B.COM CBCS EXAMINATION 2018

CORPORATE REGULATIONS AND ADMINISTRATION

Multiple choice q	uestions		

1.	a) Sec 2 (20)	b) Sec 4 (2)	c) Sec 2 (4)	d) Sec 1 (3)
2.	Property of the compana) Company	y belongs to b) Shareholders	c) Members	d) Promoters
	, 1 .	,	,	,
3.	Minimum number of ma) 1	embers in case of public b) 2	company c) 5	d) 7
4.		embers in case of private	± •	d) 7
	a) 1	b) 2	c) 3	d) 7
5.	Maximum no. of memba) 50	pers in case of private corb) 100	npany is c) 150	d) 200
6.	Maximum no .of memb	pers in case of public comb) unlimited	npany is c) 50	d) 100
7.	Minimum subscription a) 30	should be received within b) 25		d) 60
8.		is not received application	on money should be ref	unded with in
	<u>a) 20</u>	b) 25	c) 30	d) 15
(A) (B)]	Shareholders in Annual Board of Directors.	the company are appoint General Meeting.	ed by.	
	Company Law Board. Central Government.			
י (ע)	Central Government.			
10.	Minimum paid up shara a) 1 Lakh	e capital in case of a priva b) 2 Lakhs	c) 3 Lakhs	d) 4 Lakhs
11.	Minimum paid up share a) 1 Lakh	e capital in case of a publ b) 3 Lakhs	ic company is c) 5 Lakhs	d) 7 Lakhs
12.	Minimum no. of Direct	ors in case of a public co b) 2	mpany is	d) 4
13.	Minimum no. of Direct	ors in case of private con	npany is	d) 4

14. Age limit of Directors a) 70	in case of public company b) 72	y is	d) 80
15. Age limit of Directors a) 65	in case of private compan b) 70	ey is	d) No limit
16. The company's nationaa) Shareholdersc) Place at books of acc		b) Registered office d) none of the above	
17. The liability of a compaa) Unpaid value of sharec) Unlimited liability		b) Guarantee amount d) None of the above	
18. The liability of member a) Unpaid value of share: c) Unlimited liability	- ·	by shares b) Guarantee amount d) None of the above	
19. If the company failed to prospectus on no receip a) Company		ney within 130 days from on who will be personally c) Shareholders	
20. Transfer of shares in th a) Restricted	e company is b) Freely transferable	c) prohibited	d) None of these
21. Transfer of shares in tha) Restricted	e partnership firm is b) Freely transferable	c) prohibited	d) None of these
22. Generally rights and oba a) A.O.A	bligations of the company b) M.O.A	are regulated in c) Partnership deed.	d) None of these
23. Generally rights and oba a) A.O.A	b) M.O.A	ip firm are regulated in c) Partnership deed.	d) None of these
24. A company is named a a) more than 30	as Govt. Company if it is b) more than 40	holds% of paid up c) more than 50	share capital d) None
25. Which companies are a) Private	exempted to add "Ltd" or b) Govt		neir name? sociation not for profit
26. Under which sec. a pri a) 12	vate company can conver b) 14	rted into public company c) 18	d) 22
27) Article of Association c	an be altered by.		
(A) A resolution of Board of(B) A special resolution.(C) An ordinary resolution in		ing by the shareholders.	

(D)	Obtaining permission	of the Company Law Tri	bunal.	
28		·	case of conversion c) Both (a) or (b)	
29)	An Article constitutes a	contract between.		
(A)	the company and its me	embers.		
(B)	the members and outsid	ers.		
(C)	the company and the ou	tsider.		
(D)	all the above.			
30	% of shares subsidiary a) more than 50	should be held by a comp b) more than 40	c) more than 30	so as to become d) more than 20
31	.According to which sec	e. name of the company s	hould end with "Ltd" or "c) 8 d	Pvt Ltd") 4
32	are called	-	l charter granted by the k	cing or queen of England es d) None of these
33	-	*	Act. Those companies are s c) Registered compani	
	a) To the extent of guara c) Unlimited	•	liability of shareholders w b) Unpaid value of share d) None of the above	
35	If the guarantee Co. have a) Guarantee +unpaid voc) Unlimited		bility of shareholders will b) Unpaid value of shar d) None of the above	
36	.Maximum capital of pr a) 50 Lakhs	ivate company is b) 1 Crore	c) 1.5 Crore	d) Unlimited.
37	Transfer of shares in ca a) Prohibited	use of private company is b) Restricted	c) Freely transferable	d) None of these
38	Accepting of deposits f a) Prohibited	from public in case of privals. By Restricted	vate company is c) Acceptable	d) None of these
39	Invitation to public offee a) Prohibited	ering shares or debentures b) Restricted	s in case of private compa c) Acceptable	ny d) None of these
40	A.Maximum paid up capi a) 50 Lakhs	tal in case of public comp b) 100 Lakhs	pany. c) 125 Lakhs	d) None of these

41.	How many members s a) 1	should sign the MOA i b) 3	n case of public company? c) 5	d) 7
42.	How many members s a) 1	should sign the MOA i b) 2	n case of private company? c) 3	d) 4
43.		ve evidence in case of	company that statutory requ	irements have complied
	with a) Certificate of Incorpo c) Both	oration	b) Certificate of commenced) None of the above	ement of Business
44.	Private company can s a) Certificate of comme c) Both		•	ration
45.	The doctrine of indoor a) Exception		to the doctrine of construction c) Alternative	tive notice d) None of the above
46.	A company can change a) Ordinary resolution		iscretion by passing n c) Boards resolution d	None of the above
47.	If a new company ge then it should apply to v	_	ame which resembles the na	ame of existing company
	a) NCLT	b) SEBI	c) ROC	d) None of the above
48)	The charter of a compa	iny is its.		
(A)	orospectus.			
(B) <i>i</i>	Articles of Association.			
(C)	Certificate of incorporat	ion.		
(D) I	Memorandum of Assoc	iation.		
49	In case of forgeries acts			
	a) Valid	b) Void	c) Void ab initio	d) None of the above
50.	Signature of memorando public company		l be done by nur	-
	a) 7	b) 5	c) 4	d) None of these
51.	In the MOA there are 6 a) Objects clause	classes. We can alter a b) Name clause	all clauses expect one clause. c) Association clause	What is that clause? d) None of these
52.	If any body wants to file a) Company	e a case against the conb) Registered Office	mpany they should file at wh	at place d) Books of accounts
53.	Which of the following a) Public company c) Government company		b) Private companyd) Statutory Corporation	n.
54.	Memorandum of associa	ation of a company lin	nited by guarantee and havin	g share capital is specified

in:

a) Table Ac) Table C	b) Table B d) Table D		
A. an ordinary resolu	ion from the company law be board of directors.	·	
56. Ultra vires means a) Beyond the power	er b) with in the power	c) Both	d) None of the above
57. Ultra vires loans gra a) Void	anted by the company are b) Voidable	c) Valid	d) None of the above
58. is the charter of a) Memorandum		c) Both a) and b)	d) None of the above
memorandum:	-		egal objects include in the
a) Legal60. Change in objects ca) For any reason		c) Voidableb) For special reason	•
c) to comply with C	C.G order the idea of the business	d) None of the abo	ove
	b) Directors	c) Auditors	d) None of the above
62. stands in a) Directors	the fiduciary position of the b) Promoters	c) Auditors	d) None of the above
63. Pre-incorporation a) Provisional	contract is also known as		d) legal
64. A public company	can borrow money		
a) before incorporatc) after issuing a		Soon after incorporation of the state of the	on ficate to commerce business
65. Definition of prosp a) 2 (40)	bectus was given under whice b) 2 (50)	ch sec. c) 2 (60)	d) 2 (70)
	owing are not required to issue b) Incase of right issue		sue d) All the above
67 are the pros	spectus issued instead of full b) Statement in lieu c)	l prospectus Shelf d) I	Red herring
68. prospectu	s were issued in case securit	ies were issued in stage	es

a) Deemed

b) Shelf

c) Red herring

d) None of the above

69.	prospectu	is were issued in order to	test the market before fina	llizing issue size/
	price. a) Deemed above	b) Shelf		d) None of the
70	The minimum appli	cation money should be	of nominal valu	10
70.	a) 5%	cation money should be b) 3%	c) 2%	d) None of these
71.		pay under writing commiss b) Memorandum		
72.	In case of shares un a) 2%	der writing commission was b) 3%	ill be c) 5%	d) None of these
73.	In case of debenture a) 3%	es underwriting commissio b) 4%	n will be c) 2.5%	d) None of these
74		transferred to X from Y. Y. b) Shareholder	Y will be a of the c) Partner	e X company d) None of these
75.	Which of the follow a) Right to have sha above	ing is a right of the member re b) Right Appoint A	ers of a company Auditor c) Right Appoin	t Director d) All the
76.	Which of the follow a) Partnership firm	ing is not a member of a co b) Foreigner	ompany? c) Government	d) HUF
77.		ating a proxy joint holders s b) Jointly		d) both (a) & (b)
	A company can become a) MOA above	me a members of another cobb AOA		d) None of the
79.	Which of the following a) Every member is a member. c) Both (a) & (b)	ng is not truea contributory	b) Every contributed) None of the above	itory is a
8	-	is part of the uncalled ca its winding up it is called b) Nominal cap		-
8	1. Capital redemption	n reserve must be used for	issue of	

a) Fully paid bonus shares	s shares	b) Fully paid equity	
c) Preference shares	S	d) None of the above.	
a) Subscribed83. Part of authorized		c) Un called capital the company for subscription	1.
	also known ass	shares c) Preference	d) None
Preference a) Converted	e shares carry the right to c b) Cumulative	cumulate the dividends c) Non-converted	d) None
86. Paying back of capi a) Redemption		c) Participation	d) None
	n the securities are transfer e b) Reserve fund		d) Securities
88. Memorandum of asso specified in: a) Table A c) Table C) Table B	ted by guarantee and not havi	ng share capital is
other than cash	b) Sweat	o it employees or directors of c) Right	
90 is an aggreation as a support of the suppo	egate of fully paid share th	at have been legally consolidated c) Both a) & b)	ated. d) None of the
91have fixed a) Share above	denomination b) Stock	c) Both a) & b)	d) None of the
92.Court order the con a) And reduced above	npany to add after b) Ltd	reducing its share capital c) Both a) or b)	d) None of the
93. For reducing its sha	re capital it should give no	otice to whom?	

	a) Debtors above	b) Creditors	c) Both a) & b)	d) None of the
	Which of the following a) Free reserves premium c) Proceeds All of the above	•	b) Securities	
· ·	companies ar	•		
	a) Insolvent above	b) Solvent	c) Both a) & b)	d) None of the
]	a) Debenture Redemp Reserve c) Statutory lie	tion Reserve quid Ratio.	en what should be created _ b) Capital I d) None of	Redemption
;	A company to issue sw a) Special resolution these		=	s resolution d) None of
	hare warrants can be is Company law board		approval of the c) Regis	strar d) None
	amp duty to be paid at Nominal	the time of issue of b) High	share certificate is. c) Very high	d) None of these
a)	is a document Share certificate pove		c) Both (a) & (b)	d) None of the
a)	Which of the following Public pove	can issue the share b) Private	warrant c) Both (a) & (b)	d) None of the
	are attached to Dividend coupon	the share warrant b) Warrant	c) Certificates	d) None of the above
	Company to accept cal MOA	lls in advance from s b) AOA	shareholders they should have c) BOD	ave permission in d) None of these
a)	eturn of partly paid sh Surrender bove	ares by the sharehol b) Forfeiture	ders to the company is c) Lien	d) None of the

a) Lien above		c) Surrender	
106 is voluntary a) Transfer above		d duties of member from a c) Both (a) & (b)	
107. is an instr	ument of transfer signed	by the transferor in which	th the name & date
are not filled.a) Forged transfer above	b) Blank transfer	c) Both (a) & (b)	d) None of the
108 transfer is nu	ıll and void		
	b) Blank	c) Both (a) & (b)	d) None of the
109. If the ownership of s	shares goes to another by	operation of law is called a	as
		c) Both (a) & (b)	
110. Transfer is effected a) Sales above	by b) Death	c) Insolvency	d) None of the
111. Transmission is effe a) Sale	cted by b) Death	c) Insolvency	d) Both (b) & (c)
112.In which of the follow a) Transfer above		c) Both (a) & (b)	
113.A share warrant is tra a) By Execution of tra the above		ere delivery c) both a)	and b) d) None of
114 is issued in a) Debenture certification.	acknowledgement of any ate b) Share certificate		d) None of the above
Own funds are called a) Debenture capital	b) Share capital	c) Loan capital	d) None of the above
116 Debenture forms part a) Capital117 Shareholders area) Owners	b) Creditors	c) Fundc) Debtors	d) None of the aboved) None of the above
118. Debenture holders a		-, =	=, =

	a) Owners above	b) Creditors	c) Debtors	d) None of the
	Return paid on shares i a) Interest above b. Return paid on debent	b) Dividend	c) Commission	d) None of the
	a) Interest		c) Commission	d) Tax
121	.Which of the following a) Shareholders above	have voting rights b) Debenture holder	c) Both (a) & (b)	d) None of the
122	a) Interest above		c) Commission	d) None of the
123		a holder of certificate is cab) Unregistered		d) Both (a) & (b)
124	and company's register	to person whose name is called b) Unregistered		
125	3.Debentures which have a) Secured above	the charge on the propert b) Unsecured	ty of the company is c) Registered	d) None of the
126		payable only on the happed b) Irredeemable	=	
127	A.For the purpose of debta a) Debta above	equity ratio Fully Conve b) Equity		·
128	3. In case of Partly Conve a) Debt above	ertible Debentures non-con b) Equity	c) Both (a) & (b)	
129	The amount unclained fund. a) Investor education &	med on redemption is	transferred to b) Children	
	welfare c) Workmen compensati		d) None of the above	
130	• Charge includes a) Loans	b) Mortgage	c) Security	d) Hire

	of winding up of a compan b) A floating charg		
a) Fixed is a charge	ge when it is made specifica b) Specific	ally to cover assets c) Floating	d) Both (a) & (b)
a) Fixed above is a character above	arge created on a class of as b) Specific	esets related to ordinary c) Floating	
134. Unsecured deber a) Fixed above	ntures does not require any b) Floating charge		s not secured by d) None of the
54. Memorandum of as in:	ssociation of a unlimited co	ompany and not having	share capital is specified
a) Table A c) Table C			
136. Memorandum of a a) Table A c) Table C	<i>'</i>	mited by shares is speci	fied in:
137. The model article a) Table F	es of association for compa b) Table G	•	e specified in: Table I
	es of association for compa	any limited by guarantee	e and having share capital
are specified in: a) Table F	b) Table G	c) Table H	d) Table I
139. AGM should be h	neld at		
a) Company these	b) Registered offi	ce c) Corporate	office d) None of
140. In case of Public a) 5 members	Company (if total member b) 7 members	s are not more than 100 c) 2 members	0) the quorum should be d) None of these
141. In case of private a) 2 members	company the quorum shou b) 3 members	ld be c) 4 members	d) None of these
142. Quorum should base a) Commencement d) End of the mee	t of meeting	b) Middle of the r	_

143.	Additional director ca A. shareholder	an be appointed by		
	B. creditorC. debenture holderD. board of director			
144	meeting g formation of the comp		the member to know di	scuss on promotion &
	a) General	b) EGM	c) Statutory	d) None of the above
145.	a) Statutory	nd by the directors to its O) Audit	s members. c) Annual	d) None of the above
146.	A. appointment of dir B. removal of director C. vacation of director D. Resignation of director D.	rs rs		
	Sec. 167 provides for A. appointment of dir B. removal of director C. vacation of director D. DIN	rs	0	
	Who should certify the Auditor	nat company allotted the b) Director		ed in respect there of d) Members
		ho are required to hold b) Private company	A.G.M c) Government con	mpany d) All the three
	a) Public company c) Govt company	ng company can held th	e AGM on public holida b) Private company d) Association not	ý
	The resolution passed a) Valid	d at AGM are b) Void	c) Voidable	d) Void ab-initio
	a) Ordinary above	acted at an EGM is a b) Special	business c) Both (a) & (b)	d) None of the
	A cost auditor makes a) Members of compa	his report to: ny b) Directors of com	pany c) Registrar	d) C. G.
154	. A company not decla	re dividend at		

	a) Statutory meeting above			
155	a) Valid above	rum the proceedings of t b) Void	he meeting will be c) Voidable	d) None of the
156	a) Calls in advance above	kercised in case ofb) Calls in arrears	c) Both a) & b)	d) None of the
157	a) Shareholders	of the company b) Members	c) Both a) and b)	d) None of the above
158	B. Proxies cannot vote on a) Show of hands above		c) Both a) & b)	d) None of the
159	a) Quorum above	b) Minutes	-	d) None of the
160	a) Simple majority present c) 75%	passed with	b) 60% majority d) None of the abo	
16	capital	of the following comparing share capital having a share capital	b) Public compan	y not having share
16	 Total managerial remu a) 11 	neration cannot exceed b) 12	% of net profit c) 13	d) 14
E C	. The power of the compa directors d	any to borrow is exercise	ed by its	

163. According to provisions of the act the borrowings of the company does not exceed
A. Total paid up share capital B. Total free reserves C. authorised capital D. total paid up capital and free reserves
164. Borrowings which are are beyond the powers of the company is A. ultra-vires borrowings B. intra- vires borrowings C. unapproved borrowings D. unauthorized borrowings
165. A mortgage requires registration under A. Companies Act 2013 B. companies act 1956 C. Transfer of Property Act 1882 D. Indian contract act 1872
 166. When is a company said to have been registered? A. When it files the memorandum of association with the registrar of companies. B. When it gets the certificate of incorporation C. When it gets the certificate of commencement of business D. When it actually starts its business
167. When a group of lenders provides loan facility, then it is called as A. secured loan B. unsecured loan C. syndicated loan D. bilateral loan
168. The issue of debentures with an option to convert shall be approved by a A. directors B. a special resolution at a general meeting C. company law board D. central government
169. Which of the following reserve must be created for redemption of debentures?A. Debenture redemption reserveB. general reserve

C. capital redemption reserve D. dividend equalisation fund
 170. Which of the following companies must file a statement in lieu of prospectus? A. A private limited company. B. A cooperative society. C. A company that has issued a prospectus. D. A public company that has not issued a prospectus.
171. A mortgage can be created on A. Specific immovable property B. Movable property C. Stock D. All the above
172. The most important document of a company is its A. prospectus . B. annual report. C. memorandum of association . D. articles of association .
A. cannot be issued B. can be issued with approval of shareholders C. can be issued with the approval of CLB D. can be issued with the approval of the Board
174. Which of the following charges must registered? A. A floating charge on the company's assets B. a charge on ship C. issue of debentures D. all the above
 175. Theconstitute the top administrative organ of the company. A. general manager . B. shareholders. C. board of directors . D. advisory panel .

176. Who are the first directors of the company? A. promotors B. subscribers to the MOA C. Persons named in the AOA D. either B or C
177. Which of the following is beyond the powers of the board of directors?A. To issue debentures.B. To make loans.C. To remit the payment of any debt due by a director.D. to issue prospectus.
178. DIN represents A. Directory Identification Number B. Director Identification Number C. Doctor Identification Number D. Direct Identification Number .
179. Shares cannot be issued A. at par. B. more than face value. C. at premium. D. at discount
 180. After re-issue of forfeited shares the balance of forfeited share account is transferred to A. general reserve. B. profit & loss a/c. C. capital reserve. D. none of these.
 181. A person liable to contribute towards the assets of the company on the event of its being wound up is a

182.	On a winding up order being made in respect of a company, the official Liquidator
	shall, become the of the company.
	A. liquidator
	B. solicitor
	C. contributory
	D. tribunal
183.	A voluntary winding up shall be deemed to commence on the date of passing the
	resolution for voluntary winding up under section
	(a)301
	(b)302
	(c)303
	(d)304
184.	Quorum for the Board of Directors meeting should be:
	(a)1/3 or three whichever is higher
	(b) 1/2 or three whichever is higher
	(c) 1/2 or two whichever is higher
	(d) 1/3 or two whichever is higher
185.	A company may be wound up by the Tribunal by passing
	Resolution.
	(a)special
	(b)extra ordinary
	(c)ordinary
	(d)none of these
186.	A company has to submit a statement of affairs to the Official Liquidator within
	days of the appointment of the official liquidator.
	(a)10
	(b)30
	(c)21
	(d)50
187.	In a members voluntary winding up the notice of the resolution for winding up shall be
	filed with the registrar within days of passing of the resolution.

	(a)8				
	(b)10				
	(c)21				
	(d)30				
188.	Remuneration of the auditor is fixed by:				
	(a) General meeting				
	(b) Board of directors				
	(c) CMD				
	(d) Central Government				
189.	In windig up of companies by Tribunal, an official liquidator is appointed by the				
	(a) manager				
	(b) central government				
	(c) board of directors				
	(d)c court				
190.	A voluntary winding up is deemed to commence from the date on which				
	(a) Appointed liquidator				
	(b)a court of order				
	(c) resolution is passed				
	(d) Published resolution				
191.	Every company shall hold the first meeting of the Board of Directors within days of				
	the date of incorporation.				
	(a) 30				
	(b) 60				
	(c) 90				
	(d) 120				
192.	The buyback of shares isper cent or less of the aggregate of paid up capital and				
	free reserves of the company.				
	(a) 20				
	(b) 25				
	(c) 30				

	(d) 50
193.	On dissolution the name of the company is struck off from the of the company.
	(a)schedule
	(b)charter
	(c)register
	(d)none
194.	The Cadbury Committee suggests that the non- executive directors can play a crucial
	role in
	(a)meetings
	(b)management
	(c)decision-making
	(d)corporate governance
195.	SEBI's code of Corporate Governance provides from the constitution of shareholders
	committee under the chairmanship of
	(a) board of Directors
	(b) director
	(c) non executive director
	(d) manager
196.	Mandatory requirements of the revised clause 49 of the listing agreement, requires that
	non- executive directors in the Board of Directors are not less than of the
	Board of Directors.
	(a)25%
	(b)36%
	(c)50%
	(d)75%
197.	Which of the following are known as Board Committees
	(a) Audit Committee
	(b)Remuneration Committee
	(c)nomination committee
	(d)all of these.

198.	The company agrees that the remuneration of non- executive directors shall be decided
	by
	(a) board of Directors
	(b) director
	(c) non-executive director
	(d) manager
199.	carries out the winding up proceedings.
	(a)liquidator
	(b)solicitor
	(c)contributory
	(d)tribunal
200.	The order of dissolution can be issued only by the
	(a) liquidator
	(b) Solicitor
	(c) contributory
	(d) Tribunal

ANSWER KEY

Qn. No	Answer						
1	A	51	С	101	A	151	A
2	A	52	В	102	A	152	В
3	D	53	D	103	В	153	В
4	В	54	С	104	A	154	A
5	D	55	В	105	С	155	В
6	В	56	A	106	A	156	В
7	A	57	A	107	В	157	С
8	D	58	A	108	A	158	A
9	A	59	В	109	В	159	В

10	A	60	В	110	A	160	С
11	С	61	A	111	D	161	В
12	В	62	В	112	В	162	A
13	A	63	В	113	В	163	D
14	A	64	D	114	A	164	A
15	D	65	D	115	В	165	С
16	В	66	D	116	В	166	В
17	В	67	A	117	A	167	С
18	A	68	В	118	В	168	В
19	В	69	С	119	В	169	A
20	В	70	A	120	A	170	D
21	A	71	A	121	A	171	A
22	В	72	С	122	A	172	С
23	С	73	С	123	A	173	A
24	С	74	В	124	С	174	D
25	D	75	D	125	A	175	С
26	В	76	A	126	D	176	D
27	В	77	В	127	В	177	С
28	В	78	A	128	A	178	В
29	A	79	В	129	A	179	D
30	A	80	D	130	В	180	С
31	D	81	A	131	С	181	С
32	С	82	A	132	В	182	A
33	В	83	В	133	С	183	D
34	A	84	A	134	С	184	D
35	A	85	В	135	В	185	A
36	D	86	A	136	A	186	В
37	В	87	D	137	A	187	В

38	A	88	В	138	В	188	В
39	A	89	В	139	В	189	D
40	D	90	В	140	A	190	С
41	D	91	A	141	A	191	A
42	В	92	A	142	A	192	В
43	A	93	В	143	D	193	С
44	В	94	D	144	С	194	D
45	A	95	В	145	С	195	С
46	В	96	В	146	D	196	С
47	A	97	A	147	С	197	D
48	D	98	С	148	A	198	A
49	С	99	A	149	A	199	A
50	A	100	С	150	D	200	D