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.

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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.

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/objecitves 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 Sturcture and its Determinants & Leverage
A) Introduction to Capital Sturcture: 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 of capital 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.

TEXT BOOKS:

REFERENCE BOOKS:
1. Financial Management P.V. Kulkarni and B.G. Satyaprasad.
4. Financial Management : Dr. V. K. Palanivelu, S. Chand.