



B. J. VANIJYA MAHAVIDYALAYA
(Autonomous)
(Grant-in-Aid)
(Affiliated to Sardar Patel University)
Vallabh Vidyanagar- 388 120, Dist. Anand, Gujarat, India
Accredited with CGPA of 2.78 on four point scale at B++ Grade by NAAC
Syllabus with effective from December - 2025

Master of Commerce (M.Com.)
Semester - IV

Course Code PB04ECOM54	Title of the Paper Strategic Financial Management-II	Total Credit 04
Course Objectives	<p>1. To learn key theories of capital structure and optimal financing.</p> <p>2. To learn key concepts and approaches in capital structure planning.</p> <p>3. To learn key dividend theories and their applications.</p> <p>4. To learn key factors and types of dividend decisions.</p>	

Course Description		
Unit	Description	Weightage
1.	Capital Structure Theories <ul style="list-style-type: none">Assumption & SignificanceConcept of Optimum Capital StructureNet Income ApproachNet Operating Income ApproachTraditional ApproachModigliani & Miller Approach	25%
2.	Capital Structure Planning & Policy <ul style="list-style-type: none">Capital Structure Planning and PolicyElements of Capital StructureFramework for Capital Structure (The FRICT Analysis)Approaches to establish target capital structurePractical considerations in determining capital structureManager's Attitude towards debt	25%
3.	Dividend Theories <ul style="list-style-type: none">Walter's ModelGordon's ModelModigliani – Miller's Model	25%
4.	Dividend Policy Decision <ul style="list-style-type: none">Meaning of DividendTerminology on Dividend DeclarationForms of Dividend paymentInterim Dividend	25%



	<ul style="list-style-type: none"> • Variables influencing Dividend Decision • Share Split • Reverse Stock Split • Buyback of Share 	
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Teaching- Learning Methodology	Lecture, Group Discussion, Doubt Solving, Power Point Presentation, Case Study, Real Life Company Examples, & Seminar
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Evaluation Pattern		
Sr. No.	Details of the Evaluation	Weightage
1.	Internal/ Written Examination	20%
2.	Internal Continuous Assessment in the form of Viva-Voce, Quizzes, Seminars, Assignments, Attendance	10%
3.	External Examination	70%

Students will have to score minimum of 40% to pass the course.

Course Outcomes: Having Completed this course, the students will be able to:	
1.	To understand major capital structure theories and their impact on financing decisions.
2.	To apply concepts and strategies for effective capital structure planning.
3.	To demonstrate knowledge of dividend theories and their practical applications.
4.	To analyze factors influencing dividend policy and decision-making processes.

Suggested References:		
Sr. No.	References	
1.	Pandey, I. M. (2016). Financial Management (Eleventh ed.). New Delhi, India: Vikas Publishing House.	
2.	Chandra, P. (2019). Financial Management, Theory and Practice (Tenth ed.). Chennai, India: McGraw-Hill.	
3.	Khan, M. Y., & Jain, P. K. (2011). Financial Management (Sixth ed.). New Delhi, India: McGraw Hill Education.	
4.	Van Horne, J. C. (2008). Fundamentals of Financial Management (13th ed.). Chennai, India: Pearson Education.	
5.	e-Finance – ICFAI UNIVERSITY(not Available)	
6.	Gupta, J. B. (2016). Strategic Financial Management (9th ed.). New Delhi, India: Taxmann Publications Pvt. Ltd.	
7.	Kishore, R. M. (2017). Strategic Financial Management (3rd ed.). New Delhi, India: Taxmann Publications Pvt. Ltd.	
8.	On-Line Resources available that can be used as Reference Material	
9.	Website: http://ugcmoocs.inflibnet.ac.in/ugcmoocs/view_module_pg.php/392	
10.	SUBJECT	COMMERCE
	Paper No. and Title	Paper No. 8: Financial Management
	Module No. and Title	Module No. 23: Capital Structure II: NOI and Traditional Approach
		Module No: 29 Theories of Dividend I: Walter's Model and Gordon's Model