PRACTICE TEST PAPERS
FOR
PROFESSIONAL PROGRAMME
(Old Syllabus)

Module I
Paper 1  Company Secretarial Practice
Paper 2  Drafting, Appearances and Pleadings

Module II
Paper 3  Financial Treasury & Forex management
Paper 4  Corporate Restructuring & Insolvency

Module III
Paper 5  Strategic Management Alliances & International Trade
Paper 6  Advanced Tax Laws & Practice

Module IV
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Paper 8  Governance Business Ethics & Sustainability
PROFESSIONAL PROGRAMME
(Old Syllabus)

COMPANY SECRETARIAL PRACTICE

MODULE I- PAPER 1
1. Draft a suitable notice along with explanatory statement(s), if any, to convene the ensuing 20th Annual General Meeting of XYZ Ltd. for transacting the following items of business. Assume all other relevant data:

(i) Placing annual accounts for the year ended 31st March, 2014.

(ii) Reappointing Mr. A and Mr. B as directors who retire by rotation and confirming Mr. R as director who was appointed as an additional director during the year.

(iii) Reappointment of auditors (30% of paid up capital is held by the Unit Trust of India)

(iv) To declare the dividend (@10%) recommended by the Board of directors.

(v) To change the name of the company from XYZ Ltd. to ABC Ltd.

2. (a) Briefly explain the following:

(i) A subscriber to Memorandum and Articles of Association of a company is illiterate. How can he sign them?

(ii) ABC, a partnership firm, subscribes for shares of XYZ Ltd. The company rejects the application. Can it do so?

(iii) XYZ Ltd wants to have entrenchment provisions in its Articles?

(b) How is e-filing different from physical filing of documents. State the infrastructure required for e-filing.

3. (a) What is Directors' Responsibility statement.

(b) What are the matters which require special notice under the Companies Act, 2013.

(c) State the procedure for modification of charges.

4. (a) State the practical aspects which should be considered while drafting agenda and notes on agenda.

(b) State the procedure as prescribed for individual to be appointed as Key Managerial Personnel of a Company having paid up share capital of more than Rs. 10 crores.

5. (a) State the obligations cast upon the company secretary in relation to the insider trading regulations.

(b) Draft a Board resolution for keeping registers and returns at a place other than registered office.

6. (a) Draft a Board resolution for appointment of Compliance Officer.

(b) State the provisions for appointment of auditors under Companies Act 2013.
PROFESSIONAL PROGRAMME
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DRAFTING APPEARANCES AND PLEADINGS

MODULE I- PAPER 2
1. (a) Drafting is skilled man’s job. Explain this statement with some Do’s and Don’ts in drafting.
   (b) Explain “Habendum”. What does Habendum Clause signify in the Document?

2. (a) Define affidavit. What rules and guiding principles should be followed while drawing up an affidavit?
   (b) Draft a specimen agreement for sale of house property.

3. (a) Discuss the points to be borne in mind while drafting licence and lease respectively.
   (b) Draft a specimen of memorandum of mortgage by deposit of title deeds.

4. (a) What are the important points that should be taken into consideration while drafting contracts?
   (b) Distinguish between Partnership and Trust.

5. Write short notes on:
   (i) Habeus Corpus
   (ii) Mandamus
   (iii) Dress Code
   (iv) Deed Escrow

Note: Answer ALL questions

Time allowed: 3 hours
Maximum marks: 100
PROFESSIONAL PROGRAMME
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FINANCIAL TREASURY AND FOREX MANAGEMENT

MODULE II- PAPER 3
PRACTICE TEST PAPER
FINANCIAL TREASURY AND FOREX MANAGEMENT

Time allowed : 3 hours  Maximum marks : 100

NOTE: Answer Five Questions including Question No. 1 which is compulsory.

1. Attempt any four of the following:
   (i) "Financial leverage is a fair weather friend". Discuss
   (ii) Describe the responsibilities of treasury manager
   (iii) "Derivatives are mainly used to control risk to increase return" Comment.
   (iv) A stable dividend policy is always preferable to fluctuating dividend policy.
   (v) "Length of operating cycle is the major determinant of working capital needs of a business firm". Discuss. (5 marks each)

2. (a) X Ltd., an Indian Company, has an export exposure of 10 million yen, payable September end. Yen is not directly quoted against Rupee. The current spot rates are INR/USD = ₹41.79 and JPY/USD = 129.75. It is estimated that yen will depreciate to 144 level and ₹ to depreciate against $ to ₹43. Forward rates for September are INR/USD = ₹42.89 and JPY/USD = 137.35. You are required to:
   (i) Calculate the expected loss if hedging is not done. How the position will change if the firm takes forward cover?
   (ii) If the spot rate on 30th September was eventually INR/USD = ₹42.78 and JPY/USD = 137.85, Is the decision to take forward cover justified? (14 marks)

(b) JPL has two dates when it receives its cash inflows, that is, February 15, and August 15. On each of these dates, it expects to receive ₹15 crore. Cash expenditures are expected to be steady throughout the subsequent 6 months period. Presently, the ROI in marketable securities is 8 per cent per annum, and the cost of transfer from securities to cash is ₹125 each time a transfer occurs.
   (i) What is the optimal transfer size using the EOQ model? What is the average cash balance?
   (ii) What would be your answer to part (i), if the ROI were 12 per cent per annum and the transfer costs were ₹75? Why do they differ from those in part (i)? (6 marks)

3. (a) The balance sheet of Smart Ltd. as on March 31, current year is as follows (Figures in lakhs of rupees).

<table>
<thead>
<tr>
<th>Liabilities</th>
<th>Amount</th>
<th>Assets</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share capital</td>
<td>200</td>
<td>Fixed assets</td>
<td>500</td>
</tr>
<tr>
<td>Reserves</td>
<td>140</td>
<td>Inventories</td>
<td>300</td>
</tr>
<tr>
<td>Long-term loans</td>
<td>360</td>
<td>Receivables</td>
<td>240</td>
</tr>
</tbody>
</table>
Sales for the current year were ₹600 lakh. For the next year ending on March 31, they are expected to increase by 20 per cent. The net profit margin after taxes and dividend payout are expected to be 4 and 50 per cent respectively.

You are required to:

(a) Quantify the amount of external funds required.

(b) Determine the mode of raising the funds given the following parameters:
   (i) Current ratio should be 1.33.
   (ii) Ratio of fixed assets to long-term loans should be 1.5.
   (iii) Long-term debt to equity ratio should not exceed 1.06.
   (iv) The funds are to be raised in the order of (1) short-term bank borrowings, (2) long-term loans and (3) equities.

(b) "In the case of private enterprises, social cost-benefit analysis for capital project has no relevance". Comment.

4. Distinguish between Any Four of the following:
   (i) Operating lease and Financing lease.
   (ii) Systematic Risk and Non-Systematic Risk
   (iii) NPV and IRR methods of capital budgeting.
   (iv) Bonus issue of shares and Stock split.
   (v) Commodity futures and financial futures.

5. (a) Gujarat Industries has received an order from a new potential customer from HP Industries for 5000 staplers at a unit price of ₹17.50. Gujarat Industries’ terms of sale are 10% initial deposit, payable with order, with the balance payable in 180 days. The 10% deposit has been received with the order.

   In the past customers from Northern India have usually taken approximately one year’s credit before making payment, and several have defaulted on payment. On the basis of past experience, Gujarat Industries’ management estimates that there is 35% chance of new customer defaulting on payment if the order is accepted, and only a 50% chance of payment within a year.

   Incremental costs associated with the production and delivery of staplers would be ₹12.50 per unit and, in addition, there is an estimated cost of ₹500 for special attempts to collect an overdue debt, this cost is incurred one year after the sale is made. When this extra cost is incurred there is a 30% chance of obtaining quick payment of the debt. If, after this action, payment is not received, the debt is written off.
Gujarat Industries currently has some surplus funds which could be used to finance the trade credit. Prices, costs and interest rates are not expected to change significantly in the foreseeable future. Gujarat Industries’ stapler production facilities have a large amount of spare capacity.

The company considers the granting of credit to be a form of investment decision, with 14% per year as the appropriate discount rate.

Evaluate whether ‘Gujarat Industries’ should accept the order from the new customer:

(a) On the basis of the above information

(i) if there is a 50% chance that the order will be repeated at the same time next year. Following payment for a first order, the probability of default for repeat orders is 15% and no special attempt to collect an overdue debt would be made at the end of the year 2.

(ii) if HP industries has stated that it will definitely repeat the order in the second year. (15 marks)

(b) Explain the various services offered by merchant banker while making a public issue of securities. (5 marks)

6.(a) The Projects Consultants (P) Ltd is a consultancy firm. Its main business is to conduct market studies, surveys and techno-economic feasibility and industry reviews. Its final product is in the form of a printed report. The normal procedure is to produce handwritten drafts of the report and get it printed through an independent word processing service agency. Three copies of each report are prepared for submission to the clients.

On an average 35 studies are completed every year. The average size of the report is 100 pages. In addition, about 50 proposals are sent in duplicate to various companies every year, the average size of these being 20 pages. The reports as well as the proposals are in laser print on bond paper. The handwritten drafts (printed 3 times for reports and 2 times for proposals) are on ordinary paper.

The external word processing is done at a rate of ₹10 per page with one draft free of cost. The variable overheads are 2 telephone calls a day to the word processing agency for 300 days @ ₹ 1 per call.

Recently, the firm has been offered a computer system with software and laser printer for ₹1,20,000. The system would have no salvage value at the end of 5 years. The maintenance cost of the system would include ₹5,000 on account of annual maintenance contract and ₹15,000 for spares. The annual insurance of the system is likely to be 1 per cent of the cost. The other associated annual costs are expected to be as follows:

- Cost of bond paper, ₹ 0.35 per sheet; cost of ordinary paper @ Re 0.18 per sheet. The experience has been that there is 10 per cent wastage of both bond and ordinary paper sheets;
— Laser toner, ₹0.10 per sheet;
— Draft print at ₹0.05 per sheet;
  Power charges, ₹3,000;
  Telephone charges, ₹1,00;
  Manpower charges, ₹3,000 per month as salary of a part-time computer operator;
  Additional working capital requirement, ₹25,000.

The firm is in the 35 per cent tax bracket. Assuming it would use written down value method of depreciation at the rate of 25 per cent and its required rate of return is 10 per cent, should the Projects Consultants (P) Ltd install its own computer system as an alternative to hiring word processing service from an outside agency. Assume further that the company does not have any other asset in the 25 per cent block.

(15 marks)

(b) Mr. X is holding a portfolio with expected return of 20% and standard deviation of 24%. He now inherits a portfolio which has the expected return and standard deviation of 14% and 18% respectively. The market values of two portfolios are in the ratio of 2:3. Find out the expected return and standard deviation of the combined portfolio of Mr. X, given the correlation coefficient of 0.6.

(5 marks)

Question No. 7

7. Write short notes on any four of the following:
   (i) Syndicated loans
   (ii) Economic value added (EVA) and wealth-maximization.
   (iii) Financial analysis in Treasury Management
   (iv) Stock lending scheme
   (v) Adequacy of Current Assets is a myth.  

(5 marks each)
PROFESSIONAL PROGRAMME
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CORPORATE RESTRUCTURING AND INSOLVENCY

MODULE II- PAPER 4
PRACTICE TEST PAPER
CORPORATE RESTRUCTURING AND INSOLVENCY
PART A

Time allowed: 3 hours Maximum marks: 100

(Answer question no 1 which is compulsory and any three from the rest of this part)

1. a. Demerger and slump sale are different? Explain these two strategies with examples. (10 marks)

b. State with reasons, whether the following statements are true or false.
   i. Once the requisite majority approves the scheme of amalgamation, it is the duty of the court to approve the same.
   ii. Court order sanctioning the scheme of amalgamation is subject to stamp duty.
   iii. In leveraged buyouts the companies use borrow funds for funding the restructuring strategies.
   iv. In the process of taking over a company through open offer, if the minimum public holdings falls below the statutory limits the shares of the company which is being taken over is to be delisted through reverse book building route.
   v. AS14 is applicable only in case of amalgamation and not in case of demergers. (2 marks each)

c. Describe the process involved in mergers. (5 marks)

2 a. Describe the importance of valuation in the process of corporate restructuring. (8 marks)

b. Most of the merger failures are due to mismatch of cultural aspects. Discuss? (7 marks)

3 a. What are the disclosure requirements under SEBI (SAST) Regulations 2011? (5 Marks each)
b. Distinguish between public announcement and detailed public statement.
c. What are the obligations of merchant banker under SEBI(SAST) Regulations 2011?

4 a. Draft Board Resolution with respect to takeover for
   (i) Offer by offeror Company.
   (ii) Appointment of Merchant Banker. (4 marks each)

b. Draft notice of the meeting of equity shareholders in a scheme of amalgamation under Section 391 of the Companies Act, 1956. (7 marks)

5 a. Discuss briefly about any four types of takeover defenses. (8 marks)

b. What are the requirements with respect to making of application to the court under Section 391 of the Companies Act 1956. (8 marks)

PART –B
(Answer any two questions from this part)

6 a. Comment on Constitutional validity of SRFAESI Act, 2002 and refer to Supreme Court judgement. (7 marks)

b. Discuss the grounds on which a company may be wound up by the Court. (8 marks)

7 a. Discuss with case laws about the immunities provided to a sick companies under Indian Regulatory framework (8 marks)

b. Distinguish between “Contributory petition” and “petition by creditors”.
8. Write short notes on any three of the following:
   a. Role of insolvency practitioners
   b. World Bank Principles for effective insolvency (5 marks each)
   c. Securitization process
   d. Lok adalat

(7 marks)

(5 marks each)
PROFESSIONAL PROGRAMME
(Old Syllabus)

STRATEGIC MANAGEMENT ALLIANCES
AND INTERNATIONAL TRADE

MODULE III- PAPER 5
PART-A

(Answer ANY TWO questions from this part)

1. (a) Attempt ANY TWO of the following:
   (i) "SWOT Analysis is a strategic planning tool". Comment.
   (ii) Forecasting should not be considered the only element of the strategic planning process in the organization. Discuss.
   (iii) “Impact analysis” is a brainstorming technique”. Do you agree? If yes, why, if no, why not? (5 marks each)

   (b) Distinguish between the following:
   (i) Vision and mission
   (ii) Strategic planning and Tactical planning. (5 marks each)

2. (a) State with reasons in brief whether the following statements are correct or incorrect:
   (i) Strategy follows structure.
   (ii) Substitute products are those products which serve different customer needs.
   (iii) Vertical integration is a situation when two or more similar firms join hands.
   (iv) Harvesting was popularized by Porter.
   (v) Retrenchment implies downsizing of business.
   (vi) Budget is a statement of a company’s programmes in financial terms. (2 marks each)

   (b) Discuss General Electric Model of analyzing business portfolio. (8 marks)

3. (a) “Risk always carries cost”. Do you agree? Comment. (8 marks)

   (b) Write short notes on ANY THREE of the following:
   (i) Constraints in operating a MIS
   (ii) Internal Audit
   (iii) Artificial intelligence
   (iv) PEST Analysis. (4 marks each)
PART-B&C
(Answer ANY THREE questions from this part)

4. (a) What is meant by strategic alliance? Discuss its advantages. (10 marks)
   (b) ‘Synergy’ is the aim and intent of joint venture? What are the various modes of
       joint venture? (10 marks)

5. (a) Describe the objectives and fundamental principles of SAARC. (10 marks)
   (b) “WTO is a rule based system”. Discuss. (10 marks)

6. (a) Enumerate the various provisions of GATS regarding services. (10 marks)
   (b) What is meant by ‘dumping ’? Explain various types of dumping. (10 marks)

7. (a) What is the basic rationale behind countervailing measures. (10 marks)
   (b) Explain the various instruments of international trade policy? (10 marks)

8. Write short notes on:
   (i) Comparative Advantages
   (ii) Cross Border Supply
   (iii) Commercial Presence
   (iv) Safeguard duty. (5 marks each)
PROFESSIONAL PROGRAMME
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ADVANCED
TAX LAWS AND PRACTICE

MODULE III- PAPER 6
PRACTICE TEST PAPER
ADVANCED TAX LAWS AND PRACTICE

Time allowed: 3 hours Maximum marks: 100

NOTE: All Questions are compulsory

PART A – DIRECT TAXATION – LAW AND PRACTICE

1. (a) Explain how is the residential status of a company determined under the Income Tax Act, 1961.
(b) What do you understand by a company in which public is substantially interested?
(c) Discuss the provisions related to “appeal to the Supreme Court” under Section 261 of the Income Tax Act, 1961.

(5 marks each)

2. (a) What are the important areas of tax planning in the context of Income Tax Act, 1961.
(b) Explain in brief the Appealable orders before the Appellate Tribunal.

(10 marks)

PART B – INDIRECT TAXATION – LAW AND PRACTICE

3. (a) Choose the most appropriate answer from the given options in respect of the following:
   (i) Duties of customs is levied by the Union Government vide Entry No.___ of the Union List:
      (a) 82
      (b) 83
      (c) 84
      (d) 85
   (ii) Claim for refund of Excise Duty may be made within _______ from the relevant date:
      (a) 6 months
      (b) 1 year
      (c) 2 years
      (d) 3 years
   (iii) Excise Duty on molasses of Khandsari Sugar Factory is payable by the___________
      (a) Producer of molasses
      (b) Procurer who uses molasses in manufacture of any commodity
      (c) Either (a) or (b)
      (d) None of the above
   (iv) The date for determination of duty and tariff valuation except for molasses shall be the rate in force on the date on which_______:
      (a) Goods are manufactured
      (b) Goods are removed from the factory
      (c) Goods are sold
      (d) Excise duty is recovered from the buyer
   (v) CENVAT Return by a non-SSI unit is to be submitted under Self Assessment by_____
      (a) 10th day of the succeeding month
      (b) 15th day of the succeeding month
      (c) 25th day of the succeeding month
      (d) End of the succeeding month
   (vi) Excise Duty is payable by ________:
      (a) 6th day of the following month
      (b) 5th day of the following month, if paid electronically
      (c) 31st day of March for the month of March
      (d) All are correct
(vii) Duties of customs shall be levied as per the provisions of Section_____ of Customs Act, 1962 at such rates as may be specified in Custom Tariff Act, 1975
   (a) 3
   (b) 6
   (c) 9
   (d) 12

(viii) As per Custom Valuation Rules, 2007 the landing charges shall be taken @ ____of CIF value for valuation purpose:
   (a) 1 %
   (b) 1.125 %
   (c) 1.5 %
   (d) None of the above

(ix) Rate of duty and tariff valuation of imported goods for home consumption shall be applicable as on the date on which______:
   (a) Bill of Entry is presented
   (b) Custom Duty is paid
   (c) Any of the two which is most beneficial to the assessee
   (d) None of the above

(x) The Central Government has power to grant exemption from Custom Duty vide Section ____ of the Customs Act, 1962:
   (a) 10
   (b) 15
   (c) 20
   (d) 25

(b) What is meant by “manufacture” under the Central Excise Act, 1944? Explain by giving reference to the relevant case laws. (5 marks)

(c) Explain in brief the procedure of “refund” under Central Excise Law. (5 marks) 4. Discuss the salient features of CENVAT Credit Rules, 2004. (10 marks)

5. (a) Explain the Rules of Classification under the Custom Laws. (5 marks)
   (b) What do you understand by “Warehousing bond”? (5 marks)
   (c) Explain the provisions related to valuation under section 14 of the Customs Act and Custom Valuation Rules, 2007. (10 marks)

PART C – INTERNATIONAL TAXATION

6. (a) Explain the provisions related to “Advance Ruling” in the Income Tax Act?  (10 marks)
(b) Write a brief note on “Controlled Foreign Corporation (CFC)”. (5 marks)
   (c) How the Foreign Institutional Investors are taxed for the capital gains arising from transfer of securities? (5 marks)
PROFESSIONAL PROGRAMME
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DUE DILIGENCE AND CORPORATE COMPLIANCE MANAGEMENT

MODULE IV- PAPER 7
Answer any six questions including question no 1 which is compulsory.

1. a. State with reasons, whether the following statements are correct or incorrect.
   i. Internal and concurrent audit of depository participants is mandatory.
   ii. In case of resignation of an employee the options granted to him shall be vested on the legal heirs or nominees of the deceased employee.
   iii. Cultural aspects are not as important as business aspects with regard to mergers.
   iv. Virtual data rooms are more convenient and authentic in due diligence process.
   v. Issue of Indian Depository Receipts requires certain compliances with respect to the Securities Exchange Commission regulations.

   (2 Marks Each)

b. Critically examine the following.
   i. Listing agreement has conditions with respect to Minimum Public Holdings.
   ii. Most of the legal compliances are system driven.

   (5 Marks Each)

2. a Rewrite the following sentences after filling in the blank spaces with appropriate words.
   i) In a ………………. merger two or more companies are complementary to each other, get merged.
   ii) The audit committee shall have minimum ............directors as members.
   iii) In terms of Clause 47 of Listing Agreement a Company is required to appoint the ...........to act as Compliance Officer who will be responsible for monitoring the share transfer process and report to the Company’s Board in each meeting.
   iv) ....................... due diligence is often undertaken during the information technology procurement process to ensure that risks are uncovered
   v) At least ............% of the post issue paid up capital has to be contributed by the promoters.
   vi) .... is the risk that an issuer of a bond may be unable to make timely payment of interest or principal on a debt security.

   (1 Mark Each)

b. Non-disclosure agreement is an important document in due diligence process. Comment.

   (5 Marks)

c. Prepare a checklist with respect to transmission of shares in dematerialized form.

   (5 Marks)

3 a. Prepare a compliance management plan for a listed company having technical collaboration with a foreign company

b. Write a short note on Pricing of shares under SEBI (ICDR) Regulations 2009

   (8 Marks each)

4 a. Your Board of Directors has sought a note on the various process involved in IPO. As a company Secretary describe the steps involved in the IPO process.

   (10 Marks)

b. Write short notes on the basis of allotment during public issues?

   (6 Marks)

5. a. Comment on the following statements
   iii. SEBI (Prohibition of Insider Trading) Regulations prohibits an insider from trading in the secondary market.
iv. Search Reports helps the lending institutions to take rational decision while lending.
v. Royalty or lump sum payment in respect of technical collaboration does not require FIPB approval.
vi. The issue of Debt securities are governed by SEBI(ICDR) Regulations 2009

b. Prepare a brief note on the regulatory framework of Indian depository receipts.

6. a. Draft a compliance check list in respect of rights issue of a listed company.

b. Opening of escrow account is essential during open offer process. Discuss.

7. a. Explain about the social responsibility of secretarial auditors.

b. Explain the need for Compliance management.

8. Write short notes on
   i. Cultural Due diligence
   ii. Global Depository receipts
   iii. Due diligence process on mergers
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GOVERNANCE BUSINESS ETHICS AND SUSTAINABILITY

MODULE IV- PAPER 8
PART A

1. (a) Fill in the blanks.
   (i) Companies Act, 2013 lays that Independent director in relation to a company, means a non-executive director of the company excluding the _________________.
   (ii) The company is required to file the shareholding pattern with Stock exchange on a quarterly basis within _____ days from the end of each quarter.
   (iii) Corporate Governance Voluntary Guidelines, 2009 recommend that all Independent Directors should provide a ________________ at the time of their appointment, and thereafter annually.
   (iv) __________ is the international standard giving guidance on social responsibility and is intended for use by organizations of all types both public and private sectors, in developed and developing countries.
   (v) International standard _______ provides generic guidelines for the design, implementation and maintenance of risk management processes throughout an organization. (1 marks each)

(b) State with reasons whether true or false
   (i) Filing of CSR Committee is mandatory for all the listed companies.
   (ii) Constitution of Nomination and Remuneration Committee is a non-mandatory requirement in terms of Clause 49 of the Listing Agreement.
   (iii) Internal control can ensure the reliability of financial reporting and compliance with laws and regulations.
   (iv) The tool of legally assigning the cost of certain potential losses to another is known as risk reduction.
   (v) UK Corporate Governance Code 2010 is applicable to all the listed companies regardless of whether they are incorporated in the UK or elsewhere.
   (vi) “A” who received U.S $ 150,000 per year in 2010 has resigned from the listed entity in US. He is now joining the company as Independent Director. As per NYSE rules he can be treated as Independent. (2 Marks Each)

(c) Choose the most appropriate answer from the given options in respect of the following:
   (a) Guidelines on Corporate Social Responsibility for Central Public
Sector Enterprises issued in March, 2010 does not provide for allocation of funds for CSR in which of the following manner:

(i) PSU with a net profit of less than Rs 100 crore will have to allocate 3-5% of its earnings on CSR.

(ii) Those earning net profits of Rs 100-500 crore a year will have to earmark 2-3% on CSR.

(iii) Those earning Rs 500 crore and above will have to set aside 0.5-2% on CSR.

(iv) Those earning Rs 1000 crore and above will have to set aside 1.5-3.5% on CSR.

(b) Key managerial personnel under Section 2(51) of Companies Act, 2013 does not include:

(i) the Managing Director, the Chief Executive Officer or the Manager and where there is no Managing Director or Manager, a whole-time director or directors;

(ii) the Company Secretary;

(iii) the Chief Financial Officer; and

(iv) Internal auditor

(c) COSO is the acronym for Committee of Sponsoring Organizations of the Treadway Commission. The major components do not include:

(i) Control Environment

(ii) Risk Assessment

(iii) Corporate Governance

(iv) Control Activities

2. (a) As a strategy CalPERS invests in sick and ailing companies where it employs good governance practices to improve company’s overall performance. CalPERS issued Global principles of accountable Corporate Governance; give a brief account of core principles of accountable corporate Governance.

(b) Mr. A is a director in 9 companies, including 5 public companies (3 of which are listed), 2 private companies, 1 one company registered under section 8 of Companies Act, 2013, 1 incorporated in Sweden. He is either a member of committee or chairman across all of them in following manner:

(i) Nomination and Remuneration committee (in 4 companies)

(ii) Shareholder(s) Relationship committee (in 5 companies chairmanship in 3 companies)

(iii) Audit committee (in 4 companies)

(iv) CSR Committee (in 4 companies)

He has been offered to be a member in Investment committee by the private limited company.
Comment with reference to membership in committees under Clause 49 of Listing Agreement. (8 marks)

3. (a) Marathon Ltd., a LPO company, aims for listing at New York Stock Exchange (NYSE). The companies listed on the NYSE are required to comply with certain standards regarding Corporate Governance as prescribed in the NYSE’s listing rules. Your company will be required, inter alia, to comply with these rules. As a Company Secretary, you are required to prepare a Board note highlighting the provisions of the NYSE’s listing rules with respect to the Board structure and constitution of various committees of the Board. (8 Marks)

(b) Your company is willing to comply with Secretarial Standards with regard to minutes. Prepare a note to the Board with regard to this standard. (7 Marks)

4. (a) Institutional investors have a duty to act in the best long-term interests of beneficiaries. Elucidate any four Principles for Responsible Investment an initiative of UNEP in this regard. (7 marks)

(b) Explain with few examples alignment of CSR objectives with the business goals. What can be covered in a CSR policy of a company? (8 marks)

**PART B**

(Answer ANY TWO questions from this part.)

5. (a) As a company secretary of the company you are made responsible for preparing Code of Conduct for your company. What all may be included in the Code? (5 Marks)

(b) List Clarkson Principles of Stakeholder Management. (5 Marks)

(c) In the context of regulatory laws give a brief account of duty of directors for the benefit of stakeholder. (5 Marks)

6(a) Business ethics comprises the principles and standards that guide behaviour in the conduct of business. Comment (5 Marks)

(b) Explain how ethical training and communication can benefit an organization. (5 Marks)

(c) Sherron Watkins, Enron’s vice president of corporate development blew the whistle in the organization. How does Indian regulatory framework govern the structure of whistle blowers? (5 Marks)

7. (a) Write short notes on the following
   (i) Ethics Programme
   (ii) Thesis of Stakeholder Theory
   (iii) Virtue Ethics Theory
   (iv) Role of the Board of Directors in the ethical climate of an organization
   (v) Features of Good Ethics Programme. (3 Marks each)
Part C

8. (a) Explain Reporting Principles for Defining Quality and Reporting Boundary in context with G3 guidelines. (10 marks)

(b) Write short notes on:
   (i) Communication of Progress
   (ii) Materiality in terms of GRI reporting
   (iii) Bali Road map
   (iv) Convention on Biological Diversity
   (v) Completeness in terms of GRI reporting. (2 marks each)