

Veer Narmad South Gujarat University
FSE-2 506 Strategic Financial Management
(Finance Elective)

Course	FSE-2 506
Course Title	Strategic Financial Management
Credit	4
Teaching per Week	4
Review / Revision	June, 2022
Minimum weeks / Semester	Lectures, PowerPoint presentations, Group Work
Medium of Instruction	English
Purpose of Course	To identify the possible financial strategies capable of maximizing the organization's market value.
Course Objective	- 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.
Course Outcome	Students will gain knowledge of how to develop and implement effective financial strategies in corporations and set up realistic business objectives in order to increase firm value.
Course Content	
Unit 1: Introduction to Strategy and Financial Management (10%) - Concepts of Strategic Financial Management (Definition and Characteristics) - Significance of Strategic Financial Management - Strategic planning (Meaning, Definition) - Financial, planning (Meaning, Definition, Process) - Financial Forecasting (Meaning, Definition, Benefits and Techniques of Financial Forecasting)	
Unit 2: Project Planning and Control (20%) - Meaning, Definition and Benefits of project management - Classification of Project - Kinds of Project - Stages in setting up of a project - Cost benefit analysis in project (Meaning, Definition, Benefits and Limitations) - Project Appraisal by financial institution (Financial Feasibility, Technical Feasibility, Economic Feasibility and Management Competence)	
Unit 3: Long Term Strategic Financial Decisions (30%) - Cost of Project - 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 (Numerical): - Probability Analysis (including standard deviation and variance) - Sensitivity Analysis - Decision Tree Analysis - Risk Adjusted Discounted Rate (RADR) Method - Certainty Equivalent (CE) Method	

Unit 4: Valuation of Business	(20%)
• Meaning of equity value and enterprise value • Reasons for valuation of an enterprise • Discounted Valuation Models: Discounted cash flow method (Numeric)	
Unit 5: Corporate Restructuring and Industrial Sickness	(20%)
• Meaning and Reasons for corporate restructuring • Meaning, Process and Techniques of Financial Restructuring • Industrial Sickness • Definition according to Companies Act 2013 and RBI • Causes of sickness • Prediction of sickness: Multiple Discriminant Analysis (Z - Score Model with Numeric)	

Suggested Reading

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