UNIT I FOUNDATIONS OF FINANCE
Financial management – An overview, time value of money. Introduction to the concept of risk and return of a single asset and of a portfolio, valuation of bonds and shares option valuation.

UNIT II INVESTMENT DECISIONS
Capital Budgeting: Principles and techniques, Nature of capital budgeting, Identifying relevant cash flows, Evaluation Techniques, Payback, Accounting Rate of Return, Net Present Value, Internal Rate of Return, Profitability Index, Comparison of DCF techniques, Project selection under capital rationing, Inflation and capital budgeting. Concept and measurement of cost of capital, Specific costs and overall cost of capital.

UNIT III FINANCING AND DIVIDEND DECISION
Financial and operating leverage, capital structure, Cost of capital and revaluation, designing capital structure, Dividend policy, Aspects of dividend policy, practical consideration, forms of dividend policy, practical considerations, forms of dividends, share splits.

UNIT IV WORKING CAPITAL MANAGEMENT

UNIT V LONG TERM SOURCES OF FINANCE
Indian capital and stock market, New issues market. Long term finance: Shares debentures and term loans, lease, hire purchase, project financing, venture capital financing.

TEXT BOOKS:

REFERENCES: