

Q2.

Sh capital (Rs 100) Dr 1000000  
 1) to sh. capital (Rs 10) 1000000

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2) Sh. capital Dr 30000  
 to Sh. Surrender 30000

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3) No entry.

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4) [ Sh. surrender Dr 100000  
 to 12% Pref Sh. Cap 100000

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[ deb<sup>n</sup> Dr 150000  
 Intt on deb<sup>n</sup> Dr 18000  
 to Rec 168000

5) Crs Dr 36000  
 12% Pref. to Rec 36000.

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36 Sh. Surre Dr. 36000  
 to Sh. capital 36000.

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Crs Dr 36000  
 to Rec 36000

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6) Rec Dr 100000  
 to factory 100000.  
 (Pure)

7) Rec Dr 36000  
 Prov for tax Dr 24000.  
 to Bank 60000.

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8) Rec Dr 15000  
 to Bank 15000

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9) WCF Dr 3000  
 to Rec 3000

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Bank Dr 3300  
 to Rec 300  
 to WCF Invt 3000

10) 10000 → 48 20000 x 3  
 → w/o. (4000)

Rec Dr 40000  
 to P&L 40000

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11) Rec Dr 44400.  
 to Stock 32000  
 to Drs. 12400

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12) o/s Exp Dr 4000  
 to Rec 4000

14). Rec Dr           7000  
       to Bank           7000

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Bank Dr       6500  
       to Rec       6500

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$$30000 - 10000 - 3600 = 16400$$

Sh. Surrender Dr   164000  
       to Reconstruction   164000

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### Reconstruction a/c

<p>To Factory (Pune) 100000</p> <p>Bank (tax) 36000</p> <p>Bank (penalty) 15000.</p> <p>P&amp;L 40000</p> <p>Stock 32000</p> <p>DOS 12400</p> <p>Bank 7000</p> <p>Factory (Mumbai) 35080</p> <p>Capital Reserve <u>140320</u></p>		<p>By deb<sup>n</sup> 150000</p> <p>Intl on deb<sup>n</sup> 18000.</p> <p>CRS. 72000</p> <p>WCF 3000</p> <p>Bank (Intt) 300.</p> <p>OpS Expense 4000.</p> <p>Bank 6500</p> <p>Sh. Surrender 164000</p>	
		<p><u>175400</u></p>	

# Balance Sheet

of ~~Bima~~ & ~~restated~~.  
as on .....

## Shareholder fund

Equity Sh. cap (Rs 10 each) 736000  
~~100000~~ ← ~~300000~~ + 36000

12% Preference S Capital 100000  
 Capital Reserve 140320  
 WCFund 27000  
 P&L (60000)

NonCL 12% deb<sup>n</sup> 200-150 50000

CL Int on deb<sup>n</sup> 6000  
 O/S Exp 12-4 8000

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Non CA

Factory Pune  
Mumbai

300000  
214920

← 250000 - 35080

WCF Investment

27000

← 30000 - 3000

CA

Stock 320 - 32  
Debtors 62000 - 12400

288000  
49600

S. Assets 100000 - 0

100000

Cash & Bk

27800.

100000  
- 60000  
- 15000  
+ 3300  
- 7000  
+ 6500



Q4

$$\frac{2}{3} \text{ capital} = \text{loss}^{\text{including}} \text{ g/w - cr} .$$

$$\text{let loss (incl. g/w - cr)} = x$$

$$\frac{2}{3} \text{ capital} = x$$

$$\text{Capital} = \frac{3}{2} x = 1.5x .$$

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~~g/w - cr~~  
 loss

$$\text{Asset} = \text{Liab} + \text{Capital.}$$

$$130000 + 45000 + x = 60000 + 45000 + 1.5x.$$

$$90000 = 0.5x$$

$$180000 = x$$

$$\text{Capital} = 1.5x = 270000 \left\{ \begin{array}{l} \text{Equity} \quad 1620000 \\ \quad 3:2 \\ \text{Pref Sh.} \quad 1080000 \end{array} \right.$$

$$\text{Loss} + \text{G/W} - \text{CR} = x$$

$$\text{Loss} + 20000 - 10000 = 180000$$

$$\text{Loss} = 170000$$



BTS

Eq Sh. cap	1620000
Prof Sh. Cap	1080000
CR	1000000
Loan	800000
CL	450000

GIW	200000 ✓
FA	150000
CA	450000
P&L	170000 ✓

Rec Dr 200000  
 to FA 150000  
 to CA 50000

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Sh. Capital (Rs 10) Dr 1620000  
 to Sh. cap (Rs 10) 1620000  
 to Rec 1458000

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$$\frac{1080000}{100} = 10800 \times \frac{3}{1} \times 10$$

$$= 324000$$

14% Pref Sh. cap Dr 1080000  
 to 16% Pref Sh cap 324000  
 to Rec 756000

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$$14\% 1080000 \times 4 = \text{dividend in arrears}$$

$$604800 =$$

$$\text{Cash} = \frac{1}{5} \times 604800 = 120960$$


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Rec Dr 120960  
 to Bank 120960

$$16200 \times \frac{1}{1} \times 10 = 162000$$

Bank Dr 162000  
 to Eqsh. capital 162000

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Rec Dr 190000  
 to G/w 20000  
 to P&L 170000

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CR Dr 100000  
 to Rec 100000

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Rec	
FA 150000	Sh. cap 1458000
CA 50000	Prof cap 756000
Bank 120960	CR 100000
G/w 200000	
P&L 170000	
CR 93040	

63.