



Indraprastha College for Women University of Delhi

Work Plan for ODD SEMESTER – 2026

Course Name:	B.Com (Hons)
Paper Title:	Financial Management
Unique Paper Code:	2412082302
Semester:	III
Faculty:	Dr Pritika Dua
Year:	2026-27

Work Plan			
Unit No.	Learning Objective	Lecture No.	Topics to be Covered
I	Analyse the conceptual framework of financial management.	1	Nature, scope and objectives of financial management.
	Insight into the concept of time value of money	2	Concept of Discounting and Compounding
	Practical applications of TVM, Concept of risk and return	3,4	Application of Discounting and Compounding techniques in real life problems. Meaning of risk and return with simple questions
II	Analyse the capital budgeting process and demonstrate decision making abilities using different techniques of capital budgeting	5	The Capital Budgeting Process
		6	Cash Flow Estimation
		7,8	Payback Period, Discounted Payback, Accounting Rate of Return
		9,10	Net Present Value (NPV) and Profitability Index
		11,12	Internal Rate of Return (IRR)
		13,14	Comparison between NPV and IRR
		15	Practice of the covered concepts
III	Estimate the cost of capital; and critically analyse different capital structure theories and factors affecting capital structure decision of a firm.	16	Concept of Cost of Capital and Estimation of components of cost of capital
		17,18	Calculation of Cost of Equity and Cost of Retained Earnings
		19	Cost of Debt
		20,21	Weighted Average Cost of Capital

		22,23	Marginal Cost of Capital
		24,25	Theories of Capital Structure- Net Income, Net Operating Income Approach
		26,27	MM Hypothesis
		28,29	Traditional Approach, Determinants of Capital Structure
		30,31	Operating, Financial and Combined Leverage
		32	EBIT-EPS Analysis
IV	Analyse different theories of dividend and factors affecting dividend policy	33,34	MM Approach
		35	Walter's Model
		36	Gordon's Model
		37	Determinants of Dividend policy
		38	Practice Questions
V	Estimate working capital requirements of a firm, and device optimum credit policy for a firm.	39	Concept of Working Capital
		40	Operating & Cash Cycles
		41	Risk-return Trade off, Working capital estimation
		42,43	Working capital estimation
		44,45	Receivables Management

Unit	Contents/Syllabus
I	Financial Management: An Overview Nature, scope and objectives of financial management. An overview of time value of money and risk and return.
II	Capital Budgeting Decision The Capital Budgeting Process, Cash Flow Estimation, Different techniques of Capital budgeting: Payback Period Method, Discounted Payback Period Method, Accounting Rate of Return, Net Present Value (NPV), Internal Rate of Return (IRR) and Profitability Index.
III	Cost of Capital and Financing Decision Cost of Capital: Estimation of components of cost of capital: Method for calculating cost of equity, Cost of retained Earnings, Cost of Debt, Cost of Preference Capital, Weighted Average Cost of Capital (WACC) and Incremental (Marginal) Cost of Capital. Capital Structure: Theories of Capital Structure (Net Income, Net Operating Income, MM Hypothesis, Traditional Approach). Operating, Financial and Combined Leverage. EBIT-EPS Analysis. Determinants of Capital Structure.
IV	Dividend Decision Theories for relevance and irrelevance of dividend decision for corporate valuation- MM Approach, Walter's Model, Gordon's Model. Determinants of Dividend policy.

V	Working Capital Decision Concepts of Working Capital, Operating & Cash Cycles, Risk-return Trade off, working capital estimation, Receivables Management.
S. No.	Name of Authors/Books/Publishers
1.	Singh, Surender and Kaur, Rajeev. Fundamentals of Financial Management. SCHOLAR Tech Press. New Delhi.
2.	Rustagi, R.P. Fundamentals of Financial Management Taxmann. New Delhi.
3.	Tulsian, P.C. & Tulsian, B. Financial Management. S. Chand. New Delhi.
4.	Sharma, S.K. & Sareen, R. Fundamentals of Financial Management. Sultan Chand & Sons Ltd. New Delhi.

Paper Components			
Credits	Lecture (L)	Tutorial (T)	Practical (P)
4	3	NA	1
Assessment Scheme			
S.No.	Component	Marking Scheme	Total Marks
1	Internal Assessment - Assignment - Class Test - Attendance		30
		12	
		12	
		6	
2.	Continuous Assessment (Tutorial) - Activity 1 - Activity 2 - Attendance		NA
3.	Practical - Continuous Assessment - End Term Written/Practical Exam - Viva		40
		10	
		20	
		10	

4.	End Semester Examination	90
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