# SARDAR PATEL UNIVERSITY Programme: BBA(General) 

Semester: V
Syllabus with effect from : JUNE 2013

| Paper Code: UM05EBBA02 | Total Credit: 3 |
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| Title Of Paper: Advance Finance Management - I |  |


| Unit | Description in detail | Weighting (\%) |
| :---: | :---: | :---: |
| 1 | Valuation of Securities[Theory $\mathbf{5 0 \%}$ and Examples $50 \%$ ] <br> Concept of Value <br> Basic Valuation Model <br> Bond Valuation <br> - Basic Bond Valuation Model <br> - Bond Value Theorems <br> - Yield to Maturity <br> - Bond values with Semi-annual Interest <br> Present Value of Preference Shares <br> Valuation of Equity <br> - Dividend Capitalization approach <br> - Single Period Valuation <br> - Multi period valuation <br> - Valuation with Supernormal growth | 25 \% |
| 2 | Cost of Capital [Theory 70\% and Examples 30\%] <br> Basic concepts, Rational \& Assumptions <br> Significance <br> Specific cost of Equity, retained earnings, preference share \& debenture capital <br> Weighted average cost of capital <br> (Cost of equity based on dividend capitalization <br> approach, Earning price approach, realized yield <br> approach, \& CAPM approach) | 25 \% |
| 3 | Leasing (Theory 100\%) Concept <br> Types of lease Arrangements <br> Factors relevant in making leasing Decisions <br> Potentiality of leasing as a means of financing <br> (significance) *Financial <br> Evaluation from the lessee's <br> point of view. <br> * Evaluation of lease as a financing Decision. | 25 \% |
| 4 | Venture Capital ((Theory 100\%) <br> Introduction <br> Concept \& Features of Venture Capital <br> Stages \& Process of Venture Financing <br> Methods of Venture Financing <br> Disinvestment Mechanisms <br> Development of Venture Capital in India <br> Future of Venture Capital in India | 25 \% |

## Basic Text \& Reference Books

$>$ Financial Management: P.V.Kulkarni
$>$ Financial Management:S. N. Maheshwari
$>$ Financial Management:I. M. Pandey
> Financial Management: Prasanna Chandra
$>$ Financial Management: Khan \& Jain
$>$ Financial Management: R. S. Kulshreshta
$>$ Fundamentals of Financial Management: Van Horne

