AMRITA VISHWA VIDYAPEETHAM

COURSE PLAN

Academic year: 2020-21 Semester: VIII

Department: Mechanical Programme: B.Tech

Course Code: ME482 Course Title: Financial Management

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| **Lecture No(s)** | **Topics** | **Key-words** | **Objectives** | **Remarks** |
| 01 | Introduction | Financial Management an Overview, Financial decisions in a firm, Goal of Financial Management | To Explain the Overview of Financial Management and its Importance |  |
| 02-06 | Fundamental Valuation Concepts  Time Value of Money | Future Value, Present Value, Annuity | To understand time value of money |  |
| 07- 10 | Fundamental Valuation Concepts  Risk and Return | Risk and Return of a single Asset, Risk Aversion and required returns, Risk and Return of a Portfolio, Measurement of Market Risk | To Understand Risk and how to mitigate the risk |  |
| 11-15 | Capital budgeting | Techniques of capital budgeting, Net Present Value, Benefit Cost Ratio, IRR, Payback Period | To Understand Evaluation of Projects on the basis of time and Interest |  |
| 16-18 | Case Study |  |  |  |
| Periodical-I | | | | |
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| 19-21 | Working Capital Management | Current Assets, Financing ruling, Profit Criterion | Working capital management ensures a company has sufficient cash flow in order to meet its short-term debt obligations and operating expenses. |  |
| 22-24 | Cash and Liquidity Management | Cash Budgeting, Long Term forecasting, Reports for Control, Cash Collection and Disbursement, Optimal Cash Balance | To understand cash the most liquid asset |  |
| 25-27 | Working Capital Financing | Accruals, Trade Credit, Working Capital Advance, Regulation of Bank Finance, Public deposits, Inter-corporate Deposits | This chapter discusses the sources of finance that are used to support Current Assets |  |
| 28-30 | Case Study |  |  |  |
| Periodical-II | | | | |
| 31-33 | Financial analysis and planning | Ratio Analysis, Break Even Analysis | To introduce the concepts and tools of financial analysis and planning methods |  |
| 34-35 | Financial Planning and Forecasting | Sales Forecast, Financial Modeling using Spread sheets | This chapter discusses various facets of financial planning and forecasting |  |
| 36-38 | Mergers, Acquisitions and Restructuring | Reasons for Mergers, Mechanics of a Merger, Takeovers, Business Alliances | This chapter discusses various facets of mergers, acquisitions and restructuring. |  |
| End Semester Examination | | | | |

Text Books :

Chandra. P. “Financial Management: Theory and Practice

Reference Books:

1. Denzil Watson & Antony Head, “ Corporate Finance – Principles and Practice”, 2e Pearson Education Asia , 2002
2. Terry S. Maness, “ Introduction to Corporate Finance”, Mc Graw Hill Book Company 1988
3. Eugene F. Brigham & Louis C. Gapenski,” Financial Management- Theory and Practice 12e 2010

**Evaluation Pattern:**

**Quiz-1,II,III - 30 %**

**Mid Term Exam - 20%**

**Case Study - 20%**

**End semester 30 %**