

Corporate Regulations

1. The concept of DIN (Directors Identification Number) was brought into force w.e.f.:
A. 1-4-2006 B. 1-1-2006
C. 1-11-2006 D. 1-7-2006
2. Limited Liability Partnership Act came into effect in the year:
A. 2005 B. 2006
C. 2007 D. 2008
3. Section 3 of the companies Act 2013 allows formation of
A. One person Company
B. Private Company
C. Public Company
D. None of these
4. In case of issue of shares by a company to the public, if minimum subscription, as stated in prospectus has not been received in 30 days of issue of prospectus or such other period as specified by SEBI, then the application money shall be repaid within a period of days from the closure of the issue.
A. 21 B. 15
C. 12 D. 7
5. "A company remains free from the hazards of all personal misfortunes of its members" is derived from the benefit of incorporation of company being.....
A. Limited liability
B. Perpetual succession
C. Infinite membership
D. Independent legal entity
6. The powers of a company are contained in the clause of memorandum of association.
A. Capital B. Object
C. Membership D. None of these
7. Restrictions on transferability of shares is relevant in case of:
A. Only private company having share capital
B. Private company incorporated as a pure guarantee company
C. Private company having either Share capital or Guarantee company
D. None of these
8. A private company is required compulsorily to limit through its articles, the number of members to
A. 20 B. 50
C. 200 D. 500
9. The committee to recommend formation of OPC (One Person Company) in India is
A. Alagh B. J.J. Irani
C. H.C. Baba D. None of these
10. Which one of the following is not a relaxation given to an OPC?
A. Need not prepare Cash Flow Statement
B. Annual report can be signed by Director
C. No need to hold AGM
D. No need to appoint Company Secretary
11. In case of public company total managerial remuneration can't exceed per cent of the net profits.
A. 5 B. 7
C. 11 D. 12
12. With regard to government company, identify the statement representing correct feature of Government company:
A. Govt company can't sue the government in its own name as litigant
B. Employees of government company are not employees of central/state government
C. A government company can't wound like any other company
D. A government company must use either limited or Private Limited at the end of its name
13. Which one of the following financial institutions shall not be regarded as Public financial institutions as per section 2(72) of Companies Act 2013?
A. LIC
B. IDFC
C. Institutions notified by central government in consultation with RBI
D. KFC
14. An unregistered company can't have more than members.
A. 20 B. 25
C. 50 D. 100

15. Section 9 of Companies Act describes
 - A. Allotment of CIN
 - B. Filing of documents for registration
 - C. Remuneration of promoters
 - D. Effect of certificate of incorporation
16. The Companies (Amendment) Act 2015 omitted section of Company's Act 2013 that provides all companies whether private or public to commence business immediately after obtaining certificate of incorporation.
 - A. 10
 - B. 11
 - C. 12
 - D. 13
17. Which one of the following need permission from central government to make alteration in the memorandum of association?
 - A. Alteration in name clause
 - B. Shift registered office from one state to other
 - C. Alteration of object clause
 - D. Alteration of capital clause
18. Section 12 requires that One Person company shall mention along with its name (in brackets)
 - A. One Person Company
 - B. OPC
 - C. One Person Company Pvt Ltd or Ltd
 - D. None of the above
19. The clause that states the name of state where registered office of the company is situated.
 - A. Object
 - B. Capital
 - C. Registered office
 - D. Name
20. A company must file prescribed documents stating its registered office within days of its incorporation.
 - A. 21
 - B. 27
 - C. 30
 - D. 40
21. The term ultra virus means:
 - A. Against power
 - B. Beyond power
 - C. Against authority
 - D. Beyond authority
22. In case of a company limited by shares, a shareholder has paid full on his shares, his liability will be:
 - A. as decided by directors
 - B. an equal amount to already paid up value of share
 - C. Nil
 - D. None of these
23. As per sec 4(1) (e) of Companies Act 2013, a company having a share capital, the memorandum of association must state the amount of
 - A. Authorised/registered capital
 - B. Paid-up share capital
 - C. Called-up capital
 - D. Reserved capital
24. Section 13 provides that the name of company may be changed at any time by:
 - A. Passing special resolution at general meeting of company
 - B. Passing ordinary resolution at general meeting
 - C. Passing either ordinary or special resolution at general meeting
 - D. Can't be changed
25. Who among the following are not proper authority to call a meeting?
 - A. Board of directors
 - B. Shareholders
 - C. Tribunal
 - D. Company secretary
26. When a company changes its name or obtains a new name under sub-section(1) of section 16, it shall within a period of days from the date of such change, give notice of the change to the registrar.
 - A. 15
 - B. 16
 - C. 21
 - D. 7
27. Within 30 days of passing the resolution, a notice of increase in the share capital along with an altered memorandum must be filed with the
 - A. Ministry of Corporate affairs
 - B. SEBI
 - C. Board of Directors
 - D. Registrar of Companies
28. defines the company's objects and various powers it possesses.
 - A. Articles
 - B. Memorandum
 - C. Prospectus
 - D. Annual report
29. Which of the following is incorrect statement as to memorandum and articles of association?
 - A. Act done by company beyond the scope of memorandum is ultra virus
 - B. Memorandum may include any clause contrary to provisions of Companies Act.
 - C. Generally articles can be altered by the members by passing a special resolution only
 - D. The articles are subsidiary to Companies Act and memorandum
30. Section 14 of Companies Act 2013 allows companies to alter:
 - A. Articles
 - B. Memorandum
 - C. Both articles and memorandum
 - D. None of these

31. Section 17, Rule 34 of company (incorporation rules) 2014 provides that a company shall on payment of prescribed fee send a copy of each of memorandum or association to a member within days of the request.
- A. 3 B. 5
C. 7 D. 10
32. Section 33 of the Companies Act 2013 provides that no form of application for the purchase of the securities of a company shall be issued unless it is accompanied by:
- A. Draft prospectus
B. Abridged prospectus
C. Redherring prospectus
D. Shelf prospectus
33. No prospectus shall be issued after days from the date on which a copy of it was delivered to the registrar.
- A. 21 B. 43
C. 75 D. 90
34. Which of the following is incorrect as to a share?
- A. It has a nominal value
B. It has a distinct number
C. It may be transferred in fractions
D. All shares of a class are of equal denominations
35. No company limited by shares can issue any preference shares which are irredeemable as per section.
- A. 34 B. 46
C. 55 D. 72
36. The process by which demand for the securities proposed to be issued by a body corporate is elicited and built up and the price for such securities is assessed for the determination of the quantum of such securities is called
- A. Offer for sale B. Private placement
C. Book building D. None of these
37. The cap on the price band (in book building) shall be less than or equal to per cent of floor price.
- A. 100 B. 120
C. 200 D. 500
38. An issue shall be opened after at least 3 working days from the date of registering the with the registrar of companies.
- A. Draft prospectus
B. Abridged prospectus
C. Redherring prospectus
D. Shelf prospectus
39. Except otherwise provided in the regulations a public issue shall be kept open for atleast 3 working days but not more than working days including the days for which the issue is kept open in case of revision in price band.
- A. 5 B. 6
C. 7 D. 10
40. In the event of non-receipt of minimum subscription, all application money received shall be refunded to the applicants forth with, not later than days of closure of issue in case of non-underwritten issue.
- A. 10 B. 15
C. 70 D. 90
41. FPO stands for:
- A. Forward Public Offer
B. First Public Offer
C. Future Public Offer
D. Further Public Offer
42. The basic purpose of Green shoe option is to act as stabilizing force when issue is
- A. Under subscribed
B. Over subscribed
C. Either Under or Over subscribed
D. None of these
43. An amount payable on application shall not be less than per cent of the share or other percentage specified by SEBI.
- A. 25 B. 20
C. 5 D. 10
44. Which of the following condition is incorrect as to buy back of shares?
- A. Buy back is authorised by articles
B. Buy back is 20 per cent or less of the aggregate of paid up capital
C. Shares/securities specifies for buy back are fully paid up
D. Buy back is out of free reserves
45. To issue sweat equity shares, company shall ensure that it has elapsed at least year after commencement of business.
- A. 5 B. 7
C. 1 D. 10
46. Right issue of shares is concerned with section:
- A. 62 B. 56
C. 46 D. 54
47. A bonus share is always:
- A. issued free of charge B. fully paid
C. partly paid D. Both A and B
48. Diminution of capital denotes:
- A. Cancellation of unsubscribed part of issued capital
B. Reduction of capital under the maning of Act
C. Write of past losses against capita
D. None of these

