

Course Type	Course Code	Name of Course	L	T	P	Credit
DC	EMSC507	Financial Management	3	1	0	4

Course Objective

This course will help students to understand the significance of financial management and the role of Finance manager in the organization.

The students will be equipped with all tools and techniques for effective financial management in the organization.

Learning Outcomes

Upon successful completion of this course, students will:

- ☐ Understand the concepts of financial management indecision making process.
- ☐ Understand the various tools and techniques used for efficient financial management.
- ☐ Understand the role of finance manager in the corporate sector.

Unit No.	Topics to be Covered	Lecture Hours	Learning Outcome
1	Introduction to Financial Management, objectives, Agency Problem; Concept of Time Value of Money, Risk & return	6L+1T	Understanding the meaning, scope, goals and objectives of financial management; Concepts of risk & return and various significant aspects related to financial management.
2	Introduction to valuation of bonds and shares, options, Excel simulations	7L+2T	Understanding the methodology to calculate the value of bond, shares and options
3	Capital Markets, Sources of Capital & Cost of Capital	4L+1T	Identify the different long-term and short-term sources of finance understanding the basic aspects - of the concept of cost of capital and their computation
4	Principles of Capital budgeting: Principles and Techniques, Risk Analysis in Capital Budegting – Sensitivity Analysis, DCF- Breakeven, Simulation & Scenario Analysis	7L+4T	Understanding the meaning and process of Capital budgeting, the decision making process under capital rationing, risk & uncertainty
5	Leverage: Operating, Financial and Combined Leverage, Introduction to Optimal Capital Structure, Designing capital structure.	7L+3T	Understanding the notion & computation of operating, financial and combined leverage & their interpretation. Analyzing capital structure planning, Optimal capital structure
6	Management of Working Capital: Determinants, computation & working capital financing (Managing Inventory, Receivables & Cash), Case study	7L+2T	Analyzing the significance and able to determine working capital requirements and Understanding the different aspects of Financing working capital needs.
7	Introduction to Dividend Decisions: factors, Bonus Shares & Stock Splits, Case study	4L+1T	Understanding the connotation of management of profits, various aspects of dividend policy and recognizing the corporate dividend behavior.
		42L+14T	

Text Books:

1. Financial Management (11th Edition)- By I. M. Pandey –Vikas Publishing
2. Financial Management – Texts, Problem & Cases (7th Edition) – By Khan & Jain – Tata McGraw Hill
Financial Management (9th Edition)– By Prasanna Chanadra – Tata McGraw Hill

Reference Book:

1. Principles of Corporate Finance (11th Edition)–by Brealey, Myers, Allen & Mohanty-MCGraw Hill Education