



**Bachelor of Business Administration**  
**B.B.A (ISM) Semester-III**

<b>Course Code</b>	<b>UM03DBBS71</b>	<b>Title of the course</b>	<b>Financial Management I</b>
<b>Total Credits of the course</b>	<b>3</b>	<b>Hours per week</b>	<b>3</b>

<b>Course Objectives:</b>	1. To offer students relevant and actual knowledge of Financial Management.
	2. To make students aware about taking financial decisions.
	3. To expose the students for the financial issues of determining the monetary resources, the sources and uses of funds.
	4. To understand the benefits, risks and costs associated with different types of resources and financing.
	5. To understand fundamental concepts and tools to the decisions faced by a manager in investment decisions.

<b>Course Content</b>			<b>Weightage</b>
<b>Units</b>	<b>Description</b>		
<b>1</b>	Financial Management An overview (Only theory)	Introduction  Importance of financial management  Finance Decision -Investment decisions -Financing decision -Dividend decisions - liquidity decision  Goals of Financial Management -Profit Maximization -Wealth Maximization  Organization of the finance function	<b>25%</b>
<b>2</b>		Concepts: Cost of Debt,	<b>25%</b>





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	Cost of Capital (Theory and example)	Cost of Equity,  Cost of Preference share  Cost of Retained earnings  Weighted average cost of capital (As per book value and market value method)	
3	Capital Budgeting (Theory and examples)	Concept: Time value of money  Capital Budgeting process  Project classification Appraisal techniques:  Pay Back period technique  Accounting rate of return technique  Discounted cash flow techniques:  Net Present Value,  Profitability Index,  Internal Rate of Return	25%
4	Working Capital Management (Theory and examples)	Concepts:  Factors affecting working capital requirement  Two dimensions of working capital Management Relative assets liquidity and Relative financing liquidity  Sources of Working Capital Finance  Examples:  Computation of Operating cycle, Estimation of working capital requirement, Determining Maximum Permissible Bank Finance	25%

<b>Teaching-Learning Methodology</b>	<ul style="list-style-type: none"><li>➤ White Board</li><li>➤ Presentation</li><li>➤ Video</li></ul>
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	➤ Case Study
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**COURSE OUTCOMES:**

<b>1</b>	Students will understand how to make optimum use of Funds for the growth of the firm.
<b>2</b>	Students will understand the process of Financial Mix and assessment of Price Earnings Ratio.
<b>3</b>	Students will understand how to maximize shareholders wealth.
<b>4</b>	Students will gain the knowledge about different stages of planning.

**Suggested References:**

<b>1</b>	Financial Management by Khan & Jain
<b>2</b>	Financial Management & Management Accounting by S.N.Maheshwari
<b>3</b>	Financial Management by I.M. Pandey
<b>4</b>	Financial Management by M.R.Agrawal
<b>5</b>	Financial Management BY T.J.Rana

