

**FSO301 Corporate Restructuring [4 Credits]**

**Learning Objective:** To make the student understand about the significance and importance of Corporate restructuring and the different ways of performing the task of restructuring.

**UNIT 1: Mergers and Acquisitions – An Overview (10 Hours)**

Introduction to Mergers and Acquisitions, Mergers and Acquisitions - An Overview: Various Forms of Corporate Restructuring – Growing need for Corporate Restructuring in Recent times.

**UNIT 2: Theories of M&A (14 Hours)**

Theories of Mergers: Efficiency Theories – Information and Signaling – Agency Problems and Managerialism – Free Cash Flow Hypothesis – Market Power – Taxes and their Impact on Merger Decisions – Hubris Hypothesis.

**UNIT 3: Mergers and Acquisitions : Different forms and M&A Process (14 Hours)**

Types of M&A, Mergers and Acquisitions: Different Forms: Various types of Mergers.

**Merger and Acquisition Process** –Mergers & acquisitions Process, Participants in Restructuring Activities- Post-merger Integration – Reasons for Failure of Mergers and Acquisitions.(with Case studies)

**UNIT 4: Takeover Defense and ESOP (12 Hours)**

**Takeover Defenses**, Friendly vs Hostile Takeovers – Alternative Takeover Tactics – Takeover Defenses – Preventive Anti-takeover Measures – Active Anti-takeover

**ESOPS** (Employee Stock options) Types of ESOPs, Mechanics of ESOPs, Role of ESOPs in Mergers and Acquisitions and ESOP Practices in India.

**UNIT 5: Going Private and Leveraged Buy-outs (10 Hours)**

**Going Private**, ‘Going-Private’ Transactions – Methods of Going Private.

**Leveraged Buy-outs**, Elements of a Typical LBO Operation – Forms of LBO Financing - Characteristics of an ideal Leveraged Buy-out Candidate – Sources of Gains in LBOs – Management Buy-outs – Management Buyins – Leveraged Cash-outs

**Suggested Readings:**

1. Weston, Chung, Hoag, Mergers, Restructuring and Corporate Control, PHI
2. S.Shiva Ramu , Corporate Growth through Mergers & Acquisitions , Sage Publications
3. John Humphrey , Kaplinsky and Saraph , Corporate Restructuring , Sage Publications
4. Sudarshan , The Essence of mergers and acquisitions ,PHI
5. Weston , Takeovers , Restructuring and Corporate Governance , PHI
6. S.Shiva Ramu , Restructuring and break-ups , Sage Publications
7. T.P Ghosh , Buyback of shares , Taxmann
8. Ranjit Kumar Mandal , Corporate Mergers in India ,D.K.Publishers
9. Vijay Kumar Kaushal , Corporate Takeovers in India , D.K Publishers