



Vivekanand Education Society's  
College of Arts, Science and Commerce  
(Autonomous)

Sindhi Society, Chembur, Mumbai, Maharashtra – 400 071.

*Accredited by NAAC "A Grade" in 3<sup>rd</sup> Cycle - 2017*

*Best College Award – Urban Area, University of Mumbai (2012-13)*

*Recipient of FIST Grant (DST) and STAR College Grant (DBT)*

Affiliated to the  
University of Mumbai  
Credit Based System for Holistic Development

Syllabus for  
Program: B.Com.(Financial Management - I)  
(Program code: UMNACS3-216)

**V.E.S.**

**Since 1962**

**As per NEP 2020**

**with effect from Academic Year 2025-2026**

## **S.Y. B.Com Financial Management – I SEMESTER III**

### **Minor**

**COURSE TITLE: Financial Management -I**

**COURSE CODE:- UMNACS3-216[CREDITS - 04]**

<b>Course Learning Objectives</b>		
<b>To acquaint the learners with:</b> 1. The fundamentals of financial management. 2. The understanding of the need for financial planning through Budgets and their benefits. 3. The understanding of Business Risk and Financial Risk. 4. Establishment of Credit Standards and Credit Policy.		
<b>Course Learning Outcomes</b>		
<b>The learners will be able to:</b>	<ol style="list-style-type: none"><li>1. Recognize the importance of financial management from a strategic perspective</li><li>2. Prepare various types of budgets and analyze the functional budgets.</li><li>3. Analyze financial health of firm with the help of Leverage Ratios.</li><li>4. Assess Costs involved in extension of Credit to Customers.</li></ol>	
<b>Module 1</b>	<b>Introduction to Financial Management</b>	<b>(15L)</b>
	<p><b>A)Introduction to Finance:</b> Meaning and definition of finance, Importance of finance, Types of Finance: Public and Private Sources of finance :Long Term Sources : Term Loans, Debentures, Bonds, Zero Coupon bonds, Convertible Bonds, Equity shares, Preference shares, CD, CP, Public Deposits Short Term Sources: Bank Finance, Trade Credit ,Other Short Term Sources</p> <p><b>B) Venture Capital and Hybrid Financing</b> Financial Management: Meaning and Importance of Financial Management, Scope of Financial Management, Functions and Objectives of Financial Management, Primary Objective of Corporate Management, Agency Problem, Organization of Finance Function, Emerging role of Finance Managers in India.</p>	
<b>Module 2</b>	<b>Budgeting and Budgetary Control</b>	<b>(15L)</b>
	<ol style="list-style-type: none"><li>1. Concept of Budget, Budgetary Control and Budgetary Control as Management Tool</li><li>2. Classification of Budgets: Functional Budget, Master Budget, Fixed and Flexible Budget and Zero-base budgeting</li></ol> <p>Note: Simple practical problems based on: Cash Budget, Sales Budget, Production Budget, Fixed &amp; Flexible Budget.</p>	

<b>Module 3</b>	<b>Leverages</b>	<b>(15L)</b>
	<ol style="list-style-type: none"> <li>1. Meaning of Leverage</li> <li>2. Types of Leverage</li> <li>3. Calculation and Analysis of Leverages</li> </ol> <p>Note: Simple practical problems based on Operating, Financial and Combined Leverages.</p>	
<b>Module 4</b>	<b>Receivables Management</b>	<b>(15L)</b>
	<ol style="list-style-type: none"> <li>1. Meaning, Importance and Objectives of Receivable Management.</li> <li>2. Types of Costs Associated with Accounts Receivables.</li> <li>3. Approaches to Evaluation of Credit Policies.</li> </ol> <p>Note: Simple practical problems evaluating credit policies</p>	



Established 1982

## Modality of Assessment

The performance of the learners shall be evaluated into two parts. The learner's performance shall be assessed by Internal Assessment with 40% marks in the first part & by conducting the Semester End Examinations with 60% marks in the second part.

**Students will have to score 40% of marks in the Internal Assessment as well as Semester End Examination to pass the course.**

The allocation of marks for the Internal Assessment and Semester End Examinations are as shown below:-

**Internal Assessment:** It is defined as the assessment of the learners on the basis of internal evaluation as envisaged in the Credit & Choice Based System by way of participation of learners in various academic and correlated activities in the given semester of the programme.

**Semester End Assessment:** It is defined as the assessment of the learners on the basis of Performance in the semester end Theory/ Written examination.

### **A. Theory-Internal Assessment 40%**

**40 marks**

Sr. No	Evaluation Type	Marks
1.	Class Test-Objective Questions(MCQs/True or False/Fill in the Blanks/ Match the Columns)	20
2	Project/Assignments/Presentation/Viva Voce/Case Studies	20

### **B. Theory - External Examination 60 marks**

#### **Semester End Theory Assessment**

Duration-Each paper shall be of 2hours duration.

1. Question paper pattern:-
  - a. There shall be four questions.
  - b. Each question shall carry 15marks.

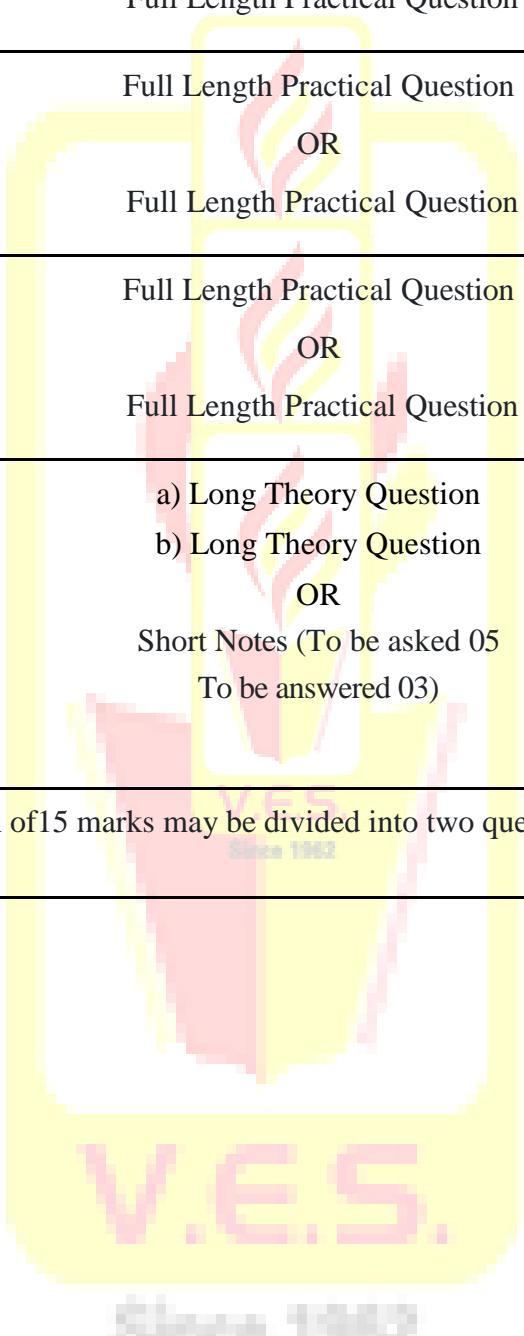
#### **Question Paper Pattern**

Maximum Marks: 60

Questions to be set:

04Duration: 2 Hrs.

QuestionNo	Particular	Marks
Q-1	Full Length Practical Question OR Full Length Practical Question	15 15
Q-2	Full Length Practical Question OR Full Length Practical Question	15 15
Q-3	Full Length Practical Question OR Full Length Practical Question	15 15
Q-4	a) Long Theory Question b) Long Theory Question OR Short Notes (To be asked 05 To be answered 03)	08 07 15
<b>Note:</b> -Full length question of 15 marks may be divided into two questions of 08 marks and 07 marks each.		





**Vivekanand Education Society's**  
**College of Arts, Science and Commerce**  
**(Autonomous)**  
**Sindhi Society, Chembur, Mumbai, Maharashtra – 400 071.**

*Accredited by NAAC "A Grade" in 3<sup>rd</sup> Cycle - 2017*

*Best College Award – Urban Area, University of Mumbai (2012-13)*

*Recipient of FIST Grant (DST) and STAR College Grant (DBT)*

Affiliated to the  
University of Mumbai  
Credit Based System for Holistic Development  
Syllabus for  
Program: B.Com.(Financial Management- II)

with effect from Academic Year 2025-2026

**S.Y. B. Com FINANCIAL MANAGEMENT-II SEMESTER IV****MINOR****COURSE TITLE: Financial Management II****COURSE CODE:- UMNACS4-217 [CREDITS - 04]****Course Learning Objectives****The objectives of this course are:**

1. To learn and evaluate different components of cost of capital and their computation.
2. To understand dividend policy theories and their practical implications in corporate finance.
3. To analyse capital structure theories and their relevance in financing decisions
4. To understand the concept of time value of money and apply techniques of compounding and discounting.

**Course Learning Outcomes****After completion of this course learner will be able to:**

1. Compute the cost of capital of different sources of finance and evaluate weighted average cost of capital (WACC).
2. Compare different dividend policy theories and evaluate their relevance in practice.
3. Assess the impact of alternative capital structure decisions on firm value and risk.
4. Apply the concept of time value of money in investment and financing decisions and understand the recent developments in financial management.

<b>Module 1</b>	<b>Cost of Capital</b>	<b>(15L)</b>
	<p>i) Introduction ii) Components of cost of capital iii) Computation of cost of equity, preference share capital, debentures, and retained earnings iv) Weighted Average Cost of Capital (WACC) and Marginal Cost of Capital.</p> <p>Note: Simple Practical Problems on Calculations of Optimal Debt-equity mix and WACC.</p>	
<b>Module 2</b>	<b>Dividend Policy</b>	<b>(15L)</b>
	<p>i) Meaning, significance and determinants of dividend policy ii) Theories of dividend policy: Walter's Model, Gordon's Model and Modigliani &amp; Miller Approach. iii) Types of dividend policies (stable, constant, residual) iv) Dividend practices in Indian corporate sector</p> <p>Note: Simple Problems on Walter's Model and Gordon's Model</p>	
<b>Module 3</b>	<b>Capital Structure</b>	<b>(15L)</b>
	<p>i) Concept and importance of capital structure ii) Theories of capital structure: Net Income Approach, Net Operating Income Approach and Modigliani &amp; Miller Approach. iii) Capital structure in practice and factors affecting capital structure decisions.</p> <p>Note: Simple Practical Problems on the valuation of firm under Net Income Approach, Net Operating Income Approach and Modigliani &amp; Miller Approach.</p>	

<b>Module 4</b>	<b>Time Value of Money, financial planning and recent development in financial management</b>	<b>(15L)</b>
	<p>i) Concept of time value of money, compounding and discounting techniques</p> <p>ii) Present value and future value of single cash flow, annuities and perpetuities</p> <p>iii) Applications in investment decisions (bond valuation basics)</p> <p>iv) Effective rate of interest vs nominal rate</p> <p>v) Concept of risk and return – measurement and relationship</p> <p>vi) Financial Forecasting and planning</p> <p>Note: Simple practical problems on present value and future value of single cash flow, annuities, perpetuities and bond's valuation.</p>	
<b>Reference</b>	<ol style="list-style-type: none"> <li>1. Financial Management – Principles and Practices: Dr. S.N. Maheshwari, Sultan Chand &amp; Sons.</li> <li>2. Financial Management P.V Kulkarni &amp; B.G.Satyaprasad, Himalaya Publishing House, Mumbai.</li> <li>3. Cost Accounting and Financial Management- Ravi M Kishore, Taxman Allied Services Pvt .Ltd.</li> <li>4. Financial Management- Prassana Chandra, Prentice Hall.</li> <li>5. Financial Management- I M Pandey, Vikas Publishing House</li> <li>6. Financial Management: M Y Khan and P K Jain, Tata MC Graw Hill</li> <li>7. Fundamentals of Financial Management Bhabatosh Banerjee, PHI, Delhi</li> </ol>	

### Modality of Assessment

The performance of the learners shall be evaluated into two parts. The learner's performance shall be assessed by Internal Assessment with 40% marks in the first part & by conducting the Semester End Examinations with 60% marks in the second part.

**Students will have to score 40% of marks in the Internal Assessment as well as Semester End Examination to pass the course.**

The allocation of marks for the Internal Assessment and Semester End Examinations is as shown below:-

**Internal Assessment:** It is defined as the assessment of the learners on the basis of internal evaluation as envisaged in the Credit & Choice Based System by way of participation of learners in various academic and correlated activities in the given semester of the programme.

**Semester End Assessment:** It is defined as the assessment of the learners on the basis of Performance in the semester end Theory/ Written examination.

The allocation of marks for the Internal Assessment and Semester End Examinations are as shown below:

**A. Theory - Internal Assessment 40%      40 marks**

Sr. No	Evaluation Type	Marks
1.	Class Test - Objective Questions (MCQs/True or False/Fill in the Blanks/Match the Columns)	20
2	Project/Assignments/Presentation/Viva Voce/Case Studies	20

**B. Theory - External Examination - 60%      60 marks****Semester End Theory Assessment**

Duration - Each paper shall be of 2 hours duration.

**1. Question paper pattern:-**

- There shall be four questions.
- Each question shall carry 15 marks.

**Question Paper Pattern**

Maximum Marks: 60

Questions to be set: 04

Duration: 2 Hrs.

Question No	Particular	Marks
Q-1	Full Length Practical Question OR Full Length Practical Question	15 15
Q-2	Full Length Practical Question OR Full Length Practical Question	15 15
Q-3	Full Length Practical Question OR Full Length Practical Question	15 15
Q-4	a) Long Theory Question b) Long Theory Question OR c) Short Notes (To be asked 05 To be answered 03)	15 15
<b>NOTE:</b>	Full length question of 15 marks may be divided into two questions of 08 marks and 07 marks each.	

