

MID-WESTERN UNIVERSITY, FACULTY OF MANAGEMENT
 MASTER IN BUSINESS ADMINISTRATION (MBA), SYLLABUS 2072 (2016)

Course Title		Strategic Financial Management
Course Code Number		MGT 547
Credit Hours		03
Year: II		Semester: IV Specialization: Finance
Course Objectives:		
Main Objective		This course offers a blend of integrative study of financial growth strategies for increasing value and the restructuring of financial processes, corporate governance and ethics. Topics reflect the changing environment of financial management in organizations and include source of finance, valuation of bonds & stocks dividend policy and merger & acquisition.
Enabling Objectives		After the completion of this course, the students will be able to: <ul style="list-style-type: none"> • Analyze the source of finance • Determine the intrinsic value of bond and stock • Measure the risk and return of financial assets • Explain the concept of dividend policy • Describe the concept leverage
Learning Unit (LU)	Learning Hours (LH)	Contents
LU 1	5	Sources of Finance Short- term Finance: Trade Credit, Factoring, Bank Financing, Bill Financing; Medium- term Financing: Term Loans, Hire Purchase, Leasing; Long Term Financing: Equity Finance, Preference Shares, Debt Financing; Private vs. Public Placement; Venture Capital; Project Finance
LU 2	10	Valuation of Bonds & Stocks Meaning of Bond; Basics of Bond; Bond Valuation; Bond Theorem; Yield to Maturity; Features and Valuation of Preferred Stocks; Valuation of Common Stocks: Book Value Method, Single Period Model, Perpetual Dividends with No Growth, Perpetual Dividends with Growth, Gordon Model; Valuation based on Earnings.
LU 3	7	Risk & Return Theory Meaning and Nature of Risk and Return; Measure of Risks & Return; Variance; Correlation and Covariance, Concept of Diversification; Capital Assets Pricing Model; Standard Deviation Vs. Beta as a measure of Risk; SML vs. CML
LU 4	8	Dividend Policy Introduction; Determinants of dividend decision; Theories of dividend policy
LU 5	10	Merger and Acquisition

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		Meaning; Process of merger and acquisition; Methods of payment in merger and acquisition; Tax benefits of merger transaction; Reverse merger; corporate takeover; Leveraged buyouts; Management buyouts.
LU 6	8	Leverage and EBIT-EPS Analysis Concept; Operating leverage; Financial Leverage; Combined leverage; EBIT-EPS Analysis; Indifference point.
References		<ol style="list-style-type: none"> 1. Ravi. M Kishore: Financial Management 2. Khan & Jain, Financial Management, Tata McGraw Hill 3. I.M. Pandey: Financial Management 4. Moyer, Charles R; Macguigan, James R; Kretlow, William J: Contemporary Financial Management, Thomson South-Western. 5. Prasanna Chandra: Financial Management

Net Contact Hour is 48 excluding the exams and tests.

Evaluation Module: 50 percent will be assessed through the internal evaluation and 50 percent will be assessed through end semester examination