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Reg. No.....

Name.....

LL.M. DEGREE EXAMINATION, NOVEMBER 2024

Second Semester

Branch I—Commercial Law

Paper III—LAW OF CORPORATE FINANCE

(2018 to 2020 Admissions—Mercy Chance)

Time : Three Hours

Maximum Marks : 75

*Answer any **five** questions.
All questions carry equal marks.*

1. What is Corporate Finance ? Explain the meaning, importance scope of Corporate Finance. What are capital needs ? Explain.
2. Explain capitalization. Discuss capitalization working capital, securities borrowing, deposit debentures and share capital.
3. “In the case of a company limited by shares, capital means share capital. According to Sec. 13(4) (a) of Companies Act, a company shall have share capital ————”. Comment, discussing the equity finance of a company, examining the nature and scope of share capital, shares and different types of shares and modes of acquisition of shares.
4. Explain the nature and scope of debentures and how they constitute the debit finance. Discuss the creation of charges and mortgages, distinguishing between fixed and floating charges.
5. Discuss the different classes of debentures and the remedies of debenture holders. Explain the distinction between debentures and shares.
6. Discuss the liability for mis-statement in prospectus, what was decided in Derry v Peek ? Attempt a critical evaluation of the decision.
7. Discuss the protection of investors when the individual shareholders right vie with the corporate membership rights. Explain the rule in Foss v. Harbottle, the exceptions to the rule and the statutory measures to prevent oppression and mismanagement of the majority over the rights of the minority.
8. Discuss the different modes of corporate fund raising - IDR, ADR, GDR etc. and through mutual fund and other collective investment schemes. Write notes on conversion, consolidation and re-organization of shares. Explain transfer and transmission of securities and also dematerialization of securities.

(5 × 15 = 75)

