

Roll No.

Total No. of Pages : 03

Total No. of Questions : 10

MBA (Sem.-4)
MERGERS, ACQUISITIONS AND CORPORATE
RESTRUCTURING

Subject Code : MBA-914-18

M.Code : 77813

Date of Examination : 05-06-2023

Time : 3 Hrs.

Max. Marks : 60

INSTRUCTIONS TO CANDIDATES :

1. SECTION-A contains EIGHT questions carrying TWO marks each and students have to attempt ALL questions.
2. SECTION-B consists of FOUR Subsections : Units-I, II, III & IV. Each Subsection contains TWO questions each carrying EIGHT marks each and students have to attempt any ONE question from each Subsection.
3. SECTION-C is COMPULSORY consists of ONE Question carrying TWELVE marks.

SECTION-A

1. Write short notes on :

- a) What is Merger?
- b) What is Equity Carve Out?
- c) What is constant growth?
- d) What is exchange risk?
- e) What is Tender Offer?
- f) What is Proxy?
- g) What is EPS?
- h) What is LBO?

SECTION-B

UNIT-I

2. Discuss the different forms of corporate restructuring in detail.
3. Discuss the reasons or motives for mergers in detail.

UNIT-II

4. What is a Reverse Merger? Discuss with the help of practical examples.
5. Discuss the types of LBO sponsors in detail.

UNIT-III

6. Discuss step by step how the mergers are financed in India.
7. How the mergers and acquisitions affect EPS? Explain.

UNIT-IV

8. Write a detailed note on international mergers and acquisitions.
9. Discuss the regulatory framework in India for mergers and acquisitions.

SECTION-C

10. **Read the following case study in detail and answer the questions:**

In most European countries and the US there are government controls on mergers and acquisitions where the combination of two or more companies can have an impact on the overall level of competition within a particular market. This applies particularly where the merger or acquisition would give the new company the ability to alter or fix prices in a particular sector. In UK, the Competition Commission considers proposed mergers between large companies in the same sector to determine whether there is any possibility of such price control being an outcome. Several large proposed mergers have been blocked on these grounds in the UK over the past few years. Employment law can be a major consideration in some EU countries. There are significant differences in the level of employee rights in the various member states Germany, for example, has much more stringent employment law than UK. A UK company wishing to merge with a German

company may find itself dealing with powerful, legally protected employee 'commissions' or representative groups. In some cases, such groups can influence government bodies and can make the difference between the proposed merger being accepted or being blocked. In considering mergers and acquisitions it is not possible to allow for the multitude of different restrictions and laws that apply in the numerous different countries where such actions take place.

Questions :

- a. Summarize the whole case in your own words.
- b. Why several large proposed mergers have been blocked?
- c. Why there is a government control on mergers and acquisitions?
- d. Why it is not possible to allow multitude of different restrictions and laws?

NOTE : Disclosure of Identity by writing Mobile No. or Making of passing request on any page of Answer Sheet will lead to UMC against the Student.