

HERAMB COACHING CLASSES

Q.1. Ramesh sold goods to Rajesh on credit for Rs. 20,000. Rajesh accepted a bill of Rs. 20,000 for 3 months, drawn by Ramesh on the same date

On the due date Rajesh dishonored his acceptance. Then Rajesh approached Ramesh and requested for renewal of the bill.

Ramesh agreed on the condition that Rajesh should pay Rs. 10,000 in cash and accept a new bill for 2 months for the balance amount plus interest Rs. 200.

The new bill was drawn by Ramesh and accepted by Rajesh.

However one month before the due date Rajesh retired his acceptance by paying Rs. 9,900.

Pass necessary journal entries in the books of Ramesh. (10)

Q.2. Rushikesh owed Rs.10,000 to Sanjay, Rushikesh accepted a bill drawn by Sanjay for the amount at 3 months. Sanjay discounted the bill with bank @ 6% p.a. Before the due date, Rushikesh approached Sanjay with a request to renew the bill.

Sanjay agreed on the condition that Rs.6,000 to be paid immediately along with interest on remaining amount of 12 % p.a. for 3 months and for the balance. Rushikesh should accept new bill for 3 months. These arrangements were carried through. Sanjay deposited new bill with his bank for collection . Rushikesh met the bill on due date.

Pass Journal Entries in the books of Sanjay & Rushikesh. (10)

Q.3. On 8th July, Amitabh sold goods to Akshay worth Rs. 18,000 and draws upon the later a bill for three months which was duly accepted. The bill was discounted with the bank at 10% p.a. On the due date, the bill was dishonored and noting charges of Rs. 50 was paid. Akshay paid Rs. 2,000 and the noting charges and accepted a new bill for 2 months at 12% p.a. interest. The new bill was dishonored on the due date due to insolvency only 50 paise per rupee was collected as first and final dividend.

Pass Journal Entries in the books of Amitabh and prepare Amitabh's Account. (10)