

ABSTRACT

CORPORATE RESTRUCTURING: ARRANGEMENTS

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Corporate Restructuring is a very broad concept. Today there are changes happening everywhere either in terms of market or in terms of technologies. And, the company cannot be like that as it used to be earlier. With the time and requirements of public or due to lots of competition in business, it has to change itself. So, this process of changing in the business and its structure is called corporate restructuring. Corporate restructuring generally creates a competitive environment among the different companies and firms. And, if we talk about arrangements then an arrangement is nothing but a modified form of a share purchase agreement. An arrangement as the expression used in the act embraces a wider class of agreements than a compromise.² Therefore, it can include agreements which can modify rights about which there is no dispute and can also include reorganization of the share capital of the company by consolidation of shares of different classes or division of shares in different classes or both. Arrangement can be any change which effects the company in a substantial way like by changing the object of the company, or by changing the legal course of the company or by changing the name of the company, etc. and in corporate restructuring the changes are generally in terms of business, assets or ownership i.e., the business restructuring, assets restructuring and ownership restructuring. It also involves modifications in terms of strategies and management. Generally when a business is started, it faces lots of problems. So, this corporate restructuring actually deals with these problems by modifying the composition of that business.³

Key Words: Corporate Restructuring, Arrangements, Compromise, Reorganization, Management, Ownership.

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² <https://businessjargons.com/corporate-restructuring.html>

³ <https://cleartax.in/s/corporate-restructuring>