BBA III Year	BBA-E507/607		Semester-V/VI		
	Strategic Corporate Finance				
Time Allotted for End Semester Examination	Marks Allotted for Internal Assessment	Marks Allotted for End Semester Examination (ESE)	Maximum Marks (MM)	Total Credits	Maximum Hours
3 Hrs.	**30 (20+10)**	**70**	**100**	**06**	**60**

OBJECTIVE: The objective of this paper is to know the details of corporate finance and the strategies involved in the corporate decisions. It will enable the students to steer the corporate in better manner.

- Introduction to strategic corporate finance: Strategy Vs Planning, significance of strategy in financial decisions, Different types of financial strategy for Shareholders Wealth Maximization, overall corporate value addition and Economic Value Addition. Strategic Cost Management: Traditional costing Vs Strategic Costing, Relevant costs Vs Irrelevant costs, Different types of strategic costing and their relevance- Target Costing, Activity based Costing, Life Cycle Costing, Quality Costing, Zero Based Budgeting. **(15 Hours)**
- Management Buy-outs: Establishing feasibility of the buy-out, Negotiating the main terms of the transaction with the vendor including price and structure, Developing the business plan and financial forecasts in conjunction with the buy-out team for submission to potential funders, negotiations with potential funders so that the most appropriate funding offers are selected. Management Buy-ins. **(15 Hours)**
- Financial Distress and restructuring: Meaning of Bankruptcy, Factors leading to bankruptcy, symptoms and predictions of bankruptcy, reorganization of distressed firms, liquidation of firms. Company disposals: retirement sale or the sale of a non- core subsidiary, planned exit, forceful retirement and other disposals. Exit strategy- most appropriate exit route, valuation, timing of sale and tax planning opportunities, identification of potential purchasers, approaching the potential purchaser, negotiate with potential acquirers and selection of a preferred purchaser, calculation of the various tax implications. Fundraising: identification of different sources of development capital, determination of capital structure and factors affecting the capital structure, cost of capital and cost saving strategy, production of a business plan and financial forecasts to enable potential funders to assess the proposition. **(15 Hours)**
- Company Valuation: an overview of valuation, valuation principles and practices more, the impact of "what if" scenarios, the key financial and commercial factors affecting the business. Value enhancement tools & techniques, the link between valuation and corporate finance other strategic issues: managing credit ratings, and setting dividend and share repurchase policy, problem of too much cash. The issues of stock liquidity and illiquidity. **(15 Hours)**

SUGGESTED READINGS:

1. Damodaran A.(2002). *Corporate finance theory and practice*. John Wiley& sons.
2. Chandra, P. (1997). *Financial Management*. New Delhi: Tata McGraw Hill.
3. Chandra, P. (1997). *Fundamentals of Financial Management*. New Delhi: Tata McGraw Hill.
4. James, C., Horne V. & Wachowicz, J. M. (1997). *Fundamentals of Financial Management*. New Delhi: Prentice Hall of India.
5. Kishore R.M. (2002). *Financial Management*. New Delhi: Taxmann Allied Services Pvt. Ltd.
6. Khan, M.Y & Jain, P K. (1992). *Financial Management*. New Delhi: Tata McGraw Hill.
7. Ross, S. A., Westerfield, R. & Jordon, B. D.(2008). *Fundamentals of Corporate Finance*. New Delhi: Tata McGraw Hill.
8. Ross S.A., Westerfield R. W. (2001). *Corporate Finance*. New Delhi: Tata McGraw Hill.
9. Rustogi R.P. (2002). *Financial Management*. New Delhi: Galgotia Publishing House.

NOTE: The list of cases, specific references and books including recent articles will be announced in the class by concerned teachers from time to time.