



Bachelor of Business Administration [General]
Semester – IV

Course Code	UM04CBBA73	Title of the course	Financial Management II
Total Credits of the course	3	Hours per week	3

Course Objectives:	1. To Develop the Knowledge of Students about the Significance of cash management in Business.
	2. To Enhance the Knowledge of Students about the Debt and Equity Matrix in organization.
	3. To Study about the concept of leverages and its types.

Course Content		Weightage
Units	Description	
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 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 Meaning of Leverage, Importance, Types of Leverages-, Operating Leverage, Financial Leverage and combined Leverage- Meaning, computation, utility and degree of each leverage.	25%



SARDAR PATEL UNIVERSITY
Vallabh Vidyanagar, Gujarat
(Reaccredited with 'A' Grade by NAAC (CGPA 3.25))
Syllabus with effect from the Academic Year 2022-2023

Teaching-Learning Methodology	<ul style="list-style-type: none">➤ White Board➤ Presentation➤ Video➤ Case Study
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COURSE OUTCOMES:	
1	Students will understand about requirement of Cash management in Firm.
2	Students will understand about Capitalization and its process.
3	Students will understand the role leverages and its effect in the capital cost.
4	Students will gain the knowledge inventory control and receivables.

Suggested References:	
1	Financial Management by Khan & Jain
2	Financial Management & Management Accounting by S.N.Maheshwari
3	Financial Management by I.M. Pandey
4	Financial Management by M.R.Agrawal
5	Financial Management BY T.J.Rana

PROGRAMME OUTCOMES:

Demonstrate an understanding of the overall role and Importance of Financial Management in organization.