

Seat No. : _____

SC-114

September-2020

M.Com., Sem.-IV (HPP)

CC-18 : Corporate Restructuring

Time : 2 Hours]

[Max. Marks : 50

- Instructions :**
- (1) All Questions in Section – I carry equal marks.
 - (2) Attempt any **TWO** questions in Section – I.
 - (3) Question – 5 in **Section – II** is **compulsory**.

Section – I

1. (A) Discuss Motives behind Corporate Restructuring. 10
(B) Write a note on Horizontal Merger and Vertical Merger. 10
2. (A) Explain any two phases of Business Valuation Process. 10
(B) Discuss Economic aspects in Merger & Acquisition. 10
3. (A) Give difference between Pooling of Interest and Purchase Method. 10
(B) What is Employee Stock Ownership Plan (ESOP) ? Discuss various types of ESOPs. 10
4. (A) Define takeover. Discuss various kinds of takeover. 10
(B) Explain different types of strategic alliances. 10

Section – II

5. Attempt any **five** out of **twelve** : (Each of 2 marks) 10
 - (1) Merger between two firms involved in totally unrelated business is known as _____.
 - (a) Horizontal Merger
 - (b) Conglomerate Merger
 - (c) Vertical Merger
 - (d) None of these
 - (2) Which of the following is part of BCG Matrix ?
 - (a) Dog
 - (b) Star
 - (c) Cash Cow
 - (d) All of the above

- (3) From the following, which are the forms of corporate restructuring ?
- (a) Portfolio Restructuring (b) Financial Restructuring
(c) Organizational Restructuring (d) All of the above
- (4) Which of the following is included in conceptualization of Value ?
- (a) Book Value (b) Liquidation Value
(c) Fair Market Value (d) All of the above
- (5) How many Phases of Valuation Process ?
- (a) Three (b) Four
(c) Five (d) Six
- (6) Which of the following is business valuation approach ?
- (a) Market based Approach (b) Asset based Approach
(c) Income based Approach (d) All of the above
- (7) If the amount of consideration is higher than the value of the net assets acquired be treated as _____.
- (a) Capital Reserve (b) Goodwill
(c) General Reserve (d) Investment
- (8) AS 14 deals with _____ .
- (a) Business Combinations (b) Accounting for amalgamation
(c) Leverage buyout (d) None of these
- (9) Which form of ESOP does not involve borrowing from outside ?
- (a) Leveraged ESOP (b) Non-leveraged ESOP
(c) Leveraged buyout ESOP (d) None of the above
- (10) Takeover of a financially sick company by financially rich company is termed as _____.
- (a) Friendly Takeover (b) Hostile Takeover
(c) Bail out Takeover (d) Vertical Takeover
- (11) Acquisition of business with more debt capital or borrowed capital is defined as _____.
- (a) Takeover (b) Leveraged Buyout
(c) Strategic Alliance (d) Demerger
- (12) AS 22 deals with _____.
- (a) Business Combinations (b) Accounting for amalgamation
(c) Leverage buyout (d) None of these
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