

**FINANCIAL MANAGEMENT & POLICY**

**Max Marks: 100**

**External Marks: 80**

**Internal Marks: 20**

**Time: 3 Hours**

**Note: There will be eight (8) questions in all. The first question is compulsory and consists of six (6) short-questions having four (4) marks each. Answer to these questions should not exceed 150 words. The candidate will be required to attempt any four questions out of remaining seven (7) questions and each question carries fourteen (14) marks each. Duration of each paper will be three (3) hours.**

Financial Management: Nature, significance, objectives and scope of financial management, functions of finance executive in an organization, Time value of money and recent developments in financial management.

Financial Planning and forecasting: Need & importance of financial planning; financial planning process, drafting a financial plan; Financial forecasting; meaning, benefits and techniques of financial forecasting; Sources of finance.

Cost of Capital: Significance, computation of cost of capital including CAPM, problems in computation of cost of capital.

Working Capital Management and Control: Need, Types & determinants, assessment of working capital requirements; Management of cash, marketable securities & receivables, financing of working capital – banking norms.

Capital Budgeting Decisions: Nature & importance, factors influencing capital expenditure decisions, capital budgeting process, Evaluation criteria and risk analysis, capital expenditure control.

**REFERENCES**

- Ravi M. Kishore: *Financial Management*, Taxmann Publications Pvt. Ltd., New Delhi. Sinha, Pradip Kumar: *Financial Management*, Excel Books, New Delhi.  
Van, Horne: *Financial Management and Policy*, Prentice Hall of India, New Delhi. Hampton: *Financial Decision Making*, Prentice Hall of India, New Delhi.  
Prasanna, Chandra: *Financial Management*, Tata McGraw Hill, New Delhi.  
Khan, M. Y. and Jain, P.K.: *Financial Management*, Tata McGraw Hill, New Delhi