

Chapter 5 : ACCEPTANCE OF DEPOSIT BY COMPANIES

1.M/s ABC Ltd is a Public Limited company having net worth of Rs. 120 Cr. and turnover of Rs. 100 Cr. Whether the company is eligible to accept deposit from Public?			
a. Yes	b. No	c. Partly Yes	d. Partly No
2.M/s XYZ Ltd is a Public Limited company having net worth of Rs. 80 Cr. and turnover of Rs. 600 Cr. Whether the company is eligible to accept deposit from Public?			
a. Yes	b. No	c. Partly Yes	d. Partly No
3. A company shall issue circular to its members inviting deposits. The circular shall include a statement containing.....			
a. Financial position of the company	b. The credit rating obtained by the company	c. Total numbers of depositors & amount due towards deposits in respect of old deposits	d. All of the above and such other particulars in such form and manner as may be prescribed.
4. Any concerned depositor can make an application to the..... If a company fails to repay the deposits or part thereof or any interest thereon.			
a. Board of Directors	b. RBI	c. High Court	d. NCLT
5. A small depositor means a depositor who has deposited in a financial year a sum not exceeding.....			
a. Ten Thousand rupees	b. Fifteen Thousand rupees	c. Twenty Thousand rupees	d. Fifty Thousand rupees
6. Company shall file circular and statement regarding public deposits with ROC withindays.			
a. 10 days	b. 20 days	c. 30 days	d. 45 days
7.A sum not less than 15% of deposits maturing in current year + in next financial year shall be deposited in Account at a scheduled bank.			
a. Free Reserve	b. Securities Premium Account	c. Capital redemption reserve Account	d. Deposit Repayment Reserve Account
8.The Deposit Repayment Reserve Account shall be used exclusively for the purpose of Only.			
a. Redemption of preference shares	b. Payment of dividend	c. Issue of Bonus shares	d. Repayment of deposits only
9.Acceptance of deposits from public required Resolution of general meeting of members.			
a. General Resolution	b. Special Resolution	c. unanimous Resolution	d. not required any resolution of members
10. A Public Company having net worth Or turnover.....are eligible to accept deposits from Public.			
a. Net worth ≥ Rs. 100 Cr. or Turnover ≥ Rs. 500 Cr.	b. Net worth ≥ Rs. 50 Cr. or Turnover ≥ Rs. 500 Cr.	c. Net worth ≥ Rs. 100 Cr. or Turnover ≥ Rs. 1000 Cr.	d. Net worth ≥ Rs. 50 Cr. or Turnover ≥ Rs. 1000 Cr.
11. If the eligible company is accepting deposits u/s 180(1) (c) then prior consent using Resolution of General Meeting.			

a. General Resolution	b. Special Resolution	c. unanimous Resolution	d. not required any resolution of members
12. M/s XYZ Ltd is a Public Limited company having net worth of Rs. 80 Cr. and turnover of Rs. 400 Cr. Whether the company is eligible to accept deposit from members?			
a. Yes	b. No	c. Partly Yes	d. Partly No
13. Any person who deposits the amount but not get re-paid in specific due time either principal or interest then he can apply to.....			
a. Board of Directors	b. RBI	c. High Court	d. NCLT
14. Return of deposit to be filed with Registrar of Companies in Form No.....			
a. Form DPT 1	b. Form DPT 2	c. Form DPT 3	d. Form DPT 4
15. Appointment of trustee for depositors in Form No.....			
a. Form DPT 1	b. Form DPT 2	c. Form DPT 3	d. Form DPT 4
16. The company accepting secured deposits shall, within Days of such acceptance, create a charge on its assets.			
a. 10 days	b. 20 days	c. 30 days	d. 45 days
17.is required for accepting deposits from members.			
a. Ordinary Resolution at General Meeting	b. Special Resolution at GM	c. Board Resolution	d. Both b and c
18. No company shall accept or renew any deposit from its members, if the amount of such deposits together with the amount of other deposits outstanding as on the date of acceptance or renewal of such deposits exceeds.....per cent of the aggregate of the..... of the company.			
a. 15, paid up share capital and free reserves	b. 15, paid up share capital, free reserves and Security Premium Account	c. 35, paid up share capital, free reserves and Security Premium Account	d. 35, paid up share capital and free reserves
19. No eligible company shall accept or renew deposit from non-members, if the amount of such deposit together with the amount of such other deposits, other than member deposits, outstanding on the date of acceptance or renewal exceeds.....% of aggregate of the Paid-up share capital, free Reserves and securities premium account of the company.			
a. 10	b. 15	c. 25	d. 35
20. Deposits may be accepted in joint names not exceeding.....			
a. 2	b. 3	c. 5	d. 10
21. No Government shall accept or renew any deposit, if the amount of such deposits together with the amount of other deposits outstanding as on the date of acceptance or renewal exceeds% of the aggregate of its Paid-up share capital, free Reserves and securities premium account of the company.			
a. 10	b. 15	c. 25	d. 35
22. The deposit repayment reserve account can be used for-			
a. Repayment of deposits	b. Redemption of debenture	c. Redemption of preference shares	d. Both a and b

23. Deposit includes -			
a. Any receipt of money by way of loan	b. Any amount received from the Central Government or a state Government	c. Any amount received from foreign Governments, foreign international banks, multilateral financial institutions etc.	d. All of the above
24. Every company shall pay a penal rate of interest of p.a. for the overdue period in case of deposits, whether secured or unsecured, matured and claimed but remaining unpaid.			
a. 12	b. 18	c. 24	d. 30
25. Every company accepting deposits shall on or before..... of every year, file with the Registrar, a return in Form DPT-3			
a. 31 st May	b. 30 th June	c. 31 st July	d. 31 st August
26. Section 73 prohibits a company to invite, accept or renew deposits from public. This prohibition is applicable to :-			
a. Banking company	b. Non- banking financial company	c. One person company	d. Company as may be specified by Central Government.
27. No eligible company shall accept or renew any deposit from its members, if the amount of such deposit together with the amount of deposits outstanding as on the date of acceptance or renewal of such deposits from members exceeds% of the aggregate of the Paid-up share capital, free Reserves and securities premium account of the company.			
a. 10%	b. 15%	c. 25%	d. 35%
28. A company accepting deposits shall deposit such sum which shall not be less than % of the amount of its deposits maturing during a financial year and the financial year next following, and keep it in a scheduled bank in a separate bank account.			
a. 10	b. 15	c. 20	d. 25
29. Acceptance of deposits from members required Resolution of general meeting of members.			
a. General Resolution	b. Special Resolution	c. unanimous Resolution	d. not required any resolution of members
30. A sum not less thanof deposits maturing in current year + in next financial year shall be deposited in 'Deposit Repayment Reserve Account' at a scheduled bank.			
a. 7%	b. 10%	c. 15%	d. 20%

Answer

1. a (Hint: As per Section 76(1) of the Companies Act, 2013, a Public Company having Net worth \geq Rs. 100 Cr. Or Turnover \geq Rs. 500 Cr. are eligible to accept deposits from Public.)	2. a (Hint: As per Section 76(1) of the Companies Act, 2013, a Public Company having Net worth \geq Rs. 100 Cr. Or Turnover \geq Rs. 500 Cr. are eligible to accept deposits from Public.)	3. d (Hint: Section 73(2) of the Companies Act, 2013.)	4. d (Hint: Section 73(4) of the Companies Act, 2013.)
5. c	6. c (Hint: Section 73(2) of the Companies Act, 2013.)	7. d (Hint: Section 73(2) of the Companies Act, 2013.)	8. d (Hint: Section 73(5) of the Companies Act, 2013.)
9. b (Hint: Section 76(1) of the Companies Act, 2013.)	10. a (Hint: Section 76(1) of the Companies Act, 2013.)	11. a (Hint: Section 76(1) of the Companies Act, 2013.)	12. a (Hint: As per Section 73 of the Companies Act, 2013, every Public Company are eligible to accept deposits from members after passing special resolution in General meeting.)
13. d (Hint: As per Section 73 and 76 of the Companies Act, 2013.)	14. c (Hint: As per Section 73 of the Companies Act, 2013.)	15. b (Hint: As per Section 76(1) of the Companies Act, 2013.)	16. c (Hint: As per Section 76(1) of the Companies Act, 2013.)
17. a (Hint: A company may, subject to the passing of a resolution in general meeting and subject to such rules as may be prescribed in consultation with the Reserve Bank of India, accept deposits from its members.)	18. c (Hint: No company referred to in sub-section (2) of section 73 shall accept or renew any deposit from its members, if the amount of such deposits together with the amount of other deposits outstanding as on the date of acceptance or renewal of such deposits exceeds thirty five per cent of the aggregate of the Paid-up share capital, free Reserves and securities premium account of the company.)	19. c (Hint: No eligible company shall accept or renew deposit from non-members, if the amount of such deposit together with the amount of such other deposits, other than member deposits, outstanding on the date of acceptance or renewal exceeds 25% of aggregate of the Paid-up share capital, free Reserves and securities premium account of the company.)	20. b (Hint: Where depositors so desire, deposits may be accepted in joint names not exceeding three, with or without any of the clauses, namely, "Jointly", "Either or Survivor", "First named or Survivor", "Anyone or Survivor".)
21. d (Hint: No Government company eligible to accept deposits shall accept or renew any deposit. If the amount of such deposits together with the amount of other deposits outstanding as on the date of acceptance or renewal exceeds thirty five per cent. Of the aggregate of its Paid-up share capital, free Reserves and securities premium account of the company.)	22. a (Hint: The deposit repayment reserve account shall not be used by the company for any purpose other than repayment of deposits.)	23. a (Hint: The term 'deposit' includes any receipt of money by way of deposit or loan or in any other form, by a company, but does not include such categories of amount as may be prescribed in consultation with the RBI.)	24. b (Hint: Every company shall pay a penal rate of Interest of 18% p.a. for the overdue period in case of deposits, whether secured or unsecured, matured and claimed but remaining unpaid.)
25. b (Hint: Every company accepting deposits shall on or	26. c (Hint: Restriction on acceptance of deposits from public shall not	27. a (Hint: No eligible company shall accept or renew any deposit	28. b (Hint: A company accepting deposits

<p>before the 30th day of June, of every year, file with the Registrar, a return in Form DPT-3 along with the fee as provided in Companies (Registration Offices and Fees) Rules, 2014 and furnish the Information contained therein as on the 31st day of March of that year duly audited by the auditor of the company.)</p>	<p>apply to the following company: - banking company, - Non- banking financial company defined in the as Reserve Bank of India Act, 1934, - A housing finance company registered with the National Housing Bank established under the National Housing Bank Act, 1987, and - Such other company as the Central Government may specify, after consultation with the Reserve Bank of India.)</p>	<p>from its members, if the amount of such deposit together with the amount of deposits outstanding as on the date of acceptance or renewal of such deposits from members exceeds ten % of the aggregate of the Paid-up Mare capital, free Reserves and securities premium account of the company.)</p>	<p>shall deposit such sum which shall not be less than fifteen per cent. of the amount of Its deposits maturing during a financial year and the financial year next following, and kept in a scheduled bank in a separate bank account to be called as deposit repayment reserve account)</p>
<p>29. b (Hint: Section 73(2) of the Companies Act, 2013.)</p>	<p>30. c (Hint: Section 73(2) of the Companies Act, 2013.)</p>		