

SARDAR PATEL UNIVERSITY
Programme: BBA (GENERAL)
Semester: VI
Syllabus with Effect From: November/December-2013

Paper Code: UM06EBBA02	Total Credit:3
Title Of Paper: Advanced Financial Management II	

Unit	Description in detail	Weighting (%)
I	Capital Structure [Theory 50% and Examples 50%] Assumption & Significance Guiding Principles of Capital Structure Decisions, Factors affecting the pattern of capital structure, Concept of optimum capital structure, Net Income Approach Net Operating Income Approach Traditional Approach Modigliani & Miller Approach	25%
II	Dividend Policy Decision [Theory 50% and Examples 50%] Forms of Dividend payment Significance of Dividend policy in Financial Decision Variables influencing Dividend Decision Walter's Model Gordon's Model Modigliani - Miller's Model	25%
III	Investment Decision [Theory 50% and Examples 50%] Nature of Risk Statistical techniques for risk analysis: Probability, Expected NPV, Standard deviation, Coefficient of variation, Probability Distribution approach [i] Independent cash flows, [ii] Dependent cash flows Conventional techniques of risk analysis Risk-adjusted discount rate approach, Certainty equivalent approach, Sensitivity analysis Decision - Tree Analysis	25%
IV	Fundamentals of International Financial Management [Theory-100%] Foreign Exchange Market Foreign Exchange Rates - Spot rate, Forward rate, Cross rate, Bid and Ask rate, Spread Determinant and select theories of exchange rates Foreign exchange risk and hedging Foreign exchange risk management techniques - Internal & External	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 Home

