

Course Code	Course Title	L	T	P	C
BHUM218L	Financial Management	3	0	0	3
Pre-requisite	NIL	Syllabus version			
		1.0			
Course Objectives					
<ol style="list-style-type: none"> 1. To develop through understanding of the role of the financial manager 2. To learn financial decision making relates to Working Capital, Investment, Capital structure and Dividend. 3. To attain application level knowledge in financial decision making. 					
Course Outcomes					
<p>Upon successful completion of the Course the students will be able to</p> <ol style="list-style-type: none"> 1. Understand role and functions of a Financial Manager 2. Assess the linkages between the economic environment and corporate. 3. Apply Working Capital Management techniques 4. Use various capital budgeting tools and techniques 5. Critically evaluate and implement different financial decisions. 6. Demonstrate professional level financial managerial skills. 					
Module:1	Financial Management – An Overview	4 hours			
Finance and Related Disciplines; Scope of Financial Management; Objectives of Financial Management; Primary Objective of Corporate Management; Agency Problem; Organization of Finance Function; and Emerging Role of Finance Managers in India - Economic Environment and Businesses.					
Module:2	Risk and Return of Portfolio	5 hours			
Time Value of Money, Conceptual Framework of Risk and Return: Type of Risks; Risk and Return of a Single Asset; Risk and Return of Portfolio; Portfolio Selection; and Capital Asset Pricing Model (CAPM)					
Module:3	Capital Budgeting Decision	7 hours			
Capital budgeting process - Estimation of relevant cash flows – Payback Period method - Accounting Rate of Return - Net Present Value - Net Terminal Value - Internal Rate of Return - Profitability Index - Capital Budgeting Under Risk –Certainty Equivalent Approach and Risk Adjusted Discount Rate.					
Module:4	Financing Decision	7 hours			
Cost of Capital and Financing Decision - Estimation of Components of Cost of Capital: Equity Capital - Retained Earnings - Debt and Preference Capital –Weighted Average Cost of Capital and Marginal Cost of Capital - Sources of Long-Term Financing – Capital Structure - Operating and Financial Leverage - Determinants of Capital Structure.					
Module:5	Working Capital Management	7 hours			
Meaning and Nature of Working Capital - Determination of Working Capital Requirement - A Brief Overview of Cash Management, Inventory Management and Receivables Management.					
Module:6	Dividend Decision	4 hours			
Meaning – Types – Dividend Decision Policy – Factors Affecting Dividend Decisions - Dividend Decisions Theories.					
Module:7	Business Valuations	9 hours			
Nature and Purpose of the Valuation of Business and Financial Assets - Models for					

the Valuation of Shares - Valuation of Debt and Other Financial Assets - Efficient Market Hypothesis (EMH) and Practical Considerations in the Valuation of Shares.			
Module:8	Contemporary Issues		2 hours
Total Lecture hours			45 hours
Text Book(s)			
1.	I.M. Pandey, (2021) Financial Management. Pearson New Delhi.		
2.	Eugene. Brigham, Joel. Houston (2021), Fundamentals of Financial management, South & Western Cengage Learning India (PVT) Ltd.		
Reference Books			
1.	Prasanna Chandra, (2022), Financial Management, Theory and Practice, Tata McGraw Hill Publishing Company, New Delhi.		
2.	M Y Khan and P K Jain, (2018), Financial Management: Text, Problems and Cases 8th Edition Tata McGraw Hill Publishing Company, New Delhi.		
3.	James.C. Van Horne, (2015), Fundamentals of Financial Management, Pearson ,UK		
Mode of Evaluation: CAT / Assignment / Quiz / Seminar / FAT			
Recommended by Board of Studies		06-03-2023	
Approved by Academic Council		No. 69	Date 16-03-2023