

CA INTER LAW

New Syllabus

MCQ CHALLENGE

SUPER 50 MCQS

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CA Inter Law Marathon

Company Law & LLP



Other Laws





Super 50 MCQs – Sept 24 Exams

- Compiled by CA Shivangi Agrawal

Multiple Choice Questions

1. Which of the following statements is true about the books of accounts for a Limited Liability Partnership?

a. Every partner of LLP must obtain DPIN	b. A Limited Liability Partnership can maintain its books of accounts on the cash basis
c. A Limited Liability Partnership should maintain its accounts at the head office	d. None of the above

2. Where a company passes the necessary resolution for variation of rights attached to the shares of any class, the dissenting shareholders, if they are eligible may, within -----, make an application to the Tribunal to cancel such variation

a. 7 days	b. 14 days
c. 21 days	d. 30 days

3. Being in need of further capital, Rimsi Cotton-Silk Products Limited opted to offer 50.00 lacs equity shares of Rs. 1 each to 50 identified persons on 'private placement' basis and accordingly a letter of offer accompanied by serially numbered application form was sent to them after fulfillment of due formalities including passing of special resolution. One of the applicants, Rajan made a written complaint to the company highlighting the fact that the letter of offer was incomplete as well as illegal, for the same did not contain 'renunciation clause' though he wanted to exercise his 'right of renunciation' in favour of one of his son Uday. By choosing the correct option, advise the company in this matter.

a. As the 'Right of Renunciation' cannot be denied, the company needs to rectify its mistake by including the same in the letter of offer and the application form.	b. The company is prohibited from providing 'Right of Renunciation' and therefore, the letter of offer and the application form need not include any such clause.
c. Instead of absolute prohibition, the company needs to provide 'Right of Renunciation' limited to 25% of offering	d. Instead of absolute prohibition, the company needs to provide 'Right of Renunciation' limited to fifty percent of offering.

4. Which one of the following required ordinary resolution?

a. To change the name of the company	b. To alter the articles of association
c. To reduce the share capital	d. To declare dividends.

5. Ganesh Company Ltd, a public company incorporated under the Companies Act, 2013 has Mr. Jay- Director, Mr. Sagar – Independent Director, Mr. Abhishek – Nominee Director and Mr. Yash – Whole time director. Mr. Abhishek wants to inspect the books of account of Shankar Company Limited, the subsidiary of Ganesh Company Limited. You are required to state whether Mr. Abhishek is eligible to inspect the books of account of Ganesh Company Limited?

a. Yes, Mr. Abhishek can inspect the books of account of Shankar Company limited only on authorization of the public financial institution on whose behalf he has been so appointed in the board of the Ganesh Company Ltd.	b. No, Mr. Abhishek being a nominee director can only inspect the books of account of Ganesh Company Ltd. and not its subsidiary company.
c. Yes, Mr. Abhishek can inspect the books of account of Shankar Company limited only on authorization by way of resolution of the board of directors.	d. Yes, Mr. Abhishek can inspect the books of account of Shankar Company limited only on authorization by way of resolution of the members holding not less than 25% of the paid-up share capital of the company.

6. Sapan and Tapan reserved a name by making an application accompanied by requisite fee to the Registrar for forming a new private company. The Registrar accorded its approval on 6th July, 2024. However, its documents are not ready and one of their friends told that reserved name may be extended for another 40 days but he is unsure of the fees that needs to be paid for the same. Please help him in this regard.

a. 2000	b. 3000
c. 5000	d. 100/ day

7. Aabra ka daabra Ltd. is incorporated on 3rd January, 2024. As per the Companies Act, 2013, what will be the financial year for the company:

a. 31st March, 2024	b. 31st December, 2024
c. 31st March, 2025	d. 30th September, 2025

8. A charge was created by Cyprus Limited on its office premises to secure a term loan of Rs. 1 crore availed from ABM Bank Limited through an instrument of charge executed by both the parties on 16th February, 2023. Inadvertently, the company could not get the charge registered with the concerned Registrar of Companies (ROC) within the first statutory period permitted by law and the default was made known to it by the lending banker with a stern warning to take immediate steps for rectification. The latest date within which the company must register the charge with the ROC so as to avoid paying ad valorem fees for registration of the charge is:

a. 27th April, 2023	b. 17th April, 2023
c. 2nd May, 2023	d. 16th June 2023

9. As per the provisions of the Companies Act, 2013, which of the following statement is correct with respect to the surplus arising out of the CSR activities:

a. The surplus cannot exceed 5% of total CSR expenditure of the company for the financial year.	b. The surplus shall not form part of the business profit of a company.
c. The surplus cannot exceed 10% of total CSR expenditure of the company for the financial year.	d. The surplus shall form part of the business profit of a company.

10. According to Section 27 of the General Clauses Act, 1897, what three conditions must be fulfilled for a service by post to be deemed effective?

a. Properly addressed, Pre-paid, and Posting by ordinary post	b. Properly addressed, Pre-paid, and Posting by registered post
c. Properly addressed, Pre-paid, and Sending by courier	d. Properly addressed, Pre-paid, and Hand delivery

11. Swagat Hospitality Limited defaulted in the repayment of last two instalments of term loan availed from National Commercial Bank. On 30th September, 2019, they cleared all the dues by repaying it. When can it issue equity shares with differential voting rights?

a. Upon expiry of five years from the date on which the default was made good	b. Upon expiry of three years from the end of the financial Year in which the default was made good
c. Upon expiry of five years from the end of the financial Year in which the default was made good	d. Upon expiry of seven years from the end of the financial Year in which the default was made good

12. Ruchita wants to renew her deposit of Rs. 5.00 lakh maintained with Kewal Constructions Limited before the expiry of original period with a view to avail higher rate of interest. For how much extended period, Ruchita is required to renew her deposit, so that the company shall pay her higher rate on deposits?

a. One and a half times the unexpired period of original deposit	b. Double the unexpired period of original deposit.
c. Six months more in addition to the unexpired period of deposit.	d. Longer than the unexpired period of deposit.

13. For the purpose of LLP, Resident in India means:

a. Person who has stayed in India for a period of not less than 182 days during the current year.	b. Person who has stayed in India for a period of not less than 180 days during the immediately preceding one year.
c. Person who has stayed in India for a period of not less than 181 days during the immediately preceding one year	d. Person who has stayed in India for a period of not less than 120 days during the financial year.

14. In view of the fact that a private company enjoys a number of privileges, Orange Pharma Limited having 20 members is contemplating to convert itself into the private company. For this purpose the company needs to alter its articles by inserting three restrictive clauses as specified in Section 2 (68) and the change in name is to be authorized by members by passing -----.

a. A special resolution and after obtaining approval of the Central Government.	b. A special resolution and after obtaining approval of the National Company Law Tribunal (NCLT).
c. A special resolution and after obtaining approval of the Registrar of Companies (ROC).	d. A special resolution and after obtaining approval of the State Government.

15. 5K Cosmetic Shop plc., a company incorporated in Switzerland, is involved in digital supply services through electronic mode, the server of which is located outside India. The company follows calendar year as its financial year. Every year the company is required to prepare a balance sheet and profit and loss account. You are required to choose the correct timeline within which such documents shall be filed with the Registrar of Companies considering the provisions of Chapter XXII of the Companies Act, 2013:

a. Within a period of 30 days from the close of the financial year of 5K Cosmetic Shop plc.	b. Within a period of 3 months from the close of the financial year of 5K Cosmetic Shop plc.
c. Within a period of 60 days from the close of the financial year of 5K Cosmetic Shop plc.	d. Within a period of 6 months from the close of the financial year of 5K Cosmetic Shop plc.

16. Mr. Raman, a non-resident Indian, has a Systematic Investment Plan (SIP) with a prominent Indian mutual fund. Due to some impending financial difficulties, he requested his elder brother Mr. Raghav, a resident Indian currently working as Manager in a multi-national company at Mumbai, to make payment of a few subsequent instalments of SIP on his behalf. Which option, do you think, correctly signifies whether Mr. Raghav is permitted to undertake such transaction of paying a few instalments of SIP on behalf of his non-resident brother considering the applicable provisions of the Foreign Exchange Management Act, 1999:

a. Mr. Raghav is not permitted to undertake such transaction of paying a few instalments of SIP on behalf of his non-resident brother since it amounts to payment for the credit of a non-resident person.	b. Mr. Raghav is permitted to undertake such transaction of paying a few instalments of SIP on behalf of his non-resident brother since Mr. Raman is his real brother.
c. Mr. Raghav is permitted to undertake such transaction of paying a few instalments of SIP on behalf of his non-resident brother only if his employer permits.	d. Mr. Raghav is permitted to undertake such transaction of paying a few instalments of SIP on behalf of his non-resident brother only if he obtains prior permission of Reserve Bank of India.

- 17.** After five years of stay in USA, Mr. Umesh came to India at his paternal place in New Delhi on October 25, 2019, for the purpose of conducting business with his two younger brothers Rajesh and Somesh and contributed a sum of ` 10,00,000 as his capital. Simultaneously, Mr. Umesh also started a proprietary business of selling artistic brass ware, jewelry, etc. procured directly from the manufacturers based at Moradabad. Within a period of two months after his arrival from USA, Mr. Umesh established a branch of his proprietary business at Minnesota, USA. You are required choose the appropriate option with respect to residential status of Mr. Umesh and his branch for the financial year 2020-21 after considering the applicable provisions of the Foreign Exchange Management Act, 1999:

a. For the financial year 2020-21, Mr. Umesh and his branch established at Minnesota, USA, are both persons resident outside India.	b. For the financial year 2020-21, Mr. Umesh is a resident in India but his branch established at Minnesota, USA, is a person resident outside India.
c. For the financial year 2020-21, Mr. Umesh and his branch established at Minnesota, USA, are both persons resident in India.	d. For the financial year 2020-21, Mr. Umesh is a person resident outside India but his branch established at Minnesota, USA, is a person resident in India.

- 18.** A issue house (share broker) has issued an advertisement in two leading newspapers for selling a big number of shares allotted to it by a company under a private placement. In which of the following conditions the advertisement will not be deemed as prospectus:

a. Advertisement was given within six months from the date of allotment	b. Advertisement was given after six months from the date of allotment and the issue house paid the entire consideration to the company
c. The issue house did not pay entire consideration to the company till the date of allotment	d. advertisement was given within three month from the date of allotment

- 19.** The statement of account and solvency in a Limited Liability Partnership should be prepared _____.

a. Within four months from the end of the financial year	b. Within six months from the end of the financial year
c. Within three months from the end of the financial year	d. Within two months from the end of the financial year

- 20.** A limited liability partnership shall, where a person becomes or ceases to be a partner and where there is any change in the name and address of the partner, file a notice with the Registrar:

a. Within thirty days from the date he becomes or ceases to be a partner.	b. Within sixty days from the date he becomes or ceases to be a partner.
c. Within fifteen days from the date he becomes or ceases to be a partner.	d. Within forty five days from the date he becomes or ceases to be a partner.

21. In the absence of agreement as to any matter, the mutual rights and duties of the partners and the mutual rights and duties of the limited liability partnership and the partners shall be determined by the provisions relating to that matter, which are set out in:

a. The Second Schedule.	b. The Fourth Schedule.
c. The First Schedule	d. The Third Schedule.

22. Goals Limited, a listed company has authorised share capital of Rs. 25,00,000 (issued, subscribed and paid up capital of Rs. 20,00,000). The company has planned to buy back shares worth Rs. 10,00,000. What is the maximum amount of equity shares that the company is allowed to buy back based on the total amount of equity shares?

a. Rs. 2,00,000	b. Rs. 5,00,000
c. Rs. 6,25,000	d. Rs. 8,00,000

23. The Annual General Meeting (AGM) of Green Limited was held on 31.8.2022. Suppose the Chairman of the company after two days of AGM went abroad for next 31 days. Due to the unavailability of the Chairman, within time period prescribed for submission of copy of report of AGM with the registrar, the report as required was signed by two Directors of the company, of which one was additional Director of the company. Comment on the signing of this report of AGM.

a. Yes, the signing is in order as the report can be signed by any director in the absence of Chairman.	b. No, the signing is not in order as only the Chairman is authorised to sign the report
c. Yes, the signing is in order, as in the absence of Chairman at least two directors should sign the report.	d. No, the signing is not in order, since in case the Chairman is unable to sign, the report shall be signed by any two directors of the company, one of whom shall be the Managing director, if there is one and company secretary of the company.

24. Yellow Limited's General Meetings are held at its registered office situated in Kochi. The minute book of General meetings of Yellow Limited will be kept at:

a. That place where members of Yellow Limited will decide.	b. That place where all employees of Yellow Limited will decide.
c. Registered office of the company Yellow Limited.	d. That place where senior officials of Yellow Limited will decide

25. ABC Infrastructures Limited is a listed company quoted at National Stock Exchange. The company closed its Register of Members in June and August, 2022 for 12 and 21 days respectively. The CFO of company has informed the company secretary to consider closing of register in December for another 15 days for some strategic reasons. Referring to the provisions of Companies Act, 2013, examine the validity of above action of the company.

a. Valid, as the closure of register of members by company each time is not exceeding 30 days.	b. Invalid, as company cannot go for closure of Register of members more than twice in a year.
c. Invalid, as the period of closing register of members exceeding 30 days in a year.	d. Invalid, as the period of closing the Register of members by the company is exceeding 45 days in a year.

- 26.** Red Flag Ltd., which has its registered office at Delhi and having 12,500 members is holding its Annual General Meeting in Ashoka Hotel. Despite swanky arrangements most of the members did not turn up and quorum was not present within half an hour of the schedule time of the meeting, as a result meeting was adjourned. However, due to heavy booking schedule, hotel authorities could not make available, for adjourned meeting, sufficient space in the same hall where meeting was originally called but allowed conduct of meeting in a different hall on a different floor next week at same time. Please advise the option available to board:

a. The meeting stands adjourned automatically to the same place and time next week as per provisions of law. There is no alternate but to hold meeting in the same hall.	b. As same banquet hall is not available meeting can be held at different place as may be decided appropriate by the Board.
c. As the same hall is not available to conduct meeting after one week, a fresh notice of 21 days is needed for a different location.	d. As the same hall is not available to conduct the meeting, the company needs to conduct meeting electronically through internet and give sufficient notice to shareholders.

- 27.** A Ltd. is the holding company of B Ltd. Another company C Ltd. is the subsidiary company of B Ltd. Is there any relationship between A Ltd. and C Ltd.

a. There is no relationship between A Ltd. and C Ltd.	b. C Ltd. is deemed to be the subsidiary of A Ltd.
c. A Ltd. shall be deemed to be the holding company of C Ltd. provided A Ltd. acquires at least 10% stake in C Ltd.	d. C Ltd. shall be deemed to be the subsidiary of A Ltd. if the latter company acquires minimum 10% stake in the former company within six months after C Ltd. becomes subsidiary of B Ltd.

- 28.** Mr. A died at the age of 72 leaving behind some movable and immovable properties to be distributed between his two sons C & D, as per his registered will. His will clearly mentioned that all the immovable property should go to C and all the movable property should go to D. Both the brothers divided the property as per will except below mentioned properties, because they could not establish which property should go to whom. Kindly help them by ticking the property/ies which should go to D (as per the provisions of the general Clause Act, 1897):

a. Standing crop in the fields	b. Cut, crop, ready to sell
c. Tube well in the agriculture land	d. Sandal wood tree

29. NTW Ltd. is listed on National Stock Exchange and has a turnover of ₹ 4,500 crores. NTW Ltd. has 12 subsidiaries, 3 associate companies and 5 joint venture companies (collectively referred to as NTW Group). AKW & Co. LLP is the statutory auditor of NTW Ltd. NTW Ltd. wants to appoint AKW as the statutory auditors for entire NTW Group. In respect of this, please advise the management of NTW Group.

a. AKW & Co. LLP can be appointed as statutory auditors for only 10 companies of NTW Group.	b. AKW & Co. LLP can be appointed as statutory auditors for only 20 companies of NTW Group.
c. AKW & Co. LLP can be appointed as statutory auditors for all the companies of NTW Group.	d. AKW & Co. LLP can be appointed as statutory auditors for all the companies of NTW Group provided they meet the limits requirements as per the Companies Act, 2013.

30. Win Limited bought 15% shares of Om Limited in the year 2018. In the year 2020 it formed a trust for its employees and donated its 15% shares of Om Limited along with 10,00,000 to the trust and became its trustee. In February 2023, Om Limited acquired 55% stake in Win Limited through an in-house deal. Can a subsidiary company hold shares in its holding company justifiably in this situation?

a. Win Limited cannot represent itself as a trustee after it becomes a subsidiary of Om Limited.	b. Win Limited can represent itself as a trustee only after it was a holding company of Om Limited.
c. Win Limited cannot hold shares as a trustee even though it is a subsidiary company.	d. Win Limited can do so as it is holding shares in Om Limited prior to becoming a subsidiary of it.

31. The time limit within which a copy of the contract for the payment of underwriting commission is required to be delivered to the Registrar is:

a. Three days before the delivery of the prospectus for registration	b. At the time of delivery of the prospectus for registration
c. Three days after the delivery of the prospectus for registration	d. Five days after the delivery of the prospectus for registration

32. Newage Private Limited issued 9% Non-convertible Debentures worth 10 lakh and thereafter, the directors contemplated to get them listed. After due formalities, these privately placed non-convertible debentures of 10 lakh were listed. Which of the following options is applicable in the given situation:

a. Newage Private Limited shall be considered as a listed company.	b. Newage Private Limited shall not be considered as a listed company.
c. Newage Private Limited shall be considered as a listed company only when minimum amount of listed privately placed non-convertible debentures is Rs. 15 lakhs.	d. Newage Private Limited shall be considered as a listed company only when minimum amount of listed privately placed non-convertible debentures is minimum Rs. 20 lakhs.

- 33.** Krishna Religious Publishers Limited has received application money of 20,00,000 (2,00,000 equity shares of 10 each) on 10th October, 2022 from the applicants who applied for allotment of shares in response to a private placement offer of securities made by the company to them. Select the latest date by which the company must allot the shares against the application money so received.

a. 9th November, 2022	b. 24th November, 2022
c. 9th December, 2022	d. 8th January, 2023

- 34.** Due to the management disputes, Flow Writing Industries Limited could not hold its current Annual General Meeting by the latest due date. Even after lapse of the due date, it seemed rather impossible to convene the AGM. In such a grim situation, one option available was to approach National Company Law Tribunal (NCLT) and seek direction for the calling of AGM. Out of the following four options, which one is applicable in the given case:

a. Any member of the company can make an application to the National Company Law Tribunal (NCLT) and seek direction for the calling of AGM.	b. A member of the company holding at least 1% of the total paid-up share capital must make an application to the National Company Law Tribunal (NCLT) and seek direction for the calling of AGM.
c. Minimum two members of the company holding at least 1% of the total paid-up. Share capital must make a joint application to the National Company Law Tribunal (NCLT) and seek direction for the calling of AGM.	d. Minimum five members of the company holding at least 1% of the total paid-up share capital must make a joint application to the National Company Law Tribunal (NCLT) and seek direction for the calling of AGM.

- 35.** The Board of Directors of Vidyut Limited are contemplating to declare interim dividend in the last week of July, 2022 but the company has incurred loss during the current financial year up to the end of June, 2022. However, it is noted that during the previous five financial years i.e., 2017-18, 2018-19, 2019-20, 2020-21 and 2021-2022 the company had declared dividend at the rate of 8%, 9%, 12%, 11% and 10% respectively. Advise the Board as to the maximum rate at which they can declare interim dividend despite incurring loss during the current financial year.

a. Maximum at the rate of 10%.	b. Maximum at the rate of 11%.
c. Maximum at the rate of 10.5%.	d. Maximum at the rate of 11.5%.

36. During the half year ended September 2022, the board of directors (BOD) of Gold Leaf Limited has made an application to the Tribunal for revision in the accounts of the company for the financial year ending on March 2020. Further during the year ended March 2023, the BOD has again made an application to the Tribunal for revision in the boards report pertaining to the year ended March 2022. You are required to state the validity of the acts of the Board of directors

a. The act of the BOD is valid only to the extent of application made for revisions in accounts as board's report are not eligible for revision.	b. The act of the BOD is valid as application made for revision in the accounts and boards report pertains to two different financial year.
c. The act of the BOD is invalid as the law provides for only one time application to be made in a financial year for revision of accounts and boards report.	d. The act of the BOD is invalid as to the application made for revision in accounts pertains to a period beyond 2 years immediately preceding the year 2023. The application made for revision in the Board report is however valid in law

37. Who shall sign the Statement of Account and Solvency prepared by the LLP:

a. By any one partner, authorized in this behalf	b. By at least two partners, authorized in this behalf
c. By all the partners	d. By the designated partners

38. Aniket Builders Ltd (ABL) was promoted by Aniket and his family members and is in construction business for more than 10 years. Aniket's brother Saket purchased a running cement manufacturing company named Unique Cements Ltd (UCL) and removed the existing directors of the company and appointed majority of the directors of ABL in the Board of UCL. What shall be the status of UCL in such situation:

a. UCL is an Associate Company of ABL	b. UCL is a Subsidiary Company of ABL
c. UCL is a Holding Company of ABL	d. UCL is a Joint Venture Company of ABL

39. Mr. Mohit had purchased Food items from Balak Food court LLP amounting to 5,00,000. He made a claim of 5,00,000 against the LLP as he was supplied with all expired food items, this transaction was done by Mr. Heera (one of the partners of LLP), but LLP was unaware of this transaction. Mr. Mohit also claimed for compensation as this transaction was done with intention to defraud him. The worth of the assets of LLP are only 2,00,000. Now Mr. Mohit wants to make all the partners of LLP personally liable for the deficiency of 3,00,000.

What is the correct option as per the Limited Liability Partnership Act, 2008.

a. As this act is done with intent to defraud Mr. Mohit by supplying expired food items in such case the liability of partners who has done such act, shall be unlimited for all or any of the debts or other liabilities of the LLP. Hence Liability of Mr. Heera is unlimited. It can be extended up to the personal assets of Mr. Heera.	b. The LLP itself will be liable for such act to the full extent of its assets. In other words, Mr. Mohit cannot claim personally from partners. The liability of the partners will be limited to their agreed contribution in the LLP.
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<p>c. All Partners, whether or not aware about this act will be liable equally, their liability will be unlimited..</p>	<p>d. Mr. Heera, who has done this transaction with intension to defraud Mr. Mohit, will be liable to compensate him but his liability will be limited to his contribution in LLP only. Hence, Mr. Heera will not be personally liable for the same</p>
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40. Where an act of parliament does not expressly specify any particular day as to the day of coming into operation of such Act, then it shall come into operation on the day on which:

<p>a. It receives the assent of the President</p>	<p>b. It receives the assent of the Governor General</p>
<p>c. It receives assent of both the houses of Parliament</p>	<p>d. It receives assent of the Prime Minister</p>

41. Abhilasha and Amrita have incorporated a not-for-profit private limited company which is registered under Section 8 of the Companies Act, 2013. One of their friends has informed them that their company can be categorized as a small company because as per the last profit and loss account for the year ending 31st March, 2022, its turnover was less than Rs. 40 crore and its paid-up share capital was less than Rs. 4 crores. Advise.

<p>a. A section 8 company, which meets the criteria of turnover and paid-up share capital in the last financial year, can avail the status of small company only if it acquires at least 5% stake in another small company within the immediately following financial year.</p>	<p>b. If the acquisition of minimum 5% stake in another small company materializes in the financial year (and not in the immediately following financial year) after meeting the criteria of turnover and paid-up share capital then with the written permission of concerned ROC, it can acquire the status of small company.</p>
<p>c. The status of small company cannot be bestowed upon a not-for-profit company which is registered under Section 8 of the Companies Act, 2013.</p>	<p>d. A section 8 company, if incorporated as a private limited company (and not as public limited company) can avail the status of small company with the permission of concerned ROC, after it meets the criteria of turnover and paid-up share capital</p>

42. _____ means that when two or more words that are susceptible of analogous meaning, are coupled together they are understood to be used in their cognate sense.

<p>a. Noscitur a Sociis</p>	<p>b. Contemporanea Expositio</p>
<p>c. Prima facie</p>	<p>d. Absoluta sententia expositore non indiget</p>

43. A clause that begins with the words "Notwithstanding anything" contained is called:

<p>a. An obstacle clause</p>	<p>b. A non-obstante clause</p>
<p>c. An objectionable clause</p>	<p>d. A superior clause</p>

44. Every drawl of foreign exchange for transactions included in Schedule III of the FEM (Current Account Transactions) Rules, 2000 shall require prior approval of RBI. Which among the following transaction no approval of RBI is required:

a. Where the payment is made out of funds held in Resident Foreign Currency (RFC) Account of the remitter.	b. Where the remittance of USD 275000 is made for maintenance of close relatives abroad
c. Where the drawl of foreign currency of USD 400000 is for studies abroad	d. Drawl of USD 260000 for private visit to USA

Self practice case based MCQs

Tech Inspiration Private Limited was incorporated on 30.06.2018. The main object of the company was to provide guidance classes for engineering aspirants. For this purpose, they opened a coaching center at Freedom Plaza, Near Bhagwan Talkies, Bye Pass Road, Agra. The premise was owned by the company. The company also made a "Employee Appointment Committee" for the systematic selection and appointment of employees including faculties for teaching. In the first slab, committee appointed nine teachers, 3 clerical staff and one peon. For the purpose of expansion of business, company decided to open a branch of the company at nearby city of Agra. After the due research, the company decided to open its branch at city "Bharatpur" which was just 50 kilometers far from Agra. The company approached Mr. Raghuram Meena owner of land at Bharatpur suitable for company. Mr. Raghuram Meena leased his land for ten years to Tech Inspiration Private Limited. The land had a small temple of lord Ganpati at its centre. The company constructed the classrooms on the land and many students joined the coaching classes. Besides it, the temple generated some income in the form of "Chadhava" (donation). Mr. Raghuram Meena claimed the income of temple with the contention that he had leased only the land and not the temple.

Further one more problem arose in the company. "Employee Appointment Committee" found that one of the faculties, Mr. Nitesh Gupta was not performing well. He was not justifying his duties. Therefore, "Employee Appointment Committee" decided to terminate him with effect from 31.01.2024 and send him notice of termination by properly addressing and by registered post to Mr. Nitesh Gupta. Mr. Nitesh Gupta refused to accept the notice and returned back it to the postman. After two months, on 01.04.2024, Mr. Nitesh Gupta filed a suit against the company for claiming the salary for the period from 01.01.2024 to 31.03.2024 with the view that his appointment cannot be terminated because of two reasons:

(i) "Employee Appointment Committee" was established just to appoint the employees. They are not authorised for their termination.

(ii) Mr. Nitesh Gupta's refused to accept the notice of termination with the contention that it was not properly served to him.

On the basis of above facts and by applying applicable provisions of the Limited Liability Partnership Act, 2008 and the applicable Rules therein, choose the correct answer (one out of four) of the following MCQs (45-47) given herein under: -

45. Whether Mr. Raghuram Meena is correct in his claim? Whether he may claim the income of temple:

a. Yes, Mr. Raghuram Meena was correct in his views as he leased only land not the temple, situated on such land.	b. Yes, as temple is a constructed building, not land.
c. No. 'Immovable Property' in terms of the General Clauses Act, 1897 includes	d. No. It is the right of Tech Inspiration Private Limited to decide that who will

land, benefits to arise out of land, and things attached to the earth, or permanently fastened to anything attached to the earth. So, benefits attached to land and income from temple will be of Tech Inspiration Private Limited.	claim the income of temple.
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46. Whether “Employee Appointment Committee” may terminate Mr. Nitesh Gupta even the authority letter given to “Employee Appointment Committee” has no specific clause authorizing it for termination of employees?

a. No, as “Employee Appointment Committee” was authorised only for appointment and not for termination of employees.	b. Yes, because section 16 of the General Clauses Act, 1897, provides that unless a different intention appears, power to appoint to include power to suspend or dismiss.
c. No, because section 16 of the General Clauses Act, 1897, provides that power to appoint does not include power to suspend or dismiss.	d. No, It’s only board of directors of Tech Inspiration Private Limited who has the right to terminate its employees in board meeting.

47. Whether the refusal to accept the notice sent by post, by Mr. Nitesh Gupta would be termed as not serving of notice of termination?

a. Yes, as Mr. Nitesh Gupta had not accepted the notice.	b. Yes, refusal to accept the post will always be considered as not served.
c. No, because as per section 27 of the General Clauses Act, 1897 the service by post shall be deemed to be effected by properly addressing, pre-paying, and posting by registered post.	d. No, Mr. Nitesh Gupta had the information of sending of notice.

Vidhya Masterminds LLP was incorporated on 15th April, 2023. Sagar, Manthan, Vishnu and Vasuki were partners in the firm. Sagar and Manthan were also the designated partners in this firm. The firm was incorporated with the object of manufacturing and trading of cycles. The business was going too smoothly.

But on 30th April, 2023, some Mr. Vidhyaram Tolaramani filed an application to registrar that he has a registered trademark in the name of “Vidhya Masters” which he has got registered before 15.04.2023. Therefore, the LLP “Vidhya Masterminds LLP” should change its name. On the basis of basic investigation, registrar found that Mr. Vidhyaram Tolaramani was correct in contention. The registrar sent a direction to Vidhya Masterminds LLP to change its name as it too nearly resembles with the trademark of Mr. Vidhyaram Tolaramani i.e. “Vidhya Masters”. The notice was issued by the registrar on 5th May, 2023 by post but due to some internal problem of postal department, notice reached the LLP on 10th May, 2023. Vidhya Masterminds LLP ignored the notice and continued working under the same name. On 15th August, 2023 the registrar *suo-moto* allotted the LLP a new name “Sahitya Masterminds LLP” and entered this new name in the register of LLP and also issued a fresh certificate of incorporation to Vidhya Masterminds LLP with new name. Vidhya Masterminds LLP, now “Sahitya Masterminds LLP” was not comfortable with new name. It started the process to change the name allotted by the registrar.

Meanwhile, Vishnu was appointed as designated partner in Vidhya Masterminds LLP on 25th July, 2023 but this information was not sent to the registrar. On 20th June, 2023, Mr. Vasuki had

given a written notice to the LLP that he could not continue as a partner in LLP with effect from 22nd July, 2023. This cessation from the LLP was also not informed by either LLP or Mr. Vasuki, to the Registrar.

On the basis of above facts and by applying applicable provisions of the Limited Liability Partnership Act, 2008 and the applicable Rules therein, choose the correct answer (one out of four) of the following MCQs (48- 50) given herein under: -

48. When the registrar directed Vidhya Masterminds LLP to change its name, by which date the LLP should have changed the name of LLP?

a. By 5th August, 2023 i.e. within a period of 3 months from the date of issue of such direction by registrar.	b. By 10th August, 2023 i.e. within a period of 3 months from the date of receiving of such direction by the firm.
c. By any time according to the convenience of Vidhya Masterminds LLP.	d. Vidhya Masterminds LLP is not liable to change its name.

49. Vishnu was appointed as designated partner in the Vidhya Masterminds LLP on 25th July, 2023. By what time limit the LLP should have informed the registrar?

a. 9th August, 2023 i.e. within 15 days of appointment	b. 24th August, 2023 i.e. within 30 days of appointment
c. 25th August, 2023 i.e. within 1 month of appointment	d. 25th October i.e. within 3 months of appointment.

50. Whether Mr. Vasuki will be liable for penalty for not intimating the registrar about the appointment of Mr. Vishnu as designated partner?

a. a. No, as he was not partner in LLP on the date of appointment of designated partner.	b. Yes, as former partner is to be regarded still being a partner of the LLP unless a notice has been delivered to the Registrar by former partner or LLP.
c. Yes, even if a notice has been delivered to the Registrar by LLP about his retirement.	d. No, in any case Mr. Vasuki will not be liable.

Answer to MCQs

1	b	11	c	21	c	31	b	41	c
2	c	12	d	22	b	32	b	42	a
3	b	13	d	23	d	33	c	43	b
4	d	14	a	24	c	34	a	44	a
5	c	15	d	25	d	35	b	45	c
6	b	16	a	26	b	36	b	46	b
7	c	17	c	27	c	37	d	47	c
8	b	18	b	28	b	38	b	48	a
9	b	19	b	29	d	39	a	49	b
10	b	20	a	30	d	40	a	50	b

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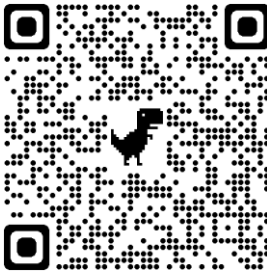

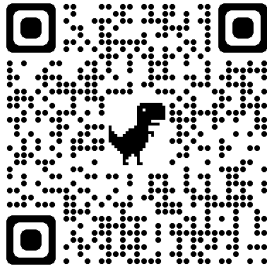

1 Main Book (B&W)

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