

B.B.A. Semester-III
July-September - 2021
Corporate Accounting-II

કુલ સમય :- : ૬૦ મીનીટ

કુલ પ્રશ્નો : ૫૦

વિદ્યાર્થીએ ટીક કરવાના પ્રશ્નો : ૩૫

નોંધ : વિદ્યાર્થીએ માત્ર ૩૫ પ્રશ્નો જ ટીક કરવાના રહેશે. જો વધારે ટીક કરેલ હશે તો પ્રથમ ૩૫ પ્રશ્નો જ ગણતરીમાં લેવામાં આવશે.

1. A company formed and registered under _____ Act. 1956.
[A] Partnership [B] Companies [C] Banking companies [D] None of the above
2. The maximum extent to which a company can raise share capital is called _____ capital.
[A] Subscribed [B] Authorized [C] Called [D] Reserve
3. Capital reserve will appear on the liability side of the balance sheet under the head _____.
[A] Reserves & surpluses [B] Secured loan [C] Unsecured loan [D] Current liabilities
4. Profit on reissue of forfeited shares will appear on the _____ side of the balance sheet.
[A] Asset side [B] Liability side [C] Debit side [D] Credit side
5. Debentures are normally paid back after the expiry of the period this is technically called –
[A] Renewal [B] Redemption [C] Conversion [D] Forfeiture
6. Redemption of debentures means –
[A] Creation of liability [B] Discharge of liability [C] Concession of liability [D] None of the above
7. Premium on redemption of debentures account is in the nature of –
[A] Personal account [B] Real account [C] Nominal account [D] None of the above
8. After all the debentures are redeemed; the balance in the sinking fund account is transferred to –
[A] Capital reserve [B] General reserve [C] Profit and loss account [D] Capital redemption reserve
9. When debentures are redeemed from out of profits an equal amount is transferred to _____ account.
[A] Capital reserve [B] Capital redemption reserve [C] Debenture redemption reserve [D] General reserve
10. When debentures are redeemed in annual installments the redemption is known as –
[A] Redemption by drawing a lot [B] Redemption out of capital
[C] Redemption out of profit [D] Redemption by conversion
11. A preference share is one which enjoys a preferential right regarding payment of –
[A] Dividend [B] Share capital [C] Interest [D] Debentures
12. The issue of shares at discount provided the discount does not exceed 10% as specified in _____ of the Companies Act.
[A] Section 80 [B] Section 81 [C] Section 79 [D] Section 76
13. The share premium account can be utilized to write off the _____ expense of the company.
[A] Printing expenses [B] Establishment expenses [C] Preliminary expenses [D] None of these
14. Which of the following not the uses of share premium?
[A] Issue of partly paid bonus shares [B] Issue of fully paid bonus shares
[C] Write off preliminary expense [D] Write off expenses on the issue of shares
15. Preference shares cannot be redeemed unless they are -
[A] Partly paid [B] Fully paid [C] Twice paid up [D] One by two paid up
16. Debenture holders are _____ of a company.
[A] Owners [B] Creditors [C] Debtors [D] None of the above
17. Generally, debentures are -
[A] Unsecured [B] Secured [C] Converted [D] Bearer
18. Redemption of debentures means _____ of liability on debentures.
[A] Conversion [B] Discharge [C] Creation [D] None of the above
19. Debentures issued with a fixed or a floating charge on the assets of the company are called _____ debentures.
[A] Bearer [B] Secured [C] Simple [D] Unsecured
20. Debentures repayable after a fixed period of a time are called _____ debentures.
[A] Convertible [B] Redeemable [C] Bearer [D] Secured
21. In order to know _____ value of shares, it is necessary to know the net value of the assets of the company.
[A] Intrinsic value [B] Yield value [C] Fair value [D] None of the above
22. If the actual profits are more than the expected normal profits, the difference is termed as -
[A] Simple profit [B] Average profit [C] Weighted Average profit [D] Super profit
23. Intrinsic value of share is calculated by dividing the _____ of the company by the number of shares.
[A] Market value of assets [B] Net asset [C] Original cost of asset [D] None of the above
24. Fair value of a share in the simple average of intrinsic value and _____ of a share.
[A] Nominal value [B] Face value [C] Market value [D] Yield value

25. In the calculation of _____, past profits will have to be adjusted, in order to determine the future expected profits.
[A] Shares [B] Market value [C] Fair value [D] Goodwill
26. Fair value of a share is the _____ average of intrinsic value and yield value.
[A] Weighted [B] Simple [C] Multiple [D] None of the above
27. _____ of the following is not concerned with the valuation of goodwill.
[A] Earning capacity method [B] Super profit method [C] Average profit method [D] None of the above
28. In the balance sheet forfeited shares amount is to be added to-
[A] Share capital [B] Reserve [C] Surplus [D] None of the above
29. Dividend declared between two Annual General Meetings called -
[A] Final dividend [B] Proposed dividend [C] Unclaimed dividend [D] Interim dividend
30. When the proposed dividend is more than 20%, an amount equal to _____ of the current profits must be transferred to reserve.
[A] 5% [B] 7.5% [C] 2.5% [D] 10%
31. Shareholders cannot increase the rate of _____ recommended by the Board of Directors.
[A] Interest [B] Profit [C] Dividend [D] None of the above
32. Advance payment of tax should be shown on the _____ side of the balance sheet.
[A] Liability side [B] Asset side [C] Debit side [D] Credit side
33. No dividend is payable on calls in -
[A] Arrears [B] Unpaid [C] Unclaimed [D] Advance
34. Companies have a statutory obligation to prepare required by section 210 of Companies Act.
[A] Trading account [B] Profit and loss account [C] Balance sheet [D] Final accounts
35. Goodwill as per purchase or super profit method is equal to _____.
[A] Super profit [B] Super profit $\times$ amount of purchases
[C] Super profit $\times$ number of year's purchases [D] None of the above
36. Companies have a statutory obligation to prepare final Accounts required by section 210 of the _____ 1956.
[A] Partnership Act. [B] Banking Regulation Act. [C] Insurance Act. [D] Companies Act.
37. Under capitalisation of super profit method, Goodwill is equal to _____.
[A] Capitalised value of super profit at NRR [B] Capitalised value of maintained profit
[C] Both A and B [D] None of the above
38. Final accounts of the companies is prepared under the -
[A] Partnership Act. 1932 [B] Insurance Act. 1938 [C] Companies Act. 1956 [D] Banking Regulation Act. 1949
39. Requirements given in part II of the schedule VI apply to -
[A] The Trading Account [B] The Profit and Loss Account [C] The Balance Sheet [D] Final Accounts
40. Normal profit depends on _____.
[A] Normal rate of return [B] Average capital employed [C] Both A and B [D] None of the above
41. Super profit is _____.
[A] Excess of average profit over normal profit [B] Extra profit earned
[C] Average profit earned by similar companies [D] None of the above
42. Requirements given in part I of _____ apply to Balance Sheet.
[A] Schedule I [B] Schedule VI [C] Schedule II [D] Schedule V
43. Yield value is based on the assumption that _____.
[A] The company is a going concern [B] The company will be liquidated
[C] The company is sick [D] None of the above
44. Ordinarily _____ are available for the distribution of dividend.
[A] Revenue profits [B] Capital profits [C] Gross profit [D] Trading profits
45. Value of a partly paid equity share is equal to _____.
[A] Value of fully paid share - calls unpaid per share [B] Calls in arrears per share
[C] Paid-up value per share [D] None of the above
46. When Super Profits are negative, goodwill is _____.
[A] Negative [B] Zero [C] Positive [D] None of the above
47. Calculate goodwill by 3 years' purchase of super profits: Capital Employed Rs. 8,00,000; Average profit Rs. 1,20,000; Expected rate of return 12%.
[A] 45000 [B] 60000 [C] 72000 [D] 75000
48. Assets in to Balance sheet of a limited company are arranged in order of -
[A] Liquidity [B] Permanence [C] Durability [D] Turnover
49. Calls in arrear is shown on the liability side of the balance sheet -
[A] Under the heading current liabilities [B] Under the head current assets
[C] Under the head fixed assets [D] By deducting the amount from the called-up capital
50. Fictitious assets are shown on the _____ side of the balance sheet.
[A] Liability side [B] Income [C] Balance sheet [D] Assets