

SVKM's NMIMS
Mukesh Patel School of Technology Management & Engineering

Program: B. Tech (Computer Science and Business Systems)				Semester : VII	
Course: Financial Management				Code:	
Teaching Scheme				Evaluation Scheme	
Lecture (Hours per week)	Practical (Hours per week)	Tutorial (Hours per week)	Credit	Internal Continuous Assessment (ICA) (Marks -50)	Term End Examinations (TEE) (Marks -100 in Question Paper)
3	0	0	3	Marks Scaled to 50	Marks Scaled to 50
Pre-requisite: Financial & Cost Accounting					
Course Objective: Students will understand the theories in corporate finance, and apply the same in corporate. The computation of minimum return required to sustain in business.					
Course Outcomes: After completion of the course, students would be able to: <ol style="list-style-type: none"> 1. Understand the fundamental concepts of financial management 2. Appreciate basic concepts such as time value of money, cost of capital, risk and return, working capital management, capital budgeting etc. 3. Leverage the concept for deciding financial angle of IT projects 					
Detailed Syllabus:					
Unit	Description				Duration
1	Introduction: Introduction to Financial Management - Goals of the firm - Financial Environments.				4
	Time Value of Money : Simple and Compound Interest Rates, Amortization, Computing more than once a year, Annuity Factor.				5
2	Valuation of Securities : Bond Valuation, Preferred Stock Valuation , Common Stock Valuation, Concept of Yield and YTM.				4
	Risk & Return: Defining Risk and Return, Using Probability Distributions to Measure Risk, Attitudes Toward Risk, Risk and Return in a Portfolio Context, Diversification, The Capital Asset Pricing Model (CAPM)				4
3	Operating & Financial Leverage: Operating Leverage, Financial Leverage, Total Leverage, Indifference Analysis in leverage study				4
	Cost of Capital: Concept, Computation of Specific Cost of Capital for Equity - Preference - Debt, Weighted Average Cost of Capital - Factors affecting Cost of Capital				5

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	Capital Budgeting: The Capital Budgeting Concept & Process - An Overview, Generating Investment Project Proposals, Estimating Project, After Tax Incremental Operating Cash Flows, Capital Budgeting Techniques, Project Evaluation and Selection - Alternative Methods	6
	Working Capital Management: Overview, Working Capital Issues, Financing Current Assets (Short Term and Long Term- Mix), Combining Liability Structures and Current Asset Decisions, Estimation of Working Capital.	5
4	Cash Management: Motives for Holding cash, Speeding Up Cash Receipts, Slowing Down Cash Payouts, Electronic Commerce, Outsourcing, Cash Balances to maintain, Factoring	4
	Accounts Receivable Management: Credit & Collection Policies, Analyzing the Credit Applicant, Credit References, Selecting optimum Credit period.	4
	Total	45

Text Books:
1. Chandra, Prasanna, "Financial Management - Theory & Practice", Tata McGraw Hill.

References:
1. Srivastava, Misra, "Financial Management", OUP
2. Van Horne and Wachowicz, "Fundamentals of Financial Management", Prentice Hall, Pearson Education.

Any other information:

Total Marks of Internal Continuous Assessment (ICA): 50 Marks

Description of ICA	Marks
Test Marks	20
Term Work Marks	30
Total Marks :	50

Details of Term work:

- Class Test/ Assignments/ Laboratory exercises/ Case Studies / Projects

Signature
(Prepared by Concerned Faculty/HOD)

Signature
(Approved by Dean)