

Mock Test Paper - Series II: August, 2025

Date of Paper: 5th August, 2025

Time of Paper: 10 A.M. to 1 P.M.

INTERMEDIATE COURSE: GROUP – I

PAPER – 2: CORPORATE AND OTHER LAWS

Time Allowed – 3 Hours

Maximum Marks – 100

1. *The question paper comprises two parts, Part I and Part II.*
2. *Part I comprises Case Scenario based Multiple Choice Questions (MCQs)*
3. *Part II comprises questions which require descriptive type answers.*

PART I – Case Scenario based MCQs (30 Marks)

Part I is compulsory.

Case Scenario 1

Established around fifteen years ago, with its Registered Office in Mumbai, Superior Textile Industries Limited, a company listed on Bombay Stock Exchange (BSE) and National Stock Exchange (NSE), became one of the country's largest textile companies, offering end-to-end solutions through its well managed five core divisions, namely- home-textile, cotton yarn, apparel fabrics, garments and polyester yarn. All these years, Mr. Arpit, Chairman and Managing Director (CMD) had been at the forefront of the company providing high quality textile products with reliable delivery schedules.

With a view to empower themselves to fulfil diverse international requirements and ensuring delivery of superior products across multifarious domain by catering to a wide range of needs covering yarns, apparels, fabrics, men's wears, women's wears, childrens' wears and home-textile, the CMD Mr. Arpit and other Directors of the company felt that it was the right time to expand globally and therefore, planned for opening overseas branches in Singapore and Vietnam.

As the company had already raised funds through IPO, the directors thought of Further Public Offer (FPO) as it would ensure that the company had adequate funds to fulfil their objective by raising the same from general public. The directors felt that raising additional share capital through FPO would deliver results as the company had established a track record of success and have a strong following of investors willing to buy additional shares.

The directors planned to convene Extra-ordinary General Meeting (EGM) to discuss FPO as the source of raising funds as well as certain other issues and Mr. Vatsala, Company Secretary was directed to take necessary steps in this respect. Accordingly, an EGM was scheduled to be convened on 14th August, 2025, at 11.30 AM at the Registered Office.

As usual, the electronic platform set up by National Securities Depository Limited (NSDL) was to be used to facilitate shareholders to cast their votes through electronic means (NSDL e-voting Platform) at the ensuing EGM for passing the requisite resolutions.

The company sent notices in the prescribed manner to all those who were entitled to receive them to enable them to carry out the voting process through remote e-voting. The company had clearly provided the time for opening and closing of e-voting as under:

| | |
|----------------------------|--|
| Opening of remote e-voting | Friday, 8 th August, 2025, at 10.00 AM (IST) |
| Closing of remote e-voting | Wednesday, 13 th August, 2025, at 5.00 PM (IST) |

In addition, following information was also given:

- That the company is providing facility for voting by electronic means and the business may be transacted through such voting;
- That the members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

As required by the relevant provisions, the company caused a public notice to be published containing requisite particulars relating to meeting, immediately on completion of dispatch of notices of the EGM, by way of an advertisement in two newspapers *i.e.* one in a vernacular newspaper and the other in an English newspaper. The company appointed Ms. Swati, an independent Chartered Accountant in practice, to be the scrutiniser for the remote e-voting process.

At the EGM, after the discussion on resolutions was concluded, Mr. Arpit, duly assisted by Ms. Swati, allowed voting to all those members who were present thereat but had not cast their votes by availing the remote e-voting system while it was open. For the purpose of voting, the company provided the same electronic voting system as was used during remote e-voting. Immediately thereafter, Ms. Swati started her function as scrutiniser. The EGM was successfully conducted.

Among others, a resolution was passed to raise money through Further Public Offer after completing various formalities and Mr. Vatsala was entrusted to ensure the success of FPO.

It may be noted that Superior Textile Industries Limited has been involved in various Corporate Social Responsibility (CSR) activities which provide an enhanced overall reputation to the company and also help employees, people and the company to contribute to something that is

bigger than its own needs. The company's CSR programmes started taking shape when it established Trust EduCare to cater to educational needs of the children of the textile workers. In the month of May 2025, the company also set up employable vocational training centres in different semi-urban and rural areas of Maharashtra under the banner of Trust Smile which is an ongoing project.

For the Financial Year 2024-25, net profits of the company included dividends amounting to ₹ 40,53,200 received from different companies.

On the basis of above facts and by applying applicable provisions of the Companies Act, 2013 and the applicable Rules therein, choose the correct answer (one out of four) of the following Multiple Choice Questions (of 2 marks each) given herein under:

1. According to the Case Scenario, Superior Textile Industries Limited had clearly provided the time for opening and closing of remote e-voting for the ensuing EGM to be convened on Thursday, 14th August, 2025, at 11.30 AM at the Registered Office offering remote e-voting to remain open for six days. What would have been the timing for opening and closing of remote e-voting if the company had provided only the minimum required statutory period? You are required to choose the correct option from those mentioned below:
 - (a) The timing for opening of remote e-voting would have been Tuesday, 12th August, 2025, at 10.00 AM (IST) to close on Wednesday, 13th August, 2025, at 4.00 PM (IST); thus, providing for minimum required statutory period of two days from the date preceding the date of the EGM.
 - (b) The timing for opening of remote e-voting would have been Monday, 11th August, 2025, at 10.00 AM (IST) to close on Wednesday, 13th August, 2025, at 5.00 PM (IST); thus, providing for minimum required statutory period of three days from the date preceding the date of the EGM.
 - (c) The timing for opening of remote e-voting would have been Sunday, 10th August, 2025, at 10.00 AM (IST) to close on Wednesday, 13th August, 2025, at 3.00 PM (IST); thus, providing for minimum required statutory period of four days from the date preceding the date of the EGM.
 - (d) The timing for opening of remote e-voting would have been Saturday, 9th August, 2025, at 10.00 AM (IST) to close on Wednesday, 13th August, 2025, at 1.00 AM (IST); thus, providing for minimum required statutory period of five days from the date preceding the date of the EGM.
2. The Case Scenario given above states that for the Financial Year 2024-25, net profits of Superior Textile Industries Limited included dividends amounting to ₹ 40,53,200 received from different companies. You are required to choose the best option out of the four given

below as to how much amount of dividends shall be included in net profits for applying specified percentage to work out that amount which is required to be utilised towards CSR expenditure:

- (a) Dividend amount exceeding five percent of the original investment made in the company paying said dividend is needed to be included in the net profits for applying specified percentage to work out that amount which is required to be utilised as CSR expenditure.
 - (b) Dividend amount exceeding seven and a half percent of the original investment made in the company paying said dividend is needed to be included in the net profits for applying specified percentage to work out that amount which is required to be utilised as CSR expenditure.
 - (c) No amount of dividends is excluded from net profits for applying specified percentage to work out that amount which is required to be utilised as CSR expenditure.
 - (d) Dividend amount which was received from the companies that are complying with the CSR provisions is not needed to be included in the net profits for applying specified percentage to work out that amount which is required to be utilised as CSR expenditure.
3. As per the Case Scenario given above, Swati started her function as scrutiniser, immediately after the voting at the EGM was concluded. Accordingly, she first counted the votes cast at the EGM and thereafter, unblock the votes cast through remote e-voting. Since the counting of votes was to be undertaken in the presence of minimum specified witness(es), you are required to choose the correct option from those stated below as to minimum how many witness(es) were to remain present at the time of counting:
- (a) Swati was required to undertake counting of votes in the presence of minimum two witnesses who were not in the employment of Superior Textile Industries Limited.
 - (b) Swati was required to undertake counting of votes in the presence of minimum one witness who was not in the employment of Superior Textile Industries Limited.
 - (c) Swati was required to undertake counting of votes in the presence of minimum four witnesses who were not in the employment of Superior Textile Industries Limited.
 - (d) Swati was required to undertake counting of votes in the presence of minimum three witnesses who were not in the employment of Superior Textile Industries Limited.

4. It is observed from the above Case Scenario that Superior Textile Industries Limited in May 2025, also set up employable vocational training centres in different semi-urban and rural areas of Maharashtra under the banner of Trust Smile which is an ongoing project. You are required to choose the correct option from those given below as to what does an 'ongoing project' mean:
- (a) An 'ongoing project' means a multi-year project undertaken by a company to fulfil its CSR obligation having timelines not exceeding two years excluding the financial year in which it was commenced.
 - (b) An 'ongoing project' means a multi-year project undertaken by a company to fulfil its CSR obligation having timelines not exceeding five years excluding the financial year in which it was commenced.
 - (c) An 'ongoing project' means a multi-year project undertaken by a company to fulfil its CSR obligation having timelines not exceeding four years excluding the financial year in which it was commenced.
 - (d) An 'ongoing project' means a multi-year project undertaken by a company to fulfil its CSR obligation having timelines not exceeding three years excluding the financial year in which it was commenced.
5. According to the Case Scenario, Superior Textile Industries Limited caused a public notice to be published containing requisite particulars relating to meeting, immediately on completion of dispatch of notices of the EGM, by way of an advertisement in two newspapers i.e. one in a vernacular newspaper and the other in an English newspaper. You are required to choose the appropriate option from those given below as to minimum how many days before the date of EGM such public notice must have been published by way of an advertisement:
- (a) Minimum fourteen days before the date of EGM, Superior Textile Industries Limited must have caused such public notice to be published by way of an advertisement in the requisite two newspapers.
 - (b) Minimum twenty-one days before the date of EGM, Superior Textile Industries Limited must have caused such public notice to be published by way of an advertisement in the requisite two newspapers.
 - (c) Minimum ten days before the date of EGM, Superior Textile Industries Limited must have caused such public notice to be published by way of an advertisement in the requisite two newspapers.

- (d) Minimum seven days before the date of EGM, Superior Textile Industries Limited must have caused such public notice to be published by way of an advertisement in the requisite two newspapers.
6. From the above Case Scenario, it is observed that Superior Textile Industries Limited appointed Swati, an independent Chartered Accountant in practice, to be the scrutinizer for the remote e-voting process. As regards taking assistance by Swati of a person who is well-versed with the electronic voting system, which of the option out of following four, in your opinion, is correct, considering the applicable provisions:
- (a) Since the process of scrutinising votes is a secret affair, Swati is prohibited from taking assistance of any person in this respect.
 - (b) For discharging her functions as scrutinizer, Swati is permitted to take assistance of a person who is well-versed with the electronic voting system only if he is in the employment of Superior Textile Industries Limited.
 - (c) For discharging her functions as scrutinizer, Swati is permitted to take assistance of a person who is well-versed with the electronic voting system only if he is not in the employment of Superior Textile Industries Limited.
 - (d) For discharging her functions as scrutinizer, Swati is permitted to take assistance of a person who is well-versed with the electronic voting system whether or not in the employment of Superior Textile Industries Limited, but the name of such person must be recommended by an independent director included in the Board of Directors of Superior Textile Industries Limited.

Case Scenario 2

Solar Grid LLP and Wind Nova LLP were two successful businesses operating in the renewable energy sector. Solar Grid LLP specialized in solar panel manufacturing, while Wind Nova LLP was known for its innovations in wind turbine technology. Identifying a strategic opportunity to enhance their market footprint, both LLPs decided to merge into a unified entity named Green Fusion LLP.

To implement the merger, the management of both LLPs proposed a scheme of compromise and arrangement under section 60 of the Limited Liability Partnership (LLP) Act, 2008. They approached the Tribunal to sanction the scheme, which included transferring all assets, liabilities and ongoing legal proceedings of Solar Grid LLP and Wind Nova LLP to Green Fusion LLP.

Following a thorough review, the Tribunal determined that the scheme facilitated reconstruction and amalgamation. It issued an order under section 62, laying out clear provisions for transition:

1. All assets and liabilities of Solar Grid LLP and Wind Nova LLP were transferred to Green Fusion LLP.
2. Ongoing legal proceedings involving either of the original LLPs would continue in the name of Green Fusion LLP.
3. Both Solar Grid LLP and Wind Nova LLP would be dissolved without winding up.

However, several partners from Solar Grid LLP dissented from the arrangement. The Tribunal provided tailored directions to safeguard their interests and ensure fairness.

After the order was made, both LLPs had to file a certified copy of the Tribunal's order with the Registrar within 30 days for registration. Unfortunately, due to some administrative delays, this filing was not completed within the stipulated time, leading to penalties for both Green Fusion LLP and its designated partners.

On the basis of above facts and by applying applicable provisions of the Limited Liability Partnership Act, 2008 and the applicable Rules therein, choose the correct answer (one out of four) of the following Multiple Choice Questions (of 2 marks each) given herein under:

7. What was the main purpose of the scheme proposed between Solar Grid LLP and Wind Nova LLP?
 - (a) To dissolve both LLPs.
 - (b) To transfer all assets to a third party.
 - (c) For the reconstruction and amalgamation of the LLPs.
 - (d) To liquidate the companies.
8. What authority does the Tribunal have when it sanctions a compromise or arrangement under section 60?
 - (a) It can only supervise the arrangement.
 - (b) It has no authority after sanctioning the arrangement.
 - (c) It can supervise, modify and give directions for the arrangement.
 - (d) It can dissolve the LLPs directly without any conditions.
9. What penalty applies if the LLP fails to comply with the 30-day filing requirement?
 - (a) Immediate dissolution of the LLP.
 - (b) A fine of ₹ 10,000 and additional penalties for continuing contravention.
 - (c) Suspension of all business activities.

- (d) Revocation of the Tribunal's order.
10. Why is a separate winding-up process not required for Solar Grid LLP and Wind Nova LLP after the merger?
- (a) Because the LLPs are small entities
- (b) The Tribunal may order the dissolution without winding-up of any transferor LLP involved in the merger scheme
- (c) Because the partners agreed to skip winding-up
- (d) Because LLPs are exempt from following the winding up provisions

Case Scenario 3

Mrinal Kaur, an Indian citizen and an acclaimed fashion entrepreneur based in Milan, has built a successful career over the past 10 years. In January 2024, she decided to extend her brand's presence to India by incorporating a company named StyleAura Private Limited (SAPL) in Delhi.

Her comprehensive business plan includes:

- Establishing a flagship design studio in Delhi
- Importing premium fabrics and embellishments from Italy
- Launching a digital retail platform for luxury fashion
- Forming strategic partnerships with renowned European fashion houses

In February 2024, StyleAura Private Limited undertook the following initial transactions:

- Received EUR 500,000 from Mrinal's Milan-based business account
- Acquired commercial property in Delhi for setting up the studio
- Engaged fashion experts as design consultants
- Opened a foreign currency account with the Delhi branch of an international bank

The company also aims to showcase its designs at global fashion events and accept advance payments from international clients via its e-commerce platform.

On the basis of above facts and by applying applicable provisions of the Foreign Exchange Management Act (FEMA), 1999, and the applicable Rules therein, choose the correct answer (one out of four) of the following Multiple Choice Questions (of 2 marks each) given herein under:

11. What would be Mrinal Kaur's residential status under FEMA if she relocates to Delhi in 2024?
- (a) Immediately becomes Person Resident in India
 - (b) Remains Person Resident Outside India for 182 days
 - (c) Has dual residential status
 - (d) Retains French residential status until business setup
12. SAPL's receipt of advance payments from foreign buyers would be classified as:
- (a) Capital Account Transaction requiring RBI approval
 - (b) Prohibited Transaction under FEMA
 - (c) Current Account Transaction permitted freely
 - (d) Special Category Transaction requiring government permission
13. StyleAura intends to remit USD 1.2 million to consultants in San Francisco for design services. What approval is required under FEMA?
- (a) No approval required
 - (b) Prior approval of governor of the State
 - (c) Prior approval of Reserve Bank of India
 - (d) Approval from SEBI

Independent MCQs

14. An act or omission constitutes an offence under two enactments. Referring to the provisions of the General Clauses Act, 1897, state which among the following is correct in such a situation:
- (a) The offender shall be liable to be prosecuted and punished under that enactment only, which was enacted last and not under the other enactment.
 - (b) The offender shall be liable to be prosecuted and punished under that enactment only, which was enacted first and not under the other enactment.
 - (c) The offender shall be liable to be prosecuted and punished under both the enactments.
 - (d) The offender shall be liable to be prosecuted and punished under that either or any of those enactments, but shall not be punished twice for the same offence.

(2 Marks)

15. Under the statutory rules, a notice is required to be sent by "registered post acknowledgment due." If the notice is instead sent only by "registered post," what is the legal implication as per provisions of the General Clauses Act, 1897?
- The service of notice is deemed valid, as registered post suffices under all circumstances.
 - The service of notice is not valid, as the statutory rules specifically require "registered post acknowledgment due."
 - The notice is considered served only if the recipient acknowledges receipt, regardless of mailing method.
 - The mode of service is irrelevant as long as the notice is delivered eventually.

(2 Marks)

PART – II Descriptive Questions (70 Marks)

Question No.1 is compulsory.

*Attempt any **Four** questions out of the remaining **Five** questions.*

1. (a) Golden Fern Industries Ltd., a public company, is considering conversion into a private limited company. As of the current record, the company has 205 members, categorized as follows:

| Particulars | No. of members |
|--|----------------|
| Directors and their relatives | 40 |
| Current Employees | 20 |
| Ex-employees (who were allotted shares while employed) | 15 |
| Joint holders (6 couples holding shares jointly) | 12 |
| Others | 118 |

In light of the provisions of the Companies Act, 2013, advise whether the company needs to reduce its number of members before proceeding with the conversion to a private limited company.

(5 Marks)

- (b) Robust Limited, a manufacturing company, is in the process of appointing a statutory auditor for the financial year 2024-25. The company has approached Arvind Pramod & Co., a reputed chartered accountancy firm, for this purpose. Mr. Arvind and Mr. Pramod are partners of the firm.

During the due diligence process, the following facts have come to light:

- (i) Mrs. Sanvi, who is Mr. Arvind's wife, has made an investment in equity shares of Robust Limited with a face value of ₹1 lakh.
- (ii) Mrs. Lata, who is the wife of Mr. Pramod, has provided a personal guarantee of ₹ 1,50,000 to Robust Limited in connection with a loan that the company had granted to Mr. Prem, who is a third party borrower.

The Board of Directors of Robust Limited is seeking legal advice on the appointment of Arvind Pramod & Co. as their statutory auditor in light of both the circumstances separately.

Support your answer with relevant provisions of the Companies Act, 2013 and applicable rules. **(5 Marks)**

- (c) Mr. Arman has been diagnosed with a rare cardiac condition and plans to travel to USA for a specialized heart surgery. He seeks guidance regarding the necessary formalities and the maximum amount of foreign exchange he is permitted to draw for this medical treatment under the Foreign Exchange Management Act, 1999. **(4 Marks)**
2. (a) Sunrise Agro Limited held its Annual General Meeting on 10th August 2025. The meeting was chaired by Ms. Priya Sharma, who serves as the Chairperson of the company's Board of Directors. On 12th August 2025, Ms. Sharma, without signing the minutes of the meeting, left India for Toronto to care for her ailing mother. Referring to the relevant provisions of the Companies Act, 2013, examine the manner in which the minutes of the above meeting are to be signed in the absence of Ms. Sharma and identify the appropriate person who should sign them. **(5 Marks)**
- (b) Crystal Harvest Ltd. has an authorized share capital of 1,50,000 equity shares of ₹100 each, and a balance of ₹1.75 crore in its Securities Premium Account as of 31st March 2025. The Board of Directors is considering the use of this balance for general business purposes. Discuss whether the Securities Premium Account can be applied for such purposes under the provisions of the Companies Act, 2013. **(5 Marks)**
- (c) What is "Immovable Property" under the General Clauses Act, 1897? **(4 Marks)**
3. (a) Give the meaning of the following as per the Companies Act, 2013:
- (i) What is a Shelf-prospectus?
 - (ii) What is a Red herring prospectus? **(5 Marks)**

- (b) Answer the following citing relevant provisions of the Companies Act, 2013:
- (i) Mantra Books & Media Ltd with a paid-up share capital of ₹10 crore, has obtained a term loan of ₹10 lakh from ABC Industrial Bank for purchasing high quality papers. Mr. Devansh, a director of the company, contends that the loan should be treated as a "deposit" under the Companies Act, 2013. Is his contention correct?
 - (ii) Aarav Systems Ltd. facing acute cash crunch wants to utilise a portion of 'Deposit Repayment Reserve Account' to pay off its short-term creditors who are pressing hard for repayment of ₹ 10 lakh. Is it justified to use funds lying in 'Deposit Repayment Reserve Account' in this manner? **(5 Marks)**
 - (c) Preamble does not over-ride the plain provision of the Act. Comment. Illustrate your answer with a relevant legal example. **(4 Marks)**
4. (a) Harmony Biotech Ltd., a manufacturing company, has proposed a dividend of 7.5% for the financial year 2024–2025, to be paid out of the profits earned during the same year. The company has earned a profit of ₹735 crore for the period and does not intend to transfer any amount to its general reserves. Examine as per the provisions of the Companies Act, 2013, whether Harmony Biotech Ltd. can proceed with the proposed dividend without making any transfer to reserves. **(5 Marks)**
- (b) SilverCore Alloys LLP was incorporated on 3rd February, 2025. On 1st July, 2025, a partner from an existing partnership firm named M/s SilverCore Metals, registered under the Indian Partnership Act, 1932 since 5th March, 2002, submitted a request to the Registrar of Companies (ROC). The request stated that the name of the newly incorporated LLP closely resembles the name of the partnership firm and requested that SilverCore Alloys LLP be directed to change its name. Analyze whether the LLP is legally bound to change its name under the provisions of the Limited Liability Partnership Act, 2008. **(5 Marks)**
- (c) Explain how 'Dictionary Definitions' can be of great help in interpreting/constructing an Act when the statute is ambiguous. **(4 Marks)**
5. (a) Brem Limited, a public company, held its Annual General Meeting (AGM) on 31st August, 2024. During this AGM, the financial statements for the financial year 2023-24 were presented to the shareholders for adoption. However, due to certain queries raised by the shareholders regarding specific accounting treatments and disclosures, the financial statements could not be adopted in the AGM.

Consequently, the company decided to adjourn the AGM to address the shareholders' concerns and make necessary clarifications. The adjourned AGM was subsequently held on 15th September, 2024, where after detailed discussions and satisfactory explanations provided by the management, the financial statements were finally adopted by the shareholders.

Following the adoption of financial statements in the adjourned AGM, Brem Limited filed the adopted financial statements with the Registrar of Companies on 5th October, 2024. However, the company did not file the unadopted financial statements with the Registrar within the stipulated time period after the original AGM held on 31st August, 2024.

Analyze whether Brem Limited has complied with the requirements of the Companies Act, 2013 with respect to the filing of adopted and unadopted financial statements. **(5 Marks)**

- (b) Mr. Raghav entered into an agreement to purchase a commercial property located in Bengaluru from Zenith InfraTech Ltd. However, during the registration process, he discovered that the title deed was encumbered. The company refused to transfer the title, claiming that Mr. Raghav should have been aware of the existing charge on the property. Evaluate whether Zenith InfraTech Ltd.'s claim is legally valid. Give your answer as per the provisions of the Companies Act, 2013.

(5 Marks)

- (c) The financial executive and the accountant of a company had a disagreement over the interpretation of the terms "financial year" and "calendar year." Referencing the provisions of the General Clauses Act, 1897, explain the correct meaning of the term "financial year." Additionally, distinguish it from the concept of "calendar year."

(4 Marks)

6. (a) The registered office of the Emerald Engineering Ltd. is situated in a classified backward area of Jharkhand. The Board wants to keep its books of account at its corporate office in Ranchi which is conveniently located. The Board seeks your advice about the feasibility of maintaining the accounting records at a place other than the registered office of the company. Advise the company as per the provisions of the Companies Act, 2013.

(5 Marks)

- (b) Trident Energy Systems Ltd. is a company in which Solaris Electric Ltd. holds 57% of the paid-up share capital, making Trident Energy Systems Ltd. a subsidiary of Solaris Electric Ltd. One of the shareholders of Solaris Electric Ltd. creates a charitable trust and donates 7% of his shares in Solaris Electric Ltd. along with ₹ 92 crore to the trust. He appoints Trident Energy Systems Ltd. as the trustee of

this charitable trust. All the assets of the trust, including the shares, are held in the name of Trident Energy Systems Ltd.

Examine whether Trident Energy Systems Ltd. can legally hold shares in Solaris Electric Ltd. in this manner. Give your answer as per the provisions of the Companies Act, 2013. **(5 Marks)**

- (c) (i) Mr. Arjun Verma, a resident individual in India, intends to obtain foreign exchange US \$2,00,000 for pursuing higher education abroad, based on the estimated expenses provided by the foreign institution.
- (ii) Mr. Narain Sharma, a resident individual in India, intends to obtain foreign exchange for a gift remittance of US \$25,000 to a relative living overseas.

Advise Mr. Arjun Verma and Narain Sharma whether they can get Foreign Exchange and if so, under what condition(s) as per the provisions of the Foreign Exchange Management Act, 1999? **(4 Marks)**