

**26. Arbitrator can resign when they want,**

- (a) After giving reasons for doing so
- (b) Without giving reasons for resigning
- (c) Cannot resign till the case gets closed
- (d) None of the above

**27. Request for Settlement Award must be made within \_\_\_\_ days of receipt of final award:**

- (a) 45
- (b) 30
- (c) 90
- (d) 120

**28. Nationality of Arbitrator is usually relevant in:**

- (a) Domestic Arbitration
- (b) International Arbitration
- (c) (a) or (b)
- (d) (a) & (b)

**29. Arbitration and Conciliation Act, 1996 came into enforcement on:**

- (a) 1<sup>st</sup> January 1996
- (b) 1<sup>st</sup> April 1996
- (c) 22<sup>nd</sup> August 1996
- (d) 22<sup>nd</sup> April 1996

**MCQs Answers of Arbitration & Conciliation Act, 1996**

1. (c)	6. (c)	11. (a)	16. (a)	21. (d)	26. (b)
2. (b)	7. (c)	12. (c)	17. (a)	22. (d)	27. (b)
3. (d)	8. (b)	13. (c)	18. (c)	23. (a)	28. (b)
4. (c)	9. (a)	14. (d)	19. (c)	24. (c)	29. (c)
5. (d)	10. (c)	15. (a)	20. (b)	25. (a)	

# The Insolvency & Bankruptcy Code, 2016

MCQs covers certain general information also which needs to be considered from this section directly for examination purpose.

**1. IBC, 2016 was introduced in Lok Sabha on:**

- (a) 28<sup>th</sup> May, 2016
- (b) 21<sup>st</sup> December, 2015
- (c) 15<sup>th</sup> May, 2016
- (d) None of the above

**2. For IBC, 2016 President's assent was received on:**

- (a) 28<sup>th</sup> May, 2016
- (b) 21<sup>st</sup> December, 2015
- (c) 15<sup>th</sup> May, 2016
- (d) None of the above

**3. Insolvency in case of individuals is known as:**

- (a) Liquidation
- (b) Bankruptcy
- (c) Corporate Insolvency
- (d) Both (a) & (b)

**4. Insolvency in case of organizations is known as:**

- (a) Liquidation
- (b) Bankruptcy
- (c) Corporate Insolvency
- (d) Both (b) & (c)

**5. In case of non-corporates, if insolvency is untreated it leads to:**

- (a) Liquidation
- (b) Bankruptcy
- (c) Corporate Insolvency
- (d) Both (a) & (b)

**6. In case of corporates, if insolvency is untreated it leads to:**

- (a) Liquidation
- (b) Bankruptcy
- (c) Corporate Insolvency
- (d) Both (a) & (b)

7. \_\_\_\_\_ is a legal proceeding involving a person or business that is unable to repay outstanding debts.

- (a) Liquidation (b) Insolvency  
(c) Bankruptcy (d) None of the above

8. If any person is unable to pay debts then such person/entity is treated as:

- (a) Liquidated (b) Insolvent  
(c) Bankrupt (d) None of the above

9. \_\_\_\_\_ is winding up of a company

- (a) Liquidation (b) Insolvency  
(c) Bankruptcy (d) None of the above

10. Purpose behind enactment of IBC, 2016 is:

- (a) Balance interest of all stakeholders  
(b) Promote entrepreneurship  
(c) Increase availability of credit (d) All of the above

11. 1<sup>st</sup> level of Adjudicating Authority for LLP is:

- (a) NCLT (b) DRT (c) DRAT (d) Supreme Court

12. Insolvency & Bankruptcy Board of India was established on:

- (a) 1<sup>st</sup> October, 2016 (b) 15<sup>th</sup> October, 2016  
(c) 30<sup>th</sup> September, 2016 (d) None of the above

13. Head office of Insolvency & Bankruptcy Board of India is at:

- (a) Kolkata (b) New Delhi (c) Mumbai (d) Chennai

14. Insolvency & Bankruptcy Board of India is a:

- (a) LLP (b) Body Corporate  
(c) Association (d) HUF

15. Composition of Insolvency & Bankruptcy Board of India includes:

- (a) 2 members from office of CG (b) 2 members nominated by RBI  
(c) 3 Chairmen (d) Atleast 3 whole time members nominated by CG

16. Quasi Judicial function of Insolvency professional agencies includes:

- (a) Addressing Grievances  
(b) Monitoring Insolvency professionals  
(c) Drafting Bye-laws for Insolvency professionals  
(d) All of the above

17. Information Utilities means a centralized electronic database about information on:

- (a) Financial Institutions (b) Insolvency Professionals  
(c) Creditors (d) Corporate Debtors

18. Part III of IBC, 2016 applies to:

- (a) Whole of India  
(b) Whole of India excluding Jammu & Kashmir  
(c) Jammu & Kashmir (d) None of the above

19. IBC, 2016 is applicable to:

- (a) Individuals (b) LLPs  
(c) Personal guarantors to corporate debtors (d) All of the above

20. Provisions relating to Corporate Insolvency Resolution Process are covered in \_\_\_\_\_ of the code.

- (a) Part I (b) Part II  
(c) Part III (d) None of the above

21. IBC, 2016 shall apply to matters relating to insolvency & liquidation of corporate debtors where:

- (a) Minimum amount of default is Rs. 5 lakhs  
(b) Minimum amount of default is Rs. 1 lakhs  
(c) Minimum amount of default is Rs.5 lakhs  
(d) None of the above

**22. Limit of amount of default under IBC, 2016 can be increased upto::**

- (a) Rs. 5 Crore            (b) Rs. 1 Crore            (c) Rs. 10 Crore  
(d) None of the above

**23. Financial creditor may file an application to Adjudicating Authority:**

- (a) Either by itself            (b) Jointly with other financial creditor  
(c) (a) or (b)            (d) None of the above

**24. Adjudicating Authority shall ascertain default done by corporate debtor within \_\_\_\_\_ days of receipt of application.**

- (a) 7            (b) 15            (c) 14            (d) None of the above

**25. Corporate debtor shall bring to the notice of operational creditor:**

- (a) Existence of dispute            (b) Record of pendency of suit filed earlier  
(c) Payment of unpaid operational debt            (d) All of the above

**26. Operational Creditor, while submitting the following documents to AA, i.e. copy of record with information utility confirming that no payment is done by corporate debtor, is:**

- (a) Mandatory            (b) Optional  
(c) To be submitted if available            (d) None of the above

**27. CIRP by corporate applicant shall include necessary documents such as:**

- (a) Information relating to BOA & other documents  
(b) Information relating to RP, proposed to be appointed as IRP  
(c) SR passed by SHS of corporate debtors or resolution passed by 3/4<sup>th</sup> of total number of partners of corporate debtor  
(d) All of the above

**28. Who are not entitled to make application to initiate CRP under IBC, 2016?**

- (a) Corporate debtor undergoing CIRP  
(b) Corporate debtor having completed CIRP 12 months preceding date of making application  
(c) Corporate debtor/ financial creditor who has violated terms of resolution plan which was approved 12 months before date of making application  
(d) All of the above

**29. CIRP must be completed within \_\_\_\_\_ days from date of admission of application to initiate such process.**

- (a) 30            (b) 45            (c) 90            (d) 180

**30. CIRP shall be extended if resolution is passed at committee of creditors meeting by a vote of \_\_\_\_\_% of voting shares.**

- (a) 25            (b) 60            (c) 33            (d) 66

**31. On satisfaction of AA, maximum extension that can be granted to CIRP is of \_\_\_\_\_ days.**

- (a) 180            (b) 45            (c) 90            (d) 60

**32. How many times can extension be granted in case of CIRP?**

- (a) 2 times            (b) 1 time            (c) Depends on the IBBI or AA  
(d) No limit

**33. Adjudicating authority may allow to withdraw the applications on an application made by applicant with approval of \_\_\_\_\_% of voting share of COC as per section 12A.**

- (a) 51            (b) 66            (c) 25            (d) 90

**34. Public announcement shall be made immediately after appointment of IRP, maximum within \_\_\_\_\_ days**

- (a) 7            (b) 3            (c) 15            (d) 10

35. In moratorium, a calm period of \_\_\_ days is declared.

- (a) 90 (b) 145 (c) 180 (d) None of the above

36. Supply of goods/services shall be terminated or suspended during the moratorium period. This statement is:

- (a) True (b) False  
(c) Partly True (d) None of the above

37. AA shall appoint IRP within \_\_\_ days of commencement of process.

- (a) 7 (b) 15 (c) 30 (d) None of the above

38. Tenure of IRP shall be:

- (a) Till the date of appointment of resolution professional u/s 22  
(b) Till 180 days from date of appointment  
(c) Till the time specified by Adjudicating Authority  
(d) None of the above

39. IRP vested with management of corporate debtor shall:

- (a) Act & execute in name & on behalf of corporate debtor  
(b) Take actions specified by Insolvency & Bankruptcy Board of India  
(c) Be responsible for complying with requirements under any law on behalf of corporate debtor  
(d) All of the above

40. As per Regulation 16 of Insolvency & Bankruptcy Regulations, 2016 where corporate debtor has no financial debt or where financial creditors are related parties of corporate debtor, committee shall consist of:

- (a) 18 largest operational creditors by value  
(b) 1 representative elected by all workmen  
(c) 1 representative elected by all employees  
(d) All of the above

41. All decisions of committee of creditors shall be taken by a vote of \_\_\_ % of voting share.

- (a) > 50% (b) >60% (c)  $\geq$  51% (d) None of the above

42. 1<sup>st</sup> meeting of committee of creditors shall be held within \_\_\_ days of its formation.

- (a) 30 (b) 7 (c) 14 (d) 14

43. In 1<sup>st</sup> meeting of committee of creditor it can either resolve to appoint IRP or replace the IRO by another RP by majority vote of \_\_\_ % of voting share.

- (a) 51 (b) 75 (c) 33 (d) 66

44. Committee of creditor can resolve to continue IRP as RP subject to \_\_\_ consent from IRP.

- (a) Oral (b) Written  
(c) Both (a) & (b) (d) None of the above

45. If COC resolves to replace the IRP then it shall file an application to AA for appointment of new RP along with:

- (a) Written consent of IRP (b) Written consent from RP  
(c) Written consent from proposed RP (d) All of the above

46. Rights & duties of Authorised representatives of financial creditor includes:

- (a) Right to participate & vote in meeting of committee of creditor on behalf of financial creditor  
(b) Filing with committee of creditor any instruction received from financial creditor for voting  
(c) Circulate agenda & minutes of meeting of committee of creditors to the financial creditor he represents  
(d) All of the above

**47. RP shall give notice of each meeting of committee of creditor to:**

- (a) Members of committee of creditors
- (b) Members of committee if creditors including authorized representatives
- (c) Members of suspended BOD/ partners of corporate debtor
- (d) Both (b) & (c)

**48. RP shall give notice of each meeting of committee of creditor to operational creditor or their representative if amount of aggregate dues is \_\_\_ % of debt.**

- (a)  $\geq 10$
- (b)  $>10$
- (c)  $<10$
- (d) 10

**49. Duties of resolution professional includes:**

- (a) Convene & attend all meetings of committee of creditor
- (b) Prepare Information Memorandum
- (c) Invite prospective lenders, investors to put forward resolution plans
- (d) All of the above

**50. Resolution Professional can be replaced by Committee of Creditors by vote of:**

- (a) 75%
- (b) 50%
- (c) 66%
- (d) 90%

**51. If any disciplinary proceedings are pending against the proposed Resolution Professional, then the existing Resolution Professional shall:**

- (a) continue forever
- (b) resign
- (c) continue till new RP is appointed
- (d) continue till IBBI orders

**52. Information Memorandum is prepared by:**

- (a) Resolution Professional
- (b) Interim Resolution Professional
- (c) Committee of Creditors
- (d) Corporate Debtor

**53. Who is ineligible to be a resolution applicant?**

- (a) An undischarged insolvent
- (b) A Wilful defaulter as per RBI
- (c) Person whose account is classified as NPA & a period of 6 months has elapsed from such classification
- (d) Prohibited by SEBI

**54. After submission of plan, COC may approve the same by vote of:**

- (a) 75%
- (b) 50%
- (c) 66%
- (d) 90%

**55. If resolution plan consists of provision for Combination u/s 5 of Competition Act, Applicant shall take approval from:**

- (a) RBI
- (b) Cartel
- (c) CG
- (d) Competition Commission of India

**56. Can Resolution Professional act as a Liquidator?**

- (a) Yes
- (b) No
- (c) Yes, with written consent by such RP
- (d) Yes, with written consent by such COC

**57. Liquidator cannot sell assets/properties of company to such person:**

- (a) who is a part of COC
- (b) who is an Operational Creditor
- (c) who was ineligible u/s 29A
- (d) who is a Financial Creditor

**58. Can Appeal be filed by Creditor against acceptance of claim by Liquidator during Liquidation Process?**

- (a) Yes
- (b) No

**59. Fast Track CIRP shall be completed within \_\_\_ days:**

- (a) 180
- (b) 90
- (c) 270
- (d) 45

**60. Fast Track CIRP can be made in respect of which Corporate Debtor?**

- (a) Small Company as per IBC
- (b) Partnership Startup Firm
- (c) Any Listed Company
- (d) None of the above

61. Amount raised from Allottee under Real Estate Project is treated as:

- (a) Operational Debt (b) Financial Debt (c) Either of (a) or (b)  
(d) Cannot be treated as Debt at all

62. Quorum for the meeting of COC shall be \_\_\_% of Voting Rights

- (a) 33% (b) 67% (c) 75% (d) 50%

63. If Assessee has invested in Real Estate under an "Assured Return Plan", & not received the Return or the Real Estate Property, Assessee can still be treated as:

- (a) Financial Creditor (b) Operational Creditor  
(c) Corporate Debtor (d) None of the above

#### MCQs Answers of Insolvency & Bankruptcy Code, 2016

1. (b)	11. (a)	21. (b)	31. (c)	41. (c)	51. (c)	61. (b)
2. (a)	12. (a)	22. (b)	32. (b)	42. (b)	52. (a)	62. (a)
3. (b)	13. (b)	23. (c)	33. (d)	43. (d)	53. (c)	63. (a)
4. (c)	14. (b)	24. (c)	34. (b)	44. (b)	54. (c)	
5. (b)	15. (d)	25. (d)	35. (c)	45. (c)	55. (d)	
6. (a)	16. (a)	26. (c)	36. (b)	46. (d)	56. (c)	
7. (c)	17. (d)	27. (d)	37. (d)	47. (d)	57. (c)	
8. (b)	18. (b)	28. (d)	38. (a)	48. (a)	58. (a)	
9. (a)	19. (d)	29. (d)	39. (d)	49. (d)	59. (b)	
10. (d)	20. (b)	30. (d)	40. (d)	50. (c)	60. (d)	

## Securities Contract (Regulation) Act, 1956 & SCR Rules, 1957

MCQs covers certain general information also which needs to be considered from this section directly for examination purpose.

1. Securities Contract (Regulation) Act, 1956 extends to \_\_\_\_\_

- (a) Whole of India except the State of Jammu and Kashmir  
(b) Whole of India except the State of Sikkim  
(c) Whole of India except the State of Jammu and Kashmir and Sikkim  
(d) None of the above

2. The provisions of this Act shall not apply to

- (a) The Government, the Reserve Bank of India (RBI), any local authority, or any corporation set-up by a special law or any person who has effected any transaction with or through the agency of any such authority as is referred to in this clause  
(b) Any convertible bond or share warrant or any option or right in relation thereto, in so far as it entitles that the person in whose favour any of the former has been issued to obtain shares (optional) on the basis of agreed price.  
(c) (a) and (b)  
(d) None of the above