

<b>Programme</b>	<b>: MBA (Financial Services)</b>
<b>Course Code</b>	<b>: FSO327</b>
<b>Course Title</b>	<b>: Business Valuation, Mergers and Acquisitions</b>
<b>Number of Credits</b>	<b>: 4</b>
<b>Effective from AY</b>	<b>: 2020-21</b>

<b>Need of the Course</b>	In today’s dynamic corporate world is characterized by corporate restructuring at global as well as national level. The primary objective of the course is to develop a comprehensive understanding of mergers and acquisitions (M and A) from the perspective of the corporate executive. This course will cover all major elements of the Corporate Restructuring, Process, Valuation and Defense strategies.	
<b>Description of the Course</b>	The course is designed to develop skill among the students to be able to recommend the appropriate mode of restructuring. It will also provide insight into the process of merger along with the different valuation techniques available thus helping the corporates to strike the right deal.	
<b>Objectives of the Course</b>	The course focuses to provide in depth understanding of  1. Corporate Restructuring – types, theories, Modes 2. Pre and Post Integration Process 3. Valuation of the Deals 4. Defense Mechanism adopted	
<b>Course Content</b>		
<b>Unit 1</b>	<b>: Overview of Mergers and Acquisition</b>	<b>10 Hours</b>
<b>Overview of Mergers;</b> Types and Characteristics; Motives Behind Mergers; Theories of Mergers operating, Financial and Managerial Synergy of Mergers; Value Creation through Mergers; Agents Contributing to Mergers and Acquisition Activities. Disinvestment scheme. <b>Method of Restructuring-</b> Joint Ventures, Sell-Off and Spin Off- Equity Carve-Outs, Leveraged Buy Outs (LBO)- Management Buy Outs- Master Limited Partnerships- Employees Stock Option Plans (ESOP).		
<b>Unit 2</b>	<b>: Process – Mergers and Acquisition, Accounting and Legal Aspects</b>	<b>10 Hours</b>
<b>Process of Merger Integration-</b> Process of Merger Integration- Organisational and Human aspects; Managerial challenges of Mergers and Acquisition. Strategic fit and the M and A decision. <b>Accounting for mergers and acquisitions</b> with relevant standards, legal and taxation aspects of mergers and acquisition.		
<b>Unit 3</b>	<b>: Business Valuation</b>	<b>14 Hours</b>
Benchmarks of Value; Valuation Approaches-Valuing relative Contribution – Valuing Comparable-Valuation of the Target ‘s Equity- Precedent Acquisition; Valuing Operating and Financial Synergy-Valuing Corporate Control- Valuing of Leveraged Buy Outs (LBO)- Methods of Financing Mergers- Cash Offer, Share Exchange Ratio-Merger as Capital Budgeting Decision.		

Unit 4	: Defensive Strategies	14 Hours
Takeover Defenses- Types and Techniques of Raid; Advance Preventive Measures; Strategies of Takeover bid White Knights-White Square- Crown Jewel-Pacman 's Strategy- Golden Parachute- Poison Pills Strategy – Coercive Offers and Defense-Financial Defensive Measures- Anti takeover Amendments.		
<b>Pedagogy</b>	Interactive Lectures/Discussions/ Presentations/case study/ individual or group projects/ assignments/Class activities.	
<b>Reference/Readings</b>	<ol style="list-style-type: none"> <li>1. Weston. F, Chung. K, and Hoag, S. (2008). Mergers, Restructuring, and Corporate Control, Prentice-Hall of Indian Pvt. Ltd., New Delhi.</li> <li>2. Patrick A. Gaughan (2007). Mergers, Acquisitions and Corporate Restructurings, 4/e Wiley India, New Delhi.</li> <li>3. Narayanan, P. and Vikram, Nanda (2003), Finance for Strategic Decision Making- What nonfinancial managers Need to Know, Jossey- Bass, Wiley India.</li> <li>4. Reuvid Jonathan, (2005). Mergers and Acquisitions, Kogan Page.</li> <li>5. Robert Brown(2007), Applied Mergers and Acquisitions, John Willey and Sons.</li> <li>6. Kevin K. Boeh and Paul W. Beamish (2007). Mergers and Acquisitions: Text and Cases. Sage Publications', New Delhi.</li> </ol>	
<b>Course Outcome</b>	<p>Upon the completion of this course the learners shall be able to:</p> <p><b>CO1. Explain</b> the different modes of Corporate Restructuring.</p> <p><b>CO2. Possess</b> in depth knowledge of Pre and Post Integration Process.</p> <p><b>CO3. Evaluate</b> the deal through various modes of Business Valuation.</p> <p><b>CO4. Explain</b> the different defence techniques available for preventing Takeover.</p>	