

Time: 2.5 hours

Marks: 75

Note: All Questions are Compulsory

Q.1. a. Multiple Choice Questions: (Attempt any 8/10)

(8)

1. _____ focuses in a market niche strategy where a company competes on cost.
 - a) Prime
 - b) Adjacent
 - c) Retrenchment
 - d) Differentiation
2. A company may pursue _____ strategies when it has a weak competitive position in some or all the products lines resulting in a poor performance.
 - a) Competitive
 - b) Combine
 - c) Retrenchment
 - d) Diversification
3. Which region has the largest amount of Mergers and Acquisitions activity and has the longest history of this type of business activity?
 - a) The Europe
 - b) The United Kingdom
 - c) Japan and Korea
 - d) United States of America
4. _____ refers to the material consolidation of two or more entities to form a new enterprise with a new name.
 - a) Merger
 - b) Joint Venture
 - c) Takeover
 - d) Acquisition
5. First wave of merger and acquisition consist of _____ merger.
 - a) Horizontal
 - b) Vertical
 - c) Conglomerate
 - d) Concentric
6. _____ integration involves gaining ownership of firm's suppliers.
 - a) Vertical
 - b) Backward
 - c) Forward
 - d) Horizontal
7. Which of the following is not an anti-takeover defense?
 - a) Greenmail
 - b) Golden Parachute
 - c) Hubris
 - d) White Knight

8. A public offer by one company to directly buy the shares of another company is called _____.
 a) Merger
 b) Consolidation
 c) Spin off
 d) Tender Offer
9. Suppose that RIL-ONGC acquired HOEC, an offshore drilling/exploration company, Ignoring antitrust problems, this merger would be classified as _____.
 a) Monopolistic Merger
 b) Backward Merger
 c) Horizontal Merger
 d) None of the above
10. One of the basic reasons for a merger is:
 a) Increase in Revenue and Profits
 b) Decrease in Costs
 c) Venturing in New Areas and Capturing New Markets
 d) All of the above

Q.1. b. State the following is True or False: (Attempt any 7/10)

(7)

1. Acquisition of a Company involved in same business is called vertical merger.
2. Divestiture is a merger in which an entirely new company is created and both the acquired and acquiring company cease to exist.
3. Slump Sale means the action of the government or an organisation selling or liquidating a part of its stake in company.
4. Corporate restructuring is an inorganic growth strategy.
5. Strategic Alliance involves joining of two or more business
6. Corporate Restructuring is done to Increase Long Term Profitability
7. De-Merger of a corporate body means, split of companies between two or more entities
8. MRTP act provides no freedom in capacity expansion decisions of Indian corporate entities.
9. Hostile takeover is a takeover of one company being taken over where the management is opposed to such buy out.
10. Franchising means an acquirer takes over the control of the target company.

Q.2. a. Explain the need and scope of Corporate Restructuring.

(8)

Q.2. b. What are the reasons for mergers and acquisitions?

(7)

OR

Q.2. c. Explain the various forms of corporate restructuring

(8)

Q.2. d. Give the Merger and Acquisition Waves in the different periods taken place in USA

(7)

Q. 3. a. Explain the term 'Strategy' and its Features in brief.

(8)

Q.3. b. Explain various Approaches to Strategy Formulation.

(7)

OR

Q.3. c. Give the Difference between Strategy Formulation v/s Strategy Implementation.

(8)

Q.3. d. Explain in your own words the Competitive Strategy.

(7)

Q.4. a. Why according to you Mergers and Acquisitions in India has low success rate (8)

Q.4. b. Write in your own words on your understanding of Post-Merger Integration. (7)

OR

Q.4. c. Enumerate Theories of Mergers (8)

Q.4. d. Explain in your words the Participants in the Merger and Acquisition Process. (7)

Q.5. a. Discuss the term LBO along with its features (8)

Q.5. b. Distinguish between Friendly and Hostile takeovers. (7)

OR

Q.5. c. Write Short Notes on: (Any 3 out of 5) (15)

1. Joint Venture

2. Management Buy outs

3. Efficiency theories

4. Retrenchment Strategy.

5. Slump sale