



SOMAIYA

VIDYAVIHAR UNIVERSITY

Dr. Shantilal K. Somaiya School of Commerce and Business Studies

QUESTION PAPERS

BRANCH: Bachelor of Commerce (Financial Market)	SEM: VI
	MAR/APR-2023

Sr. No.	Subject	Available
1.	131U04C601 – Risk Management (A)	
2.	131U04C601 – Risk Management (B)	
3.	131U04V601 – Venture Capital & Private Equity (A)	
4.	131U04V601 – Venture Capital & Private Equity (B)	
5.	131U04C603 – Mutual Fund (A)	
6.	131U04C603 – Mutual Fund (B)	
7.	131U04C603 – Behavior Finance (A)	
8.	131U04C603 – Behavior Finance (B)	
9.	131U04V604 – Corporate Restructuring	
10.		
11.		
12.		
13.		
14.		
15.		



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Semester (November 2022 to March 2023)		
Examination: End Semester Examination March/ April 2023 (UG Programmes)		
Programme code:4 Programme: BFM	Class: TY	Semester: VI
Name of the Constituent College: S K SOMAIYA	Name of the Department: Commerce and Business Studies	
Course Code:	Name of the Course: RISK MANAGEMENT	
Duration : 2 Hrs.	Maximum Marks : 60	
Instructions: 1)Draw neat diagrams 2)Assume suitable data if necessary		

Question No.		Max. Marks
Q.1	A. Distinguish between Business risk and Financial Risk. (8marks) B. Explain risk identification faced by an organization. (7marks) OR C. Elaborate the process of Risk Management. (8marks) D. State a note on HNWI. (7marks)	15
Q.2	A. Describe Market Risk in detail. (8marks) B. Discuss REIT and state its features. (7marks) OR C. State the factor for evaluation of organization's ability to bear the risk. (8marks) D. Define Managed Funds and mention the advantages of Managed funds. (7marks)	15
Q.3	A. Mr. Sanjay is investing in a bond which is currently available at Rs 12250, face value is Rs. 10000, 6% coupon rate and 5 years of maturity. What should be the YTM of the bond. (8marks) B. Discuss Bond Market and characteristics of Bond market. (7marks) OR C. Explain the different theories of term structure of Interest rates. (8marks) D. Explain Futures and terminologies of Futures. (7marks)	15
Q.4	Explain the following Concepts :- (3 marks each) A. Diversification B. Macaulay Duration & Modified Duration C. Credit Default Swap D. Private Equity E. Country Risk.	15



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Programme code:4 Programme: BFM	Class: TY	Semester: VI
Name of the Constituent College: S K SOMAIYA	Name of the Department: Commerce and Business Studies	
Course Code:	Name of the Course: RISK MANAGEMENT	
Duration : 2 Hrs.	Maximum Marks : 60	
Instructions: 1)Draw neat diagrams 2)Assume suitable data if necessary		

Question No.		Max. Marks
Q.1	A. Define Risk management. Explain objectives of risk management. (8marks) B. Explain the dynamic nature of risk. (7marks) OR C. Elaborate the Financial Risk and how to manage financial risk. (8marks) D. Discuss risk identification faced by an organization. (7marks)	15
Q.2	A. Describe hedge funds and characteristics of hedge funds. (8marks) B. Discuss Liquidity Risk & causes of liquidity risk. (7marks) OR C. Mention the stakeholders involved in Business Risk. (8marks) D. Define Legal risk, sources of legal risk and how to mitigate legal risk. (7marks)	15
Q.3	A. Mr Raj is considered to purchase the following bond. Face Value of Rs 100. Maturity 4 years, Coupon 12%. If the bond selling for the price of 98.72. What will be the YTM? (8marks) B. State the reasons for investing in Debt Markets. (7marks) OR C. Elaborate Market risk. (8marks) D. List the participation in Debt Markets. (7marks)	15
Q.4	Explain the following Concepts :- (3marks each) A. Interest Rate Swaps & Currency swaps. B. Hedging & Cross Hedging. C. Types of Bonds. D. Swaptions. E. Political Risk.	15



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Semester (November 2022 to March 2023)		
Examination: End Semester Examination March/ April 2023 (UG Programmes)		
Programme code: 04 Programme: BFM	Class: TYBFM	Semester: VI
Name of the Constituent College: S K Somaiya College	Name of the Department: Commerce and Business Studies	
Course Code:	Name of the Course: Venture Capital and Private Equity	
Duration : 2 Hrs.	Maximum Marks : 60	
Instructions: 1)All questions are compulsory. 2) Figures to the right indicate full marks		

Question No.		Max. Marks
Q1.	a. State the types of startup business models. (07 Marks) b. Discuss the benefits and drawbacks of angel investing. (08 Marks) OR c. Elaborate the various stages and features of venture capital financing. (15 Marks)	15 Marks
Q2.	a. Highlight the types of venture capital funds. (07 Marks) b. Examine Growth Equity as an entry strategy of Private Equity Firms. (08 Marks) OR c. Assume yourself as an entrepreneur seeking finance and explain the criteria you will look for while choosing venture capital firms. Further, discuss the benefits you will receive after seeking venture capital finance. (15 Marks)	15 Marks
Q3.	a. Elaborate the various methods of evaluating projects by venture capital institutions. (07 Marks) b. Explain Leveraged Buyout as an entry strategy for Private Equity Firms. (08 Marks) OR c. Discuss the stages of entering Private Equity Deals (15 Marks)	15 Marks
Q4.	a. Answer the questions below on the basis of the following context: (15 Marks) Partners Group, a leading global private markets firm, has agreed to sell its joint lead ownership stake in GlobalLogic ("the Company"), a leader in digital engineering services, to Japanese conglomerate Hitachi LTD ("Hitachi"), on behalf of its clients. The transaction values GlobalLogic at an enterprise value of USD 9.5 billion. In 2018, Partners Group acquired a joint lead ownership equity stake in GlobalLogic alongside equity partner Canada Pension Plan Investment Board at an enterprise value of USD 2 billion. Partners Group and CPP Investments each hold an equity ownership interest of approximately 45% in the business and will both be exiting as part of the transaction. Founded in 2000 and headquartered in San Jose, California, GlobalLogic is a leader in design-led digital engineering services that develops next-generation software platforms for enterprises and technology disruptors worldwide. The Company has over 20,000 professionals and other	15 Marks

personnel operating from 30 engineering centers and eight design studios spanning four continents. Aligned with Partners Group's focus on investments that have broad positive stakeholder impact, GlobalLogic has played an instrumental role in helping businesses navigate the digital transition, a key transformative trend that accelerated during the COVID-19 pandemic, helping create a more efficient and sustainable society. Over the last three years, Partners Group used its entrepreneurial governance approach at GlobalLogic to support the implementation of several transformational value creation initiatives and drive the Company's strong growth. Key initiatives have included increasing the size of the Company's top accounts, many of which are global marquee brands, and introducing a more targeted sales strategy in certain customer segments, including the development of a private equity-focused sales channel. Under Partners Group and CPP Investments' ownership, GlobalLogic has also completed four strategic acquisitions, including three in Europe, further adding significant value to the business. Additionally, Partners Group enhanced the Company's focus on environmental, social and governance (ESG) initiatives, helping the Company establish a dedicated ESG function focused on refining and implementing its ESG strategy going forward.

- i. Examine the nurturing strategy adopted by the Private Equity firms in the above case.
- ii. Do you think the exit strategy adopted by the Private Equity firms was justifiable? Substantiate your answer with reasons.
- iii. Recommend any alternative exit strategy that the Private Equity firms would have chosen in the above case.



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Programme code: 04 Programme: BFM	Class: TYBFM	Semester: VI
Name of the Constituent College: S K Somaiya College	Name of the Department: Commerce and Business Studies	
Course Code:	Name of the Course: Venture Capital and Private Equity	
Duration : 2 Hrs.	Maximum Marks : 60	
Instructions: 1)All questions are compulsory. 2) Figures to the right indicate full marks		

Question No.		Max. Marks
Q1.	<p>a. Describe the features of startup companies (07 Marks)</p> <p>b. Mrs. Verma launched a new edtech startup by investing her own money. Discuss the method of startup funding she used and explain its benefits. (08 Marks)</p> <p>OR</p> <p>c. State the types of Due Diligence done by Private Equity Firms. (15 Marks)</p> <p>Examine the challenges faced by them.</p>	15 Marks
Q2.	<p>a. Explain Private Equity. Mention some instruments used for financing by Private Equity firms. (07 Marks)</p> <p>b. Explain the characteristics of venture capital financing. (08 Marks)</p> <p>OR</p> <p>c. As a venture capitalist, what are the key areas you will look for before investing in any company? Explain the various styles through which you may nurture your investment. (15 Marks)</p>	15 Marks
Q3.	<p>a. Explain the benefits of PIPE deals. (07 Marks)</p> <p>b. Comment on the existing scenario of Private Equity Market in India. Highlight the issues faced by Private Equity Firms. (08 Marks)</p> <p>OR</p> <p>c. Discuss the exit strategies adopted by the Private Equity Firms (15 Marks)</p>	15 Marks
Q4.	<p>a. Answer the questions below on the basis of the following context: (15 Marks)</p> <p>Kedaara Capital, a homegrown private equity firm, infused ₹800 crore in Avanse Financial Services Ltd. (Avanse), the education-focused non-banking financial company (NBFC). The company's AUM stands at ₹8,000 crore as of December 2022, reporting a 1.9x growth over the same period last fiscal. So far, it has given loans to 3 lakh academic aspirants in over 3,000 institutes in 50 counties to pursue over 25,000 courses. The company has also provided growth and working capital to 1,000 educational institutes catering to over 5-6 lakh students. The fund raised will be deployed to expand its presence and outreach to a larger number of Indian students enabling them to fulfill academic aspirations and towards greater development of the Indian education ecosystem. The primary shareholder in Avanse will still be the current investor Warburg Pincus. The latest investment from Kedaara comes a few months after capital infusion from Warburg and IFC, the private investment arm of the World Bank, in September 2022, when it had raised Rs 390 crore. Warburg had first invested in the company, when it bought an 80% stake in Avanse from Wadhawan Global Capital Ltd and its unit Dewan</p>	15 Marks

Housing Finance Corporation Ltd (DHFL) in March 2019. Existing backer Warburg Pincus will continue to be the majority shareholder in Avanse.

i. Discuss the entry strategy adopted by Kedaara Capital while investing in the target company.

ii. According to you, was the decision made by Kedaara Capital to invest in Avanse Financial Services justifiable? Substantiate your answer with reasons.

iii. Examine the risks Kedaara Capital will be exposed to after its investment in Avanse.



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Semester (November 2022 to March 2023)		
Examination: End Semester Examination March/ April 2023 (UG Programmes)		
Programme code: 04 Programme: BFM	Class: TYBFM	Semester: VI
Name of the Constituent College: S K Somaiya College	Name of the Department: Accounting and Finance	
Course Code:	Name of the Course: Mutual Fund	
Duration: 2 Hrs.	Maximum Marks: 60	
Instructions: 1) All questions are compulsory. 2) Figures to the right indicate full marks		

Question No.		Max. Marks														
Q1.	<p>a. Define Mutual Fund, critically evaluate various phases of Mutual Fund Growth in India. (15 Marks)</p> <p style="text-align: center;">OR</p> <p>b. Define Mutual Fund, Explain Features of Mutual Fund. (08 Marks)</p> <p>c. Explain various valuation concepts. (07 Marks)</p>	15 Marks														
Q2.	<p>a. Following are the details provided by Growth Plus Mutual Fund and you are requested to calculate NAV assuming sale and purchase price at ₹ 55. (08 Marks)</p> <table><tr><td>Opening NAV</td><td>₹ 54.50</td></tr><tr><td>Opening Outstanding Units</td><td>40,05,000</td></tr><tr><td>Appreciation in Portfolio</td><td>₹ 5,00,000</td></tr><tr><td>Units Subscribed</td><td>3,00,000</td></tr><tr><td>Units Redeemed</td><td>1,00,000</td></tr><tr><td>Dividend earned</td><td>₹ 50,000</td></tr><tr><td>Expenses Incurred</td><td>₹ 75,000</td></tr></table> <p>b. Describe taxes to be paid by mutual fund investor. (07 Marks)</p> <p style="text-align: center;">OR</p> <p>c. Explain concept of 'Valuation Date' and also explain how to determine value of Gold, Government Securities and Convertible debentures held by Mutual Fund on valuation date. (15 Marks)</p>	Opening NAV	₹ 54.50	Opening Outstanding Units	40,05,000	Appreciation in Portfolio	₹ 5,00,000	Units Subscribed	3,00,000	Units Redeemed	1,00,000	Dividend earned	₹ 50,000	Expenses Incurred	₹ 75,000	15 Marks
Opening NAV	₹ 54.50															
Opening Outstanding Units	40,05,000															
Appreciation in Portfolio	₹ 5,00,000															
Units Subscribed	3,00,000															
Units Redeemed	1,00,000															
Dividend earned	₹ 50,000															
Expenses Incurred	₹ 75,000															
Q3.	<p>a. Highlight the role of AMFI. (07 Marks)</p> <p>b.State the Investment restrictions for mutual fund schemes (08 Marks)</p> <p style="text-align: center;">OR</p> <p>c. Discuss the various documents important for a mutual fund investor. (15 Marks)</p>	15 Marks														
Q4.	<p>a. Answer the Questions based on the snapshots of mutual fund schemes below: (Conceptual Questions)</p> <p style="text-align: right;">P.T.O</p>	15 Marks														

Scheme 1:**Parag Parikh Conservative Hybrid Fund**

AUM (CRORES)
₹ 1,212.10

As on Jan. 31, 2023

NAV (GROWTH - DIRECT PLAN)
₹ 11.3186

As on Mar 08, 2023

NAV (GROWTH - REGULAR PLAN)
₹ 11.2581

As on Mar 08, 2023

NAME OF THE SCHEME	TYPE OF THE SCHEME	DATE OF ALLOTMENT	MIN. APPLICATION AMOUNT	EXPENSE
Parag Parikh Conservative Hybrid Fund	An open-ended hybrid scheme investing predominantly in debt instruments	May 28, 2021	New Purchase: ₹ 5000 Add'l. Purchase: ₹ 1000 Monthly SIP: ₹ 1,000	Please visit

Scheme 2:**Parag Parikh Flexi Cap Fund**

AUM (CRORES)
₹ 29,344.83

As on Jan. 31, 2023

NAV (DIRECT PLAN)
₹ 52.9241

As on Mar 09, 2023

NAV (REGULAR PLAN)
₹ 49.3999

As on Mar 09, 2023

NAME OF THE SCHEME	TYPE OF THE SCHEME	DATE OF ALLOTMENT	MIN. APPLICATION AMOUNT	EXPENSE
Parag Parikh Flexi Cap Fund (formerly known as Parag Parikh Long Term Equity Fund)	An open-ended dynamic equity scheme investing across large cap, mid cap, small cap stocks.	May 24, 2013	New Purchase: ₹ 1,000 Add'l. Purchase: ₹ 1,000 Monthly SIP: ₹ 1,000 Quarterly SIP: ₹ 3,000	Please

- Compare both the schemes and write their features (05 Marks)
- Mr. Amit wants to invest in any one scheme. He has a high risk appetite. Which scheme would you recommend? (05 Marks)
- State the reasons for difference in NAV for Direct and Regular Plans. (05 Marks)



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<div>Semester (November 2022 to March 2023)</div> <div>Examination: End Semester Examination March/ April 2023 (UG Programmes)</div>		
Programme code: 04 Programme: BFM	Class: TYBFM	Semester: VI
Name of the Constituent College: S K Somaiya College	Name of the Department: Accounting and Finance	
Course Code:	Name of the Course: Mutual Fund	
Duration : 2 Hrs.	Maximum Marks : 60	
Instructions: 1)All questions are compulsory. 2) Figures to the right indicate full marks		

Question No.		Max. Marks															
Q1.	<p>a. Explain Valuation of Debt Instruments (15 Marks)</p> <p style="text-align: center;">OR</p> <p>b. Define Mutual Fund, Explain Role of Mutual Fund. (08 Marks)</p> <p>c. Describe Role and Regulations in respect of Asset Management Company. (7 Marks)</p>	15 Marks															
Q2.	<p>a. Super Profit Mutual Fund provide following details of its portfolio and requested your help to determine its NAV. (08 Marks)</p> <table border="1" style="margin-left: auto; margin-right: auto;"> <thead> <tr> <th>Stock</th><th>No of Shares</th><th>Market Price</th></tr> </thead> <tbody> <tr> <td>A</td><td>100</td><td>35</td></tr> <tr> <td>B</td><td>200</td><td>40</td></tr> <tr> <td>C</td><td>300</td><td>20</td></tr> <tr> <td>D</td><td>200</td><td>25</td></tr> </tbody> </table> <p>Other details show fund has accrued liability for expenses amounted to ₹ 2500 & it has outstanding units 2000</p> <p>b. Explain concept of NAV (07 Marks)</p> <p style="text-align: center;">OR</p> <p>c. Explain various taxes paid by Mutual Fund Investor. (08 Marks)</p> <p>d. Describe Role and Regulations in respect of Custodian, Registrar & Transfer Agent. (07 Marks)</p>	Stock	No of Shares	Market Price	A	100	35	B	200	40	C	300	20	D	200	25	15 Marks
Stock	No of Shares	Market Price															
A	100	35															
B	200	40															
C	300	20															
D	200	25															
Q3.	<p>a. State the contents of KIM. (07 Marks)</p> <p>b. Discuss the rights and obligations for mutual fund Investors. (08 Marks)</p> <p style="text-align: center;">OR</p> <p>c. Discuss the systematic transactions in mutual funds. Which types of Investors should prefer SIP over lumpsum mode of investment in mutual funds? (15 Marks)</p>	15 Marks															
Q4.	<p>a. Answer the Questions based on the snapshots of mutual fund schemes below: (Conceptual Questions)</p>	15 Marks															
P.T.O																	

Scheme 1:

UTI Corporate Bond Fund

Regular - Growth

☐ Compare

Risk Metric: Low to Moderate

NAV

Returns as on 28 Feb 2023

Inception Date: August 08, 2018

₹ 13.6894 as of Mar 09, 2023

1 Year 3.6 %

Investment Purpose: Income Generation

Open-ended Debt Scheme

3 Year 5.33 %

Scheme 2:

UTI Liquid Cash Plan

Regular - Growth

☐ Compare

Risk Metric: Low to Moderate

NAV

Returns as on 28 Feb 2023

Inception Date: December 10, 2003

₹ 3645.3465 as of Mar 09, 2023

1 Year 5.31 %

Investment Purpose: Income Generation

Debt - Liquid Fund

3 Year 4.17 %

- i. Compare and write features of both the schemes. (05 Marks)
- ii. Mr. Dixit, has funds lying idle in his savings bank account for a period of 3 months. Can he invest this money in any of the two schemes for 3 months? Substantiate your answer with reasons (05 Marks)
- iii. Will he get any income tax benefit by investing in any of these schemes? Substantiate your answer with reasons and explain any equity mutual fund scheme with tax benefits. (05 Marks)



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<div>Semester (November 2022 to March 2023)</div> <div>Examination: End Semester Examination March/April 2023 (UG Programmes)</div>		
<div>Programme code: 04</div> <div>Programme: B.Com (Financial Markets)</div>	<div>Class: TY</div>	<div>Semester: VI</div>
<div>Name of the Constituent College: S K Somaiya College</div>	<div>Name of the Department: Commerce and Business Studies</div>	
<div>Course Code:</div>	<div>Name of the Course: Behavioral Finance</div>	
<div>Duration: 2 Hrs.</div>	<div>Maximum Marks: 60</div>	
<div>Instructions: 1)Draw neat diagrams 2)Assume suitable data if necessary</div>		

Question No.		Max. Marks
Q.1	a. Discuss BFMI and BFMA in detail (8 marks) b. Explain the importance of behavioral finance. (7 marks) OR c. Discuss various objectives for behavioral finance. (8 marks) d. Elaborate the concept of emotional biases with some examples. (7 marks)	15
Q.2	a. Discuss fundamental and Technical anomalies. (8 marks) b. Elaborate on market anomalies in detail. (7 marks) OR c. Explain with proper diagrams the Behavioural Investor Types given by Pompian. (15 marks)	15
Q.3	a. Classify investors on the basis of BB & K behavioral model (8 marks) b. Describe in detail the limitations involved in classifying investors into various types. (7 marks) OR c. Explain Anchoring and Self-attribution bias in detail with proper examples and solutions. (15 marks)	15
Q.4	Explain the following concepts with examples if needed. (3 marks each) a. Availability Bias b. Standard Finance c. Certainty and Isolation effect d. Behavioral Portfolio e. Loss aversion	15



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Semester (November 2022 to March 2023)
Examination: End Semester Examination March/April 2023 (UG Programmes)

Programme code: 04 Programme: B.Com (Financial Markets)		Class: TY	Semester: VI
Name of the Constituent College: S K Somaiya College		Name of the Department: Commerce and Business Studies	
Course Code:	Name of the Course: Behavioral Finance		
Duration: 2 Hrs.	Maximum Marks: 60		
Instructions: 1)Draw neat diagrams 2)Assume suitable data if necessary			

Question No.		Max. Marks
Q.1	<p>a. Compare Standard Finance with Behavioural Finance (8 marks)</p> <p>b. Discuss various objectives for behavioral finance. (7 marks)</p> <p style="text-align: center;">OR</p> <p>c. Describe Traditional Finance in detail (7 marks)</p> <p>d. How Behavioral finance theory criticized earlier CAPM theories? (7 marks)</p>	15
Q.2	<p>a. Compare Markowitz Portfolio Theory (MPT) with Behavioural Portfolio Theory (BPT). (8 marks)</p> <p>b. Elaborate in detail on market anomalies. (7 marks)</p> <p style="text-align: center;">OR</p> <p>c. Elaborate on Prospect theory with proper diagrams in detail. (15 marks)</p>	15
Q.3	<p>a. Elaborate Barnewall Two - model theory with the help of a risk tolerance questionnaire. (8 marks)</p> <p>b. Compare Active and Passive investors of behavioral finance. (7 marks)</p> <p style="text-align: center;">OR</p> <p>c. Discuss Herd Mentality and Mental Accounting bias. Also discuss how to overcome them (15 marks)</p>	15
Q.4	<p>Explain the following concepts with examples if needed. (3 marks each)</p> <p>a. BFMI</p> <p>b. Independent Individualist</p> <p>c. Emotional Bias</p> <p>d. Status - Quo Bias</p> <p>e. Fundamental Anomalies</p>	15



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Semester (November 2022 to March 2023)			
Examination: End Semester Examination March/April 2023 (UG Programmes)			
Programme code: 04		Class:	Semester: VI
Programme: FINANCIAL MARKETS		TYBFM	
Name of the Constituent College: S K SOMAIYA COLLEGE		Name of the Department : Commerce and Business studies	
Course Code:	Name of the Course: CORPORATE RESTRUCTURING		
Duration : 2 Hrs.	Maximum Marks : 60		
Instructions: 1)Draw neat diagrams 2)Assume suitable data if necessary			

Question No.					Max. Marks
Q.1. A	Summarized balance sheet of ABC Ltd as on 31 st March 2021 is as follows:				(15)
	Liabilities	Rs	Assets	Rs	
	30000 Equity share capital of Rs 10 each fully paid up.	3,00,000	Goodwill	70,000	
	10000 Equity shares of Rs10 each Rs 8 paid up.	80,000	Plant &machinery	4,50,000	
	Reserves	1,80,000	Current assets	2,20,000	
	10% debentures	1,00,000	Preliminary Expenses	10,000	
	Current liabilities	90,000			
		7,50,000		7,50,000	
	Goodwill is revalued at Rs 50000 and plant and machinery at Rs 4,20,000. A contingent liability of Rs 20,000 has become payable. Determine the value of both shares under net asset method.				
	OR				
Q.1.B.	The balance sheet of Y Ltd as of 31 st March 2022 is given below:				
	Liabilities	Rs	Assets	Rs	
	25000 Equity share capital of Rs 10 each fully paid up.	25,00,000	Land	7,00,000	
	General Reserve	7,50,000	Building	11,50,000	
	14% Debentures	5,00,000	Plant and machinery	14,00,000	
	Sundry creditors	2,50,000	Debtors	3,00,000	
	Bank overdraft	2,00,000	Inventory	4,00,000	
	Provision for taxation	50,000	Cash and bank	1,00,000	
			Patents and trademarks	1,50,000	
			Preliminary expenses	50,000	
	42,50,000		42,50,000		
Net profits of the company for past 4years are as under :					
2018-19 3,00,000					
2019-20 7,50,000					
2020-21 10,50,000					
2021-22 12,50,000					
Every year company transfers 15% profits to reserve. Normal rate of return in					

	<p>the industry is 15% . Valuers assessed the value of assets as under :</p> <table><tr><td>Assets</td><td>Rs</td></tr><tr><td>Land</td><td>13,00,000</td></tr><tr><td>Building</td><td>20,00,000</td></tr><tr><td>Plant and machinery</td><td>16,00,000</td></tr><tr><td>Debtors</td><td>2,50,000</td></tr><tr><td>Patents and Trademarks</td><td>1,00,000</td></tr></table> <p>Calculate fair value based on the above data.</p>	Assets	Rs	Land	13,00,000	Building	20,00,000	Plant and machinery	16,00,000	Debtors	2,50,000	Patents and Trademarks	1,00,000	
Assets	Rs													
Land	13,00,000													
Building	20,00,000													
Plant and machinery	16,00,000													
Debtors	2,50,000													
Patents and Trademarks	1,00,000													
Q.2. A	Explain the advantages and disadvantages of mergers and acquisitions .	(15)												
Q..2.B.	<p style="text-align: center;">OR</p> <p>CD Ltd is planning to acquire EF Ltd by way of merger in an all-equity deal. The valuation will be based on the market price per share. Following information is extracted from the books of C Ltd and D Ltd:</p> <table><tr><td>Particulars</td><td>CD Ltd</td><td>EF Ltd</td></tr><tr><td>Earnings after tax</td><td>1500 lacs</td><td>500 lacs</td></tr><tr><td>No of shares</td><td>150 lacs</td><td>75 lacs</td></tr><tr><td>Price Earnings ratio</td><td>15</td><td>7.5</td></tr></table> <p>1) Calculate MPS for both the companies. (4)</p> <p>2) What is the present Earning per share for both the companies? (4)</p> <p>3) Determine the Earning per share of C Ltd post-merger. (4)</p> <p>4) What other non-financial factors will you consider for the merger?(3)</p>	Particulars	CD Ltd	EF Ltd	Earnings after tax	1500 lacs	500 lacs	No of shares	150 lacs	75 lacs	Price Earnings ratio	15	7.5	(15)
Particulars	CD Ltd	EF Ltd												
Earnings after tax	1500 lacs	500 lacs												
No of shares	150 lacs	75 lacs												
Price Earnings ratio	15	7.5												
Q.3.A.	Explain the various forms of corporate restructuring.	(15)												
Q.3.B.	<p style="text-align: center;">OR</p> <p>Explain sub-prime crisis and its adverse effects on global economy</p>	(15)												
Q.4A.	<p>Answer the below mentioned questions from details given below:</p> <p>AK Ltd is a leading brand of ICE Cream in India selling under the brand name “COOL” . The company management has the prime objective of expansion into new arena such as cold coffee chain and fast food. They plan to acquire Tasty Treats a leading fast-food chain with around 120 outlets in urban areas. AK Ltd plans to expand in urban as well as tier I and tier II cities with a target of 1000 outlets on franchisee-based model. The acquisition shall be financed by debt at 8% from a public sector bank. Sales are projected to grow by 40% after acquisition and brand recall of the company shall increase tremendously. This will enable it to launch new products in the near future. Present sales of ice cream are also expected to grow manifold . However, the bleak scenario of the present global positions is the worrying factor for the management. Moreover, entering into a new arena of business altogether will have its own challenges and hence the finance manager is hesitant to go ahead with acquisition. You are required to advice the company for following points:</p> <p>1) How much practical is the growth prospects post-acquisition?</p> <p>2) What non-financial factors are to be looked upon by the management before going ahead with the acquisition?</p> <p>3) Advice whether the acquisition should be done or not?</p>	(15)												