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Reg. No.....

Name.....

LL.M. DEGREE EXAMINATION, MARCH 2024

Second Semester

Branch I—Commercial Law

Course 3—LW010203—LAW OF CORPORATE FINANCE

(2022 Admissions—Regular/2021—Admissions—Supplementary)

Time : Three Hours

Maximum : 70 Marks

*Answer any **five** questions.*

All questions carry equal marks.

1. What do you mean by the term 'Debt Financing ? Briefly explain the classification of the instruments that are useful for raising Debt Finance. Establish the meaning, scope and importance of a Debenture Trustee and Debenture Trust Deed in case of a Debt Issue.
2. What do you mean by the term Depositary and discuss the entire working machinery of a Depositary System giving special importance to its benefits, functions and the legal framework governing it ?
3. What do you understand by the term "Corporate Finance' and 'Financial management' and discuss their objectives ? Explain the meaning and scope of 'Profit maximization' and 'Wealth Maximization' and give your opinion as to how a corporate entity should respond/adopt with these concepts ?
4. "It is rightly said that majority has powers and the minority has rights. A proper balance of rights of the majority and minority shareholders is essential for the smooth running of a company. It is rightly said that majority has powers and the minority has rights". Comment and discuss how the Companies Act 2013 achieves this aim giving special emphasis on the issues related to raising of finance within a corporation.





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5. 'The Insolvency and Bankruptcy Code, 2016 marks a substantial change in legislative policy relating to corporate insolvency, wherein, creditors in general and financial creditors in particular are substantially empowered to obtain debts due to them. With regard to corporate insolvency, the Code adopts an applicant-based approach, providing for different mechanisms for insolvency resolution for financial creditors, operational creditors and corporate applicants.' Do you agree? In light of the IBC 2016, discuss the objectives of the Code and highlight the process of corporate insolvency and the resolution process with the help of provisions and case laws.
6. Critically examine the various efforts taken by SEBT and RBI to supervise and regulate the financial environment with respect to the corporations in India. Support your answer with relevant case laws and examples.
7. Explain the concepts and implications of the following on the financial structure of the company:
 - (a) Forfeiture of shares.
 - (b) Reduction of Share Capital.
8. Identify and explain in detail the various sources of raising finance by a company.

(5 × 14 = 70)

