

### Corporate law MCQ (B.com (Hons) 1st Year)

1. The doctrine of \_\_\_\_\_ does not apply to acts void ab initio.  
Ultra-virus  
Intra virus  
Constructive notice  
Indoor management
2. A company can change its name at its own discretion by passing \_\_\_\_\_  
Ordinary resolution  
Special resolution  
Board resolution  
None of the above
3. Any change in the address of the registered office must be communicated to the registrar with in:  
15 days  
30 days  
1 Month  
12 months
4. If a new company get registered with a name which resembles the name of existing company then it should apply to whom?  
NCLT  
SEBI  
ROC  
None of the above
5. Companies are now allotted a \_\_\_\_\_ in addition to their name  
PAN  
SIN  
PIN  
CIN
6. In how many days did the company have its registered office after incorporation  
10  
20

30

40

7. In case of forgeries acts done in the name of the company are

Valid

Void

Void ab initio

None of the above

8. Signature of memorandum and articles should be done by \_\_\_\_\_  
number of persons in case of public company

7

5

4

None of these

9. Signature of memorandum and articles should be done by  
\_\_\_\_\_ number of persons in case of private company.

3

4

2

None of these

10. In the MOA there are 6 clauses. We can alter all clauses except one clause.  
What is that clause?

Objects clause

Name clause

Association clause

None of these

11. If anybody wants to file a case against the company they should file at what  
place

\_\_\_\_\_

Company

Registered Office

BOD

Books of accounts

12. Address of the registered office is situated in

MOA

AOA

Prospectus

None of these

13. Which of the following need not have MOA

Public company

Private company

Government Company

Statutory Corporation.

14. A company can change its name by passing

Ordinary resolution

Special resolution

Either by special resolution or by ordinary resolution

None of the above

15. Ultra vires means

Beyond the power

Within the power

Both

None of the above

16. Ultra vires loans granted by the company are

Void

Voidable

Valid

None of the above

17. \_\_\_\_\_ is the charter of a company.

Memorandum

Articles

Both a) and b)

None of the above

18. The granting of the certificate of incorporation renders the illegal objects include in the memorandum:

Legal

Void

Voidable  
None of the above

19. Change in objects clauses can be effected  
For any reason  
For special reason only  
To comply with C.G order  
None of the above

20. The capital clause of a company can be changed with the permission of  
\_\_\_\_\_ Company law board  
Registrar  
Court  
None of the above

21. \_\_\_\_\_ conceives the idea of the business  
Promoters  
Directors  
Auditors  
None of the above

22. \_\_\_\_\_ stands in the fiduciary position of the company  
Directors  
Promoters  
Auditors  
None of the above

23. \_\_\_\_\_ are the contracts entered into by promoters on behalf of a prospectus company.  
Provisional contracts  
Pre-Incorporation contracts  
Preliminary contracts  
Both a) & b)

24. Contracts made after incorporation but before the grant of Certificate of commencement of Business \_\_\_\_\_  
Provisional contracts  
Pre-incorporation contracts

Preliminary contracts  
Both (b) & (c)

25. Pre-incorporation contract is also known as \_\_\_\_\_

- Provisional
- Preliminary
- Illegal
- Legal

26. A public company can borrow money \_\_\_\_\_

- Before incorporation
- Soon after incorporation
- After issuing a proposal
- After obtaining certificate to commence business.

27. A private company can borrow funds

- After incorporation
- After obtaining certificate to commence business
- After holding first annual general meeting
- None of the above

28. When there is a untrue statement in a prospectus who can sue

- Subscribed in primary market
- Subscribed in secondary market
- Rights issue
- None of the above

29. Which of the following are not required to issue prospectus?

- Private company
- In case of rights issue
- Sweat equity issue
- All the above

30. \_\_\_\_\_ are the prospectus issued instead of full prospectus

- Abridged
- Statement in lieu
- Shelf
- Red herring

31. Which one of the following has a right to claim compensation for any loss due to Mis-statement in prospectus
- Purchasing shares in Primary Market
  - Secondary Market
  - Subscribers to memo.
  - All the above
32. \_\_\_\_\_ years of imprisonment will be imposed in case of issue of prospectus with untrue statements
- 1
  - 2
  - 3
  - 4
33. \_\_\_\_\_ includes an engineer, valuationer, accountant
- Expert
  - Promoter
  - Auditor
  - Director
34. \_\_\_\_\_ are the prospectus issued by the issuing house
- Deemed prospectus
  - Shelf prospectus issued by the issuing house
  - Red herring
  - None of the above
35. \_\_\_\_\_ prospectus were issued in case securities were issued in stages
- Deemed
  - Shelf
  - Red herring
  - None of the above
36. \_\_\_\_\_ are required to file prior to making second and subsequent issue of securities in case shelf prospectus are filed:
- Information memorandum
  - Information articles
  - Form 13
  - None of the above

37. Information memorandum + shelf prospectus together constitutes \_\_\_\_\_

- Memorandum
- Articles
- Prospectus
- None of the above

38. Validity period of information memorandum is \_\_\_\_\_

- 1 year
- 2 years
- 3 years
- 4 years

39. \_\_\_\_\_ Prospectus were issued in order to test the market before finalizing issue size/ price.

- Deemed
- Shelf
- Red herring
- None of the above

40. What is punishment for directors, promoters and other persons for Misrepresentation in prospectus

- 50,000
- 2 years imprisonment
- Both of the above
- None

41. The date of the opening of the subscription list means the beginning of the \_\_\_\_\_ from the day of the issue of prospectus.

- 5<sup>th</sup>
- 3<sup>th</sup>
- 10<sup>th</sup>
- 20<sup>th</sup>

42. The minimum application money should be \_\_\_\_\_ of nominal value.

- 5%
- 3%
- 2%
- None of these

43. The minimum application money should be \_\_\_\_\_ of nominal value as per SEBI guidelines

25%

30%

40%

None of these

44. Allotment of shares or debentures must be made after getting \_\_\_\_\_ subscription against entire public issue as per SEBI guidelines.

80%

90%

100%

None of these

45. If the refunds are delayed by more than 10 days after this period. The directors become liable to repay the money with how much interest as per SEBI Guidelines.

10%

15%

20%

None of these

46. As per SEBI application money should be refunded from the end of \_\_\_\_\_ day

60

70

80

90

47. An appeal is made to whom against stock exchange for refusing the permission of listing.

SAI

NCLT

MAT

ROC

48. A company cannot pay under writing commission unless it is authorized by its \_\_\_\_\_

Articles

Memorandum  
Both a) & b)  
None of the above

49. In case of shares under writing commission will be

2%

3%

5%

None of these

50. What is maximum period for which deposits can be issued?

36 months

24 months

12 months

None of these