

**JYOTI NIVAS COLLEGE AUTONOMOUS
SYLLABUS FOR 2018 BATCH AND THEREAFTER**

Programme: B.Com TM.

Semester: IV

FINANCIAL MANAGEMENT

Course Code: 18BT404

No. of Hours: 60

COURSE OBJECTIVES:

- To give insight into financial decision-making as an Investor
- To familiarize the students to understand the Financial Management.
- To bring awareness among students regarding investment decisions.

LEARNING OUTCOMES:

- Help the students to take financial decision and manage personal and company finance.
- Help the students to take correct investment decisions
- Analyze working capital of the company and its impact in business

UNIT 1

Financial Management

10 HRS

Financial function – aims of finance function – financial management – goals of financial management – financial decisions – financial planning – objectives and principles of sound financial planning – long term and short term financial plan – factors affecting plan. time value of money(concept only).

UNIT 2

Financing Decisions

10 HRS

Capital structure – factors influencing capital structure – EBIT – EBT – EPS – analysis – leverage – problems.

UNIT 3

Cost of Capital

08 HRS

Meaning – Computation of cost of capital of equity, Preference, debentures, retained earnings-weighted average cost of capital- CAPM(meaning only)

UNIT 4

Investment Decisions

12 HRS

Capital budgeting – significance – techniques of capital budgeting – payback period method – ARR Method – Net Present Value Method – IRR Method – Profitability Index.

UNIT 5

Working Capital

12 HRS

Meaning – Concepts of working capital – factors influencing working capital requirements – importance of adequate working capital – components of working capital – cash management – receivables management and inventory management – simple problems on estimation of working capital requirements.

UNIT 6

Dividend Decisions

08 HRS

Meaning – Types of Dividend Policies – Factors influencing Dividend policies – Forms of Dividends

SKILL DEVELOPMENT

- Estimating working capital requirements for a company
- Evaluating a capital investment proposal using various techniques.
- Collection of market value of leading shares and bonds.
- Draw an organization chart of the finance function of a company.

BOOKS FOR REFERENCE

1. I.M Pandey Financial Management, Vikas Publishing House Pvt Ltd
2. Dr. S.N Maheswari&Dr. C.B Gupta, Financial Management, Vikas Publishing House Pvt Ltd
3. Dr.Sathya Prasad & P.V Kulkarni, Financial Management, Himalaya Publishing House
4. V. K Bhalla, Financial Management, International Book House Pvt Ltd.
5. Shashi K Gupta and Sharma, Financial Management, Kalyani Publishers.
6. Eugene F Brigham & Michael C Ehrhardt, Financial Management Theory and Practice, 10th edition, Thomson Learning South Western