



Seat No. : \_\_\_\_\_

# MO-203

May-2025

LL.M, Sem.-II

410 EBL : Law

(Corporate Finance – I)

(Group C Business Law)

Time : 2:30 Hours]

[Max. Marks : 100

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

1. Discuss the provisions regarding the control of SEBI and Registrar of Companies on Corporate Finance. 25

**OR**

1. Define and explain the term “Share Capital”. Discuss about the kinds of Share Capital. 25
2. Who can be a member of a company ? Distinguish between ‘Member’ and ‘Share holder’ of a company. Explain the various modes to become member of a company. 25

**OR**

2. Answer the following : 25
- (a) Reduction of Share Capital
- (b) Red Herring Prospectus
3. Define and explain the term Debentures and kinds thereof. Discuss the provisions relating to Convertible Debentures. 25

**OR**

3. “Prospectus is a document containing the invitation of deposits from the public.” Explain the above statement in detail. Discuss about the consequences for polishing false or misleading statement in the prospectus. 25

4. (a) Write notes on any **two** of the following : **15**
- (1) Preferential Creditors
  - (2) Sweat Equity Shares
  - (3) Constitutional perspectives relating to Corporate Finance
  - (4) Payment of Interest out of Capital
- (b) State whether the following statements are true or false with reasons. **10**
- (1) No buy back of shares for 25 % or more of the paid up capital and reserves of the company can be made through open markets.
  - (2) If any director of a company absents himself from all the meetings of the Board of Directors held during a period of twelve months with seeking leave of absence of the Board then his office as a director shall not become vacant.
  - (3) Debentures can be converted into Equity Shares.
  - (4) Mortgages, liens and pledges are the illustrations of Floating charge.
-