

GANPAT UNIVERSITY

FACULTY OF MANAGEMENT STUDIES

Programme	Master of Business Administration					Branch/Spec.	Marketing/Finance/Human Resources Management/International Business			
Semester	II					Version	1.0.0.0			
Effective from <i>Academic Year</i>				2016-17		Effective for the batch Admitted in				June 2016
Subject code		2IIA04FMA		Subject Name		FINANCIAL MANAGEMENT				
Teaching scheme						Examination scheme (Marks)				
(Per week)	Lecture(DT)		Practical(Lab.)		Total		CE	SEE	Total	
	L	TU	P	TW						
Credit	4	0	0	0	4	Theory	60	40	100	
Hours	4	0	0	0	4	Practical	-	-	-	

Pre-requisites:

Learning Outcome:

The focus of this course is on the understanding of techniques and concepts and in showing their application to financial decision marketing situations.

Theory syllabus

Unit	Content	Hrs
1	Introduction: Concept of finance, scope and objectives of finance; Profit maximization vs. Wealth maximization; Functions of Finance Manager in Modern Age; Financial decision areas, Time value of money, risk and return analysis, valuation of securities; Analysis of Financial Statements, Forecasting Financial Statements, corporate valuation.	12
2	Working Capital: Concept of Gross Working Capital & Net Working Capital, Various Approaches to Working Capital Management, Factors affecting working capital requirement. Working Capital Management: Management of cash, inventory and receivables. Working Capital Financing: Sources of short term financing, Role of commercial bank in working capital management; Commercial paper; Factoring and other tools of working capital management.	12
3	Investment decision: Appraisal of project; Techniques of capital budgeting and its applications; Risk and Uncertainty in Capital Budgeting, Leverage analysis-financing, operating and combined leverage and its implications; EBIT-EPS analysis; Portfolio theories, Financial options !	12
4	Financing Decision: Long-term sources of finance, potentiality of equity shares, preference shares, debentures and bonds as source of long-term finance; Concept and approaches of capital structure decision; NI, NOI, Traditional and Modigliani Miller Approach; Cost of equity share, preference share and debentures; CAPM, Primary and Secondary Markets, lease financing, skim.	12
5	Dividend Decision: Concept of retained earnings and plough back of profits, relevancy and irrelevancy theory of dividend decision; Walter's model; Gordon's Model and Modigliani Miller model; Factor affecting dividend decision.	12

Practical content

Text Books	
1	Financial Management by I M Pandey, Ninth Edition, Vikas Publishing house Pvt. Ltd.
Reference Books	
1	Pandey I M- <i>Financial Management</i> (Vikas, Latest Edition).
2	Van Horne- <i>Financial Management and Policy</i> (Pearson Education, 12 th edition) 2003.
3	Knott G- <i>Financial Management</i> (Palgrave, 2004)
4	Khan and Jain- <i>Financial Management, Text, Problems & Cases</i> (Tata McGraw-Hill, Latest Edition)
5	Prasanna Chandra- <i>Financial Management: Theory and Practice</i> (TMH), Latest Edition.
6	Kirt C Butler- <i>Multi National Finance</i> (Vikas).
7	R P Rustagi- <i>Financial Management</i> (Galgotia) 2000, 2 nd ed.
8	Lawrence J. Gitman- <i>Principles of Managerial Finance</i> 2004, Pearson Education N. Delhi.
9	Maheshwari, S.N.- <i>Financial Management – Principles & Practice</i> (Sultan Chand & Sons), Latest Edition.

- It also help students to showing application of subject for financial decision marketing situations.
- The focus of this course is on the understanding of techniques and concepts in areal of Finance.
- It finally give focus approach for controlling financial aspects of organization through continuous feedback system.

Note:

Version 1.0.0.0 (First Digit= New syllabus/Revision in Full Syllabus, Second Digit=Revision in Teaching Scheme, Third Digit=Revision in Exam Scheme, Forth Digit= Content Revision)

L=Lecture, TU=Tutorial, P= Practical/Lab., TW= Term work, DT= Direct Teaching, Lab.= Laboratory work

CE= Continuous Evaluation, SEE= Semester End Examination