



Kot Bhalwal, Jammu



Model Institute of Engineering
& Technology (Autonomous)
Course Handout

COURSE HANDOUT

FINANCIAL MANAGEMENT (BBAMJ-503)

BBA-5th SEMESTER

ACADEMIC YEAR (2024-25)

Manik Arora, Ph.D.

Assistant Professor

School of Management



School of Management

Model Institute of Engineering & Technology (Autonomous)

Kot Bhalwal, Jammu - 181122

www.mietjmu.in



Dr. Arun K. Gupta Teaching-Learning Centre

Version 1.1



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Course Code	Course Name	Course Type	Cd	L	T	P	Marks		
							Sessional	Final Exam	Total
BBAMJ-503	Financial Management	Major Core	4	4	0	0	40	60	100

COURSE OUTCOMES

At the end of the course the student will be able to:	
CO1	Understand the essentials of financial management in view of managerial decision making.
CO2	Assess the estimation of funds required for long- term investment decisions.
CO3	Comprehend financial leverages and the value of an organization via a visa capital structure.
CO4	Appraise the dividend policy decisions and the issues associated with such decisions.
CO5	Evaluate the recent trends and developments in the financial Industry.

Detailed Syllabus

Section A

Unit I: Introduction to Financial Management: Nature and Scope; Evolution of Finance Function; Objectives of Financial Management - Profit v. Wealth Maximization; Role of Finance Manager; Financial decisions- An overview. **(10 Hrs)**

Unit II: Investment Decisions: Concept of Time Value of Money; concept and nature of Capital Budgeting; Techniques of capital budgeting - Traditional and Discounted Cash flow (DCF) methods- Payback period, Accounting Rate of return, Net present value, Internal rate of return, Profitability Index; Risk- return trade-off. **(10 Hrs)**

Unit III: Financing Decisions: Concept and factors influencing capital structure decisions; Theories of Capital Structure - Net Income Approach and Net Operating Income Approach; Working Capital Management- Components of Working capital; Determinants of Working capital; Financing working capital needs. **(10 Hrs)**

Section B

Unit IV: Dividend Decisions: Meaning and Objectives of Dividend Policy; Forms of Dividends; Theories of Relevance and irrelevance of dividend decision; Dividend Policies in practice; Issues in structuring dividend. **(09 Hrs)**

Unit V: Recent Developments: Financial Modelling - Concept, importance and limitations; Corporate Restructuring Strategies; Recent changes in new sources of finance - Microfinance and Microcredit. **(09 Hrs)**

Textbooks

S.No	Name of the Books	Name of the Author	Publisher Name	Edition (Pub.Yr.)
1	Financial Management Theory and Practice	Pandey I.M.	Pearson India Education	12th ed, 2021
2.	Fundamentals of Financial Management	Dr. Eugene F. Brigham and Joel F. Houston	Cengage Learning India Pvt. Ltd, New Delhi	14 th ed, 2021

Reference Books

S.No	Name of the Books	Name of the Author	Publisher Name	Edition (Pub.Yr.)
1	Financial Management-Text, Problems & Case	Khan M.Y. and Jain P.K.	McGraw Hill Education, Private limited	8 th ed., 2018



COURSE PLAN		
Unit-I Introduction to Financial Management		
S. No	Topics	Recommended Books / Links
1	Evolution of Finance	https://www.aim.com.au/blog/the-evolution-of-finance https://ajourn.com/the-evolution-of-the-finance-function/
2	Function of Finance	https://managementstudyguide.com/finance-functions.htm
3	Objectives of Financial Management	Book 1: Chapter 1
4	Profit vs. Wealth Maximization	Book 1: Chapter 1
5	Role of Finance Manager	Book 1: Chapter 1 https://intellipaat.com/blog/finance-manager-responsibilities/ https://talentedge.com/articles/role-financial-manager/
6	Financial decisions- An overview.	Book 1: Chapter 1 https://www.geeksforgeeks.org/types-of-financial-decisions/
7	Financial decisions- An overview.	https://www.geeksforgeeks.org/investment-decision-meaning-and-factors-affecting-investment-decision/?ref=lbp https://www.geeksforgeeks.org/financing-decision-meaning-and-factors-affecting-financing-decision/?ref=lbp
8	Financial decisions- An overview.	https://www.geeksforgeeks.org/dividend-decision-meaning-and-factors-affecting-dividend-decision/?ref=lbp
Unit-II Investment Decisions		
9	Concept of Time Value of Money	Book 1: Chapter 2 https://corporatefinanceinstitute.com/resources/valuation/time-value-of-money/
10	Concept and Nature of Capital Budgeting	Book 1: Chapter 8 https://www.sagesoftware.co.in/blogs/capital-budgeting/ https://quickbooks.intuit.com/in/resources/budgeting/capital-budgeting/
11	Techniques of capital budgeting	Book 1: Chapter 8 https://cbpbu.ac.in/userfiles/file/2020/STUDY_MAT/COMMERCE/COM%202023%20(FM)_CAPITAL%20BUDGETING%20TECHNIQUES%20(1)(1)-converted-edited.pdf
12	Payback Period	https://cleartax.in/s/payback-period Book 1: Chapter 8
13	Accounting Rate of return	https://corporatefinanceinstitute.com/resources/accounting/arr-accounting-rate-of-return/ https://smartasset.com/financial-advisor/accounting-rate-of-return Book 1: Chapter 8
14	Net present value	https://www.theforage.com/blog/skills/npv Book 1: Chapter 8
15	Net present value	https://cleartax.in/s/npv-net-present-value Book 1: Chapter 8
16	Profitability Index	https://corporatefinanceinstitute.com/resources/accounting/pr



		ofitability-index/ Book 1: Chapter 8 https://www.wallstreetmojo.com/profitability-index/
17	Internal rate of return	https://cleartax.in/s/internal-rate-of-return-irr
18	Risk- return trade-off.	https://www.studysmarter.co.uk/explanations/microeconomic/s/consumer-choice/risk-return-trade-off/ Book 1: Chapter 8
Unit-III Financial Decisions		
19	Capital Structure Decisions	Book 1: Chapter 15 https://www.taxmann.com/post/blog/financial-management-financial-capital-structure#:~:text=Capital%20structure%20decision%20is%20concerned%20with%20the%20sources%20of%20long,classified%20as%20debt%20and%20equity.
20	Theories of Capital Structure	https://www.taxmann.com/post/blog/capital-structure Book 1: Chapter 15
21	Net Income Approach	https://efinancemanagement.com/financial-leverage/capital-structure-theory-net-income-approach Book 1: Chapter 15
22	Net Operating Income Approach	https://efinancemanagement.com/financial-leverage/capital-structure-theory-net-operating-income-approach Book 1: Chapter 15
23	Working Capital Management- Components of Working capital	https://www.geeksforgeeks.org/what-is-working-capital/ Book 1: Chapter 27
24	Determinants of Working capital	https://www.geeksforgeeks.org/factors-affecting-the-working-capital/
25	Financing working capital needs	https://choco-up.com/blog/working-capital-financing https://www.findventuredebt.com/types-of-venture-debt/working-capital-financing
Unit-IV Dividend Decisions		
26	Meaning and Objectives of Dividend Policy	https://fi.money/blog/posts/dividend-policy-meaning-types-factors-objectives-and-more Book1: Chapter 17
27	Forms of Dividends	https://www.religareonline.com/blog/types-of-dividends/
28	Forms of Dividends	https://www.shiksha.com/online-courses/articles/all-about-dividend/
29	Theories of Relevance and irrelevance of dividend decision	https://www.geektonight.com/dividend-theories/ Book 1: Chapter 17
30	Theories of Relevance and irrelevance of dividend decision	https://www.geektonight.com/dividend-theories/ Book1: Chapter 17
31	Dividend Policies in practice	https://financialmanagement.pressbooks.tru.ca/chapter/chapter-1/
32	Issues in structuring dividend	https://www.linkedin.com/pulse/corporate-finance-ii-issues-surrounding-dividend-policy-agarwal-jyob#:~:text=Dividend%20Timing%3A%20The%20timing%20of,reserves%20to%20meet%20dividend%20obligations.
Unit-V Recent Developments		
33	Financial Modelling - Concept	https://iimskills.com/basics-of-financial-modeling/



34	Financial Modelling - Importance and limitations	https://iimskills.com/financial-modeling-course-benefits/
35	Corporate Restructuring Strategies;	https://www.portebrown.com/newsblog-archive/corporate-restructuring-strategies Book 1: Chapter 32
36	Recent changes in new sources of finance - Microfinance and Microcredit.	https://www.chaitanyaindia.in/recent-developments-to-improve-the-microfinance-ecosystem/
37	Recent changes in new sources of finance - Microfinance and Microcredit.	https://www.nabard.org/auth/writereaddata/tender/1409233729status-of-microfinance-in-india-2022-23.pdf
38	Revision Classes	
39	Revision Classes	
40	Revision Classes	

ADDITIONAL WEB RESOURCES

1	Nptel: Financial Management for Managers https://archive.nptel.ac.in/courses/110/107/110107144/
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GRADING AND ASSESSMENT

- **Sessional Test:** 20 marks
- **Assignment:** 10 marks
- **Attendance:** 10 marks
- **Final Examination:** 60 marks

COURSE POLICIES

- **Attendance:** Minimum 75% attendance is mandatory to appear in the final examination of the course.
- **Academic Integrity:** MIET's academic integrity policies apply. Plagiarism will not be tolerated.
- **Late Submissions:** Assignments and projects must be submitted by the specified timelines.

FACULTY INFORMATION

- **Office Hours**
Monday- Friday (03:30 PM – 04:30 PM)
- **Contact Information**
manik.mba@mietjammu.in