

D 12360

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Name.....

Reg. No.....

**THIRD SEMESTER M.B.A. DEGREE (REGULAR/SUPPLEMENTARY)
EXAMINATION, JANUARY 2022**

M.B.A.

BUS 3EF 03/IB 03—STRATEGIC FINANCIAL MANAGEMENT

(2016 Scheme)

Time : Three Hours

Maximum : 36 Weightage

Part A*Answer all questions.**Each question carries 1 weightage each.*

1. Define Strategic Financial Management. Enumerate its significance in a globalised world.
2. Briefly discuss Dividend growth valuation model.
3. Explain briefly Black-Scholes model along with its basic assumptions.
4. What do you mean by Corporate restructuring ? Enumerate its types.
5. Enumerate the defensive strategies in hostile takeovers.
6. Discuss briefly the concept of Leveraged Buy-Outs (LBOs).

(6 × 1 = 6 weightage)

Part B*Answer any four questions.**All questions carry 3 weightage.*

7. 'Agency theory looks at conflicts of interest between stakeholders with different interests'. Critically examine the statement and clearly give your views.
8. Discuss the Dividend yield method valuation model.
9. Explain the various disinvestment techniques.
10. Discuss the tax benefits of merger transactions.
11. Explain the various categories of M and As.
12. Write a note on IPRs and its relevance in the current scenario.

(4 × 3 = 12 weightage)

Turn over

Part C

*Answer any **three** questions.
All questions carry 4 weightage.*

13. Discuss the ROI method of business valuation.
14. Explain the CAPM model with its basic assumptions. What are its uses ?
15. Discuss the steps in Reverse merger transactions.
16. What are the major defensive strategies in reverse merger ? Briefly discuss.
17. What are the new trends in strategic financial management ?

(3 × 4 = 12 weightage)

Part D

*Answer the following.
Compulsory question.*

18. M/s. Auto Motto is an Indian company engaged in the manufacture of vital automobile components in some niche segments. The company's products are of high quality image, and are capable of commanding an edge in their respective segments. The company, however, has so far been following a rather conservative approach towards exports of products, use of funds from international sources etc. The company has recently started exporting some of its products and the responses from the overseas clients have been encouraging. At present 92 per cent of its sales are domestic sales and only the rest 2 per cent are currently being exported.

As the young Finance Executive who has joined the company a few weeks back, the Managing Director has asked you to apprise the company of the benefits of expanding its exports further and of raising funds from global markets, strategies for making the company's product more competitive in overseas markets, need for availing the incentives granted by the Government for exports of products, and above all, need for putting in place sound risk management system in the company.

(1 × 6 = 6 weightage)