

SECTION II**[TO BE ATTACHED TO THE MAIN ANSWER-BOOK]****B.COM DEGREE CBCS PRIVATE EXAMINATION, MARCH 2025****DO NOT WRITE YOUR REGISTER NUMBER OR NAME ANYWHERE IN THE****SECTION II OF THE QUESTION PAPER****CO4CRT11 MCQ - CORPORATE ACCOUNTING II**

Answer **all** questions.

All questions carry equal marks

Put a tick mark [✓] against the correct answer

1. Surrender value is an expression that is used in case of Insurance business .
(a) Life (b) Marine
(c) Fire (d) None of these
2. Life insurance is contract of
(a) Guarantee (b) Indemnity
(c) Profit (d) None of these
3. The party whose risk is covered in insurance is known as
(a) Insurer (b) Insured
(c) Underwriter (d) None of these
4. The principles of subrogation is applicable to
(a) Fire insurance (b) Marine insurance
(c) Burglary insurance (d) All of these
5. Money at call and short notice is an of the banking company.
(a) Liability (b) Asset
(c) Income (d) Expense
6. A banking company required to prepare its According to Form B in the III schedule of the Banking Regulations Act
(a) Balance sheet (b) Profit & loss appropriations account
(c) Profit & loss account (d) Position statement
7. When one of the existing companies take over business of another company or companies, it is known as
(a) Amalgamation (b) Absorption
(c) Internal reconstruction (d) External reconstruction
8. In case of, one existing company takes over the business of another company and no new company is formed.

- (a) Amalgamation (b) Absorption
- (c) Reconstruction (d) None of the Above
9. When company purchases the business of another company comes into existence.
- (a) Amalgamation (b) Absorption
- (c) External Reconstruction (d) Internal Reconstruction
10. Amalgamate adjustment account is opened in the books of transferee company to incorporate:
- (a) The assets of the transferor company (b) The liabilities of the transferor company
- (c) The statutory reserves of the transferor company (d) The non – statutory reserves of the transferor company
11. When the purchasing company makes payment of the purchase consideration, it debits:
- (a) Business purchase account (b) Assets account
- (c) Vendor company's account. (d) Realisation A/c
12. The various losses can be written with the help of capital reduction account at the time of----- reconstruction.
- (a) External (b) outsources
- (c) Internal (d) Surplus
13. For refunding surplus capital-----is credited
- (a) share holders a/c (b) creditors a/c
- (c) Liabilities a/c (d) None of the above
14. A Ltd. with a share capital of 10,000 equity shares of Rs. 10 each fully paid decides to repay Rs. 5 per share thus making each share of Rs. 5 fully paid. It is a case of—
- (a) Reducing share capital by returning the excess capital (b) Reducing the liability on account of uncalled capital
- (c) Reducing the paid-up capital. (d) None of the above
15. Goodwill arising on amalgamation is to be
- (a) Retained in the books of the transferee company (b) Amortised to income on a systematic basis normally five years
- (c) Adjusted against reserves or profit and loss account balance (d) All of the above
16. Accumulated profits include:
- (a) Provision for doubtful debts (b) Superannuation fund
- (c) Workmen's compensation fund. (d) None of the above
17. Which of the following is not a preferential creditors:
- (a) All sum due to employee from a provident fund, pension fund, gratuity fund or any other fund maintain for welfare of employee. (b) Compensation under workmen's compensation act.
- (c) Amount due under employees state insurance act for 12 months previous to the winding up (d) Amount due to employee under amalgamation or reconstruction
18. The outright sale of a policy by the insured to the insurance company before maturity of the policy

- (a) Surrender of policy (b) Sale of policy
(c) Reversion (d) Bonus
19. If the intrinsic values of shares exchanged are not equal, the difference is paid in
- (a) Cash (b) Debenture
(c) Pref. share (d) Assets
20. While calculating purchase consideration values of assets is to be considered
- (a) Book value (b) Revalued price
(c) Average price (d) Capital

No. of MCQ's Attempted :

Marks Scored :
(To be entered by the examiner)

No. of MCQ's not Attempted :

**ATTACH SECTION II INTERNAL EXAMINATION MCQ PAPER
WITH THE MAIN ANSWER BOOK**