

M.Com 1st Semester Examination, 2023

COMMERCE

(Corporate Laws and International Business)

PAPER — COM-105

Full Marks : 50

Time : 2 hours

The figures in the right hand margin indicate marks

Candidates are required to give their answers in their own words as far as practicable

COM-105.1

1. Answer any *two* questions from the following : 5 × 2
- (a) State any two differences between a public limited company and a private limited company. 5

(b) Write short notes on :

(i) National Company Law Tribunal (NCLT), and

(ii) National Financial Reporting Authority (NFRA)

(c) Distinguish between memorandum of association and articles of association. 5

2. Answer any *one* question of the following :

(a) State the provisions of resident director, women director and director elected by small shareholders as per Companies Act, 2013. 10×1 10

(b) Briefly state, the essentials for convening a valid general meeting. State the procedure for holding meeting of the Board of Directors. 4 + 6

COM-105.2

3. Answer any *two* of the following : 5×2

(a) Write the concept of spread. Compute spread for a bank assuming that the bid rate is Rs. 79.80/\$ and ask rate is Rs. 80.30/\$. $2 + 3$

(b) Explain the concept of autonomous and accommodating transactions in the balance of payment.

(c) Describe the leading and lagging technique of hedging.

4. Answer any one of the following : 10×1

(a) (i) Explain the concept of direct and indirect quote with the help of an example.

(ii) Explain the absolute and relative version of the Purchasing Power Parity theory.

- (iii) It is given that the spot rate is Rs. 105.88/£. If it is further mentioned that the expected inflation rate during the year will be 5.8% and 4.5% in India and UK respectively, you are required to determine the expected spot rate after one year. 2 + 5 + 3

- (b) (i) The following information is given regarding the transactions carried out by the residents of country A :

Sl. No.	Transaction	In USD million
1	Export of goods	3000
2	Net outflow on account of tourism	950
3	Import of goods	5250
4	Banking services	250
5	Donation received from country M	100
6	Remittance made by residents of A	15

Sl. No.	Transaction	In USD million
7	Raisings from ECB	42
8	Loan taken from IMF	90
9	Deposits received from non-residents	8
10	FDI made in other countries	150
11	Interest received from investments abroad	12

You are required to show the deficit or surplus in the Balance of Payment (BOP).

- (ii) Explain the interest rate parity theory. State the difference between uncovered and covered interest arbitrage.

5+(3+2)

[Internal Assessment — 10 Marks]
