Name of the Subject: FINANCIAL MANAGEMENT
Course Code and Subject Code: CC 203, FM
Course Credit: FULL (50 SESSIONS OF 60 MINUTES EACH)

Course Description

The primary objective of this course is to explore concepts, approaches to financial management and its applicability in the corporate finance. This course is extended to the learning with case studies. There are four basic decisions of Finance, i.e. Investment, Financing, Working Capital and Dividend Decision. In addition, instructor focuses on foundation in finance principles and the related mathematical tools that are necessary for students to understand how financial decisions are made. The instructor also focuses on the teaching theory with practical aspects. This course helps students to inculcate corporate finance problems. However emphasis will be placed using Microsoft Excel to solve financial problems.

Evaluation pattern:

Class participation and Attendance	10%
Quizzes, Presentations and Assignments	20%
Mid Term Examination	30%
End Term (University) Examination	40%

Pedagogy:

- Lectures
- Case study
- Minor projects

Session	Course Content	Percentile weightage
1 - 2	Financial Management; Definition, Scope, Goal, Function, Agency Theory, Financial System, Functions, Structure, Players.	5%
3 - 7	Concepts of Time Value, Compounding & Discounting, Annuities, Sinking and Capital Recovery Factors. • Discussing, Solving of Numerical Examples & Cases	6%
8 - 12	Valuation of Bonds and Shares. • Discussing and Solving of Numerical Examples	10%
13 - 14	Principles of Working Capital Management and Formulating Working Capital Policy.	5%
15 - 19	Estimation of Working Capital Requirements and Operating Cycles. • Discussing, Solving of Numerical Examples & Cases	8%
20 - 21	Cash Management and Tools of Managing Cash. • Discussing, Solving of Numerical Examples & Cases	5%

22 - 23	Receivables Management. • Discussing, Solving of Numerical Examples & Cases	5%
24 - 25	Inventory Management. • Discussing and Solving of Numerical examples	5%
26 - 27	Sources of Working Capital Finance; Regulation of Bank Finance, Committees, Maximum Permissible Bank Finance.	5%
28 - 32	Investment Decision; Introduction and Techniques of Investment Selection, DCF and non DCF methods. • Discussing, Solving of Numerical Examples & Cases	10%
33 - 36	Cost of Capital. • Discussing, Solving of Numerical Examples & Cases	6%
37 - 40	Estimation of Cash Flows. • Discussing, Solving of Numerical Examples & Cases	6%
41 - 43	Concepts of Leverage, Operating and Financial Leverages, Risk Return Analysis. • Discussing and Solving of Numerical Examples	6%
44 - 46	Capital Structure Theories Relevance and Irrelevance of Capital Structure, and Arbitraging. • Discussing and Solving of Numerical Examples	6%
47	Sources of Long-Term Finance; Shares, Debentures and Term Loans, Venture Capital	5%
48 - 49	Dividend Theory; Various Models of Relevance and Irrelevance Approaches Towards • Discussing and Solving of Numerical Examples	5%
50	Formulation of Dividend Policy & Practice, Methods of Payments and Other Considerations.	2%

Text Book:
1.   Financial Management, I. M. Pandey, Latest Edition, Vikas Publication
2.   Principles of Corporate Finance, Richard A. Brealey, Stewart C. Myers, Franklin Allen and Pitabas Mohanty, Latest Edition, Tata McGraw Hill, 2007

Reference Books:
1. Financial Management, Srivastava & Misra, Oxford University Press, New Delhi.
1. Financial Management – Theory and Practice, Chandra, Prasanna, Latest Edition, Tata McGraw-Hill Publishing Company, New Delhi
2. Fundamentals of Financial Management, Van Horne & Wachowicz Jr., latest edition, Pearson Education, New Delhi
3. Fundamentals of Financial Management, Briham & Houston, Latest Edition, Thomson Business Information India (P) Ltd., New Delhi.