

SARDAR PATEL UNIVERSITY
Programme: BBA(General)
Semester: IV
Syllabus with effect from : NOV./ DEC 2019

UM04CBBA23 Financial Management-II

Unit	Description in detail	Weightage
1.	Cash Management: Meaning and Nature of Cash, Motives for holding cash, objectives of cash Management, Dimensions of cash management - Cash Planning, Managing the cash flows, Determining optimum level of cash & Investing surplus cash.	25 %
2.	Receivables and Inventory Management: (Theory 50% & Examples 50%) Meaning and Nature of Receivables, Meaning and objectives of Receivables Management, Credit Policy variables, Examples of credit evaluation Relaxation in credit period & Cash discount proposals only) Meaning of inventories & inventory management, Objectives, Importance, Inventory Management techniques - EOQ & levels of inventory (Theory only)	25 %
3.	Capitalization: Meaning, Theories of Capitalization- Cost & Earning Theory Over-capitalization & Under-capitalization: Meaning, Causes, Effects & Remedies	25 %
4.	Leverage Analysis & Capital Structure:[Theory 50% & Examples 50%] Meaning of Leverage, Importance, Types of Leverages-, Operating Leverage, Financial Leverage and combined Leverage- Meaning, computation, utility and degree of each leverage. Capital Structure: Meaning, Features, Principles, Importance, optimum capital structure, Factors affecting capital structure, Examples on EPS.	25 %

Basic Text & Reference Books:

1. **Financial Management : P.V.Kulkarni**
2. **Financial Management : S. N. Maheshwari**
3. **Financial Management : I. M. Pandey**
4. **Financial Management : Prasanna Chandra**
5. **Financial Management : Khan & Jain**
6. **Financial Management : R. S. Kulshreshta**
7. **Fundamentals of Financial Management: Van Horne**