



# **SEBI- GRADE A**

**MERGER, AMALGAMATIONS & TAKEOVERS**  
**Part-2**  
**PRACTICE QUESTIONS**



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**Q.1)----- is the strategy in which the target firm tries to acquire the company that has made the hostile takeover attempt. In an attempt to scare off the would-be acquirers, the takeover target may use any method to acquire the other company.**

- [a] Reverse Takeover**
- [b] Green mail**
- [c] Crown jewels**
- [d] Pacman defence**

**Q.2) -----approach is a board's development and implementation of a long-term corporate strategy which enables the board simply to reject a proposal of any potential acquirer who would fail to prove that his acquisition strategy matches that of the target.**

**[a] Change of Control provisions**

**[b] Just say no**

**[c] Refusal to deal**

**[d] Pacman defence**

**Q.3) Which one of the following are not one of the strategies to prevent hostile takeovers-**

- [a] Green Mail**
- [b] Proxy Fight**
- [c] Scorched Earth**
- [d] Leverage Buyout**

**Q.4) -----is a series of transactions designed to affect the equity and debt structure of a corporation and finally aims at acting as an anti- takeover defence.**

- [a] Leveraged Recapitalisation**
- [b] Reverse takeover**
- [c] Leverage buyout**
- [d] Management Contracts**

**Q.5) When the assets and liabilities of the companies are genuinely pooled, as well as the interest of the companies and shareholders, is also combined, then it is called which type of amalgamation-**

- [a] Nature of purchase**
- [b] Nature of merger**
- [c] Nature of takeover**
- [d] Nature of Amalgamation**