

## Company Law Objective Questions

### Limited Liability Partnership Act, 2008

1. Every LLP shall have at least \_\_\_\_\_ designated partners who are individuals and at least \_\_\_\_\_ of them shall be a resident in India.
2. LLP Act received the assent of the President on the \_\_\_\_\_ and was published in the Official Gazette of India on \_\_\_\_\_.

### An Introduction to e-governance

1. An \_\_\_\_\_ is a re-engineered conventional form, which represents a document in electronic format.
2. There is a provision of \_\_\_\_\_ method for paying filing fees, which is purely a \_\_\_\_\_ method.
3. A user can check the status of transactions by entering the \_\_\_\_\_.
4. The e-forms are being constantly revised. The updated e-forms are available at the website of \_\_\_\_\_.
5. DIN, CIN and DSC are important features under \_\_\_\_\_.

### Sole Selling and Sole Buying Agents

1. The relationship of sole selling agent and the appointing company is that of a \_\_\_\_\_ and is governed by provisions of \_\_\_\_\_.
2. The term 'appointment' in relation to sole selling agent and sole buying or purchasing agents includes \_\_\_\_\_.
3. A company shall not appoint any individuals, firms or body corporate having \_\_\_\_\_ in the company as its sole buying or purchasing agent unless such an appointment has been previously \_\_\_\_\_ by the \_\_\_\_\_.

### Investments and Loans

1. The word 'Investments' in common parlance would include any property or right in which \_\_\_\_\_ is invested.
2. The term 'Investments' is used in a limited sense to mean the investing of money in \_\_\_\_\_.
3. The power to invest the funds of the company is the \_\_\_\_\_ of the Board of Directors.
4. In case of default, the company and every officer of the company who is in default shall be punishable with fine of \_\_\_\_\_.

### Striking Off Names of Companies (U/S 560)

1. A company comes into existence by registration in the \_\_\_\_\_.
2. On registration of a company, the registrar issues a certificate called \_\_\_\_\_.
3. Every company so registered shall be assigned a number in one consecutive series called \_\_\_\_\_.
4. Striking off implies \_\_\_\_\_.
5. A company no longer in function is \_\_\_\_\_.

6. The company must file electronically with the Registrar a certified true copy of the order passed by the court along with \_\_\_\_\_.
7. Company Law Board has no power to restore the company in terms of section 560(6), as the powers under that section were vested in the \_\_\_\_\_.
8. Company or members or creditor may make application to court for restoration of the company to the register, if they feel aggrieved by such decision of \_\_\_\_\_, within \_\_\_\_\_ from the publication in the Official Gazette of the notice of the striking off.

### **Application of Company Law to different sectors**

**And**

### **Offences and Penalties – an overview**

**And**

### **Winding up of companies**

1. A 'banking company' means any company which transacts the business of \_\_\_\_\_.
2. Private sector banks are fast emerging as an important segment of \_\_\_\_\_.
3. The working and operations of banks are regulated by the \_\_\_\_\_ within the framework of RBI Act, 1934 and the directions issued by it under the Act.
4. As per the RBI Act, it is \_\_\_\_\_ for bank to get itself registered with the \_\_\_\_\_.
5. A company incorporated under the erstwhile Companies Act, 1950 and desirous of commencing business of \_\_\_\_\_, should have an initial minimum paid-up capital of Rs. 200 crores which is to be raised to Rs. \_\_\_\_\_ within \_\_\_\_\_ of commencement of business.
6. The promoter's contribution shall be minimum of \_\_\_\_\_ of the paid-up capital of the bank at any point of time. It shall be locked in for \_\_\_\_\_.
7. Every insurer seeking to carry out the business of insurance in India is required to obtain a \_\_\_\_\_ from the \_\_\_\_\_ prior to commencement of business.
8. An applicant granted certificate of registration may commence the insurance business within \_\_\_\_\_ from the date of registration.
9. The authority (IRDA) consists of a chairperson, not more than \_\_\_\_\_ and not more than \_\_\_\_\_.
10. The aggregate equity participation of a foreign company in the applicant company cannot exceed \_\_\_\_\_ of the paid up capital of the insurance company.
11. A \_\_\_\_\_ of a company at anytime is not permitted to hold, more than \_\_\_\_\_ of the paid up capital in any Indian insurance company.
12. The first private bank in India to be set up in private sector in India was \_\_\_\_\_.
13. \_\_\_\_\_ ranks as the \_\_\_\_\_ largest development bank in the world in the private sector and has promoted a world class institution in India.
14. Individual companies, directly or indirectly connected with large industrial houses may be permitted to participate in the equity of a now private sector bank up to a \_\_\_\_\_ of \_\_\_\_\_ but will not have controlling interest in the bank.
15. The applicant may apply to the authority within \_\_\_\_\_ days of such rejection for reconsideration of its decision. Additionally, an applicant whose requisition for registration has been rejected may approach the authority with a fresh request for registration application after a

period of \_\_\_\_\_ from the date of rejection, with a new set of promoters and for a class of insurance business different thereon originally applied for.

16. Default, breaches, violations, failures, contraventions or non-compliances under the Companies Act are called \_\_\_\_\_ which give rise to \_\_\_\_\_.
17. In various provisions, the term used for fixing liability of offence is \_\_\_\_\_.
18. Winding-up of a company is a process of \_\_\_\_\_.
19. Section 5 of the Act defines the term “\_\_\_\_\_”.
20. U/S 621A of the Act, the offences, the penalty for which is fine only may be compounded by the \_\_\_\_\_.

#### **F. S. I.**

1. A \_\_\_\_\_ is defined as a share in the share capital of a company, including stock except where a distinction between stock and shares is expressed or implied.
2. A \_\_\_\_\_ capital is that part of share capital which carries a preferential right with respect to dividend and capital both.
3. \_\_\_\_\_ means all share capital which is not preference share capital.
4. \_\_\_\_\_ means equity shares issued by a company to its employees or directors at a discount for consideration other than cash for providing know-how or making available right in the nature of intellectual right or value additions, by whatever name called.
5. A company may issue \_\_\_\_\_ when it is able to sell them at a price above par or above nominal value.
6. A company may issue \_\_\_\_\_ of price less than the nominal value of shares at \_\_\_\_\_.
7. A company can issue further shares to persons other than \_\_\_\_\_ in accordance with relevant provisions provided under Companies Act.

#### **F. S. II.**

1. A company limited by shares or guarantee and having a share capital may alter its share capital in any of the ways provided under the \_\_\_\_\_.
2. The companies act allows a company to convert its fully paid up shares into \_\_\_\_\_.
3. A \_\_\_\_\_ has the same rights as to dividends as a shareholder.
4. Reduction of capital means reduction of \_\_\_\_\_ of the company.
5. Where the directors are required to hold qualification shares, care must be taken that the effect of \_\_\_\_\_ does not disqualify any director.
6. The \_\_\_\_\_ having a debt or claim admissible in winding up are entitled to object in reduction.
7. In certain cases \_\_\_\_\_ capital is not to be treated as reduction of the capital.
8. A public company or its subsidiary must not finance the purchase (of) by any other person of its own shares or those of its \_\_\_\_\_.

#### **F. S. III**

1. All public companies either issue a prospectus or file a statement in \_\_\_\_\_.
2. Companies Act provides provisions for dating and registration of \_\_\_\_\_.

3. \_\_\_\_\_ means a prospectus issued by any financial institution or bank for one or more issues of securities or class of securities specified in the prospectus.
4. \_\_\_\_\_ means a prospectus which does not have complete particulars on the price of the securities offered and the quantum of securities offered.
5. It is the duty of those who issue the prospectus to be \_\_\_\_\_ in all respects.
6. An \_\_\_\_\_ is a prospectus, within the meaning of the Act, and it is deemed to have been issued by the company.
7. \_\_\_\_\_ is also leviable under the Act for fraudulently inducing to invest money.
8. \_\_\_\_\_ for the acquisition of shares has been made offence under the Companies Act, punishable with imprisonment.

#### F. S. IV

1. All companies are given power to borrow by their articles which fix the \_\_\_\_\_ limit of borrowings.
2. A public company cannot borrow money until it is entitled to \_\_\_\_\_.
3. The power to borrow money and to issue debentures can only be exercised by the \_\_\_\_\_ at a duly convened meeting.
4. \_\_\_\_\_ borrowing cannot be ratified by a resolution passed by the company in general meeting.
5. A company may charge its uncalled capital if its \_\_\_\_\_ authorize it to change it.
6. A \_\_\_\_\_ is a borrowed capital consolidated into one mass for the sake of convenience.
7. A \_\_\_\_\_ creates a right in the creditor to demand repayment and the substance of a \_\_\_\_\_ is a liability upon the debtor to repay the money.
8. A \_\_\_\_\_ is one of the several instruments, required to be executed to secure redemption of debentures and payment of interest on due dates.
9. SEBI has issued guidelines pertaining to issue of \_\_\_\_\_.
10. \_\_\_\_\_ is a document of title to a time deposit.
11. \_\_\_\_\_ is the amount paid to a middleman (called broker) who brings about a bargain between the seller and a purchaser of shares or debentures in the case of a company.

#### F. S. V

1. The power of a company to borrow includes the power to give \_\_\_\_\_ also.
2. A charge is a security given for securing loans or debentures by way of a \_\_\_\_\_ on assets of the company.
3. When floating charge crystallizes, it becomes \_\_\_\_\_.
4. The floating charge gives wide powers to the company to deal with its property subject to floating charge until such charge \_\_\_\_\_.
5. A \_\_\_\_\_ is allotted at the time of registration of charge.
6. In e-governance , there is a facility for public inspection by electronic means using \_\_\_\_\_.
7. Every company is required to keep at its registered office \_\_\_\_\_ as well as a copy of it.

8. \_\_\_\_\_ is created by the act of parties where as \_\_\_\_\_ may be created wither through the act of parties or by operation of law.

#### **F. S. VI**

1. Every share certificate shall be issued under the \_\_\_\_\_ of the company affixed in presence of \_\_\_\_\_ directors and the \_\_\_\_\_.
2. A \_\_\_\_\_ is a bearer document of title to the specified shares.
3. \_\_\_\_\_ by a company may either be cancelled or re-issued to another person at the discretion of the \_\_\_\_\_.
4. If a member fails to pay a valid call within the stipulated time, the company may exercise the power to \_\_\_\_\_.
5. \_\_\_\_\_ means the act of appropriation by the Board of Directors of the company of a certain number of shares to persons who have made applications for shares.

#### **F. S. VII**

1. A company is composed of \_\_\_\_\_, though it has its own identity distinct from members.
2. Insolvents and bankrupts may be members of a company as long as they are on the \_\_\_\_\_.
3. Pawnee and receiver can't be treated as \_\_\_\_\_.
4. Partnership firm, minor cannot become a \_\_\_\_\_ of a company.
5. Person ceases to be a member when his name is removed from \_\_\_\_\_ of company.

#### **Deposits**

1. A minor, non-resident can be nominated by \_\_\_\_\_.
2. The \_\_\_\_\_ shall not be trust, society, body corporate, partnership firm, karta of HUF or a power of attorney holder.
3. Foreign Exchange Management (Deposit) Regulations, 2000 regulate acceptance of \_\_\_\_\_ from \_\_\_\_\_.
4. \_\_\_\_\_ may direct the company to make repayment of deposits or part thereof subject to such conditions as may be prescribed in the order.
5. Deposits are \_\_\_\_\_ repayable before \_\_\_\_\_.
6. The word '\_\_\_\_\_' also amounts to acquire again.
7. Depositor includes any person who has given a \_\_\_\_\_ to a company.
8. Any amount received by a private company from its shareholders is not regarded as \_\_\_\_\_.
9. The invitation and acceptance of deposits by the last two categories of companies is still regulated by the \_\_\_\_\_ under its direction.

#### **Divisible Profits and Dividends**

1. \_\_\_\_\_ is the share of the company's profit distributed among the members.
2. \_\_\_\_\_ is recommended by the \_\_\_\_\_ in its report to the shareholders.
3. The interim dividend is paid between \_\_\_\_\_ of the company.



4. Both interim and final dividend when declared become \_\_\_\_\_ and are payable within \_\_\_\_\_ of declaration.
5. A preference share carries a \_\_\_\_\_ as to dividend in accordance with term of issue subject to availability of distributable profits.
6. Dividend must be paid only out \_\_\_\_\_ and after \_\_\_\_\_ as provided u/s 205 of companies act, 1956.
7. \_\_\_\_\_ is empowered to allow any company to declare or pay dividend for any financial year out of profits for that year without providing for declaration.
8. U/S 173(1), declaration of dividend is a/an \_\_\_\_\_ business at \_\_\_\_\_.
9. \_\_\_\_\_ can be paid only in \_\_\_\_\_, not in kind.
10. A dividend in respect of a \_\_\_\_\_ has to be paid to the \_\_\_\_\_ of the share or to his order or to his banker.
11. \_\_\_\_\_ is for seeking approval of central government for not providing depreciation.
12. "\_\_\_\_\_" is an order by the company to its banker to pay the amount specified therein to the shareholders whose name is written therein.
13. U/s. 250 A, if a dividend declared by a company has not been paid or claimed within \_\_\_\_\_ of the declaration, the same shall be within \_\_\_\_\_ days thereafter i.e. 7 days after the expiry of the 30 days from the date of declaration.
14. Once a dividend is declared a \_\_\_\_\_ has the right to claim dividend against the company.
15. A dividend including interim dividend once declared becomes a \_\_\_\_\_ and cannot be \_\_\_\_\_, except with the consent of the \_\_\_\_\_.
16. A newly incorporated company is prohibited from transferring not more than \_\_\_\_\_ of its profits to its \_\_\_\_\_.
17. '\_\_\_\_\_' means the profits which the law allows the company to distribute to the shareholders by way of dividend.
18. The profits of a business mean the \_\_\_\_\_ of the concerns after deducting the \_\_\_\_\_ without which those proceeds could not be earned.
19. \_\_\_\_\_ is a charge on profits while \_\_\_\_\_ is an appropriation of profits.
20. When the amounts in the unpaid dividend accounts remain unclaimed and unpaid for a period of \_\_\_\_\_ from becoming due, it shall be credited to \_\_\_\_\_.

### Accounts & Audit

1. Every company is required to keep books of account at its \_\_\_\_\_ in respect of specified transactions. However, all or any of the books of accounts may be kept at such other place in India as the \_\_\_\_\_ may decide.
2. The books of account should be kept on \_\_\_\_\_ and according to \_\_\_\_\_ system of accounting.
3. As per the Act, \_\_\_\_\_ and other books and papers should be available for inspection by any director on working days during \_\_\_\_\_.
4. The I.C.A., 1956 specifically requires certain other books to be kept by a company for maintaining a record of its different activities in order to safeguard the interest of the shareholders and creditors. Those books are known as \_\_\_\_\_ books.

5. In addition to the books of accounts and statutory books, a company usually maintains a number of \_\_\_\_\_ in order to keep complete records of the numerous details connected with the business operations.
6. The expression '\_\_\_\_\_' embraces both balance sheet and profit and loss account. In a wider sense it also covers \_\_\_\_\_ statements.
7. \_\_\_\_\_ is the accounting which the directors disclose to the shareholders of the company the result of the actual working of the company
8. The \_\_\_\_\_ and \_\_\_\_\_ must be approved by \_\_\_\_\_ and signed by \_\_\_\_\_ before they are submitted to the \_\_\_\_\_ for their report.
9. The Act also requires a company to file such annual accounts with the \_\_\_\_\_.
10. \_\_\_\_\_ is a combination of performance audit and efficiency audit.
11. By and large the notes on accounts are \_\_\_\_\_ and are intended to clarify and elucidate the \_\_\_\_\_ of a company as disclosed in its balance sheet and P/L a/c.
12. The Act empowers the \_\_\_\_\_ to direct, whenever it is necessary to do so that as audit of cost accounts of the company should be conducted in such manner as may be specified.
13. The Act empowers the \_\_\_\_\_ to appoint either any chartered accountant or the company's own auditor to conduct a special audit in certain circumstances.
14. The Act provides that the auditor of a Government company shall be appointed or re-appointed by the \_\_\_\_\_ within the limits specified.
15. The main object of the audit is to ensure that the \_\_\_\_\_ of the relevant financial year truly and fairly reflect the state of affairs of the company.

### **Shareholder's democracy: majority powers and minority rights**

#### **And prevention of oppression and mismanagement.**

1. A member can complain of oppression only in his capacity as a member and not in his capacity as \_\_\_\_\_.
2. C.L.B and C.G. have been empowered under the Act to prevent \_\_\_\_\_.
3. The directors exercise their powers through meetings of \_\_\_\_\_ and shareholders exercise their power through \_\_\_\_\_.
4. The company law provides for adequate protection for the \_\_\_\_\_ shareholders when their rights are \_\_\_\_\_ by the \_\_\_\_\_.
5. '\_\_\_\_\_' is a very broad term involving the welfare not only of the individual shareholders, but also of the country according to the economic and social policies of the state.

### **Introduction**

1. In the case of unincorporated associations like partnership firms, the liability of the partners for the debts of the business is \_\_\_\_\_.
2. An incorporated company never \_\_\_\_\_ except when it is \_\_\_\_\_ as per law.
3. A member does not even have an \_\_\_\_\_ in the property of the company.
4. A company cannot go beyond the power stated in the \_\_\_\_\_.
5. A member may sell his shares in the \_\_\_\_\_ and \_\_\_\_\_ the money invested by him.
6. A company, as a person separate from its members, may even sue one of its members for \_\_\_\_\_.

7. A company is a \_\_\_\_\_ for \_\_\_\_\_.
8. An unincorporated company, association or partnership consisting of large number of persons has been declared \_\_\_\_\_.
9. An illegal association is liable to be \_\_\_\_\_.
10. Company law in India has been modeled on the \_\_\_\_\_.
11. A \_\_\_\_\_ can be distinguished from a partnership firm, a JHFB and a registered society.

### Types of Companies

1. A \_\_\_\_\_ is a company limited by shares or by guarantee. An \_\_\_\_\_ company is a company not having any limit on the liability of its members.
2. \_\_\_\_\_ with limited liability are permitted to be registered under a licence granted by the C.G. without using the words “limited” or “private limited”.
3. Section \_\_\_\_\_ defines Government company.
4. Auditor of a government company shall be appointed or reappointed by \_\_\_\_\_.
5. An \_\_\_\_\_ company is a company, the principal business of which consist in acquiring, holding and dealing in shares and securities.
6. A company formed under the act of the parliament or state legislature is called a \_\_\_\_\_.
7. Not less than \_\_\_\_\_ of the paid-up share capital of Public Financial Institutions (PFI) is held by or controlled by the C. G.
8. The membership of \_\_\_\_\_ is open to such people who themselves are the primary producers, which is an activity by which same agricultural produce is produced by such primary producers.
9. If a company is engaged in any other business to an appreciable extent, it will not be treated as an \_\_\_\_\_.
10. If the \_\_\_\_\_ holds more than half in nominal value of subsidiary's equity share capital, the relationship of holding company and subsidiary subsists between them.
11. A \_\_\_\_\_ company is a company which is incorporated in a country outside India under the law of that other country and has place of business in India.
12. The employees of Government Company are not the employees of \_\_\_\_\_.
13. \_\_\_\_\_ are permitted to delete the word “\_\_\_\_\_” from their name.
14. An \_\_\_\_\_ company may or may not have share capital.
15. Members of \_\_\_\_\_ are not liable directly to the creditors of the company as in the case of partners of the firm.
16. The memorandum of a \_\_\_\_\_ must state the amount of guarantee; it may be in different denominations.
17. The voting power of \_\_\_\_\_ having share capital is determined by the shareholding and not by guarantee.
18. A member of a private company cannot appoint more than \_\_\_\_\_ to attend and vote at the meeting of the company.



19. A private company means which has minimum paid up capital of Rs. \_\_\_\_\_ and higher as may be prescribed by AOA.  
A public company means which has minimum paid up capital of Rs. \_\_\_\_\_.
20. A company created by grant or a charter by the crown is called a \_\_\_\_\_ and is regulated by that charter.

### Promoter and Formation of companies

1. \_\_\_\_\_ are generally the persons who assume the primary responsibility of matters relating to promotion of company.
2. A \_\_\_\_\_ is not forbidden from making profit, but from making secret profit.
3. Disclosure by promoters to the company should be through the medium of the \_\_\_\_\_.
4. A \_\_\_\_\_ is not allowed to derive a profit from the sale of his own property to the company unless all material facts are disclosed.
5. In addition to disclosing secret profits, a \_\_\_\_\_ has the duty to disclose to the company any interest he has in transaction entered into by him.
6. \_\_\_\_\_ may be suspended by the court for taking part in the management of the company for a period of \_\_\_\_\_ in circumstances specified U/S 203.
7. A \_\_\_\_\_ is criminally liable U/S 63. He may be made liable to public examination if the court so orders.
8. A \_\_\_\_\_ has no legal right to claim promotional expenses for his services unless there is a valid contract.
9. Whatever be the nature of remuneration or benefit, it must be disclosed in the prospectus, if paid, within \_\_\_\_\_ preceding the date of the prospectus.
10. The persons who assume the primary responsibility of matters relating to promotion of a company are called \_\_\_\_\_. A promoter may be a natural person as a company. A person who may have so acted in the formation of a company may well be termed as a \_\_\_\_\_.
11. A \_\_\_\_\_ is neither an agent of, nor a trustee for, the company because it is not in existence. The promoter undoubtedly stands in a \_\_\_\_\_ position.
12. The other important document is \_\_\_\_\_ which contains the rules and regulation relating to the internal management of the company.
13. A scanned copy of duly stamped and executed MOA & AOA is also required to be attached with \_\_\_\_\_ and submitted \_\_\_\_\_.
14. When / where the articles of a public company having share capital appoint a person as a director, he must file his consent as an attachment to \_\_\_\_\_.
15. Where the location of a company is not finalized \_\_\_\_\_ can be filed later but within \_\_\_\_\_ from the date of incorporation.
16. \_\_\_\_\_ can also be filed within \_\_\_\_\_ of the registration of the company or appointment of first directors.

### Contracts and Conversions

1. A company being an artificial person can contract only through its \_\_\_\_\_.
2. Contracts made on behalf of the company before its incorporation - \_\_\_\_\_.

3. Contracts made after incorporation but before obtaining the certificate to commence the business - \_\_\_\_\_.
4. \_\_\_\_\_ contracts are contracts purported to be made on behalf of company before its incorporation.
5. A public company can be converted into a private company only after the approval of the \_\_\_\_\_.
6. A private company or a company having no share capital may commence business and exercise its various powers immediately after it is \_\_\_\_\_.
7. A \_\_\_\_\_, on the other hand, must obtain a certificate to \_\_\_\_\_ from the \_\_\_\_\_ before it can commence business or exercise its borrowing powers.
8. The certificate of commencement of business is a \_\_\_\_\_ that a company is entitled to commence business.
9. The \_\_\_\_\_ business entitles the company to commence business given in the \_\_\_\_\_ clause of the \_\_\_\_\_.
10. No business given in the “\_\_\_\_\_” can be commenced without obtaining prior approval of the shareholders by way of \_\_\_\_\_.
11. Pursuant to section 147(1)(b), every company shall have its name engraved in legible characters on its \_\_\_\_\_.
12. Conversion of a private company into a public company can be grasped as conversion by \_\_\_\_\_.
13. Only those contracts which are \_\_\_\_\_ or within the powers of the company will be valid and binding where a contract is intra vires the company but \_\_\_\_\_ the \_\_\_\_\_, the company may be liable and may even notify it.

## MOA & AOA

1. The first step in the formation of a company is to prepare a document called the \_\_\_\_\_.
2. The \_\_\_\_\_ of a company contains the fundamental provisions of the company's constitution.
3. The purpose of the \_\_\_\_\_ clause in the memorandum is \_\_\_\_\_.
4. Where a company is a subscriber to the M.O.A, it must be signed by a duly \_\_\_\_\_.
5. \_\_\_\_\_ witness can attest all the signatures provided he is not himself a subscriber (of) to the memorandum.
6. Pursuant to MCA-21 project, the soft copies of the MOA & AOA should be filed along with \_\_\_\_\_.
7. The \_\_\_\_\_ must make \_\_\_\_\_ to ensure that the name allowed by him is not misleading or intended to deceive with reference to its objects clause.
8. The MCA has also clarified that a \_\_\_\_\_ is not an official publication of a company within the meaning of section 147 of the act.
9. The \_\_\_\_\_ clause is of great importance because it determines the purpose and the capacity of the company.
10. It is \_\_\_\_\_ for a company to act beyond the limits of its \_\_\_\_\_.
11. The general rule is that act which is ultra vires the company is incapable of \_\_\_\_\_.
12. An ultra vires borrowing does not create a relationship a \_\_\_\_\_.

13. An ultra vires contract is null and void as that of contract with a \_\_\_\_\_.
14. A shareholder can get back the money paid by him to the company under an \_\_\_\_\_.
15. Ultra vires contracts are \_\_\_\_\_ and hence cannot become intra vires by reason of \_\_\_\_\_.
16. The members can get an \_\_\_\_\_ to restrain the company wherein ultra vires act has been or is about to be under taken.
17. The shares into which the capital is divided must be of fixed value, which is commonly known as \_\_\_\_\_ value of shares.
18. The amount actually paid by the shareholders is called the \_\_\_\_\_.
19. Out of the issued capital, the total amount actually subscribed or agreed to be subscribed is known as \_\_\_\_\_.
20. The rectification of the name must also be carried out if the Central Government so directs within a period of \_\_\_\_\_ from the date of registration of the company.
21. The direction of the CG is required to be complied within a period of \_\_\_\_\_ from the date thereof.
22. A notice of the change is required to be given to the registrar in \_\_\_\_\_ within \_\_\_\_\_ of such change.
23. U/S 637 B (b), the \_\_\_\_\_ has been empowered to condone delay in filing any document with the registrar.
24. The \_\_\_\_\_ of a company are its by-laws or rules and regulations that govern the management of its internal affairs and the conduct of its business.
25. The articles regulate the \_\_\_\_\_ of the affairs of the company by way of defining the powers of its officers and establishing a contract between the company and the members and between the members inter se.
26. In the case of a company \_\_\_\_\_ the articles shall state the number(s) of members with which it is to be registered.
27. A company has a statutory right to alter its \_\_\_\_\_.
28. Utmost caution must be exercised in the preparation of the \_\_\_\_\_.
29. The alteration of \_\_\_\_\_ must not constitute a fraud on the minority by the majority.
30. \_\_\_\_\_ binds the members in the same way as original articles.
31. The term “\_\_\_\_\_” signifies a person who is not a member of the company, even if he is a director of or solicitor to the company.
32. The \_\_\_\_\_ do not confer any \_\_\_\_\_ even upon a member in a capacity other than that of a member.
33. Every person dealing the company is deemed to have a “\_\_\_\_\_” (to) of the contents of its memorandum and articles.
34. The doctrine of \_\_\_\_\_ protects third parties who are entitled to an assurance that all procedural aspects of a transaction are carried out.
35. While the doctrine of “\_\_\_\_\_” seeks to protect the company against the outsiders, the principal of “\_\_\_\_\_” operates to protect the outsiders against the company.

### **Board's Report and Disclosure**

1. Attaching \_\_\_\_\_ to every Balance sheet is mandatory.
2. The matter to be included in \_\_\_\_\_ should be under the provisions of Companies Act, listing agreement, SEBI guidelines and RBI directions.
3. As per \_\_\_\_\_ directions, certain disclosures are required to be made by non-banking companies receiving deposits.
4. Board's report should be signed by the \_\_\_\_\_ of the Board, if so authorized and if not so authorized then by \_\_\_\_\_ of the company, one of whom shall be the \_\_\_\_\_, where there is one.
5. The \_\_\_\_\_ shall be collectively responsible for any statement in its report which is false in any material particular or for any omission of a material fact.
6. \_\_\_\_\_ would comprise of certification of the compliance of various requirements under the Companies Act and the rules thereunder.
7. In accordance with the proviso to sub-section (1) of section 383A of the Companies Act, 1956, a company is required to file with registrar a compliance certificate in \_\_\_\_\_ within \_\_\_\_\_ from date on which AGM is held.

### **Registers and Returns**

1. \_\_\_\_\_ books are required to be maintained for smooth and efficient functioning of the company.

### **Inspection and Investigation**

1. The \_\_\_\_\_ has been empowered to conduct investigation into the affairs of the company in circumstances as specified under the Act.
2. Only an individual or individuals may be appointed as \_\_\_\_\_ to conduct the investigation into the affairs of the company and to report thereon in the prescribed manner.

### **Compromise and Arrangements**

1. A \_\_\_\_\_ means settlement or adjustment of claims in dispute by mutual concessions.

### **Producer Companies**

1. A '\_\_\_\_\_' shall mean any person engaged in any activity connected with or relatable to any primary produce.
2. A full time \_\_\_\_\_ shall be appointed by the Board by whatever name called who shall not be member of the company
3. Every producer company having as average annual turnover as prescribed shall appoint a \_\_\_\_\_ of the company.
4. Provisions for conducting an \_\_\_\_\_ along with notice contents have also been provided under the Companies Act.
5. Every \_\_\_\_\_ shall keep proper books of accounts with respect to matters specified in the Act and shall have interval audit of its accounts as may be specified in its articles, by a chartered accountant.

6. Any \_\_\_\_\_ may make an application for its reconversion into inter-state cooperative society, following the procedure laid down in the Act.

## **Management & Control of Company – IV**

### **Company secretary**

1. Every company having a paid up share capital of Rs. \_\_\_\_\_ or more is compulsorily required to have a company secretary u/s. 383A.
2. Every company having a paid up share capital of Rs. \_\_\_\_\_ or more but less than Rs. \_\_\_\_\_ is required to file a compliance certificate from CS in \_\_\_\_\_ in such form and within such time as may be prescribed.
3. Every \_\_\_\_\_ is expected to adhere not only to the letter of the law but also ensure that the spirit of the law is upheld.
4. Appointment of CS is made by means of a resolution passed at (the) meeting of \_\_\_\_\_.
5. Dismissal of a CS can be done by the \_\_\_\_\_ or by the \_\_\_\_\_ (if authorized by the board)
6. Role of a CS is \_\_\_\_\_.
7. One of the most important roles of practicing CS is to provide \_\_\_\_\_ to the Board of Directors.
8. A CS in practice is entitled to issue and / or sign compliance certificate and / or annual return for not more than \_\_\_\_\_ companies in aggregate in a calendar year.

## **Management & Control of Company – III**

### **MD – WTD – Manager**

1. On appointment of a person as a MD or WTD or manager, a return in \_\_\_\_\_ within \_\_\_\_\_ from the date of such appointment is required to be filed with ROC and application to CG shall be made in \_\_\_\_\_.
2. To remove a person from MD ship, approval of \_\_\_\_\_ is not required.
3. The substance provisions with regard to appointment and reappointment of WTD are similar to that of \_\_\_\_\_.
4. The \_\_\_\_\_ is a necessary element of company meeting and is usually appointed by articles.
5. The \_\_\_\_\_ may adjourn meeting at his discretion when he feels that peaceful conduct of the meeting is not possible
6. A \_\_\_\_\_ may or may not be \_\_\_\_\_ of the company.
7. Unlike the MD of a company, as executive director or a WTD is not entrusted by a company with \_\_\_\_\_ of management of the business and affairs of the company.
8. An \_\_\_\_\_ may also be called \_\_\_\_\_.
9. A \_\_\_\_\_ of a company also appointed as a director of the company is in the position of a WTD.
10. It is a general view that a MD combines two capacities, namely \_\_\_\_\_.



11. An additional director can be appointed by the BOD of a company \_\_\_\_\_.
12. No company can appoint a MD for term exceeding \_\_\_\_\_ at a time.
13. A MD for a limited company may have \_\_\_\_\_.
14. A \_\_\_\_\_ must hold and continue to hold the office of director.
15. A director entrusted with managerial functions will be a MD even though he may be called as ' \_\_\_\_\_ ' or ' \_\_\_\_\_ '.

## **Management & Control of companies – II**

### **Power & Duties of directors**

1. The liabilities of \_\_\_\_\_ are numerous as per the ICA, 1956
2. Certain powers are exercisable only at \_\_\_\_\_ and certain powers are exercisable with the approval of company in \_\_\_\_\_.
3. In some exceptional cases, the general body of shareholders is competent to act even in matters \_\_\_\_\_.
4. The position of directors in respect of company's properties and the rights conferred upon them to be exercised as directors is that of a \_\_\_\_\_.
5. Application for giving loans, providing security or guarantee in connection with a loan shall be made to the \_\_\_\_\_ in \_\_\_\_\_.
6. The \_\_\_\_\_ acting together are the authority in conducting the affairs of the company.

### **Management & Control of companies**

1. Every public company shall have at least \_\_\_\_\_ directors and every other company shall have at least \_\_\_\_\_ directors.
2. Directors are \_\_\_\_\_ of the company.
3. \_\_\_\_\_ of qualification shares in a company in which are is a director is not statutorily required.
4. \_\_\_\_\_ approval is required for increasing the number of directors in certain circumstances specified U/S 259 of the act.
5. A director may resign his office in manner provided by \_\_\_\_\_.
6. Provisions related to \_\_\_\_\_ shall not apply to private company unless it is a subsidiary of a public company.
7. No person shall hold office at the same time as small shareholders' director in more than \_\_\_\_\_ companies.
8. U/S 314 regarding \_\_\_\_\_ applies to public as well as private companies.
9. When a company is registered under Companies Act, it becomes a \_\_\_\_\_.
10. Prior to \_\_\_\_\_, the average size of business and trade agency was very small.
11. The \_\_\_\_\_ get only sitting fees for the Board Meetings attended by them, as they wield very (low) little or no powers.
12. The supreme executive authority in the control of a company and its affairs resides is persons known as " \_\_\_\_\_ ".
13. Directors are \_\_\_\_\_ of the money of the company, but not the debts due to the company.
14. There is no statutory requirement for a director to hold \_\_\_\_\_ in the company in which he is a director. U/S 270 – the qualification shares must be obtained within \_\_\_\_\_

- months after his appointment as a director and nominal value shall not exceed Rs. \_\_\_\_\_ and a director who obtains his qualification shares as a \_\_\_\_\_ from promoters of a company is guilty of a gross breach of trust and he is liable to give up the shares.
15. A director appointed by \_\_\_\_\_ need not hold \_\_\_\_\_.
16. Where an increase in number of directors involves an alteration of the articles, a/an \_\_\_\_\_ would be necessary for the purpose.
17. Section 275 of ICA, 1956 prohibits the appointment of a person holding office of a director of the same time in more than \_\_\_\_\_.
18. First director means the director of the company who assumes office from the date of \_\_\_\_\_ of the company.
19. Those directors who have been biggest in office once their appointment shall \_\_\_\_\_.
20. When there are no validly appointed directors functioning, the shareholders have the right to appoint directors at the \_\_\_\_\_.
21. The reappointment of directors shall be effective from the day of the \_\_\_\_\_ meeting.
22. The directors are usually (appointed) elected by shareholders at general meeting by a/an \_\_\_\_\_ passed by \_\_\_\_\_ majority of votes.
23. Two or more directors should not be elected \_\_\_\_\_ or by \_\_\_\_\_.
24. The directors appointed by principle of \_\_\_\_\_ hold office for \_\_\_\_\_ and cannot be removed by the company in general meeting U/S 284.
25. It is the \_\_\_\_\_ of the BOD to appoint an alternate director.
26. \_\_\_\_\_ can be appointed only if provision to that effect exists in the MOA or AOA of the company, unless where a statute provides for such nomination.
27. As per U/S 255 of the Act, it should be ensured the total number of non-rotational directors does not exceed \_\_\_\_\_ of the total strength of the board.
28. \_\_\_\_\_ are in the same position and they owe same duties to the company as any other director.
29. \_\_\_\_\_ means a shareholder holding shares of nominal value of 20,000 rupees or less in a public company to which this section applies.
30. Pursuant to section 284(1) of the Act the shareholders of a company may by passing a/an \_\_\_\_\_ resolution at \_\_\_\_\_ remove director before the expiry of his period.
31. The shareholders cannot be restrained from calling \_\_\_\_\_ to remove existing directors and appoint new directors.
32. Tenure of small shareholders' directors is a maximum period of \_\_\_\_\_. At expiry the same person if so desires may be elected for another period of \_\_\_\_\_.

## **ANSWERS**

### **Limited liability Partnership Act, 2008**

1. Two, one
2. 7<sup>th</sup> January, 2009, 9<sup>th</sup> January, 2009

### **An Introduction to e-governance**

1. e-form

2. on-line payment, safe
3. (SRN) Service Request Number
4. (MCA) [www.mca.gov.in](http://www.mca.gov.in)
5. e-governance mode (MCA-21) Ministry of corporate affairs of 21<sup>st</sup> century

#### **Sole Selling and Sole Buying Agents**

1. principal and an agent, I.C.A, 1872
2. re-appointment
3. substantial interest, approved, central government

#### **Investments and Loans**

1. money or capital
2. shares, stock, debentures or other securities
3. prerogative
4. Rs. 50,000/-

#### **Striking Off Names of Companies (U/S 560)**

1. office of the Registrar of companies
2. Certificate of Incorporation
3. Corporate Identification Number (CIN)
4. Removal
5. defunct company
6. e-form 21
7. high court
8. striking off, 20 yrs

#### **Application of company law to different sectors**

**And**

#### **Offences and penalties – an overview**

**And**

#### **Winding up of companies**

1. banking
2. Indian financial system
3. Reserve Bank of India (RBI)
4. Mandatory, RBI
5. Banking, 200 crores, 300 crores, 3 years
6. 40%, 5 yrs
7. Certificate of registration, IRDA
8. Twelve months
9. Five whole time members, four part time members
10. Twenty six percent
11. Promoter, 26 percent
12. IndusInd Bank

13. IDBI, tenth
14. Maximum, 10 percent
15. Thirty days, two years
16. Offences, penal liability
17. Officers in default
18. Putting an end to the life of a company
19. Officer who is in default
20. Central government

**F. S. I.**

1. Share
2. Preference share
3. Equity share capital
4. Sweat equity shares
5. Securities at premium
6. Shares, a discount
7. Existing shareholders

**F.S. II**

1. Companies Act
2. Stock
3. A stockholder
4. issued, subscribed or paid-up capital
5. Reduction
6. Creditors
7. Diminution of share capital
8. Holding company

**F. S. III**

1. Lieu of prospectus
2. Prospectus
3. Shelf prospectus
4. red-herring prospectus
5. Truthful
6. Offer for sale
7. Additional penalty
8. Impersonation

**F. S. IV**

1. Maximum
2. Commence business
3. Directors
4. Ultra vires

5. Articles or memorandum
6. Debenture stock
7. loan, debt
8. debenture trust deed
9. Debentures
10. Certificate of deposit
11. Brokerage

**F. S. V**

1. Security
2. A charge
3. Fixed
4. Crystallizes
5. Charge identification number
6. Internet
7. Register of all charges
8. Mortgage, a charge

**F. S. VI**

1. common seal, two, secretary
2. A share warrant
3. Shares forfeited, board
4. Forfeit the shares
5. Allotment

**F. S. VII**

1. Members
2. Register of members
3. Members
4. Member
5. Register of members

**Deposits**

1. Holder of deposits
2. Nominee
3. Acceptance of deposits, Non Resident Persons
4. CLB
5. Not, maturity
6. 'renew'
7. Loan
8. 'deposit'
9. Reserve Bank of India



## **Divisible Profits & Dividends**

1. Dividend
2. Final dividend, B. O. D
3. Two AGMs
4. Debt, 30 days
5. A preferential right
6. Profits, providing for depreciation
7. CG
8. Ordinary, AGM
9. Dividend, cash
10. A share, registered shareholder
11. E-form 23AAC
12. "Dividend warrant"
13. 30 days, 7 days
14. Shareholder
15. Debt, revalued, shareholders
16. Ten percent reserves
17. 'Divisible profits'
18. Net proceeds, necessary expenses
19. Interest, dividend
20. Seven years, IEPF (Investors' Education and Protection Fund)

## **Accounts & Audit**

1. Registered office, Board of directors
2. Accrual basis, double entry
3. Books of account, business hours
4. Statutory books
5. Statistical books
6. 'Annual accounts', financial
7. P/L A/c
8. Balance Sheet & P/L, BOD, directors, auditors
9. ROC
10. Social audit
11. Self-explanatory, financial position
12. CG
13. CG
14. Comptroller and auditor general of India
15. Statement of accounts

## **Shareholder's democracy: majority powers and minority rights And prevention of oppression and mismanagement.**

1. Director or creditor
2. Oppression and mismanagement

3. B.O.D, AGM / general meeting
4. Minority, trampled, majority
5. Public interest

#### **Introduction**

1. Unlimited
2. Dies, wound up
3. Insurable interest
4. M.O.A
5. Open market, realize
6. Libel
7. Voluntary association, profit
8. Illegal
9. Taxed
10. English acts
11. A limited company

#### **Types of Companies**

1. A limited company, unlimited
2. Associations not for profit
3. Section 617
4. Comptroller and Auditor General of India (C & AG)
5. Investment
6. Statutory company / corporation
7. 51%
8. Producer companies
9. Investment company
10. Holding company
11. Foreign company
12. CG & SG
13. Government companies, "private"
14. Unlimited
15. Unlimited company
16. Company limited by guarantee
17. Guarantee company
18. One proxy
19. Rs. 1 lakh, Rs. 5 lakh
20. Chartered company

#### **Promoter and Formation of companies**

1. Promoters
2. Promoter
3. B.O.D

4. Promoter
5. Promoter
6. Promoter, 5 yrs.
7. Promoter
8. Promoter
9. 2 yrs
10. Promoters, promoter
11. Promoter, fiduciary
12. A.O.A
13. E form 1, electronically
14. E-form 32
15. E-form 18, 30 days
16. E-form No. 32, 30 days

#### **Contracts and Conversions**

1. Agents
2. Preliminary or pre-incorporation contracts
3. Provisional contracts
4. Preliminary
5. Central government
6. Incorporation
7. Public company, commence business, Registrar
8. Conclusive evidence
9. Certificate to commence business, main objects, MOA
10. "other objects clause", special resolution
11. Seal
12. By choice or volition and by default
13. Ultra vires, ultra vires, directors

#### **MOA & AOA**

1. MOA
2. MOA
3. The objects, two fold
4. Authorized agent
5. One
6. E-form No. 1
7. Registrar, preliminary enquiries
8. Share certificate
9. Objects
10. Ultra vires, memorandum
11. Ratification
12. Debtor and creditor
13. Minor

- 
14. Ultra vires allotment of shares
  15. Void ab initio, estoppel or ratification
  16. Injunction
  17. Nominal
  18. Paid-up capital
  19. Subscribed capital
  20. 12 months
  21. 3 months
  22. E-form 18, 30 days
  23. CG
  24. AOA
  25. Internal management
  26. Limited by guarantee
  27. AOA
  28. AOA
  29. AOA
  30. Alteration in Articles
  31. “outsider”
  32. Articles, contractual rights
  33. “constructive notice”
  34. Indoor management
  35. “Constructive notice” , “indoor management”

#### **Boards Report and Disclosure**

1. Board’s report
2. Board’s report
3. RBI’s
4. Chairman, not less than two directors, M.D
5. The Board
6. Compliance certificate
7. E-form 66 within 30 days

#### **Registers and Returns**

1. Non-statutory books

#### **Inspection and Investigation**

1. CG
2. Inspector(s)

#### **Compromise and Arrangements**

1. compromise

#### **Producer Companies**

1. 'producer'
2. Chief executive
3. Whole-time secretary
4. AGM
5. Producer company
6. Producer company

#### **Management & Control of Company – IV**

##### **Company secretary**

1. Rs. 5 crores
2. Rs. 10 lakhs, Rs. 5 crores, whole time practice
3. CS
4. BOD
5. BOD, MD
6. Three fold
7. Advisory services
8. Eighty

#### **Management & Control of Company – III**

##### **MD – WTD – Manager**

1. E-form 25C, 90 days, e-form 25A
2. CG
3. MD
4. Chairman
5. Chairman
6. Manager, director
7. Substantial powers
8. Executive director, WTD
9. Whole time employee
10. Manager and director
11. U/S 260
12. Five years
13. Dual capacity
14. MD
15. "technical director", "technical advisor"

#### **Management & Control of companies – II**

##### **Power & Duties of directors**

1. Directors
2. Board meetings, general meeting
3. Delegated to the board
4. Trustee
5. CG, e-form 24AB



## **6. directors**

### **Management & Control of companies**

- 1. three, two**
- 2. trustees**
- 3. holding**
- 4. CG**
- 5. Articles**
- 6. Managerial remuneration**
- 7. Two**
- 8. Office or place of profit**
- 9. Legal entity**
- 10. Second world war**
- 11. Part-time directors**
- 12. "Board of Directors"**
- 13. Trustees, debts due to the company**
- 14. Qualification shares, 2 months, Rs. 5000, secret gift**
- 15. CG, qualification shares**
- 16. Special resolution**
- 17. Fifteen (public ) companies**
- 18. Incorporation**
- 19. Retire first**
- 20. AGM**
- 21. Adjourned meeting**
- 22. Ordinary resolution, simple**
- 23. Enbloc or by single resolution**
- 24. Proportional representation, three years**
- 25. Prerogative (power)**
- 26. Nominee directors**
- 27. One third**
- 28. Nominee directors**
- 29. Small shareholders**
- 30. Ordinary resolution, G.M.**
- 31. AGM**
- 32. Three years, 3 yrs**

**SINCE 1997**