

Branch Name:	B.Com
Program Code:	2CM101
Course Name:	Fundamentals of Financial Management
Course Code:	2CM1010602
Pre-requisite Course:	Basic knowledge regarding Fundamentals of Financial Management.

Course Objectives:-

1. To make the students aware about the various concepts of financial management and to provide in depth knowledge of it.
2. To make aware about concepts of time value of money and its formulae.
3. To describe the concepts of capital budgeting and working capital.
4. Students are more familiar with the stock markets and listing of securities concepts.

Teaching and Examination Scheme:

Teaching Scheme (Hours per week)				Evaluation Scheme (Marks)				
Lecture (L)	Tutorial (T)	Practical (P)	Credit	Theory (Marks)		Practical (Marks)		Total (Marks)
				University Assessment	Continuous Assessment	University Assessment	Continuous Assessment	
3	--	-	3	70	30	-	-	100

Subject Contents:

Sr. No	Topic	Total Hours	Weightage (%)
1	(A) Introduction of Financial Management:- • Meaning of finance and financial management. • Goals/Objectives in financial management • Finance function: Traditional & modern approach • Classification of finance functions: Executive & incidental functions • Emerging Roles of finance manager in India (B) Time value of money • Meaning of Time value of money & its usefulness, • Compounding & discounting Techniques • Future value of a single amount, Future value of an annuity • Present value of a single amount, Present value of an annuity • Present value of perpetuity • Doubling Periods	9	25%
2	(A) Capital Structure:- • Meaning & concepts of Capital Structures • Characteristics of ideal Capital Structure • Patterns of capital structure With its merits and demerits • Factors affecting capital structures (B) Cost of capital:- • Meaning, Characteristics of cost of capital • Significance & various concept of cost of capital • Specific cost of capital for various source of finance: ✓ Cost of equity, ✓ Cost of preference shares, ✓ cost of debt,	9	25%

	✓ cost of retained earnings, WACC(Weighted average cost of capital) with suitable example		
3	(A) Capital Budgeting:- - Meaning , characteristics of capital budgeting - Objectives & Types of capital budget plan - Methods of evaluation of investment Proposals in capital Budgeting(IRR, NPV, Pay Back , ARR , PI method) (B) Working capital:- - Meaning of working capital - Characteristics & Types of working capital Sources of working capital	9	25%
4	(A) Dividend Policy:- - Meaning of Dividend & Dividend Policy - Factor affecting dividend policy - Forms of Dividend, Types of Dividend Policies (B) Trading on Equity - Meaning and concepts of trading on equity - Types of Trading on equity - Earnings per share- Concepts – Formula- Examples - Examples on Trading on equity	9	25%

Text Books:

1. Business organization & management-3 , sudhir prakashan, ahmedabad
2. DR. P. C. Tulsian “Financial management” S. Chand New Delhi

Reference Books:

1. Financial management:-B.S. Shah Prakashan, ahmedabad
2. I.M .Pandey - Financial management, vikas publishing house pvt Ltd.
3. M.Y Khan & P.K. Jain “Financial management” Tata Mc Graw –Hill, New Delhi.
4. Prasanna Chandra “Financial management” Tata Mc Graw –Hill, New delhi.

List of Open Source Software/learning website:

1. <https://www.youtube.com/watch?v=W3MlrBDCrSs>
2. <https://www.youtube.com/watch?v=NelD5w6fWgQ>

Course Learning Outcomes (CLO): On completion of this course, the students will be able to:

CLO	Description	Bloom's Taxonomy Level
CLO1	Explain various concepts of financial management and to provide in depth knowledge of it.	1 remembering
CLO2	Discuss and calculate Time value of money concept is the part of financial education and awareness	1 remembering 2 Understanding 3 Applying
CLO3	To understand the concepts of capital structures and solve the examples of cost of capitals.	1 remembering 3 Applying
CLO4	Describe various methods of capital budgeting with its theory.	1 remembering 2 Understanding 3 Applying
CLO5	To describe and explain concepts of stock markets and listing of securities.	1 remembering 2 Understanding

CLO6	To calculate examples of trading on equity and understand the concepts of dividend policy.	1 remembering 2 Understanding 3 Applying
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Mapping of CLOs with POs & PSOs

Course Learning Outcomes (CLOs)	Program Outcomes (POs)							Program Specific Outcomes (PSOs)	
	PO1	PO2	PO3	PO4	PO5	PO6	PO7	PSO1	PSO2
CLO1	H		M			L			L
CLO2		M			M		L		M
CLO3	M		L					M	
CLO4		L			M		M		
CLO5			M			H		L	
CLO6	M		L		M			M	

H: High, M: Medium, L: Low