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**PRESIDENCY UNIVERSITY
BENGALURU**

**SCHOOL OF LAW
MID TERM EXAMINATION - APR 2023**

Semester : Semester VI -2020

Course Code : LAW406

Course Name : Sem VI - LAW406 - Laws Relating To Mergers and Acquisition

Program : BAL,BBL,BCL

Date : 17-APR-2023

Time : 11:30AM - 1PM

Max Marks : 60

Weightage : 30%

Instructions:

- (i) Read all questions carefully and answer accordingly.
 - (ii) Question paper consists of 1 part.
 - (iii) Scientific and non-programmable calculator are permitted.
 - (iv) Do not write any information on the question paper other than Roll Number.
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ANSWER ALL THE QUESTIONS

(6 X 10 = 60M)

1. Write a Short note on the Evolutionary stages of Mergers and Acquisition. (CO1) [Comprehension]
2. Explain Various Types of Mergers along with real life examples. (CO1) [Comprehension]
3. What are the different stages of a Merger? (CO2) [Comprehension]
4. Give an analysis of Byjus acquisition of Aakash. (CO2) [Comprehension]
5. Kolar Gold Fields (KGF) located in Kolar, Karnataka is a Gold Mining Company that produces 70% of Gold in India. Different Companies like Rocky Inc. in Mumbai, Desai Associates in Bangalore, Bharghav and Sons in Chennai, Andrews Exports in Mangalore, Guru Pandian Enterprise in Delhi, who are engaged in the trade and export of Gold from India are supplied by KGF with a market share of 20%, 25%, 5%, 15%, 5% each respectively. Rocky Inc. and Desai Associates decided to Merger with Promoter of Rocky Inc., Raja Krishnappa Bairya remaining as the Promoter of the new entity for the initial 5 years. The Total Market Capital of Rocky Inc. is Rs. 25,000cr with Raja Krishnappa Bairya holding 90% shares. Desai Associates has Market Capital of Rs. 34,000cr with Promoter Rajendra Desai holding 30% share and his daughter Reena Desai holding 21% share. Draft a Term Sheet using the given information and your Imagination to fill in any missing elements. (CO2) [Application]

6. *Rolex Inc.* a public listed Sugar manufacturing company located in Mumbai with supply all over India and *Bloody Sweet*, a chocolate Manufacturing one person company are planning on merging. Rolex inc. promoted by Rolex, who owns 51% stock, has total asset capital of Rs 7,200cr with an annual turnover of Rs 21,030cr Manufactures in Mumbai and supplies all over India. Bloody Sweet promoted by Leo has total asset capital of Rs 10,800cr with an annual turnover of Rs 30,500cr Manufactures in Chennai and supplies all around South India. On the basis of a 5 year agreement, that can be terminated with 6 month notice, *Santhanam and Brothers*, a distributor of Rolex Inc, is supplying sugar to Bloody Sweet. Vikram is an investor in Rolex Inc. with Rs. 1,000cr investment. Rolex Inc. has taken a loan of Rs. 2,000cr from *Dilli Bank*. *Amar Finance* has supplied and installed modern machinery worth Rs. 300 cr. to Bloody Sweets and the payment for the same is pending. *Adaikalam and Anbudas Co.* is another chocolate company getting sugar supply from Rolex Inc. and has its manufacturing unit in Trichi, Tamil Nadu and supplies all over south India. Now Rolex Inc. and Bloody sweet has decided to merge to form *Bloody Rolex* Analyse the effect on different stake holders of both the companies. Identify the different stakeholders and analyse the effect of Merger on different stake holders of both the companies

(CO2) [Application]