



Semester: VI						
ELEMENTS OF FINANCIAL MANAGEMENT						
Category: Institutional Elective-I						
(Theory)						
Course Code	:	IM266TEQ		CIE	:	100 Marks
Credits: L:T:P	:	3:0:0		SEE	:	100 Marks
Total Hours	:	45L		SEE Duration	:	3.00 Hours
Unit-I						06 Hrs
<b>Financial Management-An overview:</b> Financial Decisions in a firm, Goals of a firm, Fundamental principle of finance, Organization of finance function and its relation to other functions, Regulatory framework. <b>The financial System:</b> Functions, Assets, Markets, Market returns, Intermediaries, regulatory framework, Growth and trends in Indian financial system.						
Unit – II						10 Hrs
<b>Financial statements, Taxes and cash flow:</b> Balance sheet, statement of profit and loss, items in annual report, manipulation of bottom line, Profits vs Cash flows, Taxes. <b>(Conceptual treatment only)</b> <b>Time Value of Money:</b> Future value of a single amount, future value of an annuity, present value of a single amount, present value of an annuity. <b>Valuation of securities:</b> Basic valuation model, bond valuation, equity valuation-dividend capitalization approach and other approaches.						
Unit –III						10 Hrs
<b>Risk and Return:</b> Risk and Return of single assets and portfolios, measurement of market risk, relationship between risk and return, implications. <b>Techniques of Capital Budgeting:</b> Capital budgeting process, project classification, investment criteria, Net present value, Benefit-Cost ratio, Internal Rate of return, Payback period, Accounting rate of return. <b>(Conceptual and Numerical treatment)</b>						
Unit –IV						10 Hrs
<b>Long term finance:</b> Sources- Equity capital, Internal accruals, preference capital, term loans, debentures. Raising long term finance- Venture capital, Initial Public Offer, Follow on Public Offer, Rights Issue, Private Placement, Term Loans, Investment Banking <b>Securities Market:</b> Primary market vs Secondary market, Trading and Settlements, Stock market quotations and Indices, Govt. securities market, Corporate debt market.						
Unit –V						09 Hrs
<b>Working Capital – Policy and Financing:</b> Factors influencing working capital requirements, Current assets financing policy, operating cycle and cash cycle. Accruals, trade credit, banks, public deposits, inter-corporate deposits, short term loans, right debentures, commercial paper, Factoring <b>(Conceptual treatment only)</b>						

Course Outcomes: After completing the course, the students will be able to:-	
CO1	Explain the features and elements of a financial system.
CO2	Recognize the relevance basic principles of financial management in decision making.
CO3	Describe the processes and techniques of capital budgeting and working capital financing by organizations.
CO4	Demonstrate an understanding of various sources of finance.

Reference Books:	
1.	Fundamentals of Financial Management, Prasanna Chandra, 6th Edition, 2018, McGraw Hill Education(India) Pvt. Ltd, ISBN: 978-93-392-0313-9, 93-392-0313-5
2.	Financial Management ,I M Pandey, 12 <sup>th</sup> edn, 2021, Pearson, ISBN-939057725X, 978-9390577255
3.	Financial Management-Text, Problems and Cases, Khan M Y & Jain P K, 8th Edition, 2018, McGraw Hill Education(India) Pvt. Ltd, ISBN: 9353162181 , 9789353162184



4.	Fundamentals of Financial Management, Eugene F Brigham, Joel F Houston, 8 <sup>th</sup> Edition, 2014, Cengage Learning, ISBN : 9781285065137, 1285065131.
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RUBRIC FOR THE CONTINUOUS INTERNAL EVALUATION (THEORY)		
#	COMPONENTS	MARKS
1.	<b>QUIZZES:</b> Quizzes will be conducted in online/offline mode. <b>TWO QUIZZES</b> will be conducted & Each Quiz will be evaluated for 10 Marks. Each quiz is evaluated for 10 marks adding up to 20 MARKS	<b>20</b>
2.	<b>TESTS:</b> Students will be evaluated in test, descriptive questions with different complexity levels (Revised Bloom's Taxonomy Levels: Remembering, Understanding, Applying, Analyzing, Evaluating, and Creating). <b>TWO tests will be conducted.</b> Each test will be evaluated for <b>50 Marks</b> , adding upto 100 Marks. <b>FINAL TEST MARKS WILL BE REDUCED TO 40 MARKS.</b>	<b>40</b>
3.	<b>EXPERIENTIAL LEARNING:</b> Students will be evaluated for their creativity and practical implementation of the problem. Case study based teaching learning (10), Program specific requirements (10), Video based seminar/presentation/demonstration (10) Designing & Modeling (10) <b>ADDING UPTO 40 MARKS.</b>	<b>40</b>
<b>MAXIMUM MARKS FOR THE CIE THEORY</b>		<b>100</b>

RUBRIC FOR SEMESTER END EXAMINATION (THEORY)		
Q.NO.	CONTENTS	MARKS
<b>PART A</b>		
1	Objective type questions covering entire syllabus	20
<b>PART B</b> (Maximum of TWO Sub-divisions only)		
2	Unit 1 : (Compulsory)	16
3 & 4	Unit 2 : Question 3 or 4	16
5 & 6	Unit 3 : Question 5 or 6	16
7 & 8	Unit 4 : Question 7 or 8	16
9 & 10	Unit 5: Question 9z or 10	16
<b>TOTAL</b>		<b>100</b>