

M.Com (HPP) (FFS) Sem-4 Examination

CC 18

Corporate Restructuring

April 2022

Time : 2-00 Hours]

[Max. Marks : 50

Instructions: All Questions in Section I carry equal marks.
Attempt any TWG questions in Section I.

Section I

- Q.1 (a) Discuss in detail various reasons of merger. (10)
- Q.1 (b) Discuss in detail choice of corporate restructuring. (any two) (10)
- Q.2 (a) Explain Business valuation and its importance (10)
- Q.2 (b) Explain due diligence and its types (10)
- Q.3 (a) State the difference between pooling interest and purchase method (10)
- Q.3 (b) State the advantages and limitations of ESOP (10)
- Q.4 (a) Discuss short note on various types of takeover theories. (10)
- Q.4 (b) Discuss sources of LBO Financing. (10)

Section II

- Q.5 Multiple Choice Questions (MCQs) (10)
- The MRTP Act has been changed to _____
 - New MRTP Act
 - Trade Act
 - Competition Act
 - Industrial Act
 - Which of the following is not a method of ESOP?
 - Non-Leveraged ESOP
 - Leveraged Issuance ESOP
 - Leveraged ESOP
 - Leveraged buyout ESOP
 - What is the maximum permissible percentage of shares buyback?
 - 100%
 - 50%
 - 25%
 - 10%

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4. Which is the Accounting Standard for Amalgamations?
(a) AS 22 (b) AS 20
(c) AS 14 (d) AS 41
5. If company makes any default in buyback, what is the penalty?
(a) Rs. 100000 (b) Rs. 500000
(c) Rs. 50000 (d) Rs. 10000
6. Increase in volume of production leads to a reduction in cost of production per unit is termed as?
(a) Economies of scope (b) Economies of scale
(c) Operating Economies (d) Diseconomies of scale
7. What are the components of mission statement?
(a) core values (b) core purposes
(c) visionary goals (d) all of the given
8. In which of the following anti-takeover defenses, the target company sells off its most attractive assets to a friendly third party or spin off the valuable assets in a separate entity?
(a) Crown Jewel Defense (b) Jonestown Defense
(c) Nancy Regan Defense (d) Pac Man Defense
9. Which of the following merger occurs when the subsidiary of the acquiring corporation merges with the target firm?
(a) reverse triangular merger (b) forward triangular merger
(c) purchase merger (d) conglomerate merger
10. Which of the following is NOT an advantage of Joint Venture?
(a) New Product Development (b) Combining R & D
(c) Political Risks (d) Utilization of Resources
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