

	s							
40	Paramount	0.001	0.002	3.663	2.168	0.003	Yes	Yes
41	Pidlite	0.0003	0.0002	1.753	2.168	0.115	No	No
42	Ramsarup	0.002	0.0005	4.541	2.168	0.001	No	Yes
43	Shanthi	0.002	0.001	1.385	2.168	0.242	Yes	No
44	Sudarsan	0.001	0.0005	3.056	2.168	0.010	No	Yes
45	Uniply	0.002	0.0005	3.487	2.168	0.005	No	Yes
46	Visaka	0.001	0.001	1.006	2.168	0.495	Yes	No
47	VST	0.008	0.006	1.189	2.168	0.355	No	No

#### 4.10.1 CHANGES IN THE “DEGREE OF VOLATILITY” AFTER THE M&A

Table 4.36 shows the changes in degree of Volatility after the M&A

**TABLE 4.36 CHANGES IN THE “DEGREE OF VOLATILITY” AFTER THE M&A**

Change in Volatility	No. of Cases	Percentage
Significant Increase	4	8.7%
Significant Decrease	14	30.43%
Insignificant Change	28	60.87%
Total	46	100%

**Table 4.36** shows that the only 8.7% of acquirers had a significant increase in the volatility after the M&A. However 30.43% of acquirers had a significant decrease in the volatility after the M&A. For acquirers share value was better when the volatility had decreased. 60.87% of acquirers had no significant difference in the degree of volatility after the M&A.

*“M&A announcement does not have a significant impact on the degree of volatility of the Indian Acquirers”*. Result is consistent with the **Kumar et al (2013) and Kumar (2013)**.

#### 4.11 IMPACT OF STOCK LIQUIDITY

Liquidity may vary after an event. **Kumar et al (2013)** say liquidity is “degree to which an asset is purchased or sold in the market without affecting its price”. For ascertaining the trading liquidity first step is compute the log of daily trading volume. Second step is to find the mean of the pre and post trading volume. Third step is to find the standard error of the trading volume. Fourth step is to compute the Pre and post mean difference. Fifth step is to divide the mean difference value with the Standard Error to ascertain the t value. Independent Sample T test could be used. Pre event trading liquidity is computed for 20 day window (0,-20) and post event trading liquidity is also computed for 20 day window (0, +20)

*Critical Value is 2.021 at 5% significance level*

**Table 4.37** shows the result of independent sample t test.

**TABLE 4.37 LIQUIDITY OF STOCK**

Sln o	Firm	Pre liq	Post liq	SE	Change of Log Value	T value	F sig	Significant
1	Aarthi Drugs	9.841	10.15	.232	-0.311	-1.340	.285	Not Significant
2	Ador	6.773	8.344	.623	-1.572*	-2.523	.043	Significant
3	Ajanta	6.753	6.439	.328	0.314	0.960	.789	Not Significant

4	Alfa	7.948	7.679	.315	0.269	0.852	.555	Not Significant
5	Anjani	11.037	10.933	.1792	0.105	0.583	.721	Not Significant
6	Aplab	6.417	5.650	.651	0.767	1.179	.929	Not Significant
7	Arvind	4.928	5.537	.400	-0.609	-1.523	.766	Not Significant
8	Asian star	10.270	9.978	.1942	0.292	1.502	.000	Not Significant
9	Asian	10.089	11.034	.367	-0.945*	-2.577	.354	Significant
10	BASL	6.462	6.621	.292	-0.159	-0.545	.017	Not Significant
11	Bliss	8.884	11.239	.248	-2.355*	-9.484	.710	Significant
12	Citiguria	5.300	5.503	.2850	-0.204	-0.714	.839	Not Significant
13	Deepak	8.188	8.483	.358	-0.295	-0.823	.472	Not Significant
14	D & H	5.746	6.114	.330	-0.368	-1.115	.589	Not Significant
15	Dishman	11.827	11.140	.257	0.688*	2.681	.555	Significant
16	Ecoplast	5.030	3.144	.564	1.886*	3.340	.043	Significant
17	ESCL	7.970	8.867	.543	-0.897	-1.651	.092	Not Significant
18	Exide	11.688	11.757	.265	-0.070	-0.263	.350	Not Significant
19	Faze	8.693	9.541	.195	-0.848*	-4.339	.915	Significant
20	Gayatri	10.569	9.797	.148	0.772*	5.203	.309	Significant

21	G M M	9.636	9.390	.282	0.245	0.868	.119	Not Significant
22	Grauer	10.809	12.225	.427	-1.416*	-3.320	.012	Significant
23	Gujarat	9.564	9.527	.377	0.037	0.097	.109	Not Significant
24	GSFC	12.464	12.520	.230	-0.057	-0.246	.263	Not Significant
25	HSSL	4.089	3.484	.612	0.605	0.988	.238	Not Significant
26	Incap	7.329	7.254	.290	0.075	0.259	.950	Not Significant
27	Kirloskar	11.989	10.939	.217	1.050*	4.837	.436	Significant
28	Kisan	7.304	8.563	.385	-1.258*	-3.267	.007	Significant
29	Kore	6.293	6.198	.2431	0.095	0.391	.284	Not Significant
30	KSB	7.833	7.215	.606	0.619	1.021	.061	Not Significant
31	Loyal	6.656	5.455	.5084	1.201*	2.362	.572	Significant
32	Makers	8.553	8.197	.307	0.356	1.159	.949	Not Significant
33	Mirc	11.011	10.882	.174	0.129	0.740	.119	Not Significant
34	Navin	9.087	9.030	.254	0.057	0.222	.492	Not Significant
35	Nimbus	7.248	5.122	.727	2.126*	2.924	.323	Significant
36	Paramou nt	12.688	13.619	.2529	-0.932*	-3.683	.262	Significant

37	Pidlite	10.523	10.246	.3139	0.278	0.884	.115	Not Significant
38	Ramasarup	10.377	9.264	.245	1.113*	4.540	.462	Significant
39	Shanthi	9.612	10.745	.436	-1.132*	-2.598	.150	Significant
40	Sudarshan	7.460	7.653	.487	-0.194	-0.397	.819	Not Significant
41	Uniply	10.945	10.942	.246	0.003	0.012	.077	Not Significant
42	Visaka	8.233	8.820	.256	-0.588*	-2.297	.250	Significant

*Significant at 5 % significance level*

#### **4.11.1 M&A ANNOUNCEMENT AND CHANGE IN TRADING LIQUIDITY**

Table 4.38 shows the change in trade liquidity after the M&A announcement

**TABLE 4.38 M&A ANNOUNCEMENT AND CHANGE IN TRADING LIQUIDITY**

<b>Change in Trading Liquidity</b>	<b>No of Cases</b>	<b>Percentage</b>
<b>Significant Increase</b>	9	21.43%
<b>Significant Decrease</b>	7	16.67%
<b>Insignificant Change</b>	26	61.90%
<b>Total</b>	42	100%

**From the Table 4.38** it can be inferred that for 21.43% of firms there was a significant increase in the trading liquidity after the M&A announcement. For 16.6% of firms there was a significant decrease after the event announcement. 61.90% of

firms had no significant difference after the M&A announcement. This shows that the event announcement could not impact the trading liquidity of the acquirers.

*“M&A announcement does not have a significant impact on the trading liquidity of the acquirers”* Present study result is consistent with **Kumar et al (2013) and Kumar (2013)**

#### **4.12 PRE ANNOUNCEMENT CAR OF THE ACQUIRING FIRMS AND THE INFORMATION LEAKAGE IMPACT**

Information leakage will lead to significant increase or decrease in the share value. Present study analyses whether the information about the deal is leaked. If the pre announcement t value is significant then the information is leaked. Pre announcement CAR is calculated for 20 days window (-1day to -20 days).

**Critical Value is 2.093 at 5% significance level**

**TABLE 4.39 PRE ANNOUNCEMENT CAR AND INFORMATION LEAKAGE IMPACT**

Sl no	Firm	Pre car	Std dev of abnormal return	T statistics
1	Aarthi drugs	-0.271*	0.030	-9.161
2	Ador	0.049	0.028	1.749
3	Anjanta	-0.353*	0.065	-5.390
4	Alfa	0.066	0.044	1.492
5	Anjani	0.014	0.037	0.392
6	Aplab	0.051	0.029	1.740
7	Arvind	-0.287	0.160	-1.794

8	Ashima	-0.086	0.053	-1.612
9	Asian star	0.543*	0.067	8.134
10	Asian	-0.026	0.014	-1.912
11	AABL	0.028	0.032	0.865
12	BASL	0.034*	0.006	5.433
13	Bliss	-0.083*	0.011	-7.363
14	Citurgia	0.012	0.046	0.257
15	Dishman	0.078*	0.037	2.105
16	Deepak	0.171*	0.041	4.172
17	D&H	0.126*	0.035	3.587
18	ESCL	0.003	0.039	0.075
19	Ecoplast	-0.043	0.094	-0.460
20	Exide	-0.095*	0.026	-3.628
21	Faze	-0.034	0.036	-0.936
22	Gayatri	0.149*	0.037	3.998
23	GMM	0.185*	0.034	5.479
24	Grauer	-0.029	0.035	-0.840

25	Gujarat	-0.267*	0.037	-7.228
26	GSFC	0.465*	0.030	15.471
27	HSSL	-0.027	0.051	-0.529
28	Incap	-0.073*	0.035	-2.100
29	JBM	0.116*	0.044	2.634
30	Kabra	0.020	0.026	0.792
31	Kirloskar	-0.237*	0.037	-6.485
32	Kisan	0.238*	0.069	3.451
33	Kore	-0.207*	0.042	-4.957
34	K S B	-0.237*	0.070	-3.395
35	Loyal	0.018	0.036	0.491
36	Makers	-0.191*	0.034	-5.561
37	Mirc	-0.032	0.026	-1.211
38	Navin	0.119*	0.017	6.993
39	Nimbus	-0.213*	0.038	-5.647
40	Paramount	-0.043	0.025	-1.690



41	Pidlite	0.050*	0.018	2.686
42	Ramasarup	-0.253*	0.046	-5.531
43	Shanthi	-0.221*	0.033	-6.636
44	Sudarshan	-0.141*	0.039	-3.661
45	Uniply	-0.198*	0.040	-4.912
46	Visaka	-0.097*	0.0251	-3.865
47	VST	0.078	0.087	0.891

#### 4.12.1 SUMMARY OF PRE CAR INFORMATION LEAKAGE

Table 4.40 shows the summary of pre CAR information leakage

**TABLE 4.40 SUMMARY OF PRE CAR INFORMATION LEAKAGE**

<b>Pre CAR</b>	<b>Positive</b>	<b>Negative</b>	<b>Total</b>	<b>Positive%</b>	<b>Negative%</b>	<b>Total</b>
<b>Significant</b>	12	17	29	25.53%	36.17%	61.70%
<b>Insignificant</b>	10	8	18	21.28%	17.02%	38.30%
<b>Total</b>	22	25	47	46.81%	53.19%	100%
<b>PRE CAAR</b>	-0.05661					
<b>T stat</b>	-6.2663					

**Table 4.40** shows that 29 acquirers had a significant CAR. But 18 Acquirers had an insignificant CAR. This shows that the information about the M&A deal had leaked for 29 firms. However Pre CAAR is significant for the post announcement period. But the Pre CAAR is negative. The individual analysis also shows that the CAR is significant for the acquirers. The result of individual analysis is consistent with the aggregate analysis. Thus the hypothesis *“M&A announcement could create significant cumulative abnormal return in the pre announcement period”* is supported. Also in individual analysis most of the acquirers had a negative abnormal return; however, in aggregate analysis also most of the acquirer had a negative return. So the direction of the AR is same that is the direction is negative for the individual analysis and the aggregate analysis.

**Kumar et al (2013)** in his study stated that the significant abnormal return during the pre announcement period shows that information about the deal is leaked. In the present study the pre announcement AR is significant thus the hypothesis *that “information about the deal is leaked during the pre announcement period”* is supported in the present study. Present study result is consistent with **Kumar et al (2013)**

#### **4.13 POST ANNOUNCEMENT CAR OF THE ACQUIRERS**

Post announcement CAR significance is calculated in the **Table 4.41**. **Table 4.41** shows whether significant AR is created in the post announcement period. Post announcement CAR is analyzed for 20 day window (0, +20).

**TABLE 4.41 POST ANNOUNCEMENT CAR OF ACQUIRING COMPANIES**

Sl no	Firm	Post car	Stddev of abnormal return	T stat
1	Aarthi Drugs	0.040	0.025	1.644
2	Ador	-0.084*	0.010	-8.294
3	Ajanta	-0.406*	0.059	-6.858

4	Alfa	0.264*	0.064	4.147
5	Anjani	0.057	0.032	1.798
6	Aplab	-0.029	0.026	-1.100
7	Arvind	-0.014	0.149	-0.091
8	Ashima	0.342*	0.039	8.689
9	Asian Star	-0.001	0.018	-0.064
10	Asian	0.085*	0.023	3.675
11	AABL	-0.307*	0.039	-7.823
12	BASL	-0.029	0.017	-1.737
13	Bliss	0.413*	0.053	7.828
14	Citurgia	-0.064	0.056	-1.143
15	Dishman	-0.104*	0.014	-7.439
16	Deepak	-0.099*	0.031	-3.214
17	D&H	-0.021	0.037	-0.573
18	ESCL	-0.035	0.026	-1.359
19	Ecoplast	0.138*	0.044	3.157
20	Exide	0.066*	0.017	3.782

21	Faze	0.029	0.027	1.077
22	Gayatri	-0.109*	0.025	-4.379
23	GMM	-0.228*	0.038	-6.062
24	Grauer	0.004	0.044	0.098
25	Gujarat	0.201*	0.036	5.665
26	GSFC	-0.659*	0.039	-17.059
27	HSSL	-0.006	0.041	-0.141
28	Incap	0.110*	0.038	2.903
29	JBM	0.089*	0.038	2.360
30	Kabra	-0.007	0.020	-0.354
31	Kirloskar	-0.040	0.037	-1.101
32	Kisan	0.318*	0.065	4.923
33	Kore	0.073	0.055	1.324
34	KSB	0.120*	0.031	3.849
35	Loyal	-0.027	0.032	-0.848
36	Makers	-0.166*	0.022	-7.531

37	Mirc	0.054	0.052	1.047
38	Navin	0.090*	0.010	8.856
39	Nimbus	-0.002	0.043	-0.046
40	Paramount	0.030	0.048	0.624
41	Pidlite	-0.018	0.014	-1.270
42	Ramsarup	0.008	0.021	0.351
43	Shanthi	0.215*	0.039	5.473
44	Sudarshan	0.028	0.022	1.291
45	Uniply	-0.257*	0.022	-11.882
46	Visaka	0.059*	0.025	2.354
47	VST	-0.003	0.080	-0.037

#### 4.13.1 SUMMARY OF POST CAR

Table 4.42 shows the summary of Post CAR

**TABLE 4.42 SUMMARY OF POST CAR**

Pre CAR	Positive	Negative	Total	Positive%	Negative%	Total
Significant	14	10	24	29.79%	21.28%	51.06%
Insignificant	9	14	23	19.15%	29.79%	48.94%

Total	23	24	47	48.94%	51.06%	100%
Post CAAR	0.006112					
T stat	0.671288					

**Table 4.42** shows that 24 firms had significant CAR among these acquirers only 14 acquirers had positive CAR and 10 Acquirers had negative CAR. For 23 firms the CAR was not significant. On the aggregate level the CAR was not significant. Present study result is consistent with the **Kumar et al (2013)** result. **Kumar et al (2013)** also had an individual level significant CAR and aggregate level insignificant CAR. **Kumar et al (2013)** says the reason for this difference *“As there are almost equal number of significantly positive and negative cases, the abnormal returns in a portfolio may be offsetting, thus explaining the aggregate results”*.

Since individual level the AR is significant present study support the hypothesis that the *“M&A announcement could create significant cumulative abnormal return in the post announcement period”* Present study result is consistent with the **Kumar et al (2013)**.

#### **4.14 RELATIONSHIP BETWEEN THE PRE CAR ANNOUNCEMENT AND POST ANNOUNCEMENT CAR**

**Kumar (2013)** say relationship between the Post CAR and Pre CAR should be analyzed because knowing the „direction of relationship“ would make it easy to make an investment decision. Present study analyses whether there exist any relationship between the pre CAR and post CAR.

#### **TABLE 4.43 RELATIONSHIPS BETWEEN PRE ANNOUNCEMENT CAR AND POST ANNOUNCEMENT CAR**

Sl no	Company	Pre CAR direction	Pre car sig	Post CAR direction	Post CAR sig
1	Aarthi drugs	Negative	Significant	Positive	Insignificant
2	Ador	Positive	Insignificant	Negative	Significant
3	Ajanta	Negative	Significant	Negative	Significant

4	Alfa	Positive	Significant	Positive	Significant
5	Anjani	Positive	Insignificant	Positive	Insignificant
6	Aplab	Positive	Insignificant	Negative	Insignificant
7	Arvind	Negative	Insignificant	Negative	Insignificant
8	Ashima	Negative	Insignificant	Positive	Significant
9	Asian Star	Positive	Significant	Negative	Insignificant
10	Asian	Negative	Insignificant	Positive	Significant
11	AABL	Positive	Insignificant	Negative	Significant
12	BASL	Positive	Significant	Negative	Insignificant
13	Bliss	Negative	Significant	Positive	Significant
14	Citurgia	Positive	Insignificant	Negative	Insignificant
15	Dishman	Positive	Significant	Negative	Significant
16	Deepak	Positive	Significant	Negative	Significant
17	D&H	Positive	Significant	Negative	Insignificant
18	ESCL	Negative	Insignificant	Negative	Insignificant
19	Ecoplast	Negative	Insignificant	Positive	Significant
20	Exide	Negative	Significant	Positive	Significant
21	Faze	Negative	Insignificant	Positive	Insignificant
22	Gayatri	Positive	Significant	Negative	Significant
23	GMM	Positive	Significant	Negative	Significant
24	Grauer	Negative	Insignificant	Positive	Insignificant
25	Gujarat	Negative	Significant	Positive	Significant
26	GSFC	Negative	Significant	Negative	Significant
27	HSSL	Negative	Insignificant	Negative	Insignificant
28	Incap	Negative	Significant	Positive	Significant
29	JBM	Positive	Significant	Positive	Significant
30	Kabra	Positive	Insignificant	Negative	Insignificant
31	Kirloskar	Negative	Significant	Negative	Insignificant
32	Kisan	Positive	Significant	Positive	Significant
33	Kore	Negative	Significant	Positive	Insignificant
34	KSB	Negative	Significant	Positive	Significant
35	Loyal	Positive	Insignificant	Negative	Insignificant

36	Makers	Negative	Significant	Negative	Significant
37	Mirc	Negative	Insignificant	Positive	Insignificant
38	Navin	Positive	Significant	Positive	Significant
39	Nimbus	Negative	Significant	Negative	Insignificant
40	Paramount	Negative	Insignificant	Positive	Insignificant
41	Pidlite	Positive	Significant	Negative	Insignificant
42	Ramsarup	Negative	Significant	Positive	Insignificant
43	Shanthi	Negative	Significant	Positive	Significant
44	Sudarshan	Negative	Significant	Positive	Insignificant
45	Uniply	Negative	Significant	Negative	Significant
46	Visaka	Negative	Significant	Positive	Significant
47	VST	Positive	Insignificant	Negative	Insignificant

In **table 4.43** to understand the relationship between the pre CAR and post CAR sample companies were made into three sets. Set I consists of positive Pre CAR and the post CAR of the positive Pre CAR. Set II consists of negative Pre CAR and the post CAR of the negative Pre CAR. Set III consists of insignificant Pre CAR and the post CAR of the insignificant Pre CAR.

#### **4.14.1 RELATIONSHIPS BETWEEN THE PRE CAR AND POST CAR OF ACQUIRING COMPANIES**

Table 4.44 shows the relationship between the Pre CAR and Post CAR of the Acquiring firms.

**TABLE 4.44 RELATIONSHIPS BETWEEN THE PRE CAR AND POST CAR OF ACQUIRING COMPANIES**

<b>PRE CAR</b>	<b>No of cases</b>	<b>Post CAR</b>	<b>No of Cases</b>	<b>Percentage</b>
<b>Set I</b>				
Direction				
Set 1				
Positive Significant	12	Positive	4	33.33%



		Negative	4	33.33%
		Insignificant	4	33.33%
<b>SET II</b>				
Negative Significant	17	Positive	7	41.18%
		Negative	4	23.53%
		Insignificant	6	35.29%
<b>SET III</b>				
Insignificant	18	Positive	3	16.67%
		Negative	2	11.11%
		Insignificant	13	72.22%

#### 4.14.2 POST CAR PERCENTAGES OF THE ACQUIRING FIRMS

Table 4.45 shows the Post CAR percentages of the acquiring firms

**TABLE 4.45 POST CAR PERCENTAGES**

Post CAR	No of cases	%
Positive	14	29.79
Negative	10	21.28
Insignificant	23	48.95
Total	47	100%

From the **table 4.44** shows that out of 12 cases when pre CAR was positive; 33.33% of the post CAR was positive, 33.33% of the post CAR was negative and 33.33% of the post CAR was insignificant. Analysis shows that when M&A deal is announced even though in the pre announcement period shareholders had created positive share value in the post announcement period it was not prevailed for all the acquirers.

Set II in **table 4.44** consists of those firms which had a negative pre announcement CAR. Out of 17 acquirers which had negative pre announcement CAR only 23.53% of acquirers had negative post announcement CAR. 41.18% of the acquirers had positive post announcement CAR. 35.29% of acquirers had an insignificant post CAR. **From the table 4.44** it could be concluded that even though pre announcement period CAR was negative; in the post announcement period shareholders had anticipated that the M&A could create value hence in the post announcement period most of the firms could create positive CAR. **Kumar et al (2013)** say the negative reaction shows how quickly the Indian share market knows about the event happening in the Market.

Set III in **table 4.44** consists of those acquirers which had insignificant pre announcement CAR. 18 acquirers had insignificant CAR in the pre announcement period but only 16.67% acquirers had positive post AR. 11.11% of acquirers had negative post CAR. 72.22% of acquirers had insignificant post AR.

From the above tables we could conclude that the pre announcement CAR could give investors information regarding the post announcement CAR, Thus the hypothesis *“pre announcement CAR has a significant relationship with the post announcement CAR”* is supported. The present study result is consistent with the **Kumar et al (2013)** study result.

#### **4.15 CUMULATIVE AVERAGE ABNORMAL RETURN FOR VARIOUS WINDOWS**

Cumulative Average Abnormal Return (CAAR) for all the sample firms is calculated. The analysis would be helpful to understand in which window an investor could earn maximum profit.

**TABLE 4.46 AVERAGES ABNORMAL RETURN DURING ANNOUNCEMENT PERIOD FOR THE ACQUIRERS**

Window Day	CAAR	Sd AAR	T stat
-1,+1	0.187*	0.023	8.189
-2,+2	0.128*	0.019	6.802
-3,+3	0.153*	0.014	11.237
-4,+4	0.086*	0.012	7.003
-5,+5	0.036*	0.010	3.500
-6,+6	0.019*	0.009	2.081
-7,+7	0.033*	0.009	3.912
-8,+8	0.005*	0.007	0.663
-9,+9	0.006*	0.007	0.765
-10,+10	0.009*	0.007	1.215
-11,+11	-0.012*	0.007	-1.563
-12,+12	-0.006*	0.007	-0.880
-13,+13	0.001*	0.006	0.171
-14,+14	-0.028*	0.006	-4.830
-15,+15	-0.007*	0.005	-1.280
-16,+16	-0.043*	0.005	-8.376
-17,+17	-0.037*	0.006	-6.297
-18,+18	-0.032*	0.006	-5.098
-19,+19	-0.016*	0.006	-2.59
-20,+20	-0.013*	0.006	-2.237

*Significance at 5% level of significance*

The above **table 4.46** it shows that for shorter windows the share wealth could be created compared to the longer windows. From (-11, 11) 22 days window onwards the returns had become negative. **Kumar et al (2013)** in his study also opined that the investor managers could earn profit in the shorter windows. If the motive is to gain profit it is better to buy and sell the shares surrounding the announcement date, there is a high chance for incurring losses in the longer windows.

#### 4.16 IMPACTS OF DETERMINANTS ON M&A SHARE VALUE CREATION

Table 4.47 shows the impact of determinants on share value creation surrounding the M&A deal announcement.

**TABLE 4.47 IMPACTS OF DETERMINANTS ON M&A SHARE VALUE CREATION**

MODEL 1	Unstandardized Coefficient		Standardized Coefficient	T	Sig
	B	Std Error	Beta		
Constant	-.068	.053		-1.279	.208
Type of Acquirer	.062	.072	.130	.856	.397
Experience	.071	.082	.132	.869	.390

*Significant at 5% level of significance*

**Table 4.47** shows the impact of determinants on the dependent variable. Determinants are the independent variables. Independent variables are type of acquirer (Growth or Value acquirers) and the Experience of the acquirer (number of acquisitions). Type of acquirer and the Experience of the acquirer are dummy variables. Dependent variable is the cumulative abnormal return for 41 day window.

**Table 4.47** shows the impact of determinants on M&A without the control variables. Result shows that the type of acquirer could not impact the share value creation of the acquirers. Experience of the acquirer also could not impact the share value creation of the acquirer.

##### 4.16.1 IMPACTS OF DETERMINANTS WITH THE CONTROL VARIABLES ON SHARE VALUE CREATION

Table 4.48 shows the impact of determinants with control variables on share value creation surrounding the M&A announcement period.

**TABLE 4.48 IMPACTS OF DETERMINANTS WITH THE CONTROL VARIABLES ON SHARE VALUE CREATION**

MODEL 2	Unstandardized Coefficient		Standardized Coefficient	T	Sig
	B	Std error	Beta		
Constant	-.130	.140	.055	-.929	.358
ROA	.056	.156	-.035	.356	.724
AGE	.000	.003	.146	-.208	.836
Firm Size	.024	.029		.846	.402
Constant	-.114	.145		-.787	.436
ROA	.062	.158	.061	.391	.698
Age	.000	.003	-.017	-.100	.921
Firm Size	.011	.034	.064	.314	.755
Type of Acquirer	.049	.087	.103	.560	.579
Experience	.073	.085	.135	.856	.397

*Significant at 5% level of significance*

The table 4.48 shows the impact of independent variable on the dependent variable. Cumulative abnormal return (CAR) for 41 days is the dependent variable. ROA, Age and Firm Size is the control variable. Firm size is the proxy for the log of total asset. Type of Firm (growth or value acquirers) and the Experience of the acquirer (number of acquisition before the firm had executed) is the Independent Variable. Type of the firm and the experience of the acquirer are dummy variables.

Present study shows that ROA has no significant impact on the share value creation of the acquirers. Present study result is inconsistent with the (Ning et al 2014).

Age has no significant impact on the share value creation of the acquirer. Pradhan and Abraham (2005) had also said Age is not a significant factor for Indian Manufacturing Sector to execute M&A deal. Present study shows that the firm size has no significant impact on the share value creation of the acquirer. Harrison et al (2014) say when acquirer size increases the firm's earnings decreases.

Type of acquirer has no significant impact on the share value creation of the acquirer. Present study result is consistent with **Dutta (2006)** study result on the type of the acquirer.

Experience has no significant impact on the share value creation of the acquirer.. The present study result is consistent with the **Jang and Daniliuc** study result.

Present study result is not consistent with **Macdonald (2010)** study which shows that **merger experience** could create higher share value. After adding the control variables also the result remained unchanged.

#### **4.17 CONCLUSION**

Present Chapter shows that the M&A could not create a significant change in the AR of the firm during the post and pre announcement period, but CAR of the acquirers had a significant change in the pre and post announcement period. However the deal could not bring a significant change in the degree of volatility and the liquidity of the stock. Information leakage had happened in the pre announcement period. Determinants also could not impact the share value of the firms.