



Kot Bhalwal, Jammu



Model Institute of Engineering
& Technology (Autonomous)
Course Handout

COURSE HANDOUT

FINANCIAL MANAGEMENT (BBALLB-406)

BBALLB-4th SEMESTER

ACADEMIC YEAR (2024-25)

Dr. Deeksha Singh

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



Please Do Not Print Unless Necessary



| 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: | |
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| 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 |





| 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://aijourn.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%202023%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 |



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| 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 Dividend Decision | | |
| 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 Recent Developments | | |
| 33 | Financial Modelling - Concept | https://iimskills.com/basics-of-financial-modeling/ |
| 34 | Financial Modelling - Importance | https://iimskills.com/financial-modeling-course-benefits/ |
| 35 | Financial modelling – three basic models | https://omnicard.in/blogs/financial-modelling-100124 |
| 36 | Financial modelling- components and process | https://omnicard.in/blogs/financial-modelling-100124 |
| 37 | Corporate Restructuring Strategies- Importance | https://www.ansarada.com/restructure/strategies |



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| | | https://www.portebrown.com/newsblog-archive/corporate-restructuring-strategies |
| 38 | Corporate Restructuring Strategies- types | https://www.chaitanyaindia.in/recent-developments-to-improve-the-microfinance-ecosystem/ |
| 39 | Recent changes in new sources of finance - Microfinance | https://www.nabard.org/auth/writereaddata/tender/1409233729status-of-microfinance-in-india-2022-23.pdf |
| 40 | Recent changes in new sources of finance – Micro credit | https://www.portebrown.com/newsblog-archive/corporate-restructuring-strategies |

ADDITIONAL WEB RESOURCES

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| 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**
deeksha.mba@mietjammu.in