1) A company is called an artificial person because
   (a) It does not have the shape of a normal man.
   (b) It cannot be sued in the court of law.
   (c) It is invisible and intangible.
   (d) It exists only in contemplation of law.

2) The ‘common seal’ of the company should have
   (a) The company’s name.        (b) The words ‘corporate seal’.
   (c) The place of the company.   (d) All the above.

3) Which of the following is a joint stock company as per the companies Act, 1956?
   (a) A charitable trust.
   (b) A partnership firm with fixed capital.
   (c) A society with fixed reserve fund.
   (d) none of the above.

4) Power to use official seal of the company outside India is to be authorized by.
   (a) Article of Association.
   (b) Memorandum of Association
   (c) Both Memorandum and Article of Association.
   (d) Central Government.
5) A company comes into legal existence as a person on.
   (a) Approval by Company Law Tribunal to commence business.
   (b) Approval by Central Government as being a bonafide company.
   (c) Acceptance of legal documents by the registrar for its incorporation.
   (d) Issue of certificate of incorporation by the Registrar of companies.

6) The word 'Limited' can be dropped from a company’s name only when.
   (a) The company is formed for promotion of commerce, art, science, religion, charity or any other useful object.
   (b) The company prohibits the payment of dividends.
   (c) Both (a) and (b).
   (d) The central Government deems it fit.

7) A public company can be called as a body corporate after it.
   (a) Receives certificate of commencement of business.
   (b) Issues prospectus.
   (c) Receives certificate of incorporation.
   (d) Receives approval from the registrar for the proposed name of the company.

8) A registered company is the company which is incorporated.
   (a) Under the Companies Act, 1956.
   (b) By a special notification of the central Government.
   (c) Under the Indian Registration Act.
   (d) By a special Act of Parliament or State.

9) The minimum number of members required to form a ‘public Company’ is.
   (a) 2.
   (b) 7.
   (c) 10.
   (d) 50.

10) The minimum and maximum number of members in a private company are.
    (a) 7 and 50.
    (b) 2 and 50.
    (c) 3 and 100.
    (d) 2 and unlimited.

11) Converting a public company into a private company requires a special resolution.
    (a) Passed by the members and with sanction of the central Government.
    (b) Passed by the members and approved by the Registrar of companies.
    (c) Passed by the members and approved by the company Law Tribunal.
    (d) Passed by the members and approved by the auditors.

12) In which of the following conditions, a company will be reckoned a foreign company?
    (a) If the company is established outside India and has a place- of business in India.
    (b) A company incorporated outside India having shareholders who are all Indian citizens and having its business outside India.
    (c) A company incorporated in India but having all foreign shareholders.
    (d) Both (a) and (b).
13) Legal position of a promoter of a company is.
   (a) That of an agent.  (b) That of a trustee.
   (c) That of a solicitor.  (d) In a fiduciary capacity.

14) A company is said to have been registered when?
   (a) It files Memorandum of association and Articles of Association.
   (b) It gets incorporation certificate with the Registrar of Companies.
   (c) It gets certificate for commencement of business.
   (d) It actually starts its business.

15) A private Limited company commences business.
   (a) At any time.
   (b) After obtaining the certificate of incorporation.
   (c) After obtaining the certificate to commence business.
   (d) None of the above.

16) Certificate of commencement of business is not required by.
   (a) A public company.
   (b) A private company.
   (c) Both public and private companies.
   (d) private company subsidiary to a public company.

17) The companies (Amendment) Act, 2000 provides new section 292 A for
    constitution of audit committees by every public company having a paid-
    up capital of.
    (a) Rs.10 lakh or more.  (b) Rs. 50 lakh or more.
    (c) Rs.1 crore or more.  (d) Rs.50 million or more.

18) An Audit Committee may include.
    (a) Auditors.  (b) Company Secretary.
    (c) Non-executive Directors.  (d) All.

19) Which of the following reports included clause 49 in the listing agreement.
    (a) Sabhanayagam Report.  (b) Kumaramangalam Birla report.
    (c) Narasimham Report.  (d) L.C. Gupta Report.

20) Audit committee shall act in accordance with the terms of reference to be
    specified by.
    (a) Statutory Auditors.  (b) SEBI.
    (c) Board of Directors.  (d) Central Government.

21) The Statutory Auditors of the company are appointed by.
    (a) Share holders in Annual General Meeting.
    (b) Board of Directors.
    (c) Company Law Board.
    (d) Central Government.

22) Remuneration Committee is made up of.
    (a) independent directors.  (b) Executive directors.
    (c) Auditors.  (d) investors.
23) Executive Directors are those directors who.
(a) are men from outside the Board.
(b) occupy management position.
(c) are independent directors.
(d) elect the board committee.

24) The company agrees that the remuneration of non-executive directors shall be decided by.
(a) Board of Directors.
(b) Company.
(c) Share holders.
(d) Central Government.

25) An Article constitutes a contract between.
(a) the company and its members.
(b) the members and outsiders.
(c) the company and the outsider.
(d) all the above.

26) Name of a company can be changed by.
(a) An ordinary resolution.
(b) A special resolution.
(c) An approval of the central government.
(d) A special resolution and with approval of the Central government.

27) Change of registered office of a company from one place to another in the same city requires.
(a) Board resolution.
(b) Special resolution.
(c) Ordinary resolution.
(d) Special resolution with Central government approval.

28) Article of Association can be altered by.
(a) A resolution of Board of Directors.
(b) An ordinary resolution in Annual General Meeting by the shareholders.
(c) A special Resolution.
(d) Obtaining permission of the Company Law Tribunal.

29) A change in the registered office of the company from one state to another can be effected by.
(a) A resolution of the board of directors.
(b) A resolution passed in the general meeting of the company.
(c) A special resolution of the company and approval of the central Government.
(d) A special resolution and confirmation of the Company Law Tribunal.

30) The charter of a company is its.
(a) prospectus.
(b) Memorandum of Association.
(c) Certificate of incorporation.
(d) Articles of Association.

31) A document which lays down the fundamental conditions upon which the company is allowed to form is called.
(a) Memorandum of Association. (b) Article of Association. (c) prospects. (d) Certificate of Incorporation.

32) The alteration of the Memorandum has to be certified by the Registrar.
(a) Within 45 days.
(b) Within 15 days.
(c) At his own time provided the company satisfies his queries in this respect.
(d) Within 30 days.

33) Memorandum of Association does not include.
(a) Subscription Clause. (b) Capital Clause. (c) Liability Clause. (d) Assets Clause.

34) ‘Shelf prospectus’ means a prospectus issued by.
(a) Any trading company.
(b) Any industrial company.
(c) Any financial institution or banks.
(d) Any existing company whose shares are listed on a recognized stock exchange.

35) The ‘Golden Rule’ for framing of a prospectus was laid down in the case of.
(a) Royal British Bank.
(b) Rex Vs Kylsant. (c) New Brunswick & Canada Rly. & Land Co. Vs Muggeridge.
(d) Derry Vs Peek.

36) The document which invites the public for subscribing capital in the form of shares and debenture is called.
(a) Memorandum of Association. (b) Article of Association. (c) Prospectus. (d) Legal Announcement.

37) Which of the documents is not filed to the registrar at the time of incorporation?
(a) Memorandum. (b) Article of Association. (c) Consent of the director. (d) Prospectus.

38) A prospectus may contain a statement purporting to be made by an expert. The term “expert” includes.
(a) An Engineer.
(b) A Valuer.
(c) An accountant and any other person whose profession gives authority to a statement made by him.
(d) All the above.

39) The most important clause in the Memorandum of Association of a company is.
(a) Name clause. (b) Registered office clause. (c) Objects clause. (d) Liability clause.
40) Who has certain remedies for misstatement in the prospectus against the company and the persons issuing the Prospectus?
   (a) A person who has applied for shares in the company and who has been allotted shares.
   (b) A buyer of shares in the open market.
   (c) A subscriber to the memorandum.
   (d) All the above.

41) The prospectus must be issued within ................. after the date on which a copy thereof has been delivered for registration.
   (a) 30 days.  (b) 60 days.  (c) 90 days.  (d) 120 days

42) Every prospectus
   (a) Has to be dated.
   (b) Need not be dated as per the provisions of law.
   (c) Can be dated depending upon the requirements of the board.
   (d) Must not be dated in order to avoid complications.

43) The exception to the doctrine of constructive notice is provided in
   (a) Lifting the corporate veil.  (b) Doctrine of ultra vires.
   (c) Doctrine of indoor management.  (d) None of the above.

44) Any document filed with the registrar will be deemed to have been read and understood by all those who deal with the company. It is as per the doctrine of.
   (a) Constructive Notice.  (b) Indoor Management.
   (c) Public Notice.  (d) Ultra vires.

45) The Doctrine of indoor management provides protection to.
   (a) The Board of Directors.  (b) The Shareholders.
   (c) The Managing Directors.  (d) Outsiders.

46) The doctrine of constructive notice protects the interest of.
   (a) The Company.  (b) The Shareholders.
   (c) The Creditors.  (d) The Debtors.

47) When an act is performed or a transaction is carried out, which though legal in itself, is not authorized by the objects clause in the Memorandum or by Statute, it is said to be.
   (a) Ultra vires the powers of the company.
   (b) Intra vires the powers of the company.
   (c) Ultra vires the powers of the company.
   (d) Ultra vires the implied authority.

48) An act of a director which is intra vires the Memorandum and ultra vires the Articles of Association.
   (a) Cannot be ratified by the company.
   (b) Must necessarily be ratified by the company.
   (c) May be ratified by the company.
   (d) Is void ab initio.
49) Doctrine of constructive notice is related to.
   (a) Memorandum of Association.
   (b) Articles of Association.
   (c) Memorandum of Association and Articles of Association both.
   (d) Neither Memorandum of Association nor Articles of Association.

50) A person is disqualified from being appointed as a director of a company if.
   (a) He has applied to be adjudged insolvent.
   (b) He is of unsound mind.
   (c) He is an undischarged insolvent.
   (d) All the above.

51) A person cannot be a director of more than ............... as per the
    (a) 5 companies.  (b) 10 companies.
    (c) 15 companies.  (d) 20 companies.

52) The remuneration payable to a whole time director of the company should
    not exceed.
    (a) 5% of the net profits.  (b) 6 % of the net profits.
    (c) 7 % of the net profits.  (d) 10% of the net profits.

53) The first directors of a public company are appointed by the.
    (a) Public.  (b) Shareholders.  (c) Promoters.  (d) Government.

54) According to the companies Act, 1956 a Private limited company must
    have at least ........... directors.
    (a) Seven.  (b) Three.  (c) Two.  (d) One.

55) Maximum managerial remuneration permissible under the Companies Act,
    1956 for public limited companies is.
    (a) 10% of the net profits.  (b) 5% of net profit.
    (c) 11% of net profit.  (d) 8% of net profit.

56) Under the companies Act, which one of the following powers can be
    exercised by the Board of Directors?
    (a) Power to sell the company’s undertakings.
    (b) Power to make call.
    (c) Power to borrow money in excess of the paid up capital.
    (d) Power to reappoint an auditor.

57) Who may be appointed as a director of a company?
    (a) An individual.  (b) A body corporate.
    (c) A firm.  (d) An association.

58) The nominal value of the qualification shares of a director must not exceed.
    (a) Rs. 1000
    (b) Rs.2000.
    (c) Rs.4000.
    (d) Rs. 5000 or the nominal value of one share where it exceeds Rs.5000.
59) According to section 255 of the companies Act, the Directors must be appointed by the.
   (a) Central Government.
   (b) Company Law Tribunal.
   (c) Company in General Meeting.
   (d) Board of Directors.

60) The Board of Directors can exercise the power to appoint directors in the case of.
   (a) Additional Directors.
   (b) Filling up the Casual vacancy.
   (c) Alternate Directors.
   (d) All the above.

61) Where a director acts dishonestly to the interest of the company, he will be held liable for.
   (a) Ultra vires acts.
   (b) Negligence.
   (c) Breach of fiduciary duty.
   (d) Mala fide acts.

62) Except with the approval of the central Government, remuneration of a whole time director or a managing director shall not exceed ............... of the net profits for one such director.
   (a) 3%.
   (b) 5%.
   (c) 10%.
   (d) 11%.

63) Under section 269, every public company and a private company which is a subsidiary of a public company must have a managing director or a whole time director if its paid-up share capital is.
   (a) Rs.1 crore or more.
   (b) Rs.2 crore or more.
   (c) Rs.5 crore or more.
   (d) Rs.10 crore or more.

64) Sec.291 of the Company Act 1956, has clarified that.
   (a) The directors are subordinate to the overall majority of the shareholders.
   (b) The Board of directors shall exercise all such powers and do all such acts as the company is authorized to exercise or to do subject to the restrictions contained in the Act, memorandum and articles.
   (c) The shareholders cannot interfere with the conduct of management in any way.
   (d) All the Above.

65) When the Directors have acted mala fide and are themselves the wrong doers, the only option left with the shareholders is.
   (a) To go to the court.
   (b) Approach the Company Law Tribunal.
   (c) To interfere in management by a majority in the general meeting.
   (d) To approach the Central Government.

66) When there is a deadlock between the directors.
   (a) The Central Government can intervene and ask the directors to co-operate with each other.
   (b) The company Law Tribunal has necessarily to intervene.
(c) Shareholders may intervene to take necessary steps to ensure the working of the company.
(d) Directors must forget about personnel issues and work for greater good.

67) What is the amount of contribution that a company can make for political purposes?
   (a) 10% of net profits of the preceding financial year on which the tax has been paid.
   (b) 5% of gross profit of the current assessment year.
   (c) Amount not exceeding 5% of the net profits of three immediately preceding financial years.
   (d) None of these.

68) Any information or knowledge generated by the company.
   (a) Is the property of the company and known as intellectual property.
   (b) Cannot be used by any director for personal gains.
   (c) If used for personal gains by any director must be accounted for to the company.
   (d) All the above.

69) According to section 283 (1) (g) if a director absents himself from 3 consecutive board meetings or from all meetings consecutively for a period of 3 months without obtaining leave of absence.
   (a) He shall be fined with Rs.500.
   (b) He shall be held accountable to the registrar.
   (c) His office shall become vacant.
   (d) All the above.

70) The maxim “delegates nonpotest delegare” states the.
   (a) Duty to delegate to a director.
   (b) Duty not to delegate their duties.
   (c) Duty of a subordinate not to protest when duty has been delegated to him.
   (d) None of above.

71) A company can be wound up.
   (a) Voluntarily by members.
   (b) By the order of the Tribunal.
   (c) By Voluntary winding up by creditors.
   (d) By all the above methods.

72) Compulsory winding up means winding up.
   (a) By the Tribunal.
   (b) By the members.
   (c) By the Creditors.
   (d) All of them.

73) A company may be wound up by the Tribunal if.
   (a) The company passes an ordinary resolution to this effect.
   (b) The company does not commence its business within 6 months of its incorporation.
   (c) Number of members reduced below 7 in the case of a private company.
   (d) Company is unable to pay its debts.
74) As per Sec 439, who can file a petition to the tribunal for winding up?
(a) The registrar.  
(b) Company.  
(c) Contributory.  
(d) Any one of these.

75) As per Sec.444 when the Tribunal makes an order for the winding up it should be communicated within two weeks to.
(a) Official liquidator.  
(b) Company.  
(c) Central Government.  
(d) National Company Law Board.

76) Official liquidators are appointed from a panel of.
(a) Professional firms of chartered accountants.  
(b) Advocates.  
(c) Company Secretaries.  
(d) all.

77) Tribunal may appoint the official liquidator to be the liquidator provisionally at any time.
(a) After the presentation of petition for winding up.  
(b) After making the winding up order.  
(c) After dissolution.  
(d) Before the statutory meeting.

78) The official liquidator after receipt of statement of affairs of the company must submit a preliminary report to the Tribunal not later than …………….
of the order.
(a) 6 month.  
(b) one year.  
(c) two weeks.  
(d) one month.

79) On a winding up order being made, the company’s property comes under the custody of.
(a) Liquidator.  
(b) Tribunal.  
(c) Central Government.  
(d) Share holders.

80) As per Sec.457, the statutory powers of the liquidator can be exercised.
(a) With the sanction of Tribunal.  
(b) Without the sanction of the Tribunal.  
(c) Some with and some without such sanction.  
(d) With the sanction of the Central Government.

81) In the event of Company being wound up the Tribunal shall prepare list of contributories into.
(a) List A.  
(b) List B.  
(c) List A and List B.  
(d) List A or List B.

82) One of the following is the instance where the just and equitable clause for winding up can be adopted by the Tribunal.
(a) Oppression of minority by the majority.  
(b) Inability to pay debts.  
(c) Commercial insolvency.  
(d) Reduction of members below minimum.
83) As per Sec.488, Declaration of Solvency of company by the Directors in the case of voluntary winding up may be made within.
   (a) 5 weeks of passing resolution.        (b) one month.
   (c) 6 months.                        (d) None of these.

84) The object of winding up of a company by the Tribunal is.
   (a) To facilitate the protection of its assets.
   (b) To convert the company into private company if it is a public company.
   (c) To convert the company into public company if it is a private company.
   (d) To change the Memorandum and Articles.

85) A voluntary winding up means winding up by.
   (a) Members or Creditors.             (b) Members or Contributors.
   (c) Contributories or Creditors.     (d) Share holders or Tribunal.

86) Statutory meeting of the company must be held within.
   (a) One month of obtaining the certificate to commence business.
   (b) 3 months of obtaining the certificate to commence business.
   (c) 6 months of obtaining the certificate of incorporation.
   (d) 6 months of obtaining the certificate to commence business.

87) Notice of the statutory meeting to all the members of the company is required to be sent at least.
   (a) 14 days before the date of meeting.
   (b) 21 days before the date of the meeting.
   (c) 25 days before the date of the meeting.
   (d) 30 days before the date of the meeting.

88) Statutory meeting of the company is held.
   (a) Every year.
   (b) After every two years.
   (c) Once in the life time of the company.
   (d) Every year at the discretion of the Board of Directors.

89) Statutory meeting is not to be held if a new company is a .
   (a) Public limited Company.            (b) Government Company.
   (c) Private Company (Limited).        (d) FERA company.

90) The first annual general meeting of the company must be held within.
   (a) 12 months from the date of incorporation.
   (b) 12 months from the date of commencement of business.
   (c) 18 months from the date of its incorporation.
   (d) 18 months from the date of commencement of business.

91) The interval between two annual general meetings should not be more than.
   (a) 12 months.                        (b) 15 months.
   (c) 18 months.                       (d) 20 months.
92) Statutory meeting need to be held by.
   (a) A public company limited by guarantee and having a share capital.
   (b) A public company having liability of its members unlimited.
   (c) A Government company.
   (d) A public company not having share capital.

93) A meeting of the Board of Directors must be held at least once in.
   (a) Each month.    (b) Every two months.
   (c) Every three months.  (d) Every four months.

94) When can an annual General Meeting be called giving shorter notice than that specified?
   (a) If consent is accorded to by all the members entitled to vote.
   (b) If consent is accorded to by 30% of the members entitled to vote.
   (c) If Board of Directors takes a majority decision in this regard.
   (d) If the company Secretary so wishes.

95) For general meeting of any kind (statutory, Annual or Extraordinary) at least ............... Notice must be given to members.
   (a) 21 days.    (b) 22 days.    (c) 23 days.    (d) 25 days.

96) Quorum for general meeting for private and public companies.
   (a) 2 and 5.    (b) 3 and 6.    (c) 5 and 7.    (d) None of these.

97) Quorum for a Board meeting is.
   (a) 1/3 of total number of directors or 2 directors, whichever is higher.
   (b) ½ of total number of directors or 3 directors whichever is higher.
   (c) ²/₃ of total number of director or 3 directors whichever is lower.
   (d) None of the above.

98) The minutes book can be inspected by the.
   (a) Shareholders free of charge.    (b) Debenture holders on payment.
   (c) Any one on payment.    (d) None of the above.

99) Minutes of company meeting should be prepared within.
   (a) 21 days of the meeting.    (b) 30 days of the meeting.
   (c) 40 days of the meeting.    (d) 45 days of the meeting.

100) A special resolution is passed by.
   (a) Simple majority.    (b) 2/3 majority.
   (c) 3/4 majority.    (d) None of these.

101) An ordinary resolution at a general meeting of the shareholders is sufficient for.
   (a) Reduction of share capital.    (b) Issue of shares at a discount.
   (c) Creation of reserve capital.    (d) All the above.
102) who among the following has no right to speak at the AGM?
(a) Chairman of the company.
(b) Whole time director of the company.
(c) Proxy holders.
(d) None of the above, as everybody has the right to speak at the AGM.

103) Voting in a company Meeting can be through.
(a) Ballot.
(b) Raising hands.
(c) Raising voice.
(d) All of these.

104) Which document should be annexed to the notice of the statutory meeting?
(a) Statutory report.
(b) Proxy form.
(c) Explanatory statement.
(d) Both (a) and (b).

105) The first Chairman is generally.
(a) Elected by the Board of directors.
(b) Elected by the members.
(c) Named in the Article.
(d) Named in the Memorandum.

106) East India Company is an example of.
(a) Statutory Company.
(b) Registered company.
(c) Chartered company.
(d) None of these.

107) Where there is a non-executive chairman, at least …..of board should comprise of independent directors.
(a) 1/3
(b) 2/3
(c) ½
(d) none of these

108) The Whistle Blower Policy was recommended by……………
(a) N.R.Narayana Moorthy
(b) Anil Ambani
(c) Chris Gopalakrishnan
(d) Asim Premji

109) Audit Committee shall meet at least ………..times a year
(a) 5
(b) 2
(c) 4
(d) 3

110. A public company is one which has a minimum paid up capital Rs..lakhs.
(a) 1
(b) 5
(c) 8
(d) 10

111. A private company is one which has a minimum paid up capital Rs…….lakhs.
(a) 1
(b) 5
(c) 8
(d) 10

112. The contracts signed by the promoters of a company continue to be the liability of ……….
(a) promoters
(b) company
(c) partners
(d) none

113. A promoter of a company stands in the position of …….to future allottees of shares.
(a) agent
(b) fiduciary
(c) solicitor
(d) trustee

114. …….persons shall subscribe to the memorandum of a public company.
115. The altered memorandum must be filed with the registrar within 
………….....months.
(a)30 days  (b)three months  (c)60 days  (d)six months

116. An act which is to be ultra vires a company is.................
(a)valid  (b)voidable  (c)void  (d)none

117. A company issues prospectus within.............of its registration.
(a)30 days  (b)three months  (c)60 days  (d)six months

118. The altered memorandum must be filed with the registrar within............
(a)30 days  (b)three months  (c)60 days  (d)six months

119. The statement in lieu of prospectus must be filed  with the registrar at least ........before any allotment of shares is made.
(a)30 days  (b)three days  (c)60 days  (d)six months

120. Notice of the registered office of the company shall be given to the registrar of companies within.......... 
(a)30 days  (b)three months  (c)60 days  (d)six months

121. The judgement in the case of Foss Vs Hurbottle lays down the principle of .......
(a)rule of majority  (b)constructive notice  (c)indoor management  (d)public notice

122. All those who are dealing with the company are expected to know the contents of the memorandum and articles. This doctrine is called.....................
(a)rule of majority  (b)constructive notice  (c)indoor management  (d)public notice

123. The famous case of Royal British Bank Vs Turquand laid down the rule of............
(a)rule of majority  (b)constructive notice  (c)indoor management  (d)public notice

124. The new section 60A relates to..............
(a)memorandum of association  (b)articles of association  (c)prospectus  (d)shelf prospectus

125. The office of the director becomes vacant if he fails to obtain his qualification shares within .............months.
(a)6  (b)3  (c)2  (d)5

126. The management of every company is controlled by .................
(a)manager  (b)secretary  (c)director  (d)none of these
127. As per Sec.274, a person shall not be appointed as director if he is found to be of unsound mind by.........
(a) manager (b) a court of competent jurisdiction
(c) board of directors (d) none of these

128. As per Sec 260, the additional directors are entitled to hold office only upto next ........... meeting
(a) board (b) annual general
(c) departmental (d) statutory

129. A director who is interested in any transaction of the company is bound to disclose his interest to.........
(a) manager (b) secretary (c) employees (d) board of directors

130. Any breach of duty in the conduct of the company’s affairs which causes loses to the company is called
(a) misfeasance (b) negligence
(c) breach of fiduciary duty (d) mala fide acts

131. According to sec 297, a director shall not enter into any contract with the company except with the consent of .......
(a) manager (b) secretary
(c) employees (d) board of directors

132. When a director does an act which is in excess of his powers and company suffers a loss ... is liable to make good the loss
(a) manager (b) secretary (c) director (d) board of directors

133. Unless the articles provide for the retirement of all directors at every annual general meeting, at least ........of the total number of directors retire by rotation.
(a) 1/3 (b) 2/3 (c) 2/4 (d) 1/2

134. The new Sec 60B introduced by the Companies (Amendment)Act 2000 is related to........
(a) articles of association (b) memorandum of association
(c) prospectus (d) information memorandum

135. The alteration of the objects of a company must be confirmed by the Company law........
(a) board (b) act (c) tribunal (d) none of these

136. Which of the following statements are true -
(a) the charter of a company is its articles of association
(b) the object clause is divided into three parts
(c) every company should have its own articles
(d) an advertisement can be treated as a prospectus
137. Doctrine of indoor management is an exception to the principle of .......
   (a) rule of majority  (b) constructive notice
   (c) public notice  (d) ultra vires

138. A company can change its name by passing ............ resolution.
   (a) special  (b) extra ordinary  (c) ordinary  (d) none of these

139. The Companies (Amendment) Act 1988 provide that the companies should furnish along with the application form for shares or debentures, an............. instead of complete prospectus.
   (a) shelf prospectus  (b) red herring prospectus
   (c) abridged prospectus  (d) deemed prospectus

140. .......... means a prospectus issued by any financial institution or bank for one or more issues of the securities specified in that document.
   (a) shelf prospectus  (b) red herring prospectus
   (c) abridged prospectus  (d) deemed prospectus

141. .......... gives only a general idea about securities.
   (a) shelf prospectus  (b) red herring prospectus
   (c) abridged prospectus  (d) deemed prospectus

142. The main advantage of ............ is that company can save underwriting expenses.
   (a) shelf prospectus  (b) red herring prospectus
   (c) abridged prospectus  (d) deemed prospectus

143. Prospectus by implication is also known as....
   (a) shelf prospectus  (b) red herring prospectus
   (c) abridged prospectus  (d) deemed prospectus

144. Not less than ....... Days notice for a general meeting of a company must be given.
   (a) 10  (b) 15  (c) 21  (d) 30

145. The minimum number of members that must be present at a valid meeting is called........
   (a) simple majority  (b) quorum  (c) proxy  (d) none of these

146. A proxy can vote in case of ............
   (a) poll  (b) meeting  (c) both  (d) none

147. A special resolution is one to pass with the votes cast in favour must be .......... times the votes cast against it.
   (a) 2  (b) 3  (c) 4  (d) 6

148. A special resolution must be filed with the registrar for registration within ...... days.
   (a) 10  (b) 15  (c) 21  (d) 30
149. To make the liability of directors unlimited a .......... resolution is required.
   (a) ordinary       (b) special       (c) both       (d) none

150. For declaration of dividend no ........ resolution is required.
   (a) ordinary       (b) special       (c) both       (d) none

151. The demand for a poll may be withdrawn before .......... of the poll is declared.
   (a) commencement   (b) closing       (c) result     (d) none

152. The minutes of the share holder’s meeting are to be kept at the .......... office of the company and must be open to inspection.
   (a) registered     (b) divisional     (c) head       (d) none

153. The meeting other than statutory and the annual general meeting of the company is ...........
   (a) extra ordinary meeting      (b) special meeting
   (c) board                     (d) none of these

154. The statutory meeting is required to be held by ........... companies
   (a) private        (b) public       (c) both       (d) none

155. .......... is the proper authority to call annual general meeting.
   (a) promoters      (b) manager
   (c) board of directors (d) secretary

156. Which of the following is the feature of a registered company
   (a) separate property
   (b) perpetual succession
   (c) common seal
   (d) all of these

157. ........ defines the extent of powers of the company.
   (a) articles of association
   (b) memorandum of association
   (c) prospectus
   (d) information memorandum

158. Table ............... is for memorandum of association of a company limited by shares.
   (a) B             (b) C             (c) D             (d) E

159. Table ............... is for memorandum of association of a company limited by guarantee and not having a share capital.
   (a) B             (b) C             (c) D             (d) E

160. Table ............... is for memorandum of association of a company limited by guarantee and having a share capital.
   (a) B             (b) C             (c) D             (d) E

161. Table ............... is for memorandum of association of an unlimited company.
   (a) B             (b) C             (c) D             (d) E
162. The procedure to write facts about a resolution and its decision is called……………
   (a) Explanatory statement  (b) statutory report
   (c) minutes of narration    (d) none

163. Which of the following is not true-
   (a) A meeting of the Board of Directors must be held at least once in every
       3 months.
   (b) Nobody corporate, association or firm can be appointed director of a
       company.
   (c) The nominal value of qualification shares should not exceed Rs.5000.
   (d) Directors are always liable for any misstatement in a prospectus.

164. The first directors are usually named in the ............
      (a)articles  (b)memorandum  (c)prospectus    (d)none

165. ...............may appoint additional directors from time to time if so
       authorized by articles.
      (a) manager   (b)secretary
      (c) promoters  (d) board of directors

166. ...............is entitled to the management of the whole or substantially the
       whole of the affairs of the company.
      (a) manager   (b)secretary
      (c) promoters  (d) board of directors

167. .......... liability is imposed on the directors if they manipulate or falsify the
      accounts of the company.
      (a) civil  (b)criminal  (c)statutory  (d)none

168. Meeting cannot transact any business unless a........ is present at every
      stage of the meeting
      (a) proxy  (b)manager  (c)quorum  (d)secretary

169. The company shall send a duplicate copy of the contents of Register of
      directors to the registrar within ........ of the appointment of the directors.
      (a) 30 days  (b) three months  (c) 60 days  (d) six months

170. ............. meeting is the first meeting of the members of the public company
      after its incorporation
      (a) board  (b) annual general  (c) departmental  (d) statutory

171. A person liable to contribute towards the assets of the company on the
      event of its being wound up is a ............
      (a) liquidator  (b) solicitor  (c) contributory  (d) tribunal

172. On a winding up order being made in respect of a company, the official
      Liquidator shall, become the ............. of the company.
      (a) liquidator  (b) solicitor  (c) contributory  (d) tribunal
173. When a winding up order has been made by the tribunal but there is no liquidator, the property of the company vests in the …………………. 
   (a) liquidator          (b)solicitor          (c)contributory       (d)tribunal

174. After obtaining of certificate to commence business a company may be wound up if it does not commence business within …………………. 
   (a) one month           (b)three months    (c) six months        (d)one year

175. A company may be wound up by the Tribunal by passing ………………… Resolution. 
   (a) special            (b)extra ordinary  (c)ordinary          (d)none of these

176. A company has to submit a statement of affairs to the Official Liquidator within ……… days of the appointment of the official liquidator. 
   (a)10                  (b)14               (c)21                 (d)30

177. In a members voluntary winding up the notice of the resolution for winding up shall be filed with the registrar within …………… days of passing of the resolution. 
   (a)10                  (b)14               (c)21                 (d)30

178. A public company may be wound up by the Tribunal if the number of its members is reduced below ………… 
   (a)7                    (b)14               (c)21                 (d)28

179. An official liquidator is appointed by the …………………. 
   (a) manager            (b)a court of competent jurisdiction (c)board of directors (d)central govt.

180. A voluntary winding up is deemed to commence from the date when the declaration of solvency is made by the …………………. 
   (a)manager            (b)a court of competent jurisdiction (c)board of directors (d)central govt.

181. List A of contributories contains …………………. members of the company. 
   (a) existing           (b)past             (c)future            (d) ex-officio

182. List B of contributories contains …………………. members of the company. 
   (a) existing           (b)past             (c)future            (d) ex-officio

183. On dissolution the name of the company is struck off from the ……… of the company. 
   (a)schedule           (b)charter          (c)register          (d)none

184. The Cadbury Committee suggests that the non- executive directors can play a crucial role in 
   (a)meetings            (b)management      (c)decision-making   (d)corporate governance
185. SEBI’s code of Corporate Governance provides from the constitution of share holders committee under the chairmanship of .....
   (a) board of Directors  (b)director
   (c)non executive director (d)manager

186. Mandatory requirements of the revised clause 49 of the listing agreement, requires that non- executive directors in the Board of Directors are not less than .....
   (a)25%  (b)36%  (c)50%  (d)75%

187. Which of the following are known as Board Committees
   (a) Audit Committee  (b)Remuneration Committee
   (c)nomination committee  (d)all of these.

188. The company agrees that the remuneration of non- executive directors shall be decided by
   (a) board of Directors  (b)director
   (c)non executive director (d)manager

189. ............carries out the winding up proceedings.
   (a)liquidator  (b)solicitor
   (c)contributory  (d)tribunal

190. The order of dissolution can be issued only by the ............
   (a)liquidator  (b)solicitor
   (c)contributory  (d)tribunal

191. A company which has not commenced operation or which is not in operation or has no assets to dive is called ........ company.
   (a)public  (b)private  (c)sick  (d)defunct

192. The presiding officer and every other member of a securities appellate tribunal shall hold office for a term of ........ Years from the date on which he enters upon his office.
   (a)2  (b)5  (c)6  (d)10

193. A transfer in which the signature of the transferor is forged is called ........ transfer.
   (a)blank  (b)forged  (c)mutual  (d)none

194. ............transfer whereby the transferor hands over to the buyer the share certificate and a blank transfer deed.
   (a)blank  (b)forged  (c)mutual  (d)none

195. Which of the following is not true-
   (a)RBI is an example of a statutory company
   (b)Suit can be maintained in the name of a company
   (c)LIC is an example of registered company
   (d)The persons who form the company are called promoters
196. When a public company has issued prospectus without receiving the minimum subscription it is called……………
(a)splittin of allotment (b)return of allotment
(c)renunciation of allotment (d)irregular allotment

197.When a large block of shares has been allotted to a single person, the company may at his request, divide the original allotment letter into a number of small allotment letters. This is called
(a)splittin of allotment (b)return of allotment
(c)renunciation of allotment (d)irregular allotment

198.Many public companies provide in their articles for an allottee to give up the right over the shares allotted to him either wholly or partly and transfer the allotment made to him to some other person. This is known as…..
(a)splittin of allotment (b)return of allotment
(c)renunciation of allotment (d)irregular allotment

199.The number and nominal amount of shares allotted must be stated in……...
(a)splittin of allotment (b)return of allotment
(c)renunciation of allotment (d)irregular allotment

200. The return of allotment must be filed with the registrar of companies within……….. of allotment
(a)30 days (b)three months (c)60 days (d)six months
## ANSWER KEY

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