

Paper 13- Corporate Laws and Compliance

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Full Marks: 100

Time allowed: 3 hours

PART – I

Answer Question Number 1 which is compulsory

(2x10= 20)

1. Multiple choice question

- (i) According to Section 35 of The Companies Act, A Certificate of Incorporation given by the Registrar in respect of any association shall be _____.
 - (a) conclusive evidence
 - (b) conclusive evidence
 - (c) conclusive evidence
 - (d) None of the above
- (ii) 'Small Shareholder' as a shareholder holding shares of nominal value of not more than: _____ as per The Companies Act.
 - (a) Rs. 15,000
 - (b) Rs. 20,000
 - (c) Rs. 25,000
 - (d) Rs. 30,000
- (iii) A meeting of all the depositors shall be called by the trustee of depositors by
 - (a) requisition in writing signed by at least one-tenth of the depositors in value for the time being outstanding.
 - (b) the happening of any event, which constitutes a default or which, in the opinion of the trustee for depositors, affects the interest of the depositors.
 - (c) Both (a) and (b)
 - (d) None of the above
- (iv) Payment of Commission on exports made towards equity investment in wholly owned subsidiary abroad of an Indian Company is _____.
 - (a) permissible
 - (b) prohibited
 - (c) forwarded
 - (d) restricted
- (v) _____ is the second stage of money laundering process.
 - (a) Placement
 - (b) Layering
 - (c) Integration
 - (d) Contribution
- (vi) In case of Life Insurance Policy a minor can be nominated as a nominee by its
 - (a) drawer
 - (b) agent
 - (c) holder

(d) principal

(vii) unfair competition may not include

- (a) Collusive price fixing
- (b) Creation of barriers to entry
- (c) Tie in purchase
- (d) Predatory pricing

(viii) _____ shall be Internal Auditor.

- (a) a chartered accountant
- (b) a cost accountant
- (c) such other professional as may be decided by the Board to conduct internal audit of the functions
- (d) All of the above

(ix) According to Section 2 (49) of the Companies Act, 2013 '_____' means a director who is in any way, whether by himself or through any of his relatives or firm, body corporate or other association of individuals in which he or any of his relatives is a partner, director or a member, interested in a contract or arrangement, or proposed contract or arrangement, entered into or to be entered into by or on behalf of a company.

- (a) Interested director
- (b) Independent director
- (c) Corporate director
- (d) Managing director

(x) The Chairman of the Insurance Regulatory and Development Authority shall hold office for a term of ___ from the date on which he enters upon his office and should be eligible for reappointment.

- (a) 3 years
- (b) 4 years
- (c) 5 years
- (d) 6 years

PART – II

Answer any five questions from question numbers 2 to 8. Each question carries 16 marks

[16x5= 80]

2. (a) (i) Explain the procedure for conversion of LLPs into Private or Public Limited Companies 5
- (ii) B Ltd. incurred loss in business up to current quarter of financial year 2021-22. The company has declared dividend at the rate of 11%, 16% and 18% respectively in the immediate preceding three years. In spite of the loss, the Board of Directors of the company have decided to declare interim dividend @ 15% for the current financial year. Examine the decision of B Ltd. stating the provisions of declaration of interim dividend under the Companies Act, 2013. 3
- (b) Board of Directors of a company can pass some resolutions through circulation? If yes, what are the Provisions and Rules in connection to it. 8
3. (a) (i) Define Insolvency Professional Agencies. 3
- (ii) Identified the assets which will not form part of liquidation assets as per Insolvency and Bankruptcy Code, 2016 5
- (b) How can the directors of a company be removed from the office before expiry of their term? 8
4. (a) Discuss the powers of Central Government to Provide for amalgamation in the public interest. 8
- (b) Explain the following term of the NCLT and NCLAT.
(i) office of President, (ii) Chairperson and (iii) Members 8
5. (a) Discuss the provisions as to Prohibition of Manipulative and Deceptive Devices, Insider Trading and Substantial Acquisition of Securities or Control under SEBI Act, 1992. 8
- (b) Explain the provisions as to Prohibition of certain agreements under Chapter II of Competition Act, 2002 8
6. (a) List out the Payment modes allowed for receiving Foreign Direct Investment in an Indian Company-FEMA, 1999 8
- (b) Discuss the powers and functions of IRDA. 8
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) Discuss in brief CSR and sustainability 8
8. Write short notes any four of the following: 4x4=16
- (a) Inquiry by the Registrar [(Section 206(4)]
- (b) Insolvency resolution process costs
- (c) CSR can mean different things to different people. Explain
- (d) List out the main features (any four) of a qualified and independent audit committee to be set up under SEBI (listing obligations and disclosure Requirements) Regulations, 2015.
- (e) Appointment of resolution professional