

SARDAR PATEL UNIVERSITY
Vallabh Vidyanagar, Gujarat
(Reaccredited with 'A' Grade by NAAC (CGPA 3.25))
Programme: B.COM Semester: IV
Syllabus with effect from the Academic Year: 2022-2023

B.COM. SEMESTER-IV		
Paper Code UB04DCOM73	Title of the Paper Advanced Financial Management - I	Total Credit 3
Course Objectives	To make student acquire the skills in the area of financial management	

Course Description		
Unit	Description	Weightage
1.	Capital Budgeting Meaning, Principles, Characteristics of Capital Budgeting Decisions, Process Types of Capital Budgeting decisions, Capital rationing Decisions. (Theory Only), Techniques: Simple Payback Period, Average/Accounting rate of return, Discounted Cash Flow Techniques (Theory & Examples for all techniques)	25%
2.	Cost of Capital Basic concepts, Rational & Assumptions, Significance Specific cost of Equity, retained earnings, preference share & debenture capital, Weighted average cost of capital Marginal cost of capital (Cost of equity based on dividend capitalization approach, Earning price approach, realized yield approach, & CAPMM approach)	25%
3.	Dividend Policy Decision Objectives of Dividend Policy Forms of Dividend payment Significance of Dividend policy in Financial Decision Variables influencing Dividend Decision Practical considerations in dividend policy Stability of dividends Walter's Model, Gordon's Model, Modigliani – Miller's Model	25%
4.	Capital Structure Assumptions & significance, Principles, Factors, Optimum Capital Structure, NI approach, NOI Approach, Traditional Approach and MM approach	25%

*Units will have the same Weightage in the evaluation as suggested in the course outline.

Teaching-Learning Methodology	<ul style="list-style-type: none"> • Lecture Method • Online Lectures • Group Discussion • Practical Problem Solving
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Evaluation Pattern		
Sr. No.	Details of the Evaluation	Weightage
1.	Internal/Written Examination	15%
2.	Internal Continuous Assessment in the form of Practical, Viva-Voce, Quizzes, Seminars, Assignments, Attendance	15%
3.	University Examination	70%

* Students will have to score a minimum of 40 (Forty) Percent to pass the course.

Course Outcomes: Having Completed this course, the students will be able to

- The student can learn and understand Capital Budgeting and can take decisions for the best investment and highest return from the investment.
- The student can learn how to get capital for the business at minimum cost and they can apply their knowledge in their daily practical life.
- By following dividend policy of the company, the student can take proper financial decisions.
- By the study of capital structure, the student can apply best approach for the capital structure.

Suggested References: (include Reference Material from where a student is expected to study the said content in APA Style) Reference Websites can also be included)

Sr. No	References
1.	I M Pandey, FinancialManagement
2.	Khan & Jain, FinancialManagement
3.	Prasanna Chandra, FinancialManagement
4.	Van Horne, Fundamentals of FinancialManagement
5.	S N Maheshwari, Financial Management
On-Line Resources available that can be used as Reference Material	
https://ugcmoocs.inflibnet.ac.in/view_module_pg.php/392	

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