

Veer Narmad South Gujarat University
Bachelor of Business Administration
Year – III (Semester – V) (W.E.F. A.Y.2021-22)

Subject Name: Strategic Financial Management
(Finance Elective Group)
Subject Code: FSE-2 506

Objectives:

- To make aware about various fundamental concepts of strategic financial management.
- To develop a perspective of students towards combining finance functions with strategies.
- To ensure that students can exercise judgment and technique to make business value added decisions in strategic financial management.

Teaching Pedagogy:

- Students are involved through lectures, discussions, numerical, corporate cases and power point presentation

Course Content:

1. Introduction to Strategy and Financial Management (10%)

Basic Concepts and Significance of Strategic Financial Management, Strategic planning process, Financial, planning process and Financial Forecasting, Benefits and Techniques of Financial Forecasting

2. Project Planning and Control (10%)

Meaning of project management, Classification of projects Stages in setting up of a project, Cost benefit analysis in project, Project Appraisal Techniques and appraisal by financial institution

3. Long Term Strategic Financial Decisions (30%)

Investment decision process, Cost of Project and Means of Financing, Risk Evaluation in capital budgeting: Business risk and Financial risk, Risk analysis in project selection, Techniques and models in taking decisions under risk and uncertainty (Numeric): Probability Analysis ,Simulation Analysis and Sensitivity Analysis, Decision Tree Analysis

4. Valuation of Business

(30%)

Meaning of equity value and enterprise value, Reasons for valuation of an enterprise and Valuation Approaches, Methods of valuation (Numeric), Discounted Cash Flow Method, Free Cash Flow to Firm Model

5. Corporate Restructuring and Industrial Sickness

(20%)

Meaning and Reasons for corporate restructuring, Meaning, Process and Techniques of Financial Restructuring, Companies Act, 2013 and RBI's definition of industrial sickness and causes of sickness, Prediction of sickness: Multiple Discriminant Analysis (Z – Score Model with Numeric)

Suggested Reading:

- Ravi M. Kishore (2011), Strategic Financial Management, Second Edition, Taxmann Publications Pvt. Ltd., NewDelhi. □
- Rajesh Kumar P. (2011), Mergers & Acquisitions, First Edition, Tata McGraw Hill, New Delhi □
- Godbole Prasad G. (2009), Mergers, Acquisitions and Corporate and Corporate Restructuring, First Edition, Vikas Publishing House Pvt. Ltd., NewDelhi. □
- Weston Fred J., Chung S., Hoang E. (2007), Mergers, Restructuring and Corporate Control, Latest Edition, Prentice – Hall of India, NewDelhi. □
- Khan and Jian (2011), Financial Management, Second Edition, Tata McGraw Hill, New Delhi. □
- Pandey I. M. (2012), Financial Management, tenth Edition, Vikas Publishing House Pvt. Ltd., NewDelhi □
- DamodaranAswath (2006), Damodaran on Valuation, Second Edition, Wiley India Pvt. Ltd., NewDelhi □