

***Revised Syllabus of Courses of B.Com. (Accounting and Finance)
Programme at Semester V
with effect from the Academic Year 2018-2019***

1. Elective Courses (EC)

2. Financial Management -II

Modules at a Glance

Sr. No.	Modules	No. of Lectures
01	Strategic Financial Management	05
02	Capital Budgeting – Project Planning & Risk Analysis	15
03	Capital Structure Theories and Dividend Decisions	15
04	Mutual Fund and Bond Valuation	15
05	Credit Management	10
	Total	60

Sr. No.	Modules / Units
1	Strategic Financial Management
	Strategic Financial Management – Need and Importance Corporate, Business and Functional Strategy Financial Planning - Need and Importance Profit Maximization Wealth Maximization Interface of Financial Policy and Strategic Management Relationship of Finance to Economics and Accounting Role of Financial Manager
2	Capital Budgeting – Project Planning & Risk Analysis
	Introduction - Capital Budgeting Process, Project Classification and Investment Criteria. Techniques of Capital Budgeting - NPV, Benefit Cost Ratio, Internal Rate of Return, Modified Internal Rate of Return, Payback period, Discounted Payback Period and ARR. (Inclusive of Estimation of Project Cash Flows) Capital Rationing – Meaning, Need and Dealing with Capital Rationing Problems Risk Analysis in Capital Budgeting – Sources and Perspectives of Risk, Sensitivity Analysis, Scenario Analysis, Simulation Model, Decision Tree Analysis and Break - Even Analysis.
3	Capital Structure Theories and Dividend Decisions
	Capital Structure Theories – Background, Assumptions, Definitions and Taxation and Capital Structure Types – Net Operating Income, Net Operating Income Approach, Traditional Position, Modigliani and Miller Approach, Trade off Theory and Signalling Theory. Dividend Decisions- Need, Importance, Formulation, Legal and Procedural Aspects. Dividend Decision Models - Walter, Gordon, Graham & Dodd Model and M-M Model
4	Mutual Fund and Bond Valuation
	Introduction to Mutual Fund- History & Origin, Definition, Meaning, Characteristics, Advantages, Disadvantages, Limitations of Mutual Funds, Ethics in Mutual Fund. Entities involved – Sponsor, Trust, Trustee, Asset Management Company, Registrar and Transfer Agent (RTA) and Fund Houses in India. Classification of Mutual Fund - Functional/Operational – Open ended, close ended, Interval, Portfolio – Income, Growth, Balanced, MMMF, Geographical/ Location – Domestic and Offshore, Tax Saving Funds, Exchange Traded Funds , Balance Funds , Fixed Term Plan Debt Funds and SIP. Calculations of NAV, Entry Load and Exit Load. Bond Valuation - Meaning, Measuring Bond Returns – Yield to Maturity, Yield to call and Bond Pricing. Bond Pricing Theorems, Bond Risks and Bond Duration. (Practical Problems on YTM and Bond Duration.)
5	Credit Management
	Credit Management – Terms of Payment, Credit Policy Variables, Credit Evaluation, Credit Granting Decision, Control of Accounts Receivables ie Receivables Management, Ageing Schedule and Credit Management in India