

Sample S.Y. B.Com.-Accountancy and Financial Management- (Sem.-IV) (KT) –MCQ - DEC 2020

Types of Question that can be expected in MCQ format

MCQ Type Questions pertaining to conceptual / basic / factual understanding of the chapters	MCQ Type Questions pertaining to accounting entries and its posting understanding	MCQ Type Questions pertaining to accounting steps / procedure / effects / treatment understanding for the chapters	MCQ Type Questions pertaining to calculations based on the basic concepts / accounting effect / accounting treatment understanding
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Select the most appropriate answer from the following

<u>Question</u>	<u>Option - A</u>	<u>Option - B</u>	<u>Option - C</u>	<u>Option - D</u>
1) A Company is an _____ person	Artificial Person created by law	Natural person	immobile person	non living person
2) Irredeemable Preference shares _____ be issued by the Company	can	cannot	may	always
3) Debentures have to be redeemed within maximum _____ years from the date of Issue.	10	30	15	20
4) A Company has a _____existence	perpetual	temporary	short	limited
5) Entry for amount to Preference shareholders on redemption at par is	Preference shareholders A/c dr To Bank A/c	Bank A/c dr Preference shareholders A/c	To Preference Share Capital A/c dr To Preference Shareholders A/c	Bank A/c dr To Preference share Capital A/c
6) When Preference shares are to be redeemed out of _____ Capital Redemption Reserve is to be created.	Capital	profit	public deposits	Loan funds
7) _____type of profits can be used to create Capital Redemption Reserve (CRR).	Non divisible	Divisible	Capital	any
8) Divisible profit means the profit which is _____	available for declaring dividend	not available for declaring dividend	avaibale profit	net profit
9) _____ also mean divisible profits.	non-divisible profits	Free reserves	Non Free Reserves	indivisible profits
10)A _____ company cannot issue _____ debentures.	non-redeemable	redeemable	secured	convertible

11)After redemption, Capital Redemption Reserve (CRR) can be used only for _____	cash bonus	issuing fully paid bonus shares.	dividend	issuing right shares
12)For redemption of preference shares, proceeds of only Equity shares and Preference shares can be considered as the _____	reserve	bonus	Fresh issue	right issue
13)A debenture holder is _____of the Company.	owner	creditor	director	employee
14) If a company issues 3600 10% Debentures of Rs. 100 each at a discount of 10% redeemable after 3 years, the amount of discount to be written of in year 1, 2, and 3 will be _____ respectively	6,000 , 6,000 and 6,000	12,000 , 12,000 and 12,000	16,000 , 16,000 and 16,000	16,000, nil & nil
If a company issues 900 10% Debentures of Rs. 100 each at a discount of 10% redeemable in 3 equal annual installments starting from the current year of issue, the amount of discount to be written of in year 1, 2, and 3 will be _____ respectively	9,000 , 6,000 and 3,000	3,000 , 3,000 and 3,000	4,500 , 3,000 and 1,500	9,000 , nil and nil
16)Sinking fund is also known as ._____	Debenture Redemption fund	Capital Reserve	Capital Redemption Reserve	Free reserves
17)Debenture holders get a _____ every year.	bonus	dividend	fixed rate of interest	salary
18)Debentures can also be redeemed by _____ into new shares or debentures._____	conversion	transfer	purchase	sale
19) If face value of Preference shares to be redeemed is Rs.4,00,000 and profit/funds available for CRR is Rs. 3,00,000 then the company will have to make a fresh issue of Rs. _____	1,00,000	3,00,000	4,00,000	7,00,000

20) The management of the Company is in the hands of _____ of the Company.	Creditors	Shareholders	Employees	Board of Directors
21) Loss prior to incorporation are transferred to _____ account	Goodwill	General Reserve	Capital Reserve	P& L Appropriation
22) Preliminary expenses are to be considered in _____ period of incorporation of a company.	post	pre and post both	pre	first year pre
23) _____ can never be redeemed by a Company during its lifetime.	Equity Shares	Debentures	Preference Shares	Bonds
24) If a company takes over a partnership firm on 1st April, 2017 which is incorporated on 1st July 2017 with year ending 31st March every year, then the time ratio will be _____.	1 ; 3	3 ; 3	3 ; 1	1 ; 2
25) If the sales ratio is 2:1 and time ratio is 1:1, then expenses of Office Printing & Telegram Rs. 60,000 will be apportioned between pre and post incorporation of a company will be _____ respectively	40,000 and 20,000	30,000 and 30,000	20,000 and 40,000	nil & 60,000