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(Pages : 4)

Name.....

Reg. No.....

THIRD SEMESTER B.Com. DEGREE EXAMINATION, NOVEMBER 2018

(CUCBCSS—UG)

BCM 3B 04—CORPORATE ACCOUNTING

[Common for B.Com. Vocational]

(2014 Admissions)

(Multiple Choice Questions for SDE Candidates)

Time : 15 Minutes

Total No. of Questions : 20

Maximum : 20 Marks

INSTRUCTIONS TO THE CANDIDATE

1. This Question Paper carries Multiple Choice Questions from 1 to 20.
2. The candidate should check that the question paper supplied to him/her contains all the 20 questions in serial order.
3. Each question is provided with choices (A), (B), (C) and (D) having one correct answer. Choose the correct answer and enter it in the main answer-book.
4. The MCQ question paper will be supplied after the completion of the descriptive examination.

BCM 3B 04—CORPORATE ACCOUNTING
(Multiple Choice Questions for SDE Candidates)

1. Penalty for delay in refunding application money :
(A) 6%. (B) 5%.
(C) 15%. (D) 20%.
2. The minimum share application money is _____.
(A) Re. 1/share. (B) 5% of the face value of share.
(C) 10% of the issue price of share. (D) None of these.
3. On calls in advance, interest is payable @ _____.
(A) 5%. (B) 6%.
(C) 4%. (D) Nil.
4. The nominal value of preference shares to be redeemed can be provided out of _____.
(A) General reserve. (B) Capital reserve.
(C) CRR. (D) Securities premium.
5. Buyback of shares should not exceed _____ percent of paid up capital and free reserve of the company.
(A) 50%. (B) 10%.
(C) 5%. (D) 25%.
6. Under the scheme of buyback of shares, the company in order to perform its obligations, is required to open an _____ account.
(A) Fixed deposit. (B) Escrow deposit.
(C) Savings deposit. (D) Current deposit.
7. Debenture holders are _____ of the company.
(A) Owners. (B) Creditors.
(C) Both. (D) None of these.

8. When debentures are redeemed out of profits, an amount equal is transferred to _____.
- (A) CRR. (B) Capital reserve.
(C) Revenue reserve. (D) Debenture redemption reserve.
9. Premium on issue of debentures is a _____.
- (A) Capital loss. (B) Capital profit.
(C) Revenue profit. (D) Revenue loss.
10. _____ debentures are secured by a charge on the assets of the company.
- (A) Naked. (B) Simple.
(C) Unsecured. (D) Mortgage.
11. Companies may issue debentures as security against loans taken from banks/financial institutions :
- (A) Principal. (B) Primary.
(C) Collateral. (D) Chargeable.
12. Which of the following is a method of redemption of debentures ?
- (A) Draw of lots. (B) Conversion.
(C) Open market purchase. (D) All of these.
13. After the redemption of debentures, any credit balance in the Sinking Fund a/c is transferred to _____ a/c.
- (A) General reserve. (B) Capital reserve.
(C) P&L. (D) None of these.
14. Dividend is paid on _____ capital.
- (A) Called. (B) Paid up.
(C) Issued. (D) None of these.
15. Dividend may be declared out of _____.
- (A) Current profit. (B) Past reserves.
(C) Money provided by government. (D) All of these.

Turn over

16. Which of the following is not a long term borrowing of a company ?
- (A) Debentures.
 - (B) Term loans.
 - (C) Loans repayable on demand from banks.
 - (D) Long- term finance lease obligations.
17. Calls in advance is shown in the balance sheet as _____.
- (A) Current liabilities.
 - (B) Added to called-up capital.
 - (C) Current assets.
 - (D) Deduction from called-up capital.
18. The difference between gross dividend receivable and dividend received is debited to _____.
- (A) Interim dividend.
 - (B) Tax deducted at source.
 - (C) Net dividend.
 - (D) Difference adjustment.
19. For amalgamation in the nature of merger, the shareholders holding at least _____ or more of the equity shares of the transferor company becomes the equity shareholders of the transferee company.
- (A) 90%.
 - (B) 80%.
 - (C) 100%.
 - (D) None of these.
20. Realization loss is transferred to _____.
- (A) Preference shareholders a/c.
 - (B) Equity shareholders a/c.
 - (C) Creditors a/c.
 - (D) None of these.