

Time: One Hour

Max. Marks: 50

## Instructions

- Solve any 25 questions from Q1 to Q30
- Solve any 25 questions from Q31 to Q60

- 1 Excess of cost of investment over paid up value of the shares is considered as:----
- (A)Goodwill (B)Capital Reserve (C)Minority Interest (D)Non of above
- 2 Excess of paid up value of the shares over cost of investment is considered as:-----
- (A)Goodwill (B)Capital Reserve (C)Minority Interest (D)Non of above
- 3 ----- is current asset
- (A)Bills payable (B)Cash at Bank (C)Furniture (D)Goodwill
- 4 ----- is current liability
- (A)Bills payable (B)Cash at Bank (C)Furniture (D)Goodwill
- 5 Profit earned before acquisition of share is treated as-----
- (A)Capital profit (B)Revenue profit (C)General Reserve (D)Revaluation Loss
- 6 Profit earned after acquisition of share is treated as-----
- (A)Capital profit (B)Revenue profit (C)General Reserve (D)Revaluation Loss
- 7 Preparation of consolidated statement as per AS 21 is-----
- (A)Optional (B)Mandatory for listed Companies (C)Mandatory for Pvt. Ltd. (D)Companies Ltd. partnership firm
- 8 Unrealized profit on goods sold and included in stock is deducted from
- (A)Capital Profit (B)Revenue Profit (C)Fixed Assets (D)Minority interest
- 9 ..... is not accumulated profit .
- (A)Insurance Fund (B)Loans (C)Reserve Fund (D)General reserve
- 10 ..... Is not liability
- (A)Profit and loss Dr. (B)Profit and loss Cr. (C)Bank Overdraft (D)Pension Fund
- 11 Share allotment account is a -----.
- (A)personal account (B)Real account (C)Nominal account (D)Impersonal account
- 12 Holders of preference shares will have a right to vote if the dividend remains in arrears for a period not less than-----
- (A)2 year (B)3 years (C)6 years (D)none of these
- 13 The minimum share Application money is -----.
- (A)5% of the face value of shares (B)10% of the issue price of shares (C)Re. 1 per share (D)15% of the face value of shares
- 14 Premium received on issue of shares is shown on-----.
- (A)asset side of the balance sheet (B)liability side of the balance sheet (C)credit side of the P&L a/c. (D)debit side of the P & L a/c
- 15 Premium on issue of shares can be used for -----.
- (A)distribution of dividend (B)writing off (C)f capital losses (D)transferring to general reserve
- 16 Premium received on issue of shares cannot be utilized for -----.
- (A)for the issue of bonus shares (B)for writing of preliminary expenses (C)for providing premium payable on redemption (D)for distribution of dividend
- 17 Debree is ----- word
- (A)English (B)French (C)Latin (D)Indian
- 18 D. E. E. stands for -----
- (A)Dividend Equalization fund (B)Donor eco finance (C)Debtor equalization fund (D)Non of above
- 19 After getting minimum subscription of shares, the company has to allot shares with in-----days.
- (A)90 (B)100 (C)110 (D)120
- 20 If the minimum subscription is not received by the company, then the refund of application money should be made within -----days.
- (A)7 (B)9 (C)10 (D)22
- 21 -----is credited to repayment of debenture holders.
- (A)Bank A/c (B)Capital Reserve (C)Sinking fund (D)Dividend
- 22 Shares received from the new company are recorded at -
- (A)Face value (B)Average price (C)Market value (D)None of the above
- 23 If the intrinsic values of shares exchanged are not equal, the difference is paid in .....
- (A)Cash (B)Debenture (C)Pref. share (D)Assets
- 24 The original amount of preference share capital should be transferred to ..... account in the time of amalgamation in the books of vendor co.
- (A)Preference shareholders Account (B)Capital Reserve Account (C)Equity share capital Account (D)Equity share capital Account
- 25 D. R. R. stands for .....
- (A)Debenture reserve rule (B)Debit receipt record (C)Debenture redemption reserve (D)Dead Rate reserve
- 26 The shares received from the new company is recorded at

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- (A)Face value (B)Market value (C)Average price (D)None of these
- 27 Trade Payables are recorded in.....
- (A)Asset side of B/S (B)Liability side of B/S (C)P & L a/c (D)None of the above
- 28 Cancellation of shares means
- (A)Reissue of shares (B)Valuation of shares (C)Forfeiture of shares (D)Allotment of shares
- 29 To issue shares on premium means
- (A)Issue on face value of shares (B)Issue on more than face value of shares (C)Issue on less than face value of shares (D)Initial public offer
- 30 To issue shares at Par means
- (A)Issue on face value of shares (B)Issue on more than face value of shares (C)Issue on less than face value of shares (D)Initial public offer
- 31 To issue shares on Discount means
- (A)Issue on face value of shares (B)Issue on more than face value of shares (C)Issue on less than face value of shares (D)Initial public offer
- 32 Goodwill means
- (A)Good Will (B)Credit (C)Debit (D)Good Wishes
- 33 Which of following is not Current Asset?
- (A)Patent (B)Bills receivable (C)Cashable security (D)Prepaid Expenses
- 34 Which of following is not Current Liability?
- (A)Bank overdraft (B)Bills Payable (C)Account Payable (D)Retain earning
- 35 Working capital will increase
- (A)If Current Asset Decrease (B)If Current Liability Decrease (C)If Current Liability Increase (D)None of the above
- 36 Following is the application of fund
- (A)Decrease in balance of Fixed Asset (B)Decrease in working capital (C)Decrease in net profit (D)Decrease in preliminary expenses
- 37 Following is the Source of fund
- (A)Decrease in balance of Debenture (B)Decrease in Long term Liability (C)Increase in Long term loan (D)Redemption of Shares
- 38 Provision for Income Tax is \_\_\_\_\_
- (A)Debited to P & L Appropriation A/c (B)Debited to Profit and Loss A/c (C)Debited to Treading A/c (D)Credited to P & L Appropriation a/c
- 39 Corporate dividend tax is \_\_\_\_\_
- (A)Computed on Net profit (B)Computed on Share Capital (C)Computed on Goss Profit (D)Computed on Dividend paid
- 40 Dividend is paid on \_\_\_\_\_
- (A)On Issued Share Capital (B)On Subscribed Share Capital (C)On Subscribed Share Capital (D)On Paid up Share Capital
- 41 Revenue profit are used for -----
- (A)Purchase of shares (B)Sales of liabilities (C)Redemption of preference shares (D)payment
- 42 Discounted cash flow criteria for investment appraisal does not include
- (A)Not present value (B)Benefit cost ratio (C)Accounting rate of return (D)Internal rate of return
- 43 The maximum allowable discount on Equity shares is
- (A)8% of Issue price (B)10% of Issue price (C)12% of Issue price (D)6% of Issue price
- 44 Share application Account is \_\_\_\_\_
- (A)Real A/c (B)Personal A/c (C)Nominal A/c (D)Fictitious A/c
- 45 Share Allotment Account is \_\_\_\_\_
- (A)Real A/c (B)Personal A/c (C)Nominal A/c (D)Fictitious A/c
- 46 Share Call Account is \_\_\_\_\_
- (A)Real A/c (B)Personal A/c (C)Nominal A/c (D)Fictitious A/c
- 47 Debenture holders are\_\_\_\_\_
- (A)Creditor Of Company (B)Debtor of Company (C)Owner of Company (D)Members of Company
- 48 Share holders are\_\_\_\_\_
- (A)Creditor Of Company (B)Debtor of Company (C)Owner of Company (D)Members of Company
- 49 All capital expenditures and receipts are taken to
- (A)Trading and Profit and Loss Account (B)Balance sheet (C)Trial balance (D)None of the above
- 50 C. R. R. stands for -----
- (A)Company reserve ratio (B)Capital redemption reserve (C)Cash return rate (D)Non of these
- 51 ----- is not fictitious assets
- (A)Profit & Loss A/c (B)Preliminary Expenses A/c (C)Furniture & fitting A/c (D)Discount on issue of shares
- 52 Profit and loss account of asset side represents -----
- (A)Profit (B)Loss (C)No loss no profit (D)None of these
- 53 Profit and loss account of liability side represents -----
- (A)Profit (B)Loss (C)No loss no profit (D)None of these
- 54 ----- is not liability
- (A)Discount on issue of debenture (B)Bank over draft (C)Bills payable (D)Creditors
- 55 ----- is an asset
- (A)Bank over draft (B)Bills payable (C)Creditors (D)Discount on issue of shares

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56 ----- ratio is taken for prior to incorporation

- (A) Purchas (B) Time (C) Sales (D) Time and sales

57 Pre profit is -----

- (A) Before incorporation (B) After incorporation (C) Middle in corporation (D) Non of these

58 Director's fees is calculated as -----

- (A) Post incorporation (B) Pre incorporation (C) Post incorporation (D) all

59 ----- come under the ratio of time

- (A) Salaries (B) Depreciation (C) Advertisement (D) all

60 Pre- incorporation profit transferred to -----

- (A) Capital reserve (B) General reserve (C) Forfeiture account (D) Share premium