

FM-308 : CORPORATE RESTRUCTURING**Course Contents****UNIT-I**

Introduction: Meaning of corporate restructuring, need, scope and modes of restructuring, historical background, global scenario, national scenario.

Strategies: Planning, formulation and execution of various corporate restructuring strategies - mergers, acquisitions, takeovers, disinvestments and strategic alliances, demergers and hiving off.

Corporate Demergers and Reverse Mergers: Concept of demerger; modes of demerger - by agreement, under scheme of arrangement; demerger and voluntary winding up; legal and procedural aspects; tax aspects and reliefs; reverse mergers – procedural aspects and tax implications.

UNIT-II

Mergers and Amalgamations: Meaning and concept; legal, procedural, economic, accounting, taxation and financial aspects of mergers and amalgamations including stamp duty and allied matters; interest of small investors; merger aspects under competition law; jurisdiction of courts; filing of various forms; Amalgamation of banking companies and procedure related to Government companies; Cross border mergers.

Takeovers: Meaning and concept; types of takeovers; legal aspects - SEBI takeover regulations; procedural, economic, financial, accounting and taxation aspects; stamp duty and allied matters; payment of consideration; bail out takeovers and takeover of sick units; takeover defences; cross border takeovers.

UNIT-III

Funding of Mergers and Takeovers: Financial alternatives; merits and demerits; funding through various types of financial instruments including equity and preference shares, options and securities with differential rights, swaps, stock options; ECBs, funding through financial institutions and banks; rehabilitation finance; management buyouts/leveraged buyouts.

UNIT-IV

Valuation of Shares and Business: Introduction; need and purpose; factors influencing valuation; methods of valuation of shares; corporate and business valuation. Financial Restructuring: Reduction of capital; reorganisation of share capital *Buy-back of shares*—concept and necessity; procedure for buy-back of shares by listed and unlisted companies.

UNIT-V

Post Merger Re-organisation: Factors in post merger reorganization: integration of businesses and operations, financial accounting, taxation, post merger valuation, human and cultural aspects; assessing accomplishment of post merger objectives; measuring post merger efficiency.