

QB365 Question Bank Software Study Materials

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

11th Standard

Commerce

Total Marks : 50

Multiple Choice Question

50 x 1 = 50

- 1) The relationship between outsiders and the company is defined in _____.
(a) Prospectus (b) Articles of Association (c) **Memorandum of Association** (d) Certificate of Incorporation
- 2) Table A of the Companies Act is a _____.
(a) Model minutes book (b) Model form of Balance Sheet (c) **Model of AOA** (d) Model of MOA
- 3) Which of the following is created by a Special Act of Parliament or in State Assemblies?
(a) Chartered company (b) Foreign company (c) Government company (d) **Statutory company**
- 4) The Board of directors of a company is elected by _____.
(a) Creditors (b) Debtors (c) Debenture holders (d) **Share holders (members)**
- 5) Companies established as a result of a charter granted by the King or Queen of a country is called _____.
(a) **Chartered companies** (b) Statutory companies (c) Registered companies (d) Foreign companies
- 6) A _____ is a distinct legal entity.
(a) **Company** (b) Organisation (c) Business (d) None of these
- 7) The Liability of Share holders of a Private Limited Company is limited to _____.
(a) at Paid up value of the Shares (b) **Amount remaining unpaid on the shares** (c) the extent of Private Assets
(d) Amount called up
- 8) _____ companies are established by the King or Queen of a Country.
(a) **Chartered** (b) Statutory (c) Public (d) Private
- 9) The minimum paid up Capital of a Private Limited Company should be _____.
(a) **Rs 1 lakh** (b) Rs 2 lakhs (c) Rs 3 lakhs (d) more than Rs 5 lakhs
- 10) In a Company form of organisation, there is the complete divorce between _____ and _____.
(a) Production, Management (b) **Ownership, Management** (c) Control, Management (d) None of these
- 11) The minimum number of members for a public limited company is :
(a) 2 (b) 3 (c) **7** (d) 10
- 12) The existence of a company comes to a close:
(a) On the death of all its promoters (b) On the death of all the directors of the Board
(c) On transfer of shares by most of its original members (d) **None of the above**
- 13) The _____ shares of a public limited company be easily transferred.
(a) **Fully paid up** (b) Unpaid (c) Calls - in arrear (d) Calls - in - advance
- 14) _____ are the real owners of the company.

- (a) Directors **(b) Shareholders** (c) Debenture holders (d) Managing Directors
- 15) Companies established by special acts of parliament or state legislatures are called _____
- (a) Chartered companies **(b) Statutory companies** (c) Registered companies (d) Unlimited companies
- 16) If the liability of the members is unlimited, Such companies are called _____
- (a) Chartered companies (b) Statutory companies (c) Registered companies **(d) Unlimited companies**
- 17) A company incorporated outside India but having a place of business in India is called _____
- (a) Domestic company **(b) Foreign company** (c) Holding company (d) Government company
- 18) Certificate of incorporation is issued by the_____.
- (a) Registrar of Companies** (b) Controller of Capital issue (c) Company Law Board (d) None of these
- 19) Memorandum Association consists of_____ clause.
- (a) 5 **(b) 6** (c) 7 (d) 8
- 20) Multinational companies can organize its operations in different countries by following_____ alternatives.
- (a) Two (b) Three (c) Four **(d) Five**
- 21) The maximum number of members in a private limited company is_____.
- (a) 25 (b) 50 (c) 100 **(d) 200**
- 22) A new class of company is of "One Person Company" and it is included in_____ Act.
- (a) 1956 (b) 1952 **(c) 2013** (d) 2015
- 23) The share capital of the government company must not be less than_____.
- (a) 75% (b) 60% (c) 95% **(d) 51%**
- 24) _____is a document containing rules and regulations for the internal management of a company.
- (a) Table A** (b) Memorandum (c) Prospectus (d) Statutory declaration
- 25) _____is "the only window through which a prospective investor can look into the soundness of a company's venture".
- (a) Prospectus** (b) Memorandum (c) Articles (d) Minutes
- 26) Which of the following companies must file with the Registrar a statement in lieu of prospectus?
- (a) A public limited company which raises funds from the public through issue of shares
- (b) A public limited company which has made arrangement for raising its capital from directors and their relatives**
- (c) A private limited company (d) All of them
- 27) Shares can be forfeited for_____.
- (a) non-payment of any debt due to the company (b) not attending three annual general meetings consecutively
- (c) for non-payment of call money** (d) for violent activities at the annual general meetings
- 28) Debenture holders of a company are its_____.
- (a) creditors** (b) members (c) credit customers (d) borrowers
- 29) _____refers to a body corporate.
- (a) Sole tradership (b) Partnership **(c) Joint-stock company** (d) Joint Hindu Family business
- 30) Perpetual succession means_____.
- (a) a body corporate (b) an association of persons (c) an artificial person **(d) continuity of life**

- 31) The companies in India are governed by the Indian Companies Act_____.
- (a) 1932 (b) 1949 **(c) 1956** (d) 1947
- 32) Separate legal entity is a special feature of_____.
- (a) partnership (b) sole tradership (c) joint Hindu Family business **(d) joint-stock company**
- 33) A public limited company can commence business only after getting_____.
- (a) certificate of incorporation **(b) certificate to commence business** (c) name approval
(d) permission from the Registrar
- 34) In India, _____companies cannot be created.
- (a) chartered** (b) statutory (c) registered (d) foreign
- 35) The quorum in a meeting of public limited company is_____.
- (a) 2 (b) 3 **(c) 5** (d) 7
- 36) A private limited company must have at least_____directors.
- (a) 2** (b) 3 (c) 5 (d) 7
- 37) In the case of private limited companies, a person can act as a director_____.
- (a) in any number of companies** (b) in 15 companies only (c) in 20 companies only (d) in one company only
- 38) In the case of public limited companies, a person can act as,a director_____.
- (a) in any number of companies **(b) in 15 companies only** (c) in 20 companies only (d) in one company only
- 39) A public limited company, should get minimum subscription of_____.
- (a) 10% **(b) 90%** (c) 20% (d) 80%
- 40) The rate of dividend is fixed in the case of_____.
- (a) equity shares **(b) preference shares** (c) debentures (d) All of these
- 41) The rate of dividend may change every year depending upon the profit of the company, in the case of_____.
- (a) equity shares** (b) preference shares (c) debentures (d) All of these
- 42) The shareholders of a joint-stock company gets_____.
- (a) dividend** (b) subscription (c) interest (d) discount
- 43) For raising capital, a joint-stock company issues_____.
- (a) shares** (b) debentures (c) prospectus (d) articles of association
- 44) For borrowing a debt, a joint-stock company issues_____.
- (a) shares **(b) debentures** (c) prospectus (d) articles of association
- 45) Management of joint-stock company is entrusted to_____.
- (a) promoters (b) debenture holders (c) government **(d) board of directors**
- 46) The definition of shares is given in the Companies Act 1956,in section_____.
- (a) 1 (46) **(b) 2 (46)** (c) 3 (46) (d) 4 (46)
- 47) The minimum number of members of a private limited company is _____.
- (a) 2** (b) 3 (c) 7 (d) 10
- 48) A company incorporated outside India but having a place of business in india are called _____

- (a) domestic company (b) registered company **(c) foreign company** (d) subsidiary company

49) A company is managed by _____

- (a) Shareholders (b) Auditors (c) Secretary **(d) Board of directors**

50) Match the list I with list II and select the correct answer using the codes given below:

List I	List II
i) Chartered company	1) State Bank of India
ii) Statutory company	2) Indian Oil corporation
iii) Government company	3) Coca-Cola
iv) Multi National company	4) East Indian Company

(a)

(b)

(c)

(d)

i)	ii)	iii)	iv)
1	2	3	4

i)	ii)	iii)	iv)
4	1	2	3

i)	ii)	iii)	iv)
2	3	1	4

i)	ii)	iii)	iv)
3	4	1	2