

TEST

Chapter 8. Issue of Share

QUESTIONS

SECTIONS

1. Section A - 20 Questions

Section 1 : Section A - 20 Questions

1 This is an MCQ question :Premium received on issue of shares is shown to _____

- Liability Side of balancesheet
- Asset side of Balancesheet
- Profit And loss account debit side
- Profit and Loss Accoun credit side

Correct: +1

2 This is an MCQ question :Shareholders get_____ on shares

- Interest
- Commission
- Rent
- Dividend

Correct: +1

3 This is an MCQ question: The document inviting to subscribe the shares of a company is _____

- Prospectus
- Memorandum of Association
- Articles of Association
- Share certificate

Correct: +1

4 This is an MCQ question : The liability of shareholder in Joint tock Company is _____

- Joint And Several
- Limited
- Unlimited
- huge

Correct: +1

5 This is an MCQ question :The Share Capital Which a company is authorised to issue by its Memorandum of Association is _____.

- Nominal Capital/ Authorised Capital
- Issued Capital
- Paid up Capital
- Reserve Capital

Correct: +1

6 This is an MCQ question: 10000 equity shares of RS 10 Each issued at 10% premium Calculate the total amount of Share premium

- 1000
- 10000
- 4000
- 100000

Correct: +1

7 This is an MCQ question: Company received excess application for 5000 share @ Rs.4 per share. Application of 1000 shares were rejected and pro-rata allotment was made. Calculated the amount of Application money adjusted with allotment.

- 20000
- 18000
- 25000
- 16000

Correct: +1

8 This is an MCQ question: 80000 Equity shares of Rs 10 each issued and fully subscribe and called at 20% premium. Calculated the amount of Equity share capital.

- 8,00,000
- 1,60,000
- 6,40,000
- 80,000

Correct: +1

9 This is an MCQ question: Company send Regret letter for 100 shares and Allotment letter to 25000 shareholders. Application money was Rs 20 per share. Calculate the amount of application money which company is refunding.

- 5,00,000
- 2,000
- 5,02,000
- 10,000

Correct: +1

10 This is a true false question : Joint Stock Company From business Organisation Came Into Existence After Industrial revolution .

- True
- False

Correct: +1

11 This is a true false question :Equity share holders get guaranteed Rate of dividend every year.

- True
- False

Correct: +1

12 This is a true false question : Face value of share And market value of share is always Same.

- True
- False

Correct: +1

13 This is a true false question : Directors can forfeit the shares for any reason

- True
- False

Correct: +1

14 This is a true false question : In Case of Pro-rata allotment the excess application money received must be refunded.

- True
- False

Correct: +1

15 This is a true false question: The Authorised capital is also known as Nominal capital.

- True
- False

Correct: +1

16 This is a true false question: Paid-up capital can be more than called up capital.

- True
- False

Correct: +1

17 This is a true false question: Joint Stock company can raise huge amount of capital.

- True
- False

Correct: +1

18 This is a true false question: When the issued price of share is Rs.12 and face value is Rs.10, the share is said to be issued at premium.

- True
- False

Correct: +1

19 This is a true false question: Public limited company can issue its share withoutt issuing its prospectus.

- True
- False

Correct: +1

20 This is a true false question: Share can be issued for consideration other than cash.

- True
- False

Correct: +1

TEST

Chapter 8. Issue of Share

ANSWERS

SECTIONS

1. Section A - 20 Questions

Section 1 : Section A - 20 Questions

- 1 Liability Side of balancesheet
- 2 Dividend
- 3 Prospectus
- 4 Limited
- 5 Nominal Capital/ Authorised Capital
- 6 10000
- 7 16000
- 8 8,00,000
- 9 2,000
- 10 True
- 11 False
- 12 False
- 13 False
- 14 False
- 15 True
- 16 False
- 17 True
- 18 True
- 19 False
- 20 True