

SEM : ACCOUNTANCY (Amalgamation, Internal Reconstruction).  
Problem on Internal Reconstruction

Sub.: Corporate Accounting  
SYBCom 'B' Sem: IV

St. Mira's College for Girls  
SET 'B'

Date: 9/03/20  
Flexi 2  
Roll No. 3819

- Q1. Pass Journal entries for the following: [10 Marks]
- Equity shareholders worth ₹ 10,00,000 agreed to forgo their claims by 75%.
  - All value less items written off with Reconstruction Account of ₹ 1,52,000. On the date of reconstruction, Preliminary expenses amounted to ₹ 12,500 and P&L debit balance amounted to ₹ 1,35,000.
  - A provision for bad debts to extent of ₹ 15,000 need to be created on Debtors worth ₹ 55,000.
  - Stock equal to ₹ 4,50,000 in book value will be taken over by trade payables (₹ 5,00,000) in full settlements of their dues.

Particulars	08/12 Dr	L.F	Debit Amt	Credit Amt
1. Equity shared A/c TO Equity shared A/c TO Reconstruction A/c (Being Equity shares agreed to forgo their claim by 75%.)			10,00,000	250,000 7,50,000

*Deepika*

(Deepika Magar)

Subject Teacher



*Jh*  
Principal Incharge  
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