

**BMS Semester: IV**

**Paper No: 2**

**Paper: Financial Management;**

**Course Code: 4002**

**Marks: 100 (Internal 25 + External 75)**

**Credits: 4**

**Semester End Examination: 75 Marks**

**Continuous Internal Evaluation: 25 Marks**

**Duration of the Exam: 3 hours**

**Objectives:**

The students will be able to understand various financial techniques and use them for optimal financing and investment decisions in business.

**Internal Evaluation Criteria:**

All modes of internal evaluation should be conveyed to the students in the beginning of the semester.

<b>Criteria</b>	<b>Mode of Evaluation</b>	<b>Marks</b>
Case Study	Case Solution	10
Unit test, viva-voce, assignments, internal objective test, visit to corporate to have practical exposure.	Review Report / presentation	15
	<b>Total</b>	<b>25</b>

<b>Module</b>	<b>Unit No.</b>	<b>Detailed Syllabus</b>	<b>Teaching Hours</b>	<b>Marks/ Weightage</b>
I	1	<b>Introduction to financial management</b>	15	25

		<p>(i) Meaning, scope &amp; objective of finance management  (ii) Classification of finance function  (iii) Financial goal (Profit Max and Wealth Maximisation)</p> <p><b>Sources of Finance</b></p> <p>i) Equity shares  ii) Preference Shares  iii) Debentures &amp; Bonds  iv) Retained Earning</p>		
II	2	<p><b>Cost of Capital</b></p> <p>i) Meaning  ii) Concept of Cost of Capital  iii) Importance of Cost of Capital  iv) Simple Problems</p>	15	25
III	3	<p><b>Capital Budgeting</b></p> <p>i) Introduction  ii) Methods of Capital Budgeting  a) Pay back Method  b) ARR (Theory)</p>	15	25
IV	4	<p><b>Working Capital Management</b></p> <p>i) Introduction  ii) Factors to be taken into consideration for Working Capital Management.  iii) Operating Cycle  iv) Simple Problems on Working Capital requirements.</p> <p>Ethical Practices related to Financial Management</p>	15	25
		<b>Total</b>	<b>60</b>	<b>100</b>

**Reference Books:**

1. P. V. Kulkarni & B. G. Satyaprasad, Financial Management- Himalaya Publishing House, 2012.
2. M. Y. Khan & P. K. Jain, Basic Financial Management- Tata Mcgraw Hill Publishing Co. Ltd., 2005
3. Prof. A. P. Rao, Fundamentals of Financial Management- Everest Publishing House, 2006.
4. Satish M. Inamdar, Principles of Financial Management- Everest Publishing House, 2006