

Chapter 12 : FOREIGN COMPANY/COMPANY REGISTERED OUTSIDE INDIA

12.1

1.	IPL Ltd, incorporated outside India, having place of business in India and 60% of its Paid Up capital is held by one or more Indian citizens. State the type of company.			
	a. Indian Company	b. Foreign company	c. Deemed Indian Company	d. None of the above
2.	PQR Ltd, incorporated outside India, having place of business in India and 45 % of its Paid up capital is held by Indian Body Corporate. State the type of company and laws applicable to it.			
	a. Indian Company, Companies act 2013	b. Foreign company, Chapter of Foreign Company	c. Deemed Indian Company, Companies act, 2013	d. None of the above
3.	LIT Ltd, incorporated outside India, is a company having place of business in Canada and 45 % of its capital is held by Mr. Pankaj, an Indian citizen, state the laws applicable to LIT Ltd.			
	a. Companies Act, 2013	b. Chapter of Foreign Company	c. Companies act, 2013 considering it as Deemed Indian Company	d. None of the above
4.	If minimum 50% of Paid up capital of Foreign Company is held by _____ then provisions of Companies Act, 2013 shall NOT apply:			
	a. One or more citizen or citizens of India; or/&	b. One or more companies in India; or/&	c. One or more bodies corporate in India.	d. None of the above.
5.	Under the Companies Act, 2013 a foreign LLP shall be considered as :			
	a. Foreign LLP	b. Subsidiary of Indian Company	c. Indian Company	d. None of the above
6.	Z Ltd ,a foreign company shall, within how many days of the establishment of its place of business (POB) in India, deliver to the Registrar for registration the documents required —			
	a. within 30 days	b. Within a month	c. Within 60 days	d. Within 90 days
7.	X Ltd is an existing Foreign Company who has not filed the documents and particulars u/s 592(1) of the Companies Act, 1956 shall file under following section of the Companies Act, 2013.			
	a. Sec 383	b. Sec 382	c. Sec 381	d. Sec 380
8.	Filing of details of Foreign Co. u/s 380 are in form:			
	a. Form FC 1	b. Form FC 2	c. Form FC 3	d. Form FC 4
9.	RMN Ltd., a Foreign company has made alteration in the documents delivered to the Registrar, do they need to file the revised documents with the ROC and within how many days?			
	a. Within 15 days In Form FC 2	b. Within 30 days In Form FC 2	c. Within 15 days In Form FC 1	d. Within 30 days In Form FC 1
10.	A Ltd is a Foreign Company which can issue prospectus to Indian Public if the Prospectus is:			
	a. i. Signed by the Chairman & 2 other directors of the Company ii. Approved by the resolution of the MD. iii. Delivered to ROC for	b. i. Signed by the Chairman & 1 Managing Director and 1 CS of the Company. ii. Approved by the resolution of the BOD.	c. i. Signed by the Chairman & 1 director of the Company. ii. Approved by the resolution of the MD. iii. Delivered to ROC	d. i. Signed by the Chairman & 2 other directors of the Company ii. Approved by the resolution of the BOD.

	registration iv. Stating that it is being delivered to ROC & consent is rightfully obtained u/s 388 as stated above	iii. Delivered to ROC for registration iv. Stating that it is being delivered to ROC & consent is rightfully obtained u/s 388 as stated above	for registration. iv. Stating that it is being delivered to ROC & consent is rightfully obtained u/s 388 as stated above	iii. Delivered to ROC for registration iv. Stating that it is being delivered to ROC & consent is rightfully obtained u/s 388 as stated above
11.	JHU Ltd. a Foreign Company, contravened provisions of chapter "Company Incorporated outside India". What is the consequence of such contravention?			
	a. Fine which shall not be less than Rs. 1 lakh but which may extend to Rs. 3 lakh;	b. Fine which shall not be less than Rs. 1 lakh but which may extend to Rs. 5 lakh;	c. Fine which shall not be less than Rs. 1 lakh but which may extend to Rs. 5 lakh; and for continuing offence Additional fine which may extend to Rs. 50 thousand for every day	d. Fine which shall not be less than Rs. 1 lakh but which may extend to Rs. 3 lakh; and for continuing offence Additional fine which may extend to Rs. 50 thousand for every day
12.	Any process, notice, or other document required to be served on a foreign company shall be deemed to be sufficiently served:			
	a. If sent by electronic mode	b. if addressed to any person whose name & address have been delivered to the ROC	c. left at, or sent by post to, the address which has been so delivered to the Registrar	d. Any of the above
13.	HUL Ltd. is a Foreign Company and seeks to know which of the following sections shall apply. Comment.			
	a. Section 71 related to Debentures	b. Section 128 relating to Books of Accounts	c. Sec 135 related to Corporate Social Responsibility subject to such exceptions, modifications, adaptations.	d. All of the above
14.	Sec 387 related to 'Dating of prospectus and particulars to be contained therein' for a Foreign Company shall not be applicable for issue of prospectus of/ for:			
	a. Securities issued for formation of company or future formation of company.	b. To existing shareholders or debenture holders irrespective of whether they renounce the shares or not	c. For securities of the same nature which are already issued by company and are listed on recognized stock exchange	d. (b) & (c)
15.	LYT Ltd., a Foreign Company failed to comply with the provisions of chapter on 'Company Registered outside India'. Company is of the opinion that the acts and contracts entered into by it shall not be affected. Further, since it was in a dispute with XYZ Pvt. Ltd. it seeks to file a suit against it against it. Comment.			
	a. Since the Company has failed to comply with the Chapter, its acts shall be construed invalid and it cannot file any suit as well.	b. Since the Company has failed to comply with the Chapter, it cannot file any suit until compliance is made however the acts and contracts entered into by the Company shall be valid.	c. Though the Company has failed to comply with the Chapter, it can file suits and also the acts and contracts entered into by the Company shall be valid.	d. Since the Company has failed to comply with the Chapter, the acts and contracts entered into by the Company shall be invalid. However, it can file suit.
16.	LYT Ltd., a Foreign Company contravened the provisions of chapter on 'Company Registered outside India' and they seek to know the consequences of the same.			

	<p>a. Fine - not less than Rs. 1 lakh but which may extend to Rs. 5 lakh; and for continuing offence Additional fine which may extend to Rs. 50,000 for every day</p> <p><u>Every officer in default:</u></p> <p>i. Imprisonment which may extend to 6 months or;</p> <p>ii. Fine which shall not be less than Rs. 25,000 but which may extend to Rs. 5 lakh or;</p> <p>iii. Both.</p>	<p>b. Fine which shall not be less than Rs. 1 lakh but which may extend to Rs. 3 lakh; and for continuing offence Additional fine which may extend to Rs. 50,000 for every day</p> <p><u>Every officer in default:</u></p> <p>i. Imprisonment which may extend to 6 months or;</p> <p>ii. Fine which shall not be less than Rs. 25,000 but which may extend to Rs. 5 lakh or;</p> <p>iii. Both.</p>	<p>c. Fine, which shall not be less than Rs. 1 lakh but which may extend to Rs. 5 lakh; and for continuing offence Additional fine which may extend to Rs. 50 thousand for every day.</p> <p><u>Every officer in default:</u></p> <p>i. Imprisonment which may extend to 6 months or;</p> <p>ii. Fine which shall not be less than Rs. 25 thousand but which may extend to Rs. 3 lakh or;</p> <p>iii. Both.</p>	<p>d. Fine which shall not be less than Rs. 1 lakh but which may extend to Rs. 3 lakh; and for continuing offence Additional fine which may extend to Rs. 50 thousand for every day</p> <p><u>Every officer in default:</u></p> <p>i. Imprisonment which may extend to 6 months or;</p> <p>ii. Fine which shall not be less than Rs. 25 thousand but which may extend to Rs. 3 lakh or;</p> <p>iii. Both.</p>
17.	LIFE Ltd, incorporated outside India, having place of business in India and 57% of its Paid Up capital is held by one or more Indian citizens. State the type of company.			
	a. Indian Company	b. Foreign company	c. Deemed Indian Company	d. None of the above
18.	Marine Ltd, incorporated outside India, having place of business in India and 39 % of its Paid up capital is held by Indian Body Corporate. State the type of company and laws applicable to it.			
	a. Deemed Company, Companies act 2013	b. Foreign company, Chapter of Foreign Company	c. Indian Company, Companies act, 2013	d. None of the above
19.	TILT Ltd is a company incorporated in India having place of business in Mexico of which 45 % capital is held by Mr. Pankaj, an Indian citizen, state the laws applicable to LIT Ltd.			
	a. Companies Act, 2013	b. Chapter of Foreign Company	c. Companies act, 2013 considering it as Deemed Indian Company	d. None of the above
20.	If minimum 50% of Paid up capital of Foreign Company is held by following then provisions of Companies Act, 2013 shall not apply to:			
	a. One or more companies in India; or/&	b. One or more citizen or citizens of India; or/&	c. One or more bodies corporate in India.	d. None of the above.
21.	Under the Companies Act, 2013 a shall be considered as foreign LLP:			
	a. Foreign LLP	b. Subsidiary of Indian Company	c. Indian Company	d. None of the above
22.	EMNM Ltd, a foreign company shall, within how many days of the establishment of its place of business (POB) in India, deliver to the Registrar for registration the documents required —			
	a. within 60 days	b. Within a month	c. Within 30 days	d. Within 90 days
23.	X Ltd is an existing Foreign Company who has not filed the documents and particulars u/s 592(1) of the Companies Act, 1956 shall file under following section of the Companies Act, 2013.			
	a. Sec 382	b. Sec 383	c. Sec 380	d. Sec 381

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24.	Filing of details of Foreign Co. u/s 380 are in form:			
	a. Form FC 1	b. Form FC 2	c. Form FC 3	d. Form FC 4
25.	SHTA Ltd., a Foreign company has made alteration in the documents delivered to the Registrar; do they need to file the revised documents with the ROC and within how many days?			
	a. Within 30 days In Form FC 2	b. Within 15 days In Form FC 2	c. Within 30 days In Form FC 1	d. Within 15 days In Form FC 1
26.	A Ltd is a Foreign Company which can issue prospectus to Indian Public on if the Prospectus is:			
	a. i. Signed by the Chairman & 2 other directors of the Company ii. Approved by the resolution of the MD. iii. Delivered to ROC for registration iv. Stating that it is being delivered to ROC & consent is rightfully obtained u/s 388 as stated above	b. i. Signed by the Chairman & 1 director of the Company. ii. Approved by the resolution of the MD. iii. Delivered to ROC for registration. iv. Stating that it is being delivered to ROC & consent is rightfully obtained u/s 388 as stated above	c. i. Signed by the Chairman & 1 Managing Director and 1 CS of the Company. ii. Approved by the resolution of the BOD. iii. Delivered to ROC for registration iv. Stating that it is being delivered to ROC & consent is rightfully obtained u/s 388 as stated above	d. i. Signed by the Chairman & 2 other directors of the Company ii. Approved by the resolution of the BOD. iii. Delivered to ROC for registration iv. Stating that it is being delivered to ROC & consent is rightfully obtained u/s 388 as stated above
27.	HUM Ltd. a Foreign Company, contravened provisions of chapter "Company Incorporated outside India". What is the consequence of such contravention?			
	a. Fine which shall not be less than Rs. 1 lakh but which may extend to Rs. 5 lakh; and for continuing offence Additional fine which may extend to Rs. 50 thousand for every day	b. Fine which shall not be less than Rs. 1 lakh but which may extend to Rs. 5 lakh;	c. Fine which shall not be less than Rs. 1 lakh but which may extend to Rs. 3 lakh;	d. Fine which shall not be less than Rs. 1 lakh but which may extend to Rs. 3 lakh; and for continuing offence Additional fine which may extend to Rs. 50 thousand for every day
28.	Any process, notice, or other document required to be served on a foreign company shall be deemed to be sufficiently served:			
	a. if addressed to any person whose name & address have been delivered to the ROC	b. If addressed by electronic mode	c. left at, or sent by post to, the address which has been so delivered to the Registrar	d. Any of the above
29.	SIM Ltd. is a Foreign Company and seeks to know which of the following sections shall apply. Comment.			
	a. Section 71 related to Debentures	b. Section 128 relating to Books of Accounts	c. Sec 135 related to Corporate Social Responsibility subject to such exceptions, modifications, adaptations.	d. All of the above
30.	Sec 387 related to 'Dating of prospectus and particulars to be contained therein' for a Foreign Company shall not be applicable for issue of prospectus of/ for:			
	a. Securities issued for formation of	b. To existing shareholders or debenture holders	c. For securities of the same nature which are already	d. (b) & (c)

	company or future formation of company.	irrespective of whether they renounce the shares or not	issued by company and are listed on recognized stock exchange	
31.	LYT Ltd., a Foreign Company failed to comply with the provisions of chapter on 'Company Registered outside India'. Company is of the opinion that the acts and contracts entered into by it shall not be affected. Further, since it was in a dispute with ZYS Pvt. Ltd. it seeks to file a suit against it. Comment.			
	a. Since the Company has failed to comply with the Chapter, its acts shall be construed invalid and it cannot file any suit as well.	b. Since the Company has failed to comply with the Chapter, it cannot file any suit until compliance is made however the acts and contracts entered into by the Company shall be valid.	c. Though the Company has failed to comply with the Chapter, it can file suits and also the acts and contracts entered into by the Company shall be valid.	d. Since the Company has failed to comply with the Chapter, the acts and contracts entered into by the Company shall be invalid. However, it can file suit.
32.	YNT Ltd., a Foreign Company contravened the provisions of chapter on 'Company Registered outside India' and they seek to know the consequences of the same.			
	<p>a. Fine - not less than Rs. 1 lakh but which may extend to Rs. 5 lakh; and for continuing offence Additional fine which may extend to Rs. 50,000 for every day</p> <p><u>Every officer in default:</u></p> <p>i. Imprisonment which may extend to 6 months or;</p> <p>ii. Fine which shall not be less than Rs. 25,000 but which may extend to Rs. 5 lakh or;</p> <p>iii. Both.</p>	<p>b. Fine, which shall not be less than Rs. 1 lakh but which may extend to Rs. 5 lakh; and for continuing offence Additional fine which may extend to Rs. 50 thousand for every day.</p> <p><u>Every officer in default:</u></p> <p>i. Imprisonment which may extend to 6 months or;</p> <p>ii. Fine which shall not be less than Rs. 25 thousand but which may extend to Rs. 3 lakh or;</p> <p>iii. Both.</p>	<p>c. Fine which shall not be less than Rs. 1 lakh but which may extend to Rs. 3 lakh; and for continuing offence Additional fine which may extend to Rs. 50,000 for every day</p> <p><u>Every officer in default:</u></p> <p>i. Imprisonment which may extend to 6 months or;</p> <p>ii. Fine which shall not be less than Rs. 25,000 but which may extend to Rs. 5 lakh or;</p> <p>iii. Both.</p>	<p>d. Fine which shall not be less than Rs. 1 lakh but which may extend to Rs. 3 lakh; and for continuing offence Additional fine which may extend to Rs. 50 thousand for every day</p> <p><u>Every officer in default:</u></p> <p>i. Imprisonment which may extend to 6 months or;</p> <p>ii. Fine which shall not be less than Rs. 25 thousand but which may extend to Rs. 3 lakh or;</p> <p>iii. Both.</p>

Answer**12.6**

1. c. (> 50% by specified persons u/s 379(2))	17. c
2. b. (< 50% by specified persons u/s 379(2))	18. b
3. d. (Not Foreign Co. as defined since POB is outside India)	19. a
4. d.	20. d
5. a.	21. a
6. a.	22. c
7. d.	23. c
8. a.	24. a
9. b.	25. a
10. d	26. d
11. d.	27. d
12. d.	28. d
13. d.	29. d
14. d	30. d
15. b.	31. b
16. b	32. c