

CBT OCTOBER 2023
KENDRIYA VIDYALAYA SANGTHAN BHOPAL REGION
SUBJECT - ACCOUNTANCY
CLASS XII

1	<p>Preference shareholders have</p> <p>A Preferential right as to dividend only</p> <p>B Preferential right in the management</p> <p>C Preferential right as to payment of capital at the time of liquidation of the company</p> <p>D Preferential right as to dividend and repayment of capital at the time of liquidation of the company</p>	1
ANS.1	<p>(D) Preferential right as to dividend and repayment of capital at the time of liquidation of the company</p> <p>Explanation- Preferential Shareholders have two preferential rights</p> <p>(1) Preferential right as to dividend</p> <p>(2) Repayment of capital at the time of liquidation of the company</p>	1
2	<p>Which of the following statements is true?</p> <p>A Authorised capital = Issued capital</p> <p>B Authorised capital > Issued capital</p> <p>C Paid up Capital > Issued Capital</p> <p>D None of the above</p>	1
Ans.2	<p>B Authorised capital > Issued capital</p> <p>Explanation – Authorised Capital is always more than Issued Capital because Authorized capital is registered capital & a company can not be issue the share capital more than authorized capital.</p>	1
3	<p>As per the SEBI Guidelines, Application money should not be less than----- of the issue price of each share.</p> <p>A 10%</p> <p>B 15%</p> <p>C 25%</p> <p>D 50%</p>	1
Ans.3	<p>C 25%</p> <p>Explanation- As per the SEBI Guidelines, Application money should not be less than 25% of the issue price of each share.</p>	1
4	<p>Maximum limit of premium on shares is :</p> <p>A 5%</p> <p>B 10%</p> <p>C No limit</p> <p>D 100%</p>	1
Ans.4	<p>C No limit</p> <p>Explanation- As per the SEBI Guidelines, Maximum limit of premium on shares is no limit.</p>	1

5	As per Table F , the company is required to pay ---- interest on the amount of calls in advance A 12% p.a. B 5% p.a. C 10% p.a. D 6% p.a.	1
Ans.5	A 12% p.a. Explanation- As per Table F of the company act 2013 it is required to pay 12% p.a. interest on the amount of calls in advance	1
6	Balance of share forfeiture account is shown in the Balance sheet under the head ----- A Share Capital Account B Reserve and Surplus C Current Liabilities and Provisions D Unsecured Loans	1
Ans.6	A Share Capital Account Explanation- Balance of share forfeiture account is shown in the Balance sheet under the main head Shareholders' funds & sub-Head-Share Capital according to Indian Companies Act-2013 schedule-III.	1
7	600 shares of Rs 10 were forfeited for non payment of Rs 2 per share on first call and Rs 5 on final call . Share Forfeiture Account will be credited with A Rs 1200 B Rs 1800 C Rs 3000 D Rs 4200	1
Ans.7	B Rs 1800 Explanation- Share Forfeiture the amount which is paid by the shareholders but company forfeited that amount due to non payment of Allotment or Call money & cancelled allotted shares to the shareholder whose share are forfeited for non payment.so the amount Paid is rs. 3 per share which is forfeited $600 \times 3 = \text{Rs.}1,800.$	1
8	The balance of the forfeited shares account after reissue of forfeited shares is transferred to A Statement of Profit and Loss A/C B Share Capital Account A/c C Capital Reserve A/C D General Reserve A/c	1
Ans.8	C Capital Reserve A/C Explanation- The balance of the forfeited shares account after reissue of forfeited shares is transferred to Capital Reserve because it is capital profit.	1
9	700 share of Rs10 each were reissued as Rs 9 paid up for Rs 7 per	1

	<p>share . Entry for reissue will be:</p> <p>A Bank A/c Dr. 4900 Share discount A/c Dr 1400 To Share Capital A/c 6300</p> <p>B Bank A/c Dr. 4900 To Share Capital A/c 4900</p> <p>C Bank A/c Dr. 4900 Share Forfeiture A/c Dr 1400 To Share Capital A/c 6300</p> <p>D Bank A/c Dr. 4900 Share Forfeiture A/c Dr 2100 To Share Capital A/c 7000</p>	
Ans.9	<p>C Bank A/c Dr. 4900 Share Forfeiture A/c Dr 1400 To Share Capital A/c 6300</p> <p>Explanation – Bank A/c Debited with the amount received on reissue of forfeited shares (because Bank A/c is Assets & assets increase will be debited ,Discount on Reissue of Forfeited shares is loss so it will be debited because it is also increase, Share capital A/c is credited with amount of Paid up due to increase in liabilities according to modern rules of Double Entry System.</p>	1
10	<p>A limited forfeited 2000 shares of Rs 10 each fully called up for non payment of final call of Rs 2 per share . 1200 of these shares were reissued at Rs 7 per share , fully paid up. What is the amount to be transferred to Capital Reserve account? A Rs 7600 B Rs 1200 C Rs 12,400 D Rs 6000</p>	1
Ans.10	<p>D Rs 6000</p> <p>Explanation- Capital Reserve = (Total Forfeiture Amount x No of Reissue of Forfeited Shares/ Total No of Forfeited Shares) – Discount on Reissue of forfeited Shares. Capital Reserve= Total Forfeiture Amount (2000 x 8) x No of Reissue of Forfeited Shares (1200)/ Total No of Forfeited Shares (2000) – Discount on Reissue of forfeited Shares (1200 x 3). Capital reserve = (16,000 x 1200 /2000) – 3,600 Capital Reserve = 9,600 – 3,600 = Rs.6,000</p>	1