

SARDAR PATEL UNIVERSITY
Vallabh Vidyanagar, Gujarat
(Reaccredited with 'A' Grade by NAAC (CGPA 3.11))
Programme: B.COM Semester: VI
Syllabus with effect from the Academic Year:

B.COM. SEMESTER-VI		
Paper Code UB06CCOM72	Title of the Paper Financial Management-II	Total Credit 3

Course Objectives	To impart knowledge of various concepts in the area of Financial Management
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Course Description		
Unit	Description	Weightage
1.	Management of Cash, Receivables, Inventory: Motives for Holding Cash, Cash Budgeting examples, Credit Policy variables, Credit Evaluation, Types of Inventory, Computation of EOQ, Maximum level, Minimum Level, Recorder point and safety stock, ABC Analysis.	25%
2.	Cost of Capital: Concept of cost of Capital, Significance, Classification of cost, Cost of Equity Capital, Cost of Preference Capital, Cost of Debt Capital, Examples of WACC.	25%
3.	Financial Planning Meaning, Characteristics, Factors affecting Financial Planning, Limitations of financial planning Capitalization: Meaning, Theories of Capitalization- Types - Overcapitalization & Undercapitalization: Meaning, Causes, Symptoms, Effects & remedies	25%
4.	Capital Structure and Leverage: Capital Structure: Meaning, Features, Optimum capital structure, factors, Examples on EPS. Leverage: Meaning, Importance of Capital Gearing / Leverage- Types of Leverage (Theory & Examples) – Operating Leverage, Financial Leverage, Composite / Total Leverage (Examples Based on Preparation of Income Statement be taught) Effects / Implications of Leverages, Trading on Equity – Merits and Limitations	25%

*Units will have the same Weightage in the evaluation as suggested in the course outline.

Teaching-Learning Methodology	<ul style="list-style-type: none"> • Lecture Method • Online Lectures • Group Discussion • Practical Problem Solving
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Evaluation Pattern		
Sr.No.	Details of the Evaluation	Weightage
1.	Internal/Written Examination	15%
2.	Internal Continuous Assessment in the form of Practical , Viva-Voce, Quizzes, Seminars, Assignments, Attendance	15%
3.	University Examination	70%

* Students will have to score a minimum of 40 (Forty) Percent to pass the course.

Course Outcomes: Having Completed this course, the students will be able to
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- Have an idea about the components of Working Capital Management, and solve related practical examples
- Understand Cost of Capital and solve examples of Cost of Capital of various sources of finance
- Have in depth knowledge of Financial Planning and Capitalization
- Have conceptual clarity of Capital Structure and Leverage, and solve practical examples.

Suggested References: (include Reference Material from where a student is expected to study the said content in APA Style) Reference Websites can also be included)

Sr. No	References
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

On-Line Resources available that can be used as Reference Material

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