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14MBAFM407

Fourth Semester MBA Degree Examination, Dec.2016/Jan.2017
Mergers, Acquisition and Corporate Restructuring

Time: 3 hrs.   Max. Marks:100

SECTION – A

Note : Answer any FOUR questions from Q.No.1 to Q.No.7.

1	What is due diligence?	(03 Marks)
2	What is Net asset value?	(03 Marks)
3	What do you mean by Reverse merger?	(03 Marks)
4	What do you mean by Poison pill?	(03 Marks)
5	What is Synergy?	(03 Marks)
6	What is divestiture?	(03 Marks)
7	What is Tender offer?	(03 Marks)

SECTION – B

Note : Answer any FOUR questions from Q.No.1 to Q.No.7.

1	What are the motives behind merger?	(07 Marks)
2	Write note on BCG matrix.	(07 Marks)
3	List the four stages of product life cycle.	(07 Marks)
4	Explain leverage Buy out.	(07 Marks)
5	Discuss the type of equity-curve-out.	(07 Marks)
6	Explain the types of due diligence.	(07 Marks)
7	Explain the process of merger integration.	(07 Marks)

SECTION – C

Note : Answer any FOUR questions from Q.No.1 to Q.No.7.

1	Discuss various take-over defenses.	(10 Marks)
2	Explain purchase consideration? Explain methods of its calculation.	(10 Marks)
3	Mention the content of scheme of merger and amalgamation.	(10 Marks)

4   What are the stages of merger process?   **(10 Marks)**

5   Discuss the methods of financial restructuring.   **(10 Marks)**

6   Explain limited liability partnership.   **(10 Marks)**

7   Write note on Porter's five force model.   **(10 Marks)**

SECTION – D
(Compulsory)

8   X Ltd wishes to acquire Y Ltd. The financial details are as follows:

10% Debentures	100,000	100,000	Fixed Assets	600,000	250,000
Profit and Loss A/c	150,000	100,000	Current Assets	350,000	210,000
Share Premium A/c	--	10,000			
Equity shares of ₹100 each	500,000	250,000			
Preference shares	200,000	--			
	950,000	460,000		950,000	460,000

Additional information:

Annual profit available for equity shares holders after tax and preference dividend.

     X Ltd – 150,000   Y Ltd – 80,000

Market price per equity share:

     X Ltd – ₹ 200   Y Ltd – ₹ 250

Find out share exchange ratio based on

i) Net Assets value   2) Earning per share   3) Market value per share.

                                                         (20 Marks)

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