

Lesson Plan

B.E. (CE) (Semester VIII)

Subject: Finance Management

Subject code: ILO8022

Teacher-in-charge: Dr. B. S. Daga

Academic Term: January– April 2023

Module	Content	Hrs
1	Overview of Indian Financial System	6
	1.1 Overview of Indian Financial System: Characteristics, Components and Functions of Financial System.	
	1.2 Financial Instruments: Meaning, Characteristics and Classification of Basic Financial Instruments — Equity Shares, Preference Shares, Bonds-Debentures, Certificates of Deposit, and Treasury Bills.	
	1.3 Financial Markets: Meaning, Characteristics and Classification of Financial Markets — Capital Market, Money Market and Foreign Currency Market	
	1.4 Financial Institutions: Meaning, Characteristics and Classification of Financial Institutions — Commercial Banks, Investment-Merchant Banks and Stock Exchanges	
2	Concepts of Returns and Risks	6
	2.1 Concepts of Returns and Risks: Measurement of Historical Returns and Expected Returns of a Single Security and a Two-security Portfolio; Measurement of Historical Risk and Expected Risk of a Single Security and a Two-security Portfolio.	
	2.2 Time Value of Money: Future Value of a Lump Sum, Ordinary Annuity, and Annuity Due; Present Value of a Lump Sum, Ordinary Annuity, and Annuity Due; Continuous Compounding and Continuous Discounting	
3	Overview of Corporate Finance	9
	3.1 Overview of Corporate Finance: Objectives of Corporate Finance; Functions of Corporate Finance—Investment Decision, Financing Decision, and Dividend Decision.	
	3.2 Financial Ratio Analysis: Overview of Financial Statements—Balance Sheet, Profit and Loss Account, and Cash Flow Statement; Purpose of Financial Ratio Analysis; Liquidity Ratios; Efficiency or Activity Ratios; Profitability Ratios; Capital Structure Ratios; Stock Market Ratios; Limitations of Ratio Analysis	
4	Capital Budgeting	10
	4.1 Capital Budgeting: Meaning and Importance of Capital Budgeting; Inputs for Capital Budgeting Decisions; Investment Appraisal Criterion—Accounting Rate of Return, Payback Period, Discounted Payback Period, Net Present Value(NPV), Profitability Index, Internal Rate of Return (IRR), and Modified Internal Rate of Return (MIRR)	
	4.2 Working Capital Management: Concepts of Meaning Working Capital; Importance of Working Capital Management; Factors Affecting an Entity's	

		Working Capital Needs; Estimation of Working Capital Requirements; Management of Inventories; Management of Receivables; and Management of Cash and Marketable Securities.	
5		Sources of Finance	5
	5.1	Sources of Finance: Long Term Sources—Equity, Debt, and Hybrids; Mezzanine Finance; Sources of Short Term Finance—Trade Credit, Bank Finance, Commercial Paper; Project Finance.	
	5.2	Capital Structure: Factors Affecting an Entity’s Capital Structure; Overview of Capital Structure Theories and Approaches— Net Income Approach, Net Operating Income Approach; Traditional Approach, and Modigliani-Miller Approach. Relation between Capital Structure and Corporate Value; Concept of Optimal Capital Structure	
6		Dividend Policy	3
	6.1	Meaning and Importance of Dividend Policy; Factors Affecting an Entity’s Dividend Decision; Overview of Dividend Policy Theories and Approaches— Gordon’s Approach, Walter’s Approach, and Modigliani-Miller Approach	

Course Objectives:

1. Overview of Indian financial system, instruments and market
2. Basic concepts of value of money, returns and risks, corporate finance, working capital and its management
3. Knowledge about sources of finance, capital structure, dividend policy

Course Outcomes:

Upon completion of this course students will be able to:

1. ILO8022.1: Understand Indian finance system and corporate finance.
2. ILO8022.2: Take investment, finance as well as dividend decisions.

CO-PO-PSO Mapping:

	PO1	PO2	PO3	PO4	PO5	PO6	PO7	PO8	PO9	PO10	PO11	PO12	PSO1	PSO2
ILO8022.1											1			
ILO8022.2											1	1		

Provide justification of PO to CO mapping

Course Outcome	Competency	Performance Indicator
ILO8022.1	11.1 Demonstrate an ability to evaluate the economic and financial performance of an engineering activity	11.1.1 Describe various economic and financial costs/benefits of an engineering activity 11.1.2 Analyze different forms of financial statements to evaluate the financial status of an engineering project

	11.2 Demonstrate an ability to compare and contrast the costs/benefits of alternate proposals for an engineering activity	11.2.1 Analyze and select the most appropriate proposal based on economic and financial considerations.
	11.3 Demonstrate an ability to plan/manage an engineering activity within time and budget constraints	11.3.1 Identify the tasks required to complete an engineering activity, and the resources required to complete the tasks. 11.3.2 Use project management tools to schedule an engineering project, so it is completed on time and on budget.
	11.4 Demonstrate an ability to do financial planning by considering aspects of taxation and investment.	11.4.1 Able to prepare financial planning, calculate relevant taxes and propose suitable investment by considering real life constraints.
ILO8022.2	11.1 Demonstrate an ability to evaluate the economic and financial performance of an engineering activity	11.1.1 Describe various economic and financial costs/benefits of an engineering activity 11.1.2 Analyze different forms of financial statements to evaluate the financial status of an engineering project
	11.2 Demonstrate an ability to compare and contrast the costs/benefits of alternate proposals for an engineering activity	11.2.1 Analyze and select the most appropriate proposal based on economic and financial considerations.
	11.3 Demonstrate an ability to plan/manage an engineering activity within time and budget constraints	11.3.1 Identify the tasks required to complete an engineering activity, and the resources required to complete the tasks. 11.3.2 Use project management tools to schedule an engineering project, so it is completed on time and on budget.
	11.4 Demonstrate an ability to do financial planning by considering aspects of taxation and investment.	11.4.1 Able to prepare financial planning, calculate relevant taxes and propose suitable investment by considering real life constraints.
	12.1 Demonstrate an ability to identify gaps in knowledge and a	12.1.1 Describe the rationale for the requirement for continuing professional development

	strategy to close these gaps	12.1.2 Identify deficiencies or gaps in knowledge and demonstrate an ability to source information to close this gap
	12.2 Demonstrate an ability to identify changing trends in engineering knowledge and practice	12.2.1 Identify historic points of technological advance in engineering that required practitioners to seek education in order to stay current 12.2.2 Recognize the need and be able to clearly explain why it is vitally important to keep current regarding new developments in your field
	12.3 Demonstrate an ability to identify and access sources for new information	12.3.1 Source and comprehend technical literature and other credible sources of information 12.3.2 Analyze sourced technical and popular information for feasibility, viability, sustainability, etc.
	12.4 Demonstrate entrepreneurship mindset	12.4.1 Recognize the importance of entrepreneurship and participate in activity related to business formation.

CO Assessment Tools:

<i>Course Outcomes</i>	<i>Direct Method (80%)</i>					<i>Indirect Method (20%)</i>
	Unit Test	Assignment	Quiz	End Sem Exam (T)	End Sem Exam (Oral)	Course exit survey
ILO8022.1	20%	20%	10%	30%	20%	100%
ILO8022.2	20%	20%	10%	30%	20%	100%

CO calculation= (0.8 *Direct method + 0.2*Indirect method)

Rubrics for assessing Course Outcome with each assessment tool:

Assignment:

Indicator			
Organization (2)	Readable with some mistakes and structured(1)	Readable with some mistakes and structured (1)	Very well written and structured without any mistakes (2)
Level of content	All major topics are covered, the information is	Most major and some minor criteria are	All major and minor criteria are covered

(4)	accurate (2)	included. Information is accurate (3)	and are accurate (4)
Depth and breadth of discussion and representation (4)	Minor points/information may be missing and representation is minimal (1)	Discussion centers on some of the points and covers them adequately (2)	Information is presented in depth and is accurate (4)

Curriculum Gap identified: (with action plan)

Nil

Content beyond syllabus:

Nil

Modes of content delivery

Modes of Delivery	Brief description of content delivered
Class room lecture	<ol style="list-style-type: none"> 1. Introduction to Finance Management 2. Concepts of Returns and Risks 3. Overview of Corporate Finance 4. Capital Budgeting 5. Sources of Finance 6. Dividend Policy
Assignments	<p>Assignment 1: Financial Instruments Assignment 2: Capital Budgeting</p>
Quizzes	<p>Quiz 1: 1. Introduction to Finance Management 2. Concepts of Returns and Risks 3. Overview of Corporate Finance Quiz 2: 1. Capital Budgeting 2. Sources of Finance 3. Dividend Policy</p>

References:

1. Fundamentals of Financial Management, 13th Edition (2015) by Eugene F. Brigham and Joel F. Houston; Publisher: Cengage Publications, New Delhi.
2. Analysis for Financial Management, 10th Edition (2013) by Robert C. Higgins; Publishers: McGraw Hill Education, New Delhi.
3. Indian Financial System, 9th Edition (2015) by M. Y. Khan; Publisher: McGraw Hill Education, New Delhi.
4. Financial Management, 11th Edition (2015) by I. M. Pandey; Publisher: S. Chand (G/L) & Company Limited, New Delhi

Lesson Plan

CLASS		BE Computer Engineering, Semester VIII			
Academic Term		January-April 2023			
Subject		Finance Management(ILO8022)			
<i>Periods (Hours) per week</i>	<i>Lecture</i>		3		
	<i>Practical</i>				
	<i>Tutorial</i>				
<i>Evaluation System</i>			<i>Hours</i>	<i>Marks</i>	
	Theory examination		3	80	
	Internal Assessment		--	20	
	Practical Examination		--	--	
	Oral Examination		--	--	
	Term work		--	--	
	Total		--	100	
Time Table					
<i>Time Table</i>		<i>Day</i>		<i>Time</i>	
		Wednesday		8.45-9.45am	
		Thursday		12-1pm	
		Friday		12-1pm	
Course Content and Lesson plan					
Week	Lecture	Date		Topic	Remarks
		Planned	Actual		
Module 1: Overview of Indian Financial System					
	1	10-01-23		Overview of Indian Financial System: Characteristics, Components and Functions of Financial System	
	2	11-01-23		Financial Instruments: Meaning, Characteristics and Classification of Basic Financial Instruments — Equity Shares, Preference Shares,	
	3	12/01		Bonds-Debentures, Certificates of Deposit, and Treasury Bills	
	4	17/01		Financial Markets: Meaning, Characteristics and Classification of Financial Markets — Capital Market, Money Market and Foreign Currency Market	
	5	18/01		Financial Institutions: Meaning, Characteristics and Classification of Financial Institutions — Commercial Banks,	
	6	19/01		Investment-Merchant Banks and Stock Exchanges	
Module 2: Concepts of Returns and Risks					

	7	24/01		Concepts of Returns and Risks: Measurement of Historical Returns and Expected Returns of a Single Security and a Two-security Portfolio	
	8	25/01		Measurement of Historical Risk and Expected Risk of a Single Security	
	9	31/01		Measurement of Historical Risk and Expected Risk of a Two-security Portfolio	
	10	7/02		Time Value of Money: Future Value of a Lump Sum, Ordinary Annuity	
	11	08/02		Annuity Due; Present Value of a Lump Sum, Ordinary Annuity	
	12	09/02		and Annuity Due; Continuous Compounding and Continuous Discounting	
Module 3: Overview of Corporate Finance					
	13	14/02		Overview of Corporate Finance: Objectives of Corporate Finance	
	14	15/02		Functions of Corporate Finance - investment Decision,	
	15	16/02		Financing Decision, and Dividend Decision.	
	16	21/02		Financial Ratio Analysis: Overview of Financial Statements	
	17	22/02		Balance Sheet	
	18	23/02		Profit and Loss Account and Cash Flow Statement	UT1(27Feb – 1st March)
	19	28/02		Purpose of Financial Ratio Analysis; Liquidity Ratios;	
	20	01/03		Efficiency or Activity Ratios; Profitability Ratios;	
	21	02/03		Capital Structure Ratios; Stock Market Ratios; Limitations of Ratio Analysis	
Module 4: Capital Budgeting					
	22	7/03		Capital Budgeting: Meaning and Importance of Capital Budgeting	
	23	08/03		; Inputs for Capital Budgeting Decisions; Investment Appraisal Criterion	
	24	09/03		Accounting Rate of Return, Payback Period, Discounted Payback Period,	
	25	14/03		Net Present Value(NPV), Profitability Index	
	26	15/03		Internal Rate of Return (IRR), and Modified Internal Rate of Return (MIRR)	
	27	16/03		Working Capital Management: Concepts of Meaning Working Capital	
	28	21/03		Importance of Working Capital Management;	

	29	22/03		Factors Affecting an Entity's Working Capital Needs;	
	30	23/03		Estimation of Working Capital Requirements; Management of Inventories;	
	31	28/03		Management of Receivables; and Management of Cash and Marketable Securities.	
Module 5: Sources of Finance					
	32	29/03		Sources of Finance: Long Term Sources—Equity, Debt, and Hybrids; Mezzanine Finance;	
	33	30/03		Sources of Short Term Finance—Trade Credit, Bank Finance, Commercial Paper;	
	34	04/04		Project Finance, Capital Structure: Factors Affecting an Entity's Capital Structure	
	35	05/04		Overview of Capital Structure Theories and Approaches— Net Income Approach, Net Operating Income Approach;	
	36	06/04		Traditional Approach, and Modigliani-Miller Approach. Relation between Capital Structure and Corporate Value; Concept of Optimal Capital Structure	
Module 6: Dividend Policy					
	37	11/04		Meaning and Importance of Dividend Policy; Factors Affecting an Entity's Dividend Decision;	
	38	12/04		Overview of Dividend Policy Theories and Approaches—Gordon's Approach,	
	39	13/04		Walter's Approach, and Modigliani-Miller Approach	
Total	39	13/04		Revision	UT2 : 17/18/19/20

Submitted By	Approved By
Dr. B. S. Daga	Dr. Sujata Deshmukh Sign:
Date of Submission:	Date of Approval:
Remarks by DQAC (if any)	

