

## 17BB320 Mergers and Acquisitions

### Course Objective

To acquire knowledge of the procedural and practical aspects of Corporate Restructuring in detail.

### Course Outcomes

At the end of the course students should be able to understand

- How to analyze capital allocation options
- Evaluate pros & cons of M& A Deals
- Evaluate financing options

**Unit -I: Introduction:** Corporate restructuring- scope and modes of restructuring- global scenario-Strategic planning- Competitive advantage - strategy formulation- routes for executing strategy – start up, mergers, acquisitions, takeovers, disinvestments and strategic alliances.

### Unit-II: Mergers and Amalgamations, Takeovers

Mergers and Amalgamations- legal aspects- procedural aspects - economic aspects -accounting aspects-financial aspects - taxation aspects- stamp duty and allied matters- filing of various forms Takeovers- legal aspects - SEBI takeover regulations-procedural aspects-economic aspects- financial aspects- accounting aspects- taxation aspects- stamp duty and allied matters-bail out takeovers- takeover of sick units.

### Unit-III: Funding of Mergers and Takeovers

Financial alternatives-funding through various types of financial instruments-buy-back of shares-hybrids, options and securities with differential rights, employer stock options and securities - takeover finance-ECBs-funding through financial institutions and banks- rehabilitation finance-management buyouts.

### Unit- IV: Valuation of Shares and Business, Revival and Restructuring of Sick Companies:

Factors influencing valuation-methods of valuation- problems of sick industries and their revival –Legal aspects of restructuring of sick industries

### Unit-V: Corporate Demergers, Splits and Divisions

Concepts of demerger and reconstruction- modes of demerger - tax aspects, tax reliefs- reverse mergers-Indian scenario

### TEXT BOOKS:

1. K. R. Sampath, Mergers/Amalgamations, Takeovers, Joint Ventures, LLPs and Corporate Restructure, Snow White Publications
2. Ray, Mergers and Acquisitions Strategy, Valuation and Integration, PHI

### REFERENCE BOOKS:

1. S. Ramanujam, Mergers et al, LexisNexis Butter worths Wadhwa, Nagpur
2. ICSI : Handbook on Mergers Amalgamations and takeovers
3. Strategic Financial Management by Prasanna Chandra (PC), Mcgraw Hill
4. Financial Markets and Corporate Strategy by Sheridan Titman, 2nd Edition (Irwin/McGraw-Hill, 2002).