AC – 20/04/2024
Item No. – 7.7 Sem. II (11a)

As Per NEP 2020

University of Mumbai

Syllabus for Basket of Open Elective	
Board of Studies in Financial Management	
UG First Year Programme	
Semester	**II**
Title of Paper	**Credits 2**
I) Open Elective in Financial Management Paper III	**2**
II)	**NA**
III)	**NA**
From the Academic Year	**2024-25**

Sr. No.	Heading	Particulars
1	**Description of the course:** **Including but not limited to:**	In today's competitive business landscape, understanding the intricacies of cost is paramount for success. This is course is designed to empower you with the knowledge and tools to navigate the world of cost control. Whether learners aspire to a career in accounting, finance, or business management, a firm grasp of cost accounting principles is an invaluable asset. This course will equip one with the ability to analyze costs, optimize resource allocation, and ultimately, contribute to informed business decisions that drive profitability. Throughout this journey, it will delve into the fundamentals of cost accounting, exploring its role in classifying, recording, and analyzing costs. The course will be an enriching blend of theory and practical application, with real-world examples and case studies to solidify their understanding.
2	**Vertical :**	Major/Minor/√Open Elective /Skill Enhancement / Ability Enhancement/Indian Knowledge System
3	**Type :**	Theory & Practical Illustrations
4	**Credit**:	2 credits
5	**Hours Allotted:**	30 Hours
6	**Marks Allotted**:	50 Marks

7	**Course Objectives**: 1. To provide a comprehensive understanding of capital structure decisions, including the meaning, theories, and practical implications of choosing an optimal capital structure. 2. To impart analytical skills to evaluate the impact of different capital structures on a firm's profitability, risk, and EPS under varying operating conditions.
8	**Course Outcomes** 1. The learners will be able to critically evaluate the various theories of capital structure and chose optimal capital structure. 2. The learners will be able to calculate different types of leverage, including operating and financial leverage, and understand how they affect a firm's profitability and risk.

9	**Modules**:
	Capital Structure Decisions
	• Meaning and Choice of Capital Structure • Importance of Optimal Capital Structure • EBIT -EPS Analysis (Theoretical and Practical aspects) • Capital Structure Theories: Net income theory, net operating income theory, traditional theory, and Modigliani-Miller theory. (Theoretical and Practical aspects)
	Leverages
	• Introduction • Measurement of Leverage • Measures of Financial Leverage. • Effects of Operating and Financial Leverages on Profit. (Theoretical and Practical aspects) • Analysing Alternative Financial Plans: Constant EBIT (Theoretical and Practical aspects) • Analysing Alternative Financial Plans: Varying EBIT (Theoretical and Practical aspects) • Combined Financial and Operating Leverage (Theoretical and Practical aspects) • Degree of Operating Leverage (Theoretical and Practical aspects) • Degree of Financial leverage (Theoretical and Practical aspects) • Combined Effect of Operating and Financial Leverages (Theoretical and Practical aspects)
10	**Textbooks:** 1. Fundamentals of Financial Management by D. Chandra Bose, PHI Learning Pvt. Ltd., New Delhi 2. Fundamentals of Financial Management by Bhabotosh Banerjee, PHI Learning Pvt. Ltd., New Delhi

	3. Fundamentals of Financial Management by Vyuptakesh Sharma, Pearson Education, New Delhi.

11	**Reference Books:** 1. Fundamentals of Financial Management by J.C. Van Horne, Prentice Hall of India, New Delhi 2. Financial Management: Text and Problems by M.Y. Khan and P.K. Jain, Tata McGraw Hill, New Delhi 3. Financial Management: Theory and Practice by Prasanna Chandra, Tata McGraw Hill, New Delhi 4. Financial Management by I.M. Pandey, Vikas Publishing House, New Delhi	
12	**Internal Continuous Assessment: 40% i.e. 20 marks**	**Semester End Examination: 60% i.e 30 marks**
13	**Continuous Evaluation**	

	Assessment/ Evaluation	Marks
1	Class Test during the lectures. (Physical/ Online mode). (Short notes/ MCQ's/ Match the Pairs/ Answer in one sentence/ puzzles)	10
2	Participation in Workshop/ Conference/Seminar/ Case Study/Field Visit/ Certificate Course. (Physical/Online mode)	10

14 **Format of Question Paper:** for the final examination

Attempt any 2 out of 3 questions.

Question No	Questions	Marks
Q1	Practical/ Theory	15
Q2	Practical/ Theory	15
Q3	Practical/ Theory	15
	TOTAL	**30**

Note

1. Equal Weightage is to be given to all the modules.
2. 15 marks question may be subdivided into 8 marks + 7 marks, 10 marks + 5 marks and 5 marks + 5 marks + 5 marks. Internal options may be given however it is not mandatory.
3. Use of simple calculator is allowed in the examination.
4. Wherever possible more importance is to be given to the practical problems.

Sign of the BOS **Dr. Arvindkumar Shankarlal Luhar** **Board of Studies: B.Com (Financial Management)**	**Sign of the** **Offg. Associate Dean** **Dr. Ravikant Balkrishna Sangurde** **Faculty of Commerce**	**Sign of the** **Offg. Associate Dean** **Prin. Kishori Bhagat** **Faculty of Management**	**Sign of the** **Offg. Dean** **Prof. Kavita Laghate** **Faculty of Commerce & Management**