

Redemption of Debenture-8

1	<p>Rohit Ltd. has a balance of Rs 3000000 at the credit of its profit and loss account. Instead of declaring a dividend, it is resolved to utilize the profits to repay its 10% debentures of Rs 2200000 redeemable at 10% premium. pass journal.</p> <p>OR</p> <p>Alpha Ltd had a balance of Rs 6000000 in its profit and loss account. Instead of declaring dividend it is decided to redeemed its Rs 4000000, 8% debentures at 10% premium. Pass journal.</p> <p>Pass journal in the following cases:</p>	3
2	<p>Z Ltd redeem its Rs 40000, 9% debentures of Rs 20 at 10% premium out of profits. on the date DRR account shows a balance of Rs 360000. pass journal.</p> <p>OR</p> <p>On 01-07-2013 Zee Ltd. redeemed its 9% debentures of Rs 400000 at 10% premium. On the date Debenture Redemption reserve shows a credit balance of Rs 30000. Pass journal.</p> <p>OR</p> <p>X Ltd has 80000, 8% debentures of Rs 100 each due for redemption on march 31st 2014. Assume that debentures redemption reserve has a balance of Rs 1200000 on that date. Record the necessary journal on redemption.</p>	3
3	<p>Shiva chemicals ltd. Issued 40000, 12% debentures of Rs 100. It was decided to redeemed these debentures after the expiry of 3 years out of profits at 10% premium .Pass necessary journal on the redemption of debenture.</p> <p>Z Ltd redeem its Rs 40000, 9% debentures of Rs 20 at 10% premium out of profits. on the date DRR account shows a balance of Rs 360000. pass journal.</p>	3
1	<p>Z Ltd. Issued Rs 2000000, 8% debentures on 01-04-2001 at a premium of 5%. On 31-03-2006 out of these Rs 1200000, 8% debentures were redeemed by converting them into equity shares of Rs 100 each issued at par and Rs 600000, 9% debentures were converted into 10% preference shares of Rs 100 each issued at premium of 20%. Pass journal for the redemption of debentures.</p> <p>Z Ltd. Issued Rs 2000000, 9% debentures on 01-04-2001 at a premium of 5%. On 31-03-2006 out of these Rs 1000000, 9% debentures were redeemed by Converting them into equity shares of Rs 20 each issued @ Rs 25. Pass journal.</p> <p>OR</p> <p>Pass journal in the following cases:</p>	3
2	<p>Y Ltd redeemed 18000, 9% debentures of Rs 50 each (issued @55 each), by converting them into equity shares of Rs 10 each issue @ Rs 9 each share.</p>	3
1	<p>Z Ltd. Issued 20000, 9% debentures of Rs 100 each on 01-04-2001 at a premium of 5%. On 31-03-2006 out of these Rs 12000, 9% debentures were redeemed by purchasing in an open market @ Rs 92 each for investment purpose. Later on the above investment were sold @ Rs 102 each. Pass journal.</p> <p>On 1-04-2009 Rohan Ltd had made an issue of 3000, 9% debentures of Rs 1000 each issued at par. The company during the year 2013-14 purchased 1500 of these debentures in an open market for its cancellation. The company paid Rs 980 each debentures for 600 debentures and Rs 975 each debentures for the rest. Pass journal for 2013-14 assuming that expenses on purchase amounted to Rs 1000.</p>	3
2	<p>Shivam chemicals ltd. Issued 40000, 12% debentures of Rs 100. It was decided to purchase 14000 debentures for Rs 93 each for the purpose of investment. After sometime these debentures were sold @ Rs 120 each in the open market. Pass necessary journal on the redemption of debentures.</p>	3
3	<p style="text-align: center;">OR</p> <p>Z Ltd. Issued Rs 2000000, 9% debentures on 01-04-2001 at a premium of 5%. On 31-03-2006 out of these Rs 1000000, 9% debentures were redeemed by purchase it in open market at 96% for immediate its cancellation. Pass journal for the redemption of debentures.</p>	3
	<p>On 1-01-14 DD Ltd. had Rs 800000, 9% Debentures due for redemption on 31-03-2015. Pass journal entries for redemption of debentures assuming that redemption was carried out of profits and the company invested 15% of the debentures due for redemption in the PNB. The Investment were encashed to make payment to the debenture holders.</p> <p>OR</p> <p>JJ Ltd. issued 50000, 8% debentures of Rs 20 each on 1-10-2013 redeemable at premium of 5% as under: on 31-03-2015 20000 Debentures. on 31-03-2016 20000 Debentures. On 31-03-2017 10000 Debentures.</p> <p>It was decided to transfer the minimum required amount to Debentures redemption reserve in two annual equal instalments starting from 31-03-2014. It was decided to invest 15% of the face value of the debentures to be redeemed towards Debentures redemption investment for providing liquidity for the redemption.</p>	6

Pass necessary journal entries for the issue of redemption of debentures. Ignore Interest on debentures.

OR

JJ Ltd. issued 50000, 8% debentures of Rs 20 each on 1-10-2013 redeemable at premium of 5% as under:

on 31-03-2015 20000 Debentures.

on 31-03-2016 20000 Debentures.

On 31-03-2017 10000 Debentures.

It was decided to transfer the minimum required amount to Debentures redemption reserve in two annual equal instalments starting from 31-03-2014. It was decided to invest 15% of the face value of the debentures to be redeemed towards Debentures redemption investment for providing liquidity for the redemption.

Prepare Debentures Account.