

**SUBMITTED BY: MAHNOOR BANGASH**

**ID # 13019**

**SUBJECT: STRATEGIC MANAGEMENT**

**PROGRAM: BBA**

**FINAL TERM**

**SEMESTER: 8TH**

**SUBMITTED TO: SIR ZEESHAN IBRAHIM**

**DEPARTMENT OF BUSINESS ADMINISTRATION**

**IQRA NATIONAL UNIVERSITY**

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**QUESTION NO.1:**

Discuss in detail any five cases of Companies merger in Pakistan?

**ANSWER:**

**MERGER**

A merger is the combination of two companies into one with a new name and entity. It may be vertical, horizontal, reverse, congeneric, conglomerate.

**FIVE CASES OF COMPANIES MERGER IN PAKISTAN**

1. Askari leasing limited merge into Askari bank limited.
2. Suzuki motorcycles Pakistan limited merge into Pak Suzuki Motor Company limited.
3. NIB Bank Limited merge into MCB Bank Limited.
4. Fazal textile mills limited merge into Gadoon textile mills limited.
5. Libaas textile limited merge into ghani global glass limited.
6. **ASKARI LEASING LIMITED INTO ASKARI BANK LIMITED:**

The top management of askari leasing ltd and askari bank ltd allow their mutual agreement for the combination of askari leasing ltd into askari bank ltd. Both of them are seeking approval from State Bank of Pakistan, security and exchange commission of Pakistan and shareholders to begin the due assiduity of their respective entities. The Board of Directors of askari bank ltd said that they allow the agreement for the merger of askari leasing into askari bank on the basis of ratio. It was also informed by askari leasing ltd through a same kind of notice sent to KSE. According to this notice, the project agreement is issue to the acceptance of AKBLs shareholders. According to the notice, it is further stated that both askari leasing and askari bank ltd will develop to complete the formalities for merger.

1. **SUZUKI MOTORCYCLES PAKISTAN LIMITED(SMPL) INTO PAK SUZUKI MOTOR COMPANY LIMITED(PSMCL):**

For the purpose of merging the motorcycles subsidiary with the approval of shareholders of both companies separately held meetings and the notice is released at Pakistan stock exchange. The Pak Suzuki Motor Company Limited was established in 1982 as a joint enterprise by Japanese Suzuki Motor Corporation with Pakistani government institution.

1. **NIB BANK LIMITED INTO MCB BANK LIMITED:**

NIB Bank merge into MCB Bank. The assets, liabilities, rights etc are now merge permanently in MCB. The previous customers of NIB will gain direct check out to MCB’s branches. This merge occur with the approval of State Bank of Pakistan without any involvement of foreign exchange. The merger of NIB bank into MCB bank provide a great chance to get out of losses.

1. **FAZAL TEXTILE MILLS LIMITED INTO GADOON TEXTILE MILLS LIMITED:**

The Fazal textile mills limited merge into the Gadoon textile mills limited. The stock prices of the Fazal textile mills limited and the Gadoon textile mills limited companies have taken a big jump ahead in last nine months. The Board of Directors of both the companies approved plan of arrangement where all the shareholders, creditors approve the scheme by High Court along with the legal formalities. The Fazal textile mills limited in their separate notice stated that the real estate undertaking of company to be merged into a newly incorporated company.

1. **LIBAAS TEXTILE LIMITED MERGE INTO GHANI GLOBAL GLASS LIMITED:**

The libaas textile limited shareholders and the ghani global limited shareholders approved the merger. The meeting was held by Ahmad Parvaiz in High Court along with all legal formalities. After merger both the companies start a new project which was based on the European technology and this project save millions. The merger of both the Companies are very beneficial for their shareholders as well as the stock exchange. After merger of libaas textile limited into ghani global glass limited the ghani provides hundreds of jobs to peoples and it also help the industrial sector of Pakistan.

**Question no.2:**

If you are a CEO of any big company and you have a chance of cross border acquisition which country you will select among brazil, Philippine, Tajikistan, and turkey. Also discuss the reason of selection and rejection of other countries?

**ANSWER:**

**ACQUISITION:**

First of all we have to discuss what is acquisition, an acquisition is action where company purchase most of the ownership of a firm, such as more than 50% of shares they purchase. Acquisition takes place for the purpose of achieving economic scale, great shares of market, or to spread their company to another country. Acquisition may be friendly and hostile.

**CROSS BORDER ACQUISITION:**

The cross border acquisition is basically those actions where the acquirer firm and the target firm are different countries. Cross border acquisition build capital, creates employment, gain market power.

**SELECTION OF COUNTRY:**

For cross border acquisition there are two ways first way is international acquisition which involve a company that is already existed, second way is a green field investment which involves building new company. Now being a CEO I select Brazil.

**REASON OF SELECTION:**

1. **INCREASED MARKET POWER:**

I select Brazil because its GDP is the biggest as compared to other countries which helps in increasing our market power.

1. **OVERCOMING ENTRY BARRIERS:**

The acquisition made with headquarters in Brazil help to overcome the entry barriers. Brazil is a consolidated democracy .

1. **COST OF NEW PRODUCT DEVELOPMENT:**

Development of new products in internal firm is very risky but brazil is one of the top producers which helps in decreasing risk of cost of new product development.

1. **REGIONAL OPPORTUNITIES:**

In brazil there are 14 cities outside state which is important opportunity for us to analyze different regional markets.

1. **HUGE ECONOMY:**

With high GDP brazil is the one of biggest economy in world.

**REASON OF REJECTION:**

1. The most common reason for rejection of other countries acquisition is the taxation.
2. The second reason is depreciation, the depreciation allowances in trade are allowed as tax deduction.
3. Another reason is poor safety and security in Tajikistan.

**QUESTION NO.3:**

In this situation of COVID 19 being a student what will you suggest how Higher education institutions run their classes and take exams explain in detail?

**ANSWER:**

As COVID-19 pandemic effect the world, especially the student’s future. In this pandemic situation online classes remain at the top of the list of Higher Education commission which is a best decision for current situation of COVID-19. Being a student I suggest HEC run our classes and exams online. Because

**REASONS:**

* It helps in decreasing Corona virus.
* The online classes create high skilled learning.
* It helps to develop new skills.
* Online classes increase student engagement.
* It is less time consuming.
* Through online classes students can contain online lessons about their current responsibilities and obligations and can learn at their own pace and time and thus plan their study accordingly.

**24/7 AVAILABILITY:**

But HEC should strictly informed the teachers about the availability of 24/7, so student can interact with teacher at any time and explain their problems to teachers, provide lectures to them.

**QUALITY OF ONLINE CLASSES:**

Though the online classes is a best solution for current situation of the disease but still the HEC need to work on the quality of online classes.

**CONNECTIVITY:**

Higher Education Institution should introduced connectivity such as Taleem bundle, delivery mode, offline mode.

**FEE CRITERIA:**

Online exams are best way to stop wastage of time but HEC must release some notice about fee criteria of online classes because online classes are not equal to regular classes so fee should also be not equal.