



Memory Based Paper

**SEBI Grade A Legal
Phase II Paper 2**

Objective Part : 70 Questions of 1 mark each in Professional Knowledge – Law
Negative marks 0.25

1. As per section 25 of the Companies Act what constitutes evidence that an allotment of securities was made with a view to the securities being offered for sale to the public?
 - a. If an offer is made within three months after the allotment or agreement to allot.
 - b. If an offer is made within six months after the allotment or agreement to allot.
 - c. If the whole consideration is received by the company before the offer is made.
 - d. Both a & c
 - e. Both b & c

Ans. b. If an offer is made within six months after the allotment or agreement to allot,
Explanation: Companies Act Section 25. Document containing offer of securities for sale to be deemed prospectus: (2) For the purposes of this Act, it shall, unless the contrary is proved, be evidence that an allotment of, or an agreement to allot, securities was made with a view to the securities being offered for sale to the public if it is shown— (a) that an offer of the securities or of any of them for sale to the public was made within six months after the allotment or agreement to allot; or (b) that at the date when the offer was made, the whole consideration to be received by the company in respect of the securities had not been received by it.

2. Which of the following is true relating to Shelf Prospectus?
 - a. Filed with the Registrar at the stage of the first offer of securities
 - b. It is valid for a period of one year from the date of opening of the first offer of securities under that prospectus
 - c. An information memorandum containing all material facts relating to new charges created, changes in the financial position of the company as have occurred between the first offer and the succeeding offer of securities is required to be filed by the company
 - d. All a b & c
 - e. Both b & c

Ans. d. All a b & c, Explanation: Companies Act Section 31. Shelf prospectus: (1) Any class or classes of companies, as the Securities and Exchange Board may provide by regulations in this behalf, may file a shelf prospectus with the Registrar at the stage of the first offer of securities included therein which shall indicate a period not exceeding one year as the period of validity of such prospectus which shall commence from the date of opening of the first offer of securities under that prospectus, and in respect of a second or subsequent offer of such securities issued during the period of validity of that prospectus, no further prospectus is required. (2) A company filing a shelf prospectus shall be required to file an information memorandum containing all material facts relating to new charges created, changes in the financial position of the company as have occurred between the first offer of securities or the previous offer of securities and the succeeding offer of securities and such other changes as may be prescribed, with the Registrar within the prescribed time, prior to the issue of a second or subsequent offer of securities under the shelf prospectus.

3. According to the provisions of the Companies Act the amount of the dividend, including interim dividend, shall be deposited in a scheduled bank in a separate account within
 - a. Five days from the date of declaration of such dividend
 - b. Seven days from the date of declaration of such dividend

- c. Thirty days from the date of declaration of such dividend
- d. Ninety days from the date of declaration of such dividend
- e. Such period as the Central Government may specifically provide for

Ans. a. Five days from the date of declaration of such dividend, Explanation: Section 123. Declaration of dividend: (4) The amount of the dividend, including interim dividend, shall be deposited in a scheduled bank in a separate account within five days from the date of declaration of such dividend.

4. Every company shall, at the first annual general meeting, appoint an individual or a firm as an auditor who shall _____
- a. Hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting
 - b. Hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every fifth meeting
 - c. Hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting
 - d. Hold office till the conclusion of its sixth annual general meeting and thereafter till the conclusion of meeting
 - e. None of the above

Ans. c. Hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting, Explanation: Companies Act Section 139. Appointment of auditors: (1) Subject to the provisions of this Chapter, every company shall, at the first annual general meeting, appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting and the manner and procedure of selection of auditors by the member of the company at such meeting shall be such as may be prescribed.

5. As per the provisions of the Companies Act the IEPF shall be credited with _____
- a. Donations by the State Governments for the purposes of the Fund
 - b. The amount given by the Central Government by way of donations after due appropriation made by Parliament by law
 - c. The amount in the Unpaid Dividend Account of companies transferred to the Fund
 - d. All a b & c
 - e. Both a & c

Ans. e. Both a & c, Explanation: Companies Act Section 125. Investor Education and Protection Fund: (2) There shall be credited to the Fund— (a) the amount given by the Central Government by way of grants after due appropriation made by Parliament by law in this behalf for being utilised for the purposes of the Fund; (b) donations given to the Fund by the Central Government, State Governments, companies or any other institution for the purposes of the Fund; (c) the amount in the Unpaid Dividend Account of companies transferred to the Fund under sub-section (5) of section 124; (d) the amount in the general revenue account of the Central Government which had been transferred to that account under sub-section (5) of section 205A of the Companies Act, 1956, as it stood immediately before the commencement of the Companies (Amendment) Act, 1999, and remaining unpaid or unclaimed on the commencement of this Act; (e) the amount lying in the Investor Education and Protection Fund under section 205C of the Companies Act, 1956; (f) the interest or other income received out of investments made from the Fund; (g) the amount received under sub-section (4) of section 38; (h) the

application money received by companies for allotment of any securities and due for refund; (i) matured deposits with companies other than banking companies; (j) matured debenture with companies; (k) interest accrued on the amounts referred to in clauses (h) to (j); (l) sale proceeds of fractional shares arising out of issuance of bonus shares, merger and amalgamation for seven or more years; (m) redemption amount of preference shares remaining unpaid or unclaimed for seven or more years; and (n) such other amount as may be prescribed.

6. According to the Companies Act provisions _____ means such capital as is authorised by the memorandum of a company to be the maximum amount of share capital of the company
- Nominal
 - Paid-up
 - Called-up
 - Subscribed
 - Reserved

Ans. a. Nominal, Explanation: Section 2(8) authorised capital: "authorised capital" or "nominal capital" means such capital as is authorised by the memorandum of a company to be the maximum amount of share capital of the company.

7. Where a company is formed and registered under this Act for a future project or to hold an asset or intellectual property and has no significant accounting transaction, such a company or an inactive company _____
- May make an application for obtaining the status of a dormant company
 - May make an application to the Registrar for obtaining the status of a dormant company
 - May make an application to the Registrar for obtaining the status of a in operational company
 - May make an application to the Central Government for obtaining the status of a dormant company
 - May make an application to the Tribunal for obtaining the status of a dormant company

Ans. b. May make an application to the Registrar for obtaining the status of a dormant company, Explanation: Companies Act Section 455. Dormant company: (1) Where a company is formed and registered under this Act for a future project or to hold an asset or intellectual property and has no significant accounting transaction, such a company or an inactive company may make an application to the Registrar in such manner as may be prescribed for obtaining the status of a dormant company.

8. According to section 96 of the Companies Act the annual general meeting of an unlisted company may be held at any place in India if _____
- Consent is given in writing by all the members
 - Consent is given by electronic mode by all the members in advance
 - Consent is given in writing or by electronic mode by all the members in advance
 - Consent is given in writing or by electronic mode by all the members in advance and approved by the Board
 - Consent is given in writing or by electronic mode by all the members in advance

Ans. c. Consent is given in writing or by electronic mode by all the members in advance, Explanation: Section 96. Annual general meeting: (2) Every annual general meeting shall be called during business hours, that is, between 9 a.m. and 6 p.m. on any day that is not a National Holiday and shall be held either at the registered office of the company or at some other place within the city, town or village in which the registered office of the company is

situate: Provided that annual general meeting of an unlisted company may be held at any place in India if consent is given in writing or by electronic mode by all the members in advance.

9. Where a resolution is passed at an adjourned meeting of a company the resolution shall, for all purposes, be treated as _____
- Having been passed on an earlier date
 - Having been passed on the date on which it was in fact passed
 - Having been passed on the date on which it was in fact passed, and shall not be deemed to have been passed on any earlier date
 - Having been passed on the date on which it was in fact not passed, and shall be deemed to have been passed on any earlier date
 - None of the above

Ans. c. Having been passed on the date on which it was in fact passed, and shall not be deemed to have been passed on any earlier date, Explanation: Companies Act Section 116. Resolutions passed at adjourned meeting: Where a resolution is passed at an adjourned meeting of— (a) a company; or (b) the holders of any class of shares in a company; or (c) the Board of Directors of a company, the resolution shall, for all purposes, be treated as having been passed on the date on which it was in fact passed, and shall not be deemed to have been passed on any earlier date.

10. No company limited by shares shall, after the commencement of the Companies Act, 2013 issue any preference shares which are _____
- Cumulative
 - Convertible
 - Irredeemable
 - Redeemable
 - Non-Convertible

Ans. c. Irredeemable, Explanation: Companies Act Section 55. Issue and redemption of preference shares: (1) No company limited by shares shall, after the commencement of this Act, issue any preference shares which are irredeemable.

11. As per the provisions of the LLP Act how can a firm convert into a limited liability partnership?
- In accordance with the provisions of Chapter X and the Second Schedule of the LLP Act
 - In accordance with the provisions of Chapter X and the Third Schedule of the LLP Act
 - In accordance with the provisions of Chapter IX and the Second Schedule of the LLP Act
 - In accordance with the provisions of Chapter XII and the Fifth Schedule of the LLP Act
 - In accordance with the provisions of Chapter X of the LLP Act of the LLP Act

Ans. a. In accordance with the provisions of Chapter X and the Second Schedule of the LLP Act, Explanation: Section 55. Conversion from firm into limited liability partnership: A firm may convert into a limited liability partnership in accordance with the provisions of this Chapter and the Second Schedule.

12. According to the LLP Act a person may apply to the Registrar for the reservation of a name set out in the application as _____

- a. The name of a proposed limited liability partnership
- b. The name to which a limited liability partnership proposes to change its name
- c. The name to which a limited liability partnership might change its name
- d. Either a or b
- e. Either a or c

Ans. d. Either a or b, Explanation: LLP Act Section 16. Reservation of name: (1) A person may apply in such form and manner and accompanied by such fee as may be prescribed to the Registrar for the reservation of a name set out in the application as-- (a) the name of a proposed limited liability partnership; or (b) the name to which a limited liability partnership proposes to change its name.

13. As per the LLP Act where the Tribunal makes an order under section 60 sanctioning a compromise or an arrangement in respect of a limited liability partnership, it _____

- a. Shall have power to supervise the carrying out of the compromise or an arrangement
- b. Shall delegate the power to supervise the carrying out of the compromise or an arrangement
- c. May, at the time of making such order or at any time thereafter, give such directions in regard to any matter or make such modifications in the compromise or arrangement as it may consider necessary for the proper working of the compromise or arrangement
- d. Both b & c
- e. Both a & c

Ans. e. Both a & c, Explanation: LLP Act Section 61. Power of Tribunal to enforce compromise or arrangement: (1) Where the Tribunal makes an order under section 60 sanctioning a compromise or an arrangement in respect of a limited liability partnership, it-- (a) shall have power to supervise the carrying out of the compromise or an arrangement; and (b) may, at the time of making such order or at any time thereafter, give such directions in regard to any matter or make such modifications in the compromise or arrangement as it may consider necessary for the proper working of the compromise or arrangement.

14. Under the LLP Act section 63 lays down that the winding up of a limited liability partnership _____

- a. May be voluntary
- b. May be by the Tribunal
- c. May be either voluntary or by the Tribunal and limited liability partnership, so wound up may be dissolved
- d. May be either voluntary or by the Registrar of Companies and limited liability partnership, so wound up may be dissolved by an order of the Tribunal
- e. None of the above

Ans. c. May be either voluntary or by the Tribunal and limited liability partnership, so wound up may be dissolved, Explanation: LLP Act Section 63. Winding up and dissolution: The winding up of a limited liability partnership may be either voluntary or by the Tribunal and limited liability partnership, so wound up may be dissolved.

15. According to the IBC if the operational creditor does not receive payment from the corporate debtor or notice of the dispute, the operational creditor may file an application before the Adjudicating Authority for initiating a corporate insolvency resolution process. So, what is the period for the delivery of the notice or invoice demanding payment.

- a. Ten days
- b. Seven days
- c. Fifteen days
- d. Fourteen days
- e. Forty-five days

Ans. a. Ten days, Explanation: IBC Section 9-Application for initiation of corporate insolvency resolution process by operational creditor: (1) After the expiry of the period of ten days from the date of delivery of the notice or invoice demanding payment under sub-section (1) of section 8, if the operational creditor does not receive payment from the corporate debtor or notice of the dispute under sub-section (2) of section 8, the operational creditor may file an application before the Adjudicating Authority for initiating a corporate insolvency resolution process.

16. As per the IBC the Adjudicating Authority, in relation to insolvency resolution and liquidation for corporate persons including corporate debtors and personal guarantors thereof shall be _____

- a. The National Law Tribunal having territorial jurisdiction over the place where the registered office of the corporate person is located
- b. The National Company Law Tribunal having territorial jurisdiction over the place where the registered office of the corporate person is located
- c. The National Company Law Appellate Tribunal having territorial jurisdiction over the place where the registered office of the corporate person is located
- d. The Company Law Tribunal having territorial jurisdiction over the place where the registered office of the corporate person is located
- e. The Insolvency and Bankruptcy Board of India having territorial jurisdiction over the place where the registered office of the corporate person is located

Ans. b. The National Company Law Tribunal having territorial jurisdiction over the place where the registered office of the corporate person is located, Explanation: IBC Section 60-Adjudicating Authority for corporate persons: (1) The Adjudicating Authority, in relation to insolvency resolution and liquidation for corporate persons including corporate debtors and personal guarantors thereof shall be the National Company Law Tribunal having territorial jurisdiction over the place where the registered office of the corporate person is located.

17. What is the default amount for initiating the CIRP as provided under the IBC?

- a. One lakh
- b. Ten lakhs
- c. One crore
- d. Ten crores
- e. Such amount as may be prescribed by the Central Government

Ans. c. One crore, Explanation: IBC Section 4-Application of this Part: (1) This Part shall apply to matters relating to the insolvency and liquidation of corporate debtors where the minimum amount of the default is one lakh rupees: Provided that the Central Government may, by notification, specify the minimum amount of default of higher value which shall not be more than one crore rupees: **Prescribed:** the Central Government hereby specifies one crore rupees as the minimum amount of default for the purposes of the said section.

18. The entire process of Corporate Insolvency Resolution Process can be initiated by _____ under IBC

- a. Corporate debtor

- b. Financial creditor
- c. Operational debtor
- d. All a b & c
- e. Both a & b

Ans. e. Both a & b, Explanation: IBC Section 6-Persons who may initiate corporate insolvency resolution process: Where any corporate debtor commits a default, a financial creditor, an operational creditor or the corporate debtor itself may initiate corporate insolvency resolution process in respect of such corporate debtor in the manner as provided under this Chapter.

19. _____ as per the IBC means a person to whom an operational debt is owed and includes any person to whom such debt has been legally assigned or transferred
- a. Operational creditor
 - b. Operative creditor
 - c. Financial creditor
 - d. Corporate creditor
 - e. Either a or b or d

Ans. a. Operational creditor, Explanation: IBC Section 5 Definitions (20) "operational creditor" means a person to whom an operational debt is owed and includes any person to whom such debt has been legally assigned or transferred.

20. Which chapter of IBC deals with the provisions relating to Fast track insolvency resolution process?
- a. Chapter IV
 - b. Chapter V
 - c. Chapter VI
 - d. Chapter VII
 - e. Chapter VIII

Ans. a. Chapter IV, Explanation: Chapter IV. Fast Track Corporate Insolvency Resolution Process (Section 55 To 58).

21. A corporate debtor shall be resolved under the IBC as per section 54 by the order of the _____
- a. Appellate Tribunal
 - b. Adjudicating Authority
 - c. National Company Tribunal
 - d. Registrar of Companies
 - e. Insolvency and Bankruptcy Board of India

Ans. b. Adjudicating Authority, Explanation: IBC Section 54-Dissolution of corporate debtor: (2) The Adjudicating Authority shall on application filed by the liquidator under sub-section (1) order that the corporate debtor shall be dissolved from the date of that order and the corporate debtor shall be dissolved accordingly.

22. The provision as laid down under IPC provides that nothing is an offence which is done by a child under seven years of age is represented by which doctrine
- a. Doli incapax
 - b. In pari delicto
 - c. Eminent domain

- d. De minimus non curat lex
- e. Doctrine of Transferred Malice

Ans. a. Doli incapax, Explanation: Doli incapax is a Latin legal maxim meaning 'incapable of doing any harm or incapable of committing a crime'. It is a presumption that a child is incapable of forming the necessary criminal intent for committing an offence. IPC Section 82. Act of a child under seven years of age—Nothing is an offence which is done by a child under seven years of age.

23. According to the Indian Evidence Act what is the number of witnesses required for the proof of any fact
- a. At least two witnesses
 - b. At least three witnesses
 - c. No particular number of witnesses required
 - d. Such number as the parties may decide
 - e. Such number of witnesses as the Court may order

Ans. c. No particular number of witnesses required, Explanation: Section 134. Number of witnesses: No particular number of witnesses shall in any case be required for the proof of any fact.

24. According to the Indian Evidence Act when the question is whether a man is alive or dead, and it is proved that he has not been heard of for _____ by those who would naturally have heard of him if he had been alive, the burden of proving that he is alive is shifted to the person who affirms it
- a. Seven years
 - b. Thirty years
 - c. Ten years
 - d. Seventeen years
 - e. Such period as the Court may decide in its discretion

Ans. a. Seven years, Explanation: Section 108. Burden of proving that person is alive who has not been heard of for seven years: Provided that when] the question is whether a man is alive or dead, and it is proved that he has not been heard of for seven years by those who would naturally have heard of him if he had been alive, the burden of proving that he is alive is shifted to the person who affirms it.

25. Which of the following are the exception to section 499 of the IPC which lays down provisions relating to defamation?
- a. An imputation in the form of an alternative or expressed ironically
 - b. Impute anything which is true concerning any person, if it be for the public good that the imputation should be made or published
 - c. To express in good faith any opinion whatever respecting the conduct of a public servant in the discharge of his public functions, or respecting his character, so far as his character appears in that conduct, and no further
 - d. All a b & c
 - e. Both b & c

Ans. e. Both b & c, Explanation: IPC Section 499. Defamation: First Exception —Imputation of truth which public good requires to be made or published —It is not defamation to impute anything which is true concerning any person, if it be for the public good that the imputation should be made or published. Whether or not it is for the public good is a question of fact. Second Exception—Public conduct of public servants —It is not defamation to express in good faith any opinion whatever respecting the conduct of a public servant in the discharge of his

public functions, or respecting his character, so far as his character appears in that conduct, and no further. Third Exception —Conduct of any person touching any public question —It is not defamation to express in good faith any opinion whatever respecting the conduct of any person touching any public question, and respecting his character, so far as his character appears in that conduct, and no further. Fourth Exception —Publication of reports of proceedings of courts —It is not defamation to publish substantially true report of the proceedings of a Court of Justice, or of the result of any such proceedings. Fifth Exception —Merits of case decided in Court or conduct of witnesses and others concerned —It is not defamation to express in good faith any opinion whatever respecting the merits of any case, civil or criminal, which has been decided by a Court of Justice, or respecting the conduct of any person as a party, witness or agent, in any such case, or respecting the character of such person, as far as his character appears in that conduct, and no further. Sixth Exception —Merits of public performance —It is not defamation to express in good faith any opinion respecting the merits of any performance which its author has submitted to the judgment of the public, or respecting the character of the author so far as his character appears in such performance, and no further. Seventh Exception —Censure passed in good faith by person having lawful authority over another —It is not defamation in a person having over another any authority, either conferred by law or arising out of a lawful contract made with that other, to pass in good faith any censure on the conduct of that other in matters to which such lawful authority relates. Eighth Exception —Accusation preferred in good faith to authorised person —It is not defamation to prefer in good faith an accusation against any person to any of those who have lawful authority over that person with respect to the subject-matter of accusation. Ninth Exception —Imputation made in good faith by person for protection of his or other's interests —It is not defamation to make an imputation on the character of another provided that the imputation be made in good faith for the protection of the interests of the person making it, or of any other person, or for the public good. Tenth Exception —Caution intended for good of person to whom conveyed or for public good —It is not defamation to convey a caution, in good faith, to one person against another, provided that such caution be intended for the good of the person to whom it is conveyed, or of some person in whom that person is interested, or for the public good.

26. As per the Indian Evidence Act the Court may presume that a man who is in possession of stolen goods soon after the theft _____
- Is the thief
 - Is either the thief or has received the goods knowing them to be stolen
 - Is either the thief or has received the goods knowing them to be stolen, unless he can account for his possession
 - Is either the thief or has received the goods knowing them to be stolen, even if he can account for his possession
 - Both c & d

Ans. c. Is either the thief or has received the goods knowing them to be stolen, unless he can account for his possession, Explanation: Section 114. Court may presume existence of certain facts: The Court may presume -- (a) that a man who is in possession of stolen goods soon after the theft is either the thief or has received the goods knowing them to be stolen, unless he can account for his possession; (b) that an accomplice is unworthy of credit, unless he is corroborated in material particulars; (c) that a bill of exchange, accepted or endorsed, was accepted or endorsed for good consideration; (d) that a thing or state of things which has been shown to be in existence within a period shorter than that within which such things or states of things usually cease to exist, is still in existence; (e) that judicial and official acts have been regularly performed;

(f) that the common course of business has been followed in particular cases; (g) that evidence which could be and is not produced would, if produced, be unfavourable to the person who

withholds it; (h) that if a man refuses to answer a question which he is not compelled to answer by law, the answer, if given, would be unfavourable to him; (i) that when a document creating an obligation is in the hands of the obligor, the obligation has been discharged.

27. What is the period of limitation if the offence is punishable with imprisonment for a term exceeding one year but not exceeding three years under the CrPC?

- a. Six months
- b. One year
- c. Three years
- d. Seven years
- e. No such limitation is laid down

Ans. c. Three years, Explanation: Section 468. Bar to taking cognizance after lapse of the period of limitation: (2) The period of limitation shall be--- (a) six months, if the offence is punishable with fine only; (b) one year, if the offence is punishable with imprisonment for a term not exceeding one year; (c) three years, if the offence is punishable with imprisonment for a term exceeding one year but not exceeding three years.

28. As per section 219 of CrPC when a person is accused of more offences than one of the same kind committed within the space of twelve months from the first to the last of such offences, whether in respect of the same person or not, he may be charged with, and tried at one trial for, _____

- a. Any number of them not exceeding two
- b. Any number of them not exceeding three
- c. Any number of them not exceeding five
- d. Any number of them which may also be exceeding three
- e. Any number of them which may also be exceeding two

Ans. b. Any number of them not exceeding three, Explanation: Section 219. Three offences of same kind within year may be charged together: (1) When a person is accused of more offences than one of the same kind committed within the space of twelve months from the first to the last of such offences, whether in respect of the same person or not, he may be charged with, and tried at one trial for, any number of them not exceeding three.

29. If any Court has reason to believe (whether after taking evidence or not) that any person against whom a warrant has been issued by it has absconded or is concealing himself so that such warrant cannot be executed _____

- a. Such Court may publish a written proclamation requiring him to appear
- b. Such Court may publish a written proclamation requiring him to appear at a specified place and at a specified time not less than seven days from the date of publishing such proclamation
- c. Such Court may publish a written proclamation requiring him to appear at a specified place and at a specified time not less than thirty days from the date of publishing such proclamation
- d. Such Court may publish a written proclamation requiring him to appear not less than forty-five days from the date of publishing such proclamation
- e. None of the above

Ans. c. Such Court may publish a written proclamation requiring him to appear at a specified place and at a specified time not less than thirty days from the date of publishing such proclamation, Explanation: CrPC: Section 82. Proclamation for person absconding: (1) If

any Court has reason to believe (whether after taking evidence or not) that any person against whom a warrant has been issued by it has absconded or is concealing himself so that such warrant cannot be executed, such Court may publish a written proclamation requiring him to appear at a specified place and at a specified time not less than thirty days from the date of publishing such proclamation.

30. As per CrPC chapter XXIA does not apply where_____

- a. Offence affects the socio-economic condition of the country
- b. Offences have been committed against a woman
- c. Offences have been committed against a child below the age of fourteen years
- d. Either a or b or c
- e. Either b or c

Ans. d. Either a or b or c, Explanation: Section 265A. Application of the Chapter: 265A. Application of the Chapter-(1) This Chapter shall apply in respect of an accused against whom: (b) a Magistrate has taken cognizance of an offence on complaint, other than an offence for which the punishment of death or of imprisonment for life or of imprisonment for a term exceeding seven years, has been provided under the law for the time being in force, and after examining complainant and witnesses under section 200, issued the process under section 204, but does not apply where such offence affects the socio-economic condition of the country or has been committed against a woman, or a child below the age of fourteen years.

31. Any police officer may without an order from a Magistrate and without a warrant, arrest any person who commits, in the presence of a police officer_____

- a. A cognizable offence
- b. A non-cognizable offence
- c. A cognizable offence punishable with imprisonment for a term which may be less than seven years
- d. A cognizable offence punishable with imprisonment for a term which may extend to seven years whether with or without fine
- e. Either a or c or d

Ans. a. A cognizable offence, Explanation: Section 41. When police may arrest without warrant: (1) Any police officer may without an order from a Magistrate and without a warrant, arrest any person-(a) who commits, in the presence of a police officer, a cognizable offence.

32. Which of the following is not a criminal court?

- a. Executive Magistrate
- b. Court of small causes
- c. Judicial Magistrate first class
- d. Judicial Magistrate second class
- e. Both a & b

Ans. b. Court of Small causes, Explanation: Criminal courts are legal institutions responsible for adjudicating cases involving criminal offenses. They are established to impart justice to

people and punish the offenders that go against the law and their hierarchy is established as per the Code of Criminal Procedure, 1973.

33. Whoever threatens another with any injury to his person, reputation or property with intent to cause alarm to that person or to cause that person to do any act which he is not legally bound to do, or to omit to do any act which that person is legally entitled to do, as the means of avoiding the execution of such threat, commits_____

- a. Trespass
- b. Extortion
- c. Defamation
- d. Criminal intimidation
- e. Criminal conspiracy

Ans. d. Criminal intimidation, Explanation: IPC Section 503. Criminal intimidation: Whoever threatens another with any injury to his person, reputation or property, or to the person or reputation of any one in whom that person is interested, with intent to cause alarm to that person, or to cause that person to do any act which he is not legally bound to do, or to omit to do any act which that person is legally entitled to do, as the means of avoiding the execution of such threat, commits criminal intimidation.

34. Whoever intentionally puts any person in fear of any injury to that person, or to any other, and thereby dishonestly induces the person so put in fear to deliver to any person any property, or valuable security or anything signed or sealed which may be converted into a valuable security, commits_____

- f. Trespass
- g. Extortion
- h. Defamation
- i. Criminal intimidation
- j. Criminal conspiracy

Ans. b. Extortion, Explanation: IPC Section 383. Extortion: Whoever intentionally puts any person in fear of any injury to that person, or to any other, and thereby dishonestly induces the person so put in fear to deliver to any person any property, or valuable security or anything signed or sealed which may be converted into a valuable security, commits "extortion".

35. A cuts down a tree on Z's ground, with the intention of dishonestly taking the tree out of Z's possession without Z's consent. Here, as soon as A has severed the tree in order to such taking, he has committed_____

- a. Theft
- b. Dacoity
- c. Trespass
- d. Robbery
- e. None of the above

Ans. a. Theft, Explanation: IPC Section 378. Theft: Whoever, intending to take dishonestly any movable property out of the possession of any person without that person's consent, moves that property in order to such taking, is said to commit theft.

36. Criminal Conspiracy as per IPC means _____

- a. When two or more persons agree to do, or cause to be done an illegal act, or an act which is not illegal by illegal means
- b. When two or more persons agree to do, or cause to be done an illegal act, or an act which is not illegal by legal means
- c. When two or more persons agree to do, or cause to be done an illegal act, or an act which is not legal by illegal means
- d. When five or more persons agree to do, or cause to be done an illegal act, or an act which is not illegal by illegal means
- e. When seven or more persons agree to do, or cause to be done an illegal act, or an act which is not illegal by illegal means

Ans. a. When two or more persons agree to do, or cause to be done an illegal act, or an act which is not illegal by illegal means, Explanation: IPC Section 120A. Definition of criminal conspiracy: 120A. Definition of criminal conspiracy-- When two or more persons agree to do, or cause to be done, (1) an illegal act, or (2) an act which is not illegal by illegal means, such an agreement is designated a criminal conspiracy: Provided that no agreement except an agreement to commit an offence shall amount to a criminal conspiracy unless some act besides the agreement is done by one or more parties to such agreement in pursuance thereof.

37. Whoever by words, either spoken or written, or by signs, or by visible representation, or otherwise, brings or attempts to bring into hatred or contempt, or excites or attempts to excite disaffection towards, the Government established by law in India], shall be punished with _____

- a. Imprisonment for life
- b. Imprisonment for life, to which fine may be added
- c. Imprisonment for life, to which fine may be added, or with imprisonment which may extend to three years
- d. Imprisonment for life, to which fine may be added, or with imprisonment which may extend to two years, to which fine may be added, or with fine
- e. Imprisonment for life, to which fine may be added, or with imprisonment which may extend to three years, to which fine may be added, or with fine

Ans. e. Imprisonment for life, to which fine may be added, or with imprisonment which may extend to three years, to which fine may be added, or with fine, Explanation: Section 124A. Sedition, Explanation: IPC Section 124A Sedition--Whoever by words, either spoken or written, or by signs, or by visible representation, or otherwise, brings or attempts to bring into hatred or contempt, or excites or attempts to excite disaffection towards, the Government established by law in India, shall be punished with imprisonment for life, to which fine may be added, or with imprisonment which may extend to three years, to which fine may be added, or with fine.

38. Which section of the IPC lays down provisions relating to Doctrine of Jus Necessitates?

- a. Section 79
- b. Section 80
- c. Section 81
- d. Section 82
- e. Section 83

Ans. c. Section 81, Explanation: IPC: The doctrine of the jus necessitatis recognizes that the law has to be broken to achieve a greater good. According to doctrine the violation of a law may be excused by necessity. Section 81. Act likely to cause harm, but done without criminal intent, and to prevent other harm: Nothing is an offence merely by reason of its being done with the knowledge that it is likely to cause harm, if it be done without any criminal intention to cause harm, and in good faith for the purpose of preventing or avoiding other harm to person or property. Explanation—It is a question of fact in such a case whether the harm to be prevented or avoided was of such a nature and so imminent as to justify or excuse the risk of doing the act with the knowledge that it was likely to cause harm.

39. A makes an attempt to steal some jewels by breaking open a box, and finds after so opening the box, that there is no jewel in it. He has _____
- a. Done an act towards the commission of theft
 - b. Done an act towards the commission of theft, and therefore is guilty under section 510 of IPC
 - c. Done an act towards the commission of theft, and therefore is guilty under section 511 of IPC
 - d. Done an act towards the commission of theft, and therefore is guilty under section 512 of IPC
 - e. Done an act towards the commission of theft, and therefore is guilty under section 520 of IPC

Ans. c. Done an act towards the commission of theft, and therefore is guilty under section 511 of IPC, Explanation: Section 511. Punishment for attempting to commit offences punishable with imprisonment for life or other imprisonment: Whoever attempts to commit an offence punishable by this Code with imprisonment for life or imprisonment, or to cause such an offence to be committed, and in such attempt does any act towards the commission of the offence, shall, where no express provision is made by this Code for the punishment of such attempt, be punished with imprisonment of any description provided for the offence, for a term which may extend to one-half of the imprisonment for life or, as the case may be, one-half of the longest term of imprisonment provided for that offence, or with such fine as is provided for the offence, or with both. (a) A makes an attempt to steal some jewels by breaking open a box, and finds after so opening the box, that there is no jewel in it. He has done an act towards the commission of theft, and therefore is guilty under this section.

40. Where several persons are engaged or concerned in the commission of a criminal act, they _____
- a. Shall be guilty of offence
 - b. May be guilty of different acts
 - c. May be guilty of different offences by means of that act
 - d. May be guilty of same offence by means of different acts
 - e. May be guilty of different offences by means of different acts

Ans. c. May be guilty of different offences by means of that act, Explanation: IPC Section 38. Persons concerned in criminal act may be guilty of different offences: Where several persons are engaged or concerned in the commission of a criminal act, they may be guilty of different offences by means of that act.

41. As per IPC what is the punishment for concealing with intent to facilitate design to wage war?

- a. Imprisonment of a term which may extend to ten years
- b. Imprisonment of a term which may extend to ten years or shall be liable to fine
- c. Imprisonment of either description for a term which may extend to seven years, and shall also be liable to fine
- d. Imprisonment of either description for a term which may extend to ten years, and shall also be liable to fine
- e. Imprisonment of either description for a term which may extend to twelve years, and shall also be liable to fine

Ans. d. Imprisonment of either description for a term which may extend to ten years, and shall also be liable to fine, Explanation: Section 123. Concealing with intent to facilitate design to wage war: Whoever by any act, or by any illegal omission, conceals the existence of a design to wage war against the Government of India, intending by such concealment to facilitate, or knowing it to be likely that such concealment will facilitate, the waging of such war, shall be punished with imprisonment of either description for a term which may extend to ten years, and shall also be liable to fine.

42. When is a person said to abet the doing of a thing as per section 107 of IPC?

- a. A person abets the doing of a thing, who instigates any person to do that thing
- b. A person abets the doing of a thing, who intentionally aids, by any act or illegal omission, the doing of that thing
- c. A person abets the doing of a thing, engages with one or more other person or persons in any conspiracy for the doing of that thing, if an act or illegal omission takes place in pursuance of that conspiracy, and in order to the doing of that thing
- d. Either a or b or c
- e. Either a or c

Ans. d. Either a or b or c, Explanation: IPC Section 107. Abetment of a thing: A person abets the doing of a thing, who—First—Instigates any person to do that thing; or Secondly—Engages with one or more other person or persons in any conspiracy for the doing of that thing, if an act or illegal omission takes place in pursuance of that conspiracy, and in order to the doing of that thing; or Thirdly—Intentionally aids, by any act or illegal omission, the doing of that thing.

43. Whoever, being a public servant, and being legally bound as such public servant, not to purchase or bid for certain property, purchases or bids for that property, either in his own name or in the name of another, or jointly, or in shares with others, shall be punished with _____

- a. Imprisonment for a term which may extend to two years
- b. Imprisonment for a term which may extend to two years, or with fine
- c. Imprisonment for a term which may extend to two years, or with fine, or with both
- d. Imprisonment for a term which may extend to two years, or with fine, or with both; and the property, if purchased, shall be confiscated
- e. Imprisonment for a term which may extend to three years, or with fine, or with both; and the property, if purchased, shall be confiscated

Ans. d. Imprisonment for a term which may extend to two years, or with fine, or with both; and the property, if purchased, shall be confiscated, Explanation: IPC Section 169. Public servant unlawfully buying or bidding for property: Whoever, being a public servant, and being legally bound as such public servant, not to purchase or bid for certain property, purchases or bids for that property, either in his own name or in the name of another, or jointly, or in shares with others, shall be punished with simple imprisonment for a term which may extend to two years, or with fine, or with both; and the property, if purchased, shall be confiscated.

44. All sums realised by way of penalties under the SEBI Act shall be credited to the

- a. Consolidated Fund of India
- b. Contingency Fund of India
- c. Reserve Fund of India
- d. Securities Appellate Fund
- e. Either a or b

Ans. a. Consolidated Fund of India, Explanation: SEBI Act Section 15JA. Crediting sums realised by way of penalties to Consolidated Fund of India: 15JA. Crediting sums realised by way of penalties to Consolidated Fund of India--All sums realised by way of penalties under this Act shall be credited to the Consolidated Fund of India.

45. As per the SEBI Act the Securities Appellate Tribunal shall consist of a Presiding Officer and such number of Judicial Members and Technical Members as the _____ may determine

- a. President
- b. Securities Board
- c. Central Government
- d. Competent Authority
- e. Prime Minister in consultation with a Committee of the Board

Ans. c. Central Government, Explanation: SEBI Act Section 15L. Composition of Securities Appellate--(1) The Securities Appellate Tribunal shall consist of a Presiding Officer and such number of Judicial Members and Technical Members as the Central Government may determine, by notification, to exercise the powers and discharge the functions conferred on the Securities Appellate Tribunal under this Act or any other law for the time being in force.

46. As per the provisions of the SEBI Act all questions which come up before any meeting of the Board shall be decided by a majority votes of the members present and voting, and, in the event of an equality of votes _____

- a. The Chairman a casting vote
- b. The Chairman, or in his absence, the person presiding, shall have a second or casting vote
- c. The Chairman, and in his absence, the person presiding, shall have a second or casting vote
- d. The Chairman, or in his absence, the senior most member, shall have a second or casting vote
- e. The Chairman, or in his absence, the person presiding, shall have a second or casting vote

Ans. e. The Chairman, or in his absence, the person presiding, shall have a second or casting vote, Explanation: Section 7. (3) All questions which come up before any meeting of the Board shall be decided by a majority votes of the members present and voting, and, in the event of an equality of votes, the Chairman, or in his absence, the person presiding, shall have a second or casting vote. Meetings.

47. According to the SEBI Act the Securities Appellate Tribunal shall _____
- Be bound by the procedure laid down by the code of Civil Procedure, 1908
 - Not be bound by the procedure laid down by the code of Civil Procedure, 1908
 - Not be bound by the procedure laid down by the code of Civil Procedure, 1908, and shall not be guided by the principles of natural justice
 - Be bound by the procedure laid down by the code of Civil Procedure, 1908, as well as be guided by the principles of natural justice
 - Not be bound by the procedure laid down by the code of Civil Procedure, 1908, but shall be guided by the principles of natural justice

Ans. e. Not be bound by the procedure laid down by the code of Civil Procedure, 1908, but shall be guided by the principles of natural justice, Explanation: Section 15U. Procedure and powers of the Securities Appellate Tribunal: (1) The Securities Appellate Tribunal shall not be bound by the procedure laid down by the code of Civil Procedure, 1908, but shall be guided by the principles of natural justice and, subject to the other provisions of this Act and of any rules, the Securities Appellate Tribunal shall have powers to regulate their own procedure including the places at which they shall have their sittings.

48. Under the SEBI Act any pooling of funds under any scheme or arrangement, which is not registered with the Board or is not covered under section 11AA (3), involving a corpus amount of _____ shall be deemed to be a collective investment scheme
- One hundred lakh rupees or more
 - One hundred crore rupees or more
 - One hundred crore rupees or less
 - One hundred lakh rupees or less
 - Two hundred crore rupees or more

Ans. b. One hundred crore rupees or more, Explanation: Section 11AA. Collective investment scheme-- (1) Any scheme or arrangement which satisfies the conditions referred to in sub-section or sub-section (2A) shall be a collective investment scheme. Provided that any pooling of funds under any scheme or arrangement, which is not registered with the Board or is not covered under sub-section (3), involving a corpus amount of one hundred crore rupees or more shall be deemed to be a collective investment scheme.

49. What is the qualification for appointment as Presiding Officer of Securities Appellate Tribunal?
- Is, or has been, a Judge of the Supreme Court
 - Is, or has been a Chief Justice of a High Court
 - Is, or has been, a Judge of the Supreme Court or a Chief Justice of a High Court or a Judge of High Court for at least seven years
 - Is, or has been, a Judge of the Supreme Court or a Chief Justice of a High Court or a Judge of High Court for at least five years

- e. Is, or has been, a Judge of the Supreme Court or a Chief Justice of a High Court or a Judge of High Court for at least seven years

Ans. e. Is, or has been, a Judge of the Supreme Court or a Chief Justice of a High Court or a Judge of High Court for at least seven years, Explanation: SEBI Act Section 15M. Qualification for appointment as Presiding Officer, Judicial Member and Technical Member- A person shall not be qualified for appointment as the Presiding Officer or a Judicial Member or a Technical Member of the Securities Appellate Tribunal, unless he: (a) is, or has been, a Judge of the Supreme Court or a Chief Justice of a High Court or a Judge of High Court for at least seven years, in the case of the Presiding Officer; and (b) is, or has been, a Judge of High Court for at least five years, in the case of a Judicial Member; or (c) in the case of a Technical Member (i) is, or has been, a Secretary or an Additional Secretary in the Ministry or Department of the Central Government or any equivalent post in the Central Government or a State Government; or (ii) is a person of proven ability, integrity and standing having special knowledge and professional experience, of not less than fifteen years, in financial sector including securities market or pension funds or commodity derivatives or insurance.

50. According to section 7 of the Securities Contracts (Regulation) Act, 1956 Every recognized stock exchange shall furnish the _____ with a copy of the annual report, and such annual report shall contain such particulars as may be prescribed

- Securities Tribunal
- Central Government
- Competent Authority
- Securities and Exchange Board of India
- Central Government on the advice of the SAT

Ans. b. Central Government, Explanation: Section 7. Annual reports to be furnished to the Central Government by stock exchanges: Every recognised stock exchange shall furnish the Central Government with a copy of the annual report, and such annual report shall contain such particulars as may be prescribed.

51. Which Act deals with the provisions relating to prevention of undesirable transactions in securities by regulating the business of dealing therein?

- SEBI Act
- SC(R)A
- Companies Act
- Depositories Act
- All a & d

Ans. b. SC(R)A, Explanation: An Act to prevent undesirable transactions in securities by regulating the business of dealing therein, by providing for certain other matters connected therewith.

52. According to the Companies Act the Registrar or inspector shall return the books and papers seized, as soon as may be, and in any case _____, to the company from whose custody or power such books or papers were seized

- Not later than thirty days after such seizure
- Not later than one hundred days after such seizure
- Not later than one hundred and twentieth day after such seizure
- Not later than one hundred and eightieth day after such seizure

- e. With such time period as the inspector may decide in its discretion

53. The total duration of the sandbox testing shall be _____ and extendable upon request of the applicant duly approved by SEBI
- a. A maximum of twelve days
 - b. A maximum of three months
 - c. A maximum of six months
 - d. A maximum of twelve months
 - e. A minimum of twelve months

Ans. d. A maximum of twelve months, Explanation: Securities and Exchange Board of India (Depositories and Participants) Regulation, 2018: Exemption from enforcement of the regulations in special cases: Reg. 93A. (1) The Board may, exempt any person or class of persons from the operation of all or any of the provisions of these regulations for a period as may be specified but not exceeding twelve months, for furthering innovation relating to testing new products, processes, services, business models, etc. in live environment of regulatory sandbox in the securities markets.

54. Which section of the SC(R)A Act deals with the provisions of title to dividends?
- a. Section 27
 - b. Section 28
 - c. Section 29
 - d. Section 30
 - e. Section 33

Ans. a. Section 27, Explanation: Section 27. Title to dividends: (1) It shall be lawful for the holder of any security whose name appears on the books of the company issuing the said security to receive and retain any dividend declared by the company in respect thereof for any year, notwithstanding that the said security has already been transferred by him for consideration, unless the transferee who claims the dividend from the transferor has lodged the security and all other documents relating to the transfer which may be required by the company with the company for being registered in his name within fifteen days of the date on which the dividend became due.

55. The bye-laws under section 9 of the SC(R)A Act provides that _____
- a. The opening and closing of markets and the regulation of the hours of trade
 - b. A clearing house for the periodical settlement of contracts and differences there under, the delivery of and payment for securities, the passing on of delivery orders and the regulation and maintenance of such clearing house

- c. The submission to the Securities and Exchange Board of India] by the clearing house as soon as may be after each periodical settlement of all or any of the following particulars as the Securities and Exchange Board of India] may, from time to time, require, namely the total number of each category of security carried over from one settlement period to another
- d. All a b & c
- e. Both a & b

Ans. d. All a b & c, Explanation: Section 9. Power of recognised stock exchanges to make bye-laws: (2) In particular, and without prejudice to the generality of the foregoing power, such bye-laws may provide for-- (a) the opening and closing of markets and the regulation of the hours of trade; (b) a clearing house for the periodical settlement of contracts and differences there under, the delivery of and payment for securities, the passing on of delivery orders and the regulation and maintenance of such clearing house; (c) the submission to the 1[Securities and Exchange Board of India] by the clearing house as soon as may be after each periodical settlement of all or any of the following particulars as the Securities and Exchange Board of India may, from time to time, require, namely:-- (i) the total number of each category of security carried over from one settlement period to another; (ii) the total number of each category of security, contracts in respect of which have been squared up during the course of each settlement period; (iii) the total number of each category of security actually delivered at each clearing; (d) the publication by the clearing house of all or any of the particulars submitted to the Securities and Exchange Board of India under clause (c) subject to the directions, if any, issued by the Securities and Exchange Board of India in this behalf; (e) the regulation or prohibition of blank transfers; (f) the number and classes of contracts in respect of which settlements shall be made or differences paid through the clearing house; (g) the regulation, or prohibition of budlas or carry-over facilities; (h) the fixing, altering or postponing of days for settlements; (i) the determination and declaration of market rates, including the opening, closing, highest and lowest rates for securities; (j) the terms, conditions and incidents of contracts, including the prescription of margin requirements, if any, and conditions relating thereto, and the forms of contracts in writing; (k) the regulation of the entering into, making, performance, rescission and termination, of contracts, including contracts between members or between a member and his constituent or between a member and a person who is not a member, and the consequences of default or insolvency on the part of a seller or buyer or intermediary, the consequences of a breach or omission by a seller or buyer, and the responsibility of members who are not parties to such contracts; (l) the regulation of taravani business including the placing of limitations thereon; (m) the listing of securities on the stock exchange, the inclusion of any security for the purpose of dealings and the suspension or withdrawal of any such securities, and the suspension or prohibition of trading in any specified securities; (n) the method and procedure for the settlement of claims or disputes, including settlement by arbitration; (o) the levy and recovery of fees, fines and penalties; (p) the regulation of the course of business between parties to contracts in any capacity; (q) the fixing of a scale of brokerage and other charges; (r) the making, comparing, settling and closing of bargains; (s) the emergencies in trade which may arise, whether as a result of pool or syndicated operations or cornering or otherwise, and the exercise of powers in such emergencies, including the power to fix maximum and minimum prices for securities; (t) the regulation of dealings by members for their own account; (u) the separation of the functions of jobbers and brokers; (v) the limitations on the volume of trade done by any individual member in exceptional circumstances; (w) the obligation of members to supply such

information or explanation and to produce such documents relating to the business as the governing body may require.

56. Section 4 of the SC(R)A lays down provisions relating to _____

- a. Clearing corporation
- b. Additional trading floor
- c. Grant of recognition to stock exchanges
- d. Corporatisation and demutualisation of stock exchanges
- e. Annual reports to be furnished to the Central Government by stock exchanges

Ans. c. Grant of recognition to stock exchanges, Explanation: Section 4. Grant of recognition to stock exchanges.

57. The _____ may delist the securities, after recording the reasons therefor, from any recognised stock exchange on any of the ground or grounds as may be prescribed under the SC(R)A

- a. SEBI
- b. RBI
- c. SAT
- d. Central Government
- e. Recognised stock exchange

Ans. e. Recognised stock exchange, Explanation: Section 21A. Delisting of securities--(1) A recognised stock exchange may delist the securities, after recording the reasons therefor, from any recognised stock exchange on any of the ground or grounds as may be prescribed under this Act: Provided that the securities of a company shall not be delisted unless the company concerned has been given a reasonable opportunity of being heard.

58. A _____ shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of a beneficial owner as per the Depositories Act

- a. Depository
- b. SEBI
- c. SAT
- d. Central Government
- e. Recognised stock exchange

Ans. a. Depository, Explanation: Section 10. Rights of depositories and beneficial owner: (1) Notwithstanding anything contained in any other law for the time being in force, a depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of a beneficial owner.

59. According to the Depository Act any loss caused to the beneficial owner due to the negligence of the depository or the participant, _____

- a. The depository shall indemnify such owner
- b. The depository shall indemnify participants
- c. The depository shall indemnify such beneficial owner

- d. Either a or b or c
- e. Either b or c

Ans. c. The depository shall indemnify such beneficial owner, Explanation: Section 16. Depositories to indemnify loss in certain cases: (1) Without prejudice to the provisions of any other law for the time being in force, any loss caused to the beneficial owner due to the negligence of the depository or the participant, the depository shall indemnify such beneficial owner.

60. Shareholder director means a director who represents the interest of shareholders, and elected or nominated by such shareholders_____ as per the Securities and Exchange Board of India (Depositories and Participants) Regulations
- a. Who are depository participants
 - b. Who are not depository participants, or their associates
 - c. Who are not depository participants, and their associates and agents
 - d. Who are not depository participants, or their associates and agents
 - e. Who are depository participants, or their associates and agents

Ans. d. Who are not depository participants, or their associates and agents, Explanation: Reg. 12 (p) "shareholder director" means a director who represents the interest of shareholders, and elected or nominated by such shareholders who are not depository participants, or their associates and agents.

61. _____ is a process by which a private, member-owned company, such as a co-op, or a mutual life insurance company, legally changes its structure, in order to become a public-traded company owned by shareholders
- a. Demutualization
 - b. Corporatization
 - c. Reconstruction
 - d. Privatization
 - e. Restructuring

Ans. a. Demutualization, Explanation: Securities Contracts (Regulation) Act: Section 2 Definitions: (ab) "demutualisation" means the segregation of ownership and management from the trading rights of the members of a recognised stock exchange in accordance with a scheme approved by the Securities and Exchange Board of India.

62. Who has the power to adjudicate as per section 19H of the Depositories Act?
- a. SEBI
 - b. Controlling officer
 - c. Adjudicating officer
 - d. Central Government
 - e. Securities Appellate Tribunal

Ans. c. Adjudicating officer, Explanation: Section 19H. Power to adjudicate: (2) While holding an inquiry, the adjudicating officer shall have power to summon and enforce the attendance of any person acquainted with the facts and circumstances of the case to give evidence or to produce any document, which in the opinion of the adjudicating officer, may

be useful for or relevant to the subject-matter of the inquiry and if, on such inquiry, he is satisfied that the person has failed to comply with the provisions of any of the sections specified in sub-section (1), he may impose such penalty as he thinks fit in accordance with the provisions of any of those sections.

63. According to the Depositories Act no depository shall act as a depository unless it obtains a certificate of commencement of business from the _____
- SEBI
 - Controlling officer
 - Adjudicating officer
 - Central Government
 - Board of Directors

Ans. a. SEBI, Explanation: Section 3. Certificate of commencement of business by depositories: (1) No depository shall act as a depository unless it obtains a certificate of commencement of business from the Board.

64. As laid down under the Securities and Exchange Board of India (Prohibition Of Insider Trading) Regulations, no insider shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of _____
- Unpublished price information
 - Published price information
 - Unpublished price information
 - Published price sensitive information
 - Unpublished price sensitive information

Ans. e. unpublished price sensitive information, Explanation: Trading when in possession of unpublished price sensitive information: 4: (1) No insider shall trade in securities that are listed or proposed to be listed on a stock exchange when in possession of unpublished price sensitive information.

65. Which schedule of the Securities and Exchange Board of India (Prohibition Of Insider Trading) Regulations deals with Principles of Fair Disclosure for purposes of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information?
- Schedule A
 - Schedule B
 - Schedule C
 - Schedule D
 - Schedule I

Ans. a. Schedule A, Explanation: SCHEDULE A: Principles of Fair Disclosure for purposes of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information.

66. According to the Securities and Exchange Board of India (Depositories and Participants) Regulations a public interest director on the board of a depository

- a. Shall not act simultaneously as director on the board of its subsidiary
- b. Shall not act simultaneously as director on the board of any other depository or recognized stock exchange
- c. Shall not act simultaneously as director on the board of subsidiary of any other depository or recognized clearing corporation
- d. Shall act simultaneously as director on the board of its subsidiary or on the board of any other depository or recognized clearing corporation or on the board of recognized clearing corporation
- e. Shall not act simultaneously as director on the board of its subsidiary or on the board of any other depository or recognized stock exchange or recognized clearing corporation or on the board of subsidiary of such other depository or recognized stock exchange or recognized clearing corporation

Ans. e. Shall not act simultaneously as director on the board of its subsidiary or on the board of any other depository or recognized stock exchange or recognized clearing corporation or on the board of subsidiary of such other depository or recognized stock exchange or recognized clearing corporation, Explanation: Regulation 25 Conditions of appointment of directors: (4) A public interest director on the board of a depository shall not act simultaneously as director on the board of its subsidiary or on the board of any other depository or recognized stock exchange or recognized clearing corporation or on the board of subsidiary of such other depository or recognized stock exchange or recognized clearing corporation.

67. _____ means an independent director representing the interests of investors in securities market and who is not having any association, directly or indirectly, which in the opinion of the Board, is in conflict with his role under the Securities and Exchange Board of India (Depositories and Participants) Regulations

- a. Director
- b. Associate Director
- c. Interested director
- d. Public interest director
- e. Private interest director

Ans. c. Public interest director, Explanation: Regulation 2 Definitions: (m) "public interest director" means an independent director representing the interests of investors in securities market and who is not having any association, directly or indirectly, which in the opinion of the Board, is in conflict with his role.

68. According to Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations the Board may, on being satisfied with the capability of the applicant to comply with the conditions laid down in this regulation, grant in-principle approval to the applicant which shall be valid for a period of

- a. One year
- b. Two years
- c. Three years
- d. Seven years

- e. One hundred and twenty days

Ans. a. One year, Explanation: Regulation 7 Consideration of grant of recognition: (5) the Board may, on being satisfied with the capability of the applicant to comply with the conditions laid down in this regulation, grant in-principle approval to the applicant which shall be valid for a period of one year.

69. Securities contracts (Regulation) (Appeal to Securities Appellate Tribunal) Rules provides that every memorandum of appeal shall be _____

- In five copies
- In five copies and shall be accompanied with copies of the order
- In five copies and shall be accompanied with copies of the order, at least one of which shall be a certified copy, against which the appeal is filed
- In two copies and shall be accompanied with copies of the order, at least one of which shall be a certified copy, against which the appeal is filed
- In ten copies and shall be accompanied with copies of the order, at least one of which shall be a certified copy, against which the appeal is filed

Ans. c. In five copies and shall be accompanied with copies of the order, at least one of which shall be a certified copy, against which the appeal is filed, Explanation: Regulation 11. Documents to accompany memorandum of appeal: (1) Every memorandum of appeal shall be in five copies and shall be accompanied with copies of the order, at least one of which shall be a certified copy, against which the appeal is filed.

70. The Investigating Authority shall have the power to keep in his custody any books, registers, other documents and record produced under this regulation for a maximum period of _____ under the Securities And Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations

- Thirty days
- Forty-five days
- Six months
- Three months
- Ninety days

Ans. c. Six months, Explanation: Reg. 6 Powers of Investigating Authority (4) to keep in his custody any books, registers, other documents and record produced under this regulation for a maximum period of six months.

Descriptive Part: Attempt any 3 out of the given 5 questions. Each Question is of 10 marks

- What is the difference between Warrant Case and Summons Case? Explain the procedure of Warrant Trial
- Write a short note on Corporate Veil. What do you understand by Lifting of Corporate Veil?
- Write a short note on Quorum of Public Company
- Explain any 5 types of Evidence under Evidence Act
- What do you understand by Common Intention in Criminal Law. Explain using relevant provisions from IPC.

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