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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]

(2016 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. The amount given to the policyholder due to his inability of paying further premium is called _____.
 - (A) Annuity.
 - (B) Bonus.
 - (C) Surrender value.
 - (D) Claim.
2. The commission given by insurance companies to others for receiving business under reinsurance is called _____.
 - (A) Commission on reinsurance accepted.
 - (B) Agents' commission.
 - (C) Commission on reinsurance ceded.
 - (D) None of these.
3. Section _____ of the Companies Act deals with issue of bonus shares.
 - (A) 63.
 - (B) 73.
 - (C) 68.
 - (D) 70.
4. A contract that evidences a residual interest in the assets of an undertaking after deducting all its liabilities is called :
 - (A) Bilateral contract.
 - (B) Equity instrument.
 - (C) Standard instrument.
 - (D) None.
5. Bonus shares can be issued only on getting approval of :
 - (A) Articles of the company.
 - (B) Board of directors.
 - (C) Shareholders.
 - (D) All the above.
6. When the directors refund the fees already received by them, _____ a/c is credited.
 - (A) Cash.
 - (B) Capital reduction.
 - (C) Directors.
 - (D) Fees.

7. In the case of marine hull insurance, reserve for unexpired risk is to be maintained @ _____ % of net premium.
- (A) 50 %. (B) 80 %.
- (C) 100 %. (D) 20 %.
8. CRR stands for _____.
- (A) Current Reserve Ratio. (B) Capital Reserve Ratio.
- (C) Cash Reserve Ratio. (D) Capital Redemption Ratio.
9. The method of rapidly posting entries in the books of banks is called as _____.
- (A) Single Entry. (B) Cash Method.
- (C) Slip System. (D) None of these.
10. The buy back of shares is also known as _____.
- (A) Corporate redemption. (B) Corporate equity repurchase.
- (C) Corporate equity valuation. (D) None.
11. The buy back of shares may be done :
- (A) At par. (B) At discount.
- (C) At premium. (D) All the above.
12. Interest on debenture is _____.
- (A) Adjustment of profit. (B) Appropriation of profit.
- (C) Charge on profit. (D) None.
13. Debenture is document which creates a _____.
- (A) Debt. (B) Credit.
- (C) Both (A) and (B). (D) None.
14. Profit not available for dividend includes :
- (A) CRR. (B) P and L account credit balance.
- (C) Security premium. (D) None.

Turn over

15. Capital redemption reserve is created _____.
- (A) Out of security premium. (B) To meet legal requirements.
(C) Voluntarily. (D) None.
16. No company limited by shares shall issue any preference share which is redeemable after the expiry of _____ years from the date of issue.
- (A) 20. (B) 15.
(C) 10. (D) 25.
17. The Companies (Amendment) Act 1988 restricts the issue of _____ preference shares.
- (A) Redeemable. (B) Irredeemable.
(C) None.
18. Interest on loan and debentures are shown as _____ in the net revenue account.
- (A) Appropriations. (B) Provisions.
(C) None.
19. In case of electricity companies, contingency reserve is created until it amounts to _____ of the original cost of the fixed assets.
- (A) 5 %. (B) 6 %.
(C) 4 %. (D) 8 %.
20. The profit and loss account under double account system is termed as _____.
- (A) Revenue account (B) Income and expenditure account
(C) P and L account. (D) None.