

# THE INSOLVENCY AND BANKRUPTCY CODE, 2016

## *Information Utilities (Section 209-216)*

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**Q.1. Every person wanting to carry on its business as information Utility shall obtain a certificate of registration from which of the following authority:**

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- A High Court
- B Insolvency and Bankruptcy Board of India (IBBI)
- C Ministry of Finance
- D Debt Recovery Tribunal

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**Q.2. Within how many days shall IBBI acknowledge the receipt of application for Registration as an Information Utility:**

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- A Within 10 days from the receipt of application
- B Within 30 days from the receipt of application
- C Within 7 days from the receipt of application
- D Within 15 days from the receipt of application

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**Q.3. Which of the following is not a valid ground to suspend or cancel the certificate of registration granted to an Information Utility:**

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- A If it has obtained registration by making a false statement.
- B If it has failed to comply with the requirements of the regulations made by the Board.
- C If it has contravened any of the provisions of the Act or the rules or the regulations.
- D If it was unable to provide the required information to the resolution professional in stipulated time.

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**Q.4. Who has the power to pass an order to suspend or cancel the certificate of registration of an Information Utility:**

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- A Whole-time Members of the Insolvency and Bankruptcy Board of India
- B Part- time Directors of the Insolvency and Bankruptcy Board of India
- C Independent Directors of the Insolvency and Bankruptcy Board of India

D Chairperson of the Insolvency and Bankruptcy Board of India

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**Q.5. Any Information Utility which is aggrieved by an order of the Insolvency and Bankruptcy Board of India suspending or cancelling a certificate of registration or Rejecting an application for registration an an IU, may file an appeal to:**

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- A High Court
- B National Company Law Appellate Tribunal
- C Company Law Board
- D National Company Law Tribunal

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**Q.6. Which of the following is required to be set up by an Information Utility in order to take into account the objectives sought to be achieved by it under this Code:**

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- A Auditing Board
- B Governing Board
- C Monitoring Board
- D Advisory Board

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**Q.7. Which of the following is not an obligation of an Information Utility:**

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- A Publish such statistical information as may be specified by regulations.
- B Meet such minimum service quality standards as may be specified by regulations.
- C Have inter-operatability with other information utilities.
- D Rejection of financial information submitted via electronic means

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**Q.8. Every Information Utility shall create and store financial information in:**

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- A Coded language
- B Various different formats
- C Universally accessible format
- D Shall not store at all

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**Q.9. For the purpose of providing core services, an Information Utility does not have an obligation to:**

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- A provide services to a user based on its explicit consent
- B guarantee protection to the rights of users
- C adopt secure systems for information flows
- D outsource the provision of core services to a third-party service provider

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**Q.10. What is the procedure to update/modify/rectify errors in the financial information submitted by any person to an Information Utility:**

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- A Information can be updated/ modified/ rectified in the information utility database by logging in the online platform
- B Once information is submitted to the Information Utility, the same cannot be updated/modified/rectified
- C An application needs to be made to the Information Utility stating reasons, in the manner and time as may be specified
- D Special permission needs to be obtained from IBBI to update/modify/rectify any information submitted to the Information Utility.

***Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017***

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**Q.1. On which date the Insolvency and Bankruptcy Board of India (Information Utilities) Regulation came into force:**

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- A 28<sup>th</sup> May, 2016
- B 5 August, 2016
- C 31<sup>st</sup> March, 2017
- D 1<sup>st</sup> April, 2017

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**Q.2. Which of the following condition is not an eligibility criteria required for registration of a person being a public company as an Information Utility under the IBBI (IU) Regulations, 2017:**

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- A its sole object is to provide core services and other services under these regulations, and discharge such functions as may be necessary for providing these services.
- B not more than 51 percent of its total voting power or its paid up capital is held, directly or indirectly, by persons resident outside India
- C it has minimum net worth of fifty crore rupees
- D the person itself, its promoters, its directors, its key managerial personnel, and persons holding more than 5%, directly or indirectly, of its paid-up equity share capital or its total voting power, are fit and proper persons:

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**Q.3. An application for the renewal of the registration of Information Utilities shall be Made:**

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- A at least three months before the expiry of its registration
- B at least twelve months before the expiry of its registration
- C at least six months before the expiry of its registration
- D at least nine months before the expiry of its registration

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**Q.4. The Insolvency and Bankruptcy Board of India may grant or renew the Certificate of Registration within:**

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- A Thirty days of the receipt of the application excluding the time given for removing the deficiencies, clarifications and presenting documents
- B Six months of the receipt of the application including the time given for removing the deficiencies, clarifications and presenting documents
- C Sixty days of the receipt of the application excluding the time given for removing the deficiencies, clarifications and presenting documents
- D Sixty days of the receipt of the application including the time given for removing the deficiencies, clarifications and presenting documents

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**Q.5. The Certificate of Registration shall be valid for the period of:**

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- A Five years from the date of the issue
- B Five years from the date of the application
- C Seven years from the date of issue
- D Ten years from the date of issue

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**Q.6. Any person seeking to establish an information utility shall make an application regarding “In-principle approval” to:**

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- A National Company Law Tribunal
- B High court
- C Insolvency and Bankruptcy Board of India
- D National Company Law Appellate Tribunal

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**Q.7. Who amongst the following is not authorised to acquire or hold up to twenty five percent of the paid up equity share capital or total voting power of an Information utility:**

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- A Government Company
- B Stock Exchange
- C Private Company
- D Bank

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**Q.8. The provisions of Regulation 8 shall not apply to the holding of shares or voting power by:**

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- A Insurance Company
- B Central Government or a State Government
- C Bank
- D Depository

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**Q.9. How many Directors on the Governing Board of an Information Utility shall be Independent Directors:**

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- A Not less than the number of shareholder directors
- B Equal to shareholder directors
- C At least two directors
- D At least one director

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**Q.10. What is the minimum number of Independent Directors required to be present during the meeting of the Governing Board of an Information Utility:**

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- A At least one Independent Director
- B At least two Independent Directors
- C At least three Independent Directors
- D One fourth of the total number of Independent Directors

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**Q.11 To which of the following authority shall the Compliance Officer report, Immediately and independently, with regard to ensuring compliance of provisions of the Code by the Information Utility:**

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- A National Company Law Tribunal
- B Insolvency Professionals Agency
- C Governing Board of the Information Utility
- D Insolvency and Bankruptcy Board of India

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**Q.12. Who can remove or appoint a compliance officer as mandated under Regulation 11:**

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- A Regulatory Committee of the Information Utility
- B Insolvency and Bankruptcy Board of India
- C Governing Board of the Information Utility
- D National Company Law Tribunal

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**Q.13. Which of the following regulation provides for the establishment of the Grievances Redressal Committee by an Information Utility:**

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- A Regulation 12
- B Regulation 9

- C Regulation 10
- D Regulation 11

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**Q.14. Provisions regarding Technical Standards and Bye Laws are laid down under which Of the following chapter of the IBBI (Information Utilities) Regulations, 2017:**

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- A Chapter I
- B Chapter V
- C Chapter III
- D Chapter IV

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**Q.15. Which of the following lays down the Technical Standards as per the Insolvency and Bankruptcy Board of India (Information utilities) Regulations, 2017:**

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- A IBBI on recommendations of Technical Committee
- B Governing Board of the Information Utility
- C Regulatory committee
- D Grievance Redressal Committee

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**Q.16. The Technical Committee constituted under the IBBI (Information Utilities) Regulations, 2017 shall have a minimum of \_\_\_\_ who have special knowledge and experience in the field of law, finance, economics, information technology or data management:**

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- A Five members
- B Two members
- C Three members
- D Four members

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**Q.17. Which of the following is not true regarding the Bye-laws of Information Utilities:**

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- A The Bye-laws of the Information Utility shall be in compliance with the Insolvency and Bankruptcy Code, 2016
- B The Bye-laws of the Information Utility shall be in compliance with the Technical Standards
- C The Bye-laws of the Information Utility shall provide for the risk management

D The Bye-laws of the Information Utility shall not provide for rights of users.

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**Q.18. A governing body may amend the bye laws of the Information Utility:**

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- A By a resolution passed by votes in favour being not less than three times the number of the votes, if any, cast against the resolution
- B By a resolution passed by votes in favour being not less than twice the number of the votes, if any, cast against the resolution
- C By a resolution passed by votes in favour being not less than one-tenth the number of the votes, if any, cast against the resolution
- D By a resolution passed by way of simple majority

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**Q.19. What is the time period within which the Information Utility has to file the copy of the resolution passed for amending the bye-laws with the Insolvency and Bankruptcy Board of India for its approval:**

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- A Within three days from the date of its passing
- B Within Seven days from the date of its passing
- C Within Ten days from the date of its passing
- D Within thirty days from the date of its passing

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**Q.20. What is the time period within which the Information Utility has to file the printed copy of the amended bye-laws with the Insolvency and Bankruptcy Board of India for approval:**

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- A Within three days from the date when such amendment is made effective
- B Within Seven days from the date when such amendment is made effective
- C Within Ten days from the date when such amendment is made effective
- D Within fifteen days from the date when such amendment is made effective

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**Q.21. With how many information utilities can a person, who is once registered with an Information Utility, register:**

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- A A person registered with an information utility can register with another Information Utility only with the approval of IBBI



- B A person can register with as many Information Utilities as he likes
- C A person registered once with information utility shall not register itself with any Information Utility again
- D A person can register again but not with more than two Information Utilities in total

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**Q.22. A debt transaction has creditor A and C and debtor B. Which statement is correct with regard to submission or access of information from Information Utilities in respect of this transaction:**

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- A All the parties i.e. the creditor and the debtor shall use the same Information Utility for submission or access to information
- B The creditors shall use the same information utility for submission or access to information while the debtor shall use different information utility
- C Information can be submitted or accessed from only to the Information Utility to which creditors have approached
- D A, B and C can use any Information Utility which they want to in this transaction.

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**Q.23. An information to be submitted to the Information Utility be submitted in:**

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- A Form C of the Schedule to the Information Utilities Regulation
- B The manner prescribed by the Insolvency and Bankruptcy Board of India
- C Form A of the Schedule to the Information Utilities Regulation
- D The manner as may be deemed fit by the person applying

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**Q.24. On completion of the processes of authentication and verification of the information regarding default, the Information Utility does not provide such information and status of authentication to:**

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- A Creditor of the debtor who has defaulted
- B Debtor, who has defaulted in making the payment
- C Parties to the debt in respect of which the Information of default has been received
- D Sureties to the debt in respect of which the Information of default has been received

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**Q.25. Which of the following is true regarding the storage of information by an information utility:**

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- A it may store all information in a facility located in or outside India
- B it shall store all information in a facility located outside India
- C it shall store all information in a facility located in India which may or may not be governed by laws of India
- D it shall store all information in a facility located in India which shall be governed by laws of India

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**Q.26. An Information Utility is not bound to allow access to the information stored with it to:**

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- A The insolvency professional, to the extent provided in the Code
- B The user, even though he has not submitted the information
- C Adjudicating Authority
- D IBBI

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**Q.27. The Board may grant in-principle approval to a person who seeks to establish itself as an information utility subject to such conditions as it deems fit for a period not exceeding:**

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- A One year
- B Two years
- C Three years
- D Five years

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**Q.28. How much fees is charged by Information Utility to provide an annual statement of all information pertaining to the user:**

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- A Rs. 1000/- per annum
- B Free of cost

- C Rs. 2 per page
- D Rs. 5000/- per annum

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**Q.29. Provisions relating to the porting of information from registries are provided in which of the following regulations of the Insolvency and Bankruptcy Board of India (Information Utilities) Regulation, 2017:**

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- A Regulation 26
- B Regulation 25
- C Regulation 22
- D Regulation 21

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**Q.30. Which of the following is not a duty of the user as provided in the Insolvency and Bankruptcy Board of India (Information utilities) Regulation, 2017:**

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- A To update the information submitted by it to the Information Utility
- B Correct the information as soon as it finds erroneous
- C Give reasons for every information corrected by him
- D Notify and submit to the functionality any erroneous information

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**Q.31. Which of the following chapters deal with the duties of Information Utility:**

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- A Chapter IV
- B Chapter V
- C Chapter VII
- D Chapter VI

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**Q.32. Which of the following is not a duty of an Information Utility:**

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- A To provide services to different users based upon their explicit consent
- B To outsource core services to third party service provider
- C To transfer information submitted by the user and stored with it to another information utility on request of the user
- D To adopt secure systems for information flows

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**Q.33. An Information utility shall not provide an access to the registers, reports and minutes submitted by an insolvency professional under regulation 38 (1) to:**

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- A IBBI
- B Adjudicating authority
- C Insolvency professional concerned
- D Creditor

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**Q.34. Within how many days shall the IBBI approve the application for surrender of certificate of registration filed by an Information Utility:**

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- A Seven days from the receipt of the application
- B Fourteen days from the date of publication of the notice inviting objections
- C Thirty days from the last date of submission of objections
- D Thirty days from the receipt of the application

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**Q.35. Which of the following deals with the application for certificate of registration:**

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- A Form A in the Schedule to the Information Utilities Regulations
- B Form B in the Schedule to the Information Utilities Regulations
- C Form C in the Schedule to the Information Utilities Regulations
- D Form D in the Schedule to the Information Utilities Regulations

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**Q.36. The order in disposal of a show cause notice passed under Regulation 41(7) by the IBBI shall take effect from:**

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- A the date of the pronouncement of such order
- B the expiry of thirty days from the issue of such order
- C the expiry of forty days from the date of the issue of such order
- D the expiry of sixty days from the date of the issue of such order

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**Q.37. An appeal may be preferred by an information utility to NCLAT under Regulation 42, against the order issued to it under Regulation 41(7) of the IBBI (IU) Regulations, 2017 within:**

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- A thirty days of receipt of the order
- B forty five days of receipt of the order
- C ninety days of receipt of the order
- D sixty days of receipt of the order

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**Q.38. The bye-laws amended by the governing board of the information utility shall come into effect:**

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- A On the fifth day of receipt of the approval by the board
- B On the sixth day of receipt of the approval by the board
- C On the seventh day of receipt of the approval by the board
- D On the fifteenth day of receipt of the approval by the board

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**Q.39. An information utility may prefer an appeal under regulation 42 of the IBBI (IU) Regulation 2017, against the order passed by the IBBI to:**

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- A A. National Company Law Tribunal
- B. National Company Law Appellate Tribunal
- C. High Court
- D. Debt Recovery Appellate Tribunal

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**Q.40. An information Utility shall establish an appropriate risk management framework in accordance with the Technical Standards, if any, which may not provide for:**

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- A reliable, recoverable and secure systems
- B. provision of core services during disasters and emergencies
- C. business continuity plans but not including disaster recovery sites
- D. business continuity plans which shall include disaster recovery sites

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**Q.41. A person eligible for registration as an Information Utility may make an application to the IBBI along with a fees of:**

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- A Non-refundable application fee of one lakh rupees
  - B. Non-refundable application fee of ten lakh rupees
  - C. Non-refundable application fee of five lakh rupees
  - D. Refundable application fees of one lakh rupees
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**Q.42. Within how much period shall a person, seeking to be registered as an Information Utility with IBBI, submit an explanation to IBBI in response to receipt of Communication from IBBI informing about its opinion regarding non-renewal or non granting of registration as an IU?:**

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- A Within 15 days of receipt of communication from IBBI informing about such opinion
- B. Within 30 days of receipt of communication from IBBI informing about such opinion
- C. Within 15 days of passing of the order by IBBI forming such an opinion
- D. Within 45 days of receipt of communication from IBBI informing about such opinion

## **ANSWER SHEET**

### ***Information Utilities (Section 209-216)***

**Q.   Ans.**

1.   B
2.   C
3.   D
4.   A
5.   B

**Q.   Ans.**

6.   B
7.   D
8.   C
9.   D
10. C

### ***Insolvency and Bankruptcy Board of India (Information utilities) Regulations, 2017***

**Q.   Ans.**

1.   D
2.   B
3.   C
4.   C
5.   A
6.   C
7.   C
8.   B
9.   A
10. A
11. D
12. C
13. A
14. D
15. A
16. C
17. D
18. A
19. B

**Q.   Ans.**

24. B
25. D
26. B
27. A
28. B
29. A
30. D
31. D
32. B
33. D
34. C
35. A
36. B
37. A
38. C
39. B
40. C
41. C
42. A

