



Session on

MERGER AND ACQUISITION

Finance and Analytics Club, WinterCamp

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MnA topics for today

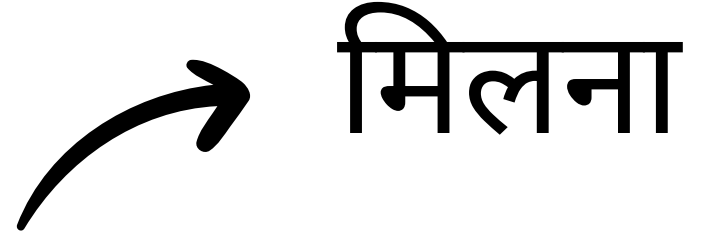
- Understanding Merger and Acquisition
- Reasons for M&A
- Some top M&A in India

The background of the slide is a close-up photograph of several aloe vera leaves. The leaves are a vibrant green color and have a serrated, spiky edge. They are arranged in a layered, overlapping pattern, creating a sense of depth and texture. The lighting is even, highlighting the natural patterns on the leaves.

Understanding Merger and Acquisition

What is a Merger?

What is a Merger?



मिलना

What is a Merger?



Milk
Company A



Water
Company B



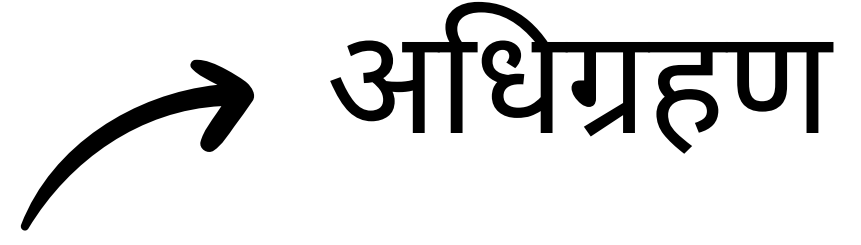
Milk
Company A+B

What is a Merger?

A merger is a business strategy in which two companies combine to form a *new, single entity*. It involves the mutual decision of both companies to consolidate their operations, assets, and resources.



What is an Acquisition?



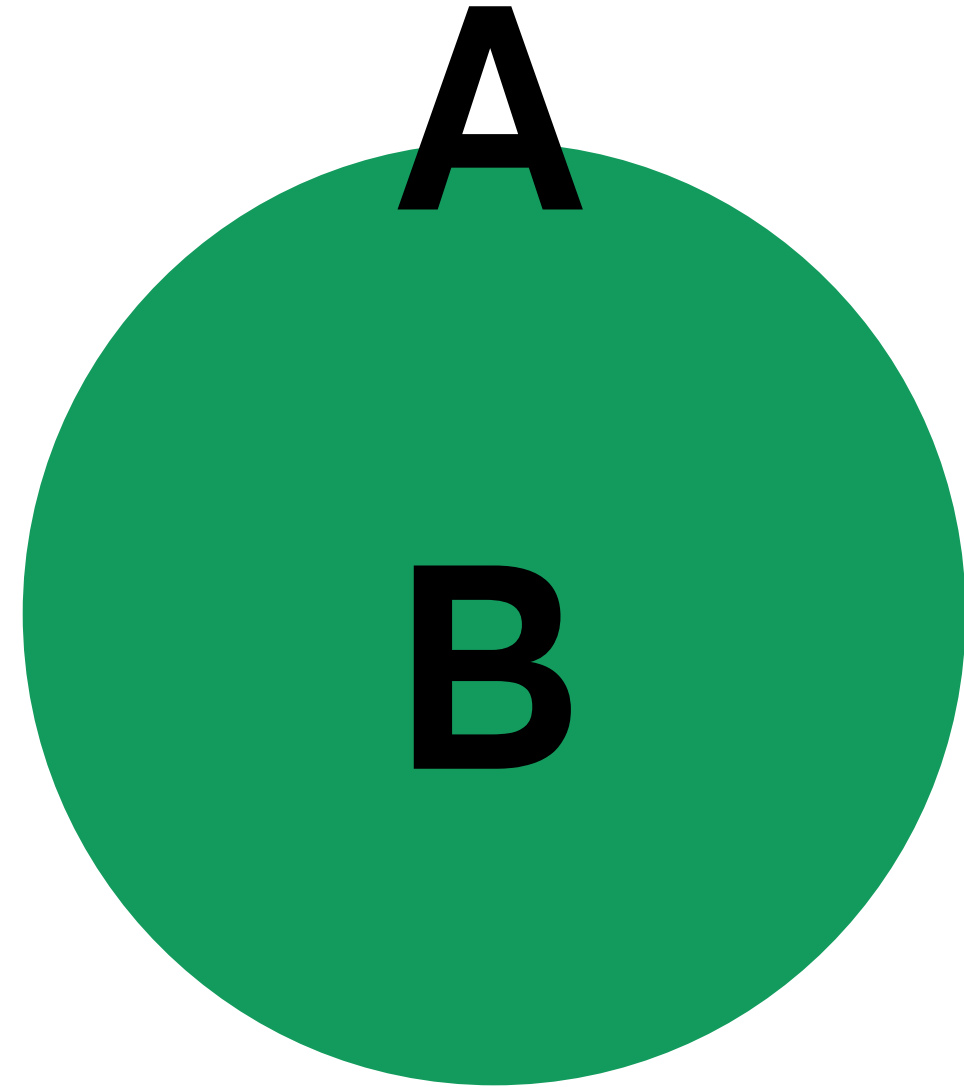
अधिग्रहण

What is an Acquisition?

↪ અધિગ્રહણ

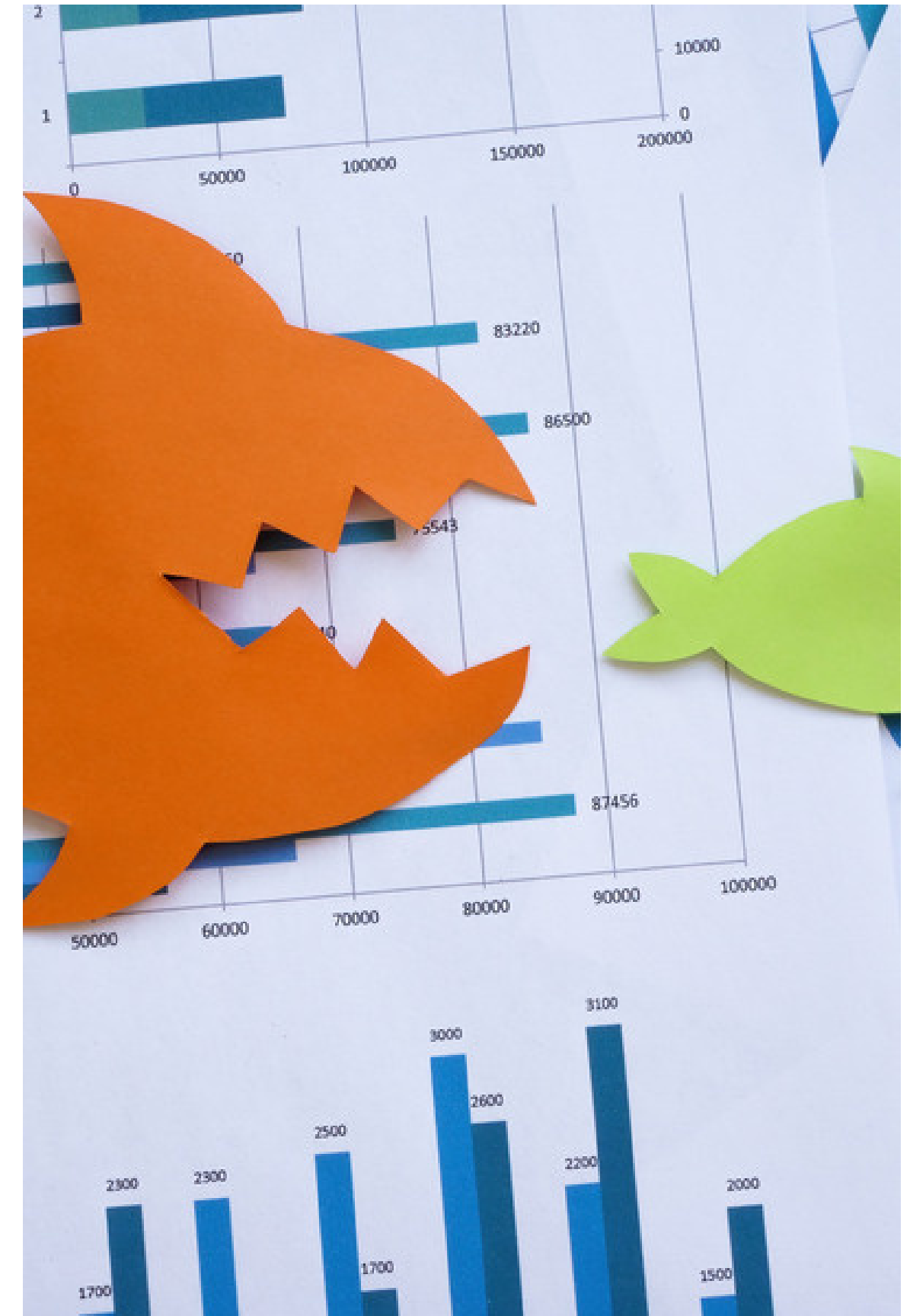
What is an Acquisition?

A + B =



What is an Acquisition?

Acquisition refers to the process in which one company *buys a significant portion of the ownership (equity) or assets of another company*. The acquiring company gains control over the acquired company, either fully or partially.



In Short

Merger

मिलना- to merge

two companies combine to form a new, single entity

Acquisition

अधिग्रहण- to acquire

one company buys a significant portion of the ownership (equity) or assets of another company.

Everything is fine, but

Why?



Reasons for M&A



Reasons for M&A

- Eliminate competition



Reasons for M&A

- Eliminate competition
- Acquire bigger market share



Reasons for M&A

- Eliminate competition
- Acquire bigger market share
- Make a strong brand



Reasons for M&A

- Eliminate competition
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- To save tax



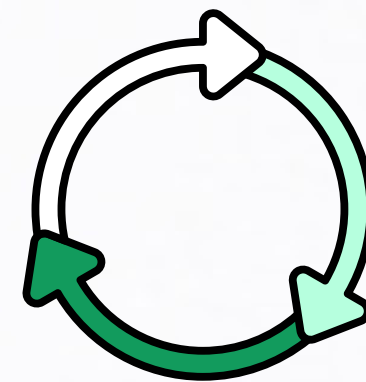
Reasons for M&A

- Eliminate competition
- Acquire bigger market share
- Make a strong brand
- To save tax
- Counterbalance losses





Life Cycle Of MnA





Acquisition Strategy



Acquisition Strategy

- Meeting the Acquirer
- Clear the idea
- Purpose ?



Search Criteria



Search Criteria

- Identify key criteria
- Geography, Customer Base
- Margins, domination etc



Potential Target Research



Potential Target Research

- Internet
- Investor meets
- Angel Networks



Acquisition Planning



Acquisition Planning

- Contact with target
- Understand value offer
- Gather information



Valuation Modelling



Valuation Modelling

- Use information gathered
- Conduct Valuation
- Prep football field analysis



Negotiations



Negotiations

- Basic Valuation
- Construct Reasonable offer
- Both clients meet
- Adani and NDTV



Due diligence



Due diligence

- Begins after offer accepted
- Aims to confirm
- Information provided by target



Contract



Contract

- Diligence is positive
- Execute contract
- Set terms of exchange



Financial Strategies



Financial Strategies

- Work with top management
- Explore financing options of acquirer



Closure Announcements



Closure Announcements

- Regulatory filings
- Public Announcement
- Deals officially stands closed



Assignment

Some top
mergers and acquisitions

Detailed doc

Thank
you!