

Name of Institute: Indus Institute of Management Studies

Name of Faculty: Dr. Akhilesh Shukla

Course code: IMB0403

Course name: Corporate Finance

Pre-requisites: Graduation

Credit points: 3

Offered Semester: IV

Course Coordinator (weeks01- 15)

Full Name: Dr. Akhilesh Shukla

Department with siting location: Indus Institute of Management Studies Ahmedabad

Telephone:

Email: akhileshshukla.mba@indusuni.ac.in

Consultation times: 09:00 AM to 5:00 PM

Course Coordinator (weeks01- 15)

Full Name: Dr. Akhilesh Shukla

Department with siting location: Indus Institute of Management Studies Ahmedabad

Telephone:

Email: akhileshshukla.mba@indusuni.ac.in

Consultation times: 09:00 AM to 5:00 PM

Students will be contacted throughout the Session via Mail with important information relating to this Course.

Course Objectives

By participating in and understanding all facets of this Course a student will:

1. To Develop an Understanding of finance and enable the students to evaluate the firm's decision areas related to finance.
2. To Familiarize the students with analytical tools & techniques in Finance.
3. It is expected that the students possess a sound base in accounting principles and practices including financial analysis.
4. Important decisions that come under corporate finance, namely, setting up of projects covering investment in fixed and current assets, raising funds, and allocation of profits are taken within a framework of risk and return.
5. The course also intends to make students gain the mechanical part of various decisions with the help of selected numerical problems available in various suggested text books.
6. Students are expected to solve a large number of numerical and other assignments which would be the preparatory requirements of this course.

Course Outcomes (CO)

1. To develop Skill to manage financial resources of a company.
2. To understand the important elements of finance concepts for running a business.
3. To appreciate decision facilitating roles of accounting information.
4. To inculcate problem-solving skills with an application orientation to solve business problems of the real world.
5. To appreciate the ethical and social dimensions of managing finance in business.
6. Ability to select an investment proposal by analyzing the compounded and discounted value of money invested.

Course Outline

(Key in topics to be dealt)

1. Unit-I - NATURE AND SCOPE:

Meaning, Scope, Objectives and Importance of Financial Management – Finance Functions (Traditional Vs. Modern Approach) - Profit Maximization.

- TIME VALUE OF MONEY:

Reasons for Time value of money - Compound Value

Concept - Present value Concept - Practical Application of the same

2. Unit-II - Financing Decision and Sources of long-term funds

- Risk and Return
- Cost of Capital
- Sources of Long-term funds
- Raising Long term funds

3. Unit-III - Capital Structure & Capital Budgeting

- Capital Structure (Theories)
- Capital Structure Planning
- Techniques of Capital Budgeting
- Estimation of Project Cash F lows

4. Unit-IV - Working Capital Management

- Introduction to Working Capital Management
- Cash Management
- Sources of short-term funds
- Credit Management
- Inventory Management

Method of delivery

(Face to face lectures, self-study material, Active Learning Techniques)

- In Class teaching/Activities
- Presentation
- Assignments
- Quiz
- Projects

Study time

(How many hours per week including class attendance)

- 3 Hours in a Week.

CO-PO Mapping (PO: Program Outcomes)

		P1	P2	P3	P4	P5	P6
C1	To Develop an Understanding of finance and enable the students to evaluate the firm's decision areas related to finance.	3	2	2	1	2	3
C2	To Familiarize the students with analytical tools & techniques in Finance.	1	2	1	3	2	1
C3	It is expected that the students possess a sound base in accounting principles and practices including financial analysis.	2	3	2	1	3	2
C4	Important decisions that come under corporate finance, namely, setting up of projects covering investment in fixed and current assets, raising funds, and allocation of profits are taken within a framework of risk and return.	3	2	3	2	1	-
C5	The course also intends to make students gain the mechanical part of various decisions with the help of selected numerical problems available in various suggested text books.	2	3	2	1	2	2
C6	Students are expected to solve a large number of numerical and other assignments which would be the preparatory requirements of this course.	2	1	2	1	3	2

Blooms Taxonomy and Knowledge retention (For reference)

(Blooms taxonomy has been given for reference)

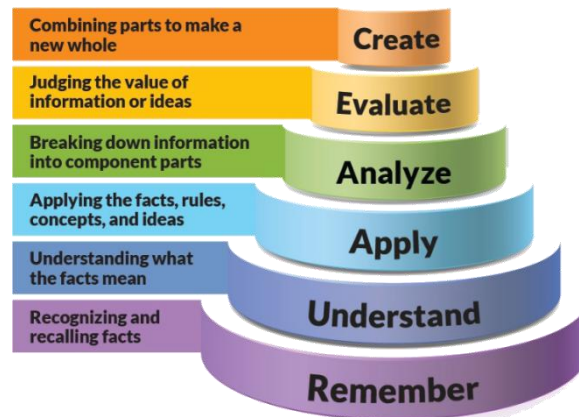


Figure 1: Blooms Taxonomy

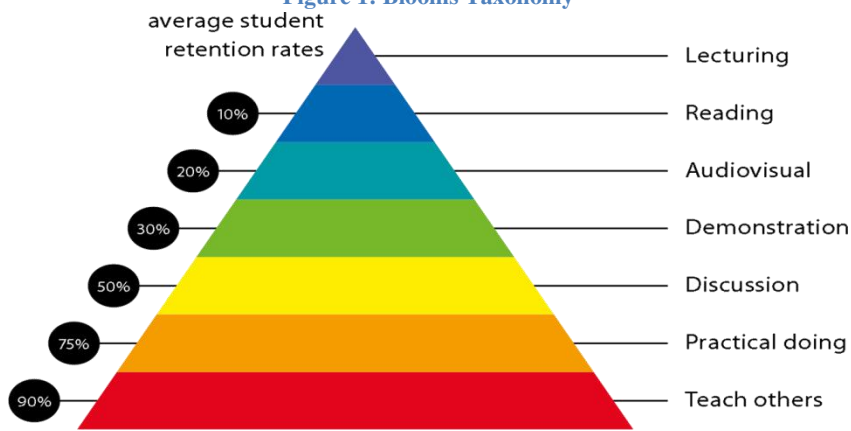


Figure 2: Knowledge retention

Graduate Qualities and Capabilities covered

(Qualities graduates harness crediting this Course)

General Graduate Qualities	Specific Department of _____ Graduate Capabilities
Informed Basic understanding of corporate finance and how to managing the funds for the business	1 Professional knowledge, grounding & awareness
Independent learners Conceptual clarity and use of the finance in corporate and finding the effective/efficient source of finance for the business.	2 Information literacy, gathering & processing
Problem solvers Time value of money and implement of finance for the present and future need.	4 Problem solving skills
Effective communicators Budget preparation, budget analysis and project preparation and use of financial technique for the funding for the business.	5 Written communication
	6 Oral communication
	7 Teamwork
Responsible Finding the long term and short term sources of finance for the business and preparation of the budget and business plan/proposal for the funding.	10 Sustainability, societal & environmental impact

Practical work:

(Mention what practical work this Course involves)

- Assignments
- Projects
- Presentation
- Business Reports

Lecture/tutorial times

(Give lecture times in the format below)

Example:			
Lecture	Tuesday	04.10 – 05.10 pm	Room LH 30
	Wednesday	03.10 – 04.10 pm	
	Thursday	03.10 – 04.10 pm	

Attendance Requirements

The University norms states that it is the responsibility of students to attend all lectures, tutorials, seminars and practical work as stipulated in the Course outline. Minimum attendance requirement as per university norms is compulsory for being eligible for mid and end semester examinations.

Details of referencing system to be used in written work

Text books

1. I. M. Pandey Financial Management Vikas Publication 9th Edition or latest edition
2. Prasanna Chandra Financial Management – Theory and Practice Tata McGraw-Hill Publishing Company, New Delhi 8th Edition or Latest edition.
3. Cobham, D. & Subramaniam, R. 1998. Corporate finance in developing countries: new evidence for India. World Development, 26(6): 1023-1047.
4. Alexander Hamilton Institute. 1998. Financial Management Handbook , 1st ed. Global Books and Subscription Services.

Additional Materials

1. Srivastava & Misra Financial Management Oxford University Press (2008).
2. Briham& Houston Fundamentals of Financial Management South-Western, Thomson Business Information India (P) L td., (2006) 10th Edition
3. Brealey& Myers Principles of Corporate Finance Tata M cGraw-Hill Publishing Company (2005) 7th Edition

ASSESSMENT GUIDELINES

Your final course mark will be calculated from the following:

SUPPLEMENTARY ASSESSMENT

Example:		
Quiz 1	5% (week 4)	Objective (1-3)
Quiz II	5% (week 8)	Objective (1-4)
Mid semester	30% (due week 10)	Objectives (2-5)
Final exam (<i>closed book</i>)	60%	Objectives (1-5)

Students who receive an overall mark less than 40% in mid semester or end semester will be considered for supplementary assessment in the respective components (i.e mid semester or end semester) of semester concerned. Students must make themselves available during the supplementary examination period to take up the respective components (mid semester or end semester) and need to obtain the required minimum 40% marks to clear the concerned components.

Practical Work Report/Laboratory Report:

A report on the practical work is due the subsequent week after completion of the class by each group.

Late Work

Late assignments will not be accepted without supporting documentation. Late submission of the reports will result in a deduction of -% of the maximum mark per calendar day

Format

All assignments must be presented in a neat, legible format with all information sources correctly referenced. **Assignment material handed in throughout the session that is not neat and legible will not be marked and will be returned to the student.**

Retention of Written Work

Written assessment work will be retained by the Course coordinator/lecturer for two weeks after marking to be collected by the students.

University and Faculty Policies

Students should make themselves aware of the University and/or Faculty Policies regarding plagiarism, special consideration, supplementary examinations and other educational issues and student matters.

Plagiarism - Plagiarism is not acceptable and may result in the imposition of severe penalties. Plagiarism is the use of another person's work, or idea, as if it is his or her own - if you have any doubts at all on what constitutes plagiarism, please consult your Course coordinator or lecturer. Plagiarism will be penalized severely.

Do not copy the work of other students.

Do not share your work with other students (except where required for a group activity or assessment)

Course schedule (subject to change)

(Mention quiz, assignment submission, breaks etc as well in the table under the Teaching Learning Activity Column)

Week	Topic & contents	CO Addressed	Teaching Learning Activity (TLA)
Weeks 1	<p align="center">Unit-I</p> <p align="center">NATURE AND SCOPE:</p> Meaning, Scope, Objectives and Importance of Financial Management - Finance Functions (Traditional Vs. Modern Approach) - Profit Maximization. <p align="center">TIME VALUE OF MONEY:</p> Reasons for Time value of money - Compound Value Concept - Present value Concept - Practical Application of the same	1,2,3,4	Teaching & Class Activities - Assignment
Weeks 2	<p align="center">Unit-I</p> <p align="center">NATURE AND SCOPE:</p> Meaning, Scope, Objectives and Importance of Financial Management - Finance Functions (Traditional Vs. Modern Approach) - Profit Maximization. <p align="center">TIME VALUE OF MONEY:</p> Reasons for Time value of money - Compound Value Concept - Present value Concept - Practical Application of the same	1,2,3,4	Teaching & Class Activities - Assignment
Week 3	<i>Quiz – Assignments - Presentation</i>	4,5,6	Quiz
Week 4	<p align="center">Unit-II</p> Financing Decision and Sources of long-term funds <ul style="list-style-type: none"> ● Risk and Return ● Cost of Capital ● Sources of Long-term funds ● Raising Long term funds 	1,2,3,4	Teaching & Class Activities - Assignment

Week 5	<p align="center">Unit-II</p> <p>Financing Decision and Sources of long-term funds</p> <ul style="list-style-type: none"> ● Risk and Return ● Cost of Capital ● Sources of Long-term funds ● Raising Long term funds 	1,2,4	Teaching & Class Activities - Assignment
Week 6	<i>Presentation - Assignment</i>	4,5,6	<i>Presentation</i>
Week 7	<p align="center">Unit-III</p> <p>Capital Structure & Capital Budgeting</p> <ul style="list-style-type: none"> ● Capital Structure (Theories) ● Capital Structure Planning ● Techniques of Capital Budgeting ● Estimation of Project Cash Flows 	1,2,3,4	Teaching & Class Activities - Assignment
Week 8	Presentation	5,6,	Presentation
Week 9	<p align="center">Unit-III</p> <p>Capital Structure & Capital Budgeting</p> <ul style="list-style-type: none"> ● Capital Structure (Theories) ● Capital Structure Planning ● Techniques of Capital Budgeting ● Estimation of Project Cash Flows 	3,4,5	Teaching & Class Activities - Assignment
Week 10	<p align="center">Unit-III</p> <p>Capital Structure & Capital Budgeting</p> <ul style="list-style-type: none"> ● Capital Structure (Theories) ● Capital Structure Planning ● Techniques of Capital Budgeting ● Estimation of Project Cash Flows 	3,4,5	Teaching & Class Activities - Assignment
Week 11	<p align="center">Unit-IV</p> <p>Working Capital Management</p> <ul style="list-style-type: none"> ● Introduction to Working Capital Management <ul style="list-style-type: none"> ● Cash Management ● Sources of short-term funds <ul style="list-style-type: none"> ● Credit Management ● Inventory Management 	4,5,6	Teaching & Class Activities - Assignment
Week 12	<p align="center">Unit-IV</p> <p>Working Capital Management</p> <ul style="list-style-type: none"> ● Introduction to Working Capital 	4,5,6	Teaching & Class Activities - Assignment

	<p>Management</p> <ul style="list-style-type: none"> ● Cash Management ● Sources of short-term funds ● Credit Management ● Inventory Management 		
Week 13	<p>Unit-IV</p> <p>Working Capital Management</p> <ul style="list-style-type: none"> ● Introduction to Working Capital Management <ul style="list-style-type: none"> ● Cash Management ● Sources of short-term funds <ul style="list-style-type: none"> ● Credit Management ● Inventory Management 	3,5,6	Presentation & Case Study - Analysis
Week 14	<p>Unit-IV</p> <p>Working Capital Management</p> <ul style="list-style-type: none"> ● Introduction to Working Capital Management <ul style="list-style-type: none"> ● Cash Management ● Sources of short-term funds <ul style="list-style-type: none"> ● Credit Management ● Inventory Management 	3,5,6	Presentation & Case Study - Analysis
Week 15	Quiz – Assignment - Presentation	4,5,6	Quiz