

VEER NARMAD SOUTH GUJARAT UNIVERSITY, SURAT

M.COM.II (Semester –III)

FINANCIAL MANAGEMENT PAPER – 1 (PAPER NO: 302)

(Syllabus effective from Academic Year 2022-23)

Objectives:

1. To acquaint the students with the principles and practices of management so as to enable them to develop an integrated approach to Financial Management.
2. To develop analytical and decision- making aptitude of the students through case studies.

Unit	Course Contents	Weightage
1.	INDIAN FINANCIAL SYSTEM: Financial Functions, Financial Management & its Objectives, Indian Financial System & Its Functions, Some Aspects of Financial Management Environment, Regulatory Framework and Direct Taxes, Basic Concept of GST ,CGST, IGST, Rates IMF, World Bank , ADB, BRICS Bank (New Development Bank)	10%
2.	SWAPS: Meaning of SWAPS and its Categories, Types of Currency and Interest SWAPS with examples.	10%
3.	RISK MANAGEMENT: Introduction to Risk, Risk Management, Nature, Development, Scope, Definition, Objectives, Personal v/s Corporate Risk Management, Corporate Risk Objectives, Attitude and Philosophy, Risk Management Organization, Role Of Risk Manager, Risk Management Process.	10%
4.	FINANCIAL INTERMEDIERIES: <ul style="list-style-type: none">• <u>Financial Intermediaries in India:</u> (a) Reserve Bank of India (b) Commercial Banks (c) Term Lending Institutions• <u>Non-bank Financial Intermediaries:</u> (a) Insurance Corporations (b) Unit Trust of India (c) Post Offices (d) Provident Fund (e) Investment Companies (f) Hire Purchase Finance Companies (g) Leasing Finance Companies (h) Housing Finance Companies (i) Venture Capital Funds (j) N.R.I. Funds• <u>Finance Market:</u> Instrument Of Money Market	10%

	<p>(a) Call Money (b) Treasury Bills (c) Commercial Bills (d) Certificate of Deposits (e) Commercial Paper</p> <ul style="list-style-type: none"> • <u>Stock Market</u> : Instrument of Capital Market (a) Gilt Edged Securities (b) Equity Shares (c) Preference Shares (d) Debentures (e) Public Deposits 	
5.	<p>RAISING FINANCE: Methods of Capital Issues</p> <p>(a) Public Issue (b) Right Issue (c) Private Issue (d) Book Building (e) Bonus Share (f) Term Loan, Term Loan Procedure</p>	10%
6.	<p>WORKING CAPITAL MANAGEMENT – 1 :</p> <p>Meaning – Types – Components of Working Capital, Meaning of Working Capital Management</p> <ul style="list-style-type: none"> ❖ <u>Cash Management</u> : Meaning & Objectives of Cash Management, Factors affecting Cash Requirements, The Different Aspects of Cash Management : <p>(a) Planning of Cash Flow - Cash Budget - Long Term Cash Forecasting (b) Report of Controls (c) Meaning of Cash Flows including E-Cash via NEFT, RTGS (d) Determining the Optimum Cash Balance (e) Options and Strategies for Investing Surplus Funds</p>	10%
7.	<p>WORKING CAPITAL MANAGEMENT – 2</p> <ul style="list-style-type: none"> ❖ <u>Management of Receivables</u> : <p>Objectives of Maintaining Receivables, Cost of Credit Sales, Terms of Payments. Credit Policy Variables or Ingredients: (a) Credit Standards (b) Credit Periods (c) Cash Discount (d) Collection Policy Credit Evaluation, Credit Sanctioning Decision, Control of Receivables Techniques</p>	10%
8.	<p>WORKING CAPITAL MANAGEMENT – 3</p> <p>Management of Inventory, The need for maintaining Inventory Objective of Inventory Management Techniques of Inventory Control : (a) Economic Ordering Quantity, Order Quantity and Quantity Discount (b) Reordering Point (c) ABC Analysis</p>	10%
9.	<p>CASH STUDY AND ANALYSIS:</p>	20%

NOTE: Paper setter should consider syllabus and not any reference book or text books.

REFERENCE BOOK :

1. Financial Management and Policy – Van Horne 4th Add.
2. Financial Management – Macmillan
3. Financial Management – Khan and Jain 4th Add.
4. Money and Financial System – Sudhir Prakashan and Dr.D.D. Desai Uni 2008
5. Financial Management – B.S. Shah Prakashan
6. Financial Analysis and Financial Management – R.P. Rustagi 3rd Add.
7. Indian Financial System – Khan 4th Add.
8. Financial Management – Brigham – Ehrhardt – 11th Add.
9. Financial Management – Prasanna Chandra – 7th Add.
10. Financial Management – I.M.Pnadey – 9th Add.
11. Corporate Finance Theory and Practice – A. Damodaran
12. Introduction to Financial Management – L.D. Schall and C.W.Holey
13. Financial Management Principle and Practice – Dr.S.N. Maheshwari
14. Financial Management – Ravi M. Koshore
15. Financial Management – Theory and Practice – Eugene Brigham and Michael C. Erhardt
16. Investment Management - V.K. Bhalla.