



## **BRAINWARE UNIVERSITY**

## Term End Examination 2023-2024 Programme – MBA-2022 Course Name – Mergers, Acquisitions and Corporate Restructuring Course Code - FM401 ( Semester IV )

Full Marks: 60

[The figure in the margin indicates full marks. Candidates are required to give their answers in their own words as far as practicable.]

## Group-A

(Multiple Choice Type Question)

 $1 \times 15 = 15$ 

1.	Choose the correct alternative from the following	<b>7</b> :	
(i)	Select the correct option that states at least two companies combine to form one sing company		
(ii)	<ul> <li>a) Merger</li> <li>c) Demerger</li> <li>refers to combination and pooling of equal taking on a new name. Select the correct answer</li> </ul>	b) Acquisition. d) None of the above. uals, with newly created firm often r.	
(iii)	<ul><li>a) Merger</li><li>c) Demerger</li><li>When a firm absorbs operations of another, is reanswer.</li></ul>	b) Acquisition. d) None of the above. eferred to as Select the correct	
(iv)	<ul> <li>a) Merger</li> <li>c) Contraction</li> <li>is a disjoining or a separation of or a new company independent from the original or</li> </ul>	b) Acquisition. d) None of the above. ne or more units of a company to form one. Identify the correct answer.	
(v)	a) Merger c) Demerger attempts by target managers to def overt forms of takeover defenses. Identify the co	b) Takeover d) Disinvestment eat outstanding takeover proposals are	
(vi)	a) Takeover Defenses c) Bailout Takeover The main reason for takeover is to at answer.	<ul><li>b) Hostile Takeover</li><li>d) Friendly Takeover</li></ul>	
(vii)	<ul><li>a) Friendly</li><li>c) Hostile</li><li>A is a merger of business firm who</li></ul>	<ul><li>b) Cross Border</li><li>d) Compulsory</li><li>are engaged in unrelated business.</li></ul>	

Complete the sentence.

	a) horizontal	b) Vertical				
	c) Conglomerate	d) Market extension				
(viii)	c) Conglomerate has laid down the guidelines for takeovers in order to protect the interest of small investors. Complete the sentence.					
	a) SEBI	b) RBI				
	1 200	d) SBI				
(ix)strategy involves a significant change in the financial structure of the business firm. Complete the sentence.						
						a) Financial Restructuring
	c) Financial Management	d) Financial Services				
(x)	In stock swap merger the holder of target comp	any's stock receive or the				
	acquiring company's stock. Complete the senter	nce.				
	a) Shares	<ul><li>b) Debentures</li><li>d) Bonds</li></ul>				
	c) Deposits	o total paid up equity capital and free				
(xi)	Approval of Board of directors upto% of the	wer.				
	reserves of the company. Select the correct ans	b) 15				
	a) 10	d) 50				
(vii)	c) 25  Capital can be considered as the perma	nent capital of company. Select the				
(^11)	correct answer.					
	a) Equity share	b) Preference share				
	c) Working	d) Fixed				
(xiii	The good reason for merger and amalgamation correct alternative.	do not include Select the				
	a) Complementing business strategies	b) Increasing earning per share				
	c) Supporting value added growth	d) Stopping a competitor merging or t	akeover			
(xiv	) Justification for merger and amalgamation do no correct alternative.					
	a) to achieve synergy	b) to enter into new market				
c) to increase risk d) to gain economies of scale						
(xv) Financial motive for merger and amalgamation do not related to Select the correct alternative.						
	a) unemployed tax shield	b) earnings per share				
	c) value added tax	d) Corporation tax				
	Grou	р-В				
	(Short Answer Ty	pe Questions)	3 x 5=15			
י כ	explain the dynamics of M&A process.	3	(3)			
	Explain Post Acquisition Integration.		(3)			
4. Illustrate the situations for opting for Internal Reconstruction.			(3)			
5. Identify the impact of Merger and Acquisition on stakeholders.			(3)			
6. J	udge the significance of 'divestiture'.  OF	,	(3)			
	udge the significance of 'management buyout'.	•	(3)			
Judge the significance of management buyout.						
	Crown C					
	Group-C (Long Answer Type Questions) 5 x 6					
7.	Define Amalgamation by way of Merger.		(5)			

<ol> <li>Illustrate the various forms of Corporate Restructuring.</li> <li>Explain the advantages and disadvantages of mergers and acquisitions.</li> <li>Differentiate between mergers and acquisitions.</li> <li>Summarize the Acquisition Process.</li> </ol>	(5) (5) (5) (5) (5)
12. Summarize the different types of Mergers.	(3)
OR Summarize the steps required to calculate purchase consideration.	
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