

GUJARAT UNIVERSITY
SYLLABUS FOR S.Y B.Com
SEMESTER IV

Core Elective: Advanced Business Management.

Course Title: Advanced Financial Management.

Course Code: CE 204 C.

Course Objectives:

- (1) To familiarize students with the concepts, tools and practices of financial management.
- (2) To understand the decisions to be taken by financial managers of business firms.

Unit	Weightage
Unit I	25%
Unit II	25%
Unit III	25%
Unit IV	25%
Total	100%

Unit I: Introduction to Financial Management

- A) **Finance Function:** Meaning, Scope, Classification of functions (Long term-short term; Executive-Routine).
Organisation of Finance Function (status and duties of a Financial manager : Treasurer and Controller)
Objectives/Goals of Financial Management.
- B) **Raising Long Term Finance:** Venture capital, IPO, Secondary Public Offer, Right Issue, Private Placement.

Unit II: Working Capital Management

- A) **Management of working capital:** Concept, Types, Factors affecting working capital needs.
Cash Management: Meaning, Motives of holding cash, Functions/objectives of cash management, Factors Determining Cash Flow. (Without numericals)
Inventory Management: Meaning, Objectives of holding inventory, Factors affecting inventory. (Without numericals)
- B) **Receivables Management:** Meaning, Cost and benefits, size of receivables, optimum credit policy and credit policy variables. (Without numericals)

Unit III: Capital Structure and its Determinants & Leverage.

- A) **Introduction to Capital Structure:** Meaning, Factors affecting Capital Structure, Forms of Capital Structures, Cost of Capital. (Without numericals)
- B) **Leverage:**
Operating leverage: Meaning, degree and effects of operating leverage on profits. (Without numericals)
Financial leverage: Meaning and degree. (Without numericals)
Combined leverage.
- C) **Financial Management in Sick Units.**
Definition, Causes, symptoms, Revival, Turnaround Stories.

Unit IV :

- A) Meaning and significance fo captial budgeting, Types of capital budgeting decisions.
- B) Contemporary Financial Products:
 - Mutual Funds** , Types of Mutual Funds , Types of Schemes , Net Asset Value , Risk and Return aspect in investment in mutual funds.
 - Insurance.**
Insurance and its Regulation, Life Insurance , General Insurance , Health Insurance , Banc assurance , Reinsurance , Micro Insurance.

TEXT BOOKS:

1. Financial Management: Text, Problems and cases: M.Y.Khan and P.K.Jain : Tata McGraw Hill Education Pvt. Ltd.
2. Financial Management : Prasanna Chandra. Tata McGraw Hill Education Pvt. Ltd.

REFERENCE BOOKS:

1. Financial Management P.V. Kulkarni and B.G. Satyaprasad.
2. Essentials of Financial Management: I.M.Pandey, Vikas Publishing House Pvt. Ltd.
3. Financial Management-Principles and Practice: C.Sudarsana Reddy, Himalaya
4. Financial Management : Dr. V. K. Palanivelu, S. Chand.
5. Financial Management : Sheeba Kapil, Pearson.
6. Financial Management : Rajiv Srivastav and Anil Mishra, Oxford university press.