



Question 3. Define Government Company.

Answer: Section 617 of Companies Act 1956 defines Government Company as a company in which not less than 51% of the paid up share capital is held by the Central Government or by any State Government or Governments or partly by the Central Government and partly by one or more State Governments and includes a company which is a subsidiary of a Government Company.

Question 4. What do you mean by a listed company?

Answer: Listed companies are those companies whose shares are listed on a recognised stock exchange for public trading. When a company's security is listed in a recognised stock exchange the price fluctuation can easily be observed by the investor and he/she can easily determine the increase/decrease in value of their investment in a concerned listed company.

This is the only reason that the volume remain high in case of a listed company as all the moves can be observed and investment strategy can easily be planned in that company.

***** END *****