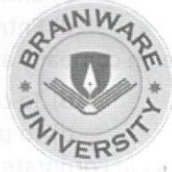




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BRAINWARE UNIVERSITY

Term End Examination 2025-2026

Programme – BBA LL.B.-2021

Course Name – Law on Corporate Finance

Course Code - BBALLB903A

(Semester IX)

Library
Brainware University
398, Ramkrishnapur Road, Barasat
Kolkata, West Bengal-700125

Full Marks : 60

Time : 2:30 Hours

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

Group-A

(Multiple Choice Type Question)

1 x 15=15

1. Choose the correct alternative from the following :

- (i) What is the primary goal of corporate finance?
- a) Maximizing employee satisfaction b) Profit maximization
c) Wealth maximization d) Reducing competition
- (ii) Which entry in the Union List deals with banking regulation?
- a) Entry 43 b) Entry 45
c) Entry 86 d) Entry 52
- (iii) Identify a key characteristic of working capital.
- a) Long-term capital b) Used for expansion
c) Required for daily operations d) Used to pay dividends
- (iv) Which of the following is a form of debt instrument?
- a) Equity shares b) Preference shares
c) Debentures d) Stock options
- (v) Which document must be issued before a public issue of shares?
- a) Share certificate b) Minutes of Meeting
c) Memorandum of Association d) Prospectus
- (vi) Which authority registers and inspects company accounts in India?
- a) RBI b) SEBI
c) Registrar of Companies d) Income Tax Department
- (vii) What does convertible debenture imply?
- a) It cannot be converted b) It's equity by default
c) Can be converted into equity shares d) Can be redeemed only after 20 years
- (viii) Which constitutional entry provides for corporate laws in the State List?
- a) Entry 24 b) Entry 38
c) Entry 45 d) Entry 52
- (ix) Why is wealth maximization preferred over profit maximization?
- a) Short-term focus b) Ignores risk

- c) Considers time value of money
- d) Less complex
- (x) Which entry in List I of the Constitution is relevant to capital issues?
 - a) Entry 52
 - b) Entry 43
 - c) Entry 85
 - d) Entry 38
- (xi) What is the purpose of creating a charge on company assets?
 - a) To increase share price
 - b) To comply with SEBI rules
 - c) To secure borrowings
 - d) To pay dividends
- (xii) Which one ensures protection of investors in corporate finance?
 - a) Working capital management
 - b) SEBI Regulations
 - c) Tax rebates
 - d) Debenture trustees
- (xiii) Which charge is registered with the ROC?
 - a) Verbal agreement
 - b) Floating charge
 - c) Lien
 - d) Salary payment
- (xiv) Under whose control does dividend payment fall?
 - a) SEBI
 - b) Shareholders
 - c) Board of Directors
 - d) MCA
- (xv) What do corporate membership rights include?
 - a) Voting and attending meetings
 - b) Right to dividends only
 - c) Right to audit books
 - d) Right to appoint CAs

Group-B

(Short Answer Type Questions)

3 x 5=15

- 2. Define corporate finance. (3)
- 3. What is working capital? (3)
- 4. What do you mean by capitalization? (3)
- 5. Explain the importance of profit maximization. (3)
- 6. Assess the significance of charges in securing corporate loans. (3)

OR

Compare fixed charge and floating charge in credit protection. (3)

Group-C

(Long Answer Type Questions)

5 x 6=30

- 7. Define and explain the meaning and importance of corporate finance. (5)
- 8. List and explain the seven major objectives of corporate finance. (5)
- 9. Assess the implications of issuing convertible debentures. (5)
- 10. Evaluate the legal remedies available to investors for non-disclosure in prospectus. (5)
- 11. Judge the necessity of creditor protection provisions. (5)
- 12. Evaluate the effect of financial mismanagement on corporate reputation. (5)

OR

Discuss the importance of financial restructuring. (5)
