

Bc/CrptA-404

2 0 2 1

(4th Semester)

COMMERCE

Paper : BC-404

(Corporate Accounting)

(PART : A—OBJECTIVE)

(Marks : 25)

The figures in the margin indicate full marks for the questions

- 1.** State whether the following statements are True or False : 1×5=5
- (a) Redemption of Preference Shares cannot be made out of the fresh issue of debentures.
 - (b) Dividend paid or declared are subject to corporate dividend tax @ 15%.
 - (c) A contributory can only be a present member of the liquidated company.
 - (d) If future earnings are less than normal earnings, there is no goodwill.
 - (e) External reconstruction means reduction of capital of a company which is to be reconstructed.

(2)

2. Choose and write the correct answer from the options provided : 1×10=10

(a) Preference shareholders are

- (i) creditors of the company
- (ii) debtors of the company
- (iii) owners of the company
- (iv) customers of the company

(b) Which of the following is an example of fictitious assets?

- (i) Machinery
- (ii) Goodwill
- (iii) Patent
- (iv) Preliminary expenses

(c) The most important consideration in the valuation of goodwill is

- (i) earning capacity of the business
- (ii) financial position of the business
- (iii) actual position of the business
- (iv) None of the above

- (d) Under Section 64 of the Companies Act, 2013, the company shall give notice of the alteration of capital to the Registrar within ____ days.
- (i) twenty
 - (ii) thirty
 - (iii) forty
 - (iv) fifty
- (e) Public Ltd. Companies cannot issue
- (i) Equity Shares
 - (ii) Preference Shares
 - (iii) Deferred Shares
 - (iv) None of the above
- (f) Goodwill is a/an
- (i) current asset
 - (ii) tangible asset
 - (iii) intangible asset
 - (iv) liability
- (g) Under net assets method, the purchase consideration is calculated by calculating
- (i) the net worth of the assets
 - (ii) the book value of the assets
 - (iii) original cost of the assets
 - (iv) None of the above

(4)

- (h) As per Section 123 of the Companies Act, 2013, dividend may be declared out of the
- (i) current profits
 - (ii) past reserves
 - (iii) money provided by the government
 - (iv) All of the above
- (i) Debenture holders having a floating charge on assets have priority in payment over
- (i) secured creditors
 - (ii) unsecured creditors
 - (iii) preferential creditors
 - (iv) None of the above
- (j) Reduction of capital is unlawful except when
- (i) sanctioned by the creditors
 - (ii) sanctioned by the shareholders
 - (iii) sanctioned by the court
 - (iv) None of the above

3. Write short notes on the following : 2×5=10

- (a) Forfeiture of shares
- (b) Oversubscription
- (c) Voluntary liquidation
- (d) Superprofit
- (e) Purchase consideration

★ ★ ★