

Veer Narmad South Gujarat University
First Year B.Com.
Semester - 1
Course Code - CE 125 J
FINANCIAL MANAGEMENT PAPER I

Objective : The objective of this course is to help students understand the conceptual framework of financial management.

COURSE INPUTS

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| UNIT I | Financial Management: Financial goals; Profit vs wealth maximization. | (10%) |
| UNIT II | Financial functions - Investment, financing, and dividend decisions; Financial planning. | (10%) |
| UNIT III | Capital Budgeting: Nature of Investment decisions, Investment evaluation criteria, payback period, accounting rate of return, net present value, Internal rate of return profitability Index; NPV and IRR comparison. | (40%) |
| UNIT IV | Cost of Capital: Significance of cost of capital; Calculating cost of debt; Preference shares, equity capital, and retained earnings; Combined (weighted) cost of capital. | (40%) |

Suggested Readings

1. Van Home J C: Financial Management! and Policy; Prentice Hall of India, New Delhi.
2. Van Home J.C: Fundamentals of Financial Management; Prentice Hall of India, New Delhi.
3. Khan M.Y.and Jain P.K: Financial Management, Tart and Problems, Tala McOraw Hillf, New Delhi.
4. Prasanna Cbandra: Financial Management Theory and Praclice; Tala McGraw Hill, New Delhi.
5. Pandey I.M: Financial Management: Vikas Publishing House, New Delhi.
6. Brlgham E.F, Oapenski L.C., and Ehrhardt M.C: Financial Management - Theory and Praclice; Harcour College Publishers, Singapore.
7. Bhalla V.K.: Modern Working Capllal Management, Anmol Pub, Delhi.