ASSESSING STOCK MARKET PERFORMANCE VIA POST-MERGER ACTIVITY

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ABSTRACT

Analysing stock market performance after mergers and acquisitions (M&A) is an essential part of business analysis since it sheds light on how these transactions affect market dynamics and shareholder value. With an emphasis on the legal framework, strategic concerns, and technology advancements that shape this dynamic environment, this study examines the complex link between post-merger activity and stock market performance. Post-merger activities comprise a wide range of strategic efforts designed to optimise resources, integrate operations, and realise synergies between merging organisations. Achieving long-term performance and optimising shareholder value requires efficient post-merger activity execution, from operational consolidation to cultural alignment. Announcements of mergers and acquisitions (M&A) and the following execution of post-merger operations substantially impact stock market performance. Several important factors influence how stock prices fluctuate both during and after M&A transactions, including market dynamics, investor mood, and strategy alignment. Fintech, blockchain, and virtual due diligence tools are examples of technological innovations that have an additional influence on stock market behaviour and post-merger activities. In conclusion, an in-depth understanding of legal requirements, strategic concerns, and technology advancements is necessary for the proper assessment of stock market performance via post-merger activities. Companies may drive value creation, negotiate the challenges of post-merger integration, and achieve sustainable development in today's competitive business climate by prioritizing transparency, communication, and stakeholder engagement.

Keywords: Post Merger & Acquisition, Technological Advancement, Stock Market Performance.

INTRODUCTION

A company, although an artificial entity, can become sick just like a human being. For instance, it may encounter financial difficulties, leading to the inability to pay its debts, dividends, or

*POST-GRADUATE.

interest. Consequently, the company may go into liquidation, causing losses to its members and creditors. However, the director may save the company by proposing a reconstruction or amalgamation scheme. This way, the members and creditors may be saved from incurring losses due to the winding up of a company if it is reconstructed.

Merger and acquisition (M&A) are the essential terms that aim to expand their market reach, diversify their business operations, and create synergies. These transactions are not just a transaction that entails a complex interplay of financial, legal, and market aspects that can have a significant influence on the performance of the participating companies as well as the stock market as a whole.

The record-breaking M&A that saw a 72% rise in transaction activity over 2022 profoundly altered the Indian corporate scene in 2023. With factors including growing investor confidence, strong company cash reserves, and government pro-consolidation laws supporting the expansion, the total value of these mergers topped USD 150 billion. Big agreements like the PVR-INOX merger and the reunification of Tata Air India revolutionized sectors. M&A activity in the consumer industry increased by 45%, mostly as a result of Reliance Retail's strategic purchases, including Ed-a-Mamma. Potential obstacles like growing interest rates and unpredictability in the world economy do, however, still exist. Notwithstanding these obstacles, the M&A bonanza of 2023 is anticipated to have a long-lasting effect on the Indian economy.[1]

The legal environment around mergers and acquisitions (M&A) has changed significantly in recent years with the goals of maintaining market integrity, safeguarding shareholder interests, and ensuring transparency. Legal rules have a significant impact on how corporations behave and how investors see the stock market by supervising post-merger measures including delisting and restructuring. All stakeholders, including investors, corporate executives, legislators, and regulators, need to understand the impact of legislative restrictions on stock market behaviour. This understanding helps assess the effectiveness of regulatory regimes in maintaining investor trust, promoting fair market practices, and preserving market efficiency amid complex mergers and acquisitions.

They are becoming a common strategy for businesses trying to increase their market share and drive growth in today's fast-paced corporate world. However, the strategic integration of

[1] Shivangini, 'Year-Ender 2023: Top 10 M&as That Are Reshaping Industries across India' (mint, 18 December 2023) <https://www.livemint.com/industry/yearender-2023-top-10-mergers-and-acquisitions-that-are-reshaping-industries-across-india-11702885140350.html> accessed 10 July 2024

technology is frequently just as important to the success of these deals as the financial and legal aspects. Throughout the post-merger process, technology is essential, impacting both stock market behaviour and operational efficiency.

REVIEW OF LITERATURE

"Gunasekaran, I. and Selvam, M, Impact of Mergers on stock return in India Stock Exchange concerning BSE."[2]

In the current financial and economic landscape, mergers and acquisitions have gained prominence, especially in India. To evaluate the effects of mergers on stock value and gains for shareholders, research that examined acquirer and target businesses' share price reactions on the BSE stock market between 2002 and 2005 discovered that the shareholders of the acquirer companies responded favourably to the merger event.

Rohra, N. and Anita, Merger and Acquisition in the Bombay Stock Exchange: Testing for Market Efficiency Using Panel Regression.[3]

This paper investigates the impact of M&A announcements on stock prices and returns before and after the announcement. It aims to determine if there is a difference in stock price and returns and finds that the Indian stock market is semi-strongly efficient in the event of successful merger announcements.

"Harpreet Singh Bedi, MERGER & ACQUISITION IN INDIA: An Analytical Study."[4]

Mergers and acquisitions have become crucial in the corporate world, particularly in India, where government bodies and financial organisations initiated the concept. Since 1991, economic reform has boosted worldwide market rivalry, which has prompted Indian corporations to use these methods. With the potential of the IT and ITES industries in the global market, merger and acquisition patterns in India have evolved. Favourable government policies, a thriving economy, more corporate sector liquidity, and the creative approach of

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[2] Gunasekaran I and Selvam M, 'Impact of Mergers on Stock Return in Indian Stock Exchange with Reference to BSE' (SSRN, 3 April 2011) <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1801144> accessed 10 July 2024

[3] Rohra N and Anita, 'Mergers and Acquisitions in the Bombay Stock Exchange: Testing for Market Efficiency Using Panel Regression' (2021) 17 Asia-Pacific Journal of Management Research and Innovation 103

[4] Bedi HS, 'Merger & Acquisition in India: An Analytical Study' (SSRN, 23 August 2010) <https://papers.ssrn.com/sol3/papers.cfm?abstract_id=1618272> accessed 10 July 2024

Indian businessmen are some of the factors that are encouraging these mergers and acquisitions in India.

"Kirsten Meynerts-Stiller, Christoph Rohloff, Post-Merger Management Value Creation in M&A Integration Projects."[5]

By addressing knowledge gaps and comprehending the M&A environment, the book offers helpful guidance and responses to frequently asked issues about merger implementation. It offers a direct summary of managing entrepreneurial activities and exemplifies effective integration. Managers of business integration should see it as a necessary guide for undertaking successful merger initiatives.

RESEARCH OBJECTIVE

To analyse the post-merger activities and their impact on the stock market.

To investigate the legal regulation that regulates post-merger actions.

To know the role of technology during the process of post-merger and stock market behaviour.

RESEARCH QUESTION

What are the post-merger activities and their impact on the stock market?

How do the legal regulations regulate post-merger actions?

How does technology affect the post-merger process and stock market behaviour?

DISCUSSION/ANALYSIS

The sole priority for all stakeholders is the growth of the business. For the growth of companies, there are two primary ways i.e. inorganic growth, which comes from mergers and acquisitions (M&As) and organic growth, which comes from developing from inside the organization.

In the business world, companies are always looking for new and creative opportunities to grow. In this pursuit, inorganic expansion through (M&As) is an often-used tactic. This strategic approach stands to gain a great deal from it including increased market

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[5] K. MEYNERTS-STILLER & C. ROHLOFF, POST-MERGER MANAGEMENT: VALUE CREATION IN M&A INTEGRATION PROJECTS (2019).

competitiveness, economies of scale, operational diversification, and access to new international markets. Through M&A businesses can access new resources, cutting-edge technology, and unexplored markets through mergers and acquisitions that might not have been possible otherwise. As a result, in the long term, this may lead to increased revenue and enhanced profitable success.

ACTIVITIES UNDERTAKEN IN POST-MERGER

Companies in India usually go through several procedures and stages following a merger to smoothly integrate their resources, assets, and activities. Realizing the anticipated benefits of the merger, maximizing efficiency, and creating synergy are the objectives. In India, some typical post-merger tasks include:

Operation Integration

To create a single organisation, the business operations, roles, and procedures of the merging companies must be consolidated. Integration of industrial sites, IT systems, human resources, and sales and distribution networks are all part of it.

Rationalisation of Resources

To reduce redundancy and increase efficiency, merged companies frequently need to rationalise their staff, facilities, and product lines. Restructuring, reducing, or rearranging specific divisions or business units may be necessary to achieve this.

Procedure and Policy Alignment

To maintain uniformity and consistency throughout the business, merging entities may need to synchronize their practices, policies, and procedures. Standards for corporate governance, compliance frameworks, and accounting procedures must all be in sync.

Cultural Integration

Following a merger, managing cultural differences and developing a unified corporate culture is essential. Efforts to foster collaboration, raise employee morale and engagement, and integrate the cultures of the merging businesses may fall under this category.

Customer integration

To give consumers a smooth experience, combined companies must connect their customer bases and service offerings. It also entails maintaining client connections, investigating opportunities for cross-selling and upselling, and consolidating product ranges.

Regulatory Compliance

Following a merger, compliance with regulations is crucial. Among the things to do are get regulatory authority permission, deal with antitrust issues, and follow tax and corporate governance laws.

Stakeholder Communication

During post-merger integration, effective communication with stakeholders including staff members, clients, vendors, investors, and regulatory bodies is essential. In addition to responding to any questions or concerns, merging organizations must update stakeholders on the status of the integration.

Performance Monitoring and Assessment

To make sure integration efforts are accomplishing the intended goals, ongoing monitoring and assessment are required. This entails monitoring important performance metrics, carrying out frequent evaluations, and adjusting as needed.

All things considered, careful planning, coordinating, and carrying out are necessary for efficient post-merger operations in India to successfully negotiate the challenges associated with merging several firms. Due to these activities, some of the mergers that happen between the companies fail and suffer a great loss. There are multiple examples which justify the above statement.

IMPACT OF M&A IN STOCK MARKET

The stock prices of the target and acquiring corporations frequently experience significant volatility when announcements of acquisitions are made public. The rush by traders and market analysts to evaluate the deal's possible impact on variables such as the buyer's payment strategy, the likelihood of a better offer from an outside source, and the strategic ramifications for both parties is the cause of this increased activity.

Similarly, in the case of WALMART-FLIPKART, the stock market was agitated when Walmart revealed that it would be paying $16 billion to acquire a 77% share in Flipkart, a significant Indian e-commerce business. Walmart's stock price dropped 3.1% as soon as the news was released. Analysts who were carefully monitoring the transaction blamed the decline on Walmart's high purchase cost.[6]

During an acquisition, a company's stock price frequently rises when it becomes targeted. This occurs because to purchase the target firm, the acquiring corporation usually offers to pay a premium above the existing value. To approve the purchase the shareholder of the targeted company is incentivized by this premium. As soon as the news of the purchase gets out, investors begin to anticipate the possible benefits particularly the premium provided by the acquiring business. The market price of the target company's shares rises as a result of this expectation and the resulting increase in demand. Investor confidence in the acquisition's success and their expectation of benefitting from the premium paid by the acquiring business is reflected in the increase in stock prices. More investors may become interested in the target company's shares as a result of the rising stock prices, and increasing demand for its shares among those seeking to profit from the purchase. To put it simply, the way the market moves and the attitude of investors toward the transaction affect the rise in stock values during an acquisition.

For example, with the completion of the Tata Steel-Corus purchase agreement in January 2007, the share price of the target firm, Corus, increased by 7% to 603 pence on the London Stock Exchange.[7] But there are certain exceptions. The possibility of the target company's stock prices rising decreases, for example, if the company's stock prices recently had a notable drop because of poor earnings or if the purchase is happening at a lower cost. Generally speaking, the purchasing company's stock price drops. This happens as a result of the acquiring firm having to use its cash reserves or incur debt to finance the acquisition agreement to pay the target company a premium.

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[6] The Economic Times, 'Here's What Wall Street Is Saying about Walmart's Flipkart Deal' (The Economic Times, 2018) <https://economictimes.indiatimes.com/markets/stocks/news/heres-what-wall-street-is-saying-about-walmarts-flipkart-deal/articleshow/64105119.cms?from=mdr> accessed 10 July 2024

[7] Standard B, 'Tata-Corus: Tata Bags Corus with 608 Pence Bid' (Business Standard, 31 January 2007) <https://www.business-standard.com/article/companies/tata-corus-tata-bags-corus-with-608-pence-bid-107013100044_1.html> accessed 10 July 2024

THE EFFECT OF TECHNOLOGY ON STOCK MARKET BEHAVIOUR AND POST-MERGER

Factors that affect the post-merger process and stock market behaviour are as follows:

Advanced Technology

Since technology has an impact on many different parts of the merger and acquisition (M&A) process, its effects on post-merger and stock market behaviour are multi-dimensional. How M&A deals are carried out, assessed, and seen by investors and other market players is significantly influenced by technology. Technology influences post-merger stock market behaviour in the following significant ways in the current digital era, technology is essential for quickly distributing information and making sure that market players are informed about mergers and acquisitions (M&A) as soon as they happen. Maintaining market transparency, reducing information asymmetry, and promoting fair valuation of the stocks linked to the firms in the deal all depend on this timely information flow. Information moves quickly in today's technologically advanced world via a variety of channels, including social media, websites that provide financial news, and real-time data feeds. As such, crucial information on M&A activity may be quickly accessed by investors, analysts, and other market players following their announcement or disclosure. Timely availability of information contributes to levelling the playing field for all market players by decreasing the possibility that certain investors may obtain an unfair advantage by way of privileged knowledge. Fair and effective price discovery is encouraged by this openness, which also strengthens market confidence. Therefore, investors may make well-informed judgments regarding purchasing, disposing of, or keeping shares of businesses engaged in mergers and acquisitions when information flows efficiently. Investors can appraise the possible synergies and risks associated with a merger, as well as the effect it will have on the financial performance of the participating firms. Technology helps provide a more accurate and equitable valuation of the stocks of firms involved in mergers and acquisitions by encouraging openness and mitigating information asymmetry. With a deeper comprehension of the variables influencing the transaction, investors may make better-informed investment decisions that improve market performance and capital allocation efficiency.

In general, technology's ability to speed up the spread of information regarding M&A activity increases market transparency, lessens information asymmetry, and encourages fair stock valuation for participating businesses. All parties involved in the financial markets gain in the long run from this increased investor confidence and improved market efficiency. The 2014 acquisition of WhatsApp by Facebook is one pertinent example of how technology may help spread knowledge and increase market transparency in M&A deals. Facebook announced in February 2014 that it would pay $19 billion to purchase the well-known messaging service WhatsApp.[8] The financial markets and the IT sector were shocked by this transaction. But what made this transaction especially notable was how quickly the information travelled across a variety of digital venues, such as news websites and social media accounts.[9]

Shortly after the announcement, social networking sites like Facebook, LinkedIn, and Twitter were abuzz with discussion and sharing of the news. Aftermath the stories and analyses on the acquisition were swiftly published by prominent news organizations and financial websites, offering more details.

The rapid exchange of facts facilitated an expeditious response from analysts and investors upon learning of the transaction. The revelation caused stock prices of Facebook's and WhatsApp's rivals in the messaging app industry to fluctuate. Analysts and commentators were also able to shed light on the acquisition's possible effects on the technological environment as well as the strategic reasoning behind it. The example of Facebook's acquisition of WhatsApp shows how, in the current digital era, technology enables the quick spread of information[10]. Market players may obtain information regarding M&A transactions quickly thanks to social media platforms, news websites, and digital communication channels, which increases market transparency and lessens information asymmetry. As a result, stock prices are more fairly and effectively priced as investors are better equipped to decide how much to pay for the firms that are part of mergers and acquisitions. The Facebook-WhatsApp purchase serves as an illustration of how technology is revolutionizing the M&A scene and fostering financial market transparency.

[8] Olson P, 'Facebook Closes $19 Billion Whatsapp Deal' (Forbes, 6 October 2014) <https://www.forbes.com/sites/parmyolson/2014/10/06/facebook-closes-19-billion-whatsapp-deal/> accessed 11 July 2024

[9] Meta, 'Facebook to Acquire WhatsApp' (Meta, 8 November 2019) <https://about.fb.com/news/2014/02/facebook-to-acquire-whatsapp/> accessed 11 July 2024.

[10] Olson, ibid 8.

High-Frequency Trading And Algorithmic Trading

Similar to this, High-frequency trading and algorithmic trading have grown in popularity in the financial markets, especially during big events like merger announcements. The stock price volatility that occurs before, during, and following the announcement of a merger transaction can be greatly influenced by these trading methods, which are made possible by sophisticated technology and computer algorithms. With algorithmic trading, trade orders are carried out by computer programs according to pre-established guidelines, including volume, time, and price. By performing deals at extraordinarily fast speeds often in microseconds high-frequency trading elevates algorithmic trading to a new level. To evaluate market data and carry out transactions automatically without requiring human intervention these methods rely on sophisticated algorithms.[11]

Algorithmic trading and HFT systems respond quickly to news of a merger, analysing massive volumes of data and completing transactions in milliseconds. Because of this quick reaction, stock prices may see abrupt and inflated swings when automated trading algorithms purchase or sell shares in response to their assessment of how the merger will affect the participating firms. The quick and automated nature of HFT and algorithmic trading can occasionally increase stock price volatility by causing quick price increases or decreases that could not fully represent the underlying fundamentals of the firms in question. When there is increased uncertainty around merger announcements, this volatility may make it difficult for investors and other market players to manage the market.

Blockchain

The potential of emerging technologies such as blockchain to improve efficiency, security, and transparency across a range of sectors, including mergers and acquisitions (M&A), is gaining more attention. One of the main advantages of using blockchain technology in M&A transactions is that it can provide security and transparency throughout the process.

A safe and transparent record of M&A-related transactions, agreements, and conversations may be obtained using blockchain, a decentralized and unchangeable ledger. The risk of fraud and conflicts can be decreased by providing parties to the transaction with increased visibility into

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[11] Trader I, 'Basics Algorithmic Trading Strategies: Concepts and Examples' (Tradingstrategycourse.com, 7 February 2024) <https://tradingstrategycourse.com/basics-algorithmic-trading#google_vignette> accessed 11 July 2024

the progress and status of the deal through the recording of every step of the M&A process on a blockchain network.

The 2018 acquisition of BitTorrent by the TRON Foundation is one notable example that demonstrates the potential of blockchain in M&A transactions. BitTorrent was a peer-to-peer file-sharing startup that was purchased by TRON, a decentralized content distribution network built on blockchain, for about $140 million. Blockchain technology was essential in assuring security and transparency during the purchasing process. The transfer of ownership rights and the distribution of payments were two of the many parts of the transaction that were automated and streamlined with the use of smart contracts, which are self-executing contracts with the terms of the agreement explicitly encoded into code. TRON and BitTorrent were able to carry out the acquisition more quickly by utilising smart contracts on a blockchain network, which did away with the need for middlemen and decreased the possibility of mistakes or delays in the payment process. Furthermore, the transparent nature of blockchain technology increased confidence in the agreement by giving both parties access to a safe and auditable record of the transaction.

The TRON-BitTorrent transaction is an example of how blockchain technology may be effectively applied to expedite post-merger procedures and improve views of the stock market. We may anticipate more process efficiency, transparency, and security as more businesses investigate using blockchain technology in M&A deals; in the end, this will benefit stakeholders and shareholders equally[12].

Fintech Innovation

Fintech innovations like robo-advisors and online trading platforms have been essential in democratizing access to the financial markets, especially for small-scale investors. With generally cheaper costs and minimal investment requirements than with traditional brokerage services, these technology innovations have made investing in stocks, bonds, and other financial instruments easier and more inexpensive for people. Retail investors may now actively participate in trading and investment activities after previously being barred from the stock market by factors like high fees or restricted access to information.

[12] Baydakova A, ‘Tron Foundation Officially Completes Acquisition of BitTorrent’ (CoinDesk Latest Headlines RSS, 13 September 2021) <https://www.coindesk.com/markets/2018/07/25/tron-foundation-officially-completes-acquisition-of-bittorrent/> accessed 11 July 2024

Fintech developments have in general, levelled the playing field and democratized access to financial markets, enabling ordinary people to take advantage of investment possibilities that were previously unattainable and actively engage in merger events. Fintech advances have made financial markets more accessible, which might affect how much retail investors participate in the stock market during merger events. This could affect stock prices and Market Dynamics.

Virtule Due Diligence

Virtual due diligence and remote cooperation, are two technological innovations that have completely changed the M&A environment, especially when it comes to international mergers. The traditional due diligence process, which involves extensive document review, financial analysis, and site visits, can be time-consuming and costly. Due diligence may now be completed from anywhere in the world by parties engaged in M&A transactions because of the widespread use of virtual due diligence tools and remote collaboration platforms[13].

A significant benefit of virtual due diligence is the capacity to remotely access and examine vast amounts of data and documents. Due diligence teams can share and work together on documents in real time using secure online portals and document management systems, doing away with the need for in-person meetings and document exchanges. This expedites the due diligence procedure and lowers the expenses and logistical difficulties related to travel and in-person meetings.

In general, technology developments in remote collaboration and virtual due diligence have revolutionized the M&A process, presenting fresh chances to improve effectiveness, transparency, and communication. The capacity of businesses to perform due diligence remotely in response to M&A deals might have a big influence on stock market movements, altering investor views and market dynamics as long as businesses continue to use these technologies.

[13]'How a Virtual Data Room Facilitates M&A Due Diligence' (RSS, September 2023) <https://www.sharevault.com/blog/m-and-a/how-a-virtual-data-room-facilitates-ma-due-diligence> accessed 11 July 2024

LEGAL REGULATIONS

Rule and regulations that governs these activities

In India, there is a comprehensive legal framework governing post-merger operations. Important legislation guides firms on different areas of mergers and acquisitions. The National Company Law Tribunal (NCLT) is empowered under the Companies Act, 2013 to approve mergers, provide information on the merger or amalgamation process, and handle situations in which firms are established in multiple jurisdictions. Additionally, fair practices, insider trading, and disclosure requirements are governed by SEBI regulations, which include the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, and the SEBI (Prohibition of Insider Trading) Regulations, 2015. Sections 5 and 6 of the Competition Act, 2002 provide the Competition Commission of India (CCI) the authority to investigate. Transactions involving foreign businesses in mergers and acquisitions that involve foreign exchange are governed by FEMA, 1999. Sections 2(1B), 72A, and 115JA of the Income Tax Act, 1961 contain provisions on mergers, the tax treatment of accumulated losses, and special requirements for specific firms. In Addition, employee rights, layoffs, and compensation in the context of mergers and acquisitions are governed by labour laws, such as the Industrial Disputes Act, of 1947, the Employees' Provident Funds and Miscellaneous Provisions Act, of 1952, and the Payment of Gratuity Act, 1972. Companies must abide by these rules to guarantee the validity, openness, and justice of their post-merger conduct and to stay out of legal trouble and under regulatory scrutiny.

CONCLUSION AND SUGGESTION

In conclusion, the research paper provides a comprehensive examination of the topic Careful planning, cautious implementation, and ongoing monitoring are necessary for effective post-merger integration. To solve issues and promote an integrated corporate culture, businesses must place a high priority on stakeholder participation, transparency, and communication. In addition, transparency, justice, and legality in post-merger activities depend on regulatory compliance and respect for legal frameworks. The wider market environment is affected by post-merger actions in addition to the merged entity's internal operations. Announcements of mergers and acquisitions and the ensuing execution of post-merger operations frequently impact the performance of the stock market. Several factors influence how stock prices fluctuate both during and after M&A transactions, including market dynamics, investor mood, and strategy alignment.

Technology has further changed the post-merger activity scene in the current digital era. After-merger integration has benefited from innovations like blockchain, fintech, and virtual due diligence technologies, which have improved transparency, expedited decision-making, and simplified procedures. Finally, a comprehensive strategy integrating operational excellence, strategic vision, technology innovation, and regulatory compliance is needed for successful post-merger integration. Organizations may fully realize the potential of mergers and acquisitions (M&A) transactions, generate value, and attain sustainable development in the current competitive business landscape by giving priority to these components and adopting best practices in post-merger operations.

SUGGESTION

Here are some suggestions that the researcher came across while writing this paper and considered to be more important to be mentioned so that anything that is lacking behind can be fulfilled.

Advancement in technology is no doubt a greater help for a layman but with this technological advancement comes with lot of challenges like cyber-attacks, leaking of personal data etc. To prevent this, we need to be more careful with the technological usage.

Thorough due diligence procedures should be given top priority by businesses, which may speed up the process and reduce the risks involved in mergers and acquisitions by utilizing technology advancements like virtual due diligence and remote communication tools.

Fintech advances have made financial markets more accessible, which might affect how much retail investors participate in the stock market during merger events. This could affect stock prices and market dynamics.

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