

An Empirical Study on Impact of Takeovers on Corporate World and Shareholder Wealth, with Reference to Chennai

Megha S¹ and Subairiya Fathima²

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Hindustan Institute of Technology and Science, Chennai

meghasanthosh27@gmail.com and subairiyaf@gmail.com

Abstract: Takeovers are a significant aspect of the corporate world, often used as a strategic tool for business expansion. A **takeover** occurs when one company acquires control over another, either through friendly negotiations or hostile bids. The **aim** of the study is to analyze the impact of corporate takeovers on company performance and shareholder wealth. The **Objective** of the study is to examine the effect of takeovers on the financial performance and market value of the acquiring and target companies. To assess the impact of takeovers on shareholder wealth. The **methodology** of study is an **empirical method**. The data collected in **Chennai** by **convenient sampling** and the sample size is **206**. **Independent variables** are age, gender, education qualification, marital status. The **dependent variable** are legal requirement during a corporate takeover in India, shareholders of the acquired company often receive, job redundancies can takeovers negatively affect a company's workforce, Companies Act, 2013 in India primarily governs mergers and takeovers. **Tools** are graph, pie chart, chi square. The study **Finds** that, Takeovers often lead to short-term gains in shareholder wealth, especially for the target company's shareholder acquiring company may face integration challenges, which can affect its long-term financial performance. Strict legal and regulatory compliance under SEBI takeover regulations helps protect minority shareholders. The study **concludes** that the takeovers play a vital role in reshaping the corporate landscape by enabling growth, diversification, and increased competitiveness. While they can enhance shareholder value and operational efficiency, the outcomes largely depend on effective integration and strategic alignment

Keywords: Takeover, Shareholder Wealth, Corporate Restructuring, SEBI Regulations, Legal Implications

