

Chapter 5

**THE PERFORMANCE ANALYSIS OF THE COMPANIES
– BEFORE MERGER AND ACQUISITION**

This chapter contains one of the core parts of the present thesis. The researcher has attempted the study effectiveness of various deals of merger and acquisitions from selected sectors as mentioned in earlier chapter of research methodology. 10 deals of merger and acquisitions are analyzed by taking various financial ratios and revenue from operation into consideration. The figures from each deal are analyzed cumulatively based on objectives set by the researcher. The comparative analysis of available information has been made for the before acquisition period of acquirer and acquiree both the companies along with sectorial analysis. The comparative analysis of information by applying statistical tool for the before and after period of merger and acquisition from the acquirer company's point of view has been made in order to test hypothesis and forming conclusive findings and suggestions for the next chapters. Each objective is to be analyzed in following way;

5.1 – Comparative Analysis of Profitability:

The comparative analysis of profitability consist two ratios namely Gross Profit Ratio and Net Profit Ratio. The assessing profitability between companies, both the ratios are taken into consideration separately and cumulatively for sectorial analysis. For the purpose of comparison Average of Gross profit Ratio and Average of Net Profit Ratio is taken into consideration for the four years of before merger and acquisition.

5.1.1 – Comparative of Gross Profit Ratio

Acquirer Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Thomas Cook India Limited	30.74	30.64	36.32	27.95	31.41
	ANI Technologies Private Limited	-1204.45	-66.65	-144.71	-250.80	-416.65
Technology	Tata Consultancy Services Limited	34.65	38.11	34.15	36.21	35.78
	Sterlite Technologies Limited	12.74	9.95	7.76	8.18	9.66
E-Commerce	Flipkart Private Limited	-8.61	-13.62	-15.78	-52.51	-22.63
	Snapdeal Private Limited	-252.33	-170.79	-169.45	-399.04	-247.90
Pharmaceutical	Sun pharamaceutical Industries Limited	6.89	30.81	52.34	48.87	34.73
	Strides Pharma Science Limited	25.19	25.32	30.14	22.47	25.78
Real Estate	Prestige Estate Projects Limited	21.99	33.52	32.41	33.81	30.43
	Delhi Land and Finance Limited	74.45	88.86	112.05	118.34	98.42

(Table 5.1 – Gross Profit Ratio for four years before Merger and Acquisition –

Source: Database tool)

Growth Analysis of Companies Before and After Merger and Acquisition from
Various Sectors

Acquiree Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Sterling Holidays Resort India Limited	4.01	-14.33	-36.93	-50.20	-24.37
	Serendipity Infolab Private Limited	-1026.82	-354.92	-646.18	-226.00	-563.48
Technology	CMC Limited	15.86	18.57	17.13	16.46	17.01
	Elitecore Technologies Private Limited	13.24	11.64	9.40	11.02	11.33
E-Commerce	Myntra Designs Private Limited	-92.75	-38.82	-60.28	-78.30	-67.54
	Unicommerce Esolutions Private Limited	-112.62	-99.51	-6.14	0.00	-54.57
Pharmaceutical	Ranbaxy Laboratories Limited	6.71	11.11	16.63	28.10	15.63
	Bafna Pharmaceutical Limited	26.11	12.74	14.36	16.09	17.33
Real Estate	Prestige Exora Business Park Limited	102.64	57.84	101.35	104.87	91.67
	Delhi Land and Finance Asset Limited	70.88	67.06	60.95	56.67	63.89

(Figure 5.2 – Gross Profit Ratio for four years before Merger and Acquisition –

Source: Database tool)

Comparative of Gross Profit						
Before Merger and Acquisition						
Sector	Acquiree Companies Company Name	Average		Average		Acquirer Companies Company Name
		Deal	Sector	Sector	Deal	
Travel and Hospitality	Sterling Holidays Resort India Limited	-24.37	-587.85	-385.24	31.41	Thomas Cook India Limited
	Serendipity Infolab Private Limited	-563.48			-416.65	ANI Technologies Private Limited
Technology	CMC Limited	17.01	28.33	45.44	35.78	Tata Consultancy Services Limited
	Elitecore Technologies Private Limited	11.33			9.66	Sterlite Technologies Limited
E-Commerce	Myntra Designs Private Limited	-67.54	-122.10	-270.53	-22.63	Flipkart Private Limited
	Unicommerce Esolutions Private Limited	-54.57			-247.90	Snapdeal Private Limited
Pharmaceutical	Ranbaxy Laboratories Limited	15.63	32.96	60.51	34.73	Sun pharmaceutical Industries Limited
	Bafna Pharmaceutical Limited	17.33			25.78	Strides Pharma Science Limited
Real Estate	Prestige Exora Business Park Limited	91.67	155.56	128.85	30.43	Prestige Estate Projects Limited
	Delhi Land and Finance Asset Limited	63.89			98.42	Delhi Land and Finance Limited

(Figure 5.3 – Average Gross Profit Ratio for Comparison – Source: Computation by Researcher)

The above table has been prepared by researcher using available data, it has been seen that majority acquirer companies are having better performance in terms of generating gross profit prior to merger and acquisition. However, it has been observed that acquiree companies namely Elitecore Technologies Private Limited, Unicommerce Esolution Private Limited, Prestige Exora Business Park limited are doing better than the respective acquirer companies.

Further, it has been observed from the sectorial view point that, out of five selected sectors, E-Commerce and Real Estate sectors are showing better performance than the acquirer companies.

Thomas cook India Limited is having four years average gross profit of 31.41%. The gross profit trend of the company is having uncertainty. In 2012 it has increment of nearly 8% in gross profit which is reduced in following years. Thomas cook has increased nearly 3% in gross profit in four year starting from the year 2011 with 27.95% and ends with 30.74% in the year 2014. Overall it has increasing trend of gross profit. Where, Sterling Holidays Resort India Limited is having average gross profit of -24.37%. Even though the company was having negative gross profit ratio it had continuously better performance over the year. Overall performance of the company increased by nearly 46%, in 2011, is making loss more than half. Then year after year the loss has been reduced and in the year 2014 it becomes profitable in terms of gross profit with the gross profit ratio of 4.01%. Thomas cook India Limited is performing better in terms of generating gross profit in comparison of Sterling Holidays Resort India Limited.

ANI Technologies Private Limited is having four years average gross profit of -416.651%. The gross profit trend of the company was having increasing trend in first three years, suddenly in fourth year it has crashed to -1204.45% . Therefore average financial performance of the company in terms of gross profit was become negative. In 2012 to 2014 the company was performing better starting with gross profit ratio of -250.80% to -66.65%. Overall performance of the company is reduced nearly five times in these four years. Where, Serendipity Infolab Private Limited is having average gross profit of -563.48%. The company was having downside trend in gross profit starting from the year 2012 with -226% to in 2015 with -1026.82%. Overall performance of the company has decreased by nearly 4 times. ANI Technologies Private Limited is performing better in terms of generating gross profit in comparison of Serendipity Infolab Private Limited.

Tata Consultancy Services Limited is having minor variation in gross profit ratio over the period of four years from 2012 to 2015. It has mix trend but overall gross profit ratio has reduced by nearly 2% comparing 2012 with 36.21% and 2015 with 34.65%. The company is performing well since its incorporation. The average gross profit ratio for the four year is 35.78%. Where CMC Limited is also having similar performance variation in gross profit ratio and overall decreased by 1% comparing 2012 with 16.46% and 2015 with 15.86%. Both the companies having reducing trend but they

are very minor. Tata Consultancy Services Limited is performing better in terms of generating gross profit in comparison of CMC Limited.

Sterlite Technologies Limited is having increasing trend in performance. Gross profit Ratio of the company has been increased nearly 4% in these four years in spite of having downside in year 2013. In 2012 it has gross profit ratio of 8.18% and it increased to 12.74% in 2015. The average gross profit ratio is 9.66%. Where, Elitecore Technologies Private Limited is having similar increasing trend with downfall in second year. Overall increment of gross profit ratio in the company is nearly 2% comparing 2012 with 11.02% and 2015 with 13.24%. The average gross profit ratio of the company is 11.33%. Elitecore Technologies Private Limited is performing better in terms of generating gross profit in comparison of Sterlite Technologies Limited.

Flipkart Private Limited is having increasing trend in gross profit ratio in these four years' time period even though gross profit ratio is in negative terms. The performance of company is getting better year by year. The average gross profit ratio of the company between 2012 and 2015 is -22.26%. It has overall increment in gross profit ratio nearly 44% comparing 2012 with -52.51% and 2015 with -8.61%. On the other hand, Myntra Designs Private Limited has mix trend in gross profit ratio over the years. It has alternate positive and negative growth. The average gross profit ratio of the company is -67.54%. in 2012 to 2015 company performed well and gross profit ratio reduced to -38.82% in 2014 from -78.30% in 2012. However, it has been increased to -92.75% in 2015. Flipkart Private Limited is performing better in terms of generating gross profit in comparison of Myntra Designs Private Limited.

Snapdeal Private Limited is having mix trend with overall increment of nearly 150% comparing 2013 with -399.04% and 2016 -252.33%. In 2015 it has been reduced to -170.79%. The company is having average gross profit ratio of -247.90% in these four years. Where, Unicommerce Esolutions Private Limited is having continuously decreasing trend in gross profit. The average gross profit ratio of the company is -54.57% in these four years. In the year 2013 it has no profit no loss in terms of gross revenue Unicommerce Esolutions Private Limited is performing better in terms of generating gross profit in comparison of Snapdeal Private Limited.

Sun pharmaceutical Industries Limited is having average gross profit ratio of 34.73% in these four years from 2011 to 2014. It is having mix trend but overall reduction of

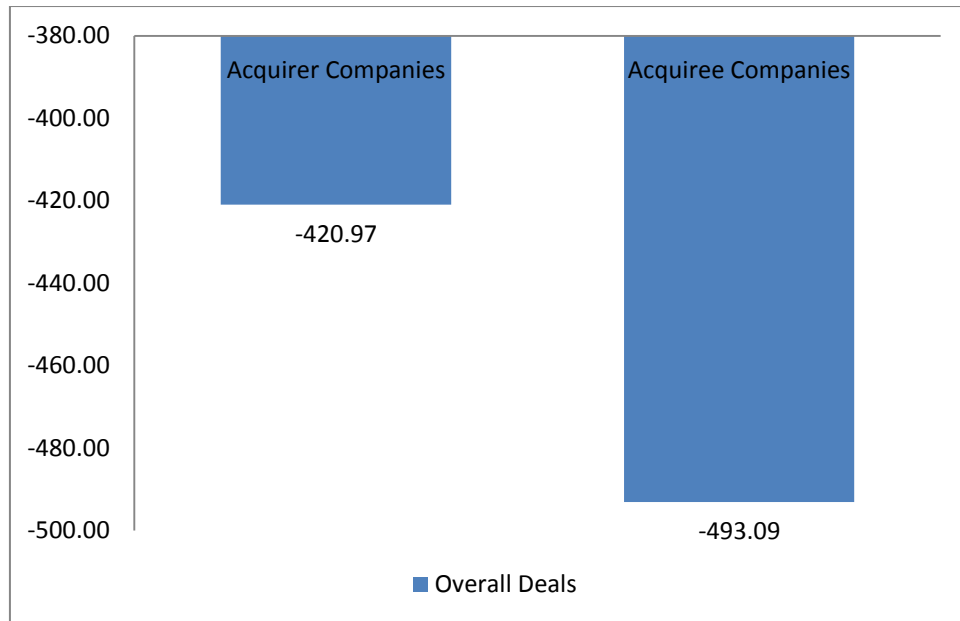
nearly 42% has been observed comparing 2011 with 48.87% and 2014 with 6.89%. Where, Ranbaxy Laboratories Limited is having continuously decreasing trend. It is reduced to 6.71% in 2014 from 28.10% in 2011. Overall 22% downfall has been observed. The average gross profit ratio of the company is 15.63%. Sun pharmaceutical Industries Limited is performing better in terms of generating gross profit in comparison of Ranbaxy Laboratories Limited.

Strides Pharma Science Limited is having mix trend, but overall increment of nearly 3% has been observed from 2012 with 22.47% to 2015 with 25.19%. The average gross profit ratio of the company is 25.78%. Where, Bafna Pharmaceutical Limited is having reducing trend in 2012 with 16.09% to 2014 with 12.74%, however it has jumped in 2015 to 26.11%. The average gross profit ratio of the company is 17.33%. Strides Pharma Science Limited is performing better in terms of generating gross profit in comparison of Bafna Pharmaceutical Limited.

Prestige Estate Projects Limited is having mix trend, but overall 11% gross profit reduced in four year from 2013 with 33.81% to 2016 with 21.99%. The average gross profit ratio of company is 30.43%. on the other hand, Prestige Exora Business Park Limited is also having mix trend and overall fall in gross profit ratio has been observed 2% from 2013 with 104.87% to 2016 with 102.64%. The company is having average gross profit ratio is 91.67%. Prestige Exora Business Park Limited is performing better in terms of generating gross profit in comparison Prestige Estate Projects Limited.

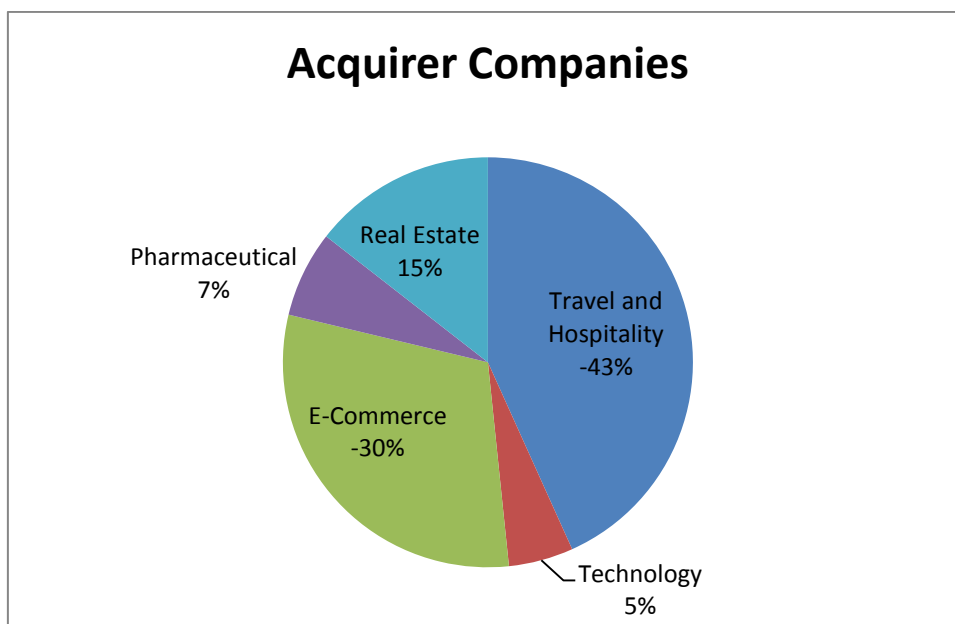
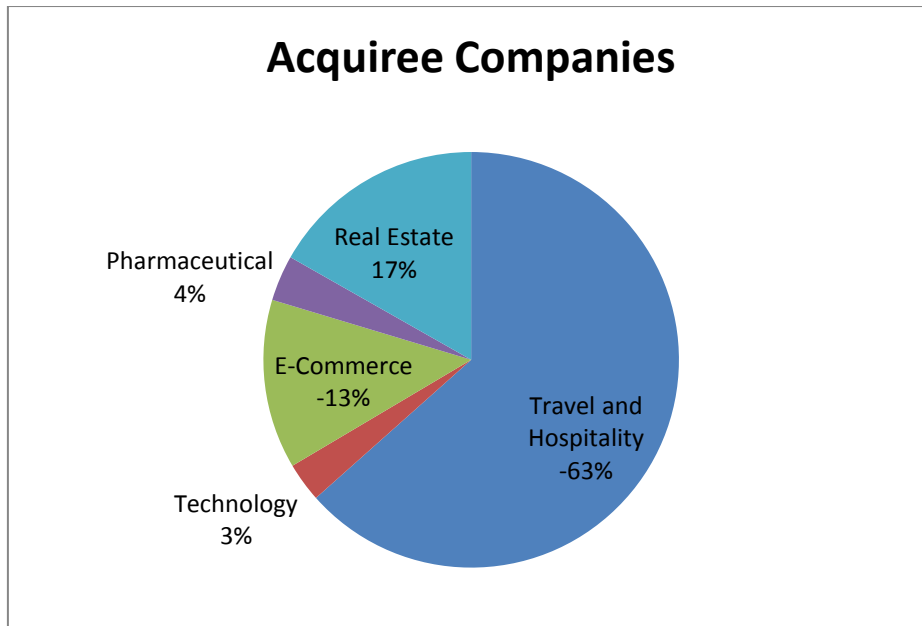
DLF Limited is having continues reducing trend in gross profit ratio from 2013 with 118.34% to 2016 with 74.45%. Overall reduction in gross profit observed is nearly 44%. The average gross profit ratio of the company is 98.42%. Where, DLF Asset Limited is having increasing trend in gross profit ratio from 2013 with 56.67% to 2016 with 70.88%. Overall increment in gross profit observed is nearly 14%. The average gross profit ratio of company is 63.89%. DLF Limited is performing better in terms of generating gross profit in comparison DLF Asset Limited.

Growth Analysis of Companies Before and After Merger and Acquisition from Various Sectors



(Figure 5.1: Overall Average Gross profit ratio. Source – Computation by researcher)

From the above chart, it has been observed that, the performance of acquirer companies is slightly better than acquiree companies. Overall average gross profit ratio of selected acquirer companies is -420.97% and acquiree companies is -493.09%. The difference is of nearly 73%. The reason for gross profit ratio negative is higher amount of gross loss has been recorded in Serendipity Infolab Private Limited with -563.48%, ANI Technologies Private Limited with -416.65%, Snapdeal Private Limited with -247.90%, Myntra Designs Private Limited with -67.54%, Unicommerce Esolutions Private Limited with -54.57%, Sterling Holidays Resort India Limited and Flipkart Private Limited are having lower negative gross profit ratio of -24.37% and -22.63% respectively. Remaining companies are having positive gross profit ratios but values are not much significant.



(Figure 5.2: Overall Average Gross profit ratio- Sector wise comparative. Source – Computation by researcher)

From the above two pie charts, it has been observed that due to E-Commerce and Travel and Hospitality sectors performance gross profit ratio has shown significantly negative in both acquirer and acquiree companies. From the acquirer companies point of view 73% gross loss has been generated by these two sectors stating Travel and hospitality (-385.24% , 43%) and E-Commerce (-270.53%, 30%). Other sectors are combine having gross profit of 27% stating Technology (45.44%, 5%), Pharmaceutical (60.51%, 7%) and Real Estate (128.85%, 15%). From the acquiree

Growth Analysis of Companies Before and After Merger and Acquisition from
Various Sectors

companies point of view 76% gross loss has been generated by these two sectors stating Travel and hospitality (-587.85% , 63%) and E-Commerce (-122.10%, 13%). Other sectors are combine having gross profit of 23% stating Technology (28.33%, 3%), Pharmaceutical (32.96%, 4%) and Real Estate (155.56%, 17%). Performance of acquiree companies in E-Commerce (+148%) and Real Estate sector (+27%) is better than acquirer companies. However performance of acquirer companies in remaining sectors namely Travel and hospitality (+202%), Technology (+17%) and Pharmaceutical (+28%) is better than acquiree companies.

5.1.2 - Comparative of Net Profit Ratio

Acquirer Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Thomas Cook India Limited	12.20	13.05	16.33	7.58	12.29
	ANI Technologies Private Limited	-1217.49	-68.97	-148.09	-252.27	-421.70
Technology	Tata Consultancy Services Limited	25.45	28.57	26.40	28.25	27.17
	Sterlite Technologies Limited	2.78	1.84	1.42	1.61	1.91
E-Commerce	Flipkart Private Limited	-9.15	-14.27	-23.87	-53.67	-25.24
	Snapdeal Private Limited	-255.41	-172.13	-171.70	-406.65	-251.47
Pharmaceutical	Sun pharamaceutical Industries Limited	-99.99	21.24	42.27	44.53	2.01
	Strides Pharma Science Limited	1.47	-92.30	16.91	8.27	-16.41
Real Estate	Prestige Estate Projects Limited	12.29	16.91	16.96	18.25	16.10
	Delhi Land and Finance Limited	27.14	31.27	38.92	23.46	30.20

(Table 5.4 – Net Profit Ratio for four years before Merger and Acquisition – Source: Database tool)

Acquiree Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Sterling Holidays Resort India Limited	-12.11	-19.58	-56.02	-76.83	-41.13
	Serendipity Infolab Private Limited	-1046.86	-413.42	-680.50	-244.00	-596.19
Technology	CMC Limited	11.03	12.57	11.95	10.33	11.47
	Elitecore Technologies Private Limited	6.51	6.65	4.20	6.69	6.01
E-Commerce	Myntra Designs Private Limited	-99.35	-41.35	-62.99	-81.96	-71.41
	Unicommerce Esolutions Private Limited	-116.72	-103.97	-9.49	0.00	-57.54
Pharmaceutical	Ranbaxy Laboratories Limited	-12.80	-2.58	-39.13	20.26	-8.56
	Bafna Pharmaceutical Limited	8.67	0.75	2.32	1.82	3.39
Real Estate	Prestige Exora Business Park Limited	11.47	12.34	-4.11	-9.49	2.55
	Delhi Land and Finance Asset Limited	24.59	33.31	12.68	29.71	25.07

Growth Analysis of Companies Before and After Merger and Acquisition from Various Sectors

(Table 5.5 – Net Profit Ratio for four years before Merger and Acquisition – Source: Database tool)

Comparative of Net Profit						
Before Merger and Acquisition						
	Acquiree Companies	Average		Average		Acquirer Companies
Sector	Company Name	Deal	Sector	Sector	Deal	Company Name
Travel and Hospitality	Sterling Holidays Resort India Limited	-41.13	-637.33	-409.41	12.29	Thomas Cook India Limited
	Serendipity Infolab Private Limited	-596.19			-421.70	ANI Technologies Private Limited
Technology	CMC Limited	11.47	17.48	29.08	27.17	Tata Consultancy Services Limited
	Elitecore Technologies Private Limited	6.01			1.91	Sterlite Technologies Limited
E-Commerce	Myntra Designs Private Limited	-71.41	-128.96	-276.72	-25.24	Flipkart Private Limited
	Unicommerce Esolutions Private Limited	-57.54			-251.47	Snapdeal Private Limited
Pharmaceutical	Ranbaxy Laboratories Limited	-8.56	-5.17	-14.40	2.01	Sun pharmaceutical Industries Limited
	Bafna Pharmaceutical Limited	3.39			-16.41	Strides Pharma Science Limited
Real Estate	Prestige Exora Business Park Limited	2.55	27.62	46.30	16.10	Prestige Estate Projects Limited
	Delhi Land and Finance Asset Limited	25.07			30.20	Delhi Land and Finance Limited

(Table 5.6 – Average Net Profit Ratio for Comparison – Source: Computation by Researcher)

Comparative of net profit ratio table has been prepared by researcher by taking average of four years figure. From the above table, it has been seen that majority acquirer companies are having better performance in terms of generating net profit prior to merger and acquisition. However, it has been observed that acquiree companies namely Elitecore Technologies Private Limited, Unicommerce Esolution Private Limited, Bafna Pharmaceutical Limited are doing better than the respective acquirer companies.

Further, it has been observed from the sectorial view point that, out of five selected sectors only E-Commerce is showing better performance than the acquirer companies.

Thomas cook India Limited is having four years average net profit of 12.29%. The net profit trend of the company is having uncertainty. In 2012 it has increment of nearly 8% in net profit which is reduced in following years. Thomas cook has increased nearly 5% in net profit in four year starting from the year 2011 with 7.58% and ends with 12.20% in the year 2014. Overall it has increasing trend of net profit. Where, Sterling Holidays Resort India Limited is having average net profit of -41.13%. Even though the company was having negative net profit ratio it had continuously better performance over the year. Overall performance of the company increased by nearly 64%, in 2011, is making loss more than 75%. Then year after year the loss has been reduced and in the year 2014 managed to keep net profit with low with the net profit

ratio of -12.11%. Thomas cook India Limited is performing better in terms of generating net profit in comparison of Sterling Holidays Resort India Limited.

ANI Technologies Private Limited is having four years average net profit of -421.70%. The net profit trend of the company was having increasing trend in first three years, suddenly in fourth year it has crashed to -1217.49% . Therefore average financial performance of the company in terms of net profit was become highly negative. In 2012 to 2014 the company was performing better starting with net profit ratio of -252.27% to -68.97%. Overall performance of the company is reduced nearly five times in these four years. Where, Serendipity Infolab Private Limited is having average net profit of -596.19%. The company was having upside and downside trend in net profit starting from the year 2012 with -226%, in 2013 it has increased to -680.50%, in 2014 it decreased to -413.12%, in 2015 with -1046.86%. Overall performance of the company has decreased by nearly 4 times. ANI Technologies Private Limited is performing better in terms of generating net profit in comparison of Serendipity Infolab Private Limited.

Tata Consultancy Services Limited is having minor variation in net profit ratio over the period of four years from 2012 to 2015. It has mix trend but overall net profit ratio has reduced by nearly 3% comparing 2012 with 28.25% and 2015 with 25.45%. The company is performing well since its incorporation. The average net profit ratio for the four year is 27.17%. Where CMC Limited is also having similar performance variation in net profit ratio and overall increased by 1% comparing 2012 with 10.33% and 2015 with 11.03%. Both the companies having mix trend with minor up-down. Tata Consultancy Services Limited is performing better in terms of generating net profit in comparison of CMC Limited.

Sterlite Technologies Limited is having increasing trend in performance. Net profit Ratio of the company has been increased nearly 1% in these four years. In 2012 it has net profit ratio of 1.61% and it increased to 2.78% in 2015. The average net profit ratio is 1.91%. Where, Elitecore Technologies Private Limited is having mix trend with downfall in second year. Overall minor decrement of net profit ratio in the company is found comparing 2012 with 6.69% and 2015 with 6.51%. The average net profit ratio of the company is 6.01%. Elitecore Technologies Private Limited is performing better in terms of generating net profit in comparison of Sterlite Technologies Limited.

Flipkart Private Limited is having increasing trend in net profit ratio in these four years' time period even though net profit ratio is in negative terms. The performance of company is getting better year by year. The average net profit ratio of the company between 2012 and 2015 is -25.14%. It has overall increment in net profit ratio nearly 43% comparing 2012 with -53.67% and 2015 with -9.15%. On the other hand, Myntra Designs Private Limited has mix trend in net profit ratio over the years. It has continuously three years better performance and then downfall growth. The average net profit ratio of the company is -71.41%. In 2012 to 2015 company performed well and net profit ratio reduced to -41.35% in 2014 from -81.96% in 2012. However, it has been increased to -99.35% in 2015. Flipkart Private Limited is performing better in terms of generating net profit in comparison of Myntra Designs Private Limited.

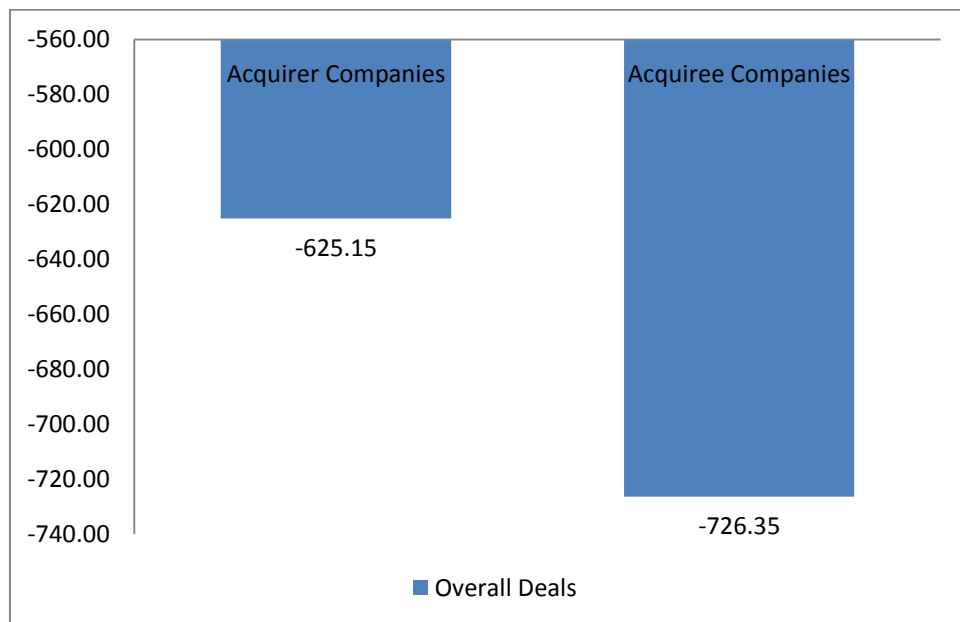
Snapdeal Private Limited is having mix trend with overall increment of nearly 250% comparing 2013 with -406.65% and 2016 -255.41%. In 2015 it has been reduced to -172.13%. The company is having average net profit ratio of -251.47% in these four years. Where, Unicommerce Esolutions Private Limited is having continuously decreasing trend in net profit. The average net profit ratio of the company is -57.54% in these four years. In the year 2013 it has no profit no loss in terms of net revenue Unicommerce Esolutions Private Limited is performing better in terms of generating net profit in comparison of Snapdeal Private Limited.

Sun pharmaceutical Industries Limited is having average net profit ratio of 2.01% in these four years from 2011 to 2014. It is having decreasing trend and reduction of nearly 52% has been observed comparing 2011 with 44.53% and 2014 with -99.99%. It may be due to high cost of demerger with taro and legal proceedings fees. Where, Ranbaxy Laboratories Limited is having mix decreasing trend. It is reduced to -12.80% in 2014 from 20.26% in 2011. Overall 32% downfall has been observed. The average net profit ratio of the company is -8.56%. Sun pharmaceutical Industries Limited is performing better in terms of generating net profit in comparison of Ranbaxy Laboratories Limited.

Strides Pharma Science Limited is having mix trend, but overall decrement of nearly 7% has been observed from 2012 with 8.27% to 2015 with 1.47%. The average net profit ratio of the company is -16.41%. Where, Bafna Pharmaceutical Limited is having increasing trend in 2012 with 1.82% to 2015 with 8.67%, however it has jumped down 2014 to 0.75%. The average net profit ratio of the company is 3.39%.

Bafna Pharmaceutical Limited is performing better in terms of generating net profit in comparison of Strides Pharma Science Limited.

Prestige Estate Projects Limited is having reducing trend, overall 6% net profit reduced in four year from 2013 with 18.25% to 2016 with 12.29%. The average net profit ratio of company is 16.10%. On the other hand, Prestige Exora Business Park Limited is also having mix trend and overall increment in net profit ratio has been observed 20% from 2013 with -9.49% to 2016 with 11.47%. The company is having average net profit ratio is 2.25%. Prestige Estate Projects Limited is performing better in terms of generating net profit in comparison Prestige Exora Business Park Limited. DLF Limited is having mix trend in net profit ratio from 2013 with 23.46% to 2016 with 27.14%. Overall increment in net profit observed is nearly 4%. The average net profit ratio of the company is 30.20%. Where, DLF Asset Limited is having decreasing mix trend in net profit ratio from 2013 with 29.71% to 2016 with 24.59%. Overall decrement in net profit observed is nearly 5%. The average net profit ratio of company is 25.07%. DLF Limited is performing better in terms of generating net profit in comparison DLF Asset Limited.

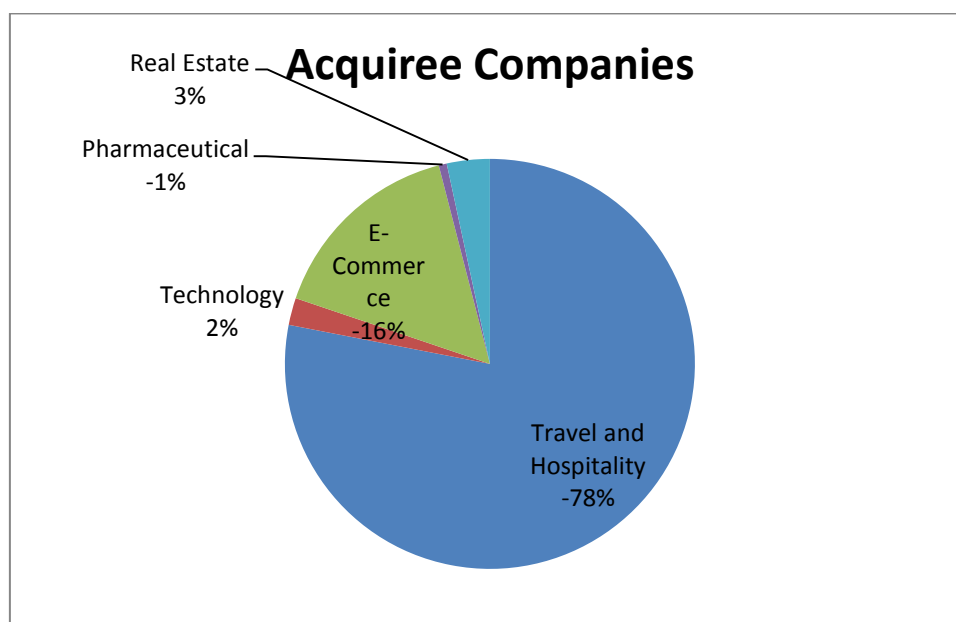


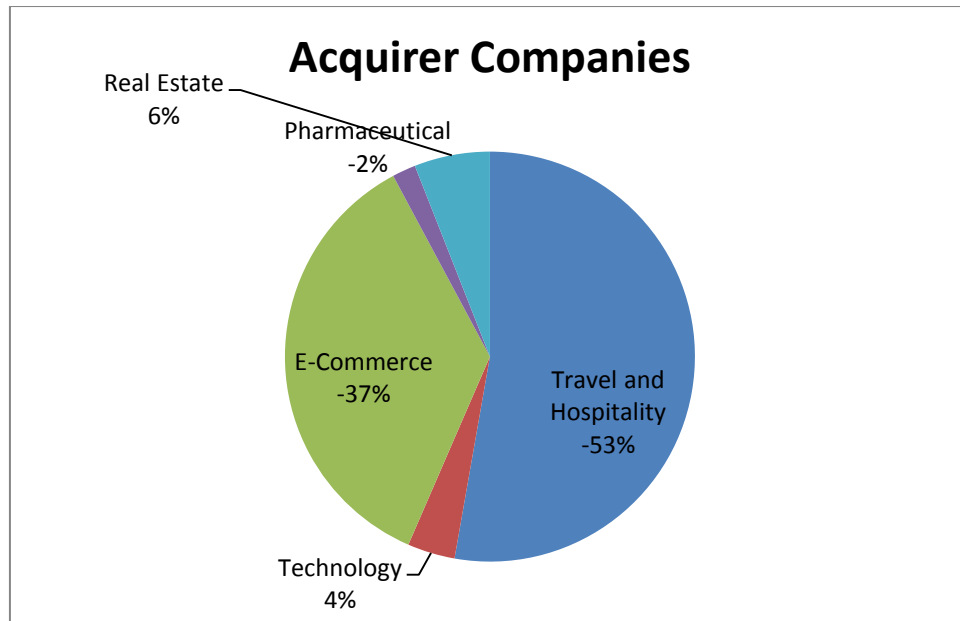
(Figure 5.3: Overall Average Net profit ratio Source – Computation by researcher)

From the above chart, it has been observed that, the performance of acquirer companies is slightly better than acquiree companies. Overall average net profit ratio of selected acquirer companies is -625.15% and acquiree companies is -726.35%. The

Growth Analysis of Companies Before and After Merger and Acquisition from Various Sectors

difference is of nearly 100%. The reason for net profit ratio negative is higher amount of net loss has been recorded in Serendipity Infolab Private Limited with -596.19%, ANI Technologies Private Limited with -421.70%, Snapdeal Private Limited with -251.47%, Myntra Designs Private Limited with -71.41%, Unicommerce Esolutions Private Limited with -57.54%, Sterling Holidays Resort India Limited and Flipkart Private Limited are having lower negative net profit ratio of 41.43% and -25.24% respectively. Strides Pharma Science Limited and Ranbaxy Laboratories Limited both are having net loss below 20%. Strides Pharma Science Limited is having -16.41% and Ranbaxy Laboratories Limited are having -8.56% remaining companies are having positive net profit ratios but values are not much significant.





(Figure 5.4: Overall Average Net profit ratio- Sector wise comparative Source – Computation by researcher)

From the above two pie charts, it has been observed that due to Pharmaceutical, E-Commerce and Travel and Hospitality sector's performance of net profit ratio has shown significantly negative in both acquirer and acquiree companies. From the acquirer companies point of view 90% net loss has been generated by these three sectors stating Pharmaceutical (-14.40, 2) Travel and hospitality (-409.10% , 53%) and E-Commerce (-276.72%, 37%). Other sectors are combine having net profit of 10% stating Technology (29.08%, 4%) and Real Estate (46.30%, 4%). From the acquiree companies point of view 95% net loss has been generated by these three sectors stating Travel and hospitality (-637.33%, 78%), Pharmaceutical (5.17%, 1%) and E-Commerce (-128.26%, 16%). Other sectors are combine having net profit of 5% stating Technology (17.48%, 2%), and Real Estate (27.62%, 3%). Performance of acquiree companies in E-Commerce (+148%) and Pharmaceutical (+9%) is better than acquirer companies. However performance of acquirer companies in remaining sectors namely Real Estate sector (+19%) Travel and hospitality (+228%), Technology (+11%) and is better than acquiree companies.

5.2 – Comparative Analysis of Turnover:

The comparative analysis of turnover consist sales volume in absolute term with amount in millions. The comparison between companies, sales value is taken into consideration individually and cumulatively for sectorial analysis. For the purpose of comparison Average of Sales is taken into consideration for the four years of before merger and acquisition.

Sales						
Amount in Millions						
Acquirer Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Thomas Cook India Limited	19032.3	17142	17242	5008.9	14606.50
	ANI Technologies Private Limited	622.5	496.15	153.98	7.5	320.03
Technology	Tata Consultancy Services Limited	735781	646729	484261	388585	563839.18
	Sterlite Technologies Limited	30301	27263	33537	27274.7	29594.05
E-Commerce	Flipkart Private Limited	90321.8	28049	11801	2048.17	33055.02
	Snapdeal Private Limited	11589	7664	1541.2	295.21	5272.35
Pharmaceutical	Sun pharamaceutical Industries Limited	28287.9	24321	40156	31075.7	30960.15
	Strides Pharma Science Limited	9294.18	10638	7120.1	7496.2	8637.23
Real Estate	Prestige Estate Projects Limited	32613	24496	20052	15123.7	23071.20
	Delhi Land and Finance Limited	36219.6	30167	23859	21500.4	27936.54

(Table 5.7– Sales for four years before Merger and Acquisition – Source: Database tool)

Acquiree Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Sterling Holidays Resort India Limited	1318.89	1087.5	737.57	424.96	892.22
	Serendipity Infolab Private Limited	218.1	38	6.41	0.5	65.75
Technology	CMC Limited	25134.9	22309	19261	14693.4	20349.62
	Elitecore Technologies Private Limited	1474.66	1305.9	713.38	479	993.24
E-Commerce	Myntra Designs Private Limited	7460.23	4180.1	2130.6	625.47	3599.10
	Unicommerce Esolutions Private Limited	125.36	73.08	31.93	0	57.59
Pharmaceutical	Ranbaxy Laboratories Limited	68649.4	63035	77991	56695.4	66592.70
	Bafna Pharmaceutical Limited	1014.09	1775.4	1671.4	1209.82	1417.67
Real Estate	Prestige Exora Business Park Limited	1404	2313.9	700.86	443.56	1215.59
	Delhi Land and Finance Asset Limited	12567	5678.8	10495	9118.9	9464.89

(Table 5.8– Sales for four years before Merger and Acquisition – Source: Database tool)

Growth Analysis of Companies Before and After Merger and Acquisition from Various Sectors

Comparative of Sales						
Before Merger and Acquisition						
	Acquiree Companies		Average		Acquirer Companies	
Sector	Company Name	Deal	Sector	Sector	Deal	Company Name
Travel and Hospitality	Sterling Holidays Resort India Limited	892.22	957.98	14926.54	14606.50	Thomas Cook India Limited
	Serendipity Infolab Private Limited	65.75			320.03	ANI Technologies Private Limited
Technology	CMC Limited	20349.62	21342.86	593433.23	563839.18	Tata Consultancy Services Limited
	Elitecore Technologies Private Limited	993.24			29594.05	Sterlite Technologies Limited
E-Commerce	Myntra Designs Private Limited	3599.10	3656.70	38327.37	33055.02	Flipkart Private Limited
	Unicommerce Esolutions Private Limited	57.59			5272.35	Snapdeal Private Limited
Pharmaceutical	Ranbaxy Laboratories Limited	66592.70	68010.38	39597.38	30960.15	Sun pharamaceutical Industries Limited
	Bafna Pharmaceutical Limited	1417.67			8637.23	Strides Pharma Science Limited
Real Estate	Prestige Exora Business Park Limited	1215.59	10680.48	51007.74	23071.20	Prestige Estate Projects Limited
	Delhi Land and Finance Asset Limited	9464.89			27936.54	Delhi Land and Finance Limited

(Table 5.9 – Average Sales for Comparison – Source: Computation by Researcher)

The above table has been prepared by researcher using available data, it has been seen that majority acquirer companies are having better performance in terms of generating sales prior to merger and acquisition. However, it has been observed that acquiree company namely Ranbaxy Laboratories Limited is doing better than the respective acquirer company.

Further, it has been observed from the sectorial view point that, out of five selected sectors, Pharmaceutical sector is showing better performance than the acquirer companies.

Thomas cook India Limited is having four years average sales of 14606. The sales trend of the company is having increasing in nature. In 2012 it has increment of nearly 12000 in sales, which is reduced in following years. Thomas cook has increased nearly 14000 in sales in four year starting from the year 2011 with 5008 and ends with 19032 in the year 2014. Overall it has increasing trend of sales. Where, Sterling Holidays Resort India Limited is having average sales of 892. The company was having continuously better performance over the year. Overall performance of the company increased by nearly 900, the company is having slow but steady growth in performance of sales. In 2011 it has sales of 424 and gradually with little increment it breached to 1318 in 2014. Thomas cook India Limited is performing better in terms of generating revenue from sales in comparison of Sterling Holidays Resort India Limited.

ANI Technologies Private Limited is having four years average sales of 320. The sales trend of the company was having increasing trend, in the startup time it has very low volume of sales but afterwards customer finds it very effective and comfortable

mode of transport. Therefore average financial performance of the company in terms of sales was increased rapidly. In 2012 to 2015 the company was performing better starting with sales of 7.5 to 622. Overall performance of the company is increased nearly 600 in these four years. Where, Serendipity Infolab Private Limited is having average sales of 65.75. The company was having upside trend in sales starting from the year 2012 with 0.5 to in 2015 with 218. Overall performance of the company has increased by nearly 200. ANI Technologies Private Limited is performing better in terms of generating revenue from sales in comparison of Serendipity Infolab Private Limited.

Tata Consultancy Services Limited is having increasing trend in sales over the period of four years from 2012 to 2015. It has upward overall sales has increment of nearly double comparing 2012 with 388585 and 2015 with 735781. The company is performing well since its incorporation. The average sale for four years is 563839. Where CMC Limited is also having similar performance variation in sales and overall increased by nearly 10500 comparing 2012 with 14693 and 2015 with 25135. Both the companies were having increasing trend. Tata Consultancy Services Limited is performing better in terms of generating revenue from sales in comparison of CMC Limited.

Sterlite Technologies Limited is having increasing trend in performance. Sales of the company has been increased nearly 3000 in these four years in spite of having downside in year 2013. In 2012 it has sales of 27275 and it increased to 30301 in 2015. The average sale is 29594. Where, Elitecore Technologies Private Limited is having slow and steady increasing trend. Overall increment of sales in the company is nearly 1000 comparing 2012 with 479 and 2015 with 1475. The average sale of the company is 993. Elitecore Technologies Private Limited is performing better in terms of generating revenue from sales in comparison of Sterlite Technologies Limited.

Flipkart Private Limited is having increasing trend in sales in these four years' time period. The performance of company is getting better year by year. The average sale of the company between 2012 and 2015 is 33055. It has overall increment in sales nearly 88000 comparing 2012 with 2048 and 2015 with 90322. On the other hand, Myntra Designs Private Limited has also increasing trend in sales over the years. The average sale of the company is 3599. In 2012 to 2015 company performed well and sales increased to 7460 in 2015 from 625 in 2012. Flipkart Private Limited is

performing better in terms of generating revenue from sales in comparison of Myntra Designs Private Limited.

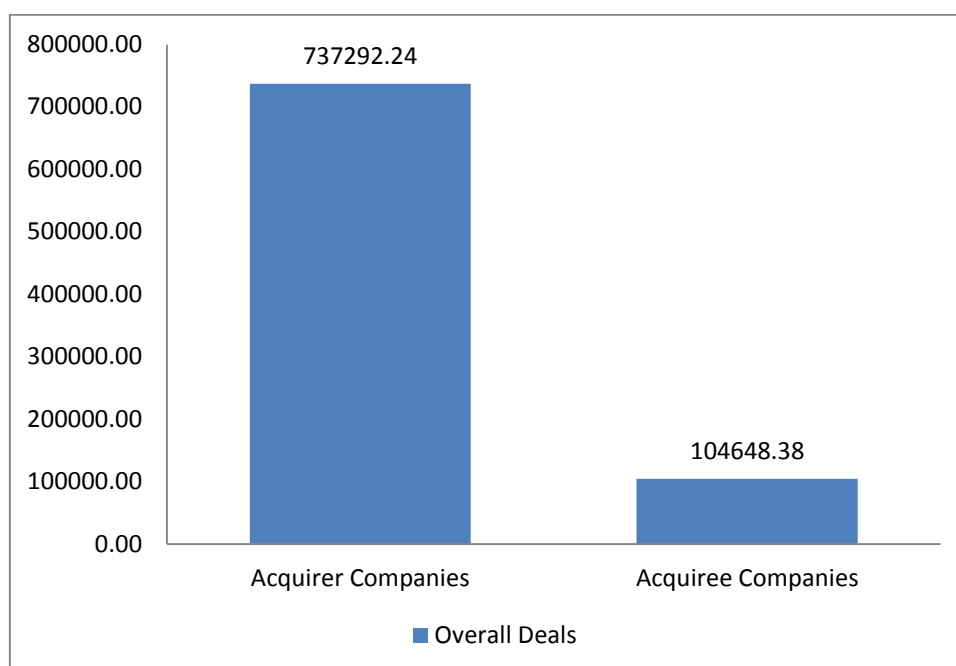
Snapdeal Private Limited is having increasing trend with overall increment of nearly 11000 comparing 2013 with 295 and 2016 11589. The company is having average sales of 5272 in these four years. Where, Unicommerce Esolutions Private Limited is having continuously increasing trend in sales after no sale in the year of establishment. The average sale of the company is 58 in these four years. Snapdeal Private Limited is performing better in terms of generating revenue from sales in comparison of Unicommerce Esolutions Private Limited.

Sun pharmaceutical Industries Limited is having average sales of 30960 in these four years from 2011 to 2014. It is having mix trend but overall reduction of nearly 3000 has been observed comparing 2011 with 31076 and 2014 with 28288. Where, Ranbaxy Laboratories Limited is having continuously increasing trend. It is increased to 68649 in 2014 from 56695 in 2011. Overall 12000 increments have been observed. The average sale of the company is 66593. Ranbaxy Laboratories Limited is performing better in terms of generating revenue from sales in comparison of Sun pharmaceutical Industries Limited.

Strides Pharma Science Limited is having mix trend, but overall increment of nearly 2000 has been observed from 2012 with 7496 to 2015 with 9294. The average sale of the company is 8637. Where, Bafna Pharmaceutical Limited is having increasing trend in 2012 with 1210 to 2014 with 1775, however it has fall down in 2015 to 1014. The average sale of the company is 1216. Strides Pharma Science Limited is performing better in terms of generating revenue from sales in comparison of Bafna Pharmaceutical Limited.

Prestige Estate Projects Limited is having increasing trend, overall 17000 sales increased in four years from 2013 with 15124 to 2016 with 32613. The average sale of company is 23071. On the other hand, Prestige Exora Business Park Limited is also having mix trend and overall increment in sales has been observed 1000 from 2013 with 444 to 2016 with 1404. The company is having average sales is 1216. Prestige Estate Projects Limited is performing better in terms of generating revenue from sales in comparison Prestige Exora Business Park Limited.

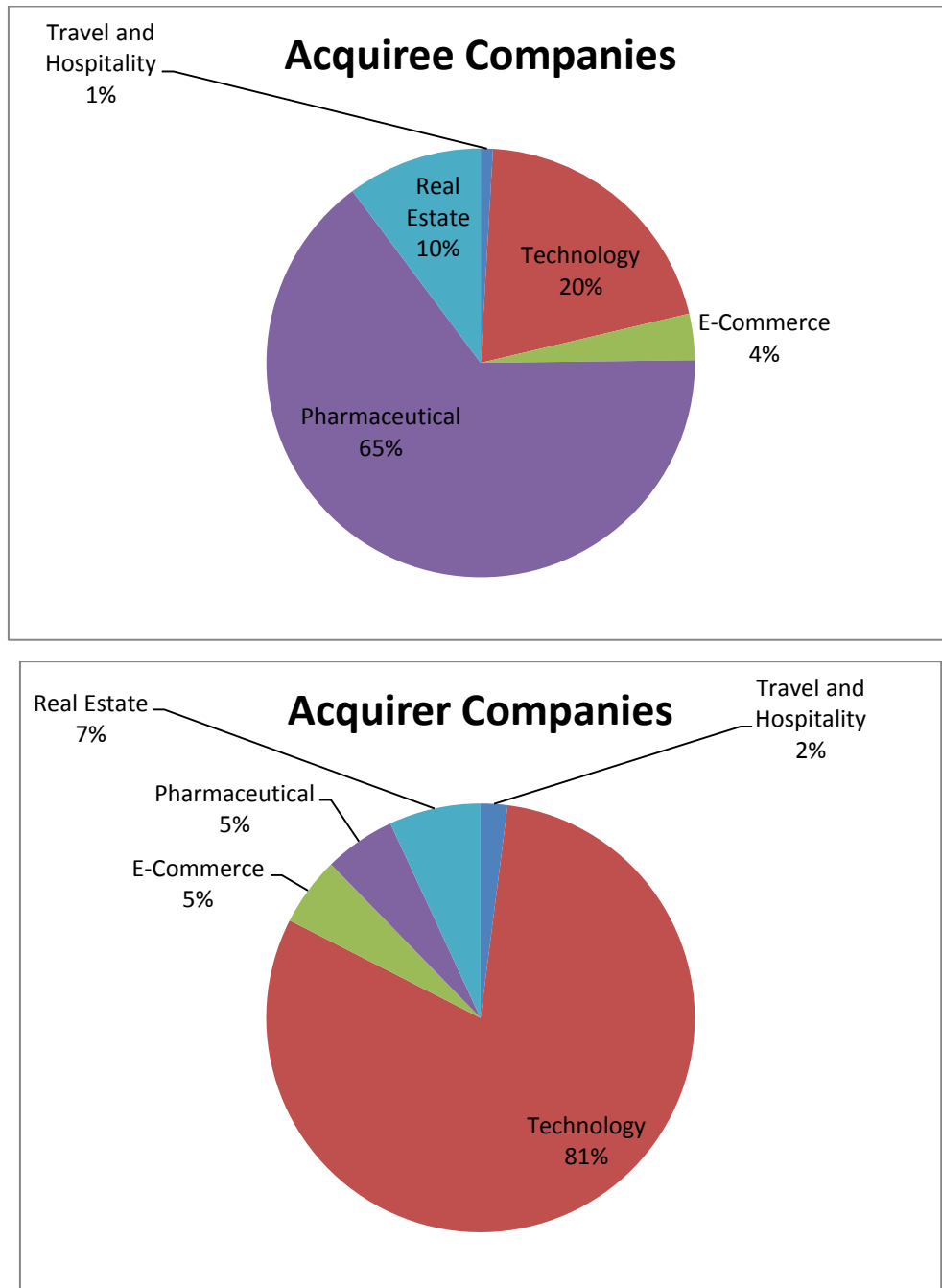
DLF Limited is having continues increasing trend in sales from 2013 with 21500 to 2016 with 36220. Overall increment in sales observed is nearly 15000. The average sale of the company is 27937. Where, DLF Asset Limited is having increasing mix trend in sales from 2013 with 9119 to 2016 with 12567. Overall increment in sales observed is nearly 3000. The average sale of company is 9465. DLF Limited is performing better in terms of generating revenue from sales in comparison DLF Asset Limited.



(Figure 5.5: Overall Average Sales Source – Computation by researcher)

From the above chart, it has been observed that, the performance of acquirer companies is better than acquiree companies. Overall average sales of selected acquirer companies is 737292 and acquiree companies is 104648. The difference is of nearly 630000+. The difference in sales volume between acquirer companies and acquiree companies are due to efficiency of performance at individual level with the efficient or inefficient use of available resources. The performance of the acquirer company is more than twice or thrice the performance of the acquiree companies in Travel and Hospitality with the difference of 13999 (14927, 928), Technology with the difference of 572090 (593433, 21343) and E-Commerce with thee difference of 34670 (38327, 3657) sectors, however the acquiree companies were performing better

than the acquirer companies in pharmaceuticals with the difference 28413 (68010, 39597) and Real Estate with the difference of 40328 (51008, 10680).



(Figure 5.6: Overall Average Sales- Sector wise comparative Source – Computation by researcher)

From the above two pie charts, it has been observed that, From the acquirer companies point of view more than 90% sales has been generated by these three sectors stating Technology (593433, 81%), Pharmaceutical (39597, 5%) and E-

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Commerce (38327, 5%). Other sectors are combine having sales of 9% stating Travel and hospitality (14927, 2%) and Real Estate (51008, 7%). From the acquiree companies point of view 85% sales has been generated by these two sectors stating Technology (21343, 20%), Pharmaceutical (68010, 65%). Other sectors are combine having sales of 15% stating Travel and hospitality (958, 1%), E-Commerce (3657, 4%), Real Estate (10680, 10%). Performance of acquiree companies Pharmaceutical is better than acquirer companies. However performance of acquirer companies in remaining all sectors is better than acquiree companies.

5.3 – Comparative Analysis of Asset Utilization:

The comparative analysis of Asset Utilization consist two ratios namely Return on Total Asset and Total Asset Turnover Ratio. The assessing Asset Utilization between companies, both the ratios are taken into consideration separately and cumulatively for sectorial analysis. For the purpose of comparison Average of Return on Total Asset and Average of Total Asset Turnover Ratio is taken into consideration for the four years of before merger and acquisition.

5.3.1 – Comparative of Return on Total Asset

Acquirer Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Thomas Cook India Limited	4.54	5.64	6.72	2.79	4.92
	ANI Technologies Private Limited	-21.65	-143.65	-388.24	-9.92	-140.87
Technology	Tata Consultancy Services Limited	27.65	30.53	28.29	31.58	29.51
	Sterlite Technologies Limited	2.09	1.41	1.52	1.66	1.67
E-Commerce	Flipkart Private Limited	-11.82	-28.48	-43.18	-33.27	-29.19
	Snapdeal Private Limited	-29.02	-19.78	-28.44	-58.78	-34.00
Pharmaceutical	Sun pharamaceutical Industries Limited	-14.60	3.65	12.92	17.90	4.97
	Strides Pharma Science Limited	0.51	-35.07	3.99	1.79	-7.20
Real Estate	Prestige Estate Projects Limited	2.46	3.29	3.43	3.19	3.09
	Delhi Land and Finance Limited	2.70	2.30	2.37	1.29	2.17

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(Table 5.10 – Return on Total Asset for four years before Merger and Acquisition –
Source: Database tool)

Acquiree Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Sterling Holidays Resort India Limited	-2.14	-4.02	-9.92	-8.46	-6.14
	Serendipity Infolab Private Limited	-1951.62	-161.29	-185.85	-59.80	-589.64
Technology	CMC Limited	9.93	11.26	10.31	7.41	9.73
	Elitecore Technologies Private Limited	12.04	13.43	5.55	4.64	8.92
E-Commerce	Myntra Designs Private Limited	-82.16	-28.85	-40.38	-30.40	-45.45
	Unicommerce Esolutions Private Limited	-49.84	-205.35	-3.34	-1.52	-65.01
Pharmaceutical	Ranbaxy Laboratories Limited	-3.98	-0.73	-13.88	6.04	-3.14
	Bafna Pharmaceutical Limited	4.01	0.54	1.67	1.12	1.83
Real Estate	Prestige Exora Business Park Limited	0.88	1.94	-0.22	-0.36	0.56
	Delhi Land and Finance Asset Limited	1.73	1.25	0.90	1.77	1.41

(Table 5.11– Return on Total Asset for four years before Merger and Acquisition –
Source: Database tool)

Comparative of Return on Total Asset Before Merger and Acquisition						
Sector	Acquiree Companies Company Name	Average		Average		Acquirer Companies Company Name
		Deal	Sector	Sector	Deal	
Travel and Hospitality	Sterling Holidays Resort India Limited	-6.14	-595.78	-135.94	4.92	Thomas Cook India Limited
	Serendipity Infolab Private Limited	-589.64			-140.87	ANI Technologies Private Limited
Technology	CMC Limited	9.73	18.64	31.18	29.51	Tata Consultancy Services Limited
	Elitecore Technologies Private Limited	8.92			1.67	Sterlite Technologies Limited
E-Commerce	Myntra Designs Private Limited	-45.45	-110.46	-63.19	-29.19	Flipkart Private Limited
	Unicommerce Esolutions Private Limited	-65.01			-34.00	Snapdeal Private Limited
Pharmaceutical	Ranbaxy Laboratories Limited	-3.14	-1.30	-2.23	4.97	Sun pharamaceutical Industries Limited
	Bafna Pharmaceutical Limited	1.83			-7.20	Strides Pharma Science Limited
Real Estate	Prestige Exora Business Park Limited	0.56	1.98	5.26	3.09	Prestige Estate Projects Limited
	Delhi Land and Finance Asset Limited	1.41			2.17	Delhi Land and Finance Limited

(Table 5.12 – Average Return on Total Asset for Comparison – Source: Computation
by Researcher)

The above table has been prepared by researcher using available data, it has been seen that majority acquirer companies are having better performance in terms of generating Return on Total Asset prior to merger and acquisition. However, it has been observed that acquiree companies namely Elitecore Technologies Private Limited and Bafna Pharmaceuticals limited are doing better than the respective acquirer companies. Further, it has been observed from the sectorial view point that, out of five selected sectors, Pharmaceutical sector is showing better performance than the acquirer companies.

Thomas cook India Limited is having four years average Return on Total Asset of 4.92%. The Return on Total Asset trend of the company is having uncertainty. In 2012 it has increment of nearly 4% in Return on Total Asset which is reduced in following years. Thomas cook has increased nearly 2% in Return on Total Asset in four year starting from the year 2011 with 2.79% and ends with 4.54% in the year 2014. Overall it has increasing trend of Return on Total Asset. Where, Sterling Holidays Resort India Limited is having average Return on Total Asset of -6.14%. Even though the company was having negative Return on Total Asset it had continuously better performance over the year. Overall performance of the company has increased by nearly 6%. In 2011, Return on total asset is -8.46%, then year after year the loss has been reduced and in the year 2014 it has Return on Total Asset of -2.14%. Thomas cook India Limited is performing better in terms of generating Return on Total Asset in comparison of Sterling Holidays Resort India Limited.

ANI Technologies Private Limited is having four years average Return on Total Asset of -140.87%. The Return on Total Asset trend of the company was having mix trend. Average financial performance of the company in terms of Return on Total Asset was negative. Overall performance of the company in 2012 to 2015 the company was reduced by nearly 11%, starting with 2012 -9.92% and in 2015 it reached to -21.65%. Where, Serendipity Infolab Private Limited is having average Return on Total Asset of -589.64%. The company was having downside trend in Return on Total Asset starting from the year 2012 with -59.80% to in 2015 with -1951.62%. Overall performance of the company has decreased heavily. ANI Technologies Private Limited is performing better in terms of generating Return on Total Asset in comparison of Serendipity Infolab Private Limited.

Tata Consultancy Services Limited is having marginal variation in Return on Total Asset over the period of four years from 2012 to 2015. It has mix trend but overall Return on Total Asset has reduced by nearly 4% comparing 2012 with 31.58% and 2015 with 27.65%. The company is performing well since its incorporation. The average Return on Total Asset for the four year is 29.51%. Where CMC Limited is also having similar performance variation in Return on Total Asset and overall increased by 2% comparing 2012 with 7.41% and 2015 with 9.93%. Both the companies are having very minor variation. Tata Consultancy Services Limited is

performing better in terms of generating Return on Total Asset in comparison of CMC Limited.

Sterlite Technologies Limited is having marginal increasing trend in performance. Return on Total Asset of the company has been increased nearly 1% in these four years. In 2012 it has Return on Total Asset of 1.66% and it increased to 2.09% in 2015. The average Return on Total Asset is 1.67%. Where, Elitecore Technologies Private Limited is having increasing trend with downfall in fourth year. Overall increment of Return on Total Asset in the company is nearly 8% comparing 2012 with 4.64% and 2015 with 12.04%. The average Return on Total Asset of the company is 8.92%. Elitecore Technologies Private Limited is performing better in terms of generating Return on Total Asset in comparison of Sterlite Technologies Limited.

Flipkart Private Limited is having mix but overall increasing trend in Return on Total Asset in these four years' time period even though Return on Total Asset is in negative terms. The performance of company is getting better year by year. The average Return on Total Asset of the company between 2012 and 2015 is -29.19%. It has overall increment in Return on Total Asset nearly 22% comparing 2012 with -33.27% and 2015 with -11.82%. On the other hand, Myntra Designs Private Limited has mix but overall decreasing trend in Return on Total Asset over the years. It has alternate positive and negative growth. The average Return on Total Asset of the company is -45.45%. In 2012 Return on Total Asset was -30.40 and it reduced to -82.16% in 2015. However, overall it has been decreased by 52%. Flipkart Private Limited is performing better in terms of generating Return on Total Asset in comparison of Myntra Designs Private Limited.

Snapdeal Private Limited is having mix trend with overall increment of nearly 29% comparing 2013 with -58.78% and 2016 -29.02%. The company is having average Return on Total Asset of -34% in these four years. Where, Unicommerce Esolutions Private Limited is having continuously decreasing trend in Return on Total Asset. The average Return on Total Asset of the company is -65.01% in these four years. The company has decreased by nearly 48% starting with 2013 -1.52% and in 2016 with -49.84%. Snapdeal Private Limited is performing better in terms of generating Return on Total Asset in comparison of Unicommerce Esolutions Private Limited.

Sun pharmaceutical Industries Limited is having average Return on Total Asset of 4.97% in these four years from 2011 to 2014. It is having reducing trend with overall

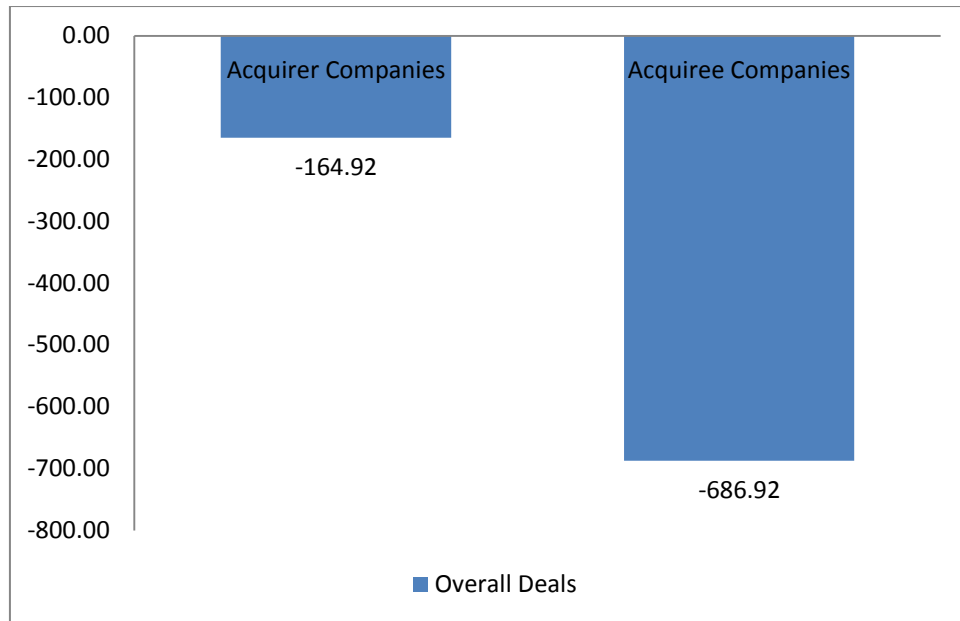
reduction of nearly 31% has been observed comparing 2011 with 17.90% and 2014 with -14.60%. Where, Ranbaxy Laboratories Limited is having continuously decreasing trend. It is reduced to -3.98% in 2014 from 6.04% in 2011. Overall 9% downfall has been observed. The average Return on Total Asset of the company is -3.14%. Sun pharmaceutical Industries Limited is performing better in terms of generating Return on Total Asset in comparison of Ranbaxy Laboratories Limited.

Strides Pharma Science Limited is having mix trend, but overall decrement of nearly 1% has been observed from 2012 with 1.79% to 2015 with 0.51%. The average Return on Total Asset of the company is -7.20%. Where, Bafna Pharmaceutical Limited is having increasing trend, in 2012 with 1.12% to 2015 with 4.01%, The average Return on Total Asset of the company is 1.83%. Bafna Pharmaceutical Limited is performing better in terms of generating Return on Total Asset in comparison of Strides Pharma Science Limited.

Prestige Estate Projects Limited is having mix trend, but overall 1% Return on Total Asset reduced in four year from 2013 with 3.19% to 2016 with 2.46%. The average Return on Total Asset of company is 3.09%. On the other hand, Prestige Exora Business Park Limited is also having increasing trend and overall increment in Return on Total Asset has been observed 1% from 2013 with -0.36% to 2016 with 0.86%. The company is having average Return on Total Asset is 0.56%. Prestige Estate Projects Limited is performing better in terms of generating Return on Total Asset in comparison Prestige Exora Business Park Limited.

DLF Limited is having continues increasing trend in Return on Total Asset from 2013 with 1.29% to 2016 with 2.70%. Overall increment in Return on Total Asset observed is nearly 1%. The average Return on Total Asset of the company is 2.17%. Where, DLF Asset Limited is having mix trend with minor variation in Return on Total Asset from 2013 with 1.77% to 2016 with 1.73%. The average Return on Total Asset of company is 1.41%. DLF Limited is performing better in terms of generating Return on Total Asset in comparison DLF Asset Limited.

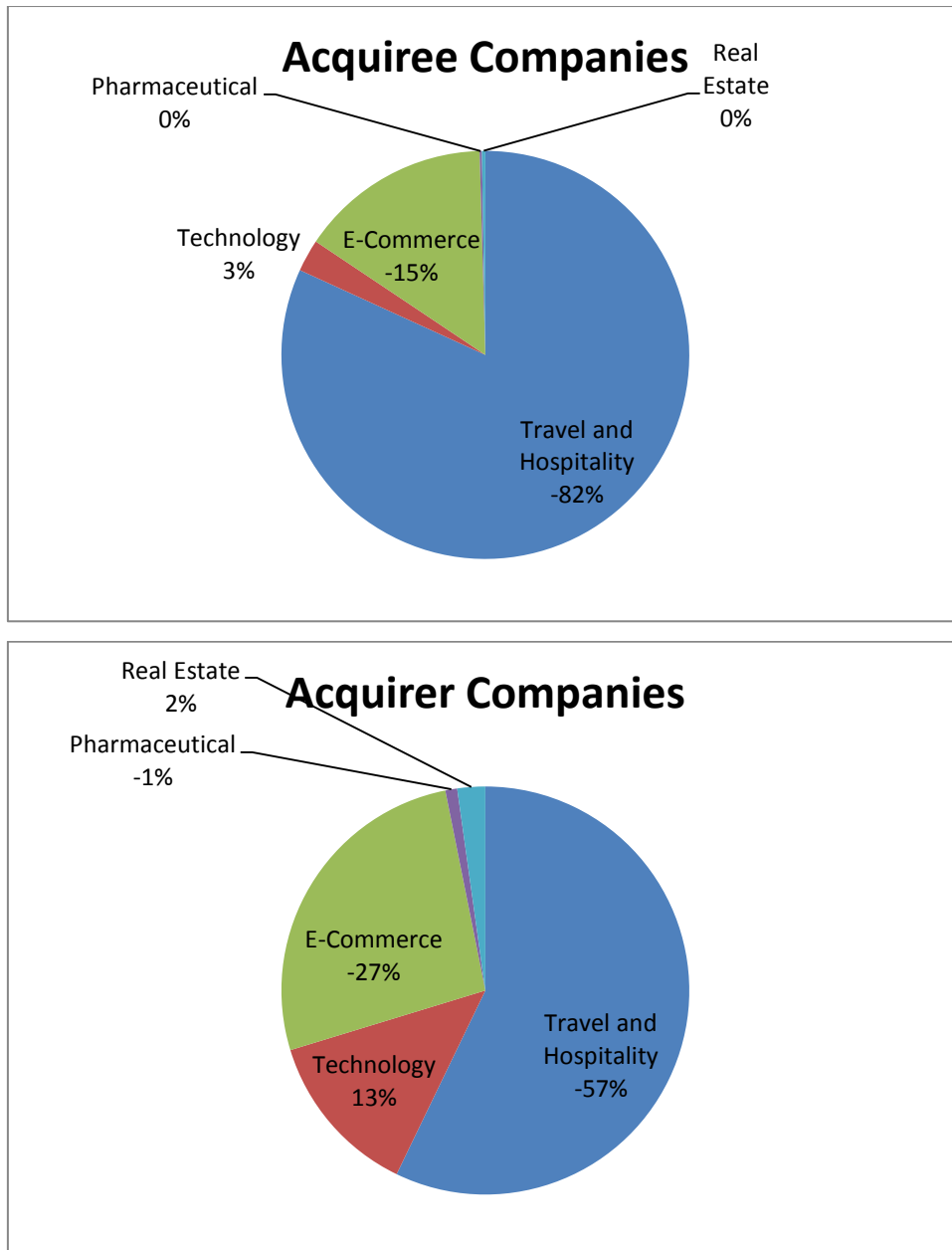
Growth Analysis of Companies Before and After Merger and Acquisition from Various Sectors



(Figure 5.7: Overall Average Return on Total Asset Source – Computation by researcher)

From the above chart, it has been observed that, the performance of acquirer companies is slightly better than acquiree companies. Overall average Return on Total Asset of selected acquirer companies is -162.94% and acquiree companies is -682.92%. The difference is of nearly 500%. The reason for Return on Total Asset negative is higher amount of negative return has been recorded in Serendipity Infolab Private Limited with -589.64%, ANI Technologies Private Limited with -140.87%, Snapdeal Private Limited with -34%, Myntra Designs Private Limited with -45.45%, Unicommerce Esolutions Private Limited with -65.01% and Flipkart Private Limited with -29.19%. Sterling Holidays Resort India Limited and Strides Pharma Science Limited were having very minor negative return. Remaining companies are having positive Return on Total Assets but values are not much significant.

Growth Analysis of Companies Before and After Merger and Acquisition from Various Sectors



(Figure 5.8: Overall Average Return on Total Asset- Sector wise comparative Source – Computation by researcher)

From the above two pie charts, it has been observed that due to E-Commerce and Travel and Hospitality sectors performance Return on Total Asset has shown significantly negative in both acquirer and acquiree companies. From the acquirer companies point of view 84% return has been generated by these two sectors stating Travel and hospitality (-135.94% , 57%) and E-Commerce (-63.19%, 27%). Other sectors are combine having Return on Total Asset of 16% stating Technology (31.18%, 13%), Pharmaceutical (-2.23%, 1%) and Real Estate (5.26%, 2%).

Growth Analysis of Companies Before and After Merger and Acquisition from
Various Sectors

acquiree companies point of view 97% return has been generated by these two sectors stating Travel and hospitality (-595.78% , 82%) and E-Commerce (-110.46%, 12%). Other sectors are combine having Return on Total Asset of 5% stating Technology (18.64%, 3%), Pharmaceutical and Real Estate were having very minor share with - 1.30% and 1.98% respectively. Performance of acquiree companies in Pharmaceuticals (+1%) is better than acquirer companies. However performance of acquirer companies in remaining sectors namely Travel and hospitality (+460%), Technology (+13%), E-commerce (+47%) and Real Estate (+4%) is better than acquiree companies.

5.3.2 – Comparative of Total Asset Turnover Ratio

Acquirer Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Thomas Cook India Limited	0.93	0.86	0.86	2.59	1.31
	ANI Technologies Private Limited	2.51	3.07	3.67	9.60	4.71
Technology	Tata Consultancy Services Limited	0.64	0.78	0.84	0.76	0.76
	Sterlite Technologies Limited	0.61	0.75	0.83	0.73	0.73
E-Commerce	Flipkart Private Limited	0.36	0.46	0.42	0.48	0.43
	Snapdeal Private Limited	1.15	1.67	3.10	2.46	2.10
Pharmaceutical	Sun pharamaceutical Industries Limited	4.13	4.45	4.47	4.80	4.47
	Strides Pharma Science Limited	2.64	2.56	3.36	2.07	2.66
Real Estate	Prestige Estate Projects Limited	5.78	7.38	4.60	5.65	5.85
	Delhi Land and Finance Limited	13.22	8.03	8.86	6.07	9.05

(Table 5.13– Total Asset Turnover Ratio for four years before Merger and
Acquisition – Source: Database tool)

Growth Analysis of Companies Before and After Merger and Acquisition from
Various Sectors

Acquiree Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Sterling Holidays Resort India Limited	4.22	3.52	3.98	5.80	4.38
	Serendipity Infolab Private Limited	0.34	2.27	3.50	4.08	2.55
Technology	CMC Limited	0.76	0.78	0.78	0.99	0.83
	Elitecore Technologies Private Limited	0.38	0.35	0.52	0.70	0.49
E-Commerce	Myntra Designs Private Limited	0.90	1.12	1.24	2.15	1.35
	Unicommerce Esolutions Private Limited	2.31	0.10	1.88	0.00	1.07
Pharmaceutical	Ranbaxy Laboratories Limited	2.15	2.32	1.94	2.40	2.20
	Bafna Pharmaceutical Limited	1.33	0.95	0.95	1.19	1.11
Real Estate	Prestige Exora Business Park Limited	9.39	4.43	12.64	19.24	11.43
	Delhi Land and Finance Asset Limited	10.14	18.01	9.26	11.11	12.13

(Table 5.14– Total Asset Turnover Ratio for four years before Merger and
Acquisition – Source: Database tool)

Comparative of Total Asset Turnover Ratio Before Merger and Acquisition						
Sector	Acquiree Companies		Average		Acquirer Companies	
	Company Name	Deal	Sector	Sector	Deal	Company Name
Travel and Hospitality	Sterling Holidays Resort India Limited	4.38	6.93	6.03	1.31	Thomas Cook India Limited
	Serendipity Infolab Private Limited	2.55			4.71	ANI Technologies Private Limited
Technology	CMC Limited	0.83	1.32	1.49	0.76	Tata Consultancy Services Limited
	Elitecore Technologies Private Limited	0.49			0.73	Sterlite Technologies Limited
E-Commerce	Myntra Designs Private Limited	1.35	2.42	2.53	0.43	Flipkart Private Limited
	Unicommerce Esolutions Private Limited	1.07			2.10	Snapdeal Private Limited
Pharmaceutical	Ranbaxy Laboratories Limited	2.20	3.31	7.13	4.47	Sun pharamaceutical Industries Limited
	Bafna Pharmaceutical Limited	1.11			2.66	Strides Pharma Science Limited
Real Estate	Prestige Exora Business Park Limited	11.43	23.56	14.90	5.85	Prestige Estate Projects Limited
	Delhi Land and Finance Asset Limited	12.13			9.05	Delhi Land and Finance Limited

(Table 5.15– Average Total Asset Turnover Ratio for Comparison – Source:
Computation by Researcher)

Comparative of Total Asset Turnover Ratio table has been prepared by researcher by taking average of four years figure. From the above table, it has been seen that equal performance of acquirer and acquiree companies are having in terms of generating Total Asset Turnover Ratio prior to merger and acquisition. However, it has been observed that acquiree companies namely Sterling Holidays Resort India Limited, CMC Limited, Myntra Designs Private Limited, Prestige Exora Business Park Limited and DLF Asset Limited were doing better than the respective acquirer companies.

Further, it has been observed from the sectorial view point that, out of five selected sectors only Travel and hospitality and Real Estate sectors were showing better performance than the acquirer companies.

Thomas cook India Limited is having four years average Total Asset Turnover Ratio of 1.31%. The Total Asset Turnover Ratio trend of the company is having decreasing. Thomas cook has decreased nearly 1% in Total Asset Turnover Ratio in four year starting from the year 2011 with 2.59% and ends with 0.93% in the year 2014. Overall it has decreasing trend of Total Asset Turnover Ratio. Where, Sterling Holidays Resort India Limited is having average Total Asset Turnover Ratio of 4.38%. Overall performance of the company has decreased by nearly 1%, in 2011 with 5.80% and in 2014 with 4.22%. Sterling Holidays Resort India Limited was performing better in terms of generating revenue from operations by using Total Asset in comparison of Thomas cook India Limited.

ANI Technologies Private Limited is having four years average Total Asset Turnover Ratio of 4.71%. The Total Asset Turnover Ratio trend of the company was having decreasing trend. In 2012 to 2015 the company was performing downfall with Total Asset Turnover Ratio of 9.60% to 2.51%. Overall performance of the company is reduced nearly 7% in these four years. Where, Serendipity Infolab Private Limited is having average Total Asset Turnover Ratio of 2.55%. The company was having downside trend in Total Asset Turnover Ratio starting from the year 2012 with 4.08% and in 2015 with 0.34%. Overall performance of the company has decreased by nearly 4%. ANI Technologies Private Limited is performing better in terms of generating revenue from operations by using Total Asset in comparison of Serendipity Infolab Private Limited.

Tata Consultancy Services Limited is having minor variation in Total Asset Turnover Ratio over the period of four years from 2012 to 2015. It has mix trend but overall Total Asset Turnover Ratio has reduced by nearly 1% comparing 2012 with 076% and 2015 with 064%. The average Total Asset Turnover Ratio for the four year is 0.76%. Where CMC Limited is also having similar performance variation in Total Asset Turnover Ratio and overall decreased by 1% comparing 2012 with 0.99% and 2015 with 0.76%. Both the companies having mix trend with minor up-down. CMC Limited is performing better in terms of generating revenue from operation by using Total Asset in comparison of Tata Consultancy Services Limited.

Sterlite Technologies Limited is having decreasing trend in performance. Total Asset Turnover Ratio of the company has been decreased nearly 1% in these four years. In 2012 it has Total Asset Turnover Ratio of 0.73% and it decreased to 0.61% in 2015.

The average Total Asset Turnover Ratio is 0.73%. Where, Elitecore Technologies Private Limited is having also reducing trend with. Overall minor decrement of Total Asset Turnover Ratio in the company is found comparing 2012 with 0.70% and 2015 with 0.38%. The average Total Asset Turnover Ratio of the company is 0.49%. Sterlite Technologies Limited was performing better in terms of generating revenue from operation by using Total Asset in comparison of Elitecore Technologies Private Limited.

Flipkart Private Limited is having decreasing trend in Total Asset Turnover Ratio in these four years' time period. The performance of company was not getting better year by year. The average Total Asset Turnover Ratio of the company between 2012 and 2015 is 0.43%. It has overall decrement in Total Asset Turnover Ratio nearly 1% comparing 2012 with 0.48% and 2015 with 0.36%. On the other hand, Myntra Designs Private Limited has also decreasing trend in Total Asset Turnover Ratio over the years. The average Total Asset Turnover Ratio of the company is 1.35%. In 2012 to 2015 company performed and Total Asset Turnover Ratio reduced to 0.90% in 2015 from 2.15% in 2012. Myntra Designs Private Limited was performing better in terms of generating revenue from operations by using Total Asset in comparison of Flipkart Private Limited.

Snapdeal Private Limited is having mix trend with overall decrement of nearly 1% comparing 2013 with 2.46% and 2016 1.15%. The company is having average Total Asset Turnover Ratio of 2.10% in these four years. Where, Unicommerce Esolutions Private Limited is having mix but overall increasing trend in Total Asset Turnover Ratio. The average Total Asset Turnover Ratio of the company is 1.07% in these four years. Overall increment of 2% has been observed with no sales in first year and with 2.31% in 2016. Snapdeal Private Limited was performing better in terms of generating revenue from operations by using Total Asset in comparison of Unicommerce Esolutions Private Limited.

Sun pharmaceutical Industries Limited is having average Total Asset Turnover Ratio of 4.47% in these four years from 2011 to 2014. It is having minor decreasing trend and reduction of nearly 1% has been observed comparing 2011 with 4.80% and 2014 with 4.13%. Where, Ranbaxy Laboratories Limited is having mix decreasing trend. It is reduced to 2.15% in 2014 from 2.40% in 2011. Overall 1% downfall has been observed. The average Total Asset Turnover Ratio of the company is 2.20%. Sun

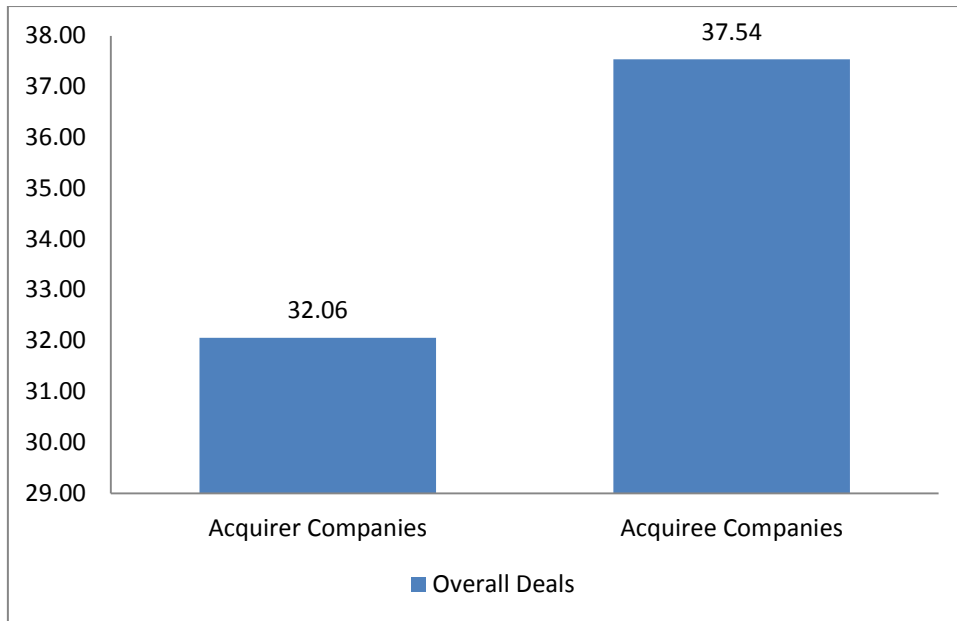
pharmaceutical Industries Limited is performing better in terms of generating revenue from operations by using Total Asset in comparison of Ranbaxy Laboratories Limited.

Strides Pharma Science Limited is having mix trend, but overall increment of nearly 1% has been observed from 2012 with 2.07% to 2015 with 2.64%. The average Total Asset Turnover Ratio of the company is 2.66%. Where, Bafna Pharmaceutical Limited is having increasing trend in 2012 with 1.19% to 2015 with 1.33%, however it has jumped down in 2014 to 0.95%. The average Total Asset Turnover Ratio of the company is 1.11%. Strides Pharma Science Limited was performing better in terms of generating revenue from operations by using Total Asset in comparison of Bafna Pharmaceutical Limited.

Prestige Estate Projects Limited is having mix but marginally increasing trend, overall 1% Total Asset Turnover Ratio increased in four year from 2013 with 5.65% to 2016 with 5.78%. The average Total Asset Turnover Ratio of company is 5.85%. On the other hand, Prestige Exora Business Park Limited is also having mix trend and overall decrement in Total Asset Turnover Ratio has been observed 10% from 2013 with 19.24% to 2016 with 9.39%. The company is having average Total Asset Turnover Ratio is 11.43%. Prestige Exora Business Park Limited was performing better in terms of generating revenue from operations by using Total Asset in comparison Prestige Estate Projects Limited.

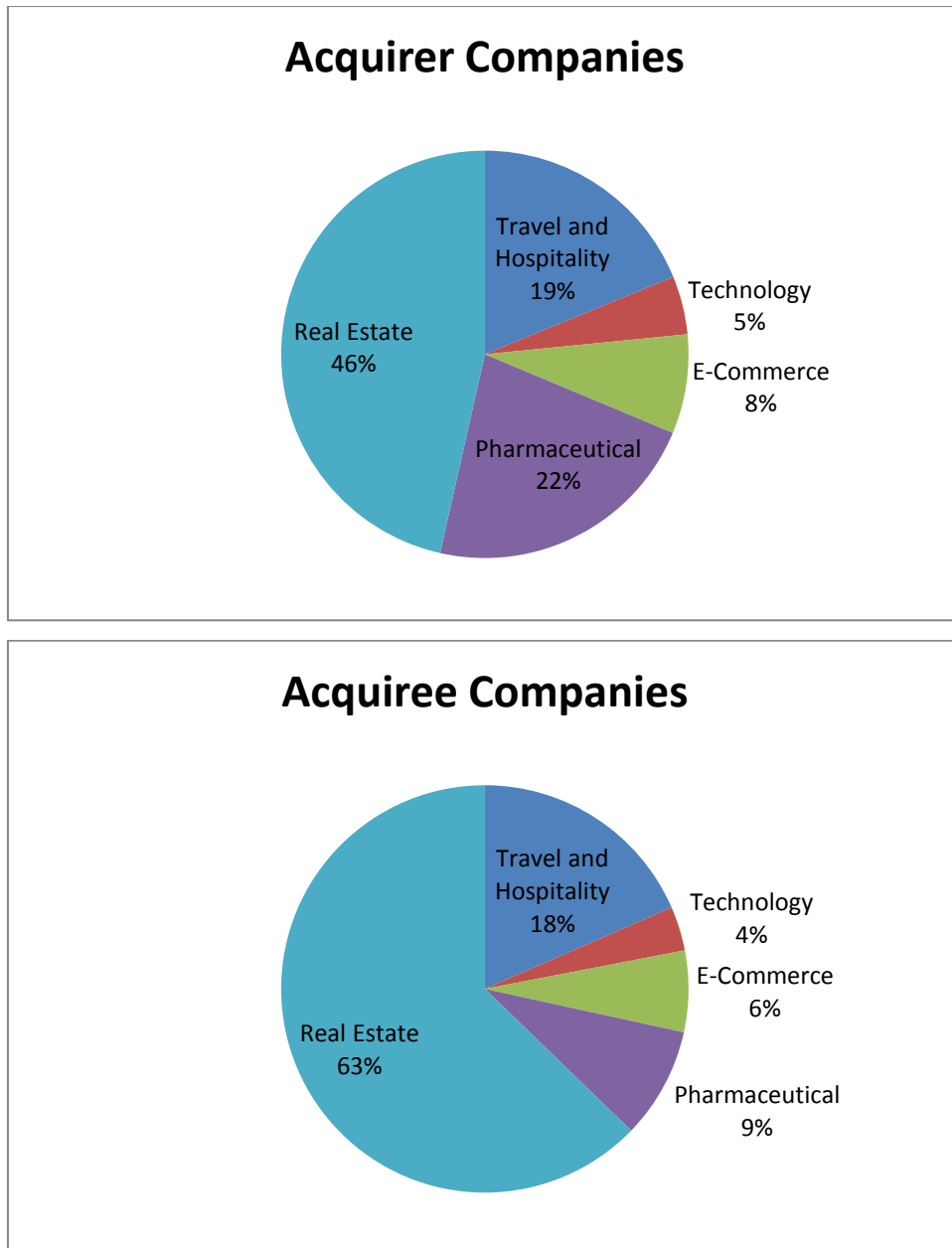
DLF Limited is having increasing trend in Total Asset Turnover Ratio from 2013 with 6.07% to 2016 with 13.22%. Overall increment in Total Asset Turnover Ratio observed is nearly 7%. The average Total Asset Turnover Ratio of the company is 9.05%. Where, DLF Asset Limited is having decreasing mix trend in Total Asset Turnover Ratio from 2013 with 11.11% to 2016 with 10.14%. Overall decrement in Total Asset Turnover Ratio observed is nearly 1%. The average Total Asset Turnover Ratio of company is 12.13%. DLF Asset Limited was performing better in terms of generating revenue from operations by using Total Asset in comparison DLF Limited.

Growth Analysis of Companies Before and After Merger and Acquisition from Various Sectors



(Figure 5.9: Overall Average Total Asset Turnover Ratio Source – Computation by researcher)

From the above chart, it has been observed that, the performance of acquiree companies is slightly better than acquirer companies. Overall average Total Asset Turnover Ratio of selected acquirer companies is 32.06% and acquiree companies is 37.54%. The difference is of nearly 5%. The reason for Total Asset Turnover Ratio difference is higher amount of revenue generation from operations by using total asset has been recorded in Sterling Holidays Resort India Limited with 4.38%, CMC Limited with 0.83%, Myntra Designs Private Limited with 1.35%, Prestige Exora Business Park Limited with 11.43% and DLF Asset Limited with 12.13%. Remaining companies were having better position in Total Asset Turnover Ratios but values are not much significant comparing to acquiree companies.



(Figure 5.10: Overall Average Total Asset Turnover Ratio- Sector wise comparative

Source – Computation by researcher)

From the above two pie charts, it has been observed that due to Travel and Hospitality and Real Estate sector's performance of Total Asset Turnover Ratio has shown significantly difference between both acquirer and acquiree companies. From the acquirer companies point of view 87% revenue generated by using total asset has been generated by these three sectors stating Pharmaceutical (7.13%, 22%), Travel and hospitality (6.03%, 19%) and Real Estate (14.90%, 46%). Other sectors are combining having Total Asset Turnover Ratio of 13% stating Technology (1.49%,

5%) and E-Commerce (2.53%, 8%). From the acquiree companies point of view 81% revenue generated by using total asset has been generated by these two sectors stating Travel and hospitality (6.93%, 18%), and Real Estate (23.56%, 63%). Other sectors are combine having Total Asset Turnover Ratio of 19% stating Technology (1.32%, 4%), Pharmaceutical (3.31%, 9%) and E-Commerce (2.42%, 6%). Performance of acquirer companies in E-Commerce (+1%), Technology (+1%) and Pharmaceutical (+4%) is better than acquiree companies. However performance of acquiree companies in remaining sectors namely Real Estate sector (+9%) and Travel and hospitality (+1%) is better than acquiree companies.

5.4 – Comparative Analysis of Debt Utilization:

The comparative analysis of Debt Utilization consist two ratios namely Debt Asset Ratio and Return on Net worth Ratio. The assessing Debt Utilization between companies, both the ratios are taken into consideration separately and cumulatively for sectorial analysis. For the purpose of comparison Average of Debt Asset Ratio and Average of Return on Net worth Ratio is taken into consideration for the four years of before merger and acquisition.

5.4.1 – Comparative of Debt Asset Ratio

Acquirer Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Thomas Cook India Limited	0.16	0.32	0.39	0.39	0.31
	ANI Technologies Private Limited	2.96	25.58	1.2	1.37	7.78
Technology	Tata Consultancy Services Limited	0.01	0.00	0.00	0.00	0.00
	Sterlite Technologies Limited	0.56	0.51	0.47	0.37	0.47
E-Commerce	Flipkart Private Limited	0.00	0.00	0.00	0.00	0.00
	Snapdeal Private Limited	0.01	0.00	0.02	0.06	0.02
Pharmaceutical	Sun pharamaceutical Industries Limited	0.16	0.00	0.00	0.01	0.05
	Strides Pharma Science Limited	0.18	0.11	0.30	0.36	0.24
Real Estate	Prestige Estate Projects Limited	0.00	0.00	0.00	0.00	0.00
	Delhi Land and Finance Limited	0.37	0.38	0.37	0.43	0.39

(Table 5.16– Debt Asset Ratio for four years before Merger and Acquisition – Source: Database tool)

Growth Analysis of Companies Before and After Merger and Acquisition from
Various Sectors

Acquiree Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Sterling Holidays Resort India Limited	0.49	0.74	0.77	0.98	0.75
	Serendipity Infolab Private Limited	5.17	0.15	0.03	0.00	1.34
Technology	CMC Limited	0.00	0.00	0.00	0.00	0.00
	Elitecore Technologies Private Limited	0.13	0.11	0.00	0.00	0.06
E-Commerce	Myntra Designs Private Limited	0.39	0.03	0.07	0.00	0.12
	Unicommerce Esolutions Private Limited	0.00	0.00	0.00	0.02	0.01
Pharmaceutical	Ranbaxy Laboratories Limited	0.42	0.33	0.29	0.31	0.34
	Bafna Pharmaceutical Limited	0.47	0.59	0.58	0.56	0.55
Real Estate	Prestige Exora Business Park Limited	0.79	0.62	0.72	0.75	0.72
	Delhi Land and Finance Asset Limited	0.35	0.20	0.18	0.16	0.22

(Table 5.17– Debt Asset Ratio for four years before Merger and Acquisition – Source: Database tool)

Comparative of Debt Asset Ratio Before Merger and Acquisition						
Sector	Acquiree Companies Company Name	Average		Average		Acquirer Companies Company Name
		Deal	Sector	Sector	Deal	
Travel and Hospitality	Sterling Holidays Resort India Limited	0.75	2.08	8.09	0.31	Thomas Cook India Limited
	Serendipity Infolab Private Limited	1.34			7.78	ANI Technologies Private Limited
Technology	CMC Limited	0.00	0.06	0.48	0.00	Tata Consultancy Services Limited
	Elitecore Technologies Private Limited	0.06			0.47	Sterlite Technologies Limited
E-Commerce	Myntra Designs Private Limited	0.12	0.13	0.02	0.00	Flipkart Private Limited
	Unicommerce Esolutions Private Limited	0.01			0.02	Snapdeal Private Limited
Pharmaceutical	Ranbaxy Laboratories Limited	0.34	0.89	0.28	0.05	Sun pharamaceutical Industries Limited
	Bafna Pharmaceutical Limited	0.55			0.24	Strides Pharma Science Limited
Real Estate	Prestige Exora Business Park Limited	0.72	0.94	0.39	0.00	Prestige Estate Projects Limited
	Delhi Land and Finance Asset Limited	0.22			0.39	Delhi Land and Finance Limited

(Table 5.18– Average Debt Asset Ratio for Comparison – Source: Computation by Researcher)

The above table has been prepared by researcher using available data. It has been seen that majority acquirer companies are having better performance in terms of generating Debt Asset Ratio prior to merger and acquisition. However, it has been observed that acquiree companies namely Serendipity Infolab Private Limited, Elitecore Technologies Private Limited, Unicommerce Esolution Private Limited and DLF Asset Limited were doing better than the respective acquirer companies.

Further, it has been observed from the sectorial view point that, out of five selected sectors, Technology and Travel and Hospitality sectors are showing better performance than the acquirer companies.

Thomas cook India Limited is having four years average Debt Asset Ratio of 0.31. The Debt Asset Ratio trend of the company is having positive movement. Thomas

cook has increased nearly 0.23 in Debt Asset Ratio in four year starting from the year 2011 with 0.39 and ends with 0.16 in the year 2014. Overall it has increasing trend of Debt Asset Ratio. Where, Sterling Holidays Resort India Limited is having average Debt Asset Ratio of 0.75. Overall performance of the company increased by nearly 0.49. In 2011 debt asset ratio of the company was 0.98 and in 2014 it was reached to 0.49 times. Thomas cook India Limited is performing better in terms of enjoying benefits of having more assets than debt in comparison of Sterling Holidays Resort India Limited.

ANI Technologies Private Limited is having four years average Debt Asset Ratio of 7.78. The Debt Asset Ratio trend of the company was having decreasing mix trend. Therefore average financial performance of the company in terms of Debt Asset Ratio was become negative. In 2012 to 2015 the company was performing with Debt Asset Ratio of 1.37 to 2.96. Overall performance of the company is reduced nearly 1.59 times in these four years. Where, Serendipity Infolab Private Limited is having average Debt Asset Ratio of 1.34. The company was having downside trend in Debt Asset Ratio starting from the year 2012 with 0 to in 2015 with 5.17. Overall performance of the company has decreased by nearly 5.17 times. Serendipity Infolab Private Limited is performing better in terms of enjoying benefits of having more assets than debt in comparison of ANI Technologies Private Limited.

Tata Consultancy Services Limited is having minor variation in Debt Asset Ratio over the period of four years from 2012 to 2015. It has stable trend but overall Debt Asset Ratio has reduced by nearly 0.01 times comparing 2012 with 0 and 2015 with 0.01. The company is performing well since its incorporation. The average Debt Asset Ratio for the four year is 0. Where, CMC Limited is also having similar performance with no variation in Debt Asset Ratio comparing 2012 with 0 and 2015 with 0. Both the companies are performing better in terms of enjoying benefits of having more assets than debt.

Sterlite Technologies Limited is having decreasing trend in performance. Debt Asset Ratio of the company has been decreased nearly 0.19 times in these four years. In 2012 it has Debt Asset Ratio of 0.37 and it decreased to 0.56 in 2015. The average Debt Asset Ratio is 0.47. Where, Elitecore Technologies Private Limited is having similar decreasing trend. Overall decrement of Debt Asset Ratio in the company is nearly 0.13 times comparing 2012 with 0 and 2015 with 0.13. The average Debt Asset

Ratio of the company is 0.06. Elitecore Technologies Private Limited is performing better in terms of enjoying benefits of having more assets than debt in comparison of Sterlite Technologies Limited.

Flipkart Private Limited is having no variation in Debt Asset Ratio in these four years' time period. The performance of company is stable. The average Debt Asset Ratio of the company between 2012 and 2015 is 0 times. On the other hand, Myntra Designs Private Limited has reducing trend in Debt Asset Ratio over the years. It has alternate positive and negative growth. The average Debt Asset Ratio of the company is 0.12 times. In 2012 to 2015 Debt Asset Ratio reduced to 0.39 in 2015 from 0 in 2012. Flipkart Private Limited is performing better in terms of enjoying benefits of having more assets than debt in comparison of Myntra Designs Private Limited.

Snapdeal Private Limited is having mix trend with overall increment of nearly 0.05 times comparing 2013 with 0.06 and 2016 0.01. The company is having average Debt Asset Ratio of 0.02 in these four years. Where, Unicommerce Esolutions Private Limited is having continuously increasing trend in Debt Asset Ratio. The average Debt Asset Ratio of the company is 0.01 in these four years. It has been reduced to 0 in 2016 from 0.02 in 2013. Unicommerce Esolutions Private Limited is performing better in terms of enjoying benefits of having more assets than debt in comparison of Snapdeal Private Limited.

Sun pharmaceutical Industries Limited is having average Debt Asset Ratio of 0.05 in these four years from 2011 to 2014. It is having mix trend but overall reduction of nearly 0.15 times has been observed comparing 2011 with 0.01 and 2014 with 0.16. Where, Ranbaxy Laboratories Limited is having mix decreasing trend. It is reduced to 0.42 in 2014 from 0.31 in 2011. Overall 0.11 times downfall has been observed. The average Debt Asset Ratio of the company is 0.34. Sun pharmaceuticals Industries Limited is performing better in terms of enjoying benefits of having more assets than debt in comparison of Ranbaxy Laboratories Limited.

Strides Pharma Science Limited is having mix trend, but overall increment of nearly 0.18 times has been observed from 2012 with 0.36 to 2015 with 0.18. The average Debt Asset Ratio of the company is 0.24. Where, Bafna Pharmaceutical Limited is having mix increasing trend in 2012 with 0.46 to 2015 with 0.42. The average Debt Asset Ratio of the company is 0.34%. Strides Pharma Science Limited is performing

better in terms of enjoying benefits of having more assets than debt in comparison of Bafna Pharmaceutical Limited.

Prestige Estate Projects Limited is having no variation in trend, overall company was having more assets than debt. The average Debt Asset Ratio of company is 0 times.

On the other hand, Prestige Exora Business Park Limited is also having mix trend and overall fall in Debt Asset Ratio has been observed 0.04 times from 2013 with 0.75 to 2016 with 0.79. The company is having average Debt Asset Ratio is 0.72 times.

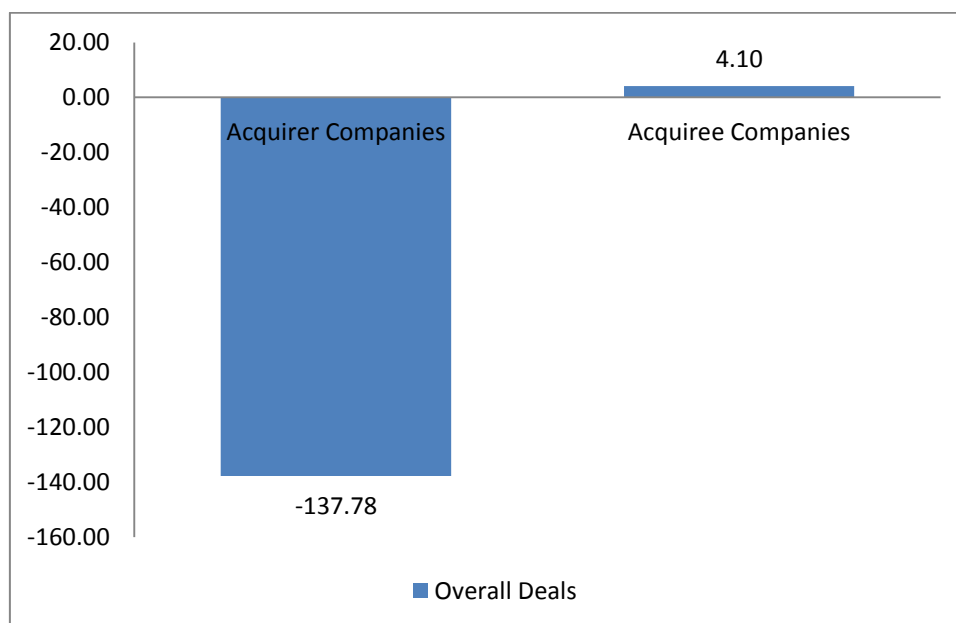
Prestige Estate Projects Limited is performing better in terms of enjoying benefits of having more assets than debt in comparison Prestige Exora Business Park Limited.

DLF Limited is having increasing trend in Debt Asset Ratio from 2013 with 0.43 to 2016 with 0.37. Overall increment in Debt Asset Ratio observed is nearly 0.06 times.

The average Debt Asset Ratio of the company is 0.39 times. Where, DLF Asset Limited is having decreasing trend in Debt Asset Ratio from 2013 with 0.16 to 2016 with 0.35. Overall decrement in Debt Asset Ratio observed is nearly 0.19 times.

The average Debt Asset Ratio of company is 0.22 times. DLF Asset Limited is performing better in terms of enjoying benefits of having more assets than debt in comparison

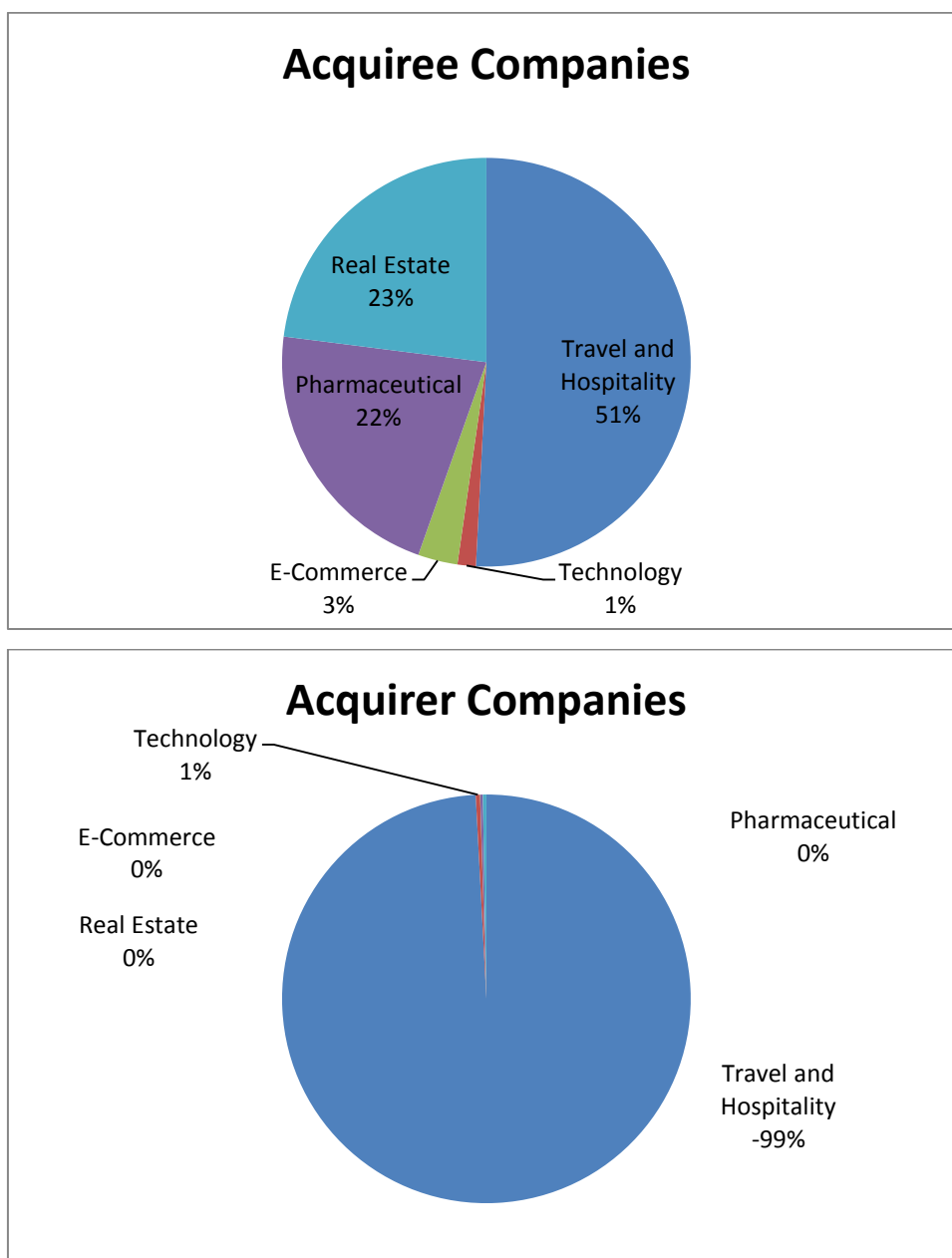
DLF Limited.



(Figure 5.11: Overall Average Debt Asset Ratio Source – Computation by researcher)

From the above chart, it has been observed that, the performance of acquiree companies is better than acquirer companies. Overall average Debt Asset Ratio of selected acquirer companies is 9.26 times and of acquiree companies is 4.10 times.

The difference is of nearly 5.16 times. The reason for major difference in Debt Asset Ratio has been recorded in ANI Technologies Private Limited with 7.78 times, due to this overall average of acquirer companies in debt asset ratio becomes higher than acquiree companies. However, Serendipity Infolab Private Limited 1.34, Elitecore Technologies Private Limited 0.06, Unicommerce Eolution Private Limited 0.01 and DLF Asset Limited 0.22 are having better Debt Asset Ratio comparing respective acquirer companies. Remaining companies are having reverse position in Debt Asset Ratios but values are not much significant.



(Figure 5.12: Overall Average Debt Asset Ratio- Sector wise comparative Source – Computation by researcher)

Growth Analysis of Companies Before and After Merger and Acquisition from
Various Sectors

From the above two pie charts, it has been observed that due to Travel and Hospitality and technology sectors performance in acquirer companies and Travel and Hospitality and Real Estate sectors performance in acquiree Debt Asset Ratio has shown significantly movement. From the acquirer companies point of view 88% Debt Asset Ratio has been generated by Travel and Hospitality sectors stating Travel and hospitality (8.09, 88%). Other sectors are combine having Debt Asset Ratio of 12% stating Technology (0.48, 5%), Pharmaceutical (0.28, 3%), E-Commerce (0.02, 0%) and Real Estate (0.39, 4%). From the acquiree companies point of view 96% Debt Asset ratio has been generated by these three sectors stating Travel and hospitality (2.08 ,51%), Pharmaceutical (0.89, 22%) and Real Estate (0.94, 23%). Other sectors are combine having Debt Asset Ratio of 4% stating Technology (0.06, 1%), E-Commerce (0.13, 3%). Performance of acquiree companies in Travel and hospitality (+6.01) and Technology (+0.42) is better than acquirer companies. However performance of acquirer companies in remaining sectors namely Pharmaceutical (+0.61), E-Commerce (+0.11) and Real Estate sector (+0.55) is better than acquiree companies.

5.4.2 – Comparative of Return on Net Worth

Acquirer Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Thomas Cook India Limited	7.55	12.36	15.8	13.58	12.32
	ANI Technologies Private Limited	-21.65	-134.6	609.84	-9.94	110.91
Technology	Tata Consultancy Services Limited	42.4	41.87	39.32	44.24	41.96
	Sterlite Technologies Limited	6.77	4.12	4.01	3.81	4.68
E-Commerce	Flipkart Private Limited	-31.22	-86.18	-96.85	-51.28	-66.38
	Snapdeal Private Limited	-51.47	-43.03	-80.16	-217.89	-98.14
Pharmaceutical	Sun pharamaceutical Industries Limited	-37.23	6.59	23.32	22.32	3.75
	Strides Pharma Science Limited	36.1	215.39	4.08	8.67	66.06
Real Estate	Prestige Estate Projects Limited	9.96	12.07	11.97	11.42	11.36
	Delhi Land and Finance Limited	10.6	5.45	3.16	3.43	5.66

(Table 5.19– Return on Net Worth for four years before Merger and Acquisition –

Source: Database tool)

Growth Analysis of Companies Before and After Merger and Acquisition from
Various Sectors

Acquiree Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Sterling Holidays Resort India Limited	-11.65	-85.64	0	0	-24.32
	Serendipity Infolab Private Limited	721.62	-235.2	-134.7	-87.13	66.16
Technology	CMC Limited	22.07	26.68	26.8	21.29	24.21
	Elitecore Technologies Private Limited	18.15	19.91	8.56	10.03	14.16
E-Commerce	Myntra Designs Private Limited	-388.89	-74.73	-102.9	-68.28	-158.70
	Unicommerce Esolutions Private Limited	-66.99	533.19	-5.1	-1.55	114.89
Pharmaceutical	Ranbaxy Laboratories Limited	-59.07	-8.52	-86.78	25.32	-32.26
	Bafna Pharmaceutical Limited	8.52	1.94	6.03	3.57	5.02
Real Estate	Prestige Exora Business Park Limited	13.34	27.98	-3.21	-4.55	8.39
	Delhi Land and Finance Asset Limited	4.37	2.8	2.02	4.19	3.35

(Table 5.20 - Return on Net Worth for four years before Merger and Acquisition –

Source: Database tool)

Comparative of Return on Net Worth Ratio						
Before Merger and Acquisition						
Sector	Acquiree Companies Company Name	Average		Average		Acquirer Companies Company Name
		Deal	Sector	Sector	Deal	
Travel and Hospitality	Sterling Holidays Resort India Limited	-24.32	41.84	123.24	12.32	Thomas Cook India Limited
	Serendipity Infolab Private Limited	66.16			110.91	ANI Technologies Private Limited
Technology	CMC Limited	24.21	38.37	46.64	41.96	Tata Consultancy Services Limited
	Elitecore Technologies Private Limited	14.16			4.68	Sterlite Technologies Limited
E-Commerce	Myntra Designs Private Limited	-158.70	-43.81	-164.52	-66.38	Flipkart Private Limited
	Unicommerce Esolutions Private Limited	114.89			-98.14	Snapdeal Private Limited
Pharmaceutical	Ranbaxy Laboratories Limited	-32.26	-27.25	69.81	3.75	Sun pharmaceutical Industries Limited
	Bafna Pharmaceutical Limited	5.02			66.06	Strides Pharma Science Limited
Real Estate	Prestige Exora Business Park Limited	8.39	11.74	17.02	11.36	Prestige Estate Projects Limited
	Delhi Land and Finance Asset Limited	3.35			5.66	Delhi Land and Finance Limited

(Table 5.21– Average Return on Net Worth for Comparison – Source: Computation

by Researcher)

Comparative of Return on Net worth Ratio table has been prepared by researcher by taking average of four years figure. It has been seen that majority acquirer companies are having better performance in terms of generating Return on Net worth Ratio prior to merger and acquisition. However, it has been observed that acquiree companies namely Elitecore Technologies Private Limited and Unicommerce Esolution Private Limited are doing better than the respective acquirer companies.

Further, it has been observed from the sectorial view point that, out of five selected sectors only E-Commerce is showing better performance than the acquirer companies. Thomas cook India Limited is having four years average Return on Net worth Ratio of 12.32%. The Return on Net worth Ratio trend of the company is having mix trend. In 2012 it has increment of nearly 3% in Return on Net worth Ratio which is reduced

in following years. Thomas cook has decreased nearly 6% in Return on Net worth Ratio in four year starting from the year 2011 with 13.58% and ends with 7.55% in the year 2014. Overall it has decreasing trend of Return on Net worth Ratio. Where, Sterling Holidays Resort India Limited is having average Return on Net worth Ratio of -24.32%. Even though the company was having negative Return on Net worth Ratio it had continuously better performance over the year. Overall performance of the company increased by nearly 74%, in 2011, the company was struggling to manage return on net worth at par level but then year after year the loss has been increased and in the year 2014 Return on Net worth Ratio with lowest of -11.65%. Thomas cook India Limited is performing better in terms of generating Return on Net worth in comparison of Sterling Holidays Resort India Limited.

ANI Technologies Private Limited is having four years average Return on Net worth Ratio of 110.91%. The Return on Net worth Ratio trend of the company was having uncertainty. Therefore average financial performance of the company in terms of Return on Net worth Ratio was become highly positive even though in three years it has negative return on net worth. In 2012 to 2015 the company was performing not better starting with Return on Net worth Ratio of -9.94 to -21.65%. Overall performance of the company is reduced nearly 11% in these four years. Where, Serendipity Infolab Private Limited is having average Return on Net worth Ratio of 66.16%. The company was having upside and downside trend in Return on Net worth Ratio starting from the year 2012 with -87.13%, in 2013 it has decreased to -134.70%, in 2014 it decreased to -235.20%, in 2015 with -721.62%. Overall performance of the company has increased by nearly 8 times. ANI Technologies Private Limited is performing better in terms of generating Return on Net worth Ratio in comparison of Serendipity Infolab Private Limited.

Tata Consultancy Services Limited is having minor variation in Return on Net worth Ratio over the period of four years from 2012 to 2015. It has mix trend but overall Return on Net worth Ratio has reduced by nearly 2% comparing 2012 with 44.24% and 2015 with 42.40%. The company is performing well since its incorporation. The average Return on Net worth Ratio for the four year is 41.96%. Where CMC Limited is also having similar performance variation in Return on Net worth Ratio and overall increased by 1% comparing 2012 with 21.29% and 2015 with 22.07%. Both the companies having mix trend with minor up-down. Tata Consultancy Services Limited

is performing better in terms of generating Return on Net worth Ratio in comparison of CMC Limited.

Sterlite Technologies Limited is having increasing trend in performance. Return on Net worth Ratio of the company has been increased nearly 3% in these four years. In 2012 it has Return on Net worth Ratio of 3.81% and it increased to 6.77% in 2015. The average Return on Net worth Ratio is 4.68%. Where, Elitecore Technologies Private Limited is having mix trend with increment. Increment of Return on Net worth Ratio in the company is found comparing 2012 with 10.03% and 2015 with 18.15%. The average Return on Net worth Ratio of the company is 14.16%. Elitecore Technologies Private Limited is performing better in terms of generating Return on Net worth Ratio in comparison of Sterlite Technologies Limited.

Flipkart Private Limited is having mix increasing trend in Return on Net worth Ratio in these four years' time period even though Return on Net worth Ratio is in negative terms. The performance of company is getting better year by year. The average Return on Net worth Ratio of the company between 2012 and 2015 is -66.38%. It has overall increment in Return on Net worth Ratio nearly 20% comparing 2012 with -51.28% and 2015 with -31.22%. On the other hand, Myntra Designs Private Limited has mix decreasing trend in Return on Net worth Ratio over the years. The average Return on Net worth Ratio of the company is -158.70%. In 2012 to 2015 Return on Net worth Ratio reduced to -388.89% in 2015 from -68.28% in 2012. Flipkart Private Limited is performing better in terms of generating Return on Net worth Ratio in comparison of Myntra Designs Private Limited.

Snapdeal Private Limited is having mix trend with overall increment of nearly 166% comparing 2013 with -217.89% and 2016 -51.47%. The company is having average Return on Net worth Ratio of -98.14% in these four years. Where, Unicommerce Esolutions Private Limited is having continuously decreasing trend in Return on Net worth Ratio. The average Return on Net worth Ratio of the company is 114.89% in these four years. The company has positive average of return on net worth is due to uncertain highly positive return generated by the company in year 2015 with 533.19%. Unicommerce Esolutions Private Limited is performing better in terms of generating Return on Net worth Ratio in comparison of Snapdeal Private Limited.

Sun pharmaceutical Industries Limited is having average Return on Net worth Ratio of 3.75% in these four years from 2011 to 2014. It is having decreasing trend and

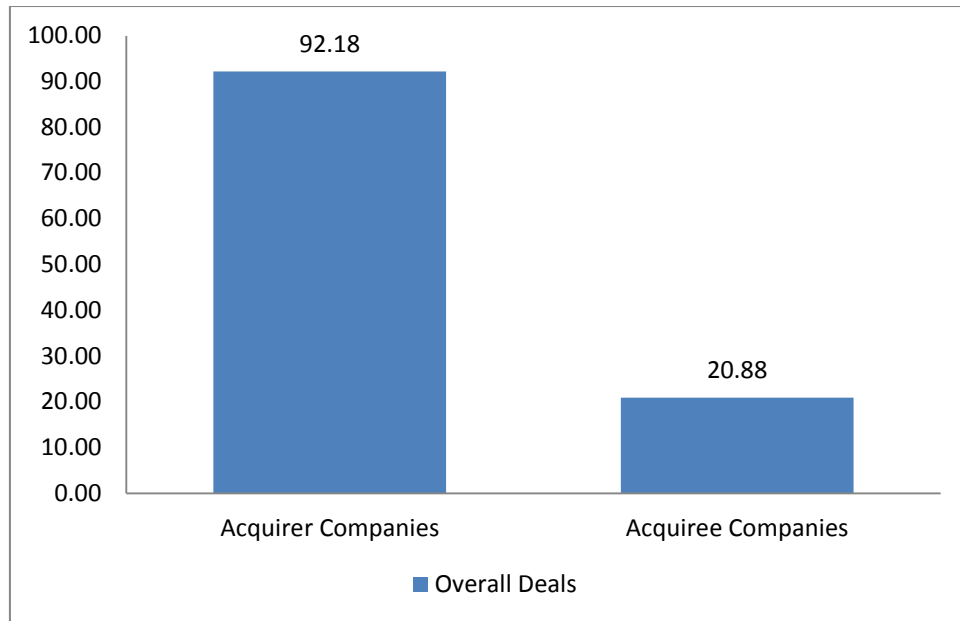
reduction of nearly 59% has been observed comparing 2011 with 22.32% and 2014 with -37.23%. It may be due to high cost of demerger with taro and legal proceedings fees. Where, Ranbaxy Laboratories Limited is having mix decreasing trend. It is reduced to -59.07% in 2014 from 25.32% in 2011. Overall 84% downfall has been observed. The average Return on Net worth Ratio of the company is -32.26%. Sun pharmaceutical Industries Limited is performing better in terms of generating Return on Net worth Ratio in comparison of Ranbaxy Laboratories Limited.

Strides Pharma Science Limited is having mix trend, but overall increment of nearly 28% has been observed from 2012 with 8.67% to 2015 with 36.10%. The average Return on Net worth Ratio of the company is 66.06%. Where, Bafna Pharmaceutical Limited is having increasing trend in 2012 with 3.57% to 2015 with 8.52%, however it has jumped down 2014 to 1.94%. The average Return on Net worth Ratio of the company is 5.02%. Strides Pharma Science Limited is performing better in terms of generating Return on Net worth Ratio in comparison of Bafna Pharmaceutical Limited.

Prestige Estate Projects Limited is having reducing trend, overall 2% Return on Net worth Ratio reduced in four year from 2013 with 11.42% to 2016 with 9.96%. The average Return on Net worth Ratio of company is 11.36%. On the other hand, Prestige Exora Business Park Limited is also having mix trend and overall increment in Return on Net worth Ratio has been observed 17% from 2013 with -4.55% to 2016 with 13.34%. The company is having average Return on Net worth Ratio is 8.39%. Prestige Estate Projects Limited is performing better in terms of generating Return on Net worth Ratio in comparison Prestige Exora Business Park Limited.

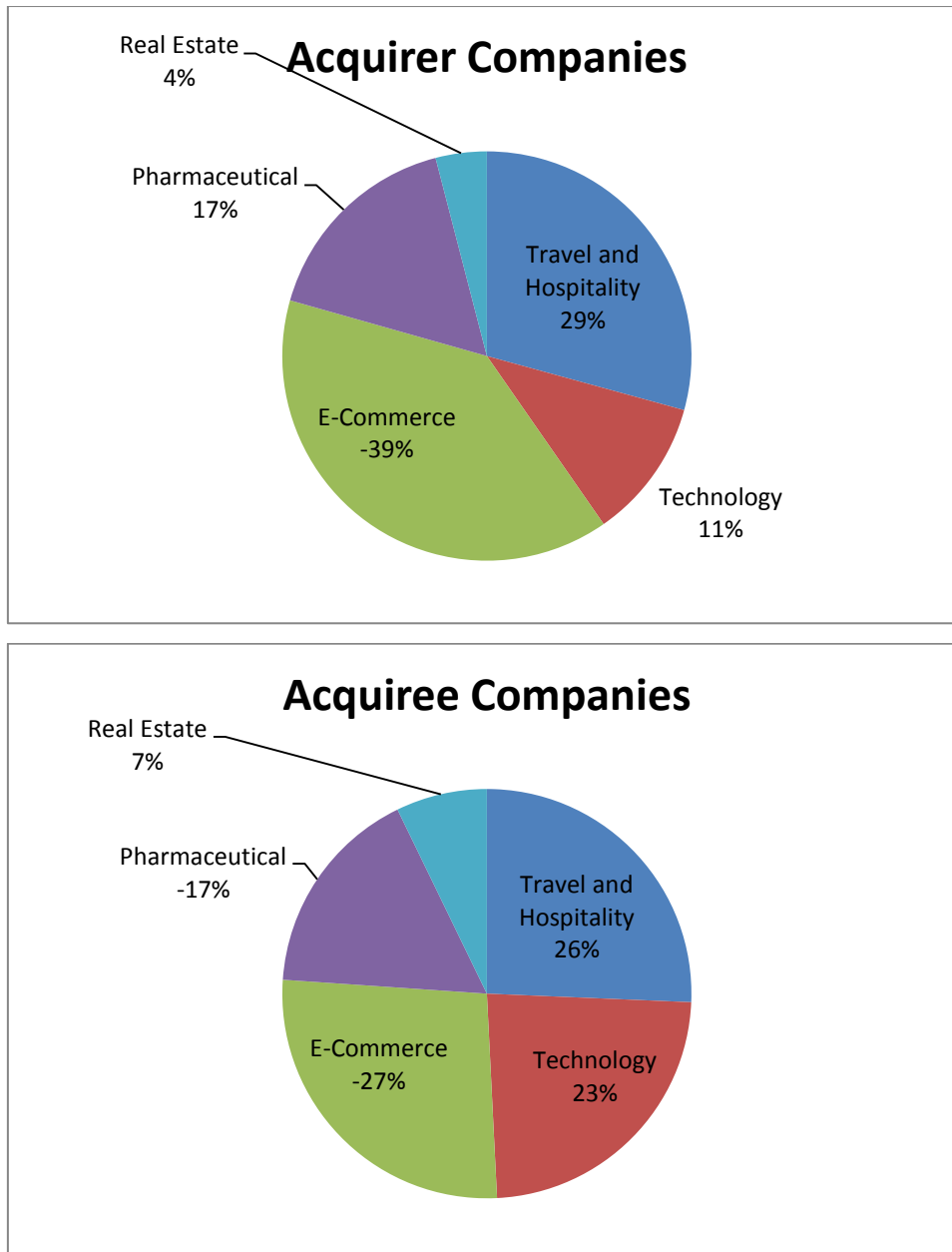
DLF Limited is having increasing trend in Return on Net worth Ratio from 2013 with 3.43% to 2016 with 10.60%. Overall increment in Return on Net worth Ratio observed is nearly 7%. The average Return on Net worth Ratio of the company is 5.66%. Where, DLF Asset Limited is having minor increasing mix trend in Return on Net worth Ratio from 2013 with 4.19% to 2016 with 4.37%. Overall increment in Return on Net worth Ratio observed is nearly 1%. The average Return on Net worth Ratio of company is 3.35%. DLF Limited is performing better in terms of generating Return on Net worth Ratio in comparison DLF Asset Limited.

Growth Analysis of Companies Before and After Merger and Acquisition from Various Sectors



(Figure 5.13: Overall Average Return on Net worth Ratio Source – Computation by researcher)

From the above chart, it has been observed that, the performance of acquirer companies is better than acquiree companies. Overall average Return on Net worth Ratio of selected acquirer companies is 92.18% and acquiree companies is 20.88%. The difference is of nearly 72%. Overall Return on net worth has positive result cumulatively from acquiree companies point of view, however negative result generated by Sterling Holidays Resort India Limited with -24.32%, Myntra Designs Private Limited with -158.70% and Ranbaxy Laboratories Limited with -32.26% has kept return lower than acquirer companies even though in acquirer companies namely Flipkart Private Limited with -66.38 and Snapdeal Private Limited with -98.14% return on net worth. Other remaining companies were having positive return on net worth but they are marginal except Unicommerce Esolutions Private Limited with 114.89% in acquiree companies and ANI Technologies Private Limited with 110.91% in acquirer companies.



(Figure 5.14: Overall Average Return on Net worth Ratio- Sector wise comparative
Source – Computation by researcher)

From the above two pie charts, it has been observed that Pharmaceutical and E-Commerce sector's performance of Return on Net worth Ratio has shown significantly negative in both acquirer and acquiree companies. From the acquirer companies point of view 68% return on net worth have been generated by these two sectors stating E-Commerce (-164.52, 39%) and Travel and hospitality (123.24, 29%). Other sectors are combining having Return on Net worth Ratio of 32% stating Pharmaceutical (69.81%, 17%), Technology (46.64%, 11%) and Real Estate (17.02%,

Growth Analysis of Companies Before and After Merger and Acquisition from
Various Sectors

4%). From the acquiree companies point of view 56% return on net worth has been generated by these three sectors stating Travel and hospitality (41.84% , 26%), Technology (38.37%, 23%), and Real Estate (11.74%, 7%). Other sectors are combining having Return on Net worth Ratio of 44% stating Pharmaceutical (-27.25%, 17%) and E-Commerce (-43.81%, 27%). Performance of acquiree companies in E-Commerce (+121%) is better than acquirer companies. However performance of acquirer companies in remaining sectors namely Real Estate sector (+6%) Travel and hospitality (+82%), Technology (+8%) and Pharmaceutical (+96%) is better than acquiree companies.

5.5 – Comparative Analysis of Capital Structure:

The comparative analysis of Capital Structure consist two ratios namely Debt Equity Ratio and Return on Capital Employed. The assessing Capital Structure and return generated by using optimum proportion of debt and equity for shareholders betterment between companies, both the ratios are taken into consideration separately and cumulatively for sectorial analysis. For the purpose of comparison Average of Debt Equity Ratio and Average of Return on Capital Employed is taken into consideration for the four years of before merger and acquisition.

5.5.1 – Comparative of Debt Equity Ratio

Acquirer Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Thomas Cook India Limited	0.19	0.46	0.64	0.65	0.49
	ANI Technologies Private Limited	0	0	0	0	0.00
Technology	Tata Consultancy Services Limited	0	0	0	0	0.00
	Sterlite Technologies Limited	1.25	1.02	0.88	0.58	0.93
E-Commerce	Flipkart Private Limited	0	0	0	0	0.00
	Snapdeal Private Limited	0.01	0	0.02	4.43	1.12
Pharmaceutical	Sun pharamaceutical Industries Limited	0.33	0.01	0.01	0.01	0.09
	Strides Pharma Science Limited	0.22	0.12	0.42	0.57	0.33
Real Estate	Prestige Estate Projects Limited	0.87	0.61	0.61	0.58	0.67
	Delhi Land and Finance Limited	0.6	0.61	0.58	0.76	0.64

Growth Analysis of Companies Before and After Merger and Acquisition from
Various Sectors

(Table 5.22 – Debt Equity Ratio for four years before Merger and Acquisition –
Source: Database tool)

Acquiree Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Sterling Holidays Resort India Limited	1.19	6.42	40.45	-6.87	10.30
	Serendipity Infolab Private Limited	-1.21	0.18	0.03	0	-0.25
Technology	CMC Limited	0	0	0	0	0.00
	Elitecore Technologies Private Limited	0.14	0.11	0.48	0.25	0.25
E-Commerce	Myntra Designs Private Limited	3	0.05	0.11	0.01	0.79
	Unicommerce Esolutions Private Limited	0	0	0	0.02	0.01
Pharmaceutical	Ranbaxy Laboratories Limited	5.75	2.53	2.27	0.83	2.85
	Bafna Pharmaceutical Limited	0.89	1.44	1.43	1.39	1.29
Real Estate	Prestige Exora Business Park Limited	8.26	5.48	7.2	7.03	6.99
	Delhi Land and Finance Asset Limited	0.64	0.3	0.27	0.26	0.37

(Table 5.23– Debt Equity Ratio for four years before Merger and Acquisition –
Source: Database tool)

Comparative of Debt Equity Ratio Before Merger and Acquisition						
Sector	Acquiree Companies Company Name	Average		Average		Acquirer Companies Company Name
		Deal	Sector	Sector	Deal	
Travel and Hospitality	Sterling Holidays Resort India Limited	10.30	10.05	0.49	0.49	Thomas Cook India Limited
	Serendipity Infolab Private Limited	-0.25			0.00	ANI Technologies Private Limited
Technology	CMC Limited	0.00	0.25	0.93	0.00	Tata Consultancy Services Limited
	Elitecore Technologies Private Limited	0.25			0.93	Sterlite Technologies Limited
E-Commerce	Myntra Designs Private Limited	0.79	0.80	1.12	0.00	Flipkart Private Limited
	Unicommerce Esolutions Private Limited	0.01			1.12	Snapdeal Private Limited
Pharmaceutical	Ranbaxy Laboratories Limited	2.85	4.13	0.42	0.09	Sun pharmaceutical Industries Limited
	Bafna Pharmaceutical Limited	1.29			0.33	Strides Pharma Science Limited
Real Estate	Prestige Exora Business Park Limited	6.99	7.36	1.31	0.67	Prestige Estate Projects Limited
	Delhi Land and Finance Asset Limited	0.37			0.64	Delhi Land and Finance Limited

(Table 5.24– Average Debt Equity Ratio for Comparison – Source: Computation by
Researcher)

The above table has been prepared by researcher using available data. It has been seen that majority acquirer companies are having better performance in terms of generating Debt Equity Ratio prior to merger and acquisition. However, it has been observed that acquiree companies namely Elitecore Technologies Private Limited, Unicommerce Esolution Private Limited and DLF Asset Limited are doing better than the respective acquirer companies.

Further, it has been observed from the sectorial view point that, out of five selected sectors, Technology and E-Commerce are showing better performance than the acquirer companies.

Thomas cook India Limited is having four years average Debt Equity Ratio of 0.49. The Debt Equity Ratio trend of the company is having increasing trend. Thomas cook has increased nearly 046 times in Debt Equity Ratio in four year starting from the year 2011 with 0.65 and ends with 0.19 in the year 2014. Overall it has increasing trend of Debt Equity Ratio. Where, Sterling Holidays Resort India Limited is having average Debt Equity Ratio of 10.30. Even though the company was having negative Debt Equity Ratio due to negative reserve and surplus, it had continuously better performance over the year. Overall performance of the company has increased by nearly 7 times. In 2011 the company was having debt equity ratio -6.87 and in 2014 with 1.19. Thomas cook India Limited is performing better in terms of generating Debt Equity Ratio in comparison of Sterling Holidays Resort India Limited, which makes company less risky for investment.

ANI Technologies Private Limited is having four years average Debt Equity Ratio of 0. The Debt Equity Ratio trend of the company was having stable trend due to not raising fund by debt, but all the fund was raised by investors in venture. Overall performance of the company is satisfying from the investors' point of view because there is no third party debt has been raised. Where, Serendipity Infolab Private Limited is having average Debt Equity Ratio of -0.25 times. The company was having downside trend in Debt Equity Ratio starting from the year 2012 with 0 to in 2015 with -1.21. The negative result of the ratio is due to negative reserve and surplus. Overall performance of the company has decreased by nearly 1.21 times. ANI Technologies Private Limited is performing better in terms of generating Debt Equity Ratio in comparison of Serendipity Infolab Private Limited. Which, makes company less risky for investment.

Tata Consultancy Services Limited is having no variation in Debt Equity Ratio over the period of four years from 2012 to 2015. The company is in operation since long time period. It has far more equity than debt. The company is performing well since its incorporation. The average Debt Equity Ratio for the four year is 0 times. Where, CMC Limited is also having similar performance with no variation in Debt Equity

Ratio. Both the companies performing better in terms of generating Debt Equity Ratio. Which, makes company less risky for investment.

Sterlite Technologies Limited is having decreasing trend in performance. Debt Equity Ratio of the company has been decreased nearly 0.67 times in these four years. In 2012 it has Debt Equity Ratio of 0.58 and it decreased to 1.25 in 2015. The average Debt Equity Ratio is 0.93 times. Where, Elitecore Technologies Private Limited is having increasing trend with downfall in second year. Overall increment of Debt Equity Ratio in the company is nearly 0.11 times comparing 2012 with 0.25 and 2015 with 0.14. The average Debt Equity Ratio of the company is 0.25. Elitecore Technologies Private Limited is performing better in terms of generating Debt Equity Ratio in comparison of Sterlite Technologies Limited. Which, makes company less risky for investment.

Flipkart Private Limited is having four years average Debt Equity Ratio of 0. The Debt Equity Ratio trend of the company was having stable trend due to not raising fund by debt, but all the fund was raised by investors in venture. Overall performance of the company is satisfying from the investor's point of view because there is no third party debt has been raised. On the other hand, Myntra Designs Private Limited has mix decreasing trend in Debt Equity Ratio over the years. The average Debt Equity Ratio of the company is 0.79 times. In 2012 to 2015 company did not performed well and Debt Equity Ratio reduced to 3 times in 2015 from 0.01 in 2012. However, it has been decreased to 2.99 times in this period. Flipkart Private Limited is performing better in terms of generating Debt Equity Ratio in comparison of Myntra Designs Private Limited. Which, makes company less risky for investment.

Snapdeal Private Limited is having mix trend with overall increment of nearly 4.42 times comparing 2013 with 4.43 and 2016 0.01. The company is having average Debt Equity Ratio of 1.12 in these four years. Where, Unicommerce Esolutions Private Limited is having continuously increasing trend in Debt Equity Ratio. The average Debt Equity Ratio of the company is 0.01 times in these four years. Unicommerce Esolutions Private Limited is performing better in terms of generating Debt Equity Ratio in comparison of Snapdeal Private Limited. Which, makes company less risky for investment.

Sun pharmaceutical Industries Limited is having average Debt Equity Ratio of 0.09 times in these four years from 2011 to 2014. It is having mix trend but overall

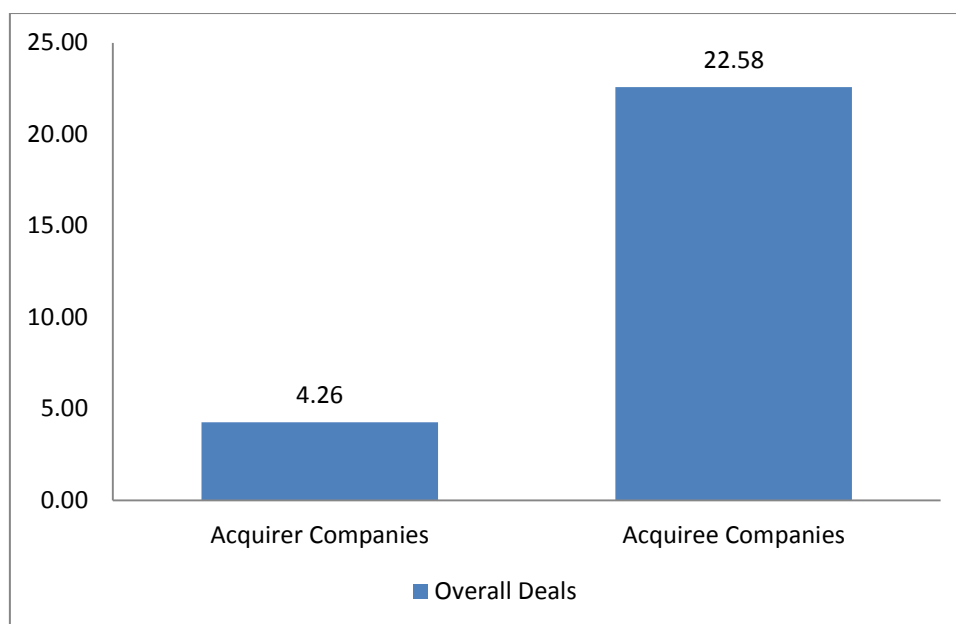
reduction of nearly 0.32 times has been observed comparing 2011 with 0.01 and 2014 with 0.33. Where, Ranbaxy Laboratories Limited is having continuously decreasing trend. It is reduced to 5.75 in 2014 from 0.83 in 2011. Overall 4.92 times downfall has been observed. The average Debt Equity Ratio of the company is 2.85 times. Sun pharmaceuticals Industries Limited is performing better in terms of generating Debt Equity Ratio in comparison of Ranbaxy Laboratories Limited. Which, makes company less risky for investment.

Strides Pharma Science Limited is having mix trend, but overall increment of nearly 0.35 times has been observed from 2012 with 0.57 to 2015 with 0.22. The average Debt Equity Ratio of the company is 0.33 times. Where, Bafna Pharmaceutical Limited is having increasing trend in 2012 with 1.39 to 2015 with 0.89. The average Debt Equity Ratio of the company is 1.29 times. Strides Pharma Science Limited is performing better in terms of generating Debt Equity Ratio in comparison of Bafna Pharmaceutical Limited. Which, makes company less risky for investment.

Prestige Estate Projects Limited is having mix trend, but overall 0.29 times Debt Equity Ratio reduced in four year from 2013 with 0.58 to 2016 with 0.87. The average Debt Equity Ratio of company is 0.67. On the other hand, Prestige Exora Business Park Limited is also having mix trend and overall fall in Debt Equity Ratio has been observed 1.23 times from 2013 with 7.03 to 2016 with 8.26. The company is having average Debt Equity Ratio is 6.99 times. Prestige Estate Projects Limited is performing better in terms of generating Debt Equity Ratio in comparison of Prestige Exora Business Park Limited. Which, makes company less risky for investment.

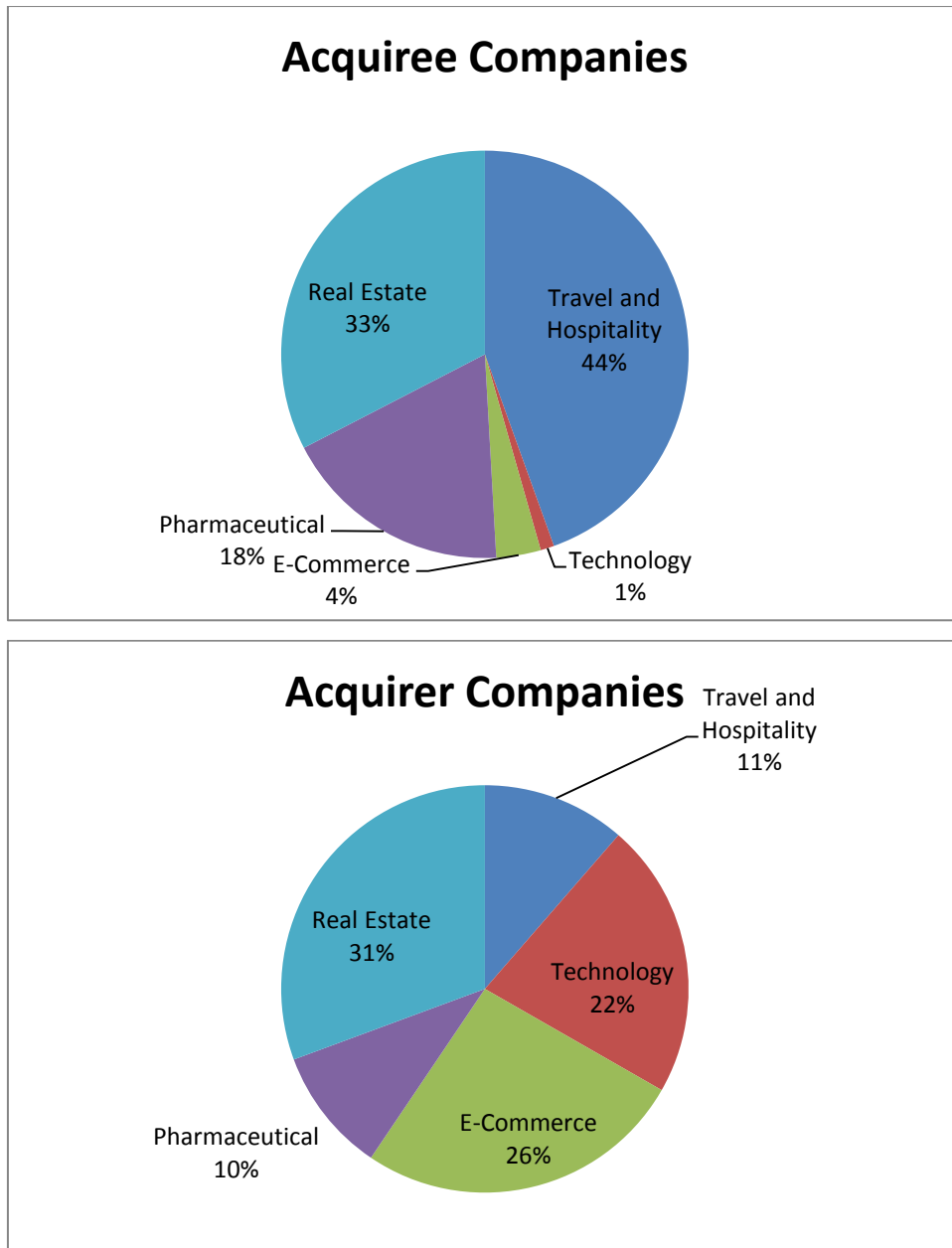
DLF Limited is having continues increasing trend in Debt Equity Ratio from 2013 with 0.76 to 2016 with 0.60. Overall increment in Debt Equity Ratio observed is nearly 0.16 times. The average Debt Equity Ratio of the company is 0.64. Where, DLF Asset Limited is having decreasing trend in Debt Equity Ratio from 2013 with 0.26 to 2016 with 0.64. Overall decrement in Debt Equity Ratio observed is nearly 0.38 times. The average Debt Equity Ratio of company is 0.37 times. DLF Asset Limited is performing better in terms of generating Debt Equity Ratio in comparison DLF Limited. Which, makes company less risky for investment.

Growth Analysis of Companies Before and After Merger and Acquisition from Various Sectors



(Figure 5.15: Overall Average Debt Equity Ratio Source – Computation by researcher)

From the above chart, it has been observed that, the performance of acquirer companies is better than acquiree companies. Overall average Debt Equity Ratio of selected acquirer companies is 4.26 and acquiree companies is 22.58. The difference is of nearly 18 times. The reason for higher Debt Equity Ratio in acquiree companies is due to higher amount of ratio has been recorded in Sterling Holidays Resort India Limited with 10.30 times. Other companies in acquiree companies were having debt equity ratio under 1 except Ranbaxy Laboratories Limited with 2.85, Prestige Exora Business Park Limited with 6.99 and Bafna Pharmaceutical Limited with 1.29. From acquirer companies point of view only Snapdeal Private Limited is having debt equity ratio more than 1 with 1.12. Other companies are having lower than one. Overall acquirer companies are better in position for investors to invest with lower amount of risk associated with the business due to less debt fund occupied in business operations.



(Figure 5.16: Overall Average Debt Equity Ratio- Sector wise comparative Source – Computation by researcher)

From the above two pie charts, it has been observed, From the acquirer companies point of view 57% debt equity ratio has been generated by these two sectors stating Real Estate (1.31, 31%) and E-Commerce (1.12, 26%). Other sectors are combine having Debt Equity Ratio of 43% stating Travel and hospitality (0.49, 11%), Technology (0.93, 22%) and Pharmaceutical (0.42, 10%). From the acquiree companies point of view 77% debt equity has been generated by these two sectors stating Travel and hospitality (10.05, 44%) and Real Estate (7.36, 33%). Other sectors

Growth Analysis of Companies Before and After Merger and Acquisition from
Various Sectors

are combine having Debt Equity Ratio of 23% stating Technology (0.25, 1%), Pharmaceutical (4.13, 18%) and E-Commerce (0.80, 4%). Performance of acquiree companies in E-Commerce (+0.32) and Technology (+0.68) is better than acquirer companies. However performance of acquirer companies in remaining sectors namely Travel and hospitality (+9.56), Real Estate sector (+6.05) and Pharmaceutical (+3.71) is better than acquiree companies.

5.5.2 – Comparative of Return on Capital Employed

Acquirer Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Thomas Cook India Limited	14.49	17.81	19.48	12.5	16.07
	ANI Technologies Private Limited	-21.6	-133.2	622.96	-9.91	114.56
Technology	Tata Consultancy Services Limited	52.77	53.39	48.07	53.63	51.97
	Sterlite Technologies Limited	9.95	6.83	7.84	8.37	8.25
E-Commerce	Flipkart Private Limited	-30.85	-86.13	-85.79	-37.99	-60.19
	Snapdeal Private Limited	-49.7	-42.46	-67.55	-114.28	-68.50
Pharmaceutical	Sun pharamaceutical Industries Limited	-31.53	8.42	23.57	23.31	5.94
	Strides Pharma Science Limited	10.26	12.17	10.02	7.05	9.88
Real Estate	Prestige Estate Projects Limited	9.5	14.11	13.58	12.64	12.46
	Delhi Land and Finance Limited	11.63	9.43	9.86	9.34	10.07

(Table 5.25– Return on Capital Employed for four years before Merger and
Acquisition – Source: Database tool)

Acquiree Companies - Before Merger and Acquisition						
Sector	Company Name	4	3	2	1	Average
Travel and Hospitality	Sterling Holidays Resort India Limited	-2.45	-6.95	-16.54	-14.25	-10.05
	Serendipity Infolab Private Limited	-3088.08	-181.94	-193.90	-117.82	-895.44
Technology	CMC Limited	26.4	36.85	35.7	30.91	32.47
	Elitecore Technologies Private Limited	29.65	29.79	14.38	12.86	21.67
E-Commerce	Myntra Designs Private Limited	-214.78	-66.58	-92.43	-63.65	-109.36
	Unicommerce Esolutions Private Limited	-66.54	-1093	-5.04	0	-291.21
Pharmaceutical	Ranbaxy Laboratories Limited	-4.3	2.04	-35.14	19.19	-4.55
	Bafna Pharmaceutical Limited	15.69	8.5	10.29	9.42	10.98
Real Estate	Prestige Exora Business Park Limited	11.18	14.13	7.15	5.55	9.50
	Delhi Land and Finance Asset Limited	5.7	2.61	3.71	2.69	3.68

(Table 5.26– Return on Capital Employed for four years before Merger and
Acquisition – Source: Database tool)

Growth Analysis of Companies Before and After Merger and Acquisition from Various Sectors

Comparative of Return On Capital Employed						
Before Merger and Acquisition						
Sector	Acquiree Companies		Average		Acquirer Companies	
	Company Name	Deal	Sector	Sector	Deal	Company Name
Travel and Hospitality	Sterling Holidays Resort India Limited	-10.05	-905.48	130.63	16.07	Thomas Cook India Limited
	Serendipity Infolab Private Limited	-895.44			114.56	ANI Technologies Private Limited
Technology	CMC Limited	32.47	54.14	60.21	51.97	Tata Consultancy Services Limited
	Elitecore Technologies Private Limited	21.67			8.25	Sterlite Technologies Limited
E-Commerce	Myntra Designs Private Limited	-109.36	-400.57	-128.69	-60.19	Flipkart Private Limited
	Unicommerce Esolutions Private Limited	-291.21			-68.50	Snapdeal Private Limited
Pharmaceutical	Ranbaxy Laboratories Limited	-4.55	6.42	15.82	5.94	Sun pharmaceutical Industries Limited
	Bafna Pharmaceutical Limited	10.98			9.88	Strides Pharma Science Limited
Real Estate	Prestige Exora Business Park Limited	9.50	13.18	22.52	12.46	Prestige Estate Projects Limited
	Delhi Land and Finance Asset Limited	3.68			10.07	Delhi Land and Finance Limited

(Table 5.27– Average Return on Capital Employed for Comparison – Source: Computation by Researcher)

Comparative of Return on Capital Employed table has been prepared by researcher by taking average of four years figure. From the above table, it has been seen that majority acquirer companies are having better performance in terms of generating Return on Capital Employed prior to merger and acquisition. However, it has been observed that acquiree companies namely Elitecore Technologies Private Limited and Bafna Pharmaceutical Limited are doing better than the respective acquirer companies.

Further, it has been observed from the sectorial view point that, out of five selected sectors no sector is showing better performance than the acquirer companies.

Thomas cook India Limited is having four years average Return on Capital Employed of 16.07%. The Return on Capital Employed trend of the company is having mix trend. In 2012 it has increment of nearly 7% in Return on Capital Employed which is reduced in following years. Thomas cook has increased nearly 2% in Return on Capital Employed in four year starting from the year 2011 with 12.5% and ends with 14.49% in the year 2014. Overall it has increasing trend of Return on Capital Employed. Where, Sterling Holidays Resort India Limited is having average Return on Capital Employed of -10.05%. Even though the company was having negative Return on Capital Employed it had continuously better performance over the year. Overall performance of the company has increased by nearly 12%. Return on capital employed of company in 2011 with -14.25% and in 2015 with -2.45. Thomas cook India Limited is performing better in terms of generating Return on Capital Employed in comparison of Sterling Holidays Resort India Limited.

ANI Technologies Private Limited is having four years average Return on Capital Employed of 114.56%. The Return on Capital Employed trend of the company was having uncertain trend. Therefore average financial performance of the company in terms of Return on Capital Employed was become positive even though in three years company has generated negative return on capital employed. In the year 2012 and 2015 the Return on Capital Employed of the company was -9.91% to -21.60%. Overall performance of the company is reduced nearly 11% in these four years. Where, Serendipity Infolab Private Limited is having average Return on Capital Employed of -895.44%. The company was having upside and downside trend in Return on Capital Employed starting from the year 2012 with -117.82% and it decreased to -3088.08%. Overall performance of the company has decreased by heavily. ANI Technologies Private Limited is performing better in terms of generating Return on Capital Employed in comparison of Serendipity Infolab Private Limited.

Tata Consultancy Services Limited is having minor variation in Return on Capital Employed over the period of four years from 2012 to 2015. It has mix trend but overall Return on Capital Employed has reduced by nearly 1% comparing 2012 with 53.63% and 2015 with 52.77%. The company is performing well since its incorporation. The average Return on Capital Employed for the four year is 51.97%. Where CMC Limited is also having similar performance variation in Return on Capital Employed and overall decreased by 4% comparing 2012 with 30.91% and 2015 with 26.40%. Both the companies having mix trend with minor up-down. Tata Consultancy Services Limited is performing better in terms of generating Return on Capital Employed in comparison of CMC Limited.

Sterlite Technologies Limited is having mix increasing trend in performance. Return on Capital Employed of the company has been increased nearly 1% in these four years. In 2012 it has Return on Capital Employed of 8.37% and it increased to 9.95% in 2015. The average Return on Capital Employed is 8.25%. Where, Elitecore Technologies Private Limited is having increasing trend. Overall minor increment of 17% Return on Capital Employed in the company is found comparing 2012 with 12.86% and 2015 with 29.65%. The average Return on Capital Employed of the company is 21.67%. Elitecore Technologies Private Limited is performing better in terms of generating Return on Capital Employed in comparison of Sterlite Technologies Limited.

Flipkart Private Limited is having mix increasing trend in Return on Capital Employed in these four years' time period even though Return on Capital Employed is in negative terms. The performance of company is getting better year by year. The average Return on Capital Employed of the company between 2012 and 2015 is -60.19%. It has overall increment in Return on Capital Employed nearly 7% comparing 2012 with -37.99% and 2015 with -30.85%. On the other hand, Myntra Designs Private Limited has decreasing trend in Return on Capital Employed over the years. It has continuously downfall growth. The average Return on Capital Employed of the company is -109.36%. In 2012 to 2015 company generated Return on Capital Employed reduced to -214.78% in 2015 from -63.65% in 2012. Flipkart Private Limited is performing better in terms of generating Return on Capital Employed in comparison of Myntra Designs Private Limited.

Snapdeal Private Limited is having increasing trend with overall increment of nearly 65% comparing 2013 with -114.28% and 2016 -49.70%. The company is having average Return on Capital Employed of -68.50% in these four years. Where, Unicommerce Esolutions Private Limited is having continuously decreasing trend in Return on Capital Employed. The average Return on Capital Employed of the company is -291.21% in these four years. The return on capital employed of the company was highly negative in third year with -1093.24%, so the average becomes higher negative. Overall decrement in return on capital employed has been observed of 66.54%. Snapdeal Private Limited is performing better in terms of generating Return on Capital Employed in comparison of Unicommerce Esolutions Private Limited.

Sun pharmaceutical Industries Limited is having average Return on Capital Employed of 5.94% in these four years from 2011 to 2014. It is having decreasing trend and reduction of nearly 54% has been observed comparing 2011 with 23.31% and 2014 with -31.53%. It may be due to high cost of demerger with taro and legal proceedings fees. Where, Ranbaxy Laboratories Limited is having mix decreasing trend. It is reduced to -4.3% in 2014 from 19.19% in 2011. Overall 23% downfall has been observed. The average Return on Capital Employed of the company is -4.55%. Sun pharmaceutical Industries Limited is performing better in terms of generating Return on Capital Employed in comparison of Ranbaxy Laboratories Limited.

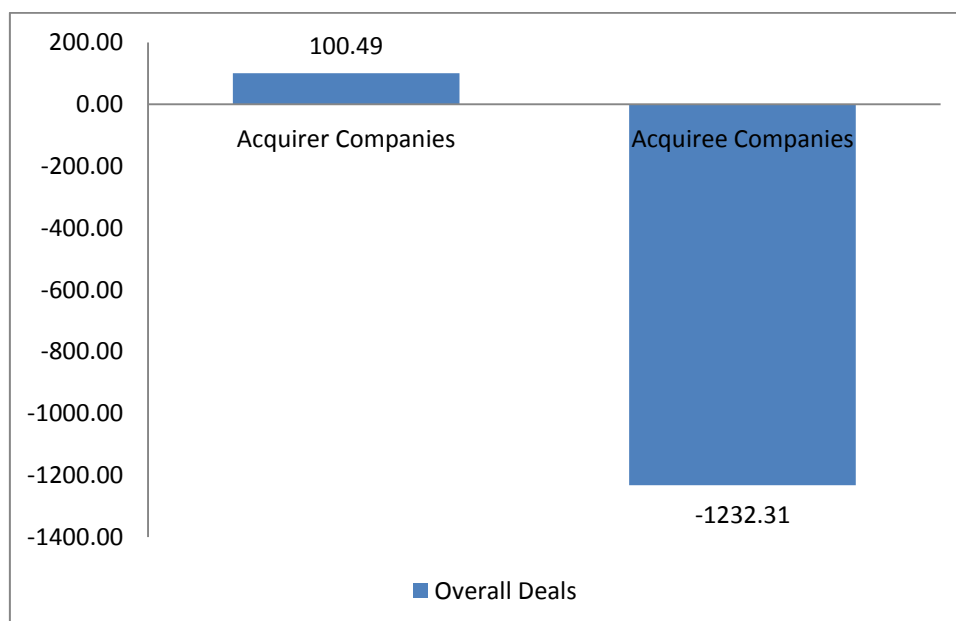
Strides Pharma Science Limited is having mix trend, but overall increment of nearly 3% has been observed from 2012 with 7.05% to 2015 with 10.26%. The average

Growth Analysis of Companies Before and After Merger and Acquisition from Various Sectors

Return on Capital Employed of the company is 9.88%. Where, Bafna Pharmaceutical Limited is having mix increasing trend in 2012 with 9.42% to 2015 with 15.69%, however it has jumped down 2014 to 8.5%. The average Return on Capital Employed of the company is 10.98%. Bafna Pharmaceutical Limited is performing better in terms of generating Return on Capital Employed in comparison of Strides Pharma Science Limited.

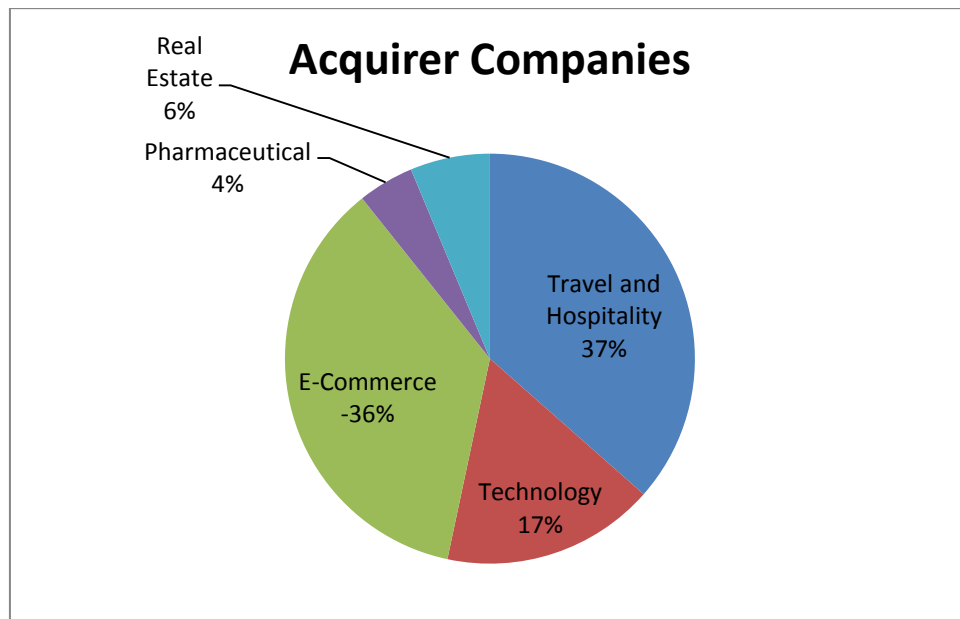
Prestige Estate Projects Limited is having reducing trend, overall 4% Return on Capital Employed reduced in four year from 2013 with 12.64% to 2016 with 9.50%. The average Return on Capital Employed of company is 12.46%. On the other hand, Prestige Exora Business Park Limited is also having mix trend and overall increment in Return on Capital Employed has been observed 6% from 2013 with 5.55% to 2016 with 11.18%. The company is having average Return on Capital Employed is 9.50%. Prestige Estate Projects Limited is performing better in terms of generating Return on Capital Employed in comparison Prestige Exora Business Park Limited.

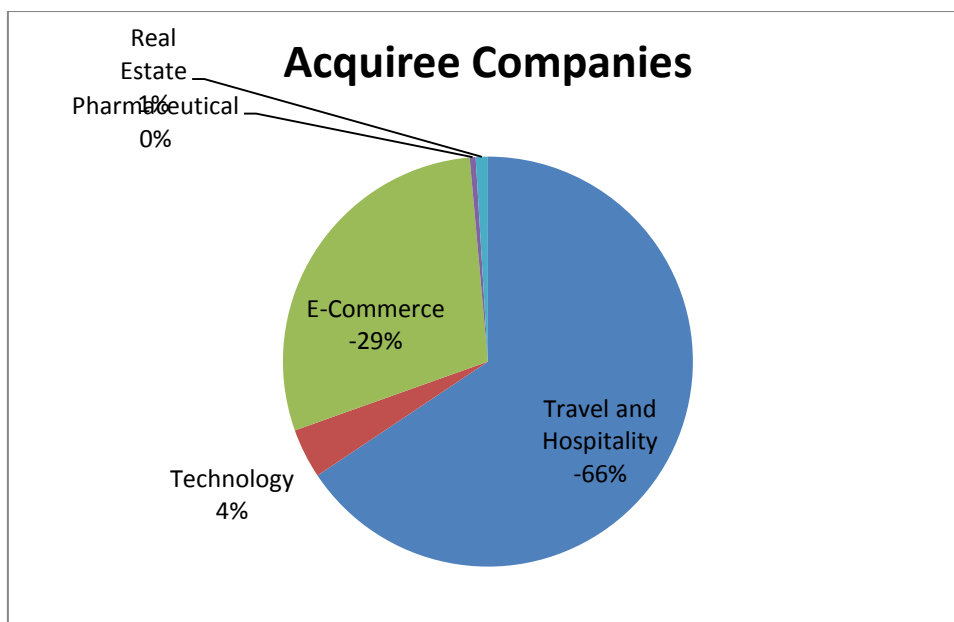
DLF Limited is having mix trend in Return on Capital Employed from 2013 with 9.34% to 2016 with 11.63%. Overall increment in Return on Capital Employed observed is nearly 2%. The average Return on Capital Employed of the company is 10.07%. Where, DLF Asset Limited is having increasing mix trend in Return on Capital Employed from 2013 with 2.69% to 2016 with 5.70%. Overall increment in Return on Capital Employed observed is nearly 3%. The average Return on Capital Employed of company is 3.68%. DLF Limited is performing better in terms of generating Return on Capital Employed in comparison DLF Asset Limited.



(Figure 5.17: Overall Average Return on Capital Employed Source – Computation by researcher)

From the above chart, it has been observed that, the performance of acquirer companies is better than acquiree companies. Overall average Return on Capital Employed of selected acquirer companies is 100.49% and acquiree companies are -1232.31%. The difference is of nearly 1100%. The reason for such high difference in Return on Capital Employed negative is higher amount of net loss has been recorded in Serendipity Infolab Private Limited with -895.44%, Myntra Designs Private Limited with -109.36% and Unicommerce Esolutions Private Limited with -291.36%. However, minor negative return has been generated by Ranbaxy Laboratories Limited -4.55. Other remaining companies had generated positive return on capital employed but they were not significant in case of acquiree companies. In case of acquirer companies negative return has been generated by Snapdeal Private Limited with -68.50% and Flipkart Private Limited with 60.19%. However, positive return generated by ANI Technologies Private Limited with 114.56% and Tata Consultancy Services Limited with 51.97% made setoff of negative return. Remaining companies in acquirer companies had generated positive Return on Capital Employed but values are marginal in nature.





(Figure 5.18: Overall Average Return on Capital Employed- Sector wise comparative
Source – Computation by researcher)

From the above two pie charts, it has been observed that due to E-Commerce and Travel and Hospitality sector's performance of Return on Capital Employed has shown significantly negative in acquiree companies and setoff the negative in acquirer companies. From the acquirer companies point of view 90% return has been generated by these three sectors stating Travel and hospitality (130.63%, 37%), Technology (60.21%, 17%) and E-Commerce (-128.69%, 36%). Other sectors are combining having Return on Capital Employed of 10% stating Pharmaceutical (15.82%, 4%) and Real Estate (22.52%, 6%). From the acquiree companies point of view 95% return has been generated by these two sectors stating Travel and hospitality (-905.48%, 66%) and E-Commerce (-400.57%, 29%). Other sectors combine having Return on Capital Employed of 5% stating Technology (54.14%, 4%), Pharmaceutical (6.42%, 0%) and Real Estate (13.18%, 1%). Performance of acquirer companies in all sectors namely Real Estate sector (+10%), Travel and hospitality (+1035%), Technology (+6%), E-Commerce (+272%) and Pharmaceutical (+9%) is better than acquiree companies.