



# GUJARAT TECHNOLOGICAL UNIVERSITY

Program Name: Master of Business Administration

Level: PG

Course / Subject Code : MB04000021

Course / Subject Name : Corporate Restructuring and Valuation

w. e. f. Academic Year:	2024-25
Semester:	4
Category of the Course:	Specialization Finance (Major 4)/Major Subject-4

<b>Prerequisite:</b>	Students with basic knowledge of finance and valuation.
<b>Rationale:</b>	Corporate Restructuring and Valuation are critical for strategic decision-making in today's dynamic business environment. This course equips students with conceptual understanding, analytical skills, and practical tools to evaluate restructuring strategies, business valuations, and cross-border transactions. It prepares learners to integrate financial, regulatory, and ethical perspectives in designing effective corporate restructuring solutions.

## Course Outcome:

After Completion of the Course, the Student will able to:

No	Course Outcomes	RBT Level
01	Discuss the concepts, motives, and barriers of corporate restructuring including mergers, acquisitions, joint ventures, divestitures, corporate controls etc.	Understand
02	Apply various approaches and methods of business valuation (asset-based, income-based, and market-based) to assess firm value.	Apply
03	Analyze financial data to evaluate exchange ratios, synergy, and the cost-benefit implications of mergers and acquisitions.	Analyse
04	Evaluate cross-border mergers and acquisitions with respect to strategic motives, financial implications, and regulatory issues.	Evaluate
05	Prepare and present a report on cases of corporate restructuring in the Indian or International context, including its valuation.	Create

*\*Revised Bloom's Taxonomy (RBT)*

## Teaching and Examination Scheme:

Teaching Scheme (in Hours)			Total Credits L+T+ (PR/2)	Assessment Pattern and Marks				Total Marks
L	T	PR		C	Theory		Tutorial / Practical	
			ESE (E)		PA / CA (M)	PA/CA (I)	ESE (V)	
3	1	0	4	70	30	50	0	150



# GUJARAT TECHNOLOGICAL UNIVERSITY

Program Name: Master of Business Administration

Level: PG

Course / Subject Code : MB04000021

Course / Subject Name : Corporate Restructuring and Valuation

## Course Content:

Unit No.	Content	No. of Hours	% of Weightage
1.	<p><b>Corporate Restructuring:</b> Concept, Reasons for Restructuring, Barriers to Restructuring</p> <p><b>Types of Corporate Restructuring:</b></p> <p><b>Expansion:</b></p> <ul style="list-style-type: none"><li>o Amalgamation, Absorption, Asset acquisition /Mergers &amp; Acquisitions<ul style="list-style-type: none"><li>• Concept, Classification of Mergers</li><li>• Motives behind M &amp; A</li><li>• Reasons for failure</li><li>• Reverse Merger</li><li>• Recent Examples of M &amp; A in India</li><li>• Concept of Acquisition and types of Acquisitions</li></ul></li><li>o Cross border expansion<ul style="list-style-type: none"><li>• Reasons, benefits and Recent examples</li></ul></li></ul> <p><b>Contraction:</b></p> <ul style="list-style-type: none"><li>o Spinoff, Split-ups, Equity carve out</li><li>o Divestiture / Asset sale<ul style="list-style-type: none"><li>• Concept, benefits</li><li>• Types of Divestiture</li><li>• Reasons for Divestiture</li></ul></li></ul> <p><b>Corporate controls:</b></p> <ul style="list-style-type: none"><li>o Going private</li><li>o Buyback</li><li>o Delisting of Securities/Companies</li><li>o Leveraged Buyouts<ul style="list-style-type: none"><li>• Concept, types of LBOs</li></ul></li><li>o Takeover and Anti-takeover defence<ul style="list-style-type: none"><li>• Concept</li><li>• Takeover Defence tactics</li><li>• Benefits and disadvantages of Takeover</li></ul></li><li>o ESOPs<ul style="list-style-type: none"><li>• Concept (only theory)</li></ul></li></ul> <p><b>Due diligence: Concept, types of Due Diligence</b></p>	12	25



# GUJARAT TECHNOLOGICAL UNIVERSITY

Program Name: Master of Business Administration

Level: PG

Course / Subject Code : MB04000021

Course / Subject Name : Corporate Restructuring and Valuation

2.	<p><b>Basics of Business Valuation:</b> Introduction, Purpose of valuation, Role of Valuation, key, Concepts of value: Market Value, Book Value, Liquidation value Intrinsic Value, Replacement Value, Fair value, Valuation process</p> <p><b>Overview of various approaches to valuation (Theory &amp; Numerical)</b></p> <p><b>Asset Based Valuation:</b></p> <ul style="list-style-type: none"> <li>• Net Asset Method <ul style="list-style-type: none"> <li>o Book Value basis</li> <li>o Market Value basis</li> <li>o Liquidation Value basis</li> </ul> </li> </ul> <p><b>Income Based Valuation:</b></p> <ul style="list-style-type: none"> <li>• Discounted Cash Flow Method <ul style="list-style-type: none"> <li>o Equity Valuation and Firm Valuation covering Stable growth and two stage growth (FCFE and FCFF models)</li> <li>o Dividend Yield Method</li> <li>o Capitalization Method</li> </ul> </li> </ul>	12	25
3.	<p><b>Market Based Valuation:(Theory &amp; Numerical)</b></p> <ul style="list-style-type: none"> <li>• Comparable company and Transaction Analysis Method</li> <li>• Fair Value Method</li> </ul> <p><b>Valuation Using Multiples:(Theory &amp; Numerical)</b></p> <ul style="list-style-type: none"> <li>• Earnings Based Approach (Earnings - Capitalization Method, EPS, MPS, P/E Ratio),</li> </ul> <p><b>Exchange Ratio and Synergy:(Theory &amp; Numerical)</b></p> <ul style="list-style-type: none"> <li>• Concept</li> <li>• ER based on EPS, MPS, PE</li> <li>• Combined EPS, Combined MPS, Combined PE</li> <li>• Minimum and Maximum Exchange Ratio based on</li> <li>• MPS and EPS</li> <li>• Market value of merged firm</li> <li>• Cost and Benefits of a merger</li> </ul>	11	25
4.	<p><b>Overview of Valuation of Intangible Assets (Only Theory)</b> Definition of Intangibles, Reasons to Conduct Intangible Valuation, Recognition, Valuation of Goodwill, Brands and Human Resource</p> <p><b>Accounting for Mergers:</b></p> <ul style="list-style-type: none"> <li>• AS14</li> <li>• Methods of Accounting</li> <li>• Balance Sheet Treatments after M &amp; A</li> </ul>	10	25



# GUJARAT TECHNOLOGICAL UNIVERSITY

**Program Name: Master of Business Administration**

**Level: PG**

**Course / Subject Code : MB04000021**

**Course / Subject Name : Corporate Restructuring and Valuation**

	<p><b>Startup Valuation (Conceptual Overview)</b>            Why start-up valuation is different from traditional valuation            Factors affecting start-up valuation            Star-up valuation approaches            Challenges related to start-up valuation</p>		
5.	<p><b>Practical:</b></p> <ol style="list-style-type: none"> <li>1. Analyse a recent merger, acquisition, or divestiture (Indian or international) and identify the strategic motives, valuation method used, and post-deal performance.</li> <li>2. Study a failed corporate restructuring and evaluate the reasons for failure (financial, strategic, or regulatory).</li> <li>3. Evaluate the fair exchange ratio in a hypothetical merger scenario.</li> <li>4. Conduct a merger negotiation simulation in teams: one team acts as the acquiring company, another as the target, and a third as consultants. Simulate a board-level decision-making session for a restructuring proposal.</li> <li>5. Prepare a report on corporate restructuring trends in a particular industry (e.g., IT, FMCG, Banking) over the last 5 years.</li> <li>6. Analyse cross-border M&amp;A case studies, focusing on strategic motives, valuation methods, and regulatory challenges.</li> <li>7. Identify and summarise SEBI, Companies Act, or international regulatory requirements applicable to mergers, acquisitions, and other restructuring activities.</li> <li>8. Use Excel or financial modelling software to create DCF models, comparable company analysis, and precedent transaction analysis.</li> <li>9. Attend webinars or sessions with industry experts, investment bankers, or corporate strategists and submit a reflection report.</li> <li>10. Conduct interviews with professionals involved in corporate restructuring, summarising key learnings.</li> </ol>	15	CEC
	<b>Total</b>	<b>60</b>	<b>100</b>

**Suggested Specification Table with Marks (Theory):**

<b>Distribution of Theory Marks</b>					
<b>R Level</b>	<b>U Level</b>	<b>A Level</b>	<b>N Level</b>	<b>E Level</b>	<b>C Level</b>
10%	10%	20%	25%	25%	10%

*Where R: Remember; U: Understanding; A: Application, N: Analyze and E: Evaluate C: Create (as per Revised Bloom's Taxonomy)*



# GUJARAT TECHNOLOGICAL UNIVERSITY

Program Name: Master of Business Administration

Level: PG

Course / Subject Code : MB04000021

Course / Subject Name : Corporate Restructuring and Valuation

## Suggested Case Studies

- **Tata Motors – Acquisition of Jaguar Land Rover (2008):** Challenges of cross-border acquisition and post-merger integration.
- **Vodafone–Idea Merger (2018):** Consolidation in Indian telecom sector, synergy realization vs. regulatory hurdles.
- **HDFC–HDFC Bank Merger (2023):** Largest merger in India’s financial sector, strategic rationale and valuation.
- **Facebook Acquisition of WhatsApp (2014):** Paying \$19 billion for a non-revenue generating startup—valuation rationale.
- **Flipkart–Walmart Deal (2018):** Valuing a leading Indian e-commerce player and investor exit strategies.

## References/Suggested Learning Resources:

### (a) Books:

Nos	Author	Name of the Book	Publisher	Year of Publication/ Edition
1	Aswath Damodaran	Damodaran on Valuation	Wiley	2 <sup>nd</sup> Edition
2	Rajinder S. Aurora, Kavita Shetty & Sharad R. Kale	Mergers and Acquisitions	Oxford	2011
3	Prasad G. Godbole	Mergers, Acquisitions and Corporate Restructuring	Vikas Publication	2 <sup>nd</sup> Edition, 2013
4	Prasanna Chandra	Corporate Valuation: A Guide for Analysts - Managers and Investors	McGraw Hill	2014
5	Patrick A. Gaughan	Mergers, Acquisitions and Corporate Restructurings	Wiley	2017
6	Dr. Bhagaban Das & Sonalika Das	Merger, Acquisition and Corporate Restructuring	Himalaya Publishing House	2024 (1 <sup>st</sup> Edition)
7	Pradip Kumar Sinha	Mergers, Acquisitions and Corporate Restructuring	Himalaya Publishing House	2019

Note: Wherever the standard books are not available for the topic, appropriate print and online resources, journals and books published by different authors may be prescribed.



# GUJARAT TECHNOLOGICAL UNIVERSITY

Program Name: Master of Business Administration

Level: PG

Course / Subject Code : MB04000021

Course / Subject Name : Corporate Restructuring and Valuation

## (b) List of Journals /Periodicals /Magazines/Newspapers/Web resources etc.

### Journals

- Journal of Finance – American Finance Association
- Journal of Financial Economics – Elsevier
- Review of Financial Studies – Society for Financial Studies
- Journal of Banking & Finance – Elsevier
- Journal of Corporate Finance – Elsevier
- Financial Analysts Journal – CFA Institute
- Journal of Applied Corporate Finance – Wiley
- Journal of Business Valuation and Economic Loss Analysis – De Gruyter
- Journal of International Business Studies – Academy of International Business (for cross-border M&As)
- Emerging Markets Review – Elsevier (for valuation and restructuring in emerging markets)

### Magazines & Periodicals:

- Harvard Business Review (HBR) – Strategy, restructuring, leadership, and M&A case insights
- The Economist – Global finance, restructuring, and corporate trends
- Forbes (Finance & Investing Section) – Corporate finance, deals, and valuation practices
- Bloomberg Markets – Corporate deals, M&A, global restructuring coverage
- Fortune – Corporate rankings, mergers, and business restructuring stories
- Business India – Indian corporate developments and restructuring cases
- Business Today – Indian corporate news, mergers, and valuation insights

### Newspapers:

- Mint (Markets & Investment Section)
- The Hindu Business Line
- The Economic Times
- Business Standard

### Web Resources:

- **Moneycontrol ([www.moneycontrol.com](http://www.moneycontrol.com))** – Market news, corporate actions, stock analysis, and financial insights relevant for valuation and restructuring.
- **NSE India ([www.nseindia.com](http://www.nseindia.com))** – Stock market insights, corporate announcements, indices, and financial reports.
- **BSE India ([www.bseindia.com](http://www.bseindia.com))** – Market data, research reports, and information on corporate restructuring events.
- **CFA Institute ([www.cfainstitute.org](http://www.cfainstitute.org))** – Research, articles, and publications on corporate finance, valuation, and restructuring.



# GUJARAT TECHNOLOGICAL UNIVERSITY

Program Name: Master of Business Administration

Level: PG

Course / Subject Code : MB04000021

Course / Subject Name : Corporate Restructuring and Valuation

- **Investopedia ([www.investopedia.com](http://www.investopedia.com))** – Explanations of corporate restructuring, valuation methods, and financial concepts.
- **SEBI ([www.sebi.gov.in](http://www.sebi.gov.in))** – Regulatory updates, circulars, and guidelines on mergers, acquisitions, and corporate restructuring.
- **TradingView ([www.tradingview.com](http://www.tradingview.com))** – Stock charts, technical analysis, and insights into market reactions to corporate restructuring.

## CO- PO Mapping:

Semester 4	Subject Name: Corporate Restructuring and Valuation				
Course Outcomes	Programme Outcomes				
	PO1	PO2	PO3	PO4	PO5
CO1	3	2	1	2	1
CO2	3	3	1	2	1
CO3	2	3	1	2	1
CO4	2	2	2	3	2
CO5	2	2	2	2	3

Legend: '3' for high, '2' for medium, '1' for low and '-' for no correlation of each CO with PO

\*\*\*\*\*