

Accounting Treatment of issue of Shares other than Sweat equity shares and ESOP and ESPS Shares

Part-I Issue of Shares for Cash at par

Situation 1- Issue of shares for Cash at par and receipt of money in lump sum

> On receipt of application money

Bank A/CDR
To Share Application A/C

> On allotment of shares

Share Application A/CDR
To Share Capital A/C

Situation 2 Issue of share for cash at par and receipt of money instalments

> On receipt of application money

Bank A/CDr
To Share Application A/C

> On allotments of shares

Share Application A/C.....Dr
To Share Capital A/C

> On making the allotment money due

Share Allotment A/CDr
To Share Capital A/C

> On receipt of allotment money

Bank A/CDr
To Share Allotment A/C

> On making first call due

Share First Call A/CDr
To Share Capital A/C

> On the receipt of first call money

Bank A/CDr
To Share First Call A/C

> On making the second and final call money due

Share Second and Final Call A/CDr
To Share Capital A/C

> On the receipt of second and final call money

Bank A/CDr
To Share Second and Final Call A/C

Part-II Issue of Shares for Cash at premium

Situation 1- Issue of shares for Cash at premium and receipt of money in lump sum

> On receipt of application money

Bank A/CDR
To Share Application A/C

> On allotment of shares

Share Application A/CDR
To Share Capital A/C
To Securities Premium A/C

Situation 2 Issue of share for cash at premium and receipt of money instalments (Due basis)

> On receipt of application money

Bank A/CDr
To Share Application A/C

> On allotments of shares

Share Application A/C.....Dr
To Share Capital A/C
To Share Premium A/C

> On making the allotment money due

Share Allotment A/CDr
To Share Capital A/C
To Share Premium A/C

> On receipt of allotment money

Bank A/CDr
To Share Allotment A/C

> On making first call due

Share First Call A/CDr
To Share Capital A/C
To Share Premium A/C

> On the receipt of first call money

Bank A/CDr
To Share First Call A/C

> On making the second and final call money due

Share Second and Final Call A/CDr
To Share Capital A/C
To Share Premium A/C

> On the receipt of second and final call money

Bank A/CDr
To Share Second and Final Call A/C

Situation 2 Issue of share for cash at premium and receipt of money instalments

(Receipt basis)

> On receipt of application money

Bank A/CDr
To Share Application A/C

> On allotments of shares

Share Application A/CDr
To Share Capital A/C
To Share Premium A/C

> On making the allotment money due

Share Allotment A/CDr
To Share Capital A/C(only with allotment money)

> On receipt of allotment money

Bank A/CDr
To Share Allotment A/C
To Securities Premium A/C(with allotment money and premium
money respectively received)

> On making first call due

Share First Call A/CDr
To Share Capital A/C(only with share first call money)

> On the receipt of first call money

Bank A/CDr
To Share First Call A/C
To Securities Premium A/C(with first call money
and premium money respectively received)

> On making the second and final call money due

Share Second and Final Call A/CDr
To Share Capital A/C(only share second and final
call with money)

> On the receipt of second and final call money

Bank A/CDr
To Share Second and Final Call A/C
To Securities Premium A/C(with second and final
money and premium money respectively received)