



<b>Trimester: Jan – Mar 24</b>		
<b>Maximum Marks: 50 Examination: End Term Exam Date: 20-04-2024 Duration: 3 hours</b>		
<b>Programme code: 11</b> <b>Programme: MBA PT (Finance) 2022-25 batch</b>	<b>Class: SY</b>	<b>Trimester: VI</b>
<b>College: K. J. Somaiya Institute of Management</b>	<b>Name of the department: Finance &amp; Law</b>	
<b>Course Code: 217P10C609</b>	<b>Name of the Course: Mergers &amp; Acquisitions</b>	
<b>Instructions: Question number 1 is compulsory. From the remaining four, attempt any three questions. Total attempt should be of 50 Marks.</b>		
<b>Do not use any ink other than black or blue to write your answers. Cancellation, if any, is to be done using pen only.</b>		

Question No.		Max. Marks												
Q.1	With a deal of your choice, explain the concept of a Merger or Acquisition.	20												
Q.2	Explain the legalities and legal procedure adopted by companies in India while undergoing a merger or acquisition.	10												
Q.3	What is due diligence? With a company or sector of your choice, enlist the typical questions which you will ask while carrying out the process of due diligence.	10												
Q.4	Explain the importance of synergy in a merger or acquisition with suitable examples	10												
Q.5	<p>Two companies A &amp; B enter into a deal with only company A likely to survive in the end. Their details are as follows:</p> <table border="1"><thead><tr><th>Particulars</th><th>Company A</th><th>Company B</th></tr></thead><tbody><tr><td>Earnings</td><td>Rs. 3.5 Crores</td><td>Rs. 50 lakhs</td></tr><tr><td>Current Market Price per share</td><td>Rs. 49</td><td>Rs. 25</td></tr><tr><td>Number of shares</td><td>50 lakhs</td><td>10 lakhs</td></tr></tbody></table> <p>Company A offers company B Rs. 40 per share in the deal. Calculate the pre and post-acquisition EPS as well as comment on the impact on the shares of the company in such a scenario.</p>	Particulars	Company A	Company B	Earnings	Rs. 3.5 Crores	Rs. 50 lakhs	Current Market Price per share	Rs. 49	Rs. 25	Number of shares	50 lakhs	10 lakhs	10
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