

Objectives Type Questions -

1. A company is legal person having -
a) Separate legal entity b) Perpetual succession c) Common Seal d) All of these
2. The minimum capital in case at Private company is -
a) 2 Lakh b) 5 Lakh c) 50 Lakh d) 1 Lakh
3. A company which is controlled by another company is known as -
a) Public Company b) Private Company c) Holding Company d) Subsidiary Company
4. The minimum numbers to form a private company are -
a) 50 b) 10 c) 2 d) 5
5. The minimum capital in case at non-profit company registered under section 25 is -
a) 100000 b) 500000 c) 25000 d) No such requirement
6. Who can be a promotes -
a) Company b) Natural person c) Association of person d) All at these
7. A company must have a registered office within days at incorporation -
a) 45 b) 30 c) 60 d) 120
8. The company may change its name by -
a) Ordinary resolution and confirm by court
b) Special resolution and confirmation by Regional director
c) Special resolution and confirmation by NCLT
d) Board of Directors resolution
9. A public company limited by shares if do not frame from its AOA then table given in schedule I I automatically applicable -
a) B b) A c) D d) E
10. The doctrine of ultra vires can be invoked on the request of at least -
a) One member b) 1/10 of the members c) 100 members d) 1/3 members
11. A prospects is -
a) An invitation to offer b) an offer c) An acceptance of an offer d) None of the above
12. Company can not issue -
a) Redeemable Pref. Shares b) Irredeemable pre shares
c) Participative Pref. Shares d) All of the above
13. What process of formation of a public company may be divided into -
a) 4 stages b) 3 stages c) 2 stages d) 10 stages
14. is the discovery of business opportunities and the subsequent organization of funds, property and managerial ability into business for the purpose of making profit.
a) Companies b) Promotion c) Private Co. d) Prospectus
15. is a person or a group of persons who conceives the idea of formation of a company and takes necessary steps for its incorporation -
a) Banker b) Manager c) Shareholders d) Promoter
16. Following are the legal position of the promoter in co -
a) As an agent b) As a trustee c) Fiduciary relation d) None of above
17. A private co. can start its business after obtaining certificate of -
a) Succession b) Incorporation c) Approval d) None of above
18. A public Co. can start its business after obtaining certificate of -
a) Finance b) Establishment c) Commencement of business d) None of these
19. A public Co. is required to issue for capital subscription -
a) Prospectus b) Annual Report c) Auditors report d) None of above

20. are the contracts which are entered into by the promoters of a prospective company even before it is duly incorporated –
a) Preliminary contracts b) Financial contracts c) Both A and B d) None of these
21. are the contracts made by public company after its incorporation but before obtaining certificate of commencement of business –
a) Preliminary expenses b) Provisional contracts c) both A and B d) None of these
22. is the character document of the company –
a) Financial accounts b) Articles of association
c) Memorandum of association d) None of these
23. Any activity done by the company beyond the scope of its memorandum is considered as –
a) Ultra vires b) Intra vires c) Inframed d) None of these
24. MOA contains following no. of clauses –
a) 3 b) 8 c) 7 d) 6
25. Anytime done beyond AOA by company is considered as –
a) Ultra vires b) Intra vires c) Intro-red d) Both A&B
26. includes any notice, circular, advertisement on other document inviting public to subscribe shares and debentures of co –
a) Prospectus b) MOA c) AOP d) both A & B
27. is the document containing brief or gist information of the prospectus?
a) Abridged Prospectus b) Prospectus c) both d) None of these
28. is issued by public co. in case of non issuing of prospectus –
a) Annual report b) Statement in Lieu of prospects c) Both d) None of these
29. "Company" means a company formed and registered under this act or an existing company formed and registered under any of the previous companies laws –
a) Companies Act 1956 b) prof. Haney c) Prof. Justice Marshald) Lord Chancellor
30. A public company is registered to have a minimum paid up capital of –
a) Rs. 1 Lakh b) Rs. 10 Lakh c) Rs. 3 lakh d) Rs. 5 lakh
31. A company formed but not registered under the companies act 1956 or under any previous companies laws is called an –
a) Unincorporated company b) Unregistered companies
c) Both A&B d) None the these
32. Various kinds of companies are classified into following basis –
a) On the basis of mode of formation b) On the basis of liability
c) One the basis of number of members d) One the basis of ownership
e) All of these
33. Statutory company can be created by –
a) Act of parliament only b) Act of state legislature only
c) Act of parliament or state legislature d) All of these
34. The minimum number of director required of incase of private company is –
a) One b) Two c) Three d) Fourth
35. A company which is or has been incorporated outside India but establishes or has established a place of business within India is called –
a) Government Company b) Non Government Company c) Foreign Company d) Registered company
36. East India Company and bank of England are example of –
a) Company incorporated by royal charter b) Foreign company
c) Statutory company
37. The minimum and maximum members to form public company are –
a) 50 and 7 b) 7 and 50 c) 50 and 1500 d) 7 and no limit

38. The document not required to be filed with Registrar at the time of incorporation –
a) Memorandum of Association
b) Articles of association
c) Consent of directors
d) A statement in lieu of prospectus
39. Registered office clause requires u/s 13(i)(b) to give the name of the –
a) town
b) Village
c) District
d) State
40. A company limited by shares –
a) Shareholders having limited liability for unpaid calls only
b) Shareholders can be asked to pay more than face value of shares allotted
c) Directors shall have limited liability
d) None of these
41. Government company is a company which percent at the paid up capital is held by government –
a) 59
b) 53
c) 51
d) 61
42. Registration of a company –
a) Voluntary
b) Not required
c) Compulsory
d) Optional
43. Reserve bank of India is –
a) Public company
b) Government company
c) Statutory company
d) Private company
44. How many members' were there in the Saloman & Company Ltd. –
a) 4
b) 5
c) 7
d) 8
45. Minimum subscriber required to memorandum in case of a public company –
a) 4
b) 5
c) 6
d) 7
46. 'Doctrine of indoor management' was born:
a) In the case of Soloman V/s Soloman Co. Lte.
b) In the case of Lease Air Farming Ltd.
c) In the case of Royal British Bank V/s Terquand
d) In the case of Ashbary Railway carriage and Iron Company V/s ReKay
47. From whom permission is needed for taking the registered office from one Registrar office to another registrar office in single state –
a) Registrar
b) Zonal director
c) Company law board
d) Central Govt.
48. Preparing the memorandum of association is –
a) Optional
b) Necessary
c) Compulsory
d) None of these
49. The registration of company is –
a) Optional
b) Necessary
c) Compulsory
d) None of these
50. 'Company' Define under section of companies act 1956 –
a) Sector 2(10)
b) Sector 3(1)(i)
c) Sector 10
d) None of these