

**Paper13- Corporate Laws and Compliance**

# Postal Test Paper\_P13\_Final\_Syllabus 2016\_Set 1

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## Paper-13: Corporate Laws and Compliance

Full Marks: 100

Time allowed:3 hours

### Section A

1. Answer all questions mentioned below. Mark the correct answer (only indicate A or B or C or D) and give justification [2 × 10 = 20]

#### Multiple choice question

- (i) A person who fails to get appointed as a director in a general meeting cannot be appointed as  
(A) Additional director  
(B) Alternate director  
(C) Independent director  
(D) Nominee director.
- (ii) A Nidhi shall not accept deposit exceeding ..... times of its net owned funds  
(A) Ten times  
(B) Fifteen times  
(C) Twenty times  
(D) Twenty-five times
- (iii) Which of the following Committee was formed by SEBI for improving standards of Corporate Governance of Listed Companies in India?  
(A) Naresh Chandra Committee  
(B) N.R. Narayan Murthy Committee  
(C) Kotak Committee  
(D) Kumar Mangalam Birla Committee
- (iv) During any financial year Corporate Social Responsibility Committees of the Board shall be constituted by every Company having  
(A) Turnover of Rs 5,000 crores or more  
(B) A Net Profit of Rs 2 crores or more.  
(C) Net Worth of Rs 5 crores or more.  
(D) Authorized capital of Rs 500 crores or more.
- (v) A minor can be nominated as a nominee in Life Insurance Policy by its  
(A) Drawer  
(B) Agent  
(C) Holder  
(D) Corporation
- (vi) According to Banking Regulation Act 1949, no Banking Company shall pay dividend on its shares until all its  
(A) Depreciation is fully written off.

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- (B) "Capitalized expenses" have been completely written off
- (C) Bad debts are provided in full.
- (D) Contingent liability is settled
- (vii) Unless the Articles require a larger number of members, Quorum of a General Meeting of a Producer Company shall be
  - (A) 5 members
  - (B) one-third of total membership
  - (C) one-fourth of total membership
  - (D) half of total membership
- (viii) Any person aggrieved by any order of Appellate Tribunal, may file an appeal to the Hon'ble Supreme Court within days, from the date of receipt of the order of Appellate Tribunal.
  - (A) 30days
  - (B) 60days
  - (C) 90days
  - (D) 120days
- (ix) Unfair competition under the Competition Act, 2002 means adoption of practices viz.
  - (A) collusive price fixing.
  - (B) allocation of markets.
  - (C) discriminatory pricing etc.
  - (D) All of the above
- (x) Corporate Governance is a blend of the Internal and External Corporate Governance
  - (A) Techniques
  - (B) Mechanisms
  - (C) Systems
  - (D) Methods

### Section B

**Answer any Five Question [16 X 5 =80]**

- 2. (a) What is the procedure which has to be followed by the company while transferring unpaid or unclaimed dividend from unpaid dividend account to IEPP. [8]  
(b) Powers of the Board to be exercised by the Board by means of the resolution passed at a duly convened Board meeting. [8]
- 3(a) (i) Discuss the applicability of Insolvency and Bankruptcy Code, 2016 [5]  
(ii) Draw the structure of Regulatory Mechanism and Regulatory Bodies as per Insolvency and Bankruptcy Code, 2016 [3]
- (b) A meeting of members of Joka Agricultural Equipment's Limited was convened under the orders of the Court for the purpose of considering a scheme of compromise and arrangement. The meeting was attended by 200 members holding 500000 shares. 70 members holding 400000 shares in the aggregate voted for the scheme. 120 members holding 90000 shares in aggregate voted against the scheme. 10 members holding 10000 shares abstained from voting. Examine with reference to the relevant provisions of the

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Companies Act, 1956 whether the scheme was approved by the requisite majority? [8]

**4(a)** Discuss the process of Merger or Amalgamation of an Indian company with a foreign company as per Companies act, 2013. [8]

**(b)** How the selection of the members of the NCLT and NCLAT be made under Section 412 of the Companies Act, 2013 [8]

**5(a)(i)** Define Indian Depository Receipts.

**(ii)** What conditions to be followed for issue of Indian Depository Receipts [3+6]

**(b)** What Constitutes Competition Law and Policy? Objectives of the Competition Act, 2002 [7]

**6(a)** What are the prohibited sectors for FDI in India? [10]

**(b)** State the "Insurable Interest"—based on the Insurance Act, 1938. [6]

**7(a)** The Financial Reporting Council (FRC) is responsible for high standards of Corporate Governance. Explain this statement along with the aims of FRC [8]

**(b)** What is the minimum contribution the companies are required to make towards CSR as per Companies Act, 2013. [8]

**8. Write short notes any four of the following:**

**4X4=16**

**(a)** Types of Listing

**(b)** Grant of recognition to Stock Exchanges—Conditions, Section 4(2) SCRA, 1956

**(c)** Define (i) Capital account transaction (ii) Depository receipt

**(d)** CSR can mean different things to different people. Explain

**(e)** Inquiry by the Registrar [(Section 206(4))]