

I Year II Semester

Códe	FINANCIAL MANAGEMENT	Marks	L	T	P	C
25MB2C01		100	4	0	0	4

UNIT-I

Financial Management: Concept - Nature and Scope - Evolution of financial Management - The new role in the contemporary scenario – Goals and objectives of financial Management - Firm's mission and objectives - Profit maximization Vs. Wealth maximization – Maximization Vs Satisfying - Major decisions of financial manager.

UNIT-II

Financing Decision: Sources of finance - Concept and financial effects of leverage – EBIT – EPS analysis. Cost of Capital: Weighted Average Cost of Capital– Theories of Capital Structure.

UNIT -III

Investment Decision: Concept and Techniques of Time Value of Money – Nature and Significance of Investment Decision – Estimation of Cash flows – Capital Budgeting Process – Techniques of Investment Appraisal – Discounting and Non Discounting Methods.

UNIT-IV

Dividend Decision: Meaning and Significance – Major forms of dividends – Theories of Dividends – Determinants of Dividend – Dividend Policy and Dividend valuation – Bonus Shares – Stock Splits – Dividend policies of Indian Corporate.

UNIT-V

Liquidity Decision: Meaning - Classification and Significance of Working Capital – Components of Working Capital – Factors determining the Working Capital – Estimating Working Capital requirement – Cash Management Models – Accounts Receivables –Credit Policies – Inventory Management.

Relevant cases have to be discussed in each unit and in examination case is compulsory from any unit.

References:

- 1.I.M. Pandey: “**Financial Management**”, Vikas Publishers, New Delhi, 2013.
- 2.Khan and Jain: Financial Management, Tata McGraw Hill, New Delhi,
- 3.Prasanna Chandra: “**Financial Management Theory and Practice**”, Tata McGrawHill 2011.
- 4.P.Vijaya Kumar, M.Madana Mohan, G. Syamala Rao: “**Financial Management**”, Himalaya PublishingHouse, New Delhi, 2013.
- 5.Brigham,E.F: “**Financial Management Theory and Practice**”, Cengae Learning, New Delhi, 2013
- 6.RM Srivastava, Financial Management, Himalaya Publishing house, 4th edition.

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