



Indraprastha College for Women

University of Delhi

Course Name:	B.Com (H)	
Paper Title:	Financial Management	
Unique Paper Code:	2412082302	
Semester:	3	
Faculty(s):	Dr. Anita Agrawal	
Year:	2	

Work Plan			
Period	Unit No.	Learning Objective	Topics to be Covered
1 st Aug -3 rd Aug	1	Compute risk and return of various investment alternatives using excel spreadsheet.	Risk and Return
5 th Aug-10 th Aug	1		Risk and Return
12 th Aug-17 th Aug	2	Estimate cash flows for a hypothetical Start-up. Using excel, evaluate the project's profitability by employing capital budgeting evaluation techniques.	Different techniques of Capital budgeting: Payback Period Accounting Rate of Return
19 th Aug-24 th Aug	2		Net Present Value
26 th Aug-31 st Aug	2		Internal Rate of Return
2 nd Sep-7 th Sep	2		Profitability Index
9 th Sep-14 th Sep	3	Extract data from financial statements of different firms/financial databases and estimate the cost of capital using appropriate software.	Calculation of Cost of Equity
16 th Sep-21 st Sep	3		Calculation of Cost of Preference Shares
23 rd Sep-28 th Sep	3		Calculation of Cost of Debt Calculation of Cost of Retained Earnings
30 th Sep-5 th Oct	3		Weighted Average Cost of Capital
7 th Oct-12 th Oct	3		Marginal Cost of Capital
14 th Oct-19 th Oct	4	Comparing Dividend policies of different firms of various industries	Calculation of Dividend Gordon Model Walter Model
21 st Oct-26 th Oct	4		MM Approach
28 th Oct-2 nd Nov			MID SEMESTER BREAK

4 th Nov-9 th Nov	5	Estimate working capital requirements for any two companies belonging to different industries and compare them.	Estimation of Operating Cycle
11 th Nov-16 th Nov	5		Gross Working Capital
18 th Nov-23 rd Nov	5		Net Working Capital
25 th Nov-27 th Nov	5		Net Working Capital
28 th Nov	DISBERSAL OF CLASSES		

Unit	TOPICS
I	Unit 1: Financial Management: An Overview Nature, scope and objectives of financial management. An overview of time value of money and risk and return.
II	Unit 2: 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	Unit 3: 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	Unit 4: 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	Unit 5: 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.	Sharma, S.K. & Sareen, R. Fundamentals of Financial Management. Sultan Chand & Sons Ltd. New Delhi.

4.

Tulsian, P.C. & Tulsian, B. Financial Management. S. Chand. New Delhi.