Roll No.............................

SCHOOL OF LAW
HAMDARD INSTITUTE OF LEGAL STUDIES & RESEARCH(HILSR)
JAMIA HAMDARD, NEW DELHI - 110062
LL.M. 2nd SEMESTER, 2024-25

LL.M. (B) 204 || Law of Corporate Finance and Securities Regulation
SET B

Time: 3 Hours **Maximum Marks: 60**

Instructions

i. *Write your Roll No. on the top immediately on receipt of this question paper.*
ii. *Attempt five questions selecting one from each unit. All questions carry equal marks.*

UNIT-I **(12 Marks)**

Q1. Explain the meaning and significance of corporate finance. Discuss its main areas of focus and how it helps businesses in making important financial decisions. Why is understanding corporate finance essential for the growth and success of a company?

OR

Q2. Write detailed notes on **any two** of the following (6 x 2 = 12):

a) Primary and Secondary markets.
b) Capital markets and Money markets.
c) Sustainable stock exchange.

UNIT-II **(12 Marks)**

Q3. How did the move from mutualisation to demutualisation change the ownership and governance of stock exchanges in India, and what have been its major effects on market efficiency, regulatory control, and the interests of different stakeholders??

OR

Q4. Define the concept of securities and explain the importance of marketability in the context of capital markets. Discuss the different types of securities with examples. How does each type differ in terms of risk, return, and investor rights?

UNIT-III **(12 Marks)**

Q5. Discuss the legal and regulatory framework governing Angel Investment Funds and Venture Capital Funds (VCFs) in India. How are these alternative investment vehicles structured under SEBI regulations? Compare their roles in financing start-ups and early-stage entrepreneurs.

OR

Q6. What do you understand by Fixed Price Method in Initial Public Offering (IPO)? How it is different from "Book-Building" method. Draw a procedural chart of the book building method used by the companies to discover price of their public offering.

UNIT-IV **(12 Marks)**

Q7. What is a depository system? Discuss the constituents, their roles, and key functions performed by them in the depository system. Critically examine the rights and obligations of depositories, participants, and investors under the Depositories Act, 1996, highlighting how the Act has contributed to the dematerialization and efficiency of securities transactions.

OR

Q8. Explain the concepts of dematerialization and rematerialisation of securities. What are the legal procedures and regulatory requirements governing these processes under the Depositories Act, 1996 and SEBI regulations? Discuss the advantages and challenges associated with dematerialization in the Indian securities market.

UNIT-V

(12 Marks)

Q9. Critically examine how Section 11(4) of the SEBI Act, 1992 balances SEBI's need for swift regulatory action during investigations with the protection of stakeholder rights. In your answer, assess whether the legal and procedural safeguards are adequate to prevent potential overreach, and analyse the broader implications for due process and market confidence.

OR

Q10. Harry Potter is a high-level employee of a company – "Hogwards Corporation", overhears a meeting where the CFO (Mr. Albus Dumbledore) is talking about how the company is going to be driven into bankruptcy as a result of severe financial problems. Harry knows that his friend (Ron Weasley) owns shares of the Hogwards Corporation. Harry warns Ron that he needs to sell his shares right away.

What crime has been committed by Mr. Harry Potter? What is the legal and regulatory implications of sharing such information? Discuss the above-mentioned problem in light of the legal and regulatory framework set up by Securities & Exchange Board of India (SEBI) to deal with such situation?

****