

TEST

SP MCQ 7

QUESTIONS

SECTIONS

1. Section A - 20 Questions

Section 1 : Section A - 20 Questions

1 The Shares that carry preferential rights to payment of dividend.

- ☐ Equity Shareholder
- ☐ Preference Shareholder
- ☐ Debenture holder

Correct: +1

2 Own funds includes debentures.

- ☐ False
- ☐ True

Correct: +1

3 A person can purchase only limited number of shares.

- ☐ True
- ☐ False

Correct: +1

4 NRIs and Foreign nationals can invest their money in India by purchasing _____.

- ☐ Only ADR
- ☐ Only GDR
- ☐ ADR and GDR

Correct: +1

5 The lock-in period for sweat equity shares.

- ☐ 2 years
- ☐ 3 years
- ☐ 12 Months

Correct: +1

6 Companies Act prohibits a company to issue its shares at discount.

- ☐ True
- ☐ False

Correct: +1

7 The company has to obtain credit rating from NCLT.

- ☐ True
- ☐ False

Correct: +1

8 All debentures are _____.

- ☐ Redeemable
- ☐ Not Redeemable
- ☐ None of the above

Correct: +1

9 A Banking company has to follow the provisions of section 73 to 76 of Companies Act, 2013 while accepting Deposit.

- ☐ True
- ☐ False

Correct: +1

10 A company which can accept deposits from relatives of directors.

- ☐ Private Company
- ☐ Public Company
- ☐ Government Company

Correct: +1

11 Dividend can also be paid in an electronic mode.

- ☐ False
- ☐ True

Correct: +1

12 Bonus shares are given as a _____ to the equity shareholder.

- ☐ Price
- ☐ Gift
- ☐ Bonus

Correct: +1

13 Equity shares are more safe and secure than debenture.

☐ False

☐ True

Correct: +1

14 The company chooses to renew the deposits of the depositor.

☐ True

☐ False

Correct: +1

15 Dematerialisation is _____

☐ Conversion of physical securities into electronic form.

☐ Conversion of share into stock

☐ Conversion of share certificate into share warrant

Correct: +1

16 Non Banking Financial Company can act as

☐ Depository participant

☐ Agent of Depository

☐ None of the above

Correct: +1

17 Prime aim of all business organisation.

☐ Expansion of Business

☐ Profit Maximisation

☐ Increase Number of Employee

Correct: +1

18 Find the odd one :

Fixed rate, Obligation of the company, Depends on the profits.

☐ Fixed rate

☐ Depends on the profits

☐ Obligation of the company

Correct: +1

19 The two types of industrial securities market are primary market and money market.

☐ False

☐ True

Correct: +1

20 Sensex is made up of 50 companies.

☐ False

☐ True

Correct: +1

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ANSWERS

SECTIONS

1. Section A - 20 Questions

Section 1 : Section A - 20 Questions

- 1 Preference Shareholder
- 2 False
- 3 False
- 4 ADR and GDR
- 5 3 years
- 6 True
- 7 False
- 8 Redeemable
- 9 False
- 10 Private Company
- 11 True
- 12 Gift
- 13 False
- 14 False
- 15 Conversion of physical securities into electronic form.
- 16 Depository participant
- 17 Profit Maximisation
- 18 Depends on the profits
- 19 False
- 20 False