

## SAMPLE MCQ QUESTIONS

- 1) Purpose of issue of preference share is providing funds in following situations \_\_\_\_\_
  1. Uncertainty of earning adequate profit
  2. Funds required for specific period
  3. a & b both
  4. None of these
  
- 2) Preference shares can be redeemable maximum within \_\_\_\_\_ years from the date of issue
  1. 2
  2. 6
  3. 8
  4. 10
  
- 3) Purchase Consideration is the amount:
  1. Payable by New firm to Old firm
  2. Payable by Old firm to New firm
  3. Payable by one firm to another firm
  4. Payable by one partner to another partner
  
- 4) Assets are transferred to Realisation A/c at:
  1. Market value
  2. Book value
  3. Agreed value
  4. Realisable value
  
- 5) Take over of Assets by a partner is debited to:
  1. Realisation A/c
  2. Partners Capital A/c
  3. New Firm A/c
  4. Bank A/c
  
- 6) Debentures can be redeemed at
  1. Par
  2. Premium
  3. Discount
  4. All of the above
  
- 7) The Debentures can be redeemed by
  1. Lump sum, at the end of term of the debentures
  2. Installments periodically
  3. Annual lots
  4. All of the above

8) Partnership is a legal relationship between persons according to the \_\_\_\_\_.

1. Contract Act
2. Companies Act
3. The Indian partnership Act, 1932
4. Income Tax Act 1961.

9) The profit sharing ratio among the partners may be \_\_\_\_\_ from the ratio to share losses.

1. Equal
2. Same
3. In the Capital ratio
4. Different

10) In the Excess Capital Method the \_\_\_\_\_ is equal to the lowest unit capital.

1. Excess Capital
2. Proportionate Capital
3. Minimum Capital
4. Unit Capital