



परमाणु ऊर्जा शिक्षण संस्था

(परमाणु ऊर्जा विभाग का स्वायत्त निकाय, भारत सरकार)

ATOMIC ENERGY EDUCATION SOCIETY

(An autonomous body under Department of Atomic Energy, Govt. of India)

Handout

Subject – Accountancy

Class - XII

Chapter - Accounting for share capital (Module 3/4)

This module covers the following topics-

This module covers the basic accounting treatment of following concepts –

Accounting entries for issue of shares for cash when the issue is over subscribed.

Journal entries for ‘Calls in arrear’ and concept of forfeiture of shares.

It may happen that some shareholders fail to pay one or more instalments, viz. allotment money and/or call money. In such circumstances, the company can forfeit their shares, i.e. cancel their allotment and treat the amount already received thereon as forfeited to the company within the framework of the provisions in its articles. These provisions are usually based on Table F which authorise the directors to forfeit the shares for non-payment of calls made. For this purpose, they have to strictly follow the procedure laid down in this regard.

Entries for forfeiture of shares which were issued at par.

Entries for forfeiture of shares which were issued at premium.