



PROGRAM	Bachelor of Commerce (Honors)
SEMESTER	VI
COURSE TITLE	Mergers and Acquisitions
COURSE CODE	04CH0631
COURSE CREDITS	04
COURSE DURATION	48 Hrs (48 sessions of 60 minutes each)

COURSE OUTCOMES:

- Understand the various forms of corporate restructuring
- Evaluate the value of firm under going through corporate restructuring
- Ability to illustrate the leading methods used in the valuation of a firm for merger analysis.
- Estimate value of synergies for valuing firms at the time of corporate restructuring
- Equipped with knowledge of accounting and taxation for M & A

Teaching and Examination Scheme

Teaching Scheme (Hours)			Credits	Internal Marks (50%)		End-Semester Examination (50%)			Total Marks
Theory	Tutorial	Practical		IA	CSE	Theory	Practical/Viva	Term Work (TW)	
4	0	0	4	30	20	50	0	0	100

COURSE CONTENTS:

Unit No	Unit / Sub Unit	Sessions
I	<p>Basics of corporate restructuring Corporate restructuring: Meaning, Reasons for corporate restructuring, Barriers to Restructuring, Forms of corporate restructuring Mergers and acquisitions: Meaning, Various concepts, Theories of M&A, reverse mergers ; Strategic alliances: Meaning, reasons Take Over: Meaning, techniques for takeover, defense tactics of take over.</p>	8
II	<p>Forms of corporate restructuring Demergers: Meaning, split off, spin off, Slum sale, Equity carve-out Employee stock option plan: Meaning, Conditions/features, SEBI guidelines for ESOP. Going private and Leverage buyout : Concept, Types of Leverage Buyouts.</p>	10
III	<p>Share buyback: Meaning, SEBI guidelines Cross border mergers and acquisitions: Concept, Benefits of Cross Border</p>	10

	Acquisitions, Difficulties in Cross Border Acquisition Due Diligence: Concept, Types of Due Diligence Sources of fund for M & A.	
IV	Accounting and taxation of Mergers and Acquisitions (Theory and examples) Accounting standard 14, Methods of accounting, balance sheet restructuring after M & A Provisions of Income Tax Act .	8
V	Valuation of business: (Theory and examples) Asset Based Valuation Net Asset Method: Book Value basis, Market value basis, liquidation value basis Income Based Valuation: Equity Valuation and Firm Valuation covering Stable growth and two stage growth (FCFE and FCFE models), Dividend Yield Method, Capitalization Method	12

SUGGESTED READINGS:
Text Books:

Sr. No	Author/s	Name of the Book	Publisher	Edition and Year
T-01	Prasad G. Godbole	Mergers, Acquisitions and Corporate Restructuring	Oxford	Second edition -2013
T-02	Rajinder S. Aurora, Kavita Shetty, Sharad Kale	Mergers and Acquisitions	Vikas Publication	Second Edition - 2012
T-03	Aswath Damodaran	Damodaran on Valuation		Second edition - 2014

Reference Books:

Sr. No	Author/s	Name of the Book	Publisher	Edition and Year
R-01	Prasanna Chandra	Financial Management: Theory and Practice	McGraw Hill	10th edition - 2019
R-02	Pradip Kumar Sinha	Mergers, Acquisitions and Corporate Restructuring	Himalaya	First edition - 2016
R-03	Prasanna Chandra	Corporate Valuation: A Guide for Analysts- Managers and Investors	McGraw Hill	First Edition - 2014