

2023

1st Semester Examination

COMMERCE

Paper : COM 105

(Corporate Laws and International  
Business)

Full Marks : 40

Time : Two Hours

*The figures in the margin indicate full marks.  
Candidates are required to give their answers  
in their own words as far as practicable.*

**COM : 105.1 (Corporate Laws)**

1. Answer any *two* of the following : 5×2=10

(a) What documents are to be submitted to the Registrar of Companies for registration of a company? Is it mandatory for a company to prepare a Memorandum of Association? Also explain the 'Doctrine of Ultra-Vires'. 2+1+2

(b) What is meant by "Financial Statement" in Indian Companies Act, 2013? Discuss. 5

(c) Distinguish between a private limited company and public limited company in terms of the range in number of shareholders and directors respectively. 5

P.T.O.

2. Answer any *one* of the following : 10×1=10

(a) (i) Distinguish between AGM and Special General Meeting of shareholders.

(ii) Discuss the provisions of the Companies Act, 2013 relating to the payment of dividend.

5+5

(b) Write in brief the various types of directors as per Indian Companies Act, 2013. 10

**COM : 105.2**

**(International Business)**

3. Answer any *two* of the following : 50×2=10

(a) What is spot rate? Write the meaning of direct and indirect quote with the help of an example for each.

2+3

(b) Why do errors and omissions arise while preparing the balance of payment?

(c) What do you mean by Foreign Direct Investment? How is FDI different from International Portfolio Investment? Explain three major reasons why FDI has grown over the last 30 years. 1+1+3

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

(a) Explain Purchasing Power Parity theory with an example. In this context, also explain Absolute Parity and Relative Parity. 6+(2+2)

- (b) (i) Explain the significance of the balance of payment (BOP) account. What do you understand by accommodating transactions with respect to the BOP?
- (ii) You are required to compute the balance in the various components of the Balance of Payment account based on the following information :

Particulars	Amt (in \$ mn)
Net inflow form insurance services	7.0
Outflow for payment to consultancy firms	3.0
Investments made into the country in the form of joint venture	10.5
Inflow from sale of goods abroad	12.0
Amount raised through the ECB route	10.2
Payments made for import of goods	19.0
Aid provided by the Indian government	9.0
Remittances (net) received from countries abroad	1.9
'Hot money' flowing into the capital market	4.8
Loan taken from a foreign institution	4.2
Errors and omissions	1.5

What adjustment will be made in the balance of payment account so that it balances? (3+2)+(4+1)