DIRECTORATE OF DISTANCE EDUCATION
NALSAR UNIVERSITY OF LAW, HYDERABAD

M.A. (Corporate Law)
Advanced Diploma in Corporate Law

Academic Year: 2023-2024

First Semester Repeat Examination (June, 2024)

Paper II - 1.1.2. Fundamentals of Corporate Law

Duration of the Examination: 2 ½ hours **Total Marks : 70 marks**

INSTRUCTIONS TO CANDIDATES

a) **Read the instructions carefully and adhere to the same.**
b) **Please mention your DDE ID No., date of the exam, name of the programme & subject on the Answer Sheet and the Additional Answer Sheets, if any.**
c) **The questions to be interpreted as given and no clarification can be sought from the Invigilator.**
d) **Clearly indicate the question numbers while answering them. Answers without question numbers / wrong question numbers will not be evaluated.**
e) **Write the answers clearly and neatly. Answers in illegible handwriting will not be taken into consideration.**
f) **Candidates are prohibited to carry phones or any other electronic devices, books, material etc. in the Examination Hall.**
g) **Copying is strictly prohibited and is considered as a serious academic mis-conduct and the University will take action as it deems fit.**

Section – A

Answer FIVE questions out of SEVEN questions and each question carries 10 marks. (5 x 10 marks = 50 marks)

1. Elucidate the benefits associated with the incorporation of a company, considering aspects such as legal liability, tax implications, and potential for growth and investment.

2. How did the Supreme Court's decision in State Trading Corporation of India v. Commercial Tax Officer resolve the protracted legal debate regarding the classification of a juristic person, such as a corporation, as a "citizen," and what are the broader implications of this ruling on corporate rights and constitutional interpretations in India?

3. In the realm of corporate governance and legal compliance, how do the memorandum of association and articles of association function as binding documents, and what implications do they have for the rights and obligations of shareholders and directors?

4. In light of the high-profile Panama Papers leaks investigation, how has the understanding and application of the concept of the corporate veil evolved, particularly concerning the use of shell companies for activities such as tax evasion and money laundering, and what are the legal implications for corporate governance and regulatory practices?

5. Elucidate the various types of partnership structures recognized under Indian law, detailing their distinctive features, legal frameworks, and their implications.

6. How has the emergence of the Limited Liability Partnership (LLP) as a modern and flexible organizational structure transformed business practices in terms of legal liability, governance flexibility, and operational efficiency, particularly in the context of the Indian corporate landscape?

7. How do agency problems manifest across different forms of business organizations and what mechanisms and governance structures can be employed to mitigate these issues.

Section – B

Answer FOUR questions out of SIX questions and each question carries 05 marks. (4 x 5 marks = 20 marks)

8. Elaborate the role and responsibilities of a 'Promoter' in the context of company formation, encompassing legal, financial, and organizational aspects?

9. Write a note on dissolution of partnership.

10. Analyse the different models of taxation of LLPs

11. Write a note on citizenship of company

12. Elaborate on the rights and duties of Partners.

13. What are the various modes of winding up a company, and under what circumstances would each mode typically be employed?