

Paper13- 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) A company shall have its Registered Office within the _____ day of its incorporation.
 - (A) 7th day
 - (B) 15th day
 - (C) 21st day
 - (D) 30th day
- (ii) Power to recognize Stock Exchange vests with
 - (A) Central Government
 - (B) State Government
 - (C) SEBI
 - (D) Supreme Court
- (iii) A company has 9 Directors, on 01-01-2021. The office of 2 Directors have fallen vacant on 02-01-2021. The quorum required for conducting a board meeting is
 - (A) 4
 - (B) 3
 - (C) 2
 - (D) 5
- (iv) A memorandum containing such salient features of a prospectus as may be specified by the Securities and Exchange Board by making regulation in this behalf is known as
 - (A) Red Herring Prospectus
 - (B) Abridged Prospectus
 - (C) Shelf Prospectus
 - (D) Deemed Prospectus
- (v) As per Companies Act must have a minimum of One Director. The Sole Shareholder can himself be the Sole Director. The Company may have a maximum number of 15 directors. These features belong to which of following company?
 - (A) Private Company
 - (B) Small Company
 - (C) Public Company
 - (D) One Person Company
- (vi) Which among the following transaction does not mean 'Significant accounting transaction'?

- (A) payment of fees by a company to the Registrar
 - (B) payments made by it to fulfill the requirements of this Act or any other law
 - (C) allotment of shares to fulfill the requirements of this Act
 - (D) All of the above
- (vii) The Tenure of the Chairman of the Insurance Regulatory and Development Authority is 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
- (viii) First Board meeting of every company should be held within_____.
- (A) 3 months of its incorporation
 - (B) 30 days of its incorporation,
 - (C) 15 days of its incorporation
 - (D) 4 months of its incorporation
- (ix) Dormant company is formed and registered under The Companies Act:
- (A) for a future project
 - (B) To hold an asset
 - (C) Intellectual property and has no significant accounting transaction
 - (D) All of the above
- (E) Identify from the following is not the objective of Competition Act, 2002?
- (F) To prevent practices having adverse effect on competition
- (G) To prevent competition in market
- (H) To protect the interest of the consumers
- (I) To ensure freedom of trade carried on by the other participant in marketing India and for matter connected there with or incidental thereto.

PART – II

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

[16x5= 80]

2. (a) The Board of Directors of XYZ Company Limited at its meeting declared a dividend on its paid-up equity share capital which was later on approved by the company's Annual General Meeting. In the meantime, the directors at another meeting of the Board decided by passing a resolution to divert the total dividend to be paid to shareholders for purchase of investments for the company. As a result, a dividend was paid to shareholders after 45 days. Examining the provisions of the Companies Act, 2013, state. 10
- (i) Whether the act of directors is in violation of the provisions of the Act and also the consequences that shall follow for the above act of directors?
 - (ii) What would be your answer in case the amount of dividend to a shareholder is adjusted by the company against certain dues to the company from the shareholder?

- (b) Discuss the duties of the inspector as enumerated in Sec 223 of the Companies Act, 2013 in relation to his report. 6
3. (a) Person who are not entitled to initiate insolvency resolution process -Discuss 9
(b) what are the duties of Directors under the provisions of Companies Act,2013 7
4. (a) Define subsidiary company as per Companies Act? 9
(b) Discuss the procedure for removal of members under Section 417 of Companies Act,2013. 7
5. (a) What are the Conditions for Initial Public Offer. 9
(b) Power of Commission to regulate its own procedure as per The Competition Act,2002 7
6. (a) As per Foreign Exchange Management Act,1999 Reserve Bank has the power to inspect authorized person. 8
(b) How does Money Laundering actually take place? 8
7. (a) Explain the OECD principles of Corporate Governance. 8
(b) Benefits of CSR programme 8
8. Write short notes any four of the following: 4×4=16
- (a) Persons who are not entitled to initiate insolvency resolution process
- (b) Guidance on implementation of principles and Core Elements. (National Voluntary Guidelines 2011)
- (c) Disadvantages of the family Businesses over non-family Businesses
- (d) CSR can mean different things to different people. Explain
- (e) Strategy to tackle black money