

<b>PROGRAM</b>	<b>Bachelor of Commerce/ Bachelor of Commerce (Hons)</b>
<b>SEMESTER</b>	<b>III</b>
<b>COURSE TITLE</b>	<b>Financial Management –I</b>
<b>COURSE CODE</b>	<b>04BC1303</b>
<b>COURSE CREDITS</b>	<b>04</b>
<b>COURSE DURATION</b>	<b>48 Hrs (48 sessions of 60 minutes each)</b>

**COURSE OUTCOMES:**

- Acquainting the students with basic understanding and applications of various financial decisions.
- Application of the concept of time value of money in making financial decisions.
- Evaluating the various sources of finance based on its cost of capital and time period
- Understanding of valuations of shares and bonds through different methods of valuation.
- Analysis of corporate working Capital from the viewpoint of cash management and receivable management.

**Teaching and Examination Scheme**

Teaching Scheme (Hours)			Credits	Internal Marks (50%)		End-Semester Examination (50%)			Total Marks
Theory	Tutorial	Practical		IA	CSE	Theory	Practical/Viva	Term Work (TW)	
3	1	0	4	30	20	50	0	0	100

**Course Contents:**

Unit No	Unit / Sub Unit	Sessions
I	<b>Introduction to Financial Management:</b> Meaning & definition, nature, scope and functions; profit vs. wealth maximization, Agency Cost, Finance function in an organization and role of finance manager.	8
II	<b>Time Value of Money:</b> Future Value of Single Amount, Present Value of Single Amount, Future Value of an Annuity, Present Value of an Annuity, Loan amortization, Real and Nominal Interest Rate, Differential Cash Flow	12
III	<b>Source of Finance and Cost of Capital:</b> Equity Capital, Internal Accruals, Preference Capital, Term Loans, Debentures, Cost of Debt and Preference, Cost of Equity, Weighted Average Cost of Capital.	12

IV	<b>Valuation of shares and Bonds:</b> Bond Valuation , Bond Yield, Valuation of Preference Stock, Equity Valuation: Dividend Discount Model, Equity Valuation: The relationship between earning price ratio, Expected Return and Growth	8
V	<b>Working Capital Management And Cash and Receivable Management:</b> Working Capital Decisions: Concepts of Working Capital, Operating & Cash Cycles, sources of short term finance, working capital estimation, cash management, receivables management, inventory management.	08

### SUGGESTED READINGS:

#### Text Books:

Sr. No	Author/s	Name of the Book	Publisher	Edition & Year of Publication
T-01	Prasanna Chandra	Financial Management – Theory & Practices	New Delhi, TMH	9th Edition - 2018

#### Reference Books:

Sr. No	Author/s	Name of the Book	Publisher	Edition and Year of Publication
R-01	I.M. Pandey	Financial Management	Vikas Publication	12th Edition - 2019
R-02	M.Y. Khan and P.K. Jain	Financial Management – Text, Problems & cases	New Delhi, TMH	8th Edition - 2018
R-03	Rajiv Srivastava and Anil Sharma	Financial Management	Oxford University Press	3rd Edition - 2011
R-04	Horne, James C Van.	Financial Management And Policy	Phi Learning Pvt Ltd	2nd Edition - 2004