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BRAINWARE UNIVERSITY

Term End Examination 2025-2026
Programme – LLM-2023/LLM-2024/LLM-2025
Course Name – Advanced Corporate Law & Governance
Course Code - LLM201A
(Semester II)

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 meaning of the doctrine of corporate personality.

a) A company is a sole trader b) A company is a Partnerships
c) A company is a legal person d) A company means its owners

(ii) When can the corporate veil of a company be pierced?

a) Always, under any circumstances b) In specific situations as per statutory provisions or judicial interpretations
c) When the company is newly formed d) Only in cases of bankruptcy

(iii) Select that is not an example of a duty or responsibility of directors.

a) Having a conflict of interest but declaring it to the board of directors b) Continuing to transact with creditors when the companys liabilities exceed the assets
c) Researching and asking questions relating to the companys operations so as to be informed d) Choosing to personally carry out instructions from the board rather than requesting subordinates to do so

(iv) Name that the Official Liquidators are appointed from a panel of.

a) Firms of Charted accountat b) Lawyers
c) Cost accountat and company Secretaries d) All of these

(v) Select that control of management of the company mainly vests in:

a) equity shareholders b) preference shareholders
c) debenture holders d) All of these

(vi) Select the meaning of doctrine of indoor management.

a) strangers dealing with the company may assume that everything is done regularly b) strangers must enquire into the regularity of proceedings
c) strangers can afford to be negligent a s regularity is the companys responsibility d) constructive notice

(vii) Choose the meaning of Corporate governance:

a) The same as business ethics b) A theory about ethics

c) The integration of social and environmental concern in the daily business of the firm
d) The title of a Govt Committee

(viii) Name the section where definition of Board of Directors is given.

a) Section 28
b) Section 29
c) Section 210
d) Section 211

(ix) Choose the net worth of a company to fall into the category of CSR:

a) Rupees 500 Crore
b) Rupees 1000 Crore
c) Rupees 1500 Crore
d) Rupees 2000 Crore

(x) Decide the section of the Companies Act 2013 that deals with the provisions related to the disqualification for the appointment of Directors.

a) Section 157
b) Section 159
c) Section 160
d) Section 164

(xi) Examine the rights of preference shareholders.

a) Preferential right as to dividend only
b) Preferential right in the management
c) Preferential right as to repayment of capital at the time of liquidation of the company
d) Preferential right as to dividend and repayment of capital at the time of liquidation of the Company

(xii) Determine from the following that if a company failed to refund application money within specified days from the date of issue of prospectus om nonreceipt of minimum subscription who will be personally liable.

a) Company
b) Directors
c) Shareholders
d) None of these

(xiii) Choose the age limit for directors in case of private company is:

a) 65
b) 70
c) 75
d) No Limit

(xiv) Choose the incorrect one from the theories of corporate governance.

a) Agencey Theory
b) Partnership theory
c) Stewardship theory
d) Transaction cost theory

(xv) Select the duty that does not come under the purview of Competition Commission.

a) to protect the interests of investors
b) to ensure freedom of trade carried on by other participants in markets in India and - for matters connected therewith or incidental thereto
c) to prevent practices having adverse effect on competition
d) to promote and sustain competition in markets

Group-B

(Short Answer Type Questions) 3 x 5=15

2. Explain in brief different types of shares. (3)
3. Evaluate a short note on Duties of director. (3)
4. A person forms a company where he holds 99 percent shares and is the sole managing director The company goes into debt and creditors sue him personally claiming he is the same as the company. Applying the principle of corporate personality determine his liability. (3)
5. A company issues shares to its existing shareholders in proportion to their current holding at a price lower than the market value. Identify and explain this type of issue. (3)
6. Analyze any three objectives of the Securities and Exchange Board of India. (3)

OR

Examine the regulatory and development functions of SEBI. (3)

Group-C

(Long Answer Type Questions) 5 x 6=30

7. Apply the objectives of RBI monetary policy. (5)
8. Identify the German Model of Corporate Governance emphasizing the two tier board system and the role of labor representation in the supervisory board. (5)
9. Discuss the Doctrine of Constructive Notice and the Doctrine of Indoor Management. Explaining how they balance the interests of the company and the outsiders. (5)
10. A company is experiencing a deadlock between two groups of shareholders holding 50 percent each. Evaluate the powers of the Tribunal to prevent oppression and mismanagement in such a case. (5)
11. Evaluate the corporate veil doctrine and how it affects shareholders' liabilities. (5)
12. A company earns a net profit of 10 crores and spends its CSR budget on building a temple for its employees. Analyze if this complies with the statutory provisions of CSR in India. (5)

OR

Analyze the role of the OECD Principles in shaping international corporate governance standards and explain how they influence Indian law specifically SEBI Clause 49. (5)

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