

**NIRMA UNIVERSITY**  
**Institute of Commerce**  
**Bachelor of Commerce (Hons.)**  
**[B.Com. (Hons.)]**  
**Semester – IV**

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4	2	-	6

<b>Course Code</b>	<b>CC10</b>
<b>Course Title</b>	<b>FINANCIAL MANAGEMENT</b>

**Course Learning Outcomes (CLO):**

At the end of the course, students will be able to:

1. describe sources of finance.
2. explain the concepts of Time Value of Money and Risk & Return.
3. make long-term investment decision.

**Syllabus**

**Teaching Hours**

<b>Unit I: Overview</b> <ul style="list-style-type: none"> <li>• Finance Function</li> <li>• Goal of corporate financial management</li> </ul>	6
<b>Unit II: Basic Concepts</b> <ul style="list-style-type: none"> <li>• Time Value of Money               <ul style="list-style-type: none"> <li>- Future value of single amount and annuity</li> <li>- Present value of single amount and annuity</li> </ul> </li> <li>• Risk and Return               <ul style="list-style-type: none"> <li>- Single asset</li> <li>- Portfolio of assets</li> </ul> </li> </ul>	12
<b>Unit III: Sources of Financing</b> <ul style="list-style-type: none"> <li>• Sources of long-term financing</li> <li>• Procedure for raising long-term finance</li> <li>• Working Capital Financing</li> </ul>	10
<b>Unit IV: Cost of Capital and Valuation of Securities</b> <ul style="list-style-type: none"> <li>• Determination of cost of various sources of capital</li> <li>• Valuation of Bonds</li> <li>• Valuation of Equity Shares</li> </ul>	14
<b>Unit V: Capital Budgeting Decision</b> <ul style="list-style-type: none"> <li>• Techniques of capital budgeting decision</li> <li>• Cash flow projection</li> </ul>	18

### **Suggested Readings:**

1. Chandra, P. (2016). Fundamentals of Financial Management. New Delhi: McGraw Hill Education(India) Private Limited.
2. Pandey, I. M. (2015). Essentials of Financial Management. New Delhi: Vikas Publishing House Limited.
3. Patel, B. (2014). Fundamentals of Financial Management. New Delhi: Vikas Publishing House Private Limited.
4. Brealey, R. A., Myers, S. C., & Allen, F. (2006). Corporate Finance, 8. *Auflage*, New York.

w.e.f. Academic Year 2017-18 and onwards