

Corporate & Other Laws - Exam Master Pack (Sept 2025) - v14 ONE FILE

100 MCQs • 56 Case Studies (FULLY FRAMED) • Rapid Recall • 'Amendment Watch' • Numbers-Only Cheat Sheet • Deposits Mini-Pack • Foreign Companies Forms Map - all-in-one.

Principles-safe wording. Verify any dates/forms with latest RTP/MTP on exam day.

Numbers-Only Cheat Sheet - Read Once Before Exam Hall

Topic	Number / Window	Remember
GM Notice (Sec 101)	21 clear days; Shorter notice: 95% consent	Clear days exclude day of sending and day of meeting
Quorum (Sec 103)	Public: 5/15/30; Private: 2	Quorum must subsist when business is transacted
MGT-14 (Sec 117)	30 days	File SRs + prescribed BRs with ROC
ADT-1	15 days from AGM/appointment	Auditor appointment intimation
ADT-3	30 days from resignation	Auditor files with reasons
PAS-3	30 days from allotment	Return of allotment
CHG-1 / CHG-4	30 days (creation / satisfaction)	Charges - register & satisfy
AOC-4 / XBRL	30 days from AGM	FS filing (OPC: 180 days from FY end)
MGT-7 / 7A	60 days from AGM	Annual return
IEPF	Unpaid dividend A/c: 7 days; IEPF: 7 years	Transfer shares linked to 7-year unpaid

Why Premium Super 30? Trend-based practice - RTP/MTP/PYQ adapted, not random.

Part A - 100 MCQs

Incorporation & Doctrines

MCQ 1

Minimum members Public/Private/OPC?

(a) 7,2,1	(b) 5,2,1
(c) 7,3,1	(d) 2,2,1

Correct: (a)

Incorporation & Doctrines

MCQ 2

Doctrine protecting outsiders?

(a) Constructive notice	(b) Indoor management
(c) Ultra vires	(d) Estoppel

Correct: (b)

Prospectus & Allotment

MCQ 3

Civil liability section?

(a) 34	(b) 35
(c) 62	(d) 68

Correct: (b)

Prospectus & Allotment

MCQ 4

Abridged prospectus accompanies:

(a) Application form	(b) Share certificate
(c) Minutes	(d) CSR report

Correct: (a)

Share Capital & Debentures

MCQ 5

Buyback under:

(a) 66	(b) 68
(c) 71	(d) 52

Correct: (b)

Why Premium Super 30? Ultimate Weapon layout - clean write-ups that score.

Share Capital & Debentures

MCQ 6

Kinds of share capital:

(a) Sec 43	(b) Sec 52
(c) Sec 71	(d) Sec 62

Correct: (a)

Meetings & Administration

MCQ 7

Notice period default:

(a) 14 clear	(b) 21 clear
(c) 30	(d) 7

Correct: (b)

Meetings & Administration

MCQ 8

Quorum section:

(a) 96	(b) 103
(c) 105	(d) 117

Correct: (b)

Audit & Auditors

MCQ 9

Auditor disqualifications:

(a) 141	(b) 139
(c) 143	(d) 147

Correct: (a)

Audit & Auditors

MCQ 10

Fraud reporting:

(a) 139	(b) 143
(c) 145	(d) 147

Correct: (b)

Accounts & Dividend

MCQ 11

True & fair FS:

(a) 128	(b) 129
(c) 134	(d) 133

Correct: (b)

Accounts & Dividend

MCQ 12

Dividend declaration:

(a) 123	(b) 124
(c) 127	(d) 128

Correct: (a)

LLP • Charges • Foreign Cos

MCQ 13

Charge creation filing:

(a) CHG-1	(b) CHG-4
(c) PAS-3	(d) ADT-1

Correct: (a)

LLP • Charges • Foreign Cos

MCQ 14

Foreign company must display:

(a) CSR policy	(b) Name & country
(c) Proxy form	(d) Rotation policy

Correct: (b)

Interpretation of Statutes

MCQ 15

Ejusdem generis:

(a) General after specific	(b) Specific after general
(c) None	(d) Always penal

Correct: (a)

Interpretation of Statutes

MCQ 16

Mischief rule case:

(a) Heydon	(b) Donoghue
(c) Foss	(d) Salomon

Correct: (a)

General Clauses Act

MCQ 17

Service by post deemed on:

(a) Posting properly addressed/prepaid	(b) Reading
(c) Signature	(d) Courier delivery

Correct: (a)

General Clauses Act

MCQ 18

Computation of time excludes:

(a) First day	(b) Last day
(c) Sundays	(d) All holidays

Correct: (a)

FEMA

MCQ 19

Capital account transaction:

(a) Alters assets/liabilities	(b) Routine current payments
(c) Tax refunds	(d) Grants

Correct: (a)

FEMA

MCQ 20

Contravention remedy:

(a) Compounding	(b) No remedy
(c) Criminal only	(d) ROC

Correct: (a)

Part A - 66 MCQs (Jan 2026 Ready)

Includes 60 rebuilt unique MCQs + 6 Amendment MCQs (CRC/FC-1). Topic distribution: Incorporation, Prospectus, Share Capital, Meetings, Accounts/Dividend/IEPF, Audit, GCA, FEMA, Deposits.
Source tags: ICAI Study Material / RTP / MTP - adapted | Style: single-best answer (A-D) | ASCII-safe text

Incorporation & Doctrines

MCQ 1. Certificate of Incorporation (COI) conclusiveness primarily means:

- (a) COI is only prima facie evidence of incorporation
- (b) COI is conclusive of company's existence from the date mentioned
- (c) COI can be set aside by any outsider in civil court
- (d) COI is conclusive only after first AGM

CORRECT: (b)

MCQ 2. Ultra vires act (beyond MOA objects) is:

- (a) Void but ratifiable by special resolution
- (b) Void ab initio and not capable of ratification
- (c) Valid if unanimously approved by Board
- (d) Valid if disclosed in Board's Report

CORRECT: (b)

MCQ 3. Indoor management (Turquand rule) protects:

- (a) Directors against shareholders
- (b) Bona fide outsiders dealing with the company
- (c) Auditors against regulators
- (d) Only listed company investors

CORRECT: (b)

MCQ 4. Which is NOT an exception to indoor management:

- (a) Forgery
- (b) Knowledge of irregularity
- (c) Matters of public record
- (d) Bona fide ignorance

CORRECT: (d)

MCQ 5. Pre-incorporation contracts are:

- (a) Always binding on the company
- (b) Not binding unless novated/adopted after incorporation
- (c) Binding if promoter signs 'for and on behalf of company'
- (d) Binding automatically on issue of COI

CORRECT: (b)

MCQ 6. Doctrine of constructive notice implies:

- (a) Outsiders are deemed to know MOA/AOA contents
- (b) Directors are deemed to know all insider emails
- (c) Auditors are deemed to know all minutes
- (d) Shareholders must know all registers

CORRECT: (a)

MCQ 7. Sec 8 company may:

- (a) Distribute profits as dividends freely
- (b) Apply profits solely to further its objects
- (c) Issue only preference shares
- (d) Skip Board meetings

CORRECT: (b)

MCQ 8. Commencement of business (Sec 10A) requires:

- (a) Filing of declaration of paid-up capital & verification of registered office
- (b) Only GST registration
- (c) Only first Board meeting
- (d) Only opening bank account

CORRECT: (a)

MCQ 9. Alteration of AOA by SR takes effect:

- (a) Only after MGT-14 filing on ROC
- (b) From the date of passing SR, subject to ROC filing/penalties
- (c) Only after approval by creditors
- (d) After first AGM following SR

CORRECT: (b)

MCQ 10. A company limited by guarantee:

- (a) Must have share capital
- (b) May or may not have share capital
- (c) Cannot have objects with profit motive
- (d) Must be a Sec 8 company

CORRECT: (b)

Prospectus & Allotment of Securities

MCQ 11. Civil liability for misstatement in prospectus is under:

- (a) Sec 34
- (b) Sec 35
- (c) Sec 62
- (d) Sec 68

CORRECT: (b)

MCQ 12. Abridged prospectus must accompany:

- (a) Share application form
- (b) Share certificate
- (c) Board minutes
- (d) CSR report

CORRECT: (a)

MCQ 13. Deemed prospectus generally arises on:

- (a) Offer for sale by intermediaries to public
- (b) Private placement
- (c) Rights issue
- (d) Bonus issue

CORRECT: (a)

MCQ 14. Shelf prospectus requires:

- (a) No updating between tranches
- (b) Information memorandum/updates for subsequent tranches
- (c) SEBI exemption every time
- (d) Credit rating is optional

CORRECT: (b)

MCQ 15. Minimum subscription not received-issuer must:

- (a) Forfeit application money
- (b) Refund within the prescribed period with interest if delayed
- (c) Convert to deposits
- (d) Carry forward to next issue

CORRECT: (b)

MCQ 16. Private placement under Sec 42 requires:

- (a) Unrestricted offerees
- (b) Offer to a limited number of identified persons with PAS-4 & separate bank a/c
- (c) No filings
- (d) Compulsory underwriting

CORRECT: (b)

MCQ 17. Misstatement by expert whose consent withdrawn before issue:

- (a) No issue if consent withdrawn-must update/correct
- (b) Liability never arises
- (c) Company can ignore
- (d) Only the expert is liable

CORRECT: (a)

MCQ 18. Right of rescission due to untrue statement is a:

- (a) Criminal remedy only
- (b) Civil remedy
- (c) No remedy if investor read offer
- (d) Only SEBI action

CORRECT: (b)

MCQ 19. Offer document omits material litigation-this is:

- (a) Trivial omission
- (b) Untrue statement by omission attracting Sec 34/35
- (c) Only director's fault
- (d) Only exchange's fault

CORRECT: (b)

MCQ 20. Private placement monies must be kept:

- (a) In general current a/c
- (b) In a separate bank account till allotment/refund
- (c) In petty cash
- (d) With promoters

CORRECT: (b)

Share Capital & Debentures

MCQ 21. Buy-back of shares under Sec 68 is permitted only for:

- (a) Fully paid shares
- (b) Partly paid shares
- (c) Either
- (d) Preference shares only

CORRECT: (a)

MCQ 22. Post buy-back, company must satisfy:

- (a) No solvency test
- (b) Specified debt-equity/solvency norms after buy-back
- (c) SEBI delisting norms
- (d) Only a Board resolution

CORRECT: (b)

MCQ 23. Bonus issue can generally be made out of:

- (a) Revaluation reserve
- (b) Free reserves or securities premium (as permitted)
- (c) Capital redemption reserve only

- (d) Share application money

CORRECT: (b)

MCQ 24. Preferential issue pricing must:

- (a) Ignore valuation norms
- (b) Comply with prescribed valuation/pricing norms
- (c) Be at par always
- (d) Be below face value

CORRECT: (b)

MCQ 25. Reduction of share capital requires:

- (a) Only Board resolution
- (b) Tribunal confirmation with creditor protection
- (c) No approvals
- (d) SEBI only

CORRECT: (b)

MCQ 26. Sweat equity can be issued to:

- (a) Promoters/employees as per conditions
- (b) Creditors only
- (c) Auditors
- (d) Any outsider without restriction

CORRECT: (a)

MCQ 27. Stock split involves:

- (a) Capitalising reserves
- (b) Altering face value to smaller denomination
- (c) Repaying share capital
- (d) Issuing new class of shares mandatorily

CORRECT: (b)

MCQ 28. Debenture trust deed/DRR-equivalent is aimed at:

- (a) Tax planning
- (b) Investor protection and terms enforcement
- (c) ESOPs
- (d) CSR

CORRECT: (b)

MCQ 29. Right issue offer must be:

- (a) Unreasonable short period
- (b) Made on reasonable time window with dispatch to all members
- (c) Only on website
- (d) Only to promoters

CORRECT: (b)

MCQ 30. Shares issued at discount are:

- (a) Generally prohibited except as permitted (e.g., sweat equity)
- (b) Freely allowed
- (c) Allowed if SR passed
- (d) Allowed to related parties only

CORRECT: (a)

Meetings & Administration

MCQ 31. Default notice for general meeting is:

- (a) 14 clear days
- (b) 21 clear days

- (c) 30 days
- (d) No minimum

CORRECT: (b)

MCQ 32. Shorter-notice AGM is valid with consent of:

- (a) 95% of members entitled to vote
- (b) 75% of share capital
- (c) Only Board
- (d) Statutory auditor

CORRECT: (a)

MCQ 33. Quorum must:

- (a) Exist only at start
- (b) Subsist when business is transacted
- (c) Not be required for SRs
- (d) Be ignored in private companies

CORRECT: (b)

MCQ 34. MGT-14 for SR must be filed within:

- (a) 7 days
- (b) 15 days
- (c) 30 days
- (d) 60 days

CORRECT: (c)

MCQ 35. Explanatory Statement under Sec 102 must disclose:

- (a) Nothing beyond agenda
- (b) All material facts including director's interest
- (c) Only chairman's note
- (d) Auditor's remuneration only

CORRECT: (b)

MCQ 36. Postal ballot is:

- (a) Optional always
- (b) Mandated for specified items as per law
- (c) Not permitted
- (d) For private companies only

CORRECT: (b)

MCQ 37. Minutes should generally be entered within:

- (a) 7 days
- (b) 30 days
- (c) 90 days
- (d) No timeline

CORRECT: (b)

MCQ 38. Member-requisitioned EGM is:

- (a) Invalid
- (b) Valid if requisites met; costs borne by company
- (c) Valid only for listed cos.
- (d) Requires NCLT pre-approval

CORRECT: (b)

MCQ 39. Proxy:

- (a) Can vote even if member is personally present
- (b) Cannot vote if member attends and votes

- (c) Can speak without permission
- (d) Must be a member

CORRECT: (b)

MCQ 40. Director's interest not disclosed in explanatory statement can:

- (a) Never affect validity
- (b) Vitiates the resolution and attract liability
- (c) Be ignored
- (d) Only affect listed cos.

CORRECT: (b)

Accounts, Dividend & IEPF

MCQ 41. True and fair financial statements are governed primarily by:

- (a) Sec 128
- (b) Sec 129
- (c) Sec 134
- (d) Sec 133 only

CORRECT: (b)

MCQ 42. Dividend out of free reserves in a loss year:

- (a) Is never allowed
- (b) Is allowed subject to prescribed limits/conditions
- (c) Needs only Board note
- (d) Requires NCLT order

CORRECT: (b)

MCQ 43. Unpaid dividend for 7 consecutive years leads to:

- (a) No consequence
- (b) Transfer of amount and related shares to IEPF
- (c) Only a disclosure
- (d) Write-off

CORRECT: (b)

MCQ 44. AOC-4/XBRL filing timeline (non-OPC) is usually:

- (a) 30 days from AGM
- (b) 60 days from AGM
- (c) 90 days from FY end
- (d) No filing

CORRECT: (a)

MCQ 45. Books kept at a place other than registered office:

- (a) Not permitted
- (b) Permitted with Board decision and prescribed intimation
- (c) Requires SR
- (d) Requires SEBI approval

CORRECT: (b)

Audit & Auditors

MCQ 46. Auditor resignation filing:

- (a) Company files ADT-3
- (b) Auditor files ADT-3 within timeline with reasons
- (c) ROC files ADT-3
- (d) No filing

CORRECT: (b)

MCQ 47. Auditor disqualification due to relative's shareholding may be cured if:

- (a) Sold within prescribed window
- (b) Never curable
- (c) Only if Board condones
- (d) Only if SR passed

CORRECT: (a)

MCQ 48. Prohibited services by auditor/network firm:

- (a) Tax audit
- (b) Management services/decision-making
- (c) Statutory audit
- (d) Certification

CORRECT: (b)

MCQ 49. Removal of auditor before term ends:

- (a) Board can do it without approvals
- (b) Requires prescribed approvals/filings under Sec 140
- (c) Shareholders may do it in any GM
- (d) No process defined

CORRECT: (b)

MCQ 50. Fraud reporting by auditor is under:

- (a) Sec 139
- (b) Sec 143
- (c) Sec 145
- (d) Sec 147

CORRECT: (b)

General Clauses Act & Interpretation

MCQ 51. 'Within 30 days of event' generally means:

- (a) Include the first day
- (b) Exclude the first day; include last unless holiday
- (c) Exclude last day always
- (d) Count only working days

CORRECT: (b)

MCQ 52. Service by post is deemed effected when:

- (a) Letter is read by addressee
- (b) Properly addressed, prepaid and posted
- (c) Courier confirms delivery
- (d) ROC acknowledges

CORRECT: (b)

MCQ 53. Masculine includes feminine; singular <-> plural applies:

- (a) Never
- (b) Unless context otherwise requires
- (c) Only in criminal law
- (d) Only for listed companies

CORRECT: (b)

MCQ 54. Literal rule may yield to:

- (a) Mischief/purposive rule to avoid absurdity
- (b) No other rule
- (c) Only equity rule
- (d) Commercial practice

CORRECT: (a)

MCQ 55. Expressio unius est exclusio alterius means:

- (a) Expression of one implies exclusion of others (when intent clear)
- (b) All listed are included
- (c) General words take colour from specific
- (d) None

CORRECT: (a)

FEMA

MCQ 56. Capital account transaction generally is one that:

- (a) Relates to routine current payments
- (b) Alters assets/liabilities outside India of persons resident in India
- (c) Is always prohibited
- (d) Is only FDI

CORRECT: (b)

MCQ 57. Current account transaction is:

- (a) Always capital in nature
- (b) Payments due in connection with foreign trade, services, etc.
- (c) Only gifts
- (d) Only LRS

CORRECT: (b)

MCQ 58. Liberalised Remittance Scheme (LRS) permits resident individuals to:

- (a) Remit up to notified limits for permitted purposes via ADs
- (b) Remit without limit for any purpose
- (c) Remit only for investment in India
- (d) Remit only for medical

CORRECT: (a)

MCQ 59. Contravention under FEMA can be:

- (a) Compounded by competent authority as per law
- (b) Never compounded
- (c) Only criminally tried
- (d) Ignored if voluntary

CORRECT: (a)

MCQ 60. ODI by individuals under LRS:

- (a) Always permitted without conditions
- (b) Subject to applicable RBI framework; distinguish from LRS for current transactions
- (c) Never permitted
- (d) Only through cash

CORRECT: (b)

Deposits (Secs 73-76 & Rules)

MCQ 61. Tenure for deposits is generally:

- (a) 3-12 months only
- (b) 6-36 months (with a small 3-6 month window for specified short-term)
- (c) 12-60 months
- (d) No minimum

CORRECT: (b)

MCQ 62. Deposit Repayment Reserve requires:

- (a) 10% of paid-up capital

- (b) 20% of deposits maturing in next FY kept by 30 April
- (c) 100% of outstanding
- (d) No reserve

CORRECT: (b)

MCQ 63. Annual return/particulars of deposits filed in:

- (a) DPT-1
- (b) DPT-2
- (c) DPT-3
- (d) MGT-7

CORRECT: (c)

MCQ 64. Customer advance not adjusted/refunded within permitted period:

- (a) Remains an advance
- (b) Becomes a deposit as per rules
- (c) Becomes capital
- (d) Is CSR

CORRECT: (b)

MCQ 65. Trust deed for secured deposits is:

- (a) DPT-2
- (b) DPT-1
- (c) CHG-1
- (d) ADT-1

CORRECT: (a)

Amendment Patch (Jan 2026) - CRC/FC-1 for Foreign Companies

MCQ 66. Under the amended Companies (Registration of Foreign Companies) Rules, 2014, Form FC-1 must be delivered to:

- (a) The jurisdictional Registrar
- (b) The Registrar, Central Registration Centre (CRC)
- (c) SEBI
- (d) Any ROC of company's choice

CORRECT: (b)

MCQ 67. The amendment inserting the CRC proviso is located in:

- (a) Rule 3(3) second proviso
- (b) Rule 8(1) proviso
- (c) Rule 6(1) explanation
- (d) Rule 10(2) proviso

CORRECT: (b)

MCQ 68. Effective date of the above amendment (G.S.R. 491(E)) is:

- (a) 12 August 2024
- (b) 09 September 2024
- (c) 01 July 2024
- (d) 28 February 2025

CORRECT: (b)

MCQ 69. Time limit to file FC-1 after establishing a place of business in India is generally:

- (a) 15 days
- (b) 30 days
- (c) 45 days
- (d) 60 days

CORRECT: (b)

MCQ 70. Along with FC-1, a foreign company must attach:

- (a) Only Board resolution
- (b) Attested RBI approval or declaration that none is required, and approvals of other regulators if applicable
- (c) CSR policy
- (d) Tax residency certificate

CORRECT: (b)

MCQ 71. Post-amendment, the word 'registrar' in Rule 3(3) is substituted with:

- (a) Registrar of Companies (state)
- (b) Registrar, Central Registration Centre
- (c) Regional Director
- (d) NCLT

CORRECT: (b)

Part B - 56 Case-Based Studies (Fully Framed)

CASE 1

Incorporation & Doctrines

COI obtained by fraud - outsider challenges existence

FACTS. ROC issued Certificate of Incorporation (COI). Later, subscriber declarations found false; supplier refuses contract.

ISSUES. I1. Is COI conclusive? I2. Remedy for fraud?

LAW. Sec 7; COI is conclusive of existence. NCLT can grant relief for fraud; Turquand protects bona fide outsiders.

APPLICATION. Supplier cannot impeach existence; fraud addressed internally before NCLT.

■ **FINAL.** Company exists in law; supplier bound. Seek NCLT relief for fraud.

CASE 2

Incorporation & Doctrines

Ultra vires objects - derivative swap

FACTS. MOA bars derivatives; Board entered a swap with bank.

ISSUES. I1. Validity? I2. Ratification?

LAW. Ultra vires acts are void ab initio; cannot be ratified; directors liable to company.

APPLICATION. Swap unenforceable against company; bank bears capacity risk.

■ **FINAL.** Void; no ratification. Internal recourse only.

CASE 3

Incorporation & Doctrines

Indoor management - irregular signer

FACTS. Articles need two signatures; only one irregularly appointed director signed certificates.

ISSUES. I1. Enforceability?

LAW. Turquand protects outsiders unless put on inquiry; exceptions: knowledge, suspicion, forgery.

APPLICATION. One-signature may alert; facts decide bona fides.

■ **FINAL.** Likely enforceable for bona fide holders; cure defect.

CASE 4

Incorporation & Doctrines

Sec 8 company drifts from objects

FACTS. Sec 8 co. retains surplus; spends on unrelated brand-building.

ISSUES. I1. Risk?

LAW. Sec 8: profits must further objects; licence can be revoked; conversion/winding possible.

APPLICATION. Dominant object diluted; authority may direct correction.

■ **FINAL.** Realign or seek conversion; risk of action.

CASE 5

Incorporation & Doctrines

Commencement (Sec 10A) missed

FACTS. Company started operations without 10A declaration.

ISSUES. I1. Effect?

LAW. Non-compliance invites penalties/restrictions; outsider contracts not automatically void.

APPLICATION. Regularise filing; assess contracts case-wise.

■ **FINAL.** File 10A; contracts generally subsist; penalties apply.

CASE 6

Incorporation & Doctrines

Promoter's secret profit pre-incorporation

FACTS. Land flipped to company without disclosure.

ISSUES. I1. Remedies?

LAW. Promoter fiduciary duty; disclose profit; rescission/recovery available.

APPLICATION. Consent vitiated; sue for recovery.

■ **FINAL.** Recover secret profit or rescind.

CASE 7

Incorporation & Doctrines

SR altering AOA - filing late

FACTS. SR passed; MGT-14 filed late.

ISSUES. I1. Effect?

LAW. Sec 14/117: late filing penal; public notice delayed; enforceability vs outsiders affected.

APPLICATION. Internal effect from passing; outsiders protected until filing.

■ **FINAL.** File with fee; caution on enforceability.

CASE 8

Incorporation & Doctrines

Name reservation vs passing-off

FACTS. Similar name adopted; ROC had reserved.

ISSUES. I1. Protection?

LAW. ROC name approval administrative; civil passing-off still open; change direction possible.

APPLICATION. Existing brand may sue; ROC may direct change.

■ **FINAL.** Not a shield - expect change and civil restraint.

CASE 9

Prospectus & Allotment

Omission of material litigation

FACTS. Prospectus hides material litigation; investors lose.

ISSUES. I1. Civil vs criminal?

LAW. Sec 34 (criminal), Sec 35 (civil); omission = untrue statement; defences exist.

APPLICATION. Misstatement established → liability.

■ **FINAL.** Rescission/damages; penal exposure for officers.

CASE 10

Prospectus & Allotment

Deemed prospectus - offer for sale

FACTS. First allotment to intermediary; then public sale.

ISSUES. I1. Liability map?

LAW. Deemed prospectus triggers Sec 34/35; responsible persons liable.

APPLICATION. Intermediary route does not dilute duties.

■ **FINAL.** Liability follows prospectus regime.

CASE 11

Prospectus & Allotment

Abridged prospectus missing

FACTS. Forms issued without abridged prospectus.

ISSUES. I1. Status?

LAW. Breach of disclosure; investor protection compromised.

APPLICATION. Exposure to penalties; affect enforceability if fundamental.

■ **FINAL.** Rectify; risk persists.

CASE 12

Prospectus & Allotment

Private placement breaches

FACTS. Exceeds cap; PAS-4 not issued; funds mixed.

ISSUES. I1. Nature?

LAW. Sec 42: strict; headcount cap; PAS-4; separate bank handling.

APPLICATION. Breach may re-characterise; penalties/refunds.

■ **FINAL.** Fix docs; segregate/refund.

CASE 13

Prospectus & Allotment

Expert consent absent

FACTS. Report included without consent.

ISSUES. I1. Defence?

LAW. Without consent, expert-reliance defence fails.

APPLICATION. Exposure rises; consider addendum/withdrawal.

■ **FINAL.** Secure consent; correct record.

CASE 14

Prospectus & Allotment

Shelf prospectus - later misstatement

FACTS. Second tranche contains error.

ISSUES. I1. Duty?

LAW. Keep info true per tranche; update via memorandum/addendum.

APPLICATION. Failure triggers 34/35.

■ **FINAL.** Update/correct before issue.

CASE 15

Prospectus & Allotment

Refund delay post min-sub not met

FACTS. Refunds delayed.

ISSUES. I1. Consequence?

LAW. Statutory interest/penalty applies.

APPLICATION. Investor protection paramount.

■ **FINAL.** Refund with interest; fix process.

CASE 16

Prospectus & Allotment

Forward-looking puffery

FACTS. Projections without basis.

ISSUES. I1. Opinion or untrue?

LAW. Opinions need reasonable basis; half-truths attract liability.

APPLICATION. No basis → misleading.

■ **FINAL.** Qualify with assumptions/basis.

Part B - Case Studies (Continued)

CASE 17

Share Capital & Debentures

Buyback of partly-paid shares

FACTS. Board proposes buyback of partly-paid equity.

ISSUES. I1. Permissible?

LAW. Sec 68 requires fully paid; cancellation of partly-paid is reduction (Sec 66).

APPLICATION. Buyback route incorrect.

■ **FINAL.** Use reduction route.

CASE 18

Share Capital & Debentures

Bonus from revaluation reserve

FACTS. Plan to capitalise revaluation reserve.

ISSUES. I1. Permissible?

LAW. Bonus generally from free reserves/securities premium; not revaluation reserve.

APPLICATION. Source ineligible.

■ **FINAL.** Use eligible reserves.

CASE 19

Share Capital & Debentures

Preferential issue below valuation

FACTS. Price below valuation basis.

ISSUES. I1. Pricing norms?

LAW. Must follow prescribed valuation norms and private placement rules.

APPLICATION. Breach risks invalidation/penalties.

■ **FINAL.** Align with valuation.

CASE 20

Share Capital & Debentures

Reduction challenged by creditor

FACTS. Creditor with suit objects to reduction.

ISSUES. I1. Protection?

LAW. Sec 66 requires Tribunal confirmation and creditor protection (payment/security).

APPLICATION. Without protection, unlikely to confirm.

■ **FINAL.** Provide security/settle.

CASE 21

Share Capital & Debentures

Debentures without safeguards

FACTS. Trust deed/DRR-equivalent skipped.

ISSUES. I1. Obligation?

LAW. Meet Act/Rules/SEBI terms; investor protection docs required.

APPLICATION. Lapses jeopardise investors.

■ **FINAL.** Execute documents/filings.

CASE 22

Share Capital & Debentures

Share certificate without seal (AOA requires)

FACTS. AOA still mandates seal; issue without seal.

ISSUES. I1. Validity?

LAW. Omission is irregular if AOA requires; amend AOA or execute per AOA.

APPLICATION. Procedural risk exists.

■ **FINAL.** Rectify or amend AOA.

CASE 23

Share Capital & Debentures

Rights issue late notice

FACTS. Member missed window due to late notice.

ISSUES. I1. Effect?

LAW. Offer must be reasonable; failure invites challenge.

APPLICATION. Offer extension/waiver is fair cure.

■ **FINAL.** Re-offer or compensate.

CASE 24

Share Capital & Debentures

Post-buyback ratios breach

FACTS. Post-buyback debt-equity adverse.

ISSUES. I1. Proceed?

LAW. Solvency/ratio norms must hold after buyback.

APPLICATION. Cannot proceed.

■ **FINAL.** Defer until compliant.

CASE 25

Meetings & Administration

AGM with 14 clear days without 95% consent

FACTS. AGM notice had only 14 clear days and no 95% consent.

ISSUES. I1. Validity?

LAW. Sec 101: 21 clear days unless shorter notice with 95% consent.

APPLICATION. Non-compliant → vulnerable.

■ **FINAL.** Re-convene/ratify lawfully.

CASE 26

Meetings & Administration

Quorum drops mid-meeting; SR passed

FACTS. Attendance fell below quorum; SR taken up.

ISSUES. I1. Subsisting quorum?

LAW. Sec 103 requires quorum when business is transacted.

APPLICATION. SR invalid without quorum.

■ **FINAL.** Adjourn or restore quorum.

CASE 27

Meetings & Administration

Explanatory Statement omission

FACTS. Director's interest not disclosed.

ISSUES. I1. Effect?

LAW. Sec 102 requires material facts; omission vitiates decision; liability possible.

APPLICATION. Resolution vulnerable.

■ **FINAL.** Re-issue notice; pass afresh.

CASE 28

Meetings & Administration

Postal ballot mandated but meeting used

FACTS. Item required postal ballot; passed in meeting.

ISSUES. I1. Status?

LAW. Mandated mode must be used; meeting alone is defective.

APPLICATION. Resolution vulnerable.

■ **FINAL.** Re-do via postal ballot/e-voting.

CASE 29

Meetings & Administration

Minutes entered late

FACTS. Minutes recorded after excessive delay.

ISSUES. I1. Effect?

LAW. Evidentiary presumption weakens; decisions not auto-void.

APPLICATION. Substance remains unless other flaw.

■ **FINAL.** Record reasons; fix timelines.

CASE 30

Meetings & Administration

MGT-14 filed late

FACTS. SR filed after 30 days.

ISSUES. I1. Risk?

LAW. Additional fee/penalty; delayed public notice.

APPLICATION. Substance stands internally.

■ **FINAL.** File with fee; improve calendar.

CASE 31

Meetings & Administration

Member-requisitioned EGM valid?

FACTS. Members convened after Board inaction.

ISSUES. I1. Validity?

LAW. Law allows members if requisites met; costs borne by company.

APPLICATION. Formalities complied → valid.

■ **FINAL.** Valid; recover costs.

CASE 32

Meetings & Administration

Late proxy; member attends

FACTS. Proxy late; member appears.

ISSUES. I1. Vote?

LAW. Member can vote personally; proxy invalid.

APPLICATION. Personal right remains.

■ **FINAL.** Member may vote; proxy cannot.

Part B - Case Studies (Continued)

CASE 33

Audit & Auditors

Removal mid-term

FACTS. Board wants removal before term ends due to disagreements.

ISSUES. I1. Process?

LAW. Sec 140 prescribes prior approvals/filings; reasons recorded; vacancy filled as per Act.

APPLICATION. Skipping process invalid/penal.

■ **FINAL.** Follow Sec 140 strictly.

CASE 34

Audit & Auditors

Auditor resigns - ADT-3

FACTS. Auditor resigned; filing delayed.

ISSUES. I1. Who files/when?

LAW. Auditor files ADT-3 within timeline (commonly 30 days) with reasons; company fills vacancy.

APPLICATION. Delay penal; start vacancy process.

■ **FINAL.** File ADT-3; appoint replacement.

CASE 35

Audit & Auditors

Relative's shareholding cured

FACTS. Relative crossed limit but sold within window.

ISSUES. I1. Disqualification?

LAW. Sec 141 cure window avoids vacation if timely rectified.

APPLICATION. Cured → no continuing disqualification.

■ **FINAL.** No disqualification post-cure.

CASE 36

Audit & Auditors

Prohibited services by network firm

FACTS. Management services rendered by network firm.

ISSUES. I1. Independence?

LAW. Prohibited services impair independence; avoid.

APPLICATION. Threat exists; remediate.

■ **FINAL.** Discontinue; assess impact.

CASE 37

Audit & Auditors

Audit Committee not constituted

FACTS. Applicability met but committee absent.

ISSUES. I1. Consequences?

LAW. Governance breach; penalties possible; IFC oversight weak.

APPLICATION. Constitute urgently; disclose/cure.

■ **FINAL.** Form committee; document compliance.

CASE 38

Audit & Auditors

Going concern uncertainty

FACTS. Management signals doubt.

ISSUES. I1. Reporting?

LAW. Use MURGC/qualification per Standards; gather evidence; talk to TCWG.

APPLICATION. Depends on adequacy of disclosure.

■ **FINAL.** Include appropriate paragraph/qualification.

CASE 39

Audit & Auditors

KAMs are not opinions

FACTS. KAM-like items occurred.

ISSUES. I1. Nature?

LAW. KAMs are communications, not separate opinions.

APPLICATION. Describe clearly without extra opinions.

■ **FINAL.** State KAMs; opinion on FS as a whole.

CASE 40

Audit & Auditors

Regulatory penalty risk

FACTS. Deficiencies noted by regulator.

ISSUES. I1. Outcome?

LAW. Penalties/debarment possible for misconduct/negligence.

APPLICATION. Maintain workpapers; respond to notices.

■ **FINAL.** Strengthen QC; cooperate with regulator.

CASE 41

Accounts • Dividend • IEPF

Dividend from free reserves despite loss

FACTS. Company proposes dividend in loss year.

ISSUES. I1. Can use free reserves?

LAW. Permitted subject to prescribed limits/conditions.

APPLICATION. Check conditions and solvency.

■ **FINAL.** Possible if conditions met; else breach.

CASE 42

Accounts • Dividend • IEPF

Unpaid dividend for 7 years - shares

FACTS. Unpaid for 7 consecutive years.

ISSUES. I1. Treatment?

LAW. Transfer amounts to IEPF; transfer related shares; refunds via authority.

APPLICATION. Company facilitates; not direct repayment post-transfer.

■ **FINAL.** Transfer per rules; guide claimants.

CASE 43

Accounts • Dividend • IEPF

CSR disclosure gap in Board's Report

FACTS. CSR key items omitted.

ISSUES. I1. Consequence?

LAW. Sec 134 non-compliance; penalties/rectification.

APPLICATION. Addendum/next cycle correction.

■ **FINAL.** Ensure full disclosure.

CASE 44

Accounts • Dividend • IEPF

Books at other place; e-records

FACTS. E-books kept at location other than RO.

ISSUES. I1. Compliance?

LAW. Board decision and prescribed intimation; e-maintenance permitted.

APPLICATION. Ensure resolution/intimation.

■ **FINAL.** Compliant if formalities done.

CASE 45

Accounts • Dividend • IEPF

Ind AS applicability doubt

FACTS. Small co. unsure about Ind AS.

ISSUES. I1. Framework?

LAW. Follow notified thresholds/roadmap; else AS.

APPLICATION. Assess criteria; document basis.

■ **FINAL.** Apply correct framework; disclose.

CASE 46

Accounts • Dividend • IEPF

Interim dividend - loss later

FACTS. Loss after interim dividend declared but before payment.

ISSUES. I1. Rescind?

LAW. Board may vary/cancel pre-payment if justified.

APPLICATION. Record reasons/resolution.

■ **FINAL.** May rescind/vary; post-payment differs.

CASE 47

Accounts • Dividend • IEPF

Missed XBRL filing

FACTS. Eligible co. filed non-XBRL.

ISSUES. I1. Impact?

LAW. Compliance breach; file with additional fee; correct taxonomy.

APPLICATION. Rectify promptly.

■ **FINAL.** File now; track deadlines.

CASE 48

Accounts • Dividend • IEPF

RPT disclosure gap

FACTS. FS omitted material RPT.

ISSUES. I1. Effect?

LAW. Schedule III/Standards require disclosure; auditor may qualify.

APPLICATION. Consider revision if material.

■ **FINAL.** Comply fully; strengthen controls.

Part B - Case Studies (Continued)

CASE 49

FEMA

LRS remittance - education/travel

FACTS. Resident remits under LRS for education/travel.

ISSUES. I1. Allowable?

LAW. LRS permits specified purposes within limits via ADs; KYC/docs needed.

APPLICATION. Purpose fits; follow limits.

■ **FINAL.** Allowed subject to limits/docs.

CASE 50

FEMA

Contravention - compounding route

FACTS. Breach of FEMA regulation detected.

ISSUES. I1. Cure?

LAW. Apply for compounding with competent authority; stops proceedings for the compounded offence.

APPLICATION. Regularise transaction; pay compounding amount.

■ **FINAL.** Use compounding; tighten controls.

CASE 51

LLP

Partner's wrongful act in business

FACTS. Partner commits wrongful act in ordinary course.

ISSUES. I1. Liability?

LAW. LLP liable; partner personally liable for his own wrong.

APPLICATION. Vicarious liability attaches to LLP.

■ **FINAL.** LLP liable; partner also liable personally.

CASE 52

Charges

Unregistered charge - priority risk

FACTS. Charge not registered in time.

ISSUES. I1. Against liquidator/creditors?

LAW. Unregistered registrable charge is void against liquidator/creditors; priority lost.

APPLICATION. Register with fee/condonation.

■ **FINAL.** Register promptly; risk persists until recorded.

CASE 53

Foreign Companies

Signage & filings

FACTS. Liaison office shows only logo; no country of incorporation.

ISSUES. I1. Compliant?

LAW. Must display name & country; do FC-1/2/3/4 as prescribed.

APPLICATION. Non-compliant signage; check filings too.

■ **FINAL.** Fix signage; update filings.

CASE 54

SBO

Layered owner ignores notices

FACTS. Suspected SBO not responding.

ISSUES. I1. Enforcement?

LAW. Company may restrict rights and report to authority until disclosure.

APPLICATION. Proceed with restriction.

■ **FINAL.** Restrict rights; escalate per rules.

CASE 55

Charges

Satisfaction filing delayed (CHG-4)

FACTS. Loan repaid; filing delayed.

ISSUES. I1. Risk?

LAW. Additional fee/condonation; public record shows encumbrance until updated.

APPLICATION. File CHG-4.

■ **FINAL.** File; clear record.

CASE 56

Foreign Companies/LLP

Conversion continuity

FACTS. Firm converted to LLP; counterparty demands fresh contracts.

ISSUES. I1. Continuity?

LAW. Assets/liabilities vest in LLP; contracts continue unless otherwise provided.

APPLICATION. Notify counterparties.

■ **FINAL.** Continuity preserved; no automatic novation needed.

CASE 57

Interpretation of Statutes

Ejusdem vs Expressio Unius

FACTS. 'Cars, trucks, buses and other vehicles' - forklifts disputed.

ISSUES. I1. Rule?

LAW. Ejusdem: general takes colour from specific; expressio unius excludes others when intent clear.

APPLICATION. Forklifts not road vehicles; likely outside genus.

■ **FINAL.** Ejusdem applies; forklifts excluded on facts.

CASE 58

Interpretation of Statutes

Literal vs Mischief

FACTS. Literal reading penalises harmless clerical error.

ISSUES. I1. Can court depart?

LAW. Use Mischief/purposive to avoid absurdity; advance remedy.

APPLICATION. Literal would defeat purpose.

■ **FINAL.** Apply purposive reading; avoid absurd result.

CASE 59

Interpretation of Statutes

Proviso role

FACTS. Proviso adds condition for subset.

ISSUES. I1. Enlarge main section?

LAW. Proviso qualifies/carves out; does not enlarge.

APPLICATION. Treat as limiter.

■ **FINAL.** Read proviso as qualifier only.

CASE 60

Interpretation of Statutes

Deeming fiction scope

FACTS. Deemed as X for purpose A - argued for all purposes.

ISSUES. I1. Extent?

LAW. Legal fiction confined to its purpose unless clearly extended.

APPLICATION. Limit to purpose A.

■ **FINAL.** Apply fiction narrowly.

CASE 61

General Clauses Act

Compute time - first day excluded

FACTS. 'Within 30 days of event'.

ISSUES. I1. How compute?

LAW. Exclude first day; include last unless holiday → next working day.

APPLICATION. Apply accordingly.

■ **FINAL.** Compute per GCA; mind 'clear days' language if used.

CASE 62

General Clauses Act

Gender/number defaults

FACTS. 'He' - does it include 'she'? Singular vs plural?

ISSUES. I1. Defaults?

LAW. Masculine includes feminine; singular ↔ plural unless context otherwise.

APPLICATION. Context doesn't displace defaults.

■ **FINAL.** Apply defaults.

CASE 63

General Clauses Act

Repeal - savings

FACTS. New law repeals old; rights claimed lost.

ISSUES. I1. Effect?

LAW. Savings preserve accrued rights/liabilities/investigations unless contrary intent.

APPLICATION. Rights/liabilities generally saved.

■ **FINAL.** Proceed as saved.

CASE 64

General Clauses Act

Service by post deemed

FACTS. Properly posted; addressee denies reading.

ISSUES. I1. Valid service?

LAW. Deemed effected on proper posting; rebuttable.

APPLICATION. Proof of posting suffices absent contrary proof.

■ **FINAL.** Service deemed effected.

Rapid Recall - Sections • Rules • Mnemonics

Super-5: Sec 3 • Sec 23 • Sec 62/68 • Sec 129/134 • Sec 139/141.

Interpretation: Literal • Golden • Mischief • Ejusdem • Noscitur • Expressio Unius • Purposive • Casus Omissus.

GCA: Commencement • Time • Singular↔Plural • Gender • Savings • Service by post.

FEMA: Capital vs Current • LRS • Compounding.

Deposits Mini-Pack - 8 MCQs + 2 Micro-Cases + Form Map

Deposits — Secs 73–76 / Rules

MCQ 1

Which is a deposit?

(a) Director loan with declaration	(b) Customer advance within allowed period
(c) Member money not covered by exclusion	(d) Bank loan

Correct: (c)

Deposits — Secs 73–76 / Rules

MCQ 2

Tenure window:

(a) 3-12 m	(b) 6-36 m (small 3-6 m window allowed)
(c) 12-60 m	(d) No min

Correct: (b)

Deposits — Secs 73–76 / Rules

MCQ 3

Deposit Repayment Reserve:

(a) 20% of next FY maturities by 30 April	(b) 100% of outstanding
(c) No reserve	(d) 10% of paid-up

Correct: (a)

Deposits — Secs 73–76 / Rules

MCQ 4

Annual return/particulars filed in:

(a) DPT-1	(b) DPT-2
(c) DPT-3	(d) MGT-7

Correct: (c)

Deposits Mini-Pack - Continued

Deposits — Secs 73–76 / Rules

MCQ 5

Circular/advertisement form:

(a) DPT-1	(b) DPT-2
(c) DPT-3	(d) PAS-3

Correct: (a)

Deposits — Secs 73–76 / Rules

MCQ 6

Trust deed for secured deposits:

(a) DPT-1	(b) DPT-2
(c) CHG-1	(d) ADT-1

Correct: (b)

Deposits — Secs 73–76 / Rules

MCQ 7

Public deposits:

(a) Any co.	(b) Only eligible cos. with conditions
(c) Only private cos.	(d) Never

Correct: (b)

Deposits — Secs 73–76 / Rules

MCQ 8

Contravention:

(a) Only warning	(b) Company & officers face penalties and repayment duties
(c) No effect	(d) Convert to equity

Correct: (b)

Micro-Case 1

Customer advance not adjusted/refunded within permitted period without legal reason.

Ask: Does it become a deposit?

■ **FINAL:** Yes - generally becomes a deposit; comply with rules/penalties if applicable.

Micro-Case 2

Share application money held beyond 60 days without allotment/refund.

Ask: Treatment?

■ **FINAL:** Becomes deposit after window; refund/compliance required.

Form Map: DPT-1 - Circular • DPT-2 - Deposit Trust Deed • DPT-3 - Annual return/particulars.

Why Premium Super 30? Personal mentorship & daily checks - including exam-night support.

Foreign Companies - Forms Map

Form	Purpose	Who files	Remember
FC-1	Initial information + charter copies	Foreign company (authorised rep)	File after establishing presence
FC-2	Return of alterations (charter/directors/address/places)	Foreign company	Update on changes
FC-3	Annual accounts / list of places of business in India	Foreign company	Statements of Indian business as prescribed
FC-4	Annual return of foreign company	Foreign company	Annual compliance, align FY

RTP & MTP Mapping Index (Sept 2025) - Where to Practice in This Pack

Mapped by **theme** (not verbatim questions). Use this to jump from RTP/MTP theme → our MCQs / Cases / Quick refs.

Theme (RTP/MTP style)	Practice Here (Case Titles)	Quick Ref
Private Placement (Sec 42): headcount cap, PAS-4, separate bank	Case: "Private placement breaches - headcount & PAS-4"; "Deemed prospectus - offer for sale"	Cheat: PAS-3 30d; Notice 21 clear • Rapid Recall
Prospectus Misstatement/Omission (Secs 34/35): expert consent, half-truths	Case: "Omission of material litigation"; "Expert statement without consent"; "Half-truth - selective disclosure"	MCQs: Prospectus set; Rapid Recall
Buy-back & Post D/E Ratio; fully-paid only	Case: "Buyback of partly-paid shares"; "Post-buyback ratios breach"	Cheat: Buyback vs Reduction line • Rapid Recall
Bonus vs Split vs Reduction	Case: "Bonus from revaluation reserve"; "Bonus vs Stock Split"; "Reduction challenged by creditor"	Rapid Recall
AGM Notice/Shorter Notice (21 clear/95%); Quorum subsists; Postal ballot	Case: "AGM with 14 clear days without 95%"; "Quorum drops mid-meeting"; "Postal ballot mandated but meeting used"	Cheat: Sec 101/103; MGT-14 30d
Explanatory Statement (Sec 102); Minutes timing	Case: "Explanatory Statement omission"; "Late minutes entry"	Rapid Recall
MGT-14 timelines & effect of late filing	Case: "SR filed late (MGT-14)"	Cheat: MGT-14 30d
Transfers/Transmission; partly-paid; refusal windows	Case: "Rights issue late notice"; "Transmission vs Transfer - unpaid calls"	Rapid Recall
Deposits (Secs 73-76): 6-36m, 20% reserve, DPT-1/2/3; advances & share application	Deposits Mini-Pack (MCQs 1-8; Micro-cases 1-2)	Mini-Pack • Rapid Recall
IEPF 7-year rule & shares	Case: "Unpaid dividend for 7 years - shares transfer"	Cheat: IEPF timing
Audit: Removal (Sec 140), Resignation (ADT-3), Independence, KAMs	Case: "Removal mid-term"; "Auditor resigns - ADT-3"; "Prohibited services; KAMs"	Cheat: ADT-1/3 timelines • Rapid Recall
Charges (CHG-1/4) - creation/satisfaction & priority	Case: "Unregistered charge - priority"; "Satisfaction filing delayed (CHG-4)"	Cheat: CHG-1/4 30d
Foreign Companies - signage, FC-1/2/3/4	Case: "Display & filings lapse"; Forms Map page	Foreign Companies Forms Map
SBO (Sec 90) - restrict rights	Case: "Layered holding ignores notices - restrict rights"	Rapid Recall

Why Premium Super 30? Personal mentorship & daily checks - including exam-night support.

FEMA - LRS prohibitions & Compounding	Case: "LRS remittance - education/travel"; "Contravention - compounding"; "ODI vs LRS - individuals"	Rapid Recall
GCA - time computation & service by post	Case: "Compute time - first day excluded"; "Service by post deemed"	Rapid Recall
Interpretation - literal vs mischief, ejusdem, provisos, deeming	Case: "Literal vs Mischief"; "Ejusdem vs Expressio Unius"; "Proviso scope"; "Deeming fiction scope"	Rapid Recall

RTP/MTP Case Clinic - 12 Fresh Practice Cases (Fully Framed)

CLINIC CASE 1

Private Placement

Headcount exceeded; PAS-4 missing; funds in general a/c

FACTS. Company offered to 230 persons in FY without tracking previous offers; PAS-4 not issued; monies parked in general current account.

ISSUES. I1. Does offer violate Sec 42? I2. Treatment of monies?

LAW. Sec 42: cap on identified offerees; PAS-4, PAS-3; money to a separate account till allotment/refund; penalties for breach.

APPLICATION. Headcount breach + documentation failure → non-compliance; monies wrongly handled.

■ **FINAL.** Offer vulnerable; refund/penalties; re-do strictly under Sec 42 with proper banking/documentation.

CLINIC CASE 2

Prospectus

Expert consent pulled after filing

FACTS. Prospectus filed with an expert report; expert withdrew consent before issue opened.

ISSUES. I1. Liability if not updated?

LAW. Secs 34/35: untrue statements; expert consent must subsist; on withdrawal, issuer must update/correct.

APPLICATION. Non-update makes disclosure misleading.

■ **FINAL.** Update with addendum/withdrawal; otherwise exposure persists.

CLINIC CASE 3

Buy-back

Post buy-back D/E breaches due to contingent liabilities

FACTS. Company's D/E passes on face, but significant guarantees likely to crystallize.

ISSUES. I1. Consideration of contingencies?

LAW. Solvency & ability to meet liabilities is key; Board declaration should consider foreseeable liabilities.

APPLICATION. Ignoring near-certain contingencies undermines solvency declaration.

■ **FINAL.** Defer buy-back; reassess after risk addressed.

CLINIC CASE 4

Bonus vs Split

Face value odd lot and EPS optics

FACTS. Board debates 1:1 bonus vs split from ■10 to ■5 to manage marketability and EPS perception.

ISSUES. I1. Better route?

LAW. Bonus uses free reserves (distributable); split changes face value only. EPS optics differ; ROC filings differ.

APPLICATION. Objective is liquidity without reserve impact.

■ **FINAL.** Prefer split for affordability optics; bonus if signalling surplus utilisation.

CLINIC CASE 5

Why Premium Super 30? Ultimate Weapon layout - clean write-ups that score.

AGM/Notice

95% shorter-notice consent - who counts?

FACTS. AGM called on 10 clear days; 95% consent obtained from members present representing 96% of paid-up capital, but only 80% of total members.

ISSUES. I1. Test for 95% consent?

LAW. Sec 101: 95% of **members entitled to vote** - numerical headcount of entitled members, not capital percentage (unless Articles specify otherwise).

APPLICATION. Consent calculation by headcount fails.

■ **FINAL.** AGM notice non-compliant; reconvene properly or obtain valid 95% consent by headcount.

CLINIC CASE 6

Quorum

Continuing quorum during poll

FACTS. Quorum met at start; during poll, many left.

ISSUES. I1. Must quorum subsist through poll?

LAW. Sec 103: quorum must be present when business is transacted, including poll stage.

APPLICATION. Poll is part of transacting business.

■ **FINAL.** Resume quorum before proceeding with poll.

CLINIC CASE 7

Explanatory Statement

RPT - non-cash consideration omitted

FACTS. ES covered value but omitted that consideration is non-cash via asset swap with a director-related entity.

ISSUES. I1. Sufficiency of disclosure?

LAW. Sec 102 demands material facts including nature of concern/interest and material terms.

APPLICATION. Omitting non-cash mode is material.

■ **FINAL.** Re-issue ES; pass afresh with full particulars.

CLINIC CASE 8

ADT-3 & Removal

Auditor resigns citing independence; Board wants removal order too

FACTS. Auditor resigned (ADT-3 due); Board also moves removal for past non-cooperation.

ISSUES. I1. Parallel processes?

LAW. Resignation (ADT-3 by auditor) and removal (Sec 140 with approvals) are distinct; removal after resignation usually becomes infructuous.

APPLICATION. Proceed with vacancy filling; evaluate if removal still needed for record.

■ **FINAL.** File ADT-3; appoint new auditor; drop removal unless specific relief needed.

CLINIC CASE 9

IEPF

Unpaid dividend transferred; shares stuck due to dispute

FACTS. Amount moved to IEPF after 7 years; shareholders in dispute over title.

ISSUES. I1. IEPF refund path?

LAW. Refund via IEPF authority on application with evidence; company facilitates but does not repay.

APPLICATION. Dispute means claimant must establish title before authority.

■ **FINAL.** Guide parties to IEPF claim with supporting orders; company's role is facilitative.

CLINIC CASE 10

Charges

Creation timely but modification late

FACTS. Charge created and registered; later enhanced limit not filed in time.

ISSUES. I1. Effect of late modification?

LAW. Modification must be filed; until then register shows old terms; priority for enhanced amount may be at risk.

APPLICATION. Late filing weakens notice for the enhanced portion.

■ **FINAL.** File modification promptly with condonation/fees.

CLINIC CASE 11

FEMA/LRS

LRS used for margin trading in overseas derivatives

FACTS. Resident used LRS to fund margin trading with an overseas broker.

ISSUES. I1. Permissibility?

LAW. LRS prohibits certain uses (like margin trading/speculative derivatives).

APPLICATION. Facts show prohibited end-use.

■ **FINAL.** Contravention likely; regularise and approach for compounding if required.

CLINIC CASE 12

GCA/Time

'Clear days' vs 'within 30 days' confusion

FACTS. Board resolution requires filing 'within 30 days'; Company read 'clear days'.

ISSUES. I1. Which computation applies?

LAW. 'Clear days' excludes both ends; 'within 30 days' follows GCA (exclude first day, include last unless holiday).

APPLICATION. Misread caused delay.

■ **FINAL.** Apply correct computation; late filing with additional fee.

Case-Based MCQ Bank - 30 Caselets × 2 MCQs (Sept 2025) • v16

Answer by: read FACTS → identify rule → choose option. If unsure of section number, prioritise concept.

Prospectus & Allotment

CASE 1

FACTS. Prospectus omitted a material customer dispute likely to impact revenues. Issue proceeded; investors suffered losses.

Q1. Which statement is most accurate?

(a) Omission is harmless if dispute wasn't final	(b) Omission of a material fact can amount to an untrue statement
(c) Only criminal liability applies under Sec 34	(d) Civil liability applies only if intent to defraud proven

✓ Correct: (b)

Q2. Which defence can officers legitimately claim?

(a) They believed honestly without reasonable grounds	(b) Due diligence defence with evidence
(c) Expert reliance even without consent	(d) No defence is available in law

✓ Correct: (b)

Secs 34/35; material omission = untrue statement; due diligence defence possible.

Share Capital & Buyback

CASE 2

FACTS. Company proposes buy-back of partly-paid equity; post buy-back D/E would still be compliant.

Q1. Validity of buy-back?

(a) Valid because D/E is compliant	(b) Valid if shareholders approve by SR
(c) Invalid - buyback requires fully paid shares	(d) Valid if redeemed within a year

✓ Correct: (c)

Q2. What is the correct route to cancel partly-paid shares?

(a) Buy-back under Sec 68	(b) Forfeiture only
(c) Reduction of capital under Sec 66	(d) Conversion into preference shares

✓ Correct: (c)

Meetings & Administration

CASE 3

FACTS. AGM notice issued for 18 clear days; company collected written consents from members holding 96% of paid-up capital but representing only 80% of headcount.

Q1. Shorter notice test under Sec 101 requires:

(a) 95% of paid-up capital	(b) 95% of members entitled to vote (headcount)
(c) Board + Audit Committee approval	(d) Any of the above

✓ Correct: (b)

Q2. Without valid shorter notice, resolutions passed are:

(a) Automatically void	(b) Irregular and vulnerable; should be re-passed properly
(c) Valid if quorum existed	(d) Valid if Chair signs minutes

✓ Correct: (b)

Deposits

CASE 4

FACTS. Company took advances from customers; many remained unadjusted beyond the permitted period without litigation.

Q1. Treatment of such outstanding advances:

(a) Remain advances, not deposits	(b) Convert into deposits unless exception applies
(c) Automatically become share application money	(d) Get written off to P&L;

✓ Correct: (b)

Q2. Annual return/particulars for deposits and exempt receipts are filed in:

(a) DPT-1	(b) DPT-2
(c) DPT-3	(d) MGT-7

✓ Correct: (c)

IEPF

CASE 5

FACTS. Dividend remained unpaid for 7 consecutive years on certain shares.

Q1. What happens to such shares?

(a) No impact on shares	(b) Shares transferred to IEPF
(c) Only amount transfers, not shares	(d) Company can forfeit shares

✓ Correct: (b)

Q2. Refund of such amounts/shares is through:

(a) Company directly	(b) ROC
(c) IEPF Authority	(d) SEBI

✓ Correct: (c)

Why Premium Super 30? Trend-based practice - RTP/MTP/PYQ adapted, not random.

Audit & Auditors

CASE 6

FACTS. Auditor resigned on 12 Sept; firm delayed filing the intimation form.

Q1. Which filing and by whom?

(a) ADT-1 by company	(b) ADT-3 by auditor
(c) ADT-3 by company	(d) MGT-14 by company

✓ Correct: (b)

Q2. Consequence of delayed filing by auditor:

(a) No impact	(b) Only company is liable
(c) Penalty exposure on auditor	(d) ROC will strike off auditor automatically

✓ Correct: (c)

Prospectus / Private Placement

CASE 7

FACTS. Company made a so-called private placement offer to 230 persons in the FY; PAS-4 wasn't issued; monies were credited to general current account.

Q1. This is primarily a breach of:

(a) Sec 23	(b) Sec 28
(c) Sec 42 private placement norms	(d) Sec 71 debentures

✓ Correct: (c)

Q2. Monies for a valid private placement should be:

(a) Kept in general account	(b) Kept in a separate bank account until allotment/refund
(c) Collected in cash	(d) Parked with merchant banker

✓ Correct: (b)

Incorporation & Doctrines

CASE 8

FACTS. Articles require two signatories on share certificates; one certificate was signed by a single director who was later found irregularly appointed.

Q1. What protection may a bona fide holder claim?

(a) Constructive notice	(b) Indoor management (Turquand)
(c) Ultra vires	(d) Estoppel against company always

✓ Correct: (b)

Q2. Exception to the rule that may defeat protection:

(a) Document properly stamped	(b) Investor acted in good faith
(c) Investor had knowledge/suspicion of irregularity	(d) Certificate had company logo

✓ Correct: (c)

Why Premium Super 30? Ultimate Weapon layout - clean write-ups that score.

Accounts & Dividend

CASE 9

FACTS. Board wants to declare dividend despite a current-year loss, by using reserves.

Q1. This is permissible:

(a) Never	(b) Only out of securities premium
(c) From free reserves subject to conditions	(d) Only after NCLT approval

✓ Correct: (c)

Q2. Board's Report must include:

(a) CSR details where applicable	(b) Bank statements
(c) Payroll details	(d) Internal WhatsApp summaries

✓ Correct: (a)

Charges

CASE 10

FACTS. Company created a registrable charge but failed to register within the prescribed period.

Q1. Effect against liquidator/creditors:

(a) Still fully valid	(b) Void against liquidator/creditors as to priority
(c) Becomes equity	(d) No consequence

✓ Correct: (b)

Q2. Which form is used for satisfaction of charge on repayment?

(a) CHG-1	(b) CHG-4
(c) PAS-3	(d) MGT-14

✓ Correct: (b)

LLP

CASE 11

FACTS. Partner committed a wrongful act in the ordinary course of LLP business.

Q1. Liability position:

(a) Only the partner is liable	(b) LLP is liable; partner personally liable for his wrong
(c) Only designated partners liable	(d) No one is liable

✓ Correct: (b)

Q2. Victim may proceed against:

(a) LLP only	(b) Partner only
(c) Both per law	(d) Neither

✓ Correct: (c)

Foreign Companies

CASE 12

FACTS. Liaison office displayed brand logo but not country of incorporation; FC filings were pending.

Q1. Compliance requires:

(a) Display of name & country of incorporation	(b) Only PAN
(c) Only GSTIN	(d) None

✓ Correct: (a)

Q2. Initial information after establishment is filed in:

(a) FC-1	(b) FC-2
(c) FC-3	(d) FC-4

✓ Correct: (a)

FEMA - LRS

CASE 13

FACTS. Resident used LRS for margin trading in overseas derivatives.

Q1. Permissibility:

(a) Allowed freely	(b) Allowed up to USD 25,000
(c) Prohibited end-use under LRS	(d) Allowed if routed via NRE

✓ Correct: (c)

Q2. On contravention, advisable route is:

(a) Ignore	(b) Seek compounding with competent authority
(c) Write to SEBI	(d) Shift to ODI route

✓ Correct: (b)

GCA - Time & Service

CASE 14

FACTS. Statute says “within 30 days of event” and company read it as ‘clear days’, filing late.

Q1. Correct computation:

(a) Use ‘clear days’ for all statutes	(b) Use GCA: exclude first day, include last (unless holiday)
(c) Include both first & last day	(d) Count business days only

✓ Correct: (b)

Q2. Service by post is deemed effected when:

(a) Recipient reads notice	(b) Properly addressed, prepaid, posted
(c) Messenger delivers by hand	(d) Courier marks delivered

✓ Correct: (b)

Interpretation of Statutes

CASE 15

FACTS. Text lists ‘cars, trucks, buses and other vehicles’; dispute whether forklifts are included.

Q1. Applicable rule:

(a) Literal only	(b) Mischief
(c) Eiusdem generis	(d) Golden rule only

✓ Correct: (c)

Q2. Likely conclusion:

(a) Forklifts included as vehicles	(b) Excluded as not of same genus (road vehicles)
(c) Always included if motorised	(d) Depends solely on dictionary meaning

✓ Correct: (b)

Prospectus - Expert Consent

CASE 16

FACTS. Prospectus used a technical report; expert consent email not in prescribed form.

Q1. Effect on defences:

(a) Expert reliance defence remains	(b) Defence collapses without proper consent
(c) No impact	(d) Company can rely on auditor alone

✓ Correct: (b)

Q2. Safer corrective action:

(a) Do nothing	(b) Withdraw issue silently
(c) Issue addendum or correct and re-file	(d) Blame expert publicly

✓ Correct: (c)

Meetings - Quorum

CASE 17

FACTS. Quorum existed at start; after break, attendance dropped; SR was taken up.

Q1. Position under Sec 103:

(a) Quorum only at start	(b) Quorum must subsist when business is transacted
(c) No quorum needed for SR	(d) Chair discretion decides

✓ Correct: (b)

Q2. SR passed without quorum is:

(a) Valid	(b) Voidable
(c) Invalid	(d) Automatically ratified

✓ Correct: (c)

Share Capital - Rights Offer

CASE 18

FACTS. Member received rights offer late and missed the window.

Q1. Best statement:

(a) Company need not cure	(b) Offer must be reasonable; failure invites challenge
(c) Member has no rights	(d) Board can allot to others without concern

✓ Correct: (b)

Q2. Fair remedial action is to:

(a) Ignore	(b) Compensate auditor
(c) Re-offer/extend or compensate fairly	(d) Cancel entire issue

✓ Correct: (c)

Reduction vs Diminution

CASE 19

FACTS. Company cancels unsubscribed authorised capital; creditor objects citing Sec 66.

Q1. This is:

(a) Reduction of capital requiring NCLT	(b) Diminution of authorised capital, not reduction
(c) Buy-back	(d) Fraudulent preference

✓ Correct: (b)

Q2. For reduction of paid-up capital, authority is:

(a) Board	(b) ROC
(c) NCLT	(d) SEBI only

✓ Correct: (c)

SBO (Sec 90)

CASE 20**FACTS.** Layered holding suspected; notices unanswered by the ultimate natural person.

Q1. Company may:

(a) Do nothing until reply	(b) Restrict rights on such shares and report
(c) Transfer shares to IEPF	(d) Forfeit shares

✓ Correct: (b)

Q2. Parallel disclosure regime for non-significant beneficial interest is:

(a) Sec 89	(b) Sec 42
(c) Sec 134	(d) Sec 24

✓ Correct: (a)

Accounts - Books & Place

CASE 21

FACTS. Company keeps electronic books at a location other than RO.

Q1. Compliance requires:

(a) Prohibited	(b) Board resolution and prescribed intimation
(c) Only shareholder approval	(d) SEBI approval

✓ Correct: (b)

Q2. XBRL filing is required when:

(a) Company wishes	(b) As per notified class of companies/taxonomy
(c) Only listed cos	(d) Only large private cos

✓ Correct: (b)

Audit - Prohibited Services

CASE 22

FACTS. Network firm provided management services to audit client.

Q1. Impact:

(a) No issue	(b) Impairment of independence - prohibited services
(c) Allowed if fee below threshold	(d) Chair can approve

✓ Correct: (b)

Q2. KAMs are:

(a) Separate opinions	(b) Matters of most significance communicated - not separate opinions
(c) Secret annexure	(d) Only for private cos

✓ Correct: (b)

Private Placement - Banking

CASE 23

FACTS. Company collected application money into general a/c; allotment delayed.

Q1. Correct approach:

(a) General a/c is fine	(b) Separate bank a/c until allotment/refund
(c) Cash is allowed up to ₹2 lakh	(d) Keep with director

✓ Correct: (b)

Q2. Filing for allotment is in:

(a) PAS-3	(b) MGT-7
(c) AOC-4	(d) ADT-1

✓ Correct: (a)

Prospectus - Refund

CASE 24

FACTS. Minimum subscription not met; refund delayed beyond permitted period.

Q1. Consequence:

(a) No effect	(b) Interest/penalty as prescribed
(c) ROC strike-off	(d) Convert to debentures

✓ Correct: (b)

Q2. Investors' best remedy:

(a) Only criminal complaint	(b) Refund with interest; civil remedies possible
(c) No remedy	(d) Approach SEBI only

✓ Correct: (b)

Foreign Companies - Forms

CASE 25

FACTS. Which pairing is correct?

Q1. FC-1 relates to:

(a) Annual return	(b) Initial information post establishment
(c) Return of alterations	(d) List of places of business only

✓ Correct: (b)

Q2. FC-3 relates to:

(a) Annual accounts/list of places of business in India	(b) Initial information
(c) Annual return	(d) Alterations

✓ Correct: (a)

Deposits - Reserve

CASE 26

FACTS. Company has deposits maturing next FY.

Q1. Deposit Repayment Reserve (DRR-deposit) broadly requires:

(a) 10% of paid-up capital	(b) 20% of deposits maturing in next FY by 30 April
(c) 100% of outstanding deposits	(d) No reserve

✓ Correct: (b)

Q2. Invitation to members for deposits uses:

(a) DPT-1	(b) DPT-2
(c) DPT-3	(d) MGT-14

✓ Correct: (a)

Interpretation - Proviso

CASE 27

FACTS. Main enactment grants benefit; proviso states a condition for a subset.

Q1. Proviso generally:

(a) Enlarges the section	(b) Qualifies/carves out from the main provision
(c) Repeals the section	(d) Has no legal effect

✓ Correct: (b)

Q2. Deeming fiction in law:

(a) Applies to all purposes	(b) Confined to stated purpose unless clearly extended
(c) Always overrides facts	(d) Is merely illustrative

✓ Correct: (b)

Incorporation - Sec 10A

CASE 28

FACTS. Public company started business before filing 10A declaration.

Q1. Effect:

(a) All contracts void	(b) Penalties/restrictions; contracts with outsiders not automatically void
(c) ROC strikes off immediately	(d) Directors automatically disqualified

✓ Correct: (b)

Q2. Corrective step:

(a) Do nothing	(b) File 10A immediately and regularise
(c) Hold EGM	(d) Compromise with creditors

✓ Correct: (b)

Promoters - Secret Profit

CASE 29

FACTS. Promoter sold an asset to company at markup without disclosure.

Q1. Company's remedy:

(a) None	(b) Rescission or recovery of secret profit
(c) Criminal only	(d) Only damages from buyer

✓ Correct: (b)

Q2. Promoter's duty is:

(a) Contractual only	(b) Fiduciary - full disclosure
(c) None	(d) To maximise own profit

✓ Correct: (b)

Why Premium Super 30? Personal mentorship & daily checks - exam-night support.

GCA - Clear Days vs Ordinary Days

CASE 30

FACTS. Notice says '21 clear days' for GM.

Q1. Meaning of 'clear days':

(a) Includes day of sending and day of meeting	(b) Excludes both day of sending and day of meeting
(c) Excludes only day of meeting	(d) Excludes only day of sending

✓ Correct: (b)

Q2. If the 21st clear day is a public holiday:

(a) Meeting invalid	(b) Extend by 1 day automatically
(c) Clear days already excludes meeting day; ensure dispatch accordingly	(d) Ignore and proceed

✓ Correct: (c)