

Vidya Vikas Mandal's
Shree Damodar College of Commerce & Economics, Margao-Goa
SY BBA(FS), Semester IV (REGULAR/REPEAT) Semester End Assessment, April 2023
BFS GEC 9: Corporate Restructuring

Duration: 2 hours

Max. Marks: 60

Instructions:

1. *Start each question on a fresh page.*
2. *Q.1. is compulsory. Answer ANY FOUR questions from Q2. to Q7.*
3. *The figures to the right indicate maximum marks.*

Q. 1. Write short notes on ANY FIVE from the following:

(05x04=20 Marks)

- a. Objectives of corporate restructuring
- b. Takeover bids
- c. Economies of scope
- d. Financial synergies
- e. Rehabilitation finance
- f. Poison Pill

Q2. Corporate restructuring can happen in various forms. With reference to the statement discuss portfolio restructuring and financial restructuring as forms of corporate restructuring. **(10 Marks)**

Q3. Corporate restructuring refers to change in the internal or external structure of the businesses. Without due considerations it could be disadvantageous to the business. Elaborate. **(10 Marks)**

Q4. A merger is a business deal where two existing, independent companies combine to form a new, singular legal entity. It requires a systematic approach. With reference to the statement enumerate the steps involved in a merger process. **(10 Marks)**

Q5. Mergers are known to provide a lot of benefits to the firms. Enumerate the various theories of mergers. **(10 Marks)**

Q6. Takeover refers to one company making a successful bid to assume control of or acquire another. Synergies, tax benefits or diversification are some of the reasons behind a takeover bid. Discuss the different types of takeovers with illustrations. **(10 Marks)**

Q7. Funding mergers and takeovers is not an easy feat. It requires sufficient planning and considerations based on the cost-benefit analysis of any given type of financial instrument. Elaborate ANY THREE with its merits and demerits. **(10 Marks)**
