

Accountancy Paper-1
B.Com IT-I Question Bank

1. ___refers to the total amount of money which is obtained from subscribers on the shares of company.
 - 1.Sharescapital
 - 2.Asset
 3. Liabilities
 - 4.Profit
- 2) Sundry creditors a___type of liability.
 1. Current
 2. Fixed
 3. Long term
 4. Short term
- 3) .Under profit prior incorporation, gross profit is allocated based on_____ratio.
 - 1.Time
 - 2.Sales
 - 3.Weight
 - 4.Purchase
- 4).When expenses remain constant overall the financial year the they can bedivided in_____.
 1. Time ratio
 2. Sales ratio
 3. Purchase ratio
 4. None of the above
- 5)After the incorporation of a company all profits or losses are transferred to_____ a/c.
 1. Trading
 2. Revaluation
 3. Profit&lossappropriation
 4. Realization
- 6)Profit prior to incorporation arises when
 - 1.A company is dissolved and new company is formed
 - 2.A new company is formed is place of partnership firm
 - 3.When there is an amalgamation of companies
 - 4.Running business is taken over by promoters of company at date prior to date of incorporation
- 7) Profit before incorporation is of_____
 1. Capital nature
 2. Revenue nature
 3. Both capital and revenue nature
 4. General reserves
- 8) Cancellation of shares mean

1. Reissue of shares
2. Valuation of shares
3. Forfeiture of shares
4. Allotment of shares

- 9) In the balance sheet of a limited company, assets are arranged in the order of-----__.
1. Liquidity
 2. Permanence
 3. Neither of the two
 4. Either liquidity or permanence.
- 10) Advance payment of tax is in the nature of --.
1. Capital expenses
 2. Revenue expenses
 3. Pre-paid expenses
 4. Outstanding expenses
- 11) Loss prior to incorporation is to be shown in the assets side of the balance sheet under the heading --.
1. Fixed assets
 2. Loans and advances
 3. Current assets
 4. Miscellaneous expenses
- 12) A company wishes to pay dividend on shares, state which of the following may be used for this purpose?
1. Premium on shares
 2. Profit on sale of land
 3. Profit on reissue of forfeited shares
 4. General reserve
- 13) Under which section of Companies Act 2013, a company can buyback its own shares?
1. 68
 2. 81
 3. 62
 4. None of these
- 14) Shares and Bonds are float in _____
1. Money market
 2. Capital market
 3. Equity market
 4. Commercial bank
- 15) Stock that have priority of claim on assets?
1. Common stock
 2. Preferred stock
 3. Share
 4. DDM
- 16) The _____ is defined as the present value of all cash proceeds to the investor in the stock?
1. Intrinsic Value
 2. Dividend Payout ratio

3. Market capitalization rate
 4. Plowback ratio
- 17) Liquidator's statement of receipts and payment is known as
1. Cash flow statement
 2. Cash book
 3. Liquidator's final statement
 4. Deficiency account
- 18) A contributory is _____
1. A creditor
 2. A shareholders
 3. A debenture holder
 4. A Preference shareholder
- 19) The first item in order of payment to be made by liquidator's is _____
1. Secured creditors
 2. Preferential creditors
 3. Liquidation expenses
 4. Unsecured expenses
- 20) A creditors for Rs 10,000 holding a charge on the stock of the book value Rs 12,000(market Value 8000) is called _____
1. Partly Secured Creditors
 2. Fully Secured Creditors
 3. Unsecured Creditors
 4. Partly Unsecured Creditors
- 21) Salaries due to clerk is preferential for a period not exceeding
1. 2 months
 2. 3 months
 3. 4 months
 4. 7 months
- 22) Liquidator is appointed by creditors and members _____
1. In case of compulsory
 2. Members voluntarily winding up
 3. In case of creditors winding up
 4. None of above
- 23) The excess price paid by a holding co. to acquire controlling interest
1. Capital reserve
 2. Goodwill a/c
 3. Revenue reserve
 4. None of this
- 24) If shares are bought back out of free reserves then a sum equal to nominal value of the shares so bought back is transferred to:
1. Capital reserve account
 2. *Capital redemption reserve account(CRR)*

3. General reserve account
4. None of above

25) Section 198 of the companies Act 2013 contains the provisions relating to the manner of determination of net profit for the purpose of calculating the.....

1. Disposal of net profit
2. Managerial remuneration
3. Fair value of shares
4. Fair value of assets

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