



**Paper 13- Corporate Laws and Compliance**

## 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) According to Section 35 of the 1956 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) The Companies Act, 2013 specified 'Small Shareholder' as a shareholder holding shares of nominal value of not more than:
- (a) Rs. 15,000
  - (b) Rs. 20,000
  - (c) Rs. 25,000
  - (d) Rs. 30,000
- (iii) The trustee for depositors shall call a meeting of all the depositors on:
- (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) The process of money laundering generally involves three stages. Which is the second stage?
- (a) Placement
  - (b) Layering
  - (c) Integration

(d)Contribution

(vi)A minor can be nominated as a nominee in Life Insurance Policy by its

- (a)Drawer
- (b)Agent
- (c)Holder
- (d)Corporation

(vii) Which of the following is not the type of unfair competition?

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

(viii)Internal Auditor shall be \_\_\_\_\_.

- (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

## Section B

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

**2. (a)(i)** Explain the procedure for conversion of LLPs into Private or Public Limited Companies **5**

**(ii)**BET Ltd. incurred loss in business up to current quarter of financial year 2017-18.The company has declared dividend at the rate of 11%, 16% and 18% respectively in the

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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 BET Ltd. stating the provisions of declaration of interim dividend under the Companies Act, 2013. **3**

**(b)** Can any Board of Directors of a company pass some resolutions through circulation? If yes, what are the Provisions and Rules in connection to it. **8**

**3(a)(i)** Write a short note on Insolvency Professional Agencies. **3**

**(ii)** Assets which will not form part of liquidation assets as per Insolvency and Bankruptcy Code, 2016 **5**

**(b)** How can the directors 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 term of office of President, Chairperson and Members of the NCLT and NCLAT **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)** Modes of Payment allowed for receiving Foreign Direct Investment in an Indian Company-FEMA, 1999 **8**

**(b)** Explain 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 **9**

**(b)** Write a short notes on CSR and sustainability **7**

**8. Write short notes any four of the following :** **4X4=16**

**(a)** Insolvency resolution process costs

**(b)** 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.

**(c)** Appointment of resolution professional

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

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