

**Course Title:
Financial Management for Built Environment**

Course Code:
Credit Units: 3

L	T	P/S	SW/FW	TOTAL CREDIT UNITS
2	1	-	-	3

Course Objectives:

A manager's performance is increasingly measured against financial measures and in present scenario managers also need a closer liaison with the financial manager.

Objective of this course are:

- To enable students to be aware of the financial implications of management decisions.
- To understand interpretation of financial statements to assist in decision-making.
- To understand the finance function in the company as part of the total organisation with special regard to strategy, environment, decision-making and control.
- To discuss financial tools in decision-making and aspects like financial analysis, capital budgeting, time value of money, valuation

Pre-requisites: None

Student Learning Outcomes:

Understanding how to use and apply in decision making the specifics of financial analysis such as Present value, Future Value, Annuity, Stock valuation, Debt Valuation, Risk, Capital Asset Pricing Model, and capital market

Course Contents/Syllabus:

	Weightage (%)
Module I	25%
Meaning and scope of finance management, role of the financial manager, Financial goal and firm objectives, Corporate governance; Time Value of Money: Types of Cash flows, Future Value of a Single Cash Flow, Present Value of a Single Cash Flow; Multiple Flows and Annuity, Growing Annuity, Perpetuity and Growing Perpetuity, NPV & IRR calculation; Capital budgeting: NPV, IRR, MIRR, Payback	
Module II	25%
Valuation of Bonds, yields, interest rates, term structure of interest rates; Valuation of Ordinary Shares, preference shares, equity capitalization; Capital Market efficiency; Introduction to Risk and Return: Risk and Return Concepts; Risk in a Portfolio Context, Portfolio risk and Return, Systematic and unsystematic risk; Portfolio risk for n assets, CAPM,	
Module III	25%
Capital Structure: MM hypothesis, Trade-off theory, Pecking order theory; Cost of Capital – opportunity cost, Cost of debt, Equity, preference capital, Weighted Average Cost of Capital, Project cost of capital; Valuation- Equity Cash flow, Capital cash flows, Adjusted present value, Choice of valuation approach	
Module IV	25%
Overview of financial markets, money market, Forex market, equity market; Sources of capital-Equity/Preference/Debenture/Term loans; Emerging sources of finance - private equity; Capital raising - IPO, Rights issue, Preferential allotment, Private placement ; Credit policy and management;	

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Pedagogy for Course Delivery: Lecture followed by tutorials

Lab/ Practicals details, if applicable: NO

Assessment/ Examination Scheme:

Theory L/T (%)	Lab/Practical/Studio (%)	End Term Examination
45%	-	50%

Theory Assessment (L&T):

Continuous Assessment/Internal Assessment					End Term Examination
Components (Drop down) Quiz/Class Test Presentation/ Project	Q	P	CT		
Weightage (%)	15%	15%	15%		50%

Lab/ Practical/ Studio Assessment:

	Continuous Assessment/Internal Assessment				End Term Examination		
Components (Drop down)							
Weightage (%)							

Text & References:

- Brealey, R. R., Myers. S., Allen, F., and Mohanty, P. (2009). Principles of corporate finance (8th ed.). New Delhi: Tata Mc-Graw Hill.
- Brigham, E F., and Davis, P. (2009). Intermediate financial management (10th ed.). USA: South Western.
- Brigham, E. F., and Houston, J. F. (2007). Fundamentals of financial Management (11th ed.). USA: Thomson.
- Chandra, P. (2008). Financial management (7th ed.). New Delhi: Mc-Graw Hill.
- Hickman, K. A., Hunter, H. O., and Byrd, J. W. (2008). Foundations of corporate finance (2nd ed.). USA: South Western.
- Horne, V. (2008). Fundamentals of financial Management (12th ed.). New Delhi: Pearson Education.
- Pandey, I M. (2008). Financial management (9th ed.). New Delhi: Vikas Publishing House.
- Ross, S. F. (2007). Fundamentals of corporate finance (8th ed.). NewDelhi: Tata Mc-Graw Hill.
- Smart, S. B., Megginson, W. L., Gitman, L. J. (2007). Corporate finance (2nd ed.). USA: Thomson.

Any other Study Material: None