



**ATMIYA
UNIVERSITY**

**Growth Analysis of Companies Before and After
Merger and Acquisition from Various Sectors**

A
Thesis

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by

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Summary

Introduction

Every nation in the world strives to raise the level of living for each of its citizens. Countries' policies continuously change in response to new demands in order to attain the same goals. Following independence, India adopted a conservative stance. To avoid anything similar to before independence, several regulations went into the creation of the policies. India underwent significant economic reforms in 1991. These modifications aim to structurally alter the Indian economy while stabilising growth. The well-known "The LPG" reform—Liberalization, Privatization, and Globalization—has had an impact on how the Indian corporate sector operates and is governed. With this, India will be able to travel the world quickly. In the dynamic and intensely competitive climate, corporate enterprises began to revise their strategy with a plan for growth and survival. Corporate restructuring evolved become a typical, successful business scenario. The most popular and alluring restructuring techniques are mergers & acquisitions and internal restructuring. Although more than one industry was examined in this study, the majority of the findings indicate that there has been no significant change as a result of merger and acquisition. A researcher has made an effort to analyze the significance effect on the business of Acquirer Company's point of view on the basis of their financials. By taking non-financial variables for the same into consideration, there is greater room for further investigation.

Chapter 1 - An Introduction of Corporate Expansion Strategy – Merger and Acquisition

This chapter documents the researcher's efforts to research the theoretical underpinnings of the topic of merger and acquisition. The businesses law provides a detailed explanation of company expansion strategies, and many statutes' compliance requirements must be met in order to finalize a merger and acquisition deal. As a result, the researcher looked into the various forms of mergers and acquisitions and their legal structure. Additionally, the contemporary environment and elements that

effect mergers and acquisitions have been researched. To make the presentation easier to understand, graphics have been included.

Chapter 2 - A Review of Literature

The research articles published in magazines, journals, reference books, government reports, the internet, etc. were referred to in this chapter for the examination of the existing literature as the basis for understanding as well as for examining potential research gaps as the starting point. This literature review served as the foundation for the observations made in this section. The researcher divided the literature review into different sections, including general research on merger and acquisition and its environment, the merger and acquisition environment in India and around the world, key indicators of merger and acquisition, and the positive and negative effects of merger and acquisition.

Chapter 3 - An Adoption of Research Methodology

In this chapter, Research gaps have been identified and research methodology has been framed, including sample selection, problem definition, tools for analysis, framed hypotheses, study time, and study limitation, on the basis of literature evaluation and comprehension. Here, the foundation for the investigation has been established.

Chapter 4 - A Panoramic View of Sample Profile and Bases of Analysis

This chapter includes a quick explanation of a sample profile, the theory behind the ratio financial analysis tool, as well as statistical tools and trend analysis. i.e., a description of a sample profile, details about a particular merger or acquisition, and the theoretical underpinnings of financial ratios for ease of comprehension, a graphic presentation has been created.

Chapter 5 - The Performance Analysis of the Companies– Before Merger and Acquisition

One of the main components of the current thesis is contained in this chapter. As noted in the preceding chapter of the research methodology, the researcher has attempted to examine the success of numerous merger and acquisition deals from a number of different industries. By considering several financial ratios and operating revenue, 10 merger and acquisition deals are examined. Using the researcher's predetermined objectives, the data from each deal is cumulatively examined. Along with a sectorial analysis, a comparison of the information that was available for the companies that were the acquirer and the acquiree during the time before the purchase was made. To test the theory and come to certain conclusions and make recommendations for the following chapters, a comparative study of data using statistical tools for the before and after time of merger and acquisition from the acquiring company's point of view has been made.

Chapter 6 - The Performance Analysis of the Companies – After Merger and Acquisition

The second main component of the current thesis is found in this chapter. By comparing the results of the Pre and Post merger and acquisition phase, the researcher has sought to analyze numerous agreements. Selected ratios and data from the acquiring firms have been compared in this instance. Additionally, the Paired T-Test statistical tool is used to test for significance at a significance level of 0.05. According to the objectives, each deal's financial data is examined separately in order to test the hypothesis, come to a firm conclusion, and make recommendations for the following chapter. The chapter is broken into three sections: a comparison of findings from the pre-merger and acquisition period and the post-merger and acquisition period; a T-test on the data; and a study of the mean differences between overall and sectorial analyses. The Paired T test is used to find the significant differences for the Acquirer Company for the period of time of pre and post four years of the merger and acquisition in order to test the predefined objectives for framing hypothesis in earlier chapter of research methodology for the companies gone under merger and

acquisition, to gain synergy in terms of performance of the company. The hypothesis has been tested at this place.

Chapter 7 - Findings, Conclusion and Suggestion

In this final chapter of the thesis, the researcher tried to draw a conclusion based on the outcomes of the tests that were conducted, or findings. The researcher has also provided recommendations for additional research. By using statistical tools to analyze financial data, it has been determined that Indian corporations are ready to pursue the merger and acquisition route for growth. Indian corporations engage in both local and international business; to achieve rapid expansion and market rivalry, these corporate strategies are implemented by extremely ambitious corporate executives with financial support from merchant bankers, venture capitalists, and attorneys. To say "Together We Can" through merger and acquisition is akin to stating it. In a highly competitive business market, it is usually preferable to battle collectively rather than by yourself.