

Company Law (602)

Item Text	Option Text 1	Option Text 2	Option Text 3	Option Text 4
Which of the following company cannot invite public to subscribe shares or debentures of a company	Public company	Subsidiary Company	Statutory Company	Private Company
Which share capital has priority both in repayment of dividend as well as capital	Equity Shares	Preference shares	Rights Shares	Sweat Equity Shares
Private company can start its business immediately after the issue of	Certificate of commencement of Business	Certificate of Incorporation	Both (1) & (2)	Share certificate
The granting of the certificate of incorporation renders the illegal objects include in the memorandum:	Legal	Void	Voidable	Valid
When the shares are transferred to X from Y, Y will be a _____ of the company.	Director	Partner	Shareholder	Both (1) & (2)
Which of the following is not a right of the members of a company	Right to have share	Right Appoint Auditor	Right Appoint Director	Right to use property of company
For quorum, the Joint holders will be collectively counted as ----- members.	1	2	3	4
Part of the issued capital taken by public is called	Subscribed	Called – up capital	Un called capital	Paid up capital
Which preference shares carry the right to cumulate the dividends	Converted	Nonconverted	Cumulative	Both (1) & (2)
Paying back of capital is called as	Redemption	Conversion	Participation	Both (2) & (3)

Which of the following is not an ownership security?	Debentures	Equity Shares	Preference Shares	Bonus Shares
The following is issued in acknowledgement of any indebtedness	Debenture certificate	Share certificate	Share Warrant	Participating Preference Shares
Company is managed by	Shareholders	Board of Directors	Debenture holders	Both(1)&(2)
In the process of conversion of a private company into a public company which prospectus must be issued	Deemed prospectus	Shelf prospectus	Statement in lieu of prospectus	Special prospectus
Which of the following stands in the fiduciary position of the company	Creditors	Auditors	Promoters	Share holder
Which of the following is not true?	Every member is a contributory	Every contributory is a member	Both (1) & (2)	Neither (1) nor (2)
Share premium amount is treated as the _____ capital of a company	Issued	Reserve	Subscribe	Both (1) & (3)
Which resolution can be passed to create 'reserve capital' by a company?	An ordinary resolution	A special resolution	A board resolution	A unanimous resolution
Which of the following shares are issued by the company to its employees or directors for consideration other than cash?	Bonus shares	Sweat shares	Right shares	Debentures
Debenture forms part of	Capital	Loan	Fund	Commission