

BHM- Semester VII Semester VII
theory

Financial Management

UNIT 1	Financial Management – Meaning, importance and objective of financial management, profit maximization and wealth maximization, principal functions of
UNIT 2	Risk and return: - Overview of capital market theory beta estimation, CAPM and APT, The time value of money.
UNIT 3	Working Capital Management – factors influencing working capital requirements. Current asset policy and current asset finance policy. Determination of operating cycle and cash cycle. Estimation of working capital requirements of a firm. Cash, Inventory & Receivables Management.
UNIT4	Investment decisions :- Capital budgeting , Concept theory cost of capital financial analysis through leverage.
UNIT 5	Capital Structure Decisions – Planning the capital structure. Leverages – Determination of operating leverage, financial leverage and total leverage. . Dividend policy(Only basic Theories) Factors affecting the dividend policy -
UNIT 6	Sources of long term funds Cost of capital – basic concepts. Cost of debenture capital, cost of preferential capital, cost of term loans, and cost of equity capital. .