



FINAL EXAMINATION **SET - 2**
MODEL QUESTION PAPER **TERM – DECEMBER 2024**
PAPER – 13 **SYLLABUS 2022**
CORPORATE AND ECONOMIC LAWS

Time Allowed: 3 Hours

Full Marks: 100

The figures in the margin on the right side indicate full marks.

SECTION – A (Compulsory)

1. Choose the correct option: [15 x 2 = 30]

- (I) (i) In case of “limited” companies, what is limited?
- a. Shares
 - b. Liability of members
 - c. Capital of the company
 - d. Powers of the shareholders
- (ii) Minutes are supposed to be kept at:
- a. Registered office
 - b. Head office
 - c. Any office
 - d. Any of the above
- (iii) Power of Board of directors may be restricted subject to
- a. Companies Act
 - b. Articles of Association
 - c. Resolution of general meeting
 - d. Any or all of the above
- (iv) The Insolvency and Bankruptcy Board has power of.....Court in respect of issue of summons, discovery and production of books, inspection of books/registers and issue of commissions for examination of witnesses:
- a. Session Court
 - b. High Court
 - c. Supreme Court
 - d. Civil Court
- (v) The items under Schedule VII of the Act, should be:
- a. strictly interpreted
 - b. liberally interpreted
 - c. depends on the company
 - d. only a guideline
- (vi) The principle of _____ ensures that an insured does not profit by insuring with multiple insurers.
- a. Subrogation
 - b. Contribution
 - c. Co-insurance
 - d. Indemnity



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- (vii) Takeover means
- buying few shares
 - acquiring 10%
 - acquiring shares which will give control over the management.
 - none of the above
- (viii) Whoever commits the offence of money-laundering shall be punishable with rigorous imprisonment for a term which shall not be less than _____years but which may extend to _____years and shall also be liable to fine.
- 3/5
 - 5/7
 - 3/7
 - 3/5
- (ix) FDI is prohibited in the which of the following sectors:
- Lottery Business including Government/ private lottery, online lotteries.
 - Gambling and betting including casinos.
 - Chit funds
 - All of the above.
- (x) OSBI stands for
- Open source Business intelligence
 - Open source business Innovation
 - Operational source Business Intelligence
 - none
- (xi) Asset Reconstruction Companies are to be registered with:
- SEBI
 - RBI
 - MCA
 - None of the above
- (II) Mohan and Shyam along with other four friends decide to start a business of running an old age home with commercial objective. They have plans to raise fund, both equity and loan from known people. Shyam feels that since this is a charitable purpose, they may register as non-profit company (section 8) and claim tax benefit. The six friends will take profits from the company apart from taking monthly remuneration since they will be working full time for the business. Rajesh, another friend opines that since they want to gain out of the venture, partnership law will apply.
Based on the above case study, you are required to answer the questions no. from (xii) to (xv).
- (xii) Whose opinion was that partnership law will apply is correct?
- Mohan,
 - Shyam,
 - Rajesh,
 - None
- (xiii) If they form a private limited company, they can issue shares to how many _____ persons.



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- a. 50
- b. 100
- c. 200
- d. 500

(xiv) Which of the following is correct in relation to the situation above?

- a. They will not get NPO licence because it is for gain.
- b. They can form NPO (section 8) Company.
- c. They can register an NGO.
- d. In every case the company will get tax exemption.

(xv) If they go for partnership, what is the maximum number of partners they may have.

- a. 10
- b. 20
- c. 30
- d. 50

SECTION – B

(Answer any five questions out of seven questions given. Each question carries 14 Marks) [5 x 14 = 70]

2. (a) Describe the provision for Prohibition on Acceptance of Deposits from Public in Companies Act, 2013.
- (b) Explain how far the acts of the director will be invalid if his appointment is not valid. [7+7 =14]
3. (a) Describe the provision related to Minutes of the Meeting of the General Meeting/Board Meeting.
- (b) Explain the powers of Central Government and Tribunal to prevent Oppression and Mismanagement? [7 + 7 =14]
4. (a) Critically assess the situation and advise about the quorum of Company's Board Meeting in the following cases (explain as per the provisions of the Companies Act, 2013)?
- (i) A public company has 10 directors (including 4 non-executive directors). But 8 directors (including 4 non-executive directors) attended the BOD meeting.
 - (ii) Startup Odisha Ltd. is a section 8 company which has 8 non-executive directors. 3 directors attended the meeting.
 - (iii) BOD of X Ltd. consists of 9 executive directors and 3 non-executive directors. Total 6 executive directors and 3 non-executive directors attended the BOD meeting. A business was transacted in which one director was interested. Articles of the Association have fixed the quorum as 5.
- (b) X & Co. is a LLP firm wants to convert their firm into a corporate entity as per the provisions contained in Sec. 366 of the Companies Act ,2013 and the Companies (Authorized to registered)



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Rules, 2014. They have conducted a meeting for conversion of and to decide the name of the company summoned for the purpose of registering the LLP. In the meeting 1/4th partners want for the conversion into a Pvt. Ltd company, and 3/4th partners want for a new corporate entity with the word “Public Limited”. There are 6 partners in the firm. Recommend an appropriate decision and steps to be taken by the firm. [7+7=14]

5. (a) Discuss the persons not entitled to initiate insolvency resolution process under the IBC, 2016.
- (b) Nature India Limited filed a petition under Insolvency and Bankruptcy Code, 2016 with National Company Law Tribunal (NCLT) against Tulip Limited and the petition was admitted. After that, Nature India Limited wanted to withdraw the petition based on a settlement arrived between the parties. Examine whether it is permissible to withdraw the petition after it has been admitted? and also infer the legal provision relating to the admission and rejection of application by an adjudicating authority under the Insolvency and Bankruptcy Code, 2016. [7+7=14]
6. (a) Examine the sustainability report and its purpose of disclosure.
- (b) Classify the major categories of cyber-crimes and summarize them with examples. [7+7=14]
7. (a) Explain the various steps to be taken by a Listed Company in prevention of Insider trading?
- (b) Discuss the “Abuse of Dominant position” and “predatory pricing” under Competition Act, 2002. [7+7=14]
8. (a) Examine the process of Money Laundering of the PMLA, 2002.
- (b) An asset reconstruction company may, for the purposes of asset reconstruction, provide for any one or more of the measures. Explain the measures to be taken for assets reconstruction. [7+7=14]