

Course No. COM - 201
FINANCIAL MANAGEMENT
Marks - 80

BLOCK -1	INTRODUCTION TO FINANCIAL MANAGEMENT	MARKS -16
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Unit - I : **Financial Management:** The New Concept of Finance.

Unit - II : **Evolution of Financial Management:** Traditional Concept of Finance, Transition to the New Approach, Social Responsibility.

Unit - III : **Assumptions Underlying the Financial Objectives :** Assumptions Underlying the Financial Objectives.

BLOCK - 2	FINANCIAL STATEMENTS	MARKS -16
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Unit -1 : **Financial Statements :** Analytical Process, Basic Procedures, Comparative Analysis, Common Size Analysis.

Unit-II : **Ratio Analysis :** Types of Ratios: Liquidity Ratio, Profitability Ratio, Financial Leverage Ratios, Activity Ratios, Dupont System of Financial Analysis.

BLOCK - 3	INTRODUCTION TO LONG-TERM FINANCE	MARKS -16
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Unit - I : **Ordinary Shares :** Ordinary Shares, Reporting of Ordinary Shares, Features of Ordinary Shares.

Unit - II : **Equity Financing:** Pros and Cons of Equity Financing, Public Issue of Equity, Rights Issue of Equity Shares, Pros and Cons of Rights Issue.

Unit - III : **Debentures :** Types of Debentures, Features, Pros and Cons.

Unit - IV : **Preference Shares :** Features, Pros and Cons.

Unit - V : **Term Loans :** Features of Term Loans.

BLOCK - 4 SHORT-TERM FINANCING

MARKS -16

- Unit - I** : **Trade Credit:** Credit Terms, Stretching Account Payable.
- Unit - II** : **Accrued Expenses and Deferred Income :** Accrued Expenses, Deferred Income.
- Unit - III** : **Commercial Paper**
- Unit - IV** : **Bank Credit Arrangement :** Single-Payment Loan, Line of Credit, Committed versus, Uncommitted Credit Lines, Compensation for Credit Lines, Revolving Credit Agreement, Term Loan, Letter of Credit.
- Unit - V** : **Unsecured Borrowing and Secured Borrowing :** Unsecured Borrowing, Secured Borrowing.
- Unit - VI** : **Commercial and Captive Finance Companies :** Captive Finance Companies.

BLOCK - 5 FINANCIAL DERIVATIVES

MARKS -16

- Unit -1** : **Basic Financial Derivatives :** Options Futures Swap Participants and Functions.
- Unit - II** : **Global Derivatives Markets :** Global Derivatives Recent Trends Exchange-traded vs. OTC Market.
- Unit - III** : **Emerging Derivatives Market Structure in India :** Market Structure, Forward Contracts.

Suggested Reading:

1. Kuchal, S.C., Corporation Finance, Chaitanya Publications.
2. Khan, M.Y., Indian Financial System, Vikash Publishing House.
3. Kulkarni P.V., Corporation Finance, Himalaya Publishing House, Bombay.