

**Roll No.**

**SAP ID**



**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES**  
**End Semester Examination, July 2020**  
**Open Book – Through Blackboard Learning Management System**

**Course: Domestic Investment Law**

**Course Code: LLBL414**

**Programme: B.B.A.LL.B.,(International Trade and Investment) Laws 2016**

**Semester: VIII**

**Time: 03 hrs.**

**Max. Marks: 100**

**Instructions:**

As this examination is in open-book format, the students are expected to demonstrate a very high degree of Academic Integrity and not copy contents from resources referred. Instructors would look for understanding of the concept by the students and any similarity found from resources online/ offline shall be penalized in terms of deduction of marks and even cancellation of paper in requisite cases. The online examination committee of the School would also look for similarity of two answer scripts and if answer scripts of two or more students are found similar, both the answer scripts shall be treated as copied and lead to cancellation of the paper. In view of the aforesaid points, the students are warned that they should desist from using any unfair means.

**All Questions are Compulsory**

**Answer each question in not more than 500 words**

S.No		Marks	CO
1.	<p><b>A.</b> A private security company incorporated in the United States of America wants to open a branch office in India. Tender a legal advice to it on the following queries it has raised:</p> <p>i) Which is the authority from which prior approval is to be obtained for setting up of the branch office, as aforesaid?</p> <p>ii) Give details for the procedure prescribed for seeking that approval</p> <p>iii) What are the eligibility criteria to be fulfilled for setting up a branch office in India</p> <p>iv) Can the company have more than one branch office in India?</p> <p>v) What periodic reporting of the branch activities is prescribed to be done after setting up the branch office in India?</p> <p><b>B.</b> Your client Mr. Bajaj wants to apply for registration as a Foreign Portfolio Investor. He has previously been closely associated with Mr. Nirav Modi and Mr. Vijay Mallaya who were promoters of the company that they jointly promoted in 2002. However the same went into liquidation and was accordingly wound up in 2004. Mr. Bajaj is apprehensive that his previous association might affect his reputation in the securities market and he would be denied his registration as a FPI. He has therefore seeked your advice with respect to that.</p>	10[5*2]+10=20	CO2

Ans.			
2.	<p><b>A.</b> A French Finance company wants to get registered as a Foreign Portfolio Investor in India. Tender a detailed legal advice to it on the eligibility norms and the procedure prescribed under the extant law seeking registration as a FPI in India.</p> <p><b>B.</b> If the same French Finance (also operating in manufacturing sector) company wants to provide External Commercial Borrowings availed by an Indian company for further investment in real estate activities; what are the two options available to it as per the framework for raising loans?</p> <p>i) What eligibility criteria does it additionally have to comply with in order to be a recognized lender?</p> <p>ii) What is the minimum average maturity period for that loan?</p> <p>iii) If the ECB is further utilized by the Indian company for working capital purposes, or general corporate purposes, will the minimum average maturity period for that loan be same as above?</p> <p>iv) What will be the All-in-cost ceiling per annum for the above loan?</p> <p>v) What is the procedure and reporting requirement for raising such ECB?</p>	10+10[5*2]=20	CO3
Ans.			
3.	<p>“The outbreak of the novel coronavirus (Covid-19) which is yet to peak, has already caused loss of human lives and disruption to society. Its impact, both at macroeconomic and individual corporation level, is expected to be more severe and far reaching. As the coronavirus continues to spread around the world, businesses are starting to see the effects of the same on the economy. There could be possible economic losses to the travel, tourism and intensive manufacturing sectors.” Mr. X is one of the promoters of Fleabag Limited, a public listed company incorporated in India since 2017, which has foreign investment from a lot of Chinese investors.</p> <p>i) Will the same be affected post issuance of Press No. 3 of 2020 amending the FDI Policy?</p> <p>ii) Write a critique of that notification and provide your opinion as to whether the same was a sound decision of DIPP?</p>	5+15=20	CO3
Ans.			
4.	As an investor, what factors would you consider before investing in the emerging stock market of a developing country like India, given the current pandemic situation that exists globally? Keep in mind the recent changes in FDI Policy that Indian Government has prescribed.	20	CO2,CO1
Ans.			
5.	Your client Mr. Bing is the promoter and major shareholder of Witcher Private Limited, a private company incorporated and registered under the Companies Act, 2013, in 2015. He wants his company to go public and list on major stock exchanges globally, in order to	10+10=20	CO3, CO2

	<p>invite foreign capital and plan his expansion. He has appointed you as his legal advisor and seeks your service to tender a legal advice for him,</p> <p>i) Discuss any benefits you can think of for a company to (a) cross-list its equity shares on more than one stock exchange, and (b) to source new equity capital from foreign investors as well as domestic investors.</p> <p>ii) Whether the same would be a sound decision in the current pandemic situation?</p>		
Ans.			

**I, ....., understand that submitting work that isn't my own may result in failure in this paper and I may also be subject to Disciplinary Proceedings as per the Academic Integrity policy of the University.**