

Session Plan

**ST. JOSEPH'S COLLEGE OF COMMERCE, BANGALORE.**

PG DEPARTMENT

**Course Name:** M.COM (IB) (2018-19)

**Faculty:Dr. Nirmala  
Joseph**

**Semester:** II SEM

**Subject:**Finance for Managers

<b>Module Number</b>	<b>Session No</b>	<b>Topic</b>	<b>Pre- class activity</b>	<b>Pedagogy (in class)</b>	<b>Out of class assignment</b>
1.	1,2,3,4	Fundamentals in FM- Scope, Objectives, Modern Approach to Financial Management, Role of Financial Manager, Interface of Financial Management with other functional areas, the financial environment.		Lecture and Discussion Practical Problems	Practical Problems
2	5-12	<ul style="list-style-type: none"><li>• <b>Investment Decisions:</b> Nature and importance of capital budgetary process, Basic principles in estimating costs and benefits of investments,</li><li>• <b>Appraisal criteria</b> – payback period, Average rate of return, Net present value, Benefit cost ratio, Internal rate of return,</li></ul>	Self- revision of Appraisal techniques	Practical Problems	Practice Problems

3	13-16	<ul style="list-style-type: none"> <li>• Cost of debt, Cost of Equity and reserves Cost of preferred stock, weighted average cost of capital, Factors affecting cost of capital.</li> </ul>		Lecture, Discussion and problems	Practice Problems
4	17-20	<ul style="list-style-type: none"> <li>• Leverages: Operating, Financial and Combined, Leverage and firm value. Financial Break-even point and indifference analysis.</li> </ul>	<ul style="list-style-type: none"> <li>• Pre-read material</li> </ul>	<ul style="list-style-type: none"> <li>• Lecture and Discussion</li> <li>• Problems and solutions</li> <li>• Practice problems</li> </ul>	Practice Problems

3	20-22	<p>Sources of Short Term Finance, Long term financing: shares, Debentures, Warrants, Term loans, Lease financing, Hybrid financing, Venture capital financing.</p>	<ul style="list-style-type: none"> <li>• Pre-read material</li> <li>• Videos for viewing</li> <li>• Case studies on financing adopted by top firms</li> </ul>	<ul style="list-style-type: none"> <li>• Student Presentation and discussion</li> </ul>	
4	23-28	<p>Capital Structure: Introduction, Factors affecting capital structure, Features of an optimal capital structure,</p> <p>Capital structure theories: Net income approach, Net operating income approach, Miller Modigliani propositions I and II,</p>	<ul style="list-style-type: none"> <li>• Pre-read material</li> </ul>	<ul style="list-style-type: none"> <li>• Lecture</li> <li>• Problem solving</li> </ul>	Practice Problems
5	29-38	<p>Introduction, Dividend decisions and valuation of firms, Determinants of dividend policy,</p> <p>Dividend theories – relevance and irrelevance: Walter, Gordon and M M Hypothesis,</p>		<ul style="list-style-type: none"> <li>• Lecture and Discussion</li> <li>• Presentations</li> <li>• Problems and solutions</li> <li>• Practice problems</li> </ul> <p>Student presentation</p>	<ul style="list-style-type: none"> <li>• Practice Problems</li> <li>• Literature Review on relevance or irrelevance of dividend distribution- Global and Indian context</li> </ul>

5	39-44	<p><b>Working Capital Management and Financing:</b> Meaning, Importance, Concepts at working capital,</p> <p>Determinants, Managing various components of working capital, Tools for analysis and managing working capital, Credit management.</p>		Student presentation	
1	45-55	Risk and Return trade off, Risk in a portfolio context, Measuring portfolio Risk, Capital Asset pricing model, Time value of money.		<ul style="list-style-type: none"> <li>• Lecture and Discussion</li> <li>• Presentations</li> <li>• Problems and solutions</li> <li>• Practice problems</li> </ul>	Practice Problems
2	55-60	Elaboration on Risk analysis		<ul style="list-style-type: none"> <li>• Lecture and Discussion</li> <li>• Problems and solutions</li> <li>• Practice problems</li> </ul>	

**BOOKS FOR REFERENCE:**

1. *Prasanna Chandra, Financial Management, TMH*
2. *Khan and Jain, Basic Financial Management, TMH*
3. *S Bhat, Financial Management, EB*
4. *James Van Horne and John Wachowicz, Financial Management, Pearson*
5. *Brigham & Houston, Fundamentals of Financial Management, Thomson*
6. *Paresh P Shah, Financial Management, Biztantra*
7. *Prasanna Chandra, Fundamentals Financial Management, TMH*
8. *John Wild, Subramanyam & Robert Halsey, Financial Statement Analysis, TMH*

**Signature Dr. Nirmala Joseph**