

Note: All Questions are Compulsory

Q1A. True or False (any eight)

(8)

- Difficulties in cultural integration can lead to failure of merger and acquisition.
- A business deal in which all publicly owned stock in a firm is replaced with complete equity ownership by a private group is called going private transaction.
- Management buyout is a form of acquisition where a new management team replaces the existing management team.
- Acquisition of a Company involved in same business is called vertical merger.
- Divestiture is a merger in which an entirely new company is created and both the acquired and acquiring company cease to exist.
- Slump Sale means the action of the government or an organisation selling or liquidating a part of its stake in company.
- Corporate restructuring is an inorganic growth strategy.
- Merger & acquisition in totally different business is called as conglomerate M&A.
- “Be the best” strategy is the step of strategic planning.
- Foreign acquisitions are called as cross border acquisitions.

Q.1. (A) Match the columns (any 7)

(8)

Sr.No.	Column A		Column B
1	Merger	a	Use of own resources to grow the company
2	Acquisition	b	Assessing the competitive advantage
3	Purpose of Corporate restructuring	c	To increase market share
4	Due -diligence	d	Disadvantage of Merger & acquisition
5	Specific and short term strategy	e	Introduction of new product line in the market
6	Diversification strategy	f	Functional strategy
7	Employees losing jobs	g	Detailed study of the company before M&A deal
8	Horizontal Merger	h	Restructuring of debt
9	Competitive Strategy	i	Effective control by one company over assets of other company
10	Internal growth strategy	j	Two companies coming together to form separate company

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

(8)

Q.2. b. What are the advantages and disadvantages of mergers and acquisitions?

(7)

OR

Q.2

(p) Explain the types of mergers in detail.

(8)

(q) What is a hostile takeover? Explain its advantages and disadvantages.

(7)

Q. 3. a. Enumerate different types of alternative strategies. (8)

Q. 3. b. What are the various advantages and disadvantages of diversification strategy? (7)

OR

Q.3. p. Give the Difference between Strategy Formulation v/s Strategy Implementation. (8)

Q.3. q. Explain in your own words the Competitive Strategy. (7)

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

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

OR

Q.4. p. Explain briefly the efficiency theories of mergers. (8)

Q.4.q. Explain the concept of Management Buy In. What are the benefits for the firm in this process? (7)

Q.5. a. Explain the various types of mergers and acquisitions (8)

Q.5. b. Distinguish between the concepts of LBO and MBO. (7)

OR

Q.5. p. Write short notes. (Any3) (15)

i) Demerger

ii) Strategic planning

iii) Hostile takeover

iv) Gains in LBOs

v) Types of diversification

Note: The abbreviation M&A stands for Mergers & Acquisitions.