M.COM

SEMESTER-II

(MCMM21203T): FINANCIAL MANAGEMENT

MAX. MARKS: 100

EXTERNAL: 70

INTERNAL: 30

PASS: 40%

Credits:6

Objective: To enable the students to understand the concept of financial management and will be capable of taking long term investment decisions. To provide detailed knowledge of various components of working capital management and capital structure. To be acquainted with dividend policy and various practices in this regard.

INSTRUCTIONS FOR THE PAPER SETTER/EXAMINER:

1. The syllabus prescribed should be strictly adhered to.
2. The question paper will consist of three sections: A, B, and C. Sections A and B will have four questions from the respective sections of the syllabus and will carry 10 marks each. The candidates will attempt two questions from each section.
3. Section C will have fifteen short answer questions covering the entire syllabus. Each question will carry 3 marks. Candidates will attempt any ten questions from this section.
4. The examiner shall give a clear instruction to the candidates to attempt questions only at one place and only once. Second or subsequent attempts, unless the earlier ones have been crossed out, shall not be evaluated.
5. The duration of each paper will be three hours.

INSTRUCTIONS FOR THE CANDIDATES:

Candidates are required to attempt any two questions each from the sections A and B of the question paper and any ten short questions from Section C. They have to attempt questions only at one place and only once. Second or subsequent attempts, unless the earlier ones have been crossed out, shall not be evaluated.

SECTION A

Foundations of Finance

Unit I Financial Management an Overview,Time Value of Money

Unit II Valuation of Securities,Risk and Return

Investment Decisions

Unit III Cost of Capital

Unit IV Capital Budgeting I

Capital Budgeting II

Long Term Financing

Unit V Sources of Long-Term Finance

Unit VI Capital Market

SECTION B

Unit VII Lease Financing, Project Financing

Unit VIII International Business Finance

Financing and Dividend Decisions

Unit IX Leverage Operating, Financial and Total

Unit X Capital Structure Decision

Dividend Policy Decision

Management of Working Capital

Unit XI Working Capital, Cash Management

Unit XII Inventory Management, Receivables Management

Suggested Readings:

1. Berk, Jonathan and DeMarzo, Peter, "Financial Management", 2nd Edition (2010), PearsonEducation, Dorling Kindersley (India) Pvt Ltd.
2. Bhattacharya, Hrishikes, "Working Capital Management: Strategies and Techniques", 2ndEdition (2009), Prentice Hall, New Delhi.
3. Brealey, Richard A; Stewart, C. Myers and Allen, F. "Principles of Corporate Finance", 8thEdition (2006), McGraw Hill, New York.
4. Chandra, Prasanna, "Financial Management", 7th Edition (2008), Tata McGraw Hill, Delhi

5. Pandey I.M., “Financial Management”, 9th Edition (2009), Vikas Publishing House
6. Van Horne. J.G. and J.M. Wachowicz Jr., “Fundamentals of Financial Management”, 13thEdition (2009), Prentice Hall, Delhi.
7. Van Horne, James G, “Financial Management and Policy”, 12th Edition (2002), Prentice Hall,Delhi
8. Khan, MY, Jain, PK, “Financial Management”, 6th Edition (2011), Tata McGraw Hill, NewDelhi..
9. http://swayam.gov.in/
10. http://edx.org/
11. http://epgp.inflibnet.ac.in/

11/2/2025