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# BRAINWARE UNIVERSITY



**Term End Examination 2025-2026**
**Programme – LL.B.-2024**
**Course Name – Corporate Governance**
**Course Code - LLB405A**
**( Semester IV )**

**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 meant by corporate governance?
a) Public administration
b) System of directing and controlling companies
c) Judicial control
d) Government management

(ii) Which theory is most appropriate when management and owners share common goals?
a) Agency
b) Stakeholder
c) Stewardship
d) Institutional

(iii) Identify the primary objective of SEBI.
a) Regulate banks
b) Protect investors
c) Control inflation
d) Promote industry

(iv) Recall the authority ordering compulsory winding up.
a) SEBI
b) RBI
c) NCLT
d) MCA

(v) Explain why ESG reporting is important for investors.
a) Reduce trust
b) Assess sustainability
c) Avoid disclosure
d) Increase secrecy

(vi) Identify the section dealing with anti-competitive agreements.
a) Section 3
b) Section 4
c) Section 5
d) Section 6

(vii) Name the provision regulating combinations.
a) Section 2
b) Section 3
c) Section 4
d) Section 5

(viii) A firm with 70% market share refuses market access to competitors. Explain the legal consequence.



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a) Lawful act | b) Abuse of dominance
c) Combination | d) Exempt activity

(ix) A firm argues efficiency defence for restrictive agreement. Which authority assesses it?

a) High Court | b) SEBI
c) CCI | d) NCLT

(x) Recall the concept that prevents leveraging market power unfairly.

a) Efficiency defence | b) Consumer welfare
c) Abuse of dominance | d) Joint venture



(xi) Name the factor that justifies differential pricing.

a) Arbitrary choice | b) Cost justification
c) Market manipulation | d) Cartel pressure

(xii) Recall the competition issue in Shamsher Kataria v. Honda case.

a) Predatory pricing | b) Denial of market access
c) Cartelisation | d) Bid rigging

(xiii) Identify the abuse alleged against Google in Android ecosystem cases.

a) Cartelisation | b) Exclusive dealing
c) Abuse of dominance | d) Merger violation

(xiv) Choose the correct factor used to assess appreciable adverse effect on competition (AAEC).

a) Profit margin | b) Market share
c) Director control | d) Tax liability

(xv) What is the remedy available to CCI against anti-competitive conduct?

a) Advisory opinion | b) Penalty and cease order
c) Imprisonment | d) Cancellation of company

## Group-B

(Short Answer Type Questions) 3 x 5=15

2. Explain the evolution of Competition law in India. (3)
3. Explain one fiduciary duty owed by directors. (3)
4. Explain the difference between Horizontal and Vertical Agreement. (3)
5. Distinguish between powers of the Board and powers of shareholders, highlighting the principle of separation of ownership and control. (3)
6. Explain the effectiveness of insider-trading regulations. (3)

**OR**

Explain whistle-blower protection as a governance mechanism. (3)

## Group-C

(Long Answer Type Questions) 5 x 6=30

7. Define corporate governance and list its primary scope within a legal framework. (5)
8. Illustrate the concept of Abuse of dominant position with suitable case law. (5)
9. Examine why board diversity is essential for effective corporate governance. (5)
10. Distinguish between voluntary and compulsory winding up of a company. (5)
11. Explain the problem in the light of Competition Act, Company A and Company B, two major cement manufacturers, meet privately and agree to fix the price of cement bags at ₹400 across the state. Analyze if this constitutes a violation of the Competition Law. (5)
12. Explain the importance of internal audit in corporate governance. (5)

**OR**

Compare the roles of the Board of Directors and the Shareholders. (5)

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