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(https://swayam.gov.in)

(https://swayam.gov.in/nc_details/NPTEL)

Course outline

How does an NPTEL online course work? ()

Week 1 ()

- Introduction I (unit?unit=5&lesson=6)
- Introduction II (unit?unit=5&lesson=7)
- Nature of the Working Capital Management (unit?unit=5&lesson=8)
- Approaches of Working Capital

Working Capital Management

Working capital management has gained the attention of industry and academia as an exclusive area of study after liberalization of Indian Economy. Management of working capital sometimes becomes more important than the management of long term funds because the day-to-day operations of any business largely depend upon this source of finance. Many firms have been seen in the past closing down for the want of short term finance. The profitability of any business to a larger extent is affected by this source of finance due to efficient management of current assets and current liabilities. Hence, learning about managing working capital has become more important and critical in the modern scenario.

INTENDED AUDIENCE: M.Com, MBA, MFC, CA, ICWA, CS, Working professionals in the area of finance.
PREREQUISITES: NIL
INDUSTRY SUPPORT: All companies working in any area would value this course.

Management- I (unit?unit=5&lesson=9)

Approaches of Working Capital Management- II (unit?unit=5&lesson=10)

Quiz: Assignment 1 (assessment?name=103)

Solution Assignment 1 (unit?unit=5&lesson=122)

Week 2 ()

Trade off between Profitability and Risk-I (unit?unit=12&lesson=13)

Trade off between Profitability and Risk-II (unit?unit=12&lesson=14)

Working Capital Management in Indian Business-I (unit?unit=12&lesson=15)

Working Capital Management in Indian Business-II (unit?unit=12&lesson=16)



Prof. Anil K. Sharma

IIT Roorkee

Dr. Anil K. Sharma a Professor in the area of Finance & Accounting in the Department of Management Studies, IIT Roorkee is M. Com and M. Phil, First Class First and Gold Medalist and Ph.D. in Financial Management from Panjab University Chandigarh. He is working at IIT Roorkee for the past more than 17 years and has more than 24 years teaching experience in total. His area of interest is finance and accounting and he has equally goods interest in research in the same area. He has published more than 125 research papers in International and National refereed journals and refereed conferences. He has been awarded best paper award for his paper presented in an international conference in Thailand. He is the editorial board member for three International Journals and reviewer to more than twenty International and national Journals.

COURSE TYPE

Elective

COURSE LEVEL

Undergraduate/Postgraduate

- Operating Cycle (unit?unit=12&lesson=17)
- Quiz: Assignment 2 (assessment?name=105)
- Solution Assignment 2 (unit?unit=12&lesson=123)

Week 3 ()

- Weighted Operating Cycle (unit?unit=19&lesson=20)
- Working Capital Requirement Assessment-I (unit?unit=19&lesson=21)
- Working Capital Requirement Assessment-II (unit?unit=19&lesson=22)
- Assessing Working Capital Requirements-Problem 2 & 5 (unit?unit=19&lesson=23)
- Working Capital Requirement-The Conclusion (unit?unit=19&lesson=24)
- Quiz: Assignment 3

COURSE LAYOUT

SYLLABUS

Week1: Introduction, meaning, concepts, classification and importance of working capital, Relevance of current assets and current liabilities in the balance sheet,Objectives of WCM. Over- capitalisation, under- capitalisation, zero working capital, Short-term v/s long term financing-A risk-return trade-off. Liquidity v/s profitability trade-off. Cost trade-off, Working capital approaches. Working capital management in some companies.

Week2: Factors determining working capital requirements, Assessment and forecasting of working capital requirements, Assessment and forecasting of working capital requirements, Operating cycle, Weighted Operating cycle.

Week3: Relevance of current assets and current liabilities and their inter-relationship, Management of different current assets, Management of Inventory. Relevance and scope, Deciding the optimum level of inventory in a firm, Purpose and benefits of holding inventory.

Week4: Risk and cost of holding inventory, Inventory management - tools, techniques, Inventory management - tools, techniques, Inventory management - tools, techniques, Inventory management models.

Week5: Inventory management models, Determining stock levels and safety stocks, Types of organizations holding inventory, Inventory strategies & techniques, Inventory strategies & techniques.

Week6: Cases on Inventory Management, Management of Accounts Receivables, Creation and size of accounts receivables, Motives of extending credit, Limitations of A/Rs-Marginal tax considerations.

Week7: Limitations of A/Rs-Tax considerations, Determining maximum length of credit period, Credit terms, opportunity costs, receivables at cost or sale price, Goals and functions of A/Rs management, Short-term changes in credit policy, Long-term changes in credit policy.

Week8: Financial statements analysis wrt. A/Rs, Financial statements analysis wrt. A/Rs, Financial, Cash management-meaning and concept statements analysis wrt. A/Rs, Cash management-meaning and concept, Cash v/s profit. Cash flow, cash stock and cash to current assets ratio.

Week9: Cash flow presentation as per IFRS, NOCF & priority outflows, Management of liquidity-Shiftability theory, Liquidity newly defined, liquidity crises 7 firm level action, Measurement of liquidity.

Week10: Window dressing, Certainty model by Baumol, Uncertainty model by Miller & Orr, Cash flow forecasting, Cash collection system.

Week11: Management of Accounts Payables, Trade credits-terms of purchase, stretching accounts payables, Cost of Stretching A/Ps, The model of cost of stretching A/Ps, Overtrading

(assessment?name=106)
Solution Assignment 3 (unit?unit=19&lesson=124)
Week 4 ()
Working Capital Leverage (unit?unit=26&lesson=27)
Risk and Cost of Holding Inventory (unit?unit=26&lesson=28)
Inventory Costs (unit?unit=26&lesson=29)
Inventory Behaviour (unit?unit=26&lesson=30)
Inventory Management-Methods and Strategies (unit?unit=26&lesson=31)
Quiz: Assignment 4 (assessment?name=107)
Solution Assignment 4 (unit?unit=26&lesson=125)
Week 5 ()
EOQ Technique of Inventory

and the need of a good information system.

Week12: Financing Working Capital Gap, Sources of working capital finance, Bank finance, Tondon and Chore committees on Bank finance, Other sources of working capital finance and deciding a suitable mix.

BOOKS AND REFERENCES

1. Working Capital Management by Hrishikes Bhattacharya, PHI publication.
2. Working Capital Management by R.P. Rustagi, Taxman Publication.
3. Financial Management by Prasanna Chandra, McGraw Publications.
4. Financial Management by I.M. Pandey, Vikas Publishing House.

CERTIFICATE

The course is free to enroll and learn from. But if you want a certificate, you have to register and write the proctored exam conducted by us in person at any of the designated exam centres.
The exam is optional for a fee of Rs 1000/- (Rupees one thousand only).
Date and Time of Exams: **20 December 2020** Morning session 9am to 12 noon; Afternoon Session 2pm to 5pm.
Registration url: Announcements will be made when the registration form is open for registrations. The online registration form has to be filled and the certification exam fee needs to be paid. More details will be made available when the exam registration form is published. If there are any changes, it will be mentioned then.
Please check the form for more details on the cities where the exams will be held, the conditions you agree to when you fill the form etc.

CRITERIA TO GET A CERTIFICATE

Average assignment score = 25% of average of best 8 assignments out of the total 12 assignments given in the course.
Exam score = 75% of the proctored certification exam score out of 100

Final score = Average assignment score + Exam score

YOU WILL BE ELIGIBLE FOR A CERTIFICATE ONLY IF AVERAGE ASSIGNMENT SCORE >=10/25 AND EXAM SCORE >= 30/75. If one of the 2 criteria is not met, you will not get the certificate even if the Final score >= 40/100.

Certificate will have your name, photograph and the score in the final exam with the breakup.It will have the logos of NPTEL and IIT Roorkee.It will be e-verifiable at nptel.ac.in/noc (http://nptel.ac.in/noc).

COURSE NAME: - WORKING CAPITAL MANAGEMENT

ONLINE COURSE OF SWAYAM

ACADEMIC YEAR 2020-21

STUDENTS ENROLMENT LIST



Pune District Education Association's
MAHATMA PHULE INSTITUTE OF MANAGEMENT & COMPUTER STUDIES
(Affiliated to Savitribai Phule Pune University, Recognised by D.T.E. Govt. of Maharashtra, Approved by A.I.C.T.E. New Delhi)
Annasaheb Magar College Campus, Manjari Road, Hadapsar, Pune-411 028.
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PUN Code - IMMP010720 DTE Code - MB6107 AISHE Code : C - 41697

PUNE DISTRICT EDUCATION ASSOCIATION'S
MAHATMA PHULE INSTITUTE OF MANAGEMENT AND COMPUTER STUDIES
HADAPSAR PUNE- 28
ADD ON COURSES ENROLMENT – WORKING CAPITAL MANAGEMENT
MBA I 2020-21

Sr. NO	Student Name	Course Name	Signature
1	SANTOSH DHABHOLKAR	WORKING CAPITAL MANAGEMENT	
2	DEEPIKA GAWAI	WORKING CAPITAL MANAGEMENT	
3	VISHAKHA JAGTAP	WORKING CAPITAL MANAGEMENT	
4	SANJANA PATIL	WORKING CAPITAL MANAGEMENT	
5	SRIJANA RAJ	WORKING CAPITAL MANAGEMENT	
6	SHRIKANT SHENDGE	WORKING CAPITAL MANAGEMENT	
7	MONIKA MUSALE	WORKING CAPITAL MANAGEMENT	
8	SHRUTI MIRAJKAR	WORKING CAPITAL MANAGEMENT	
9	MEGHA BHOSALE	WORKING CAPITAL MANAGEMENT	

Mahatma Phule Institute Hadapsar, Pune-28

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