

**SARDAR PATEL UNIVERSITY**

**Programme: BBA (GENERAL)**

**Semester: IV**

**Syllabus with Effect From: November/December-2012**

<b>Paper Code: UM04CBBA02</b>	<b>Total Credit:3</b>
<b>Title Of Paper: Financial Management-II</b>	

<b>Unit</b>	<b>Description in detail</b>	<b>Weighting (%)</b>
I	<p><b>Working Capital Management :</b> [Theory 50% and Examples 50%] Overview Concepts Significance Factors affecting working capital requirement Computation of operating cycle Estimation of working capital requirements Sources of working Capital. <b>Trade Credit</b> Meaning, Benefits &amp; Cost of Trade Credit <b>Bank Finance</b> Meaning, Forms, Security Required <b>Commercial Paper</b> Meaning, Features, Merits &amp; Demerits Factoring-Meaning, Functions, Modus of Operation(Steps) Current scenario of Bank Finance</p> <p><u>Notes:</u> Paper setters are required to mention no of days in a year (360/365) for calculation of operating cycle.</p>	25%
II	<p><b>Management of Cash and Inventory Management:</b> [Theory 30% and Examples 70%] Facets of cash management Motives for holding cash Cash Planning Cash Budgeting (including examples) Managing the flow Investment in marketable securities</p> <p>Need to hold inventories, Objectives of inventory management, Inventory management techniques (Theory &amp; Examples) - EOQ, ABC analysis, Fixation of Inventory levels, and Recorder point and safety stock Just-in-time (JIT) Systems</p>	25%
III	<p><b>Management of Receivables:</b> [Theory 50% and Examples 50%] Credit Policy Optimum Credit Policy Credit Policy variables</p>	25%



	Credit Evaluation Credit Granting Decision Monitoring Receivables Cost-Benefit Analysis of Receivables	
IV	<b>Leverage Analysis :</b> [Theory 30% and Examples 70%] Concept, Significance, Operating Leverage, Financial Leverage and combined Leverage and their implications	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

