



Rationale: Mergers and acquisitions represent crucial strategic decisions in a company's growth journey. They facilitate rapid expansion, diversification, and a competitive edge. Creating an effective M&A strategy requires clear objectives, defined criteria, and a realistic timeline to ensure a successful outcome. As a consequence, student should understand basics of mergers and acquisitions.

Course Scheme:

Teaching Scheme			Credits	Examination Marks				Total Marks
L	T	P		Theory		Practical		
			ESE (E)	PA(M)	ESE (V)	PA (I)		
4	0	0	4	70	30	0	50	150

Course Outcomes:

Sr. No.	Course Outcomes
CO1	To develop understanding of the economic activity of M & A taking place in the Indian economy.
CO2	To examine the merger and acquisition process in the capital market.
CO3	To illustrate the leading methods used in the valuation of a firm for merger analysis.
CO4	To acquaint with the techniques of corporate restructuring.

Course Content:

Unit No.	Content	No. of Hours	Marks
1	<p>Corporate Restructuring:</p> <ul style="list-style-type: none"> • Concept, Reasons for Restructuring • Barriers to Restructuring • Types of Corporate Restructuring Mergers and Acquisitions • Concept, Classification of Mergers • Motives behind M & A • Process of M & A • Reasons for failure • Reverse Merger • Recent Examples of M & A in India • Concept of Acquisition and types of Acquisitions <p>Due Diligence: Concept, Types of Due Diligence</p> <p>Cross Border Acquisition: Concept, Benefits of Cross Border Acquisitions, Difficulties in Cross Border Acquisition</p>	8	14
2	<p>Takeover:</p> <ul style="list-style-type: none"> • Concept • Takeover Defence tactics • Benefits and disadvantages of Takeover <p>Divesture:</p> <ul style="list-style-type: none"> • Concept, benefits 	12	21



	<ul style="list-style-type: none"> Types of Divesture Reasons for Divesture <p>Going Private and Leverage Buyout:</p> <ul style="list-style-type: none"> Concept, Types of Leverage Buyouts Concept of Employee Stock Ownership (Only Theory) <p>Funding options for M & A.</p>		
3	<p>Legal issues in M & A Provision for M & A under Companies Act, 2013</p> <ul style="list-style-type: none"> SEBI Buyback of Securities Regulations SEBI (Substantial Acquisition of shares and Takeover Regulations) SEBI (Delisting of Securities) Guidelines Provisions of Income Tax Act Competition Act for M & A 	8	14
4	<p>Accounting for Mergers:</p> <ul style="list-style-type: none"> AS14 Methods of Accounting Balance Sheet Treatments after M & A <p>Exchange Ratio and Synergy:</p> <ul style="list-style-type: none"> Concept ER based on EPS, MPS, PE Combined EPS, Combined MPS, Combined PE Minimum and Maximum Exchange Ratio based on MPS and EPS Market value of merged firm Cost and Benefits of a merger <p>Different Approaches of Valuation of M & A (Theory and numerical): Asset Based Valuation :</p> <ul style="list-style-type: none"> Net Asset Method Book Value basis Market Value basis Liquidation Value basis <p>Income Based Valuation:</p> <ul style="list-style-type: none"> Discounted Cash flow Method Equity Valuation and Firm Valuation covering Stable growth and two stage growth model Dividend Yield Method Capitalization Method <p>Market Based Valuation:</p> <ul style="list-style-type: none"> Comparable company and Transaction Analysis Method Fair Value Method 	12	21
		40	70

Suggested Specification Table For Question Paper Design:

Unit No.	Unit Title	Teaching Hours	Distribution of Theory Marks (Assessment as per Revised Bloom's Taxonomy Level*)						Total Marks
			RM	UN	AP	AN	EL	CR	
I	Module-1	8	7	7	0	0	0	0	14
II	Module-2	12	4	4	13	0	0	0	21
III	Module-3	8	7	7	0	0	0	0	14



IV	Module-4	12	0	2	7	12	0	0	21
	Total	40	18	20	20	12	0	0	70

***RM: Remember, UN: Understand, AP: Apply, AN: Analyze, EL: Evaluate, CR: Create**

Note: This specification table provides general guidelines to assist student for their learning and to teachers to teach and question paper designers/setters to formulate test items/questions to assess the attainment of the UOs. The actual distribution of marks at different taxonomy levels in the question paper may slightly vary from above table.

Suggested Student Activities for Progressive Assessment (PA) : (50 Marks)

Evaluation:

Students shall be evaluated on the following components:

A. Continuous Evaluation Component comprising of Projects / Assignments / Quiz / Class Participation / Class test / Presentation on specific topic etc.	(Internal Assessment- 50 Marks)
B Mid-Semester examination (Internal Assessment-30 Marks)	(Internal Assessment-30 Marks)
C. End –Semester Examination	(External Assessment-70 Marks)

Suggested Learning Resources:

Sr. No	Title of Book	Author	Publication with place, year and ISBN
1.	Mergers and Acquisitions	Aurora, Shetty, Kala	Oxford
2.	Creating Value from Mergers and Acquisitions	Sudi Sudarsanam	PHI
3.	Investment Banking	Joshua Rosenbaum, Joshua Pearl, Joseph R. Perella, Joshua Harris	Wiley Publications
4.	Investment Banks, Hedge Funds, and Private Equity	David P. Stowell	Elsevier
5.	Merchant Banking :Organization and Management	J.C.Verma	TATA McGraw Hill
6.	Corporate restructuring: Merger, acquisition and other forms	Bhagaban Das, Debdas Rakshit, Sathya Swaroop Debashish	Himalaya
7.	Mergers, Acquisitions and Corporate Restructuring	Pradip Kumar Sinha	Himalaya
8.	SEBI Guidelines		Taxman’s Publications

List of Journals / Periodicals / Magazines / Newspapers / Web resources, etc.

- Journal of Finance
- Journal of Finance and Economics
- Journal of Banking and Finance
- www.rbi.org.in
- www.sebi.gov.in
- www.sec.gov