



FINAL EXAMINATION
MODEL QUESTION PAPER
PAPER – 13
CORPORATE AND ECONOMIC LAWS

SET - 1
TERM – JUNE 2024
SYLLABUS 2022

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) Majority of audit committee members of a company shall be _____.
- Executive director
 - Non-executive
 - Independent
 - None of the above
- (ii) CFO is compulsorily to be appointed as one of the KMPs if the paid up capital is minimum ₹ _____.
- 5 crore
 - 10 crore
 - 15 crore
 - 20 crore
- (iii) Change of registered office within a city, town or village requires _____.
- Special Resolution
 - Board Resolution
 - Approval of Central Govt.
 - None of the above
- (iv) The main authority under Competition Act is _____.
- Ministry of finance
 - Competitions Commission of India
 - RBI
 - NCLT
- (v) In case of private company, internal auditor has to be appointed if the turnover is _____.
- 100 cr or more
 - 150 cr or more
 - 200 cr or more
 - 300 cr or more
- (vi) If a unit has investment in plant and equipment of ₹55 crore and turnover of ₹ 300 crore. It will be classified as _____ unit.
- micro
 - small
 - medium
 - none of the above



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- (vii) FIU stands for:
- Financial Intelligence unit
 - Financial Issue unit
 - Featured Intelligence Unit
 - None of the above
- (viii) In case of triple bottom line approach, three Ps are:
- people, profit and progress
 - people profit and planet
 - person, profit and planet
 - people, price and planet
- (ix) A foreign entity cannot be:
- implementing agency of CSR project in India
 - advisor
 - trainer
 - consultant
- (x) SLR stands for:
- Special Liquidity Ratio
 - Statutory Liquidity Reserve
 - Special Liquidity Reserve
 - None of the above
- (xi) Automatic route in FDI means.
- Prior permission of RBI not required
 - Prior permission of Central Govt. not required
 - Prior permission of neither RBI nor Central Govt. is required
 - None of the above
- (II) CSR Ltd. is a Public Limited Company with the following details. Mr. Rajesh Kumar is the Managing Director, with Sunil Arora and Rajiv Verma as full-time directors. Ms. Khurana is a nominee director of the State Bank of India. Mr. Sabir Ali is an independent director. During the year 2023-2024, an amount of ₹3.5 Crore could not be spent out of the budget for CSR, leading to shortfall to that extent. (₹in Cr.)

Year	Turnover	Net Worth	Profit
2021-2022	280	188	5
2022-2023	300	192	12
2023-2024	360	212	34
2024-2025 (Projected)	390	2220	42

Based on the above case study, you are required to answer the questions no. from (xii) to (xv).

- (xii) Company is CSR complaint company because of _____.
- Turnover
 - Net Worth
 - Profit
 - All of the above



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- (xiii) The minimum Budget for CSR for the year 2024-2025 will be _____.
- ₹8.2 cr.
 - ₹4.2 cr.
 - ₹10.2 cr.
 - ₹11 cr.
- (xiv) CSR Committee shall constitute of –
- MD and Full-Time Directors
 - MD and Ms. Khurana
 - MD, any of the Directors or Ms. Khurana and Mr. Sabir Ali
 - Both Full-Time Directors (or one full time director, Ms. Khurana) and Mr. Sabir Ali
- (xv) Unspent Amount of CSR budget, during last year, is to be _____.
- kept aside
 - added to Next Years' Budget
 - deposited with Income Tax Authorities
 - deposited in a Special Account under Schedule VII

SECTION – B

(Answer any five questions out of seven questions given. Each question carries 14 Marks)

2. (a) Discuss the disqualifications of an Auditor of a public limited company.
- (b) 'There was persistent demand from the small shareholders to have a director nominated by them to look after the interest of small shareholders.' – discuss procedure of appointment of such director. [7 + 7 =14]
3. (a) Describe the procedure of inspection of minute books of a general meeting.
- (b) Merger and Amalgamation of Companies as per Section 232 of the Companies Act,2013 – discuss. [7 + 7 =14]
4. (a) Fair Tech Ltd is a public limited company formed 15 days before, to manufacture computer parts , having a small factory at Durgapur, West Bengal and registered office at Kolkata. There 4 directors, two from promoter and balance 2 as professionals, one being full time and the other as non-functional. One of the



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promoter director is named as MD. Advise the company by interpreting the provisions of Company law, and help the by clarifying the following.

- (i) Is there any necessary to call a Board meeting?
- (ii) If so, within what time?
- (iii) Suggest at least two important agenda item for the meeting.
- (iv) 3 directors want the meeting to be held in Delhi. Examine the legal provision.
- (v) Is necessary to appoint a CFO?
- (vi) Is written notice necessary?
- (vii) If so, how many days' notice?

(b) United Social Services Ltd is company formed by 10 professionals with one lakh paid capital by each promoter. The company intends to give various services to NGOs and social sector organisations with marginal profit. Though the registered office is Delhi, the company wants to work pan India. Interpret the following perception of the company, in line with provisions of law.

- (i) The company claims that it's a non-profit company.
- (ii) If not, can it be converted as NPO?
- (iii) What is to be done for conversation?
- (iv) Once converted, would the promoters get dividend out of profit? **[7+7=14]**

5. (a) Discuss the provisions of Companies Act, 2013 on right of member to copies of Audited Financial Statement.

(b) Gainwel Finance Ltd. (GFL) is registered as NBFC for last 10 years. The company extended a loan of 10 crores to Hindustan Wires Ltd.(HWL) as normal course of business. The loan was long term for equipment financing and equipment were actually purchased. HWL repaid only one crore and stopped paying further instalments. The company had to operation for various reasons. Examine the situation in context of IBC code to get the following queries.

- (i) Which type of creditor GFL shall be classified?
- (ii) Where the application can be made?
- (iii) Is IP necessary?
- (iv) Can GFL make a petition on its own?
- (v) What CIRP in this context?
- (vi) What time is expected to resolve?
- (vii) Can HWL itself apply for taking over the company? **[7+7 =14]**



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6. (a) Describe what do you understand by three Ps. List the benefits of Sustainability Management.
- (b) Summarize the work process of business intelligence and list the benefits of business intelligence. [7+7=14]
7. (a) Describe the restrictions on communication and trading by insiders.
- (b) Discuss Anti-Competitive Agreement and it's types. [7+7=14]
8. (a) Discuss the procedure of Investigation under the Prevention of Money Laundering Act.
- (b) Discuss the procedure for registration of an Asset Reconstruction Company. [7+7=14]