

Basis

Equity Share

Preference share

Holders are known as

you have also written this answer in tabular form which is good for Differences

Equity Shareholder as known as 'Real owner' of company.

Preference share holders are generally called preference holders.

Wind up [Repayment]

on wind up equity shareholders are made preference share holder

Repayment on wind up firstly made to preference holder.

with compared to equity share holders

you've covered all the points in this answer

Voting Rights

As Equity Shareholder's are real owners they have voting right

Preference Shareholder Generally not have voting right except in some case

Divided

Amount of Divided is not fixed or uncertain

Amount of Divided is fixed or certain

Rights

Equity holder does not get any preferential right

Preference holder have Right to firstly Repayment on wind up and fixed

Ans-2

$$\frac{15,000}{4} - 50 = (20 + 15 + 7.5 + 7.5)$$
$$20,000 \Rightarrow 5,000 \times$$

without narration of journal entries
you'll not get any marks

- ①
- | | | | |
|--------------------------|----|----------|----------|
| Bank A/c | Dr | 4,00,000 | |
| To Share Application A/c | | | 4,00,000 |
- Share Application A/c
- | | | |
|----------------------|----------|----------|
| Dr | 4,00,000 | |
| To Share Capital A/c | | 3,00,000 |
| To Bank A/c | | 1,00,000 |
- ②
- | | | | |
|----------------------|----|----------|----------|
| Share Allotment A/c | Dr | 2,25,000 | |
| To Share Capital A/c | | | 2,25,000 |
- Share Allotment A/c
- | | | |
|----------------------|----------|----------|
| Dr | 2,25,000 | |
| To Share Capital A/c | | 1,12,500 |
| To Bank A/c | | 1,12,500 |
- ③
- | | | | |
|----------------------|----|----------|----------|
| Share First Call A/c | Dr | 1,12,500 | |
| To Share Capital A/c | | | 1,12,500 |
- Share First Call A/c
- | | | |
|----------------------|----------|----------|
| Dr | 1,12,500 | |
| To Share Capital A/c | | 1,12,500 |

⑤ Share Final Call A/c Dr 1,12,500
[To Share Capital A/c 1,12,500
Bank A/c Dr
To Share Final Call A/c 90,000
Bank A/c Dr 90,000
Call n Assn Dr 22,500
To Share Final Call A/c 1,12,500
[-]

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Ans-3

15000 x 50 = 7,50,000
15000 x 10 = 1,50,000

Bank A/c Dr 4,50,000
To Share Capital A/c
[15000 x 30] 4,50,000

Profit and loss A/c Dr 3,00,000
To Capital Reserve A/c 3,00,000

84- Preference Share Capital A/c Dr 7,50,000
Premium Payable on Redemption A/c Dr 1,50,000
To 84- Preference Share Capital A/c 9,00,000

84- Preference Shareholder A/c Dr 9,00,000
To Bank A/c 9,00,000

Profit and loss A/c Dr 1,50,000
To Premium Payable on Redemption 1,50,000

Employee stock option Plan -

ESOP is Plan under which Employee get benefits Plan of Partial or full ownership of a company.

ESOP helps in aligns Employees interest in company.

ESOP is modern technique to determine Employee for a long period of time.

Importance of ESOP -

- ① ESOP help to bind Employee for a longer duration in company.
- ② ESOP generates Employee interest towards his work by which he/she able to work more efficiently or effectively.
- ③ By giving ESOP to Employee, Employee feels motivated and work with full potential in company.
- ④ ESOP helps Company to become a Market leader, As Employees are pillar of successful company.
- ⑤ Increase Employee Decision-Making participation.

Ans - 6

Particulars	A	B	C	Total
Gross liability	90,000	37,500	22,500	1,50,000
- Firm underwriting	[12,000]	[4,500]	[15,000]	31,500
	78,000	33,000	7,500	88,800

Marked Application	[15,000]	[30,000]	[7,500]	
	63,000	3,000	Nil	

should be distributed in gross liability ratio

Unmarked Application	[27,000]	[3,000]		
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Add - Firm Underwriting	15,000	4,500	15,000	
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Net liability -	48,000	45,000	15,000	
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Calculation Commission Payable to underwriter

A	90,000	x	5%	x	20	=	90,000
B	37,500	x	5%	x	20	=	37,500
C	22,500	x	5%	x	20	=	22,500