

SARDAR PATEL UNIVERSITY
Programme: BCOM
Semester: I
Syllabus with effect from: June 2011

Paper Code: UB01ECOM03	Total Credit: 3
Title Of Paper: Business Finance	

Unit	Description in detail	Weighting (%)
1	Financial Management : Overview Meaning, Importance, Scope, Objectives Finance Functions & its Classification – Managerial and Routine Functions. Financial planning: Meaning, Factors affecting financial planning, Limitations. Capitalization: Meaning, Overcapitalization and Undercapitalization its causes, effects and remedies	25 %
2	Capital Budgeting : Meaning, Characteristics, Types, Process, Factors, Capital rationing Decisions. (Theory Only) Techniques (Theory & Examples): Simple and Discounted Payback Period Average/Accounting rate of return Discounted Cash Flow Techniques – NPV, IRR,	25 %
3	Cost of capital: Concept, Importance, Classification of Costs, Calculation of cost of debt, preference shares, equity, retained earnings, Weighted Average Cost of Capital (including examples)	25 %
4	Leverages: Concept, Importance, Types and Implications of leverages (including examples)	25 %

Basic Text & Reference Books

- I M Pandey, Financial Management
- Khan & Jain, Financial Management
- Prasanna Chandra, Financial Management
- Van Horne, Fundamentals of Financial Management
- S N Maheshwari, Financial Management

