OLL.M. (B) 204 Roll No...............................

HAMDARD INSTITUTE OF LEGAL STUDIES & RESEARCH (HILSR)
SCHOOL OF LAW
JAMIA HAMDARD, NEW DELHI - 110062
LL.M. IInd SEMESTER, 2024
LL.M. (B) 204 || Law of Corporate Finance and Securities Regulation

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

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

UNIT-I **(12 Marks)**

Q1. How does the field of corporate finance play a crucial role in the strategic decision-making of companies, and what is its scope in influencing various aspects such as capital structure, investment decisions, and financial risk management?

OR

Q2. Write exhaustive notes on the following: **(6 x 2 = 12 Marks)**

a) Time-Value of money.
b) Profit Maximization vs. Wealth Maximization.

UNIT-II **(12 Marks)**

Q3. Mr. Ron Weasley, an investor, is evaluating investment opportunities in a technology company, Azkaban-Tech, which is offering different types of shares: Ordinary shares, Preferential shares, and Differential Voting Rights (DVRs). He seeks to understand the implications of each share type on his investment decision-making process and on Azkaban-Tech's capital structure.

As Mr. Weasley's legal advisor, outline the key differences between Ordinary shares, Preferential shares, and DVRs regarding voting rights, dividend payments, and liquidation preferences. Discuss how these differences impact Mr. Weasley's decision as an investor and advise on the strategic considerations Azkaban-Tech should weigh in structuring its capital through these different share classes.

OR

Q4. Triangle Corporation is a petrochemical company interested in diversifying its business. However, it lacks expertise outside its primary industry. Recently, the CEO and Chairman of the Company, Mr. Drake Malfoy, encountered an innovative business model from a new start-up. 'TradeRate.' Inspired by their ideas, Mr. Malfoy proposed an investment plan to the Board. While the Board agreed in principle, they expressed concerns about the start-up's infancy and recommended establishing a Venture Capital Fund (VCF) to support such new ventures.

As the company's Legal Counsel, draft a detailed legal opinion outlining the legal and regulatory framework for setting up a VCF, including current regulations on registration, investment conditions. and restrictions.

UNIT-III **(12 Marks)**

Q5. What do you understand by Securities? Whether 'hybrid securities' fall within the definition of "Securities" as per the Securities Contract (Regulation) Act, 1956. Discuss in the light of legal provisions and decided cases.

OR