

GUJARAT TECHNOLOGICAL UNIVERSITY

MASTER OF BUSINESS ADMINISTRATION (Global Program)

Year – II (Semester – III) (W.E.F. January 2014)

Specialization: Finance Management

Subject Name: Strategic Financial Management (SFM)

Subject Code: 2830201

1. Course Objectives:

On completion of this paper candidates should be able to:

- Prepare reports for management explaining and evaluating the financial consequences of strategic decisions.
- Identify and evaluate appropriate sources of finance, their risks and costs.
- Assess potential investment decisions and strategies.
- Select the techniques most appropriate to optimize the employment of financial resources and critically evaluate such techniques.

2. Course Duration:

The total hours for teaching this course will be 45 hours, which will be divided into 36 sessions of 75 minutes duration each.

3. Course Contents:

| Module No: | Module Content | No. of Sessions | 70 Marks (External Evaluation) |
|------------|--|-----------------|---------------------------------------|
| I | Financial Strategy and Planning, Project Planning and Control | 7 | 17 |
| II | Risk Evaluation and Capital Budgeting, Dividend and Retention Policies, Valuation of Business | 7 | 17 |
| III | Analysis of Risk and Uncertainty, Business Restructuring and Industrial sickness | 7 | 18 |
| IV | Designing Capital Structure Operating, Financial and Combined Leverage | 7 | 18 |
| V | Practical: Student should study at least 4 to 5 cases in above mentioned areas and make a Public Presentation the class in presence of preferably a Finance Manager / Banker . | 8 | Internal Evaluation (20 Marks of CEC) |

1. Teaching Method:

The subject must be taught keeping in light the linkage of corporate strategy and financial decisions. Discussion should be encourages on

- a. Evaluating the financial consequences of Strategic Decisions.
- b. Analysing the consequence of Financial Decisions on Corporate Strategy.

2. Evaluation:

| | | |
|---|--|--|
| A | Projects/Assignments/Quiz/Class Participation, etc. | Weightage (50%) (Internal Assessment) |
| B | Mid-Semester Examination | Weightage (30%) (Internal Assessment) |
| C | End-Semester Examination (Min. 30% Theory and Mon. 70% Practical) | Weightage (70%) (External Assessment) |

3. Basic Text Books:

| Sr. No. | Author | Name of the Book | Publisher | Year of Publication |
|---------|---------------------|--------------------------------|-------------|---------------------|
| T1 | Ravi M. Kishor | Strategic Financial Management | Taxmann | Latest, 2011 |
| T2 | J.B.Gupta | Strategic Financial Management | Taxmann | 2011, Latest |
| T3 | AshvarathDamodar an | Corporate Finance | Wiley India | Latest , 2010 |

Note: Wherever the standard books are not available for the topic appropriate print and online resources, journals and books published by different authors may be prescribed.

4. Reference Books:

| Sr. No. | Author | Name of the Book | Publisher | Year of Publication |
|---------|------------------|--|-------------|---------------------|
| R1 | J.P.Jakhotia | Strategic Financial Management | Vikas | 2012, Latest |
| R2 | Dr. R.P. Rustagi | Taxmann's Financial Management Theory, Concepts & Problems | Taxmann | Latest Edition |
| R3 | Brealey& Myers | Principles of Corporate | McGraw Hill | Latest Edition |

| | | | | |
|-----------|-------------|----------------------|------------------|-------------------------|
| | | Finance | | |
| R4 | I.M. Pandey | Financial Management | Vikas Publishing | 9 th Edition |

8. Lists of Journals/ Periodicals/ Magazines/ Newspapers:

Economic Times, Financial Express, Journal of Finance.

9. Session Plan:

| Session | Topics to be covered |
|----------------|---|
| 1-2 | Financial Strategy and Planning |
| 3-5 | Project Planning and Control |
| 6-10 | Risk Evaluation and Capital Budgeting |
| 11-12 | Dividend and Retention Policies |
| 13-16 | Valuation of Business |
| 17-19 | Analysis of Risk and Uncertainty |
| 20-23 | Business Restructuring and Industrial sickness |
| 24-27 | Designing Capital Structure |
| 28-30 | Operating Financial and Combined Leverage |
| 31-36 | Practical: Student should study at least 4 to 5 cases in above mentioned areas and make a Public Presentation the class in presence of preferably a Finance Manager / Banker. |