

|  |  |  |
| --- | --- | --- |
| **Trim: July – Sep’24**  **Maximum Marks: 50 Examination: ETE Exam Date: 25/09/2024 Duration: 3 Hrs.** | | |
| **Programme code: 08**  **Programme: MBA Executive (Batch 2023-24)** | **Class: SY** | **Trimester: IV** |
| **College:**  **K. J. Somaiya Institute of Management** | **Name of the department/Section/Center: Finance & Law** | |
| **Course Code: 217P08C407** | **Name of the Course: Mergers, Acquisitions & Corporate Restructuring** | |
| **Instructions:**   1. Attempt **any 5 questions** out of 6. Ensure that **total attempt** is of **50 marks**.   2. Usage of pencil to be restricted to rough work and drawing tables and diagrams only. Answers written or cancelled using pencil shall invoke negative marking.  3. New question is to be answered on a new page.  4. Answer only using blue or black ball point pen. No other colour or usage of markers is permitted. | | |

|  |  |  |
| --- | --- | --- |
| **Question No.** |  | **Max.**  **Marks** |
| **Q.1** | With a deal of your choice, explain in detail the concept of mergers or acquisitions covering its various aspects such as deal rationale, synergy, structure, valuation, financing, legalities and issues, etc. | **10** |
| **Q.2** | Explain with examples ***any two*** of the following restructuring mechanisms:   1. Spin-off (ii) Buyback of shares (iv) Joint Ventures | **10** |
| **Q.3** | Explain the legalities & the steps associated with carrying out legal procedure of a merger in India. | **10** |
| **Q.4** | Explain the concept of synergy with suitable examples. | **10** |
| **Q. 5** | Consider the following acquisition where company A is acquiring company B and company A is the survivor. The following information is available prior to the deal:   |  |  |  | | --- | --- | --- | | **Particulars** | **Co. A** | **Co. B** | | Present Earnings | 4.0 Cr. | 2.0 Cr. | | Number of Outstanding Shares | 1.0 Cr | 75 lakhs | | Current Market Price per share | 240 | 120 |   Examine the pre and post deal EPS and comment on the likely reactions on the stock market if the offer made to company B is under the following two scenarios:  **Scenario I: 150 per share Scenario II: 180 per share** | **10** |
| **Q.6** | As an investment banker brokering a deal, enlist the questions that you are likely to ask while finalizing an M&A deal while carrying out due diligence. | **10** |