



**University Elective**  
**Even Semester (AY 2022-23)**

<b>Course Code &amp; Title</b>	UEIM007 – Financial Management
<b>Credit Hours</b>	3
<b>Faculty</b>	Prof. Vishal Goel, Prof. Harsh Pratap Singh, Prof. Vandana Poturaju, Prof. Hitesh Harwani (VF), Prof. Nili Shah (VF)
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<b>Phone No.</b>	
<b>Office Hours</b>	Monday and Tuesday (3-00 pm to 4-00 pm) Tentative

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### **I. Course Overview**

Financial Management as one of the functional areas of business management concerns with managing the funds for entire firm. Hence by implications at the operational level, it manifests as a supportive function, but at the corporate level, it assumes strategic importance as it is charged with the responsibility of maximizing the value of the firm. The course structure provides a deep insight into the fundamentals of finance function. It is designed to cover (i) basic concepts of Corporate Financial Management like, time value of money, risk and return, NPV, etc., (ii) financial decisions, and (iii) the context environment.

### **II. Course Learning Outcomes (CLO)**

At the end of the course, students shall be able to:

1. Understand the significance of financial management to firm performance.
2. Identify the variables important to making financial decisions.
3. Perform primary investment decision analysis.
4. Describe sources of funds and their costs.
5. Perform basic financial analysis using spreadsheets.

### **III. Text Book**

Chandra, P. (2019). Financial Management– Theory and Practice, 10<sup>th</sup> edition, McGrawHill Education (India) Private Limited. New Delhi.

#### IV. Assessment Components & Schedule

Assessment Component	Weightage (%)	Schedule	Overall Weightage (%)	CLO Number
Quiz I	7.5	After 8 session	15	1,2
Quiz II	7.5	After 36 session		2,3,4
Group Assignment I	15	Session 13-14	30	2,3,4
Group Assignment II	15	Session 29-30		2,3,4
Class Test	15	Session 26	15	2,3,4
End Semester Exam	40	As per Schedule	40	1,2,3,4,5

#### V. Session Plan

Session No.	Description	
1 - 2	<b>Topic:</b>	Scope and Goal of financial management
	<b>Pedagogy:</b>	Lecture & Discussion
	<b>Text Book:</b>	Chapter 1 Pg. 1.3 to 1.10
	<b>CLO No:</b>	1
3	<b>Topic:</b>	Indian financial system: overview
	<b>Pedagogy:</b>	Lecture & Discussion
	<b>Text Book:</b>	Chapter 2 Pg. 2.1 to 2.11
	<b>Reading:</b>	-
4 - 5	<b>CLO No:</b>	1
	<b>Topic:</b>	Time value of money – future value and present value
	<b>Pedagogy:</b>	Discussion & Problem solving
	<b>Text Book:</b>	Chapter 6 Pg. 6.3 to 6.9
6 - 7	<b>Reading</b>	<a href="https://nptel.ac.in/courses/105/104/105104178/">https://nptel.ac.in/courses/105/104/105104178/</a> Week 1
	<b>CLO No:</b>	2
	<b>Topic:</b>	Time value of money – annuity for Present and future value
	<b>Pedagogy:</b>	Discussion & Problem solving
8	<b>Text Book:</b>	Chapter 6 Pg. 6.10 to 6.14
	<b>Reading</b>	<a href="https://nptel.ac.in/courses/105/104/105104178/">https://nptel.ac.in/courses/105/104/105104178/</a> Week 1
	<b>CLO No:</b>	2
	<b>Topic:</b>	Time value of money – perpetuity
9	<b>Pedagogy:</b>	Discussion & Problem solving
	<b>Text Book:</b>	Chapter 6 Pg. 6.22 to 6.23
	<b>CLO No:</b>	2
	<b>Topic:</b>	<b>Risk &amp; Return:</b> Meaning, Types of Risk and Return
	<b>Pedagogy:</b>	Class Discussion and Problem solving
	<b>Text Book:</b>	Chapter 8 Pg. 8.1
	<b>Reading:</b>	URL: <a href="https://nptel.ac.in/courses/110/105/110105035/">https://nptel.ac.in/courses/110/105/110105035/</a> Unit 2
	<b>CLO No:</b>	2

10	<b>Topic:</b>	Risk and return– single asset
	<b>Pedagogy:</b>	Problem solving
	<b>Text Book:</b>	Chapter 8 Pg. 8.2
	<b>Reading:</b>	URL: <a href="https://nptel.ac.in/courses/110/105/110105035/">https://nptel.ac.in/courses/110/105/110105035/</a> Unit 2
	<b>CLO No:</b>	2
11	<b>Topic:</b>	Risk and return– portfolio
	<b>Pedagogy:</b>	Discussion and Problem solving
	<b>Text Book:</b>	Chapter 8 Pg. 8.3 Chapter 9 Pg. 9.1
	<b>Reading:</b>	URL: <a href="https://nptel.ac.in/courses/110/105/110105035/">https://nptel.ac.in/courses/110/105/110105035/</a> Unit 11
	<b>CLO No:</b>	2
12	<b>Topic:</b>	Risk and return–beta & CAPM
	<b>Pedagogy:</b>	Discussion and Problem solving
	<b>Text Book:</b>	Chapter 8 Pg.8.4 to 8.6 Chapter 9 Pg. 9.3
	<b>Reading:</b>	URL: <a href="https://nptel.ac.in/courses/110/105/110105035/">https://nptel.ac.in/courses/110/105/110105035/</a> Unit 11
	<b>CLO No:</b>	2
13	<b>Topic:</b>	Indian financial system– Banking services
	<b>Pedagogy:</b>	Student’s Group Presentation
	<b>Text Book:</b>	Chapter 2 Pg. 2.11 to 2.12
	<b>CLO No:</b>	4
14	<b>Topic:</b>	Indian financial system– Insurance services
	<b>Pedagogy:</b>	Student’s Group Presentation
	<b>Text Book:</b>	Chapter 2 Pg. 2.11 to 2.12
	<b>CLO No:</b>	4
15	<b>Topic:</b>	Capital Budgeting techniques: Overview
	<b>Pedagogy:</b>	Lecture & Discussion
	<b>Text Book:</b>	Chapter 11 Pg. 11.1 to 11.3
	<b>Reading:</b>	<a href="https://courses.lumenlearning.com/wmopen-accountingformanagers/chapter/capital-budgeting/">https://courses.lumenlearning.com/wmopen-accountingformanagers/chapter/capital-budgeting/</a>
	<b>CLO No:</b>	3
16	<b>Topic:</b>	Capital Budgeting: Types of projects, process
	<b>Pedagogy:</b>	Lecture & Discussion
	<b>Text Book:</b>	Chapter 11 11.4 to 11.6
	<b>Reading:</b>	<a href="https://courses.lumenlearning.com/wmopen-accountingformanagers/chapter/capital-budgeting/">https://courses.lumenlearning.com/wmopen-accountingformanagers/chapter/capital-budgeting/</a>
	<b>CLO No:</b>	3
17	<b>Topic:</b>	Capital budgeting techniques – payback period and discounted payback period
	<b>Pedagogy:</b>	Discussion & Problem solving
	<b>Text Book:</b>	Chapter 11 Pg. 11.18 to 11.19
	<b>CLO No:</b>	2, 3
18-19	<b>Topic:</b>	Capital budgeting techniques – NPV, benefit cost ratio and Profitability Index
	<b>Pedagogy:</b>	Discussion & Problem solving
	<b>Text Book:</b>	Chapter 11 Pg. 11.7 to 11.10
	<b>CLO No:</b>	2, 3

20	<b>Topic:</b>	Capital budgeting techniques – IRR
	<b>Pedagogy:</b>	Discussion & Problem solving
	<b>Text Book:</b>	Chapter 11 Pg. 11.11 to 11.15
	<b>CLO No:</b>	2, 3
21	<b>Topic:</b>	Cost of capital– debt
	<b>Pedagogy:</b>	Discussion and Problem solving
	<b>Text Book:</b>	Chapter 14 Pg. 14.2to 14.4
	<b>CLO No:</b>	3, 4
22-23	<b>Topic:</b>	Cost of capital– equity and retained earnings
	<b>Pedagogy:</b>	Discussion and Problem solving
	<b>Text Book:</b>	Chapter 14 Pg. 14.5to 14.8
	<b>CLO No:</b>	3, 4
24	<b>Topic:</b>	Cost of capital– WACC
	<b>Pedagogy:</b>	Discussion and Problem solving
	<b>Text Book:</b>	Chapter 14 Pg. 14.10
	<b>CLO No:</b>	3, 4
25-26	<b>Topic:</b>	Leverage Analysis
	<b>Pedagogy:</b>	Discussion & Problem solving
	<b>Text Book:</b>	Chapter 20 Pg. 20.7 to 20.10
	<b>CLO No:</b>	3
27-28	<b>Topic:</b>	Capital structure – EBIT EPS analysis
	<b>Pedagogy:</b>	Discussion & Problem solving
	<b>Text Book:</b>	Chapter 20 Pg. 20.2 to 20.4
	<b>CLO No:</b>	3
29	<b>Topic:</b>	Sources & Raising Long Term & Short term Finance: Debt & Equity
	<b>Pedagogy:</b>	Student presentation
	<b>Text Book:</b>	Chapter 17 Pg. 17.1to 17.12 Chapter 18 Pg. 18.1to 18.26
	<b>CLO No:</b>	2,4
30	<b>Topic:</b>	Investment of surplus funds
	<b>Pedagogy:</b>	Student presentation
	<b>Text Book:</b>	Chapter 24 Pg. 24.10to 24.12
	<b>CLO No:</b>	3,4
31	<b>Topic:</b>	Dividend decision-1
	<b>Pedagogy:</b>	Discussion and Problem solving
	<b>Text Book:</b>	Chapter 21 Pg. 21.1to 21.16
	<b>CLO No:</b>	2
32	<b>Topic:</b>	Dividend decision-2
	<b>Pedagogy:</b>	Discussion
	<b>Text Book:</b>	Chapter 22 Pg. 22.2to 22.10
	<b>CLO No:</b>	2
33	<b>Topic:</b>	Working capital policy – background, Operating cycle and Cash cycle
	<b>Pedagogy:</b>	Discussion & Problem solving

	<b>Text Book:</b>	Chapter 23 Pg. 23.3 to 23.11
	<b>CLO No:</b>	3, 4
<b>34-35</b>	<b>Topic:</b>	Working capital Estimation
	<b>Pedagogy:</b>	Discussion and Problem solving
	<b>Text Book:</b>	Chapter 23 Pg. 23.12
	<b>CLO No:</b>	3,4
<b>36-37</b>	<b>Topic:</b>	Cash management – Background Cash Budgeting
	<b>Pedagogy:</b>	Discussion & Problem solving
	<b>Text Book:</b>	Chapter 24 Pg. 24.2 to 24.18
	<b>CLO No:</b>	3, 4
<b>38-39</b>	<b>Topic:</b>	Credit management - Overview
	<b>Pedagogy:</b>	Lecture & Discussion
	<b>Text Book:</b>	Chapter 25 Pg. 25.1 to 25.6
	<b>CLO No:</b>	3, 4
<b>40-41</b>	<b>Topic:</b>	Credit management – Credit policy variables
	<b>Pedagogy:</b>	Discussion & Problem solving
	<b>Text Book:</b>	Chapter 25 Pg. 25.18
	<b>CLO No:</b>	3, 4
<b>42</b>	<b>Topic:</b>	Credit management – Monitoring & evaluation
	<b>Pedagogy:</b>	Discussion & Problem solving
	<b>Text Book:</b>	Chapter 25 Pg. 25.7 to 25.10
	<b>CLO No:</b>	3, 4
<b>43</b>	<b>Topic:</b>	Working capital financing
	<b>Pedagogy:</b>	Discussion & Problem solving
	<b>Text Book:</b>	Chapter 27 Pg. 27.1 to 27.13
	<b>Reading:</b>	<a href="https://nptel.ac.in/courses/105/104/105104178/">https://nptel.ac.in/courses/105/104/105104178/</a> Week 8
	<b>CLO No:</b>	4
<b>44-45</b>	<b>Topic:</b>	Use of spreadsheet : Time value of money and Capital budgeting techniques
	<b>Pedagogy:</b>	Demonstration & Discussion
	<b>Text Book:</b>	Chapter 6, 11
	<b>CLO No:</b>	5

## VI. Reading:

**R1.** Sharan, V. (2011). Fundamentals of financial management, 3<sup>rd</sup> Edition, Pearson Education India.

**R2.** Pandey, I. M. (2015). Essentials of Financial Management, 4th Edition. Vikas publishing house.