42245

BRAINWARE UNIVERSITY

Term End Examination 2025-2026
Programme – B.Com.(AFB)-Hons]-2023
Course Name – Company Law and Corporate Governance
Course Code - BBF60119
(Semester VI)

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) Identify the primary objective of Company Law in India.

a) Profit maximization
b) Regulation of trade unions
c) Governance of companies
d) Tax collection

(ii) Explain why the Companies Act, 2013 is called a comprehensive law.

a) Covers only incorporation
b) Covers all stages of company life
c) Deals only with audits
d) Deals only with directors

(iii) Recognize the statute that governs company law in India today.

a) IPC
b) Companies Act, 2013
c) FEMA
d) SEBI Act

(iv) State the concept that allows a company to exist independently of its members.

a) Limited liability
b) Perpetual succession
c) Separate legal entity
d) Mutual agency

(v) Identify the minimum number of members required to form a public company.

a) 1
b) 2
c) 5
d) 7

(vi) Recognize the legal nature of an LLP.

a) Separate legal entity
b) Informal body
c) Government body
d) Partnership only

(vii) Recognize the purpose of Director Identification Number (DIN).

a) Identity of shareholders
b) Identity of directors
c) Identity of auditors
d) Identity of ROC

(viii) Distinguish MOA from AOA on the basis of function.

a) Both deal with outsiders
b) MOA defines scope, AOA rules
c) AOA defines scope
d) Both define objectives

(ix) Differentiate LLP from a company based on governing law.

a) Companies Act
b) Partnership Act
c) LLP Act
d) SEBI Act

(x) Differentiate a company from LLP on liability.

a) Both unlimited
b) Company limited, LLP limited
c) Company unlimited
d) LLP unlimited

(xi) Identify the regulatory body that protects investor interests.

a) MCA
b) RBI
c) SEBI
d) IRDAI

(xii) Identify the minimum notice period for a board meeting.

a) 7 days
b) 21 days
c) 14 days
d) 30 days

(xiii) Identify the committee that strengthens board oversight.

a) CSR committee
b) Audit committee
c) Welfare committee
d) Sports committee

(xiv) Explain why separation of ownership and control creates governance need.

a) Reduces profits
b) Increases risk of misuse of power
c) Improves efficiency
d) Eliminates conflicts

(xv) Explain how true and fair view enhances stakeholder confidence.

a) By increasing profit
b) By ensuring transparency
c) By reducing tax
d) By avoiding audit

Group-B

(Short Answer Type Questions) 3 x 5=15

2. List any three legal effects of incorporation of a company. (3)
3. Define Memorandum of Association (MOA) and state its importance. (3)
4. Distinguish between executive and non-executive directors on any three points. (3)
5. Define financial disclosure and accountability. (3)
6. Evaluate the importance of global best practices in strengthening Indian corporate governance. (3)

OR

Evaluate the impact of promoter dominance on corporate governance in listed companies. (3)

Group-C

(Long Answer Type Questions) 5 x 6=30

7. Enumerate and explain the conceptual position of shareholders in a company. (5)
8. State and illustrate the major rights of shareholders. (5)
9. State and illustrate the importance of financial statements for stakeholders. (5)
10. Analyze the major corporate governance challenges in start-ups and SMEs. (5)
11. Analyze how the Companies Act, 2013 has strengthened corporate governance in India. (5)
12. Evaluate the lessons from major Indian corporate governance failures. (5)

OR

Evaluate the importance of independent directors and board committees in strengthening governance. (5)

****