The global industrial landscape has been completely redefined by the forces of globalization and unprecedented technological developments in last two decades. Companies have responded to the competitive pressures unleashed by these forces through extensive repositioning programs involving mergers, acquisitions, alliances, divestitures and demergers. Indian companies stand on the threshold of the next phase of growth. It is inevitable that several of them would find themselves required to make more decisive choices in respect of the portfolio of business in their stable.

Mergers and acquisitions are the most favorite tool of corporate restructuring and to have inorganic growth. However, the decision of corporate restructuring has multiple effects on operating and financial efficiency of the organization. More than twenty two measures are taken for consideration for measuring operating efficiency and conclusion is derived on six different perspectives of operating efficiency i.e. profitability, liquidity, solvency, foreign operations, capital market reactions and cash flow impact. The research has measured the impact of mergers and acquisitions on shareholders wealth for the short run in recent times. The study was conduct based on thirty samples from the year 2008 and 2009.

Furthermore, this research has measure trend of mergers and acquisitions for last two decades. The study has measured trend on the basis of sectors and year wise analysis. Further, this study includes the case study of acquisition of Nirma Ltd. over Core Health Care Ltd. for analyzing financial synergy and valuation. At last, the study would be incomplete without analyzing corporate approach towards mergers and acquisitions. It was analyzed taking review of the sample of fifty M&A managers and consultants. And at last, the conclusion is derived on the basis of integrated analysis.