



ALLAMA IQBAL OPEN UNIVERSITY
Semester Terminal Exam Autumn 2020

Program /level:	BS /Graduation	Maximum Marks	100
Title /Course Code	Corporate Finance (8524)	Pass marks	50

Instructions for Exams:

1. Attempt All Questions.
2. Write answers in your own words and avoid copying from an internet source or any book.
3. Be precise, avoid unnecessary details, answer to each question must be between 600-800 words.
4. Students are advised to upload their answer sheets/solutions on LMS portal as soon as they complete their answers and not to wait for 8:30 PM.
5. Submissions after due date & time will not be entertained. Attach undertaking with each course code which were allowed to attempt in Urdu.
6. If plagiarism found, Student may be declared fail.

Q. No.	Questions	Marks
1	Comment on the following statement “Sooner or later, all successful private companies that are organised as proprietorships or partnerships must be corporations.” Furthermore, discuss how the market efficiency level can be enhanced with the presence of a secondary market (for example, stock exchange market).	33
2	Select any listed company from the following link https://www.psx.com.pk/market-summary/ and download last five years data and make the following analyses: <ul style="list-style-type: none">➤ Liquidity ratios➤ Activity ratios➤ Leverage ratios➤ Profitability ratios You are advised to provide detail comments on each ratio.	33
3	Presumably the business case concludes that the merger/acquisition is good because it increases revenues or decreases expenses, or both, and results in a net gain to the acquiring firm. According to the recent information the merger and acquisition emphasize the financial aspects of the target company. You are advised to figure out the importance of integrating technology planning for value addition in merger and acquisition.	34