

THE RUN UP OF STOCK PRICES BEFORE AND AFTER MERGER AND ACQUISITIONS OF INDIAN COMPANIES – AN ANALYTICAL STUDY

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ABSTRACT:

The run up of stock prices clearly depicts the performance of manufacturing companies stocks. On comparing the stock prices of companies before and after M&A, the manufacturing companies shown a healthy increase in stock prices during the study period. M&A is one of the reasons which influence the fluctuation of share price. All the companies taken for the study has enjoyed increase in their share prices since the M&A. The company needs some time to regain its financial performances after the M&A. Since the acquisition is mostly done in acquiring the under-performing companies, it will take some time for the acquiring companies to balance their performances. All companies have generated positive returns after M&A when compared before after M&A. This Study clearly shows that the stock prices of manufacturing companies have surged up after the M&A.

KEYWORDS: stock prices, merger, acquisitions, performance , manufacturing , companies.

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