MERGERS AND ACQUISITIONS: A PRE – POST PERFORMANCE ANALYSIS ON SELECTED COMPANIES IN INDIA ACROSS VARIOUS INDUSTRIES

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ABSTRACT

This paper examines the Mergers & Acquisitions on selected companies in India. The data has been collected for 15 companies for the period of seven years. The importance of mergers and acquisitions is growth, diversification, synergy, market dominance, eliminate market competition. The data has been collected out of 7 financial parameters .These include profit after tax, profit before depreciation ,interest, tax and amortization, return on capital employed, current ratio,total asset and advances. The study is based on secondary financial data. There has been a significant impact of mergers and acquisitions in India which includes increasing the size of the firm. Inorder to grow with in a short span of time, it is not possible through organic growth. With the help of mergers and acquisitions, company can achieve its objective. In order to dominate in that particular sector companies merge. Various parameters have been taken into consideration for making an overall analysis of merger and acquisitions in India.

Keywords: Diversification, Synergy, PAT, PBDITA, ROCE, Current Ratio, Total Assets, Advances.

INTRODUCTION & RESEARCH DESIGN

1.1 Introduction to Mergers and Acquisition in India

Over the years, India had been seeing a stoppage in the mergers and acquisitions action. Indian organizations, in the year 2014, were associated with exchanges worth $ 33 billion throughout the year 2015.In the year 2016,it is expected that the world will see a global mergers and acquisitions and exchanges is expected to cross the target of $30 billion. The race of the Modi government has brought back enormous confidence in finance specialist group. The year 2018 is expected to be a turning year for mergers and acquisitions worldwide. The movement as the speculator group has seen sureness in drove government's change plan and the strategies have been to a great extent planned to empower outside ventures. It is emphatically emphasised that 2016 would see a rise in mergers and acquisitions action. The reason for this is the new insolvency law, the quicker pace of endorsements started by the administration as a component of its simplicity of working together in India battle and the unwinding in Foreign Direct

Investment standards. Divisions, for example, IT, social insurance, vitality, pharmaceutical, online business and managing an account and monetary administrations were the key parts in 2015.Our laws says that it is possible that the merger can happen in more than one place. The combining organization loses its character and its investors move toward becoming investors of the blended organization. Another strategy could be, the point at which the benefits and liabilities of at least two organizations (consolidating organizations) end up vested in another new organization (blended organization). The blending organizations lose their character. The investors of the exisitingentities move toward becoming investors of the combined entity. Although, corporate laws may not be interested in the specific types business of merger/amalgamation, the Act of 2002 pays uncommon consideration regardingthe composition of it.

Conceptual Overview

A. Mergers and Amalgamations

Merger and amalgamation are two different form of business. In merger , there is one acquiring company and one target company . In this, the target company merges with the acquiring company and the target company loses its identity. Whereas in amalgamation, the acquiring company and acquired company merges with each other and the acquired and the acquiring company both loses its identity and an entirely new company is formed.

i. Horizontal Mergers

Horizontal merger is a merger when there is merger between companies operating in the same space of business. This merger happens when the competition is quite high amongst the industries and the company wants to increase its market share and operations as well as economies of scale .Horizontal mergers is very popular among current business scenario.

ii. Vertical Mergers

Vertical mergers happen when two different companies operate in different lines of production to produce the same level of output or same finished product. Vertical merger happens between the companies in order to increase the amount of operation in the production process. Basically vertical mergers can be divided into two categories –forward integration and backward integration.

iii. Congeneric Mergers

This type of merger happen when there is a scope of increasing synergies among themergers . It happenswhen two companies or businessesoperate in the same or similar line of production but produce different types of output.

iv. Conglomerate Mergers

Inconglomerate merger,the company operating in completely different lines of activities merge and both the business are completely different from each other. There are basically two types of conglomerate merger: one is pure conglomerate and the other is mixed conglomerate. In pure conglomerate, the two industries merging have completely different forms of production while in mixed merger the companies merge in order to expand their production or marketing activities.

v. Cash Merger

Cash merger happens between the organization when the shareholders does not want to involve themselves with the merging entities. The deals arising from this merger is quite different as the stocks of the company is exchanged in the form of money rather than in the form of stocks.

vi. Triangular Merger

Triangular merger is the merger in which the subsidiary of the acquiring company acquires the stakes of the target company. The only difference between this merger from others is that main company is not utilizing the acquisitions position rather subsidiary company is taking the acquisition process of the target company.

B. Acquisitions

Acquisition is a form of business in which the acquiring company acquires a part of target company. In this , the acquiring company should acquire more than 50% stakes of the target company which should be atleast 50 % of the target company. This acquisition takes place in order to increase the market share as well as economies of scale and to improve the overall cost of the industry.Acquisitions can be friendly as well as hostile. Friendly acquisitions occurs when the target companies are in mutual advantage of each other and wants to get more benefit after acquisition while in the hostile acquisition , the target company doesnot wants to get acquired while the acquirer company acquires the target company by buying more stakes of those companies which should be more than 50 % of the stakes of the target company.

Corporate India's merger and procurement (M&A) movement in September quarter remained at $2,142 million, down 81 for every penny in esteem terms over a year ago, to a great extent inferable from GST effect and waiting impact of demonetisation, says a report. Nonetheless, in January-September, M&A movement checked in $33 billion, recording a promising 22 for every penny development as the year to date (YTD) saw expanding local union with arrangements, for example, Vodafone-Idea, PropTiger-Housing.com, among others. As indicated by affirmation, assessment and warning firm Grant Thornton's most recent Dealtracker report, in July-September there were 118 M&A exchanges worth $2,142 million, while in the year-back period, the arrangement tally remained at 139 and the incentive at $11,221 million. Nonattendance of expensive exchanges in the said quarter drove exchange esteems to the least in the last 32 quarters. The September quarter recorded just six exchanges esteemed at or more $100 million when contrasted with 14 bargains in the year-back period, of which three were billion-dollar bargains, the report noted. "The M&A bargain esteem achieved a record high at $33 billion in the YTD when contrasted with $27 billion in the comparing time frame a year ago," Grant Thornton India LLP Partner P said. "This was driven by higher union saw in the household portion as home-developed organizations picked the inorganic course to create development with around 190 arrangements worth USD 28 billion."

Drowsy cross-outskirt bargains .Then again, cross-outskirt bargain action saw a declining pattern both regarding bargain esteems and volumes while cross-fringe exchanges more than divided to $5.2 billion over the relating time frame a year ago. January-September 2017 recorded four arrangements in the billion dollar club and 58 bargains esteemed at and over $100 million, together contributing around 84 for each penny of the aggregate arrangement esteems. "Pulled in by the long haul potential in the nation because of enhancing monetary conditions, organizations are progressively misusing open doors in the developing Indian market, especially those in the telecom and web based business areas," the report said.

In the course of the most recent decade, India's monetary development has demonstrated solid linkage to the quantum of FDI (outside direct venture) that we have figured out how to pull in, both through the private course and through the capital markets. Verifiably, once remote vital and money related financial specialists enter any part bigly, it has offered ascend to extensive scale M&A action. Telecom, money related administrations and social insurance are regular cases of this wonder in India, which have seen a portion of the biggest M&A bargains that occurred on the back of outside speculations. While M&A action in India has been principally determined by the need to catch a developing purchaser showcase and to make a minimal effort generation base for the world, the part of Government arrangement has been urgent in making a positive situation. Since 2000, India has seen a few positive financial changes as unwinding of as far as possible (up to 100 for each penny sometimes), streamlining of the FIPB (Foreign Investment Promotion Board) endorsement process, and an assortment of capital market measures presented by SEBI (Securities and Exchange Board of India), which is currently viewed as a standout amongst the most autonomous and compelling controllers on the planet. It isn't astonishing, at that point, to see the whirlwind of private funding being mixed into Indian endeavours, particularly over the most recent five years. It is additionally obvious from the vast cross-outskirt bargains that India has seen as of late and the development and development of the capital markets that the administrative condition isn't generally an issue with both the household and worldwide financial specialists. In the wake of the worldwide money related emergency, there have been various arrangement changes that have been attempted by the Government and SEBI that are gone for boosting speculations and M&A. It is in reality uplifting news that the policymaker and the controller have been currently partaking in this procedure.

In 2008, we saw the presentation of the Companies Bill, which proposes a couple of positive changes with regards to M&A, when contrasted with the Companies Act, 1956. Among the current critical revisions acquired by SEBI are: the unwinding of enrollment prerequisites relating to FIIs (outside institutional financial specialists), evaluating rules set out in the DIP (Disclosure and Investor Protection) Guidelines, allowing larger part investors to additionally unite shareholding under the Takeover Regulations, divulgence of vowed shares by promoters, and extra limitations on organization chiefs under the Insider Trading Regulations. On the FDI front, there is better clearness on the guidelines representing sectoral tops for remote shareholding. For 2010, what ought to be the plan. Factually, M&A movement and monetary development have demonstrated a solid connection, framing a vortex around each other at the pinnacle of money related market action. As India prepares for the following enormous M&A rally, the part of the policymaker and the controller will keep on becoming much more essential in the coming circumstances. It will enthusiasm to perceive how they manage issues, for example, the FDI in retail, as 100 for each penny is as of now permitted through discount; additionally streamlining of the FIPB endorsements process; down to earth issues that still encompass M&A in recorded organizations; twofold tax assessment of cross-outskirt arrangements; and rules identifying with utilized buyouts for household M&A.Mergers and acquisitions are the best approach to develop in these troublesome circumstances and greater tech organizations in the worldwide market seem to know this well. Outside of Microsoft's purchase this seven day stretch of LinkedIn for an incredible $26.2 billion, there have been a few substantial size acquisitions generally, including Dell-EMC, HP-CSC, Atos-Xerox ITO .Be that as it may, back in India, there have barely been any arrangements of even a large portion of a billion dollars in the IT/BPO space. HCL-Geometric, Infosys, Wipro and TCS acquisitions as of late have all been simply $100-200 million in measure. The biggest so far in the household advertise by an Indian organization was HCL's Axon procurement in 2008 for $658 million. Tech Mahindra's Satyam Computers procurement in 2007 was for $580 million. This is regardless of the way that huge Indian IT organizations have their coffers flooding with money of about $4-5 billion. This cash goes into common assets and government securities. "Indian IT organizations have possessed the capacity to develop incomes naturally throughout the previous 20 years, so unless development turns negative, they won't take a gander at acquisitions." Indian organizations are OK with specialty acquisitions, accomplice at ISG. "They search for acquisitions that bode well for them on the stages or administrations front." "Obtaining doesn't involve simply recognizing an organization and marking an arrangement. You need to see the fitment of that organization in what you require and whether the objective organization will make the change and whether a suitable cost for that can be found. "While I concur that there is requirement for a more noteworthy forcefulness in searching for obtaining openings, it doesn't really imply that there ought to be more prominent forcefulness in shutting an alternative at any cost in light of the fact that by the day's end those likewise affect the intensity of the organization," he said. "You must be huge and have extremely profound pockets previously you can pay $19 million for a 55-part organization as was paid. A couple of months back, the market was swirling with TCS likely securing of Dell IT Services business yet the arrangement turned out poorly as the organizations couldn't concur on the cost. Dell allegedly requested about $5 billion. Indeed, even Infosys isn't sufficiently forceful on acquisitions. While it targets $20 billion in income by 2020, just $1.5 billion of this is normal from acquisitions. There are numerous inalienable dangers to cross outskirts acquisitions that keep down organizations from competing for M&A openings, say industry specialists. To start with, it turns into an intense errand to coordinate tasks of two organizations as there are social issues. Shedding labour or consolidating comparable tasks under one division winds up intense because of contrasts in the way the work is finished. Furthermore, the same number of these organizations have an on location nearness and furthermore costly labour and advancements, the edges are lower and this applies weight on productivity of the whole organization. Be that as it may, if Indian organizations keep on remaining preservationist, and need to become just by building capacities inside, they may wind up losing the race to companions, for example, Cognizant and Accenture in the worldwide market, say specialists. M&A activity might be solid, be that as it may, among average size organizations space. "There is a re -established enthusiasm from PE organizations in mid-level IT administrations organizations now.

1.2 Research Design

1.2.1 Statement of the problem: Mergers and acquisitions has been a frequent activity in Indian economy. Consolidation has been a widespread development in recent decades. In many emerging markets, M & A have been driven by government policy initiatives There are various problems faced and various opportunities were there in the process of mergers and acquisitions. Thus this project studies the impact of mergers and acquisitions across various financial parameters

1.2.2 Objectives of the study: A pre –post analysis of mergers and acquisitions on selected companies in India across various industries.

For this study the following objectives have been developed:

1. To verify the financial performance of select acquirer companies in the pre -acquisition period.
2. To verify the financial performance of select acquirer and acquire companies in the post-acquisition period.
3. To study the impact of select acquisition on the financial position of the company.
4. To verify the pre and post market capitalisation change of mergers and acquisition.

1.2.3 Hypothesis of the study:

The following research hypothesis has been formulated for the study.

H_0: There is no change inpat ,pbdita, advances ,total assets ,current ratio ,profit margin in the pre and post aquisition period.

H1: There is change in pat ,pbdita, advances ,total assets ,current ratio ,profit margin in the pre and post aquisition period.

H_0: There is no impact of pat ,pbdita, advances ,total assets ,current ratio, profit margin in the pre and post aquisition period on ROCE.

H1: There is impact of pat ,pbdita, advances ,total assets ,current ratio, profit margin in the pre and post aquisition period on ROCE.

1.2.4 Scope of the Study: This project attempts to analyse various effects of merger and acquisitions which includes pre as well as post analysis. In this paper , various models have been used which includes correlation, regression, jarque- bera statistics, effects of merger and market capitalisation.

1.2.5Sample Size and Sampling techniques:

Data has been collected of recent mergers and acquisitions of 15 companies in India across various industries for a period of 7 years. The sectors include pharmaceuticals, automobile, banking and telecom sector.

1.2.6Data collection methods:

The data that is to be collected are fully "Secondary Data".The data required to complete the study has been collected from the published annual reports of the company.

1.2.7MethdologyAdopted for the study:

To satisfy the objectives of the study statistical and financial tools like Descriptivestatistitcs, Pre and post financial variable analysis (Key ratio analysis on liquidity and profitability of sample firms), correlation, and Linear Regression has been used.

1.2.8Limitations:

Time frame given for the dissertation would be insufficient.

The study has been conducted over a very limited period of seven years only.

The study is based on secondary data.

The study is based on consolidated financial statements of the selected company, which may leave some grounds of error.

1.2.9Chapterizationof the study:

Chapter 1: Introduction & Research design- This chapter contains details of the study mergers and acquisitions in India and various aspects related to it. It also deals with the various techniques and methodologies that has been applied to further chapters. This chapter also contains objectives as well as various limitations related to it.

Chapter 2: Review of literarture- This chapter contains review of article of various authors. Atleast20 review of literature has been done connected to mergers and acquisitions.

Chapter 3: Company profile- This chapter contains company profile of various companies of merger and acquisitions across India.

Chapter 4: Conceptual Framework- This chapter contains conceptual framework of mergers and acquisitions which has been included in this project.

Chapter 5: Data Analysis & Interpretation-This chapter contains data analysis and interpretation of all acquisitions in which 5 models have been applied and taken into consideration.

Chapter 6: Suggestions, findings &conclusions: This chapter contains all the details and suggestions related to this project. It also contains the concluding part related to this topic.

REVIEW OF LITERATURE

Samuel C. Weaver: The Indian economy amongst other economy is the fastest growing economy . It comes in second position in terms of growth with a GDP of about 9.3% recorded last year. Mergers and acquisitions in India is supposed to cross a mark of $100 billion. Various sectors such as IT, R & D, pharmaceuticals,etc has been growing at a rapid pace . Business man, investors, shareholders has also witnessed a rise in their return on capital with the changing dynamics in the Indian Economy. In the last four years,the country has witnessed a significant rise in acquisition both in and outside the country which has contributed to a significant rise in the profits and healthy balance sheet. For instance outside acquisitions of Schoneweiss by Mahindra & Mahindra and Tata acquisitions of Corus of above $100 billion has changed the dimensions of mergers and acquisitions of the country to a great extent.

Todd Pulvino: This article is written to analyse the impacts of mergers and acquisitions in Indian Banking sector. Various parameters have been taken into consideration to measure the impact. This includes various constraints and parameters. To measure the parameters two test has been conducted. This includes t- test and standard event study approach. T- test is conducted in order to determine the significant impact before and after mergers and acquisitions. Standard approach event was conducted to examine the changes in share price volatility and its effect in the Indian Stock market. The overall result shows that there were no changes in the financial performance of the company. Only EPS and Market Value to Book Value has been affected. There was a slight changes in the stock market in the short run but no significant changes were seen in the long period.

Erik Stafford: The aim of this article is to examine the post- merger activities of companies from 1999-2002 and its impact on operating performance of the company. The methodology involve in this included operating performance approach which analyse pre and post mergers and acquisitions impact of the companies. The result of this paper showed no significant impact on profitability, asset turnover and solvency of the acquiring companies. This indicates that the mergers of the companies are not always profitable. There has been several limitations related to this study which includes that the research is limited to only financial performance of the company.So various other factors should be taken into consideration.

Mark Mitchell: This article analyses that the mergers and acquisitions activities are significantly larger on countries where there is proper emphasis on accounting standards and their presence of stronger protection for shareholders. Mergers and activities are different in different countries as it is entirely dependent on the laws and rules and regulations. In cross border deals, target companies are those which doesnot have a strong protection for shareholders right hence it is acquired by those countries who has a strong governance policies.

Robert S. Harris: In this article, the author has collected five propositions with a data set of 1526 cross borders M & A s by Indian and Chinese MNEs from the period 2000-2008 . The aim of this study is to analyse the impact of recent changes in emerging economies post- merger and acquisition activities. Recently, it has been evident that the emerging economies have shown a significant rise in acquiring the companies.The comparative advantage theory with Dunning's OLI paradigm has been undertaken to calculate the value and for this five parameters have been taken into consideration.

Daniel W. Bielinski: The aim of this article is to analyse how Chinese MNEs were able to cope up with developed nations such as Germany. The Chinese companies has shown an impressive performance in terms of outward direct investment. For this research, 31 face to face interview was taken from the employees belonging to 7 different Chinese Stakeholders.The findings of this study suggested that Chinese has gained an international experience which in turn is beneficial for outward direct foreign investments.

SandroBrusco: In this article,the author seems to analyse the changes in Airline sector. Various parameters has been taken into consideration which includes profitability,leverage, liquidity and capital market standards.For measuring its performance,t-test has been conducted to determine the impact of the changes in financial performance of last two and pre two positive effects of mergers and Acquisitions in Airline Industry.The study has suggested that there is no major impact on the financial performance of this sector.

Kenneth F. MacKenzie: This article suggests that the corporates insiders who put more emphasis on control should prefer investment by cash or debt rather than by issuing new stocks. This is because if they if they issue new stocks they will dilute their control in the company. The empirical report supports this hypothesis that in order to avoid dilution of control,the investment should be done by cash

Marcelo Bombau: The author in this article has tried to present the facts that it is a myth in India that mergers and acquisitions lead to enhanced efficiency. Certainly, this is not the case. In this article,the author has tried to introduce sample of 623 mergers and acquisitions. The data has been collected for a period from 2003-2008. It has shown that in the short run, the mergers and acquisitions creates shirt term wealth on the day of announcement for the shareholders.

Marcelo Pozzetti: This exploration paper investigated the effect of merger and acquisitions on the budgetary execution of chose acquirer firms crosswise over India. The specific paper looks for goals of impact of merger upon productivity and liquidity position. It investigates three a long time pre and post-merger monetary execution of the organizations. Test size of this examination comprises of chose seven diverse enterprises experienced merger and acquisitions amid 2006-2012. To accomplish the investigation's target optional information of three years earlier and post-merger gathered from yearly evaluated money related explanations from period 2000-2015. Different monetary proportions connected to survey the productivity and liquidity position. The investigation is led with the assistance of measurable instrument combined t-test utilized on bookkeeping proportions by SPSS to test the importance of the examination. The finding of this examination demonstrates that there is no change in budgetary execution of acquirer organizations after merger. Post-merger benefit and liquidity pointers of chosen test disintegrated.

LennaertPosch: The aim of this article is to reach on the conclusion that whether M & A activities affects positively or negatively to the Indian telecom sector. The empirical evidence provides that it has shown negative impact to the market. The methodology adopted in this article are synergy trap hypothesis and extant empirical findings .In this article, it is also shown that cross border acquisition is the main reason for negative market reaction. Even though M&A can result in increase in the size of the firm, it has a negative impact on the shareholders value.

Malcolm Lombers: This article seems to identify the cross cultural management during mergers and acquisitions. The review of literature of both successful as well as unsuccessful has been taken into consideration. The conclusion arrived from this article shows that mergers and acquisitions failure at a larger rate on all the stages of mergers and acquisitions.

Jorge Acedo Prato: In this article,the author has put emphasis that emerging giants are rewriting the rules of mergers and acquisitions. Hindalco, an aluminium based manufacturing company in Indias using mergers and acquisitions as their main globalization strategy. This is because of the fact that in developing countries ,the economy has shown a growth of about double –digit rates. In this article,it is shown that developing countries buys companies especially from West in order to become global leaders. In 7 years ,Hindalco boosted revenue from $500 million to $ 15 billion. Hindalco in order to grow at a faster pace brought Novelis, a North American corporation more than twice its size.

Carlos Freaner: This article examines the fact that with the recent mergers and acquisitions across cross border cultures and with green field investment have helped in emerging new corporate players on the global scene. Indian investment in foreign direct investment has also contributed largely to this factor.

Inthis paper it is shown that ownership and competitive advantages lies in the accumulation of skills for managing large multinational corporations.

Rachel Wilson : Because of the distinctions in the merger waves crosswise over business sectors, the market for cross-outskirt mergers and acquisitions by Indian organizations contrasts in setting and circumstances from those of the develop markets. Post-procurement execution is basic to the achievement of organizations associated with abroad speculations. This paper utilizes occasion ponder approach to break down the long haul execution of Indian-securing organizations by attempted 30 outward outside direct venture (OFDI)- related arrangements, amid 2000– 2008 period. Further, it contrasts the experimental discoveries from India and the earlier discoveries from the USA. It is clear from the exact outcomes that the securities exchanges responded emphatically in the short run following the declarations of the OFDI-related mergers and acquisitions by Indian organizations. The exact discoveries likewise indicated positive outcomes in the post-obtaining period following the abroad arrangements.

MarioNascimbene: This article provides insights about acquired and non-acquired in which the researcher has divided the company into acquired and no-acquired . The author has tried to prove that both cash as well as non-cash acquisitions are different and generalization of both may lead to failure.The author has provided evidence from 1970s and has divided it into three categories which is acquired ,acquired on cash and acquired in exchange of securities.

Michael Lubatkin: In this article ,the author has taken a sample size of 136 M&A deals from 1997-2007of Chinese Stock Exchanges in which acquirer gains complete control over the acquiring company. It is shown that that the acquirer company shows a good different stock return on the announcement to over a period of three years. The methodology adopted in this study is the cross-sectional test in which returns are mainly dependent on the factors which includes status of the acquirers ownership,capital structure changes of the acquirer,etc.

Steven N. Kaplan: This article shows the impact of cross border acquisitions in which that author has collected manually across 698 CBAs (Cross Border Acquisitions).From 2000-2008, 24 acquisitions were more than a billion dollars each.Acquirers in the developing countries experienced 1.09% significant rise on the announcement day.It is also shown that positive impact on acquisitions is more related to better corporate governance measures in the target company.

Michael S. Weisbach: Mergers and acquisitions turn into the key power at interims the evolving environment. The approach of unwinding, change and globalization of the economy has uncovered the corporate division to residential and world rivalry. It's valid that there is practically zero degree for firms to be told from their past experience. In this manner, to make sense of the accomplishment of a merger, it's to be found if there is pick up from mergers. it is fundamental to picture the liquidity execution of those banks to envision regardless of whether or not those banks have satisfactory resources for fulfil its present commitments. This examination is confined to an example of banks that experienced merger. it's anticipated to imagine the liquidity execution of the seven example acquirer and target companies previously and once the amount of mergers The investigation found that the banks increased their execution once the merger occasion.

Hema Bajaj: This paper analyzes whether worldwide protection mergers and acquisitions (M&As) make an incentive for investors by leading an occasion investigation of M&A exchanges for the period 1990-2006. In the general example, protection acquirers acknowledged little positive combined normal unusual returns (CAARs), while targets acknowledged considerable positive CAARs. Both cross-fringe and inside outskirt exchanges prompted significant esteem creation for targets. Market esteem picks up for acquirers are focused in the U.S. furthermore, Europe; acquirer CAARs for Asian M&As are for the most part immaterial. Targets acknowledge noteworthy market esteem picks up in the U.S., Europe and Asia, with the biggest increases for U.S. exchanges. Acquirers from the protection business acknowledge little market esteem picks up from inside industry exchanges, however cross-industry M&As are esteem nonpartisan. Targets acknowledge noteworthy market esteem picks up in both cross-and inside industry exchanges, yet the inside business picks up are altogether bigger. The outcomes propose that back up plans should focus on centering instead of differentiating exchanges.

INDUSTRY AND COMPANY PROFILE

(1)BhartiAirtel-Telenor

BhartiAirtel has turned into the acquirer-in-boss in the telecom segment safeguarding upwards of nine battling administrators as of not long ago. The most recent arrangement in which Tatas picked BhartiAirtel to handover their misfortune making versatile business as opposed to closing it down is just a single of the few buyouts the nation's biggest player has done over the most recent two years.

Before that, in the vicinity of 1999 and 2004, there was a series of combination that happened when Reliance Infocomm was propelled and Airtel had gobbled up four players in those days.

Telenor

Likewise was the situation with Norwegian versatile administrator Telenor when it chose to twist up its India activities. Airtel, India's biggest telecom administrator by supporter and additionally incomes, did not pay any money for these acquisitions.

As things stand, Airtel appears to have turned into the purchaser of final resort for draining telecom resources in the nation. Over the most recent two years alone, Airtel has likewise procured Videcon Telecom's activities in six circles and Tikona Digital's tasks in five circles.

(2)Idea-Spice

The Department of Telecom (DoT) may support the merger of Spice Telecom's cell licenses with Idea Cellular, however with riders. The Department will give its endorsement on the condition that Idea Cellular pay a punishment if the Government finds the merger has abused merger and obtaining standards.

The case goes back to 2008 when Idea Cellular obtained Spice Telecom's tasks, including licenses held by Spice for six circles, two of which (Punjab and Karnataka) were economically operational. Thought too had been granted licenses for those six circles and had range in five, including Punjab and Karnataka. This cover of permit territories was the main driver of the issue. Under permit manages, an administrator can't possess stake surpassing 10 for each penny in another administrator in a similar circle.

Be that as it may, showcase watchers said the DoT endorsement now may not mean much to Idea Cellular, as four of the six licenses held by Spice were subdued by the Supreme Court in February 2012.

Thought Cellular had pointed the finger at DoT for deferring determination of the issue in spite of the organization offering to genuinely surrender the covering licenses route in 2008. Just weeks back, a little gathering of Ranbaxy veterans ended up thinking back finished their previous organization that had endeavoured to hope for turning into a home-spun multinational.

"We were thinking back with a substantial heart," says SanjivKaul, reviewing recollections shared by individuals from the incredible Ranbaxy group at that get-together.

"At the point when Mr Brar stated, similarly presently, the shades are descending on Ranbaxy, it was enthusiastic, there was stick drop quiet… ," says Kaul, who had worked with Ranbaxy visionary Parvinder Singh and his lieutenant DS Brar, in accomplishing those breakthroughs. Disheartened to see the name Ranbaxy get "doused", its previous CEO Brar insightfully recalls a photo sent to him, of the name being expelled from the innovative work building. Be that as it may, he includes, for the organization and representatives, "another day sparkles" promising development and flourishing.

The clock on Ranbaxy began ticking as far back as Sun Pharmaceutical Industries made its $4-billion proposition to consolidate it, about a year prior. Conclusion of the arrangement around 10 days prior launch the Sun-Ranbaxy join to the highest point of the

pharmaceutical diagrams with a ₹25,000 crore-in addition to turnover, 45 fabricating offices, 30,000 workers and 3,000 items crosswise over 150 nations.

April will likewise observe the finish of exchanging on Ranbaxy shares, as it delists from the Indian stock trades, and the brand gradually stops to exist.

Thinking back uncovers an important understanding that organizations could do well not to overlook. "You can't be careless and underestimate it that what you are is the thing that you will be," says Kaul, Managing Director at ChrysCapital, a private value firm.

"It was India's first multinational and the biggest pharmaceutical organization around then," says Brar, including that he was glad when it returned into the Indian crease (Sun Pharma).

(3) Sunpharma-In 2008, Ranbaxy promoter family's Malvinder and Shivinder Singh sold their whole stake to Japanese medication creator Daiichi Sankyo.

Existing issues that Ranbaxy's Paonta Sahib and Dewas plants looked with the US controller later erupted into an undeniable bad dream for its new proprietors, as unsavory data developed on information respectability and different infringement of good assemblingrehearses. Today, four Ranbaxy plants are prohibited from offering in the US.unPharma-Ranbaxy.

(4)Lupin-Russian Biocom

In its second procurement in under two months, drugmakerLupin Ltd said it has gained 100 for every penny stake in Russia's ZAO Biocom for an undisclosed aggregate. The exchange denotes its entrance into the RUB 765 billion Russian market.

In May, Lupin had obtained 100 for every penny of Brazil's MedquímicaIndústriaFarmacêutica. All the more as of late, the organization's board cleared an empowering determination to raise ₹7,500 crore, potentially towards financing acquisitions.Nilesh Gupta, Managing Director, Lupin, had told BusinessLine in a current meeting that the spotlight was unmistakably on a procurement this year. It could be of claim to fame items or organizations in the US or Europe, he said.

He had likewise demonstrated that Lupin would take a gander at the procurement of organizations as a procedure to pick up section into business sectors where it didn't have a nearness, similar to Brazil or Russia.

(5)Dr Reddys-Betapharma

THE expensive procurement of BetapharmArzneimittel, Germany by Dr Reddy's Laboratories for 480 million euros (around Rs 2,250 crore) additionally incorporates a not-revenue driven beta organization. Established in 1999, the beta foundation centersaround connected wellbeing administration. Its center administrations are centeredaround social-restorative research, propelled preparing, counseling, venture improvement, and data administrations. For the exploration driven Dr Reddy's Laboratories, the organization's quality to freely create and demonstrate inventive ideas by and by would be an additional favorable position. As indicated by a discharge from 3i, Europe's driving private value and funding organization, which sold Betapharm to Dr Reddy's, the beta foundation works nearly and assess these ideas with Universities. Throughout the years, this approach has helped Betapharm bring a few inventive answers for the present social insurance framework.

(6)Torrent Pharma-Elder Pharma

Ahmedabad-based Torrent Pharmaceuticals Ltd has said that it will procure the India and Nepal organizations of Mumbai-based Unichem Laboratories Ltd for about ₹3,600 crore.

The arrangement is among the biggest exchanges in the residential pharmaceutical scene.

This is Torrent Pharma's second expensive obtaining in around four years, the last being its over ₹2,000-crore purchase of Elder Pharma's India and Nepal organizations in December 2013.

Truth be told, in a current meeting with BusinessLine, Torrent Pharma Executive Chairman Samir Mehta had said he was excited about a 'Senior Pharma sort of obtaining' in India, other than others in business sectors, for example, the US.

(7)ICICI Bank-Bank of Rajasthan Ltd

Bank of Rajasthan (BoR) is set to converge with ICICI Bank, the nation's biggest private part loan specialist. Under the arrangement, ICICI Bank would give 25 shares for 118 offers of BoR.The proposition was endorsed on a basic level by the sheets of the two banks. In an announcement, ICICI Bank said it had gone into a concurrence with specific investors of BoR.The swap shows that ICICI bank is paying a 90 for each penny premium over BoR stock's end cost of Rs 99.50 on the Bombay Stock Exchange on Tuesday. The BoR stock touched a 52-week high on Tuesday, taking off 20 for each penny. ICICI Bank's offers shut 1.45 for every penny bring down at Rs 889.35 on a day when the benchmark Sensex ascended by 0.24 for every penny. "The valuation suggested by the offer trade proportion is in accordance with the market capitalisation per branch of old private division banks in India," ICICI Bank said in the announcement. "It likewise contrasts positively and applicable point of reference exchanges. The last assurance of the offer trade proportion is liable to due persistence, free valuation and endorsements

(8)HDFC BANK-CENTURION BANK OF PUNJAB

With the Boards of Centurion Bank of Punjab and HDFC Bank having endorsed the offer swap proportion for the biggest merger up to this point in the Indian saving money segment,at almost $2 billion, the arrangement clears an essential development towards the procedure of consummation, which is relied upon to take around four months.

"The prescribed swap proportion considers monetary execution and position of the two banks, their relative physical framework and their exchanged offer costs over a long haul," says Mr SanjivAgrawal of Ernst and Young (E&Y), in an email association with Business Line. "As against the standard organization merger situations where High Courts choose , the RBI settles on merger of banks," he includes.

As detailed before, E&Y, and Dalal and Shah were designated as autonomous valuers by the two banks together. Mr Agrawal is a cooperate with the association's 'Exchange Advisory Services' and heads the 'Valuation and Business Modeling' amass in India for most recent 5 years. Through his 20-year profession, he has led valuations for/of an extensive number of organizations spread crosswise over different segments including metals, shopper merchandise and retailing, media and diversion, programming, telecom, and budgetary administrations.

(9)Mahindra and Mahindra- Ssang Yong

Mahindra's obtaining of South Korean auto producer SsangYong is proving to be fruitful following six years of supporting as the last handed beneficial over 2016 without precedent for a long time.

SsangYong Motor Company, which Mahindra and Mahindra purchased for about $450 million of every 2011, posted a net benefit of 58 billion South Korean Won for the logbook year 2016 with an edge of around 0.8 for each penny.

"Despite the fact that the benefit was insufficient, a year ago we made benefit following nine years. Our present deals volumes are around 150,000 yet with the dispatch of G4 Rexton, our objective during the current year will be 170,000 and 200,000 for 2018," Choi Johng-sik, worldwide CEO of SsangYong Motor Company, said at a select press preparation in Mumbai. Choi said the organization has set an objective of offering more than 2.4 lakh units by 2019 and cross turnover of 6 trillion South Korean Won with 3 for every penny working edge. G4 Rexton, exhibited at the Seoul Motor show, is a major wager for SsangYong as it anticipates that the SUV will expand deals by around one lakh units in the coming years.

(10)Sterlite Technologies-Elitecore Technologies

Sterlite Technologies has obtained Elitecore Technologies, a telecom programming item organization, for a general undertaking estimation of about Rs 180 crore in an all-money bargain.

Elitecore is a supplier of Operations Support Services, Business Support Services and is dominant part possessed by First Carlyle Ventures Mauritius. The organization was set up in 1999 by programming technocrats with more than 20 years of experience.

"The exchange takes after our procedure to embrace alluring M&A openings in the whole telecom esteem chain. The obtaining is a lever for Sterlite to make new intonations in the telecom field that are in accordance with Sterlite's long haul objectives of being a coordinated telecom arrangement supplier," said PravinAgarwal, Vice-Chairman, Sterlite Technologies. The exchange is relied upon to be esteem accretive by FY17 and is required to be shut without further ado subject to fruition of certain administrative and statutory conventions, the organization said in an announcement. Endless supply of the exchange, Elitecore Technologies is proposed to be converged into Sterlite Technologies, it included.

(11)Tata Motors-Jaguar Land Rover

The organization may have gained the brands at what numerous consider to be a deal cost ($2.3 billion) however addresses are as of now being raised about what cooperative energiesthey convey to Tata Motors and whether the organization may have gotten itself a heap of inconvenience. For sure, money markets has voted with its feet de-rating the Tata Motors stock which has shed significant incentive from the time the arrangement initially wound up open in October last and now, especially over the most recent one week after the formal conclusion. Contrasted with a 19 for each penny fall in the market bellwether, BSE Sensex, amongst October and now, the Tata Motors stock has lost around 25 for every penny esteem in a similar period. Obviously, some of it likewise needs to do with worry over the execution of the organization's bread-and-margarine business of business vehicles which is in the hold of a patterned subsidence, yet there is no mixing up the market's worry over the JLR arrangement and its effect on Tata Motors. All things considered, the Rs 9,200 crore that the organization has spent on the arrangement is a third more than its total assets .Given the speculation, the two clear inquiries are: Is JLR worth the cash that has been spent on it and in what capacity will it add to Tata Motors' bottomline. Second, will the procurement advantage the household business of Tata Motors.

(12)TATA STEEL-CORUS

The Corus-Tata bargain keeps on influencing news, to even as both the organizations keep on considering different choices to consolidate. For watchers of M&A (merger and obtaining), the arrangement is a contextual investigation of how Indian acquirers need to consider takeover code and different laws in an alternate nation, for example, the UK. This, aside from taking consideration that Indian laws are consented to.

While the Indian Companies Act, 1956, as a rule administers mergers in India, worldwide arrangements include extra compliances with rules set down under the FEMA (Foreign Exchange Management Act, 1999) and related law. Further, recorded organizations are additionally subject to the tenets and directions set around the SEBI (Securities and Exchange Board of India).

(13)HINDALCO-NOVELIS

One of the greatest mergers in the aluminum business occurred amongst Hindalco and Novelis. This arrangement made Hindalco one of the main players in the worldwide aluminum industry. The arrangement comprehensive of all obligations was esteemed roughly at 6 billion US dollars. The advantages to Hindalco from this arrangement were increment in its worldwide nearness and access to the most developed innovation in the business. The HindalcoNovelis merger marks one of the greatest mergers in the aluminumbusiness. The arrangement was a huge advance in Hindalco's point of being a top notch metals major in the world.In the expressions of Mr. Kumar Mangalam Birla, the administrator of Hindalco,"The blend of Hindalco and Novelis builds up an incorporated maker with ease alumina and aluminum offices joined with top of the line moving abilities and a worldwide impression".

(14)SUZLON-HANSEN TRANSMISSIONS

Suzlon Energy Ltd, a main breeze turbine maker, today said it has finished the offer of its 26.06 for each penny in wind gearbox producer Hansen Transmissions International to ZF Friedrichshafen AG. It got about Rs 890 crore from the stake deal. The exchange, as indicated by a Suzlon official statement, takes after an irreversible endeavor marked on July 25 with ZF to acknowledge the offer made by ZF for the whole issued share capital in Hansen at 66 pence an offer. Suzlon tenders its offers under the offer. The official statement cited Mr Tulsi R. Tanti, Chairman and Managing Director, Suzlon gathering, as saying: "We procured Hansen in 2006 and have effectively determined its development by growing limit in Asia. We anticipate a long and productive organization as purchaser provider in the years ahead."

(15)Reliance India Limited-Reliance Petroleum Limited

IT is a behemoth that was long really taking shape. Given the transformative history of the Reliance gathering, the proposed merger of Reliance Petroleum with Reliance Industries won't astonish organization watchers. Dependence Industries as we probably am aware it today is an amalgam of the recent Reliance Textiles Ltd, Reliance Petrochemicals Ltd, Reliance Polyethylene Ltd and Reliance Polypropylene Ltd. Every one of these organizations was independently coasted, gotten to the capital markets freely and later converged with the parent organization. Given this, a merger of Reliance Petroleum with Reliance Industries was dependably on the blacksmith's iron. The main amazing component is the planning. Why now? To begin with the certainties. The merger will make an organization that is genuinely enormous by Indian guidelines. It will have a turnover surpassing Rs 60,000 crore ($12 billion), net benefit of about Rs 5,000 crore ($1 billion), net resources of more than Rs 40,000 crore ($8 billion) lastly, showcase capitalisation of an incredible Rs 48,821 crore (about $10 billion). Be that as it may, it would even now not rank as the biggest organization in India in turnover and profit terms. That respect would go to Indian Oil Corporation (IOC) and Oil and Natural Gas Corporation (ONGC). IOC could end this monetary with a turnover surpassing Rs 1,25,000crore ($25 billion), generally twofold the combined element's size.

CONCEPTUAL FRAMEWORK

Merger and amalgamation are two different form of business. In merger , there is one acquiring company and one target company . In this, the target company merges with the acquiring company and the target company loses its identity. Whereas in amalgamation, the acquiring company and acquired company merges with each other and the acquired and the acquiring company both loses its identity and an entirely new company is formed.

Acquisition is a form of business in which the acquiring company acquires a part of target company. In this , the acquiring company should acquire more than 50% stakes of the target company which should be at least 50 % of the target company. This acquisition takes place in order to increase the market share as well as economies of scale and to improve the overall cost of the industry. Acquisitions can be friendly as well as hostile. Friendly acquisitions occurs when the target companies are in mutual advantage of each other and wants to get more benefit after acquisition while in the hostile acquisition , the target company does not wants to get acquired while the acquirer company acquires the target company by buying more stakes of those companies which should be more than 50 % of the stakes of the target company.

Market capitalisation indicates that the value of the company . An increase in market capitalisation indicates that the value of the company has increased whereas decrease in the market capitalisation indicates that the value of the company has decreased .Market capitalisation can be calculated by (current market price of companys stock X total no. of shares outstanding).

Airtel, Idea, Sunpharma, Lupin, Dr Reddy ,Torrent, Hdfc, Mahindra & Mahindra, Sterlite Technologies, Tata Motors, Tata Steel, Hindalco, Ril has shown an increase in market capitalisation.Icici and Suzlon has shown a decrease in market capitalisation. In Model I, pre and post analysis of several companies were done after mergers and acquisitions.

In this we observe that airtel has significant improvement in all the parameters post merger and acquisitions. Lupin has shown improvement in all parameters except current ratio as well as Dr Reddy and sterlite technologies has shown improvement in all parameters except in advances.Companies like Idea, Sunpharma, torrent, Icici, Hdfc bank, Mahindra & Mahindra, tata motors, tata steel, Hindalco and Suzlon has not shown considerable improvement in most of the parameters post merger and acquisition activities.RIl has shown an improvement in all the parameters except in ROCE and total assets.

In the fast changing business world , mergers and acquisitions is considered as one of the fastest method for the companies to grow in a short span of time. But after doing this project we can conclude that this is not always certain in most of the cases .Many companies even after acquiring other companies has not shown significant impact on various parameters which includes PAT, PBDITA, Current ratio, Advances ,ROCE, Profit Margin and Total Assets. Various model were used and various test were conducted which includes jarque -bera statistics, effect of mergers and acquisitions, correlation as well as regression.

DATA ANALYSIS AND INTERPRETATION

5.1 Model I

EFFECTS OF MEREGER

Table 1.1: Table Showing Effects of Merger

COMPANY	PAT	PBDITA	CR	PM	ROCE	TA	ADVANCES
Airtel	122.14%	40.1%	100%	85.51%	114%	9.03%	239%
Idea	-15.42%	21.92	111.6%	34.68%	62.61%	104%	126%
Sunpharma	58.19	74.18	-44.33	-34.85	-17.37	134.79	103.15
Lupin	30.75	23.73	-9.48	15.58	5.41	28.73	13.38
Dr Reddys	557.97	303.85	94.03	138.23	356.68	21.93	-28.73
Torrent	72.67	87.04	-4.67	19.13	-29.18	109.13	45.69
Icici	86.96	71.56	-50	-48.19	-50.64	-99.99	-99.99
HDFC Bank	96.96	105.29	59.46	-19.28	10.41	99.92	110.94
Mahindra & Mahindra	-3.33	29.19	-37.44	-49.40	-18.56	45.77	-4.35
Sterlite Technologies	144.40	92.53	51.75	69.35	32.31	24.5	-22.70
Tata Motors	-211.80	-42.30	-55.91	-150.07	-183.9	188.62	23.37

Tata Steel	231.14	285.18	86.46	-49.02	-46.89	187.09	128.26
Hindalco	64.99	141.63	-52.86	-67.09	-43.31	250.98	86.82
Suzlon	-197.30	-28.09	-30.102	-164.47	-202.23	9.89	15.49
Ril	51.32	158.37	45	2.89	-41.87	-34.72	52.63

Table 1.2: Table Showing effects Post Merger

COMPANY	PAT	PBDITA	CR	PM	ROCE	TA	ADVANCES
Airtel	Y	Y	Y	Y	Y	Y	Y
Idea	N	Y	Y	N	N	Y	Y
Sunpharma	Y	Y	N	N	N	Y	Y
Lupin	Y	Y	N	Y	Y	Y	Y
Dr Reddys	Y	Y	Y	Y	Y	Y	N
Torrent	Y	Y	N	Y	N	Y	Y
Icici	Y	Y	N	N	N	N	N
HDFC Bank	Y	Y	Y	N	Y	Y	Y
M & M	N	Y	Y	N	N	N	Y
Ster Tech	Y	Y	Y	Y	Y	Y	N
Tata Motors	N	N	N	N	N	Y	Y
Tata Steel	Y	Y	Y	N	N	Y	Y
Hindalco	Y	Y	N	N	N	Y	Y
Suzlon	N	N	N	N	N	Y	Y
Ril	Y	Y	Y	Y	N	N	Y

Y: Yes there has been improvement

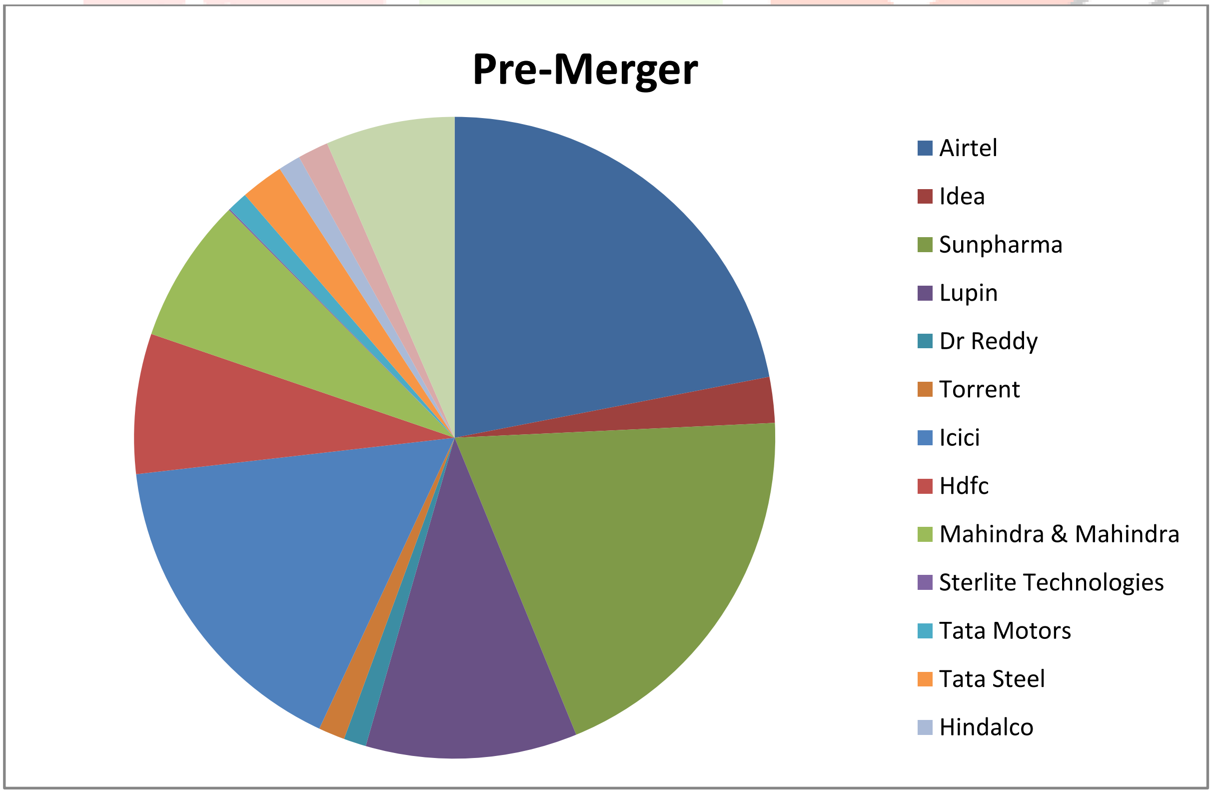
N: No there has been no improvement

5.2 Model II

Market Capitalisation

Table 1.3: Table Showing Market Capitalisation of companies

Company	Pre-Merger	Post-Merger	% change
Airtel	13,20,141	13,60,715	3.0735
Idea	1,38,752	1,80,426	30.0349
Sunpharma	11,75,282	19,73,688	67.9331
Lupin	6,41,272	8,27,348	29.0167
Dr Reddy	68,150	73,250	7.4835
Torrent	79,915	2,45,652	207.3916
Icici	9,77,094	7,88,999	-19.2505
Hdfc	4,24,328	7,27,469	71.4403
Mahindra & Mahindra	4,40,022	5,48,769	24.7140
Sterlite Technologies	4,037	27,126	571.9346
Tata Motors	61,623	3,87,877	529.4354
Tata Steel	1,30,045	1,51,044	16.1475
Hindalco	67,409	69,599	3.2488
Suzlon	93,259	85,153	-8.6919
RIL	3,91,549	4,91,549	25.5396



Market capitalisation indicates that the value of the company . An increase in market capitalisation indicates that the value of the company has increased whereas decrease in the market capitalisation indicates that the value of the company has decreased .Market capitalisation can be calculated by (current market price of companys stock X total no. of shares outstanding).

Airtel, Idea, Sunpharma, Lupin, Dr Reddy ,Torrent, Hdfc, Mahindra & Mahindra, Sterlite Technologies, Tata Motors, Tata Steel, Hindalco, Ril has shown an increase in market capitalisation.

Icici and Suzlonhas shown a decrease in market capitalisation.

5.3 MODEL III

JARQUE-BERA STATISTICS

Table 1.4: Table Showing Jarque-BeraStatitics

Parameters	Pre-Merger	Post-Merger
Advances	0.3233	0.5072
Current Ratio	0.3322	0.3870
Profit After Tax	0.4148	0.3612
Profit before Depreciation, Interest, Tax and Amortization	0.3036	0.3093
Profit Margin	0.5113	0.3699
ROCE	0.5313	0.2886
Total Assets	0.3846	0.3379

Pre-Merger

In advances jb value is 0.3233 which shows that we will accept null hypothesis.

In current ratio jb value is 0.3322 which shows that we will accept null hypothesis.

In pat jb value is 0.4148 which shows that we will accept null hypothesis.

In pbditajb value is 0.3036 which shows that we will accept null hypothesis.

In profit margin jb value is 0.5113 which shows that we will accept null hypothesis.

In return on capital employed jb value is 0.53125 which shows that we will accept null hypothesis.

In total assets jb value is 0.3846 which shows that we will accept null hypothesis.

Post-Merger

In advances jb value is 0.5072 which shows that we will accept null hypothesis.

In current ratio jb value is 0.3870 which shows that we will accept null hypothesis.

In pat jb value is 0.3612 which shows that we will accept null hypothesis.

In pbditajb value is 0.3093 which shows that we will accept null hypothesis.

In profit margin jb value is 0.3699 which shows that we will accept null hypothesis.

In return on capital employed jb value is 0.2886 which shows that we will accept null hypothesis.

In total assets jb value is 0.3379 which shows that we will accept null hypothesis.

5.4 MODEL IV (CORRELATION)

Table 1.5: Table Showing Correlation Before Merger

Pre-Merger						
Company	PAT	PBDITA	CR	PM	TA	ADVANCES
Airtel	-0.572	-0.617	0.966	-0.585	0.087	0.477
Idea	0.99	0.995	-0.004	0.939	0.977	0.993
Sunpharma	-0.846	-0.545	0.814	0.988	-0.813	-0.625
Lupin	0.053	-0.63	0.858	0.967	-0.969	-0.097
Dr Reddy	0.943	-0.212	0.881	0.96	-0.649	-0.574
Torrent	0.911	0.91	0.843	0.992	0.844	0.865
ICICI	0.651	0.418	0.717	-0.044	-0.256	-0.426
HDFC	-0.753	-0.754	0.479	-0.991	-0.753	-0.753
M & M	0.708	0.651	0.004	0.968	0.439	-0.024
Ster Tech	0.729	0.631	-0.249	0.63	0.47	0.355
Tata Motors	-0.691	-0.795	0.761	0.941	-0.944	-0.65
Tata Steel	0.031	-0.154	-0.894	0.864	-0.705	-0.677
Hindalco	0.817	0.89	-0.11	0.91	0.852	0.883
Suzlon	0.266	-0.975	0.942	0.991	-0.948	-0.928
RIL	-0.307	-0.619	0.054	0.211	0.58	-0.29

Table 1.6: Table Showing Correlation After Merger

Post- Merger						
Company	PAT	PBDITA	CR	PM	TA	ADVANCES
Airtel	0.985	0.818	-0.401	0.128	-0.484	0.509
Idea	0.795	0.938	-0.364	-0.555	-0.03	0.236
Sunpharma	0.804	0.736	0.824	0.994	0.942	-0.505
Lupin	0.967	0.979	0.925	0.923	0.958	0.025
Dr Reddy	0.999	0.236	0.811	0.999	0.974	-0.744
Torrent	0.968	0.966	-0.589	0.998	-0.077	-0.457
ICICI	-0.42	-0.382	0.751	-0.547	-0.323	-0.334
HDFC	-1	-0.885	-0.768	-0.889	-0.907	-0.895
M & M	0.389	0.515	-0.322	0.364	0.576	0.34
Ster Tech	0.998	0.975	0.921	1	-0.997	-0.858
Tata Motors	0.956	0.984	0.998	0.99	0.973	-0.451
Tata Steel	0.71	0.662	0.048	0.81	-0.394	0.911
Hindalco	0.996	0.997	0.469	0.997	0.778	0.791
Suzlon	0.994	0.997	-0.541	1	0.873	0.398
RIL	-0.99	-0.998	0.729	0.964	-0.975	-0.889

(1)AIRTEL

Correlation is the relationship between 2 variables. Correlation ranges from -1 to 0 to +1. If the value lies between 0 to -1, then it is negatively correlated. If the value lies between 0 to +1, then it is positively correlated. If the value comes to 0, then there is no relation.

Pre- merger

(RETURN ON CAPITAL EMPLOYED)

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is negatively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is negatively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is negatively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is positively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is positively correlated.

Post- merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is positively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is negatively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is negatively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is positively correlated.

(2)IDEA

(RETURN ON CAPITAL EMPLOYED)

Pre -Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is 0.990 which is positively correlated

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbditais positively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is positively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is positively correlated.

Post -Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is 0.938 which indicates that it is positively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is negatively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is negatively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is positively correlated.

(3)SUNPHARMA

(RETURN ON CAPITAL EMPLOYED)

Pre-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is negatively correlated.

Case-2: Relationship between return on capital employed and pbdit

The value between return on capital employed and pbdita is negatively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is negatively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is negatively correlated.

Post-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is positively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is positively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is negatively correlated.

(4)LUPIN

(RETURN ON CAPITAL EMPLOYED)

Pre-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is negatively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is negatively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is negatively correlated.

Post-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is positively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total asset

The value between return on capital employed and total assets is positively correlated

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is positively correlated.

(5)DR REDDY

(RETURN ON CAPITAL EMPLOYED)

Pre-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is negatively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin ispositively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total asset is negatively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is negatively correlated.

Post-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is positively correlated

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is positively correlated

Case-6: Relationship between return on capital employed and advance

The value between return on capital employed and advances is negatively correlated.

(6)TORRENT

(RETURN ON CAPITAL EMPLOYED)

Pre-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated .

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is positively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is positively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is positively correlated.

Post-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated .

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is positively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is negatively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is negatively correlated.

(7)ICICI

(RETURN ON CAPITAL EMPLOYED)

Pre-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is negatively correlated

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margi

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is negatively correlated.

Case-6: Relationship between return on capital employed and advaces

The value between return on capital employed and advances is negatively correlated.

Post-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is negatively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is negatively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is negatively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is negatively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is negatively correlated.

(8)HDFC

(RETURN ON CAPITAL EMPLOYED)

Pre-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is negatively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is negatively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is negatively correlated .

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total asset is negatively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is negatively correlated.

Post-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is negatively correlated.

Case-2: Relationship between return on capital employed and pbdit

The value between return on capital employed and pbdita is negatively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated .

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is negatively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is negatively correlated.

(9)Mahindra & Mahindra

(RETURN ON CAPITAL EMPLOYED)

Pre-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is positively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is positively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is negatively correlated.

Post-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is positively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is positively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is positively correlated.

(10)STERLITE

(RETURN ON CAPITAL EMPLOYED)

Pre-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is positively correlated

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is positively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is positively correlated.

Post-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is positively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is negatively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is negatively correlated.

(11)TATA MOTORS

(RETURN ON CAPITAL EMPLOYED)

Pre-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is negatively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is negatively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total asset

The value between return on capital employed and total assets is negatively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is negatively correlated.

Post-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbditais positively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is positively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is negatively correlated.

(12)TATA STEEL

(RETURN ON CAPITAL EMPLOYED)

Pre-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is negatively correlated

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is negatively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is negatively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is negatively correlated.

Post-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is positively correlated

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is negatively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is positively correlated.

(13)HINDALCO

(RETURN ON CAPITAL EMPLOYED)

Pre-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is positively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is negatively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is positively correlated

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is positively correlated.

Post-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is positively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is positively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is positively correlated.

(14)SUZLON

(RETURN ON CAPITAL EMPLOYED)

Pre-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is negatively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is negatively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is negatively correlated.

Post-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is positively correlated.

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is positively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated.

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is positively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is positively correlated

(15)RIL

(RETURN ON CAPITAL EMPLOYED)

Pre-Merger

Case-1: Relationship between return on capital employed and pat

The value between return on capital employed and pat is negatively correlated

Case-2: Relationship between return on capital employed and pbdita

The value between return on capital employed and pbdita is negatively correlated.

Case-3: Relationship between return on capital employed and current ratio

The value between return on capital employed and current ratio is positively correlated

Case-4: Relationship between return on capital employed and profit margin

The value between return on capital employed and profit margin is positively correlated.

Case-5: Relationship between return on capital employed and total assets

The value between return on capital employed and total assets is positively correlated.

Case-6: Relationship between return on capital employed and advances

The value between return on capital employed and advances is negatively correlated.

5.5 MODEL V (REGRESSION)

Regression is defined as the impact of independent variable on dependent variable. In this analysis the Dependent variables selected is return on capital employed. Independent variables are Advances, PBDITA, Total assets, Current Ratio, Profit Margin, PAT

PAT

1.7: Table Showing PAT of selected companies

COMPANY	Pre-Merger			Post-Merger		
	R^2	CE	P-Value	R^2	CE	P-Value
Airtel	0.328	-2.25	0.428	0.971	0.010	0.110
Idea	0.981	0.005	0.089	0.663	0.050	0.415
Sunpharma	0.715	-0.002	0.154	0.647	0.005	0.405
Lupin	0.003	0.003	0.966	0.936	0.006	0.163
Dr Reddy	0.890	0.047	0.215	0.998	0.018	0.025
Torrent	0.829	0.014	0.089	0.938	0.017	0.161
ICICI	0.424	0.002	0.349	0.177	-0.003	0.724
HDFC	0.567	-2.025	0.247	1.000	-2.41	0.007
M & M	0.501	0.001	0.292	0.151	0.000	0.746
Ster Tech	0.531	0.069	0.271	0.997	0.079	0.035
Tata Motors	0.477	-0.004	0.309	0.914	0.003	0.190
Tata Steel	0.001	0.000	0.969	0.505	0.001	0.497
Hindalco	0.668	0.003	0.183	0.992	0.002	0.057
Suzlon	0.071	0.011	0.734	0.994	0.005	0.070
RIL	0.094	0.000	0.693	0.980	-0.001	0.091

PBDITA

Table 1.8: Table Showing PBDITA of selected companies

COMPANY	Pre-Merger			Post-merger		
	R^2	CE	P-Value	R^2	CE	P-Value
Airtel	0.381	-1.882	0.383	0.670	0.001	0.390
Idea	0.989	0.003	0.065	0.880	0.008	0.225
Sunpharma	0.297	-0.001	0.455	0.541	0.004	0.474
Lupin	0.397	-0.011	0.566	0.958	0.004	0.131
Dr Reddy	0.045	-0.009	0.864	0.056	0.011	0.848
Torrent	0.827	0.010	0.090	0.933	0.011	0.167
ICICI	0.175	1.77	0.582	0.146	-2.14	0.750
HDFC	0.567	-2.025	0.247	0.782	-0.001	0.309
M & M	0.424	0.001	0.349	0.266	0.000	0.655
Ster Tech	0.399	0.029	0.369	0.950	0.083	0.143
Tata Motors	0.632	-0.002	0.205	0.967	0.002	0.116
Tata Steel	0.024	-0.001	0.846	0.439	0.000	0.539
Hindalco	0.792	0.002	0.110	0.995	0.001	0.046
Suzlon	0.950	-0.016	0.025	0.994	0.004	0.051
RIL	0.383	-0.001	0.381	0.997	-0.001	0.036

Current Ratio

Table 1.9: Table Showing Current Ratio of selected companies

COMPANY	Pre-Merger			Post-Merger		
	R^2	CE	P-Value	R^2	CE	P-Value
Airtel	0.933	3.697	0.034	0.161	-2.392	0.737
Idea	0.000	-0.023	0.997	0.133	-2.901	0.763
Sunpharma	0.662	1.951	0.186	0.678	1.951	0.384
Lupin	0.736	3.340	0.343	0.856	6.384	0.248
Dr Reddy	0.776	5.315	0.314	0.657	2.414	0.398
Torrent	0.710	3.780	0.157	0.347	3.780	0.599
ICICI	0.514	4.118	0.283	0.563	4.118	0.459
HDFC	0.568	-2.02	0.246	0.590	-1.065	0.443
M &M	0.000	0.015	0.996	0.104	-1.453	0.791
Ster Tech	0.062	-3.858	0.751	0.849	1.692	0.254
Tata Motors	0.578	1.439	0.239	0.995	6.438	0.043

Tata Steel	0.799	-1.483	-2.821	0.002	0.299	0.970
Hindalco	0.012	-0.463	0.890	0.220	1.137	0.689
Suzlon	0.887	3.63	0.058	0.292	-6.320	0.636
RIL	0.003	0.087	0.946	0.532	6.243	0.480

Table 1.10: Table showing the Profit Margin of select companies

COMPANY	Pre-Merger			Post-Merger		
	R^2	CE	P-Value	R^2	CE	P-Value
AIRTEL	0.342	-0.006	0.415	0.016	0.268	0.918
IDEA	0.882	0.403	0.223	0.309	-0.542	0.625
SUNPHARMA	0.977	0.407	0.012	0.988	0.614	0.070
LUPIN	0.935	3.054	0.164	0.852	1.461	0.251
DR REDDY	0.921	0.182	1.107	0.999	1.186	0.020
TORRENT	0.984	1.219	0.008	0.997	1.638	0.036
ICICI	0.002	-0.506	0.956	0.300	-3.429	0.631
HDFC	0.229	2.426	0.521	0.790	-0.118	0.303
M&M	0.936	1.166	0.032	0.132	0.212	0.763
STER TECH	0.397	1.870	0.370	1.000	1.883	0.007
TATA MOTORS	0.886	5.587	0.059	0.980	3.151	0.090
TATA STEEL	0.747	2.629	0.136	0.657	0.831	0.399
HINDALCO	0.829	0.884	0.090	0.994	1.103	0.051
SUZLON	0.983	1.354	0.009	1.000	0.911	0.005
RIL	0.045	0.042	0.789	0.929	0.552	0.172

Total Assets

Table 1.11: Table Showing Total Assets of selected companies

COMPANY	Pre-Merger			Post-Merger		
	R^2	CE	P-Value	R^2	CE	P-Value
Airtel	0.008	6.11	0.913	0.234	0.000	0.678
Idea	0.955	0.001	0.136	0.001	-2.25	0.981
Sunpharma	0.661	0.000	0.187	0.888	0.001	0.217
Lupin	0.939	-0.001	0.159	0.958	0.003	0.185
Dr Reddy	0.421	-0.002	0.550	0.948	0.076	0.146
Torrent	0.713	0.002	0.156	0.006	-0.001	0.951
ICICI	0.065	-3.54	0.744	0.104	-6.996	0.791
HDFC	0.982	-0.581	0.009	0.823	-1.054	0.276
M & M	0.193	1.06	0.561	0.332	7.846	0.609
Ster Tech	0.221	0.004	0.530	0.994	-0.012	0.049
Tata Motors	0.891	0.000	0.056	0.947	0.001	0.148
Tata Steel	0.497	-0.001	0.295	0.155	-1.054	0.742
Hindalco	0.726	0.000	0.148	0.605	0.001	0.433
Suzlon	0.899	-0.001	0.052	0.763	0.001	0.324
RIL	0.337	2.442	0.420	0.951	-3.382	0.142

Advances

Table 1.12: Table Showing Advances of selected companies

COMPANY	Pre-Merger			Post-Merger		
	R^2	CE	P-Value	R^2	CE	P-Value
Airtel	0.227	0.000	0.523	0.259	0.003	0.660
Idea	0.986	0.007	0.076	0.056	0.001	0.848
Sunpharma	0.085	-0.009	0.375	0.255	-0.005	0.663
Lupin	0.010	-0.002	0.938	0.001	0.004	0.984
Dr Reddy	0.329	-0.024	0.611	0.554	-0.123	0.466
Torrent	0.749	0.143	0.135	0.209	-0.025	0.698
ICICI	0.182	1.109	0.574	0.112	0.000	0.783

HDFC	0.566	-2.62	0.247	0.801	-1.610	0.294
M & M	0.001	-2.26	0.976	0.116	3.960	0.779
Ster Tech	0.126	0.025	0.645	0.736	-0.224	0.344
Tata Motors	0.423	0.000	0.350	0.204	-0.002	0.702
Tata Steel	0.459	-0.010	0.323	0.829	0.003	0.271
Hindalco	0.779	0.014	0.117	0.625	0.004	0.419
Suzlon	0.861	-0.010	0.072	0.158	0.002	0.740
RIL	0.084	0.000	0.710	0.790	-0.001	0.303

(1)Airtel

PAT

Pre-Merger

In case of airtel where PAT is the independent variable and ROCE is the dependent variable, for every -225% decrease in the value of PAT results in an increase of 32.8% in ROCE.

PAT is not significant at 95 % confidence level.

Post-Merger

In case of airtel where PAT is the independent variable and ROCE is the dependent variable, for every 10% increase in the value of PAT results in an increase of 97.1% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -225% to 10%.

(2)Idea

Pre-Merger

In case of Idea where PAT is the independent variable and ROCE is the dependent variable, for every 0.5% increase in the value of PAT results in an increase of 98.1% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of Idea where PAT is the independent variable and ROCE is the dependent variable, for every 50% increase in the value of PAT results in an increase of 66.3% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 0.5% to 50%.

(3)Sunpharma

Pre-Merger

In case of sunpharma where PAT is the independent variable and ROCE is the dependent variable, for every -2% decrease in the value of PAT results in an increase of 71.5% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of sunpharma where PAT is the independent variable and ROCE is the dependent variable, for every 0.5% increase in the value of PAT results in an increase of 64.7% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -2% to 0.5%.

(4)Lupin

Pre-Merger

In case of lupin where PAT is the independent variable and ROCE is the dependent variable, for every 3% increase in the value of PAT results in an increase of 3% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of lupin where PAT is the independent variable and ROCE is the dependent variable, for every 6% increase in the value of PAT results in an increase of 93.6% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 3% to 6%.

(5)Dr Reddy

Pre-Merger

In case of Dr Reddy where PAT is the independent variable and ROCE is the dependent variable, for every 4.7% increase in the value of PAT results in an increase of 89% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of Dr Reddy where PAT is the independent variable and ROCE is the dependent variable, for every 1.8% increase in the value of PAT results in an increase of 99.8% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 4.7% to 1.8%.

(6)Torrent

Pre-Merger

In case of torrent where PAT is the independent variable and ROCE is the dependent variable, for every 1.4% increase in the value of PAT results in an increase of 82.9% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of torrent where PAT is the independent variable and ROCE is the dependent variable, for every 1.7% increase in the value of PAT results in an increase of 93.8% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 1.4% to 1.7%.

(7)ICICI

Pre-Merger

In case of Iciciwhere PAT is the independent variable and ROCE is the dependent variable, for every 2% increase in the value of PAT results in an increase of 42.4% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of Icici where PAT is the independent variable and ROCE is the dependent variable, for every -3% decrease in the value of PAT results in an increase of 17.7% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 2% to -3%.

(8)HDFC

Pre-Merger

In case of hdfc where PAT is the independent variable and ROCE is the dependent variable, for every -202.5% decrease in the value of PAT results in an increase of 56.7% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of hdfc where PAT is the independent variable and ROCE is the dependent variable, for every -241% decrease in the value of PAT results in an increase of 100% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from -202.5% to -241%.

(9)MAHINDRA & MAHINDRA

Pre-Merger

In case of M & M where PAT is the independent variable and ROCE is the dependent variable, for every 1% increase in the value of PAT results in an increase of 50.1% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of M & M where PAT is the independent variable and ROCE is the dependent variable, for every 0% increase in the value of PAT results in an increase of 15.1% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 1% to 0%.

(10)STERLITE TECHNOLOGIES

Pre-Merger

In case of sterlite where PAT is the independent variable and ROCE is the dependent variable, for every 6.9% increase in the value of PAT results in an increase of 53.1% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of sterlite where PAT is the independent variable and ROCE is the dependent variable, for every 7.9% increase in the value of PAT results in an increase of 99.7% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 6.9% to 7.9%.

(11)TATA MOTORS

Pre-Merger

In case of tata motors where PAT is the independent variable and ROCE is the dependent variable, for every -4% decrease in the value of PAT results in an increase of 47.7% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of tata motors where PAT is the independent variable and ROCE is the dependent variable, for every 3% increase in the value of PAT results in an increase of 91.4% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -4% to 3%.

(12)TATA STEEL

Pre-Merger

In case of tata steel where PAT is the independent variable and ROCE is the dependent variable, for every 0% increase in the value of PAT results in an increase of 1% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case oftata steel where PAT is the independent variable and ROCE is the dependent variable, for every 1% increase in the value of PAT results in an increase of 50.5% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 0% to 1%.

(13)HINDALCO

Pre-Merger

In case of hindalco where PAT is the independent variable and ROCE is the dependent variable, for every 3% increase in the value of PAT results in an increase of 66.8% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of hindalco where PAT is the independent variable and ROCE is the dependent variable, for every 2% increase in the value of PAT results in an increase of 99.2% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 3% to 2%.

(14)SUZLON

Pre-Merger

In case of suzlon where PAT is the independent variable and ROCE is the dependent variable, for every 1.1% increase in the value of PAT results in an increase of 7.1% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of suzlon where PAT is the independent variable and ROCE is the dependent variable, for every 5% increase in the value of PAT results in an increase of 99.4% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 1.1% to 5%.

(15)RIL

Pre-Merger

In case of Ril where PAT is the independent variable and ROCE is the dependent variable, for every 0% increase in the value of PAT results in an increase of 9.4% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of Ril where PAT is the independent variable and ROCE is the dependent variable, for every -1% decrease in the value of PAT results in an increase of 98% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 0% to -1%.

PBDITA

(1)Airtel

PAT

Pre-Merger

In case of airtel where PAT is the independent variable and ROCE is the dependent variable, for every -188% decrease in the value of PAT results in an increase of 38.1% in ROCE.

PAT is not significant at 95 % confidence level.

Post-Merger

In case of airtel where PAT is the independent variable and ROCE is the dependent variable, for every 0.1% increase in the value of PAT results in an increase of 67% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -188% to 0.1%.

(2)Idea

Pre-Merger

In case of airtel where PAT is the independent variable and ROCE is the dependent variable, for every 0.3% increase in the value of PAT results in an increase of 98.9% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of idea where PAT is the independent variable and ROCE is the dependent variable, for every 0.8% increase in the value of PAT results in an increase of 88% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 0.3% to 0.8%.

(3)Sunpharma

Pre-Merger

In case of idea where PAT is the independent variable and ROCE is the dependent variable, for every -0.1% decrease in the value of PAT results in an increase of 29.7% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of idea where PAT is the independent variable and ROCE is the dependent variable, for every 0.4% increase in the value of PAT results in an increase of 54.1% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -0.1% to 0.4%.

(4)Lupin

Pre-Merger

In case of lupin where PAT is the independent variable and ROCE is the dependent variable, for every -1.1% decrease in the value of PAT results in an increase of 39.7% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of lupin where PAT is the independent variable and ROCE is the dependent variable, for every 0.4% increase in the value of PAT results in an increase of 95.8% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -1.1% to 0.4%.

(5)Dr Reddy

Pre-Merger

In case of Dr Reddy where PAT is the independent variable and ROCE is the dependent variable, for every -0.9% decrease in the value of PAT results in an increase of 4.5% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of Dr Reddy where PAT is the independent variable and ROCE is the dependent variable, for every 1.1% increase in the value of PAT results in an increase of 5.6% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -0.9% to 1.1%.

(6)Torrent

Pre-Merger

In case of torrent where PAT is the independent variable and ROCE is the dependent variable, for every 1% decrease in the value of PAT results in an increase of 82.7% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of torrent where PAT is the independent variable and ROCE is the dependent variable, for every 1.1% increase in the value of PAT results in an increase of 93.3% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 1% to 1.1%.

(7)ICICI

Pre-Merger

In case ofIcici where PAT is the independent variable and ROCE is the dependent variable, for every 1.77% increase in the value of PAT results in an increase of 17.5% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of Icici where PAT is the independent variable and ROCE is the dependent variable, for every -214% decrease in the value of PAT results in an increase of 14.6% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 1.77% to -214%.

(8)HDFC

Pre-Merger

In case of Hdfc where PAT is the independent variable and ROCE is the dependent variable, for every -202.5% decrease in the value of PAT results in an increase of 56.7% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of Hdfc where PAT is the independent variable and ROCE is the dependent variable, for every -1% decrease in the value of PAT results in an increase of 78.2% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -202.5% to -1%.

(9)MAHINDRA & MAHINDRA

Pre-Merger

In case of M & M where PAT is the independent variable and ROCE is the dependent variable, for every 0.1% increase in the value of PAT results in an increase of 42.4% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of M & M where PAT is the independent variable and ROCE is the dependent variable, for every 0% increase in the value of PAT results in an increase of 26.6% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 0.1% to 0%.

(10)STERLITE TECHNOLOGIES

Pre-Merger

In case of sterlite where PAT is the independent variable and ROCE is the dependent variable, for every 2.9% increase in the value of PAT results in an increase of 39.9% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of sterlite where PAT is the independent variable and ROCE is the dependent variable, for every 8.3% increase in the value of PAT results in an increase of 95% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 2.9% to 8.3%.

(11)TATA MOTORS

Pre-Merger

In case of Tata Motors where PAT is the independent variable and ROCE is the dependent variable, for every -0.2% decrease in the value of PAT results in an increase of 63.2% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of Tata Motors where PAT is the independent variable and ROCE is the dependent variable, for every 0.2% increase in the value of PAT results in an increase of 96.7% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -0.2% to 0.2%.

(12)TATA STEEL

Pre-Merger

In case of Tata Steel where PAT is the independent variable and ROCE is the dependent variable, for every -0.1% decrease in the value of PAT results in an increase of 2.4% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of Tata Steel where PAT is the independent variable and ROCE is the dependent variable, for every 0% increase in the value of PAT results in an increase of 43.9% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -0.1% to 0%.

(13)HINDALCO

Pre-Merger

In case of Hindalco where PAT is the independent variable and ROCE is the dependent variable, for every 0.2% decrease in the value of PAT results in an increase of 79.2% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of Hindalco where PAT is the independent variable and ROCE is the dependent variable, for every 0.1% increase in the value of PAT results in an increase of 99.5% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 0.2% to 0.1%.

(14)SUZLON

Pre-Merger

In case of suzlon where PAT is the independent variable and ROCE is the dependent variable, for every - 1.6% decrease in the value of PAT results in an increase of 95% in ROCE.

PAT is significant at 95 % confidence level

Post-Merger

In case of suzlonwhere PAT is the independent variable and ROCE is the dependent variable, for every 0.4% increase in the value of PAT results in an increase of 99.4% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -1.6% to 0.4%.

(15)RIL

Pre-Merger

In case of ril where PAT is the independent variable and ROCE is the dependent variable, for every -0.1% decrease in the value of PAT results in an increase of 38.3% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of ril where PAT is the independent variable and ROCE is the dependent variable, for every -0.1% decrease in the value of PAT results in an increase of 99.7% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been no impact after merger since the value of coefficient has increased from -0.1% to -0.1%.

CURRENT RATIO

(1)Airtel

PAT

Pre-Merger

In case of airtel where PAT is the independent variable and ROCE is the dependent variable, for every 369.7% increase in the value of PAT results in an increase of 93.3% in ROCE.

PAT is significant at 95 % confidence level.

Post-Merger

In case of airtel where PAT is the independent variable and ROCE is the dependent variable, for every -239.2% decrease in the value of PAT results in an increase of 16.1% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 369.7% to -239.2%.

(2)Idea

Pre-Merger

In case of idea where PAT is the independent variable and ROCE is the dependent variable, for every -2.3% decrease in the value of PAT results in an increase of 0% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of idea where PAT is the independent variable and ROCE is the dependent variable, for every -290.1% decrease in the value of PAT results in an increase of 13.3% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -2.3% to 290.1%.

(3)Sunpharma

Pre-Merger

In case of sunpharma where PAT is the independent variable and ROCE is the dependent variable, for every 195.1% increase in the value of PAT results in an increase of 66.2% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of sunpharma where PAT is the independent variable and ROCE is the dependent variable, for every 195.1% increase in the value of PAT results in an increase of 67.8% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been no impact after merger since the value of coefficient has increased from 195.1% to 195.1%.

(4)Lupin

Pre-Merger

In case of lupin where PAT is the independent variable and ROCE is the dependent variable, for every 334% increase in the value of PAT results in an increase of 73.6% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of lupin where PAT is the independent variable and ROCE is the dependent variable, for every 638.4% increase in the value of PAT results in an increase of 85.6% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 334% to 638.4%.

(5)Dr Reddy

Pre-Merger

In case of Dr Reddy where PAT is the independent variable and ROCE is the dependent variable, for every 531.5% increase in the value of PAT results in an increase of 77.6% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of Dr Reddy where PAT is the independent variable and ROCE is the dependent variable, for every 241.4% increase in the value of PAT results in an increase of 65.7% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 531.5% to 241.4%.

(6)Torrent

Pre-Merger

In case of torrent where PAT is the independent variable and ROCE is the dependent variable, for every 378% increase in the value of PAT results in an increase of 71% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of torrent where PAT is the independent variable and ROCE is the dependent variable, for every 378% increase in the value of PAT results in an increase of 34.7% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 378% to 34.7%.

(7)ICICI

Pre-Merger

In case of icici where PAT is the independent variable and ROCE is the dependent variable, for every 411.8% increase in the value of PAT results in an increase of 51.4% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of icici where PAT is the independent variable and ROCE is the dependent variable, for every 411.8% increase in the value of PAT results in an increase of 56.3% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been no impact after merger since the value of coefficient has increased from 411.8% to 411.8%.

(8)HDFC

Pre-Merger

In case of hdfc where PAT is the independent variable and ROCE is the dependent variable, for every -202% decrease in the value of PAT results in an increase of 56.8% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of hdfc where PAT is the independent variable and ROCE is the dependent variable, for every -106.5% decrease in the value of PAT results in an increase of 59% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -202% to -106.5%.

(9)MAHINDRA & MAHINDRA

Pre-Merger

In case of M & M where PAT is the independent variable and ROCE is the dependent variable, for every 1.5% increase in the value of PAT results in an increase of 0% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of M & M where PAT is the independent variable and ROCE is the dependent variable, for every -145.3% decrease in the value of PAT results in an increase of 10.4% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 1.5% to -145.3%.

(10)STERLITE TECHNOLOGIES

Pre-Merger

In case of sterlite where PAT is the independent variable and ROCE is the dependent variable, for every -385.8% decrease in the value of PAT results in an increase of 6.2% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of sterlite where PAT is the independent variable and ROCE is the dependent variable, for every 169.2% increase in the value of PAT results in an increase of 84.9% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -385.8% to 169.2%.

(11)TATA MOTORS

Pre-Merger

In case of tata motors where PAT is the independent variable and ROCE is the dependent variable, for every 143.9% increase in the value of PAT results in an increase of 57.8% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of tata motors where PAT is the independent variable and ROCE is the dependent variable, for every 643.8% increase in the value of PAT results in an increase of 99.5% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 143.9% to 643.8%.

(12)TATA STEEL

Pre-Merger

In case of tata steel where PAT is the independent variable and ROCE is the dependent variable, for every -148.3% decrease in the value of PAT results in an increase of 79.9% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of tata steel where PAT is the independent variable and ROCE is the dependent variable, for every 29.9% increase in the value of PAT results in an increase of 0.02% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -148.3% to 29.9%.

(13)HINDALCO

Pre-Merger

In case of hindalco where PAT is the independent variable and ROCE is the dependent variable, for every -46.3% decrease in the value of PAT results in an increase of 1.2% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of hindalco where PAT is the independent variable and ROCE is the dependent variable, for every 113.7% increase in the value of PAT results in an increase of 22% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -46.3% to 113.7%.

(14)SUZLON

Pre-Merger

In case of suzlon where PAT is the independent variable and ROCE is the dependent variable, for every 363% decrease in the value of PAT results in an increase of 88.7% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of suzlon where PAT is the independent variable and ROCE is the dependent variable, for every -632% decrease in the value of PAT results in an increase of 29.2% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 363% to -632%

(15)RIL

Pre-Merger

In case of ril where PAT is the independent variable and ROCE is the dependent variable, for every 8.7% increase in the value of PAT results in an increase of 0.3% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of ril where PAT is the independent variable and ROCE is the dependent variable, for every 624.3% increase in the value of PAT results in an increase of 53.2% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 8.7% to 624.3%.

PROFIT MARGIN

(1)Airtel

Pre-Merger

In case of airtel where PAT is the independent variable and ROCE is the dependent variable, for every -0.6% decrease in the value of PAT results in an increase of 34.2% in ROCE.

PAT is significant at 95 % confidence level.

Post-Merger

In case of airtel where PAT is the independent variable and ROCE is the dependent variable, for every 26.8% increase in the value of PAT results in an increase of 1.6% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -0.6% to 26.8%.

(2)Idea

Pre-Merger

In case of idea where PAT is the independent variable and ROCE is the dependent variable, for every 40.3% increase in the value of PAT results in an increase of 88.2% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of idea where PAT is the independent variable and ROCE is the dependent variable, for every -54.2% decrease in the value of PAT results in an increase of 30.9% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 40.3% to -54.2%.

(3)Sunpharma

Pre-Merger

In case of sunpharma where PAT is the independent variable and ROCE is the dependent variable, for every 40.7% increase in the value of PAT results in an increase of 97.7% in ROCE.

PAT is significant at 95 % confidence level

Post-Merger

In case of sunpharma where PAT is the independent variable and ROCE is the dependent variable, for every 61.4% increase in the value of PAT results in an increase of 98.8% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 40.7% to 61.4%.

(4)Lupin

Pre-Merger

In case of lupin where PAT is the independent variable and ROCE is the dependent variable, for every 305.4% increase in the value of PAT results in an increase of 93.5% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of lupin where PAT is the independent variable and ROCE is the dependent variable, for every 146.1% increase in the value of PAT results in an increase of 85.2% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 305.4% to 146.1%.

(5)Dr Reddy

Pre-Merger

In case of Dr Reddy where PAT is the independent variable and ROCE is the dependent variable, for every 18.2% increase in the value of PAT results in an increase of 92.1% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of Dr Reddy where PAT is the independent variable and ROCE is the dependent variable, for every 118.6% increase in the value of PAT results in an increase of 99.9% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 18.2% to 118.6%.

(6)Torrent

Pre-Merger

In case of torrent where PAT is the independent variable and ROCE is the dependent variable, for every 121.9% increase in the value of PAT results in an increase of 98.4% in ROCE.

PAT is significant at 95 % confidence level

Post-Merger

In case of torrent where PAT is the independent variable and ROCE is the dependent variable, for every 163.8% increase in the value of PAT results in an increase of 99.7% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 121.9% to 163.8%.

(7)ICICI

Pre-Merger

In case of Icici where PAT is the independent variable and ROCE is the dependent variable, for every -50.6% decrease in the value of PAT results in an increase of 0.2% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of Icici where PAT is the independent variable and ROCE is the dependent variable, for every -342.9% decrease in the value of PAT results in an increase of 30% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from -50.6% to -342.9%.

(8)HDFC

Pre-Merger

In case of Hdfc where PAT is the independent variable and ROCE is the dependent variable, for every 242.6% increase in the value of PAT results in an increase of 22.9% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of Hdfc where PAT is the independent variable and ROCE is the dependent variable, for every 11.8% increase in the value of PAT results in an increase of 79% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 242.6% to 11.8%.

(9)MAHINDRA & MAHINDRA

Pre-Merger

In case of M & M where PAT is the independent variable and ROCE is the dependent variable, for every 116.6% increase in the value of PAT results in an increase of 93.6% in ROCE.

PAT is significant at 95 % confidence level

Post-Merger

In case of M & M where PAT is the independent variable and ROCE is the dependent variable, for every 21.2% increase in the value of PAT results in an increase of 13.2% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 116.6% to 21.2%.

(10)STERLITE TECHNOLOGIES

Pre-Merger

In case of sterlite where PAT is the independent variable and ROCE is the dependent variable, for every 187% increase in the value of PAT results in an increase of 39.7% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of sterlite where PAT is the independent variable and ROCE is the dependent variable, for every 188.3% increase in the value of PAT results in an increase of 100% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 187% to 188.3%.

(11)TATA MOTORS

Pre-Merger

In case of tata motors where PAT is the independent variable and ROCE is the dependent variable, for every 558.7% increase in the value of PAT results in an increase of 88.6% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of tata motors where PAT is the independent variable and ROCE is the dependent variable, for every 315.1% increase in the value of PAT results in an increase of 98% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 558.7% to 315.1%.

(12)TATA STEEL

Pre-Merger

In case of tata steel where PAT is the independent variable and ROCE is the dependent variable, for every 262.9% increase in the value of PAT results in an increase of 74.7% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of tata steel where PAT is the independent variable and ROCE is the dependent variable, for every 83.1% increase in the value of PAT results in an increase of 65.7% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 262.9% to 83.1%.

(13)HINDALCO

Pre-Merger

In case of hindalco where PAT is the independent variable and ROCE is the dependent variable, for every 88.4% increase in the value of PAT results in an increase of 82.9% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of hindalco where PAT is the independent variable and ROCE is the dependent variable, for every 110.3% increase in the value of PAT results in an increase of 99.4% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 88.4% to 110.3%.

(14)SUZLON

Pre-Merger

In case of suzlon where PAT is the independent variable and ROCE is the dependent variable, for every 135.4% increase in the value of PAT results in an increase of 98.3% in ROCE.

PAT is significant at 95 % confidence level

Post-Merger

In case of suzlon where PAT is the independent variable and ROCE is the dependent variable, for every 91.1% increase in the value of PAT results in an increase of 100% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 135.4% to 91.1%.

(15)RIL

Pre-Merger

In case of ril where PAT is the independent variable and ROCE is the dependent variable, for every 4.2% increase in the value of PAT results in an increase of 4.5% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of ril where PAT is the independent variable and ROCE is the dependent variable, for every 55.2% increase in the value of PAT results in an increase of 92.9% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 4.2% to 55.2%.

TOTAL ASSETS

(1)Airtel

Pre-Merger

In case of airtel where PAT is the independent variable and ROCE is the dependent variable, for every 611% increase in the value of PAT results in an increase of 0.8% in ROCE.

PAT is significant at 95 % confidence level.

Post-Merger

In case of airtel where PAT is the independent variable and ROCE is the dependent variable, for every 0% increase in the value of PAT results in an increase of 23.4% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 611% to 0%.

(2)Idea

Pre-Merger

In case of idea where PAT is the independent variable and ROCE is the dependent variable, for every 0.1% increase in the value of PAT results in an increase of 95.5% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of idea where PAT is the independent variable and ROCE is the dependent variable, for every -225% decrease in the value of PAT results in an increase of 0.1% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 0.1% to -225%.

(3)Sunpharma

Pre-Merger

In case of sunpharma where PAT is the independent variable and ROCE is the dependent variable, for every 0% increase in the value of PAT results in an increase of 66.1% in ROCE.

PAT is significant at 95 % confidence level

Post-Merger

In case of sunpharma where PAT is the independent variable and ROCE is the dependent variable, for every 0.1% increase in the value of PAT results in an increase of 88.8% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 0% to 0.1%.

(4)Lupin

Pre-Merger

In case of lupin where PAT is the independent variable and ROCE is the dependent variable, for every -0.1% decrease in the value of PAT results in an increase of 93.9% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of lupin where PAT is the independent variable and ROCE is the dependent variable, for every 0.3% increase in the value of PAT results in an increase of 95.8% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -0.1% to 0.3%.

(5)Dr Reddy

Pre-Merger

In case of Dr Reddy where PAT is the independent variable and ROCE is the dependent variable, for every -0.2% decrease in the value of PAT results in an increase of 42.1% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of Dr Reddy where PAT is the independent variable and ROCE is the dependent variable, for every 7.6% increase in the value of PAT results in an increase of 94.8% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -0.2% to 7.6%.

(6)Torrent

Pre-Merger

In case of torrent where PAT is the independent variable and ROCE is the dependent variable, for every 0.2% increase in the value of PAT results in an increase of 71.3% in ROCE.

PAT is significant at 95 % confidence level

Post-Merger

In case of torrent where PAT is the independent variable and ROCE is the dependent variable, for every -0.1% decrease in the value of PAT results in an increase of 0.6% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 0.2% to -0.1%.

(7)ICICI

Pre-Merger

In case of Icici where PAT is the independent variable and ROCE is the dependent variable, for every -354% decrease in the value of PAT results in an increase of 6.5% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of Icici where PAT is the independent variable and ROCE is the dependent variable, for every -699.6% decrease in the value of PAT results in an increase of 10.4% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from -354% to -699.6%.

(8)HDFC

Pre-Merger

In case of hdfc where PAT is the independent variable and ROCE is the dependent variable, for every -58.1% decrease in the value of PAT results in an increase of 98.2% in ROCE.

PAT is significant at 95 % confidence level

Post-Merger

In case of hdfc where PAT is the independent variable and ROCE is the dependent variable, for every -105.4% decrease in the value of PAT results in an increase of 82.3% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from -58.1% to -105.4%.

(9)MAHINDRA & MAHINDRA

Pre-Merger

In case of M & M where PAT is the independent variable and ROCE is the dependent variable, for every 106% decrease in the value of PAT results in an increase of 19.3% in ROCE.

PAT is significant at 95 % confidence level

Post-Merger

In case of M & M where PAT is the independent variable and ROCE is the dependent variable, for every 784.6% increase in the value of PAT results in an increase of 33.2% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 106% to 784.6%.

(10)STERLITE TECHNOLOGIES

Pre-Merger

In case of sterlite where PAT is the independent variable and ROCE is the dependent variable, for every 0.4% decrease in the value of PAT results in an increase of 22.1% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of sterlite where PAT is the independent variable and ROCE is the dependent variable, for every -1.2% decrease in the value of PAT results in an increase of 99.4% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 0.4% to -1.2%.

(11)TATA MOTORS

Pre-Merger

In case of tatamotor where PAT is the independent variable and ROCE is the dependent variable, for every 0% increase in the value of PAT results in an increase of 89.1% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of tata motors where PAT is the independent variable and ROCE is the dependent variable, for every 0.1% increase in the value of PAT results in an increase of 94.7% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 0% to 0.1%.

(12)TATA STEEL

Pre-Merger

In case of tata steel where PAT is the independent variable and ROCE is the dependent variable, for every -0.1% decrease in the value of PAT results in an increase of 49.7% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of tata steel where PAT is the independent variable and ROCE is the dependent variable, for every -105.4% decrease in the value of PAT results in an increase of 15.5% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from -0.1% to -105.4%.

(13)HINDALCO

Pre-Merger

In case of hindalco where PAT is the independent variable and ROCE is the dependent variable, for every 0% increase in the value of PAT results in an increase of 72.6% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of hindalco where PAT is the independent variable and ROCE is the dependent variable, for every 0.1% increase in the value of PAT results in an increase of 60.5% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 0% to 0.1%.

(14)SUZLON

Pre-Merger

In case of suzlon where PAT is the independent variable and ROCE is the dependent variable, for every -0.1% decrease in the value of PAT results in an increase of 89.9% in ROCE.

PAT is significant at 95 % confidence level

Post-Merger

In case of suzlon where PAT is the independent variable and ROCE is the dependent variable, for every 0.1% increase in the value of PAT results in an increase of 76.3% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -0.1% to 0.1%.

(15)RIL

Pre-Merger

In case of ril where PAT is the independent variable and ROCE is the dependent variable, for every 244.2% increase in the value of PAT results in an increase of 33.7% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of ril where PAT is the independent variable and ROCE is the dependent variable, for every -338.2% decrease in the value of PAT results in an increase of 95.1% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 244.2% to -338.2%.

ADVANCES

(1)Airtel

Pre-Merger

In case of airtel where PAT is the independent variable and ROCE is the dependent variable, for every 0% increase in the value of PAT results in an increase of 22.7% in ROCE.

PAT is significant at 95 % confidence level.

Post-Merger

In case of airtel where PAT is the independent variable and ROCE is the dependent variable, for every 0.3% increase in the value of PAT results in an increase of 25.9% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 0% to 0.3%.

(2)Idea

Pre-Merger

In case of idea where PAT is the independent variable and ROCE is the dependent variable, for every 0.7% increase in the value of PAT results in an increase of 98.6% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of idea where PAT is the independent variable and ROCE is the dependent variable, for every 0.1% increase in the value of PAT results in an increase of 5.6% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 0.7% to 0.1%.

(3)Sunpharma

Pre-Merger

In case of sunpharma where PAT is the independent variable and ROCE is the dependent variable, for every -0.9% decrease in the value of PAT results in an increase of 8.5% in ROCE.

PAT is significant at 95 % confidence level

Post-Merger

In case of sunpharma where PAT is the independent variable and ROCE is the dependent variable, for every -0.5% decrease in the value of PAT results in an increase of 25.5% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -0.9% to -0.5%.

(4)Lupin

Pre-Merger

In case of lupin where PAT is the independent variable and ROCE is the dependent variable, for every -0.2% decrease in the value of PAT results in an increase of 1% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of lupin where PAT is the independent variable and ROCE is the dependent variable, for every 0.4% increase in the value of PAT results in an increase of 0.1% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -0.2% to 0.4%.

(5)Dr Reddy

Pre-Merger

In case of Dr Reddy where PAT is the independent variable and ROCE is the dependent variable, for every -2.4% decrease in the value of PAT results in an increase of 32.9% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of aDr Reddy where PAT is the independent variable and ROCE is the dependent variable, for every -12.3% decrease in the value of PAT results in an increase of 55.4% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from -2.4% to -12.3%.

(6)Torrent

Pre-Merger

In case of torrent where PAT is the independent variable and ROCE is the dependent variable, for every 14.3% increase in the value of PAT results in an increase of 74.9% in ROCE.

PAT is significant at 95 % confidence level

Post-Merger

In case of torrent where PAT is the independent variable and ROCE is the dependent variable, for every -2.5% increase in the value of PAT results in an increase of 20.9% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 14.3% to -2.5%.

(7)ICICI

Pre-Merger

In case of Icici where PAT is the independent variable and ROCE is the dependent variable, for every 110.9% increase in the value of PAT results in an increase of 18.2% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of Icici where PAT is the independent variable and ROCE is the dependent variable, for every 0% increase in the value of PAT results in an increase of 11.2% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 110.9% to 0%.

(8)HDFC

Pre-Merger

In case of Hdfc where PAT is the independent variable and ROCE is the dependent variable, for every -262% decrease in the value of PAT results in an increase of 56.6% in ROCE.

PAT is significant at 95 % confidence level

Post-Merger

In case of Hdfc where PAT is the independent variable and ROCE is the dependent variable, for every -161% decrease in the value of PAT results in an increase of 80.1% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -262% to -161%.

(9)MAHINDRA & MAHINDRA

Pre-Merger

In case of M & M where PAT is the independent variable and ROCE is the dependent variable, for every -226% decrease in the value of PAT results in an increase of 1% in ROCE.

PAT is significant at 95 % confidence level

Post-Merger

In case of M & M where PAT is the independent variable and ROCE is the dependent variable, for every 396% increase in the value of PAT results in an increase of 11.6% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -226% to 396%.

(10)STERLITE TECHNOLOGIES

Pre-Merger

In case of sterlite where PAT is the independent variable and ROCE is the dependent variable, for every 2.5% increase in the value of PAT results in an increase of 12.6% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of sterlite where PAT is the independent variable and ROCE is the dependent variable, for every -22.4% decrease in the value of PAT results in an increase of 73.6% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 2.5% to -22.4%.

(11)TATA MOTORS

Pre-Merger

In case of tata motors where PAT is the independent variable and ROCE is the dependent variable, for every 0% increase in the value of PAT results in an increase of 42.3% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of tata motors where PAT is the independent variable and ROCE is the dependent variable, for every 20.4% increase in the value of PAT results in an decrease of -0.2% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from 0% to 20.4%.

(12)TATA STEEL

Pre-Merger

In case of tata steel where PAT is the independent variable and ROCE is the dependent variable, for every -1% decrease in the value of PAT results in an increase of 45.9% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of tata steel where PAT is the independent variable and ROCE is the dependent variable, for every 0.3% increase in the value of PAT results in an increase of 82.9% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -1% to 0.3%.

(13)HINDALCO

Pre-Merger

In case of hindalco where PAT is the independent variable and ROCE is the dependent variable, for every 1.4% increase in the value of PAT results in an increase of 77.9% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of hindalco where PAT is the independent variable and ROCE is the dependent variable, for every 0.4% increase in the value of PAT results in an increase of 62.5% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 1.4% to 0.4%.

(14)SUZLON

Pre-Merger

In case of suzlon where PAT is the independent variable and ROCE is the dependent variable, for every -1% decrease in the value of PAT results in an increase of 86.1% in ROCE.

PAT is significant at 95 % confidence level

Post-Merger

In case of suzlon where PAT is the independent variable and ROCE is the dependent variable, for every 0.2% increase in the value of PAT results in an increase of 15.8% in ROCE.

PAT is significant at 95 % confidence level

Comment

Yes, there has been a positive impact after merger since the value of coefficient has increased from -1% to 0.2%.

(15)RIL

Pre-Merger

In case of ril where PAT is the independent variable and ROCE is the dependent variable, for every 0% increase in the value of PAT results in an increase of 8.4% in ROCE.

PAT is not significant at 95 % confidence level

Post-Merger

In case of ril where PAT is the independent variable and ROCE is the dependent variable, for every -0.1% decrease in the value of PAT results in an increase of 79% in ROCE.

PAT is not significant at 95 % confidence level

Comment

Yes, there has been a negative impact after merger since the value of coefficient has increased from 0% to -0.1%.

SUMMARY,FINDINGS AND CONCLUSION

6.1 Summary and Findings

- In Model I,pre and post analysis of several companies were done after mergers and acquisitions.
- In this we observe that airtel has significant improvement in all the parameters post merger and acquisitions. Lupin has shown improvement in all parameters except current ratio as well as Dr Reddy andsterlite technologies has shown improvement in all parameters except in advances.
- Companies like Idea, Sunpharma, torrent, Icici, Hdfc bank, Mahindra & Mahindra, tata motors, tata steel, Hindalco and Suzlon has not shown considerable improvement in most of the parameters post merger and acquisition activities.
- RIl has shown an improvement in all the parameters except in ROCE and total assets.
- In Model II analysis of market capitalisation has been taken and it has been observed that Airtel, Idea, Sunpharma, Lupin, Dr Reddy ,Torrent, Hdfc, Mahindra & Mahindra, Sterlite Technologies, Tata Motors, Tata Steel, Hindalco, Ril has shown an increase in market capitalisation.
- Icici and Suzlonhas shown a decrease in market capitalisation.
- In Model III we have taken jarque-bera statistics to test the normality of the distribution. In pre mergeranalysis ,we see that all the parameters which includes advances , current ratio, pat, pbdita, profit margin, return on capital employed and total assets have accepted null hypothesis and rejected alternate hypothesis.
- In this same model , where jb model is used we observed that all the parameters post merger has also accepted null hypothesis and rejected alternate hypothesis.
- In Model IV, we have taken correlation to establish the relationship between return on capital and all other parameters which includes PAT, PBDITA , Advances, Current Ratio, Total Assets, Profit Margin. In this we have shown whether the results are positively correlated or negatively correlated across all 15 companies which we taken.
- In Model V, we have taken Regression analysis and various observations were made among all the parameters . We see that in PAT , companies like Airtel,Idea,Sunpharma, Lupin, torrent,Sterlite Technologies, Tata Motors, Tata Steel, Suzlon has shown a positive impact after merger whereas Dr Reddy, ICICI, HDFC, Mahindra & Mahindra, Hindalco and RIL has shown a negative impact on PATafter merger.
- In PBDITA we observe that companies like Airtel,Idea,Sunpharma, Lupin, Dr Reddy,torrent,Sterlite Technologies,HDFC, Tata Motors, Tata Steel, Suzlon has shown a positive impact after merger whereas, ICICI, Mahindra & Mahindra, Hindalco and has shown a negative impact on PATafter merger. Only RIL has shown no improvement in PBDITA after merger.
- In Current Ratio, companies like Idea,Lupin,HDFC,Sterlite Technologies,Tata Motors,Tata Steel, Hindalco, RIL has shown a positive impact on current ration . Companies like Dr Reddy,Airtel,

Torrent,Mahindra & Mahindra and Suzlon has shown a negative effect whereas Sunpharmaand ICICI has shown no impact on current ratio post merger.

- In Profit Margin we see that companies like Airtel,Sunpharma, Dr Reddy, Torrent, Sterlite technologies, Hindalco, RIL has shown a positive impact on profit margin. In Idea,Lupin, ICICI,HDFC,Mahindra & Mahindra,Tata Motors,Tata Steel and Suzlon has shown a negative impact on profit margin after merger and acquisitions.
- In Total Assets, companies like Sunpharma,Lupin,Dr Reddy,Sterlite ,Tata Motors,Hindalco and Suzlon has shown a positive effect on total assets. Companies like Airtel,Idea,Torrent,ICICI, HDFC,Sterlite,Tata Steel and RIl has shown a positive effect on total assets post acquisition. Companies like Airtel, Idea, Torrent,ICICI,HDFC,Sterlite Technologies, Tata Steel, RIL has shown a negative impact on total asset.
- In Advances , companies like Airtel, Sunpharma,Lupin,DrReddy,HDFC,Mahindra& Mahindra, Tata Motors,Tata Steel, Suzlon has hsown a positive impact on Advances after acquisition . Companies like Idea,DrReddy,Torrent,ICICI,SterliteTechnologies,Hindalco and RIL has shown a negative impact on advances after merger and acquisitions.

6.2 Conclusion

In the fast changing business world , mergers and acquisitions is considered as one of the fastest method for the companies to grow in a short span of time. But after doing this project we can conclude that this is not always certain in most of the cases .Many companies even after acquiring other companies has not shown significant impact on various parameters which includes PAT, PBDITA, Current ratio, Advances ,ROCE, Profit Margin and Total Assets. Various model were used and various test were conducted which includes jarque -bera statistics, effect of mergers and acquisitions, correlation as well as regression. Data has been collected for a period of six years prior to acquisition as well as post acquisition. These all steps were taken into consideration in order to study the impact of acquisition on the acquirer company as well as to give further suggestions and improvements in the method which should have been used for the better analysis of the project.

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