

Company law (Chapter 1)

1 The term company is defined under which sec of the Act?

- a) Sec 3(1) b) Sec4 (2) c)Sec2 (4) d)Sec1 (3)

2 Property of the company belongs to _____

- a) Company b) Share holders c) Members d) Promoters

3 Minimum numbers of members in case of public company _____

- a) 1 b) 2 c) 5 d) 7

4 Minimum numbers of members in case of private company is

- a) 1 b) 2 c) 3 d)

5 Maximum no. of members in case of private company is

- a) 50 b) 100 c) 150 d) 200

6 Maximum no .of members in case of public company is

- a) 0 b) unlimited c) 50 d) 100

7 How many months did the company can continue its business u/s 45 _____

- a) 1 b) 2 c) 5 d) 6

8 Minimum subscriptions should be received within _____ days

- a) 120 b) 125 c) 130 d) 135

9 If minimum subscription is not received application money should be refunded within _____ days

- a) 20 b) 25 c) 30 d) 10

10 Minimum paid up share capital in case of a private company is _____

- a) 1 Lakh b) 2 Lakhs c) 3 Lakhs d) 4 Lakhs

11 Minimum paid up share capital in case of a public company is _____

- a) 1 Lakh b) 3 Lakhs c) 5 Lakhs d) 7 Lakhs

12 Minimum no. of Directors in case of a public company is _____

- a)1 b)2 c)3 d)4

13 Minimum no. of Directors in case of private company is _____

- a) 1 b) 2 c) 3 d) 4

14 The liability of members if company is limited by guarantee.

a) Unpaid value of shares b) Guarantee amount c) Unlimited liability

15 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

16 XYZ Company conducted an AGM on 1st Sept.2007. On that day due to fire accident in the Hall, all shareholders died. Will the company will be in existence?

a) Yes b) No

17 Company's owners are shareholders. So the company property belongs to the share holders. Do you agree with this statement?

a) Yes b) No

18 Company will have fundamental rights

a) True b) False

19 XYZ Company shares are totally held by government. The company will be government.

a) True b) False

20 If the company failed to refund application money within 130 days from the date of issue of prospectus on non receipt of minimum subscription who will be personally liable.

a) Company b) Directors c) Shareholders d) None of these

21 Transfer of shares in the company is

a) Restricted b) Freely transferable c) Prohibited d) None of these

22 Generally Company liabilities is

a) Limited b) Unlimited c) Situation does not arise

23 Generally partnership firm liability is

a) Limited b) Unlimited c) Situation does not arise

24 XYZ private companies had reduced to a single member and continued business more than 6 months. The company's liability will be.

a) Limited b) Unlimited c) None of the above.

25 In the case of Company, Audit is

a) Compulsory b) Optional c) None of the above

Answers- 1) a 2) a 3) d 4) b 5) a 6) b 7) d 8) a 9) d 10) a 11) c 12) c 13) b 14) b 15) a 16) a 17) b 18) b 19) b 20) b 21) b 22) a 23) b 24) b 25) a