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M-6083

Sl. No. 0037

Total No. of Pages : 2

IV Semester M.Com. Examination, May - 2019

(Scheme : CBSE)

COMMERCE

Elective Group C: Financial Management

SC: Strategic Financial Decision

Time : 3 Hours

Max. Marks : 70

SECTION - A

Answer any five of the following. Each question carries five marks : [5 × 5 = 25]

1. Write a short note on "Functions of Strategic Financial Management".
2. Briefly explain the Strategic planning process.
3. Why corporate restructuring occurs periodically.
4. What are the different forms of mergers?
5. Write a short note on :
 - a) Private Equity.
 - b) Swap ratio.
6. Briefly explain the Hybrid Securities.
7. What are the determining factors for evaluating Risk?
8. What are the steps to be considered to Risk Controlling?

P.T.O.

SECTION - B

Answer **any three** of the following. Each question carries ten marks: [3 × 10 = 30]

9. What is financial restructuring? Discuss the activities involved in financial restructuring.
10. 'Plans and policies must feed the financial capabilities of the corporation'. Comment.
11. Define Corporate Restructuring. Explain the reasons for Corporate Restructuring?
12. Explain the importance of Risk Management.
13. Discuss the different types of bonds.

SECTION - C

14. Case Study (Compulsory) [1 × 15 = 15]

Firm ABC has a value of Rs. 2,00,00,000 and Firm XYZ has a value of Rs. 50,00,000. If the two firms merge, cost savings with a present value of Rs. 50,00,000 would occur. Firm A proposes to offer Rs. 60,00,000 cash compensation to acquire Firm B. You are required to Calculate the net present value (NPV) of the merger to the two firms.

