



INTERNATIONAL MANAGEMENT INSTITUTE, BHUBANESWAR
POST GRADUATE DIPLOMA IN MANAGEMENT - PART TIME
WORKING CAPITAL MANAGEMENT
CREDIT: TWO
SESSION DURATION: 90/120 Minutes

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TERM: VII
YEAR: 2020
BATCH: PGDM 2018

Course Introduction: This course covers the concepts of working capital management including cash management, receivables management, & payables management and helps identify working capital gap and arranging bank financing required for successful operation of business. It also discusses the concepts of channel financing and other short term financing sources.

Learning Outcomes: After completing this course the participants will be able to

- LO1 – To understand the concepts related to working capital management.
- LO2 – To apply the concepts of cash forecasting and cash management models.
- LO3 – To know the theories behind trade credit and managing receivables and payables.
- LO4 – To study sources of short term financing including channel financing.

Course Pedagogy: The course will be delivered through a combination of lectures, PPTs, working on Excel majorly and classroom case discussions. Students are expected to come prepared for the class by reading the prescribed materials. A few relevant cases shall be discussed in the class to strengthen the learning. Power point slides of class lectures and all other relevant material will be made available to students.

Course Readings:

1. Financial Management, I M Pandey, Vikas Publishing, 11th Edition.
2. Working Capital Management: Strategies and Techniques, Hrishikes Bhattacharya, PHI Learning Pvt Ltd, Latest Edition
3. Working Capital Management: Text and Cases, V K Bhalla, Anmol Publications Pvt Ltd, Latest Edition.

Course Evaluation criteria (%)

Component	Weightage	Learning outcome mapped
Quizzes	20%	LO1-LO3
Assignment	20%	LO1-LO3
Group Project	20%	LO1-LO3
End-term Exam	40%	LO1-LO3

Plagiarism

We are committed to upholding the highest standards of academic integrity and honesty. Plagiarism is the use of or presentation of ideas, works that are not one's own and which are not common knowledge, without granting credit to the originator. You may refer the already available content just for your reference and to get the basic ideas. Only 20% of such content is acceptable, above that comes under

the definition of Plagiarism which is unacceptable in IMI and will be treated seriously. All such cases will be referred to the appropriate body of the Institute for suitable disciplinary action.

Session Plan:

Session	Topics	Learning Outcome	Reading / Case
1	Introduction to Working Capital Management	LO1	Fine Toys Ltd
2	Cash Forecasting	LO2	Khanna Mfg. Co.
3	Cash Management – The Baumol Models and The Beranek Model.	LO2	Exercises
4	Cash Management –The Miller Ore Model and Stone Model.	LO2	Exercises
5	Estimating Short Term Financing Gap	LO2	Reliable Texamill Ltd
6	Estimating Short Term Financing Gap	LO2	Reliable Texamill Ltd
7	Theories of Trade Credit	LO3	Discussion
8	Receivables Management – Average Age of Receivables, Daily Sales Outstanding, Receivables Aging Schedule, Percentage Collection and Accounts Receivable Matrix, Percentage Cash Flow Matrix.	LO3	Exercises
9	Receivables Management – Discounting and Factoring	LO3	Cool Aid Private Ltd
10	Sources of Short Term Financing	LO4	Discussion
11	Concept of Channel Financing	LO4	Discussion
12	Working Capital Financing and Management at Vedanta Ltd	LO4	Annual Report
13	Course Review	All LOs	Revision