



Study Circle

**CS EXECUTIVE  
GROUP - 2**

**CORPORATE  
ACCOUNTING**



**FOR  
DEC. 2023  
ATTEMPT**

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**THE FINAL PUSH....**

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# CORPORATE ACCOUNTING

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CS EXECUTIVE

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# Introduction to Accounting

# 1

## 1.1. Evaluation of Accounting :

In 1494, Luca Pacioli (or Paciolo), a Franciscan Monk published his first printed work of mathematics, which included a section on double entry book-keeping. However, Accounting in its broad sense existed much before that – around 5000 B.C, during the period of Egyptian, Babylonian, Greek and Roman Civilization. Modern Accounting began to develop with the growth of commerce in the Italian cities like Venice and Geneva during the 15<sup>th</sup> century i.e the time of Columbus and the discovery of the new world.

## 1.2. Introduction to Book Keeping :

Book keeping is the subject, which is to be studied by the students of commerce and students who want to excel in the field of Accounting. Lots of professional courses like CA, CS, CMA, CFA and many others which include the subject of Accounting has to clear the fundamentals of book keeping. The first step of Accounting is book keeping



## 1.3. Meaning and Definition of Book-Keeping :

Book keeping is defined by various authors. The most common definition of book keeping is "Book Keeping is the art and science of recording business transactions systematically and regularly.

1. Book Keeping is an Art
2. Book Keeping is the science
3. Book Keeping involves recording
4. Book keeping involves recording business
5. Book keeping involves recording business transactions
6. Book keeping has to be systematic
7. Book keeping has be done regularly

Recording

Classifying

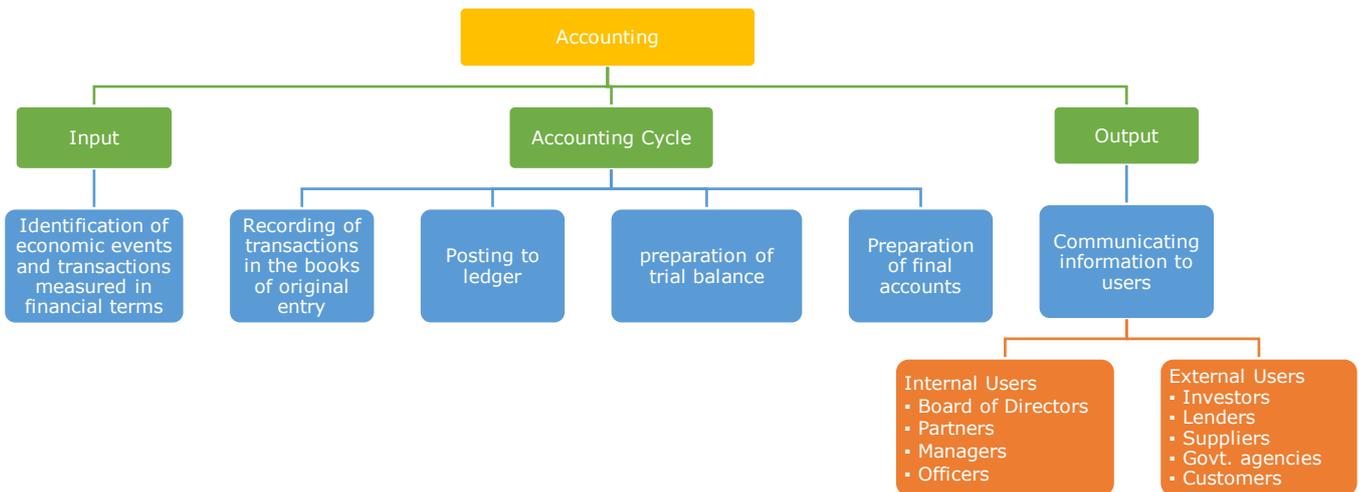
Summarising

### 1.4. Introduction to Accounting :

Accounting may be defined as the process of

- Recording,
- Classifying,
- Summarising,
- Analysing and Interpreting and
- Communicating

the results thereof to the persons interested in such information



### 1.5. Functions of Accounting :

1. **Identification** : This is the journey primary function of accounting. It identifies the financial transactions of economic events which can be measured in terms of money. In practice, transactions are identified on the basis of source documents. For example telephone bill is the document which identifies that telephone charges are incurred.
2. **Recording** : After identification of transactions on the basis of source documents they are to be recorded in the books of accounts i.e. journals.
3. **Classifying** : The transactions recorded in the books of accounts are classified to generate valuable information. Classification of transactions is done through ledger accounts.

4. **Summarising** : The transactions recorded in the books of accounts throughout the year are summarised at the end of the year to have a snapshot of the position. Summarisation of transaction is done through preparation of a Trial Balance.
5. **Analysis and Interpretation** : After summarization accounting prepares the financial statements, analyse them and draw necessary conclusions about the profitability and financial status of the organisation.
6. **Communicating** : The information generated by financial statements is communicated to the various stakeholders through publication of Annual Report.

### 1.6. Book—Keeping V/S Accounting :

No.	Book-keeping	Accounting
1	It is a process concerned with recording of transactions.	It is a process concerned with summarising of the recorded transactions.
2	It constitutes as a base for accounting.	It is considered as a language of the business
3	Financial statements do not form part of this process.	Financial statements are prepared in this process on the basis of book-keeping records.
4	Managerial decisions cannot be taken with the help of these records.	Management takes decision on the basis of these records.
5	There is no sub-field of book-keeping.	It has several sub-fields like financial accounting, management accounting etc.
6	Financial position of the business cannot be ascertained through book-keeping records.	Financial position of the business is ascertained on the basis of the accounting reports.

### 1.7. Objectives of Accounting :

1. Systematic recording of transactions
2. Financial performance
3. Financial position
4. Provide information for decision making
5. To know the solvency position

**1.8. Sub Fields of Accounting :**

1. Financial accounting
2. Management accounting
3. Cost accounting
4. Social responsibility accounting
5. Human resource accounting

**1.9. Users of Accounting :****1.10. Area of Service :**

1. Maintenance of books of accounts
2. Statutory audit
3. Internal audit
4. Taxation
5. Management accounting
6. Financial advice
7. Others

**1.11. Summary :**

1. Accounting may be defined as the process of - Recording, Classifying, Summarising, Analysing and Interpreting and Communicating the results thereof to the persons interested in such information.
2. Accounting procedure can broadly be divided into 2 parts
  - a. Generating Financial Information and
  - b. Using the financial Information
3. The Objective of Accounting
  - a. Systematic recording of transaction
  - b. Ascertainment of results of above recorded transactions
  - c. Ascertainment of the financial position of the business
  - d. Providing information of the users for rational decision - making

- e. To know the solvency position
- 4. The main functions of Accounting
  - a. Identification
  - b. Recording
  - c. Classifying
  - d. Summarising
  - e. Analyse and Interpret
  - f. Communicate
- 5. Book Keeping is Science and Arts of Recording Business Transactions systematically and regularly
- 6. Various sub fields of Accounting are
  - a. Financial Accounting
  - b. Cost Accounting
  - d. Management Accounting
  - e. Human Resource Accounting
  - f. Social Responsibility Accounting
- 7. The various users of Accounting Information
  - a. Investors
  - b. Employees
  - c. Lenders
  - d. Suppliers and Creditors
  - e. Customers
  - f. Government and Agencies
  - g. Public
  - h. Management

## UNIT – 2 – BASIC ACCOUNTING TERMS

### 2.1 BOOK KEEPING :

a systematically organized body of knowledge on a particular subject.

the expression or application of human creative skill and imagination,

**“Book Keeping is science and art of recording business transactions regularly and systematically, in proper books of accounts”**

Anything done in order to earn profits, provided its legal

An exchange of goods or services or things on cash or credit

System, method...

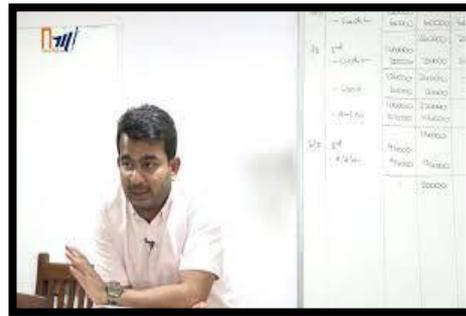
Daily, weekly, monthly....

### 2.2 Business :

Any activity carried on by a person with a motive to earn profit is known as business.



**Milkman selling milk**



**Prof providing service for fees**



**Online website providing range of products.**

### 2.3 Transactions :

An exchange of goods or services or things on cash or credit between two or more persons.

Milkman selling milk to its customer is exchange between milkman and customer

Giver of benefit



Receiver of benefit

For a transaction to be complete, there should be atleast 2 parties, one must be the receiver of the benefit and the other must be the giver of the benefit.

### 2.4 Types of Transactions :

Cash transaction	Credit transaction	Exchange transaction
An exchange of goods or services or things on cash	An exchange of goods or services or things on credit	An exchange of goods or services or things for other goods or services or things



Customer pays cash

Customer will pay at the end of month

Customer will prepare food for the milkman daily in return of milk

**2.5 Cash Transaction V/S Credit Transaction :**

No.	Cash transaction	Credit transaction
1	An exchange of goods or services or things on cash	An exchange of goods or services or things on credit
2	Cash is paid immediately for the value received	Value is received but cash will be paid in future
	<b>OR</b>	<b>OR</b>
	Cash is received immediately for the value given	Value is given but cash will be received in future
3	Relationship between parties comes to an end immediately. Transaction is complete.	Relationship is continued further will the transaction is settled in future date. Transaction is not complete.

**2.6 Goods:**

Any commodity or article which is produced or purchased for sale by a trader is called goods.



**Milk are goods for milkman**



**Sev puri, pani puri are goods**



**Vegetable are goods for vegetable vendor**



**Furniture is goods for furniture mart**

**2.7 Assets :**

Properties owned by a person/entity to conduct business are called assets



**Milk can, cycle used by milkman are assets**



**Cycle/ shop/ furniture/ fridge etc. are assets**



**Stall, crates used by vegetable vendor are assets**



**Shop to display is an asset**

## 2.8 Assets V/s Goods :

Milk is goods



Milk can,  
cycle used  
by milkman  
are assets

Vegetables  
are goods



Stall, crates  
used by  
vegetable  
vendor are

Furniture  
is goods



Shop to  
display is an  
asset

Sev puri, pani  
puri are goods



Cycle/ shop/  
furniture/ fridge etc.  
are assets

## 2.9 Goods :

Purchase	Goods bought for the purpose of sale or for manufacturing is known as purchase
Purchase return	Purchased goods returned to the supplier. They are also known as Return outwards
Sales	Goods sold in course of business are known as sales
Sales return	Goods sold but which are returned by customer are known as sales returns. They are also known as return inwards.

## 2.10 Debtors :

Debtor is a person from whom business has to receive money.

Debtor is the person to whom goods are sold on credit

Debtor is the person from whom we own money

Business – Selling Milk

Goods – Milk

Assets – Cycle / Can

Sale – Sale of Milk



**Debtor :** The customer to whom milk is sold on credit. Total Sales for the month will be paid next month

**2.11 Creditors :**

Creditor is a person to whom business has to Pay money.  
 Creditor is the person from whom goods are purchased on credit  
 Creditor is the person to whom we owe money

Business – Selling Furniture  
 Goods – Furniture, wood, cushion  
 Assets – Shop  
 Sale – Sale of Furniture  
 Purchase – Purchase of Wood, Cushion



**Creditor :** The Supplier from whom we purchase wood, cushion on credit and will pay them after 2 months

**2.12 Assets :**

Properties owned by a person/entity to conduct business are called assets



Land & Building



Cash



Car



Balance at Bank



Furniture



Debtor

**2.13 Liabilities :**

Amount Payable by the business



Creditor



Credit Card Bills



Bank Loan

**2.14 Stock :**

Goods lying in business unsold on a particular date



Milk unsold



Fruits unsold



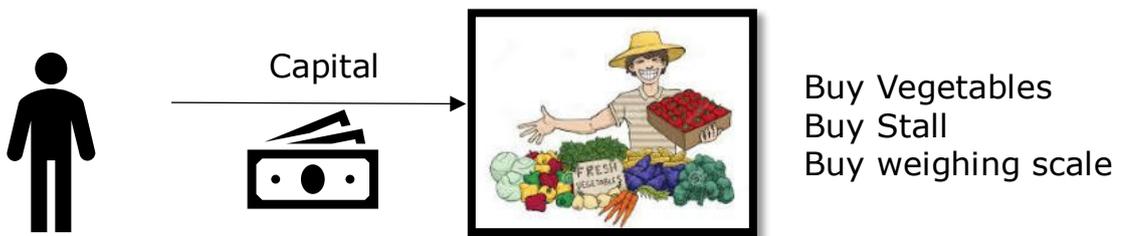
Furniture unsold

## 2.15 Capital :

"Book Keeping is science and art of recording business transactions regularly and systematically, in proper books of accounts"

### Business Entity Concept

Business and Businessman are different We are recording transactions for Business and Not businessman

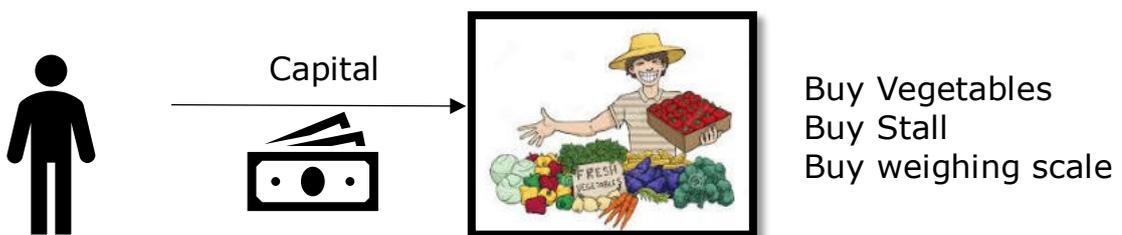


Capital is Amount invested by the businessman in business.

It may be in cash or kind.

Its owners investment in business.

This amount is payable by business to businessman and therefore it's a liability for business.



In Accounting Sense  
Capital = Assets - Liabilities

Assets = 70,000  
Liabilities = 20,000  
Therefore Capital ?

Capital = Assets - Liabilities  
= 70,000 - 20,000  
= 50,000

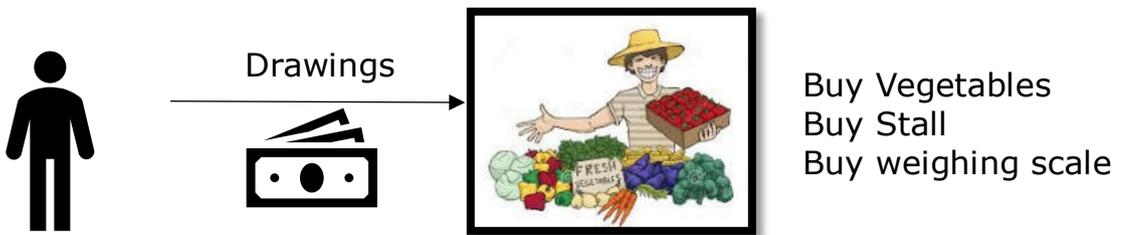
### Example :

Identify Assets and Liabilities and Calculate Capital.

Cash	40,000
Bank	50,000
Debtors	50,000
Stock	20,000

Building	1,00,000
Furniture	50,000
Loan to Vishal	25,000
Loan from Nisha	35,000
Creditors	25,000

**2.16 Drawings :**



Drawings is opposite of Capital  
 Drawings reduced capital in the business

**2.17 Solvent :**



A Business is said to be solvent when its Assets are more than its Liabilities  
 It simply means they are in position to pay all its liabilities

**2.18 Insolvent :**



A Business is said to be insolvent when its Liabilities are more than its Assets  
 It simply means they are not in position to pay all its liabilities

## 2.19 Revenue / Income :

Amount received or receivable from sell of goods / services.



**Sale of Milk**



**Sale of pani puri**



**Sale of Fruits**



**Sale of Furniture**

## 2.20 Expenses :

Expense is the payment made for goods purchased or service received for the business

**For e.g. :**

Purchase, Rent, Salary, Printing and Stationery, Travelling and Conveyance, Advertising, Selling expenses, Administration Expenses.



## 2.21 Profit :



Profit is the excess of revenue or income over expenses during a particular period.  
 $\text{Profit} = \text{Income} - \text{Expenses}$

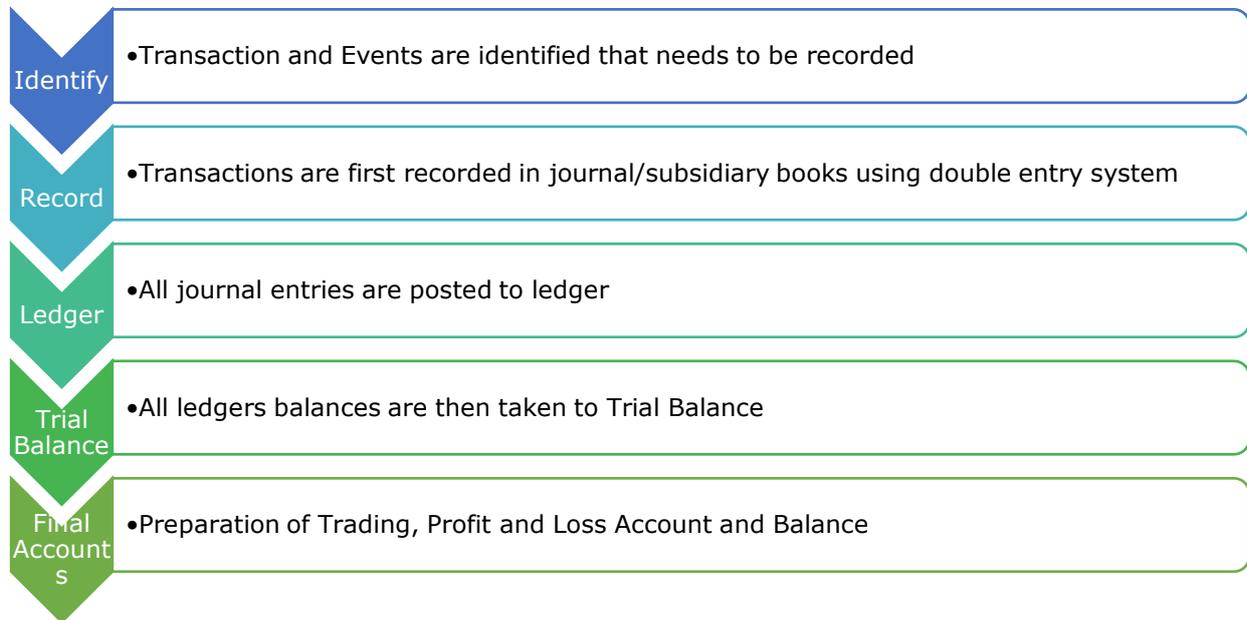
## 2.22 Loss :



Profit is the excess of Expenses over Income/Revenue during a particular period.  
 $\text{Profit} = \text{Income} - \text{Expenses}$

## UNIT – 3 – ACCOUNTING PROCESS – DEBIT AND CREDIT

### 3.1 Accounting Cycle :



### 3.2 Double Entry System :

Every transaction that is to be recorded will always affect atleast TWO Accounts

- One                      - Receive the benefit
- Second                - Give the benefit

The so called effects will be given a name, known as Account i.e we shall have  
An Account which received the benefit

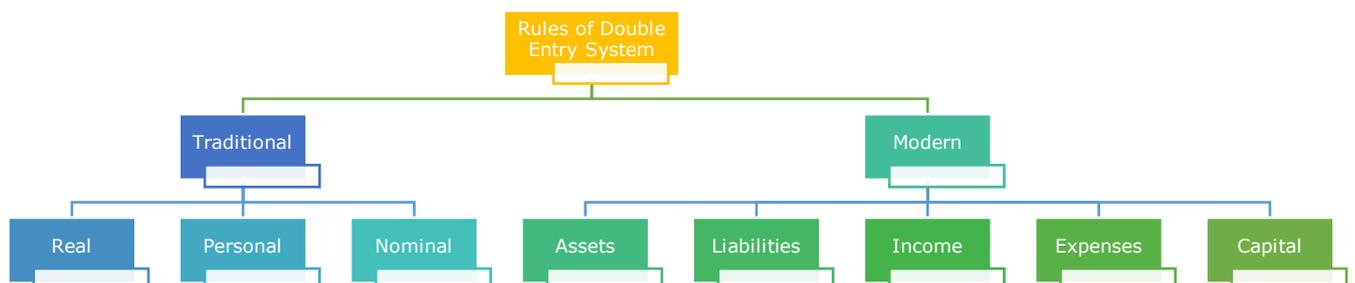
An Account which gives the benefit

The Account which receives the benefit – shall be debited

The Account which gives the benefit – shall be credited

**The total of Debit should always be equal to total of credit.**

### 3.3 Double Entry System :



### 3.4 Traditional Rules – The Golden Rules :

#### Real Account :

These are the Accounts of Properties, assets or Possessions belonging to a Business.



Office Equipment



Furniture



Motor Car



Cash



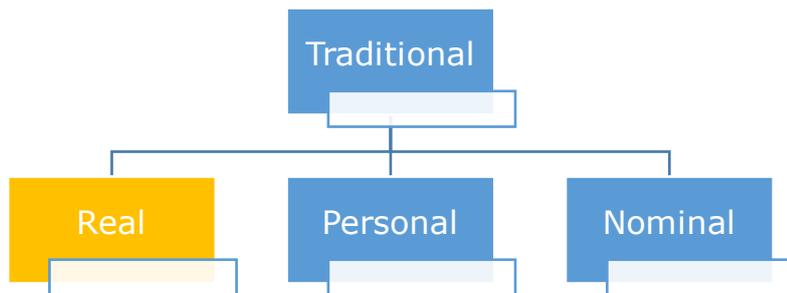
Factory



Plant & Machinery



Office



#### **Rule :**

Debit what comes IN  
Credit what goes OUT

#### Personal Account :

These are the Accounts of Individuals, firms, companies, local authorities, institutes, debtors, creditors, banks with whom business deals.



Bank



Company



Institute



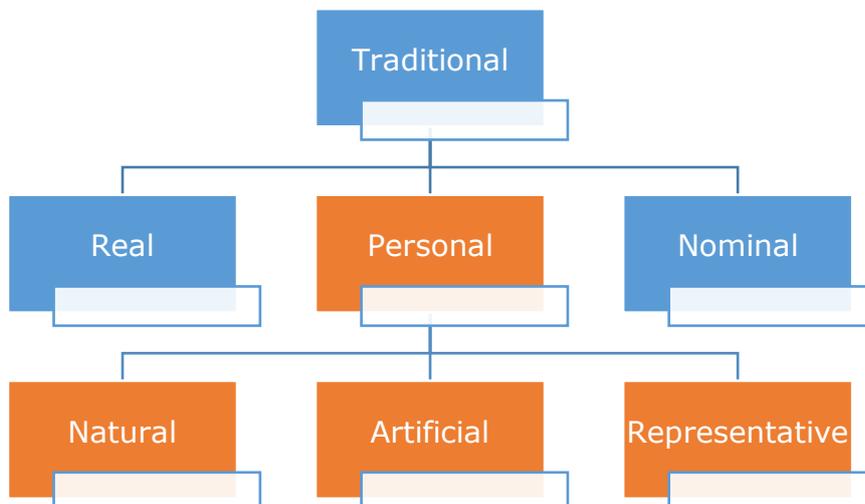
Local body



Creditor



Debtor

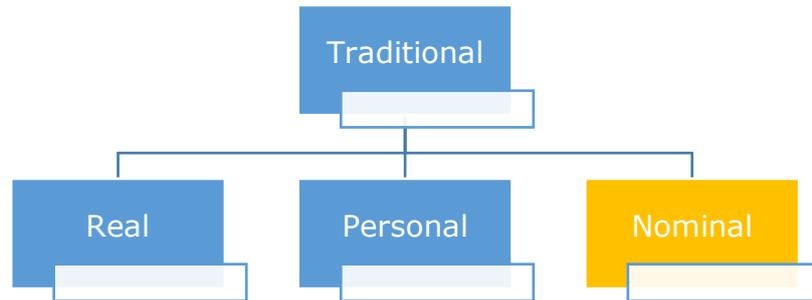


#### **Rule :**

Personal Account  
Debit the receiver  
Credit the giver

**Nominal Account :**

- Expenses/Loses/Income/Gains
- Sales / Purchase / Rent / Salary
- Printing and Stationery
- Wages
- Carriage Inward
- Carriage Outward
- Advertisement
- Travelling Accounts
- Commission Account
- Bad Debts



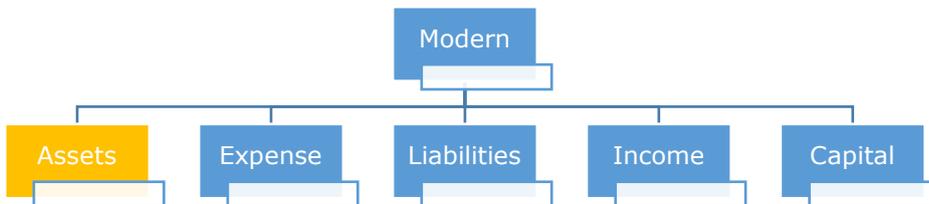
**Rule :**

- Debit All Expenses and Losses
- Credit All Income and Gains

**3.5 Modern Rules :**

**Assets :**

Properties owned by a person/entity to conduct business are called assets

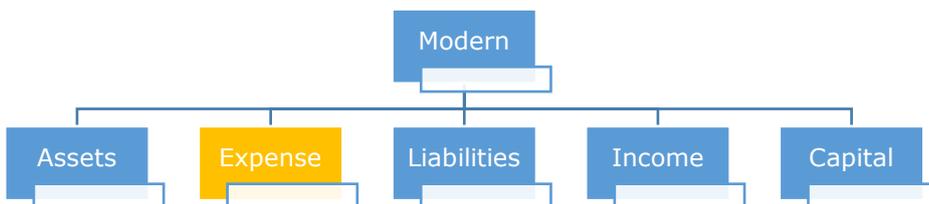


**Rules :**

- Debit to Increase
- Credit to Decrease

**Expenses :**

Expense is the payment made for goods purchased or service received for the business

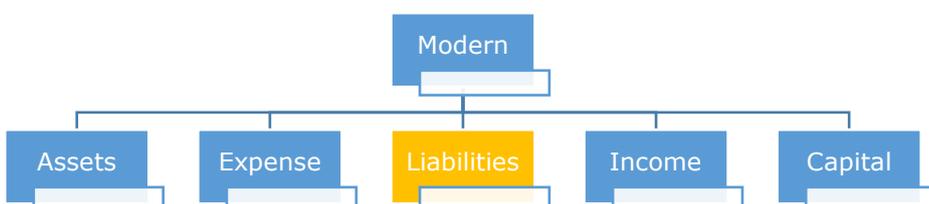


**Rules :**

- Debit to Increase
- Credit to Decrease

**Liabilities :**

Amounts Owned or Payable by the business

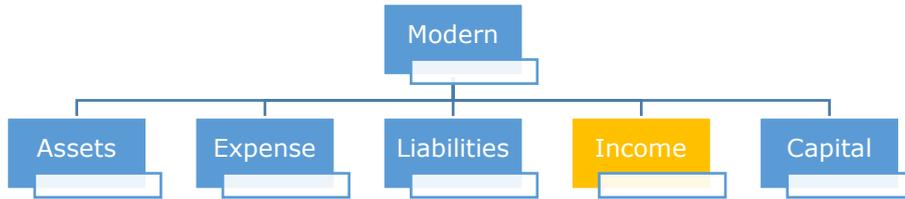


**Rules :**

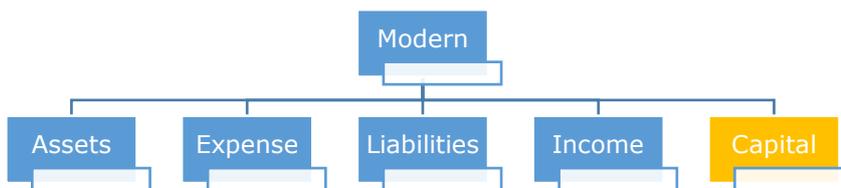
- Credit to Increase
- Debit to Decrease

**Income :**

Revenue earned from sale of Goods and Services

**Rules :**

Credit to Increase  
Debit to Decrease

**Capital :****Rules :**

Credit to Increase  
Debit to Decrease



**4.3 Lets play :****Illustration 1 :****Journalize the following transactions in the books of RM Ltd.**

1. Started business with cash Rs. 500,000
2. Deposited Rs 2,00,000 into bank
3. Furniture purchased for Rs. 1,00,000 and paid the amount through bank.
4. Purchase of Goods on Cash 1,00,000
5. Purchase of Goods from Nisha on Credit 1,00,000
6. Sale of Goods for Cash 1,20,000
7. Sale of Goods to Apurva in Credit Rs 1,50,000
8. Paid Rent 20,000 to Leena
9. Paid salary 20,000 to Sanjay
10. Paid wages 10,000
11. Paid telephone charges Rs. 1,000
12. Paid Nisha 50,000 by Cheque
13. Received a cheque from Apurva for Rs 80,000
14. Received interest from Bank 500
15. Sold good to Dhruv for Rs 50,000 on Credit
16. Purchased Motor car for Rs. 1,00,000 and paid through cheque
17. Dhruv settled his account by paying 49,000 in full settlement
18. Cash withdrawn for personal use Rs. 5,000
19. Additional Capital introduced Rs. 50,000 through cheque
20. Paid life insurance premium Rs. 2,00

**Illustration 2 :****Classify the following accounts under traditional and modern rules**

- |                     |                             |                   |
|---------------------|-----------------------------|-------------------|
| a. Building         | j. Investments              | s. Prepaid salary |
| b. Premises         | k. Debtors                  | t. Depreciation   |
| c. Sales            | l. Discount Allowed         | u. Bad debts      |
| d. Bank Deposits    | m. Bad Debts recovered      | v. Advertising    |
| e. Rent             | n. Capital                  | w. Salary         |
| f. Rent Outstanding | o. Drawings                 | x. Income tax     |
| g. Cash             | p. Interest                 | y. Salary         |
| h. Purchase         | q. Interest receivable      | z. Creditors      |
| i. Closing Stock    | r. Rent Received in Advance |                   |

## UNIT – 5 – Ledger

### 5.1 What is Ledger :

1. Ledger is the principal book of Account
2. Separate Account is opened in ledger book for each Account
3. Accounts are prepared in Ledger in Analytical order
4. Posting refers to transfer of entry from journal to ledger
5. Ledger is the book which will contains all Accounts.



### 5.2 Format of Account :

Dr.				Account				Cr.			
Date	Particulars	J.F	Amount	Date	Particulars	J.F	Amount				

### Points to remember :

1. Account should have a Head – Name of Account
2. It has 2 sides
3. Left hand side is Known as Debit
4. Right hand side is known as Credit

### 5.3 Posting :

Cash A/c ... Dr

To Sanjay A/c

Dr.				Cash Account				Cr.			
Date	Particulars	J.F	Amount	Date	Particulars	J.F	Amount				
1/1	To Sanjay A/c	-	10,000								

Dr.				Sanjay Account				Cr.			
Date	Particulars	J.F	Amount	Date	Particulars	J.F	Amount				
				1/1	To Cash A/c	-	10,000				

### 5.4 Balancing an Amount :

Dr.				Cash Account				Cr.			
Date	Particulars	J.F	Amount	Date	Particulars	J.F	Amount	Date	Particulars	J.F	Amount
1/1	To Capital A/c	-	10,000	4/1	To Purchase A/c	-	5,000				
5/1	To Sales A/c	-	8,000	8/1	To Leena A/c	-	9,000				
10/1	To Sia A/c	-	12,000								
				30/1	To Balance C/d	-	16,000				
			<b>30,000</b>				<b>30,000</b>				
1/2	To Balance c/d	-	16,000								

Opening on Debit – Debit Balance

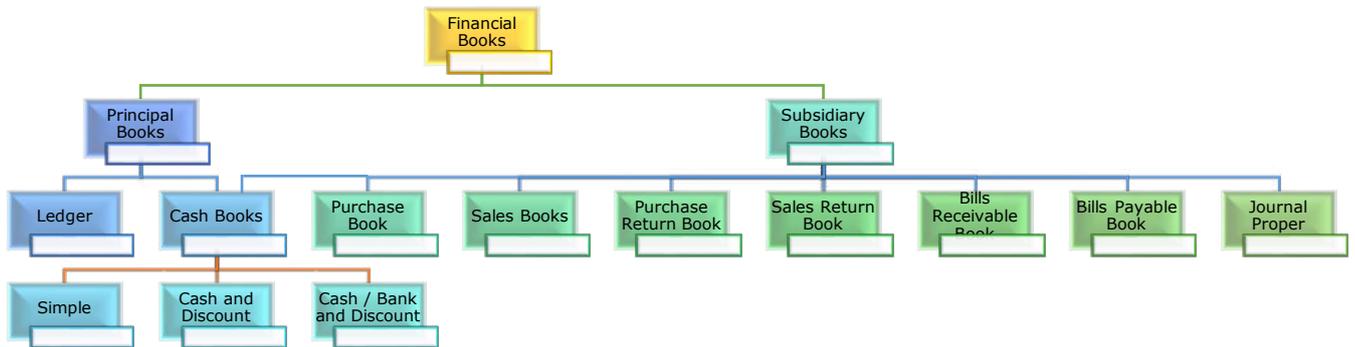
Closing on Credit – Debit Balance

### 5.5 Points to Remember :

1. Ledger is also known principal book of accounts.
2. Ledger has all the Accounts
3. Every Accounts has 2 sides – Debit side and Credit Side
4. Every Account should be balanced
5. Closing Credit – Debit Balance
6. Closing Debit – Credit Balance
7. Opening Debit – Debit Balance
8. Opening Credit – Credit Balance
9. All real Accounts will always show Debit Balance
10. Expenses will always show Debit Balance
11. Incomes will always show credit Balance
12. Debtors will show debit balance
13. Creditors will show Credit Balance

## UNIT – 6 – SUBSIDIARY BOOKS

### 6.1 What is Subsidiary Books :



#### Primary Book and Principle Book :

The Books in which transactions are first recorded is known as primary book. Subsidiary Books are primary Books. Cash book and Ledger is known as principle book as they furnish information for preparation of trial balance.

### 6.2 Purchase Book? :

To record credit purchase of goods, a separate register is maintained. Such an register is called purchase book.

Date	Supplier’s Name	Details	L.F.	Amount

**Note :**

1. Cash Purchase of goods are not recorded
2. Credit Purchase of things other than goods or material, such as office Equipment or typewriter i.e Fixed Assets are not recorded.

#### Illustration 1 :

Prepare the Purchase Book of M/s Narain and Co 2024

1 <sup>st</sup> Feb	Purchased from Brown and Co credit 5 gross pencils @ 100 per gross 1 gross register @ 240 per gross Less : Trade Discount @ 10%
2 <sup>nd</sup> Feb	Purchased for cash from the stationery Mart. 10 gross exercise books @ 300 per gross

- 3<sup>rd</sup> Feb Purchased computer for office use from M/s Office on Credit for Rs 30,000
- 4<sup>th</sup> Feb Purchased on credit from The paper Co.  
5 reams of white paper @ 100 per ream  
10 reams of ruled paper @ 150 per ream  
Less : Trade Discount @ 10%
- 5<sup>th</sup> Feb Purchased 1 dozen gel pens @ 15 each from M/s Verma Bros. on credit
- Prepare Purchase book of M/s Narain & Co.

**Illustration 2 :**

Prepare transactions in Purchase Book and Post them into ledger

- April 4 Purchased from Ajay Enterprises, Delhi  
100 Doz. Rexona Hawaii chappal @ 120 per doz.  
200 Doz Palki Leather chappal @ 300 per doz.  
Less : Trade Discount @ 10%  
Freight charged Rs 150
- April 15 Purchased from Balaji Traders, Delhi  
50 Doz Max Stores @ 400 per doz.  
100 pair sports shoes @ 140 per pair  
Less : Trade Discount @ 10%  
Freight Charged Rs 200
- April 28 Purchased from tripti industries, Bahadurgarh  
40 pairs leathers shoes @ 400 per pair  
100 dozs Rosy Hawaii Chappal @ 180 per doz.  
Less : Trade discount @ 10%  
Freight Rs 100.

**6.3 Sales Book? :**

To record credit Sales of goods, a separate register is maintained. Such an register is called Sales book.

Date	Customers' Name	Details	L.F.	Amount

**Note :**

- Cash Sales of goods are not recorded
- Credit Sales of things other than goods or material, such as office Equipment or typewriter i.e. Fixed Assets are not recorded.

**Illustration 3 :**

Prepare Sales book from the following information

1. Sold to M/s. Gupta & Verma on Credit  
30 shirts @ 800 per shirts  
20 trousers @ 1000 per trousers  
Less Trade Discount @ 10%
2. Sold Furniture to M/s. Sehgal & co credit Rs 8000
3. Sold 50 shirts of M/s. Jain & Sons Rs 800 per shirts
4. Sold 13 shirts to cheap stores @ 750 each for cash
5. Sold on credit to M/s. Mathur & Jain  
100 shirts @ Rs 750 per shirts  
10 overcoats @ Rs 5000 per overcoat  
Less : Trade Discount @ 10%

**6.4 Purchase Return Book? :**

To record credit Purchase return of goods, a separate register is maintained. Such an register is called Purchase Return book.

Date	Suppliers' Name	Details	L.F.	Amount

**Note :**

1. Return of goods purchased on cash will not be recorded

**6.5 Sales Return Book? :**

To record credit Sales return of goods, a separate register is maintained. Such an register is called Purchase Return book.

Date	Suppliers' Name	Details	L.F.	Amount

**Note :**

1. Return of goods Sold for cash will not be recorded

**6.6 Bills Receivable and Bills Payable Book ? :**

This books are maintained to record transactions relating to bills receivable and bills payable. They will be discussed later during the course

**6.7 Cash Book ? :**

Cash book is the book that will record all cash transactions. This is the book of prime entry as well as principal book. This chapter shall be done as the next chapter.

## 6.8 Journal Proper ? :

So we now know that there separate books for regular transactions

1. Purchase book for purchase of goods on credit
2. Sales Book for sale of goods on credit
3. Purchase return book for return of goods purchased on credit
4. Sales return book for return of goods sold on credit
5. Cash book for all cash transactions
6. Bills receivable books for bills receivable
7. Bills payable book for bills payable

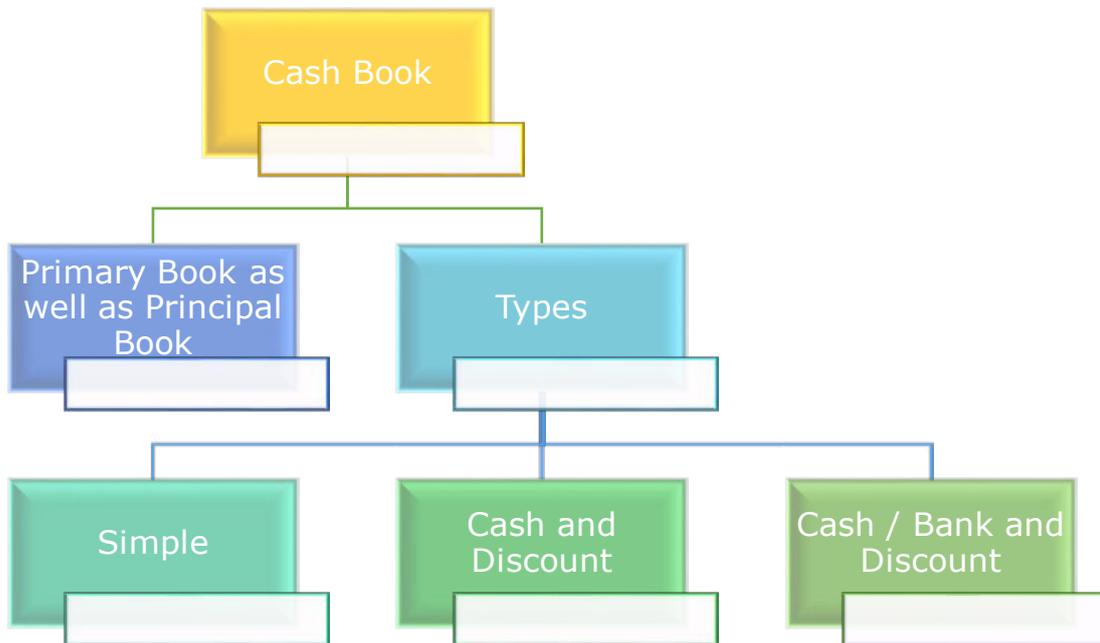
Now if a transaction is not recorded in any of the above 7 books we shall record the transaction in Journal Proper.

Journal Proper will record the following transactions

1. Opening entries
2. Closing entries
3. Rectification entries
4. Transfer entries
5. Adjusting entries
6. Miscellaneous entries

## UNIT – 7 – CASH BOOK

### 7.1. What is Cash Book ? :



Cash Book records all cash transactions. Cash book is a primary book as well as principal book of Accounts.

### 7.2. Simple Cash Book :

Its like a normal Account with 2 sides "Dr side" and "Cr Side". Dr side is receipts and Credit side is payments.

Dr.				Cash Account				Cr.	
Date	Receipts	J.F	Amount	Date	Payments	J.F	Amount		

It is balanced like any other Account. However one should remember that Cash Account will always show Debit Balance i.e the total of receipts will always be greater than payments side.

### 7.3. Double Column Cash Book :

As the Name indicates this cash book will 2 columns on each side.

1. Cash Column
2. Discount Column or Bank Column

Discount column on the Debit side is Discount Allowed

Discount Column on the Credit side is Discount Received

Dr.					Cash Account					Cr.
Date	Receipts	J.F	Cash	Dis/Bank	Date	Payments	J.F	Cash	Dis/Bank	

**Note :** Discount is nominal Account. It should not be balanced. It should be closed and transferred to Profit and Loss Account. Discount Allowed is an Expenses and Discount Received is an Income.

Dr.					Cash Account					Cr.
Date	Receipts	J.F	Cash	Dis/Bank	Date	Payments	J.F	Cash	Dis/Bank	

**Note :**

1. Cash Account will always have Debit Balance.
2. Bank Can have Debit Balance or credit Balance.
3. Discount is nominal Account. It should not be balanced. It should be closed and transferred to Profit and Loss Account. Discount Allowed is an Expenses and Discount Received is an Income.

#### 7.4. Triple Column Cash Book :

As the name indicates it has 3 columns i.e. Cash, Bank and Discount.

Dr.					Cash Account					Cr.	
Date	Receipts	J.F	Cash	Discount	Bank	Date	Payments	J.F	Cash	Discount	Bank

**Note :**

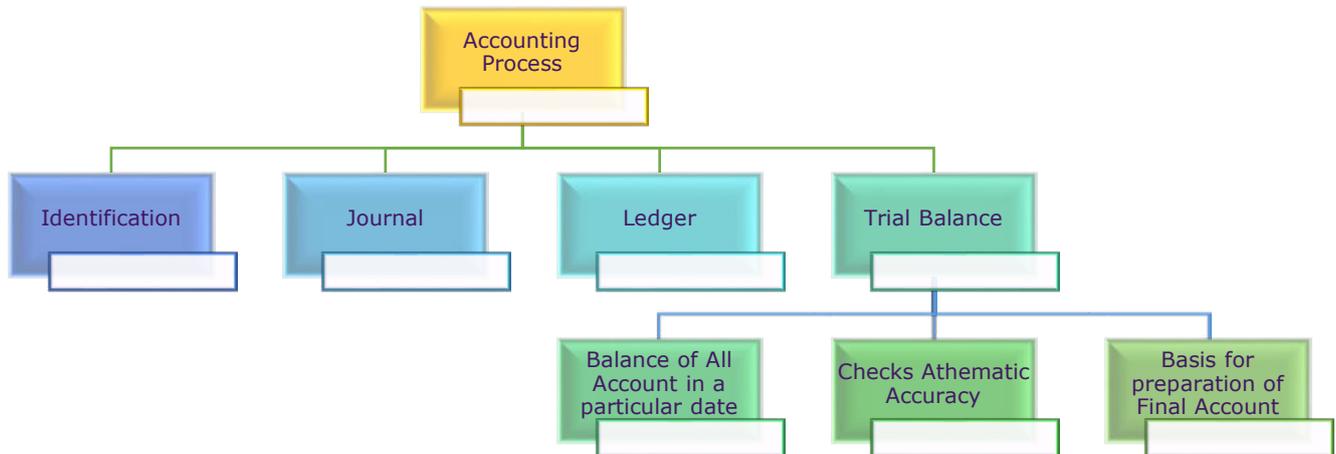
1. Cash Account will always have Debit Balance.
2. Bank Can have Debit Balance or credit Balance.
3. Discount is nominal Account. It should not be balanced. It should be closed and transferred to Profit and Loss Account. Discount Allowed is an Expenses and Discount Received is an Income.

#### 7.5. Petty Cash Book :

In a business house of small payments, such as for telegrams, taxi fare, cartage etc. have to be made. If all these payments are recorded in the cash book, it will become unnecessarily heavy. Also the main cashier will be burdened with work. Therefore it is usual for the firm to appoint a person as "Petty Cashier" who will be entrusted with the task for maintaining this small petty records.

## UNIT – 8 – TRIAL BALANCE

### 8.1. What is Trial Balance ? :



Trial Balance is the statement which contains balance of all accounts as on the particular date. This statement check arithmetical accuracy.

### 8.2 Trial Balance :

#### Trial Balance as at .....

Sr No	Name of the Account	L.F	Dr. (Amount)	Cr. (Amount)

1. Trial Balance is prepared as on a particular date which is mentioned at the top
2. Amount of Accounts showing Dr. balance should be written on Dr. (Amount)
3. Amount of Accounts showing Cr. Balance should be written on Cr. (Amount)
4. The Dr. and Cr. columns should be totaled at the end

### 8.3 Methods of Preparation of Trial Balance :

#### 1. Total Method :

In this method, every ledger Account is totalled and the total amount of both the sides, i.e. Dr side and Cr side is transferred to trial balance. This method does not support preparation of Final Accounts.

#### 2. Balance Method :

In this method only the balance of Account is posted to the Trial Balance. We should not forget

1. Closing Debit - Credit Balance

2. Closing Credit - Debit Balance
3. Opening Debit - Debit Balance
4. Opening Credit - Credit Balance
5. All real Account will show debit balance
6. Debtors will show Debit Balance
7. Creditors will show Credit Balance
8. Expenses will show Debit Balance
9. Incomes will Show Credit Balance

### **3. Total and Balance Method :**

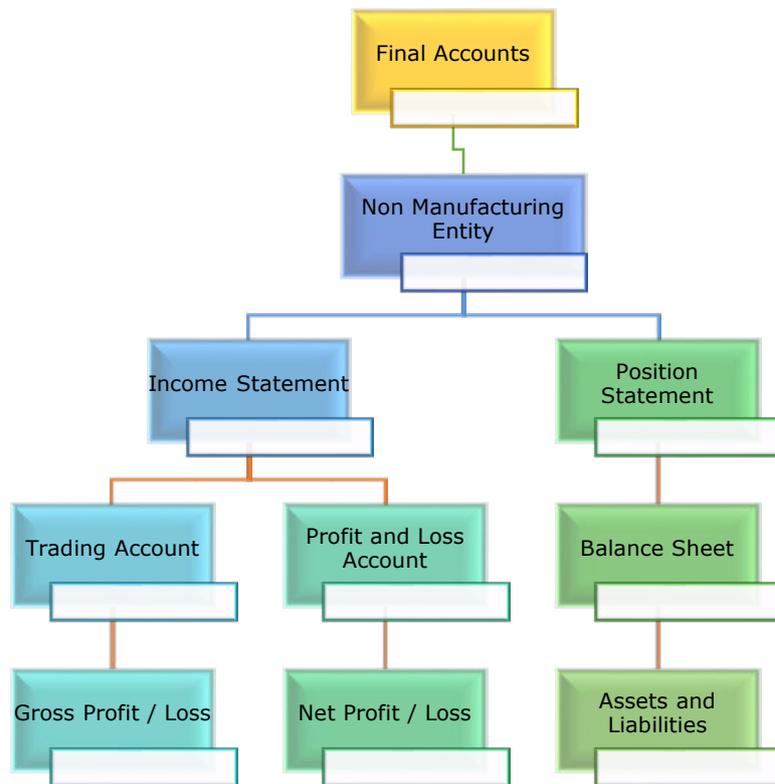
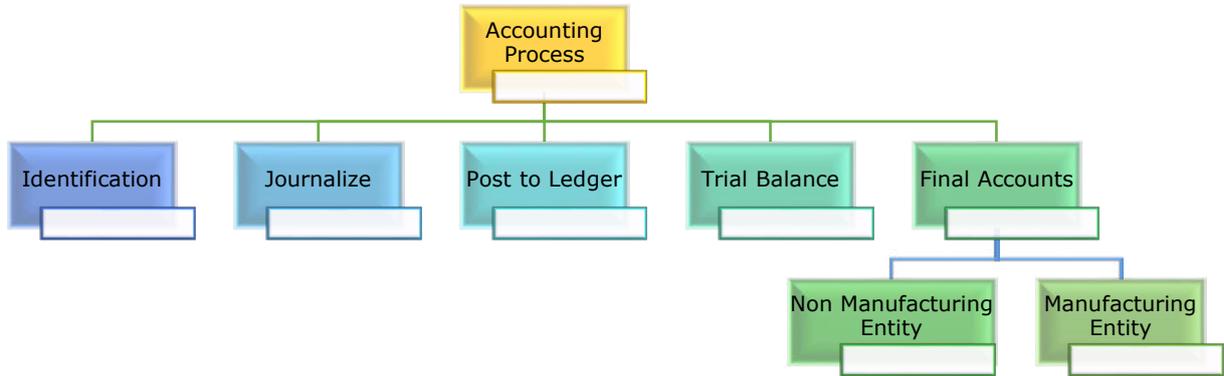
### **4. Adjusted Trial Balance :**

If the trial balance does not agree after transferring the balance of all ledger accounts, it simply means there are some errors, then the trial balance is tallied by transferring the difference to Suspense Account.

Suspense Account is the temporary Account that facilitates the timely preparation of Financial Statements.

## UNIT – 9 – FINAL ACCOUNTS – FOR NON MANUFACTURING ENTITY

### 9.1 Final Accounts? :



### 9.2 Trading Account :

Particulars	Amount (Rs)	Particulars	Amount (Rs)
To Opening Stock	Xxx	By Sales	Xxx
To Purchase	Xxx	By Closing Stock	Xxx

To Wages	Xxx		
To Freight Inward	Xxx		
To Factory Expenses	Xxx		
To Direct Expenses	Xxx		
To Gross Profit	Xxx		
	Xxxx		xxxx

### 9.3 Closing Entries :

Date	Particulars	L.F	Dr (Rs)	Cr (Rs)
31/3	Trading A/c To Opening Stock To Purchase A/c To Carriage Inward A/c To Wages A/c To Direct Expenses A/c	Dr.	-	xxx xxx xxx xxx xxx
31/3	Sales A/c Closing Stock A/c To Trading A/c	Dr. Dr.	-	xxx xxx
31/3	Trading A/c To Profit and Loss A/c (For Gross Profit	Dr.	-	xxx xxx
31/3	Profit and Loss A/c To Trading A/c (For Gross Loss)	Dr.	-	xxx xxx

### 9.4 Profit and Loss Account :

Particulars	Amount (Rs)	Particulars	Amount (Rs)
To Salaries	xxx	By Gross Profit	xxx
To Office Rent, Rates and taxes	xxx	By Discount Allowed	xxx
To Printing and stationery	xxx	By Interest Received	xxx
To Telephone Charges	xxx		
To Postage and telegrams	xxx		
To Insurance	xxx		

To Audit Fees	xxx		
To Legal Charges	xxx		
To Repairs & Renewals	xxx		
To Salaries	xxx		
To Carriage Outward	xxx		
To Bad Debts	xxx		
To Selling Expenses	xxx		
To Discount Allowed	xxx		
	xxxx		xxxx

### 9.5 Closing Entries :

Date	Particulars	L.F	Dr. (Rs.)	Cr. (Rs.)
31/3	Profit & Loss A/c Dr. To Salaries A/c To Advertising A/c To Printing and Stationery A/c To Depreciation A/c To Office Expenses A/c	-	xxx	Xxx Xxx Xxx Xxx xxx
31/3	Discount Received A/c Dr. Interest Received A/c Dr. To Profit & Loss A/c	-	XXX	Xxx Xxx
31/3	Profit & Loss A/c Dr. To Capital A/c (For Net Profit)	-	XXX	XXX Xxx
31/3	Capital A/c Dr. To Profit and Loss A/c (For Net Loss)	-	Xxx	Xxx

### 9.6 Adjustment Entry :

Sr. No.	Adjustment	Effect 1	Effect 2	Journal Entries
1	Closing Stock	Trading A/c Cr	Balance Sheet Asset	Closing Stock A/c Dr      xxx To Trading A/c              xxx

2	Outstanding Expenses	Add to Expenses	Balance sheet Liability	Expense A/c To Outstanding Exp A/c	Dr XXX XXX
3	Prepaid Expenses	Less to Expenses	Balance Sheet Asset	Prepaid Expense A/c To Expense A/c	Dr XXX XXX
4	Outstanding Income	Add to Income	Balance Sheet Asset	Outstanding Income A/c To Income A/c	Dr XXX XXX
5	Pre Received Income	Less to Income	Balance Sheet Liability	Income A/c To Pre Received Income A/c	Dr XXX XXX
6	Depreciation	Less From Asset	Profit and Loss A/c Dr	Depreciation A/c To Assets A/c	Dr XXX XXX
7	Bad Debts	Profit and Loss Dr	Less from Debtors	Bad Debts A/c To Debtors A/c	Dr XXX XXX
8	Provision for Doubtful Debts (RDD)	Profit and Loss Dr	Less from Debtors	Profit & Loss A/c To Pro. For Doubt Debts A/c	Dr XXX XXX
Profit and Loss A/c Dr side			Balance sheet Asset Side		
	Bad Debts (TB)	XXX	Debtors	XXX	
	Add Bad Debts (Adj)	XXX	Less Return	XXX	
	Add RDD (Adj)	XXX		XXX	
		XXX	Less Bad Debts (Adj)	XXX	
	Less RDD (TB)	XXX		XXX	
		XXX	Less RDD (Adj)	XXX	
				XXX	

Sr. No.	Adjustment	Effect 1	Effect 2	Journal Entries
9	Goods Loss by Fire	Trading Account Cr	Profit & Loss Dr	Loss by Fire A/c Dr To Goods Loss by fire A/c
10	Insurance Claim Approved	Balance sheet Asset	Profit & Loss Cr	Insurance Claim A/c Dr To Insurance Claim
11	Interest on Capital	Add to Capital	Profit and Loss Dr	Interest on Capital A/c Dr To Capital A/c
12	Interest on Drawings	Add to Drawings	Profit and Loss Cr	Drawings A/c Dr To Interest on Drawings
13	Goods withdrawn for personal Use	Add to Drawings	Trading Cr (At cost)	Drawings A/c Dr To Goods withdrawn A/c
14.	Goods distributed for personal Use	Profit and Loss A/c Dr	Trading Cr (At cost)	Advertisement A/c Dr To Goods distributed A/c

15.	Provision for Discount on Debtors	Profit and Loss Dr	Less from Debtors	Profit and Loss A/c Dr To Provision for Discount A/c
16	Sale or Return For goods not yet approved	Less from Sales Less from Debtors At selling Price	Add to Closing stock on Trading Cr and Balance sheet Asset at cost price	Debtors A/c Dr To Sales A/c Closing Stock A/c Dr To Trading A/c

## 9.7 Balance Sheet :

Liabilities	Amount (Rs.)	Assets	Amount (Rs.)
Capital		Plant and Machinery	xxx
Less Drawings	xxx	Land and Building	xxx
Bank Loan	xxx	Furniture and Fixture	xxx
Creditors	xxx	Investments	xxx
Outstanding Expenses	xxx	Stock	xxx
Bank Overdraft	xxx	Debtors	xxx
		Cash	xxx
		Prepaid Expenses	xxx
	xxx		xxx

### Illustration 1:

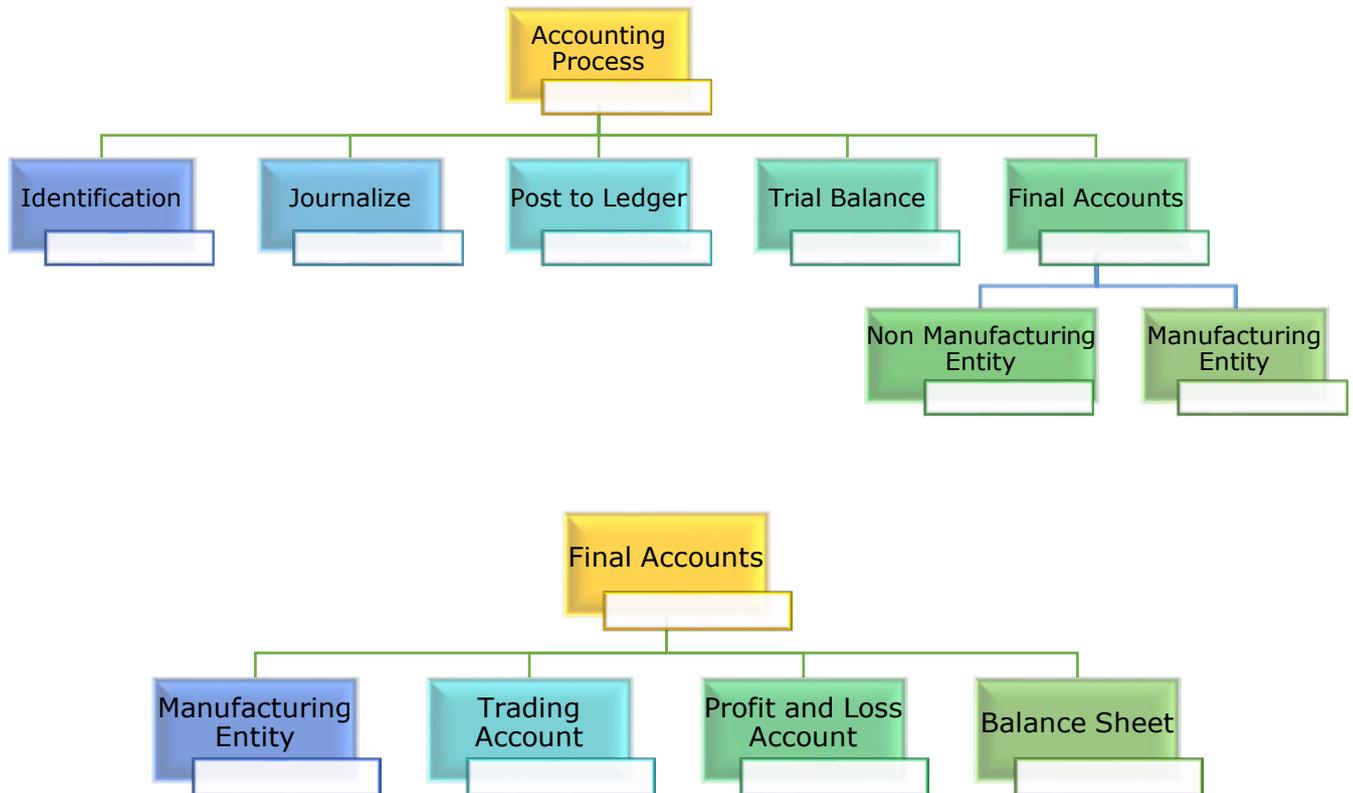
Shri Mittal gives you the following Trial Balance and some other information

Particulars	L.F	Dr.(Rs.)	Cr.(Rs.)
Capital A/c	-	-	8,70,000
Purchase and Sales A/c	-	6,05,000	12,10,000
Opening Inventory	-	72,000	-
Trade Receivable and Trade Payables	-	90,000	1,70,000
14% Bank Loan (taken at year end)	-	-	2,00,000
Overdrafts (taken at year end)	-	-	1,12,000
Salaries	-	2,70,000	-
Advertisements	-	1,10,000	-
Other Expenses	-	60,000	-
Returns	-	40,000	30,000
Furniture	-	4,50,000	-
Building	-	8,90,000	-
Cash in Hand	-	5,000	-
Total	-	25,92,000	25,92,000

Closing Stock on 31/3 was valued at 1,00,000. Prepare Final Accounts.

## UNIT – 10 – FINAL ACCOUNTS – FOR MANUFACTURING ENTITY

### 10.1 Final Accounts? :



1. Manufacturing Accounts shows cost of goods sold
2. Trading Account gives gross Profit or Gross Loss
3. Profit & Loss Account gives Net profit or Net Loss
4. Balance sheet gives financial position

### 10.2 Manufacturing Account :

Particulars	Amount (Rs)	Particulars	Amount (Rs)
To Raw Material Consumed		By Sale of By Product	XXX
Opening Stock	XXX	By Closing Stock of WIP	XXX
Add Purchase	XXX	By Cost of Production	XXX
Less Closing Stock	XXX		
To Opening Work in Progress	XXX		

To Direct Wages	XXX		
To Factory Expenses	XXX		
To Direct Expenses	XXX		
	Xxxx		xxxx

Thanks ....



# Issue of Shares

## 2

### 2.1. Introduction :

Funds provided by the owner(s) into a business are recorded as capital. Capital of the business depends upon the form of business organisation. Proprietor provides capital in a sole-proprietorship business. In case of a partnership, there is more than one proprietor, called partners. Partners introduce capital in a partnership firm. As the maximum number of members in a partnership firm is restricted, therefore only limited capital can be provided in such form of businesses. Moreover, the liability of the proprietor(s) is unlimited in case of non-corporate business, namely, sole-proprietorship and partnership.

With the onset of industrial revolution, requirement of capital investment soared to a new height and the attached risk of failure increased due to pace of technological developments. Non-corporate entities could not cope with the pressure of increased capital and degree of risk involved. This led to the emergence of corporate form of organisation.

### 2.2. Share Capital :

Total capital of the company is divided into a number of small indivisible units of a fixed amount and each such unit is called a share. Share capital of a company is divided into following categories:

1. **Authorised Share Capital or Nominal Capital:** A company estimates its maximum capital requirements. This amount of capital is mentioned in 'Capital Clause' of the 'Memorandum of Association' registered with the Registrar of Companies. It puts a limit on the amount of capital, which a company is authorised to raise during its lifetime and is called 'Authorised Capital'.
2. **Issued Share Capital :** A company need not issue total authorised capital. Whatever portion of the share capital is issued by the company, it is called 'Issued Capital'.  
The remaining portion of the authorised capital which is not issued either in cash or consideration may be termed as 'Un-issued Capital'. It is not shown in the balance sheet.
3. **Subscribed Share Capital :** It is that part of the issued share capital, which is subscribed by the public i.e., applied by the public and allotted by the company. It also includes the face value of shares issued by the company for consideration other than cash.

4. **Called-up Share Capital :** Companies generally receive the issue price of shares in installments. The portion of the issue price of shares which a company has demanded or called from shareholders is known as 'Called-up Capital' and the balance, which the company has decided to demand in future may be referred to as Uncalled Capital.
5. **Paid-up Share Capital :** It is the portion of called up capital which is paid by the shareholders. Whenever a particular amount is called by the company and the shareholder(s) fails to pay the amount fully or partially, it is known as 'unpaid calls' or 'installments (or Calls) in Arrears'.
6. **Reserve Share Capital :** As per Section 65 of the Companies Act, 2013, a Company may decide by passing a resolution that a certain portion of its subscribed uncalled capital shall not be called up except in the event of winding up of the company. Portion of the uncalled capital which a company has decided to call only in case of liquidation of the company is called Reserve Capital.

### **Illustration : 1**

A company had an authorised capital of Rs 10,00,000 divided into 1,00,000 equity shares of Rs 10 each. It decided to issue 60,000 shares for subscription and received applications for 70,000 shares. It allotted 60,000 shares and rejected remaining applications. Upto 31-3 -2020, it has demanded or called Rs 9 per share. All shareholders have duly paid the amount called, except one shareholder, holding 5,000 shares who has paid only Rs 7 per share.

Prepare a balance sheet assuming there are no other details.

### **2.3. Types of Shares :**

Share issued by a company can be divided into following categories

- A. Preference Shares
- B. Equity Shares

#### **A. Preference shares :**

According to Section 43 of the Companies Act, 2013 persons holding preference shares, called preference shareholders, are assured of a preferential dividend at a fixed rate during the life of the company. They also carry a preferential right over other shareholders to be paid first in case of winding up of the company. Thus, they enjoy preferential rights in the matter of :

- a) Payment of Dividend and
- b) Repayment of capital

#### **Types of Preference shares**

- a) Cumulative Preference Shares
- b) Non-cumulative Preference Shares



Second Instalment	- Allotment
Third Instalment	- First Call
Fourth Instalment	- Second Call
Last instalment	- Final call

**Journal Entries :**

1.	On Receipt of Application	Bank A/c	Dr
		To Share Application A/c	
2.	On Transfer (On date of Allotment)	Share Application A/c	Dr
		To Share capital A/c	
3.	On Transfer of Allotment	Share Allotment A/c	Dr
		To Share capital A/c	
4.	On Receipt of Allotment	Bank A/c	Dr
		To Share Allotment A/c	
5.	On making a Call (Transfer)	Share First Call A/c	Dr
		To Share capital A/c	
6.	On Receipt of Call	Bank A/c	Dr
		To Share Call A/c	

**2.5. Subscription of Shares :**

Accounting for issue of shares depends upon the type of subscription. Whenever a company decides to issue shares to public, it invites applications for subscription by issuing a prospectus. It is not necessary that company receives applications for the number of shares to be issued by it. There are three possibilities:

- Full Subscription
- Under Subscription
- Over Subscription

**2.6. Issue of Shares at Discount :**

Shares are regarded to be issued at a discount, if issue is at an amount less than the nominal or par value of shares. The excess of the nominal value over the issue price represents discount on the issue of shares. For example, when a share of the nominal value of Rs 100 is issued at Rs 98, it is said to have been issued at a discount of 2 per cent.

According to Section 53 of the Companies Act, 2013, a Company cannot issue shares at a discount except in the case of issue of sweat equity shares (issued to employees and directors). Thus, any issue of shares at discount shall be void.

**2.7. Shares Issued at Premium :**

When a company issues its securities at a price more than the face value, it is said to be an issue at a premium. Premium is the excess of issue price over face value of the security. It is quite common for the financially strong, and well-managed

companies to issue their shares at a premium, i.e. at an amount more than the nominal or par value of shares. Thus, where a share of the nominal value of Rs 100 is issued at Rs 105, it is said to have been issued at a premium of 5 per cent.

When shares are issued at a premium, the premium amount is credited to a separate account called "Securities Premium Account" because it is not a part of share capital. Rather, it represents a gain of a capital nature to the company.

Being a credit balance, Securities premium Account is shown under the heading, "Reserves and Surplus". However, 'Reserves and Surplus' is shown as 'shareholders' funds in the Balance Sheet as per Schedule III. According to Section 52 of the Companies Act, 2013, Securities Premium Account may be used by the company

- a) Towards issue of un-issued shares of the company to be issued to members of the company as fully paid bonus securities.
- b) To write off preliminary expenses of the company.
- c) To write off the expenses of, or commission paid, or discount allowed on any of the securities or debentures of the company.
- d) To provide for premium on the redemption of redeemable preference shares or debentures of the company.
- e) For the purchase of own shares or other securities.

## 2.8. Over Subscription and Pro-rate Allotment :

Over subscription is the application money received for more than the number of shares offered to the public by a company.

The company may reject some applicants in full, i.e., no shares are allotted to some applicants and application money is refunded. Usually, multiple applications by the same persons are not considered. Allotment may be given to the rest of the applicants in full, i.e., for the number of shares they have applied for. A third alternative is that a company may allot shares to the applicants on pro-rata basis. 'Pro-rata allotment' means allotment in proportion of shares applied for.

For example, a company offers to the public 10,000 shares for subscription. The company receives applications for 12,000 shares. If the shares are to be allotted on pro-rata basis, applicants for 12,000 shares are to be allotted 10,000 shares, i.e., on the 12,000: 10,000 or 6:5 ratio. Any applicant who has applied for 6 shares will be allotted 5 shares.

Under pro-rata allotment, the excess application money received is adjusted against the amount due on allotment or calls. Surplus money after making adjustment against future calls is returned to the applicants.

### **Illustration : 2**

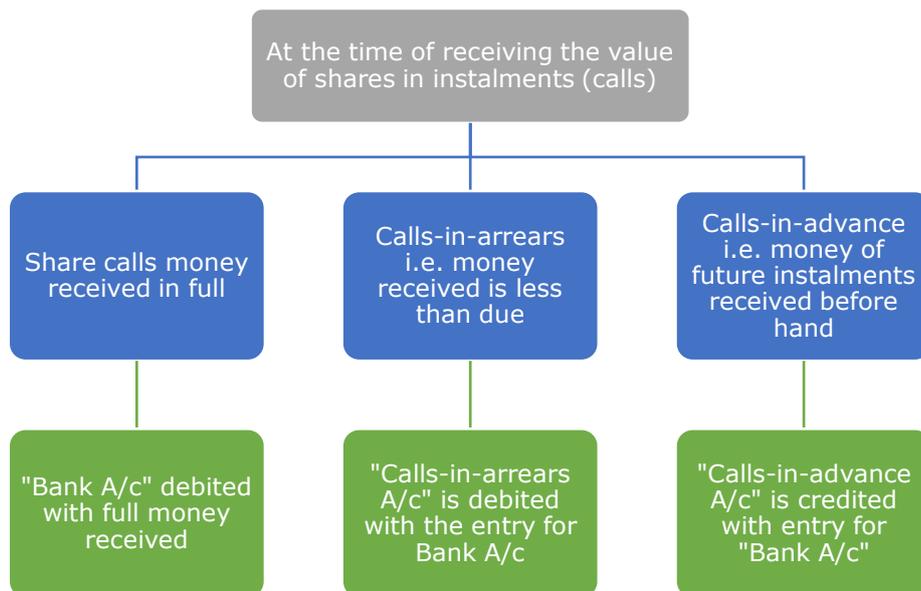
JHP Limited is a company with an authorised share capital of Rs 10,00,000 in equity shares of Rs 10 each, of which 6,00,000 shares had been issued and fully paid on

30th June, 2020. The company proposed to make a further issue of 1,00,000 of these Rs 10 shares at a price of Rs 14 each, the arrangements for payment being:

- a) Rs 2 per share payable on application, to be received by 1st July, 2020;
- b) Allotment to be made on 10th July, 2020 and a further Rs 5 per share (including the premium) to be payable;
- c) The final call for the balance to be made, and the money received by 30th April, 2021. Applications were received for 3,55,000 shares and were dealt with as follows:
  - i) Applicants for 5,000 shares received allotment in full;
  - ii) Applicants for 30,000 shares received an allotment of one share for every two applied for; no money was returned to these applicants, the surplus on application being used to reduce the amount due on allotment;
  - iii) Applicants for 3,20,000 shares received an allotment of one share for every four applied for; the money due on allotment was retained by the company, the excess being returned to the applicants; and
  - iv) the money due on final call was received on the due date.

You are required to record these transactions (including cash items) in the Journal of JHP Limited.

### 2.9. Call in Arrears ad Calls in Advance :



Interest on Calls in Arrears	Interest on Calls in Advance
It is payable by shareholders to company on the calls due but remaining unpaid.	It is payable by the Company to Shareholders on the call money received in advance but not yet due.



money was paid by the shareholders in respect of these shares. Pass Journal Entries for the forfeiture.

### **Illustration : 6**

Mr. Shami has applied for 1,000 shares of Company XYZ Ltd. paying application money @ Rs 2 per share but has been allotted only 600 shares. The shares have a face value of Rs 10 and a premium of Rs 2 per share, which are payable as: on Allotment- Rs 5 (including premium) and on final call Rs 5. Now in case Mr. Shami doesn't pay allotment money and final call and his shares are forfeited, then following entry will be passed on forfeiture

### **2.11. Reissue of Shares :**

A forfeited share is merely a share available to the company for sale and remains vested in the company for that purpose only. Reissue of forfeited shares is not allotment of shares but only a sale.

The share, after forfeiture, in the hands of the company is subject to an obligation to dispose it off. In practice, forfeited shares are disposed off by auction. These shares can be re-issued at any price so long as the total amount received (from the original allottee and the second purchaser) for those shares is not less than the amount in arrear on those shares.

Journal Entries

- |                |                        |    |    |
|----------------|------------------------|----|----|
| 1. On Re-issue | Bank A/c               | Dr |    |
|                | Share Forfeiture A/c   |    | Dr |
|                | To Share Capital A/c   |    |    |
| 2. On transfer | Share Forfeiture A/c   | Dr |    |
|                | To Capital Reserve A/c |    |    |

### **Illustration : 7**

Mr. Long who was the holder of 2,000 preference shares of Rs 100 each, on which Rs 75 per share has been called up could not pay his dues on Allotment and First call each at Rs 25 per share. The Directors forfeited the above shares and reissued 1500 of such shares to Mr. Short at Rs 65 per share paid-up as Rs 75 per share.

Give Journal Entries to record the above forfeiture and re-issue in the books of the company.

### **2.12. Issue of Shares for Consideration other than Cash :**

Public limited companies, generally, issue their shares for cash and use such cash to buy the various types of assets needed in the business. Sometimes, however, a



# Issue of Debentures

## 3

### 3.1. Introduction :

In the earlier units of this chapter, we have studied the issue of share capital as a means of raising funds for financing the business activities. But with increasing and ever growing needs of the corporate expansion and growth, equity source of financing is not sufficient. Hence corporates turn to debt financing through various means. Issuing debt instruments by offering the same for public subscription is one of the sources of financing the business activities. Debt financing does not only helps in reducing the cost of the capital but also helps in designing appropriate capital structure of the company. Debenture is one of the most commonly used debt instrument issued by the company to raise funds for the business.

### 3.2. Meaning :

The most common method of supplementing the capital available to a company is to issue debentures which may either be simple or naked carrying no charge on assets, or mortgage debentures carrying either a fixed or a floating charge on some or all of the assets of the company.

### 3.3. Features of Debentures :

1. It is a document which evidences a loan made to a company.
2. It is a fixed interest-bearing security where interest falls due on specific dates.
3. Interest is payable at a predetermined fixed rate, regardless of the level of profit.
4. The original sum is repaid at a specified future date or it is converted into shares or other debentures.
5. It may or may not create a charge on the assets of a company as security.
6. It can generally be bought or sold through the stock exchange at a price above or below its face value.

### 3.4. Distinction Between Debentures and Shares :

	Debentures	Shares
1	Debenture holders are the creditors of the company.	Shareholders are the owners of the company.

2	Debenture holders have no voting rights and consequently do not pose any threat to the existing control of the company.	Shareholders have voting rights and consequently control the total affairs of the company.
3	Debenture interest is paid at a pre-determined fixed rate. It is payable, whether there is any profit or not. Debentures rank ahead of all types of shares for payment of the interest due on them.	Dividend on equity shares is paid at a variable rate which is vastly affected by the profits of the company (however, dividend on preference shares is paid at a fixed rate).
4	Interest on debentures are the charges against profits and they are deductible as an expense in determining taxable profit of the company.	Dividends are appropriation of profits and these are not deductible in determining taxable profit of the company.
5	There are different kinds of debentures, such as Secured / Unsecured; Redeemable / Irredeemable; Registered / Bearer; Convertible / Non-convertible, etc.	There are only two kinds of shares—Equity Shares and Preference Shares.
6	In the Company's Balance Sheet, Debentures are shown under "Long Term Borrowings".	In the Company's Balance Sheet, shares are shown under "Shareholder's Fund" detailed in 'Share Capital' of Notes to Accounts.
7	Debentures can be converted into other debentures or shares as per the terms of issue of debentures.	Shares cannot be converted into other shares in any circumstances.
8	Debentures cannot be forfeited for non-payment of call moneys.	Shares can be forfeited for non-payment of allotment and call moneys.
9	At maturity, debenture holders get back their money as per the terms and conditions of redemption.	Equity shareholders cannot get back their money before the liquidation of the company (however, preference shareholders can get back their money before liquidation).
10	At the time of liquidation, debenture holders are paid-off before the shareholders.	At the time of liquidation shareholders are paid at last, after paying debenture holders, Trade payable, etc.

### 3.5. Types of Debentures :



### 3.6. Issue of Debentures :

#### Accounting entries for issue of redeemable debentures :

The issue of redeemable debentures can be categorized into the following:

1. Debentures issued at a par and redeemable at par or at a discount;
2. Debentures issued at a discount and redeemable at par or at discount;
3. Debentures issued at premium and redeemable at par or at discount;
4. Debentures issued at par and redeemable at premium;
5. Debentures issued at a discount and redeemable at premium.
6. Debentures issued at premium and redeemable at premium.

**Note:** Redemption at a discount may be a rare circumstance in practical life.

### 3.7. Issue of Debentures in Consideration other than for Cash :

#### ILLUSTRATION : 1

X Company Limited issued 10,000 14% Debentures of the nominal value of Rs.50,00,000 as follows:

- (a) To sundry persons for cash at 90% of nominal value of Rs.25,00,000.
- (b) To a vendor for purchase of fixed assets worth Rs.10,00,000 – Rs.12,50,000 nominal value.
- (c) To the banker as collateral security for a loan of Rs.10,00,000 – Rs.12,50,000 nominal value. Pass necessary Journal Entries.

### 3.8. Treatment of Discount / Loss on Issue of Debentures :

#### ILLUSTRATION : 2

HDC Ltd issues 1,00,000, 12% Debentures of Rs.100 each at Rs.94 on 1st January, 2020. Under the terms of issue, the debentures are redeemable at the end of 5 years from the date of the issue. Calculate the amount of discount to be written-off in each of the 5 years.

#### ILLUSTRATION : 3

HDC Ltd. issues 2,00,000, 12% Debentures of Rs.10 each at Rs.9.40 on 1st January, 2020. Under the terms of issue, 1/5th of the debentures are annually redeemable by

drawings, the first redemption occurring on 31st December, 2020. Calculate the amount of discount to be written-off from 2020 to 2024.

### 3.9. Interest on Debentures :

#### **ILLUSTRATION : 4**

A company issued 12% debentures of the face value of Rs.10,00,000 at 10% discount on 1-1-2017. Debenture interest after deducting tax at source @ 10% was payable on 30th June and 31st of December every year. All the debentures were to be redeemed after the expiry of five year period at 5% premium. Pass journal entries for the accounting year 2020.

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Thanks ....

Study Circle 

# Issue of Bonus & Right

## 4

### 4.1. BONUS ISSUE :

Bonus issue means a issue of free additional shares to existing shareholders.

1. Section 63 of the Companies Act, 2013 deals with the issue of bonus shares. According to Sub-section (1) of Section 63, a company may issue fully paid-up bonus shares to its members, in any manner whatsoever, out of—
  - (i) its free reserves\*;
  - (ii) the securities premium account; or
  - (iii) the capital redemption reserve account: Provided that no issue of bonus shares shall be made by capitalising reserves created by the revaluation of assets.
  
2. As per Section 63(2) of the Companies Act, 2013, bonus shares cannot be issued unless partly paid-up shares are made fully paid-up. Para 39(ii) of Table F under Schedule I to the Companies Act, 2013 allows use of free reserves for paying up amounts unpaid on shares held by existing shareholders.

On a combined reading of both the provisions, it can be said that free reserves may be used for paying up amounts unpaid on shares held by existing shareholders (though securities premium account and capital redemption reserve cannot be used).

### Journal Entries

For Issue of Fully Paid up Bonus shares	For conversion of partly paid shares into fully paid by the way of bonus
(1) Upon the sanction of an issue of bonus shares	(1) Upon the sanction of bonus by converting partly paid shares into fully paid shares
Capital Redemption Reserve A/c      Dr	General Reserve A/c                      Dr
Security Premium A/c                      Dr	Profit and Loss A/c                      Dr
General Reserve A/c                      Dr	To Bonus to shareholders A/c
Profit and Loss A/c                      Dr	
To Bonus to shareholders A/c	
(2) Upon issue of bonus shares	(2) On making the final call due

Bonus to Shareholders A/c To Share capital A/c	Dr	Share Final Call A/c To Share capital A/c	Dr
		(3) On Adjustment of share final Call	
		Bonus to Shareholders A/c To Share Final Call A/c	Dr

**Illustration : 1**

Following is the extract of the Balance Sheet of Solid Ltd. as at 31st March, 20X1:

	Rs.
Authorised capital :	
10,000 12% Preference shares of Rs.10 each	1,00,000
1,00,000 Equity shares of Rs.10 each	10,00,000
	11,00,000
Issued and Subscribed capital:	
8,000 12% Preference shares of Rs.10 each fully paid	80,000
90,000 Equity shares of Rs.10 each, Rs.8 paid up	7,20,000
Reserves and Surplus :	
General reserve	1,60,000
Revaluation reserve	35,000
Securities premium (collected in cash)	20,000
Profit and Loss Account	2,05,000
Secured Loan:	
12% Debentures @ Rs.100 each	5,00,000

On 1st April, 20X1 the Company has made final call @ Rs.2 each on 90,000 equity shares. The call money was received by 20th April, 20X1. Thereafter the company decided to capitalise its reserves by way of bonus at the rate of one share for every four shares held. Show necessary entries in the books of the company and prepare the extract of the Balance Sheet immediately after bonus issue assuming that the company has passed necessary resolution at its general body meeting for increasing the authorised capital.

**4.2. RIGHT ISSUE :**

Rights issue is an issue of rights to a company's existing shareholders that entitles them to buy additional shares directly from the company in proportion to their existing holdings, within a fixed time period. In a rights offering, the subscription price at which each share may be purchased is generally at a discount to the current market price. Rights are often transferable, allowing the holder to sell them in the open market. The difference between the cum-right and ex-right value of the share is the value of the right.

**Example :**

Assume a company makes a right issue of 10,000 shares when its existing issued and subscribed capital is 100,000 shares. This enables any shareholder having 10 shares to subscribe to 1 new share. Hence X, an existing shareholder holding 1,000 shares, may subscribe to 100 shares as a matter of right. The existing share percentage of X was 1% ( $1,000 / 100,000$ ). If X subscribes these shares, his percentage holding in the company will be maintained ( $1,100 / 1,10,000$ ). However, if X does not mind his share % diluting ( $1,000 / 1,10,000$ ), he may renounce the right in favour of any one else, say Y. Hence, these 100 shares will be issued to Y, at the insistence of X. X may charge Y for this privilege, which is technically termed as the value of right.

**Illustration : 2**

A company offers new shares of Rs.100 each at 25% premium to existing shareholders on one for four bases. The cum-right market price of a share is Rs.150. Calculate the value of a right. What should be the ex-right market price of a share?

**4.3. Accounting for Right Issue :**

The accounting treatment of rights share is the same as that of issue of ordinary shares.

---

Thanks ....

Study Circle 

# Redemption of Preference Shares

## 5

### 5.1. METHODS OF REDEMPTION :

It can be concluded that the 'gap' created in the company's capital by the redemption of redeemable preference shares must be filled in by:

- (a) the proceeds of a fresh issue of shares;
- (b) the capitalisation of undistributed profits; or
- (c) a combination of (a) and (b).

### 5.2. ACCOUNTING ENTRIES :

Date	Particulars	L.F.	Dr. (Amount)	Cr. (Amount)
1	Fresh Issue			
	Bank A/c	Dr.	xxx	
	To Share capital A/c			xxx
2	Amount Due Preference shareholders			
	Preference share capital A/c	Dr.	xxx	
	Premium on Redemption A/c	Dr.	xxx	
	To Preference share holders a/c			xxx
3	Payment			
	Preference shareholders A/c	Dr.	xxx	
	To Bank A/c			xxx
4	Write of Premium on Redemption			
	Divisible Profits A/c	Dr.	xxx	
	To Premium on Redemption a/c			xxx
5	Transfer to CRR			
	Divisible Profits A/c	Dr.	xxx	
	To CRR A/c			xxx

### 5.3. Practical Questions :

#### **Illustration : 1**

The following are the extracts from the Balance Sheet of ABC Ltd. as on 31st December, 20X1.

Share capital: 40,000 Equity shares of Rs.10 each fully paid – Rs.4,00,000; 1,000 10% Redeemable preference shares of Rs.100 each fully paid – Rs.1,00,000.

Reserve & Surplus: Capital reserve – Rs.50,000; Securities premium – Rs.50,000; General reserve – Rs.75,000; Profit and Loss Account – Rs.35,000

On 1st January 20X2, the Board of Directors decided to redeem the preference shares at par by utilisation of reserve.

You are required to pass necessary Journal Entries including cash transactions in the books of the company.

#### **Illustration : 2**

C Limited had 3,000, 12% Redeemable Preference Shares of Rs.100 each, fully paid up. The company had to redeem these shares at a premium of 10%.

It was decided by the company to issue the following:

- (i) 25,000 Equity Shares of Rs.10 each at par,
- (ii) 1,000 14% Debentures of Rs.100 each.

The issue was fully subscribed and all amounts were received in full. The payment was duly made. The company had sufficient profits. Show Journal Entries in the books of the company.

#### **Illustration : 3**

The capital structure of a company consists of 20,000 Equity Shares of Rs.10 each fully paid up and 1,000 8% Redeemable Preference Shares of Rs.100 each fully paid up (issued on 1.4.20X1).

Undistributed reserve and surplus stood as: General Reserve Rs.80,000; Profit and Loss Account Rs.20,000; Investment Allowance Reserve out of which Rs.5,000, (not free for distribution as dividend) Rs.10,000; Securities Premium Rs.2,000, Cash at bank amounted to Rs.98,000. Preference shares are to be redeemed at a Premium of 10% and for the purpose of redemption, the directors are empowered to make fresh issue of Equity Shares at par after utilising the undistributed reserve and

surplus, subject to the conditions that a sum of Rs.20,000 shall be retained in general reserve and which should not be utilised.

Pass Journal Entries to give effect to the above arrangements and also show how the relevant items will appear in the Balance Sheet of the company after the redemption carried out.

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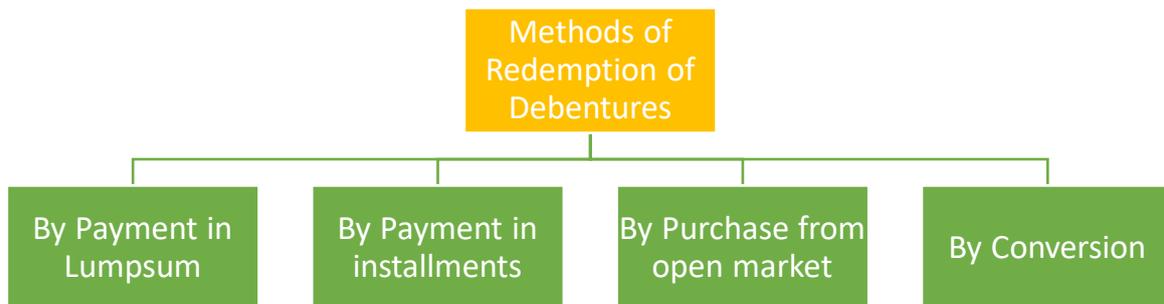
Thanks ....

Study Circle 

# Redemption of Debentures

# 6

## 6.1. REDEMPTION OF DEBENTURES :



### A. Redemption by payment :

Redeemable debentures may be redeemed:

1. after a fixed number of years; or
2. any time after a certain number of years has elapsed since their issue; or
3. on giving a specified notice; or
4. by annual drawing.

A company issuing debentures may be required to create a debenture redemption reserve account out of the profits available for distribution of dividend and amounts credited to such account cannot be utilised by the company except for redemption of debentures. Such an arrangement would ensure that the company will have sufficient liquid funds for the redemption of debentures at the time they fall due for payment.

### Journal Entries

1. For setting aside the fixed amount of profit for redemption

Profit and Loss A/c	Dr.
To Debenture Redemption Reserve A/c	

2. For investing the amount set aside for redemption

- Debenture Redemption Reserve Investment A/c      Dr.  
    To Bank A/c
3. For receipt of interest on Debenture Redemption Reserve Investments
- Bank A/c      Dr.  
    To DRR A/c
4. For encashment of Debenture Redemption Reserve Investments
- Bank A/c      Dr.  
    To Debenture Redemption Reserve Investment A/c
5. For amount due to debenture holders on redemption
- \_% Debenture A/c      Dr.  
    To Debenture holders A/c
6. For payment of Amount due to debenture holders
- Debenture holders A/c      Dr.  
    To Bank A/c
7. After redemption of debentures, DRR should be transferred to general reserve
- DRR A/c      Dr.  
    To General Reserve

**B. Redemption by Conversion :**

1. For amount due to debenture holders on redemption
- \_% Debenture A/c      Dr.  
    To Debenture holders A/c
2. For conversion
- Debenture holders A/c      Dr.  
    To Share Capital A/c

**C. Redemption by purchase in open market :**

1. For immediate cancellation
2. For Future cancellation

1. For cancellation

___% Debentures A/c	Dr.
To Bank A/c	
To Profit on cancellation	

2. For future cancellation

- (a) For purchase of Own debenture

Own Debenture A/c	Dr.
Interest Own Debenture A/c	Dr.
To Bank A/c	

- (b) For sale of Own debenture

Bank A/c	Dr.
To Own Debenture A/c	
To Interest on own debenture A/c	

- (c) Cancellation of Own Debenture

___% Debenture A/c	Dr.
To Own Debenture A/c	

- (d) Interest on Debenture

Debenture Interest A/c	Dr.
To Interest on own Debenture A/c	
To Bank A/c	

**Note :**

1. The profit on sale of own debenture should be transfer to P & L.
2. The gain on cancellation of own debenture should be credited to P & L.

## 6.2. Practical Questions :

### Illustration : 1

On January 1, Rama Ltd. (listed company), had 500 Debentures of Rs.100 each outstanding in its books carrying interest at 6% per annum. In accordance with the regulatory requirements, the directors of the company acquired debentures from the open market for immediate cancellation as follows:

March 1	Rs.5,000 at Rs.98.00 (cum interest)
Aug. 1	Rs.10,000 at Rs.100.25 (cum interest)
Dec. 15	Rs.2,500 at Rs.98.50 (ex-interest)

Debenture interest is payable half-yearly, on 30th June and 31st Dec.

Show ledger accounts of Debentures and Debenture interest for the first year, ignoring income-tax.

### Illustration : 2

The following balances appeared in the books of a company (unlisted company other than AIFI, Banking company, NBFC and HFC) as on December 31, 20X1: 6% Mortgage 10,000 debentures of Rs.100 each; Debenture Redemption Reserve (for redemption of debentures) Rs.50,000; Investments in deposits with a scheduled bank, free from any charge or lien Rs.1,50,000 at interest 4% p.a. receivable on 31st December every year. Bank balance with the company is Rs.9,00,000.

The Interest on debentures had been paid up to December 31, 20X1.

On February 28, 20X2, the investments were realised at par and the debentures were paid off at 101, together with accrued interest.

Write up the concerned ledger accounts (excluding bank transactions). Ignore taxation.

### Illustration : 3

The summarised Balance Sheet of Convertible Limited (unlisted company other than AIFI, Banking company, NBFC and HFC), as on 30th June, 20X1, stood as follows:

<b>Liabilities</b>	<b>Rs.</b>
Share Capital: 5,00,000 equity shares of Rs.10 each fully paid	50,00,000
General Reserve	90,00,000
Profit And loss A/c	10,00,000
Debenture Redemption Reserve	10,00,000
13.5% Convertible Debentures, 1,00,000 Debentures of Rs.100 each	1,00,00,000
Other loans	65,00,000
Current Liabilities and Provisions	<u>1,25,00,000</u>
	<u>4,50,00,000</u>

**Assets :**

Fixed Assets (at cost less depreciation)	1,60,00,000
Debenture Redemption Reserve Investments	15,00,000
Cash and bank Balances	75,00,000
Other Current Assets	<u>2,00,00,000</u>
	<u>4,50,00,000</u>

The debentures are due for redemption on 1st July, 20X1. The terms of issue of debentures provided that they were redeemable at a premium of 5% and also conferred option to the debenture holders to convert 20% of their holdings into equity shares at a predetermined price of Rs.15.75 per share and the payment in cash.

Assuming that:

- (i) except for 100 debenture holders holding totally 25,000 debentures, the rest of them exercised the option for maximum conversion.
- (ii) the investments were realised at par on sale; and
- (iii) all the transactions are put through, without any lag, on 1st July, 20X1.

Redraft the balance sheet of the company as on 1st July, 20X1 after giving effect to the redemption. Show your calculations in respect of the number of equity shares to be allotted and the necessary cash payment.

Thanks ....



# Employee Stock Option Plan

## 7

### 7.1. Practical Problems :

#### **Illustration : 1**

ABC Ltd. grants 1,000 employees stock options on 1.4.20X0 at Rs. 40, when the market price is Rs. 160. The fair value of options, calculated using an option pricing model, is Rs. 120 per option. The vesting period is 2½ years and the maximum exercise period is one year. 300 unvested options lapse on 1.5.20X2. 600 options are exercised on 30.6.20X3. 100 vested options lapse at the end of the exercise period.

Pass Journal Entries giving suitable narrations.

#### **Illustration : 2**

P Ltd. granted option for 8,000 equity shares of nominal value of Rs. 10 on 1st October, 20X0 at Rs. 80 when the market price was Rs. 170. Fair value per option is Rs. 90. The vesting period is 4½ years, 4,000 unvested options lapsed on 1st December, 20X2, 3,000 options were exercised on 30th September, 20X5 and 1,000 vested options lapsed at the end of the exercise period. Pass Journal Entries for above transactions.

Thanks ....

Study Circle

# Buy Back of Shares

## 8

### 8.1. Provisions of Buy Back :

1. all the shares or other specified securities for buy-back are fully paid-up
2. The Companies Act, 2013 under Section 68 (1) permits companies to buy-back their own shares and other specified securities out of:
  - (i) its free reserves; or
  - (ii) the securities premium account; or
  - (iii) the proceeds of the issue of any shares or other specified securities.
3. Section 69 (1) states that where a company purchases its own shares out of the free reserves or securities premium account, a sum equal to the nominal value of shares so purchased shall be transferred to the Capital Redemption Reserve Account and details of such account shall be disclosed in the Balance Sheet.
4. Premium (excess of buy-back price over the par value) paid on buy-back should be adjusted against free reserves and/or securities premium account. Revaluation reserve represents unrealized profit and hence it cannot be used for buy-back of securities.
5. **Share Outstanding Test** : The buy-back of shares in any financial year must not exceed 25% of its existing number
6. **Resource Test** : The buy-back must be equal or less than twenty-five per cent of the total paid-up capital and free reserves of the company.
7. **Debt-Equity Ratio Test** : The ratio of the debt owed by the company (both secured and unsecured) after such buy-back is not more than twice the total of its paid-up capital and its free reserves.

### 8.2. Practical Problem :

#### Illustration : 1

M Ltd. furnishes the following Balance Sheet as at 31st March, 20X1:

Particulars	Notes	Rs (000's)
Equity and Liabilities		
1. Shareholders' funds		
A. Share capital	1	5,000
B. Reserves and Surplus	2	6,310
2. Non Current Liabilities		
A. Long Term Borrowings	3	400

3. Current Liabilities		
A. Trade Payables		40
Total		11,750
Assets		
1. Non Current Asset		
A. Property Plant and Equipment	4	2,750
B. Non Current Investments		5,000
2. Current Assets		
A. Inventories		1,000
B. Trade Receivables		2,000
C. Cash and Cash Equivalents		1,000
Total		11,750

**Notes to Accounts :**

Sr No.	Particulars	Rs in (000's)
1.	Share Capital Authorized, Issued and Subscribed Capital: 3,00,000 Equity shares of Rs 10 each fully paid up 20,000 9% Preference Shares of 100 each Total	3,000 <u>2,000</u> 5,000
2.	Reserves and Surplus Capital Reserve Revenue reserve Securities premium Profit and Loss account Total	10 4,000 500 <u>1,800</u> 6,310
3.	Long term borrowings 10% Debentures	400
4.	Property, Plant and Equipment (PPE) PPE: Cost Less: Provision for depreciation Net carrying value	3,000 <u>(250)</u> 2,750

The company passed a resolution to buy-back 20% of its equity capital @ Rs 15 per share. For this purpose, it sold its investments of Rs 30 lakhs for Rs 25 lakhs. You are required to pass necessary Journal entries.

Thanks ....

# Consolidated Financial Statements

## 9

### 9.1. Practical Problems :

#### Illustration : 1

Balance sheets of H Ltd. and S Ltd. as at 31st March, 2018 are given below:

Liabilities	H Ltd	S Ltd
	Rs.	Rs.
Share capital of Rs 10 each, fully paid	5,00,000	2,00,000
General reserves	1,00,000	50,000
Profit and loss account	60,000	35,000
Creditors	80,000	60,000
	<b>7,40,000</b>	<b>3,45,000</b>
Assets	H Ltd.	S Ltd.
	Rs.	Rs.
Fixed assets	3,00,000	1,00,000
60% shares in S Ltd., at cost	1,62,400	-
Current assets	2,77,600	2,39,000
Preliminary expenses	-	6,000
	<b>7,40,000</b>	<b>3,45,000</b>

- H Ltd. acquired the shares on 1st April, 2017 and on that date general reserve and profit and loss account of S Ltd. showed balances of Rs 40,000 and 8,000 respectively. Prepare a consolidated balance sheet of H Ltd. and its subsidiary S Ltd. as on 31st March, 2006
- S Ltd. sold goods worth Rs. 10,000 to H Ltd. for Rs. 12,000. Goods are still in stock of H Ltd.
- Debtors of H Ltd. includes Rs. 12,000 from S Ltd, however creditors of S Ltd, include Rs. 10,000 to H Ltd.

#### Illustration : 2

Following are the balance sheets of H Ltd. and its subsidiary S. Ltd. as at 31st March, 2017:

Liabilities	H Ltd	S Ltd
	Rs	Rs
Equity share capital:		

Share of Rs 10 each fully paid	6,00,000	2,00,000
General reserves	3,40,000	80,000
Profit and loss account	1,00,000	60,000
creditors	70,000	35,000
	<b>11,10,000</b>	<b>3,75,000</b>
<b>Assets</b>	<b>Rs.</b>	<b>Rs.</b>
Plant and Machinery	3,90,000	1,35,000
Furniture's	80,000	40,000
80% shares in S Ltd. (at cost)	3,40,000	-
Stock	1,80,000	1,20,000
Debtors	50,000	30,000
Cash at bank	70,000	50,000
	<b>11,10,000</b>	<b>3,75,000</b>

**Additional information :**

1. Profit and loss account of S Ltd stood at Rs 30,000 on 1st April, 2016 whereas general reserve stood at Rs 80,000 even on this date.
2. H Ltd. acquired 80% shares in S. Ltd. on 1st April 2016.
3. S Ltd's plant and machinery which stood at Rs 1,50,000 on 1st April 2016 was considered worth Rs 1,80,000, this figure is to be considered while consolidating the balance sheets.

**You are required to:**

Prepare the consolidated balance sheet as at 31st March, 2017.

Thanks ....



# Underwriting of Shares

# 10

## 10.1. Introduction :

Underwriting is an agreement, with or without conditions, to subscribe to the securities of a body corporate when existing shareholders of the corporate or the public do not subscribe to the securities offered to them. When a company goes in for an Initial Public Offer (IPO), it may face certain uncertainty about whether its Offer of shares or other securities will be subscribed in full or not. If the public issue does not get fully subscribed, the project for which the funds are being raised cannot be implemented. As per law, it is required that if the company is not able to collect 90% of the offer amount, then it needs to compulsorily return the money to those who have subscribed to the shares.

To avoid the risk of under subscription companies may seek the help of a specialized group of risk redeemers called underwriters. The function of the underwriters is to arrange subscription of floated shares. If the whole or a certain portion of the shares or debentures of the company are not applied for by the public, the underwriters themselves apply or persuade others to apply for those shares or debentures. The underwriters, as risk takers, and are entitled to get commission at prescribed rates.

## 10.2. Underwriting Agreement :

An underwriting agreement is a contract between a group of investment bankers who form an underwriting group or syndicate and the issuing corporation of a new securities issue. The purpose of the underwriting agreement is to ensure that all of the players understand their responsibility in the process, thus minimizing potential conflict. The underwriting agreement is also called an underwriting contract.

## 10.3. Underwriting Commission :

It may be paid in cash or in fully paid up shares or debentures or a combination of all these. It is paid on the issue price of the shares or debentures so underwritten. The commission paid or agreed to be paid does not exceed in the case of shares, five per cent of the price at which the shares are issued or the amount or rate authorized by the articles, whichever is less, and in the case of debentures, two and a half per cent of the price at which the debentures are issued or the amount or rate authorized by the articles, whichever is less.

## 10.4. Full and Partial Underwriting :

When the whole issue is underwritten by the underwriter(s) it is called full underwriting. When a part (say 75%) of the whole issue is underwritten by the underwriter(s) it is called partial underwriting. In this case the company is treated as having underwritten the balance of shares

**10.5. Terms to Remember :****A. Firm Underwriting :**

In the case of 'firm underwriting', the underwriters take up the agreed number of shares or debentures to be 'firm underwritten' in addition to unsubscribed shares or debentures, if any. In such an instance an underwriter is not allowed to set off his firm underwriting against his liability otherwise determined, he will then have to subscribe for both shares/debentures 'underwritten firm' and for shares which he has to take under the underwriting contract, ignoring firm underwriting.

**B. Marked Application :**

"Marked Applications" are the ones bearing stamp of respective underwriters

**C. Unmarked Application :**

The applications received directly by the company, and which do not bear the stamp of underwriters are known as "Unmarked Applications".

**10.6. Practical Questions :****Illustration : 1**

Emess Ltd. issued 40,000 shares which were underwritten. P: 24,000 shares Q: 10,000 shares and R: 6,000 shares. The underwriters made applications for firm underwriting as under: P: 3,200 shares; Q: 1,200 shares; and R: 4,000 shares. The total subscriptions excluding firm underwriting (including marked applications) were 20,000 shares. The marked applications were - P: 4,000 shares; Q: 8,000 shares; and R: 2,000 shares Prepare a statement showing the net liability of underwriters

**Illustration : 2**

Sam Limited invited applications from public for 1,00,000 equity shares of Rs 10 each on a premium of X 5 per share. The entire issue was underwritten by the underwriters Anita, Babita, Chavi and David to the extent of 30%, 30%, 20% and 20% respectively with the provision of firm underwriting of 3,000, 2,000, 1,000 and 1,000 shares respectively. The underwriters were entitled to the maximum commission permitted by law. The company received applications for 70,000 shares from public out of which applications for 19,000, 10,000; 21,000 and 8,000 shares were marked in favour of Anita, Babita, Chavi and David respectively.

Calculate the liability of each one of the underwriters. Also ascertain the underwriting commission @ 2.5% payable to the different underwriters.

Thanks ....

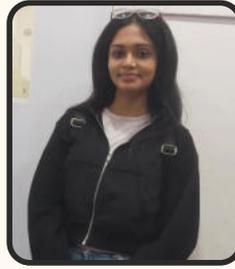
# Our Rankers



**Pulak Bansal**



**Sidra Khan**



**Albiya Shaikh**



**Khushi Dubey**



**Kushal Todi**



**Richa Chokhani**



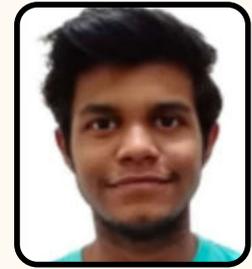
**Isha Shah**



**Kartiki Tulaskar**



**Mansi Rawat**



**Deep Patel**



**Aditya Dakh**



**Aditi Menon**



**Femi Jain**



**Ibrat Khan**



**Rahul Lakhwani**



**Kausha Sheth**



**Kimaya Sonawdekar**



**Suyash Kasat**



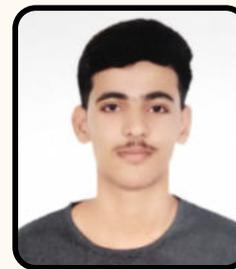
**Siddharth Nair**



**Anjali Vishwakarma**



**Kedar More**



**Raj Singh**



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