

CHAPTER 1	INTRODUCTION TO COMPANY	Syllabus: Meaning and Definition – Features -, Highlights of Companies Act 2013 – Body Corporate, Kinds of Companies (concept, Definition and Features) – One Person Company, Private Company, Public Company, Company limited by Guarantee, Company limited by Shares, Holding Company, Subsidiary Company, Government Company, Associate Company, Small Company, Foreign Company, Listed Company, Dormant Company, Lifting of Corporate Veil.
----------------------	--	---

Group – A

❖ **Answer the following questions**

(1 mark each)

1. The term company is defined under which sec of the Act?
(a) Section 2 (4)
(b) Section 4 (2)
(c) Section 3 (1)**
(d) Section 1 (3)
2. Property of the company belongs to
(a) Company**
(b) Share holders
(c) Members
(d) Promoters
3. Which company shares can be freely transferable
(a) Private Company **
(b) Public Company
(c) Both (a) & (b)
(d) None of the above
4. The term company is defined under which sec of the Act?
a) Sec 3** (1) b) Sec 4 (2) c) Sec 2 (4) d) Sec 1 (3)
5. Property of the company belongs to
a) Company** b) Share holders c) Members d) Promoters
6. Which company shares can be freely transferable
a) Private Company** b) Public Company c) Both (a) & (b) d) None of the above
7. Minimum number of members in case of public company
(a) 1
(b) 2
(c) 5
(d) 7**
8. Minimum number of members in case of private company is
(a) 1
(b) 2 **
(c) 3
(d) 5
9. Maximum no .of members in case of public company is
(a) 1
(b) unlimited **
(c) 50
(d) 100
10. The liability of members if company is limited by shares
a) Unpaid value of shares **
b) Guarantee amount
c) Unlimited liability
d) None of the above

11. Company will have fundamental rights.
 - a) True
 - b) False**
12. XYZ Company shares are totally held by government. The company will be government.
 - a) True
 - b) False**
13. X Company is holding majority of shares in Y company. Will X and Y companies will be the same.
 - a) Yes
 - b) No**
14. Members of a company can enter contract with the company
 - a) True **
 - b) False
15. How many months did the company can continue its business u/s 45 _____
 - (a) 1
 - (b) 2
 - (c) 5
 - (d) 6**
16. Minimum subscription should be received within _____ days
 - (a) 130
 - (b) 125
 - (c) 120 **
 - (d) 135
17. If minimum subscription is not received application money should be refunded within _____ days
 - (a) 20
 - (b) 25
 - (c) 30
 - (d) 10**
18. Liability of a member in case of a private company is
 - (a) Limited
 - (b) Unlimited
 - (c) Both (a) or (b) **
 - (d) None of the above
19. While calculating maximum limit in case of private company which of the following will not be included
 - a) Employee + Member
 - b) Member + Employee**
 - c) Member
 - d) None of these
20. A company is named as govt. company if it is holds _____% of paid up share capital
 - a) more than 30
 - b) more than 40
 - c) more than 50 **
 - d) None

Group – B

❖ Answer the following questions

(2 marks each)

21. The company's nationality is decided by its

- a) Shareholders
- b) Registered office**
- c) Place at books of accounts are kept
- d) None of the above

22. If the companies does not increase their paid up capital by 1/5 lakhs with in 2 years such companies are known as

-
- a) Private
 - b) Public

c) Defunct **

d) Govt Company

23. X, is a director of X Company and X is also a director of Y Company this means X Co. and Y Co.

both are same

a) True

b) False**

24. Central Government permission is required in case of _____ conversion _____

a) Private to public

b) Public to private **

c) Both (a) or (b)

d) None of the above

25. _____% of shares should be held by a company in another company so as to become subsidiary

a) more than 50**

b) more than 40

c) more than 30

d) more than 20

26. The companies which are formed under special charter granted by the king or queen of England are called

a) Statutory companies

b) Registered companies

c) Chartered companies

d) None of these.

27. The companies which are formed under special Act. Those companies are called as

a) Chartered companies

b) Statutory companies

c) Registered companies

d) None of these

28. The companies which are formed under companies Act. 1956. They will be called as

a) Chartered companies

b) Statutory companies

c) Registered companies

d) None of these

29. If the guarantee Co. having no share capital the liability of shareholders will be

a) To the extent of guarantee

b) Unpaid value of shares

c) Unlimited

d) None of the above

30. If the guarantee Co. having share capital the liability of shareholders will be

a) Guarantee +unpaid value of shares

b) Unpaid value of shares

c) Unlimited

d) None of the above

31. If a company which is formed with unlimited liability wants to convert to limited liability then it should pass

a) Ordinary resolution

b) Special resolution

c) No need

32. XYZ Co, is having 10% share capital held by another Public Company and 35% held by Central Government and 55% held by people then that Company is

a) Government Company

b) Private Company

c) Public Company

d) None of these

33. XYZ Co, is having 15% share capital held by X Company and 50% held by Central Government and 10% held by State Government and 25% held by other people then that company will be

a) Government Company

b) Private Company

c) Public Company

d) None of these

34. In a private company 49 members are there who were first appointed as a member then joined as an employee 2 members holding 1 share and 15 debenture holders. Did the Company crossed maximum limit?

(a) Yes

(b) No**

35. Public Company and Public Sector Company both the companies are same.

(a) True

(b) False**

ANSWER KEY

Q.No.	1	2	3	4	5	6	7	8	9	10
Answer	C	A	A	A	A	A	D	B	B	A
Q.No.	11	12	13	14	15	16	17	18	19	20
Answer	B	B	B	A	D	C	D	C	B	C
Q.No.	21	22	23	24	25	26	27	28	29	30
Answer	B	C	B	B	A	C	B	C	A	A
Q.No.	31	32	33	34	35	36	37	38	39	40
Answer	B	C	A	B	B					