

QB365 Question Bank Software Study Materials

Company Management 50 Important 1 Marks Questions With Answers (Book Back and Creative)

12th Standard

Commerce

Total Marks : 50

Multiple Choice Question

50 x 1 = 50

- 1) A person Shall hold office as a director in _____companies as per the Companies Act, 2013.
(a) 5 companies (b) 10 companies **(c) 20 companies** (d) 15 companies
- 2) A Private Company shall have a minimum of_____.
(a) Seven directors (b) Five directors (c) Three directors **(d) Two directors**
- 3) A Public Company having a paid up Share Capital of _____ or more may have a Director, elected by such small shareholders.
(a) One crore (b) Three crores **(c) Five crores** (d) Seven crores
- 4) What is the statue of Directors who regulate money of the company?
(a) Banker (b) Holder (c) Agent **(d) Trustees**
- 5) According to 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
- 6) Which _____ Director is appointed by a Financial institution
(a) Nominee (b) Additional (c) Women (d) Shadow
- 7) A Public Company shall have a minimum of_____ Directors.
(a) Twelve (b) Seven **(c) Three** (d) Two
- 8) 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
- 9) Which director need not hold qualifying shares.
(a) Directors appointed to Central Government (b) Directors appointed to Shareholders
(c) Directors appointed to Managing Director (d) Directors appointed to Board of Directors
- 10) 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**
- 11) The group of human beings who undertake the responsibility to run the business of the company are known as
(a) Board of Directors (b) Shareholders (c) Debenture holders (d) None of these
- 12) The overall performance of any company is vested with the
(a) debenture holders **(b) directors** (c) Both 'a' and 'b' (d) None of these
- 13) The directors are expected to act in
(a) utmost care **(b) good faith** (c) delegate work (d) none of these
- 14) The directors should conduct their work with

- (a) good faith **(b) utmost care** (c) delegate work (d) None of these
- 15) The definition of the term key managerial personnel contained in
(a) Section 2(13) (b) Section 2(18) (c) Section 2(50) **(d) Section 2(51)**
- 16) The Governing body of a company incorporated under companies Act called
(a) Board (b) Policy (c) MOA (d) AOA
- 17) Public companies which have paid-up share capital
(a) Rs 5 Crores **(b) 10 Crores or more** (c) 50 Crores (d) 25 Crores
- 18) Public companies which have Turnover
(a) 25 Crores (b) 50 Crores (c) 75 Crores **(d) 100 Crores or more**
- 19) The alternative director is not a representative or agent of
(a) Original director (b) Shadow director (c) Additional director (d) Nominee director
- 20) The minimum requirement of Director is
(a) two (b) three (c) four (d) five
- 21) The power of the company to borrow is exercised by its
(a) directors (b) members (c) shareholders (d) manager
- 22) According to provisions of the act the borrowings of the company does not exceed
(a) total paid up share capital (b) total free reserves (c) authorised captial **(d) total paid up capital and free reserves**
- 23) The most important document of a company is
(a) Prospectus (b) Annual report **(c) Memorandum of Association** (d) Articles of Association
- 24) How many directors of a public company, unless the articles provide otherwise, must be appointed by the company in general meeting?
(a) One half of the directors **(b) Two-thirds of the directors** (c) Three-fourths of the directors (d) None of these
- 25) Maximum directors of a public ltd company are
(a) 7 (b) 10 (c) 12 **(d) 15**
- 26) Which of the following company must have at least one women director in their board?
(a) Every listed company (b) A public company having paid up capital of Rs 100 Crores or more
(c) A public company having turnover of Rs 300 Crores or more (d) All the above
- 27) Disqualifications of a director are mentioned in section
(a) 164 (b) 161 (c) 168 (d) 177
- 28) Which of the following is not the specific powers of the directors?
(a) to make calls on shares (b) to borrow moneys (c) to issue debentures **(d) to sell part of the undertaking**
- 29) The first auditor of a company are appointed by
(a) Board of directors (b) Members (c) Central government (d) State government
- 30) Auditors act as agent of
(a) Share holders (b) Directors (c) Promoter (d) Debenture holder

31)

LIST I		LIST II	
i)	Board of directors	1)	3
ii)	Minimum number of directors	2)	15
iii)	Maximum directors	3)	2013
iv)	KMP	4)	Director of a company

(a)	(b)	(c)	(d)
(i)(ii)(iii)(iv)	(i)(ii)(iii)(iv)	(i)(ii)(iii)(iv)	(i)(ii)(iii)(iv)
1 2 3 4	2 3 4 1	4 1 2 3	3 4 1 2

32)

LIST I		LIST II	
i)	To act in good faith	1)	Company secretary
ii)	To act with utmost care	2)	Directors
iii)	Group of individuals	3)	Act with prudence
iv)	Key Managerial personal	4)	Secret profits

(a)	(b)	(c)	(d)
(i)(ii)(iii)(iv)	(i)(ii)(iii)(iv)	(i)(ii)(iii)(iv)	(i)(ii)(iii)(iv)
1 2 3 4	4 3 2 1	2 3 4 1	3 4 1 2

33) A _____ is a person for a Board of Directors who leads or supervises the functioning of a company.

- (a) Member **(b) Director** (c) Cardholders (d) Shareholders

34) A company can appoint maximum _____ directors.

- (a) 15** (b) 20 (c) 25 (d) 50

35) Every company should appoint a director who has stayed in India for total period of not less than _____ days in the previous calender year.

- (a) 180 **(b) 182** (c) 190 (d) 196

36) _____ can appoint a single director in a listed company.

- (a) Independent director **(b) Small shareholders** (c) Nominee director (d) Additional directors

37) Any individual can be appointed as _____ by a company.

- (a) Alternate directors (b) Shadow director **(c) Additional directors** (d) None of these

38) The _____ constitute the top administrative organ of the company.

- (a) general manager (b) Shareholders **(c) body of directors** (d) advisory panel

39) A/an _____ may become a director of a company.

- (a) partnership firm (b) person of unsound mind **(c) individual** (d) body corporate

40) The first board meeting should be held within _____ days of the date of incorporation.

- (a) 30** (b) 45 (c) 60 (d) 75

41) Executive directors is also called as _____.

- (a) Chief Executive Officer (b) Managing directors **(c) Both A and B** (d) None of these

42) A _____ director typically does not engage in the day-to-day management of the organization.

- (a) Non-Executive** (b) Managing (c) Wholetime (d) Executive

43) A company can appoint maximum _____ directors.

- (a) Thirteen **(b) Fifteen** (c) Twelve (d) None of these

44) The Governing body of a company incorporated under Companies Act called _____.

(a) Board (b) Corporate (c) Director (d) Executive

45) First meeting of Directors should be convened within _____ days from the date of incorporation of the company.

(a) 50 (b) 45 (c) 30 (d) 60

46) Match the following.

Whole time director	(i) Managing directors
Managing directors	(ii) Whole of his time
Executive director	(iii) Agent of original director
Alternative director	(iv) Employed by the company

(a)	(b)	(c)	(d)
AB CD	AB CD	ABCD	A BCD
ii iv i iii	ii iii iv i	i ii iv iii	iii i ii iv

47) Pick out the odd one.

(a) Directors as Agents (b) Directors as trustees (c) Directors as officers (d) Directors as Marketers

48) Assertion (A): A Director is one who is employed by the company and has substantial powers of management.
Reason (R): Has the right to make changes in the management.

(a) Both (A) and (R) are true and (R) is the correct explanation of (A)

(b) Both (A) and (R) are true but (R) is not the correct explanation of (A) (c) (A) is true, but (R) is false

(d) (A) is false, but (R) is true

49) Which is not correctly Matched?

(a) Shadow director - Has a power to run but is not a member (b) Casual vacancy - Death, registration or disqualification

(c) Nominee director - Nominated by any financial Institution (d) Residential director - Who resides near by area

50) Directors are _____ of the company's money.

(a) Agent (b) Banker (c) Trustees (d) Holder