



SA – 787

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**VI Semester B.Com. Examination, April/May 2015  
(Repeaters) (Prior to 2014-15)**

**COMMERCE**

**Paper – 6.5 : Elective Paper – III : Corporate Financial Policy  
(100 Marks 2013-14 Only/90 Marks Prior to 2013-14)**

Time : 3 Hours

Max. Marks : 90/100

- Instructions :** 1) Answer should be **completely** written either in **English** or in **Kannada**.  
2) Section **A, B, C** common to **all** students.  
3) Section **D compulsory** for **100** marks paper.

**SECTION – A**

Answer **any ten** of the following sub-questions, in **not** exceeding **four** lines **each**.

**Each** sub-question carries **two** marks.

**(10×2=20)**

1. a) What is meant by financial policy ?  
b) What is meant by financial risk ?  
c) What is meant by competitive advantage ?  
d) What is tender offer ?  
e) What is meant by vision ?  
f) What is EPS ? How is it calculated ?  
g) Give the meaning of absorption.  
h) List any four benefits of merger.  
i) What are synergy benefits ?  
j) Name any two methods of brand valuation.  
k) What is sweat equity ?  
l) What is sustain growth approach ?

**SECTION – B**

Answer **any five** of the following. **Each** question carries **five** marks.

**(5×5=25)**

2. What are intangible assets ? How are they valued ?
3. Explain various sources of internal financing.
4. Describe in brief the various forms of mergers.
5. NR Ltd. is contemplating to acquire JR Ltd. The following information is available in respect of the companies.

	<b>NR Ltd.</b>	<b>JR Ltd.</b>
No. of equity shares	10,00,000	6,00,000
Market value per share (Rs.)	40	26
EAT (Rs.)	50,00,000	18,00,000

- a) What is the present EPS of both companies ?
- b) What is the new EPS of shares are exchanged on the basis of market price ?

**P.T.O.**

