



MANGALORE UNIVERSITY
DEPARTMENT OF BUSINESS ADMINISTRATION
MASTER OF BUSINESS ADMINISTRATION (MBA)

MBAS 555: CORPORATE FINANCIAL RESTRUCTURING

Workload	: 4 hours per week. - Total credits: 4
Examination	: 3 hours 70 marks
Objectives	:To provide an in-depth understanding of all aspects and intricacies of law and practical issues affecting and arising out of corporate restructuring
Pedagogy	: Lectures, assignments, practical exercises, discussions, seminars.

Chapter 1: Introduction: Meaning of corporate restructuring, need, scope and modes of restructuring, historical background, global scenario, national scenario. Strategic planning, competitive advantage and core competence, strategy formulation, routes for executing strategy – start up, mergers, acquisitions, takeovers, disinvestments and strategic alliances.

Chapter 2: Mergers and Amalgamation: Need and reasons, legal aspects, procedural aspects relating to commencing of meetings and presentation of petition including documentation, economic aspects including effect on the interest of small investors; accounting aspects, financial aspects including valuation of shares, taxation aspects, stamp duty and allied matters, filing of various forms.

Chapter 3: Takeovers: Types of takeovers, legal aspects - SEBI takeover regulations, procedural aspects, economic aspects, financial aspects, accounting aspects, taxation aspects, stamp duty and allied matters, payment of consideration, bail out takeovers, takeover of sick units.

Chapter 4: Revival and Restructuring of Sick Companies: The problem of sick industries and their revival with special reference to the law relating to sick industrial companies.

Chapter 5: Funding of Mergers and Takeovers: Financial alternatives, merits and demerits, funding through various types of financial instruments including preference shares, non-voting shares, buy-back of shares, hybrids, options and securities with differential rights, employer stock options and securities with differential rights, takeover finance, ECBs, funding through financial institutions and banks, rehabilitation finance, management buyouts.

Chapter 6: Corporate Demergers/Splits and Divisions: Difference between demerger and reconstruction; modes of demerger - by agreement, under scheme of arrangement, by voluntary winding up; tax aspects, tax reliefs, Indian scenario, reverse mergers.

Chapter 7: Post-Merger Re-organisation: Accomplishment of objectives - criteria of success, profitability, gains to shareholders; post-merger valuation; measuring post-merger efficiency; factors in post-merger reorganisation.

Chapter 8: Financial Restructuring: Buy-back of shares – concept and necessity; SEBI guidelines; Government's guidelines, procedure and practice for buy-back of shares.

References:

1. J.M Thakur, Takeover of Companies, Snow White Publications Pvt, Ltd;

2. V.K Kaushal, Corporate Takeovers in India, Sarup & Sons, New Delhi
3. Dr. J.C. Varma, Corporate Merger and Takeovers, Bharat Publishing House
4. L.M .Sharma, Acquisition, Amalgamation, Merger Takeovers, Company Law Journal, New Delhi
5. ICSI Publication, Handbook on mergers and Amalgamation, ICSI Publication
6. Galpin Timothy J. Mark Headim, Complete Guide to Merger and Acquisition, Jossey Bases Publisher
7. Gaugman Partick Ed, Readings in Mergers and Acquisitions, Black Wall
8. P.S. Sudarsan, the Essence of Mergers & Acquisition, PHI
9. Prakash B Yaragol and Basavaraj C S, 1st Edition, 2015, Kalyani Books.

