WORKSHEET-17

CHAPTER: ISSUE OF DEBENTURE

SUB TOPICS: ISSUE OF DEBENTURE IN TERMS OF REDEMPTION

Time allowed: 20 minutes Max. Marks-20

S.NO.	QUESTION	MARKS
1.	ABC ltd. issued 50,000, 12% debentures of ₹100 each at certain rate of discount and were to be redeemed at 10% premium. Exiting balance of Securities premium before issuing of these debentures was ₹13,00,000 and after writing off loss on issue of debentures, the balance in Securities Premium was ₹6,00,000. At what rate of discount these debentures were issued? A. 10% B. 5% C. 4% D. 13%	1
2	In case of debenture of Rs.10,000 are issued at par but redeemable at a premium of 10%, The premium payable is debited to A. Debenture suspense account B. Premium on redemption of debentures C. Loss on issue of debentures D. A & B both	1
3	A company issued 1000 7% Debentures of Rs 100 at 5% Discount and Repayable at 10 % Premium. What will be the amount of Loss on issue of Debentures A. ₹10,000 B. ₹ 20,000 C. ₹ 15,000 D. ₹ 30,000	1
4	Alexa Ltd. purchased building from Siri Ltd for ₹8,00,000. The consideration was paid by issue of 6%debentures of ₹100 each at a discount of 20%. The 6% Debentures account is credited with: A. ₹10,40,000 B. ₹10,00,000 C. ₹9,60,000 D. ₹6,40,000	1
5	Pass the necessary journal entries for 'Issue of Debenture' for the following: A) Sohan Ltd. issued 7000, 12% Debentures of Rs 100 each at a discount of 5% redeemable at a premium of 10%. B) Mohan Ltd. issued 8000, 9% Debentures of Rs 100 each at a premium of 10 per debenture redeemable at a premium of ₹10 per Debenture.	4
6	On 1st April, 2022, Hellion Ltd. issued 10,000, 7% Debentures of ₹ 500 each at a premium of 10%, redeemable at a premium of 5% after five years. The company had a balance of ₹1,50,000 in the 'Securities Premium Account' before the issue.	6

	a) Pass necessary journal entries for issue of debentures and for writing off 'Loss on Issue of Debentures' utilizing Securities Premium Account at the end of the first year itself. (b) Prepare 'Loss on Issue of Debentures Account' for the year ended 31st March, 2023	
7	Pass necessary journal entries for issue of 12% debentures in the books of Ghanshyam Ltd. in the following cases: A) Issued 1,000, 12% debentures of ₹100 each at a premium of 10%, redeemable at a premium of 5%. B) Issued 5,000, 12% debentures of ₹100 each at a premium of 10%, redeemable at par. C) Issued 2,000, 12% debentures of ₹100 each at a discount of 5%, redeemable at premium of 10%	6