

Competitive Exams: Commerce MCQs (Practice-Test 47 of 99)

1. Match List I (Items) with List II (Headings) and select the correct answer using the codes given below the lists

LIST I

- a. Interim Dividend
- b. Share Premium
- c. Unclaimed Dividend
- d. Discount on Issue of Shares

LIST II

- a. Miscellaneous expenses
- b. Current Liabilities
- c. Reserves and Surpluses
- d. Profit and Loss Appropriation Account

A B C D

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

2. A 'Co-parcener' is one who is

- a. an active member of a partnership
- b. a member of a Joint Hindu Family firm
- c. a member of a Joint Stock company
- d. a member of a co-operative society

3. Every partner must account to the firm for any benefit derived by him without the consent of the other partners and thus make no secret profits. This is based on

- a. the general law of contract
 - b. the general law of agency
 - c. the law of sale of goods
 - d. business ethics
4. In a broader sense, the activities of a cooperative organization are expected to ensure primarily
- a. Profitability to the members
 - b. Socialism in the economy
 - c. Equity to the members
 - d. Productivity to the society
5. Which of the following statements are correct?
- a. A Trust form of organization cannot do business.
 - b. A society registered under the Societies Registration Act can be formed only for non-profit purpose
 - c. A partnership does not require registration.
 - d. A company limited by guarantee is almost always registered for non-profit activities.

Select the correct answer using the codes given below:

- a. 2, 3 and 4
 - b. 1 and 4
 - c. 2 and 3
 - d. 1, 2, 3 and 4
6. The basic charactereristics of a partnership firm include
- a. Existence of relationship, plurality of persons, contract and profit maximization
 - b. Unlimited liability, contractual binding principal agent relationship and profit motive
 - c. Existence of business, contractual relationship, group of persons, task orientation and employment conditions

- d. Existence of business, plurality of persons, contractual relationship, profit motive and principal-agent relationship
7. Converting a public company into a private company requires a special resolution
- passed by members
 - passed by members and approval of the Registrar of Companies
 - of the member and approval of the Company Law Board
 - of the members and approval by the creditors
8. The Stock Invest is used for the payment of
- Allotment money
 - calls in arrears
 - application money
 - allotment money, application money and calls in arrears.
9. In a public limited company, there CANNOT be
- equity shares without voting rights
 - bonus shares where current profit are low
 - preference share with voting rights when dividends are not paid
 - equity shares with high premium
10. The contents of the prospectus of a public limited company should be approved by the
- Registrar of Companies
 - Merchant Banker
 - Stock Exchange in which the company is to be listed
 - Securities and Exchange Board of India
11. Principle of Constructive Notice means
- notice of the objects clause of the Memorandum of Association
 - any notice issued/published in newspapers

- c. notice to outsiders dealing with the company as to the contents of the Memorandum and Articles of Association
- d. notice to the public regarding the issue of prospectus

12. Which one of the following statements illustrates the Doctrine of Indoor Management?

Persons dealing with the company are

- a. bound to enquire whether the internal proceedings of the company are regular or not
- b. bound to enquire whether the decisions of the management are taken with proper authority
- c. entitled to assume that what has been done, has been regularly done by the company
- d. always to presume that the internal affairs of a Company cannot be questioned.

13. It is compulsory for a share. Broker to register with the

- a. concerned Stock Exchange
- b. Securities and Exchange Board of India
- c. Department of Company Affairs
- d. Concerned Stock Exchange in concurrence with the Securities

Exchange Board of India

14. Who among the following is NOT a speculator Stock Exchange?

- a. Broker
- b. Bull
- c. Bear
- d. Stag

15. Match List I with List II and select the correct answer using the codes given below the lists

List-I

List-II

- | | |
|-------------------------|---------------------------------|
| a. Option dealing | a. Stock Exchange |
| b. Private placement | b. Bonds of big companies |
| c. Deep discount | c. New Public Limited Companies |
| d. Law of large numbers | d. Statistical probability |

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A B C D

a. 1 2 3 4

b. 4 2 3 1

c. 1 3 2 4

d. 4 3 2 1