

GUJARAT TECHNOLOGICAL UNIVERSITY
MBA – SEMESTER (4) – EXAMINATION – WINTER 2018**Subject Code:2840201****Date: 6/12 / 2018****Subject Name: Mergers and acquisition****Total Marks: 70****Time:2:30pm TO 5:30pm****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.

Q. No.1 Q1 (a)Answer following multiple choice questions by selecting correct option. 6

1 Absorption of one firm by another such that acquired firm no longer exists is called..

- A. acquisition of stock B. Merger
1. C. shared agreement D. consolidation

2 Which one of following creates brand new firm by merging existing entity?

- A. acquisition of stock B. merger

- C. shared agreement D. consolidation

3 A tender offer is

- A. public offer to purchase shares of a target company B. the last step in consolidation of two firms
C. The initial offer made by acquiring firm to the dissenting shareholders of the acquired firm in a merger proceedings D. An additional amount of compensation offered to a dissenting shareholders of an acquired firm in a merger.

4 Which of the following statement is correct?

- A. In an acquisition of stock it is board approval rather than shareholders approval is required B. the manager of a target firm rarely get involved in acquisition of stock.
4. C. shareholders are not required to formally vote on acquisition of stock D. acquisition of stock rarely result in a formal merger

5 which of the following is a transaction which must be approved by a formal vote of the shareholders of a selling firm and which, when completed leaves selling firm as a corporate shell?

- 5.
- A. consolidation
 - B. merger
 - C. acquisition of stock
 - D. acquisition of assets

6 The title for each asset owned by the acquired or target firm must be officially transferred in which of the following?

- 6.
- A. acquisition of assets
 - B. tender offer
 - C. merger
 - D. acquisition of stock

Q.1	(b) Define following.	04
	1 buyback	
	2 comparable company	
	3 Joint venture	
	4 Divestiture	
Q.1	(c) Write in short about a real life example of merger in Indian corporate sector.	04
Q.2	(a) Explain the concept of corporate restructuring	07
	(b) write note and explain with real life example on forms of corporate restructuring	07

OR

Q.3	(b) Write note and explain with real life example on buyback guidelines	07
Q.3	(a) Write note on fundamentals and methods of valuations	07
	(b) Write note and explain with real life example on comparable company and transaction analysis method.	07
Q.3	OR	
	(a) Explain in detail about leveraged buy outs	07
	(b) Write note and explain with real life example on cross border mergers and acquisitions	07
Q.4	(a) Write note on funding options of merger and acquisition.	07
	(b) Write and explain real life example of each one of following in the context of corporate world of India	07
	1 joint venture	
	2 take over	

OR

Q.4	(a) Write note on following	07
	1 Buyback of shares	
	2 Divestiture	

Q.5

ICICI bank was established in 1994, by march 2002 it has grown in to a one stop shop for all banking products.

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The Industrial Credit and Investment Corporation of India ltd. (ICICI) was incorporated in 1955 and by 2002 had developed in to a diversified financial service group.

Considering and taking the base of a bank and finance company answer following questions.

1 Do you think it is advisable to merge a bank and finance company in Indian corporate environment?

2 What can be the impact on shareholders in such cases?

OR**Q.5**

A. what valuation methods should be followed for a bank and finance company if they are decided to be merged? Why?

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B. What are important SEBI rules and regulations for merger and acquisitions?

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