

# **17MB220 Strategic Financial Management**

## **Objective of Course:**

To enlighten the students with the Concepts and Practical applications of Strategic Financial Management, with particular reference to the financial strategy and value of the enterprise.

## **UNIT – I – Strategic Financial Management (10 Hours)**

Introduction to Strategic Financial Management- Meaning- Functions- characteristics- scope- Importance- constraints- SFM relation with other subjects- Profit maximization Vs wealth maximization - Difference between FM &SFM,

## **UNIT - II – Strategic Decision Making (10 Hours)**

Introduction to Strategic decision making- Importance- Steps involved in decision making process- Approaches- Strategic Decision making- Rationality in decision making- classes of Decision Making- Decisions under certainty, risk, and uncertainty.

## **UNIT – III - Investment Strategy (10 Hours)**

Introduction to Risk & Uncertainty - Types of Investment decision situations – Risk, Certainty, uncertainty- Sources of Risk-Techniques of Investment Decision Under Risk and Uncertainty – Risk Adjusted Discount rate(RADAR)- Certainty equivalent method or approach- Statistical methods- Decision Tree Analysis

## **UNIT – IV – Financial analysis (10 Hours)**

Meaning of financial analysis, objectives of financial analysis, sources of information for financial statement analysis, steps of a financial statement analysis, traditional approaches to financial statement analysis, modern approaches to financial statement analysis.

## **UNIT – V – Forecasting financial statements (10 Hours)**

Meaning and definition of financial forecasting, purpose, use, and importance of financial forecasting, forecasting financial statement, tools of forecasting financial statement.

**Skill Development:**

*(These activities are only indicative, the Faculty member can innovate)*

1. Project on strategic financial management
2. Role play on the project
3. Case studies discussion in the class

**Text Books:**

1. Rajni Sofat, Preeti Hiro, Strategic Financial Management, PHI
2. Van Horn, JC, Financial Management and Policy, Prentice Hall, New Delhi
3. PG Godbole, Mergers, Acquisitions and Corporate Restructuring, Vikas Publishers, New Delhi
4. Weaver, Strategic Corporate Finance, Cengage, New Delhi.
5. Bhagaban Das, Corporate Restructuring, Himalaya publishing House
6. Dr. G.V. Satya Sekhar, Financial Strategic Management, Himalaya publishing House

**Reference Books:**

1. Weston JF, Chung KS & Heag SE., Mergers, Restructuring & Corporate Control, Prentice Hall.
2. GP Jakhotiya, Strategic Financial Management, Vikas Publication , New Delhi.
3. Coopers & Lybrand, Strategic Financial: Risk Management, Universities Press (India) Ltd.
4. Robichek, A, and Myers, S., Optimal Financing Decisions, Prentice Hall Inc.
5. James T.Gleason, RiskL The New Management Imperative in Finance, A Jaico Book.