

MBAFM

Term-End Examination

June, 2012

MCT-073 : CORPORATE FINANCE

00593

Time : 3 hours

Maximum Marks : 100

Note : Attempt any five questions. All questions carry equal marks.

1. Explain the objectives of financial restructuring and discuss types of restructuring. 20
2. Write notes on the following 20
 - (a) Commercial paper
 - (b) Yield curve
3. Explain the various sources of long term finance for companies. 20
4. Explain the net assets approach to valuation of firm for mergers acquisition by giving examples. 20
5. Write notes on the following 20
 - (a) Provision of Takeover code
 - (b) Money market

6. Write notes on the following 20
(a) Leveraged buy out
(b) Due diligence
7. Write a note on the process of IPO. 20
8. From the following details, prepare the balance sheet of the firm concerned : 20
- | | |
|-----------------------------|----------|
| Stock velocity | 6 |
| Capital turnover ratio | 2 |
| Fixed assets turnover ratio | 4 |
| Gross profit | 20% |
| Debt collection period | 2 months |
| Creditors payment period | 73 days |

The gross profit was Rs.60,000. Closing stock was Rs. 5,000 in excess of the opening stock.
