

## LL.M. Semester-2 Examination

410E-BL

## Corporate Finance-I

April-2024

Time : 2-30 Hours]

[Max. Marks : 100

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**Instructions : Figures to the right side indicate full marks.**

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1. Explain the meaning, characteristics and importance of Capital, Capitalization, Capital Structure and Working Capital. (25)  
or  
Define the term prospectus and explain in detail the provisions relating to it. What are the consequences for misleading statements either by inclusion or omission of any matter in the prospectus under the Companies Act, 2013?
2. Discuss the provisions relating to allotment of Shares and the statutory restrictions upon the allotment of shares. (25)  
or  
Answer the following :  
(a) Inter-corporate loans and investments  
(b) Preferential Creditors
3. Explain briefly the kinds of Share Capitals and the provisions relating to alteration of Share Capital. (25)  
or  
How and under which circumstances can a company be permitted to purchase its own shares. Explain alongwith the restrictions imposed on a company to purchase its own shares under the Companies Act, 2013.
4. Write Notes on any two of the following. (15)
  - (a) Convertible Debentures
  - (b) Fixed Charges and Floating charges
  - (c) Provisions relating to nominations of Directors of a Company
  - (d) Managerial Remuneration
- (b) State whether the following statements are true or false with reasons. (10)
  - (a) Any company can buy back its shares only through stock exchange.
  - (b) Reduction of Share Capital is unlawful, unless sanctioned by the National Company Law Tribunal.
  - (c) Debentures and working capital are the examples of fixed charges.
  - (d) The maximum ceiling for payment of managerial remuneration by a public company is to its managing director whole time director and manager which shall not exceed 20 % of the net profit of the company in that financial year.

