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Reg. No.....

Name.....

LL.M. DEGREE EXAMINATION, NOVEMBER 2024

Second Semester

Branch I—Commercial Law

Course 3—LW010203—LAW OF CORPORATE FINANCE

(2023 Admissions—Regular/2021—2022 Admissions—Supplementary)

Time : Three Hours

Maximum Marks : 70

*Answer any **five** questions.*

All questions carry equal marks.

1. State the meaning, scope and importance of corporate finance. Examine the aspect of plowback, and the main sources of corporate finance. Explain the concept of private equity. What are some similarities and differences between private equity and venture capital ?
2. Discuss the basics of corporate bonds. Review the advantages and disadvantages to the corporation of issuing bonds.
3. What are the basic features of corporate stock ? Discuss preferred shares and the rights of preferred shareholders ? Compare common stock with preferred stock. Explain treasury stock and its functions. Critically analyze whether debt or equity is a better financial option.
4. Discuss the problems of watered Explain the good-faith rule and United Steel Industries case. Describe the process of conducting an IPO. What are some advantages of selling stock ? What are some disadvantages of selling stock ? What is consideration ? What are some types of consideration that may not be acceptable ?
5. What is a dividend, and what are the main types of dividends ? Distinguish between stock dividend and stock split. What are the legal limitations on dividends ? State the Ruling in *Weinberg v. Baltimore Brick Co.* and explain nimble dividends. Is a corporation required to pay dividends ? Under what circumstances is a corporation barred from paying dividends ?





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6. Distinguish between profit maximization and wealth maximization. What are Indian depository receipts (IDR), mention its advantages ? Compare IDR with American Depository Receipts and Global depository receipts.
7. What are the various types of mutual funds ? Explain Net Asset Value (NAV). Discuss whether the investments in Mutual Funds is risk free or not ?
8. Explain Unit Trust of India (UTI) : Objectives, Functions and Schemes. State the management structure of UTI. Analyze the case C.M.C. Ltd. Vs. Unit Trust of India and Ors . ‘The Finance Bill 2024 seeks to omit Section 194F of the Income-tax Act relating to payments on account of the repurchase of units by Mutual Fund or Unit Trust of India’, comment on this statement.

(5 × 14 =70)

