



Kot Bhalwal, Jammu



Model Institute of Engineering
& Technology (Autonomous)
Dr. Arun K. Gupta Teaching-Learning Centre

School of Management

Details of Lesson Plan

S.No.	Particulars	Details
1.	Course Name	Financial Management
2.	Course Code	BBAMJ-503
3.	Academic Year	2024-2025
4.	Semester	5 th
5.	Number of Lesson plans	48
6.	Faculty Assigned	Manik Arora, Ph.D.

Manik

Faculty Signature



Lesson Plan No. 1.1	Course Name: Financial Management Topic: Evolution of Finance	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Students will identify key developments in the history of finance, including the rise of money, banking, and financial markets. - Students will appreciate how technological advancements have impacted financial systems.	
Teaching Aids (if any)	- Power Point Presentation - Chalk and Board - Videos	
Teaching Development	1. Introduction (05 minutes) Introduce the concept of a financial system and explain its role in facilitating exchange. Briefly discuss the idea of bartering and its limitations. 2. Development (30 minutes) From Barter to Coins: Discuss the inefficiencies of bartering, such as the problem of coincidence of wants and the need for divisible and durable goods. Explain how the invention of coins addressed these issues. The Rise of Banking: Introduce the concept of banks and their role in safekeeping valuables, issuing loans, and facilitating payments. Briefly explain the concept of fractional-reserve banking. Financial Markets and Investments: Explain the development of stock markets and other financial markets as a way for businesses to raise capital and for individuals to invest their savings. Briefly discuss the evolution of different investment instruments like stocks and bonds.	
Closure	- Summarize the Lesson Learning Outcomes and get affirmation from students on these. - Discuss the University Questions from the Syllabus. - Suggested Reading: Financial Management by I.M Pandey https://www.aim.com.au/blog/the-evolution-of-finance https://aijourn.com/the-evolution-of-the-finance-function/	
Evaluation	- What is a major limitation of a barter system? - What is one advantage of using coins over barter? - What is the primary function of a stock market?	



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Lesson Plan

Lesson Plan No. 1.2	Course Name: Financial Management Topic: Function of Finance	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Students will be able to define finance. - Students will be able to identify the three main functions of finance. - Students will be able to explain the importance of each function.	
Teaching Aids (if any)	- Power Point Presentation - Chalk and Board	
Teaching Development	1. Introduction (05 minutes) Start with a question: Ask the class, "What is money used for?" Briefly discuss their answers and introduce the concept of finance as the management of money. Real-world connection: Show an image or short video clip (30 seconds) of a business or individual making a financial decision (e.g., buying a house, investing in stocks). Explain how finance plays a role in these everyday situations. 2. Development (30 minutes) Function 1: Allocation of Resources Explain that resources (money) are limited, and financial decisions involve choosing how to allocate them. Discuss needs vs. wants and how budgeting helps prioritize spending. Briefly introduce the concept of opportunity cost - the benefit given up when choosing one option over another. Function 2: Facilitating Growth Explain how businesses use financial resources to grow (e.g., hiring employees, expanding inventory). Introduce the concept of saving and investing as ways to increase financial resources. Briefly discuss the role of financial institutions (banks) in facilitating growth. Function 3: Managing Risk Explain that financial decisions come with risks (e.g., losing money on an investment). Discuss ways to manage risk, such as diversification (spreading investments) and insurance. Briefly introduce the concept of return vs. risk - the higher the potential return, the higher the risk.	



Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M Pandey https://managementstudyguide.com/finance-functions.htm
Evaluation	1. What is one of the main functions of finance? (a) Making money (b) Allocating resources (c) Collecting coins 2. How does saving help a business grow? (a) It increases expenses (b) It provides funds for future needs (c) It reduces profit 3. What is an example of managing risk? (a) Spending all your money (b) Having only one type of investment (c) Getting car insurance Spend 5 minutes to evaluate student assimilation of the lesson contents



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Lesson Plan No. 1.3	Course Name: Financial Management Topic: Objectives of Financial Management	Course No.: BBAMJ-503
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Objectives	At the end of the lesson the students shall be able to: - Students will understand the concept of financial management and its importance. - Students will be able to identify the key objectives of financial management. - Students will be able to explain the significance of achieving these objectives for a business.
Teaching Aids (if any)	- Power Point Presentation - Chalk and Board
Teaching Development	1. Introduction (05 minutes) Start with asking the class, "Why is money important for a business?" Briefly explain financial management as the process of planning, acquiring, and using financial resources to achieve a business's goals. Highlight the importance of financial management in making sound financial decisions for the long-term success of a business. 2. Development (30 minutes) Profit Maximization vs. Wealth Maximization: - Explain the traditional objective of profit maximization. - Discuss the concept of wealth maximization, which considers shareholder value. - Explore the potential conflicts between these two objectives. Liquidity and Solvency: - Define liquidity as the ability to meet short-term financial obligations. - Explain solvency as the ability to meet long-term financial obligations. - Discuss the importance of maintaining a healthy balance between the two. Growth and Expansion: - Explain how financial management helps secure resources for business growth. - Discuss strategies for financing expansion, such as issuing new stock or taking loans. - Highlight the importance of managing risk associated with growth.



Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M Pandey https://www.knowledgehut.com/blog/others/financial-management https://www.shiksha.com/online-courses/articles/objectives-of-financial-management/#imp
Evaluation	1. What is the main goal of financial management? (Profit maximization or Wealth maximization) 2. What are the two key aspects of a business's financial health? (Liquidity and Solvency) 3. How does financial management contribute to business growth? (Securing resources and managing risks) Spend 5 minutes to evaluate student assimilation of the lesson contents



Lesson Plan No. 1.4	Course Name: Financial Management Topic: Profit vs. Wealth Maximization	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: • Students will define profit and wealth maximization. • Students will identify the key differences between profit and wealth maximization. • Students will analyze the advantages and disadvantages of each approach.	
Teaching Aids (if any)	• Power Point Presentation • White Board	
Teaching Development	1. Introduction (05 minutes) Introduce the concept of financial goals for businesses: Businesses also have financial goals, and two common ones are profit maximization and wealth maximization. Preview the lesson: Briefly explain that today we'll explore the differences between these two approaches and their implications. 2. Development (30 minutes) Defining Profit and Wealth Maximization (10 minutes): Profit Maximization: Focuses on maximizing the short-term profit a company earns in a given period. (Think: high sales, low costs) Wealth Maximization: Aims to increase the long-term value of a company for its shareholders. (Think: sustainable growth, stock price) Key Differences (10 minutes): Time Horizon: Profit - Short-term, Wealth - Long-term Focus: Profit - Current earnings, Wealth - Shareholder value Risk: Profit - May prioritize short-term gains over long-term risks, Wealth - Considers risk and reward.	
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M Pandey https://cleartax.in/s/profit-maximization-vs-wealth-maximization	
Evaluation	1. Which approach focuses on maximizing a company's current earnings? (Profit Maximization)	



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	2. What is the main concern of wealth maximization? (Increasing shareholder value) 3. True or False: Profit maximization always leads to long-term success for a company. (False) Spend 5 minutes to evaluate student assimilation of the lesson contents
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Lesson Plan No. 1.5	Course Name: Financial Management Topic: Role of Finance Manager	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: • Understand the core responsibilities of a finance manager. • Identify the different areas a finance manager oversees. • Recognize the importance of finance managers in a company.	
Teaching Aids (if any)	• Power Point Presentation • White Board	
Teaching Development	1. Introduction (05 minutes) Start with a real-life scenario. Briefly describe a situation where a company needs to make a financial decision (e.g., budgeting for a new project, deciding on an investment opportunity). Ask students how such decisions are made and who might be involved. Introduce the concept of a finance manager and their crucial role in guiding these financial choices. 2. Development (30 minutes) • Financial Oversight: Finance managers oversee the financial health of the company. This includes tasks like: ○ Financial Reporting: Preparing financial statements (income statement, balance sheet, cash flow statement) that provide an overview of the company's financial performance. ○ Budgeting and Forecasting: Creating budgets that allocate resources and predicting future financial trends. ○ Risk Management: Identifying and mitigating financial risks that could impact the company. • Financial Analysis: Finance managers analyze financial data to make informed decisions. This involves: ○ Cost Analysis: Examining costs associated with operations and finding ways to optimize spending. ○ Investment Analysis: Evaluating potential investments for profitability and potential risks. ○ Financial Performance Analysis: Monitoring key financial metrics to assess the company's financial well-being. • Financial Strategy: Finance managers contribute to the company's overall financial strategy. They are involved in: ○ Capital Budgeting: Deciding how to allocate funds for long-term projects and equipment. ○ Fundraising: Securing capital through loans, issuing stocks, or other means.	



	○ Mergers and Acquisitions: Analyzing potential mergers or acquisitions to ensure financial viability.
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M Pandey https://intellipaat.com/blog/finance-manager-responsibilities/ https://talentedge.com/articles/role-financial-manager/
Evaluation	1. What is one of the main responsibilities of a finance manager? 2. What kind of financial statements do finance managers prepare? 3. What is an example of a financial strategy a finance manager might be involved in? Spend 5 minutes to evaluate student assimilation of the lesson contents



Lesson Plan No. 1.6	Course Name: Financial Management Topic: Financial Decisions	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Students will define key financial terms like investment, dividend, and financing. - Students will identify the importance of making informed financial decisions.	
Teaching Aids (if any)	- Power Point Presentation - White Board	
Teaching Development	1. Introduction (05 minutes) "Financial decisions." Briefly discuss the concept and write on the board. Explain that financial decisions are choices we make about our money, impacting our daily lives and future goals. 2. Development (30 minutes) Investment Decisions (10 minutes): - What are they? - Allocating funds to assets (property, equipment) for future growth and profitability. - Examples: Expanding a product line, opening a new branch, investing in research and development. - Factors to Consider: - Expected return on investment, Risk involved, Project's cash flow. Financing Decisions (10 minutes): - What are they? - Raising capital to fund investment decisions. - Examples: Issuing stocks, taking out loans, issuing bonds. - Factors to Consider: - Cost of capital (interest rates), Impact on company ownership, Maintaining a healthy debt-to-equity ratio. Dividend Decisions (10 minutes): - What are they? - Deciding how much profit to share with shareholders (dividends) and how much to retain for reinvestment. - Examples: Cash dividends, Stock dividends. - Factors to Consider: - Shareholder expectations, Company's growth plans, Future investment needs.	



Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M Pandey https://www.geeksforgeeks.org/types-of-financial-decisions/
Evaluation	1. Which type of financial decision focuses on how a company spends its money on assets? (Investment Decision) 2. What is one factor a company might consider when making a financing decision? (Cost of capital) 3. True or False: Companies should always pay out all their profits as dividends to shareholders. (False) Spend 5 minutes to evaluate student assimilation of the lesson contents



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Lesson Plan No. 1.7	Course Name: Financial Management Topic: Financial Decisions (Investment Decisions)	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Students will define key terms related to investing. - Students will identify different types of investments. - Students will understand the concept of risk and return.	
Teaching Aids (if any)	- Power Point Presentation - Chalk and Board	
Teaching Development	Introduction (05 minutes) - Ask students "What is investing?" and have them share their ideas. Briefly discuss some common responses. - Briefly mention how many people invest (buying stocks, contributing to retirement plans) and why it's important. Development (30 minutes) Investment Decisions - What are they? - Allocating funds to assets (property, equipment) for future growth and profitability. - Examples: Expanding a product line, opening a new branch, investing in research and development. - Factors to Consider: - Expected return on investment, Risk involved, Project's cash flow. - Define key terms: investment, stock, bond, mutual fund, diversification. - Briefly explain the concept of investing as using money to make more money in the future. - Use an analogy (planting seeds to grow a plant) to illustrate growth potential. Types of Investments (10 minutes): - Briefly introduce different investment options: stocks, bonds, mutual funds, ETFs (Exchange Traded Funds). - Explain the difference between stocks and bonds (ownership vs. loan). - Briefly mention diversification and its importance in reducing risk.	



Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M Pandey 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
Evaluation	1. What is the difference between a stock and a bond? (Ownership vs. loan) 2. What is one benefit of diversification? (Reduces risk) 3. True or False: Investing always guarantees a profit. (False) Spend 5 minutes to evaluate student assimilation of the lesson contents



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Lesson Plan No. 1.8	Course Name: Financial Management Topic: Financial Decisions (Dividend Decisions)	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Define dividends and their role in a company's financial strategy. - Analyze the factors companies consider when making dividend decisions.	
Teaching Aids (if any)	- Power Point Presentation - White Board	
Teaching Development	Introduction (05 minutes) - Begin by asking students if they've ever heard of the term "dividend." Briefly explain that dividends are a portion of a company's profit paid out to shareholders. - Mention that dividend decisions are crucial for companies as they impact both shareholders and the company's future prospects Development (30 minutes) - What are they? - Allocating funds to assets (property, equipment) for future growth and profitability. - Examples: Expanding a product line, opening a new branch, investing in research and development. - Factors to Consider: - Expected return on investment, Risk involved, Project's cash flow. - Factors Affecting Dividend Decisions - Company's profitability and cash flow: Companies with consistent profits and healthy cash flow are more likely to pay dividends. - Growth opportunities: If a company has promising investment opportunities, they may retain earnings for growth instead of paying dividends. - Shareholder base: Companies with a high proportion of income-seeking investors may prioritize stable dividend payouts.	
Closure	- Summarize the Lesson Learning Outcomes and get affirmation from students on these. - Discuss the University Questions from the Syllabus. - Suggested Reading: Financial Management by I.M Pandey https://www.geeksforgeeks.org/dividend-decision-meaning-and-factors-affecting-dividend-decision/?ref=lbp	



Evaluation

1. What is the main purpose of a dividend payout?
2. A company with high future growth prospects is more likely to:
 - A) Pay out high dividends.
 - B) Retain earnings for reinvestment.

Spend 5 minutes to evaluate student assimilation of the lesson contents



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Lesson Plan No. 1.9	Course Name: Financial Management Topic: Financial Decisions (Dividend Decisions)	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Define dividends and their role in a company's financial strategy. - Analyze the factors companies consider when making dividend decisions.	
Teaching Aids (if any)	- Power Point Presentation - Chalk and Board	
Teaching Development	Introduction (05 minutes) - Begin by asking students if they've ever heard of the term "dividend." Briefly explain that dividends are a portion of a company's profit paid out to shareholders. - Mention that dividend decisions are crucial for companies as they impact both shareholders and the company's future prospects Development (30 minutes) - What are they? - Allocating funds to assets (property, equipment) for future growth and profitability. - Examples: Expanding a product line, opening a new branch, investing in research and development. - Factors to Consider: - Expected return on investment, Risk involved, Project's cash flow. - Factors Affecting Dividend Decisions a. Company's profitability and cash flow: Companies with consistent profits and healthy cash flow are more likely to pay dividends. b. Growth opportunities: If a company has promising investment opportunities, they may retain earnings for growth instead of paying dividends. c. Shareholder base: Companies with a high proportion of income-seeking investors may prioritize stable dividend payouts.	
Closure	- Summarize the Lesson Learning Outcomes and get affirmation from students on these. - Discuss the University Questions from the Syllabus. - Suggested Reading: Financial Management by I.M Pandey https://www.geeksforgeeks.org/dividend-decision-meaning-and-factors-affecting-dividend-decision/?ref=lbp	



Evaluation

1. What is the main purpose of a dividend payout?
2. A company with high future growth prospects is more likely to:
 - A) Pay out high dividends.
 - B) Retain earnings for reinvestment.

Spend 5 minutes to evaluate student assimilation of the lesson contents



Lesson Plan No. 2.1	Course Name: Financial Management Topic: Time Value of Money	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: • Understand the fundamental concept of the time value of money. • Learn how to calculate the present and future values of money. • Apply TVM concepts to real-life financial decision-making, such as loans and investments	
Teaching Aids (if any)	• Power Point Presentation • Chalk and Board	
Teaching Development	Introduction (05 minutes) The time value of money (TVM) is a financial principle stating that money today is worth more than the same amount in the future due to its earning potential. This concept underpins many financial decisions, such as saving, investing, and taking loans. In this lesson, we will explore why the timing of cash flows is crucial, how to calculate the present and future values of money, and how TVM is applied in everyday financial scenarios. Development (30 minutes) Present Value (PV) & Future Value (FV): ○ Explain how PV and FV reflect the relationship between money today and money in the future. ○ Example: Calculate the future value of \$1,000 invested at 5% interest over 5 years. ○ Discuss formulas: $FV = PV (1 + r)^n$ and $PV = FV / (1 + r)^n$. Interest Rates and Compounding: ○ Differentiate between simple and compound interest. ○ Example: Compare investments under simple interest and compound interest scenarios. ○ Explain the impact of compounding frequency (monthly, quarterly, annually). Applications of TVM in Real Life: ○ Loan amortization: How TVM affects loan repayments (e.g., home loans, car loans). ○ Investment decisions: How investors use TVM to evaluate investment returns. ○ Annuities and Perpetuities: Discuss how regular cash flows can be valued using TVM.	



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Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey https://corporatefinanceinstitute.com/resources/valuation/time-value-of-money/
Evaluation	1. What is the formula for calculating the future value of a sum of money? 2. How does compound interest differ from simple interest?



	- Briefly describe how to calculate the payback period. (1-2 sentences) - What is a limitation of the payback period method? Spend 5 minutes to evaluate student assimilation of the lesson contents
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Lesson Plan No. 2.2	Course Name: Financial Management Topic: Payback Period	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Define the payback period method for capital budgeting. - Explain how to calculate the payback period. - Identify the advantages and disadvantages of the payback period method.	
Teaching Aids (if any)	- Power Point Presentation - Chalk and Board	
Teaching Development	Introduction (05 minutes) - Briefly discuss the importance of making sound investment decisions for businesses. - Introduce the payback period method as a simple tool for evaluating investment projects. Development (30 minutes) What is the payback period? Define the payback period as the time it takes for the cumulative cash inflows from an investment to recover the initial investment cost. Calculating the payback period: Explain the formula for calculating the payback period (Initial Investment / Average Annual Cash Flow). - Walk the class through a step-by-step example using a real-world scenario (e.g., buying new equipment). Advantages and disadvantages: - Advantages: Simple and easy to calculate, focuses on cash recovery, useful for short-term projects. - Disadvantages: Ignores the time value of money, doesn't consider cash flows beyond the payback period, may lead to suboptimal investment decisions.	
Closure	- Summarize the Lesson Learning Outcomes and get affirmation from students on these. - Discuss the University Questions from the Syllabus. - Suggested Reading: Financial Management by I.M. Pandey https://cleartax.in/s/payback-period	
Evaluation	What does the payback period measure in a capital budgeting project?	



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	- Briefly describe how to calculate the payback period. (1-2 sentences) - What is a limitation of the payback period method? Spend 5 minutes to evaluate student assimilation of the lesson contents
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Lesson Plan No. 2.3	Course Name: Financial Management Topic: Accounting Rate of Return	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: • Understand the concept of Accounting Rate of Return (ARR) and its formula. • Evaluate investment projects using ARR. • Analyze the advantages and disadvantages of ARR in capital budgeting	
Teaching Aids (if any)	• Power Point Presentation • Chalk and Board	
Teaching Development	Introduction (05 minutes) The Accounting Rate of Return (ARR) is a financial metric used in capital budgeting to assess the profitability of an investment based on accounting income rather than cash flow. It is a simple method to evaluate potential investments but has its limitations. The ARR is calculated by dividing the average annual accounting profit by the initial or average investment. Despite being easy to use, it doesn't account for time value of money, which makes it less precise than other methods like Net Present Value (NPV) or Internal Rate of Return (IRR) Development (30 minutes) $\text{ARR} = (\text{Average Annual Accounting Profit} / \text{Initial Investment}) * 100$ Explanation of accounting profit, initial investment, and the importance of ARR in decision-making. Advantages: Simple to calculate, uses easily available accounting data, useful for quick evaluation. Disadvantages: Ignores time value of money, doesn't consider cash flows, uses accounting profit which may be influenced by non-cash items like depreciation.	
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. Suggested Reading: Financial Management by I.M. Pandey https://corporatefinanceinstitute.com/resources/accounting/arr-accounting-rate-of-return/	
Evaluation	1. What is the formula for Accounting Rate of Return (ARR)? 2. Name one advantage and one disadvantage of using ARR in capital budgeting	



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Lesson Plan No. 2.4	Course Name: Financial Management Topic: Net Present Value	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Understand the concept of Net Present Value and its importance in financial decision-making. - Calculate the NPV of different investment projects. - Analyze investment decisions based on NPV results.	
Teaching Aids (if any)	- Power Point Presentation - Chalk and Board	
Teaching Development	Introduction (05 minutes) Net Present Value (NPV) is a crucial concept in capital budgeting and investment analysis. It helps businesses evaluate whether an investment or project will yield a positive return over time. NPV takes into account the time value of money, meaning that future cash flows are discounted to present value. It provides a more accurate measure of profitability compared to simple metrics like the payback period. Development (30 minutes) NPV Formula and Calculation: Present the NPV formula: $NPV = \frac{\text{cash flow}}{(1+i)^t} - \text{initial investment}$ Decision Making Using NPV: - Discuss how NPV is used in real-world investment decisions. - Explain that a positive NPV indicates a profitable project, while a negative NPV suggests it should be rejected. - Compare NPV with other investment appraisal methods such as IRR (Internal Rate of Return) and Payback Period.	
Closure	- Summarize the Lesson Learning Outcomes and get affirmation from students on these. - Discuss the University Questions from the Syllabus. - Suggested Reading: Financial Management by I.M. Pandey https://corporatefinanceinstitute.com/resources/valuation/net-present-value-npv/	
Evaluation	- What does a negative Net Present Value indicate about a project? - Which of the following does NPV account for that the payback period does not? - What is the limitation of the net present value?	



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Lesson Plan No. 2.5	Course Name: Financial Management Topic: Internal Rate of Return	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Understand the concept of Internal Rate of Return (IRR) and its significance in investment decisions. - Calculate IRR using given cash flow data. - Differentiate between IRR and other investment appraisal methods like NPV (Net Present Value)	
Teaching Aids (if any)	- Power Point Presentation - Chalk and Board	
Teaching Development	Introduction (05 minutes) The Internal Rate of Return (IRR) is a financial metric used in capital budgeting to evaluate the profitability of investments. It represents the discount rate that makes the Net Present Value (NPV) of all cash flows from a particular project equal to zero. IRR is often compared to a company's required rate of return or cost of capital. The higher the IRR, the more desirable the project. Investors and managers use it to decide whether or not to proceed with an investment. Development (30 minutes) Understanding IRR and its Formula: IRR is the discount rate at which the present value of future cash inflows equals the initial investment. The IRR formula is based on solving the NPV equation for a rate that makes NPV zero. Discuss how this formula works and why it's crucial in decision-making. Comparison Between IRR and Other Financial Metrics (NPV and Payback Period): Discuss the strengths and limitations of IRR. Show how it compares with NPV (which focuses on absolute profitability) and the payback period (which measures the time it takes to recover the investment). Emphasize the situations where IRR might give misleading results, such as non-conventional cash flows or mutually exclusive projects.	
Closure	- Summarize the Lesson Learning Outcomes and get affirmation from students on these. - Discuss the University Questions from the Syllabus. - Suggested Reading: Financial Management by I.M. Pandey https://corporatefinanceinstitute.com/resources/valuation/internal-rate-return-irr/	
Evaluation	What is the main purpose of using the Internal Rate of Return (IRR) in investment decisions?	



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	2. If a project's IRR is higher than the cost of capital, should the project be accepted or rejected? 3. Which method focuses on the absolute profitability of a project: IRR or NPV?
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Lesson Plan No. 2.6	Course Name: Financial Management Topic: Profitability Index	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Understand the concept of the Profitability Index (PI) and its importance in investment decision-making. - Learn how to calculate the Profitability Index and interpret its results. - Analyze the advantages and limitations of using the Profitability Index in capital budgeting.	
Teaching Aids (if any)	- Power Point Presentation - Videos	
Teaching Development	Introduction (05 minutes) The Profitability Index (PI) is a financial metric used in capital budgeting to determine the desirability of an investment. It compares the present value of future cash flows generated by a project to its initial investment cost. This metric helps decision-makers prioritize projects that yield the highest returns relative to their costs, making it an essential tool in investment planning. Development (30 minutes) Concept and Formula of Profitability Index: - PI = Present Value of Future Cash Flows / Initial Investment - Interpretation: PI > 1 indicates a profitable investment, while PI < 1 suggests a project should be rejected. Steps to Calculate Profitability Index: - Estimate future cash flows from the project. - Discount the cash flows to present value using an appropriate discount rate (e.g., cost of capital). - Divide the present value of the cash flows by the initial investment to get the PI.	
Closure	- Summarize the Lesson Learning Outcomes and get affirmation from students on these. - Discuss the University Questions from the Syllabus. - Suggested Reading: Financial Management by I.M. Pandey https://cleartax.in/s/payback-period	
Evaluation	- What does it mean if a project's Profitability Index is greater than 1? - How do you calculate the Profitability Index? - What is one limitation of using the Profitability Index for budgeting?	



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Lesson Plan No. 2.7	Course Name: Financial Management Topic: Risk Return Trade off	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: • Understand the concept of risk-return trade-off. • Analyze the relationship between risk and potential return in investments. • Evaluate how different investments have varying levels of risk and return.	
Teaching Aids (if any)	• Power Point Presentation • Chalk and Board	
Teaching Development	Introduction (05 minutes) • The risk-return trade-off is a fundamental principle of investing, suggesting that higher potential returns on investment usually come with higher risks. Conversely, safer investments often yield lower returns. This concept is crucial for making informed financial decisions, balancing the desire for profit against the potential for loss. Development (30 minutes) Understanding Risk and Return • Risk is the possibility of losing some or all of an investment. • Return is the profit earned from an investment. • There is a positive correlation between risk and return: high risk can mean high return, and low risk can mean lower return. Types of Risks • Market Risk: The risk of losses due to market fluctuations (e.g., stock prices). • Credit Risk: The risk that a borrower may not repay a loan (e.g., corporate bonds). • Liquidity Risk: The risk of not being able to sell an asset quickly without a price discount. • Discuss how different assets involve varying levels of these risks. Managing the Risk-Return Trade-off • Diversification: Reducing risk by spreading investments across various assets. • Risk Tolerance: Each investor has a unique capacity to handle risk based on their financial goals, timeline, and emotions. • Risk Mitigation: Strategies like hedging or setting stop-loss orders to protect against downside risk.	



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Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey https://www.5paisa.com/stock-market-guide/mutual-funds/risk-return-trade-off
Evaluation	1. What is the relationship between risk and return in investments? 2. Name two types of risks that investors commonly face. 3. How can an investor manage their risk when investing?



	2. Briefly describe how to calculate the payback period. (1-2 sentences) 3. What is a limitation of the payback period method? Spend 5 minutes to evaluate student assimilation of the lesson contents
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Lesson Plan No. 3.1	Course Name: Financial Management Topic: Capital Structure	Course No.: BBAMJ-503
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Objectives	At the end of the lesson, the student shall be able to: a. Analyse the various sources of capital b. Introduced to the concept of relevance and irrelevance of capital structure c. Numerically justify the Net Income Approach to Capital Structure by interpreting the firm's value.
Teaching Aids (if any)	a. PPT b. Chalk and Board
Teaching Development	1. Introduction (5 minutes) - Introduce the concept of capital structure - Set the basics of how debt differs from equity - Role of taxes in issuing debt 2. Development (30 minutes) a. Introduction to Cost-benefit trade-off in capital structure Here the concept of Optimum Structure will be highlighted b. Concept of Value of firm c. Relevance vs Irrelevance Concept Advocates of the Relevance of capital structure. Advocates of the Irrelevance of Capital Structure d. Net Income Approach Levered Firm vs Unlevered Firm Assumptions of NI approach View of Net Income Approach e. Numerical Justification - How the firm's value is impacted by debt introduction will be numerically justified. 3. Exercise (5 minutes) – - Numerical Questions for students - Short Quiz on various concept to ensure class wide understanding
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Suggested Reading - Book: Financial Management By IM Pandey Spend 5 minutes to wrap up and consolidate the learnings



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Evaluation	1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss. 2. Nearpod Quiz on Dividend decisions Spend 5 minutes to evaluate student assimilation of the lesson contents
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Lesson Plan No. 3.2	Course Name: Financial Management Topic: Capital Structure	Course No.: BBAMJ-503
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Objectives	At the end of the lesson, the student shall be able to: a. Introduced to the concept of irrelevance of capital structure b. Numerically justify the Net Operating Approach to Capital Structure by interpreting the firm's value. c. Numerically and Conceptually Compare and contrast the Net Income Approach and Net Operating Income Approach of Capital Structure Decisions
Teaching Aids (if any)	a. PPT b. Chalk and Board
Teaching Development	1. Introduction (5 minutes) - Recap of NI approach - Numerical of NI approach - Introduction to Net Operating Income Approach of Capital Structure Decision 2. Development (30 minutes) a. Proposition of NOI approach Concept of Value of firm under NOI Approach Value of levered firm and unlevered firm b. Assumptions of NOI approach Numerical (Levered vs Unlevered Firm) c. NOI vs Net Income Approach Levered Firm vs Unlevered Firm Role of taxes vs Investor's perception of risk View of Net Income Approach Numerically differentiate between Net Operating Income and Net Income Approach to justify relevance and irrelevance propositions of both theories d. Arbitrage Process e. Traditional View of capital structure 3. Exercise (5 minutes) – - Numerical Questions for students
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Suggested Reading - Book: Financial Management



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	By IM Pandey Spend 5 minutes to wrap up and consolidate the learnings
Evaluation	1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss. 2. Quiz on NOI and NI approach Spend 5 minutes to evaluate student assimilation of the lesson contents



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Lesson Plan

Lesson Plan No. 3.3	Course Name: Financial Management Topic: Net Income and Net Operating Income Approach	Course No.: BBAMJ-503
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Objectives	At the end of the lesson, the student shall be able to: a. Recall NI and NOI Approach b. Strengthen their numeric ability of deriving value of firm under the NI and NOI approach
Teaching Aids (if any)	a. PPT b. Chalk and Board
Teaching Development	1. Introduction (5 minutes) - Recap of NI approach - Recap of NOI approach - Recap of value of firm under two scenarios 2. Development (25 minutes) a. Net Income Approach Numerical will be revisited to ensure understanding and meet any doubts that students might have - Levered Firms: This will be evaluated separately to gauge how the value remains consistent irrespective of the debt in the capital structure - Unlevered Firm b. Net Operating Income Numerical (Levered vs Unlevered Firm) This will ensure that students are clear with what formulas to apply across these two approaches. c. Compare the values of both cases: The values will enable students to confirm the basic premise of both the Cases. 3. Exercise (10 minutes) – - Discussion - Students will solve the example on board and the answer will be evaluated by class itself - Short Quiz on various concept to ensure class wide understanding
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Attention to be paid to weak students 3. Suggested Reading



	4. Book: Financial Management By IM Pandey Spend 5 minutes to wrap up and consolidate the learnings
Evaluation	1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss. 2. Nearpod Quiz on Net income approach Spend 5 minutes to evaluate student assimilation of the lesson contents



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Lesson Plan

Lesson Plan No. 3.4	Course Name: Financial Management Topic: Working Capital	Course No.: BBAMJ-503
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Objectives	At the end of the lesson, the student shall be able to: a. Introduced to the concept of working capital b. Familiarised with various concepts associated with working capital c. Build a strong foundation for working capital management d. Understand the need for investing in current assets
Teaching Aids (if any)	a. PPT b. Chalk and Board
Teaching Development	1. Introduction (5 minutes) - Students will be made to understand the requirements of cash for meeting firm's daily needs - Familiarise with the cost associated with high liquidity and illiquidity 2. Development (25 minutes) a. Concept of working capital: Definition b. Need of having adequate working capital c. Components of working capital: Current assets and Current Liabilities - Gross Working Capital - Net Working Capital This section will numerically explain the two concepts along a brief understanding of what these concepts individually focus on and the relevance associated with it. d. Concept of Permanent and Variable working capital e. Conceptual and graphical understanding f. Dangers associated with excessive working capital g. Dangers associated with inadequate working capital. 3. Exercise (10 minutes) – - Summarising Class learning
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Suggested Reading - Book: Financial Management - By IM Pandey Spend 5 minutes to wrap up and consolidate the learnings
Evaluation	1. Reflective Questions (What, Why, Who?). Allow students to



	answer and discuss. 2. Nearpod Quiz on components of working capital Spend 5 minutes to evaluate student assimilation of the lesson contents
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Lesson Plan No. 3.5	Course Name: Financial Management Topic: Working Capital and Components	Course No.: BBAMJ-503
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Objectives	At the end of the lesson, the student shall be able to: a. Introduced to the concept of working capital Management b. Build a strong foundation for working capital management c. Understand the need for investing in current assets
Teaching Aids (if any)	a. PPT b. Chalk and Board
Teaching Development	1. Introduction (5 minutes) - Recap of working capital concept and need - Recap of permanent vs variable working capital - Recap of net and gross working capital 2. Development (30 minutes) a. Concept of working capital management b. Components of working capital management: Cash, receivables, accounts payable, and inventory c. Need for working capital management d. Important aspects of WCM: Time, Investment, Criticality, and Growth e. Limitations of working capital management. 3. Exercise (5 minutes) – - One Minute Paper - Discussion
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Suggested Reading - Book: Financial Management By IM Pandey Spend 5 minutes to wrap up and consolidate the learnings
Evaluation	1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss. 2. Nearpod Quiz on working capital management Spend 5 minutes to evaluate student assimilation of the lesson contents



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Lesson Plan No. 3.6	Course Name: Financial Management Topic: Determinants of Working Capital	Course No.: BBAMJ-503
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Objectives	At the end of the lesson, the student shall be able to: a. Introduced to the working capital need b. In depth understanding of various determinants of working capital needs.
Teaching Aids (if any)	a. PPT b. Chalk and Board
Teaching Development	1. Introduction (5 minutes) - Recap of working capital management - WCM components - Limitation and needs of working capital management 2. Development (30 minutes) a. Concept of determinants of working capital management - Nature of business - Market and demand conditions - Technology and manufacturing policy - Credit Policy - Availability of credit from suppliers - Operating Efficiency - Price Level Changes b. High vs Low need assessment under various determinants 3. Exercise (5 minutes) – - One Minute Paper - Discussion
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Suggested Reading - Book: Financial Management By IM Pandey Spend 5 minutes to wrap up and consolidate the learnings
Evaluation	1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss. 2. Nearpod Quiz on determinants of working capital: High vs Low Spend 5 minutes to evaluate student assimilation of the lesson contents



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Lesson Plan

Lesson Plan No. 3.7	Course Name: Financial Management Topic: Determinants of Working Capital	Course No.: BBAMJ-503
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Objectives	At the end of the lesson, the student shall be able to: a. Build fundamentals of working capital financing b. Gain in depth understanding of various working capital financing techniques
Teaching Aids (if any)	a. PPT b. Chalk and Board
Teaching Development	1. Introduction (5 minutes) - Recap of determinants of working capital management need - Listing various determinants of working capital needs 2. Development (30 minutes) a. Concept of working capital Finance b. Types of Working capital finance: Here students will be made familiar with the various heads under which the source of finance will be covered - Spontaneous vs non spontaneous c. Trade Credit - Concept - Credit terms - Benefit d. Accrued expense and deferred income - Concept - Relevance e. Bank Finance - Concept - Forms of Bank Finance - Overdraft - Cash Credit - Purchase or discounting of bills - Letter of credit - Working capital Loan 3. Exercise (5 minutes) – - Poll - Discussion
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. One student will be chosen to speak on the classroom learning



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	3. Suggested Reading - Book: Financial Management By IM Pandey Spend 5 minutes to wrap up and consolidate the learnings
Evaluation	1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss. 2. Nearpod Quiz on Non spontaneous sources of credit Spend 5 minutes to evaluate student assimilation of the lesson contents



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Lesson Plan No. 3.8	Course Name: Financial Management Topic: Working Capital Financing	Course No.: BBAMJ-503
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Objectives	At the end of the lesson, the student shall be able to: a. Introduced to the working capital financing b. In depth understanding of various working capital financing techniques c. Made aware of the different types of security required in Bank Finance
Teaching Aids (if any)	a. PPT b. Chalk and Board
Teaching Development	1. Introduction (5 minutes) - Recap of determinants of working capital financing needs - Recap of Bank Finance 2. Development (20 minutes) a. Security Required in Bank Finance - Hypothecation - Pledge - Mortgage - Lien - Concept and real time examples 3. Exercise (15 minutes) – - Concept summarising: Summarising form of working capital finance. Students will be asked to give a detailed note on working capital financing, listing various types and identifying which forms come under spontaneous and non-spontaneous form of financing
Closure	1. Summarize the chapter Learning Outcomes and get affirmation from students on these. 2. One student will be chosen to speak on the overall chapter learnings 3. Suggested Reading - Book: Financial Management - By IM Pandey Spend 5 minutes to wrap up and consolidate the learnings
Evaluation	1. Reflective Questions (What, Why, Who?). Allow students to answer and discuss. 2. Nearpod Quiz on Cloud Computing Spend 5 minutes to evaluate student assimilation of the lesson contents



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Lesson Plan No. 4.1	Course Name: Financial Management Topic: Dividend Policy	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: • Understand the concept and importance of dividend policy. • Identify different types of dividend policies. • Analyze the factors influencing dividend policy decisions in a company.	
Teaching Aids (if any)	• Power Point Presentation • Chalk and Board	
Teaching Development	Introduction (05 minutes) • Briefly define dividend policy and its relevance in financial management. • Explain the role of dividends in shareholder satisfaction and company valuation. • Provide an overview of the main types of dividend policies. Development (30 minutes) Types of Dividend Policies: ○ Constant Dividend Policy: Companies pay a fixed dividend per share regardless of earnings. ○ Stable Dividend Policy: Dividends are adjusted in line with long-term earnings, aiming for gradual growth. ○ Residual Dividend Policy: Dividends are paid from the residual or leftover equity after all project capital needs are met. Factors Influencing Dividend Policy: ○ Company's Financial Performance: Strong earnings allow for higher dividends. ○ Liquidity Position: Availability of liquid cash to meet dividend payouts. ○ Tax Considerations: Impact of taxation on dividends for the company and shareholders. Implications of Dividend Policy: ○ Investor Perception: How consistent and predictable dividends	



	affect investor confidence. ○ Stock Price Volatility: The relationship between dividend announcements and stock price movements. ○ Retained Earnings and Growth: Balancing between paying dividends and reinvesting in the business for growth.
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey Corporate Finance Institute - Dividend Policy
Evaluation	1. What is a residual dividend policy? 2. Name two factors that influence a company's dividend policy. 3. How can a stable dividend policy benefit investors?



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Lesson Plan No. 4.10	Course Name: Financial Management Topic: Dividend Policies in Practice	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: • Understand the different types of dividend policies. • Analyze the factors influencing a company's dividend policy. • Examine real-world examples of dividend policies in practice.	
Teaching Aids (if any)	• Power Point Presentation	
Teaching Development	Introduction (05 minutes) • Introduce the concept of dividend policies, explaining their significance in corporate finance. Discuss the importance of dividend decisions for both companies and shareholders. Highlight the relevance of understanding dividend policies for future business professionals. Development (30 minutes) Cash Dividends • Definition: Cash payments made to shareholders, usually from a company's profits. • Implications: Immediate benefit to shareholders, impacts company's cash reserves. • Example: Apple Inc. regularly paying quarterly cash dividends. Types of Dividend Policies: • Regular Dividend Policy: Companies pay out dividends at regular intervals, usually annually, semi-annually, or quarterly. • Stable Dividend Policy: Companies aim to pay a fixed dividend per share and maintain it over time, providing predictability for investors. • Irregular Dividend Policy: Companies pay dividends irregularly, depending on their profitability and cash flow situation. • No Dividend Policy: Some companies, especially growth-oriented ones, may choose to reinvest all profits back into the business instead of paying dividends. Factors Influencing Dividend Policy: • Profitability: More profitable companies are more likely to pay dividends. • Cash Flow: Companies with strong and stable cash flows can afford to pay regular dividends. • Tax Considerations: Tax implications for both the company and	



	shareholders can influence dividend decisions. • Growth Opportunities: Companies with high growth prospects may prefer to reinvest earnings rather than pay dividends. • Market Conditions: Economic and market conditions can impact a company's ability to pay dividends. Examples of Dividend Policies in Practice: • Apple Inc.: Initially, Apple did not pay dividends, focusing on reinvesting profits into growth and innovation. In 2012, Apple started paying regular dividends, reflecting its strong profitability and cash reserves. • Microsoft: Microsoft has maintained a stable dividend policy, gradually increasing its dividend payouts over the years, demonstrating a commitment to returning value to shareholders. • Amazon: Amazon has a no-dividend policy, choosing to reinvest all profits into expanding its business operations and pursuing new growth opportunities.
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey Corporate Finance Institute - Forms of Dividends
Evaluation	1. What is a regular dividend policy? 2. Which factor is NOT typically considered when determining a company's dividend policy? 3. Which company is known for having a no-dividend policy and reinvesting all profits into growth?



Lesson Plan No. 4.11	Course Name: Financial Management Topic: Issues in Structuring Dividends	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: • Understand the concept and importance of dividends in corporate finance. • Identify and analyze the key issues involved in structuring dividend policies. • Evaluate the impact of different dividend structures on a company's financial health and shareholder value.	
Teaching Aids (if any)	• Power Point Presentation	
Teaching Development	Introduction (05 minutes) Define the significance of dividends in the context of corporate finance. Highlight how dividends represent a portion of a company's earnings distributed to shareholders and are a critical component of shareholder returns. Briefly discuss the different types of dividends (cash, stock, property) and introduce the concept of dividend policy. Development (30 minutes) Legal and Regulatory Constraints: • Companies must comply with legal and regulatory requirements when declaring dividends. • Restrictions on dividend payments can arise from corporate laws, debt covenants, and financial regulations. • Discuss examples of legal constraints, such as restrictions on paying dividends if it leads to insolvency. Financial Health and Stability: • The company's ability to pay dividends depends on its profitability, cash flow, and overall financial stability. • Analyze the impact of dividend payments on a company's retained earnings and reinvestment opportunities. • Discuss the trade-off between paying dividends and reinvesting profits for growth. Shareholder Expectations and Market Perception: • Dividend policies can influence investor behavior and market perception of the company. • Explain how consistent and predictable dividend payments can attract income-focused investors.	



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	Discuss the potential negative impact of reducing or omitting dividends on shareholder confidence and stock price.
Closure	- Summarize the Lesson Learning Outcomes and get affirmation from students on these. - Discuss the University Questions from the Syllabus. - Suggested Reading: Financial Management by I.M. Pandey Harvard Business Review: Dividends
Evaluation	- What are some legal constraints that might affect a company's ability to pay dividends? - How does paying dividends impact a company's retained earnings and reinvestment opportunities? - Why is it important for a company to maintain consistent and predictable dividend payments?



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Lesson Plan No. 4.2	Course Name: Financial Management Topic: Forms of Dividends	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Understand the different types of dividends companies can issue. - Analyze the implications of each type of dividend for both the company and its shareholders. - Explore real-world examples of different forms of dividends.	
Teaching Aids (if any)	- Power Point Presentation - Chalk and Board	
Teaching Development	Introduction (05 minutes) - Explain the importance of understanding the various forms of dividends. - Provide a real-world example of a company that has issued dividends recently. Development (30 minutes) Cash Dividends - Definition: Cash payments made to shareholders, usually from a company's profits. - Implications: Immediate benefit to shareholders, impacts company's cash reserves. - Example: Apple Inc. regularly paying quarterly cash dividends. Stock Dividends - Definition: Additional shares of stock given to shareholders instead of cash. - Implications: Increases the number of shares, dilutes share value but can signal growth. - Example: Tesla issuing stock dividends to make shares more accessible. Property Dividends - Definition: Dividends paid in the form of assets other than cash or stock. - Implications: Uncommon, can be complex to value, might indicate liquidity issues. - Example: A company distributing shares of a subsidiary as a dividend.	



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Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey Corporate Finance Institute - Forms of Dividends
Evaluation	1. What is a cash dividend? 2. Which type of dividend might indicate that a company has liquidity issues? 3. How does issuing a stock dividend affect the number of shares and share value?



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Lesson Plan No. 4.3	Course Name: Financial Management Topic: Cash Dividends	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: • Understand the concept and significance of cash dividends. • Learn the process of declaring and distributing cash dividends. • Explore the impact of cash dividends on shareholders and the company.	
Teaching Aids (if any)	• Power Point Presentation • Chalk and Board	
Teaching Development	Introduction (05 minutes) • Introduce the concept of a cash dividend, explaining that it is a payment made by a corporation to its shareholders, typically from its profits or reserves. Highlight the importance of cash dividends as a means of returning value to shareholders and maintaining investor confidence. Development (30 minutes) Concept and Types of Dividends • Cash Dividends: Regular payments made in cash to shareholders. • Stock Dividends: Additional shares given to shareholders instead of cash. • Special Dividends: One-time payments made under special circumstances. Process of Declaring and Distributing Cash Dividends • Declaration Date: The date on which the board of directors announces the dividend. • Record Date: The date on which the company reviews its records to determine eligible shareholders. • Ex-Dividend Date: The date on or after which a shareholder is not entitled to the declared dividend if they purchase the stock. • Payment Date: The date on which the dividend is actually paid to shareholders. Impact of Cash Dividends • On Shareholders: Provides regular income and can signal financial health and stability of the company. • On the Company: Reduces retained earnings and cash reserves but can enhance investor confidence and stock value. • Tax Implications: Discuss the tax treatment of dividends for shareholders, highlighting that dividends may be subject to different tax rates than capital gains.	



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Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey https://www.motilaloswal.com/blog-details/what-are-cash-dividends-and-its-benefit/21986
Evaluation	1. What is a cash dividend? 2. Name the four key dates involved in the dividend distribution process. 3. How can cash dividends impact the financial health of a company



Lesson Plan No. 4.4	Course Name: Financial Management Topic: Stock Dividends	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: • Understand the concept and mechanics of stock dividends. • Learn the reasons why companies issue stock dividends. • Explore the impact of stock dividends on shareholders and the company.	
Teaching Aids (if any)	• Power Point Presentation • Chalk and Board	
Teaching Development	Introduction (05 minutes) Introduce the concept of stock dividends, explaining that they are payments made by a corporation to its shareholders in the form of additional shares of stock rather than cash. Highlight the difference between cash dividends and stock dividends and why companies might choose to issue stock dividends. Development (30 minutes) Definition and Mechanism of Stock Dividends • Definition: Explain that a stock dividend is a distribution of additional shares to existing shareholders, usually expressed as a percentage of the current shares held. • Mechanism: Describe how stock dividends are calculated and issued. For example, a 10% stock dividend means a shareholder with 100 shares will receive 10 additional shares. Reasons for Issuing Stock Dividends • Preserving Cash: Companies may prefer to issue stock dividends to preserve cash for other uses, such as reinvestment or debt repayment. • Shareholder Benefits: Explain how stock dividends can be beneficial to shareholders by providing them with more shares without incurring transaction costs. • Market Perception: Discuss how issuing stock dividends might positively influence market perception by signaling confidence in the company's future prospects. Impact on Shareholders and the Company • Shareholder Wealth: Analyze how stock dividends do not change the overall value of shareholder wealth immediately but can potentially increase long-term value. • Stock Price Adjustment: Explain that the stock price typically adjusts downward to reflect the increase in the number of shares outstanding.	



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	Ownership Dilution: Discuss the potential for dilution of ownership if the new shares are issued to new investors rather than existing shareholders.
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey https://corporatefinanceinstitute.com/resources/equities/stock-dividend/#:~:text=A%20stock%20dividend%2C%20a%20method,on%20liquid%20cash%20on%20hand.
Evaluation	1. What is a Stock dividend? 2. Why might a company choose to issue a stock dividend instead of a cash dividend? 3. How does a stock dividend affect the stock price?



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Lesson Plan No. 4.5	Course Name: Financial Management Topic: Scrip Dividends	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Understand the concept and mechanism of a scrip dividend. - Learn the advantages and disadvantages of issuing and receiving scrip dividends. - Explore the impact of scrip dividends on shareholders and the issuing company..	
Teaching Aids (if any)	Power Point Presentation	
Teaching Development	Introduction (05 minutes) Introduce the concept of a scrip dividend, explaining that it is a type of dividend payment where shareholders receive additional shares instead of a cash payout. Highlight the reasons companies might choose to issue scrip dividends, such as conserving cash or giving shareholders the option to reinvest in the company. Development (30 minutes) Mechanism of Scrip Dividends - Definition and Explanation: A scrip dividend allows shareholders to receive dividends in the form of additional shares. - Process: Companies offer shareholders the option to receive new shares instead of cash. Shareholders can choose between the scrip dividend and the cash dividend. - Issuance Price: New shares are usually issued at a price based on the market value or a discount. Impact on Shareholders and the Company Shareholders: - Choice: Shareholders have the option to receive cash or additional shares, providing flexibility. - Valuation: Need to consider the impact on their overall investment value and potential dilution. Company: - Financial Strategy: Scrip dividends can be part of a broader financial strategy to manage cash flow and equity. - Market Reaction: The market's reaction to a scrip dividend announcement can affect the company's stock price.	



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Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey https://www.wallstreetmojo.com/scrip-dividend/
Evaluation	1. What is a Scrip dividend? 2. Name one advantage of a scrip dividend for shareholders. 3. What is one potential disadvantage of issuing scrip dividends for companies?



Lesson Plan No. 4.6	Course Name: Financial Management Topic: Property Dividend	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Understand the concept of property dividends and how they differ from cash and stock dividends. - Learn the reasons why a company might issue a property dividend. - Explore the accounting and tax implications of property dividends.	
Teaching Aids (if any)	Power Point Presentation	
Teaching Development	Introduction (05 minutes) Introduce the concept of dividends and explain the different types, including cash, stock, and property dividends. Highlight that a property dividend is a non-monetary dividend paid to shareholders in the form of assets other than cash or stock, such as real estate, equipment, or inventory. Development (30 minutes) Understanding Property Dividends - Definition: Property dividends are distributions of non-monetary assets to shareholders. - Forms: Can include tangible assets like real estate, equipment, inventory, or intangible assets like patents. - Valuation: Assets are valued at fair market value at the time of distribution. Reasons for Issuing Property Dividends - Preservation of Cash: Allows companies to distribute value to shareholders without using cash reserves. - Utilization of Excess Assets: Distributes surplus or non-essential assets to shareholders. - Tax Considerations: May offer tax advantages for both the company and shareholders, depending on the jurisdiction. Accounting and Tax Implications - Accounting Treatment: The company must revalue the asset to fair market value and recognize any gain or loss. - Tax Impact on Shareholders: Shareholders may need to pay taxes on the fair market value of the distributed asset as dividend income. - Company's Tax Considerations: The distribution may have different tax implications compared to cash dividends, impacting the company's tax liabilities.	



Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey https://cleartax.in/glossary/property-dividend#:~:text=Property%20dividend%20refers%20to%20a,value%20of%20the%20products%20sent.
Evaluation	1. What is a Scrip dividend? 2. Why might a company choose to issue a property dividend instead of a cash dividend? 3. What must a company do from an accounting perspective when issuing a property dividend?



Lesson Plan No. 4.7	Course Name: Financial Management Topic: Property Dividend	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Understand the concept of property dividends and how they differ from cash and stock dividends. - Learn the reasons why a company might issue a property dividend. - Explore the accounting and tax implications of property dividends.	
Teaching Aids (if any)	Power Point Presentation	
Teaching Development	Introduction (05 minutes) Introduce the concept of dividends and explain the different types, including cash, stock, and property dividends. Highlight that a property dividend is a non-monetary dividend paid to shareholders in the form of assets other than cash or stock, such as real estate, equipment, or inventory. Development (30 minutes) Understanding Property Dividends - Definition: Property dividends are distributions of non-monetary assets to shareholders. - Forms: Can include tangible assets like real estate, equipment, inventory, or intangible assets like patents. - Valuation: Assets are valued at fair market value at the time of distribution. Reasons for Issuing Property Dividends - Preservation of Cash: Allows companies to distribute value to shareholders without using cash reserves. - Utilization of Excess Assets: Distributes surplus or non-essential assets to shareholders. - Tax Considerations: May offer tax advantages for both the company and shareholders, depending on the jurisdiction. Accounting and Tax Implications - Accounting Treatment: The company must revalue the asset to fair market value and recognize any gain or loss. - Tax Impact on Shareholders: Shareholders may need to pay taxes on the fair market value of the distributed asset as dividend income. - Company's Tax Considerations: The distribution may have different tax implications compared to cash dividends, impacting the company's tax liabilities.	



Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey https://cleartax.in/glossary/property-dividend#:~:text=Property%20dividend%20refers%20to%20a,value%20of%20the%20products%20sent
Evaluation	1. What is a Property dividend? 2. Why might a company choose to issue a property dividend instead of a cash dividend? 3. What must a company do from an accounting perspective when issuing a property dividend?



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Lesson Plan No. 4.8	Course Name: Financial Management Topic: Liquidating Dividend	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Understand the concept and significance of a liquidating dividend. - Learn the circumstances under which a liquidating dividend is issued. - Explore the implications of liquidating dividends for shareholders and the company.	
Teaching Aids (if any)	Power Point Presentation	
Teaching Development	Introduction (05 minutes) Introduce the concept of a liquidating dividend, explaining that it is a type of dividend paid to shareholders when a company is in the process of dissolving or liquidating its assets. Highlight that unlike regular dividends, liquidating dividends return part of the original capital invested by shareholders. Development (30 minutes) Definition and Purpose of Liquidating Dividend - Definition: A distribution of assets to shareholders during the liquidation process. - Purpose: To return the invested capital to shareholders when a company ceases operations or sells off significant assets. Circumstances for Issuing Liquidating Dividends - Company Dissolution: When a company decides to wind up its operations. - Asset Sale: When a company sells a significant portion of its assets and decides to distribute the proceeds. - Strategic Reorganization: During mergers, acquisitions, or restructuring processes. Implications of Liquidating Dividends - For Shareholders: - Return of Capital: Shareholders receive a portion of their initial investment. - Tax Implications: Liquidating dividends may have different tax treatments compared to regular dividends. - For the Company: - Asset Reduction: Reduction in the company's asset base. - Final Distribution: Marks the final distribution of assets before the company's closure.	



Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey https://corporatefinanceinstitute.com/resources/accounting/liquidating-dividend/
Evaluation	1. What is a Liquidating dividend? 2. Under what circumstances might a company issue a liquidating dividend? 3. What is one implication of a liquidating dividend for shareholders?



Lesson Plan No. 4.9	Course Name: Financial Management Topic: Theories of Relevance and Irrelevance of Dividend Decision	Course No.: BBAMJ-503
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Objectives	At the end of the lesson the students shall be able to: • Understand the key theories regarding the relevance and irrelevance of dividend decisions. • Evaluate the impact of dividend policy on a firm's value. • Compare and contrast different viewpoints on dividend relevance.
Teaching Aids (if any)	• Power Point Presentation
Teaching Development	Introduction (05 minutes) • Briefly explain what dividend decisions are and why they matter. • Highlight the key debate: Do dividends impact the value of the firm? • Introduce the main theorists: Modigliani and Miller, Gordon, and Walter Development (30 minutes) Relevance Theories Walter's Model: ○ Dividend relevance theory proposing that the choice of dividend policy almost always affects the value of the enterprise. ○ Key Assumptions: The firm's internal rate of return and its cost of capital are constant. ○ Explanation of the formula and implications for investment decisions. Gordon's Model: ○ Suggests that dividends are relevant and that there is a direct relationship between the dividend policy and the market value of the firm. ○ Discuss the concept of the 'Bird in Hand' theory. ○ Formula and implications for growth firms. Irrelevance Theory Modigliani and Miller (M&M) Hypothesis: ○ Argues that dividend policy is irrelevant in determining the value of the firm in perfect capital markets. ○ Discuss assumptions such as no taxes, no transaction costs, and efficient markets. ○ Explain how the firm's value is determined by its earning power and risk of its underlying assets, not by how it



	distributes earnings.
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey Corporate Finance Institute on Dividend Relevance Theory
Evaluation	1. According to the Modigliani and Miller theory, what are the assumptions for dividend irrelevance? 2. Explain the 'Bird in Hand' theory in Gordon's model. 3. How does Walter's model propose that dividend policy affects the value of the firm?



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Lesson Plan

Lesson Plan No. 5.1	Course Name: Financial Management Topic: Financial Modelling	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Understand the fundamentals of financial modelling. - Learn how to construct a basic financial model. - Apply financial modelling techniques to analyze business scenarios.	
Teaching Aids (if any)	Power Point Presentation	
Teaching Development	Introduction (05 minutes) - Introduce the concept of financial modelling and its importance in finance and business decision-making. Explain that financial models are essential tools for forecasting, planning, and evaluating the financial performance of a business. Development (30 minutes) a. Understanding the Structure of Financial Models (10 Minutes) - Define financial modelling and its key components (inputs, calculations, and outputs). - Discuss the typical structure of a financial model: Assumptions, Income Statement, Balance Sheet, Cash Flow Statement, and Supporting Schedules. - Emphasize the importance of linking the financial statements and ensuring the model is dynamic and adjustable. b. Building a Basic Financial Model (10 Minutes) - Walk through the steps of building a simple financial model from scratch. - Input Assumptions: Revenue growth rate, cost of goods sold (COGS), operating expenses, and other key drivers. - Construct the Income Statement: Calculate revenue, gross profit, operating income, and net income. - Link the Income Statement to the Balance Sheet and Cash Flow Statement. - Highlight common pitfalls and best practices in financial modelling, such as ensuring accuracy, consistency, and using error-checking mechanisms. c. Scenario Analysis and Sensitivity Analysis (10 Minutes) - Explain the concepts of scenario analysis and sensitivity analysis in financial modelling.	



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	• Demonstrate how to create different scenarios (e.g., best case, base case, worst case) and analyze their impact on the financial model. • Show how to conduct sensitivity analysis by changing key assumptions and observing the effects on the model's outputs. • Discuss the relevance of these analyses in making informed business decisions.
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey https://corporatefinanceinstitute.com/resources/financial-modeling/what-is-financial-modeling/
Evaluation	1. What are the key components of a financial model? 2. Why is it important to link the Income Statement, Balance Sheet, and Cash Flow Statement in a financial model? 3. What is the purpose of scenario analysis in financial modelling?



Lesson Plan No. 5.2	Course Name: Financial Management Topic: Importance of Financial Modelling	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Understand the concept and purpose of financial modelling. - Learn the key benefits and applications of financial modelling in business. - Explore the components and tools used in creating financial models..	
Teaching Aids (if any)	Power Point Presentation	
Teaching Development	Introduction (05 minutes) - Introduce the concept of financial modelling, explaining that it involves creating a detailed representation of a company's financial performance. Highlight that financial models are used for decision-making, forecasting, and evaluating the financial impact of different scenarios. Emphasize the importance of accuracy and assumptions in financial modelling. Development (30 minutes) Concept and Purpose of Financial Modelling - Definition: Financial modelling is the process of creating a mathematical representation of a company's financial situation. - Purpose: Used for decision-making, investment analysis, business valuation, risk management, and financial planning. Benefits and Applications of Financial Modelling - Decision-Making: Helps in making informed business decisions by analyzing financial data and projecting future performance. - Fundraising: Assists in presenting financial projections to investors and lenders to secure funding. - Valuation: Used in determining the value of a business for mergers, acquisitions, and other strategic decisions. - Scenario Analysis: Allows businesses to evaluate the impact of different scenarios and strategies on financial performance. Components and Tools of Financial Modelling - Components: Income statement, balance sheet, cash flow statement, and assumptions. - Tools: Spreadsheet software (e.g., Microsoft Excel), financial modelling software (e.g., Quantix, Adaptive Insights). - Techniques: Discounted cash flow (DCF) analysis, sensitivity analysis, and Monte Carlo simulation.	



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Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey https://corporatefinanceinstitute.com/resources/financial-modeling/what-is-financial-modeling/
Evaluation	1. What is the primary purpose of financial modelling? 2. Name one key benefit of financial modelling. 3. What are the main components of a financial model?



Lesson Plan No. 5.3	Course Name: Financial Management Topic: Limitations of Financial Modelling	Course No.: BBAMJ-503
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Objectives	At the end of the lesson the students shall be able to: - Understand the key limitations and challenges associated with financial modeling. - Recognize the impact of these limitations on decision-making and business planning. - Explore strategies to mitigate the limitations of financial modeling.
Teaching Aids (if any)	Power Point Presentation
Teaching Development	Introduction (05 minutes) Introduce the concept of financial modeling, explaining its purpose and significance in business decision-making. Highlight that while financial models are powerful tools for forecasting and analysis, they have inherent limitations that can affect their accuracy and reliability. Development (30 minutes) Assumptions and Data Quality Assumptions: Financial models rely on assumptions about future events, market conditions, and business performance. These assumptions can be overly optimistic or pessimistic, affecting the model's accuracy. Data Quality: The quality of the data used in the model significantly impacts its reliability. Inaccurate, incomplete, or outdated data can lead to flawed predictions and conclusions. Complexity and Overfitting Complexity: Financial models can become overly complex, making them difficult to understand and use effectively. Complex models may include numerous variables and interdependencies, increasing the risk of errors. Overfitting: Overfitting occurs when a model is too closely tailored to historical data, capturing noise rather than underlying trends. This reduces the model's ability to make accurate predictions about future events. Uncertainty and External Factors Uncertainty: Financial models cannot predict unexpected events or changes in the external environment, such as economic crises, regulatory changes, or technological advancements.



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	• External Factors: External factors, such as political instability, market volatility, and natural disasters, can significantly impact the outcomes predicted by financial models.
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey https://corporatefinanceinstitute.com/resources/financial-modeling/what-is-financial-modeling/
Evaluation	1. What is one of the key limitations of financial modeling related to assumptions? 2. How does overfitting affect a financial model's reliability? 3. Name one external factor that can impact the accuracy of financial models.



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Lesson Plan No. 5.4	Course Name: Financial Management Topic: Corporate Restructuring Strategies	Course No.: BBAMJ-503
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Objectives	At the end of the lesson the students shall be able to: - Understand the concept and importance of corporate restructuring. - Identify different types of restructuring strategies. - Analyze real-world examples of corporate restructuring and their outcomes.
Teaching Aids (if any)	Power Point Presentation
Teaching Development	Introduction (05 minutes) - Briefly explain what corporate restructuring entails and its significance in the corporate world. - Highlight the main types of corporate restructuring: mergers and acquisitions, divestitures, spin-offs, and reorganizations. Development (30 minutes) Types of Corporate Restructuring: - Mergers and Acquisitions (M&A): Explain the process, benefits, and challenges. - Divestitures: Discuss why companies might sell off parts of their business and the potential outcomes. - Spin-offs: Describe how spin-offs work and their strategic advantages. Benefits and Risks: - Increased Efficiency: Discuss how restructuring can streamline operations and reduce costs. - Market Expansion: Explain how M&A can provide access to new markets and technologies. - Financial Health: Describe how restructuring can improve a company's financial position but also involve significant risks, including cultural clashes and integration issues.
Closure	- Summarize the Lesson Learning Outcomes and get affirmation from students on these. - Discuss the University Questions from the Syllabus. - Suggested Reading: Financial Management by I.M. Pandey Harvard Business Review on Corporate Restructuring



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Evaluation	1. What is the primary goal of corporate restructuring? 2. Name two types of corporate restructuring and briefly explain each. 3. Give an example of a successful corporate restructuring and its impact on the companies involved
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Lesson Plan No. 5.5	Course Name: Financial Management Topic: Different Corporate Restructuring Strategies	Course No.: BBAMJ-503
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Objectives	At the end of the lesson the students shall be able to: - Understand the concept and importance of corporate restructuring. - Learn about various corporate restructuring strategies. - Explore the benefits and challenges associated with each restructuring strategy.
Teaching Aids (if any)	Power Point Presentation
Teaching Development	Introduction (05 minutes) Introduce the concept of corporate restructuring, explaining that it involves reorganizing a company's structure, operations, or finances to improve efficiency, competitiveness, or address challenges. Highlight the importance of restructuring in responding to market changes, improving performance, and achieving strategic objectives. Development (30 minutes) Types of Corporate Restructuring Strategies - Mergers and Acquisitions (M&A): - Mergers: Combining two companies to form a new entity. - Acquisitions: One company purchasing another. - Benefits: Synergies, market expansion, and economies of scale. - Challenges: Integration issues, cultural clashes, and regulatory hurdles. - Divestitures and Spin-offs: - Divestitures: Selling off a part of the company. - Spin-offs: Creating a new independent company from a division or unit. - Benefits: Focus on core operations, unlocking value, and raising capital. - Challenges: Loss of synergies, potential undervaluation, and operational disruption. - Debt Restructuring: - Purpose: Modifying the terms of debt agreements to improve financial stability. - Methods: Debt refinancing, extending maturities, and negotiating lower interest rates. - Benefits: Improved cash flow, reduced financial stress, and avoidance of bankruptcy.



	○ Challenges: Impact on credit rating, negotiating with creditors, and potential dilution of equity. ● Operational Restructuring: ○ Purpose: Improving efficiency and reducing costs. ○ Methods: Reengineering processes, workforce reduction, and outsourcing. ○ Benefits: Enhanced productivity, cost savings, and improved profitability. ○ Challenges: Employee morale, resistance to change, and implementation costs. Benefits of Corporate Restructuring ● Enhanced Competitiveness: Adapting to market changes and improving market position. ● Financial Stability: Addressing financial challenges and improving cash flow. ● Operational Efficiency: Streamlining operations and reducing costs. ● Strategic Focus: Focusing on core business areas and long-term goals. Challenges and Risks ● Implementation Risks: Execution difficulties, integration issues, and disruption. ● Employee Impact: Job losses, morale issues, and resistance to change. ● Regulatory and Legal Issues: Compliance with laws, antitrust concerns, and legal disputes. ● Financial Risks: Potential for financial instability, impact on credit ratings, and shareholder value.
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey Harvard Business Review on Corporate Restructuring https://www.geeksforgeeks.org/corporate-restructuring-meaning-types-reason-and-strategies/
Evaluation	1. What is the difference between a merger and an acquisition? 2. Name one benefit and one challenge associated with divestitures. 3. Why is debt restructuring important for a company



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Lesson Plan No. 5.6	Course Name: Financial Management Topic: Microfinance and Microcredit	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Understand the concepts of microfinance and microcredit. - Explore the impact of microfinance on poverty alleviation and economic development. - Examine the mechanisms and models of microfinance institutions (MFIs).	
Teaching Aids (if any)	Power Point Presentation	
Teaching Development	Introduction (05 minutes) - Define microfinance and microcredit. - Highlight the importance and relevance of microfinance in developing economies. Development (30 minutes) Concepts and Principles of Microfinance and Microcredit - Definition and scope of microfinance and microcredit. - Key principles: accessibility, sustainability, and financial inclusion. - Difference between microfinance and traditional banking. Impact on Poverty Alleviation and Economic Development - Case studies and statistics on the impact of microfinance. - Role of microfinance in empowering women and marginalized communities. - Challenges and criticisms of microfinance. Mechanisms and Models of Microfinance Institutions - Types of microfinance institutions (NGOs, non-banking financial institutions, cooperatives). - Microfinance delivery models: Grameen model, Self Help Groups (SHGs), village banking. - Risk management and sustainability in microfinance.	
Closure	- Summarize the Lesson Learning Outcomes and get affirmation from students on these. - Discuss the University Questions from the Syllabus. - Suggested Reading: Financial Management by I.M. Pandey Microfinance Information Exchange	



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Evaluation

1. What is the primary goal of microfinance?
2. Which of the following is a common criticism of microfinance?
3. Name one microfinance delivery model.



Lesson Plan No. 5.7	Course Name: Financial Management Topic: Micro Finance	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: • Understand the concept and purpose of microfinance. • Learn about the key components and models of microfinance. • Explore the impact of microfinance on economic development and poverty alleviation.	
Teaching Aids (if any)	• Power Point Presentation	
Teaching Development	Introduction (05 minutes) Introduce the concept of microfinance, explaining that it provides financial services to low-income individuals or groups who lack access to traditional banking services. Highlight the importance of microfinance in promoting financial inclusion and supporting small-scale entrepreneurs. Mention the role of microfinance institutions (MFIs) in offering services such as microloans, savings accounts, and insurance. Development (30 minutes) Key Components of Microfinance ○ Microloans: Small loans provided to individuals or groups to start or expand small businesses. ○ Savings Accounts: Opportunities for low-income individuals to save money securely. ○ Insurance: Protection against risks such as health issues, crop failure, or natural disasters. Microfinance Models ○ Grameen Model: Pioneered by Muhammad Yunus, involves group lending and mutual accountability. ○ Self-Help Groups (SHGs): Community-based groups that provide mutual support and financial services. ○ Credit Unions: Member-owned financial cooperatives that provide savings and credit services. Impact of Microfinance ○ Economic Development: Supports small businesses, increases employment, and stimulates local economies. ○ Poverty Alleviation: Provides financial resources to the poor, helping them improve their living standards. ○ Empowerment: Empowers marginalized groups,	



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	particularly women, by giving them access to financial resources and decision-making power.
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey Harvard Business Review on Corporate Restructuring https://corporatefinanceinstitute.com/resources/commercial-lending/microfinance/
Evaluation	1. What are microloans, and who typically benefits from them? 2. Name one microfinance model and briefly describe it. 3. How does microfinance contribute to poverty alleviation?



Lesson Plan No. 5.8	Course Name: Financial Management Topic: Micro Credit	Course No.: BBAMJ-503
Objectives	At the end of the lesson the students shall be able to: - Understand the concept and principles of microcredit. - Learn about the impact and benefits of microcredit on individuals and communities. - Explore the challenges and limitations associated with microcredit programs.	
Teaching Aids (if any)	Power Point Presentation	
Teaching Development	Introduction (05 minutes) Introduce the concept of microcredit, explaining that it involves providing small loans to individuals, typically in developing countries, who lack access to traditional banking services. Highlight the goal of microcredit to promote entrepreneurship and economic development by enabling individuals to start or expand small businesses. Development (30 minutes) Principles and Objectives of Microcredit Definition: Microcredit refers to small, low-interest loans provided to individuals or groups, often without requiring collateral. Goals: To empower low-income individuals, foster entrepreneurship, and reduce poverty. Repayment Terms: Loans are usually repaid in small, manageable installments over a short period. Impact and Benefits of Microcredit Economic Empowerment: Enables individuals to start or grow small businesses, leading to increased income and financial stability. Community Development: Stimulates local economic growth and creates job opportunities. Social Benefits: Improves access to education, healthcare, and other essential services for borrowers and their families. Challenges and Limitations of Microcredit High Interest Rates: Microcredit institutions may charge higher interest rates compared to traditional banks. Over-Indebtedness: Borrowers may become over-indebted if they take on more loans than they can repay.	



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	○ Limited Reach: Microcredit programs may not always reach the most marginalized or remote populations.
Closure	1. Summarize the Lesson Learning Outcomes and get affirmation from students on these. 2. Discuss the University Questions from the Syllabus. 3. Suggested Reading: Financial Management by I.M. Pandey Harvard Business Review on Corporate Restructuring https://corporatefinanceinstitute.com/resources/commercial-lending/microfinance/
Evaluation	1. What is microcredit? 2. What are two key benefits of microcredit? 3. Name one challenge associated with microcredit programs.