



FINAL EXAMINATION
MODEL QUESTION PAPER
PAPER - 13

SET 2
TERM – JUNE 2023

CORPORATE AND ECONOMIC LAWS

Time Allowed: 3 Hours

Full Marks: 100

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

Where considered necessary, suitable assumptions may be made and
clearly indicated in the answer.

Answer Question No. 1 and 8 are compulsory and any four from Question No. 2, 3, 4, 5, 6 & 7.

SECTION – A

**Please answer the following questions with brief justification as directed
and/or reference to the relevant legal provision as appropriate.**

1. (a) Multiple Choice Question: [10 × 2 = 20]

- (i) Section 8 companies cannot:
- Generate surplus
 - Make Profit
 - Distribute dividend
 - Profit is given to Govt.
- Briefly state the rationale behind your selection.
- (ii) The adjudicating authority in case of personal insolvency is:
- NCLT
 - Debt Recovery Tribunal
 - RBI
 - SEBI
- Briefly justify with reference to the legal provision.
- (iii) A foreign entity cannot be:
- Implementing agency of CSR project in India
 - Advisor
 - Trainer
 - Consultant
- Briefly justify with reference to the legal provision
- (iv) Which of the following is not the function of SEBI and why?
- Quasi-legislative
 - Quasi-judicial
 - Quasi-executive
 - Quasi-official



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(v) Selling products/services below the cost is called _____.

- a. Undercut pricing
- b. Under pricing
- c. Predatory pricing
- d. Introductory pricing

Briefly explain your answer with reference to the legal provision

(vi) DPIIT comes under

- a. Industry and Commerce
- b. Finance
- c. Corporate Affairs
- d. None of the above

Briefly state the rationale behind your selection

(vii) In which of the following years IRDAI was established?

- a. 1999
- b. 2000
- c. 2001
- d. 2002

(viii) While calculating the value of assets for ascertaining the classification, the value of the following is excluded.

- a. Any sales
- b. Domestic sales
- c. Exports
- d. None of the above

Briefly state the reason for your selection.

(ix) Which of the following is not a Cyber Offence to the Government and why?

- a. Terrorism
- b. Warfare
- c. Piracy
- d. All of the above

(x) In which of the court the cases under PMLA can be tried in and why?

- a. Common courts
- b. High courts only
- c. Special designated courts
- d. None of the above



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SECTION – B

2. (a) Explain the doctrine of “Indoor Management”. How is it opposite to doctrine of “Constructive Notice”?
- (b) Demonstrate the stepwise procedure for merger and amalgamation under the Companies Act, 2013 u/s 233. **[10 + 6 =16]**
3. (a) Analyze in the light of The Companies Act, 2013, the role of SFIO in investigation into the affairs of any company.
- (b) Prepare a list of powers of Central Government to prevent Oppression and Mismanagement. **[8 + 8 = 16]**
4. (a) Analyze various provisions concerning related parties in to the matter of corporate debtor as provided under the IBC Code, 2016.
- (b) The leadership team of a company is confused on the point whether it is wise for any company to practice good governance which comes with additional cost. Please advise the company with your comprehensive answer quoting appropriate examples and the relevant provisions of law. **[8 + 8 = 16]**
5. (a) Examine disclosure norms in respect of take over under SEBI Laws and Regulations.
- (b) Examine the provision of Anti Competitive Agreement in light of The Competition Act, 2002. **[10 + 6 =16]**
6. (a) Demonstrate the prohibited items of LRS and briefly explain what is the rationale for such regulation.
- (b) Prepare a list of the functions of an Asset Reconstruction Company (ARC). **[8 + 8 = 16]**
7. (a) Demonstrate with examples the major measures taken to promote MSME sector units. Do you think those would help to achieve the objective.
- (b) Examine with reference to the legal provisions and related rationale for the purpose of Information Technology (Reasonable Security Practices and Procedures and Sensitive Personal Data or Information) rules, 2011. **[8 + 8 = 16]**



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GROUP - C

8. IVAN Industries Ltd. is manufacturing cables and wires. It has issued 10% Non-convertible debentures of ₹50 Crores in 2018 maturing in 2028. Due to changes in technology, this could not be adapted by the company, it lost market share and incurred huge loss in last 5 years. Company wants to make a compromise with the Debenture holders by which ₹50 will be converted into 5 Equity Shares of ₹10 each, at par and balance shall be repaid in 2028, the original redemption date. Such proposal has been approved by Board.

Formulate your opinion on each of the following issues with specific reference to the related provision

- (i) Is a scheme of arrangement necessary from corporate governance perspective?
- (ii) Whose consent is required, once the Board have agreed?
- (iii) Will it require going to NCLT or IRDAI?
- (iv) What will happen if adequate mandate of shareholders is not received?
- (v) Is there any specific procedure of sending notices of this meeting?
- (vi) Is any legal clearance required under PMLA? Explain.

(4 x 2)+(2 x 2)+ 4 = 16]