

FINANCIAL MANAGEMENT STRATEGIES

Semester II
Code : FM02C08

Credit -4
Hrs - 90

Objectives

- . *To acquaint students with the advanced concept of financial management and to develop financial strategies for the organization.*

MODULE 1

working capital management- concept of working capital-types determinants-optimum level of current assets-liquidity VS profitability-risk return trade off-working capital financing - estimating working capital needs.

(20 Hrs)

MODULE 2

Inventory management-nature of inventory-objectives of inventory management-inventory control-systems and methods of inventory control-inventory valuation.

(20 Hrs)

MODULE 3

Receivables management-need and importance-levels of receivables selection and evaluation of receivables- credit policy-credit evaluation credit terms-collection of receivables-cost benefit analysis-average age of receivables-credit risk and default risk analysis-monitoring of receivables-factoring

(15 Hrs)

MODULE 4

Cash management-meaning-motives for holding cash-cash planning managing cash flows-inflows and outflows-investing surplus cash-determining optimum cash balance-liquidity profitability analysis.

(15 Hrs)

MODULE 5

Dividend decisions-internal financing-forms of dividend-dividend policy and its objectives-stability of dividend-dividend theories-relevance theory-water's model-gordon's model-dividend uncertainty irrelevance theory-MM theory.

(20 Hrs)

REFERENCE BOOKS

1. *Contemporary financial management, Rajesh kothari, Macmillain India limited.*
2. *Fundamentals of financial management, Preetisingh, Ane books private limited.*
3. *Financial management, Knott, Palgrave Mavmillian.*
4. *Financial management, Dhagat, kogent.*
5. *Financial management, Shah.*
6. *Essentials of Financial Management, Sudarsana reddy, Himalaya Publishing House*
7. *Financial management, S.N.Maheswari, Sultan Chand Co;*
8. *Van Horn, James C, Financial management, Prentice Hall India, Limited.*
9. *Khan MY, Jain PK, Financial Management, Tata Macgraw Hill publishing Co;*
10. *Pandey IM, Financial Management, Vikas publishing house*