

AMALGAMATION					
QUESTION TEXT	OPTION_a	OPTION_b	OPTION_c	OPTION_d	Solution
Amalgamation is covered under ____.	AS–14	AS 1	AS 12	AS 13	AS–14
Amalgamations are of ____ types.	two	three	four	one	two
Amalgamation needs to be approved by ____ % of shareholders.	75%	65%	55%	57%	75%
AS–14 covers only amalgamation of ____.	companies	firms	firms and company	Directors and Partners	companies
The payment made to debenture holders should ____ be included in consideration.	not	Gross amount	Net amount	Market value	not
The approval by ____ of shareholders is necessary for amalgamation in the nature of ____.	80%, merger	90%, merger	70%, merger	60%, merger	90%, merger
The two methods of accounting for amalgamation are relevant for ____ company.	Dissolved	transferee	Liquidated	Formed	transferee
____ method provides that assets and liabilities should be recorded at book value by a new company.	security premium	Pooling of Interest	capital reserve	None of the above	Pooling of Interest
Purchase method requires accounting for assets and liabilities at ____ by transferee company.	Plant and machinery	agreed / revised	Underwriting commission	None of the above	agreed / revised
Amalgamation Adjustment Account is applicable per ____ method of accounting.	cost	purchase	book value	None of the above	purchase
Amalgamation includes ____ reconstruction.	internal	firms and company	external	None of the above	external
Amalgamation of ____ is not covered under AS–14.	companies	purchase	firms	None of the above	firms
Arrangement between ____ or more companies is necessary for amalgamation.	two	three	one	four	one
Merger or absorption are schemes of ____.	Dissolved	transferee	amalgamation	None of the above	amalgamation
Reserves of transferor company is required to be adjusted under ____ method of accounting.	purchase method	capital reserve	pooling of interest	None of the above	pooling of interest
Unrecorded assets cannot be accounted per ____ method.	capital reserve	pooling of interest	Pooling of Interest	None of the above	pooling of interest
Amalgamation which does not fulfill conditions of merger is called ____.	external	purchase method	pooling of interest	None of the above	purchase method
Capital Reduction is ____ a variety of amalgamation.	Net amount	not	Gross amount	None of the above	not
The accounting for transferor company is in ____ manner irrespective of type of amalgamation.	book value	same	purchase	None of the above	same
Goodwill or capital reserve can arise under ____ method of accounting.	security premium	purchase	same	None of the above	purchase
In merger, all assets and liabilities are taken over at ____.	book value	purchase	same	None of the above	book value
In amalgamation, the purchasing company is called as ____ company.	Transferee	transferor	purchase	None of the above	Transferee
In amalgamation, the vendor company is called as ____ company.	transferor	Net amount	Transferee	None of the above	transferor
____ ____ ____ Method is followed for accounting merger.	Pooling of Interest	security premium	security premium	None of the above	Pooling of Interest
Payment to ____ does not form part of purchase consideration.	debentureholders	purchase	security premium	None of the above	debentureholders
Payment of liquidation expenses does not form part of ____.	security premium	Net amount	purchase consideration	None of the above	purchase consideration
As per AS–14, goodwill arising on amalgamation should be written off within ____ years.	2	4	5	3	5
Dissolution expenses paid by purchasing company are debited to ____ Account in purchase.	purchase	Gross amount	Goodwill	None of the above	Goodwill

Dissolution expenses paid by purchasing company are debited to _____ in merger.	Preference Shareholders Account	Profit & Loss Account	G.R. A/c	None of the above	G.R. A/c
In merger, shareholders holding _____% of the face value of equity shares become equity shareholders of the transferee company.	20	80	90	70	90
Preliminary expenses are transferred to _____ Shareholders Account.	Equity	transferor	Net amount	None of the above	Equity
In merger, vendor companies are _____.	Liquidated co.	Purchase of one company by another company	Combination of at least two companies	None of the above	Liquidated co.
The company amalgamated into another company is _____ company.	transferor	Reserves & Surplus	transferee	None of the above	transferor
Purchasing company is called as _____ company.	transferee	transferor	Reserves & Surplus	None of the above	transferee
On amalgamation preliminary expenses are debited to _____ _____.	equity shareholder's A/c	pooling of interest	Pooling of Interest	None of the above	equity shareholder's A/c
Premium on settlement of preference shares is debited to _____ A/c.	Realisation	Liquidated co.	Net amount	None of the above	Realisation
Amalgamation Adjustment Reserve A/c appears in the Balance sheet under _____ _____.	Profit & Loss Account	Preference Shareholders Account	Reserves & Surplus	None of the above	Reserves & Surplus
Profit on Realisation is transferred to _____ _____ A/c.	pooling of interest	Pooling of Interest	equity shareholders A/c	None of the above	equity shareholders A/c
Amalgamation of companies is governed by _____.	AS-13	AS-14	AS-9	AS-11	AS-14
The scheme of amalgamation can involve _____ companies	none	two	one	three	two and three
The amalgamation requires approval of _____.	High Court	Registrar of Companies	Central Government	Directors	High Court
Approval by _____ a shareholders is necessary for treatment as in nature of merger.	51%	75%	90%	80%	90%
Approval by _____ % of shareholders is required for implementation of the scheme of amalgamation.	51%	75%	80%	90%	80%
In case of purchase method, transferee company should record assets at _____.	book value	cost	market value	agreed value	agreed value
In case of pooling of interest method, transferee company should record assets at _____.	cost	market value	agreed value	book value	book value
Amalgamation Adjustment Reserve Account is required in respect of _____.	general reserve	statutory reserve	security premium	capital reserve	statutory reserve
The excess of net asset value over consideration is _____.	capital reserve	security premium	profit or loss	goodwill	capital reserve
AS-14 covers amalgamation of _____.	companies	firms	firms and company	Directors and Partners	companies
On amalgamation, the transferer company transfer its assets to Realisation Account at _____.	agreed value	book value	market value	original cost	book value
Purchase consideration as per AS-14 is the amount payable to _____.	shareholders and debentureholders	shareholders and creditors	shareholders	none of the above	shareholders
For accounting mergers, the method followed is _____.	Pooling of Interest Method	Equity Method	Purchase Method	none of the above	Pooling of Interest Method
Under Pooling of Interest Method, the difference between purchase consideration and share capital of	General Reserve Account	Goodwill Account	Amalgamation Adjustment Account	none of the above	General Reserve Account

Pooling of Interest is a method of ____.	providing depreciation	valuation of inventory	accounting for amalgamation	none of the above	accounting for amalgamation
Under Purchase Method, any excess of purchase consideration over net assets acquired should be	goodwill	capital reserve	Profit & Loss Account	none of the above	goodwill
Profit on Realisation Account is transferred by transferor company to ____.	Equity Shareholders Account	Preference Shareholders Account	Profit & Loss Account	none of the above	Equity Shareholders Account
The asset, which is not taken under Net Asset Method of calculation of purchase consideration, is	discount on issue of shares	loose tools	furniture	bills receivable	discount on issue of shares
Companies may combine by ____.	Amalgamation	Absorption	External reconstruction	Any of the above	Any of the above
If Vijay Ltd. and Vishakha Ltd. are taken over by Swati Ltd. a new company it is called ____.	Absorption	External reconstruction	Amalgamation	Internal reconstruction	Amalgamation
If Deepa Ltd. is taken over by Ranbhir Ltd. it is called as	Amalgamation	External reconstruction	Absorption	Merger	Absorption
If Santosh Ltd. and Kumari Ltd. are taken over by Santosh Kumar Ltd a new company ____.	Santosh Ltd. and Kumari Ltd. are Vendor Companies	Santosh Ltd. and Santoshkumar Ltd. are Vendor Companies	Kumari Ltd. is a purchasing Company	Kumar Ltd. is a purchasing company	Santosh Ltd. and Kumari Ltd. are Vendor Companies
If Santoshkumari Ltd. is taken over by Santoshkumar Ltd. a new company it is called ____.	Internal reconstruction	External reconstruction	Absorption	Merger	External reconstruction
On amalgamation business is taken over by ____.	New company	Existing company	weak company	Holding company	New company
As per AS 14 amalgamation is of two types :	Merger	Purchase of business	Merger of purchase of business	None of the above	Merger of purchase of business
On merger, vendor companies are ____.	Liquidated	Formed	Dissolved	None of the above	Liquidated
The common feature in merger, purchase of business is ____.	Liquidation of at least two companies	Liquidation of at least one company	Purchase of one company by another company	Combination of at least two companies	Purchase of one company by another company
As per Companies Act 1956, ____.	Amalgamation includes absorption	Absorption includes amalgamation	Amalgamation excludes absorption	Internal reconstruction includes external reconstruction.	Amalgamation includes absorption
Accounting for amalgamation is governed by ____.	AS 1	AS 14	AS 13	AS 11	AS 14
Accounting for absorption is governed by ____.	AS 1	AS 13	AS 14	AS 11	AS 14
Accounting for amalgamation by merger is as per ____.	AS 1	AS 13	AS 14	AS 11	AS 14
Accounting for amalgamation by purchase is as per ____.	AS 1	AS 13	AS 14	AS 11	AS 14
As per AS 14 transferor company means the company ____.	which is amalgamated into another company	which is newly registered	which is none of the above	Into which a company is amalgamated.	which is amalgamated into another company
Transferee company as per AS 14 is ____.	Vendor company	Purchasing company	Liquidated company	None of the above	Purchasing company
On amalgamation preliminary expenses in Balance Sheet of Vendor Company are debited to ____.	Realisation A/c	Equity shareholders A/c	Cash A/c	Preference shareholder A/c	Equity shareholders A/c

On amalgamation Profit and Loss A/c debit balance in Balance Sheet of Vendor Company is transferred	Realisation A/c	Cash A/c	Equity shareholders A/c	Preference shareholders A/c	Equity shareholders A/c
On amalgamation Debentures Account appearing in the Balance Sheet of Vendor Company is closed by	Crediting to Realisation Account, whether debentures are taken over or not	Crediting to Realisation Account when debentures are taken over	Crediting to Realisation Account when Debentures are not taken over	None of the above	Crediting to Realisation Account, whether debentures are taken over or not
On amalgamation Provident Fund Account in the Balance Sheet of Vendor Company is transferred to	Realisation Account	Purchasing co's Account	Equity Shareholders Account	Preference Shareholders Account	Realisation Account
Sinking Fund appearing in the Balance Sheet of Vendor Company is transferred to ____.	Realisation Account	Preference Shareholders Account	Equity Shareholders Account	Purchasing Companies Account	Preference Shareholders Account
On amalgamation if preference shares are settled at a premium, the premium is ____.	Debited to Realisation Account	Credited to Realisation Account	Credited to securities premium Account	Debited to Profit and Loss Account	Debited to Realisation Account
Accounting for amalgamation in the books of a Vendor Company is ____.	The same in all types of amalgamation	The different in all types of amalgamation	Dependent on the type of company	Dependent on purchase consideration	The same in all types of amalgamation
In amalgamation as a merger all the assets and liabilities of vendor company become the assets and	Transferee company	Vendor Company	Holding company	Subsidiary company	Transferee company
Shareholders holding not less than 90% of the face value of equity share capital in the Vendor Company	In the nature of merger	In the nature of purchase of business	In the nature of absorption	In the nature of internal reconstruction	In the nature of merger
On amalgamation as a merger all assets and liabilities of the transferor company are incorporated in the	Market value	Book value	Market value or Book value which ever is less	Agreed value	Book value
On amalgamation as a purchase of business assets and liabilities are transferred to the books of transferee company at ____.	Market Value	Book Value	Agreed Value	Cost	Agreed Value
Under amalgamation as a purchase of business the reserves carried in the books of transferee company are ____.	Statutory reserves only	General reserve	Profit and Loss Account	All of the above	Statutory reserves only
Amalgamation Adjustment Reserve Account is opened in the books of transferee company to incorporate ____.	Liabilities of Transferor company	Assets of Transferor company	Statutory reserves of transferor company	None of the above	Statutory reserves of transferor company
Under amalgamation as a purchase of business the transferee company incorporates in its books only ____.	Assets and liabilities of transferor company	Assets, liabilities and statutory reserves of transferor company.	Assets, liabilities and reserves of transferor company	None of the above	Assets, liabilities and statutory reserves of transferor company.
Goodwill arising on amalgamation is to be ____.	Amortized on a systematic basis	Adjusted against general reserves	Retained in the books of transferee company	None of the above	Amortized on a systematic basis
As per AS 14, payment of expenses on amalgamation ____.	Becomes part of purchase consideration	Does not become part of purchase consideration	Appears in the books of transferor company only	None of the above	Does not become part of purchase consideration

The asset which is not considered under Net Asset method of calculation of purchase consideration is ____.	Underwriting commission	Plant and machinery	Bills receivable	Stock	Underwriting commission
'Pooling of Interest' is a method of ____.	Accounting for amalgamation	Calculation of purchase consideration	Stock valuation	None of the above	Accounting for amalgamation
Under 'Purchase Method', excess of purchase consideration over the net assets taken over is accounted as ____.	Goodwill	Capital Reserve	Profit and Loss Account	None of the above	Goodwill
In case provision for doubtful debts is against the debtors, the debtors are transferred to Realisation Account at ____.	Gross amount	Net amount	Market value	None of the above	Gross amount
Purchase consideration under payment method in amalgamation is ____.	Payment to shareholders	Payment to debentureholders	Payment to preference shareholders	Payment of expenses	Payment to shareholders
Under amalgamation profit on Relisation is transferred to ____.	Equity shareholders A/c	Preference shareholders A/c	Debentureholders A/c	Creditors A/c	Equity shareholders A/c
Under amalgamation Loss on Realisation is debited to ____.	Equity shareholders A/c	Preference shareholders A/c	Profit and Loss Appropriation A/c	None of the above	Equity shareholders A/c
As per AS 14 amalgamation under Net payment method payment to creditors by Transferee company ____.	Forms part of purchase consideration	Does not form part of purchase consideration	Debited to Realisation A/c	None of the above	Does not form part of purchase consideration
FOREIGN CURRENCY					
QUESTION TEXT	OPTION_a	OPTION_b	OPTION_c	OPTION_d	Solution
_____ currency is the currency stated while presenting in final account.	Reporting	cash	payable	None of the above	Reporting
_____ currency is the currency stated by other party to transaction.	Foreign	Indian	Own	None of the above	Foreign
Exchange rate is the ratio of _____ of two currencies.	price / value	Profit & Loss Account	accrual / payment	None of the above	price / value
As per AS–11 the exchange difference arising on date of settlement of monetary item should be _____ in the period to which it relate.	accounted	Debtors Account	Trading Account	None of the above	accounted
As per revised AS–11 The exchange difference on settlement of liabilities relating to purchase of fixed asset is transferred to _____.	Profit & Loss Account	trading	Closing rate	None of the above	Profit & Loss Account
The receivable amount in foreign currency on the date of Balance Sheet is converted at _____ rate.	spot rate	current (closing)	settlement	None of the above	current (closing)
The liabilities in foreign currency are to be carried forward to next year by conversion at _____ rate.	settlement	current (closing)	accounted	None of the above	current (closing)
The receivable and payable in foreign currency are called _____ items.	Non-monetary	monetary	Reporting	None of the above	monetary
Average rate is the _____ of exchange rate.	spot rate	mean	settlement	None of the above	mean
The transactions in foreign currency recorded in the books of accounts at _____ on date on which transactions takes place.	Average rate	exchange rate	spot rate	None of the above	exchange rate
Fixed assets are carried in books for conversion as on the date of _____.	Creditors	Bank A/c	acquisition of assets	None of the above	acquisition of assets
Settlement date is the date on which _____ are to be collected.	accounted	Non-monetary	proceeds	None of the above	proceeds
The date on which liability is to be paid is called _____ date.	Reporting	monetary	settlement	None of the above	settlement
The interest on foreign currency loans is to be converted at the rate on the date of _____.	price / value	Profit & Loss Account	accrual / payment	None of the above	accrual / payment

The depreciation on fixed assets is to be converted at the rate on date of ____.	Sales Account	Debtors Account	acquisition of assets	None of the above	acquisition of assets
____ is the mean of the exchange rate during a period.	spot rate	Average rate	Closing rate	None of the above	Average rate
____ is the rate at the Balance Sheet date.	Average rate	Closing rate	spot rate	None of the above	Closing rate
AS-11 should be applied in accounting for transactions in ____ currencies.	indian	foreign	general	None of the above	foreign
Debtors and cash balance should be reported at ____ date.	monetary	reporting	settlement	None of the above	reporting
Foreign currency is the currency other than the ____ currency of a firm.	settlement	reporting	monetary	None of the above	reporting
____ items are money held and assets to be received.	Monetary	Non-monetary	Sales Account	None of the above	Monetary
____ items are assets and liabilities other than monetary items.	Non-monetary	monetary	Closing rate	None of the above	Non-monetary
____ currency used in presenting the financial statements.	Reporting	general	Average rate	None of the above	Reporting
Accounts payable is a ____ items.	monetary	non-monetary	Closing rate	None of the above	monetary
Fixed assets, inventories are the examples of ____ items.	non-monetary	monetary	Closing rate	None of the above	non-monetary
Contingent liability denominated in foreign currency at the Balance Sheet date by using the ____ rate.	closing	opening	Average rate	None of the above	closing
Exchange difference can arise only in respect of ____ items.	Non-monetary	Sales Account	monetary	None of the above	monetary
Fixed asset is a ____ ____ item.	monetary	Closing rate	Non-monetary	None of the above	Non-monetary
Inventory is a ____ ____ ____.	Closing rate	monetary	Non-monetary	None of the above	Non-monetary
Investment in equity shares is a ____ ____ ____.	monetary	Closing rate	Non-monetary	None of the above	Non-monetary
Debtors A/c is a ____ ____ ____.	Sales Account	monetary item	Non-monetary	None of the above	monetary item
Creditors A/c is a ____ ____.	Non-monetary	monetary item	Closing rate	None of the above	monetary item
Cash is a ____ ____.	Sales Account	monetary item	Non-monetary	None of the above	monetary item
Exchange rate on the date of transaction is a ____ ____.	Closing rate	spot rate	Average rate	None of the above	spot rate
Conversion of currency is covered in AS ____.	9	13	11	14	11
The exchange difference on settlement of liability specially for purchase of fixed asset is transferred ____.	asset	exchange difference	depreciation	profit & loss	asset
The balance in receivable as on the date of Balance Sheet is converted at rate ____.	on the date of sale goods	on the date of Balance Sheet	on the date of subsequent recovery	on the date of first recovery	on the date of Balance Sheet
The amount payable for purchase on the date of Balance Sheet is converted at ____.	on date of purchase	on date first payment	on date of subsequent payment	on date of Balance Sheet	on date of purchase
The depreciation on fixed assets is converted at rate ____.	on date of Balance Sheet	average during year	date of purchase	reopening date of year	date of purchase
The interest of loan is converted at rate on the date ____.	of loan borrowed	of accrual of interest	of payment	of Balance Sheet	of accrual of interest
The interest accrued on loan as on date of Balance Sheet is converted at rate on date of ____.	of payment	of Balance Sheet	of loan borrowed	average of (b) and (c)	of Balance Sheet
The balance in exchange difference on transaction of export sale is transferred to ____.	Sales Account	Debtors Account	Profit & Loss Account	Trading Account	Profit & Loss Account

The exchange difference arising due to import of raw material is transferred to ____.	purchase	trading	Profit & Loss Account	suppliers	Profit & Loss Account
The currency of the enterprise preparing account is called ____.	foreign currency	home currency	reporting currency	own currency	reporting currency
Following is not a monetary item :	Bills Receivable	Cash	Inventory	Bills Payable	Inventory
An exchange rate on the date of Balance Sheet is known as ____.	average rate	closing rate	non-monetary rate	monetary rate	closing rate
Non-monetary items are valued at ____.	market price	current price	historical cost	fluctuating price	historical cost
Reporting currency is the currency used in ____.	settling financial transactions	presenting financial statements	recording financial transactions	none of the above	presenting financial statements
Foreign currency is a currency ____.	used in recording foreign transactions	in presenting foreign financial statements	other than the reporting currency	none of the above	other than the reporting currency
Average rate is the rate ____.	on the Balance sheet date	is the mean of the exchange rates	is the proportion between two currencies	is rate at which asset could be exchanged	is the mean of the exchange rates
Exchange rate is the ____.	rate at the Balance sheet date	mean of the exchange rates	proportion between two currencies	rate at which asset is exchanged	proportion between two currencies
Following is not an example of a monetary item.____.	cash	payable	receivables	fixed assets	fixed assets
Following is an example of a non-monetary item ____.	Debtors	Creditors	Bank A/c	Stock	Stock
The mean of the exchange rates in force during a period is known as ____.	Average rate	Closing rate	Reporting rate	none of the above	Average rate
Reporting currency is the currency used for ____.	presenting financial statements	recording financial transactions	setting the financial transactions	none of the above	presenting financial statements
Non-monetary items are the items ____.	other than assets and liabilities	assets and liability as other than monetary items	exchanged at fair value	none of the above	assets and liability as other than monetary items
Monetary items are the assets and liabilities ____.	to be received or paid in money	to be received in fixed or determinable amount of money	to be received or paid in fixed amount	none of the above	to be received or paid in fixed amount
As applicable for translation of foreign currency is ____.	AS 11	AS 13	AS 14	AS 19	AS 11
The amount of exchange difference is recorded in ____.	Foreign Exchange Fluctuation A/c	General Reserve A/c	Profit and Loss A/c	None of the above	Foreign Exchange Fluctuation A/c
At the end of the year the balance on Foreign Exchange Fluctuation A/c is transferred to ____.	General Reserve A/c	Profit and Loss A/c	Balance sheet	None of the above	Profit and Loss A/c
LIQUIDATION OF COMPANIES					
QUESTION TEXT	OPTION_a	OPTION_b	OPTION_c	OPTION_d	Solution
There are two types of winding up viz. (a) ____ (b) ____.	Compulsory, Voluntary	Wages, Salaries	Company, General	None of the above	Compulsory, Voluntary
Section ____ provide for compulsory winding up.	433 to 465	430 to 465	433 to 462	None of the above	433 to 465

Official liquidator is appointed by the ____ ____.	Central Government	The State Government	The Registrar of Companies	None of the above	Central Government
Liquidator is appointed by ____ in its ____ meeting.	Wages, Salaries	Company, General	Compulsory, Voluntary	None of the above	Company, General
The Statement of Affairs is required to be submitted to the ____ in case of compulsory winding up.	Preference creditors	Official Liquidator	Summary of Cash book	None of the above	Official Liquidator
Deficiency or surplus A/c is given in list ____.	B	H	C	None of the above	H
Assets specifically pledged are given in list ____.	H	C	B	None of the above	B
Preferential creditors are given in list ____.	H	B	C	None of the above	C
Bills payable are given in list ____.	H	C	E	None of the above	E
Over-riding preferential payments are ____.	Official Liquidator	Summary of Cash book	Wages & Salaries	None of the above	Wages & Salaries
Liquidators final statements of A/c is a ____ of ____ ____.	Summary of Cash book	Official Liquidator	Preference creditors	None of the above	Summary of Cash book
In case of compulsory winding up remuneration of the liquidator is fixed by the ____.	Court	Central Government	The State Government	None of the above	Court
Preferential creditors subject to section 326 are paid ____ in to debentureholders having a floating charge on assets of the company.	Priority	Special	Contributory	None of the above	Priority
In case of solvency of the company interest on debentures is to be paid upto the ____ of ____.	Date, Payment	Wages, Salaries	Company, General	None of the above	Date, Payment
Government dues are ____ creditors.	Central Government	Contributory	Preference creditors	None of the above	Preference creditors
Retirement benefit of employees exceeding ` 20,000 per employee is a ____ creditor.	Debentureholder	Secured creditor	Preference creditor	None of the above	Preference creditor
Calls received in advance is an ____ creditor.	Secured	Shareholder	Unsecured	None of the above	Unsecured
A contributory is a ____.	Official Liquidator	Preference creditors	Shareholder	None of the above	Shareholder
A company may be wound up by NCLT when ____ resolution is passed.	Special	Central Government	The State Government	None of the above	Special
Petition for winding up can be filed by ____.	Contributory	Creditors	Contributory	None of the above	Contributory
Central Government can present petition to NCLT when the company acts against ____ ____.	Public order	Special	Contributory	None of the above	Public order
A company is created by	Law	Nature	Human being	All of the above	Law
Winding up by NCLT is called as	Voluntary winding up	Compulsory winding up	(a) & (b)	None of the above	Compulsory winding up
The petition for winding up is presented by	Creditors	Contributory	Company	All of the above	All of the above
Equity shareholders are	Priority claimant	Second claimant	Last claimant	No claimant	Last claimant
Pref. creditors are	Taxes	Dues to government	Wages & Salaries payable	All of the above	All of the above
Voluntary transfer is made by the company within	One year	Two years	Three years	Five years	One year
Liquidator's statement is prepared under section	143	153	156	173	156
Compulsory winding up takes place if	Special resolution is passed by the company	The company does not commence business within one year of its incorporation	The company is unable to pay its debts	All of the above	All of the above

In the case of compulsory winding up, official liquidator is appointed by	The Central Government	The State Government	The Registrar of Companies	The High Court	The Central Government
In the case of member’s Voluntary winding up liquidator is appointed by	The Central Government	The Company in General Meeting	The Board of Directors	The Registrar of Companies	The Company in General Meeting
In a statement of affairs secured creditors are shown in	List A	List B	List C	List D	List B
In case of compulsory winding up Statement of Affairs is sent to	The Official Liquidator	The Liquidator	The Government	The High Court	The Official Liquidator
Deficiency or surplus A/c is prepared as per list	H	B	C	E	H
Preferential creditors are included in list	List C	List B	List D	List E	List C
Government dues that arose within 12 months before the date of winding up is treated as	Preferential Creditors	Secured Creditors	Unsecured Creditors	None of the above	Preferential Creditors
Retirement benefit of employees exceed ` 20,000 per employee is considered as :	Unsecured Creditors	Preferential Creditors	Secured Creditors	None of the above	Preferential Creditors
Arrears of Preference dividend on the date of winding up is	Added to Preference share capital	Treated as secured creditor	Treated as unsecured creditor	None of the above	Added to Preference share capital
Calls received in advance is considered as	Unsecured creditor	Secured creditor	Preferential creditor	None of the above	Unsecured creditor
A contributory is a	Shareholder	Debentureholder	Secured creditor	Unsecured creditor	Shareholder
Amount due to an employee out of P.F. is	Preferential creditor	Secured creditor	Unsecured creditor	None of the above	Preferential creditor
A company may be wound up by NCLT when	special resolution is passed	The company acted against National interest	Affairs of the company are conducted in a fraudulent manner	All of the above	All of the above
Petition of winding up can be filed by	Contributory	ROC	Company	All of the above	All of the above
Central Government can present a petition to NCLT for winding of the company if the company has acted against.	Sovereignty and Integrity of India	Security	Public order	All of the above	All of the above
UNDERWRITING OF SHARES					
QUESTION TEXT	OPTION_a	OPTION_b	OPTION_c	OPTION_d	Solution
Indian companies Act, requires companies to complete minimum subscription of ____ %.	90%	80%	20%	75%	90%
A contract whereby one party undertakes to subscribe for shares in the event of under-subscription is known as ____ of shares.	Underwriting	Underwriter	Firm underwriting	None of the above	Underwriting
The person undertaking to subscribe the shares, in the event of under – subscriptions is known as – ____.	Underwriter	Firm underwriting	Underwriting	None of the above	Underwriter
Section ____ places certain restrictions with reference to commission to be paid for underwriting the shares.	26	76	56	66	76
Commission cannot exceed ____% of the issue price of shares.	2%	5%	3%	1%	5%
Commission cannot exceed ____% of the issue price of debentures.	3½ %	2½ %	4½ %	5½ %	2½ %
Total shares for which guarantee is given by each underwriter individually is known as ____.	Net liability value	Gross liability	Issue price of shares underwritten	None of the above	Gross liability

Definite commitment by the underwriters to take specified number of shares is known as ____.	Firm underwriting	Partial underwriting	Firm Underwriting	None of the above	Firm Underwriting
The applications received by the company with seal or stamp of certain underwriter is known as ____ applications.	Issue price	Full	Marked	None of the above	Marked
Underwriting commission is calculated on ____ price of shares.	Full underwriting	Partial Underwriting	Issue price	None of the above	Issue price
____ Applications bear stamp of the underwriter.	Debited	Credited	Marked	None of the above	Marked
In ____ underwriting all the shares are underwritten.	Partial underwriting	Firm Underwriting	Full	None of the above	Full
When shares of ` 100 each are issued at 20% premium underwriting commission will be calculated on ` ____.	100	80	90	None of the above	100
Underwriter's A/c is ____ by commission due.	Credited	Debited	Gross liability	None of the above	Credited
Underwriter's A/c is ____ by the shares allotted to them.	Debited	Credited	Net liability value	None of the above	Debited
Every Company issuing shares to public must collect within 15 days	80% of the issue	90% of the issue	45% of the issue	25% of the issue	90% of the issue
The time limit for collection of minimum subscription is	15 days	21 days	7 days	5 days	15 days
In case of shares commission cannot exceed	3 % of issue price	7.5 % of issue price	5 % of issue price	2.5 % of issue price	5 % of issue price
In case of Debentures the commission cannot exceed.	2.5 % of issue price	7.5 % of issue price	5 % of issue price	10 % of issue price	2.5 % of issue price
When the entire issue is underwritten it is called	Full underwriting	Partial Underwriting	No Underwriting	None of the above	Full underwriting
The applications which bear the stamp of underwriters are called as	Unmarked applications	Marked applications	Sealed applications	None of the above	Marked applications
Underwriting commission one is debited to	Underwriting commission A/c	Underwriter's A/c	Share Allotment A/c	None of the above	Underwriting commission A/c
Underwriting commission is calculated on	Issue price of shares underwritten	Net liability value	Marked application value	Firm underwriting value	Issue price of shares underwritten
Unmarked applications are	Applications bearing no stamp of the underwriter	Firm underwriting	Applications received by the company	Applications issued by the company	Applications bearing no stamp of the underwriter
When all the shares are underwritten it is called	Firm underwriting	Partial underwriting	Full underwriting	All of the above	Full underwriting
When some of the shares are underwritten it is called	Full underwriting	Partial underwriting	Firm underwriting	None of the above	Partial underwriting
SV Ltd. issued a 10% Debentures of ` 100 each at 20% discount. The underwriting commission will be paid on	` 100	` 80	` 120	` 150	` 80
SV Ltd. issued shares of a face value of ` 100 each at par. The MV is ` 120 cost is ` 90. The underwriting commission will paid on	` 100	` 120	` 90	none	` 100
SV Ltd. issued shares of ` 100 each at 50% premium. Underwriting commission will be paid on	` 100	` 90	` 150	All of the above	` 150
When the entire issue is underwritten by Mr. Premkumar, he is liable for	No. of shares applied by the public	No. of shares underwritten	No. of shares underwritten less. No. of shares applied by the public	None of the above	No. of shares underwritten less. No. of shares applied by the public

Marked applications are	Applications stamped by the underwriters	Applications signed by the public	Applications sealed by the company	None of the above	Applications stamped by the underwriters
Unmarked applications are	Applications stamped by the underwriters	Applications from public directly received by the company	Applications given to the brokers	None of the above	Applications from public directly received by the company
Underwriters can claim remuneration on	Face value of shares underwritten	Issue price of shares underwritten	Face value of shares actually purchased	None of the above	Issue price of shares underwritten
When an underwriter agrees to purchase a certain no. of shares in addition to unsubscribed shares, it is called as	Firm underwriting	Partial underwriting	Full underwriting	None of the above	Firm underwriting
Vide SEBI guidelines underwriting commission for Preference shares and Debentures upto ` 5,00,000 should not exceed.	2%	2.70%	2.50%	5%	2.50%
Vide SEBI guidelines underwriting commission for Preference shares and Debentures beyond ` 5,00,000 should not exceed.	2.50%	1.50%	2%	5%	2%
An underwriter is a person	Who underwrites the issue	Who finds buyers for the shares	Who is a broker	None of the above	Who underwrites the issue
A person cannot act as an underwriter unless he holds a certificate granted by	RBI	SEBI	ROC	MCA	SEBI
When the benefit of firm underwriting is given to the underwriters	Firm underwriting is not treated as unmarked applications	Firm underwriting is not treated as marked applications	Firm underwriting is ignored	None of the above	Firm underwriting is not treated as unmarked applications
When the benefit of firm underwriting is not given to the underwriters	Firm underwriting is treated as unmarked applications	Firm underwriting is treated as marked applications	Firm underwriting is ignored	None of the above	Firm underwriting is treated as unmarked applications
LIMITED LIABILITY PARTNERSHIP					
QUESTION TEXT	OPTION_a	OPTION_b	OPTION_c	OPTION_d	Solution
Every Designated partner will have to obtain ____.	A company	A LLP	DPIN	None of the above	DPIN
Rule ____ of LLP prescribes the books of accounts.	22	23	24	25	24
The books of LLP are to be retained for ____ years.	6	7	8	5	8
The accounting year for LLP ends on ____.	31 st May	31 st July	31 st March	31 st December	31st March
Every LLP has to prepare a statement of accounts on or before ____ every year.	30 th September	30 th April	30 th June	30 th November	30th September
Audit is compulsory if the turnover of LLP exceeds ` ____.	` 40,00,000	` 20,00,000	` 10,00,000	` 40,20,000	` 40,00,000
Solvency statement is filed with ROC in Form No. ____.	8	7	6	5	8
Annual Return of LLP is filed within ____ days of the end of the year.	60	50	40	20	60

Sec _____ of LLP Act provides for conversion of partnership into LLP.	55	25	35	15	55
At least _____ persons are required to form LLP.	1	2	4	3	2
_____ partners have to notify the changes in LLP to ROC.	Accrual basis	Designed	Cash basis	None of the above	Designed
LLP is registered under _____ Act. 2008.	NCLT	LLP	ICAI	None of the above	LLP
LLP has _____ succession.	Accrual basis	Perpetual	Cash basis	None of the above	Perpetual
LLP is a _____ entity.	Companies Act	Legal	LLP Act	None of the above	Legal
Rights of partners are governed by _____ Agreement.	NCLT	ROC	LLP	None of the above	LLP
Contribution is specified in _____ _____.	Chartered Accountant	Cost Accountant	LLP Agreement	None of the above	LLP Agreement
Contribution may be _____ or _____.	Tangible; Intangible	Profit; Loss	LLP; NCLT	None of the above	Tangible; Intangible
Statement of Account & Solvency is signed by _____ partner.	Designated	An individual	A company	None of the above	Designated
Accounts of LLP are to be audited by	Chartered Accountant	Cost Accountant	Company secretary	Master of commerce	Chartered Accountant
Maximum number of partners in LLP is	20	50	100	No limit	No limit
Agreement for LLP is in filed with	ICAI	NCLT	ROC	MCA	ICAI
Certificate of incorporation of LLP is issued by	Registrar of firms	Registrar of companies	Registrar of co-operative societies	Registrar of Universities	Registrar of companies
A partner shall cease to be a partner on	Death	Retirement	Winding up	All of the above	All of the above
Liability of partners in LLP	Limited	Unlimited	a & b	None of the above	Limited
The consent of designated partners is filed with the ROC in	Form 1	Form 2	Form 3	E-Form 4	E-Form 4
Books of accounts of LLP are to be preserved for	5 years	7 years	8 years	9 years	8 years
Books of accounts of LLP are maintained on	Cash basis	Accrual basis	Cash basis or accrual basis	Cash basis and accrual basis	Cash basis or accrual basis
Contribution can be	Tangible	Intangible	Movable / Immovable Property	All of the above	All of the above
Contribution by a partner to LLP is	Compulsory	Not compulsory	As specified by the agreement	None of the above	As specified by the agreement
Valuation of Contribution may be made by	Practicing Chartered Accountant	Practicing Cost Accountant	Panel member	Any one of the above	Any one of the above
Contribution has to be refunded on	death	insolvency	Termination of membership	Any one of the above	Any one of the above
Audit of LLP is compulsory when	Contribution exceeds ` 25,00,000	Turnover exceeds ` 50,00,000	Turnover less than ` 20,00,000	None of the above	Contribution exceeds ` 25,00,000
Designated partner must obtain DPIN from	The Central Government	The State Government	The ROC	Registrar of firms	The Central Government
A partner of LLP can be	An individual	A company	A LLP	All of the above	All of the above
LLP is created by	Partnership Act	LLP Act	Companies Act	Co-operative Societies Act	LLP Act
LLP can be dissolved by the order of	NCLT	High court	District Court	None of the above	NCLT

LLP has	Perpetual succession	No perpetual succession	Specified period of life	None of the above	Perpetual succession
Minimum members required to form a LLP is	2 members	5 members	10 members	15 members	2 members
Rights / duties of partners are governed by	LLP agreement	Partnership Deed	A/A	Byelaws	LLP agreement
Goods Costs ` 12,000 were destroyed by fire and the insurance Company admitted a claim for ` 7,600. The Loss by fire is disclosed in statmnet of income & expenditure under	Other Expenses	Selling Expenses	Administrative Expenses	Personnel Expenses	Other Expenses