**Bharati College**

**(University of Delhi)**

**Lesson Plan For Odd Semesters**

|  |  |  |  |
| --- | --- | --- | --- |
| **FACULTY** | DR. Kamini Bhutani | **Course** | B. COM.(HONS) |
| **Year** | 2021-22 | **Semester** | V (JULY-NOV) |
| **Paper** | BCH 5.2: Fundamentals of Financial Management | **Number of Lectures per week+ Lab+Tutorials** | 4 Credit hrs. (Four Lectures) + 1 Credit hrs. (Two practical labs per week) + 1 Credit hrs. (One tutorial per group) |
| **PAPER** | Core Course | **COURSE SCHEME** | CBCS |

**Subject Objectives**: To familiarize the students with the principles of financial management. To give an insight into capital budgeting, financing, working capital management and dividend decision making.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **UNIT/ Time Required** | **TOPICS FOR STUDENT PREPARATION (INPUT)** | **PROCEDURE (Tools)** | **LEARNING OUTCOME (OUTPUT)** | **ASSESSMENT** |
| UNIT 1 : Introduction of Financial Management (Week 1) | Time value of money, concept of risk & return in finance | \*Lecture and discussion  \*Problem solving with the help of black-board  \*Use of statistical tables like Present/Future value of money and annuities | \*Understanding the concept of Time value of money and its applications | Evaluation through Assignment |
| UNIT 2 : Capital Budgeting (Week2,3, 4) | Cash Flow Estimation, The capital budgeting process, , Payback Period (PB) method, Discounted Payback Period method, Accounting Rate of Return (ARR), Net Present Value (NPV), Net Terminal Value, Internal rate of return (IRR), Profitabilityindex, Capital budgeting under risk-Uncertaintyequivalent approach and Risk-Adjusted Discount Rate. | \*Lecture and discussion  \*Problem solving with the help of black-board  \*Use of Spread –sheet for calculation of NPV & IRR | \*Understanding the importance of Capital Budgeting decision.  \*Learning the estimation of Cash-flows.  \*Learning to compute different techniques of Capital Budgeting like PB,ARR,NPV,IRR  \* Appreciating the difference between NPV & IRR  \*Adjusting the Cash-flows and evaluation criteria under the situation of risk & uncertainty | Evaluation through test and assignment |
| UNIT 3 : Cost of Capital and Financing Decision (Week 5,6 ,7&8) | Sources of long-term financing, Estimation of components of Cost of Capital, Methods for calculating Cost of Equity, Cost of Retained Earnings, Cost of Debt and Cost of Preference Capital, Weighted Average Cost of Capital (WACC), and Marginal Cost of Capital, Capital structure-Theories of capital structure (Net income (NI), Net Operating Income (NOI), MM Hypothesis, Traditional approach). Operating and Financial leverage. Determinants of capital structure | \*Lecture and discussion  \*Problem solving with the help of black-board  \*Use of Spread sheet for estimation of components of cost of capital | \*Understanding the interdependence of Financing Decision & Capital Budgeting decision.  \*Learning to compute different Components of Cost of Capital like Debt, Preference &Equity  \*Learning the estimation of WACC.  \* Appreciating the difference between Book value weights & Market value weights  \*Understanding different theories of Capital Structure  \*Learning to evaluate Operating and Financial Leverage  \*Understanding the determinants of capital structure | Evaluation through test & Assignment as well as class discussion |
| UNIT 4 : Dividend Decision (Week9 &10) | Theories for relevance and irrelevance of dividend decision for corporate valuation- Walter’s model, Gordon’s model, MM theory, Cash and Stock dividend. Dividend policies in practice and determinants of dividend. | \*Lecture and discussion  \*Problem solving with the help of black-board  \*Use of Case- study Method for explaining dividend policy in practice | \*Understanding the dividend theories of relevance and irrelevance for corporate valuation- \*Applying Walter’s model, Gordon’s model, &MM theory for valuation of firm  \*Appreciating the difference between Cash and Stock dividend. \*Understanding Dividend policies in practice and determinants of dividend. | Evaluation through Assignment & Class Presentation |
| UNIT 5 : Working Capital Decisions  (Week 11&12) | Concept of working capital, Operating & Cash cycles, Risk-Return trade-off, Sources of short-term finance, Working Capital Estimation, Cash Management, Receivables Management, Inventory management | \*Lecture and discussion  \*Problem solving with the help of black-board | \*Understanding the concept of working capital  \*Measuring Operating & Cash cycles \*Determining the role of Risk-Return trade-off in Working capital management \*Learning to calculate Gross &Net Working Capital  \*Understanding the managements of different components of WC like Cash Management, Receivables Management &Inventory management | Evaluation through test |
| UNIT 1 : Introduction of Financial Management (Week 13) | Finance function- Nature, scope and objectives of Financial Management (profit maximization Vs Wealth maximization),  Agency problem, | \*Lecture and discussion | \*Understanding the importance of Financial management and its functions.  \*Getting familiarized with the goals of Financial Management  \*Appreciating the interdependence of different areas of Financial Decisions | Evaluation through Assignment |

**Suggested Readings:**

1. Khan, M.Y. and Jain, P.K. *Financial Management: Text and Problems*. Tata McGraw Hill.
2. Horne, Van, James, C., and John, Wachowicz. *Fundamentals of Financial Management*. Pearson Education.
3. Ross, Stephen A., Westerfield, Randolph, and Jaffrey, Jaffe. *Corporate Finance*. Tata McGraw Hill.
4. Singh, J.K. *Financial Management-text and problems*. Dhanpat Rai and Company, Delhi
5. Singh, Surender and Kaur, Rajeev. *Fundamentals of Financial Management*. Mayur Paperback, Delhi.
6. Rustagi, R.P., *Financial Management*. Galgotia Publishing Company, Delhi.
7. Pandey, I. M., *Financial Management.* Vikas Publications.
8. Chandra, P., *Financial Management-Theory and Practice.* Tata McGraw Hill.
9. Gupta,Poonam; *Fundamentals of Financial Management*. JSR Publishing House,Delhi.
10. Srivastava,Rajiv; and Mishra,Anil, *Financial Management,* Oxford University Press, UK

|  |  |  |  |
| --- | --- | --- | --- |
| **FACULTY** | Dr. Kamini Bhutani | **Course** | B. COM |
| **Year** | 2021-22 | **Semester** | III (JULY-NOV) |
| **Paper** | BC3.4(a): Computer Applications in Business | **Number of Labs Per Week** | Two practical labs per week for one batch |
| **PAPER** | Ability Enhancement Elective Course (Skill Based- AECC 1) | **COURSE SCHEME** | CBCS |
| **Subject Objectives**: To provide basic computer skills for commerce students and to enhance their understanding of usefulness of information technology tools for business operations. | | | |

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **UNIT/ Time Required** | **TOPICS FOR STUDENT PREPARATION (INPUT)** | **PROCEDURE (Tools)** | **LEARNING OUTCOME (OUTPUT)** | **ASSESSMENT** |
| UNIT III:  Using Spread Sheet for Data Analysis and Reporting Features | (Week 1&2)  Pay Roll Statements  (Week 3,4 &5)  Loan & Lease Statement  (Week 6&7)  Frequency Distribution and its statistical parameters, Graphical Representation of Data  (Week 8,9 &10)  Depreciation Accounting  (Week11)  Ratio Analysis  (Week12)  Correlation & Regression  (Week 13)  Capital Budgeting | **\***Presenting to student by using Projector in the Computer Lab  \*Encouraging them for practicing themselves at their systems | \*Learning the preparation of spread sheet for Pay Roll, Loan Sheet, Depreciation Sheet  \*Appreciating the use of Excel for calculation of statistical parameters as well as their graphical representation  \*Appreciating the fastest calculation of NPV & IRR for Capital Budgeting Decision  \*Learning of various Excel functions  \*Understanding the importance of Spread Sheet in the data analysis and reporting | Evaluation through class presentation of different topics and soft copy of work book prepared by students |

Suggested Readings:

1. Rajaraman,V. Introduction to Information Technology. PHI.

2. Eliason, A.L., On-line Business Computer-Application Science Research Associates Chicago.

3. Leon A. and Leon M. Fundamentals of Information Technology. Leon, Vikas (4) Software manuals.

4.Sinha, Pradeep K. and Preeti Sinha. Foundation of Computing. BPB Publication.

5. Kumar, Muneesh. Business Information System. Vikas Publishing House.