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**DHANALAKSHMI SRINIVASAN COLLEGE
OF ARTS & SCIENCE FOR WOMEN
(AUTONOMOUS)**



(For Candidates admitted from 2019-2020 onwards)

**PG DEGREE EXAMINATIONS APRIL - 2021
M.B.A - BUSINESS ADMINISTRATION
MERGERS AND ACQUISITIONS**

Time: 3 Hrs

Max.Marks: 75

PART - A

CHOOSE THE CORRECT ANSWER**(10X1=10)**

1. Forms of Business combinations include
 - a) mergers
 - b) consolidations
 - c) holding companies and consolidations
 - d) mergers, consolidations and holding companies
2. Mergers and Acquisitions in unrelated industries are called
 - a) conglomerate merger
 - b) horizontal merger
 - c) vertical merger
 - d) takeover
3. The acquisition of a firm in the same industry as the bidder is called a -----acquisition.
 - a) horizontal
 - b) backward
 - c) conglomerate
 - d) vertical
4. A tender offer is
 - a) a goodwill gesture by a "White knight"
 - b) a would-be acquirer offers to buy stock directly from shareholders
 - c) a would-be acquirer's friendly takeover attempt.
 - d) increases financial leverage.
5. Takeover pre-bid defences do not include
 - a) revised profit forecast
 - b) golden parachute
 - c) mutual shareholding
 - d) poison bill
6. The three broad approaches to company valuation do not include
 - a) inventory
 - b) asset valuation
 - c) stock market valuation
 - d) future earnings valuation
7. While calculating purchase consideration, ----- values of assets is to be considered
 - a) book value
 - b) revalued price
 - c) average price
 - d) market price
8. One means for a company to "go private" is
 - a) divestiture
 - b) the pure play
 - c) the leveraged buyout
 - d) the prepackaged organisation
9. The excess amounts in which company can get on selling its assets over and above the saleable value of its assets called
 - a) surplus
 - b) super profit
 - c) reserve
 - d) goodwill

10. The following mergers have been blocked on antitrust grounds except

- a) Reynolds & Alcoa
- b) Kroger & Winn Dixie
- c) Office departments & Staples
- d) AOL & Time Warner

PART- B

ANSWER ALL THE QUESTIONS

(5X7=35)

11. a) What is Merger? Explain the various types of Merger.

(OR)

b) What are the reasons for Mergers?

12. a) Explain the Tax aspects of Demerger.

(OR)

b) State the objects of Takeover.

13. a) Explain the any five defensive strategies in Acquisitions.

(OR)

b) Write short notes on

(i) DCF -Discounted Cash Flow

(ii) BV - Book Value (iii) MV - Market value

14. a) Explain the ways of Demerger / Disinvestment.

(OR)

b) State the differences between Leveraged buyout (LBO) and Management buyout (MBO).

15. a) State the factors determining Goodwill.

(OR)

b) State the benefits of Mergers and Acquisition.

PART-C

ANSWER ANY THREE QUESTIONS

(3X10=30)

16. Explain the various types of Corporate Restructuring strategies.

17. State the SEBI regulations on M&A.

18. How are Public Takeovers and Mergers and Acquisition regulated in India.

19. Discuss the value practices in India.

20. Discuss the different methods of valuation of Goodwill.