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A Study on Recent Mergers and Acquisitions

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ABSTRACT

This recent study on mergers and acquisitions (M&A) delves into the contemporary landscape of corporate consolidation, offering a comprehensive analysis of emerging trends, motivations, and outcomes in the dynamic M&A arena. By examining recent case studies and empirical data, the research sheds light on the diverse drivers behind M&A activities, including economic factors, industry-specific dynamics, and globalization pressures. It also underscores the importance of post-merger integration strategies and their impact on financial performance and long-term sustainability. With a focus on the post-pandemic era, this study provides valuable insights for businesses, investors, and policymakers navigating the complex world of mergers and acquisitions.

The post-M&A integration phase is explored in detail, with a focus on best practices for realizing synergies and minimizing disruption. Special attention is paid to the role of leadership and communication in managing organizational changes that often accompany M&A activity.

Ultimately, this research serves as a valuable resource for investors, executives, and policymakers seeking to navigate the intricate world of mergers and acquisitions. By providing a holistic view of recent trends and insights, it equips stakeholders with the knowledge and tools needed to make informed decisions and drive successful M&A outcomes in an increasingly dynamic business environment.

1 .INTRODUCTION

Mergers and acquisitions (M&A) have long been strategic maneuvers within the corporate world, enabling companies to grow, diversify, or streamline operations. In recent years, the landscape of M&A activity has witnessed significant changes driven by economic shifts, technological advancements, and evolving market dynamics. This study provides a timely exploration of the current state of M&A, offering a comprehensive analysis of the trends, motivations, and implications shaping the decisions of businesses and investors alike.

The world of M&A is a complex interplay of financial, strategic, and regulatory factors, and understanding these intricacies is paramount for companies seeking to thrive in an increasingly competitive global market. This research delves into the key drivers propelling M&A transactions, such as market consolidation, the pursuit of innovation, cost-efficiency goals, and responses to disruptive forces like the COVID-19 pandemic. It also explores the sector-specific nuances influencing deal-making strategies, from technology and healthcare to finance and energy.

In addition to dissecting the catalysts behind M&A, this study investigates the vital role of due diligence in evaluating the risks and rewards associated with prospective mergers or acquisitions. It emphasizes the importance of thorough financial analysis, cultural alignment assessments, and regulatory compliance checks in ensuring successful outcomes. Real-world case studies will be presented to illustrate both the triumphs and pitfalls that organizations encounter throughout the M&A lifecycle.

In summary, this study aims to provide a comprehensive overview of recent mergers and acquisitions, offering valuable insights to corporate leaders, investors, and policymakers navigating this dynamic and ever-evolving landscape. By examining the driving forces, risk factors, and integration strategies, this research equips stakeholders with the knowledge needed to make informed decisions and thrive in the world of M&A in the contemporary business environment.

2. LITERATURE REVIEW

1 P Akhil Bhan has made an attempt to study the insight into the motives and benefits of the mergers in Indian banking sector .This is done by examining the eight merger deals of the banks in India during the period of reforms from 1999 to 2006 . Through the empirical methods by applying t-test and EVA value calculations the potential of the mergers has been evaluate to study the efficiencies or benefits achieved due to the merger .Through this paper and the sample taken for analysis it has been concluded that the mergers in the banking sector in the post reform period possessed considerable gains which was justified by the EVA of the banks in the post merger period.

2 Dr. V. K. Shobhana and Dr. N. Deepa (2011)made a probe into the fulfilment of motives as vowed in the merger deals of the _nine select merged banks. The study uses _Summary Statistics, Wilcoxon Matched Paired Signed Rank Test and't'

test for analysis and interpretation of data pertaining to the five pre and post merger periods each. The result indicates that there has been only partial fulfilment of the motives as envisaged in the merger deals

3 Egl Duksait and Rima Tamosiunien (2009) described the most common motives for companies decision to participate in mergersand acquisitions transactions. The reason is growth, synergy, access to intangible assets, diversification, horizontal and vertical integration and so on arises from the primary company's motive to grow. Most of the motivations for mergers and acquisitions feature serve as means of reshaping competitive advantage within their respective industries. However, it may be that some of the motives identified affect some industries more than others, and in that sense they can be expected to be associated with a greater intensity of mergers and acquisitions in certain sectors rather than others.

OBJECTIVES OF THE STUDY

- ✓ To evaluate the effects of a merger and acquisition.
- ✓ To scrutinize the financial outcomes subsequent to the amalgamation of two companies.
- ✓ To pinpoint the elements contributing to success by employing various ratios.

Research Methodology

In this study, I have used mainly Primary data and secondary data to the study of performance assessment after merging of company .In primary data I have collected the data by personal interview and annual reports . And I have collected the data from different websites which are related to company and articles are mainly used in secondary data . To create a research topic to evaluate the performance before merger and after merger of 2 companies **Source of data**

1. Primary data
2. Secondary data

Primary data :

Primary data for the study was through individual observing and Personal experience data have used.

Secondary data :

The secondary data for this study was obtained from the annual reports of newspaper, textbooks and previous studies and records. Secondary data are from websites as well.

DATA ANALYSIS AND INTERPRETATION :

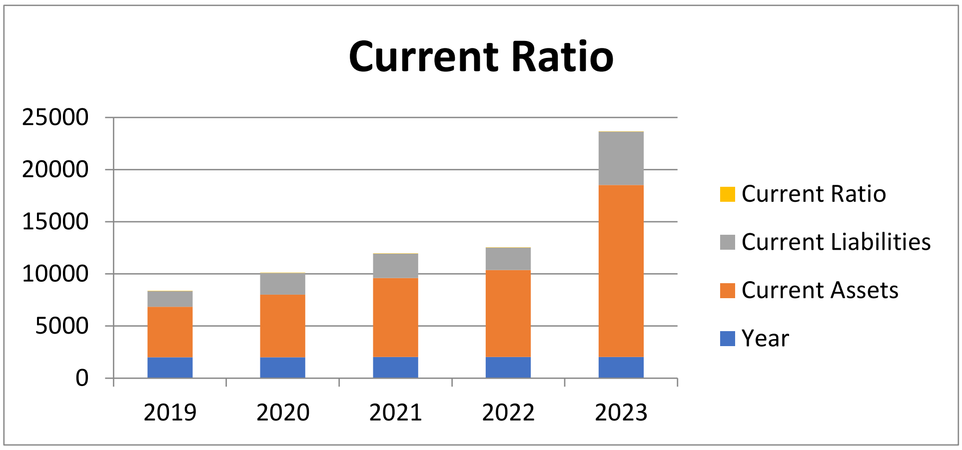
I have selected the topic that recent merger and acquisition . So , Recently merged company is L&T company with Mindtree company into LTIMindtree company ltd. This company belongs to Information technology sector .

Current Ratio :

Current ratio = Current Assets/ Current liabilities

Year	Current Assets	Current Liabilities	Current Ratio
2019	4840.5	1480.8	3.268841167
2020	5986.5	2084.6	2.871773961
2021	7580.1	2320.5	3.266580478
2022	8339.1	2167.7	3.846980671
2023	16509.7	5104.2	3.234532346

Table 2.1 Current Ratio



Interpretation:

Actually LTIMindtree company should have one year financial statement. But this company having 5 years of data. because, The LTIMindtree company combined the data of L&T Company and Mindtree Company from 2019 to 2022 to of 2 companies to attract the investors.. And 2023 data is we can get after merging of 2 companies .

The above table indicates that the CA and CL are going up in years from 2019 to 2023 .that is CA in 2019 is 4840.50 to CA in 2023 is 16509.7. And the Current liabilities is in 2019 is 1480.8 is increasing to 2023 – 5104.42.

And current ratio is in 2019 is 3.2688 and it is declined to 2.87177 next year 2020. Again increased in 2021 that is 3.266 also increased in 2021 is 2.84 . But after merging of 2 companies, the company's current ratio is declined to 3.23453.

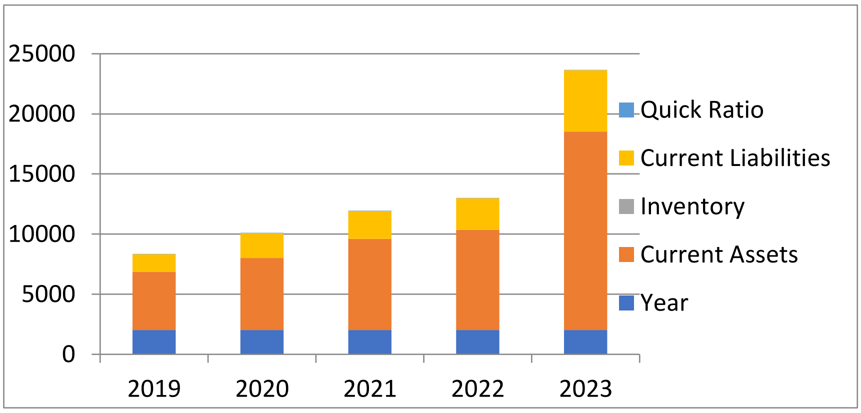
QUICK RATIO :

Quick Ratio = Quick Assets / Current Liabilities

Quick Assets = Current Assets – Inventory

Year	Current Assets	Inventory	Current Liabilities	Quick Ratio
2019	4840.5	0	1480.8	3.268841167
2020	5986.5	0	2084.6	2.871773961
2021	7580.1	0	2320.5	3.266580478
2022	8339.1	0	2617.7	3.846980671
2023	16509.7	3.3	5104.2	3.233858195

Table 2.2 **QUICK RATIO:**



Interpretation :

From the above data we can comprehend that the organization's exhibition is great in light of the fact that the ongoing resources and current liabilities are expanding step by step . also, stock is 0 from 2019 to 2022 .yet in 2023 we can see the stock kept up with in the organization is 3.3Cr.

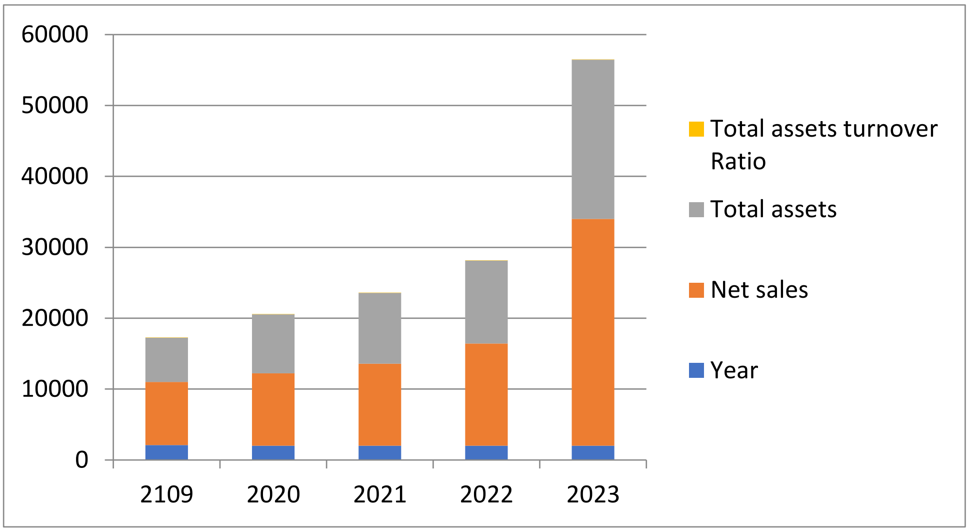
The fast proportion line in diagram is shows that 2020 the organization get declined to 2.87 from 3.26 in earlier year 2019. In 2021 the proportion is in expanding pattern that is expanded to 3.26 .Likewise expanded in 2022 that 3.84 .However subsequent to blending 2 organizations the proportion had declined to 3.233 as looking at the earlier year.

TOTAL ASSETS TURNOVER RATIO:

Total assets turnover ratio = Net sales / Total assets

Year	Net sales	Total assets	Assets turnover Ratio
2109	8907.2	6226.6	2.861015
2020	10184.2	8316.7	2.449096
2021	11566.1	9988.5	2.315883
2022	14406.4	11703.3	2.461938
2023	31975.4	22455.8	2.847852

Table 2.3 Total assets turnover Ratio :



Interpretation:

In table, appearance that the net arrangements and complete assets are growing bit by bit and here we really want to find the ordinary outright assets for determine full scale assets turnover extent .the hard and fast assets and net arrangements extended to22455.8 and 31975.4 independently .

The TATR is showing that it is increasing in 2020 by comparing previous year 2019 that is 2.44 .and in 2021 the line declined to 2.31 in the following year 2022 again its goes upward and again it goes downward in 2023 after merging is to 2.84.

FINDINGS :

- LTIMindtree company has that own image in the world .and this company compitating with big companies like deloitte , TCS , etc.
- By analysis of LTIMindtree company ,we can understand The fluctuations in performance of company .
- The CR of organisation And this ratio is in 2019 is 3.2688 and its declined to 2.87177 in the following year 2020.

CONCLUSION :

In conclusion, the examination of recent mergers and acquisitions offers valuable insights into the dynamic landscape of corporate consolidations. Through this study, we gain a comprehensive understanding of the motivations, strategies, and outcomes of these business transactions. By analyzing the trends and patterns in various industries, we can anticipate the potential impact on market competition, financial performance, and stakeholder value. This research underscores the significance of staying attuned to the evolving landscape of mergers and acquisitions as a crucial aspect of contemporary business dynamics.