

NIRMA UNIVERSITY

Institute:	Institute of Commerce
Name of Programme:	B.Com. (Hons.)
Course Code:	2CC402
Course Title:	Financial Management
Year of Introduction:	2022-23 (Semester – IV)

L	T	Practical Component				C
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Course Learning Outcomes (CLO):

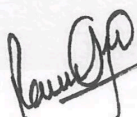
After successful completion of this course, the students will be able to:

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| 1. Explain the finance function and financial management environment | BL-2 |
| 2. Apply the concept of Time Value of Money. | BL-3 |
| 3. Calculate cost of capital. | BL-3 |
| 4. Examine the sources of finance available to business. | BL-4 |
| 5. Appraise long-term investment decision. | BL-5 |

Syllabus

Teaching Hours

Unit I: Introduction and overview	2
<ul style="list-style-type: none"> Finance Function: Introduction and importance Financial management environment Goal of corporate financial management 	
Unit II: Basic Concepts	6
<ul style="list-style-type: none"> Time Value of Money – Present Value and Future value of single amount and an annuity Risk and Return analysis 	
Unit III: Sources of Financing	10
<ul style="list-style-type: none"> Sources of long-term financing Procedure for raising long-term finance Working Capital Financing Leverage 	
Unit IV: Cost of Capital	5
<ul style="list-style-type: none"> Determination of cost of various sources of capital Cost of debt Cost of preference share capital Cost of equity Weighted average cost of capital 	



Unit V: Investment Appraisal Decisions

7

- Determine project cash flows
 - Techniques of capital budgeting decision – Payback Period, ARR, NPV, IRR
 - Specific investment decisions.
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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.