

Subject Code:1MS1010403

Subject Title: Financial Management

1. Course Objectives:

- To familiarize students with the concepts, tools and practices of financial management.
- To understand the decisions to be taken by financial managers of business firms.

2. Teaching Scheme (Hours per week)

Lecture (Hrs.)	Tutorial	Practical	Credit	Evaluation Scheme (Marks)			
				University Assessment		Internal Assessment	
				Theory	Practical	Theory	Practical
4	-	-	4	70 Marks	-	30 Marks	-

3. Syllabus:

Module No.	Contents	Total Hours	Weight
1	Working Capital Management : [Theory 50% and Examples 50%] Overview: Concepts, Significance, Factors Affecting Working Capital Requirement, Computation of Operating Cycle, Estimation of Working Capital Requirements, Sources of Working Capital. Trade Credit, Bank Finance, Commercial Paper Notes: Paper setters are required to mention no of days in a year (360/365) for calculation of operating cycle.	12	25%
2	Management of Cash: [Theory 30% and Examples 70%] Facts of Cash Management, Motives for Holding Cash, Cash Planning, Cash Budgeting (Including Examples) Managing the Flow, Investment in Marketable Securities	12	25%

3	Inventory Management: [Theory 30% and Examples 70%] Need to hold Inventories, Objectives of Inventory Management, Inventory Management Techniques (Theory & Examples) - EOQ, ABC Analysis, Fixation of Inventory Levels, and Recorder Point and Safety Stock, Just-In-Time (JIT) Systems	12	25%
4	Leverage Analysis: [Theory 30% and Examples 70%] Concept, Significance, Operating Leverage, Financial Leverage and Combined Leverage and Their Implications	12	25%

4. Suggested Readings

Books:

1. Financial Management by P.V. Kulkarni & B.G. Satya prasad, Himalaya Publishing House, Bombay.
2. Financial Management-Principles & Practice by S. N. Maheshwari, Sultan Chand & Sons, New Delhi.
3. Financial Management by I. M. Pandey, Vikas Publication, New Delhi
4. Financial Management by Prasana Chandra, Tata Mcgrawhill Publishing Company, New Delhi.
5. Financial Management by M. Y. Khan and P. K. Jain,, Tata Mcgrawhill Publishing Company, New Delhi.