| Course title: Corpora                                 | ate Finance           |           |                               |                 |                        |  |  |  |
|---|-----------------------|-----------|-------------------------------|-----------------|------------------------|--|--|--|
| Course code: BSI                                      | No. of credits: 2     | L-T-l     | L-T-P distribution: 17-11-0   |                 | Learning hours: 28     |  |  |  |
| 126   |                       |           |                               |                 |                        |  |  |  |
| Pre-requisite course code and title (if any): NA      |                       |           |                               |                 |                        |  |  |  |
| Department: Department                                | nent of Business Sust | tainabili | ty                            |                 |                        |  |  |  |
| Course coordinator                                    | (s): Dr. Manipadma I  | Datta     |                               | Course instruct | tor (s): Dr. Manipadma |  |  |  |
|   |                       |           |                               | Datta           |                        |  |  |  |
| Contact details: manipadma.datta@teriuniversity.ac.in |                       |           |                               |                 |                        |  |  |  |
| Course type   | Core                  |           | Course offered in: Semester 2 |                 |                        |  |  |  |

# Course description

A core course on financial management is essential in any management program. The focus is here to give the students an overall first hand impression about the process of financial decision making and the basic tools involved leading them to effective project management.

## **Course objectives**

- To provide an overall view of the Indian and global financial market;
- Enabling them to understand the financial decision making process at firm and project level;
- Equipping them with the knowledge of using financial tools for better understanding project finance.

### **Course content**

| Module | Topic   | L | T | P |
|--------|---|---|---|---|
| 1      | Introduction  | 2 | 0 | 0 |
|        | <ul> <li>Introducing corporate form of business, corporate finance and</li> </ul> |   |   |   |
|        | finance markets   |   |   |   |
|        | <ul> <li>An overall idea about the Indian financial system</li> </ul>             |   |   |   |
| 2      | Functions of Financial Manager  | 2 | 0 | 0 |
|        | <ul> <li>Corporate finance functions</li> </ul>                                   |   |   |   |
|        | <ul> <li>Finance and other functions of management</li> </ul>                     |   |   |   |
| 3      | Risk and Return   | 2 | 2 | 0 |
|        | Risk-return relationship  |   |   |   |
|        | <ul> <li>Valuation basics</li> </ul>  |   |   |   |
| 4      | Capital Budgeting   | 4 | 3 | 0 |
|        | <ul> <li>Capital Investment Decisions</li> </ul>                                  |   |   |   |
|        | <ul> <li>Appraisal techniques</li> </ul>  |   |   |   |
|        | <ul> <li>Cash-flow estimations</li> </ul>   |   |   |   |
|        | <ul> <li>Feasibility and sensitivity analysis</li> </ul>                          |   |   |   |
|        | <ul> <li>Case discussion</li> </ul>   |   |   |   |
| 5      | Capital Structure   | 3 | 3 | 0 |
|        | <ul> <li>Capital Structure Decisions</li> </ul>                                   |   |   |   |
|        | <ul> <li>Sources of fund</li> </ul>   |   |   |   |
|        | <ul> <li>Cost of capital</li> </ul>   |   |   |   |
|        | <ul> <li>Over and under capitalization</li> </ul>                                 |   |   |   |
|        | Optimum capital structure   |   |   |   |
| 6      | Working Capital Management  |   | 2 | 0 |
|        | <ul> <li>Working Capital Decisions</li> </ul>                                     |   |   |   |
|        | <ul> <li>Working capital forecasting and estimation</li> </ul>                    |   |   |   |
|        | <ul> <li>Sources</li> </ul>   |   |   |   |
|        | Working capital policy  |   |   |   |
|        | <ul> <li>Cash management</li> </ul>   |   |   |   |
|        |   |   |   |   |

| 7 | Infrastructure Financing                   |    | 1  | 0 |
|---|--|----|----|---|
|   | Uniqueness                                 |    |    |   |
|   | Tax issues                                 |    |    |   |
|   | State of infrastructure financing in India |    |    |   |
|   | Total                                      | 17 | 11 | 0 |

#### **Evaluation:**

 Quiz
 25%

 Assignment
 25%

 Mid-term
 25%

 End-term
 25%

 Total
 100%

### **Learning outcomes**

Developing:-

- An understanding of business finance;
- Requisite skills needed for financial decision making; and
- Knowledge about infrastructure financing.

### **Suggested Readings:-**

- 1. Financial Management by IM Pandey
- 2. Principles of Corporate Finance by R Brealey, S Myers, and F Allen
- 3. Financial Management by MY Khan and PK Jain
- 4. Corporate Finance by S Ross, R Westerfield, J Jaffe and B Jordan
- 5. Financial Management: Principles and Application by AJ Keown, JH Martin, JW Petty, and DF Scott

### Exam and Quiz type:

#### Closed Book

#### Pedagogy

A combination of class-room lectures, assignments case discussions.

# Additional information (if any)

### **Student responsibilities**

### **Course reviewers:**

Madhu Vij

Faculty of Management Studies, Delhi University

Deepak Tandon

IMI, New Delhi