## Shyama Prasad Mukherji College

**Teaching Plan**

**Course and Year: B.COM PASS 3rd YEAR SEC A and Sec B**

**Semester: V**

**Taught individually or shared: Individually**

**Paper: Fundamental of Financial Management**

**Faculty: ALPANA**

**No. of Classes** (per week)**: 5**

**Program Objective: -** This programme will instil in the students the knowledge and capability of understanding the business world and its complexities. It will also develop the ability and competence to have a problem-solving approach towards the issues which accompany the dynamism attached to the business world.

**Course Objective:-** To familiarize the students with the principles and practice of financial management. After completing the course, the student shall be able to: explain the nature and scope of financial management as well as time value of money and risk return trade off, analyze capital budgeting process and capital budgeting techniques, estimate various capital structure theories and factors affecting capital structure decisions in a firm, critically examine various theories of dividend and factors affecting dividend policy, evaluate working capital requirement

**Teaching Plan**

**Readings**

1. **Unit I: Introduction**
2. **Unit II: Long term investment decision -Capital Budgeting Decision**
3. **Unit III: Financing Decision**
4. **Unit IV: Dividend Decision**
5. **Unit V: Working Capital Management**

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**No of classes required to complete the unit (approx.):**

1. **Unit I: Introduction:** **8 Lectures**
2. **Unit II: Long term investment decision -Capital Budgeting Decision: 20 Lectures**
3. **Unit III: Financing Decision:** **25 Lectures**
4. **Unit IV: Dividend Decision:** **9 Lectures**
5. **Unit V: Working Capital Management:** **13 Lectures**

**Sub topics to be covered and their order along with the respective time frames (if any)**

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| **UNIT** | **S.NO** | **TOPICS** |
| **I** | **1** | **Introduction**  Nature, scope and objectives of financial management. |
| **2** | Time value of money. |
| **3** | Concept of Risk and Return (including Capital Asset Pricing Model). |
| **TEACHING SCHEDULE** | | Complete Above Mentioned Topics in two Weeks. |

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| **III** | **1.** | **Financing Decision**  Sources of long-term financing |
|  | **2.** | Concept and measurement of cost of capital, methods for calculating Cost of Equity, cost of debt, cost of preference capital |
|  | **3.** | Weighted Average Cost of Capital. |
| **III** | **4.** | **Financing Decision**  Operating and financial leverage and Combined Leverage. |
| **5.** | Capital structure theories - NI, NOI, |
| **6.** | MM and traditional approach. |
| **7.** | Factors determining capital structure. |
| **TEACHING SCHEDULE** | | Complete Above Mentioned Topics in four Week and take one test. |

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| **IV** |  | **Dividend Decision-** Relationship between dividend and corporate valuation |
|  | Walter model, Gordon Model |
|  | MM hypothesis. |
|  | Determinants of dividend and dividend policies in practice. |
| **TEACHING SCHEDULE** | | Complete Above Mentioned Topics in two week and conduct one test. |

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| **II** | 1. | **Long term investment decision -Capital Budgeting Decision**  Capital budgeting process: Estimation of Relevant cash flows, |
| 2. | Non-discounted and discounted cash flow techniques– Pay back, ARR, |
| 3. | Discounted cash flow techniques NPV, IRR and Profitability index. |
| **TEACHING SCHEDULE** | | Complete Above Mentioned Topics in two Week and conduct one test. |

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| **V** | 1. | **Working Capital Management**  Meaning and nature of working capital. Determination of working capital requirement. |
| 2. | A brief overview of Cash management |
| 3. | Inventory management |
| 4. | Receivables management. |
| **TEACHING SCHEDULE** | | Complete Above Mentioned Topics in two week and complete IA. |

**Methodology of Teaching:**

* **Lecture**
* **Detailed Discussion**
* **Problem Solving**
* **Case Studies Analysis**
* **Revise And Review**

**ASSESSMENT**

**Tentative date of assessments/ assignments (time frame):**

From Unit II **Financing Decision** By fourth Week of August 2022 take one test and first assignment. By second week of september 2022 conduct Second test from Unit III Dividend decision. By third Week Of October 2022 conduct third test and take second assignment on the topic **Long term investment decision -Capital Budgeting Decision**

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**Criteria of Assessment:**

**As Prescribed By the University. Test and Assignments for Internal Assessment.**

**Alpana**