

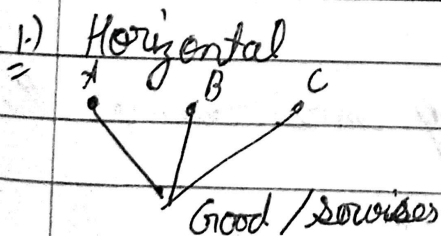
Mergers And Acquisitions

- Mergers and acquisitions (M & A) are an important means of corporate restructuring.
- A world wide commonly used strategy, M & A offer great opportunities for companies to achieve larger size, grow faster, competitive advantage, and so on etc through economies of scale.

Merger :-> Merger implies a combination of two or firms into a single company in which one survives, whereas, the other loses their corporate identity.

Merger involves complete absorption of one company by other company. On the other hand, consolidation makes way for the birth of a new entity.

* Types



4.) Market Extending
 = different market, same product

2. Vertical
 = (But at successive stage)

5.) Product Extension
 = same market, addition of new product in existing product line.

3. Conglomerate
 = (unrelated type of business activity)

WTO Principles

1. The trading system should be without discrimination.
2. The trading should be predictable.
3. The trading should be free.
4. The trading should be more competitive.
5. The trading should be more beneficial for less developed countries.

IMF [International Monetary Fund]

- The formation of the IMF was initiated in 1944.
- IMF came into operation on 27th December 1945 and is today an international organization that consists of 190 member countries.
- The IMF is a specialized agency of the United Nations.