

NIRMA UNIVERSITY
Institute of Management
Master of Business Administration (Family Business &
Entrepreneurship) Programme
Term - III

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Course Code	MFB4CCEF04
Course Title	Financial Management

Course Learning Outcomes (CLO):

At the end of the course, students will be able to:

1. Apply the concepts of cash flow and time value of money in valuation of stocks and bonds.
2. Analyze the factors that have a bearing on the investment and financing decisions
3. Analyze the factors that have a bearing on the management of working capital.

Syllabus

Teaching Hours

Unit I: Overview of Finance Function and Basic Concepts <ul style="list-style-type: none"> • Scope of Finance Function and Goal • Time Value of Money • Valuation of Stocks and Bonds 	09
Unit II: Investment Decision <ul style="list-style-type: none"> • Capital Budgeting Techniques: PB, NPV, IRR and PI • Cash Flow Estimation • Leasing & Hire Purchase 	07
Unit III: Financing Decision <ul style="list-style-type: none"> • Cost of Capital • Capital Structure Decision: PBIT-EPS Analysis and Financial Leverage • Sources of Long-Term Finance 	06
Unit IV: Working Capital Management <ul style="list-style-type: none"> • Overview of Working Capital and Operating Cycle • Estimation of Working Capital requirement • Cash Management • Credit Management • Working Capital Financing 	08

Suggested Readings:

1. Chandra, P. *Financial management: Theory and Practice*. New Delhi: Mc Graw Hill Publication.
2. Pandey, I. M. *Financial Management*. New Delhi: Vikas Publishing.
3. Khan, M. Y. and Jain, P. K. *Financial Management – Text, Problems and Cases*. New Delhi: Mc Graw Hill Publication.

w.e.f. Academic Year 2019-20 and onwards