

4617 - FINANCIAL MANAGEMENT										
Teaching Schedule Per Week			Progressive Assessment		Examination Schedule (Marks)					
Lectures	Practical	Credits			Theory		Practical Ex.		Total	
5	-	5	25		3Hrs.	100	-	-	125	
Pre-requisite		Source	Semester	Theory	Test	Total	TW	PR	Gr Total	4
NIL		MOP								
				75	25	100	25	-	125	

RATIONALE: The course is designed to provide basics of finance function, its management and accounting. Students are expected to acquire basic understanding and proficiency in the area of ratio analysis and working capital management. This course is an elective for A&M specialisation students.

COURSE CONTENTS		Hrs	Mks
1. FINANCE FUNCTION & INVESTMENT DECISION		15	15
FINANCE FUNCTION Nature, Scope and objectives, Profit maximisation Vs. Wealth maximisation, Role and responsibilities of finance manager			
b) INVESTMENT DECISION: Techniques, Cost of capital, Measurement.			
2. FINANCIAL STATEMENT ANALYSIS		25	35
Elementary reporting of published accounts & statements, Analysis, Significance, of Analysis, Including comparative statements, Common-size statements, Cash flow and Fund flow statements.			
NOTE: 1. Practical problems only on preparation of vertical statement, comparative statements, common size statements, revenue statement.			
2. Reverse problem on preparation of financial statements from given ratios should not be included in questions.			
3. CAPITAL STRUCTURE DECISION		10	10
Financial Leverage, Determinants, Optimal Capital structure, term financing, Long term capital financing, Lease financing, Capital Market and its Institution.			
4. DIVIDEND POLICY		10	10
Factors influencing policy, Dividends theories, Options, Pay-out ratio, retained			

earnings.

5. WORKING CAPITAL MANAGEMENT

Working Capital:- Concept, Need, Factors influencing the working capital, Estimation of working capital, Inventory and receivable management, Management of cash. Financing of short term requirements, Various sources, policies.

10 15

6. SMALL SCALE BUSINESS FINANCE

Distinctive features, Long term and short term sources, Institutions, Venture capital financing in India, Policies and problems.

10 15

Total

80 100

NOTE: Question paper should contain no single question above 10 marks. Attempt should be made to ask brief answer type questions with sufficient internal choices. Practical nature questions should not cover more than 30% of the allotted marks for the entire paper

REFERENCE BOOKS

5. Van Horn, "Fundamentals of Financial Management" (PHI),
6. Khan & Jain, "Financial Management" (TMH),
7. Kuchhal, S.C., "Financial Management" (CHITNYA),
8. Pandey I.M., "Financial Management" (VIKAS),
9. an Ezra, "Theory of Financial Management" (TMH),
10. Chandra Prasanna, "Financial Management" (TMH),
11. Van Horne, "Financial Management & Policy" (PHI),
12. Keown, 8. Keown, Scott, polty & Martin, "Basic Financial Management (PHI),
13. Maheshwari S.N. "Financial Accounting Management" (SULTAN),
14. Ramesh M.S. "A key to Financial Management (Kalyani),
15. Shukla & Grewal "Advance Accounting" (S.Chand).

