



Kot Bhalwal, Jammu



Model Institute of Engineering
& Technology (Autonomous)
Course Handout

COURSE HANDOUT

FINANCIAL MANAGEMENT (BBALLB-406)

BBALLB-4th SEMESTER

ACADEMIC YEAR (2023-24)

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
BBALLB-406	Financial Management	Generic Core	3	4	0	0	30	70	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	Analyse the long term and short-term financing decisions of a firm.
CO4	Analyse the dividend policy decisions and the issues associated with such decisions.
CO5	Understand the recent trends and developments in the financial Industry.

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. (08 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. (08 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. (08 Hrs)

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. (07 Hrs)

Unit V: Recent Developments

Financial Modelling - Concept, importance and limitations; Corporate Restructuring Strategies; Recent changes in new sources of finance - Microfinance and Microcredit. (07 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



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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	https://www.knowledgehut.com/blog/others/financial-management https://www.shiksha.com/online-courses/articles/objectives-of-financial-management/#imp
4	Profit vs. Wealth Maximization	https://cleartax.in/s/profit-maximization-vs-wealth-maximization
5	Role of Finance Manager	https://intellipaat.com/blog/finance-manager-responsibilities/ https://talentedge.com/articles/role-financial-manager/
6	Financial decisions- An overview.	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	https://corporatefinanceinstitute.com/resources/valuation/time-value-of-money/
10	Concept and Nature of Capital Budgeting	https://www.sagesoftware.co.in/blogs/capital-budgeting/ https://quickbooks.intuit.com/in/resources/budgeting/capital-budgeting/
11	Techniques of capital budgeting	https://cbpbu.ac.in/userfiles/file/2020/STUDY_MAT/COMMERCE/COM%20203%20(FM)_CAPITAL%20BUDGETING%20TECHNIQUES%20(1)(1)-converted-edited.pdf
12	Payback Period	https://cleartax.in/s/payback-period
13	Accounting Rate of return	https://corporatefinanceinstitute.com/resources/accounting/arr-accounting-rate-of-return/ https://smartasset.com/financial-advisor/accounting-rate-of-return
14	Net present value	https://www.theforage.com/blog/skills/npv
15	Net present value	https://cleartax.in/s/npv-net-present-value
16	Profitability Index	https://corporatefinanceinstitute.com/resources/accounting/profitability-index/ 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/
Unit-III Financial Analysis		
19	Capital Structure Decisions	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
21	Net Income Approach	https://efinancemanagement.com/financial-leverage/capital-structure-theory-net-income-approach
22	Net Operating Income Approach	https://efinancemanagement.com/financial-leverage/capital-structure-theory-net-operating-income-approach
23	Working Capital Management- Components of Working capital	https://www.geeksforgeeks.org/what-is-working-capital/
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 Project Implementation		
26	Meaning and Objectives of Dividend Policy	https://fi.money/blog/posts/dividend-policy-meaning-types-factors-objectives-and-more
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/
30	Theories of Relevance and irrelevance of dividend decision	https://www.geektonight.com/dividend-theories/
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 Project Control		
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
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	https://www.nabard.org/auth/writereaddata/tender/1409233729status-of-microfinance-in-india-2022-23.pdf



	Microcredit.	
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:** 15 marks
- **Assignment:** 10 marks
- **Attendance:** 5 marks
- **Final Examination:** 70 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 (03:30 PM – 04:30 PM)
Friday (12:05 PM - 12:55 PM)
- **Contact Information**
manik.mba@mietjammu.in