



Masters of Business Administration (MBA) – Semester - 4

Course Teaching Plan

Course Title: Corporate Restructuring and Valuation

Course Code: 340032402

Course Credit: 4 (40 Hours)

1. Course Introduction:

The course is designed to provide detailed understanding of various forms of corporate restructuring activities, reasons, processes and their implications. The course also deals with the various valuation methods and their impact on the business deal. The course helps in analyzing the legal issues involved in corporate restructuring activities. It enables students in understanding the various complexities associated with corporate restructuring exercises.

2. Course Objectives

- The objective of this course is to provide an in-depth understanding of various corporate restructuring methods and its effect on the corporate functioning.
- The course will enable students to analyze different aspects of corporate restructuring such as finance, accounting, & valuation and regulatory.

3. Course Learning Outcome:

CLO1: Understand various forms of corporate restructuring methods and its impact on the company.

CLO2: Analyze the different aspects of contraction and corporate control.

CLO3: Evaluate various approaches of business valuation and discuss the asset and incomebased approaches in detail.

CLO4: Examine market based approach of valuation and analyze the synergy of M&A deals

CLO5: Understand the accounting and legal issues of corporate restructuring activities.

4. CLO –PO Mapping Matrix Correlation levels:

	PO1	PO2	PO3	PO4	PO5
CLO1	3	3	2	2	2
CLO2	3	3	2	2	1
CLO3	3	3	2	2	2
CLO4	3	3	3	2	2
CLO5	3	3	3	2	2

Correlation levels: 3= 'High', 2='Medium', 1='Low' and '-' = No correlation

5. Course Contents and Session Plan: (40 Hrs)

Session No	Syllabus Content
Unit I	
1	Introduction - Corporate Restructuring:
	<ul style="list-style-type: none"> • Concept • Types • Reasons • Barriers • Implications
2-4	Types of Corporate Restructuring: Expansion <ul style="list-style-type: none"> • Overview of Mergers & Acquisitions - classifications, motives, reasons for failures • Joint venture: Types, benefits • Cross border expansion: Reasons, benefits
5	Contraction <ul style="list-style-type: none"> • Spinoff • Split-ups, • Equity carve out • Divestiture / Asset sale
6-8	Corporate controls <ul style="list-style-type: none"> • Going private • Buyback • Leveraged Buyouts: Concept, types of LBOs • Takeover and Anti- takeover defense: Concept, Takeover Defense tactics, Benefits and disadvantages of Takeover, Due diligence: Concept, types of Due Diligence
9-10	Project 1
Unit II	
11-12	Basics of Business Valuation:
	<ul style="list-style-type: none"> • Introduction of Business Valuation • Valuation of Tangible Assets • Overview of Valuation of Intangible Assets Asset Based Valuation: Net Asset Method <ul style="list-style-type: none"> • Book Value • Market Value • Liquidation Value
13-16	Income Based Valuation: <ul style="list-style-type: none"> • Discounted Cash Flow Method • Equity Valuation • Firm Valuation covering Stable growth and two stage growth models

17-18	Income Based Valuation: <ul style="list-style-type: none"> • Dividend Yield Method • Capitalization Method
19-21	Project 2
Unit III	
22-23	Market Based Valuation: <ul style="list-style-type: none"> • Comparable company and Transaction Analysis Method • Fair Value Method
24-25	Valuation Using Multiples <ul style="list-style-type: none"> • Earnings Based Approach • Earnings -Capitalization Method • EPS, MPS, P/E Ratio
26-29	Exchange Ratio and Synergy <ul style="list-style-type: none"> • ER based on EPS, MPS, PE • Combined EPS, Combined MPS, Combined PE • Minimum and Maximum Exchange
	Ratio based on MPS and EPS <ul style="list-style-type: none"> • Market value of merged firm • Cost and Benefits of a merger
30-32	Project 3
Unit IV	
33-35	Accounting for Mergers: AS 14 Methods of Accounting Balance Sheet Treatments after M & A
36-38	Legal Issues in M&A <ul style="list-style-type: none"> • Provision for M & A under Companies Act • SEBI Buyback of Securities Regulations • SEBI (Delisting of Securities) • Competition Act for M&A
39-40	Project 4 and Presentations.

6. Assessment Scheme:

Specific assessment method	% Weightage	Theory	Practical
Exam	50%	√	√
Class Participation	10%	√	√
Quiz	10%	√	√
News & Case Study Analysis	10%	√	√

Project Presentation	&	20%	√	√
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7. Educational Resources

Educational Resources	Description
vi. Text Book	Textbook (T1): Merger and Acquisitions by Rajinder Arora, Kavita Shetty, Sharad Kale, Oxford Publication (Latest Edition) Textbook (T2): Corporate Restructuring by Bhagaban Das, Debdas Raskhit, Sathya Debasish Himalaya Publication (Latest Edition) Textbook (T3): Merger and Acquisitions by B Rajesh Kumar Tata McGraw Publication (Latest Edition)
vii. Reference Book	Mergers, Acquisitions and Corporate Restructuring by Chandrasekhar Krishnamurti, Vishwanath S. R Sage Publication
viii. Journals/ Magazine /periodicals	Business Standard, Mint, Economic Times
ix. Video lecture (NPTEL, MOOC, you tube lecture)	Coursera "Advanced Valuation and Strategy - M&A, Private Equity, and Venture Capital" https://www.coursera.org/learn/advanced-valuation-and-strategy Coursera "Mergers and Acquisitions – The Relentless Pursuit of Synergy" https://www.coursera.org/learn/mergers-and-acquisitions
x. Course related important Web links	6. www.bseindia.com 7. www.moneycontrol.com 8. www.livemint.com 9. www.businessstoday.com 10. www.businessstandard.com 11. www.hindubusinessline.com 12. www.economicstimes.com

