
  - ykHkk'k vk; fof/ (Dividend Yield Method)
  - miktu {kerk fof/ (Earning Capacity Method)
- vklr fof/ (Average Method)

3.4.1 'k¼ lEifÙk fof/ (Net Asset Method) :

bl fof/ dk lekiu fof/ eY; (Break-up Value Method) Hkh dgk tkrk gA bl i¼fr e dEiuh dh oQy lEifÙk;k dk cktkj eY; Kkr fd;k tkrk g] mle l nkf;Ro ?kVkdj tk 'k"k lEifÙk;k cprh g mls v'kk dh l[;k l Hkkx djoQ v'kk dk eY; (Value Per Share) Kkr fd;k tkrk gA

$$\text{Value of Share} = \frac{\text{Net Assets}}{\text{Numbers of Shares}}$$

'k¼ lEifÙk fof/ dh dfBukb;k—

(1) lEifÙk;k oQ mfpr eY; Kkr dju e dfBukb—lEifÙk;k mfpr eY; ij fn[kkuh pkfg,A blo0Q fy, ßkl (Depreciation), nunkjk ij lfnX/ ½.kk oQ fy, vk;kstu] oQf=ke lEifÙk;k dk 'kkfey u djuk rFkk [;kfr dk mfpr eY;kdu djoQ 'kkfey djuh pkfg,A

(2) nkf;Ro oQ eY;kdu dju e dfBukb—;fn 0;olk; e oQN lEHkkO; nkf;Ro (Contingent Liabilities) gk rk muoQ lEcU/ e Hkfo"; e dkb Hkh nkf;Ro mRiUu gku dh lEHkkouk gk rk ml nkf;Ro e 'kkfey dj yuk pkfg,A ftu nkf;Rok dk fpVB e ugh fn[kk;k x;k g mudk Hkh 'kkfey dj yuk pkfg, rFkk vk;dj oQ fy, Hkh mfpr iko/ku dj yuk pkfg,A

'k¼ lEifÙk fof/ oQ nk"k—;g fof/ v'k/kfj;k oQ fy, fujk'kkoknh nf"Vdk.k viukrh g D;kfd ;g eku dj pyrh g fd ;fn dEiuh dk lekiu gk tk, rk v'k/kjh dk viu v'kk dk D;k eY; feyxkA bl fof/ e lEifÙk;k dk Bhd&Bhd cktkj eY; Kkr djuk Hkh dfBu gA v'kk oQ eY;kdu dju e vud ?kVdk dk iHkko iMrk gA blfy, oQoy lEifÙk;k dk eY; oQ vk/kj ij gh v'kk dk eY;kdu ugh fd;k tk ldrkA

Example 1 :

Balance Sheet

Liabilities	Amount Rs.	Assets	Amount Rs.
Share Capital		Fixed	
50,000 Equity shares of Rs.		Goodwill	40,000
10 each	5,00,000	Building	1,20,000
Reserves & Surplus		Machinery	3,40,000

Reserve	50,000	Investments in Govt. Securities	50,000
Surplus	50,000	Current Assets, Loans	
Secured Loans 0%		Stock	60,000
Debentures	1,00,000	Debtors	1,30,000
Unsecured Loans	–	Cash and Bank	40,000
Current Liabilities		Misc. Expenditure	
Sundry Creditors	1,00,000	Preliminary Expenses	20,000
	8,00,000		8,00,000

Goodwill is valued at Rs. 55,000 and Buildings, at Rs. 1,60,000. Machinery is to be-depreciated by Rs. 20,000. Stock is worth Rs. 80,000 and Debtors are expected to fetch Rs. 1,10,000. Find out the value of Equity Shares.

Solution :

Calculation of Net Assets—

Net Assets = Realisable values of all assets — Outside liabilities

Realisable Value of Assets	Rs.
Goodwill	55,000
Building	1,60,000
Machinery	3,20,000
Investments	50,000
Stock	80,000
Debtors	1,10,000
Cash and Bank	40,000
Total Realisable Value	8,15,000

Less Amount Payable to outside liabilities

6% Debentures	1,00,000	
Sundry Creditors	1,00,000	
Net Assets		2,00,000
		6,15,000

Intensic Value or Value Per Share

$$= \frac{\text{Net Assets}}{\text{No. of Equity Shares}}$$

$$= \frac{6{,}15{,}000}{50{,}000} = \text{Rs. } 12.30 \text{ Per Share}$$

3.4.2 ykHkk'k vk; fof/ (Dividend Yield Method) :

ykHkk'k vk; fof/ bl eku;rk ij vk/kfjr g fd oLrk v'kk oQ fy, eY; pdku oQ fy, r;kj jgrk gA og bl ij fuHkj djrk g fd og mul fdru ykHkk'k dh vi{kk djrk gA oQrk mlh m|kx e yxh vU; dEifu;k }kjk nh tku okyh ykHkk'k dh nj l ryuk djrk g vkj fu.k; djrk g fd fdl dEiuh oQ v'k oQ; djuk ykHkin jgxkA l=k oQ :i e bldk bl idkj idV fd;k tk ldrk gA

$$\text{Dividend Yield} \frac{\text{Dividend}}{\text{Market Price}} \times 100$$

Example -II

A company has declared a dividend of 30% on its equity shares of Rs. 100 each Rs. 90 paid up. Normal rate of return is 15%. Ascertain the value of share.

$$\text{Value of Share} = \frac{\text{Rate of Dividend}}{\text{Normal Rate}} \times \text{paid up value of share}$$

$$= \frac{30}{15} \times 90 = \text{Rs. 180 Per share}$$

3.4.3 miktu {kerk fof/ (Earning Capacity Method) :

bl fof/ e v'kk dk eY;kdu bl vk/kj ij djr g fd dEiuh dk 0;olk; Hkfo"; e pyrk jgxkA ble v'k oQrk yHkk'k dh nj dh rjiQ è;ku u ndj dEiuh dh yHkkiktu {kerk e vf/d #fp j[kr gA bl fof/ e v'kk dk eY;kdu bl idkj fd;k tkrk gA

$$\text{Value of Share} = \frac{\text{Rate of Earnings}}{\text{Normal Rate of Return}} \times \text{paid up value of share}$$

vk; dh nj l vfHkik; vuekfur Hkkoh yHkk (Estimated Future Earnings) dh fu;kftr iwath ij nj l gA

$$\text{Rate of Earning} = \frac{\text{Estimated Future Earnings}}{\text{Capital Employed}} \times 100$$

fu;kftr iwath l vfHkik; v'kk oQ eY;kdu oQ fy; nk vFkk e i;kx fd;k tkrk gA

1. **ldy fu;kftr iwath (Gross Capital Employed) :** bl fof/ e leLr lEifÙk;k oQ cktkj eY; dk tkMk tkrk g vkj mle l fdlh Hkh idkj oQ nkf;Ro dk ?kVk;k ugh tkrk gA

2. **'k¼ fu;kftr iwath (Net Capital Employed) :** 'k¼ fu;kftr iwath oQ fy, lEifÙk;k oQ cktkj eY; e py nkf;Rok (Current liabilities) dk ?kVk;k tkrk gA

l{ki e]

Gross Capital Employed = All assets at market value (liabilities are not deducted)

Net Capital Employed = All assets at market value less current liabilities.

Example -III

Balance Sheet

Liabilities	Rs.	Assets	Rs.
60,000 Equity Shares of Rs. 10 each	6,00,000	Assets (including goodwill)	10,00,000
Reserves and Surplus	1,40,000		
10% Debentures	1,50,000		
Current Liabilities	1,10,000		
	10,00,000		10,00,000

lEifÙk;k e l vk/h dk ckt kj eY; 20% vf/d gA dEiuh vklru 3,66,000 #- okf"kd ykHk ½.k&i=kk dk C;kt nu oQ ckn ijUr dj nu l igy dekrh gA ,lh dEifu;k e vk; dh lkekU; nj 12% gA vk;&dj dh nj 50% ekfu,A

The market value of half of the assets is 20% higher. The company earns a profit of Rs. 3,68,000 p.a. after interest on debentures but before tax. 12% is the normal rate of return in such companies. Assume income-tax at 50%. Calculate the value of Equity share.

Solution :

(i) Calculation of Profit Earned :

	Rs
Annual Profits	3,65,000
Less : Income-tax (50% on Rs. 368,000)	1,83,000
Profit after tax	1,83,000
Add : Interest on Debentures, i.e., 10% on Rs. 1,50,000	15,000
Profit earned after tax, but before interest	1,98,000

(ii) Calculation of Capital Employed :

Assets at Market Value if any otherwise at Book value :	
Assets as per balance Sheet	10,00,000
Add Increase in marked value 20% of Rs. 5,00,000	1,00,000
	11,00,000
Gross capital employed	
Less : Current liabilities	1,10,000
Net Capital employed	9,90,000

(iii) Rate of Earnings $= \dfrac{\text{Profit earned}}{\text{Net capital employed}} \times 100$

$$= \frac{1,98,000}{9,90,000} \times 100 = 20\%$$

(iv) Value of Shre $= \dfrac{\text{Rate of earnings}}{\text{Normal rate of returns}} \times \text{Paid up value of share}$

$$= \frac{20\%}{12\%} \times 10 = \text{Rs. } 16.67 \text{ per share}$$

fVIif.k;k % 1. bl fof/ e v'kk dk eY;kdu dju oQ fy, tk ykHk fy, tkr g o djk oQ i'pkr ijUr C;kt rFkk iokf/dkj ykHkk'k l io oQ fy, tkr g] vr% ½.k&i=kk oQ C;kt dk ykHkk e okil tkM fn;k x;k gA

2. 'k¼ fofu;kftr iWth oQ fy, oQoy pky nkf;Rok (Current Liabilities) dk ?kVk;k tkrk g] vr% ½.k&i=kk dk ugh ?kVk;k x;k gA

(4) fu"d"k (Summary) :

[;kfr o v'kk oQ eY;kadu dh vud vo/kj.kk ij vko';drk iMrh gA nkuk oQ eY;kadu dk vud rÙo iHkkfor djr gA [;kfr o v'kk oQ eY;kadu dh db fofèk;k g tkfd fofHkUu ifjfLFkfr;k oQ vuqlkj viukb tk ldrh gA iR;d fof/ oQ viu ykHk o gkfu gA mfpr fof/ dk puko cgr gh egÙoi.k g rkfd lgh [;kfr o v'kk dk eY;kadu fd;k tk ldA

(5) iLrkfor iLroQ (Suggested Readings) :

(1) Corporate Accounting By

Dr. R.K. Mittal

R.S./ Singal

(2) Corporate Accounting By

S.P. Jain

(3) Advanced Account By R.C. Gupta

(6) ueuk oQ fy, i'u (Sample Questions) :

(1) [;kfr oQ eY;kadu l vki D;k le>r g \ [;kfr oQ eY;kadu oQ fy, i;kx e ykb tku okyh fof/;k dk o.ku dhft,A

(2) mfpr mnkgj.k lfgr i thdj.k fof/ dh O;k[;k dhft,A

(3) v'kk oQ eY;kadu dh vko';drk dk le>kb;A mu rRok dk Hkh o.ku dhft, tk v'kk oQ eY;kadu dk iHkkfor djr gA

(4) v'kk oQ eY;kadu dh fofHkUu fof/;k dk mYy[k dhft,A miktu—{kerk fof/ dk mnkgj.k lfgr mYy[k dhft,A

(6) ,Dl fyfeVM] okb fyfeVM oQ O;olk; dk oQ; djuk pkgrh gA okb fyfeVM oQ fiNy pkj o"kk oQ ykHk oQe'k% 35,000 #-] 60,000 #-] 50,000 #- vkj 55,000 #- FkA

vkidk lfpr fd;k x;k g fd 4,000 #- okf"kd fdjk;k vkj 2,000 #- ekfld icUèkd dk oru] tk okb fyfeVM oQ ykHkk l dkVk x;k g] ,Dl fyfeVM dk ugh pdkuk iMxkA

okb fyfeVM dh vkIr fofu;kftr i th 6,00,000 #- Fkh vkj bl idkj oQ O;olk; e lkekU; ifriQy dh nj 10% FkhA

i thdj.k fof/ }kjk [;kfr oQ eY; dh x.kuk dhft,A

X Limited wants to purchase the business of Y Limited Profits of Y Limited for the past four years were Rs. 35,000; Rs. 60,000; Rs. 50,000 and Rs. 55,000 respectively.

You are informed that rent @ Rs. 4,000 p.a. and manager's salary @ Rs. 2,000 per month which have been charged against profit of Y Limited will not be paid by X Limited.

Average Capital employed by Y Limited was Rs. 6,00,000 and normal rate of return for this type of business was 10%.

Calculate the value of goodwill by capitalisation method.

(6) ,d O;olk;h }kjk lpkfyr O;olk; oQ lEcU/ e fuEufyf[kr fooj.k miyC/ g—

(i) fofu;kftr iwth 1,00,000 #-_ (ii) O;kikfjd ifj.kke % 1981 ykHk 30,000 #-_ 1982 gkfu 10,000 #-_ 1983 ykHk 35,000 #-_ 1984 ykHk 25,000 #-_ (iii) fofu;ktu ij C;kt dh cktkj nj 10%; (iv) tkf[ke dk ijk djus oQ fy, O;olk; e fofu;kftr iwth ij ifriQy dh nj 2%; vkj (v) O;olk; oQ Lokeh dk odfYid jktxkj l ikfjJfed (;fn og bl O;olk; e dk;j ugh djrk g)A 10,000 #- okf"kd_ (vi) o"k 1982 e ck< oQ dkj.k gb {kfr oQ 46,000 #- ykHk&gkfu [kkr e MfcV dj fn, x, gA vki xr pkj o"kk oQ vkSlr ykHk ij fudky x, O;olk; oQ vf/ykHkk e N% xuk oQ vk/kj ij [;kfr dh x.kuk dhft,A

The following particulars are available in respect of the business carried on by arader (i) capital employed Rs. 1,00,000, (ii) Trading results : 1981 profit Rs. 30,000; 1982 loss Rs. 10,000; 1983 profit Rs. 35,000; 1984 Rs. 25,000. (iii) Market rate of interest on investments 10%, (iv) Rate of risk return on capital invested in business 2%, and (v) Remuneration trom alternative employment of the proprietor (if not engaged in business) Rs. 10,000 p.a. (vi) Loss on Rs. 46,000 on account of Bood in 1982 has been charged to Profit and Loss Account.

You are required to compute the value of goodwill on the basis of 6 years purchased of super profits of the business calculated on the average profits of the last 4 years.

(7) vki , fyfeVM oQ v'kk dk [kjhnuk pkgr gA 30 tu] 1998 dk dEiuh dk fpVBk bl idkj g (You want to buy the shares of A Limited. The Balance Sheet of the company as at 30th June, 1998 is as follows)

Liabilities	Rs.	Assets		Rs.
Equity Share Capital in	12,00,000	Fixed Assets :		Rs.
shares of Rs. 100 each		cost	20,00,000	
Reserves and Surplus	2,50,000	Less : Depreciation	5,40,000	14,60,000
Sundry Creditors	5,00,000	Investments 5% Securities		1,20,000
Provision for Taxation	1,43,000	Current Assets		5,40,000
Outstanding Expenses	60,000	Prellminary Expenses		33,000
	21,53,000			21,53,000

dj oQ fy, vk;ktu bl o"k oQ fy, g] ;g 'kq¼ ykHk oQ 55 : dh nj l gA bl m|kx e 'kq¼ fu;kftr iwth ij lkekU; vk; 10% gA v'kk dk eY; Kkr dhft,A

The provision for taxation is for current year and is @ 55% of the net profits. Return on net capital employed in this industry is 10%. Assertain the value of share.

(8) Following is the Balance Sheet of A/s Victory Machines Limited as on 30th September, 1995 :

Balance Sheet

Liabilities	Rs.	Assets	Rs.
30,000 Equity Shares of	3,00,000	Freehold Properly	1,20,000
Rs. 10 each fully paid		Plant	50,000

Reserves and Surplus			Stock	3,10,000
General Reserve		1,20,000	Debetors	2,03,000
Capital Reserve	40,000		Bank	1,17,000
Profit and Loss A/c	1,20,000	2,60,000	Cash	1,700
Creditors		93,700		
Income-tax Payable		11,500		
Provision for income-rax		82000		
Proposed Dividend		34,500		
		8,01,700		8,01,700

fiNy lekIr rhu o"kk dk 'k¼ ykHk (vk;dj l io) fuEufyf[kr idkj g % 30 flrEcj] 1993 dk 1,38,000 j0-_ 30 flrEcj] 1994 dk 1,83,000 j0-_ vkj 30 flrEcj] 1995 dk 1,97,000 j0- FkkA iQhgkYM lEifÙk dk 1995 e 1,60,000 j0- e eY;kfdr fd;k x;kA bl idkj o0 0;kikj e fofu;kftr iwth ij 15 ifr'kr vklr iR;k; nj gA

mi;Dr fyf[kr rF;k d vk/kj ij vki] iR;d v'k dk eY; fudkfy,A

Net Proft (before Taxation) for the last three year are : Year ended 30th September, 1993Rs. 1,38,000, 30th September, 1994 Rs. 1,83,000 and 30th September, 1995 Rs. 1,97,000. Freeheld property was value of early in 1995 at Rs. 1,60,000. Average yield in this type of business is 15 percent on capital employed.

You are required to find out the value of each equity share on the basis of above mentioned facts.

BC 202 : Corporate Accounting

Lesson No. : 6 **Revised by: Pawan Singla**

dEifu;k dk ,dhdj.k rFkk vkUrfjd iufuek.k

(Amalgamation and Internal Reconstruction at Companies)

Structure :

(1) ifjp;

(2) mí';

(3) fo"k;&lkexh dk iLrrhdj.k

3.1 ,dhdj.k] lfo/ku vkj ckä iufuek.k dk y[kkdu

3.1.1. ,dhdj.k] lfo/ku vkj cká iufuek.k dk vFk

3.1.2. y[kkdu ieki AS-14, ub i¼fr

3.1.2.1. foy; dh iÑfr dk ,dhdj.k

3.1.2.2. Ø; dh iÑfr dk ,dhdj.k

3.1.2.3. foy; dh iÑfr ,o Ø; dh iÑfr e vUrj

3.1.2.4. y[kkdu ieki

3.2. Ø; ifriQy

3.2.1. ,d e'r Hkxrku fof/

3.2.2. 'k¼ Hkxrku fof/

3.2.3. 'k¼ lEifÙk fof/

3.2.4. v'k fofue; fof/

3.3. gLrkj.k dju okyh dEiuh dh iLrdk e ifof"V;k

3.4. gLrkrj.k iku okyh dEiuh dh iLrdk e ifof"V;k

3.4.1. fgr ,dhdj.k fof/

3.4.2. Ø; fof/

3.5. dEifu;k dk vkUrfjd iufuek.k

3.5.1. v'ki th e ifjoru

3.5.2. vkUrfjd iufuek.k oQ mí';

3.5.3. iath e deh djuk

3.5.4. y[kkdu fof/

(4) fu"d"k

(5) iLrkfor iLroQ

(6) ueu oQ fy, i'u

(1) ifjp; (Introduction)

dHkh&dHkh ,d tSls O;olk; djus okyh dEifu;k vf/d mRiknu dh ferO;f;rk vkfn dk ykHk ikus dh izR;sd ,d&nwljs izfrLi/kZ feyus ls cpus ds fy, ,d nwljs ls fey tkrh gSa A ,sls ,dhdj.k rFkk lfoyu esa }kjk fd;k tk jgk gSA vf/d oru okys fo'ks"kKksa dh lsok dk ykHk yus esa fy,] cktkj ij cgrj fu;U=k.k djus esa fy, ,dhdj.k tSlh i¼fr;k dk viuk;k tkrk gSA

(2) mís'; (Objective)

bl vè;k; ls vkidks fuEu rF;ksa esa ckjs esa tkudkjh feyxh—

(1) ,dhdj.k] lfoy;u vkSj ckã iquZfuekZ.k dk vFkZ o y[kkdu iz.kkyh dh ubZ i¼frA

(2) Ø; izfrQy dh fdlh izdkj x.kuk dh tk ldrh gSA

(3) gLrkarj.k djus okyh o gLrkarj.k ikus okyh dEifu;ksa dh iLrdksa esa y[kk eSa fd, tkrs gSA

(4) dEifu;ksa dk vkUrfjd iquZfuekZ.k fdl izdkj ls fd;k tk ldrk gS vkSj dEiuh vfèkfu;e 1956 esa vUrxZr vkUrfjd iquZfuekZ.k esa D;k izko/ku gSA

(3) fo"k;&lkexh dk iLrqrhdj.k (Presentation of Content)

vè;k; dh fo"k;&lkexh dk iLrqrhdj.k fuEu izdkj ls gS—

3.1. ,dhdj.k] lfoy;u vkSj ckã iquZfuekZ.k dk y[kkdu (Accounting for Amalgamation, Absorption and External Reconstruction)

cMs iSekus ij mRiknu djus dh cpr ikus dks vkSj vkil h izfrLi¼kZ lekIr djus ds mís'; ls dbZ ckj leku iÑfr dk O;olk; djus okyh dEifu;k vkil esa ,dhÑr gks tkrh gSa vFkok l;kftr gks tkrh gSA vkSj] 1995 ls igys bl lEcU/ esa i;kZIr fd, tkus okys ,dhdj.k] lfoy;u vkSj iquZfuekZ.k 'kCn dk fuEufyf[kr vFkZ yxk;k tkrk FkkA—

3.1.1. ,dhdj.k] lfoy;u vkSj iquZfuekZ.k dk vFkZ

,dhdj.k (Amalgamation)—tc leku iÑfr dk O;olk; djus okyh nks ;k nks ls vfèkd dEifu;k vkil esa feydj ,d ubZ dEiuh dk fuekZ.k djus yxrh rks bls ,dhdj.k dgk tkrk gSA mnkgj.k esa fy,] lh fyfeVsM dk fuekZ.k ,] fyfeVsM vkSj ch fyfeVsM dk O;olk; Ø; djus esa fy, fd;k tkrk gS rks bls ,dhdj.k dgxsA

lfoy;u (Absorption)—tc ,d fo|eku dEiuh fdlh vU; fo|eku dEiuh esa O;olk; dk [kjhn ysrh rks bls lfoy;u dgxsA mnkgj.k esa fy, , fyfeVsM }kjk ch fyfeVsM esa O;olk; dk [kjhn fy;k tkrk gS rks bls lfoy;u dgk tkrk gSA

iquZfuekZ.k (Reconstruction)—blds mís'; dEifu;ksa dk vkil esa feyuk ugha gSA cfYd ,d ,slh dEiuh }kjk ftlsa cgr vf/d gkfu;k gks pqdh g] bu gkfu;ksa dk vifyf[kr djus gsrq Lo; dk iqu% lxfBr djuk gSA iquZfuekZ.k nks izdkj dk gks ldrk gS—I. ckã iquZfuekZ.k] II. vkUrfjd iquZfuekZ.kA

1. ckã iquZfuekZ.k (External Reconstruction)—,d ,slh fo|eku dEiuh ftlsa cgr gkfu;k gks pqdh g] esa O;olk; dk ubZ LFkkfir dEiuh }kjk [kjhn yuk ckã iquZfuekZ.k dgykrk g] ub dEiuh dk uke ijkuh dEiuh oQ uke ls dkiQh feyrk tyrk gkrk g vkj bloQ v'k/kjh Hkh ik;% ogh gkr g] tks fd ijkuh dEiuh oQ FkA

2. vkUrfjd iufuekZ.k dk fooj.k vyx vè;k; e fn;k x;k gA

3.1.2. y[kkdu iekuk AS-14 ub i¼fr (Accounting Standard AS-14 New Approach)

mi;Dr vo/kj.kkvk oQ y[kkdj.k dk nh bULVhVP;V vkiQ pkVM ,dkmUVVl vkiQ bf.M;k }kjk fuxfer y[kkdu ieki 14(AS 14) ^,dhdj.k gr y[kkdu* }kjk l'kkf/r fd;k tk pdk gA ;g y[kkdu ieki 1–4–1995 ,o blo ckn ikjEHk gku okyh y[kkdu vof/;k oQ fy, vfuok;Z :i l ykxw gkxA

ifjHkk"kk,

bl y[kkdu ieki e fuEufyf[kr 'kCnk dh O;k[;k bl idkj dh xb g—

1. gLrkrj.k dju okyh dEiuh (Transfer Company) vFkkr gLrkrjd dEiuh ftldk nljh dEiuh e ,dhdj.k gk tkrk gA

2. gLrkrj.k iku oky dEiuh (Transferee Company) vFkkr gLrkrjh dEiuh ftle nljh dEiuh dk ,dhdj.k gk tkrk gA

3. ,dhdj.k (Amalgamation) u, ieki oQ vulkj y[kkdu dh nf"V l ,dhdj.k nk idkj dk gk ldrk gA

1. foy; dh iÑfr dk ,dhdj.k (Amalgamation in the Nature of Merger)

2. Ø; dh iÑfr dk ,dhdj.k (Amalgamation in the Nature of Purchase)

3.1.2.1 foy; dh iÑfr dk ,dhdj.k (Amalgamation in the Nature of Merger)

foy; dh iÑfr dk ,dhdj.k ml le; ekuk tkrk g] tc fuEufyf[kr 'kr ijh gk tk,—

1. gLrkrj.k dju okyh dEiuh dh lHkh lEifÙk;k ,o nkf;Ro ,dhdj.k oQ i'pkr gLrkrj.k iku okyh dEiuh dh lEifÙk;k ,o nkf;Ro cu tkr gA

2. gLrkrj.k dju okyh dEiuh oQ lerk v'kk oQ vfdr eY; oQ de l de 90 ifr'kr v'k j[ku oky v'k/kjh gLrkrj.k iku okyh dEiuh oQ v'k/kjh cu tkr g ijUr bl 90 ifr'kr dh x.kuk djr le; og v'k NkM fn;k tk,xk tk ,dhdj.k l io gh gLrkrj.k iku okyh dEiuh vFkok mldh lgk;d dEifu;k vFkok muoQ ukekfdrk (their nominees) oQ ikl FkA

3. bLrkrj.k dju okyh dEiuh oQ og lerk v'k/kjh tk fd gLrkrj.k dju okyh dEiuh oQ lerk v'k/kjh cuu dk lger gk tkr g] mUg ,dhdj.k oQ ifj.kkeLo:i tk ifriQy iklr gkrk g] og i.krk gLrkrj.k iku okyh dEiuh oQ lerk v'k fuxfer djoQ pdk;k x;k gk] flok; blo fd vkf'kd v'kk (Fractional Shares) dk udn e Hkxrku fd;k tk,A

4. ,dhdj.k oQ ckn gLrkrj.k iku okyh dEiuh dk gLrkrj.k dju okyh dEiuh dk O;olk; dk pky j[ku dk bjknk gkA

5. gLrkrj.k dju okyh dEiuh dh lEifÙk;k ,o nkf;Rok dk gLrkrj.k iku okyh dEiuh oQ foÙkh; fooj.kk e 'kkfey djr le; buoQ iLrdh; eY; e fdlh Hkh idkj oQ lek;kstu dk bjknk u gk] flok; blo fd y[kkdu uhfr;k e ,d:irk ykus oQ fy, ,lk djuk vko';d gkA

3.1.2.2. Ø; dh iÑfr dk ,dhdj.k (Amalgamation in the Nature of Purchase)

tc Åij of.kr 'krks ea ls ,d ;k vf/kd 'krsa iwjh ugha gksrh g] rc ,dhdj.k Ø; dh iÑfr dk ekuk tk,xkA mnkgj.k oQ fy,] , fyfeVsM] ch fyfeVsM oQ 0;olk; dk pkyw u j[ku oQ bjkns ls [kjhnrh gSA

3.1.2.3. foy; dh iÑfr ,oa Ø; dh iÑfr oQ ,dhdj.k esa vUrj

foy; dh iÑfr dk ,dhdj.k (Amalgamation in the nature of Merger)	Ø; dh iÑfr dk ,dhdj.k (Amalgamation in the nature of Purchase)
1. blesa gLrkarj.k djus okyh dEiuh dh u oQoy lEifÙk;k¡ ,oa nkf;Ro dk gh cfYd mlo lerk v'k/kfj;ka oQ fgrka dk Hkh okLrfod foy; gksrk g vkSj gLrkarj.k djus okyh dEiuh oQ lerk v'k/kjh] gLrkarj.k iku okyh dEiuh dh lerk] v'kksa ijh vkSj iwoZ/ esa i;kIr vFkok vkuikfrd fgLlk iklr dj yrs gSA	blesa ,d dEiuh nlwjh dEiuh dk Ø; djrh gSA vr% gLrkarj.k djus okyh dEiuh oQ lerk v'k/kkjh gLrkarj.k iku okyh dEiuh dh lerk v'kksa ijh vkSj iwoZ/ esa i;kIr vFkok vkuikfrd fgLlk iklr ugha djrsA
2. blesa gLrkarj.k djus okyh dEiuh dh lEifÙk;ka] nkf;Rok ,oa lap;ksa dk gLrkarj.k iku okyh dEiuh dh iLrdksa esa buoQ oreku iLrdh; eY; ij gh fy[kk tkrk gSA	blesa gLrkarj.k djus okyh dEiuh dh lEifÙk;ka ,oa nkf;Roksa dk gLrkarj.k iku okyh dEiuh dh iLrdksa esa buoQ okLrfod vFkok la'kksfèkr eY; ij fy[kk tkrk gSA
3. blesa gLrkarj.k djus okyh dEiuh oQ ykHk gkfu [kkrs oQ 'ks"k ,oa lap;ksa dk (pkgs os ithxr gksa ;k vk;xr) Øe'k% gLrkarj.k iku okyh dEiuh oQ ykHk gkfu [kkrs oQ 'ks"k ,oa lap;ksa esa tksM+ fn;k tkrk gSA	blesa gLrkarj.k djus okyh dEiuh oQ ykHk gkfu [kkrs oQ 'ks"k ,oa lap;ksa dk (oèkkfud lap;ksa dks NksM+dj) gLrkarj.k iku okyh dEiuh dh iLrdksa esa 'kkfey ugha fd;k tkrk gSA
4. blesa gLrkarj.k djus okyh dEiuh oQ 0;olk; dk pkyw j[kus dh bPNk gksrh gSA	blesa gLrkarj.k djus okyh dEiuh oQ 0;olk; dk pkyw j[kus dh bPNk ugha gksrh gSA

3.1.2.4. ys[kkdu iekiu

14(A5 – 14) oQ vuqlkj ys[kkdu oQ mís';ksa ls ,dhdj.k] lfoy;u rFkk cká iufuekZ.k esa dksbZ vUrj ugha g] ijUrq ys[kkdu ls lEcfU/r 0;ogkfjd i'uksa dk gy djus ls igys fo|kfFk;ksa dks fuEufyf[kr egRoi.kZ 'kCnksa (Terms) dk Kku gksuk vko';d g—

1. lEifÙk;k Ø; dh (Assets Purchased) dk vFkZ g fd gLrkarj.k iku okyh dEiuh oQ jkdM+ lfgr lHkh lEifÙk;k Ø; dh g] ijUrq nkf;Ro ugha fy, gSA
2. 0;olk; Ø; fd;k (Business Purchased) dk vFkZ g fd gLrkarj.k iku okyh deiuh u jkdM+ lfgr lHkh lEifÙk;k ,oa nkf;Ro Ø; fd; gSA

3. nkf;Ro fy, (Liabilities Taken) dk vFk g fd gLrkrj.k iku okyh dEiuh u fooQrk dEiuh oQ lHkh nkf;Ro (ith ,o LorU=k lp; nkf;Rok e 'kkfey ugh gkr) dk fy;k gA

4. 0;kikfjd nkf;Ro fy, (Trade Liabilities Taken) dk vFk g fd gLrkrj.k iku okyh dEiuh u fooQrk dEiuh oQ oQoy 0;kikfjd yunkj vkj n; fcy fy, gA

5. lfpr ykHk rFkk eDr ykHk (Accumulated Profit and Free Reserves) ,l lp; gkr g] ftu ij lerk v'k/kfj;k dk vf/dkj gkrk gA vr% gLrkrj.k dju okyh dEiuh dh iLrdk e fn, x, ,l lp;k dk bl dEiuh oQ lerk v'k/kfj;k oQ [kkr e muoQ ykHk&gkfu vuikr e oQfMV dj fn;k tkrk gA

6. lfpr gkfu;k (Accumulated Losses)—ftl idkj lfpr ykHkk ij lerk v'kèkkfj;k dk vf/dkj gkrk g] mlh idkj l lfpr gkfu;k Hkh lerk v'k/kfj;k dk okgu djuh iMrh gA vr% gLrkrj.k dju okyh dEiuh dh iLrdk e nh xb ,lh gkfu;k dk bl dEiuh oQ lerk v'kèkkfj;k oQ [kkr e muoQ ykHk&gkfu vuikr e MfcV dj fn;k tkrk gA

7. dEiuh oQ fLFkfr fooj.k e lEifÙk;k l lEcfU/r oQN vk;ktu fn, gkr g] tl ákl oQ fy, vk;ktu] lfnX/ ½.kk oQ fy, vk;ktu vkfnA ,l vk;ktu db ckj nkf;Ro i{k e fn, gkr g vkj db ckj lEifÙk i{k e lEcfU/r lEifÙk l ?kVkdj fn[kk, x, gkr gA fdlh lEifÙk l lEcfU/r vk;ktu dk oQoy mlh le; olyh [kkr e gLrkfjr djx tc ml lEifÙk dk olyh [kkr e gLrkfjr fd;k x;k gkA

3.2 Ø; ifriQy (Purchase Consideration)

Ø; ifriQy og l[;k g tk gLrkrj.k dju okyh dEiuh dk 0;olk; Ø; dju gr gLrkrj.k iku okyh dEiuh }kjk pdk;k tkrk g] bl Ø; ifriQy dk vk'k; gLrkrj.k dju okyh dEiuh oQ v'k/kfj;k dk fuxfer v'kk] vU; ifrHkfr;k ,o udn e fy, x, Hkxrku oQ ;kx l g ijUr ck/k nkf;Rok ,o ½.k i=kk dh jkf'k dk Ø; ifriQy e 'kkfey ugh fd;k tk,xkA Ø; ifriQy Kkr dju dh fuEufyf[kr pkj fof/;k g—

- ,d e'r Hkxrku fof/ (Lump Sum Payment Method)
- 'k¼ Hkxrku fof/ (Net Payment Method)
- 'k¼ lEifÙk fof/ (Net Assets Method)
- v'k fofue; fof/ (Share Exchange Method)

3.2.1. ,d e'r Hkxrku fof/

tc Ø; ifriQy Li"V :i l i'u e fn;k gk rk bldh x.kuk dju dh vko';drk ugh gkrhA mnkgj.k oQ fy, , fyfeVM ch fyfeVM d 0;olk; dk 30 yk[k #i; e [kjhnu dk lger gkrh g rk Ø; ifriQy 30 yk[k #i; gvk tk gLrkrj.k dju okyh dEiuh oQ v'k/kfj;k dk v'kk] udn ;k fdlh vU; fuf'pr :i e fn;k tk,xkA

3.2.2. 'k¼ Hkxrku fof/ (Net Payment Method)

bl fof/ oQ vUrxr Ø; ifriQy dh x.kuk djr le; fuEufyf[kr ckrk dk è;ku j[kuk gkxk—

1. gLrkrj.k dju okyh dEiuh oQ v'k/kfj;k (lerk vkj iokf/dkjh) dk ifriQy Hkxrku e fn, tku oky v'kk] ½.k i=kk rFkk udnh dk Ø; ifriQy e 'kkfey fd;k tkrk gA

2. ½.k i=k/kfj;k vkj vU; ckáa nkf;Roks dk fd;k x;k Hkxrku Ø; ifrQy e 'kkfey ugh fd;k g] D;kfd ;g eku fy;k tkrk g fd bu nkf;Roks dk Hkxrku gLrkrj.k iku okyh dEiuh }kjk lh/k dj fn;k x;k gA

3. ;fn gLrkrj.k iku okyh dEiuh u gLrkrj.k dju okyh dEiuh oQ leLr O;;k dk Hkxrku fd;k g ;k O;;k oQ Hkxrku gr dkb jkf'k nh g rk Hkh bl Ø; ifrQy e 'kkfey ugh fd;k tk,xkA

3.2.3. 'k¼ lEifÙk fof/ (Net Payment Method)

;fn i'u e Ø; ifrQy gr feyu okyk Hkxrku fooj.k v/j fn;k gk rk ,lh fLFkfr e Ø; ifrQy dh x.kuk 'k¼ lEifÙk fof/ l dh tk,xh & tl i'u e fn;k gvk g fd , fyfeVM u ch fyfeVM oQ O;olk; dk Ø; fd;k vkj Hkxrku e 10 yk[k #i; oQ v'k vkj 'k"k jkf'k udn nhA ,lh fLFkfr e 'k¼ Hkxrku fof/ dk i;kx ugh fd;k tk ldrk D;kfd udn nh xb jkf'k vKkr gA vr% 'k¼ lEifÙk fof/ dk i;kx djuk gkxkA

l 'k¼ lEifÙk fof/ dk i;kx djuk

'k¼ lEifÙk fof/ d vUrxr Ø; ifrQy dh x.kuk gLrkrj.k iku okyh dEiuh }kjk gLrkrj.k dju okyh dEiuh dh yh xb lEifÙk;k vkj nkf;Roks oQ lger eY; (Agreed Value) oQ vUrj oQ vk/kj ij dh tkrh g—

Purchase Consideration

= Sundry Assets (Taken over by transferee Company at agreed Value)

– Sundry liabilities (taken over by transferee Company at an agreeed value)

bl fof/ l Ø; eY; dh x.kuk djr le; fuEufyf[kr ckrk dk è;ku j[kuk pkfg,A

1. oQoy mUgh lEifÙk;k ,o nkf;Roks oQ lger eY; dk è;ku e j[kuk g] ftUg gLrkrj.k iku okyh dEiuh y jgh gA

2. Ñf=ke lEifÙk;k (Fictitious Assets) tl ikjfEHkd O;; (Preliminary Expenses) ykHk gkfu [kkr dk MfoV 'k"k] v'kk o ½.k i=kk oQ fuxeu O;; vkfn dk lEifÙk;k e 'kkfey ugh fd;k tkrk g cfYd bUg lh/k gLrkrfjr dju okyh dEiuh oQ lerk v'k/kfj;k oQ [kkr e MfcV dj fn;k tkrk gA

3. lEifÙk;k e jkdM o cd 'k"k lfgr dk 'kkfey fd;k tkrk g] tc rd i'u e Li"V rkj ij ;g u fy[kk gk fd jkdM o cd 'k"k dk ugh fy;k x;k gA blh idkj vn'; lEifÙk;k (Intamfible Assets) tl [;kfr] iVUV] VM ekoQ oQ lger eY; vkj iokfnr O;; o lEifÙk;k e tkMk tk,xkA

3.2.4. v'k fofue; fof/ (Share Exchange Method)

tc gLrkrj.k dju okyh dEiuh dk v'k/kfj;k dh gLrkrj.k iku okyh dEiuh viu v'k fdlh fuf'pr vuikr e tkjh djrh g rk ,lh fLFkfr e fofue; vuikr v'kk oQ ckt+kj eY; ;k vkUrfjd eY; oQ vk/kj ij dh tkrh g] v'kk dk vkUrfjd eY; (Instrinsic Value) dEiuh dh 'k¼ lEifÙk;k (lEifÙk;k & ckáa nkf;Ro) dk mu dEiuh dh ikflr iath oQ v'kk dh l[;k l Hkkx ndj Kkr fd;k tkrk g rFkk Ø; ifrQy dk fu/kj.k v'kk oQ vkUrfjd eY; dk ikflr iath oQ v'kk dh l[;k l x.kk djoQ Kkr fd;k tkrk gA vr% bl fof/ dh vkUrfjd eY; fofèk (Instrinsic Worth Method) oQ uke l Hkh tkuk tkrk gA mnkgj.k oQ fy,] , fyfeVM ch fyfeVM dk 0;olk; Ø; djrh g vkj , fyfeVM oQ v'kk dk vkUrfjd eY; 30 #i; g rFkk ch fyfeVM oQ v'kk dk vkUrfjd eY; 20 #i; fudyrk g vkj ch fyfeVM dh ikfIr ith 10 #i; oky 40,000 v'kk e foHkkftr g rk Ø; ifriQy 40,000 × 20 = 8,00,000 #i; gkxk vkj ;fn , fyfeVM] ch fyfeVM oQ v'k/kfj;k dk Ø; ifriQy dk Hkxrku 2,00,000 #i; uxn e vkj ckdh viu v'k ndj djrh g rk , fyfeVM 20,000 v'k

$\left(\frac{8,00,000-2,00,000}{30}\right)$ fuxfer djxhA

3.3 gLrkrj.k dju okyh dEiuh dh iLrdk e ifof"V;k
(Entries in the books of Transferor Company)

nkuk idkj oQ ,dhdj.kk (foy; dh iÑfr ,o Ø; dh iÑfr oQ ,dhdj.k) e gLrkrj.k dju okyh dEiuh dh iLrdk e y[kkdu ifØ;k ,d tlh g D;kfd nkuk dh fLFkfr;k e gLrkrj.k dju okyh dEiuh dk vfLrRo lekIr gk tkrk g vkj bl dEiuh dk viu lHkh [kkr cUn dju iMr gA lEifr;k ,o nkf;Rok oQ gLrkrj.k vFkok foØ; oQ iQyLo:i g, ykHk gkfu dk Kkr dju gr ,d olyh [kkrk (Realisation) Bhd mlh idkj [kkyk tkrk g] tl—lk>nkjh iQe oQ lekiu ij [kkyk tkrk g] gLrkrj.k dju okyh dEiuh oQ [kkr cUn dju gr fuEufyf[kr ifof"V;k dh tkrh g—

1. fLFkfr fooj.k e nh xbZ lHkh lEifÙk;k (Ñf=ke lEifÙk;k dk NkMdj) dk olyh [kkr e muoQ iLrdh; eY; ij gLrkrfjr dju ij—

   Realisation Account Dr.

   To Sundry Assets (Individually)

   ukV %

   1. i'u e Li"V rkj ij ;g fy[kk g fd gLrkrj.k iku okyh dEiuh u udn vkj cd 'k"k ugh fy[kk g rk bUg olyh [kkr e gLrkrfjr u djA
   2. Ñf=ke lEifÙk;k vFkkr lfpr gkfu;k ftudk o.ku igy nh xbZ rkfydk e fd;k x;k g] rk olyh [kkr e gLrkrfjr u djoQ lerk v'k/kfj;k oQ [kkr e muoQ ykHk&gkfu vuikr e MfcV dj nA
   3. vn'; lEifÙk;k tl [;kfr] 0;kikj fpUg] ,dLo vf/dkj (Patent Rights) ionÙk 0;; vkfn dk olyh [kkr e vo'; gLrkrfjr djA
   4. ;fn fLFkfr fooj.k e fdlh lEifÙk dk vk;ktu fn;k x;k g rk lEifÙk dk ldy eY; ij olyh [kkr oQ MfcV e rFkk bloQ vk;ktu dk oQfMV e gLrkrfjr djA

2. gLrkrj.k iku okyh dEiuh }kjk fy, x, lHkh nkf;Rok dk buoQ iLrdh; eY; ij olyh [kkr e gLrkrfjr dju ij—

   Liabilities A/c (Individual) Dr.

   To Realisation A/c

   ukV %

   1. gLrkrj.k iku okyh dEiuh }kjk lHkh nkf;Rok dk fy;k x;k ekudj olyh [kkr e gLrkrfjr fd;k tk,xkA tc rd i'u e Li"V rkj ij ;g u fy[kk gk fd ved nkf;Ro

dk ugh fy;k x;k g rFkk blfy, x, nkf;Ro dk gLrkrj.k dju okyh dEiuh }kjk Hkxrku dju ij fuEufyf[kr ifof"V dj rFkk Hkxrku ij gku okyk ykHk dk olyh [kkr e o)fMV e rFkk gkfu dk MfcV e gLrkrfjr djA

To Bank

2. lfpr ykHkk rFkk eDr lp;k (ftudk o.ku rkfydk e fd;k tk pdk g) dk olyh [kkr e gLrkrfjr u djo] lerk v'k/kfj;k o [kkr e muo ykHk&gkfu vuikr e gLrkrfjr djA

3. ;fn dkb dk"k ;k lp; fdlh nkf;Ro dk lfpr djrk g rk blI olyh [kkr e gLrkfjr dj vkj ;fn bldk ,d Hkkx nkf;Ro dk lfpr djrk o)oy ogh Hkkx olyh [kkr e gLrkrfjr dj rFkk 'k"k Hkkx lerk v'k/kfj;k o [kkr e muo ykHk gkfu vuikr e gLrkrfjr djA mnkgj.k o fy, depkjh {kfrifr dk"k (Workman's Compensation Fund) dk 'k"k 35,000 #i; fn;k g vkj {kfrifr dk nkf;Ro 15,000 #i; dk g rk 15,000 #i; olyh [kkr e rFkk 20,000 #i; (35,000 – 15,000) dk lerk v'k/kfj;k o [kkr e gLrkrfjr djA

4. lEifÙk;k vkj nkf;Rok l lEcfU/r Åij dh xb ifof"V;k] fLFkfr fooj.k l gh dh tk;xhA vr% i'u e ,dhdj.k bl frfFk dk gLrkrj.k dju okyh dEiuh dk fLFkfr fooj.k fn;k gkuk pkfg, ojuk r;kj dhft,A

3. Ø; eY; dh n; jkf'k l

Transferee (Purchasing) Company A/c Dr.

To Realisation A/c

4. Ø; eY; ikIr gku ij

Bank A/c	Dr.	(By Cash Received)
Shares in Transferee Company A/c		(By Agreed Value of Equity Preference shares received)
Debentures in Transferee Company A/c		(By Agreed value of Debentures received)
To Transferee Company		(Total purchase consideration)

5. gLrkrj.k iku okyh dEiuh }kjk u yh xb lEifÙk;k dk cpu l ikIr /ujkf'k l

Bank A/c	Dr.
Realisation A/c	Dr. (In case of Losses Sale of such Assets)
To Assets A/c	
To Realisation A/c	(In case of Profit on Sale of such Assets)

6. gLrkrfjr iku okyh dEiuh }kjk u fy, x, nkf;Ro o Hkxrku o fy,

Liabilities (Individually)	Dr.
Realisation A/c	Dr. (if excess Payment in made)
To Bank A/c	
To Realiation A/c	(if Less Amount is paid)

7. lekiu O;;k oQ Hkxrku oQ fy, %

1. ;fn bu O;;k dk gLrkrj.k dju okyh dEiuh u ogu djuk g—

Realiastion A/c Dr.

To Bank A/c

2. ;fn bu O;;k dk Hkxrku gLrkrj.k iku okyh dEiuh u djuk g rk fuEu nk fofèk;k e fdlh ,d fof/ dk viuk,—

1. bu O;;k dh dkb ifof"V u dj] tc gLrkrj.k iku okyh dEiuh budk lhèkk Hkxrku djrh gA

2. ;fn bu O;;k dk Hkxrku igy gLrkrj.k dju okyh dEiuh }kjk fd;k tkrk g rFkk ckn e bUg gLrkrj.k iku okyh dEiuh l iklr fd;k tkrk g rk ,lh n'kk e fuEu ifof"V dj—

Transferee Company Dr.

To Bank A/c

Bank A/c Dr.

To Transferee Company

(Expenses re-inburseed by Transferee Company)

ukV % lekiu O;;k dk Ø; eY; e 'kkfey u djA

8. ,l fdlh nkf;Ro oQ Hkxrku dju ij tk fLFkfr fooj.k e ugh fn[kk;k x;k gA

Realisation A/c Dr.

To Bank A/c

9. o lyh [kkr dk cUn dju oQ fy,

1. ykHk gku ij (;fn oQfMV i{k vf/d g)

Realisation A/c Dr.

To Equity Share Taken A/c

2. gkfu gku ij (;fn MfcV i{k vf/d g)

Equity Share Holder's A/c Dr.

To Realisation A/c

ukV % ;fn iokf/dkjh v'kk oQ Hkxrku l oQN Hkkx vFkok gkfu gkrh g rk ml Øe'k% o lyh [kkr oQ oQfMV i{k e gLrkrfjr djA

10. dEiuh dh lerk v'k iath lfpr ykHkk ,o eDr lp;k dk leLr v'k/kfj;k oQ [kkr e gLrkrfjr dju oQ fy,

Equity Share Capital A/c Dr.

Capital Reserve A/c Dr.

Capital Redemption Reserve A/c Dr.

General Reserve A/c Dr.
Share Premium A/c Dr.
Divided Equalisation Reserve A/c Dr.
Profit and Loss A/c (Cr. Balance) Dr.
To Equity Share Holder's A/c

11. dEiuh dh fLFkfr fooj.k e nh xbZ ukeek=k lEifÙk;k rFkk ykHk gkfu oQ MfcV 'k"k (lfpr gkfu;k) dk lerk v'k/kfj;k dk gh ogu djuk iMrk gA vr% budh jkf'k l fuEu ifof"V dj—

Equity Shareholder's A/c Dr.
To P & L A/c (Dr. Balance)
To Preliminary Expenses A/c
To Underwriting Commission A/c
To Share Debentures Issue Expenses A/c
To Discount on issue of Shares Debentures A/c

12. lerk v'k/kfj;k dk Hkxrku dju ij

Equity Shareholder's A/c Dr.
To Bank A/c
To Shares in Transferee Company A/c
To Debentures in Transferee Company A/c

3.4. gLrkrj.k iku okyh dEiuh dh iLrdk e ifof"V;k
(Entries in the books of Transferee Company)

y[kkdu iekui – {4(A.S. 14) oQ vulkj nkuk idkj oQ ,dhdj.kk e gLrkrj.k iku okyh dEiuh dh iLrdk e y[kkdu ifØ;k vyx&vyx gA vr% ,dhdj.k dh iÑfr oQ vulkj y[kkdu dh fuEufyf[kr nk fof/;k g—

- fgr ,dhdj.k fof/ (Pooling of Interest Method)
- Ø; fof/ (Purchase Method)

3.4.1. fgr ,dhdj.k fof/ (Pooling of Interest Method)

;g fof/ foy; dh iÑfr oQ ,dhdj.k dh fLFkfr e ykx gkrh gA bl fof/ e] ,dhdj.k gku okyh oQEifu;k dh lEifÙk;k ,o nkf;Rok e ,d:irk yku gr vko';d U;ure ifjoru fd, tkr g D;kfd gLrkrj.k iku okyh dEiuh dk ,dhdj.k gku okyh dEifu;k oQ O;olk; dk gh pykuk dk y{; gkrk gA bl fof/ dh y[kkdu ifØ;k fuEu g—

(1) gLrkrj.k iku okyh dEiuh dh iLrdk e gLrkrj.k dju okyh dEiuh dh lEifÙk;k] nkf;Rok ,o lp;k dk muoQ oreku vfdr (iLrdh;) eY; ij gh y[kk fd;k tkrk gA

(2) gLrkrj.k dju okyh dEiuh oQ ykHk&gkfu [kkr e 'k"k dk ;k rk gLrkrj.k iku okyh dEiuh oQ ykHk gkfu [kkr oQ 'k"k e tkM fn;k tkrk g vFkok lkekU; lp; e gLrkrfjr dj fn;k tkrk gA

(3) lp;k dh igpku cuk, j[kus oQ fy, bUgsa gLrkarj.k iku okyh dEiuh oQ fLFkfr fooj.k esa mlh :i esa fn[kk;k tkrk gS ftl :i esa] ;s gLrkarj.k djus okyh dEiuh oQ fLFkfr fooj.k esa fn[kk; x; FksA mnkgj.k oQ fy, gLrkarj.k djus okyh dEiuh oQ lkekU; lap; dks gLrkarj.k iku okyh dEiuh esa Hkh lkekU; lap; gh fn[kk;k tkrk gS rFkk iwathxr lap; dks iwathxr lap; fn[kk;k tkrk gSA

(4) gLrkarj.k iku okyh dEiuh }kjk n; Ø; ifrioQy oQ cny fuxfer va'k iwath] jkdM rFkk vU; lEifÙk;k oQ tkM esa ls gLrkarj.k djus okyh dEiuh dh va'k iwath ?kVkdj tks 'ks"k cprk gS] mls lkekU; lap; esa lek;kftr fd;k tkrk gSA lkekU; lap; u gksus dh fLFkfr esa ykHk&gkfu [kkrs esa lek;kftr fd;k tkrk gSA

(5) ;fn iw'u esa fn;k gvk gS fd lekiu O;; ;k dk gLrkarj.k iku okyh dEiuh }kjk ogu fd;k tk,xk rks bUgsa Ø; ifrioQy esa tksM+ ns rFkk gLrkarj.k djus okyh dEiuh oQ lap;ksa ;k ykHk&gkfu [kkrs esa MfoV djsA

foy; dh fLFkfr esa gLrkarj.k iku okyh dEiuh dh iLrdksa esa y[kkdu ifof"V;k
(Accounting Entries in the books of transferee company in case of merger)

1. Ø; ifrioQy n; gksus ij

Business Purchase A/c Dr. (With the amount of Purchase Consideration)

To Lequidator of transfer or Company

2. lEifÙk;k] nkf;Rok rFkk lap;ksa dks yus ij

Sundry Assets A/c (Individually)	Dr.	(At their book value)
To Sundry Liablities A/c		(At their book value)
To Provision for Doubtful Debts A/c		(At their book value)
To Profit and Loss A/c		(At their books value or adjusted value)
To Revenue A/c (Individually)		(At adjusted value)
To Business Purchase A/c		(By amount of Purchase consideration)

ukV %

(1) ifof"V uEcj 2 esa MfcV rFkk oQfMV oQ ;kx oQ vUrj dks lap;ksa esa lek;kftr dj vkj ;fn lap;u fn;k gks rks ykHk&gkfu [kkrs esa lek;kftr djsA

(2) ;fn va'kk dks ikfe;e ij vkcfVr fd;k x;k gS rks ifof"V uEcj 3 esa ifrHkfr ikfe;e [kkrk (Securities Premium A/c) oQfMV dj vkj ;fn vkcVu dVkrh ij fd;k x;k gS rks va'k dVkrh [kkrk (Share Discount A/c) MfcV djsA

(3) ;fn gLrkarj.k djus okyh dEiuh oQ lekiu O;; ;k dk Hkxrku gLrkarj.k iku okyh dEiuh }kjk fd;k tkrk gS rks ,sls O;; ;k dks lkekU; lap; vFkok ykHk gkfu [kkrs esa pktZ fd;k tk,xk vkj fuEufyf[kr ifof"V djsA

General Reserve A/c Dr.

OR

Profit and Loss A/c Dr.

To Bank A/c

(4) gLrkrj.k iku okyh dEiuh oQ ikjfEHkd [kpk (fuek.kh [kpk) oQ fy,—

Preliminary Expenses A/c Dr.

To Bank A/c

3.4.2. Ø; fof/ (Purchased Method)

;g fof/ Ø; dh iÑfr oQ ,dhdj.k dh fLFkfr e ykx gkrh g] bl fof/ oQ vUrxr ifof"V;k djr le; fuEufyf[kr ckrk dk è;ku e j[kuk pkfg,A

(1) gLrkrj.k dju okyh dEiuh dh lEifÙk;k ,o nkf;Rok dk gLrkrj.k iku okyh dEiuh oQ foÙkh; fooj.kk e fuEu e l fdlh ,d fof/ }kjk fy[kk tkrk g—

(1) buoQ oreku iLrdh; eY; ij vFkok

(2) Ø; ifriQy dk cVokjk fofHkUu lEifÙk;k ,o nkf;Rok e muoQ mfpr eY; ;k iu% eY;kfdr eY; oQ vulkj dj fn;k tkrk gA

(2) gLrkrj.k dju okyh dEiuh oQ o/kfud lp;k dk NkM dj vU; lp;k (lkekU; vFkok ithxr) dk gLrkrj.k iku okyh dEiuh oQ foÙkh; fooj.kk e 'kkfey ugh fd;k tkrk gA

ukV %

(1) ;fn Ø; eY; o fy, x, nkf;Rok dk tkM lEifÙk;k oQ eY; l vf/d g rk mijkDr ifof"V e vUrj dh jkf'k l [;kfr [kkrk MfcV djA

(2) ;fn Ø; eY; u fy, x, nkf;Rok dk tkM] lEifÙk;k oQ eY; l de g rk mijkDr ifof"V e vrj dh jkf'k l ithxr lp; [kkrk (Capital Reserve) oQfMV djA

(3) Ø; ifriQy oQ Hkxrku dju ij—

Liquidator of Transferor Company A/c	Dr.	(With the amount of purchase Consideration)
To Share Capital A/c		(With the paid up value of issued shares)
To Debentures A/c		(With the paid by value of Debentures issued)
To Bank A/c		(With Cash paid)

ukV % ;fn v'kk dk vkcVu ihfe;e ij fd;k tkrk g rk mijkDr ifof"V e ifrHkfr ihfe;e [kkrk (Securities Premium A/c) oQfMV dj vkj ;fn v'kk dk vkcVu dVkrh ij fd;k tkrk g rk mijkDr ifof"V e v'k dVkrh [kkrk (Share Discount A/c) MfcV djA

(4) o/kfud lp; dk y[kk dju oQ fy,

Amalgamation Adjustment A/c Dr.

To Statutory Reserve A/c

(5) ;fn gLrkrj.k iku okyh dEiuh }kjk gLrkrj.k dju okyh dEiuh oQ lekiu O;;k dk Hkxrku fd;k tkrk g rk blo fy, fuEu ifof"V dj—

Goodwill A/c Dr.

To Bank A/c

(6) gLrkrj.k iku okyh dEiuh oQ ikjfEHkd [kpk (fuek.kh 0;;k) oQ fy,

Preliminary Expenses A/c Dr.

To Bank A/c

(7) ;fn i'u e [;kfr [kkrk ,o ith Ip; [kkrk nkuk fn, g rk [;krh [kkr dk ith Ip; [kkrk l vifyf[kr fd;k tk,xk vkj fuEu ifof"V gkxh—

Capital Reserve A/c Dr.

To Goodwill A/c

Illustration 1.

The following are the balance sheet of A Limited and B Limited :

Liabilities	A. Ltd.	B. Ltd.	Assets	A. Ltd.	B. Ltd.
Equity Share Capital			Goodwill	25,000	15,000
(Rs. 100 Per share)	76,000	45,000	Freehold Premises	15,000	5,000
Sundry Creditors	2,300	2,500	Machinery	18,300	13,000
General Reserve	4,200	—	Stock	16,000	12,000
Proft and Loss A/c	800	4,500	Sundry Debotrs	7,000	6,000
			Cash	2,000	1,000
	83,300	52,000		83,300	52,000

The two companies agree to amalgamate and form a new Company called C Limited. Assuming that assets realise their book values, what amount each company will get ? Prepare balance sheet after amalgamation and pass the necessary journal entries in the books of the companies.

nkuk dEifu;k u ,dhdj.k dk fu.k; fd;k rFkk ,d ub dEiuh lh- fyfeVM dh LFkkiuk dh xbA ;g ekurs g, fd lEifÙk;k iLrdh; eY; oQ cjkcj g_ fn[kkb, fd iR;d dEiuh dk fdruk #i;k feyxk \ ,dhdj.k oQ ckn dk fLFkfr fooj.k cukb, rFkk dEifu;k dh iLrdk e vko';d tuy ifof"V;k dhft,A

Solution. It is a case of amalgamation in the nature of Merger since all the five conditions given in AS-14 are satisfied. Therefore :

Calculation of Purchase Consideration

In case of A Limited	Rs.
Value of Assets (At Book Values)	83,300
Less Sundry Creditors	2,300
Net Assets (Amount Payable to A. Ltd.)	81,000
In case of B Limited :	
Values of Assets (At Book Values)	52,000
Less Sundry Creditors	2,500
Net Assets (Amount Payable to B Limited)	49,500

In the books of A Limited
Journal Entries

		Rs.	Rs.
Realisation A/c	Dr.	83,300	
To Goodwill A/c			25,000
To Freehold Premises A/c			15,000
To Machinery A/c			18,300
To Stock A/c			16,000
To Sundry Debtors A/c			7,000
To Cash A/c			2,000
(For balance of assets transferred to Realisation A/c)			
Sundry Creditors A/c	Dr.	2,300	
To Realisation A/c			2,300
(For balance of creditors transferred to Realisation)			
C Limited	Dr.	81,000	
To Realisation A/c			81,000
(For Purchase consideration due from C Ltd.			
Share in C. Ltd.	Dr.	81,000	
To C Ltd.			81,000
(For purchase consideration received in shares)			
Equity Share Capital A/c	Dr.	76,000	
General Reserve A/c	Dr.	4,200	
Profit and Loss A/c	Dr.	800	
To equity shareholder's A/c			81,000
(For various credit balances transferred Shareholders A/c)			
Equity Shareholder's A/c	Dr.	81,000	
To shares in C Ltd.			81,000
(For Shares in C Ltd. transferred to shareholder's A/c)			

In the books of B Ltd.
Journal Entries

		Rs.	
Realisation A/c	Dr.	52,000	
To Goodwill A/c			15,000
To Freehold Premises A/c			5,000
To Machinery A/c			13,000

To Stock A/c			12,000
To Sundry Debtors A/c			8,000
To Cash A/c			1,000
(For balance of assets transferred to Realiastion A/c)			
Sundry Creditors A/c	Dr.	2,500	
To Realisation A/c			2,500
(For balance of creditors transferred to Realisation A/c)			
C Limited	Dr.	49,500	
To Realisation A/c			49,500
(For purchase consideration due from C Ltd.)			
Shares in C. Ltd.	Dr.	49,500	
To C Ltd.			49,500
(For Purchase consideration received in shares)			
Equity Share Capital A/c	Dr.	45,000	
Profit and Loss A/c	Dr.	4,500	
To equity shareholder's A/c			49,500
(For various credit balances transferred to shareholders A/c)			
Equity Shareholder's A/c	Dr.	49,500	
To Sharees in C Ltd.			49,500
(For shares in C Ltd. transferred to shareholder's A/c)			

In the books of C. Ltd. (Purchasing Company)
Journal Entries

		Rs.	
By assets Purchase A/c	Dr.	1,30,500	
To Liquidators of A Ltd.			81,000
To Liquidators of B Ltd.			49,500
(For the merger of A Ltd. and B Ltd.)			
Goodwill A/c	Dr.	40,000	
Freehold Premises A/c	Dr.	20,000	
Machinery A/c	Dr.	31,300	
Stock A/c	Dr.	28,000	
Sundry Debtors A/c	Dr.	13,000	
Cash A/c	Dr.	3,000	
To Sundry Creditors A/c			4,800
To Business Pruchases A/c			1,30,500
(For Assets and Realisation of A Ltd. and B Ltd. taken over)			

Liquidators of A Ltd.	Dr.	81,000	
Liquidator of B Ltd.	Dr.	49,500	
To equity share Capital A/c			1,30,500
(For purchase Price paid in shares)			

Balance Sheet of C Ltd.

Liabilities	Rs.	Assets	Rs.
Share Capitals :		Fixed Assets	
Equity Share Capital	1,30,500	Goodwil	40,000
1305 share of Rs. 100 each		Freehold Premises	20,000
Current Liabilities & Provision			
Sundry Creditors	4,800	Machinery	31,300
		Current Assets Stock	28,000
		Sundry Debtors	13,000
		Cash	3,000
	1,35,300		1,35,300

Working Notes :

	Rs.
Purchase consideration :	1,30,500
Less Share Capital A. Ltd. and B. Ltd.	–1,21,000
(76,000 + 45,000)	9,500

Since the purchase consideration is more than share capital of A. Ltd. and B. Ltd. reserves and P & L A/c will be reduced to that extent therefore

	Rs.
General Reserve of A. Ltd.	4,200
P & L. A/c of A. Ltd. and B. Ltd. (800 + 4,500)	5,300
	9,500
Less Reduced to the extent	9,500
Balance of General Reserve and P & L A/c	
as appearing in Balance Sheet of C. Ltd.	NIL

Illustration 2 :

The balance sheet of Star Ltd. and Moon Ltd. as on 31st March, 2002 were as follows :

Liabilities	Star Ltd.	Moon Ltd.	Assets	Star Ltd.	Moon Ltd.
	Rs.	Rs.		Rs.	Rs.
Equity Share of	2,40,000	1,50,000	Goodwill	10,000	—
Rs. 10 each					
9% Preference Shares	90,000	—	Land & Buildings	—	1,05,000

of Rs. 100 each			Plant	3,00,000	1,35,000
Securities Premium	10,500	—	Fixtures	10,000	15,000
Capital Redemption Reserve	30,000	—	Motor Vehicles	10,000	15,000
General Reserve	49,500	75,000	Stocks	1,20,000	75,000
8% Debentures	60,000	90,000	Debtors	80,000	50,000
Creditors	1,20,000	1,35,000	Advances	50,000	35,000
			Cash at Bank	20,000	20,000
	6,00,000	4,50,000		6,00,000	4,50,000

On April 1, 2002, Sun. Ltd. was formed by amalgamating the business of Star Ltd. and Moon Ltd. on the following terms :

1. Sun Ltd. issue 600 – 10% debentures of Rs. 100 each to debentures holders of Star Ltd.
2. The debenture holders of Moon Ltd. were allotted 7,500 equity shares of Rs. 10 each at Rs. 12 per share.
3. Preference shareholders of Star Ltd. were allotted 900 – 11% preference shares of Rs. 100 each.
4. The equity shareholders of Star Ltd. are to be allotted 10 equity shares at par for 8 equity shares held by them. The share of Sun Ltd. is of Rs. 10 each.
5. The assets and liabilities of Star Ltd. are taken over at book value.
6. The assets and liabilities of Moon Ltd. are valued as follows :

	Rs.
Goodwill	30,000
Land and Buildings	1,50,000
Plant	1,35,000
Other Fixed Assets	45,000
All Current Assets	1,50,000
All Current Liabilities	1,50,000

The balance of purchase consideration is to be paid by allotment of equity shares at par to Moon Ltd. You are required to show :

1. Purchase consideration payable to Sun Ltd. and Moon Ltd.
2. Journal entries and opening balance sheet in the books of Sun Ltd.

Solution. Assets and liabilities of Moon Ltd. are taken over at revised values. Therefore it is a case of amalgamation in the nature of purchase.

Calculations of purchase consideration :

Star Ltd. (Net Payment Method)	Rs.	Rs.
900 – 11% Preference Shares of Rs. 100 each		90,000
30,000 Equity shares of Rs. 10 each		3,00,000
Total		3,90,000

Moon Ltd. (Net Assets Method)

Assets (After revaluation)		
(30,000 + 1,50,000 + 1,35,000 + 45,000 + 1,50,000)		5,10,000
Less Current Liabilities	1,50,000	
8% Debentures	90,000	2,40,000
		2,70,000

(To be discharges by issue of 27,000 equity shares of Rs. 10 each at par)

Journal entries in the books of Sun Ltd.

		Rs.	Rs.
Business Purchasse Amount	Dr.	6,60,000	
To Liquidator of Star Ltd.			3,90,000
To Liquidator of Moon Ltd.			2,70,000
(For Purchase Consideration due to Star Ltd. and Moon Ltd.)			
Land and Building	Dr.	1,50,000	
Plant	Dr.	4,35,000	
Other Fixed Assets	Dr.	65,000	
Current Assets	Dr.	4,20,000	
Goodwill (Balance Figure)	Dr.	10,000	
To Creditor A/c			2,70,000
To 8% Debenture A/c			1,50,000
To Business Purchase A/c			6,60,000
(For Assets and Liabilities of Star Ltd. and Moon Ltd. taken over)			
Liquidator of Star Ltd.	Dr.	3,90,000	
Liquidator of Moon Ltd.	Dr.	2,70,000	
To 11% preferece share capital A/c			90,000
To Equity Share Capital A/c			5,70,000
(For Payment of Purchase Consideration to Star Ltd. and Moon Ltd.)			
8% Debentures of Star Ltd.	Dr.	60,000	
To 10% Debenture A/c			60,000
(For issue of 100% - 600 debentures of Rs. 100 each to debentures holders of Star Ltd.)			
8% Debentures of Moon Ltd.	Dr.	90,000	
To Equity Share Capital			75,000
To Securities Premium A/c			15,000
(For issue of equity shares of Rs. 10 each at Rs. 12 to debentures holders of Moon Ltd.)			

Balance Sheet of Sun Ltd. as at April 1, 2002

Liabilities	Rs.	Assets	Rs.
Share Capital		Fixed Assets	
64,500 Equity Shares of Rs. 10 each	6,45,000	Goodwill	10,000
900 – 11% Preference of Rs. 100 each	90,000	Land and Buildings	1,50,000
Reserve and Surplus		Plant	4,35,000
Securities Premium		Other Fixed Assets	65,000
Secured Loans	15,000	Current Assets	4,20,000
600 – 10% debentures of Rs. 100 each	60,000		
Current Liabilities Creditors	2,70,000		
	10,80,000		10,80,000

3.5. dEifu;k dk vkUrfjd iufuek.k (Internal reconstruction of Companies)

vkUrfjd iufuek.k v'ki th e ifjoru oQ fgLlk g] ijUr o/kfud vkipkfjdrkvk rFkk y[kkdu tfVyrkvk dh otg l bldk vyx vè;;u fd;k x;k gA

3.5.1. v'ki th e ifjoru (Alternation in Share Capital)

bl 'kh"kd oQ vUrxr v'ki th e ifjoru oQ mu igyvk dk vè;;u fd;k x;k g] ftloQ fy, U;k;ky; dh LohÑfr dh vko';drk ugh gkrh gA dEiuh vf/fu;e dh /kjk 94 oQ vulkj] ;fn dEiuh oQ ik"kn vUrfu;e vuefr n rk dEiuh viu ik"kn lhek fu;e e ifjoru djoQ fuEufyf[kr fof/;k l viuh v'ki th e ifjoru dj ldrh gA

1. u, v'k fuxfer djoQ viuh v'k ith e of¼ djukA

2. viu v'kk oQ vfdr eY; dk c<k dj ;k ?kVkdj (v'ki th e deh ;k of¼ ugh dh tkrh g)

Share Capital A/c Dr. (Rs. 10)

To Share Capital A/c (Rs. 100)

(When Face Value of Shares increased)

Share Capital A/c Dr. (Rs. 100)

To Share Capital A/c (Rs. 10)

(When Face Value of Shares Decreased)

3. vfuxfer v'kk dk jí djoQ vf/Ñr ith e deh djuk & blоQ fy, U;k;ky; dh vko';drk ugh gkrhA ;fn u pdkb xb ith dk jí djuk g rk bloQ fy, U;k;ky; dh LohÑfr yuh gkxhA

4. v'kk dk LVkd e ifjoru djoQ Hkh v'ki th e lek;ktu fd;k tk ldrk gA ,d dEiuh viu i.k pdrk v'kk dk LVkd e ifjofrr dj ldrh g vkj blh idkj LVkd dk iu% i.k pdrk v'kk e ifjofrr dj ldrh gA

mnkgj.k oQ fy,] , fyfeVM viu 100 #i; oky 10,000 i.k pdrk v'kk dk 10,00,000 #i; oQ LVkd e ifjofrr dju dk fu.k; djrh g rk bloQ fy, fuEufyf[kr tujy ifof"V djuh gkxhA

Equity Share Capital A/c Dr. 10,00,000

To Equity Stock A/c 10,00,000

(Being Conversion of shares into stock)

mijkDr lHkh fLFkfr;k e iath ifjoru oQ fy, dEiuh dk ,d fo'k"kK iLrko ikl djuk gkrk g ijUr U;k;ky; dh LohÑfr dh vko';drk ugh gkrh g rFkk /kjk 95 oQ vuqlkj dEiuh dk v'kiath e ifjoru dh lpuk dEiuh jkftLVkj oQ ikl 30 fnu oQ vUnj nuh gkxhA

iu% fuek.k nk idkj dk gk ldrk gA ckã iu% fuek.k vkj vkUrfjd iu% fuek.kA ckã iu% fuek.k e oreku dEiuh dk lekiu gkrk g vkj blo Q 0;olk; dk [kjhnu gr ,d ub dEiuh dk fuek.k fd;k tkrk g ijUr vkUrfjd iufuek.k oQ vUrxr u rk fdlh fo|eku dEiuh dk lekiu fd;k tkrk g vkj u gh fdlh fo|eku dEiuh dk Ø; dju oQ fy, fdlh ub dEiuh dh LFkkiuk dh tkrh g] cfYd blo Q vUrxr ,d fo|eku chekj dEiuh Lo;a dk vkUrfjd :i l iu% lxfBr djrh g rk bl vkUrfjd iufuek.k dgr gA ,lh dEiuh ftl cgr vf/d gkfu gk pdh g rFkk ftldh lEifÙk;k dk iLrdh; eY; muoQ okLrfod eY; l dkiQh vf/d g] iath dVkrh dh ,d ,lh ;ktuk cukrh gA bl ;ktuk oQ vUrxr v'kiath dk (dHkh&dHkh ½.k i=kk vkj yunkjk dk Hkh) lEifÙk;k oQ okLrfod eY; rd de dj fn;k tkrk g rFkk bl idkj iklr jkf'k dk i;kx lfpr gkfu;k vkj Ñf=ke lEifÙk;k (Fictitious Assets) dk vifyf[kr dju vkj vfèkd eY; ij fn[kkb xb lEifÙk;k oQ eY; dk okLrfod eY; rd de dju oQ fy, fd;k tkrk gA vr% vkUrfjd iufuek.k vkj v'kiath e deh dk vFk ,d tlk gkrk gA

3.5.2. vkUrfjd iufuek.k oQ mí'; (Objectives of Internal Reconstruction)

1. dEiuh dh xr o"kk dh gkfu;k dk vifyf[kr djoQ ,o budh lEifÙk;k oQ eY; dk de djoQ buoQ okLrfod eY; ij fn[kkdj dEiuh dh lPph ,o lgh fLFkfr iLrr djukA
2. ikjfEHkd 0;;] fuxeu ij dVkrh vkfn Ñf=ke lEifÙk;k dk vifyf[kr djukA
3. v'kk oQ vfdr eY; dk de djoQ okLrfod eY; ij ykukA
4. v'k/kfj;k dk dEiuh oQ ifr fo'okl mRiUu dju gr] muoQ fofu;kx ij mUgs mfpr ifriQy dk fo'okl fnykukA

3.5.3. iath e deh (Reduction in Capital)

,d dEiuh] dEiuh vf/fu;e 1956 /kjkvk 100 l 105 e fn, x, iko/kuk oQ vuqlkj viuh v'kiath e deh dj ldrh gA iath e deh rHkh dh tk ldrh g tc vUrfuxe blds vuefr inku dj rFkk blo Q fy, ,d fo'k"k iLrko ikl fd;k x;k gkA

iath e deh fuEu rhu rjhoQ e l fdlh Hkh rjhoQ l dh tk ldrh g—

1. tkjh fd, x, v'kk ij u ekxh xb jkf'k dk lekIr djuk ;k de djukA
2. inÙk iath oQ ml Hkkx dk vifyf[kr djuk vFkok jí djuk tk gkfu;k oQ dkj.k u"V gk pdk g vFkok tk oreku lEifÙk;k dk ifrfuf/Ro ugh djrkA
3. inÙk iath] tk dEiuh dh vko';drk l vf/d g] dk okfil djukA

iath e deh rHkh dh tk ldrh g tc U;k;ky; }jk bl idkj oQ vkUrfjd iufuek.k dh if"V dj nh tk, ijUr U;k;ky; Åij fyf[kr igyh rFkk rhljh fLFkfr e rHkh if"V djrk g tc dEiuh oQ yunkjk u bl ij viuh lgefr n nh gk vFkok dEiuh u vgler yunkjk oQ nkok dk Hkxrku dj fn;k g ijUr mijkDr nljh fLFkfr e yunkjk dh lgefr dh vko';drk ugh gkrh D;kfd bl fLFkfr e yunkjk oQ fgr iHkkfor ugh gkrA

3.5.4. y[kkdu fof/ (Accounting Method)

1. tkjh fd, v'kk ij u ekxh xb jkf'k dk lekIr djuk ;k de djuk (Reducing or extinguishing the liability on account of uncalled capital on issued shares)

dEiuh oQ v'k/kfj;k oQ v;kfpr nkf;Ro dk lekIr dju gr fuEu tujy ifof"V dh tkrh g—

Equity Share Capital Account (Rs. 10)	Dr.	8,00,000
To Equity Share Capital Account (Rs. 8)		8,00,000

(For 1,00,000 Equity shares of Rs. 10, Rs. 8 per share

called up and paid up converted into 1,00,000 share

of Rs. 8 fully paid up)

2. inÙk jkf'k oQ mI Hkkx dk vifyf[kr djuk vFkok jí djuk] tk gkfu;k oQ dkj.k u"V gk pdk g vFkok tk oreku lEifÙk;k dk ifrfuf/Ro ugh djrk (Writing off or cancelling paid up capital which is lost or not represented by available assets) tc dEiuh dk yxkrkj gkfu gk jgh gk rc dEiuh u rk lEifÙk;k ij i;kIr ákI pkt djrh g vkj u gh nunkjk ij lfnXèk ½.kk ij mfpr iko/ku dh O;oLFkk djrh gA blh idkj yHkk oQ vHkko e dEiuh ver lEifÙk;k (Fictitous Assets) dk Hkh vifyf[kr ugh dj ikrh vkj dEiuh dh [;kfr dk eY; Hkh 'kU; gk tkrk gA vr% ver lEifÙk;k rFkk [;kfr dk vifyf[kr dju rFkk lEifÙk;k dk muoQ okLrfod eY; rd de dju oQ fy, iwth e deh dh ,d ;ktuk cukb tkrh g] ftloQ fy, fuEu y[kk fof/ viukb tkrh gA

I. pdrk v'k iwth e deh djoQ iwth deh [kkrk cuku oQ fy,

Share Capital Account	Dr.
To Capital Reduction Account	

II. ;fn gkfu;k bruh vf/d gk pdh g fd m/kj iwth dk ,d Hkkx Hkh u"V gk pdk g rk ,lh n'kk e ½.k i=kk vkj yunkjk oQ nkf;Ro e Hkh dHkh dh tk ldrh g] ftloQ fy, fuEu ifof"V gkxh—

Debenture Account	Dr.
Creditors Account	Dr.
To Capital Reduction Account	

III. iwth deh [kkr dh jkf'k dk i;kx xr o"kk dh lfpr gkfu;k] ver lEifÙk;k dk vifyf[kr dju vkj vU; lEifÙk;k dk muoQ okLrfod eY; rd] yku gr fd;k tk,xk ftloQ fy, fuEu ifof"V gkxh—

Capital Reduction Account	Dr.
To Accumulated Losses Account (Fictitous Assets)	
To Intangible Assets Account	

To Other Assets Account

To unrecorrted liabilities (if any)

IV. ;fn buoQ ckn i th deh [kkr dk 'k"k cp tk, rk ml i th lp; [kkr e gLrkrj.k dj fy;k tkrk g] ftlos fy, fuEu ifof"V dj—

Capital Reduction Account Dr.

To Capital Reserve/Account

dEiuh ub fLFkfr fooj.k i th vkj lEifÙk;k dk ?kV g, eY; ij fn[kk,xkA /kjk 102 oQ vUrxr ;fn U;k;ky; mfpr le> rk dEiuh dk viu uke oQ vUr e And Reduced 'kCn i;kx dju dk vkn'k n ldrk g] tk U;k;ky; }kjk fu/kfjr vof/ rd i;kx djuk gkxk vkj bl 'kCn dk dEiuh oQ uke dk ,d fgLlk ekuk tk,xkA

Illustration 3 :

The following is the balance sheet of Rama Ltd. as on 31st March, 2003.

Liabilities	Rs.	Assets	Rs.
10,000 Equity Shares		Goodwill	15,000
of Rs. 100 each	10,00,000	Land and Buildings	9,40,000
12% Debentures	7,00,000	Furniture	2,60,000
Outstanding Debentures	1,68,000	Stock	2,40,000
Interest		Debtors	40,000
Creditors	4,00,000	Cash at Bank	68,000
		Preliminary Expenses	40,000
		P & L Account	6,65,000
	22,68,000		22,68,000

dEiuh oQ fy, fuEufyf[kr iufuek.k dh ;ktuk LohÑr dh xb g—

1. tkjh v'kk dk eY; 95 #i; ifr v'k de dj fn;k x;k rFkk bu v'kk dk fiQj 10 #i; oky 5,000 v'kk l l?kfVr djukA
2. ½.ki=k/kjh cdk;k C;kt NkMu dk lger gk x,A bldh ifr gr 12 ifr'kr ½.ki=kk dk 14 ifr'kr ½.ki=kk e ifjofrr fd;k tk,xkA
3. yunkjk dk i.k Hkxrku e viu nkok dk 50 ifr'kr udn e yu vFkok viu nkok dk 10 #i; lerk v'kk e ifjofrr djoku dk fodYi fn;k x;kA 2,00,000 #i; oQ yunkjk u viu nkok oQ cny v'kk oQ fodYi dk puko fd;kA
4. udn fodYi dk puko dju oky yunkjk oQ Hkxrku ,o dk;'khy i th e of¼ dju gr 10 #i; oky 70,000 lerk v'k tkjh fd,A
5. Hkfe ,o Hkou dk eY;kdu 8,80,000 #i; fd;k x;k rFkk 5,000 #i; dk lfnX/ ½.kk oQ fy, iko/ku fd;k x;kA

tujy ifof"V;k dhft, rFkk iufuek.k oQ ckn dEiuh dk fLFkfr fooj.k r;kj dj—

The following scheme of reconstruction is executed.

1. Equity shares are reduced by Rs. 95. They are than consolidated into 5,000 equity shares of Rs. 10 each.
2. Debentures holders agree to forgo outstanding debenture interest. As a compensation 12% debentures are converted into 14% debenture interest.
3. Creditors are given in the option to either accept 50% of their claim in cash in full settlement or to convert their claim into equity shares of Rs. 10 each creditors for Rs. 2,00,000 opted for shares in satisfaction of their claims.
4. To make payment to creditors opting for cash payment and to augment working Capital 10,000 equity shares of Rs. 10 each issued.
5. Land Buildings are revalued at Rs. 8,80,000 and a provision amounting Rs. 5,000 is to be made for doubtful debts.

Pass journal entries and draft the balance sheet of the Company after reconstruction.

Solution :

Journal Entries

		Rs.	Rs.
Equity Share Capital A/c (Rs. 100 each)	Dr.	10,00,000	
To Equity Share Capital A/c (Rs. 5 each)		50,000	
To Capital Reduction A/c			9,50,000
(For reduction in the equity shares)			
Equity share Capital A/c (Rs. 5 each)	Dr.	50,000	
To Equity share Capital A/c (Rs. 10 each)		50,000	50,000
(For consolidation of 10,000 shares of Rs. 5 each into 5,000 shares of Rs. 10 each)			
Outstanding debenture Interest A/c	Dr.	1,68,000	
To Capital Reduction A/c			1,68,000
(For outstanding debenture interest forgone by debenture holders)			
12% Debentures A/c	Dr.	7,00,000	
To 14% Debentures A/c			7,00,000
(For conversion of 12% debentures with 14% debentures)			
Bank A/c	Dr.	7,00,000	
To Equity Share Capital A/c			7,00,000
(For issue of 70,000 equity shares of Rs. 10 each)			
Creditors A/c	Dr.	4,00,000	
To Equity Share Capital			2,00,000

To Cash A/c		1,00,000
To Capital Reduction A/c		1,00,000
(For Payment of Creditors		
Capital Reduction A/c Dr.	7,85,000	
To Land and Building A/c		60,000
To Goodwill A/c		15,000
To Preliminary Expenses A/c		40,000
To P & L A/c		6,65,000
To Provision for Doubtful Debts		5,000
(For capital reduction Account utilized for writing off the fictitious assets or previous losses)		
Capital Reduction A/c Dr.	4,33,000	
To Capital Reserve A/c		4,33,000
(For transfer of Capital Reduction A/c Balance in Capital Reserve A/c)		

Balance Sheet of Rama Ltd. as at 31st March, 2003
(After Reconstruction)

Liabilities	Rs.	Assets	Rs.
Equity Share Capital		Land and Buildings	8,80,000
95,000 shares of Rs. 10 each	9,50,000	Furniture	2,60,000
14% Debentures of		Debtors 40,000	
Rs. 100 each	7,00,000	Less Prov. 5,000	35,000
Capital Reserve A/c	4,33,000	Stock	2,40,000
		Cash at Bank	6,68,000
	20,83,000		20,83,000

Illustration 4 :

The balance sheet of ABC Ltd. as on 31st December, 2000 was as follows :

Liabilities	Rs.	Assets		Rs.
Share Capital		Land and Buildings		3,90,000
30,000, 6% Preference		Furniture		3,50,000
Shares of Rs. 10 each	3,00,000	Goodwill		2,34,000
1,00,000 equity shares of		Stock		76,000
Rs. 5 each fully paid	5,00,000	Debtors		1,00,000
	8,00,000	Cash		10,000
5% Debentures	2,00,000	Bilk Receivable		30,000
Creditors	3,50,000	P & L Account	1,62,500	
		Less General Reserve	2,500	1,60,000
	13,50,000			13,50,000

lEifÙk;k dk iueY;kdu fuEu idkj g—

[;kfr eY; jfgr] Hkfe o Hkou 3,20,000 #i;] iQuhpj 3,15,000 #i; rFkk lfnX/ ½.kk oQ fy, 10,000 #i; dk iko/ku vko';d le>k x;kA iufuek.k dh fuEu ;ktuk Lohdkj gb—

(1) yunkjk u viu nko oQ 50 ifr'kr rd 5 ifr'kr ½.ki=k yu Lohdkj fd, rFkk 'k"k jkf'k dk Hkxrku ,d o"k ckn fd;k tk,xkA

(2) iokf/dkj v'kk dk eY; ?kVk dj 5 #i; fd;k tk,xkA

(3) lerk v'kk dk eY; ?kVk dj ,d #i;k fd;k tk,xkA

(4) lEifÙk;k dk iueY; rd de dj fn;k tk,xk rFkk ykHk&gkfu [kkrk lekIr fd;k tk,xkA

vko'd; tujy ifof"V;k dhft, rFkk l'kkf/r fLFkfr fooj.k r;kj dhft,A

The Assets were revalued as follows :

Goodwill - Worthless

Land and Buildings RS. 3,200,000

Furnituer Rs. 3,15,000 and

Provision for Doubtful Debts to the extent of Rs. 10,000 was necessary.

The following scheme of reconstruction was approved :

1. The creditors to accept 5% debentures to the extent of 50% of their claims, the balance to the paid in one year after the date.
2. The preference shares to be reduced to Rs. 5 each.
3. The equity shares to be reduced to Rs. 1 each.
4. The assets to be brought to the revalued figures and the debit balance of P & L Account to be wiped out.

Pass-necessary journal entries and prepare the revised balance sheet of the Company.

Solution :

Journal Entries

		Rs.	Rs.
6% Preference share capital A/c	Dr.	1,50,000	
Equity Share Capital A/c	Dr.	4,00,000	
To Capital Reduction A/c			5,50,000
(For Preference shares and equity shares reduced to Rs. 5 and Re. 1 respectively)			
Capital Reduction A/c	Dr.	5,50,000	
To P & L A/c			1,62,500
To Goodwill A/c			2,34,000
To Land and Buildings A/c			70,000
To Furniture A/c			35,000
To Provision for Doubtful Debts			10,000

To Capital Reserve A/c			38,500
(For various assets, P & L A/c and Goodwill Written off)			
Creditors Account	Dr.	1,75,000	
To 5% Debentures A/c			1,75,000
(For 5% Debentures given to creditors to the extent of 50% of their claims)			
General Reserve A/c	Dr.	2,500	
To Capital Reserve A/c			2,500
(For General Reserve transferred to Capital Reserve A/c)			

Balance sheet of ABC Ltd. (After Reconstruction) as at 31st December, 2000

Liabilities	Rs.	Assets	Rs.
Share Capital		Land and Buildings	3,20,000
30,000 preference shares of		Furniture	3,15,000
Rs. 5 each	1,50,000	Stock	76,000
1,00,000 equity shares of		Debtors 1,00,000	
Re. 1 each	1,00,000	Less Provision – 10,000	90,000
	2,50,000		
Capital Reserve	41,000		
5% Debentures	3,75,000	Cash	10,000
Creditors	1,75,000	Bills Receivable	30,000
	8,41,000		8,41,000

Illustration 5 :

The following is the balances sheet of X Ltd. as at 31st March, 2002.

Liabilities	Rs.	Assets	Rs.
10% preference shares		Fixed Assets	12,60,000
of Rs. 100 each	3,00,000	Current Assets	24,40,000
Equity Shares of Rs. 10 each	7,00,000	Preliminary expenses	50,000
10% Debentures of	2,50,000	P & L Account	1,50,000
Rs. 100 each			
Current Liabilities	23,00,000		
Provision for Taxation	3,50,000		
	39,00,000		39,00,000

iuxBu dh fuEu ;ktuk Lohdkj gb—

1. LFkkb lEifÙk;k dk eY; $33\frac{1}{3}$% de dj fn;k tk,xkA

2. pky lEifÙk;k dk iueY; 20,40,000 #i; fd;k tk,xkA

3. iokf/dkj v'k/kjh viuh rhu o"kZ oQ cdk;k ykHkk'k dk NksM+u dk lger gkrk gSA
4. dEiuh dk dj nkf;Ro 4,00,000 #i;s r; gvkA
5. dEiuh dk ,d ysunkj ftls 18,00,000 #i;s nus Fks] 50 ifr'kr nkok NksM+u ij lger gks x;k rFkk mls vkf'kd Hkxrku e 5 #i;s okys 1,00,000 lerk v'k tkjh fd, x,A
6. ½.ki=kk ij C;kt nj 13 ifr'kr dj nh xbA ½.ki=kk dk 75 #i;s okys ½.ki=kk e cnyu ij Hkh lgefr gb tk ,d&,d vuikr e fn, tk,xA
7. lerk v'kk dk eY; 5 #i;s dj fn;k tk,xkA
8. iokf/dkjh v'kk dk eY; 75 #i;s dj fn;k tk,xkA

vko';d tujy ifof"V;k dhft, rFkk dEiuh dh iuxBu oQ ckn dk fLFkfr fooj.k r;kj djA

The following scheme is re-organisation is sanctioned :

1. Fixed Assets are to be written down by $33\frac{1}{3}$%.
2. Current Assets are to be revalued at Rs. 20,40,000.
3. Preference shareholders decides to forrego their right to appears of dividend which are in arrears for three years.
4. The taxation liability of the Company is settled at Rs. 4,00,000.
5. One of the creditors of the Company to whom the Company ownes Rs. 18,00,000 decides to forego 50% of his claims. He is alloted 1,00,000 equilty shares of Rs. 5 each in part satifaction of the balance of his claim.
6. The rate of interest on debentures is increased to 13%. The debentures will be converted into debentures of Rs. 75 each in the ratio of 1 : 1.
7. All equity shares are reduced to Rs. 5 each.
8. All preference shares are reduced to Rs. 75 each.

Pass necessary journal entries and prepare balance sheet after re-organisation.

Journal Entries

		Rs.	Rs.
10% preference Share Capital A/c	Dr.	75,000	
Equity Share Capital A/c	Dr.	3,50,000	
To Capital Reduction A/c			4,25,000
(For Preference Share and equity shares reduced to Rs. 75 and Rs. 5 respectively)			
10% Debentures A/c	Dr.	2,50,000	
To 13% Debentures A/c			1.87,500
To Capital Reduction A/c			62,500
(For conversion of 10% debentures of Rs. 100 each into 13% Debenture of Rs. 75 in 1 : 1)			

Creditors A/c	Dr.	14,00,000	
To Capital Reduction A/c			9,00,000
To Equity Share Capital A/c			5,00,000
(For Discharge of creditors liability by issue by equity shares and Rs. 18 Lakhs creditors forego 50% claims)			
Capital Reduction A/c	Dr.	50,000	
Provision for Taxation A/c	Dr.	3,50,000	
To Liability for Taxation A/c			4,00,000
(For settlement of Taxation Liability in Rs. 4,00,000)			
Capital Reduction A/c	Dr.	13,37,500	
To Fixed Assets A/c			4,20,000
To Current Assets A/c			4,00,000
To Preliminary Expenses A/c			50,000
To P & L A/c			1,50,000
To Capital Reserve A/c			3,17,500
(For writing off fixed Assets, current Assets to their revalued figure and writing off preliminary expenses and Profit and Loss A/c			

Balance Sheet of X Ltd. as at 31st March, 2002
(After Re-organisation)

Liabilities	Rs.	Assets	Rs.
10% preference shares		Fixed Assets	8,40,000
Capital of Rs. 75 each	2,25,000	Current Assets	20,40,000
Equity Shares of Rs. 5 each	8,50,000		
13% Debentures of	1,87,500		
Rs. 75 each			
Creditors	9,00,000		
Liabilities for Taxation	4,00,000		
Capital Reserve	3,17,500		
	28,80,000		28,80,000

(4) fu"d"k (Summary) :

AS–14 u ,dhdj.k dh ijkuh vo/kj.kk dk l'kkf/r fd;k gA bl ieki oQ vulkj ,dhdj.k fdlh ,d dEiuh oQ fdlh nljh dEiuh e foy; }kjk fd;k tk ldrk g vFkok nk ;k vf/d dEifu;k oQ foy; }kjk ,d ub dEiuh oQ xBu djoQ fd;k tk ldrk gA Ø;&ifriQy dh x.kuk db fof/;k oQ }kjk dh tk ldrh gA gLrkrj.k iku okyh dEiuh dh iLrdk e ifof"V;k foy; dh iÑfr ij fuHkj djrh gA ijUr gLrkrj.k dju okyh dEiuh dh iLrdk e ifof"V;k foy; dh iÑfr ij fuHkj ugh gA dEiuh vf/fu;e oQ iko/kuk dk ikyu djrh g, dEiuh dk vkUrfjd iufuek.k fd;k tk ldrk gA

(5) iLrkfor iLroQ (Suggested Readings) :

(1) Avanced Account By R.L. Gupta

(2) Advanced Account By Shukla & Grewal

(3) Corporate Accounting By Dr. R.K. Mittal & R.S. Singal

(6) ueuk oQ fy, i'u (Sample Questions) :

(1) y[kkdu ieki – 14 oQ vulkj Ø; eY; D;k gkrk g \ bldh x.kuk dh fof/;k dk le>kb,A

(2) ,dhdj.k dh feJ.k dh iÑfr dk ,dhdj.k dc ekuk tkrk g \ feJ.k dh iÑfr oQ ,dhdj.k rFkk Ø; dh iÑfr oQ ,dhdj.k e vUrj Li"V dhft,A

(3) vkUrfjd iufuek.k l vki D;k le>r g \ dEiuh dh iLrdk e bl lEc/ e D;k y[k fd, tkr gA

(4) fuEu n'kkvk e gLrkrj.k iku okyh dEiuh dh iLrdk e ifof"V;k dhft,—

(a) fgr ,dhdj.k fof/

(b) Ø; fof/

(5) The following is the balance sheet of Prakash Trading Co. Ltd. as on December 31, 1997 :

Balance Sheet

Liabilities	Rs.	Assets	Rs.
Capital :		Building	1,00,000
12,000 shares of Rs. 10 each	1,20,000	Machinery	40,000
fully paid		Stock	15,000
Sundry Creditors	30,000	Debtors	20,000
Bank Overdraft	26,000	Profit and Loss A/c	1,000
	1,76,000		1,76,000

dEiuh u viuk ,fPNd lekiu dj fy;k vkj viuk O;olk; ,f'k;k VfMx dEiuh fy- dk 90,000 #- e cp fn;kA 15,000 #- udn fn;k tk,xk rFkk 75,000 #- oQ fy, ,f'k;k VfMx dEiuh oQ 10,000 v'k iR;d 10 #- dk 7.50 #- pdrk vkcVu fd, tk,xA

idk'k VfMx dEiuh dh iLrdk dk cUn dhft, rFkk ,f'k;k VfMx dEiuh fy- dh iLrdk e vko';d ifof"V;k nhft,A

The company went into voluntary liquidation and the business sold to the Asia Trading Co. Ltd. for Rs. 90,000 payable as to Rs. 15,000 in cash and as to Rs. 75,000 by the allotment of 10,000 shares Rs. 10 each of Asia Trading Co. Ltd. Rs. 7.50 per share paid up Closing the books of Prakash Trading Co. Ltd. and give necessary journal entries for recording transactions in the books of Asia Trading Co. Ltd.

(6) The following is the balance sheet of Noble Ltd. as on 31st December, 1997

Liabilities	**Rs.**	**Assets**	**Rs.**
Share Capital :		Building	9,50,000
Authorised, issued and		Machinery	3,20,000
subscribed 6,000, 7% preference		Goodwill	1,200,000
shares of Rs. 100 each	6,00,000	Stock	1,40,000
1,10,000 equity shares of	11,00,000	Debtors	90,000
Rs. 10 each Share Premium	1,60,000	Preliminary Expenses	30,000
Creditors	1,60,000	Advertisement Expenses	20,000
		Profit and Loss A/c	3,50,000
	20,20,000		20,20,000

ikFkfed v'kk ij 1 tuojh] 1995 e ykHkk'k cdk;k gA iufuekZ.k dh fuEufyf[kr ;ktuk LohÑr dh xbZ %

(v) ikFkfed v'kk dk ?kVkdj 80 #- ifr v'k dj fn;k tk, rFkk lk/kj.k v'kk dk 5 #- ifr v'k i.knÙk] rd ?kVk;k tk,A

(c) ikFkfed v'kk ij ifr 10 #- cdk;k ykHkk'k gr 5 #- dk lk/kj.k v'k fuxfer fd;k tk,A

(l) [;kfr_ foKkiu O;; rFkk ikjfEHkd O;; vifyf[kr dju gA

(n) Hkou 30,000 #- l de djuk gA

(;) vf/kÑr iwth dk mldh ey jkf'k ykuk gA

mi;Dr ;ktuk dk dk;kfUor dju oQ fy, vko';d ifof"V;k nhft, rFkk mloQ ckn dk fpVBk cukb,A

Dividend on preference shares is in arrear from 1st January, 1995. The following scheme of reconstruction was approved :

(a) Preference shares to be reduced to Rs. 80 each and equity shares to Rs. 5 each fully paid.

(b) One Rs. 5 equity share to be issued for each Rs. 10 preference share dividend in arrear.

(c) Goodwill, advertisement expenses and preliminary expenses are to be written off.

(d) Building to be written down by Rs. 30,000.

(e) The authorised share capital is to be restored to its original figure.

Give necessary entries to implement the above scheme and give balance sheet after it.

(7) 1 tuojh] 1999 dk A Ltd. dk B Ltd. dk ,dhdj.k C. Ltd. e fuEufyf[kr fpVBk ,o lpukvk oQ vk/kj ij gvkA

On January 1, 1999, A Ltd. and B Ltd. were amalgamted into C Ltd. on the basis of following balance sheet and informations :

Liabilities	A Ltd. Rs.	B Ltd. Rs.	Assets	A. Ltd. Rs.	B Ltd. Rs.
Share Capital :			Goodwill	1,00,000	40,000
Fully paid up of Rs. 10 each	3,00,000	2,00,000	Building	1,50,000	80,000
Creditors	15,000	10,000	Machinery	50,000	20,000
General Reserve	30,000	10,000	Stock	40,000	30,000
Profit for 1998	50,000	20,000	Debtors	30,000	40,000
Employee Welfare Fund	20,000	5,000	Cash	40,000	25,000
			Preliminary Expenses	5,000	10,000
	4,15,000	2,45,000		4,15,000	2,45,000

;g mnkgj.k gvk fd nkuk dEifu;k oQ Hkou e 10 ifr'kr eY; gkl fd;k tk;A v'kè; ½.kk oQ fy, 5 ifr'kr Ip; cuk;k tk,A [;kfr dk eY;kdu nk o"kk oQ vkIr ykHk oQ 3 xu oQ vk/kj ij fd;k tk,xkA A Ltd. vkj B Ltd. oQ o"k 1997 oQ ykHk Øe'k% 40,000 #- vkj 30,000 #- FkA

lh- fy- dh iLrdk e vko';d tuy y[k dhft, rFkk fLFkfr fooj.k cukb,A leLr Ø; ifriQy dk Hkxrku 10 #- oky v'k ndj fd;k x;kA

It was agreed that in respect of both the companies building 10% should be written off by 10% and 5% to be provided for Bad and Doubtful Debts. Goodwill was to be valued at three years purchase of the last two years' average profits. The profit during 1997 were Rs. 40,000 for A Ltd. and Rs. 30,000 for B Ltd.

Pass the necessary journal entries in the books of C Ltd. and prepare its opening balance sheet. Entire purchase consideration was discharged in shares of Rs. 10 each.

(8) The following was the balance sheet of X Ltd. and 31st March, 2000.

Liabilities	Rs.	Assets	Rs.
Equity Share Capital :		Land	8,00,000
10,000 shares of Rs. 50 each fully paid	5,00,000	Plant	5,20,000
General Reserve	7,80,000	Stock	4,10,000
Profit & Loss A/c	1,50,000	Sundry Debtors	2,50,000
11% Debentures	3,80,000	Cash at Bank	15,000
Sundry Creditors	2,10,000	Preliminary Expenses	25,000
	20,20,000		20,20,000

X Ltd. was absorbed by Y Ltd. on the following terms :

1. Y Ltd. to take over Land and Plant at book values; Stock of Rs. 5,00,000; Sundry Debtors at Rs. 2,30,000 and Goodwill at Rs. 40,000.
2. Y Ltd. to take over Sundry Creditors.
3. Purchase consideration to be satisfied by the issue of 10,000 fully paid equally shares of Rs. 100 each at the market value of Rs. 120 each and the balance is cash.

4. Debentures-holders to be satisfied by the issue of Rs. 4,00,000, 11% debentures by Y Ltd.

5. Y Ltd. also made a public issue of 5,000 equity shares of Rs. 100 each at a premium of Rs. 20 each. The issue was fully subscribed.

   The cash Rs. 15,000 just sufficed for the expenses; which X Ltd. had to meet Pass entries in the books of both the companies.

BC 202 : Corporate Accounting

Lesson No. : 7 **Revised by: Pawan Singla**

fu;U=kd dEifu;k oQ [kkr
(Accounts of Holding Companies)

Structure :

(1) ifjp;

(2) mí';

(3) fo"k;&lkexh dk iLrrhdj.k

3.1 l=k/kjh dEifu;k oQ [kkr

3.1.1. l=k/kjh o lgk;d dEiuh dk vFk rFk ifjHkk"kk

3.1.2. l=k/kjh rFkk lgk;d dEiuh dh fo'k"krk,

3.1.3. l=k/kjh dEiuh oQ vfUre [kkr vkj dEiuh vf/fu;e oQ iko/ku

3.1.4. l=k/kjh dEiuh dh iLrdk e y[kk

3.2. l=k/kjh dEiuh dh iLrdk e l;Dr [kkr

3.2.1. l;Dr ;k fefJr fpVBk

3.2.1.1. lkekU; fu;e

3.2.1.2. ikjfEHkd x.kuk oQ fu;e

3.2.1.3. fpVB dh enk oQ feJ.k oQ fu;e

3.3. l;Dr ;k fefJr ykHk&gkfu [kkrk

(4) fu"d"k

(5) iLrkfor iLroQ

(6) ueu oQ fy, i'u

(1) ifjp; (Introduction)

l=k/kjh dEiuh dk fuekZ.k l;kstu vkUnksyu (Combination Movement) dk c<+kok nsuk gS rkfd ifrLi/kkZ dk vUr fd;k tk ldsA] ,dkf/kdkj ;k mlds led{k iofÙk dk ykHk mBk;k tk lds rFkk icU/k ,oa mRiknu dh ferO;;rk dk ykHk fd;k tk ldsA ,sls ykHk nks ;k vf/kd dEifu;ksa dk ,d nwljs esa vo'kks"k.k djds ;k ,dhdj.k djds ikIr fd;k tk ldrk gS] yfdu ,slh n'kk esa ,dhdj.k esa tks jgh dEifu;ka dk Lora= lekIr gks tkuk iMrk gSA yfdu l=k/kjh dEifu;k ds ekey esa ,slk ugha gS] lgk;d dEifu;k viuk Lora= vfLrRo cuk;s j[krh gSa D;ksafd os viuk uke lss gh O;olk; djrh gSA

(2) mís'; (Objective)

bl vè;k; dk mís'; vkidks fuEu fo"k;ksa ls voxr djokuk gS—

(1) l=k/kjh dEiuh dk vFkZ o mldh fo'ks"krk,¡

(2) lgk;d dEiuh dk vFkZ o mldh fo'ks"krk,¡

(3) l=k/kjh dEiuh ds vfUre [kkrs fdl izdkj r;kj fd;s tkrs gSa

(4) l=k/kjh dEiuh ds [kkrs cukrs le; dEiuh vf/kfu;e 1956, ds D;k izko/kku gSa \

(5) l;qDr ;k fefJr fpV~Bk o ykHk&gkfu [kkrk fdl izdkj r;kj fd;k tkrk gSA

(3) fo"k;&lkexh dk iLrqrhdj.k (Presentation of Contents)

l=k/kjh dEifu;ksa ds [kkrks dh fo"k;&lkexh dk iLrqrhdj.k fuEu izdkj ls gS%

3.1. l=k/kjh dEifu;ksa ds [kkrs (Accounting of Holding Companies)

ifrLi/kkZ ls cpus ds fy, ,oa inkf/kdkjh ykHk ikIr djus dh Hkkouk us O;kolkf;d l;kstu dks tUe fn;kA O;kolkf;d l;kstu ds fofHkUu Lo:iksa esa ls ,d l=k /kkjh dEiuh gSA

3.1.1. l=k/kjh dEiuh dk vFkZ ,oa ifjHkk"kk
(Meaning and Definition of Holding Company)

l=k/kjh dEiuh ls vk'k; ml dEiuh ls gS tks fdlh dEiuh ds lapkyu e.My esa vkèks ls vf/kd lnL;ksa dks ukekafdr djus dk vkf/kdkj ikIr dj ysrh gSA ,sls vf/kdkj lkekU;r% mls rc feyrk gS tc og nwljh dEiuh dh leLr va'k iw¡th ds vk/ks ls vf/kd lerk va'kiw¡th [kjhn ysrh gSA

Hkkjrh; dEiuh vf/kfu;e] 1956 dh /kkjk (4) ds vuqlkj] ^^,d dEiuh dks nwljh dEiuh dh l=k/kjh dEiuh rHkh ekuk tk,xk] tcfd ;g nwljh dEiuh mldh lgk;d gksA**

bl ifjHkk"kk ds vUrxZr bl ckr ij tksj fn;k x;k gS fd l=k/kjh dEiuh ds fy, mldh lgk;d dEiuh dk gksuk vko';d gSA lkekU;r% fuEufyf[kr nks n'kkvksa esa vUrxZr dksbZ dEiuh fdlh nwljh dEiuh dh viuh lgk;d dEiuh cuk ysrh gSA

(1) nwljh dEiuh ds ewy er vf/kdkj ds vk/ks ls vf/kd Hkkx ij fu;a=.k djds vFkkZr erkf/kdkj j[kus okyh vk/ks ls vf/kd va'kiw¡th Ø; djds vkjA

(2) nwljh dEiuh dk erkf/kdkj ;Dr iw¡th esa vk/ks ls vf/kd Hkkx dk LokfeRo u gksrs gq,] Hkh fdlh vU; vuqcU/k ds vUrxZr ml dEiuh ds lapkyu e.My ds xBu esa vk/ks ls vfèkd lapkydksa dh fu;qfDr dk vf/kdkj ikIr djdsA

bl idkj vfHkfu;e oQ vulkj] l=k/kjh dEiuh gkuk oQ fy, ;g vko';d ugh g fd og fdlh vU; dEiuh dh vk/ l vf/d lerk ith Ø; gh dj ijUr ;g vko';d g fd mldh dkb lgk;d dEiuh gkA

lgk;d dEiuh dk vFk rFkk ifjHkk"kk (Meaning and Definition of Subsidiary Company)

lgk;d dEiuh l vk'k; ml dEiuh l g] ftloQ icU/ ,o lpkyu ij fdlh vU; dEiuh (l=k/kjh dEiuh) dk fu;=k.k gkrk gA ;g fu;=k.k lkekU;r% vU; dEiuh (l=k/kjh dEiuh) }kjk vk/h l vf/d lerk v'kith Ø; fd, tku ;k fdlh vucU/ oQ vUrxr lpkyd e.My e vf/dk'k lpkydk dh fu;fDr dk vf/dkj ikIr fy, tku ij gkrk gA

Hkkjrh; dEiuh vf/fu;e] 1956 dh /kjk 4(1) oQ vulkj] ^,d dEiuh fdlh vU; dEiuh dh lgk;d dEiuh gkxh ;fn—

(v) og vU; dEiuh blooQ lpkyd e.My oQ xBu ij fu;U=k.k j[krh g vFkok

(c) og vU; dEiuh

(i) iFke of.kr dEiuh oQ vk/ l vf/d erkf/dkjk ij vf/dkj ;k fu;=k.k j[krh g] ;fn iFke dEiuh ,d fo|eku dEiuh g] ftlle bl vf/fu;e l io fuxfer iokf/dkj v'kk oQ /kjdk oQ erkf/dkj lerk v'k/kfj;k oQ leku g vFkok

(ii) iFke of.kr dEiuh dh lerk ith oQ vfdr eY; oQ vk/ l vf/d dh Lokeh g] ;fn iFke dEiuh dkb vU; dEiuh vFkok

(l) ;g dEiuh fdlh ,lh dEiuh dh lgk;d g] tkfd ml vU; dEiuh dh lgk;d gA

3.1.2. l=k/kjh rFkk lgk;d dEiuh dh fo'k"krk,
(Characteristics of Holding and Subsidiary Company)

Hkkjrh; dEiuh vf/fu;e] 1956 e l=k/kjh dEiuh vkj lgk;d dEiuh dh nh xb ifjHkk"kkvk oQ vk/kj ij fuEufyf[kr fo'k"krk, idV gkrh g—

1. l=k/kjh dEiuh dk lgk;d dEiuh oQ lpkyd e.My oQ xBu ij fu;U=k.k gkrk gA
2. lk/kj.kr;% l=k/kjh dEiuh dk lgk;d dEiuh dh ernku 'kfDr j[ku okyh ith oQ vkèk l vf/d Hkkx ij fu;U=k.k gkrk gA
3. l=k/kjh dEiuh ml dEiuh dh Hkh l=k/kjh dEiuh gkrh g tk mldh lgk;d dEiuh dh lgk;d gA

3.1.3. l=k/kjh dEiuh oQ vfUre [kkr vkj dEiuh vf/fu;e oQ iko/ku
(Final Accounts of Holding Company and Provisions of Companies Act)

l=k/kjh dEiuh oQ vfUre [kkrk oQ lEcU/ e Hkkjrh; dEiuh vf/fu;e] 1956 oQ ikoèkkuk dk rhu Hkkxk e ckVk tk ldrk gA /kjk 212 dh vulph VI d iFke Hkkx d iko/ku vkj vulph VI d f}rh; Hkkx d iko/kuA

/kjk 212 d iko/ku

dEiuh vf/fu;e dh /kjk 212 oQ vulkj l=k/kjh dEiuh oQ fpVB d lkFk lgk;d dEiuh d lEcU/ e fuEufyf[kr ii=k uRFkh fd; tku pkfg,—

(v) ifrfyfi;k (Copies)

(i) fpVB dh ifrfyfi

(ii) ykHk&gkfu [kkr dh ifrfyfi

(iii) lpkyd e.My dh fjiksVZ dh ifrfyfi

(iv) vodk{kd dh fjiksVZ dh ifrfyfi

(c) fooj.k i=k

(1) fgr dh lhek—l=k/kjh dEiuh dk lgk;d dEiuh esa mlh frfFk oQ fgr dh lhek ftl frfFk ij bl lgk;d dEiuh dk vfUre foÙkh; o"kZ lekIr gvk gksA

(2) u fy[k gq, ;k ykHk&gkfu;k—lgk;d dEiuh oQ ykHkksa dh ml jkf'k dk o.kZu tks l=k/kjh dEiuh ls lEcfU/r gks vkSj ftldk y[kk dEiuh dh iLrdksa esa u fd;k x;k gksA

(3) fy[k x, ykHk ;k gkfu;k—lgk;d dEiuh d mu ykHkksa ;k gkfu;ksa dk fooj.k i=k ftudk y[kk l=k/kjh dEiuh dh iLrdksa esa fd;k x;k gksA

(l) fyf[kr fjiksVZ—;fn fdlh dkj.ko'k l=k/kjh dEiuh dk lpkyd e.My lgk;d dEiuh oQ vk;xr ykHkksa ;k ijhxr ykHkksa dh (mi;Dr (2) vkSj (3) oQ v/hu) lpuk ikIr ugha dj ikrk g rks bldh fyf[kr fjiksVZ l=k/kjh dEiuh oQ fpVB oQ lkFk uRFkh djuh pkfg,A

vuqlwph VI oQ I Hkkx oQ iko/ku

bl Hkkx oQ vuqlkj] l=k/kjh dEiuh }kjk viuh fpVB esa viuh iR;sd lgk;d dEiuh oQ lEcU/ esa fuEufyf[kr oQ fy, vyx ls lpuk nsuh tkuh pkfg,—

(1) fofu;kx

(2) nunkj

(3) jf{kr ½.k

(4) vjf{kr ½.k

(5) yunkj

(6) ½.k ,oa vfxe

(7) v;kfpr jkf'k

vuqlwph VI oQ II Hkkx oQ iko/ku %

;g iko/ku ykHk&gkfu oQ lEcU/ esa gSA buoQ vuqlkj] l=k/kjh dEiuh dks viuh ykHk&gkfu [kkrs esa viuh lgk;d dEiuh ;k dEifu;ksa oQ lEcU/ esa fuEufyf[kr lpuk vyx ls nuh pkfg,A

ykHkka'k—l=k/kjh dEiuh }kjk lgk;d dEiuh ls ikIr ykHkka'kA

gkfu;k—lgk;d dEifu;ksa dh gkfu;ksa oQ fy, iko/kuA

,sls ykHkka'k tks l=k/kjh dEiuh oQ fpVB dh frfFk oQ ckn dh vof/ ls lEcfU/r gksa] mi;Dr esa lfEefyr ugha fd;s tkrs gSaA

3.1.4. l=k/kjh dEiuh dh iLrdk e y[k (Entries in the Book of Holding Company)

(1) lgk;d dEiuh oQ v'k Ø; dju ij %& l=k/kjh dEiuh u lgk;d dEiuh oQ v'k pkg vfdr eY; ij Ø; fd, gk vkj pkg mlI de ;k vf/d eY; ij] fdUr fuEufyf[kr ifof"V okLrfod Ø; eY; l gh dh tkrh gA

Investment in Company Account Dr.

To Bank Account

To Debentures Account

To Share Capital Account

(For_____shares of Rs._____each in_____Company Limited Purchased)

;fn l=k/kjh dEiuh u viu ½.k i=k ;k v'k ihfe;e ij fn; gk rk mijkDr ifof"V e ifrHkfr ihfe;e [kkrk oQfMV dj fn;k tk,xk vkj ;fn cVV ij fn, gk rk cVVk [kkrk oQfMV dj fn;k tk,xkA

(2) lgk;d dEiuh l ykHkk'k ikIr dju ij %& lgk;d dEiuh }kjk ykHkk'k ikIr dju ij fofHkUu n'kkvk e fHkUu ifof"V;k dh tkrh gA

(i) ;fn l=k/kjh dEiuh u v'k Ø; dju dh frfFk l io oQ ykHkk e l ykHkk'k ikIr fd;k g rk bl ykHkk'k l fofu;kx dh ykxr dk de dj fn;k tkrk g] D;kfd l=k/kjh dEiuh oQ fy, ;g ykHk i thxr iÑfr oQ gkr gA ,lh fLFkfr e fuEu ifof"V djr gA

Bank Account Dr.

To Investment in___Company___A/c

(For dividend received from Pre-acquisition profits)

(ii) ;fn l=k/kjh dEiuh u v'k Ø; dju dh frfFk oQ i'pkr oQ ykHkk e l ykHkk'k ikIr fd;k g rk mI ykHkk'k [kkr e gLrkrfjr dj nr g D;kfd ;g l=k/kjh dEiuh oQ fy, vk;xr iÑfr dk gkrk gA lkFk gh ykHkk'k dk ykHk gkfu [kkr e gLrkfjr dj nr g D;kfd vk;xr iÑfr dk gku oQ dkj.k ;g ykHkk'k ykHk&gkfu [kkr e fn[kk;k tkrk gA vr% fuEufyf[kr nk ifof"V;k dh tkrh gA

(a) Bank Account Dr.

To Dividend A/c

(For dividend received from Post-Acquisition profits)

(b) Dividend Account

To Profit and Loss A/c

(For dividend transferred to P & L A/c)

(3) lgk;d dEiuh l cku l v'k ikIr dju ij & ;fn l=k/kjh dEiuh u lgk;d dEiuh l cku l v'k ikIr fd, g rk og buoQ fy, dkb ifof"V ugh djxh] cfYd fofu;kx [kkr e oQoy v'kk dh l[;k c<k nxh] D;kfd cku l v'k lkekU;r% i thxr ykHkk e l cV tkr gA vr% ;fn ifof"V;k dh tk, rk ijLij foijhr nk ifof"V;k gkxh—

(i) Bonus shares in – Company A/c Dr.

To investment – Co. A/c

(ii) Investment in – Company A/c Dr.

To Bonus shares in – Company Account

Li"V ;g g fd ifof"V;k djuk 0;Fk gk tk,xkA

3.2. l=k/kjh dEiuh dh iLrdk e l;Dr [kkr

(Consolidated Accounts in the Books of Holding Capacity)

l;Dr [kkrk l vfHkik; l=k/kjh dEiuh vkj lgk;d dEiuh oQ fey&tqy [kkrk l gkrk gA bu fefJr [kkrk dk cukuk dEiuh vf/fu;e oQ vulkj vko';d ugh g fdUr foÙkh; tkudkjh dh nf"V l ; [kkr cuk, tkr gA bu [kkrk oQ vUrxr ^l;Dr fpVBk* rFkk l;Dr ykHk gkfu [kkrk dk 'kkfey fd;k tkrk gA

3.2.1. l;Dr [kkrk ;k fefJr fpVBk (Consolidation Balance Sheet)

l=k/kjh dEiuh vkj lgk;d dEiuh oQ vkfFkd fpVB dk feykdj tk lkefgd vkfFkd fpVVk r;kj fd;k tkrk g] ml l;Dr fpVBk dgr gA

l;Dr fpVBk r;kj dju oQ fy, fuEufyf[kr fu;ek dk ikyu djuk pkfg,—

3.2.1.1. (v) lkekU; fu;e (General Rules)

(1) è;ku l n[kuk pkfg, fd dku&lh dEiuh l=k/kjh g vkj dku&lh dEiuh mldh lgk;d g] tk dEiuh nljh dEiuh oQ v'kk e fofu;kx djrh g] og l=k/kjh dEiuh gkrh g vkj nljh dEiuh mldh lgk;d gkrh gA

(2) bloQ ckn ;g n[kk tkuk pkfg, fd l=k/kjh dEiuh u fdl frfFk dk lgk;d dEiuh oQ v'k [kjhn gA

(3) ;g Hkh è;ku l n[kuk pkfg, fd l=k/kjh u lgk;d dEiuh oQ fdru lerk v'k Ø; fd, gA ;fn mlu leLr lerk v'k Ø; fd; g rk lgk;d dEiuh oQ lEi.k ykHk ij l=kèkkjh dEiuh dk vf/dkj gkxk fdUr ;fn l=k/kjh dEiuh u lgk;d dEiuh oQ vk/ l vfèkd lerk v'k Ø; fd; g rk 'k"k v'k vYier /kfj;k oQ gkxA iQyLo:o lgk;d dEiuh u ykHk l=k èkkjh dEiuh vkj vYier v'k/kfj;k oQ chp muoQ v'k /kj.k oQ vuikr e ckV tk,xA

3.2.1.2. (c) ikjfEHkd x.kuk oQ fu;e (Rules for Initial Calculations)

ikjfEHkd r;kjh oQ :i e fefJr fpVBk cuku l io fuEufyf[kr x.kuk, dj yuh pkfg,—

(1) l=k/kjh vkj lgk;d dEiuh oQ fgr dk vuikr

loiFke ;g fu/kfjr dj yuk pkfg, fd lgk;d dEiuh oQ oQy fuxfer lerk v'kk e l fdl vuikr e fdru ifr'kr l=k/kjh dEiuh oQ ikl g vkj fdl vuikr e lgk;d dEiuh oQ ikl 'k"k cp gA blo fy, fuEufyf[kr l=k dk i;kx djuk pkfg, %

(a) Ratio of Holding Company Interest

$$= \frac{\text{No. of Equity Shares purchased by Holding Co.}}{\text{No. of Equity Shares issued by Subsidiary Co.}}$$

l=k/kjh dEiuh oQ fgr dk vuikr %

$$\frac{\text{l =/kkjhd Euh}\}\text{kjk Ø; l erkv'kksadh l [;k}}{\text{l gk; d dEuh}\}\text{kjk fuxZr l erkv'kksadh l [;k}}$$

bl l=k e ;fn 100 l x.kk dj fn;k tk, rk vuikr oQ LFkku ij ifr'kr Kkr gk tk,xkA

(b) Ratio of Subsidary Company Interest

= 1 – Ratio of Holding Company Interest

Or

= 100 – Holding Company Interest

Or

$$= \frac{\text{No. of Equity Shares in Balance}}{\text{No. of Equity Shares Issued by Subsidiary Company}}$$

(2) pkyw o"k dk ykHk (Current Year Profit)

fefJr fpVBk cukus e lgk;d dEiuh oQ pkyw o"k oQ ykHk dk egÙoi.k mi;kx gA blfy, fefJr fpVBk cukus l igy lgk;d dEiuh oQ pkyw o"k l ykHk dh x.kuk dj yuh pkfg,A

(3) iwthxr ykHk vFkkr vf/xg.k l iwo ykHk (Capital Profit or Pre-acquisition Profit)—

l=kk/kjh dEiuh ftl frfFk rd lgk;d dEiuh d v'k [kjhnrh g] ml frfFk l igy d lgk;d dEiuh oQ ykHk dk vf/xg.k l iwo dk ykHk ;k iwthxr ykHk dgr gA bl ykHk dh x.kuk fuEufyf[kr idkj l dh tkrh gA

Last year's Balance of Profit	....
Add : Current Year's profit before purchase	....
Add : Last year Balance of Reserve	....
Add : Profit on Re-valuation of Assets	....
Less : Last year balance of Loss	....
Current year's loss before purchase	....
Loss on Revaluation of Assets	....
Capital Profit (Pre-acquisition Profit)	....

;fn i'u e lp; oQ fo"k; e oQN u dgk tk, rk ml pkyw o"k dk ykHk ekuk tk,xkA

(4) vk;xr ykHk vFkkr vf/xg.k oQ i'pkr ykHk (Revenue Profit or Profit post Acquisition)

l=k/kjh dEiuh }kjk lgk;d dEiuh oQ v'k Ø; fd; tku dh frfFk d ckn d lgk;d dEiuh d ykHk (vf/xg.k i'pkr ykHk) dgr gA budh x.kuk fuEu idkj dh tkrh g%

	Rs.
Current Year Profit after purchase	....
Add : Excess depreciation on devalued assets	....
Less : Under depreciation on appreciated asset	....
Revenue Profit (Profit Post-acquisition)	....

mi;Dr lkFkr ykHkk dk nks Hkkxksa esa ckaVk tkrk gS—l`k/kjh dEiuh dk fgLlk] leg fpVB esa l=k/kjh dEiuh d ykHk esa tksM fn;k tkrk g tcfd lgk;d dEiuh dk fgLlk vYier v'kèkkfj;ksa oQ fgr esa tksM fn;k tkrk gSA

(5) iwth lap; ;k [;kfr (Capital Reserve or Goodwill)

l=k/kjh dEiuh] lgk;d dEiuh oQ v'kks dk ftl dher ij [kjhnrh g] mlls ykxr ;k fofu;kx ;k vfHkxg.k dh ykxr dgr gSA bl ykxr d cny esa mls lgk;d dEiuh dh iwth vkj iwthxr ykHk esa vkuikfrd fgLlk ikIr gkrk gSA vr%

	Rs.
(i) Cost of Acquisition	....
Less : (i) Share in Capital Subsidiary Company	....
(ii) Share in Capital Profit of Subsidiary Co. Goodwill	....

	Rs.
(i) Share in Capital of Subsidiary Co.	....
Add : Share in Capital Profit of Subsidiary Co.	....
(ii) Less : Cost of Acquisation	....
Capital Reserve	....

(6) vYier v'k/kfj;ksa dk fgr (Minority Interest)

lkekU;r% l=k/kjh dEiuh lgk;d dEiuh oQ vk/ks ls vf/d v'k [kjhn yrh gSA 'k"k cps v'kks d /kjdk dk vYier v'k/kjh ;k vYil[;d dgr gSA bUgs viuh v'k/kfjrk oQ vuikr esa lgk;d dEiuh dh v'k iwth] iwthxr ykHk vkj vk;xr ykHk ij LokfeRo ikIr gkrk g] ftloQ ekfæd ;kx dk vYil[;dk dk fgr dgr gSA budh x.kuk bl idkj dh tkrh g %

	Rs.
Share in Capital of Subsidiary Company	....
Share in Capital Profit of Subsidiary Company	....
Share in Revenue Profit of Subsidiary Company	....
Minority Interest	....

(7) l;Dr ykHk (Consolidated Profit)

l;Dr ykHk ls vk'k; l=k/kjh dEiuh oQ ml ykHk ls gkrk g] ftlesa mldh lgk;d dEiuh ls ikIr gksu okyk vk;xr ykHk lfEefyr gk] blhfy, bls lfEefyr ykHk] lkefgd ykHk ;k fefJr ykHk Hkh dgr gSA budh x.kuk fuEufyf[kr idkj ls dh tkrh gSA

	Rs.
Profit of Holding Company as per Balance Sheet	....
Add : Share in Revenue Profit of Subsidiary	....
Consolidated Profit	....

Illustration 1 :

,d tyk 1998 dk d fyfeVM u [k fyfeVM o 22,500 lerk v'kk dk Ø; fd;k g rk 31 fnlEcj] 1998 dk [k fyfeVM dk fpVBk fuEufyf[kr Fkk—

Liabilities	Rs.	Assets	Rs.
Share Capital 6% cum		Plant and Machinery	
Pref. Shares of 100 Rs. each	75,000	Balance 1.1.1998 1,87,500	
Equity Shares of Rs. 10 each	3,75,000	Less : Depreciation 10% 18,750	1,68,750
General Reserve	1,12,500	Land and Building	1,85,000
Surplus		Current Assets	3,28,750
Balance (1.1.1998) 22,500		Preliminary Expesnes	30,000
Profit for (1998) 67,500	90,000		
Current Liabilities	60,000		
	7,12,500		7,12,500

(X Limited acquired 22,500 equity shares in Limited on 1st July, 1998. On 31st December, 1998 the balance sheet of S. Limited was as under)

vf/xg.k dh frfFk dk d fyfeVM dk irk pyk fd Hkfe rFkk Hkou dk eY; 15,000 #i; l vf/d eY;kdu gvk g rFkk ;=k ,o e'khu dk eY; 2,25,000 #i; gA ;g fuf'pr fd;k x;k fd leg fpVBk cuku e lEifÙk;k o mfpr eY; dk i;kx fd;k tk; rFkk ikjfEHkd 0;; dk lekIr fd;k tk;A nkuk dEifu;k dk fgr vuikr [k fyfeVM dk pky o"k dk yKHk] iathxr yKHk] vk;xr yKHk rFkk vYier v'k/kfj;k dk fgr Kkr dhft,A

As on the date of acquisition X Ltd. found the land and building overvalued by Rs. 15,000 and the value of Plant and Machinery to be Rs. 2,25,000. In preparing the consolidating Balance Sheet. It is decided to use the proper Values of the assets and to eliminate preliminary expenses. As certain interest Ratios of both Companies current profit of X Limited Capital Profit, Revenue Profit and Minority Interest.

Solution. Interest Ratios of Companies

(a) $$\text{X Ltd.} = \frac{22{,}500 \text{ Shares}}{37{,}500 \text{ Shares}} = \frac{3}{5} \text{ or } 60\%$$

(b) $$\text{Y Ltd.} = 1 - \frac{2}{5} = \frac{2}{5} \text{ or } 40\%$$

(ii) Current year profit of Y Ltd.

	Rs.
Surplus as per balance Sheel	90,000
Less : Balance (1.1.1998)	22,500
Profit for 1998	67,500
Less : Divided to preference Capital	
(6% on Rs. 75,000)	4,500
Profit for current year	63,000

(iii) Capital Profits

Balance (1.1.1998 as per balance sheet)		22,500
Profit for current year $\left(63000 \times \frac{6}{12}\right)$		31,500
General Reserve		1,12,500
Profit on Revaluation of Plant and Machinery		48,875
Total		2,13,375
Less : Preliminary Expenses	30,000	
Less on Revaluation of A and B	15,000	45,000
Capital Profits		1,68,375

(iv) Revenue Profit

	Rs.
Current year profit (From July 1 to December 31)	31,500
Less : Additional Depreciation on Increased value of P and M for 6 months $\left(46,875 \times \frac{10}{100} \times \frac{6}{12}\right)$	2,344
Revenue Profits	29,158

(v) Minority Interests

Preference share capital		75,000
Equity Share Capital (3,75,000 × $\frac{2}{5}$)		1,50,000
Preference shares dividend		4,500
$\frac{2}{5}$ of Capital Profit		67,350
$\frac{2}{5}$ of Revenue Profit		11,662
		3,08,512
Minority Interest		
Note : 1. Revaluation of Plant and Machinery		2,25,000
On July 1, 1998		
Less : P & M on 1 July, 1998	1,87,500	
Depreciation upto 1 July $\left(18,750 \times \frac{6}{12}\right)$	9,375	1,78,125
Profit on Revaluation of Plant and Machinery		46,875

3.2.1.3. (l) fpVB dh enk d feJ.k d fu;e
(Rules of Consolidation of Claims of Balance Sheet)

fefJe fpVBk cukr le; l=k/kjh dEiuh vkj lgk;d dEiuh oQ fpVBk dh fofHkUu enk (vFkkr) lEifÙk;k ,o nkf;Rok) dk l;Dr fd;k tkrk gA ,lk djr le; fofHkUu fLFkfr;k lkeu vk ldrh g] ftuoQ lEcU/ e fuEufyf[kr fue;k dk è;ku e j[kuk pkfg,A

1. fofu;kx lek;ktu (Investment Adjustment)

l=kk/kjh dEiuh lgk;d dEiuh dh iwth dk tk Hkkx [kjhnrh g] mlh og fpVB oQ lEifÙk i{k e fofu;kx oQ uke l fn[kkrh gA nljh vkj ;g lgk;d dEiuh d fpVB e v'k iwth d :i e gkrk gA vr% fefJr fpVBk cukr le; nkuk vkj l bl gVk;k tkrk g] fdUr ,lk djr le; fuEufyf[kr fLFkfr;k dk è;ku j[kuk pkfg,—

(1) **lgk;d dEiuh d leLr v'kk e vfdr eY; ij fofu;kx**—;fn l=k/kjh dEiuh u lgk;d dEiuh oQ lkj v'k vfdr eY; ij [kjhn fy, g rk fefJr fpVBk cukr le; l=kèkkjh dEiuh oQ lEifÙk i{k l fofu;kx rFkk lgk;d dEiuh oQ nkf;Ro i{k l ^v'k iwth* gVk nh tk,xhA

(2) **lgk;d dEiuh oQ leLr v'kk e ykxr eY; ij fofu;kx**—;fn l=kk/kjh dEiuh] lgk;d dEiuh d v'kk dk vfdr eY; l vf/d dher ndj [kjhnrh g rk bl ykxr eY; e fofu;kx dgr gA

(3) **lgk;d dEiuh oQ vk/ l vf/d v'kk e vfdr eY; ij fofu;kx**—;fn l=kèkkjh dEiuh u lgk;d dEiuh d vk/ l vf/d v'k vfdr eY; ij [kjhn g rk 'k"k v'kk d èkkjd vYil[;d dgyk;x vkj lgk;d dEiuh dh iwth rFkk ykHk e mldk fgr ^vYil[;dk d fgr d uke l l;Dr fpVB d nkf;Ro i{k e fn[kk;k tk,xkA* 'k"k lek;ktu io dh Hkkfr gkxA

Illustration 2.

A dEiuh vkj lgk;d jkf'k dEiuh d fuEukfdr fpVB l l;Dr fpVBk r;kj dhft,—

From the following balance sheet of A company and its Subsidiary B Company, prepare consolidated balance sheet.

Balance-Sheet as on 31-12-1999

Liabilities	A Co. Rs.	B Co. Rs.	Assets	A Co. Rs.	B Co. Rs.
Share Capital			Premises	38,08,000	—
Authorised & Issued			Plant	5,80,000	—
Rs. 80 Per Share	40,00,000	4,00,000	4,500 shares in		
General Reserve	20,00,000		B. Company		
			Rs. 80 per share	3,60,000	—
Creditors	12,00,000	80,000	Closing Stock	12,00,000	2,00,000
Profit and Loss A/c	4,00,000	5,00,000	Investment Short	3,60,000	80,000
			Debtors	8,00,000	2,80,000
			Cash	5,00,000	5,20,000
	76,00,000	10,80,000		76,00,000	10,80,000

Solution.

pfd i'u e v'k Ø; dju dh frfFk ugh nh xb g] blfy, ;g eku fy;k x;k g fd v'k 1.1.1999 dk Ø; fd;k x;k gA vr% B Co. Ltd dk ykHk v'k vf/xg.k oQ i'pkr dk ekuk tk,xkA

(i) Ratio of Interest A Co. = $\frac{4,500}{5,000} = \frac{9}{10}$

B. Co. = $\frac{500}{5,000} = \frac{1}{10}$

(ii) Current year profit of B. Co. (as per balance sheet) Rs. 6,00,000

(iii) Capital Reserve of Goodwill

		Rs.
Cost of investments		3,60,000
Less : Equity		
9/10 share capital of B. Co.		
$\left\{4,00,000 \times \frac{9}{10}\right\}$	3,60,000	
Capital Profit	Nil	3,60,000
		Nil

(iv) Minority Interest

1/10 of share capital (4,00,000 × 1/10)	40,000
1/10 of Current Year Profit (6,00,000) × 1/10	60,000
	1,00,000

(v) Consolidated Profit

Profit and Loss Account of A Company as per Balance Sheet	4,00,000
Add : 9/10 of Reserve Profit (6,00,000 × 9/10)	5,40,000
Total	9,40,000

Consolidated Balance Sheet as on 31.12.1999

Liabilities		Rs.	Assets		Rs.
Share Capital		40,00,000	Premises		38,00,000
General Reserve		20,00,000	Plant		5,80,000
Consolidated Profit		8,40,000	Closing Stock		
Creditors			A. Co.	12,00,000	
A Co.	12,00,000		B. Co.	2,00,000	14,00,000
A Co.	80,000	12,80,000	Investment		
Minority Interest		1,00,000	A. Co.	3,60,000	
			B. Co.	80,000	4,40,000
			Debtors		
			A. Co.	8,00,000	
			B. Co.	2,80,000	10,80,000

		Cash A. Co. 5,00,000 B Co. 5,20,000	10,20,000
	83,20,000		83,20,000

(4) lgk;d dEiuh d vk/ l vf/d v'kk e ykxr eY; ij fofu;kx—;fn l=k/kjh dEiuh u lgk;d dEiuh vk/ l vf/d v'k ykxr eY; (vfdr eY; l lkeU;r% vf/d) ij [kjhn g rk vYil[;dk dk fgr rk jgxk gh lkFk gh bl ckr dh lEHkkouk vf/d g fd mlI ith lfpfr ;k [;kfr dh fLFkfr dk lkeuk djuk iM ;|fi ,lk lno vko';d ugh gA

(5) lgk;d dEiuh d v'kk e o"k dk iFke frfFk dk fofu;kx—;fn l=k/kjh dEiuh lgk;d dEiuh d v'kk dk o"k d ikjEHk e Ø; djrh g rk lgk;d dEiuh d pky o"k d ykHk ^vf/xg.k d i'pkr* vFkkr vk;xr ykHk eku tkr gA bue l l=k/kjh dEiuh dk fgLlk l;Dr ykHk dh x.kuk e tkM fn;k tkrk g vkj vYiv'k/kfj;k dk fgLlk vYil[;d fgr e tkM fn;k tkrk gA bl idkj pky o"k d ykHkk e fofu;kx dh ykxr de ugh gkrh gA

(6) lgk;d dEiuh d v'kk e o"k dh vfUre frfFk ij fofu;kx—;fn l=k/kjh dEiuh lgk;d dEiuh oQ v'kk dk o"k d vfUre fnu vFkkr fpVBk cuku dh frfFk ij Ø; djrh g rk lgk;d dEiuh d fpVB e fn[kk, x, pky o"k d leLr ykHk (vf/xg.k d io ;k i'pkr ykHk eku tk,x)A vr% bue l l=k/kjh dEiuh d fgLl dk fofu;kx dh ykxr e l ?kVk fn;k tk,xk rFkk vYil[;dk d fgLl dk vYil[;d fgr e tkM fn;k tk,xkA bl idkj pky o"k d ykHkk dk ,d fgLlk fofu;kx dh ykxr dk de dj nxk tcfd vk;xr ykHk 'kU; jgxkA

Illustration 3.

, fyfeVM ,o vkj fyfeVM d 31 fnlEcj] 1999 d fpVB fuEu gA bl frfFk ij , fyfeVM u vkj fyfeVM d 80 ifr'kr v'k Ø; dj fy,A l;Dr fpVBk cuk dj fn[kkb,A

The following are the balance sheets of A Ltd. and R Ltd. as on 31st December, 1999, in which date A Ltd. acquires 80% shares of R Ltd. Show the consolidated balance sheets.

Liabilities	**A. Ltd. Rs.**	**R. Ltd. Rs.**	**Assets**	**A. Ltd. Rs.**	**R. Ltd. Rs.**
Share Capital	5,00,000	1,00,000	Fixed assets	6,50,000	1,50,000
Reserve	—	25,000	Current Assets	1,40,000	40,000
Surplus	1,00,000	15,000	Shares in R Ltd.	1,60,000	
Creditors	3,50,000	50,000			
	9,50,000	1,90,000		9,50,000	1,90,000

Solution.

(i) Interest Ratio

A. Ltd. 80% (Given)

R. Ltd. (Minority) 100 – 80 = 20%

(ii) Current year profit (Surplus) of R. Ltd. = Rs. 15,000

(iii) Capital Profits

Reserve of R. Ltd.		25,000
Surplus of R. Ltd.		15,000
		40,000
(iv) Revenue Profits		Nil
(v) Capital Reserve or Goodwill		
cost of Investment		1,60,000
Less, 80% share capital of R. Ltd.	80,000	
80% Capital Profit	32,000	1,12,000
Goodwill		48,000
		Rs.
(iv) Minority Interest		
20% of Share Capital		20,000
20% of Capital Profit		8,000
		28,000

Consolidated Balance Sheet

Liabilities	Rs.	Assets		Rs.
Share Capital	5,00,000	Goodwill		48,000
Surplus	1,00,000	Fixed Assets		
Creditors		A. Ltd.		5,50,000
A Ltd. 3,50,000		R. Ltd.	6,50,000	8,00,000
R. Ltd. 50,000	4,00,000	Current Assets		
Minority Interest	28,000	A. Ltd.	1,40,000	
		R. Ltd.	40,000	1,80,000
	10,28,000			10,28,000

2. **ikjLifjd yunu ;k vUrj dEiuh O;ogkj dk lek;ktu (Adjustment for Inter-Company Transactions)**— l=k/kjh dEiuh vkj lgk;d dEiuh d chp vkil e yu&nu ,o Ø;&foØ; pyrk jgrk g] blo iQyLo:i o"k d vUr e ,d dEiuh dk nljh dEiuh e oQN jkf'k;k yuh gkrh g] tk mlo fpVB d lEifÙk i{k e fn[kkb xb gkrh gA nljh vkj] ;fn jkf'k;k nljh dEiuh dk nuh gkrh g] blfy, mlo fpVB d nkf;Ro i{k e fn[kkb gb gkrh gA fefJr fpVBk cukr le; bu jkf'k;k dk ,d dEiuh dh lEifÙk l rFkk nljh dEiuh d nkf;Ro l ?kVk nr gA bl idkj fpVB d nkuk vkj ,d leku jkf'k de gk tkrh gA bl idkj d lek;ktu d ie[k mnkgj.k] nunkj@yunkj] ikl; fcy & n; fcy] vkilh ½.k vkfn gA

3. **vuftr ykHk dk lek;ktu (Adjustment of Unrealised Profit)**—;fn l=k/kjh dEiuh lgk;d dEiuh dk ;k lgk;d dEiuh l=k/kjh dEiuh dk ykHk ij cprh g rk bl idkj vkil e cp x, eky d ey e og ykHk Hkh 'kkfey gk tkrk g tk ,d dEiuh u nljh dEiuh l fy;k gA ;fn bl idkj dk eky o"k d vUr e oQrk dEiuh d LdU/ e 'kkfey gkrk g rk mle ;g ykHk Hkh tMk gkrk g tk foo{rk dEiuh u fy;k FkkA bl ykHk dk gh

u oly gvk ykHk ;k vuftr ykHk dgr gA vuftr ykHk dk l=k/kjh dEiuh dk fgLlk oQrk dEiuh d LdUèk e l ?kVk nr g vkj fooQrk dEiuh d ykHk e l ?kVk nr gA bl idkj fpVB dk nkuk i{kk e cjkcj jkf'k dk lek;ktu gk tkrk gA

;gk ;g mYy[kuh; g fd bl lek;ktu d lEcU/k e fo}kuk dk vU; er Hkh g] ftld vulkj lEi.k vuftr ykHk ?kVk;k tkuk pkfg, fdUr vf/kdk'k fo}ku iFke er dk gh Lohdkj djr g] blfy, iLrr vè;k; e mldk i;kx fd;k x;k gA

vuftr ykHk dh x.kuk] lek;ktu gr fuEufyf[kr idkj l dh tkrh g %

(1) ;fn foØ; eY; ij ykHk dk ifr'kr fn;k g rk vuftr ykHk LdU/ e

$$\text{'kkfey eky} \times \frac{\text{nj}}{100} \times \text{l=k/kjh dEiuh dk vuikr}$$

(2) ;fn ykxr ij ykHk dk ifr'kr fn;k g rk vuftr ykHk & LdU/ e

$$\text{'kkfey eky} \times \frac{\text{nj}}{100+\text{nj}} \times \text{l=k/kjh dEiuh dk vuikr}$$

4. ekxLFk eky ,o jkdM dk lek;ktu (Adjustment of Goods and Cash in Transit)— tc l=k/kjh dEiuh lgk;d dEiuh dk ;k lgk;d dEiuh l=k/kjh dEiuh dk eky vFkok jkdM Hkt rh g fdUr og fpVB dh frfFk ij ikIr ugh gkrh g] rc mlI ekxLFk eky vkj ekxLFk jkdM dgr gA bl eky dk Hktu okyh dEiuh u eky Hktu d ckn viu nunkj cMk fy; gkxA vr% muoQ nunkjk l ekxLFk eky ?kVk fn;k tk,xk rFkk fpVB d lEifÙk i{k e vyx l ekxLFk eky 'kh"kd fn[kk;k tk,xkA fdUr ekxLFk jkdM d lnHk e fu;e FkkMk fHkUu gA ekxLFk jkdM Hktu okyh dEiuh u jkdM Hktu d ckn viu yunkj de dj fy;k gkx fdUr ftl dEiuh dk jkdM ikIr djuh Fkh] mlI viu nunkj de ugh fd, gkxA vr% mld nunkj de dj fn; tk,x vkj ekxLFk jkdM dk fpVB dh lEifÙk i{k e vyx l fn[kk;k tk,xkA

Illustration 4.

v#.k fyfeVM rFkk vkykd fyfeVM dk 31 ekp 1998 dk fpVBk fuEu idkj g—

Liabilities	Arun Ltd. Rs.	Alok Ltd. Rs.	Assets	Arun Ltd. Rs.	Alok Ltd. Rs.
Share Capital (Rs. 100 shares)	5,00,000	2,00,000	Machinery	3,00,000	2,00,000
General Reserve on 1.4.1997	50,000	30,000	Investments	1,40,000	20,000
Profit and Loss A/c	40,000	20,000	Stock	1,05,000	30,000
Sundry Creditors	65,000	45,000	Debtors	80,000	50,000
Bill Payable	—	15,000	Bank Balanc	30000	10000
	6,55,000	3,10,000		6,55,000	3,10,000

vU; lpuk, %

(1) v#.k fyfeVM u vkykd fyfeVM d 1,200 v'k iR;d 100 #i; dk 30 tu] 1997 d 1,40,000 #i; dh ykxr ij Ø; fd;A

(2) ,d viy] 1997 dk vkykd fyfeVM dk ykHk gkfu [kkrk 12,000 #i;s dk MscsV 'ks"k fn[kkrk FkkA

(3) v#.k fyfeVM ds nsunkjksa esa 25,000 #i;s vkykd fyfeVM ls ikI; lfEefyr g] tcfd vkykd fyfeVM ds nsunkjksa esa 20,000 #i;s v:.k fyfeVM dks n;s 'kkfey g] D;ksafd 5,000 #i;s dk MkÝV vkykd fyfeVM us 28 ekp] 1998 dks Hkstk Fkk] tks vHkh v#.k fyfeVM dks ikIr ugha gvkA

(4) vkykd fyfeVM ds LVkd esa 6,000 #i;s dk eky v#.k fyfeVM ls Ø; fd;k gvk] lfEefyr g] ftls ckn okyh dEiuh us ykxr ij $33\frac{1}{3}$% ifr'kr ykHk ij cpk FkkA

31 ekp] 1998 dks l;Dr fpVBk r;kj dhft,A

Other Informations :

(1) Arun Limited acquired 1,200 shares of Rs. 100 each in Alok Ltd. on 30th June, 1997 at a cost of Rs. 1,40,000.

(2) The Profit and Loss Account of Alok Limited showed a debit balance of Rs. 12,000 on 1st April, 1997.

(3) Debtors of Arun Limited include Rs. 25,000 due from Alok Limited while creditors of Alok Limited include Rs. 20,000 due to Arun Limited as a draft of Rs. 5,000 sent by Alok Limited on 28th March, 1998 was not received by Arun Limited.

(4) The stock of Alok Limited includes goods valued Rs. 6,000 purchased from Arun Limited which was sold by Latter Company at a profit of $33\frac{1}{3}$% on cost.

Prepare consolidated balance sheet on 31st March, 1998.

Solution.

(i) Holding Company's Interest

$$= \frac{1200}{2000} = \frac{3}{5}, \text{ Minority Interest} = \frac{2}{5}$$

(ii) Current Year Profit	Rs.
Profit and Loss Account of Alok Limited	
as per balance Sheet	20,000
Add : Debit Balance of Profit and Loss A/c	
(Loss) on 1st April	12,000
Current Year Profit of Alok Limited	32,000

(iii) Capital Profit	Rs.
General Reserve on 1st April	30,000
Current Year Profit upto	
30th June $\left(32,000 \times \frac{3}{12}\right)$	8,000

Less : Pre-acquisition Loss (1st April)		38,000
Capital profit or pre-acquisition profit		12,000
		26,000
(iv) Revenue Profits		Rs.
Current year profit from 1st July to 31st March		24,000
$\left(32,000 \times \frac{9}{12}\right)$		
(v) Capital Reserve or Goodwill		1,40,000
cost of investment		
Less : $\frac{3}{5}$ of Share Capital of Alok Ltd. 1,20,000		
$\frac{3}{5}$ of Capital Profit	15,600	1,35,600
Goodwill		4,400
(vi) Minority Interest		Rs.
$\frac{2}{5}$ of Share Capital		80,000
$\frac{2}{5}$ of Capital Profit		10,400
$\frac{2}{5}$ of Revenue Profit		9,600
		1,00,000
(vii) Unrealled Profit for Adjustment		
$6,000 \times \frac{33.33}{133.33} \times \frac{3}{5}$ Þ		900
(viii) Consolidated Profit		Rs.
Profit and Loss Account of Arun Limited		40,000
Less : Unrealised Profit		900
		39,100
Add : $\frac{3}{5}$ of Revenue Profit		
Profit for Consolidated		14,400
Balance Sheet		53,500

(Consolidated Balance Sheet on as 31st March, 1998)

Liabilities	Rs.	Assets		Rs.
Share Capital	5,00,000	Bank (30,000 + 10,000)		40,000
General Reserve	50,000	Goodwill		4,400
Consolidated Profit	53,500	Machinery		
Arun Ltd. 65,000		Arun Ltd.	3,00,000	
Alok Ltd. 45,000		Alok Ltd.	2,00,000	5,00,000
(–) Inter Co. 20,000 25,000	90,000	Investment		20,000
Bills Payable	15,000	Stock		
Minority Interest	1,00,000	Arun Ltd.	1,05,000	
		Alok Ltd.	30,000	
		(–) Unrealised	900	1,34,100
		Profit		
		Debtors :		
		Arun Ltd.	80,000	
		(–) Inter Co.	20,000	
			60,000	
		Alok Ltd.	50,000	
			1,10,000	
		(–) Cash in	5,000	1,05,000
		Transit		
		Cash in Transit		5,000
	8,08,500			8,08,500

5. **LFkk;h lEifÙk;k d iueY;kdu dk lek;ktu (Adjustment of Revaluation of Fixed Assets)**—vf/xg.k d le; LFkk;h lEifÙk;k dk iueY;kdu fd;k tk ldrk gA iueY;kdu d iQyLo:i LFkk;h lEifÙk dk eY; c< Hkh ldrk g vkj ?kV Hkh ldrk g ijUr vYil[;dk dk fgr iHkkfor ugh gkuk pkfg,A

(v) l=k/kjh dEiuh dh lEifÙk;k dk eY;kdu—;fn vf/xg.k d le; l=k/kjh dEiuh dh LFkk;h lEifÙk;k dk iueY;kdu fd;k tkrk g rk mudk fuEu idkj l lek;kftr fd;k tk,xkA

(c) ;fn LFkk;h lEifÙk;k dk eY; c< x;k g rk c<k gvk eY; ithxr ykHk ekudj l;Dr fpVB e ith lp; d uke l nkf;Ro i{k e fn[kk;k tk,xk fdUr ;g fpVB e [;kfr gk rk [;kfr l lek;kftr dj fn;k tk,xk D;kfd ith lp; vkj [;kfr ,d lkFk ugh fn[kk, tkrA

(2) ;fn LFkk;h lEifÙk;k dk eY; ?kV x;k g rk ?kVk gvk eY; ithxr gkfu ekudj ith lp; e l de dj fn;k tk,xkA ;fn ith lp; ugh g rk l=k/kjh dEiuh d lkekU; lp; ;k ykHk e l de dj fn;k tk,xkA

(l) l;Dr fpVB e lEifÙk;k dk l'kkf/r eY; ij fn[kk;k tk,xkA

fVIi.kh—;fn lgk;d dEiuh d fpVB e Hkh ith lfpfr gk rk ml lkekU; lp; dh HkkfUr Ø; frfFk l io o i'pkr e ckVk tk,xkA

(ii) lgk;d dEiuk dh lEifÙk;k dk iueY;kduA

vf/xg.k d le; v'k dk Ø; eY; fu/kfjr dju gr l=k/kjh dEiuh] lgk;d dEiuh dh LFkk;h lEifÙk;k dk iueY;kdu dj ldrh gA ,lk dju ij

(v) vYier v'k/kfj;k dk fgr Hkh iHkkfor gkxkA

(c) ;fn lEifÙk dk eY; c<k g rk mlI ^iwthxr ykHk* ekudj iwthxr ykHkk e tkM fn;k tk,xkA

(l) ;fn lEifÙk dk eY; ?kVk g rk mlI iwthxr gkfu ekudj ^iwthxr ykHkk* e l ?kVk fn;k tk,xkA

(;) l;Dr fpVB e lEifÙk;k dk l'kkf/r eY; ij fn[kk;k tk,xkA

Illustration 5.

X Co. u 2000 v'k Y Co. oQ 1 viy] 1998 dk Ø; fd;A Y Co. d lfpr vkjEHk e 7,000 #i; d FkA o"k 1998 d vkjEHk e Y Co. dk ykHk gkfu [kkr dk MfcV 'k"k 1,000 #i; FkkA Y Co. dh lEifÙk;k 60,000 #i; rd gkfly djuh gA X Co. u Y Co. ij 10,000 #i; d fcy fy[k ftle l 9,000 #i; d fcyk dk cd l Hkuk fy;k x;kA Y Co. d yunkjk e 5,000 #i; dk eky 'kkfey g tk X Co. l [kjhnk Fkk vkj ftl ij Y Co. u 20 ifr'kr ykHk oly fd;k FkkA Y Co. d LVkd e 1,000 #i; dk og eky 'kkfey g tk X Co. u [kjhnk FkkA fefJr fpVBk r;kj dhft,A

31 fnlEcj] 1998 dk X vkj Y dEifu;k oQ fpVB fuEufyf[kr g—

Liabilities	**X. Co. Rs.**	**Y. Co. Rs.**	**Assets**	**X. Co. Rs.**	**Y Co. Rs.**
Capital	50,000	30,000	Sundry Assets	56,000	61,000
Reserves	20,000	10,000	Debtors	10,000	3,000
Profit and Loss A/c	10,000	16,000	Investments	19,000	2,000
Creditors	20,000	10,000	Bills Receivable	15,000	3,000
Bills Payable	15,000	25,000	Stock	15,000	22,000
	1,15,000	91,000		1,15,000	91,000

Solution :

;g i'u fuEufyf[kr ekU;rkvk d lkFk gy fd;k x;k gA

(1) X Co. rFkk Y Co. d v'kk dk eY; ifr v'k 10 #i; gA vr% Y Co. d oQy 3,000 v'k g ftue l 2000 v'k X Co. u Ø; fd, gA

(2) Y Co. dh lEifÙk;k vFkkr Sundry Assets dk 60,000 #i; ij iueY;kfdr fd;k x;k gA vr% 61,000 – 60,000 = 1,000 #i; dh iwthxr gkfu mRiUu gbZ gA

(3) X Co. u pfd 5,000 #i; d eky ij Y Co. l 20 ifr'kr ykHk olyh fd;k Fkk] blfy, 1,000 #i; d mlI eky ij Hkh 20 ifr'kr ykHk oly fd;k gkxk tk Y Co. d LVkd e gA ;gk ;g Hkh ekuk x;k g fd LVkd e 1,000 #i; dk eky 5,000 #i; d [kjhn x, eky e l gh cpk gA

(4) ykHk dh nj foØ; eY; ij ekuh xbZ gA vr% vftr ykHk $1000 \times \frac{20}{100} = 200$ #i; gkxkA

(5) fpVB e fn, x, Ip; IkeU; Ip; gA

(i) Interest Ratio :

$$\text{X Co.} = \frac{2000}{300} = \frac{20}{3} \quad \text{Y Co. } 1-\frac{1}{3} = \frac{1}{3} \; \textit{i.e.}, 2:1$$

(ii) Capital Profit

Balance of General Reserve of	Rs.
Y Co. on 1st April, 1998	7,000
Less : Debit Balance of P & L A/c on 1st April, 1998	1,000
Profit Pre-acquisition	6,000
Less : Less on Revaluation of Asset :	1,000
Adjusted Capital Profits	5,000

(iii) Current Year Profit of Y Co.

	Rs.
Profit and Loss Account as per Balance Sheet	16,000
Profit transferred to General Reserve (Rs. 10,000 – 7,000)	3,000
Add : Debit Balance of Profit and Loss Account on April, 1998	1,000
Profit during 1998	20,000

(iv) Revenue Profits

	Rs.
Profit during 1998 (After acquisition)	20,000

(v) Capital Reserve

	Rs.	Rs.
Cost of Investment		19,000
Less : $\frac{2}{3}$ Equity (i) Capital $\left(3000\times\frac{2}{3}\right)$		20,000
(ii) $\frac{2}{3}$ Capital Profit $\left(5000\times\frac{2}{3}\right)$	3,333	23,333
Capital Reserve on Acqisition		4,333

(vi) Minority Interest

	Rs.
(i) $\frac{1}{3}$ Capital	10,000
(ii) $\frac{1}{3}$ Capital Profit	1,667
(iii) $\frac{1}{3}$ Revenue Profit	6,667
	18,334

(vii) Unrealised Profit for adjustment

$$1000\times\frac{20}{100}\times\frac{2}{3} = 133$$

(viii) Consolidated Profit | Rs.

Profit and Loss Account of X Company	10,000
Less : Unrealised Profit	133
9,867	
Add : 2/3 of Revenue Profit	13,333
	23,200

Consolidated Balance Sheet as on 31st December, 1998

		Rs.			Rs.
Share Capital		50,000	Sundry Assets		
Capital Reserve (V)		4,333	X Co.	56,000	
General Reserve		20,000	Y Co.	60,000	1,16,000
Consolidated Profits		23,200	Debtors		
Creditors			X Co.	10,000	
X Co.	20,000		Inter Co.	5,000	
Y Co. 10,000				5,000	
(-) Inter Co. 5,000	5000	25,000	Y Co.	3,000	8,000
Bits Payable			Investments		2,000
X Co.	15,000				
Y Co.	25,000		Bits Recevable		
	40,000		X Co.	15,000	
(–) Inter Co.	1,000		Y Co.	3,000	
(10,000 – 9000)	———	39,000		18,000	
Minority Interest		18,334	(–) Inter Co.		
			(10,000 – 9,000)	1,000	17,000
			Stock		
			X Co.	15,000	
			Y Co. 22,000		
			Unrealised Profit 133	21,867	36,867
		1,79,867			1,79,867

(6) **lgk;d dEiuh dh iueZY;kdu lEifÙk;k ij ßkl dk lek;ktu (Depreciation Adjusment on Revalued Assests of Subsidiary Company)**—l;Dr fpV e lEifÙk;k l'kksfèkr eY; ij fn[kkbZ tkrh g] blfy, lEifÙk d l'kksf/r eY; vkj ijkus eY; d vUrj ij ßkl dk lek;ktu fd;k tk,] blds fy, ;fn—

(v) ;fn lEifÙk dk eY; c< x;k g rks c< g, eY; ij iueZY;kdu dh frfFk l fpVB dk frfFk vd dk ßkl vkj yxk;k tk;xk rFkk bl vfrfjDr ßkl dk ,d vkj l rk lEifÙk d u, eY; e l ?kVk fn;k tk,xk rFkk nljh vkj vk;xr ykHk e l ?kVk fn;k tk,xkA

(c) ;fn lEifÙk dk eY; ?kV x;k g rks ?kV g, eY; ij iueZY;kdu dh frfFk l fpVB dh frfFk rd dk ßkl Kkr fd;k tk,xk vkj ,d vkj rks lEifÙk d u, eY; e tksM fn;k tk,xk rFkk nljh vkj vk;xr ykHk e tksM fn;k tk,xkA

(7) ykHkk'k dk lek;kstu (Adjustment of Dividend)— lgk;d dEiuh dk ykHkk'k fefJr fpV~Bs esa iFkoQ ls fn[kk;k tkrk gS fdUrq lgk;d dEiuh ds ykHkk'k ds lEcU/ esa fofHkUu lek;kstu djus iMrs gSa tks fuEufyf[kr gks ldrs gSa—

(i) ykHkk'k dk Hkqxrku (Dividend Paid) lgk;d dEiuh }kjk ckaVs x, ykHkk'k ds lecU/ esa fuEufyf[kr fu;e gSa—

(v) ;fn ykHkk'k dk Hkqxrku vf/xg.k ls iwoZ ds ykHkksa esa ls fd;k x;k gS rks lek;kstu dh nks fof/;k¡ gks ldrh gSa—

iFke fof/—ykHkk'k Hkqxrku dh oqQy jkf'k dks iwathxr ykHkksa esa ls ?kVk fn;k tk,xkA

nwljh fof/—;g Hkh gks ldrk gS fd mi;Dr ykHkk'k dh oqQy jkf'k iwathxr ykHkksa esa ls u ?kVkbZ tk,, vfirq vYil[;dksa dk fgLlk vYil[;d fgr esa ls ?kVk fn;k tk,A

(c) ;fn ykHkk'k dk Hkqxrku vf/xg.k ds i'pkr ds ykHkksa esa ls fd;k x;k gS rks mi;Dr fu;e iwathxr ykHk ds LFkku ij vk;xr ykHk ij ykxw gksxkA

(ii) iLrkfod ykHkk'k (Proposed Dividend)

(v) ;fn iLrkfor ykHkk'k lw=k/kjh dEiuh dk gS rks mls lh;Dr fpV~Bs esa vyx ls fn[kk;k tk,xk rFkk lw=k/kjh dEiuh ds v'k/kfj;ksa dk iLrkfor ykHkk'k dh Li"V lwpuk gksA

(c) ;fn iLrkfor ykHkk'k lgk;d dEiuh dk gS rks mls pkyw o"kZ ds ykHkksa esa tksM+ fn;k tk,xkA

(iii) vnÙk ykHkk'k (Unpaid Dividend)

lgk;d dEiuh us ;fn ?kksf"kr ykHkk'k dk Hkqxrku ugha fd;k gS rks ;g mldk nkf;Ro ekuk tk,xk] fdUrq fefJr fpV~Bs esa doy vYi v'k/kfj;ksa ds fgLls dk vnÙk ykHkk'k nkf;Ro ds :i esa fn[kk;k tk,xkA

(8) lgk;d dEiuh }kjk cksul v'kksa dk lek;kstu (Adustment of Bonus Shares issued by the Subsidiary Company)— lgk;d dEiuh viu v'k/kfj;ksa dks fy, cksul v'k tkjh dj ldrh gSA ; cksul v'k Ø; ls iwoZ ds ykHkksa ;k Ø; ls i'pkr ds ykHkksa ls tkjh fd; tk ldrs gSA nksuksa n'kkvksa esa fHkUu lek;kstu gksxkA

(i) Ø; ls iwoZ ds ykHkksa esa cksul v'k (Bonus Shares out of Pre-acquisition Profit)—;fn lgk;d dEiuh us vf/xg.k ds iwoZ ds ykHkksa esa ls cksul v'k ckaVs gSa rks bu ykHkksa dks cksul v'kksa dh jkf'k ls de nsxs rFkk lgk;d dEiuh dh iwath esa ls cksul v'kksa dks c<+k nsxsA

(ii) Ø; ds i'pkr ds ykHkksa ls cksul v'k (Bonus shares out of Post-acquisition Profits)—;fn lgk;d dEiuh us vf/xg.k ds i'pkr ds ykHkksa ls cksul ckaVs gSa rks ,d vksj rks cksul v'kksa dh jkf'k ls lgk;d dEiuh ds vk;xr ykHk de dj fn; tk;sxs rFkk nwljh vksj lgk;d dEiuh dh iwath esa cksul v'k tksM+ fn; tk;sxsA

(9) lw=k/kjh dEiuh }kjk lgk;d dEiuh ds v'k foØ; dk lek;kstu (Adjustment of Sale of Shares of Subsidiary Company by Holding Company)— lw=k/kjh dEiuh us lgk;d dEiuh d v'k [kjhn g] ;fn mue l oQN dk og cp nrh g rk (i) cp x; v'kk dk ykxr dk fofu;kx dh oQy ykxr e l ?kVk nr gA (ii) fcØh ij gku oky ykHk ;k gkfu dh l=kèkkjh dEiuh dh iwth lfpfr ;k [;kfr l lek;kftr dj nr gA (iii) fcØh l ikIr jkdM dk l=kèkkjh dEiuh dh jkdM e tkM nr gA

3.3. l;Dr ;k fefJr ykHk&gkfu [kkrk (Consolidated Profit and Loss Account)

ykHk gkfu [kkr dh enk d feJ.k d fu;e (Rules for Consolidation of items and Profit and Loss Account)—vkfFkd fpVB dh HkkfUr l=k/kjh dEiuh rFkk lgk;d dEiuh dk fefJr ykHk gkfu [kkrk Hkh cuk;k tkrk gA fefJr ;k l;Dr ykHk gkfu [kkrk cukr le; fuEufyf[kr lek;ktuk dk è;ku e j[kr g, nkuk dEifu;k dh iR;d en vkil e tkM nh tkrh gA

1. ikjfEHkd Ø;&foØ; lekIr dj fn, tkr gA
2. ikjLifjd C;kt ;k ykHkk'k lekIr dj fn; tkr gA
3. iueY;kdu dh n'kk e lEifÙk ij ßkl dk lek;ktu djr gA
4. ;fn vko';d gk rk LVkd ij vftr ykHk ij lek;ktu fd;k tkrk gA
5. vYil[;dk d fgLl dk ykHk o iLrkfor] ykHkk'k ^vYi l[;d fgr* e fn[kk;k tkrk gA

Illustration 6.

31 ekp] 1998 dk lekIr o"k d fy, ,p fyfeVM vkj bldh lgk;d ,l fyfeVM d ykHk gkfu [kkr fuEufyf[kr g %

The following are the Profit and Loss Accounts of H. Limited and its Subsidary S. Limited for the year ended 31st March, 1998.

Particulars	H. Ltd. Rs.	S. Ltd. Rs.	Particulars	H. Ltd. Rs.	S. Ltd. Rs.
To Interim dividend paid	2,00,000	1,00,000	By Balance B/d	6,00,000	2,00,000
To proposed Dividends	3,00,000	1,50,000	By Net Profit for the year	8,00,000	3,00,000
To Balance C/d	9,75,000	2,50,000	By Interim dividend from S. Ltd.	75,000	
	14,75,000	5,00,000		14,75,000	5,00,000

,p- fyfeVM u ,l- fyfeVM d 30,000 v'k (fuxfer iwth 40,000 v'k) 1.4.1997 dk Ø; fd; tcfd ,l- fyfeVM d ykHk gkfu [kkr e 1,80,000 #i; dk oQfMV 'k"k FkkA ,l- fyfeVM d LdU/ e 24,000 #i; dk eky lfEefyr g tk fd ,p- fyfeVM d }kjk ykxr e $33\frac{1}{3}$ ifr'kr tkM] dj if"kr fd;k x;k FkkA

,d fefJr ykHk gkfu [kkrk 31.3.1998 dk lekIr gku oky o"k d fy, cukb,A

H. Ltd. acquired its holding of 30,000 shares (out of an issued capital of 40,000 shares) in S Limited on 1.4.1997 when the profit and loss account of S. Ltd. had a credit balanec of Rs. 1,80,000. The stock of S. Ltd. include Rs. 24,000 in respect of goods invoiced from H Ltd. at cost plus $33\frac{1}{3}$%.

Prepare a consolidated Profit and Loss account for the year ended 31st March, 1998.

Solution :

Consolldated Profit and Loss Account for the year ended 31st March, 1998.

		Rs.			Rs.
To Interim Dividend			By Balance b/d		
H Ltd.	2,00,000		H. Ltd.	6,00,000	
S. Ltd.	1,00,000		S. Ltd.	2,00,000	
	3,00,000			———	8,00,000
(–) Inter Company			By Profit for the year		
(1,00,000 × 3/4)	75,000	2,25,000	H. Ltd.	8,00,000	
To proposed dividend			S. Ltd.	3,00,000	11,00,000
H. Ltd.	3,00,000		By Interim dividend		
S. Ltd.	1,50,000		H. Ltd.	75,000	
	4,50,000		(–) Inter Co.	75,000	
(–) Inter Co.					
(1,50,000 × 3/4)	1,12,500	2,37,000			
To minority interest		23,500			
(1,50,000 × 3/4)					
To Capital Reserve		1,35,000			
To Stock Reserve					
$24000 \times \frac{3333}{13333} \times \frac{3}{4}$		4,500			
To Balance of Profit					
Carried to B/S		11,35,000			
		19,00,000			19,00,000

(4) fu"d"k (Summary)—

,d l=k/kjh dEiuh og g tk ,d vFkok vf/d dEifu;k d lEi.k vFkok cgl[;d v'kk dk /kj.k djrh g rkfd ,l dEifu;k e fu;=k.kdkjh fgr j[k ld_ ,lh nljh dEifu;k dk lgk;d dEifu;k ekuk tkrk gA dEiuh vf/fu;e d iko/kuk dk ikyu djr g, l=k/kjh dEiuh dh iLrdk e l;Dr ;k fefJr fpVBk r;kj fd;k tkrk gA l;Dr fpVBk r;kj djr le; oQN ikjfEHkd x.kuk dh tkrh g tl l=k/kjh vkj lgk;d dEiuh oQ fgr dk vuikr] pky o"k dk ykHk] iwthxr o vk;xr ykHk] iwth lp; ;k [;kfr o vYier v'kèkkfj;k dk fgr bR;kfnA

(5) iLrkfor iLroQ (Suggested Readings) :

(1) Corporate Accounting

By Dr. R.K. Mittal

R.S. Singla

(2) Advanced Accounts

By R.L. Gupta

(3) Advanced Accounts

By M.C. Shukla

T.S. Grewal

(6) ueu d fy, i'u (Suggested Questions)

1. What do you mean by Holding and Subsidiary Company ? What is consolidated balance sheet and how is it prepared ?

   l=k/kjh ,o lgk;d dEiuh l vkidk D;k vk'k; g \ fefJr fpVBk D;k g vkj ;g oQl cuk;k tkrk g \

2. Distinguish between a Holding Company and Subsidiary Company. State the provisions of the Companies Act, 1956 relating to the preparation of their annual accounts.

   l=k/kjh dEiuh ,o lgk;d dEiuh e Hkn dhft,A buoQ okf"kd [kkrk dh r;kjh d lEcUèk e dEiuh vf/fu;e 1956 e nh xb 0;oLFkkvk dk crkb,A

3. Write short notes on the following :

1. Minority Interest	2. Pre-acquisition Profits
3. Cost of Control	4. Subsidiary Company
5. Capital Profits	6. Holding Company

   fuEufyf[kr fVIif.k;k fyf[k,—

1. vYier fgr	2. Ø; l io vftr ykHk
3. fu;U=k.k dh ykxr	4. lgk;d dEiuh
5. i thxr ykHk	6. /kjd dEiuh

4. ,Dl- fyfeVM u okb- fyfeVM d 30]000 lerk v'kA vDVcj] 1999 dk 4]00]000 #- e Ø; fd;A 31 ekp] 2000 dk nkuk dEifu;k d fpVB fuEu idkj g %

   X Ltd. acquired 30,000 equity shares of Y Ltd. on 1st October 1999 at Rs. 4,00,000 On 31st March, 2000 the balance sheet of the two companies appeared as follows:

Particulars	**X Ltd. Rs.**	**Y Ltd. Rs.**	**Assets**	**X Ltd. Rs.**	**Y Ltd. Rs.**
6% Preference Shares			Building	5,00,000	2,50,000
of Rs. 100 each	—	1,00,000	Plant	4,50,000	2,25,000
Equity Shares of			Stock	3,00,000	1,40,000
Rs. 10 each	12,00,000	5,00,000	Debtors	2,30,000	1,10,000
General Reserve	3,00,000	1,50,000	Investment	4,00,000	—
P & L Account	2,00,000	1,20,000	Bank & Cash	1,50,000	1,85,000
Creditors	3,30,000	80,000	Preliminary	—	40,000
			Expenses		
	20,30,000	9,50,000		20,30,000	9,50,000

okb- fyfeVM d ykHk&gkfu [kkr e vi y 1, 1999 dk 30,000 #- dk tek 'k"k FkkA v'k vf/xg.k dh frfFk dk okb- fyfeVM dk Hkou 20,000 l vf/eY;kfdr g rFkk lykUV dk eY; 3,00,000 #- g ftldk lek;ktu ugh fd;k x;k gA okb- fyfeVM u lykUV ij 10% ifro"k dh nj l eY; ßkl dkVk gA LohÑr fpVBk r;kj dhft;A

There was a credit balance of Rs. 30,000 in the P & L Account of Y Ltd. as on April 1, 1999. On the date of acquisition X Ltd. found the building of Y Ltd. overvalued by Rs. 20,000 and the value of its plant at Rs. 3,00,000 for which adjustment has not found done. The plant of Y Ltd. has been depreciated at 10% per annum. Prepare Consolidated Balance Sheet.

5. ,p- fy- u ,l- fy- o 10 #- oky 12,000 v'k 1 viy] 1998 dk 1,70,000 #- e Ø; fd;A nkuk dEifu;k d fpVB 31 ekp] 1989 dk fuEu idkj Fk—

H Ltd. acquired 12,000 shares of Rs. 10 each in S Ltd. on 1st April 1998 at a cost of Rs. 1,70,000. The Balance Sheets of two companies as at 31st March, 1999 were as follows :

Liabilities	H. Ltd. Rs.	S. Ltd. Rs.	Assets	H. Ltd. Rs.	S. Ltd. Rs.
Share Capital in			Goodwill	3,00,000	70,000
Shares of Rs. 10 each	10,00,000	2,00,000	Land & Buidings	4,00,000	1,00,000
General Reserve on 1–4-88	4,20,000	1,00,000	Plant & Machinery	5,00,000	1,00,000
Profit and Loss Ac/ at 1–4–88	90,000	40,000	Stock	2,00,000	40,500
Profit for the year			Debtors	3,00,000	1,34,500
ended 31–3–89	1,70,000	45,000	Investments	2,00,000	—
Sundry Creditors	2,40,000	92,000	Bills recharable	20,000	30,000
Bill Payable	80,000	60,000	Bank	60,000	50,000
			cash	20,000	12,000
	20,00,000	5,37,000		20,00,000	5,37,000

,p- fy- d nunkj vkj ikl; fcyk e l Øe'k 50,000 #- vkj 16,000 #- ,l- fy- l ikl; gA ,l- fy- d jgfr; e ,p- fy- l Ø; gvk 20,000 #- dk eky 'kkfey g ftle ckn okyh dEiuh }kjk fy;k x;k ykxr ij 25% ykHk 'kkfey gA 31 ekp] 1989 dk fefJr fpVBk cukb;A

Out of the debtors and bills receivable of H Ltd. is Rs. 50,000 and Rs. 16,000 respectively represented those due from S Ltd. The stock in the hands of S Ltd. includes goods purchased from H Ltd. at Rs. 20,000 which includes profit charged by the latter company at 25% on cost. Prepare a Consolidated Balance Sheet as on 31st March, 1989.

6. 31 fnlEcj] 1996 dk ,p fyfeVM rFkk ,d fyfeVM d lf{kIr fpVB fuEu idkj FkA

(The following are the summarised Balance Sheet of H Ltd. and S. Ltd. as at 31st December, 1996) :

Liabilities	**H. Ltd. Rs.**	**S. Ltd. Rs.**	**Assets**	**H. Ltd. Rs.**	**S. Ltd. Rs.**
Share Capital	2,00,000	50,000	Fixed Assets	1,80,000	1,20,000
Reserves	30,000	10,000	Shares in S Ltd.	2,30,000	
Profit and Loss A/c	60,000	30,000	Cash at Bank	20,000	10,000
1–1–98					
Profit 1998	40,000	10,000			
Creditors	1,00,000	30,000			
	4,30,000	1,30,000		4,30,000	1,30,000

,p- fy- u , l- fy- d 80% v'k] 1 tykb] 1996 dk Ø; dj fy, FkA ,p- fy- dh LFkk;h lEifÙk e , l- fy- dk fn;k x;k ,d 30,000 #- dk dt lfEefyr g rFkk bl , l- fy- e yunkj fn[kk;k x;k gA , l- dh LFkk;h lEifÙk;k e #- 40,000 dk iQuhpj rFkk fiQfVXl lfEefyr g ftldk 1 tykb] 1996 dk 50,000 #- eY;kdu fd;k x;k FkkA 31 fnlEcj] 1996 dk ,p- fyfeVM dk fefJr fpVBk r;kj dhft;A

H Ltd. has acquired 80% of the shares of S Ltd. on 1st July, 1996. Included in the fixed assets of H Ltd. is a loan of Rs. 30,000 to S Ltd. and the same is shown as creditors in S Ltd. Fixed assets of S Ltd. include furniture and fittings of Rs. 40,000 valued at Rs. 50,000 on 1st July, 1996. Prepare the Consolidated Balance Sheet of H Ltd. on 31st December, 1996.

7. Heena Ltd. acquired 90,000 shares in Sonu Ltd. for Rs. 11,20,000 on 31st August, 2003. The Balance sheets of Heena Ltd. and Sonu Ltd. as on 31st March, 2004 stood as follows :

Liabilities	**Heena Ltd. Rs.**	**Sonu Ltd. Rs.**	**Assets**	**Heena Ltd. Rs.**	**Sonu Ltd. Rs.**
Equity Shares of			Plant & Machinery	31,00,000	6,90,000
Rs. 10 each, fully paid	40,50,000	11,25,000	Furniture	4,50,000	3,00,000
General Reserve	7,20,000	1,80,000	Investment in Sonu	11,20,000	—
			Ltd.		
P & L A/c on 1.4.2003	72,000	22,500	Stock	2,00,000	1,42,500
Profit for 2003–04	2,88,000	90,000	Debtors	2,60,000	2,25,000
Current Liabilities	2,25,000	1,35,000	Cash at Bank	1,55,000	1,75,000
Other			Bills Receivable	2,50,000	1,00,000
Bills Payable	1,80,000	80,000			
	55,35,000	16,32,500		55,35,000	16,32,500

Other informations :

(a) On 21st February, 2003 Heena Ltd. sold to Sonu Ltd. goods Costing Rs. 36,000 for Rs. 48,000. 3/4 of these goods remained unsold with Sonu Ltd. on 31st March, 2004. On account these goods remained unsold to Sonu Ltd. include Rs. 20,000 owning to Heena Ltd.

(b) Out of acceptance of Sonu Ltd. Rs. 60,000 are accepted in favour of Heena Ltd. Out of these receivables, Heena Ltd. endorsed Rs. 42,000 worth bills to its creditors.

(c) There is no change in the balance of General Reserve since 31st March, 2003.

BC 202 : Corporate Accounting

Lesson No. : 8 **Revised by: Pawan Singla**

dEiuh dk lekiu

(Liquididation of Company)

Structure :

(1) ifjp;

(2) mí';

(3) fo"k;&lkexh dk iLrrhdj.k

3.1 lekiu dk vFk

3.2 lekiu dh fof/;k

3.2.1. ,fPNd lekiu

3.2.2. vfuok; :i l lekiu

3.2.3. U;k;ky; d fujh{k.k e ,fPNd lekiu

3.3. fuLrkjd dk vfUre fooj.k [kkrk

3.3.1. Hkxrkuk dk Øe

3.3.2. fofHkUu idkj d lerk v'k/kfj;k e vlekurk nj djuk

3.4. dEifu;k dk fLFkfr&fooj.k ,o deh ;k vkf/D; [kkrk

3.4.1. fLFkfr&fooj.k

3.4.2. fLFkfr&fooj.k dh lfp;k

3.4.3. deh ;k vkf/D; [kkrk

(4) fu"d"k

(5) iLrkfor iLroQ

(6) ueu oQ fy, i'u

(1) ifjp; (Introduction)

ftl idkj dEiuh dk fuek.k dkuu }kjk gkrk g] mlh idkj dEiuh dh lekflr Hkh dkuu }kjk gh dh tk ldrh gA dEiuh dk 0;kikj cUn dju d fy, tk dk;okgh dh tkrh g] ml ^lekiu* dgr gA ^lekiu* ,d o/kfud 'kCn g ftll ml ifof/ dk ck/ gkrk g ftll fdlh dEiuh d fØ;kdyki dk dkuuu vUr gk tkrk gA lekiu fnokfy;kiu l fofHkUu gkrk gA fnokfy;kiu 0;fDr;k] lk>nkjh iQe rFkk fgUn vfoHkkftr ifjokjk ij ykx gkrk g tcfd lekiu l;Dr LdU/ dEiuh ij ykx gkrk gA

(2) mí'; (Objective)

bl vè;k; d fuEufyf[kr mí'; g—

(1) lekiu dk vFk o lekiu dh fof/;k d ckj e crkukA

(2) fuLrkjd dk vfUre fooj.k [kkrk fdl idkj l r;kj fd;k tkrk gA

(3) fuLrkjd dk vfUre fooj.k [kkrk r;kj djr le;] dEiuh vf/fu;e 1956 d fdu&fdu iko/kuk dk è;ku e j[kuk pkfg,A

(4) dEifu;k dk fLFkfr fooj.k ,o deh ;k vkf/D; [kkrk fdl idkj cuk;k tkrk gA

(4) fo"k;&lkexh dk iLrrhdj.k (Presentation of Contents)

dEifu;k d lekiu dh fo"k; lkexh dk iLrrhdj.k fuEu idkj l g %&

3.1. lekiu dk vFk (Meaning of Liquidation)

ftl idkj dEiuh dk fuek.k dkuu }kjk gkrk g mlh idkj dEiuh dh lekflr Hkh dkuu }kjk dh tk ldrh gA ^lekiu* dk vk'k; dEiuh d i.k fo?kVu l g] ftld }kjk dEiuh dk 0;kikj cUn dj fn;k tkrk g_ dEiuh dh lHkh lEifÙk;k cp nh tkrh g vkj mul ikIr /u dk yunkjk dk Hkxrku dju d fy, i;kx fd;k tkrk gA fofHkUu idkj d yunkjk dk Hkxrku d ckn tk jde 'k"k cprh g ml v'k/kfj;k e vUrfu;ek d vulkj ckV fn;k tkrk gA ;fn lEifÙk;k l ikIr jkf'k bruh de gkrh g fd lHkh yunkjk dk ijk Hkxrku ugh fd;k tk ldrk g rk dEiuh d v'k/kfj;k l mud nkf;Roku lkj jde ekx yh tkrh g ;fn mud ikl vkf'kd pdrk v'k (Part Paid Shares) gA ikIr /u jkf'k dk i;kx yunkjk dk Hkxrku dju e fd;k tkrk gA lekiu dh dk;okgh d fy, ftl 0;fDr dk fu;Dr fd;k tkrk g ml ^lekiu* (Liquidator) ;k fuLrkjd dgr gA

3.2. lekiu dh fof/;k

(a) ,fPNd lekiu (Voluntary Liquidation)

(b) vfuok; :i l lekiu (Compulsory Liquidation)

(c) U;k;ky; d fujh{k.k e ,fPNd lekiu (Voluntary Liquidation under the supervision of the Court)

3.2.1. ,fPNd lekiu

ftl le; dEiuh d lnL; ,o lHkh yunkj viuh bPNkulkj fcuk U;k;ky; d gLr{ki l dEiuh dk lekiu djuk r; djr g rk bl ,fPNd lekiu dgr gA vf/drj dEifu;k blh idkj d lekiu dk viukrh g D;kfd ble vf/fu;ekulkj mru ifrcU/ ugh gkr g ftru dh U;k;ky; }kjk lekiu e gkr gA

,fPNd lekiu dh n'kk;¡—

1. ;fn vUrfu;eksa esa fdlh dEiuh dh vof/k nh gks rFkk og iwjh gks pqdh gks ;k ftl dk;Z ds fy, dEiuh dh LFkkiuk gqbZ gks] ;g dk;Z iwjk gks pqdk gks rks dEiuh dh lk/kj.k lHkk esa lkèkkj.k iLrko }kjk dEiuh dk lekiu fd;k tk ldrk gSA

2. dEiuh dh lk/kj.k lHkk esa dEiuh ds lekiu ds fy, fo'ks"k iLrko ikl djokQ Hkh dEiuh dk ,fPNd lekiu fd;k tk ldrk gSA tc dEiuh ds fy, iLrko ikl gks tkrk gS rks mlds 15 fnu ds vUnj ljdkjh ctV ,oa lekpkj&i=k esa bl izdkj dh lwpuk nsuk vko';d gksrk gSA

,fPNd lekiu ds izdkj—

(a) lnL; }kjk ,fPNd lekiu

(b) yunkjksa }kjk ,fPNd lekiu

(a) lnL; }kjk ,fPNd lekiu—bl izdkj oQ lekiu esa lapkydksa dks jftLVªkj ds ikl o/kfud ?kks"k.kk Hkstuh iMrh gS fd dEiuh viuh lHkh ½.kksa dks iwjk Hkxrku djus esa leFkZ gS vkSj lekiu gksus ds rhu o"kZ ds vUnj lHkh yunkjksa dks Hkxrku dj nsxhA bl izdkj dh ?kks"k.kk ^'kks/ku {kerk ?kks"k.kk* (Declaration of Solvency) dgykrh gSA bl ?kks"k.kk ds Hkstus ds i'pkr 5 lIrkg ds vUnj v'kk/kfj;ksa dks dEiuh ds ,fPNd lekiu dk iLrko ikl djuk pkfg;sA bl ?kks"k.kk ds lkFk dEiuh dk viuk lEifÙk;ksa vkSj nkf;Roksa dk fooj.k Hkstuk vko';d gksrk gSA ftl lHkk esa ,fPNd lekiu dk iLrko ikl gksrk gS] mlh lHkk esa fuLrkjd dh fu;fDr gksrh gSA mldk ikfjJfed Hkh mlh lHkk esa fu/kkfjr gksrk gSA

(b) yunkjksa }kjk ,fPNd lekiu—ftl le; ½.kksa dks Hkxrku djus dh lwpuk ;k 'kksèku ij lapkydksa }kjk jftLVªkj ds ikl ugha Hkstk tkrk gS rc ;g eku fy;k tkrk gS fd dEiuh fnokfy;kiu dh fLFkfr esa gks xbZ gS vkSj dEiuh viuk nkf;Roksa dks Hkxrku ugha dj ldrh gSA bl izdkj tks lekiu gksrk gS mls ^yunkjksa }kjk ,fPNd* lekiu dgrs gSA dEiuh ds lekiu ds lEcU/k esa ftl fnu dEiuh ds lnL;ksa dh lHkk cqykbZ tkrh gS mlh fnu ;k mlds vxys fnu yunkjksa dh lHkk cqykuk vko';d gSA yunkjksa ds ikl lHkk cqykus dh lwpuk mlh fnu Hkstuh pkfg, ftl fnu lnL;ksa dks lwpuk mudh lHkk ds fy, Hksth tkrh gSA yunkjksa dks tks lwpuk Hksth tkrh gS og ljdkjh xtV esa de ls de nks cM+s fty ds lekpkj&i=k esa Hkstuk pkfg, ftl fty esa dEiuh dk jftLVMZ dk;kZy; gksrk gSA bl lHkk dh vè;{krk fdlh ,d lapkyd }kjk dh tkuh pkfg,A bl lHkk esa lapkydksa dks dEiuh dh fLFkfr fooj.k ,oa ½.kksa dh i.k lwph iLrqr djuh iMrh gSA bl lHkk esa tks iLrko ikl gksrk gSA mldh lwpuk jftLVªkj ds ikl 10 fnu ds vUnj Hkst nsuh pkfg,A

fuLrkjd dh fu;fDr lnL;ksa rFkk ½.knkrkvksa }kjk vyx&vyx dh tkrh gSA ;fn o nksuksa vyx&vyx O;fDr gksrs gSa rks ogh O;fDr fuLrkjd fu;Dr gksrk gS tks ½.knkrkvksa }kjk pquk tkrk gSA fuLrkjd dh fu;fDr ds fo#¼ lkr fnu ds vUnj U;k;ky; dks ljdkjh fuLrkjd ;k nwljs fuLrkjd fu;Dr djus ds fy, dksbZ Hkh lnL; izkFkuk i=k n ldrk gSA ;fn yunkj fdlh Hkh fuLrkjd dks fu;Dr ugha djrs gSa rks lnL;ksa }kjk euksuhr fuLrkjd gh dk;Z djrk gSA

3.2.2. vfuok;Z :i ls lekiu

;fn fdlh dEiuh dk lekiu U;k;ky; ds vkns'kkuqlkj gksrk gS rks mls ^vfuok;Z lekiu* dgrs gSA ;g dEiuh vf/fu;e 1956 dh /kjk 433 ds vuqlkj fuEufyf[kr dkj.kksa esa ls fdlh ,d ds vk/kkj ij gks ldrk g—

1. ;fn dEiuh u fo'k"k iLrko ikl djd viuk lekiu U;k;ky; }kjk djuk fuf'pr dj fy[kk gA

2. ;fn dEiuh d jftLVkj dk o/kfud fjikV fuf'pr le; d vUnj u Hkth gk ;k oèkkfud lHkk u cykb gkA

3. ;fn dEiuh u viu fuek.k gku d ,d lky rd dkb O;kikj vkjEHk u fd;k gk ;k vkx fdlh o"k dkb O;kikj u fd;k gkA

4. ;fn dEiuh d ikl bruh lEifÙk u gk fd og dEiuh d ½.kk dk i.k Hkxrku dj ldA

5. ;fn lkotfud dEiuh d lnL;k dh l[;k lkr vkj futh dEiuh dh nk l de gk tkrh gA

6. ;fn U;k;ky; vkj fdlh dkj.k l dEiuh dk lekiu mfpr le>rk gA ,lk U;k;ky; rHkh lkprk g tcfd dEiuh dk cjkcj gkfu gk jgh gk vkj Hkfo"; e ykHk dh vk'kk u gk ;k dEiuh dk mí'; diVi.k gk ;k dEiuh dh ith yxHkx u"V gk xb gkA

3.2.3. U;k;ky; d fujh{k.k e ,fPNd lekiu

ftl le; ,fPNd lekiu U;k;ky; d fujh{k.k e gkrk g rk ml ^U;k;ky; d fujh{k.k* e lekiu dgr gA tc dEiuh }kjk ,fPNd lekiu dju dk iLrko ikl dj fy;k tkrk g ml le; dEiuh ;k bld fdlh /unkrk ;k yunkj }kjk U;k;ky; e ikFkuk i=k fn;k tkrk g fd dEiuh dk lekiu U;k;ky; d fujh{k.k e gk ftl l fd mud fgrk dh j{kk gk ldQ ml le; U;k;ky; viu fujh{k.k e dEiuh dk lekiu dj ldrk gA bl idkj dk lekiu ml le; gkrk g tcfd fuLrkjd }kjk i{kikr dk Hk; gk] lekiu d fu;ek dk ikyu u fd;k tku dk Hk;] fuLrkjd }kjk ykijokgh rFkk foyEc dk Hk; rFkk lekiu dk iLrko diV }kjk ikl dj fy;k x;k gk vkfnA

3.3. fuLrkjd dk vfUre [kkrk (Liquidator's Final Statement of Account)

fuLrkjd dEiuh dh lEifÙk;k dk cpdj /u ikIr djrk g vkj bl jkf'k l nkf;Rok dk ,d fuf'pr Øe e Hkxrku djrk gA ikflr;k vkj Hkxrkuk dk fglkc j[ku d fy, fuLrkjd dk ,d jkdM cgh (Cash Book) j[kuh iMrh gA tc lekiu dk lEi.k dk; ijk gk tkrk g] rk fuLrkjd viu fglkc&fdrkc dk ,d vfUre fooj.k r;kj djrk g ftl ^fuLrkjd dk vfUre fooj.k [kkrk* (Liquidator's Final Statement of Account) dgr gA ;|fi bl ,d ^[kkr* (Account) dh rjg cuk;k tkrk g] ijUr ;g ,d ^fooj.k i=k* (Statement) gh g] [kkrk ugh D;kfd bl tk y[k gkr g mudh ngjh ifof"V;k ugh gkrh gA bl fooj.k d MfcV i{k e 'To' vkj oQfMV i{k e 'By' 'kCn fy[ku dh iFkk ipyu e gA

ijh{kk dh nf"V l fuLrkjd d vfUre [kkr dk fuEukfdr :i viuk;k tk ldrk g %

Receipts	Amount Rs.	Payments	Amount Rs.
To cash in hand or Cash at Bank To Assets Realised : Land & Building Plant & Machinery Furniture Stock		By Legal Charges By Liquidator's Remuneration (i) —% on assets realised (ii) —% on amount paid to creditors (iii) ....% on amount paid to	

Debtors etc.		shareholders........	
To Surplus from Secured Creditors		By liquidators Expenses or Cost of winding up	
To Calls on Contributries :		By Debentureholders or other creditors having a	
(Calls on shareholders @		floating charge on the assets	
(Rs. on shares)		of the company	
		By Preferential Creditors	
		By Other unsecured Creditors	
		By Preference; shareholders (refund of capital)	
		By Equity shareholders (refund of capital)	

3.3.1. Hkxrkuk dk Øe (Order of Payments)

fuLrkjd d vfUre [kkr e (tk mijkDr cuk;k x;k g) Hkxrkuk dk Øe bl idkj g—

(1) **dkuuh O;; (Legal Charges)**—lEifÙk;k d cpu e ;fn dkuuh O;; fd;k gk rk mldk Hkxrku loiFke fd;k tkrk gA

(2) **fuLrkjd dk ikfjJfed (Liquidator's Rumeration)**—;fn fuLrkjd dh fu;fDr U;k;ky; }kjk dh tkrh g rk fuLrkjd d ikfjJfed dk Hkxrku Hkh U;k;ky; dk gh fd;k tk,xk D;kfd ljdkjh fuLrkjd ljdkj dk ,d oru iku okyk depkjh gkrk gA ,fPNd lekiu dh n'kk e ml ikfjJfed Lo; iklr dju dk vf/dkj gA ;g ikfjJfed rhu idkj dk gkrk g—

(i) **lEifÙk;k dh olyh dh jkf'k ;k deh'ku (Commission on Amount Realised from assets)**—fuLrkjd dk fuf'pr ifr'kr l lEifÙk;k dh olyh ij ikfjJfed fn;k tkrk gA i'u ;g mBrk g fd fuLrkjd dk ikfjJfed nu d fy, olyh dh jkf'k e jkdM o cd dh deh dk lfEefyr djuk pkfg, ;k ughA gekj fopkj e jkdM o cd dk lfEefyr ugh djuk pkfg, D;kfd ;g jde fuLrkjd u lEifÙk;k dk cpdj iklr ugh dh gA ;g rk fcuk lEifÙk;k dk cp gh fuLrkjd d ikl igy l gh gA ijUr ;fn i'u e fuLrkjd }kjk cph xb lEifÙk;k dh lph e jkdM lfEefyr g rk jkdM dk Hkh tkMdj ikfjJfed fudkyk tk,xkA

lk/kj.kr;k ljf{kr yunkjk d ikl tk lEifÙk;k fxjoh j[kh gbi g mud ij olyh eY; dk 'kkfey djd ikfjJfed Kkr djuk pkfg,A ijUr ;fn i'u e ;g Li"V g fd ljf{kr yunkjk u Lo; gh lEifÙk;k dk cpk g rk bu lEifÙk;k ij fuLrkjd dk ikfjJfed ugh feyxkA ;fn olyh dh jde ljf{kr yunkjk l vf/d ugh g rk bl olyh ij fuLrkjd dk ikfjJfed ugh feyxkA ;fn olyh dh jde ljf{kr yunkjk l vf/d g rk doy bl vkf/D; dk fuLrkjd }kjk oly dh xb lEifÙk;k dh jkf'k e tkM fy;k tk,xk vkj ml ij fuLrkjd dk ikfjJfed feyxkA

(ii) **vljf{kr yunkjk dk Hkxrku dh xb jkf'k ij deh'ku (Commission on amount paid to unsecured creditors)**—;fn vljf{kr yunkjk dk Hkxrku dh xb jkf'k ij ikfjJfed nuk g rk igy iokf/dkj yunkjk ij fn;k tk,xk D;kfd iokf/dkj yunkj

Hkh vljf{kr gh gkrs gSA mudk iwjk Hkh dkbZ lEifÙk;ksa fxjoh j[kh gbZ ugha gksrhA ;fn i'u esa ;g dgk x;k gS fd iwoZf/kdkj ysunkjksa ij ikfjJfed ugha nsuk gS rc bu ij ikfjJfed ugha fn;k tk,xkA

deh'ku dh x.kuk—;fn vlqjf{kr ysunkjksa dks ijk Hkqxrku fey tkrk gS rc rks mu ij deh'ku dh x.kuk djuk ljy gS tSls ;fn lEifÙk;ksa cpdj 21000 #i;s iklr g, vkSj vlqjf{kr ysunkjksa dks 9,000 #i;s nsu gS rks ;fn fuLrkjd dks ikfjJfed vlqjf{kr ysunkjksa

ij 5% gS rks ikfjJfed $\left(9000\times\frac{5}{100}\right)$ 450 #i;s gvkA ijUrq ;fn vlqjf{kr ysunkjksa dks ijk

Hkqxrku iklr ugha gksrk gS rks deh'ku dh x.kuk lko/kkuhiwoZd djuh pkfg,A mijksDr mnkgj.k esa ;fn vlqjf{kr ysunkjksa dk 9000 #i;s dh ctk; 30,000 #i;s feyus gS rks 21,000 #i;s dh miyC/k jkf'k dks fuLrkjd rFkk vlqjf{kr ysunkjksa esa 5 : 100 esa foHkkftr djuk gksxk tcfd fuLrkjd dks 5 #i;s nsus ds ckn vlqjf{kr ysunkjksa ds fy, 100 #i;s cpus pkfg,A vr%

fuLrkjd dk ikfjJfed $21{,}000\times\frac{5}{105}=1000$ #i;s gksxk vkSj vlqjf{kr ysunkjksa dks 20,000

#i;s (21000 #- – 1000 #-) feyxkA

(iii) va'k/kkfj;ksa dks Hkqxrku dh xbZ jkf'k ij deh'ku (Commission on amount paid to shareholders)—dHkh&dHkh fuLrkjd dks va'k/kkfj;ksa dks feyus okyh jkf'k ij deh'ku nsuk r; fd;k tkrk gSA ,slh n'kk esa vlqjf{kr ysunkjksa dks Hkqxrku djus ds ckn tks jkf'k cprh gS mlh ij deh'ku dh x.kuk djuh pkfg,A ;fn deh'ku dh nj 3% gS rks deh'ku dh x.kuk ge'kk gh ^vlqjf{kr ysunkjksa* ds ckn cph gbZ jkf'k ij 3@103 djds dh tk,xhA

;fn doy lerk va'k/kkfj;ksa dks feyus okyh jkf'k ij ikfjJfed nsuk gS rks 'k"k jkf'k esa ls iwoZf/kdkj va'k/kkfj;ksa dh jkf'k dks ?kVkdj rc ckdh jkf'k ij ikfjJfed Kkr fd;k tk,xkA

(3) lekiu dh ykxr (Liquidator's Cost or Cost of Winding Up)—rhljs uEcj ij bu ykxrksa dk Hkqxrku fd;k tkrk gSA

(4) ½.k i=ksa ;k ,sls ysunkj ftudk dEiuh dh lEifÙk;ksa ij py iHkkj gS (Debenture or other Creditors having a floating charge on assets)—;fn i'u esa ½.ki=ksa fn, gksa vkSj oQN Hkh u dgk x;k gks rks bu ½.kksa dks dEiuh dh lEifÙk;ksa ij py iHkkj (Floating Charge) ekuk tkrk gS vkSj bUgsa uEcj pkj ij Hkqxrku fd;k tkrk gSA

½.ki=kksa ij C;kt—½.ki=kksa ij lekiu dh frfFk rd dk C;kt rks vo'; gh nsuk pkfg,A ijUrq ½.ki=kksa dk Hkqxrku ik;% lekiu ds oQN ekg ckn gh gksrk gSA lekiu dh frfFk ds ckn dk C;kt rHkh fn;k tk;xk ;fn dEiuh fnokfy;k u gks vFkkZr 'Solvent' gksA dEiuh 'Solvent' rHkh ekuh tkrh gS ;fn vlqjf{kr ysunkjksa dks ijk Hkqxrku fey tk,A

;fn dEiuh fnokfy;k gS] vFkkZr vlqjf{kr ysunkjksa dks ijk Hkqxrku ugha fey ldxk rks ½.ki=kksa dks lekiu dh frfFk (Date of Liquidation) ds ckn ds C;kt dk Hkqxrku ugha djuk pkfg,A

(5) iwoZf/kdkj ysunkj (Preferential Creditors)—dEiuh vf/fu;e esa iwoZf/kdkj ysunkj fuEufyf[kr gS—

(A) lekiu vkjEHk gksus dh frfFk ds 12 ekg iwoZ rd ds dsUæ] jkT; ;k LFkkuh; ljdkj dks ns; lHkh idkj ds dj] nj o mi&dj (Taxes, Rates, Cesses)A

(B) dEiuh d depkfj;k dk n; vf/d l vf/d 4 ekg dk oru etnjh o deh'ku tk lekiu vkjEHk gku dh frfFk d 12 ekg io rd dh vof/ e n; (Due) gvk gkA bld vfrfjDr fdlh depkjh dk vk|kfxd fookn vf/fu;e] 1947 (Industrial Disputes Act, 1947) d vUrxr n; {kfrifr dh jkf'k Hkh iokf/dkjh ekuh tk,xhA ijUr ;g jde iR;d nkonkj dh 1,000 #i; l vf/d ugh gkuh pkfg,A

(C) lekiu d dkj.k ;k bll io fdlh depkjh dh (vf/dkjh ugh) lok, lekIr gk tku d dkj.k mld }kjk vftr vodk'k dk ikfjJfedA

(D) ;fn fdlh 0;fDr u dEiuh dk mijkDr B vkj C dk Hkxrku dju d fy, ½.k fn;k g rk og 0;fDr Hkh iokf/dkj yunkj ekuk tk,xkA

(E) og /ujkf'k tk dEiuh d depkjh dk jkT; chek vf/fu;e 1948 d vUrxr (lekiu d io dh 12 eghu dh vof/ e) n; gb gkA

(F) depkjh {kfrifr vf/fu;e 1923 d vUrxr nh tku okyh {kfrifr dh jdeA

(G) dEiuh }kjk nh tku okyh ikohMUV iQUM] i'ku] xP;bVh iQUM vFkok depkjh d dY;k.k gr LFkkfir vU; fdlh iQUM dh n; jkf'kA

(H) /kjk 235 vkj 237 d vUrxr tkp (Investigation) d [kpA

(6) vljf{kr yunkj (Unsecured Creditors)—bu yunkjk d ikl dEiuh dh dkb Hkh lEifÙk;k fxjoh j[kh gb ugh gkrhA vkf'kd jf{kr yunkjk dh cdk;k jkf'k (Balance of Partly Secured Creditors) Hkh vljf{kr yunkjk e gh 'kkfey dh tkrh gA

(7) iokf/dkj v'k/kfj;k dh ith dh okilh (Refund of Capital to Preference Shareholders)—;fn i'u e oQN Hkh Li"V of.kr u gk rk bUg lerk v'k/kfj;k l igy gh Hkxrku fd;k tkrk gA tgk rd bud Åij cdk;k ykHkk'k (Arrears of Dividend on Preference Shares) dk i'u g ;fn dEiuh d vUrfu;ek e ;g of.kr g rk lekiu ij bud ykHkk'k dk Hkxrku fd;k tk,xk rc rk budh ith d lkFk gh i'u e Li"V of.kr ykHkk'k dk Hkh Hkxrku dj fn;k tk,xk ijUr ;fn i'u e n; ykHkk'k rk g ijUr bld Hkxrku d ckj e Li"V of.kr u gk rk bUg ykHkk'k rHkh fn;k tk,xk] ;fn lerk v'k/kfj;k dk mudh ijh ith okilh fd, tku d ckn Hkh /u 'k"k jg tk,A D;kfd ;g mfpr irhr ugh gkrk fd iokf/dkj v'kk ij rk ykHkk'k Hkh n fn;k tk; vkj lerk v'kk dh ith Hkh ijh okfil u dh tk,A

lekiu dh frfFk d ckn dk dkb ykHkk'k n; ugh gkrkA

(8) lerk v'k/kfj;k dk Hkxrku (Payment to Equity Shareholders)—mijkDr lcdk Hkxrku dke d ckn tk jde 'k"k cprh g] mldk Hkxrku v'k/kfj;k dk fd;k tkrk gA ;fn vUrfu;ek e ;g of.kr gkA lerk v'kk dh ith ykVku d ckn tk vkf/D; cpxk mle iokfèkdkj v'kk dk Hkh fgLlk gkxk tk ml fgLl d vulkj iokf/dkj v'kk dk Hkh vkf/D; e fgLlk fn;k tk,xkA

;fn vUrfu;ek e oQN Hkh of.kr u gk rk lkjk vkf/D; lerk v'k/kfj;k dk gh feyxkA

Illustration 1.

Chirag Manufacturing Company Ltd., went into voluntary liquidation on 1st Jan. 1988. The liquidator is to be paid remuneration at 3% on the amount realised on sale of assets and 2% on amount distributed to shareholders. The liquidator sold out all the assets of the company. Company's position was as under :

	Rs.
Cash realised on sale of assets	7,00,000
Liquidation expenses	12,600
Creditors (including salaries for one months Rs. 8400)	95,200
7,000 6% Preference share Rs. 30 each	
(On which dividend is paid upto December, 1986)	2,10,000
14,000 equity shares of Rs. 10 each	
Rs. 9 per share called and paid	1,26,000
General Reserves	1,68,000
Profit and Loss Account	28,000

Under articles of association of the company the preference shareholders have a right to receive 1/3 of the surplus, remaining after repaying the equity share capital. Prepare Liquidator's Final Statement of Account.

Solution.

Liquidators Final Statement of Account

		Rs.		Rs.
To Cash realised	7,00,000	By Liquidator's		
		Remueration :		
		3% on Rs. 7,00,00 – 21,000		
		2/102 on		
		Rs. 5,71,200	11,200	32,200
		By Liquidation Exp.		12,600
		By Preferntial Creditors		8,400
		By Unsecured Creditors		86,800
		By Preference		
		Shareholders	2,10,000	
		Add Dividend for		2,22,600
		One Year	12,600	
		By Equity shareholders		
		By Preference shareholders		70,487
		$\frac{1}{3}$ of Rs. 2,11,400		
		By $\frac{2}{3}$ of Rs. 2,11,400		1,40,933
	7,00,000			7,00,000

Working Notes :

1. Calculation of remuneration & amount paid to shareholders –7,00,000

	Total amount available		
Less :	(i) Liquidator remuneration	21,000	
	(ii) Liquidation Exp.	12,600	
	(iii) Prefential Creditors	8,400	
	(iv) Unsecured Creditors	86,800	
			1,28,000
			5,71,200

$\frac{2}{102}$ on Rs. 5,71,200 = 11,200

Balance available for remuneration and shareholders		5,71,200
Less Liquidator's renumeration		11,200
	Net amount left for shareholders	5,60,000
Less :	(i) Preference share capital & dividend	2,22,600
	(ii) Equity Share capital	3,37,400
		1,26,000
		2,11,400

Surplus left

Surplus of Rs. 2,11,400 is dividend $\frac{1}{3}$ to preference shareholders (Rs. 70467) and $\frac{2}{3}$ to equity shareholders (Rs. 1,40,933).

2. Dividend to preference shareholders has been allowed because there is surplus even after paying the equity shareholders in full.

3.3.2. fofHkUu idkj d lerk v'k/kfj;k e vlekurk nj djuk
(Removing Disparity between different types of Equity Shareholders)

;fn fofHkUu idkj d lerk v'kk ij fofHkUu jkf'k;k n; g rk mue 'k"k jkf'k dk forj.k bl idkj djuk gkxk ftlls fd lHkh v'k/kkfj;k dk leku :i l gh gkfu lgu djuh iM tl fd 10,000 lerk v'k 10 #i; oky g ftu ij iR;d 7 #- pdrk g vkj 6,000 lerk v'k 10 #- oky g ftu ij iR;d ij 5 #- pdrk gA ;fn lHkh yunkjk vkj iokf/dkj v'kk dh n; jkf'k pdku d ckn 'k"k jkf'k 68,000 #- cph g rk igy 10,000 lerk v'k/kfj;k dk 2 #- ifr v'k okfil fd, tk,x (D;kfd mUgku 7 #- ifr v'k pdk, g tcfd nlj v'k/kfj;k u doy 5 #- ifr v'k gh pdk, g)A

bl idkj 10,000 v'k ij 2 #- ;kfu 20,000 #- okfil dju d ckn tk jkf'k cph gA og (68,000 #- – 20,000 #-) = 48,000 #- gA bl nkuk idkj d v'k/kfj;k e leku :i l ckVk tk,xkA 16,000 v'k (10,000 + 6,000) ij 3 #- ifr v'kA bl idkj 10,000 lerk v'kk dk oQy feykdj 5 #- (2 #- + 3 #-) okfil feyx vkj 6,000 lerk v'kk ij 3 #- ifr v'k okfil feyxAA (nkuk idkj d v'k/kfj;k dk leku gkfu vFkkr 2 #- ifr v'k lguh gkxh)A

Illustration No. 2

ABC Ltd dk ,fPNd lekiu 31 fnlEcj] 1987 dk gvkA ml frfFk dk fpVBk fuEu idkj Fkk—

	Rs.		Rs.
Share Capital		Land & Buildings	2,50,000
5000 6% Cumulative		Plant & Machinery	6,25,000
Preference Shares of Rs. 100		Patents	1,00,000
Each fully Paid.	5,00,000	Stock	1,37,500
2500 Equiy Shares of		Sundry Debtors	2,75,000
Rs. 100 each, Rs. 75 paid	1,87,500	Cash at Bank	75,000
7500 Equity Shares of		Profit and Loss A/c	3,00,000
Rs. 100 each, Rs. 60 paid	4,50,000		
5% Mortagage Debenture	2,50,000		
Interest Outstanding	12,500		
Creditors	3,62,500		
	17,62,500		17,62,500

fuLrkjd jkdM dk NkMdj lHkh lEifÙk;k dh olyh ij 3% rFkk iokf/dkj yunkjk dk NkMdj vjf{kr yunkjk dk ftruk Hkxrku fd;k tk, mldk 2% deh'ku iku dk vf/dkjh gA yunkjk e 37,500 #- iokf/dkj yunkjk d rFkk ,d ½.k d 1,25,000 #- (tk Hkfe rFkk Hkou }kjk cU/d g) lfEefyr gA nk o"k d iokf/dkj ykHkk'k cdk;k FkA lEifÙk;k l fuEu idkj olyh gb—

Hkfe rFkk Hkou 3,00,000 l;U=k rFkk e'khujh 5,00,000 #i;] ,dLo 75,000 #i;] jgfr;kA 1,50,000 #i; vkj fofo/ nunkj 2,00,000 #i;A lekiu 0;; 27,250 #i; g,A fuLrkjd dk vfUre fooj.k [kkrk r;kj dhft,A

Solution. **Liquidators Final Statement of Account**

	Rs.		Rs.
To Cash at Bank	75,000	By Liquidator's Remuneration :	
To assets realised		3% on Rs. 12,25,000 36,750	
Surplus from Land & Buildings		2% on Rs. 2,00,000 4,000	40,750
(Rs. 3,00,000 – Rs. 1,25,000)		By Liquidation Expenses	27,250
Rs.		By 5% Mortage Debentures	
1,75,000		2,50,000	
Plant 5,00,000		Add : Interest 12,500	2,62,500
Patents 75,000		By Preferential Creditors	37,500
Stock 1,50,000		By Unsecured Creditors	
Debtors 2,00,000	11,00,000	(Rs. 3,62,500 – 37,500 – 1,25,000)	2,00,000
		By Preference Shareholders	5,00,000

		By Equity Sharheolders (i) To the holders of 2500 equity share @ Rs. 21.95 per shares (ii) To the holders of 7500 equity shares @ Rs. 6.95 per shares	 54,875 52,125
	11.75,000		11,75,000

Working Notes : 1. The arrears of preference dividend will not be paid. Arrears are paid when equity share capital is paid in full or when it is clearly stated in the question that articles contain a provision for its payment before the payment to equity shareholders.

2. Payment made to equity shareholders :

			Rs.
	Total available amount		11,75,000
		Rs.	
Less :	(i) Liquidator remuneration	40,750	
	(ii) Liquidation expenses	27,250	
	(iii) 5% Mortagage Debenture and Interest	2,62,500	
	(iv) Preferential Creditors	37,500	
	(v) Unsecured Creditors	2,00,000	
	(vi) Preference Shareholders	5,00,000	10,68,000
Balance available for equity shareholders			1,07,000

First of all Rs. 15 per share will be retuned on 2500 equity (on which Rs. 75 per share has been paid up). This amounts to 2500 × 15 = Rs. 37,500. Now, the balance (Rs. 1,07,000 – Rs. 37,500) Rs. 69,500 will be distributed equally on (2500 + 7500) 10,000 equity shares *i.e.*, $\frac{69500}{60,000}$ = Rs. 6.95 per shares.

In 2,500 equity share on which Rs. 75 has been paid up; @ Rs. 15 + Rs. 6.95 = Rs. 21.95 per share =	 54.875
on 7500 equity shares on which Rs. 60 has been paid up @ Rs. 6.95 per share	 52,125
	1,07,000

Illustration No. 3.

Mkb vkbl fyfeVM dh 30 tu] 1988 dk ftl fnu dEiuh dk lekiu gvk] fuEufyf[kr lEifÙk;k rFkk nkf;Ro Fk—

LFkkb lEifÙk;k 15,000 #i;] nunkj 12,000 #-] jgfr;k 10,000 #-] yunkj 40,000 #- ith 50 #- oky i.kr;k pdrk 400 v'k vkj 50 #- oky ftle 25 #- ifr v'k pdrk g 800 v'k rFkk vf/fod"k (6% cU/d ½.ki=kk dh lgk;d ifrHkfr;k ij 500 #-) fuLrkjd u lEifÙk;k l oly fd;A

LFkkbZ lEifÙk;k l 10,000 #-] iLrdh; nunkjk l 10,000 #- jgfr;k l 11,000 #-A yunkjk d Hkxrku d fy, lEifÙk;k l ikIr jkf'k de iM xbA blfy, v'k/kfj;k l ;kpuk dh ekx dh rkfd fuLrkjd yunkjk dk leLr Hkxrku dj lo& vkj viu 0;; rFkk ikfjJfed dk Hkh Hkxrku y ld tkfd 1825 #- g, gA ;kpuk dh leLr olyh gb rFkk yunkjk dk Hkh leLr Hkxrku dj fn;kA cd vf/fod"k ij vkt rd dk 175 #- C;kt fn;k vkj yunkjk e 30 tu] 1988 dk lekIr gku okyh frekgh dk jVl gr 600 #- vkj tu 1988 d etnjh rFkk oru gr 3000 #- lfEefyr gA lekiu vxyh 23 iQjojh dk lekIr gvkA

fuLrkjd dh ikflr;k rFkk Hkxrkuk dk fooj.k r;kj dhft,A

Solution. **Liquidators Final Statement of Account**

	Rs.		Rs.
To Assets : Realised :		By Liquidator's Expenses and	
Rs.		remuneration	1,825
Fixed Assets 10,000			
Book Debts 10,000		By Bank overdraft	
Stock 11,000	31,000	(Secured on Debentures) 5,000	
		Add Interet 175	5,175
To call of Rs. 21,667 per share		By Preferential Ceditors	
(Approx.) made on 800 shares	17,334	(600 + 3000)	3,600
		By Unsecured Creditors	
		(40,000 – 3,600)	36,400
		By Equity Shareholders :	
		Return to the holders of 400 fully paid equity shares @ Rs. 3.334 per	
		share (Approx.)	1,334
	48,334		48,334

Working Notes :

1. Calculation of calls from Shareholders :		Rs.
Total amount realised from assets		31,000
Add : assuming a call of Rs. 25 on 800 equity shares		
In order to make them fully paid		20,000
Total amount available		51,000
	Rs.	
Less : (i) Liquidator's exp.	1825	
(ii) Bank overdraft & Int.	5175	
(iii) Preferential Creditors	3600	
(iv) Unsecured Creditor	36,400	47,000
Balance left		4,000

This balance of Rs. 4000 will be distributed among both type of equity shareholders equally (assuming both type of equity shares are fully paid)

Rs. $\frac{4000}{1200}$ = 3.333 per share (approx.)

Thus calls made on 800 partly paid up shares will be (Rs. 25 – Rs. 3.333) Rs. 21.60 per shares and return to 400 fully paid shares @ 3.334 per shares approximately.

3.4. dEifu;k dk fLFkfr fooj.k ,o deh ;k vkf/D; [kkrk

(Statement of Affairs and Deficiency or Surplus Account of Companies)

,d dEiuh dkuu }kjk lftr gkrh g vkj mldk vfLrRo Hkh dkuu }kjk gh lekIr gk ldrk gA dEiuh dk lekiu ;k rk blfy; fd;k tkrk g fd mldk iufuek.k djuk g vFkok ml lno d fy, lekIr djuk gA dEiuh d lekiu l lEcfU/r fu;e dEiuh dh /kjk 425–560 e fn; x; gA dEiuh dk lekiu LoPNk l vFkok U;k;ky; dh vkKk l vFkok U;k;ky; dh n[k&j[k e gk ldrk gA

3.4.1. fLFkfr fooj.k (Statement of Affairs)

;fn dEiuh vf/fu;e dh /kjk 454 d vulkj fdlh dEiuh d lekiu dk vkn'k U;k;ky; u n fn;k gk ;k U;k;ky; }kjk dkb vLFkkb fuLrkjd fu;Dr dj fn;k x;k rk bl n'kk e dEiuh }kjk ,d fLFkfr fooj.k (Statement of Affairs) ml fnu l 21 fnu d vUnj cukdj ljdkjh fuLrkjd d ikl Hkt nuk gkrk gA ble fuEufyf[kr lpuk, nh tkrh g—

1. dEiuh dh lHkh lEifÙk;k ftle jkdM rFkk cd nkuk lfEefyr g (;fn gk) fn[kk;k tkrk gA ;fn dEiuh d ikl fofue; lkgk ifrHkfr;k (Negotiable Securities) gk rk vyx&vyx fn[kk;k tkrk gA
2. dEiuh d ½.k rFkk nkf;RoA
3. yunkjk d uke] ir ,o i'kA bue l jf{kr rFkk vjf{kr yunkjk dh jkf'k;k vyx&vyx fn[kkb tk;A jf{kr yunkjk dk nh xb ifrHkfr;k dk i.k fooj.kA ;g Hkh lpuk nh tk; fd ifrHkfr dEiuh u [kn nh g ;k dEiuh d fdlh vf/dkjh }kjk nh xb gA ifrHkfr;k dk vyx&vyx eY; vkj nu dh frfFkA
4. dEiuh }kjk fn; x; ½.k rFkk nunkjk d uke] ir rFkk i'kA dEiuh dk fdll fdruh /u&jkf'k ikIr djuh g vkj fdll /u&jkf'k iku dh vk'kk gA
5. o lHkh lpuk, tk dUæh; ljdkj ekx ;k fuLrkjd }kjk ekxh tk;A

bl idkj dk lR;kiu ml lpkyd }kjk fd;k tkrk g tk lekiu d le; lpkyd FkA ;fn dkb =kfV ikb xb vkj ;g fl¼ gkrk g fd xyrh tkuc>dj dh xb rk xyrh dju oky dk nk o"k rd dkjkokl ;k 1,000 #i; ifr fnu d fglkc l tekuk ;k nkuk n.M fn, tk ldr gA og O;fDr tk fyf[kr :i l viu dk yunkj ;k v'k/kjh crk, ,d 'kYd tek djd bl n[k ldrk g rFkk bldh ;k ble ,d Hkkx dh dkih ikIr dj ldrk gA fLFkfr fooj.k ,fPNd lekiu dh n'kk e Hkh cukuk iMrk gA fLFkfr&fooj.k (Statement of Affairs) bl idkj cuk;k tkrk gA

fLFkfr fooj.k dk i:i (Form of Statement of Affairs)

Statement as to the affairs of..........Ltd.,..........on the..........day of..........19..........being the date of winding up order (or order appointing Provisional Liquidator or the date directed by the official liquidator, as the case may be) showing assets at estimated realisable values and liabilities expected to rank :

Assets not Specificially pledged (as per list 'A')	**Estimated realisable values Rs.**
Balance at Bank	
Cash in Hand	
Markable Securities	
Bills Receivable	
Trade Debtors	
Loans & Advances	
Unpaid Calls	
Stock in Trade	
Work in Progress	
… … …	
… … …	
Freehold Property, Land & Buildings	
Leasehold Property	
Plant & Machinery	
Furniture, Fittings, Utensils etc.	
Investment other than Marketable Securities	
Live Stock	
Other property	
… … …	
… … …	

Assets specifically pledged (as per list 'B')	(a) Estiamted Realisable values Rs.	(b) Due to secured creditors Rs.	(c) Delicims ranking as unsecured Rs.	(d) Surplus Carried to last column Rs.	
Total Rs.					
	Estimated surplus from assets specially pledged				Rs...........
	Estimated total assets available for preferential creditors, debenture holders secured by a floating charge and unsecured creditors (carried forward)				Rs...........
	Summary of Gross Assets				Rs...........
	Gross realisable value of assets specifically pledged other				Rs...........
	assets...........				Rs...........

Gross Assets	Estimated total assets available for preferential creditor, debenture holders secured by a floating charge, and unsecured creditors (brought forward)	
	Liabilities	
Gross Liabilities	(to be deducted from surplus or added to deficiency as the case may be)	
	Secured creditor (as per list 'B') to the extent to which claims are estimated to be covered by assets specially pledged (item (a) or (b) whichever is less)	
	Preferential creditors (as per list 'C')	
	Estimated balance of assets available for Debenture holders secured by a floating charge and unsecured creditors Debenture holder secured by a floating charges (as per list 'D')	
	Estimated Surplus/Deficiency as regards Debenture holders Unsecured Creditors (as per list 'E')	....
	Estimated unsecured balance at claims of creditors partly secured on specific assets, brought forward :	....
	Trade Accounts	
	Bills Payable	
	Outstanding Expenses	
	Issued & called up capital	
	..........Preference share of..........each	
	..........called up (as per list F')..........	
	..........Equity shares of..........each	
	..........called up (as per list 'G')..........	
	Estimated Surplus/deficiency as regards members (as per list 'H')	

3.4.2. fLFkfr fooj.k dh lfp;k (List of Statement of Affairs)

fLFkfr fooj.k e fn[kkb tku okyh enk (Items) dk 8 lfp;k e foHkkftr djd fn[kk;k tkrk gA ; lfp;k fuEufyf[kr g—

(1) List A – bl lph e o lEifÙk;k fy[kh tkrh g ftUg dgh cU/d ;k fxjoh d :i e ugh j[kk x;k g vkj u gh bud Åij dkb iHkkj gA bu lEifÙk;k dk olyh eY; fn[kk;k tkrk gA

(2) List B – bl lph e ; lEifÙk;k fy[kh tkrh g tk i.kr% jf{kr ;k v'kr% jf{kr yunkjk d ikl fxjoh j[kh gb gA ÝykfVx vf/dkj okyk ½.k i=k/kfj;k dk bl lph e u fn[kkdj List D e fn[kk;k tkrk gA

(3) List C – bl lph e iokf/dkj yunkjk dk fn[kk;k tkrk gA bl e ljdkjh dj] nj] midj] depkfj;k dk n; oru] {kfrifr] ikfoMUV iQUM] i'ku vkfn dh jkf'k 'kkfey gA

(4) List D – bl lph e mu ½.k i=k/kfj;k dk fn[kk;k tkrk g ftudk dEifu;k dh lEifr;k ij py iHkkj (Floating Charge) gkrk g %

(5) List E – bl lph e vjf{kr yunkjk d uke] ir o mudk n; jkf'k fy[kh tkrh gA

(6) List F – bl lph e iokf/kdkfj;k d uke rFkk mud }kjk fy, g, v'kk dh l[;k dk fooj.k gkrk gA

(7) List G – bl lph e lerk v'k/kfj;k d uke rFkk mud fy, g, v'kk dh l[;k dk fooj.k gkrk gA

(8) List H – ;g lph vkf/D; ;k deh (Surplus or Deficiency) dk idV djrh gA

bl lph e ;g irk yxrk g fd dEiuh e vkf/D; ;k deh oQl gbl gA

l{ki e—

List A – tk lEifÙk;k fxj[kh j[kh gb ugh g	Rs...........
Add List B – io ljf{kr yunkjk l cph gb 'k"k jkf'k	Rs...........
Total	Rs...........
Less List C – iokf/kdkj yunkj	....
List D – ½.ki=kk dh jkf'k	....
List E – vljf{kr yunkj o vkf'kd jf{kr yunkjk dk n; 'k"k jkf'k	....
List F – iokf/kdkj v'k iath	....
List G – lerk v'k iath	....
	....
'k"k vkf/D;@deh	....
	....

fLFkfr fooj.k cukr le; fuEufyf[kr ckr è;ku e j[kuh pkfg,—

(1) **vkf/D; gkuk**—fLFkfr fooj.k e vkf/D; Hkh gk ldrk g] D;kfd ,lh dEiuh dk lekiu Hkh gk ldrk g ftldh vkfFkd n'kk cgr vPNh gkA dEiuh lekiu gku dk vFk dEiuh dk fnokfy;k gkuk ugh gA

(2) **lfnX/ nkf;Ro (Contingent Liabilies)**—lfnX/ nkf;Rok ij tk jkf'k n; gku dh lEHkkouk gk ml vjf{kr nunkjk (List E) e lfEefyr djuk pkfg,] tl Hkuk, g, fcyk ij lEHkkfor n; jkf'kA

(3) **n; foi=k (Bills Payable)**—;fn bud ikl dkb ifrHkfr] u gk rk bUg Hkh vjf{kr yunkjk (Unsecured Creditors) (List E) e 'kkfey djuk pkfg,A

(4) **u ekx g, ykHkk'k (Unclaimed Dividends)**—bl Hkh vjf{kr yunkjk (List E) e 'kkfey djuk pkfg,A ijUr budk Hkxrku ckgjh yunkjk d ckn fd;k tkrk gA

(5) **fcuk ;kpuk dh gb iath (Unclaimed Dividends)**—;g lEifÙk ugh g ijUr ;kpuk dh vof'k"V jkf'k (Calls in Arrears) dk lEifÙk ekudj List A e tkMuk pkfg,A

(6) O;fDrxr lj{kk (Personal Security) dk ugh fy[kk tkrkA

(7) ;fn ½.k i=k ol gh fn[kkr x; gk rk eku yuk pkfg, fd mud ikl py iHkkj gA blfy, 'D' lph l fn[kk;xA

3.4.3. deh ;k vkf/D; [kkrk (Deficiency or Surplus A/c)

fLFkfr fooj.k d lkFk ,d vkj [kkrk Hkh lyXu djuk iMrk g ftl deh@vkf/D; [kkrk (Deficiency/Surplus A/c) dgr gA bl [kkr l ;g irk pyrk g fd fLFkfr fooj.k e tk vkfèkD; ;k tk deh vkbZ g og fdu&fdu dkj.kk l vkbZ gA dEiuh oQ fo?kVu dh n'kk e vkfèkD; Hkh gk ldrk g vkj deh HkhA vkf/D; blfy, gk ldrk g D;kfd ;g vko';d ugh fd dEiuh d fnokfy;k gku ij Hkh dEiuh dk fo?kVu fd;k tk;A

bl [kkr e fo?kVu frfFk oQ rhu o"k dh lpuk, inf'kr dh tkrh g c'kr dh ljdkjh fuLrkjd u vkj vf/d o"kk dh lpuk, nuk fu/kfjr u fd;k gkA

deh@vkf/D; [kkr dk ik:i fuEu idkj g—

deh@vkf/D; [kkr dk ik:i (Forms of Deficiency or Surplus A/c)

List 'H' Deficiency or Surplus Accounts

	Items contributing to deficiency (or Reducing Surplus)	
1.	Excess (if any) of capital and liabilities over assets on the 19 as shown by B/S	....
2.	Net dividends and bonus declared during the period 19 to the date of Statement	....
3.	Net trading losses (after charging items shown in note below) for the same period	....
4.	Losses other than trading losses written off or for which provision has been made in the books during the same period	....
5.	Estimated loss now written off or for which provision has been made for the purpose of preparing the statement	....
6.	Other items contributing deficiency or reducing surplus Items reducing decificency (Or contributing to Surplus)	....
7.	Excess (if any) or assets over capital and liabilities Rs................on the...............19...............as shown in balance sheet.	....
8.	Net trading profits (after charging items shown in note below) for the period from the...............19...............to the date of statement.	....
9.	Profits and income other than trading profits during the same period.	....
10.	Other item reducing deficiency. Deficiency/Surplus as shown by Statement of Affairs.	

	"Note as to Net Trading Profit and losses :	
	Particulars are to be inserted here (so far as applicable) of the items mentioned below, which are to be taken into account in arriving at the amount of trading profits or losses shown in this account :	....
	Provision for depreciation, rewards or diminition in value of fixed assets, charges of Indian Income Tax and other Indian taxation on profits	....
	Interest on debenture and other fixed loans,	....

	Payment to directors made by the company and required by law to be disclosed in the accounts.	
	Exceptional or non-recurring expenditure	....
	Less Exceptional or non-requiring receipts	....
	Balance being other trading profits or losses Net trading profits or losses as shown in Deficiency or Surplus Account above	
	Signature Dated................19................	

Illustration No. 4

31 fnlEcj] 1993 dk ,d dEiuh d vfuok; lekiu dk vkn'k fn;k x;kA fuEufyf[kr fooj.k miyC/ g—

	Rs.	Rs.
Cash in Hand	100	100
Debtors	4,000	3,600
Buildings	60,000	48,000
Furniture	20,000	20,000
Unsecured Creditor	—	20,000
Debenture Secured on Buildings	—	42,000
Debenture having a floating charge	—	10,000
Preferential Creditors	—	6,000
Share Capital		
3200 share @ Rs. 100 each		3,20,000

Hkuk; g, fcyk ij oQy nkf;Ro 6,000 #i;] vuekfur nkf;Ro 6,000 #i;] vU; lfnXèk nkf;Ro 12,000 #i;] vuekfur nkf;Ro 12,000 #i;A dEiuh 1 tuojh] 1992 dk lekefyr gbA fLFkfr fooj.k vkj deh [kkrk cukb,A

Solution. 1. **Statement of Affairs**

Assets not specifically pledged (as per List 'S')					Estimated Realisable value Rs.
Cash in Hand				100	100
Debtors				4,000	3,600
Furniture				20,000	20,000
Assets Specificaly pledged (as per list 'B')	(a) Estimated realisable values (Rs.)	(b) Due to secured creditors (Rs.)	(c) Deficiency ranking as unsecured (Rs.)	(d) Surplus Carried to last column (Rs.)	
Buildings	48,000	42,000	—	6,000	
	48,000	42,000	—	6,000	6,000

	Estimated surplus from assets specially pledged	
	Estimated total assets availble for preferential creditors 29,700	
	Debenture holders secured by a floating charge and	
	unsecured creditors carried forward	
	Summary of Gross Assets	
	Gross realisable value of assets	
	Specfically pledged 48,000	
	Other Assets 23,700	
	Rs. 71,700	
	Liabilities	
Gross	(to be deducted from surplus or added to deficiency as the Liabilities carspays be):	
Rs.	Secured creditors (as per list 'B' to be effect to which claims) are	
42,000	estimated to be covered by assets specifically pledged (Items (a) or (b)' above whichever is less	
6,000	Preterendial creditors as per list 'C'	6,000
	Estimated balance of assets available for debenture holders secured by a floating charges and unsecured creditors	23,700
10,000	Debenture holders secured by a floating charge as per list 'D'	10,000
	Estimated Surplus as regards Debenture holders	13,700
	Unsecured Creditors as per list 'E'	
	Rs.	
20,200	Sundries 20,000	
	Confingent Liabilities :	
6,000	Bills discounted 6,000	
12,000	Others 12,000	38000
96,000		
	Estimated deficiency as regards	
	creditors being difference between Rs.	
	Gross Assets 71,700	
	Gross Liabilities 96,000	24,300
	Issued and calledup capital : 3200 share of Rs. 100 each	3,20,000
	Estimated deficiency as regards as per list 'H'	3,44,300

Deficiency Account

1.	Excess of Capital and liabilities over Assets on 1st Jun., 1992	3,13,900
2.	Net Dividends and Bonuses declared during the period from… to the date of statement	NIL
3.	Net trading loss for same period	
4.	Losses other than trading losses written off or for which provision has been made in the books during the same period	NIL

5.	Estimated losses now written off or for which provision has been made for the purpose of preparing the statement. Rs. Building 12,000 Debtors 400 Liabilities on Bill discounted 6,000 Other Contigent Liabilities 12,000 30,400	30,400
6.	Other item contributing to deficiency	NIL
	Total Deficiency as shown by the statement	3,44,300

Working Note : Liabilities – Assets = Loss

[Debenture 42,000 + Deb. 10,000 + Preferential Creditor 6,000 + Capital 3,20,000 + Unsecured Creditor 20,000] – [Cash 100 + Debtor 4,000 + Building 60,000 + Furniture 20,000] = 3,13,900.

Note : Liabilities on bills discounted Rs. 6,000 and other contingent liabilities of Rs. 12,000 have not been taken into consideration for finding out excess of capital and liabilities over-Assets.

(4) fu"d"k (Summary)—

dEiuh ,d o/kfud jpuk gksu d dkj.k] ikÑfrd eR; ugh ik ldrh gA dkuuu mldh lekfIr] lekiu dh ifØ;k }kjk gk ikrh gA lekiu ij dEiuh d fØ;kdyki lekIr gk tkr g rFkk mldk uke dEiuh jftLVkj }kjk j[k dEifu;k d jftLVj l dkV fn;k tkrk gA dEiuh dk lekiu ,fPNd] vfuok;l rFkk U;k;ky; d fujh{k.k e gk ldrk gA lekiu gku ij dEiuh dk ^^fuLrkjd dk vfUre fooj.k [kkrk** r;kj fd;k tkrk gA lekiu ij dEiuh vf/fu;e 1956 e fu/kfjr Øe l] fofHkUu i{kk dk Hkxrku fd;k tkrk gA

(5) iLrkfor iLroQ (Suggested Readings)—

(1) Advanced Accountancy

By S.M. Shukla

(2) Higher Accountancy

By R.K. Gupta

(3) Corporate Accounting

By R.K. Mittal

R.S. Singhal

(4) Advanced Accounting

By R.L. Gupta

(6) ueu d fy, i'u (Sample Questions)

(1) fdlh dEiuh d lekiu l D;k vk'k; g \ ,d dEiuh dh lekiu dh fofo/ fofèk;k D;k g \

(2) lekiudÙkk dk vfUre fooj.k [kkrk D;k gkrk g \ bldk fu/kfjr ik:i nhft; rFkk mle nh tku okyh fofHkUu enk dk le>kb;A

(3) fLFkfr&fooj.k D;k g \ ble dku&dku dh en fn[kkb tkrh g \ ;g dc vkj D;k cuk;k tkrk g \

(4) dEiuh d lekiu d le; iokf/dkj yunkj dku gkr g \ le>kb;A

(5) iyd fyfeVM dk 31 ekp] 1999 dk ,fPNd lekiu gvkA lEifÙk;k d foØ; l fuEufyf[kr jkf'k;k oly gb (Palak Ltd. went into voluntary liquidation on 31st March, 1999. The assets realised the following amounts) :

	Rs.
l;U=k vkj e'khujh (Plant and Machinery)	90,000
iQuhpj (Furniture)	30,000
fofu;kx (Investments)	20,000
jgfr;k (Stock)	62,000
nunkj (Debtors)	28,000
mld nkf;Ro fuEufyf[kr Fk (Its liabilities were as under) :	
ljf{kr yunkj & iHkkj ;U=k o e'khujh	40,000
[Secured Creditors (Secured on Plant and Machinery)]	
12% ½.kki=k&ftu ij 30 flrEcj] 1998 dk C;kt fn;k gvk g	40,000
[12% Debtors – Interest paid upto 30th Sept., 1998)	
vjf{kr yunkj (Unsecured Creditors)	70,000
iokf/dkj yunkj (Proferrential Creditors)	5,000
v'k&ith (Share Capital) :	
10 #- oky 14,000 lerk v'k (14,000 equally shares of Rs. 10 each)	1,40,000

lekiu d 0;; 700 #- g,A fuLrkjd dk ikfjJfed lEifÙk;k dh olyh ij 4% rFkk vfj{kr yunkjk dk Hkxrku dh tku okyh jkf'k ij 2% fuf'pr fd;k x;kA ½.k&i=kk dk Hkxrku 30 tu] 1999 dk fd;k x;kA fuLrkjd dk vfUre fooj.k [kkrk r;kj dhft,A

Expenses of liquidation amounted to Rs. 700. The liquidator's remuneration was agreed at 4% on assets realised and 2% on the amount distributed to unsecured creditors. Debenture were repaid on 30 June, 1999.

Prepare the Liquidator's Final Statement of Account.

(6) fuf/ fyfeVM dk ,fPNd lekiu fuEukfdr nkf;Rok d lkFk gvk (Nidhi Limited went into voluntary liquidation its liabilities were as under) :

	Rs.
0;kikfjd yunkj (Trade Creditors)	8,400
cd vfHkfode (Bank Overdraft)	14,000
ith (Capital)	
10 #- oky 7,000 iokf/dkj v'k] 7 #- nÙk	

(7,000 preference share of Rs. 10 each, Rs 7 called up)		49,000
10 #- oky 7,000 lerk v'k] 9 #- nÙk		
(7,000 equally share of Rs. 10 each, Rs. 9 called up)	63,000	
?kVkb, % vnÙk ;kpuk, (Calls in Arrears)	2,000	61,000
vfxe ;kpuk, ikIr (Call-in-Advance received) :		
iokf/dkj v'kk ij (On preference shares)	16,800	
lerk v'kk ij (on equally shares)	2,000	19,600

lEifÙk;k l 1,40,000 #- oly g, vkj lekiu O;; 2,000 #- g,A iokf/dkj v'kèkkfj;k dk iath dk iokf/dkj ugh gA fuLrkjd dk vfre fooj.k [kkrk r;kj dhft,A

The assets realised Rs. 1,40,000 and expenses of liquidation amountd to Rs. 2,000. The preference shareholders have no prior right as to capital. Prepare Liquidator's final Statement of Account.

(7) 1 tykb] 1993 dk ,d dEiuh u ,fPNd lekiu ij Jh ih- ,y- ekn dk fuLrkjd fu;Dr fd;k x;k rFkk mDr frfFk dk iLrdk l fuEufyf[kr 'k"k fy, x; %

Shri P.L. Mod is appointed liquidator of a company in voluntary liquidation on 1st July, 1993 and the following balances are extracted from the books on that data :

	Rs.		Rs.
Share Capital		Machinery	30,000
16,000 shares of Rs. 5 each	80,000	Stock-in-Trade	1,000
Reserve for Bad Debts	10,000	Leasehold Properties	40,000
Debentures	50,000	Book Debts	60,000
Bank Overdraft	18,000	Investments	6,000
Liabilities for purchases	20,000	Cash in Arrears	5,000
		Cash in hand	1,000
		Profit and Loss A/c	35,000
	1,78,000		1,78,000

fLFkfr&fooj.k r;kj dhft, tk fd yunkjk dh lHkk e iLrr fd;k tkuk gA e'khujh dk eY;kdu 60,000 #-] iVV ij tk;nkn dk 73,000 #-] fofu;kxk dk 4,000 #- vkj O;kikfjd jgfr;k dk 2,000 #- ij fd;k x;kA Mcr ½.k 2,000 #- vkj lfnX/ ½.k 4,000 #- d g] ftue l 2,000 #- ikIr fd, tku dh vk'kk gA cd vf/fod"k d fy, iVV okyh lEifÙk;k dk fxjoh j[kk x;kA djk vkj etnjh d fy, iokf/dkj yunkj 1,000 #- d gA VyhiQku fdjk;k 80 #- vnÙk gA

Prepare a Statement of Affairs to be submitted to the meeting of the creditors. The machinery is valued at Rs. 60,000; the leasehold properties at Rs. 73,000; Investment at Rs. 4,000 and stock-in-trade at Rs. 2,000. Bad debts are Rs. 2,000. Doubtful Debts are Rs. 4,000 estimated to realise Rs. 2,000. The bank overdraft is secured by deposit of title deeds of leasehold properties. Preferential creditors for taxes and wages are Rs. 1,000. Telephone rent owing is Rs. 80.

BC 202 : Corporate Accounting

Lesson No. : 9 **Revised by: Pawan Singla**

cfo{kx dEifu;ksa d [kkrs

(Accounts of Banking Companies)

Structure :

(1) ifjp;

(2) mís';

(3) fo"k;&lkexh dk iLrrhdj.k

3.1 cfo{kx dEifu;ksa d [kkrs

3.1.1. cfo{kx dk vFkZ

3.1.2. iph i¼fr

3.1.3. iph i¼fr d ykHk

3.1.4. iph i¼fr dh gkfu

3.2. cfo{kx dEifu;ksa d vfUre [kkrs

3.2.1. ykHk&gkfu [kkrk ik:i

3.2.2. ykHk&gkfu [kkrs e nh xbZ vulfp;ksa dk Li"Vhdj.k

3.2.3. Hkuk;s x; fcyksa ij vleklr dVkrh

3.2.4. vleklr dVkrh ij ikjfEHkd 'ks"k

3.2.5. vfUre [kkrk dk iHkkfor djus okys o/kfud iko/kku

3.3. Mcr ½.k ,o Mcr o lfnX/ ½.k gr vk;ktu

3.3.1. viR;kiouh; lEifÙk;k

3.3.2. Mcr ½.k d fy, vk;ktu dh x.kuk

3.4. fLFkfr fooj.k dk ik:i

3.4.1. fLFkfr&fooj.k e nh xbZ vulfp;ksa dk Li"Vhdj.k

(4) fu"d"k

(5) iLrkfor iLroQ

(6) ueu oQ fy, i'u

(1) ifjp; (Introduction)

Hkkjr esa cfoQx xfrfofèk;ksa dks cfoQx vfèkfu;e 1949 ds }kjk fu;fU=kr fd;k tkrk gSA c<+rh gbZ 0;olkf;d fØ;kvksa us cfoQx 0;olk; ds egÙo dks cgqr c<+k fn;k gSA vkt ds le; esa fcuk cfoQx xfrfofèk;ksa ds 0;olk; pykuk vlEHko&lk yxrk gSA cSad viuh xzkgdksa dks tek Lohdkj djuk] m/kj nsuk o vU; dbZ idkj dh lsfo/kk, inku dj jgs gSA

(2) mís'; (Objective)

bl vè;k; dks i<+us ls vki dks fuEu fo"k;k dh tkudkjh feyxh—

(1) cfoQx dk D;k vFkZ gS\

(2) iphZ i¼fr D;k gS\ vkj blds D;k ykHk o gkfu gS\

(3) cSad dks ykHk gkfu [kkrk fdl idkj ls cuk;k tkrk gS\

(4) Hkuk; x; fcyk dks vlekIr dVkrh dh x.kuk fdl idkj dh tkrh gS\

(5) Mcr ½.k ,oa Mcr o lfnX/ ½.k gr fdl idkj vk;ktu cuk;k tkrk gS\

(6) fLFkfr&fooj.k dks D;k ik:i gS\ fLFkfr&fooj.k r;kj djrs le; dkSu&dkSu&lh vuqlfp;ka dks r;kj fd;k tkrk gS\

(3) fo"k;&lkexh dk iLrrhdj.k

cfoQx dEifu;k ds [kkrs dh fo"k;&lkexh dk iLrrhdj.k fuEu idkj ls gS%

3.1. cfoQx dEifu;k ds [kkrs (Accounts of Banking Companies)

3.1.1. cfoQx dk vFkZ (Meaning of Banking)

Hkkjr esa cfoQx 0;olk; cfdx fu;eu vfèkfu;e 1949 (Indian Banking Regulation Act, 1949) }kjk lpkfyr fd;k tkrk gSA bl vfèkfu;e dh /kjk 5(b) ds vuqlkj] ^cfoQx dEiuh* og dEiuh gS tks Hkkjr esa cfoQx dk 0;olk; djrh gS vkj cfoQx dk vFkZ gS ^m/kj nsu vFkok fofu;kx djus oQ mís'; gsrq turk ls eækæ esa fu{kik dks Lohdkj djuk gS tks ekax ij vFkok fdlh vU; idkj pdS] MkÝV vkfn }kjk okfil fd;k tkrk gSA vr% cSad ,d ,slh lLFkk gS tks eæk vkj lk[k esa 0;olk; djrh gSA

cSad iLrikyu ;k cSad dh dk;Ziz.kkyh (Bank Book keeping or Bank's Working)

cSadks esa iLrdks esa y[kk j[kus ds fy, nkgjk y[kk i.kkyh (Double Entry System) dk i;kx fd;k tkrk gSA cfoQx 0;olk; ds lqpyrkiood lpkyu ds fy, ,d ,slh i¼fr dh vko';drk gkrh gS ftlls fnu&ifrfnu ds 0;ogkjk dks lgh lgh y[kk j[kk tk ldsA iphZ i¼fr (Slip System) cfoQx 0;olk; dh bl vko';drk dks ijk djrh gSA

3.1.2. iphZ i¼fr (Slip System)

iphZ i¼fr dk vFkZ (Meaning of Slip System)

iphZ (Slip) yu&nu dk fyf[kr vfèkdkj i=k gS tks fd [kkrk cgh j[kus okys dks ,d [kkrs ds uke ;k tek esa [krkuh djus dk nsh tkrh gSA ifp;k (Slips) dh lgk;rk ls lhèks lEcfUèkr [kkrks esa [krkuh dj nh tkrh gSA ; ifp;ka ;k rks cSad ds xzkgdks }kjk Hkjh tkrh gSa vFkok cSad depkfj;ks }kjkA cSad iLrikyu ds vUrxZr eq[;r;k fuEufyf[kr nks idkj dh ifp;ks dk i;kx fd;k tkrk gS—

1. tek djus dh iphZ (Pay in Slip)

2. /u okilh dh iphZ ;k /kukns'k (Withdrawn Slip)

tek djkus dh iph

tc xkgd dk cd e jkf'k tek djkuh gk rk og tek dju okyh iph (Pay-in-Slip) dk Hkj dj ikl r jkdfM;k (Receiving Cashier) dk jkdM d lkFk iLrr djrk gA bl iph d nk Hkkx gkr g ftl vxfyf[kr ik:i (Proforma) dh lgk;rk l ljyrk l le>k tk ldrk gA tek iph (Pay-in-Slip) d nkuk gh Hkkxk dk xkgdk d }kjk gh Hkjk tkrk gA ikl r jkdfM;k bl iph d vk/kj ij jkdM iLrd e ifof"V (Entry) djrk g rFkk iph d nk Hkkxk e l igy Hkkx dk cd dh egj yxk dj og i/ku jkdfM;k d gLrk{kj lfgr xkgd dk okfil dj nrk g tk fd xkgd d ikl iek.k d :i e jgrh gA bl iph d cp ,d Hkkx dk jkdfM;k (Cashier) viu ikl j[k yrk gA bl Hkkx d vk/kj ij lkekU; jkdM iLrd e ifof"V (Entry) dh tkrh g vkj ckn e bl 0;fDrxr [kkrk dk j[ku okyk fyfid (Ledger Keeper) d ikl Hkt fn;k tkrk gA ;g fyfid lEcfU/r xkgdk d [kkrk e iph d vk/kj ij /u jkf'k tek dj nrk gA (tek iph dk ueuk vxy i"B ij fn;k x;k g)A

बचत बैंक खाता/Savings Bank A/c
स्टेड बैंक ऑफ इण्डिया
State Bank of India

शाखा
Branch______20_____

जमा कीजिए बचत बैंक खाता संख्या
Credit A/c No. ________________

नाम/OF ________________

नकद/बैंक रु. Cash/Cheque Rs.		

रुपये शब्दों में ________________
Rs. in Words ________________

जमा कराने की पर्ची

स्टेड बैंक आफ इण्डिया
State Bank of India

क्रम. S.No.	स्कॉ. नं. Sorolt No.	आपहर Initials	खा./प.सं. M. No.	दर्ज किया Posiod

______10______

शाखा/Branch________________

जमा कीजिए बचत बैंक खात संख्या/Credit Savings Bank Account No.

नाम/OF________________
रुपये शब्दों में________________
Rs. in Words ________________

नकद/चैक Chash/Cheque	रुपये R.s	पैसे P.
पीछे बताये वितरण के अनुसार Details as per Reverse		

खजांची/Cashier पार प्राधिकारी (Passing Authority) जमा कराने वाला/Deposited by _____ नकदी/चैक (उसी शाखा/अन्य स्थानीय शाखाएं/प्रत्येक राष्ट्रीय समाशोधन केन्द्र बम्बई, कलकत्ता, मद्रास, नई दिल्ली/अन्य बाहरी चैक) हेतु अलग पर्चियाँ भरें।

Use Separate slips for depositing Cash/Cheque same Branch/Other Local Branches/Each National Clearing Centre-Bombay, Calcutta, Madras, New Delhi Other out station cheqes.

/uokilh dh iph ;k /ukn'k

tc xkgd cd l #i;k fudyokuk pkgrk g rk xkgd pd fy[krk g ;g le; dk iQke (Withdrawl Form) Hkj dj [kkrk ikyd (Ledger-keeper) dk nrk gA [kkrk ikyd bl iph e fy[kh gb jde l xkgd dk [kkrk MfcV dj nrk gA bl iph dk Vkdu iLrd p<k dj bld cny e Vkdu xkgd dk nrk gA ;g iph ckn e y[kkeky d ikl tkrh g o Vkdu cd tkp djoQ rFkk y[kd d gLrk{kj feykdj pd dk ikl djrk gA rRi'pkr Vkdu cd dk jkdfM;j d ikl pd d Hkxrku d fy, Hkt nrk g vkj jkdfM;k xkgd l Vkdu ydj ml ilk dk Hkxrku dj nrk g lkFk gh jkdfM;k bl pd dh jde dk viu jkdM ogh e fy[krk gA

/u okilh dh iph dk ueuk

इस पर्ची के साथ पास बुक का होना जरूरी है

Pass Book must accompany this order from
State Bank of India

स्टेट बैंक ऑफ इण्डिया

क्रम. S.No.	स्कॉ. नं. Soroll No.	आपहर Initials	खा./प.सं. M. No.	दर्ज किया Posted

शाखा/Branch ____________________ ________20__________

कृपया मुझे रुपये ____________________________________

Please Pay self Rupees ____________________________________

मेरे/हमारे खाते में नामे डाल कर भुगतान करें
and Debit My/Our Account

रुपये
Rs.

बचत खाता संख्या
Savings Bank Account

जमाकर्त्ता Depositors

3.1.3. iph i¼fr d ykHk (Advantages of Slip System)

iph i¼fr l fuEufyf[kr ykHk g—

1. **y[kk dju e lfo/k**

   cd e iR;d 0;ogkj dk y[kk db iLrd l fd;k tkrk gA vr% bl iph i¼fr d }kjk dk;Z 'kh?krk o lfo/k l gk tkrk g] D;kfd bl fof/ e iph dk c<h ljyrk l ,d LFkku l nlj LFkku ij LFkkukUrfjr fd;k tk ldrk gA bul y[kk dju e le; dh Hkh cpr gkrh gA

2. **y[kk dk fo'oluh; gkuk**

   cdk dh dk; fof/ e i;kIr vku okyh ifp;k Lo;a xkgdk }kjk gh Hkjh tkrh gA ftud vk/kj ij [kkrk e y[k fd, tkr gA vr% ;g y[k i.kr% fo'oluh; gkr g vkj vko';drk iMu ij xkgdk dk fn[kk, tk ldr gA

3. **vd{k.k e ljyre**

   vd{kd iLrdk e fd, x, y[kk dk rd rc iHkkfor ugh djrk tc rd mu y[kk l lEcfU/r iek.k i=k ikIr u dj yA bl i¼fr d }kjk j[k x; iek.k ifp;k (Slips) e gkr gA vr% vd'kd y[kk dh tkp vklkuh l ik ldrk gA

4. le; vkj Je dh cpr

cdk dh ie[k ifp;k e pd rFkk tek dh iph gA nkuk gh xkgdk d }kjk r;kj dh tkrh g] ftl l depkfj;k d le; vkj Je nkuk dh opr gkrh gA vr% ifp;k d 'kh?k vknku inku }kjk y[k rjUr gk tkr gA

5. [kkr gj le; ijh rjg r;kj jguk

fdlh Hkh yu&nu d gkr gh rjUr o ifp;k dh 0;oLFkk l bldh [krkuh gk tkrh gA vr% [kkr gj le; r;kj jgr gA

6. cd d dk;k dk lefpr foHkktu

ifp;k dh lgk;rk l y[k fd, tku d dkj.k dk;k dk mfpr foHkktu gk tkrk g vkj fdlh Hkh idkj dh =kfV ik, tku ij depkjh dk mÙkjnk;h Bgjk;k tk ldrk gA

7. mfpr iek.k

bu ifp;k dk cd dkiQh lko/kuh l ljf{kr j[krk g] tk le; ij iek.k i=k dk; djrh gA mnkgj.k d fy,] ;fn xkgd cd l dg fd bruh jkf'k dk pd eu ugh Hktk rk bldk Hkxrku oQl fd;k x;k rk cd iR;{k d :i e og iph xkgd dk fn[kk,xk] ftld vkèkkj ij cd u Hkxrku fd;k gA

8. ikjfEHkd y[k dh iLrdk dh cpr

bl i¼fr e lHkh y[k ifp;k dh lgk;rk l fd; tkr gA bll lgk;d iLrdk dk j[ku dh vko';drk gh ugh gkrh rFkk lgk;d iLrdk dh cpr gkrh g rFkk cd dk;k e ferO;f;rk vkrh gA

3.1.4 iph i¼fr dh gkfu;k (Disadvantages of Slip System)

1. **xkgdk dk dfBukb ,o vlfo/k**—cd oQ fofHkUu 0;ogkjk oQ fy, xkgd dk fofHkUu idkj dh ifp;k Hkjuh iMrh g] ftll mldk le; o Je 0;Fk e u"V gk tkrk gA vui< ykxk oQ fy, ;g i¼fr fo'k"k :i l vlfo/ktud gkrh gA
2. **fjdkM j[ku dh vlfo/k**—iR;d yu&nu fofHkUu [kyh ifp;k ij fd; tkr g] ftll mUg lEHkky dj j[ku e vR;Ur vlfo/k gkrh g] D;kfd budh l[;k cgr vf/d gkrh g] ftYnc¼ jftLVjk e ;g vlfo/k ugh gkrhA
3. **iph oQ [kku ;k u"V gku dk Hk;**—ifp;k dk vkdkj NkVk gku o vf/d ek=kk e gku d dkj.k bud [kk tku dk b/j&m/j gk tku ;k u"V gk tku dk Hk; jgrk g vkj bud xe gk tku ;k u"V gk tku l dkiQh ij'kkuh gk tkrh gA
4. **xcu dh lEHkkouk**—D;kfd ; ifp;k NkVh o gYdh gkrh g] blfy, budk xcu fdlh depkjh d }kjk vklkuh l fd;k tk ldrk gA

ijUr ,d vPNh vkUrfjd vd{k.k i.kkyh (Internal Audit System) viuk dj mijkDr nkuk l dkiQh gn rd cpk tk ldrk gA bl i¼fr d ykHk] nk"kk dh vi{kk vf/d gA vr% ;gh i¼fr lHkh cdk d }kjk i;kx e ykb tkrh gA

3.2 cfoQx dEifu;k d vfUre [kkr (Final Accounts of Banking Companies) :

iR;d cfoQx dEiuh o"k d vUr e viu okf"kd [kkr r;kj djrh gA cfoQx dEifu;k dk viu vfUre [kkr cfoQx fu;eu vf/fu;e] 1949 dh rrh; vulph e fn, x, ik:i e cuku iMr gA

;g ik:i yEcor ik:i e gA rrh; vulph oQ iQke v (Form A) e fpVB dk ik:i fn;k x;k g og iQke c (Form B) e ykHk&gkfu dk ik:i fn;k x;k gA vfUre [kkrk oQ fy, ik:i e tk yEcor ik:i e g] fpVB o ykHk&gkfu [kkr oQ lkFk oQN vulfp;k Hkh nh xb g] ftudh l[;k vBkjg gA bue l 1 l 12 uEcj vulfp;k fpVB l lEcfU/r enk oQ ckj e g rFkk 13 l 16 uEcj vulfp;k ykHk&gkfu [kkr l lEcfU/r enk oQ ckj e gA vulfp 17 o 18 ukV o y[kkdu uhfr;k l lEcfU/r gA vc ge ykHk&gkfu [kkr o fpVB oQ u, ik:ik dk bul lEcfU/r vulfp;k oQ lkFk vè;;u djxA

3.2.1. ykHk&gkfu [kkrk ik:i (Format of Profit and Loss Account)

The Third Schedule

(See Section 29)

Form B

Profit and Loss Account

For the year ended 31st March (Year)

	Schedule No.	Year ended 31.3.—Rs. (current year)	Year ended 31.3.—Rs. (previous year)
1. Income			
interest earned	13.	....	....
Other income	14.	....	....
	Total		
2. Expenditure			
Interest expended	15.	....	....
Operating Expenses	16.	....	....
Provisions and Contingencies	Total		
3. Profit/Loss			
Net Profit/Loss (–) for the year		....	....
Profit/Loss(–) brought forward	Total	....	....
4. Appropriations			
Transfer to Statutory Reserves			
Transfer to Other Reserves			
Transfer to Government/Proposed			
Dividents, Balance earned over		....	....
to balance sheet	Total	....	....

Schedule 13-Interest Earned

	Year ended 31.3.... (current year)	Year ended 31.3... (previous year)
1. Interest on advances and Discounts on Bills		
2. Income on Investments		

3.	Interest on balance with Reserve Bank of India and other under Bank funds	....	....
4.	Others		
	Total	....	....

Schedule 14 : Other Income

	Year ended 31.3. ... (Current Year)	Year ended 31.3. .... Previous Year)
1. Commission, exchange and brokerage		
2. Profit on sale of investments Less, Loss on sale of investments		
3. Profit on revaluation of investments Less : Loss on revaluation of investment		
4. Profit on sale of Land, Building and other Assets Less : Loss on sale of Land, Building and Other Assets		
5. Profit on exchange transactions Less : Loss on sale or exchange of transactions		
6. Income earned by way of dividends etc. from Subsidiaries/Companies and for Joint Ventures abroad/in India		
7. Miscellaneous Income		
Total		

Note : Under items II to V Loss figures may be shown in brackets.

Schedule 15 : Interest Expended

	Year ended 31.3. ... (Current Year)	Year ended 31.3. .... Previous Year)
1. Interest on Deposits		
2. Interest on Reserve Bank of India/Inter Bank borrowings.		
3. Others		
Total		

Operating Expenses

	Year ended 31.3. ... (Current Year)	Year ended 31.3. .... Previous Year)
1. Pyaments to and provisions for employees		
2. Rent Taxes and Lighting		

3. Printing and Stationery		
4. Advertisement and Publicity		
5. Depreciation on Bank's property		
6. Director's Fees, Allowances and Expenses		
7. Auditor's fees and expenses (Including Branch Auditors)		
8. Law Charges		
9. Postage, Telegrams, Telephones etc.		
10. Repair and Maintenance		
11. Insurance		
12. Other Expenditures		
Total		

3.2.2 ykHk gkfu [kkr e nh xb vulfp;k dk Li"Vhdj.k

vulph 13 : mikftr C;kt (Schedule 13-Interest Earned)

bl lph d vUrxr cd d ikIr dh xb C;kt dh vk; dk ble fn, x, fofHkUu 'kh"kdk d vUrxr fn[kk;k tkrk gA

1. **vfxe C;kt vkj fcyk ij dVkrh**
   (Interest on Advances and Discount on Bills)

   cd dk egRoi.k dk; turk dk ½.k nuk g vkj bl ½.k ij cd C;kt yrk g tk cd dh vk; dk ie[k lkr gA cd ik;% vfxek dk ½.k] uxn lk[k (Cash Credit) o cd vf/fod.k (Bank Overdraft) d : i e nrk gA bu lHkh l ikIr gku okyh C;kt dh vk; bl 'kh"kd d vUrxr fn[kkb tk,xhA blh idkj fofue; foi=k vFkkr fcy dk mld /kjd d }kjk viu cd l Hkuok;k tk ldrk gA cd xkgdk dk bu fcyk dh jkf'k e l C;kt dh jkf'k dkV dj 'k"k jkf'k n nrk gA C;kt dh jkf'k dk cVVk ;k dVkrh dgr g rFkk bl Hkh blh 'kh"kd d vUrxr fn[kk;k tkrk gA

2. **fofu;kxk l vk; (Income on Investments) :** cd d }kjk fd, x, fofu;kxk l ikIr gku okyk C;kt rFkk ykHkk'k dk bl 'kh"kd d vUrxr fn[kk;k tkrk gA

3. **fjtoZ cd o vU; vUrcdh; 'k"kk ij C;kt (Interest on Balances with Reserve Bank of India and Other Inter Bank funds)**

4. **vU; (Others) :** bl 'kh"kd d vUrxr cd dk ikIr gku okyh mu lHkh C;kt dh jkf'k;k dk fn[kk;k tk,xk ftUg mijkDr rhu 'kh"kdk d vUrxr ugh fn[kk;k x;kA

vulph—14 : vU; vk; (Schedule 14-Other Income) :

bl vulph e cd d }kjk C;kt dh vfrfjDr vU; leLr idkj dh vk;k dk fy[kk tkrk gA

1. **deh'ku] fofue; ,o nykyh (Commission, Exchange and Brokerage) :** cd viu xkgdk dk fofHkUu idkj dh lok, inku djrk g] tl #i;k ,d LFkku l nlj LFkku ij Hktuk] xkgd dh vkj l v'k ;k ½.k i=k [kjhnuk vkfnA bld fy, cd xkgd

l oQN ikfjJfed yrk g] ftl lok d LoHkko d vu:i deh'ku ;k fofue; ;k nykyh d uke l tkuk tkrk gA ; leLr vk; gkrh g vkj mUg bl 'kh"kd e fy[kk tkrk g ijUr ble fon'kh fofue; vk; dk 'kkfey ugh fd;k tkrk gA

2. **fofu;kxk d fooQ; ij ykHk&gkfu (Profit/Loss on sale of Investment) :** fofu;kxk d fooQ; ij gku oky ykHk dk bl mi&'kh"kd e fy[kk tkrk g ijUr fofu;kxk d fooQ; ij gku okyh gkfu dk bl ykHk e ?kVk dj fy[kk tkrk gA ;fn ?kVku d ckn gkfu cprh g rk bl blh 'kh"kd e ½.kkRed d :i e fy[kk tkrk g tk vU; vk;k e l ?kVkb tkrh gA

3. **fofu;kxk d iueY;kdu ij ykHk (Profit/Loss on Revaluation of Investment) :** fofu;kxk d iueY;kdu ij gku oky ykHk dk bl mi&'kh"kd e fy[kk tkrk g ijUr fofu;kxk d fooQ; ij gku okyh gkfu dk bl ykHk e l ?kVk dj fn[kk;k tkrk gA ;fn ?kVku d ckn gkfu cprh g rk bl blh 'kh"kd e ½.kkRed (Debentures) d :i e fy[kk tkrk g rk vU; ykHkk e l ?kVkb tkrh gA

4. Hkfe] Hkou o vU; lfEefÙk;k d fooQ; ykHk@gkfu dk mlh idkj fn[kk;x] tl mDr nk o rhu d fooQ; l gku oky ykHk@gkfu dk fn[kk;k tkrk gA

5. **fofue; yu&nuk ij ykHk (?kVk fofue; yu&nuk ij gkfu)**—fon'kh fofue; yu&nu l gku oky ykHk dk ble lfEefyr fd;k tkrk g ijUr bu yu&nuk ij gku okyh gkfu dk bl ykHk e gh lek;kftr fd;k tkrk g] bld vfrfjDr fon'kh fofue; yu&nu ij iklr deh'ku rFkk fon'kh eæk d :i e iklr vk; dk bl 'kh"kd e fn[kk;k tkrk gA

6. **ykHkk'k vkfn l vk;**

7. **fofo/ vk; (Miscellaneous Income)** tl fdjk; dh olyh] cd o lfEefÙk;k l vk; vkfnA

vulph 15 : fn;k x;k C;kt (Schedule 15-Interest Expended)

bl vulph d vUrxr cd d }kjk Hkxrku dh tku okyh C;kt dh jkf'k dk ble fn, x, fuEu 'kh"kdk e ckV dj fn[kk;k tkrk g—

1. **fu{ki ij C;kt (Interest on Deposit) :** ble cd e tek jkf'k;k ij cd }kjk fn;k x;k C;kt fy[kk tkrk g tl Interest on current deposits, interest on saving deposits and interest on term deposits.

2. fjto cdk l vU; cdk l yh xb m/kj jkf'k ij C;kt

3. vU; foÙkh; lLFkkvk dk fn;k x;k C;kt

vulph 16 : lpkyu 0;; (Operating Expenses)

lpkyu 0;;k dk fuEufyf[kr mi&'kh"kdk (Sub-headings) e ckV dj fn[kk;k tkrk gA

1. depkfj;k dk Hkxrku rFkk mld fy, iko/ku (Payment to and Provisions for Employees)

bld vUrxr depkfj;k dk fn;k x;k oru] HkÙk] cku l rFkk vU; ykHk Hkfo"; fuf/ e fn;k x;k v'knku] i'ku_ xP;Vh] vodk'k ;k=kk fj;k;r vkfn dk fn[kk;k tkrk gA

2. fdjk;k] dj vkj fctyh (Rent, Taxes and Lighting)
3. NikbZ o y[ku lkexzh (Printing and Stationery)
4. foKkiu o izpkj (Advertisement and Publicity)
5. cSd lEifÙk;k ij ßkl (Depreciation on Bank's Property)
6. lpkydk dh 'kYd HkÙk o O;; (Director's fees, Allowances and Expenses)
7. vodQ{kdk dh 'kYd HkÙk o O;; (Auditor's Fees and Expenses)
8. dkuuh O;; (Law Charges)
9. Mkd] rkj o VsyhiQku O;; (Postage, Telegrams, Telephones etc.)
10. ejEer o j[k&j[kko (Repair and Maintenance)
11. chek (Insurance)
12. vU; O;; (Other Expenditure) vU; O;; tks mi;Dr fdlh Hkh 'kh"kd e lfEefyr u fd;k tk ldQ] tl ykbll] iQhl] lekpkj] i=kk ij O;;] eukjatu O;;] ;k=kk O;; vkfnA

vk;ktu ,o l;kfxrk; (Schedule nil Provision and Cotingencies)

mDr dfy, dkbZ vyx l vuLpph ugh gA bl vuLph 16 d i'pkr fn[kyk;k tkrk gA ble pky o"k e cuk, x, lHkh vk;ktu ,o l;kfxrk; fy[kh tkrh g tl—

1. Mcr ,o lfnX/ ½.kk d fy, vk;ktu (Provision for Bad and Doubtful Debts)
2. dj d fy, vk;ktu (Provisions for Taxation)
3. fofu;kxk d eY; e deh d fy, vk;ktu (Provision for Diminition in the Value of Investment)
4. vkdfLedrkvk o vU; fdlh rjg dh enk d fy, gLrkrj.k (Transfer to Contingencies and Other Similar Items)

3.2.3 Hkuk; x; fcyk ij vlekIr dVkrh (Rebate on bill discounted)

tc ,d cd fcyk dk Hkurk g rk bu ij vftr ijh dVkrh dh jkf'k dk dVkrh [kkr e oQfMV dj nrk g] ijUr bu Hkuk, x, fcyk e l oQN fcy ,l Hkh gkr g tk o"k d vUr rd Hkxrku d fy, ifjiDo ugh gkrA ifj.kkeLo:i ,l fcyk d lEcU/ e vftr C;kt dk i.k :i l pky o"k d nkjku vftr ugh ekuk tk ldrkA

mnkgj.k d fy,] eku yhft,] ,Dl u LVV cd l ,d ekp] 1995 dk ,d rhu eghu dk fcy Hkuk;k ftl ij cd u 600 #i; dVkrh d fy,] [kkr cUn gku dh frfFk ifr o"k 31 ekp g] bl fcy d ifjoru gku dh frfFk 31 eb] 1995 g rk bl fn'kk e pfd 600 #i; 1 ekp dk gh dVkrh [kkr e oQfMV dj fn, gkxA ftue viy 1995 o eb] 1995 l lEcfU/r dVkrh tk 200 #i; ifr ekg dh nj l 400 #i; vkrh g] vxy o"k l lEcfU/r gA vr% ; 400 #i; Hkuk, x, fcyk ij vlekIr dVkrh gA ;g ,lh vk; g tk bl o"k iklr gk xb g ijUr dekb ugh xb gA

(Income received but not earned) bl Hkuk, x, fcyk ij NV (Rebate on bills discounted) vFkok vlekIr dVkrh (Unexpired Discount) ;k vfxe dVkrh (Discount Received in advance) dgr gA

Hkuk, x, fcyk ij dVkrh cd d fy, vk; gA vfUre [kkrk d u, ik:ik d vu lkj bl ykHk gkfu [kkr dh vu lph uEcj 13 (Interest Earned) e Interest on Advances and Discount on Bills 'kh"kd d vUrxr tkMk x;k gA vr% o"k d vUr e lekIr dVkrh dh jkf'k ;fn lek;ktukvk e nh gb gk rk ,d ckj ,d 'kh"kd e l ?kVk;h tk,xh o nl jh ckj ;g jkf'k fpVB d nkf;Ro i{k dh vu lph uEcj 5 (Other Liabilities and Provisions) e fy[kh tk,xhA bl d fy, fuEufyf[kr ifof"V cukb tkrh g—

Discount Account Dr.

To Rebate on Bills discounted Account

(With the amount of Unexpired Discount)

ijUr ;fn vlekIr dVkrh ryiV e nh gk rk bl doy ,d ckj fpVB e gh fy[kxA

Illustration-1 : 31 ekp] 1999 dk LVV cd d fuEufyf[kr vn; fcy Fk (On 31st March, 1999 State Bank had the following unmatured Bills)

fcy dh frfFk (Date of Bill)	jkf'k (Amount)	vof/ (Term)	dVkrh dh nj (Rate of Discount)
January 12, 1999	18,250	6 Months	14%
February 7, 1999	36,500	4 Months	13%
March 1, 1999	9,125	3 Months	12%
October 10, 1998	5,000	5 Months	15%

31.3.1999 dk Hkuk, x, fcyk ij vlekIr dVkrh dh x.kuk dhft, vkj mldh vko';d jkstukepk ifof"V nhft,A ykHk&gkfu [kkr e fy[kh tku okyh jkf'k Kkr dhft,A

Calculate the Rebate on bills discounted and give the necessary journals entry as on 31.3.1999. Also calculate the amount to be shown in the Profit and Loss Account.

Solution :

Calculation of Rebate on Bills discounted

Due Date (Inclusive 3 days of grace)	**Non. of days falling on after March 31, 1999**	**Amount Rs.**	**Rate of Discount**	**Total discount on bill discounted**	**Proportionate discount for days after 31st March, 1999**
July 15, 1999	106	18,250	14%	Rs. 1,278	18,250 × 14/100 × 106/385 = 742
June 10, 1999	71	36,500	13%	1,582	36,500 × 13/100 × 71/365 = 923
June 4, 1999	65	9,125	12%	274	9.125 × 12/100 × 65/365 = 195
March, 1999		5,000	15%	313	
		Total		3,447	1860

Journal

		Rs.	Rs.
1999 March, 31	Discount on Bills Discounted Account Dr.	1,860	
	To Rebate on Bills discounted Account (For Adjustment of Unexpired disount)		1,860

Amount of discount to be shown in Profit and Loss Account	Rs.
Total discount on bills discount received during the year	3,447
Less : Rebate on bills discounted	1,860
Amount to be shown in Profit and Loss Account	1,587

3.2.4 vlekIr dVkrh dk ikjfEHkd 'k"k (Opening Balance of Unexpired Discount)

pfd xr o"k dh vlekIr dVkrh vxy o"k dh vk; g] vr% bl vxy o"k dh vk; e 'kkfey dju d fy, y[kkdu o"k d vkjEHk e bl d fy, fuEufyf[kr ikjfEHkd ifof"V dh tkrh g—

Rebate on Bills Discounted Account

To discount on bills discounted Account

(For the transfer of opening balance of unexpired discount)

Illustration 2 :

Following were the extract from the trial balance of a Bank as on December 31st, 1987 (31 fnlEcj] 1987 dk ,d cd d ryiV e fuEu fooj.k Fk)A

	Rs.
Rebate on bills discounted as on Jan. 1, 1987 Hkuk, x, fcyk ij vlekIr dVkrh	3,000
Discount on bills discounted (Hkuk, x, fcyk ij dVkrh)	23,100

Bills were discounted during the year as follows :

o"k d nkjku fuEufyf[kr fcy Hkuk, x,—

Serial No. (oØe l[;k)	Amount of the bill (fcy dh jkf'k)	Rate of discount (dVkrh dh nj)	Due Date (n; frfFk)
1.	20,000	12%	31.1.1988
2.	30,000	15%	31.3.1988
3.	45,000	16%	29.2.1988
4.	50,000	18%	27.11.1987

Give necessary entries and prepare discount on bills discounted Account and Rebate on bills discounted Account. How much discount will be credited to the Profit and Loss Account of 1987.

vko';d ifof"V;k nhft, vkj Hkuk; x; fcyk ij dVkrh rFkk Hkuk, x, fcyk ij vlekIr dVkrh oQ [kkr r;kj dhft,A o"k 1987 d ykHk&gkfu [kkr e fdruh dVkrh oQfMV dh tk,xhA

Solution :

Calculation of Unexpired discounts as on 31.12.1987

Sr. No.	Due Date	No. of Months Falling after 31.12.1987	Amount Rs.	Rate of discount	Unexpired discount
1.	31.1.1988	1	20,000	12%	20,000 × 12/100 × 1/12 = 200
2.	31.3.1988	3	30,000	15%	30,000 × 15/100 × 3/12 = 1,125
3.	26.2.1988	2	45,000	16%	45,000 × 16/100 × 2/12 = 1,200
4.	27.11.1987	Nil	50,000	18%	Nil
					2,525

Journal

		Rs.	Rs.
1987	Bills discounted and purchased Account To Discount on Bills discounted Account Dr. (For discount on bills discounted during the year)	23,100	23,100
Dec. 31	Rebate on bills discounted Account To discount on bills discounted Account Dr. (For the Transfer of opening balance of unexpired discount)	3,000	3,000
Dec. 31	Discount on bills discounted Account To Rebate on bills discounted Account Dr. (For the Transfer of closing balance of Unexpired discount)	2,525	2,525
Dec. 31	Discount on bills discounted Account Dr. To Profit and Loss Account (For Balance of discount transferred to Profit and Loss Account)	23,575	23,575

Rebate on bills Discounted Account

1987		Rs.	1987		Rs.
Dec. 31	To discount on bill discounted Account (Transfer)	3,000	January 1	By Balance b/d (Opening Balance)	3,000
	to Balance C/d (Closing Balance)	2,525	Dec. 31	By discount on bill, discounted Account (Unexpired discount)	2,525
		5,525			5,525

Discount on Bills discounted Account

1987		Rs.	1987	By Bills discounted	Rs.
Dec. 31	To Rebate on Bills			and purchased Account	23,100
	discounted Account	2,525	Dec, 31	By Rebate on Bills	
	(Unexpired Discount)			discounted Account	
Dec. 31	To Profit and Loss A/c	23,575		(Transfer)	3,000
		26,100			26,100

Net Amount of discount to be taken to schedule 13 :

Discount	23,100
Add : Rebate on bills discounted on 1,1,1987	3,000
	26,100
Less : Rebate on Bills discounted on 31.12.1987	2,525
	23,575

fVIi.kh % ;fn o"k d ikjEHk dh Hkuk, x, fcyk ij vleklr dVkrh dh jkf'k nh xbZ gk rk bl vulph uEcj 13 (Interest Earned) e Interest on advances and discount of Bills discounted 'kh"kd e tkM fn;k tkrk gA o"k oQ ikjEHk dh vleklr dVkrh dh jkf'k ge'kk ryiV e gh nh gkrh gA

3.2.6 vfUre [kkrk dk iHkkfor dju oky o/kfud iko/ku
(Legal Provision Affecting Final Accounts)

1. **lp; dk"k (Reserve Fund) :** /kjk 17 d vulkj] Hkkjr e lekefyr cfoQx dEiuh dk ykHk&gkfu [kkr }kjk inf'kr ykHk dk de l de 20 ifr'kr ,d lp; dk"k (Reserve Fund) e gLrkrfjr djuk gkxkA bl o/kfud lp; dk"k (Statutory Reserve) Hkh dgr gA

2. **ykHkk'k Hkxrku ij ifrcU/k (Restriction on Payment of Dividend) :** /kjk 15 (1) d vulkj ,d cfoQx dEiuh viu v'kk ij ykHkk'k dk Hkxrku rc rd ugh dj ldrh tc rd dh ikjfEHkd 0;;] lxBu 0;;] v'kk d fooQ; ij deh'ku nykyh] gkfu dh jkf'k;k vkj ,lk dkbZ 0;; ftll er&lEifÙk u lftr dh xbZ gk] vkfn lfgr leLr iathxr 0;; vifyf[kr u dj fn; x, gkA

Illustration 3 :

31 ekp] 1999 dk U; cd fyfeVM dh iLrdk l fuEu vkdM fy; x; gA

(The following are the figures extrated from the books of New Bank Limited as on 31.3.1999)

ikIr C;kt o dVkrh (Interest and Discount Received)	40,00,000
fu{ki ij C;kt fn;k (Interest paid on Deposits)	24,04,000
fuxfer o ikFkr iath (Issued and Subscribed Capital)	10,00,000
oru rFkk HkÙk (Salaries and Allowances)	2,00,000
lpkyd 'kYd (Director's Fees)	30,000

fdjk;k o dj fn; (Rent and Taxes Paid)	1,00,000
Mkd o rkj (Postage and Telegrams)	50,000
/kjk 17 d vUrxr dk"k (Reserve Under Section 17)	8,00,000
deh'ku] fofue; rFkk nykyh (Commission, Exchange and Brokerage)	2,00,000
ikIr fdjk;k (Rent Received)	55,000
fofu;kxk d fooØ; ij ykHk (Profit on Sale of Investments)	2,00,000
cd lEifÙk ij ßkl (Depreciation on Bank's Properties)	30,000
y[ku lkexh (Stationery)	50,000
ikjfEHkd 0;; (Preliminary Expenses)	15,000
voQ{k.k 'kYd (Audit Fees)	5,000

vfrfjDr lpuk, fuEufyf[kr g—

1. ,d xkgd] ftl 10 yk[k #i; dk ½.k fn;k x;k g] fnokfy;k gk x;k g vkj mldh lEifÙk l 50 ifr'kr jkf'k ikIr gku dh vk'kk gA
2. vU; ½.kk d lEcU/ e voQ{kd }kjk 1,50,000 #i; dk iko/ku vko';d ekuk x;kA
3. 31.1998 dk Hkuk; x; fcyk ij vlekIr dVkrh 12,000 #i; Fkh rFkk 31.3.1999 dk 16,000 #i; FkhA
4. vk;dj d fy, 7,00,000 #i; dk iko/ku dhft,A
5. lpkyd 10 ifr'kr dh nj l ykHkk'k ?kkf"kr djuk pkgr gA vf/fu;e d vuql kj ykHk&gkfu dk [kkrk r;kj dhft,A

The following further information is given :

(a) A customer to whom a sum of Rs. 10 Lakhs has been advanced has become insolved and it is expected that only 50% can be recovered from his estate.

(b) There were also other debts for which a provision of Rs. 1,50,000 was found necessary by the Auditors.

(c) Rebate on Bills discounted on 31.3.1998 was Rs. 12,000 and on 31.3.1999 was Rs. 16,000.

(d) Provide Rs. 7,00,000 for Income Tax.

(e) The Director's desire to declare 10% dividend.

Solution :

Profit and Loss Account
for the year ended 31st March, 1999

Rs. 000 omitted)

		Schedule No.	Year ended 31.3.1999
I.	Income		Rs.
	Interest Earned	13	3,996

	Other Income	14	455
	Total		4,451
II.	Expenditure		
	Interest Expended	15	2,404
	Operating Expenses	16	480
	Provisions and Confingencies		1,350
	Total		4,234
III.	Profit/Loss		
	Net Profit for the year		217
	Profit/Loss(–) Brought forward		- -
	Total		217
IV.	Appropriations		
	Transfer to statutory Reserve		
	(20% of Rs. 217)		43.4
	Transfer to proposed dividend		
	(10% of Rs. 1,000)		100.0
	Balance carried over to Balance Sheet		
	Rs. 217 – 43.4 – 100)		73.6
	Total		217.0

Schedule 13 : Interest Earned

I.	Interest on advances and discount on bills	Total	3,996

Schedule 14 : Other Income

I.	Commission : Exchange and Brokerage	200
II.	Profit on sale of Investments	200
III.	Miscellaneous Income (Rent Received)	55
	Total	455

Schedule 15 : Interest Extended

I.	Interest on Deposits	2,404

Schedule 16 : Operating Expenses

1.	Payments to and Provisions for employees	200
2.	Rent, Taxes and Lighting	100
3.	Printing and Stationery	50
4.	Depreciating on bank's property	30
5.	Director's fees and Allowances	30
6.	Auditor's fees and Expenses	5
7.	Postage, Telegrams, Telephones etc.	50
8.	Other expenditure i.e. Preliminary expenses (See Note 5)	15
	Total	480

1. lHkh jdek dk fudVre gtkj #i; (Nearest Thousand Rupees) rd lhfer fd;k tkuk pkfg,A

2. The amount of Interest and discount received has been calculated

	Rs.
Interest and discount received	4,000
Add : Rebate on bills discounted on 31.3.1998	12
	4012
Less : Rebate on bills discounted on 31.3.1999	16
Total	3,996

3. The amount of provision and contingencies has been calculated as follows :

1.	Provision for doubtful debts of insolvent customers.	500
2.	Provision for doubtful debts (Other Debts)	150
3.	Provision for Income Tax	700
	Total	1,350

4. vf/fu;e dh /kjk 17 d vUrxr pky o"k dk ykHk dk 20 ifr'kr o/kfud lp; (Statutory Reserve) e gLrkrfjr djuk vfuok; gA

5. vf/fu;e d vulkj ikjfEHkd O;;k dk i.kr;k vifyf[kr fd, fcuk cd ykHkk'k ?kkf"kr ugh dj ldrk gA bl i'u e cd ykHkk'k ?kkf"kr dj jgk g] blfy, leLr ikjfEHkd O;; ykHk&gkfu [kkr l vifyf[kr dj fn, x, gA

3.3 Mcr ½.k ,o Mcrk o lfnX/ ½.k gr vk;ktu
(Bad Debts and Provision for Bad and Doubtful Debts)

i'u e nh xb lek;ktukvk e lfnX/ ½.k gr iko/ku dju d fy, dgk x;k gk rk ftl jkf'k l iko/ku djuk gk] mlu, ik:i d vulkj ,d ckj ykHk&gkfu [kkr d ik:i e fn, x, "Provision and Contingencies" 'kh"kd d vUrxr tkM dj fy[kr g o nljh ckj fpVB e vulph 9 (Advances) e l ?kVkr gA

31 ekp] 1993 ;k blds i'pkr lekIr gku oky ppk d vfUre [kkrk d lEcU/ e fjtoi cd d }kjk fn'kk fun'kk d tkjh fd, tku l vk; fu/kj.k dh cdk dh uhfr e egÙoi.k ifjoru gvk gA vr% vc cdk dk lfnX/ ,o Mcr ½.kk d fy, iko/ku cuku d fy, vfxek (Advances) dk iR;koruh; lEifÙk;k (Performing Assets) vkj viR;koruh; lEifÙk;k (Non performing Assets) e oxhdj.k djuk gkxkA vfxek (Advances) e vof/ ½.k (Term Loans), udn] lk[k o vf/fod"k (Cash Credit and Overdrafts) rFkk oQ; fd; x, o Hkuk, x, fcy (Bills Purchased and Discounted) 'kkfey gkr gA vr% bUg gh iR;koruh; lEifÙk;k o viR;koruh; (N.P.A.) d :i e oxhoQr djuk gA vc blh vk/kj ij Mcr ,o lfnX/ ½.kk d fy, iko/ku dh jkf'k dk fu/kfjr fd;k tkrk gA vr% vc ;fn i'u e iko/ku cuku d fy, ,d fuf'pr jkf'k nh gk rk mlh jkf'k l iko/ku cuk nx ijUr ;fn ;g jkf'k ugh nh gk rFkk bld LFkku ij viR;koruh; lEifÙk;k nh gk rk fo|kfFk;k dk Lo;a gh iko/ku d fy, vko';d jkf'k dh x.kuk djuh gkxhA vr% bl lEcU/ e viR;koruh; lEifÙk;k d ckj e tkuuk vfr vko';d gA

3.3.1. viR;koruh; lEifÙk;k (Non-performing Assets-N.P.A)

,d lEifÙk viR;koruh; ml n'kk e cu tkrh g] tc ml lEifÙk ij cd dk ,d fuf'pr vof/ rd vk; dh ikfIr u gksA vfxe dk viR;koruh; lEifÙk;k (N.P.A.) d :i e ekuu d lEcU/ e fjtoZ cSd vkiQ bf.M;k u cdk dk ,d fn'kk fun'k fuxfer fd;k] g ftld vuqlkj N.P.A. dh x.kuk dh fof/ fuEu idkj g—

1. 31.3.1992 dk lekIr gku oky o"k d fy,	ftu vfxek ij fiNyh pkj vFkok pkj l vfèkd frekfg;k l C;kt ikIr ugh gvk g] mUg NPA ekuk tk,A
2. 31.3.1994 dk lekIr gku oky o"k d fy,	ftu vfxek ij fiNyh rhu ;k rhu l vf/d frekfg;k (Three or more than three Quarters) l C;kt ikIr ugh gvk g] mUg NPA ekuk tk,A
3. 31.3.1995 dk lekIr gku oky o"kk d fy,	ftu vfxek ij fiNyh nk ;k nk l vfèkd frekfg;k (Two or more two quarters) l C;kt ikIr ugh gvk g] mUg NPA ekuk tk,A

bl idkj dh lEifÙk;k dk NPA ekuu d lEcU/ e Hkh mijkDr fof/ ykx dh tk,xhA

Illustration 4

fuEufyf[kr lpukvk l ixfrlo cd fyfeVM dk 31 ekp] 1993 dk lekIr gku oky o"k d fy, vfu"iknuh; lEifÙk;k Kkr dhft,A

1. vof/ ½.k 160 yk[k #i;] ftle l 60 yk[k #i; ij xr 3 frekfg;k dk rFkk 40 yk[k #i; ij xr 4 frekfg;k dk C;kt ckdh gA

2. udn lk[k o vf/fod"k 1,150 yk[k #i; ftle l 150 yk[k #i; ij xr 2 frekfg;k dk] 85 yk[k #i; ij xr 3 frekfg;k dk rFkk 75 yk[k #i; ij xr 4 frekfg;k dk C;kt dkiQh gA

3. oQ; o dVkrh g, fcy % 2,550 yk[k #i;] ftle l 850 yk[k #i; ij xr ,d frekgh dk] 600 yk[k #i; ij xr 2 frekgh dk] 500 yk[k #i; ij 3 frekgh dk rFkk 450 yk[k #i; ij 4 frekgh dk C;kt ckdh gA

Form the following information identify the Non-performing Assets (N.P.A.) of Progressive Bank Ltd. for the year ending 31st March, 1993 :

1. Terms loans : Rs. 160 lakhs out of which interest remains past due for 3 quarters on Rs. 60 lakhs and for 4 quarters on Rs. 40 lakhs.

2. Bills purchased and discounted Rs. 2,550 lakhs out of which discount remained past due for one quarter on Rs. 850 lakhs, for 2 quarters on Rs. 600 lakhs, for 3 quarters on Rs. 500 lakhs and for 4 quarters on Rs. 450 lakhs.

Solution :

Calculation on Non-Performing Assets	(Rs. In Lakhs)
Terms Loan	40
Cash Credit and Overdraft	75
Bills purchased and discounted	450
	565

vk; dk vk/kj (Basis of Income)

vfu"iknuh; lEifÙk;k (N.P.A.) l vk; dk miftr vk/kj (Accurate Basis) ij ugh yr oju bu ij vk; dk ikflr d vk/kj (Receipt Basis) ij [kkrk e lfEefyr fd;k tkrk gA

Illustration 5 :

Given below are the interest on advances of Laxmi Bank Ltd.

Rs. (In Lakhs)

	Performing Assets		Non performing Assets	
	Interest earned	**Interest reached**	**Interest earned**	**Interest reached**
Term Loans	130	90	85	5
Cash Credit and Overdraft	780	630	162	10
Bills purchase and discounted	200	200	180	20

Find out the income to be recognised for the year ended 31st March, 1999.

Solution :

Income on Performing Assets (P.A.) should be computed on earned basis but income on Non-performing Assets (N.P.A.) should be computed on receipt basis.

	Rs. (In Lakhs)
Interest on term Loan	(130 + 5) = 135
Interest on Cash Credit and Overdraft	(780 + 10) = 790
Income from Bills purchased and discounted	(200 + 20) = 220
	1145

3.2.2. Mcr ½.k d fy, vk;ktu dh x.kuk

vc vfxek d lEcU/ e Mcr ,o lfnX/ ½.k d fy, vk;ktu dh jkf'k dk fuf'pr dju d mí'; l lEifÙk;k dk fu"ikfnuh; (P.A.) o vfu"iknuh; (N.P.A.) e foHkkftr dju d i'pkr blh vk/kj ij lEifÙk;k dk fuEufyf[kr pkj Jf.k;k e ckVk tkrk gA

1. **mÙke lEifÙk;k (Standard Assets) :** vfxe (Advance) dh tk jkf'k;k (N.P.A.) ugh gkrh mUg mÙke lEifÙk;k (Standard Assets) dgk tkrk gA
2. **eè;e lEifÙk;k (Sub-Standard Assets) :** tk vfxe yxkrkj nk o"k ;k blls de le; rd N.P.A. d vUrxr oxhÑr fd; gk] mUg eè;e lEifr;k (Sub-Standard Assets) dgk tkrk gA
3. **lfnX/ lEifÙk;k (Doubtful Assets) :** tk vfxe (Advances) nk o"k d vf/d le; d fy, N.P.A. d vUrxr oxhÑr fd; gk] mUg lfnX/ lEifÙk;k (Doubtful Assets) dgk tkrk gA
4. **gkfu lEifÙk;k (Loss Assets) :** tl vfxe (Advances) ftUg vo{k.k d }kjk ;k Lo;a cd }kjk i.kr% Mcr ½.k eku fy;k x;k gk] ijUr vifyf[kr ugh fd;k x;k gk] mUg gkfu lEifÙk;k (Loss Assets) dgr gA

vfxek dk mi;Dr pkj Jf.k;k e oxhoQr dju d ckn Mcr ,o lfnX/ ½.kk d fy, fuEufyf[kr njk l vk;ktu dh jkf'k Kkr dh tk,xhA

lEifÙk;k dk oxhdj.k	vk;ktu dh nj
1. mÙke lEifÙk;k	25 ifr'kr dh nj l
2. eè;e lEifÙk;k	bu ij 10 ifr'kr dh nj l vk;ktu cuk;k tkrk gA
3. lfnX/ lEifÙk;k	
1. ftu vfxek d fy, cd d ikl dkb lEifÙk tekur d :i e fxjoh ugh j[kh gbA	100 ifr'kr dh nj l
2. ftu vfxek d fy, lEifÙk tekur d :i e fxjoh j[kh gb g] ijUr o	100 ifr'kr dh nj l
v- ,d o"k ,d lfnX/ lEifÙk;k ekuh xb gk	20 ifr'kr dh nj l
c- ,d o"k l vf/d ijUr rhu o"k rd lfnX/ lEifÙk;k ekuh xb gk	30 ifr'kr dh nj l
3. rhu o"k l vf/d lfnX/ lEifÙk;k ekuh xb gk	50 ifr'kr dh nj l
4. gkfu lEifÙk;k (Loss Assets)	100 ifr'kr dh nj l

3.4. fLFkfr fooj.k dk ik:i

cd vf/fu;e] 1948 dh rrh; vulph e fpVB dk l'kkf/r ik:i iQke "A" d vulkj fuEufyf[kr g—

Revised Format of Balance Sheet
The Third Schedule
See Section 29 Form A
Balance Sheet of—(Here enter name of the banking Company as on 31st March (Year)

Particulars	**Schedule No.**	**As on 31.3. ... (Current Year)**	**As on 31.3. ... (Previous Year)**
Capital and Liabilities			
Capital	1		
Reserve and Surplus	2		
Depositor	3		
Borrowings	4		
Other Liabilities and Provisions	5		
	Total		
Assets			
Cash and Balance with Reserve Bank of India	6		
Balance with Banks and money			

at call and short notice call	7		
Investments	8		
Advances	9		
Fixed Assets	10		
Other Assets	11		
	Total		
Contingent Liabilities			
Bills for Collection	12		

Schedule 1 : Capital

Particulars		As on 31.3. ... (Current Year)	As on 31.3. ... (Previous Year)
1. For Nationalised Banks			
Capital (Full owned)			
by Central Government)			
	Total		
2. For other Banks			
Authorised Capital			
(– shares of Rs. — each)			
Issued capital			
(– shares of Rs. — each)			
Subscribed Capital			
(— shares of Rs. —each)			
Called up Capital			
(— shares of Rs. —each)			
Less : Calls Unpaid			
Add. —Forfeited shares			
	Total		

Schedule 2 : Reserves and Surplus

	As on 31.3. ... (Current Year)	As on 31.3. ... (Previous Year)
1. Statutory Reserves		
2. Capital Reserves		
3. Share Premium		
4. Revenue and Other Reserves		
5. Balance in Profit and Loss Account		
Total 1 to 5		

Schedule 3 : Deposits

	As on 31.3. ... (Current Year)	As on 31.3. ... (Previous Year)
A. 1. Demand Deposits		
2. Savings Bank Deposits		
3. Term Deposits		
Total (1 to 3)		
B. 1. Deposits of Branches in India		
2. Deposits of Branches outside India		
Total		

Schedule 4 : Borrowings

Particulars	As on 31.3. ... (Current Year)	As on 31.3. ... (Previous Year)
1. Borrowing in India		
2. Borrowing outside India		
Total (1 and 2)		

Schedule 5 : Liabilities and Provisions

Particulars	As on 31.3. ... (Current Year)	As on 31.3. ... (Previous Year)
1. Bills payable		
2. Inter-Office Adjustments (Net)		
3. Interest Accured		
4. Others (Including Provision)		
Total		

Schedule 6 : Cash and Balances with Reserve Bank of India

Particulars	As on 31.3. ... (Current Year)	As on 31.3. ... (Previous Year)
1. Cash in hand		
2. Balance with Reserve Bank of India		
3. In Current Accounts		
4. In Other Accounts		
Total (1 and 2)		

Schedule 7 : Balances with Banks and Money at Call and Short

Particulars	As on 31.3. ... (Current Year)	As on 31.3. ... (Previous Year)
1. In India		
Total 1		
2. Outside India		
Total 2		
Grand Total		

Schedule 8 : Investment

Particulars	As on 31.3. ... (Current Year)	As on 31.3. ... (Previous Year)
1. Investment in India in		
Total		
2. Investment outside India in		
Total		
Grand Total		

Schedule 9 : Advances

Particulars	As on 31.3. ... (Current Year)	As on 31.3. ... (Previous Year)
A. 1. Bills purchased and discounted		
2. Cash Credit, Overdraft and Loans payable on demand		
3. Term Loan		
B. Total		
Advances in India		
Total		
Advances outside India		
Total		
Total Grand		

Schedule 10 : Fixed Assets

Particulars	As on 31.3. ... (Current Year)	As on 31.3. ... (Previous Year)
Premises		
Other fixed Articles		
(Including furniture and fixtures)		
Total		

Schedule 11 : Other Assets

Particulars	As on 31.3. ... (Current Year)	As on 31.3. ... (Previous Year)
1. Inter-Office adjustments		
2. Interest Accrued		
3. Tax Paid in advance/Tax deducted at source		
4. Stationary and Stamps		
5. Non-Banking assets acquired in satisfaction claims		
5. Others		
Total		

Schedule 12 : Contingent Liabilities

	As on 31.3. ... (Current Year)	As on 31.3. ... (Previous Year)
1. Claims against the bank not acknowledged as debts		
2. Liability for partially paid Investments		
3. Guarantee given on behalf of constituents		
4. Accepantace, endorsements and other obligations		
5. Other items for which the bank is contingently liable		
Total		

3.4.1. fpVB e nh xb vulfp;k dk Li"Vhdj.k

(Explanation of Schedules given in Balance Sheet)

fjtoZ cSd d }kjk vfUre [kkrk d u, i k:i d lEcU/ e tkjh dh xb ekxnf'kdkvk d vulkj fpVBh e nh xb vulfp;k dk Li"Vhdj.k fuEufyf[kr g—

vulfp 1. ith (Schedule 1 Capital)

bl 'kh"kd d vUrxr vf/oQr fuxfer ikFkhr vkj ekxh xb ith dk vyx&vyx fn[kkuk pkfg,A vnÙk;kpuk dk ekxh xb ith e l ?kVk dj fn[kkuk pkfg, rFkk Forfeiture Account d 'k"k d ble tkM dj pdrk ith Kkr djuh pkfg,A ftu enk dk bdVBk fd;k tk ldrk g] mUg bdVBk gh fn[kkuk pkfg, tl Issued and Subscribed Capital.

vulph 2. o/kfud lp; (Schedule 2 - Reserve and Surplus)

1. o/kfud lp;—Hkkjrh; cfoQx fu;eu vf/fu;e 1949 dh /kjk 17 d vulkj Hkkjr e fufer iR;d cd dk viu ykHkk d de l de 20 ifr'kr Hkkx dk ,d fo'k"k lp; e ifr o"k gLrkrfjr djuk vfuok; gA bl fo'k"k lp; dk o/kfud lp; dgr gA bl mí'; d fy, 'k¼ ykHk dk vFk ykHkk'k ?kkf"kr dju l io d ykHk l gA o/kfud lp; e ,lk gLrkrj.k mI le; rd fd;k tkuk vfuok; g tc rd fd og lp; cd dh pdrk v'ki th d cjkcj ugh gk tkrkA bl lp; e pdrk v'k ith d cjkcj gku d ckn Hkh cd ;fn pkg rk ykHkk e l bl lp; e gLrkrj.k dj ldrk gA dUæh; ljdkj dk ;g vf/dkj g fd ;fn og mfpr le> rk cd dk /kjk 17 d vUrxr ykHkk d o/kfud lp; e vfuok; gLrkrj.k l NV Hkh n ldrh gA bl lp; dk cuku dk e[; mí'; cd d tekdÙkkvk dh jkf'k dk vf/d lj{kk inku djuk gA ;g è;ku j[kuk pkfg, fd i'u dk gy djr le; ;fn o/kfud lp; pdrk v'ki th l de g rk ykHkk'k l io d ykHkk dk 20 ifr'kr Hkkx o/kfud lp; e vo'; gh gLrkrfjr djuk g] pkg bld fy, i'u e dgk x;k gk ;k ughA

2. **ith lp;**—ith lp; e lEifÙk;k d iueY;kdu ij vkf/D; 'kkfey gkrk g] ijUr ble ykHk&gkfu [kkr d }kjk forj.k d ;kX; dkb Hkh jkf'k lfEefyr ugh dh tkrh gA

3. **v'k ihfe;e**

4. vk;xr ,o vU; lp;

vuqlwph % 3-(Schedule 3 Deposits)

1. ekx ij ns; fu{ksi—bUgsa nks Hkkxksa esa ckaVdj fy[kk tk,xk

a. cSdksa ls (From Banks)—blesa vU; cSdksa ls Lohdkj fd, x, lHkh ekx ij ns; fu{ksi fn[kk, tk,xsA

b. vU;ksa ls (From Others)—blesa xSj cSdksa ls Lohdkj fd, x, lHkh ekx ij ns; fu{ksi fn[kk, tk,xsA

2. cpr cSad tek,—Saving Bank Deposits

3. lkof/k cSad tek,—bUgsa nks Hkkxksa esa ckaVdj fn[kk;k tk,xk—1. cSdksa ls 2.vU;ksa lsA

vuqlwph 4 m/kkj (Schedule 4 : Borrowings)

1. Hkkjr esa m/kkj (Borrowing in India)—bUgsa fuEu izdkj ckaVdj fn[kk;k tk,xkA

(i) fjtoZ cSad (Reserve Bank of India) ls

(ii) vU; cSdksa ls ftuesa dk&vkWijsfVo cSdksa ls m/kkj Hkh 'kkfey gSA

(iii) vU; laLFkkvksa ls tSls I.D.B.I. ;k E.X.I.M. Bank vkfn lsA

2. Hkkjr ds ckgj m/kkj (Borrowing from outside India)

blesa Hkkjr esa fLFkr 'kk[kkvksa dks Hkkjr ds ckgj ls m/kkj o Hkkjr ds ckgj fLFkr 'kk[kkvksa d }kjk izkIr fd, x, lHkh m/kkj 'kkfey fd, tk,xsA

vuqlwph—5 (Schedule 5 : Other Liabilities and Provisions)—

bUgsa fuEu izdkj fn[kk;k tk,xkA

1. **ns; fcy (Bills Payable)**—tc O;fDr ,d LFkku ls nwljs LFkku dks /u Hkstuk pkgrs gSa rks cSad mUgsa MkÝV] Vsyhxzkfiq VkalQj (T.T.) vkfn tkjh djrs gSA vr% ;fn fpV~B dh frfFk ij ,sls MkÝV vkfn fuxfer rks dj fn, x, gSa ijUrq mudk Hkqxrku ugha fd;k x;k gS rks bUgsa blh 'kh"kZd ds vUrxZr fn[kk;k tkrk gSA vr% bl 'kh"kZd esa MkÝV] Vsyhxzkfiq] Vkalfiq ;k=kh pSd] Pay order o vU; fofo/k eni] lfEefyr dh tkrh gSA

2. vUrdk;kZy; lek;ksftu, 'k¼ dk oQsfMV 'k"k

3. vftZr C;kt

4. vU;—bl 'kh"kZd esa vxfyf[kr nkf;Ro fn[kk, tkrs gSA vk;dj d fy, vU; izkoèkku] djk d fy, izko/ku] Mcr ½.k izko/ku [kkr esa vko';drk ls vf/d izko/ku dh jkf'k] ßkl dk vko';drk ls vf/d izko/ku] oQN fo'k"k izdkj d fu{ksi tSl LVkiQ lqj{kk] fu{ksi xkjaVh dk"k] ikfoMUV iQ.M] yunkj] vnÙk O;;] vfxze izkfIr vkfnA

vuqlwph 6 : (Schedule 6 : Cash and Balance with R.B.I.)

1. gkFk esa udnh] fons'kh djalh] ukVksa lfgr

2. Hkkjrh; fjtoZ cSad esa tek 'k"k

vuqlwph 7 : (Schedule 7 : Balance with banks and Money at Call and Short Notice)

1. Hkkjr esa

1. cdk d ikl 'k"k—blesa fjtoZ cSad vkWQ bf.M;k d vfrfjDr Hkkjr esa fLFkr vU; lHkh cdk d ikl 'k"k fn[kk;k tkrk gA ftlesa LVV cd vkWQ bf.M;k e tek 'k"k Hkh 'kkfey gA cdk d ikl 'k"k dk fuEu e ckV dj fn[kkr gA

(a) In current account (b) In other deposit accounts

2. ekx rFkk vYi lpuk ij ikl; /u jkf'k—cd }kjk nh xb (Money at Call and Short Notice)

,lh /ujkf'k;k tk cd d }kjk 15 fnu ;k blls de le; dk ukfVl nsdj oly dh tk ldrh gA bue fuEu e ckV dj fn[kkr g—

(a) With Banks (b) With other Institutions

2. Hkkjr d ckgj **(Outside India)**

vuqlph 8 : fofu;kx (Schedule 8 : Investments)

1. Hkkjr e fofu;kx (Investments in India)

   (a) Government Securities

   (b) Other approved Securities

   (c) Shares

   (d) Debentures and Bonds

   (e) Investment in Subsidiaries/Joint Ventures

   (f) Others

2. Hkkjr d ckgj fofu;kx (Investment outside India)

ljdkj ifrHkfr;k dk eY;kdu ge'kk gh iLrd eY; ij fd;k tk,xk ijUr vU; fofu;kxk dk eY;kdu ykxr eY; vkj ckTkkj nkuk e tk Hkh de gk] mlh eY; ij fd;k tkrk gA lkuk (Gold) dk fofu;kx e fn[kk;k tkrk g] tcfd pknh (Silver) d ckj e u;k ik:i eku gA vr% fo|kfFk;k dk pknh dk vU; lEifÙk;k e fn[kkuk pkfg,A

vuqlph 9 : (Schedule 9 : Advances)

ijku ik:i e vfxek dk vfr foLrr fooj.k fn;k tkrk Fkk tcfd bl lEcU/ e u;k ik:i dkQh ljy gA

1. oQ; fd, x, o Hkuk, x, fcy

2. udn lk[k] vf/fod"k o ekx ij n; ½.k

3. lkof/ ½.k

vuqlph 10 : LFkk;h lEifÙk;k (Schedule 10 : Fixed Assets)

1. Hkou

2. vU; LFkk;h lEifÙk;k—blesa iQuhpj ,o iQhfVx] eksVj xkM+h rFkk vU; lHkh LFkk;h lEifÙk;k mlh idkj fn[kkb tkrh g] ftl idkj Hkou fn[kk;k tkrk gA

vuqlph 11 (Schedule 11 : Other Assets)

1. vUrdk;ky; lek;ktukvk dk MfcV 'k"k

2. mikftr C;kt

3. vfxe dj dk Hkxrku ;k lkr ij dj dh dVkrh

4. y[ku lkexh o fVdV

5. xj cfoQx lEifÙk;k ftUg nkok d Hkxrku e iklr fd;k x;k g—ble mu lHkh lEifÙk;k dk fn[kkr g tk cd dk viu xkgd l nkok d cny iklr gkrh gA cd xkgdk dk tk ½.k nr g] ;fn mudh olyh ugh gk ikrh rk cd tekur e j[kh lEifÙk;k dk tCr dj yrk g rFkk cd dk ½.kk d cny xkgdk dh vU; lEifÙk;k Hkh iklr gk ldrh gA

cfoQx fu;eu vf/fu;e 1949 dh /kjk 19 d vulkj dkb Hkh cd viu Lo; d i;kx d vykok dkb Hkh LFkk;h lEifÙk ugh j[k ldrkA ,lh LFkk;h lEifÙk;k dk bud iklr gku d 7 o"k d vUnj cp nuk pkfg,A ijUr ;fn fjto cd fulf{kidÙkkvk d fgr e mfpr le> rk bl vof/ dk c<k ldrk gA bu lEifÙk;k d cpu l tk ykHk gkrk g ml ykHk&gkfu [kkr e Schedule 14 : Other Income e tkM fn;k tkrk g vkj ;fn bud fooQ; l gkfu gk rk ml Schedule 14 l ?kVk fn;k tkrk gA

3. vU;—tl C;kt d vfrfjDr vU; dkb mikftr vk;] pkgh vkfnA

vulph 12 (Schedule 12 : Contingent Liabilities)

; ,l nkf;Ùo gkr g tk fpVBh dh frfFk ij nkf;Ùo ugh gkr ijUr Hkfo"; e cd d fy, nkf;Ùo cu ldr gA bu jkf'k;k dk fpVB e dkb y[kk ugh gkrk ijUr ; doy lpuk d fy, fpVB e fy[kh tkrh gA bUg vulph 12 e fuEu idkj fn[kk;k tk,xk—

1. cd d fo#¼ nkok tk cdk u vc rd ½.k d :i e Lohdkj ugh fd, gA

2. vkf'kd nÙk fofu;kxk d fy, nkf;Ùo

3. vfxe fofue; vucU/k ij nkf;Ùo

4. LohQfr;k] cpku rFkk vU; nkf;Ùo

5. vU; en ftud fy, cd dk lEHkkfor nkf;Ùo gkrk gA

lxg d fy, fcy (Bills for Collection)

ik;% fooQrk eky dh dher iklr g, fcuk eky d vf/dkj lEcU/h i=kk dk lin dju dk r;kj ugh gkrkA vr% fooQrk bu vf/dkj lEcU/h i=kk dk rFkk oQrk d mQij fy[k g, ,d fcy dk oQrk d 'kgj e fLFkr viu cd e Hkt nrk gA og cd oQrk dk fcy iLrr djrk g vkj bl fcy dk Hkxrku iklr dju ij gh eky d vf/dkj lEcU/h i=kk dk oQrk d lin djrk gA iklr jkf'k e l cd viuk deh'ku dkVdj 'k"k jkf'k fooQrk dk n nrk gA

fpVB dh frfFk ij tk fcy lxg d fy, cd d ikl vk, g, g] ijUr lxg ugh gk ldr g] mUg fpVB d ckgj vulph 12 d uhp vyx l fn[kk;k tkrk g rFkk ; doy lpuk ek=k gkr g vkj e[; y[k dk Hkkx ugh gkrA

(4) fu"d"k (Summary) :

¶og dEiuh tk Hkkjr e cfoQx dk O;olk; djrh gA¸ cfoQx dEiuh dgykrh gA cd ,d ,lh lLFkk g tk eæk vkj lk[k e O;olk; djrh gA cfoQx dEifu;k cfoQx fu;eu vfèkfu;e] 1949 }kjk lpkfyr gkrh gA bl vf/fu;e e ;g crk;k x;k g fd fdl idkj l cdk d vfUre [kkr] r;kj fd; tkr gA ykHk&gkfu [kkrk o fLFkfr&fooj.k r;kj djr le; dku&dku lh vulfp;k cukb tkuh pkfg,A

(5) iLrkfor iLroQ (Suggested Readings) :

(1) Advanced Account

By R.L. Gupta

(2) Higher Accountancy

By R.K. Gupta

(3) Corporate Accounting

By R.K. Mittal

R.S. Singal

(4) Corporate Accounting

By S.P. Jain

K.L. Narang

(6) ueu d fy, i'u (Sample Questions) :

(1) cd iLrikyu dh iph i¼fr dk Li"V dhft,A iR;d ykHk ,o gkfu;k D;k g \

(2) dkYifud vkdMk dk mi;kx djr g, fu/kfjr ik:i e ,d cd dk vkfFkd&fpVBk r;kj dhft,A

(3) viR;koruh; lEifÙk;k l D;k vfHkik; g \ viR;koruh; lEifÙk;k ij vftr vk; dk cd fdl idkj y[kk tk[kk djr g \ o.ku dhft,A

(4) fuEu ij fVIif.k;k fyf[k,—

(1) Hkuk, x, fcyk ij vlekIr dVkrh

(2) lxg d fy, fcy

(3) xj&cfoQx lEifÙk

(4) viR;koruh; lEifÙk;k

(5) fuEufyf[kr lpukvk l 31 ekp] 1999 dk lekIr gku oky o"k d fy, itkc cd fyfeVM dk ykHk&gkfu [kkrk r;kj dhft,A (From the following Information, prepare Profit and Loss account of Punjab Bank Ltd. for the year ended on 31st March, 1999).

	Rs.
½.kk ij C;kt (Interest on Loans)	2,56,000
LFkk;h fu{kik ij C;kt (Interest on Fixed Deposits)	2,75,000
deh'ku (Commission)	5,200
dk;ky; O;; (Establishment) 54,000	
Hkuk; g, fcyk ij dVkrh (Discount on Bills discounted)	1,46,000
udn lk[k ij C;kt (Interest on Cash Credit)	2,23,000

pky [kkrk ij C;kt (Interest on Current Accounts)	42,000
fdjk;k ,o dj (Rates and Taxes)	18,000
vf/fod"k ij C;kt (Interest on Overdrafts)	1,54,000)
lpkydk dk 'kYd (Directors' Fees)	3,000
vd{kdk dk 'kYd (Auditors' Fees)	1,200
cpr cd fu{kik ij C;kt (Interest on Savings Bank Deposits)	68,000
Mkd o rkj (Postage & Telegrams)	1,400
Nikb o y[ku lkexh (Printing & Stationery)	2,900
fofo/ 0;; (Sundry Expenses)	1,700
fofu;kxk l vk; (Income from Investments)	2,000
fofu;kxk l fooØ; ij ykHk (Profit on Sale on Investments)	4,00

40,000 #- Mcr ½.k d vifyf[kr dju g vk;&dj d fy, 55% dh nj l vk;ktu djuk gA (Bad Debts to be written off amounted to Rs. 40,000 and Provision for taxation may be made @ 55%.)

(6) The following figures are extracted from the books of Sukalyan Bank Limited as on : 31.3.94 :

	Rs.
Interest and Discount received	20,30,000
Interest paid on Deposits	12,02,000
Issued and Subscribed Capital	5,00,000
Reserve under Section 17	3,50,000
Commission Exchange and Brokerage	90,000
Rent received	30,000
Profit on sale of Investment	95,000
Salaries and Allowances	1,05,000
Director's Fees and Allowances	12,000
Rent and Taxes paid	54,000
Stationery and Printing	12,000
Postage and Telegram	25,000
Other Expenses	12,000
Audit Fees	4,000
Depreciation on Banks Properties	12,500

Other Informations

(i) A customer, to whom a sum of Rs. 2,50,000 has been advanced has been become insolvent and it is expected 40% can be recovered from his estate. Interest due at 15% on his debt has not been provided in the books.

(ii) Provision for bad and doubtful debt on other debts necessary Rs. 50,000.

(iii) Rebate on bills discounted as on 1-4-93 Rs. 7,500.

(iv) Provide Rs. 3,00,000 from Income-tax.

(v) The directors desire to declare 10% dividend.

Prepare the Profit and Loss Account in accordance with law. Make a necessary assumption.

(7) fuEufyf[kr 'k"kksa ls fot;k cSad fy- dk 31 ekp] 1999 dk vkfFkZd fpV~Bk cukb;s (From the following balances, prepare the Balance Sheet of Vijaya Bank Ltd. as on 31st March, 1999) :

iw¡th 50 #- izfr va'k ekaxh x;hA (Called up Capital at Rs. 50 per share called up)

	50,00,000
vnÙk ;kpuk, (Calls in arrears)	9,925
dk;kZy; iQuhZpj (Office Furniture)	1,11,150
y[ku lkexzh vkSj fVdV (Stationery and Stamps)	73,228
'kk[kk lek;ksTu&uke (Branch Adjustment (Dr.))	3,26,745
½.k (Loans)	2,60,00,000
Hkuk, x, fcy (Bills Discounted)	47,35,620
fofu;kx] cktkj eY; ij (Investment at Market Value)	3,25,47,495
ekax ij iSls; /ujkf'k (Money at Call and short notice)	3,50,000
o/kkfud lap; dks"k (Statutory, Reserve Fund)	50,000
ykHk&gkfu [kkrk (Profit and Loss Account)	3,15,159
LFkk;h tek (Fixed Deposits)	2,90,00,000
cSadksa ds ikl jksdM 'ks"k (Cash with Banks)	32,04,458
pkyw [kkrk (Current Accounts)	5,27,72,266
ns; foi=k (Bills Payable)	21,007
depkjh Hkfo"; fuf/ (Employees Provident Fund)	61,808
u ekaxk x;k ykHkka'k (Unclaimed Dividend)	10,725
m/kj (Borrowings)	40,000
Hkuk, x, fcyksa ij vlekIr dVkSrh (Rebate on Bills Discounted)	32,298
udn&lk[k vkSj vf/fod"kZ (Cash Credit and Overdraft)	2,45,93,772
jksdM 'ks"k (Cash-in-hand)	60,34,000
fjtoZ cSad ds ikl jksdM (Cash with RBI)	56,26,870
lap; dks"k (Reserve Fund)	11,00,000
djksa ds fy, vk;kstu (Provision for Taxes)	2,10,000
cpr [kkrk (Savings Bank Account)	1,40,00,000

;g Hkh lfpr fd;k x;k gS fd cSad us viu xzkgdksa ds fy, 10,02,982 #- ds fcy rFkk 1,50,000 #- ds fcy lxzg ds fy, izkIr fd;sA

It is stated that the bank accepted bills for its consituents amounting to Rs. 0,02,982 and received bills for Rs. 1,50,000 for collection.

BC 202 : Corporate Accounting

Lesson No. : 10 **Revised by: Pawan Singla**

chek dEifu;k d [kkr

(Accounts of Insurance Companies)

Structure

1. ifjp;
2. mí';
3. fo"k; dk iLrrhdj.k
   3.1 chek dk vFk
   3.1.1 chek d idkj
3.2. chek dEifu;k d y[k
3.3. lkekU; chek dEifu;k d y[k
   3.3.1 vkxe [kkr dk ik:i
   3.3.2 vkxe [kkr e nh x;h vulfp;k dk Li"Vhdj.k
   3.3.3 fu;ktu
   3.3.4. ihfe;e ?kVku okyk ckul
   3.3.5 ykHk&gkfu [kkrk
3.4. lek;ktu ifof"V;k
   3.4.1 lek;ktu y[kk dk 'k¼ ykHk ij iHkko
3.5 fpVBk ik:i
   3.5.1 fpVB e nh xb vulfp;k dk Li"Vhdj.k
3.6 thou chek dEifu;k d y[k
   3.6.1. thou chek dk vk'k;
   3.6.2 thou chek ikfylh d idkj
   3.6.3 thou chek o lkekU; chek e vUrj
3.7 thou chek dEiuh d okf"kd [kkr
   3.7.1 vkxe [kkrk
   3.7.2 vkxe [kkr e nh xb vulfp;k dk Li"Vhdj.k
   3.7.3 ykHk&gkfu [kkrk
   3.7.4 fpVBk ik:i
4. fu"d"k
5. iLrkfor iLrd
6. ueu d fy, i'u

1. ifjp; (Introduction)

Hkfo"; dh vlqj{kk ls vius dh ifØ;k dk chek dgrs gSA e[; :i ls chek nks idkj dk gksrk gSA bueas ls ,d thou chek vkSj nwljk lkekU; chekA thou chek O;olk;] e[;r% Hkkjrh; thou chek fuxe }kjk pyk;k tkrk g] dN futh {k=k dh dEifu;k¡ Hkh bl O;olk; esa dk;Zjr gSA thou chek ds vfrfjDr vU; nwljh rjg ds chek dk lekos'k gksrk g tSls vfXu chek] leqnzh chek o nq?kZVuk chek vkfnA

2. mís'; (Objectives)

bl vè;k; ds fuEufyf[kr mís'; gµ

(i) vkidks chek ds vFkZ o chek ds idkj ls voxr djokukA

(ii) lkekU; chek dEifu;ksa ds y[kk fdl idkj ls r;kj fd;s tkrs gSA

(iii) lek;kstu ifof"V;ksa dk 'kq¼ ykHk ij fdl idkj ls ykHk i<rk gSA

(iv) thou chek dEifu;ksa ds y[ks r;kj djrs le; fdu ckrksa dk è;ku esa j[kuk pkfg,A

(v) thou chek o lkekU; chek esa vUrj crkukA

3. fo"k; dk iLrqrhdj.k (Presentation of Contents)

chek dEifu;ksa ds y[kksa dh fo"k;&lkexzh dk iLrqrhdj.k fuEu idkj ls gSA

3.1 chek dk vFkZ

chek ,d ,slk vuc/ gS ftlds vUrxZr ,d i{kdkj ftls chekdrkZ dgk tkrk g] vuc/ ds nwljs i{kdkj ftls chek ik=k dgrs g] ds }kjk Hkfo"; esa mBkbZ tkus okyh gkfu;ksa dh {kfrifrZ dk nkf;Ro vius Åij ysrk gSA ftl nLrkost esa] chek vuc/ dh 'krksZa dk mYys[k gksrk g] mls chek ikfylh dgk tkrk gSA

3.1.1 chek ds idkj

chek dks fuEu nks Hkkxksa esa ckVk tk ldrk gSA

1. **thou chek (Life Insurance)**

   thou chek ds vUrxZr chekdrkZ dk ihfe;e ds cny esa cheknkj dh eR;q gksus ;k fuf'pr le; iw.kZ gksus ij mls ;k mlds }kjk fu;qDr O;fDr dks chfer jkf'k nsus dk opu nsrk gSA

2. **lkekU; chek (General Insurance)**

   thou chek dks NksMdj vU; lHkh idkj ds che blds vUrxZr vkrs gSA bl idkj ds che esa chek dEiuh ,d fuf'pr ihfe;e ds cnys cheknkj dks fdlh ?kVuk ds ?kfVr gksus ij gksus okyh gkfu dh {kfrifrZ djus dk opu nsrh gSA

3.2. chek dEifu;ksa ds y[ks

leLr chek dEifu;k¡ 31 March, 2003 rFkk blds ckn r;kj fd;s tkus okys iR;sd o"kZ ds foÙkh; fooj.k lS'kkf/r i:i ds vuqlkj cuk;saxhA thou chek dEiuh dk foÙkh; fooj.k cukrs le; vf/fu;e dh vuqlwph ^,* esa fn;s x;s i:i dk ikyu djuk gksxk tks fd fuEu idkj ls gSA

Revenue Account	—	Form A – RA
Profit and Loss A/c	—	Form A – PL
Balance Sheet	—	Form A – BS

lkekU; chek dEiuh d foÙkh; fooj.k d ik:i vf/fu;e dh vulph ^ch* e fn; x; g] tkfd fuEu idkj l gA

Revenue Account — Form B – RA

Profit and Loss A/c — Form B – PL

Balance Sheet — Form B – BS

foÙkh; fooj.k d ik:ik d lkFk] nkuk idkj d chek e] vulfp;k Hkh nh x;h g ftudh l[;k 15 gA bue l igyh pkj vulph vkxe [kkr (Revenue Account) l lEcfU/r enk d ckj e g rFkk 5 u- l 15 u- rd dh vulfp;k fpVB l lEcfU/r enk d ckj e gA

3.3 lkekU; chek dEifu;k d y[k

lkekU; chek dEiuh dk l'kkf/r ik:i vulph ^c* e fn; x; ik:i d vulkj cuku iMxA iR;d chekdrk d fy, ;g vko';d g fd og iR;d chek 0;olk; d fy, vyx vkxe [kkrk rFkk vulfp;k r;kj djA

3.3.1 vkxe&[kkr dk ik:i

vkxe [kkrk l'kkf/r iQke B-RA d vulkj cuk;k tk;xk vkj ;g iQe vfXuchek 0;olk;] lkefnd chek 0;olk; o fofo/ chek 0;olk; ij ykx gkrk g ftldk ueuk fuEufyf[kr gA

Revised Form B-Revenue Account
Revenued Accout for the year ended 31st March

	Particulars	Schedule No.	Current Year Rs.	Previous Year Rs.
1.	Premium earned (Net)	1		
2.	Profit on sale of investment			
	Less : Loss on sale investment			
3.	Others (to be specified)			
4.	Interest, Dividend & Rent-Gross			
	Total (A)			
1.	Claims Incurred (Net)	2		
2.	Commission (Net)	3		
3.	Operating Expenses related to insurance business	4		
	Total (B)			
	Operating profit/loss C = (A – B)			
	Appropriations :			
	Transfer to Catastrope Reserve			
	Transfer to other Reserves (to be specified)			
	Transfer to Shareholders's Account of P/L A/c			

Note :

(a) Preimum income received form business included in and outside india shall be shown separataly

(b) Interest, dividends and rentals to be stated as gross and TDS amount to be included under 'Advance Taxes Paid'

(c) Income from rent shall not include any national rent.

Schedules Forming Part of Revenue Account

Schedule-1 Premium Earned (Net)

Particulars	Current Year	Previous Year
Rs.	**Rs.**	
Premium from direct business written		
Add : Premium on reinsurance accepted		
Less : Premium on reinsurance ceded		
Net Premium		
Adjustment for change in reserve for Unexpired Risks:		
Add : Reserve for Unexpired Risk at the beginning of the year		
Less : Reserve for Unexpired Risk at the end of the year		
Total Premium Earned (Net)		

Note : Reinsurance premiums whether on business ceded or accepted are to be brought into account, before deducting commission, under the head of reinsurance premium.

Schedule - 2 Claims Incurred (Net)

Particulars	Current Year	Previous Year
	Rs.	**Rs.**
Claims paid (Direct)		
Less : Re-insurance recoveries		
Net Claims paid		
Add : Claims outstanding at the end of the year		
Less : Claims outstanding at the beginning of the year		
Total Claims incurred		

Note :

(a) Incurrend but not reported (IBNR), incurred but, not enough reported (IBNER) claims should be included in the amount for outstanding claims.

(b) Claims includes specific claims settlement cost but not expenses of management.

(c) Claims incurred shall comprise claims paid, specific claims settlement costs wherever applicable and change in the outstanding provisions for claims at the year end.

(d) The surveyor fees, legal and other expenses shall also form part of claims cost.

(e) Claims cost should be adjusted for estimated salvage value if there is a sufficient cartainly of its realisation.

Schedule - 3 Commission (Net)

Particulars	Current Year	Previous Year
	Rs.	Rs.
Commission paid (Direct)		
Add : Commission on Re-insurance accepted		
Less : Commission on re-insurance ceded		
Total Commission (Net)		

Note : The profit/commission, if any, are to be combined with the re-insurance accepted or re-insurance ceded figures.

Schedule-4 Operating Expenses related to Insurance Business

	Particulars	Current Year	Previous Year
		Rs.	Rs.
1.	Employees remuneration & welfare benefits		
2.	Travel, conveyance and vehicle running expenses		
3.	Training expenses		
4.	Rents, rates & taxes		
5.	Repairs		
6.	Printing & stationery		
7.	Communication		
8.	Legal & professional charges		
9.	Auditor's fees, expenses etc.		
	(a) as auditor		
	(b) as adviser or in any other capacity, in respect of		
	(i) Taxation matters		
	(ii) Insurance matters		
	(iii) Management services; and		
	(c) in any other capacity		
10.	Advertisement and publicity		
11.	Interest & bank charges		
12.	Others (to be specified)		
13.	Depreciation		
	Total Operating Expenses		

Note : Items of expenses and income in excess of one percent of the net premium (total premiums less reinsurance) or Rs. 5,00,000 whichever is higher, shall be shown as a separate line item.

3.3.2 vkxe [kkrs esa nh x;h vuqlwfp;ksa dk Li"Vhdj.k
(Explanation of Schedules given in revenue account)

vuqlwph µ 1 ihfe;e 'kq¼ (Schedule-1 : Premium-Net)

chek vuqcU/k esa iwfe;e dks cny chek dEiuh tksf[ke mBkus dk opu nsrh gSA ;g chek dEiuh dh vk; dk ie[k L=ksr gSA bu vuqlwph esa 'kq¼ iwfe;e dh jkf'k (iklr ,oa vftZr chek iwfe;e + LohÑr iqupZhek ij iwfe;e) ikfIr iqupZhek ij iwfe;e dk y[kk fd;k tkrk gSA vUnj ds [kkrs esa Hkkjr esa iklr 'kq¼ iwfe;e dh jkf'k ,oa Hkkjr ds ckgj 'kq¼ iwfe;e dh jkf'k dks vyx&vyx fn[kk;k tkrk gSA vlekIr tksf[keksa ds fy, lap; esa ifjorZu dks lek;kstu Hkh blh 'kh"kZd ds vUrxZr fn[kk;k tkrk gSA

vlekIr tksf[keksa ds fy, lap; (reserve for Unexplared Risk)—,d lkekU; dk vlekIr tksf[keksa ds fy, lap; ls vk'k;] vfxze iklr chek iwfe;e dk ,d Hkkx vkxkeh o"kZ ds fy, lajf{kr djus ls gSA lkekU; chek o"kZ ds nkSjku fdlh Hkh le; rd o"kZ dh vof/k ds fy, djk;k tkrk gS vkSj chek dEifu;ka }kjk bu chek iwfe;e dh vfxze jkf'k yh tkrh gS vr% chek dEiuh ds fglkc dh o"kZ dh lekfIr ds le; vFkkZr 31 ekpZ dks lHkh chek ikfyfl;ksa dh vof/k lekIr ugha gks tkrh gS vkSj muds lEcU/k esa tksf[ke dh vof/k lekIr ugha gksrh gSA ,slh fLFkfr esa bu chek ikfyfl;ksa ij iklr vfxze iwfe;e dh jkf'k dks fglkc o"kZ dh i.kZ vk; ugha ekuk tk ldrk gSA blfy, fglkc o"kZ esa iklr 'kq¼ chek iwfe;e dh jkf'k (iklr ,oa vftZr chek iwfe;e esa ls iqupZhek iwfe;e dh jkf'k ?kVkdj) dk ,d fuf'pr ifr'kr vlekIr le; dh tksf[ke dk lgu djus ds fy, vlekIr tksf[ke lap; esa vUrfjr dj fn;k tkrk gSA ;g fof/ blfy, viukbZ tkrh gS fd iR;sd ikfylh dh vlekIr vof/k ds fy, mlls ikfylh ds iwfe;e dk ckVuk ,d yEch ,oa le; [kpZ djus okyh ifØ;k gksrh gSA O;olk; dh iÑfr dks n[krs gq, tujy bU';ksjsUl dk;dkfj.kh lfefr (tks lkekU; chek dEifu;ksa ds fu;e{k.k ds fy, cuh gS) us ;g fu/kkZfjr dj fn;k gS fd lkef;d chek dEiuh viu 'kq¼ iwfe;e dk 100% rFkk vfXu chek] n?kVuk chek vkfn dh n'kk esa 'kq¼ iwfe;e dk 50% vlekIr tksf[ke lap; esa gLrkarj.k fd;k tkuk vfuok;Z gSA

fVIi.khµ;fn i'u esa vlekIr tksf[ke ds fy, lap; ds fy, dksbZ ifr'kr nh xbZ gS rks mlds vk/kkj ij vlekIr tksf[ke lap; cukuk pkfg,] oju mijksDr ifr'kr ds vk/kkj ij lap; cukuk pkfg,A ;g lap; cukuk vfuok;Z gS pkgs i'u esa fn;k gqvk gks vFkok ughaA

vuqlwph–2 mRiUu nkok&'kq¼ (Schedule-2 : Claims Incurred net)

lkekU; chek vuqcU/k esa fdlh n?kVuk ds gksus ij chek dEiuh chfer i{k (Insured) dks okLrfod gkfu dh {kfrifrZ djrh gSA okLrfod gkfu gksus ij gh chfer i{k nkok dh jkf'k olwy djus ds fy, ikFkuk i=k nrk gSA pkyw o"kZ ls lEcfU/kr leLr nkok pkgs mudk Hkqxrku dj fn;k x;k gks vFkok ugha] bl en esa fn[kk, tkrs gSA ;fn fdlh vuqcU/k dk iqu% chek (Re-insurance) djk;k x;k gks rks nljh dEiuh ls iklr nkos dh jde (Premium on reinsurance ceded or reinsurance recoveries) dks bl en esa ls ?kVk nuk pkfg,A blds foijhr nljh dEiuh dk iqu% chek LohÑr fd;k gqvk gks rks nljh dEiuh ds Hkqxrku nkoksa dks tksM nuk pkfg,A ,slh jkf'k esa ls mu nkoksa dh jkf'k ?kVk nuk pkfg, tks o"kZ ds ikjEHk esa vnÙk (Outstanding) Fks rFkk mu nkoksa dks tksM nuk pkfg, tks o"kZ ds vUr esa vnÙk (Outstanding) Fks vFkkZr tks nkos pkyw o"kZ ls lEcfU/r g fdUr ftudk Hkxrku o"k d vUr rd ugh fd;k tk ldkA ;fn dkb 0;; tl ifyl fjikV d fy, 'kYd] dkuuh 'kYd] U;k;ky; 0;;] lo 0;; vkfn nko l lEcfU/r gk rk mUg Hkh nko dh jde e tkM nuk pkfg,A

;gk ij ;g mYy[kuh; g fd ,l nko (incurred but not reported (IBNR) Incurred but not enough reported (IBNER) dh jkf'k tkMuh pkfg, rFkk cp g, eky dk eY; g (;fn og fod ldrk g) rk ml dk eY; nkok dh ykxr e ?kVk nuk pkfg,A nkok e fo'k"k nko fuiVkuk ykxr lfEefyr dh tkrh g u fd icU/ d 0;;A Hkkjr e Hkxrku 'k¼ nkok dh jkf'k vkj Hkkjr d ckgj Hkxrku 'k¼ nkok dh jkf'k dk vUnj d [kku e vyx&vyx fy[kk tkrk gA

vulph–3 mRiUu nko&'k¼ (Schedule-2 : Commission)

chek 0;olk; e 0;olk; ik;% ,tUVk }kjk fd;k tkrk gA fofHkUu ,tUV tk 0;olk; ykr g mUg mud bl dk; d cny deh'ku d :i e ikfjJfed fn;k tkrk gA deh'ku dk fuEu rhu Hkkxk e ckVk x;k gA

1. **iR;{k 0;olk; ij deh'ku (Commission on Direct Business)** ;g xkgdk l chek 0;olk; ykus d fy, ,tUVk dk fn;k x;k deh'ku gkrk gA

2. **LohÑr iuchek ij deh'ku (Commission on Re-Insurance Accepted)**—db ckj ,d dEiuh nljh dEiuh l chek djkrh g] ,lh n'kk e tk dEiuh chek djrh g og nljh dEiuh dk deh'ku dk Hkxrku djrh gA bl LohÑr iuchek ij deh'ku dgr gA

3. **ikflr iuchek ij deh'ku (Commission on Re-Insurance Ceded)**—ftl dEiuh l ge iuchek djkr g vFkkr ftl ge iuchek deh'ku nr g og chek dEiuh mlh ihfe;e ij ge deh'ku nrh gA ;g ikflr iuchek ij deh'ku dgykrk gA mDr rhuk idkj d deh'ku dk vkil e lek;ktu djd 'k¼ deh'ku dh x.kuk dh tkrh gA

Hkkjr e Hkxrku deh'ku dh jkf'k rFkk Hkkjr l ckgj Hkxrku deh'ku dh jkf'k vUnj d [kku e vyx&vyx fn[kkb tkrh gA

vulph–4 lpkyu 0;; (Schedule-4 : Operating Expenses)

chek dEiuh d icU/ ,o dk;ky; lEcU/h 0;;k tlµoru] fdjk;k] Nikb ,o y[ku&lkexh] Mkd ,o rkj] fctyh 0;;] dkuuh 0;;] ;k=kk HkÙkk] vd{k.k 'kYd] ejEer] foKkiu o ilkj] ßkl] C;kt o cd 0;; vkfn dk bl 'kh"kd d vUrxr fy[kr gA ;gk ij ;g è;ku j[kuk pkfg, doy ,l lpkyu 0;; fy[k tkr g tk chek 0;olk; l lEcfU/r gA

vU; en (Other Items)

dN vk; ,lh gkrh g ftud fy; dkb vulph ugh g ijUr bUg vkxe [kkr d ik:i e (Premium earned (net) d uhp vyx l fn[kk;k tkrk g tlµ

1. **fofu;kxk d foØ; ij ykHk (Profit/Loss on Sale of Investment)**—fofu;kxk d foØ; ij gku oky ykHk dk lh/ vkxe [kkr e fy[kk tkrk g ijUr fofu;kxk ij gku okyh gkfu dk bl ykHk e ?kVkdj fn[kk;k tkrk gA ;fn ?kVu d ckn gkfu cprh g rk bl ½.kkRed :i e fy[kk tkrk g tk vU; vk;k e l Lor% ?kV tkrh gA

2. **vU; vk; (Other Income)**— mi;Dr vk;k d vfrfjDr ;fn dkb vU; vk; ikIr gkrh g rk ml vkxe [kkr e vU; (Other) 'kh"kd e fy[kk tkrk gA tlµ(i) jftLV'ku 'kYd (Registration Fees), (ii) cpku 'kYd (Endorsement Fees), (iii) vfHkgLrkdu 'kYd

(Assignment Fees), (iv) gLrkarj.k 'kYd (Transfer Fees), (v) vifyf[kr nkos (Claims written back) tks ijkus nkos] vnÙk gksrs gq vkSj ftUgsa yus okyk dksbZ ugha gksrk gS o vifyf[kr dj fn, tkrs gSA mUgsa ijkus vkSj vnÙk nkos tks vifyf[kr fd, x, (Old claims outstanding and unclaimed written back) dgrs gSA (vi) ijkuh vnÙk tek dh jkf'k;ka tks vifyf[kr dh xbZ (Old outstanding and unctaimed deposits written back)

3. C;kt] ykHkka'k ,oa fdjk;k (Interest, Dividend and Rent)—pkyw o"kZ esa chek dEiuh dks ½.kki=kksa ,oa v'kksa vkfn ij tks jde C;kt vkSj ykHkka'k ds :i esa izkIr gksrk gS mlsa vkxe [kkrs esa fn[kk;k tkrk gSA ;fn bu ij vk;dj dkVk fy;k x;k gks rks mlsa bls en esa tksMdj fn[kkuk pkfg,A blh izdkj izkIr fdjk, dh jkf'k dks Hkh blh [kkrs esa fn[kk;k tkrk gSA

3.3.3 fu;kstu (Appropriations)—;fn dy ;kx (A) dk dy ;kx (B) ls vf/kd gksrk ykHk gksrk gS tks lapkyu ykHk (Operating Profit) dgykrk gSA ijUrq foijhr n'kk esa gkfu gksrh gS tks lapkyu gkfu (Operating Loss) dgykrh gSA vr% lapkyu ykHk dk fu;kstu ;k cVokjk fuEu izdkj fd;k tk ldrk gSA

1. vkdfLed lap; esa gLrkarj.k (Transfer to Catastrope Reserve)—;g ,d ,slk lap; gS tks fd Hkfo"; esa vdLekr fdlh fo'ks"k foifÙk tSls ck<] HkdEi] TokjHkkVk vkfn ls gksus okyh gkfu;ksa dks iwjk djus ds fy, cuk;k tkrk gSA ;g fdlh fo'ks"k mís'; ds fy, ugha cuk;k tkrk gSA ;g lap;u chek ikfylh ds fo#¼ vR;f/kd Hkfo"; esa mRiUu gksus okys nkf;Roksa dks iwjk djus ds fy, cuk;k tkrk gSA

2. vU; lap; (Other Reserve)—blds vUrxZr vU; ,sls lap;ksa dks NksMdj tks vyx ls fy[kk fn, x, gSa] 'ks"k lap; vk;saxsA tSlsµvfrfjDr lap; (Additional Reserve)—chek dEifu;ka viuh vkfFkZd fLFkfr dks lq<+ cuk, j[kus ds fy, ^vlekIr tksf[ke ds fy, lap;* ds vfrfjDr Hkh lap; (Reserve) cuk ldrh gS ftls vlekIr tksf[ke ds fy, vfrfjDr lap; (Additional Reserve for Unexpired Risk) ds uke ls tkuk tkrk gSA ;g lap; cukuk lkekU; chek dEifu;ksa ds fy, vfuok;Z ugha gSA ;fn i'u esa ^vfrfjDr lap;* ds fy, dksbZ ifr'kr ugha nh xbZ gS rks bl lap; dks cukus dh vko';drk ugha gSA

3. va'k/kkjh [kkrs esa gLrkarj.k (Transfer to Shareholder's A/c)—va'k/kkjh [kkrk dks vk'k; ykHk&gkfu [kkrk (Profit and Loss A/c) ls gSA vU; nkf;Roksa ds fy, jkf'k NksMdj 'ks"k ykHk bl [kkrs esa gLrkarfjr dj fn;k tkrk gSA

Revenue Account in respect of General Insurance

Illustration 1.

31 ekp] 2004 dks ,d chek dEiuh dh iqLrdksa ls vfXu chek ds lEcU/k esa fuEufyf[kr fooj.k gS (On 31st March, 2004 the books of Insurance Company contained the following particulars in respect of Fire Insurance Business)

	#- (Rs.)
vlekIr tksf[ke ds fy, lap; (Reserve for Unexpired Risk)	
31 ekp] 2003 dks	10,00,000
vfrfjDr lap; (Additional Reserve) 31 ekp] 2003 dks	2,00,000
inÙk nkos (Claims paid)	12]80]000

cdk;k nkok d lEcU/ e vuekfur nkf;Ro
(Estimated liability related to outstanding claims)

31 ekp] 2003 dk (On 31st March, 2003)	1,30,000
31 ekp] 2004 dk (On 31st March, 2004)	1,80,000
icU/dh; 0;;µnkok d lEcU/ e 60,000 #- o/kfud 0;; lfgr (Expenses of management including Rs. 60,000 legal expenses paid in connection with claims)	5,60,000
ikflr iuchek ij ihfe;e (Premiums on reinsurance ceded)	1,50,000
iuchek olyh (Reinsurance Recoveries)	40,000
ihfe;e (Preimum)	22,40,000
C;kt vkj ykHkk'k (Interest and Dividends)	1,29,040
mi;Dr ij vk;dj (Income-tax thereon)	13,040
fofu;kxk d foØ; l ykHk (Profit on Sale of Investment)	22,000
deh'ku (Commission)	3,04,000

fu/kfjr ik:i e o"k 2003-04 dh vfXu [kkrk e 'k¼ ihfe;e d 50% cjkcj vlekIr tkf[ke d fy, lp; rFkk 2,00,000 #- dk vfrfjDr lp; j[kr g, cukb,A ;g ekfu; fd ihfe;e o nkok dk ,d pkFkkb Hkkx Hkkjr l ckgj d 0;olk; d lEcU/ e gA

Prepare in prescribed form the fire insurance revenue account fo the year 2003-04 reserving 50% of the premiums for unexpired risks and keeping an additional reserve of Rs. 2,00,000. Assume that one fourth of the premiums and claims are applicable to business outside India.

Solution

Schedules Forming Part of Revenue Account

Schedule 1. Premium Earned (Net)

Particulars	Rs.
Premium paid	22,40,000
Less : Premium on reinsurance ceded	(1,50,000)
Net Premium	20,90,000
Add : Opening Reserve for Unexpired Risk	10,00,000
	30,90,000
Less : Closing Reserve for unexpired Risk (50% of Rs. 20,90,000)	(10,45,000)
Total Premium Earned (Net)	20,45,000

Schedule 2. Claims Incurred (Net)

Particular	Rs.
Claims paid	12,80,000
Less : Reinsurance Recoveries	(40,000)

	12,40,000
Add : Outstanding Claim on 31-3-2004	1,80,000
	14,20,000
Less : Outstanding Claim on 31-3-2003	(1,30,000)
	12,90,000
Add : Legal Expenses regarding Claim	60,000
Total claims Incurred (Net)	13,50,000

Schedule 3. Commission (Net)

Particular	**Rs.**
Commision paid (Direct)	3,04,000
Total Commission (Net)	3,04,000

Schedule 4. Operating Expenses Related to Insurance Business

Particular	Rs.
Expenses of Management	5,00,000
Total Opening expenses	5,00,000

Revenue Account for the year ended 31st March, 2004

Particular	**Schedule No.**	**Rs.**
Premium Earned (Net)	1	20,45,000
Profit on Sale of Investment		22,000
Interest and Dividend (Gross)		1,29,040
Total (A)		21,96,040
Claims Incurred (Net)	2	13,50,000
Commission (Net)	3	3,04,000
Operating Expenses related to Insurance Business	4	5,00,000
Total (B)		21,54,000
Profit Opening (C) = (A – B)		42,040

Note : Interest, dividends and rental receivable in connection with investment shall be shown as gross amount. Tax decucted at source (TDS) being included under Advance Tax and (TDS).

3.3.4 ihfe;e ?kVku okyk ckuI (Business in Reduction of Premium)—

lkekU; chek ,d o"k dh vof/ d fy, fd;k tkrk g vkj iR;d o"k d ckn bldk iu% uohuhdj.k djkuk gkrk g ;g uohuhdj.k mlh dEiuh l Hkh djk;k tk ldrk g vFkok fdlh vU; dEiuh lA ;fn chekiR=k u dkb dHkh nkok ugh fd;k g rk chek dEiuh ml ,d fu/kfjr nj l NV (Rebate) nrh g ;fn rhu o"kk rd chekiR=k nkok ugh djrk g rk bl NV dk rhu o"kk rd ifr o"k c<k;k tkrk g tl U;iV chek dEiuh ekVj lkbfdy u; iFke o"k d ihfe;e ij 15% f}rh; o"k d ihfe;e ij 25% rrh; o"k d ihfe;e ij 30% NV nrh gA ihfe;e dh

bl NV dk ^ihfe;e ?kVku okyk ckul* dgr gA bl ckul dk ,d ckj ihfe;e e tkMdj vulph&1 e rFkk nljh ckj vulph&2 claims incurred d vUrxr fn[kk;k tkrk gA

fVIi.khµ;fn mDr ckul ryiV e fn;k gvk gk rk doy ,d ckj vulph&2 mRiUu nko d vUrxr fn[kk;k tkrk gA

3.3.5 ykHk&gkfu [kkrk (Profit and Loss Account)—

;fn ,d lkekU; chek dEiuh ,d l vf/kd idkj dk O;olk; djrh g vFkkr ;g lkefæd] vfXu] n?kVuk o vU; idkj dk O;olk; Hkh djrh g rk mlu bu lc O;olk;k d fjoU; [kkr vyx&vyx cuku d vfrfjDr ,d l;Dr ykHk&gkfu [kkrk Hkh cukuk gkrk gA bl v'k/kjh [kkrk (Shareholders A/c) Hkh dgr gA bl ykHk&gkfu [kkr e ,l vk;&O;; enk dk fy[kk tkrk gA ftUg vyx&vyx chek O;olk;k d vkxe [kkrk (Revenue A/cs) e foHkkftr dju dk dkb mfpr vk/kj ugh gkrkA nlj 'kCnk e] iR;{k (Direct) vk;&O;; (fdlh u fdlh O;olk; l iR;{k :i l lEcfU/kr) fjoU; [kkr e rFkk viR;{k (Indirect), vk;&O;; ykHk&gkfu [kkr e fn[kk, tkr gA

;fn chek dEiuh ,d gh idkj dk chek O;olk; djrh g tl vfXu chek O;olk; ;k lkefæd chek O;olk; vkfn rk ,lh fLFkfr e ykHk&gkfu [kkrk cuku dh vko';drk ugh gkrh gA D;kfd vkuikfrd vk;&O;; enk ugh gkrh gA vr% ,lh n'kk e leLr vk;&O;; vkxe [kkr e fn[kk; tkr gA

fjoU; [kkr dk ykHk ;k gkfu ^ykHk&gkfu* e vUrfjr dj fn;k tkrk Fkk ijUr vc u; l'kkf/kr ik:i d vulkj ykHk&gkfu fu;ktu [kkrk (Profit and Loss Appropriation A/c) lekIr dj fn;k x;k g rFkk fu;ktu (Appropriations) dh enk d ykHk&gkfu fu;ktu [kkr e le;kftr dj fn;k tkrk gA ;g Form B-P/L d vu:i r;kj fd;k tk,xk] ftldk l'kkf/kr ik:i fuEu idkj gA

Revised Form B-Profit & Loss Account
Profit & Loss Account for the year ended 31st March

Particulars	Current	Previous
1. Operating Profits/(Loss)		
(a) Fire Insurance		
(b) Marine Insurance		
(c) Miscellaneous Insurance		
2. Incomes from investments		
(a) Interest, Dividends & Rent-Gross		
(b) Profit on Sale of Investments		
Less : Loss on sale of investment		
3. Other Income (To be specified) :		
Total (A)		
4. Provisions (Other than taxation)		
(a) For diminution in value of investment		
(b) For doubtful debts		
(c) Others (to be specified)		

5. Other Expenses		
(a) Expenses other than those related to insurance Business		
(b) Bad Debts written off		
(c) Others (To be specified)		
Total (B)		
Profit Before Tax		
Provisions for Taxation		
Balance of Profit		
Appropriations		
(a) Interim Dividend Paid During the year		
(b) Proposed Final Dividend		
(c) Dividend Distribution tax		
(d) Transfer to any Reserve or Other Account		
Balance of profit/loss brought forward from last year		
Balance carried forward to Balance Sheet		

Note :

(a) Items of expenses and income in excess of one per cent of total premium (Less re-insurance) or Rs. 5,00,000 whichever is higher shall be shown separately.

(b) Fees/expenses connected with claims shall be included in claims.

(c) Foreign exchange gains/losses shall be shown under head 'others'

(d) Interest, Dividends and rental receivable in connection with an investment shall be shown as gross amount. TDS being included under advance tax and tax deducted at sources.

(e) Income from rent shall included only realized rent not national rent.

Illustration 2 (Revenue A/c and Profit and Loss A/c in respect of Genral Insurance)

From the following few items taken from the trial balance at 31st March, 2004 of Orient Insurance Company Ltd., prepare the (i) Fire Revenue Account; (i) Marine Revenue Account; (ii) Profit & Loss Account

		Rs.
Commission on Direct business (Fire)	....	1,10,000
Commission on Direct business (Marine)	....	90,000
Premiums less Reinsurance (Fire)	....	9,00,000
Operating Profit (Loss) Total	(6,55,000)	(8,75,000)
C = (a – B)	4,01,000	67,000
Appropriations		
Transfer to Profit & Loss A/c (or Shareholders A/c)	3,91,000	–
Additions to Reserve (Rs. 90,000 – Rs. 80,000)	10,000	–

Profit & Loss Account for the year ended 31st March, 2004

1. Operating Profit from Fire Insurance Business	3,91,000	Rs.
Less : Operating Loss : Marine Insurance Business	(67,000)	3,24,000
2. Income from Investments		
(a) Interest & Dividends-Gross	15,000	
(b) Profit on sale of investments	22,000	37,000
3. Other incomes to be specified		
Profit on sale of land	69,000	
Share transfer fees	500	
Difference in exchange	9,000	
Miscellaneous receipts	2,000	
Bad debts recovered	2,000	
Decrease in additional Reserve	20,000	1,02,500
	Total (A)	4,63,500
4. Provisions (other than taxation		
Depreciation on : Motor cars (20% on Rs. 25,000)	5,000	
Building (5% on Rs. 60,000	3,000	
Office Equipment (15% on Rs. 20,000	3,000	11,000
Other Expenses :		
Expenses of Management	34,000	
Audit Fees	35,00	
Legal charges	2,000	
Director Fees	3,000	42,500
	Total (B)	53,500
Profit before tax		4,10,000
Provision for taxation (50% of Rs. 4,10,000)		2,05,000
Balance of Profit		2,05,500

fVIi.khµvnÙk ihfe;e (Outstanding Pramium) ryiV e fn;k gvk g] bl fy, doy vkfFkd fpVB e fy[kk tk,xkA

3.4 lek;ktu ifof"V;k (Adjustment Entries)

vfUre [kkr cukr le; ryiV e fn, g, [kkrk d 'k"kk dk doy ,d ckj vkxe [kkr ;k ykHk&gkfu [kkr ;k fpVB e fy[kk tkrk g ijUr ryiV d uhp fn, g, lek;ktu ge'kk nk ckj fy[k tkr gA 0;ogkj e ik;% ftu enk dk lek;ktu djuk iMrk g mudh fuEufyf[kr idkj y[kk ifof"V;k dh tkrh gA

(1) **vnÙk ihfe;e (Outstanding Premium)**—pky o"k l lEcfU/r ,lk ihfe;e] tk o"k d vUr rd ikIr ugh gk ldrk g] vnÙk ihfe;e dgykrk gA bl jde dk ,d ckj fjoU; [kkr dh vulph&1 e ihfe;e e tkM nr g rFkk nljh ckj fpVB dh vulph&12 e fn[kkr gA bld fy, fuEu ifof"V dh tkrh gA

Outstanding Premium A/c Dr.

To Premium A/c

(For outstanding Premium brought into account)

(2) **i'kxh iklr ihfe;e (Premium received in advance)**—;fn ihfe;e dh jkf'k i'kxh iklr gk tkrh g rk mls ,d ckj fjoU; [kkr dh vuqlph&1 e ihfe;e e ls ?kVk nr g rFkk nljh ckj fpVB dh vuqlph&13 e fy[kr gA bld fy, fuEu ifof"V dh tkrh gA

Premium A/c Dr.

To Premium received in Advance A/c

(For premium received in advance)

(3) **vnÙk ,o C;kt vftr (Interest outstanding and accured)**—C;kt dh ftl jkf'k dh n; frfFk (Due Date) vk pdh gk ijUr og C;kt iklr u gvk gk rk ,l C;kt dk vnÙk C;kt (Outstanding interest) dgk tkrk gA vftr C;kt (Accured interest) l vk'k; ml C;kt l g tk C;kt mikftr gk tkrk g fdUr bldh n; frfFk (Due Date) ugh vkb gA mnkgj.k d fy, 12% C;kt okyh 10,000 #i, dh ifrHkfr;k ij C;kt 31 ekp vkj 30 flrEcj dk n; gkrk g ;fn dEiuh viu [kkr 31 fnlEcj] 1998 dk cukrh g rk 1 viy] 1998 l 30 flrEcj] 1998 l 30 flrEcj] 1998 rd dk C;kt ;fn iklr ugh gvk g rk 600 #- C;kt vnÙk (Outstanding) dgk tk,xkA blh mnkgj.k e 1 vDVcj] 1998 l 31 fnlEcj] 1998 rd dk 300 #- C;kt vftr (Accured) dgk tk,xkA C;kt vnÙk ;k gk ;k vftr gk] nkuk gh n'kkvk e fjoU; [kkr e C;kt o ykHkk'k e tkM fn;k tkrk g vkj fpVB dh vuqlph&12 e fn[kk;k tkrk gA bu nkuk d fy, fuEufyf[kr ifof"V dh tkrh gA

Accured or Outstanding balance A/c

To Internet A/c

(For accunred or outstanding between brought into account)

(4) **ihfe;e dk ?kVku gr ckul (Bonus in reduction of premium)**—tk ckul udn u ndj ihfe;e e lek;kftr dj fy, tkrk g ml ,d ckj fjoU; [kkr dh vuqlph&2 e nkok (claim) e tkM nr g rFkk nljh ckj fjoU; [kkr dh vuqlph&I e ihfe;e e tkM nr gA

bld fy, fuEufyf[kr ifof"V dh tkrh gA

Bonus in Reduction of Premium A/c

To Premium A/c Dr.

(For bones utlised in premium)

fVIi.khμ;fn ihfe;e dk ?kVku gr ckul dh jkf'k ryiV e nh g rk doy ,d ckj joU; [kkr dh vuqlph&I e fn[kkb tkrh gA

(5) **iquchek d vUrxr nko (claims covered under re-insurance)**—iquchek d vUrxr nljh chek dEiuh l tk nko dh jkf'k iklr gkrh g] ml ,d ckj fjoU; [kkr dh vuqlph&I e nko dh jkf'k e l ?kVk fn;k tkrk g rFkk nljh ckj fpVB dh vuqlph&12 e fy[kk tkrk gA bld fy, fuEu ifof"V dh tkrh gA

Other Insurance Co. Dr.

To Claims A/c

(For claims recoverable from other Co.)

(6) **vnÙk nkok (Outstanding Claims)**—bl idkj d nkok dh jkf'k ftldk Hkxrku pky o"k d vUr rd ugh gk ik;k] vnÙk nko dgykr gA bl idkj jkf'k dk ,d ckj fjoU; [kkr dh vulph&2 e nkok e tkM nr g rFkk nljh ckj fpVB dh vulph&13 e fy[kr gA bld fy, fuEu ifof"V dh tkrh gA

Claims A/c

To Outstanding Claims Dr.

(For claims outstanding)

fVIif.k;kµ1. ;fn mikftr ihfe;e (Outstanding premium) mikftr o vikIr C;kt (interest outstanding and accured) dh jkf'k ryiV e nh gk rk doy fpVB dh vulphµ12 e fn[kkb tkrh gA

2- ;fn i'kxh ikIr ihfe;e (Premium received in advance), vnÙk (Outstanding claim) dh jkf'k ryiV e nh gk rk doy fpVB dh vulph&13 e fn[kkb tkrh gA

3.4.1 lek;ktu y[kk dk 'k¼ ykHk ij iHkko
(Effect of Adjustment Entries on Net Profit)

lek;ktu y[kk dk 'k¼ ykHk ij mUgh [kkrk dk iHkko iMxk tk fjoU; ;k ykHk&gkfu [kkr e fn[kk, tkr g tlµ nko (Claims), ihfe;e] deh'ku vkfnA tc lek;ktu ifof"V e bue l dkb [kkrk MfcV fd;k tkrk g rk ykHk de gk tkrk g vkj tc bue l dkb [kkrk ØfMV fd;k tkrk g rk ykHk c< tkrk gA

l/kj ifof"V l tk okLrfod ,o 0;fDrxr [kkr iHkkfor gkr g] mudk 'k¼ ykHk ij dkb iHkko ugh iMxk D;kfd bu [kkrk dk iHkko fpVB ij iMrk gA vr% uke ek=k [kkrk (Nominal A/c) dk 'k¼ ykHk ij iHkko Kkr dju d fy, ;fn ifof"V e ; [kkr MfcV g rk bUg fooj.k (Statement) d MfcV e fy[k nr g vkj ;fn ØfMV g rk bUg ØfMV e fy[k nr gA rRi'pkr MfcV i{k rFkk ØfMV i{k dk vyx&vyx ;kx fd;k tkrk gA ;fn ØfMV i{k dk ;kx vf/d g rk 'k"k Bhd 'k¼ ykHk dk n'kk;xk vkj ;fn MfcV i{k dk ;kx vf/d g rk 'k"k Bhd 'k¼ gkfu dk n'kk;xkA

Illustration 3.

fuEufyf[kr enk ij è;ku nu l igy ,d leæh chek dEiuh dk 31 ekp] 2004 dk lekIr gku oky o"k dk vkxe [kkrk 3,00,000 #- dk ykHk inf'kr djrk gA (The Revenue Account of a Marine Insurance Company shows the profit of Rs. 3,00,000 for the year ending 31st March, 2004 before taking into account the following items)

		#- (Rs.)
1.	nkok dh lpuk ikIr gb ijUr LohÑr ugh g, (Claim Intimated but not admitted)	59,000
2.	10 o"k ijkuk vnÙk nko vc vifyf[kr dj fn, (claim outstanding for ten years now written off)	30,000

3. iuchek clyh (Reinsurance recoveries) 23,000

4. ihfe;e dh dVkrh e ckul (Bonus utilised in reduction of premium) 10,000

5. ifrHkfr;k ij vftr C;kt (Interest accured on securities) 5,000

6. ,tUVk dk deh'ku nuk g (Agent's commission to be paid) 7,500

mi;Dr Hkyk d fy, vko';d jktukepk ifof"V;k dhft, vkj mi;Dr lek;ktuk, dju d ckn dEiuh dk Bhd 'k¼ ykHk Kkr dhft, (Pass the necessary journal entries for the above commissions and find out correct net profit of the company after making the above adjustments).

Journal Entries

				Rs.	Rs.
1.	Claims A/c	Dr.		55,000	
	To Outstanding Claims A/c				55,000
	(For outstanding claims intimated but not admitted)				
2.	Outstanding Claims A/c	Dr.		30,000	
	To Revenue A/c				30,000
	(For outstanding claims written off)				
3.	Other Insurance Co.	Dr.		23,000	
	To Claims A/c				23,000
	(For claims covered under re-insurance)				
4.	Bonus in Reduction of Premium A/c	Dr.		10,000	
	To Premium A/c				10,000
	(for bonus utilised in reduction of premium)				
5.	Accured A/c	Dr.		5,000	
	To Interest A/c				5,000
	(For interest accured on securities)				
6.	Commission A/c	Dr.		75,00	
	To Outstanidng Commission A/c				7,500
	(For Commission due to agent not yet paid)				

Statement Showing Effect on Net Profit

S. No.	Account Affected	Dr. Decrease	Cr. Increse
		Rs.	Rs.
	Net profit before taking into account the adjustment entries	—	3,00,000
1.	Claims A/c	55,000	—
2.	Revenue A/c	—	30,000
3.	Claims Account	—	23,000
4.	(i) Bonus in reduction of premium	10,000	—

	(ii) Premium A/c	—	10,000
5.	Interest A/c	—	5,000
6.	Commission A/c	75,00	—
		72,500	30,000
	Net Profit after adjustments (3,68,000-72,500)	2,95,500	—
		3,68,000	3,68,000

3.5 fpVBk ik:i

lkekU; chek dEifu;k dk viuk fpVBk chek vf/fu;e dh vulph ch e fn, x, l'kkf/r iQke ^ch* (Form B) dk vu:i cukuk iMrk gA ;g l'kkf/r ik:i fuEu idkj gA

Revised Form B-Balance Sheet

Balance Sheet as at 31st March...

Particulars	Schedule No. Rs.	Current Year Rs.	Previous Year
Source of Funds			
Share Capital	5		
Reserve Capital	6		
Fair value change Account			
Borrowings	7		
Application of Funds Total			
Investments	8		
Loans	9		
Fixed Assets	10		
Current Assets			
Cash and Bank Balances			
Advances and Other Assets			
Sub-Total (A)			
Current Liabilities	13		
Provisions	14		
Sub-Total (B)			
Net Current Assets (C) = (A – B)			
Miscellaneous Expenditure (to the extent not written off or adjusted)	15		
Debit Balaance in Profit and Loss Account			
Tolal			

Contingent Liabilities

Particulars	Current Year Rs.	Previous Year Rs.
1. Partly paid-up investments		
2. Claims, other than against policies, not acknowledged ged as debts by the company		
3. Underwriting commitments outstanding (in respect of shares securities)		
4. Gurarantees given by or on behalf of the Company		
5. Statutory demands/liabilities in dispute, not providded for		
6. Reinsurance obligations to the extent not provided for in accounts		
7. Others (to be specified)		
Total		

Schedules Forming Part of Balance Sheet

Schedule -5. Share Capital

Particulars	Current Year Rs.	Previous Year Rs.
1. Authorised Capital		
Equity Shares of Rs...........each		
2. Issued Capital		
Equity Shares of Rs. ....each		
3. Subscribed Capital		
Equility Shares of Rs........each		
4. Called-up Capital		
Equily shares of Rs.........each		
1. Less : Calls unpaid or calls in Arrears		
Add : Equity shares forfeited (Amount originally paid upc)		
or Shar Forfeited A/c		
Less : Par Value of Equity Shares bought back		
Less : Preliminary Expenses		
Expenses including commission or brokerage on Underwritting to subscription of Shares		
Total		

Notes :

(a) Particulars of the different classes of capital should be separately stated.

(b) The amount capitalised on accunt of issue of bonus shares should be disclosed.

(c) In case any part of the capital is held by a holding company, the same should be separately disclosed.

Schedule - 5A Share Capital - Pattern of Shareholding

[As certified by the Management]

Particulars	Current Year		Previous Year	
	Number of Shares	**% of Holding**	**Number of Shares**	**% of Holding**
Promoters Indian Indian Foreign Others				
Total				

Schedule - 6 Reserve and Surplus

Particulars	Current Year Rs.	Previous Year Rs.
1. Capital Reserve		
2. Capital Redemption Reserve		
3. Securities (Share) Premium		
4. General Reserves		
Less : Debit balance in Profit and Loss Account		
Less : Amount utilized for buy-back of shares		
5. Catastrophe Reserve		
6. Other Reserves (to be specified)		
7. Balance of Profit in Profit & Loss Account		
Total		

Note : Additions to and deductiions from the reserves should be disclosed under each of the specified heads.

Schedule- 7. Borrowings

Particulars	Current Year Rs.	Previous Year Rs.
1. Debentures/Bonds		
2. Banks		
3. Financial Institutions		
4. Other (to be specified)		
Total		

Notes :

(a) The extent to which the borrowings are secured shall be separately disclosed stating the nature of security under each sub-head.

(b) Amounts due within 12 months from the date of Balance Sheet should be shown separately.

Schedule- 8. Investments

Particulars	Current Year Rs.	Previous Year Rs.
Long Term Investments :		
1. Government securities and Government guaranteed bonds		
including Treasury Bills		
2. Other Approved Securities		
3. Other Investments		
(a) Shares (aa) Equity (bb) Preference		
(b) Mutual Funds		
(c) Derivative Investments		
(d) Debentures/Bonds		
(e) Other Securities (to be specified)		
(f) Subssidaries		
(g) Investment Properties-Real Estate		
4. Investment in Infrastructure and Social Sector		
5. Other than Approved Investments		
Short Terms Investments :		
1. Government securities and Government guaranteed bonds including Treasury Biils		
2. Other Approved Securities		
3. Other Investments		
(a) Shares		
(aa) Equity		
(bb) Preference		
(b) Mutual Funds		
(a) Derivative Instruments		
(b) Debentures/Bonds		
(c) Other Securities (to be specified)		
(d) Subsidiaries		
(e) Investment Properties-Real Estate		
4. Investment in Intrastructure and Social Sector		
5. Other than Approved Investments		

Notes :

(a) Investments in subsidiary/holding companies, joint ventures and associate shall be separately disclsed, at cost

(b) Aggregate amount of company's investments other than listed equity securities and derivative instruments and also the market value there of shall be disclosed.

(c) Investments made out of Catastrophe reserve should be shown separately

(d) Debt securities will be considered as 'held of maturity' securities and will be measured at historical cost subject to amortisation.

(e) Investment Property means a property [land or building or part of a building or both] held to earn rental income or for capital appreciation or for both, rather than for use in services or for administrative purposes.

(f) Investments maturing within twelve months from belance sheet date and investments made with the specific intention to dispose of within twelve months from balance sheet date shall be classified as short-term investments.

Schedule- 9 Loans

Particulars	Current Year Rs.	Previous Year Rs.
1. Security-Wise Classification		
Secured		
(a) On mortgage of property		
(aa) in India		
(bb) Outside India		
(b) On Shares, Bonds, Govt, Securities		
(c) Others (to be specified)		
Unsecurred		
Total		
2. Borrowel-Wise Classification		
(a) Central and State Governments		
(b) Banks and Financial Institutions		
(c) Subsidiaries		
(d) Industrial Undertakings		
(e) Others (to be specified)		
Total		
3. Performance-Wise Classification		
(a) Loans classified as standard		
(aa) In India		
(bb) Outside India		
Total		

Schedule – 10. Fixed Assets

Products	Cost/Gross Block				Depreciation				Net Block	
	Opening	Additions	Deductions	Closing	Upto Last Year	For the Year	On Sains/ adjus month	To date	Asst year and	Previous year
Goodwill intengibles ((specify) Land-Freehold Leasehold Property Building Furniture & Fittings Informatin Technology Equipment Vehicles Office Equipment Others (Specify nature)										
Total Work in progress										
Grand Total										
Previous Year										

Note : Assets included in land, building and property above exclude investment property as defined in note (e) to Schedules 8.

Schedule- 11. Cash and Bank Balances

Particulars	Current Year Rs.	Previous Year Rs.
1. Cash Including cheques, drafts and stamps)		
2. Bank Balances		
(a) Deposit Accounts		
(aa) Short-term (due within 12 months)		
(bb) Others		
(b) Current Accounts		
(c) Other (to be specified)		
3. Money at Call and Short Notice		
(a) With Banks		
(b) With Other Institutions		
4. Others (to be specified)		
Total		
Balances with non-scheduled banks included in 2 and 3 above		

Note—Bank balance may include remittances in transit. If so, the nature and amount should be separatly stated.

Schedule- 12. Advances and Other Assets

Particulars	Current Year Rs.	Previous Year Rs.
Advances		
1. Reserve deposits with ceding companies		
2. Application money for investments		
3. Prepayments		
4. Advances to Directors/Officers		
5. Advance tax paid and taxes deducted at source (Net of provision of taxation)		
6. Others (to be specified)		
Total (A)		
Others Assets		
1. Income acceped on investments		
2. Outstanding Premiums		
3. Agents's Balances		
4. Foreign Agencies Balances		
5. Due from other entities carrying on insurance business (including reinsurance)		
6. Due from subsidiaries/holding		
7. Deposit with Reserve Bank of India [Pursuant to Section 7 of Insurance Act, 1938]		
8. Other (to be specified)		
Total (B)		
Total (A + B)		

Notes—

(a) The items under the above heads shall not be shown net of provisions for doubtful amounts. The amount of provision against each head should be shown separately.

(b) The term 'Office' should conform to the definition of that term as given under the companies Act, 1958.

(c) Sundry Debtors will be shown under item 9 (others)

Schedule- 13. Current Liabilities

Particulars	Current Year Rs.	Previous Year Rs.
1. Agents Balances		
2. Balances due to their insurance companies		
3. Deposits hold on re-insurance ceded		

4. Premiums received in advance		
5. Unallocated Premium		
6. Sundry creditors		
7. Due to subsidiaries/holding company		
8. Claims Outstanding		
9. Due to Officers/Directors		
10. Others (to be specified)		
Total		

Schedule- 14.

Particulars	Current Year Rs.	Previous Year Rs.
1. Reserve for Unexpired Risk (No applicable to file insurance Co.)		
2. For taxation (less advance tax paid and taxes deducted at source)		
3. For proposed dividends		
4. For dividends distribution tax		
5. Others (to be specified)		
Total		

Schedule- 15. Miscellaneous Expenditure

(To the extent not written off or adjusted)

Particulars	Current Year Rs.	Previous Year Rs.
1. Discount Allowed in issue of shares/debentures		
2. Others (to be specified)		
Total		

Notes :

(a) No item shall be included under the head "Miscellaneous Expenditure" and carried forward unless:

1. Some benefit from the expenditure can reasonably be expected to be received in future and
2. the amount of such benefit is reasonably determinable

(b) The amount to be carried forward in respect of any item included under the head "Miscelleneous Expenditure" shall not exceed the expected future revenue/other benefits related to the expenditure.

3.5.1 fpVB e nh x;h vulfp;k dk Li"Vhdj.k
(Explanation of Schedules given in Balance Sheet)—

vulph 5. v'k ith (Schedule 1. Share Capital)

bl d vUrxr dEiuh v'k iath tk fofHkUu idkj d v'kk e cVh gkrh g] fn[kkb tkrh gA bl dy ;kx e lØ; okil h v'kk ,o u vifyf[kr g, fof/ 0;;k dh jkf'k tl ikjfEHkd 0;; vkfn dh jkf'k ?kVkdj fn[kkb tkrh gA

vuqlph 6. lap; ,o vkf/D; (Reserve and Surplus)

bl 'kh"kd d vUrxr fofHkUu idkj d lap; tl iathxr lap;] iath 'kk/u lap;] ifrHkfr ihfe;e] lkekU; lap; rFkk vU; lap; fn[kk; tkr gA ykHk&gkfu [kkr d vkf/D; dk Hkh bl h 'kh"kd e fn[kk;k tkrk g ijUr ykHk&gkfu dk MfcV 'k"k rFkk v'kk dh Ø; okilh gr i;Dr jkf'k dk lkekU; lap; e l ?kVkdj fn[kk;k tkrk gA ;fn ½.kkRed 'k"k n'kkrk g rk bl vuqlph&15 fofo/ 0;; ;k 'kh"kd e fn[kk;k tkrk gA

vuqlph 7. m/kj (Schedule 7. Borrowings)

bl 'kh"kd d vUrxr ½.ki=k@cak.M] cdk rFkk foÙkh; lLFkkvk vkfn l yh gbZ m/kj jkf'k fn[kkb tkrh gA ljf{kr ½.k rFkk vlqjf{kr ½.k dk iFkd&iFkd fn[kk;k tkrk gA ,lh m/kj jkf'k ftldk Hkxrku fpVB dh frfFk l 12 eghu d vUnj djuk g ml vyx l fn[kk;k tkrk gA

vuqlph 8. fofu;kx (Schedule 8. Investment)

bl 'kh"kd dk e[; nk Hkkxk e ckVk x;k gµnh?kdkyhu fofu;kx (rhu o"k ;k bl l vf/kd le; d fofu;kx) rFkk vYidkyhu fofu;kxA fofu;kxk dk cktkj eY; rFkk iLrd eY; nkuk dk gh vyx&vyx fy[kuk vko';d gkrk gA

vuqlph 9. ½.k (Schedule 9. Loans)

bl 'kh"kd d vUrxr ifrHkfr vuqlkj oxhdj.k rFkk ½.kh vuqlkj oxhdj.k fd;k tkrk gA bld lkFk&lkFk n'k rFkk fon'k e fn; x; ½.kk dk vyx&vyx fn[kk;k tkrk gA

vuqlph 10. LFkk;h lEifÙk;k (Schedule 10-Fixed Assets) :

iR;d lEifÙk dk fuEu idkj fn[kk;k tk;xkA

(i) ikjfEHkd 'k"k (Opening balance)

(ii) o"k d nkjku ofº (Additions during the year)

(iii) o"k d nkjku cph x;h lEifÙk (Deductions during the year)

(iv) mDr d ;kx l lEifÙk dk vfUre 'k"k Kkr gk tk;xkA mle l gkl dh jkf'k ?kVkdj 'k"k dk Net Block e fy[kk tkrk g rFkk ble work in progress dh jkf'k dk tkMdj fn[kk;k tkrk gA

vuqlph 11. udnh ,o cd 'k"k (Schedule 11. Cash and Bank Balances)

(i) pd] MkÝVl rFkk LVkEil lfgr udnhA

(ii) cd e tek 'k"k&vYidkyhu le; d fy, pkyw [kkr e tek 'k"kA

(iii) ekx rFkk vYi lpuk ij iklr /ujkf'k&cd ;k vU; foÙkh; lLFkk }kjk nh x;h ,lh /ujkf'k;k tk cd d }kjk 15 fnu ;k bld de le; dk ukfVl ndj oly dh tk ldrh gA bl 'kh"kd e fuEu idkj ckVdj fn[kkb tkrh gA (a) with Banks (b) With other institutions

vulph 12. vfxze rFkk vU; LFkk;h lEifÙk;k (Schedule 12. Advances and Other Assets)

(i) vfxze (Advances)—mi 'kh"kd e vU; dEiuh d ikl ifrHkfr lp;] fofu;kxk d fy, vkonu jkf'k] vfxze Hkxrku] lpkyd o vf/dkjh dk vfxze jkf'k vfxze dj ,o lkr ij vk;dj dh dVkrh fn[kkb tkrh gA

(ii) vU; lEifÙk (Other Assets)—bl mi'kh"kd e fofu;kxk ij vftr vk;] vnÙk ihfe;e] ,tUV 'k"k (chek ,tUVk ij tk jkf'k 'k"k jgrh g) fon'kh ,tUlh 'k"k] vU; dEiuh l ikl; jkf'k] lgk;d dEiuh l ikl; jkf'k] fjtoZ cd d ikl tek jkf'k vkfn fn[kkb tkrh gA

vulph 13. pkyw nkf;Ro (Schedule 13. Current Liabilities)

bl 'kh"kd d vUrxr ,tUV 'k"k] vU; dEifu;k dk n; jkf'k] vfxze ihfe;e jkf'k fofo/ yunkj] lgk;d@fu;U=kd dEiuh dk n; jkf'k] vnÙk nko] lpkyd@vf/dkjh dk n; jkf'k vkfn fn[kk; tkr gA

vulph 14. vk;ktu (Schedule 14. Provisions)

bl 'kh"kd d vUrxr vlekIr tkf[ke gr vk;ktu] vk;dj vk;ktu iLrkfor ykHkk'k] ykHkk'k forj.k dj vkfn fn[kk; tkr gA

vulph 15. fofo/ 0;; (Schedule 15. Miscellaneous Expenditure)

bl 'kh"kd e v'kk rFkk ½.ki=kk ij dVkrh vkfn tk vHkh rd vifyf[kr ugh dh xb gA] fn[kk; tkr gA ijUr ikjfEHkd 0;;k dk vulph&1 v'k itth e l ?kVkdj fn[kk;k tkrk gA

3.6. thou chek dEifu;k d y[k (Accounts of life Insurance Companies)

3.6.1 thou chek dk vk'k; (Meaning of life insurance)—

thou chek vucU/ ,d ,lk vucU/ g ftld vUrxr chek dEiuh fdlh 0;fDr dk fuf'pr vof/ d lekIr gku ij vFkok mldh eR; gku ij mld mÙkjkf/dkjh dk (tk Hkh igy gk) ,d fuf'pr /u&jkf'k nu dk opu nrh gA bld fy, chek dEiuh lhfer 0;fDr l ihfe;e oly djrh gA chek dEiuh dk Insurer dgr g vkj tk jkf'k nu dk opu fn;k tkrk g ml ikfylh dh jde (Policy Amount) dgr gA

3.6.2 thou chek ikfylh d idkj (Kinds of Insurance Policies)—

1. **leLr thou chek ikfylh (Whole Life Policy)**—bl idkj dh ikfylh e chfer 0;fDr dk thou Hkj ihfe;e dk Hkxrku djuk gkrk g vkj mldh eR; ij gh ikfylh ifjiDo (Matured) gkrh g rFkk ikfylh dh jde chfer 0;fDr d mÙkjkf/dkjh dk ikIr gk tkrh gA chfer 0;fDr d ftUnk jgr g, bl ikfylh dk Hkxrku ugh gk ldrkA

2. **cUnkcLr ikfylh (Endownent Policy)**—;fn chfer 0;fDr bl idkj dh ikfylh yrk g fd che dh jde ml vFkok mld mÙkjkf/dkjh dk ,d fuf'pr vof/ d i'pkr vFkok mldh eR; ij (nkuk e l tk Hkh igy gk) ikIr gk tk,xh rk ml cUnkcLr ikfylh dgr g ikfylh ifjiDo (Mutured) gku ij ihfe;e dk Hkxrku ugh djuk iMrkA bl idkj dh ikfylh dk nk Hkkxk e ckVk tk ldrk gA

   (v) ykHk lfgr chek ikfylh (With Profit Policy)—;fn chfer 0;fDr ,lh ikfylh yrk g rk ikfylh dh jde d lkFk ml ykHk ml ykHk dk fgLlk ftl ckul (Bonus) dgr gA Hkh ikIr gkrk gA ,lh ikfylh ij ihfe;e dh nj vf/d gkrh gA

(c) **ykHk jfgr chek ikfylh (Without Profit Policy)**—ykHk jfgr chek ikfylh dk ikfylh dh ifjiDork ij doy ikfylh dh gh jde ikIr gkrh g rFkk dEiuh d ykHk e l dkb fgLlk ikIr ugh gkrkA bl idkj dh ikfylh ij ihfe;e dh nj de gkrh gA

3.6.3 thou chek o lkekU; chek e vUrj
(Difference between Life and General Insurance)—

vk/kj	thou chek	lkekU; chek
1. vof/	thou chek dh vof/ yEch gkrh gA	lkekU; chek dh vof/ ,d o"k l vfèkd ugh gkrh gA
2. mís';	thou chek e fofu;kx rRo o lj{kk rRo nkuk gh fo|eku gkr gA	lkekU; chek dk ie[k mís'; gkfuifr (Compensation) dk icU/ djuk gA
3. ihfe;e	thou chek e leku me o leku vof/ d fy, ihfe;e dh nj ,d gh gkrh gA	lkekU; chek e ihfe;e dh nj tkf[ke (Risk) d vk/kj ij fHkUu&fHkUu gkrh gA
4. lei.k eY;	thou chek e ikfylh dk lei.k eY; gkrk gA	lkekU; chek e ikfylh dk dkb lei.k eY; ugh gkrk gA
5. chek dh jkf'k dk Hkxrku	thou chek e ikfylh dh ijh jde dk Hkxrku fd;k tkrk gA	lkekU; chek e doy ml eY; dk Hkxrku fd;k tkrk g ftruk okLro e udlku gkrk gA
6. vlekIr tkf[ke d fy, lp;	thou chek e vlekIr tkf[ke d fy, dkb lp; ugh fd;k tkrkA	ble 'k¼ ihfe;e dk 100% lkefæd che l rFkk 50% vfXu o fofo/ che e vlekIr tkf[ke d fy, lp; cukuk gkrk gA
7. ykHkk dk fu/kj.k	thou chek e ykHk dk fu/kj.k dju d fy, chek xf.kr 'kkL=kh }kjk eY;kdu fd;k tkrk gA	lkekU; chek e ,lk dkb eY;kdu ugh fd;k tkrkA
8. ykHkk dk fu;ktu	thou chek e Hkkjr e ykHkk dk 95% ikfylh /kjdk dk fn;k tkrk gA	lkekU; chek e ikfylh /kjdk dk dkb ykHk ugh ckVk tkrkA

3.7. thou chek dEiuh d okf"kd [kkr (Annual Accounts of Life Insurance Company)

thou chek dEiuh d okf"kd [kkrk e l'kkf/r fu;ek d vulkj fuEufyf[kr y[k lfEefyr gkr gA

1. vkxe [kkrk (Revenue Account)
2. ykHk&gkfu [kkrk (Profit & Loss Account)
3. fpVBk (Balance Sheet)

3.7.1 vkxe [kkrk (Revenue Account)

vkxe [kkr (Revenue Account) e thou chek dEiuh dh vk; vkj O;; dh en fn[kkb tkrh gA bl ikfylhgkYMj [kkrk ;k VDuhdy [kkrk Hkh dgr gA ;g chek vf/fu;e dh Schedule A e fn, x, l'kkf/r Form A–RA d vulkj r;kj fd;k tkrk g tk fd fuEufyf[kr gA

Revised Form A–RA
Revenue Account
for the year ended 31st Martch

Particulars	Schedule No.	Current Year Rs.	Previous Year Rs.
Premiums Earned (Net)	1		
(a) Premium			
(b) Reinsurance ceded			
(c) Reinsurance accepted			
Income from investments			
(a) Interest, Dividends and Rent-Gross			
(b) Profit on sale/redemption of Investments			
(c) (Loss on sale/redemption of Investments)			
(d) Transfer/Gain on reveluation/change in fair vaue			
Other Income (to be specified)			
Total (A)			
Commission	2		
Operating Expenses related to insurance Business	3		
Provision for doubtful debts			
Bad Debts written off			
Provision for Tax			
Provisions (other than taxation)			
(a) For diminition in the value of investments (Net)			
(b) Others (to be specified)			
Total (B)			
Benefits Paid (Net)	4		
Interim Bonses Paid			
Change in Valuation of Liability in respect of Life Policies			
(a) Gross			
(b) Amount ceded in Reinsurance			
(c) Amount ceded in Reinsurance			
(d) Amount accepted in Reinsurance			
Total (C)			
Surplus/(Deficit) (D) = (A) – (B) - (C)			
Appropriations			
Transfer to Shareholder's Account (or Profit & Loss A/c)			
Transfer to Other Reserve (to be specfied)			
Balance being Funds for Future Appropriations			
Total (D)			

Notes :

(1) Represents the deemed realised gain as per norms specified by the Authroity.

(2) Represents Mathematical Reserves after allocation of bonus.

The total surplus shall be disclosed separately with the following details

(a) Interin Bonuses Paid:

(b) Allocation of Bonus to Policy holders

(c) Surplus shown in the Revenue Accounts

(d) Total Surplus : [(a) + (b) + (c)]

Schedules Forming Part of Revenue Account

In respect of Life Insurance Business

Schedule - 1. Premium

Particulars	Current Year Rs.	Previous Year Rs.
1. First year premiums		
2. Renewal Premiums		
3. Single Premiums		
Total Premium		

Schedule - 2. Commission Expenses

Particulars	Current Year Rs.	Previous Year Rs.
Commission paid		
Direct — First year premiums		
— Renewal premiums		
— Single premiums		
Add : Commission on Re-Insurance Accepted		
Less : Commission on Re-Insurance Ceded		
Net Commission		

Note : The profit/commission, If any are to be combined with the re-insurance accepted or re-insurance ceded figures.

Schedule 3. Operating Expenses related to insurance Business

Particulars	Current Year Rs.	Previous Year Rs.
1. Employees' remuneration & welfare benefits		
2. Travel, conveyance and vehicle running expenses		
3. Training expenses		
4. Rents, rates & taxes		

5. Repairs		
6. Printing & stationary		
7. Communication expenses		
8. Legal & professional charges		
9. Medical fees		
10. Auditor's fees, expenses etc.		
(a) as auditor		
(b) as adviser or in any other capacity, in respect of		
(i) Taxation matters		
(ii) Insurance matters		
(iii) Management services; and		
(c) In any other capacity		
11. Advertisement and Publicity		
12. Interest & Bank Charges		
13. Others (to be specified)		
14. Depreciation		
Total		

Note : Items of expenses and income in excess of one percent of the total premiums (less reinsurance) or Rs. 5,00,000 whichever is higher, shall be shown as a separate line items.

Schedule - 4. Benefits Paid (NET)

Particulars	**Current Year Rs.**	**Previous Year Rs.**
1. Insurance Claims		
(a) Claims by Death,		
(b) Claims by Maturity		
(c) Annuities/Pension Payment		
(d) Other benefits, specify		
2. Amount ceded in reinsruance		
(a) Claims by Death,		
(b) Claims by Maturity,		
(c) Annuities/Pension payment		
(d) Other benefits, specify		
3. Amount accepted in reinsruance		
(a) Claims by death		
(b) Claims by maturity		
(c) Annuities/Pension payment		
(d) Other Benefits (specify)		
Total		

(a) Premium income received from business concluded in and outside India shall be separately disclosed.

(b) Reinsurance premiums whether on business ceded or accepted are to be brought into account gross (i.e., before deducing commissions) under the head reinsurance premiums.

(c) Claims incurred shall comprise claims paid, specific claims settlement costs. wherever applicable and change in the outstanding provision for claims at the year end.

(d) Items of expenses and income in excess of one percent of the total premiums (less reinsurancer) or Rs. 5,00,000 whichever is higher, shall be shown as a separate line item.

(e) Fees and expenses connected with claims shall be included in claims.

(f) Under the sub-head "Others" shall be included items like foreign exchange gains or losses and other items.

(g) Interest, dividends and rentals receivable in connection with investment should be stated as gross amount, the amount of income tax deducted at source being included under 'advance taxes paid and taxed decucted at source."

(h) Income from rent shall include only the realised rent. It shall not inclue any national rent.

(i) Where the maximum paying period includes a fraction of a year, such fraction shall be ignored for the purposes of this revenue account.

3.7.2 vkxke [kkr e nh xb vuqlwfp;k dk Li"Vhdj.k
(Explanation of Schedules given in Revenue Account)

vuqlwph 1. ihfe;e (Premium)

bl 'kh"kd e chek dEiuh }kjk ikIr ihfe;e dh jkf'k fn[kkb tkrh gA ble iFke o"k dk ihfe;e] uohuhdj.k ihfe;e rFkk ,d e'r ihfe;e dh jkf'k vyx&vyx fn[kkb tkrh gA chek dEiuh }kjk ikIr ihfe;e e pky o"k dk mikftr ihfe;e (Outstanding Premium) tkM fn;k tkrk gA ;gk ij ;g è;ku j[kuk pkfg, fd iuo"kh; ihfe;e dk lek;ktu vkxe [kkr e fn[kk;k tkrk gA

vuqlwph 2. deh'ku O;; (Schedule 2. Commission Expenses)

deh'ku xkgdk l chek O;olk; yku d fy, ,tUVk dk fn;k tkrk gA db ckj dEiuh }kjk LohÑr iuchek ij deh'ku fn;k tkrk g bl ble tkM fn;k tkrk g bld foijhr nj x; iuchek ij dEiuh }kjk deh'ku ikIr fd;k tkrk g ml ?kVk fn;k tkrk gA

vuqlwph 3. chek O;olk; lEcfU/r O;;
(Schedule 3 Operating Expenses Related to Insurance Business)

thou chek O;olk; d lpkyu d fy, vko';d lEcfU/r lHkh nÙk rFkk vnÙk O;; bl 'kh"kd e lfEefyr fd;k tkrk gA lpkyu O;;k e vifyf[kr [kp lfEefyr gkr gA (i) depkfj;k dk oru] xP;Vh dk Hkxrku] LVkiQ ikohMV iQ.M vkj i'ku iQ.M rFkk i'ku iQ.M e fuxe dk v'knku_ (ii) chek ,tVk dk ;k=kk] lokjh ,o okgu O;;_ (ii) if'k{k.k O;;_ (iv) fdjk;k nj ,o dj_ (v) ejEer 0;;_ (vi) NikbZ o y[ku lkexh_ (vii) lpkj 0;;_ (viii) vd{k.k 0;;_ (ix) efMdy iQhl ftl 0;fDr dk chek fd;k tkrk g mldk efMdy fujh{k.k fd;k tkrk gA efMdy fujh{k.k dju dh iQhl Hkh fuxe nrh g_ (x) foKkiu ,o ilkj 0;;_ (xi) C;kt o cd 0;;_ (xii) iQuhpj ,o vU; lEifÙk;k dk gkl_ (xi) vU; 0;;A

vulph 4 nÙk ykHk 'k¼ (Schedule 4 Benefits Paid Net)

(i) nkok (Claims)—thou chekikk (Insured) dh eR; vFkok mldh ikfylh dh vof/ dh lekfIr (tk Hkh nkuk e l io gk) ij nkok (Claims) ink gkrk g vkj chek dEiuh ikfylh dh jde dk Hkxrku chfer 0;fDr vFkok mld mÙkjkf/dkjh dk djrh gA

bl 'kh"kd dk rhu Hkkxk e ckVk x;k gμ chek nkok iuchek l ikIr jkf'k] iFkk iuchek l n; jkf'kA bue eR; d dkj.k nko] ikfylh n; gku ij nko] okf"kd o i'ku dk Hkxrku o vU; ykHkk d Hkxrku vkr gA

(ii) lefir eY; (Surrender Value)—;fn dkb chfer 0;fDr (Insured) viuh chek ikfylh ij ihfe;e dk Hkxrku dju e vleFk jgrk g vkj Hkfo"; e Hkh ,lh ikfylh dk pkyw ugh djuk pkgrk rk og viuh ikfylh dk lefir (Surrener) dj nrk g vFkkr ;g viuh ikfylh dk lekIr dju dh ikFkuk djrk gA ,lh n'kk e chek dEiuh chfer 0;fDr }kjk fn, x, ihfe;e dk dN ifr'kr okil dj nrh gA ;g okil dh tku okyh jde gk ikfylh dk lefir eY; (Surrender Value) dgh tkrh gA chek dEiuh d fy, ;g lefir eY; 0;; gkrk gA vr% bl vkxe [kkr (Revenue Account) d MfcV i{k e fn[kk;k tkrk gA

(iii) okf"kdh (Annuity)—okf"kdh vucU/ d vUrxr ,d fuf'pr jde chek dEiuh d ikl tek djkbZ tkrh g vkj bl jde dh okilh tekdrk dh bPNk l ,d fuf'pr 0;fDr dk okf"kd (Annually) d :i e dh tkrh gA ;g jde] tk chek dEiuh gj o"k Hkxrku djrh g] okf"kdh (Annuity) dgykrh gA ;g jde chek dEiuh d fy, 0;; g vr% bl fjoU; [kkr d MfcV i{k e fn[kk;k tkrk gA mnkgj.k% ,d 0;fDr u 2,00,000 #- chek dEiuh e tek djk;, vkj dEiuh dk dgk x;k fd ble l ifro"k 15,000 #- ej yMd dk Hkxrku fd;k tk,A ;g 15,000 #- dh jde okf"kdh (Annurity) dgh tk;xh vkj bl vkxe [kkr d MfcV i{k e fn;k tk;xkA 2,00,000 #- dh jde] tk chek fuxe d ikl tek dh xb] okf"kdh ofÙk d fy, fn;k x;k ifriQy (Consideration for Annuities Granted) dgh tkrh gA

fcuk vulph dh en (Items Without Schedule)—; en Hkh vkxe [kkr e fn[kkb tkrh g ijUr bud fy, dkb vulph vkcfVr ugh dh xb gA

(i) okf"kd ofÙk d fy, fn;k x;k ifriQy (Consideration for Annuities Granted) chek dEiuh dk okf"kd ofÙk vucU/ d vUrxr ikIr ,d&e'r jde dk okf"kd ofÙk dk ifriQy (Consideration for Annuties Granted) dgr gA ;g chek dEiuh dh vk; gkrh gA

(ii) jftLVª'ku iQhl (Registration Fees)—chek fuxe dk jftLVª'ku ,o vU; dk;k d fy, feyh gb iQhl vk; gkrh gA

(iii) vU; vk; (Other Income)—vk; dh mi;Dr enk d vfrfjDr chek dEiuh dk ikIr vU; idkj dh vk; tlμ(i) cpku 'kYd (Endorsement Fees), (ii) vfHkgLrkdu 'kYd (Assignment Fees), (iii) gLrkUrj.k 'kYd (Transfer Fees), (iv) ikfylh uohuhdj.k 'kYd (Policy Renewal Fees), (v) vk;&dj dh okilh (Refund of Income-tax) vkfnA

(iv) fofo/ ykHk (Miscellaneous Profit)—bl d vUrxr fuEufyf[kr ykHkk dk fn[kk;k tkrk gA (i) fofu;kxk ij ykHk_ (ii) iQuhpj o ekVj vkfn dk cpu l ykHk_ (iii) Hkfe o Hkou dk cpu ij ykHk vkfnA

(v) vifyf[kr nko (Claims Written Back)—,l nkok dk] ftudk dkb ekxu okyk ugh gkrk] 10 o"kk d i'pkr vifyf[kr dj fn;k tkrk gA

(vi) Mcr ½.k (Bad Debts)—chek dEiuh }kjk fn, x, ½.kk e ;fn dN Mc tkr g rk mUg Mcr ½.k dgr gA

(vii) vk;&dj (Income Tax)—chek O;olk; l vftr ykHk ij fn;k tku okyk vk;dj Hkh vkxe [kkr e fn[kk;k tkrk gA

(viii) ykHkk'k (Dividend)—v'k/kfj;k dk fn;k tku okyk ykHkk'k Hkh vkxe [kkr e fn[kk;k tkrk gA

(ix) ckul (Bonus)—thou chek fuxe cuku d i'pkr fuxe viu ykHkk dk 95% ckul d :i e chek&i=k /kfj;k (Policy holders) dk n nrk gA ckul dk Hkxrku fuEufyf[kr :ik e fd;k tkrk gA (i) udn ckul_ (ii) ckul dk ihfe;e e lek;ktu djuk_ (iii) ikfylh dh de d lkFk ckul dk Hkxrku djukA vktdy fuxe ikfylh d ijk gku ij gh ckul dk Hkxrku dj jgk gA ckul Hkh chek dEiuh d fy, O;; gA

3.7.3 ykHk&gkfu [kkrkµ

ykHk gkfu [kkrk chek vf/fu;e dh vuqlph ^,* e fn, x, ikjEHk l vuqlkj cuk;k tkrk gA ijUr lkekU; chek dEiuh dk ykHk&gkfu [kkr dk ik:i rFkk thou chek dEiuh dk ykHk&gkfu [kkr dk ik:i ,d leku g tkfd igy vè;k; e crk;k tk pdk gA

3.7.4. fpVBk ik:i

thou chek dEiuh dk fpVBk ik:i o lekU; chek dEiuh d fpVBk ik:i yxHkx ,d leku gA thou chek O;olk; d fpVB e nk vfrfjDr vuqlph 8A rFkk 8B tkMh tkrh g ftudk fooj.k fuEu idkj l gµ

Schedule 8. Investments Policy holders

Particulars	Current Year Rs.	Previous Year Rs.
Long Term Investments :		
1. Government securities and Goverment guaranteed bonds		
Including Tresuary Bills		
2. Other Approved Securities		
3. (a) Shares		
(aa) Equity		
(bb) Preference		
(c) Mutual Funds		
(d) Derivative Instruments		

(e) Other Securities (to be specified)		
(f) Subsidiaries		
(g) Investment Properties-Real Estate		
4. Investments in infrastructure and Social Sector		
5. Other than Approved Investments		
Short Term Investments		
1. Government securities and Government guaranteed bonds including Treasury Bills		
2. Other Approved Securities		
3. (a) Shares		
(aa) Equity		
(bb) Preference		
(b) Mutual Funds		
(c) Derivations Instruments		
(d) Debenture/Bonds		
(e) Other Securities (to be specified)		
(f) Subsidaries		
(g) Investment Properties-Real Estate		
4. Investments in infrastructure and Social Sector		
5. Other than Approved Investments		
Total		

Schedule 8B. Assets Held to Cover Linked Liablities

Particulars	**Current Year Rs.**	**Previous Year Rs.**
Long Terms Investments :		
1. Government securites and Government guranteed bonds including		
Treasury Bills		
2. Other Approved Securities		
3. (a) Shares		
(aa) Equity		
(bb) Preference		
(b) Mutual Funds		
(c) Derivative Instruments		
(d) Debentures/Bonds		
(e) Other Securities (to be specified).		
(f) Subsidiaries		

(g) Investment Properties-Real Estate		
4. Investment in infrastruture and Social Sector		
5. Other than Approved Investments		
Short Term Investments		
1. Government secuties and Government guaranteed books Including Treasury Securities		
2. Other Approved Securities		
3. (a) Shares		
(aa) Equity		
(bb) Preference		
(b) Mutual Funds		
(c) Derivate instruments		
(d) Debentures/Bonds		
(e) Other Securities (to be spacifed)		
(f) Subsidiaries		
(g) Investment Properies-Real Estate		
4. Investments in infrastructure and Social Sector		
5. Other than Approved Investments		
Total		

vr% thou chek dEiuh dk l'kkf/r lf{kIr (From A-Balance Sheet) fuEu idkj gA

Form A-Revised
Balance Sheet
as at 31st March........

Particulars	**Schedule No.**	**Current Year Rs.**	**Previous Year Rs.**
Sources of Funds			
Shareholders's Funds			
Share Capital	5		
Reserve and Surplus	6		
Credit/(Debit) Fair Value Change Account			
Sub-Total			
Borrowings			
Policyholder's Funds			
Credit/(Debit) Fair Value Change Account			
Policy Liabilities			
Insurance Reserves			
Provision for Linked Liabilities			

	Schedule		
Sub-Total			
Funds for Future Appropriations			
Total			
Application of Funds			
Investments			
Shareholders	8		
Policy holders	8A		
Assets held to Cover Linked Liabilities	8B		
Loans	9		
Fixed Assets	10		
Current Assets			
Cash and Bank Balances	11		
Advances and Other Assets	12		
Sub-Total (A)			
Current Liabilities	13		
Provisions	14		
Sub-Total (B)			
Net Current Assets (C) = (A + b)			
Miscellaneous Expenditure (to the extent not written off or adjusted)	15		
Debit Balance in Profit & Loss Account (Shareholders's Account)			
Total			

vr% thou chekd Euhd sfoÙkh; fooj.kksad smís'; d hnf"Vl srhu Hkkxksa esa ckaVkx;kgSA

1. va'k/kkfj;ksad hnf"Vl sfoÙkh; k vuqlwph (Schedule B. Shareholders) d sfn[k;s tk,axsA
2. ikWfyl hgksYMj d hnf"Vl sfoÙkh; k vuqlwph 8A (Schedule 8A-Policy/holders) fn[k, tk,axsA
3. nkf;Roksad snf"Vl sfoÙkh; k vuqlwph 8B (Schedule 8B–Assets held to cover linked liablities) d sfn[k;s tk,axsA

vr%l ekIr chekd Euhd sfp"Bksa esa d soy Schedule 8 cuk;h tk;sxh tcfd thou chek dEiuhd sfp"Bksa esa Schedule 8, 8A rFkk 8B cukbZ tk;sxhA ;gk¡ ij ;g mYys[kuh; gSfd rhuksa vuqlwfp;ksad hensa l eku gSaA

4. fu"d"kZ (Summary)—

chekd Eifu;ksa vkSe [kkrk] ysÃkkadu [kkrk rFkk fp"BkHkkj rS;kj, chekd Euh vf/kfu;e 1938 d svuqlkj r\$;kj djrh FkhA ysfdu vc chekd Eifu;ksad sys[ksa r\$;kj djus ds dqN egRoiw.kZ fjorZu dj fn;s x;s gSaA eLr chek dEiuh 31 ekpZ 2003 rFkk blds cknds i'pkr~ ds o"kZ ds ys[kksa ls lEcaf/kr iz'u i dsvuqlkj cuk;s xhA thou chek dEiuh vf/kfu;e dh vuqlwph 'A' rFkk lkekU; chek dEiuh vf/kfu;e dh vuqlwph 'B' ds vuqlkj vius foÙkh; fooj.k r`Sk; djrh gSaA ls lEcaf/kr iz'u i esa lpwuk,sa vf/kd Li"V: i ls izLrqr gks ldrh gSaA

6. iz'ukorh iqLrdsa (Suggested Readings)

1. Corporate Accounting
   By Dr. R.K. Mittal
   R.S. Singal
2. Advanced Account
   By R.L. Gupta
3. Corporate Accounting
   By S.P. Jain
   K.L. Narang

7. uewus ds fy, iz'u (Sample Questions)

1. ,d lkekU; chek dEiuh ds vkxe [kkrs dk vuqlwph lfgr u;k iz:i nhft,A
2. dkYifud vkadM+ksa dks mi;ksx djrs gq, fu/kkZfjr iz:i esa ,d lkekU; chek dEiuh dk fpV~Bk r`Sk; dhft,A
3. fuEu ij fVIi.kh fyf[k,A

   (a) nkoku gkfu dk cpko
   (b) vlekIr tksf[ke dsfy, lap;
   (c) vnÙk nkos
   (d) iqucheZk nkok
4. ,d thou chek dEiuh ds vkxe [kkrs dk iz:i r`Sk; dhft,A
5. us'kuy bU';ksjsUl da- fy- dk 31 ekpZ 2004 dks lekIr gksus okys o"kZ jsosU;w [kkrs }kjk iznf'kZr ykHk fuEufyf[kr dks è;ku esa j[kus ds iwoZ 6,00,000 #- gSA (The profit as shows by the Revenue Account of National Insurance Company Ltd. for the year ended 31st March, 2004 is Rs. 6,00,000 before taking the following into consideration)

(v)	nkos tks crk;s x;s vkSj Lohd`r fd, x, fdUrq Hkqxrku ugha fd;s x;s	
	(Claims intimated and admitted but not paid)	60,000
(c)	iqucheZk ds vUrxZr izkIr nkos	
	(Claims recoverable under re-insurance	18,000
(l)	izkI; deh'ku fdUrq ikIr ugha gqvk	
	(Commission accured but not received)	9,000
(n)	cdk;k izcU/kdh; O;;	
	(Management expenses outstanding)	24,000

(;) ,tsUVksa dks ns; deh'ku tks vHkh Hkqxrku ugha gqvk
(Commission due to agents not yet paid) 6,000

mDr Hkqxrkuksa ds fy, tuZy izfof"V;k¡ dhft, vkSj ml ds ckn ykHk Kkr dhft,A
(Pass Journal entries for the above commissions and find out the profit thereafter)

6. fuEufyf[kr lsvko';d ekU;rk,¡ ysrs gq, 31 ekpZ 2004 dks lekIr o"kZ ds fy, vfXu jsosU;w [kkrk cukb;s (From the following prepare Fire Revenue Account for the year ending 31st March, 2004, after making necessary assumptions)

	Rs.
nkos Hkqxrku fd, (Claims Paid)	90,000
vnÙk nkos (Claims Outstanding)	
1 vizSy] 2003 dks (On 1st April, 2003)	20,000
31 ekpZ 2004 dks (On 31st March, 2004)	15,000
izhfe;e izkIr fd;k (Premium received)	2,60,000
iquchZek izhfe;e dk Hkqxrku fd;k (Reinsurance premium paid)	
izcU/k O;; (Management expenses)	50,000
nkoksa ds lEcU/k esa O;; (Legal expenses regarding claim)	3,000
C;kt vkSj ykHkka'k ldy (Interest and dividend – Gross	10,000
deh'ku (Commission)	
izR;{k O;olk; (On Direct Business)	30,000
iquchZek ij feyk (On Reinsurance ceded)	1,000
Lohd`r iquchZek ij (On Reinsurance accepted)	500
vlekIr tksf[ke ds fy, lap; (Reserve for unexpired risk) 1-4-2003	70,000
nkoku gkus dk cksul (Bonus in reduction of premium)	8,000

7. thou chek dEiuh fy- ds fuEufyf[kr fooj.kksa ls 31 ekpZ 2004 dks lekIr gksus okys o"kZ dk vk; [kkrk rS;kj dhft, (Prepare the Revenue Account of Like Insurance Company Ltd. for the year ended 31st March, 2004. from the following particulars)

	Rs.
e`R;q ds nkos (Claims by Death)	1,40,000
ifjiDork ds nkos (Claims by Maturity)	70,500
izhfe;e (Premium)	12,10,000
ikWfylh uohuhdj.k 'kqYd (Policy Renewal Fees)	10,000
vfHkgLrkadu 'kqYd (Assignment Fees)	800

cpku 'kqYd (Endorsement Fees)	400
gLrkUrj.k 'kqYd (Transfer Fees)	350
Lohd`r okf"kZdh ds fy, izfrQy iqucZhek ?kVkdj (Consideration for Annuties granted less re-Insurance)	1,48,800
okf"kZdh nh (Annuties Paid)	1,20,000
vUrfje cksul fn;k (Interim Bonus Paid)	17,000
izhfe;e esa ls ?kVkdj cksul (Bonus in Reduction of Premium)	2,500
izcU/k ds O;; (Expenses of Management)	70,000
deh'ku (Commission)	20,500
C;kt] ykHkka'k vkSj fdjk;k (Interest, Dividend and Rent)	1,85,000
mi;Zqä ij vk;dj (Income tax thereon)	10,050
lei.kZ (Surrenders)	30,000
thou chek dks"k (Life Insurance Fund) 1.4.2003 dks	30,00,000

8. 31 ekpZ 2004 dks lkekU; chek dEiuh dk ryi= fuEufyf[kr Fkk (On 31st March, 2004 the trial balance of a General Insurance Company was as follows)

Particulars	**Dr. Balance**	**Cr. Balance**
vfXu dks"k 1 vizSy] 2003 dks (Fire Fund on 1st April, 2003)		12,20,000
vfXu izhfe;e (Fire Premium)		3,40,000
lkeqfæd dks"k 1 vizSy] 2003 dks (Marine Fund on 1st April, 2003)		18,40,000
lkeqfæd izhfe;e (Marine Premium)		7,12,000
izcU/k O;;&vfXu (Management Expenses-Fire)	75,000	
izcU/k O;;&lkeqfæd (Management Expenses–Marine)	95,000	
C;kt] ykHkka'k vkfn (Interest, Dividends etc.)		2,47,000
fofu;ksx lafpr dks"k (Investment Reserve Fund)		72,000
Hkqxrku ,oa vnÙk nkos&vfXu (Claims paid and outstanding-Fire)	1,22,000	
Hkqxrku ,oa vnÙk nkos lkeqfæd (Claims paid and outstanding Marine)	1,07,000	
Hkfo"; fuf/k (Provident Fund)		92,000
gLrkarj.k 'kqYd (Transfer Fees)		3,000
vads{k.k 'kqYd (Audit Fees)	4,000	
lapkydksa dk 'kqYd (Directors Fees)	7,000	
eksVj dkjsa (Motor Cars)	24,000	

iwoZkf/kdkj va'kiwath 100 #- okys 80 #- nÙk 10,000 va'k (Preference Share Capital 10,000 Shares of 100 each Rs. 80 paid)		8,00,000
lerkva'kiwath 50 #- okys 40 nÙk 50,000 va'k (Equity Share Capital– 50,000 shares of Rs. 50 each Rs. 40 paid)		20,00,000
vigfjr va'k [kkrk (Forfeited shares account)		7,000
vnÙk vfXu nkos (Fire claims outstanding)		21,000
vnÙk leqnzh nkos (Marine claims outstanding)		17,000
fofo/k ysunkj (Sundry Creditors)		22,000
ns; izhfe;e ds fy, nsunkj (Debtors for Premium due)	7,000	
izkI; vfXu nkos (Fire claims Recoverable)	9,000	
QuhZpj µ ykxr 90,000 #- (Furniture cost Rs. 90,000)	80,000	
dj (Taxes)	27,000	
lafpr dks"k (Reserve Fund)		2,27,000
deh'ku µ vfXu (Commission-Fire)	22,000	
deh'ku µ leqnz (Commission- Marine)	27,000	
fofu;ksx (Investments)	60,00,000	
jksdM+ (Cash)	31,000	
cSad (Bank)	1,50,000	
(Land and Building)	10,00,000	
(Profit and Loss Account)		1,22,000
(Amount due to other offices)		57,000
(Amount due from other offices)	12,000	
	77,99,000	77,99,000

QuhZpj dh ewy ykxr ij 10% vkSj eksVj dkj ij 15% dh nj ls gzkl yxkuk gSA vlekIr tksf[ke ds fy, izhfe;e ds 40% dh vkSj fofu;ksx lafpr dks"k esa vc ds 'ks"k ds vfrfjDr 7,000 #- dh vkSj O;oLFkk djuh gSA vfXu vkSj leqnz foHkkxksa ds vk; [kkrs] ykHk&gkfu [kkrk vkSj fpV~Bk rS;kj dhft,A

Depreciate furniture by 10 per cent on the original cost and motor car by 15 per cent. Provide 40 per cent on premium for unexpired risks and Rs. 7,000 for investment Reserve Fund in addition to the existing balance.

Prepare Revenue Accounts of Fire and Marine Departments, Profit and Loss Account and Balance Sheet.