

# CA Inter – Paper 2 (Law) – MCQ

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(Covering ICAI SM, MTPs & RTPs till May 2022 applicable for May 2023 Exams)

### Chapter – 7: Management Administration

1. **Swiss Commodities Private Limited was incorporated in 2021. Company was not running its business properly due to unexpected ups and downs. It could not hold its first annual general meeting in the year 2022. The company is planning to apply for extension of time for holding the AGM from the Registrar of Companies. On which grounds Company can get an extension?**
  - (a) They will not get any extension.
  - (b) If Company proves that their financial statements are confiscated.
  - (c) If they prove that directors have fell below numbers.
  - (d) If they prove that members are not available.
2. **The Board of Directors of Gama Ltd. did not call the Extra Ordinary General meeting within 21 days from the date of receipt of requisition from members, then the requisitionists may themselves call a meeting within a period of \_\_\_\_\_ from the date of requisition.**
  - (a) 15 days
  - (b) 30 days
  - (c) 1 month
  - (d) 3 months
3. **Soya Limited was incorporated in 2014 and has its registered office in Noida. Company wants to call its 4th Annual General Meeting in Mumbai. Whether it is possible?**
  - (a) It is not possible as Annual General Meeting has to be held in Noida.
  - (b) It is possible with consent of 50% members is received.
  - (c) It is possible if consent of 75% members is received.
  - (d) It is possible if consent of 100% members is received.
4. **Mr. N is a Company Secretary of Mayo Private Limited. For calling Company's Annual General meeting, Mr. N has to issue notice of that meeting before stipulated period of time. Draft notice is ready with him. However, he is confused on agenda items for which he has to attach explanatory statement to the notice. Please help him to understand which agenda item needs explanatory Statement?**
  - (a) Consideration of Auditors Report.
  - (b) Fixing remuneration of Auditor.
  - (c) Fixing remuneration of Manager.
  - (d) Declaration of any dividend.
5. **Wide Infra Limited is a Company with 1,350 members. Extraordinary General Meeting of Wide Infra Limited was scheduled on 15th November, 2022 at 11 a.m. On the day of meeting, 3 members were present at 10.45 a.m. What number of members is required to fulfil quorum requirement?**
  - (a) Additional 4 members before 11.30 a.m.
  - (b) Additional 4 members before 11.15 a.m.
  - (c) Additional 12 members before 11.30 a.m.
  - (d) Additional 12 members before 11.15 a.m.
6. **The members of Matrix Limited requisitioned for calling Extra Ordinary General Meeting to consider some urgent matters. The same was**

called by the company. Meeting was scheduled on 31st August, 2022. However, required quorum was not present at the meeting. In this case, what Matrix Limited shall do?

- (a) Matrix Limited shall adjourn the meeting to the same day in the next week at the same time and place.
- (b) Matrix Limited shall adjourn the meeting to such other day at such other time and place.
- (c) The meeting shall be cancelled.
- (d) Matrix Limited shall proceed ahead with the available quorum.

7. In Annual General Meeting, which one of the following will be treated as special business?

- (a) Declaration of any dividend.
- (b) Fixing of the remuneration of the auditors.
- (c) Appointment of directors in place of those retiring.
- (d) Regularization of Director's Appointment.

8. Every listed company shall file with the Registrar a copy of the report on each annual general meeting within \_\_\_\_ of the conclusion of the annual general meeting.

- (a) 7 days
- (b) 30 days
- (c) 60 days
- (d) 90 days

#### QUESTIONS FROM RTPs, MTPs AND PAST EXAMS (MEMORY BASED) OF ICAI

9. Annual general meeting need to be called by giving 21 days' clear notice. However it can be called on a shorter notice if members entitled to vote in that meeting give their consent in writing or by electronic mode. In such case, how many members have to give their consents? [MTP-March 19]

- (a) 75% of members entitled.
- (b) 90% of members entitled.
- (c) 91% of members entitled.
- (d) 95% of members entitled.

10. Supertech Computers Pvt. Ltd has 120 members. It sends notice to all of them. 20

members did not attend the meeting. Out of remaining 100 members, 20 members abstained from voting. Advise the company, how many members should vote in favour of resolution, if it has to be passed as a Special Resolution? [MTP-March 19]

- (a) 60 votes
- (b) 80 votes
- (c) 41 votes
- (d) 20 votes

11. 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. [MTP-April 19]

- (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.

12. The Annual General meeting of Tirupati Ltd. was scheduled for 28th December, 2022. Mr. Ananat, shareholder of Tirupati Ltd. has desired to inspect inspection of proxies lodged with the company. The notice for inspection should be given at least \_\_\_\_\_ before the meeting. [MTP-April 19]

- (a) 24 hours
- (b) 1 day
- (c) 2 days
- (d) 3 days

13. In the current financial year Zunee Traders Limited, a non-listed company, has 556

members, increased from 451 members which it had in the immediate previous financial year. For the forthcoming Annual General Meeting (AGM), advise the company whether it is required to provide to its members the facility to exercise their right to vote at this AGM by electronic means.

[MTP-Oct. 19]

- (a) Since the company has more than 500 members it is required to provide to its members the facility to exercise their right to vote at the forthcoming AGM by electronic means.
- (b) The company is not required to provide to its members the facility to exercise their right to vote at the forthcoming AGM by electronic means since its members are less than 1,000.
- (c) Though the company is required to provide to its members the facility to exercise their right to vote at the forthcoming AGM by electronic means because it has more than 500 members, it can, as a one-time measure, seek exemption from RoC beforehand and in that case, it need not provide facility of voting by electronic means.
- (d) Only a listed company is required to provide to its members the facility to exercise their right to vote at the General Meetings by electronic means.

14. **All the 40 members of Taxila Traders Limited have valid voting rights. Due to some urgency, its directors are desirous of convening Annual General Meeting (AGM) at a shorter notice than statutorily required. Is it possible for them to do so?** [RTP-Nov. 19]

- (a) Taxila Traders Limited cannot convene AGM at shorter notice than statutorily required.
- (b) Taxila Traders Limited can convene AGM at shorter notice than statutorily required, if consent in writing or by electronic mode is accorded by all the 40 members who are entitled to vote at the AGM.
- (c) Taxila Traders Limited can convene AGM at shorter notice than statutorily required if consent in writing or by electronic mode is

accorded by at least 38 members who are entitled to vote at the AGM.

- (d) Taxila Traders Limited can convene AGM at shorter notice than statutorily required if consent in writing or by electronic mode is accorded by at least 36 members who are entitled to vote at the AGM.

15. **Which one of the following requires ordinary resolution?** [MTP-May 20]

- (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.

16. **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:** [RTP-Nov. 20]

- (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.

17. **Neha is a director of Primus Limited. She intends to participate in the board meeting through video conferencing and has intimated the same to the chairperson at the**

beginning of calendar year. Advise, Neha for how long such declaration shall be valid.

[MTP-March 21, March 22]

- (a) 1 month
- (b) 6 months
- (c) 1 year
- (d) She has to furnish declaration for each meeting separately.

18. A resolution shall be a special resolution when the votes cast in favour of the resolution by members are not less than \_\_\_\_\_ the number of votes, if any, cast against the resolution. [MTP-April 21, April 22]

- (a) Twice
- (b) Three times
- (c) One third
- (d) One fourth

19. The Annual General Meeting (AGM) of ALLWELL 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. [MTP-Nov. 21]

- (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.

20. The Annual General Meeting of Brother Limited was held on 25th May, 2022. According to the provisions of Companies Act, 2013, till what date the company should submit report of AGM to the registrar? [MTP-Nov. 21]

- (a) 4.06.2022
- (b) 9.06.2022
- (c) 24.06.2022
- (d) 25.06.2022

21. Gama Limited's General Meetings are held at its registered office situated in Delhi. The minute book of General meetings of Gama Limited will be kept at: [MTP-May 20, Nov. 21, March 22]

- (a) that place where members of Gama Limited will decide.
- (b) that place where all employees of Gama Limited will decide.
- (c) registered office of the company Gama Limited.
- (d) that place where senior officials of Gama Limited will decide.

22. Amber Limited is a manufacturer of glassware. Its paid up share capital is divided into 20,000 shares of ₹ 100 each. The company is maintaining its register of members as per the provisions of the Companies Act, 2013. The company wanted to close its register of members for declaring dividend. It may do so by giving minimum ..... days' notice. [RTP-May 22]

- (a) 7 days.
- (b) 10 days.
- (c) 15 days.
- (d) The register of members cannot be closed.

Answers									
1	(a)	2	(d)	3	(d)	4	(c)	5	(c)
6	(c)	7	(d)	8	(b)	9	(d)	10	(a)

11	(d)	12	(d)	13	(b)	14	(c)	15	(d)
16	(b)	17	(c)	18	(b)	19	(d)	20	(c)
21	(c)	22	(a)						

