

AC –
Item No. –

As Per NEP 2020

**Tolani College of Commerce
(Autonomous)**



Title of the Course: Corporate Finance
Programme : Bachelor of Commerce (Financial Market) and
Bachelor of Management Studies
Semester: V

Syllabus for 4 Credit Course
from the Academic Year 2025-2026

Name of the Course: Corporate Finance

Sr. No.	Heading	Particulars
1	Description the course :	Corporate finance is a branch of finance that focuses on the financial activities, structures, and strategies of corporations, primarily aimed at maximizing shareholder value. This area of finance encompasses the planning, raising, investing, and managing of funds within a company, with an emphasis on both short-term financial management and long-term financial growth.
2	Vertical :	Major Electives
3	Type :	Practical
4	Credit:	4 credits
5	Hours Allotted :	60 Hours
6	Marks Allotted:	100 Marks Continuous Evaluation:40 Semester-End: 60
7	Course Objectives: <ol style="list-style-type: none"> 1. To equip learners with the knowledge and skills necessary for the analyzing the cost of different capital sources and evaluating the impact of leverage 2. To provide learners with the knowledge and skills necessary to effectively create, implement, and manage financial plans for individuals or organizations. 3. To understand the capital budgeting process, including project classification and various investment criteria. 4. To examine the impact of capital structure decisions on a company's cost of capital, valuation, and financial stability. 	
8	Course Outcomes: <ol style="list-style-type: none"> 1. Acquire hands-on skills in determine the Weighted Average Cost of Capital (WACC) and understand its importance in investment and financing decisions. 2. Learners will able to develop and manage detailed budgets that align with financial goals, ensuring controlled spending and efficient cash flow. 3. Learner will able to apply different capital budgeting techniques (such as NPV, IRR, and ARR) to evaluate project feasibility, including accurate estimation of project cash flows. 4. Evaluate how different capital structure choices affect a company's cost of capital and overall valuation, as well as the risk-return profile for shareholders 	
9	Module 1: Cost of Capital and Leverage (15 Hours)	
	<ul style="list-style-type: none"> • Cost of Capital – Cost of Debt, Cost of Preference Shares, Cost of Equity Shares and Cost of Retained Earnings, Calculation of Weighted Cost of Capital • Leverage- Introduction to Concept of Leverage- Operating Leverage, Financial Leverage and Combined Leverage 	
	Module 2: Financial Planning (15 Hours)	
	<ul style="list-style-type: none"> • Introduction: Meaning, Essentials, Advantage and Importance • Tyes of Budget: Production Budget, Cash Budget, Flexible Budget (Practical Sums) 	
	Module 3: Capital Budgeting (15 Hours)	

	<ul style="list-style-type: none"> • Introduction - Capital Budgeting Process, Project Classification and Investment Criteria. • Techniques of Capital Budgeting - NPV, Benefit Cost Ratio, Internal Rate of Return, Modified Internal Rate of Return, Payback period, Discounted Payback Period and ARR. (Inclusive of Estimation of Project Cash Flows)
	Module 4: Capital Structure Theories and Dividend Decisions (15 Hours)
	<ul style="list-style-type: none"> • Capital Structure Theories – Background, Assumptions, Definitions, Calculation of EPS • Dividend Decisions- Need, Importance, Formulation, Legal and Procedural Aspects, Dividend Decision Models - Walter, Gordon, Graham & Dodd Model and M-M Model

10	Reference Books: <ol style="list-style-type: none"> 1. Principles of Corporate Finance <ul style="list-style-type: none"> • Authors: Richard A. Brealey, Stewart C. Myers, and Franklin Allen • Publisher: McGraw-Hill Education • Year: 13th Edition, 2020 2. Corporate Finance <ul style="list-style-type: none"> • Authors: Jonathan Berk and Peter DeMarzo • Publisher: Pearson • Year: 5th Edition, 2019 3. Fundamentals of Corporate Finance <ul style="list-style-type: none"> • Authors: Richard A. Brealey, Stewart C. Myers, and Alan J. Marcus • Publisher: McGraw-Hill Education • Year: 8th Edition, 2019 4. Corporate Finance: Theory and Practice <ul style="list-style-type: none"> • Author: Aswath Damodaran • Publisher: Wiley • Year: 3rd Edition, 2014 5. Valuation: Measuring and Managing the Value of Companies <ul style="list-style-type: none"> • Authors: McKinsey & Company Inc. • Publisher: Wiley • Year: 6th Edition, 2020 6. Corporate Finance for Dummies <ul style="list-style-type: none"> • Author: Michael Taillard • Publisher: Wiley • Year: 2nd Edition, 2015 7. Corporate Financial Strategy <ul style="list-style-type: none"> • Authors: Ruth Bender and Keith Ward • Publisher: Routledge • Year: 3rd Edition, 2017
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11	Internal Continuous Assessment: 40%	Semester End Examination : 60%	
12	Continuous Evaluation through:		
	Sub-components	Maximum Marks	Conditions for passing
	1) Assignment/Case Studies/Project/Field Visit	10	A learner must be present for each of the sub-components.

	2) MCQ Based Test	10
	Total	20

13	Format of Question Paper:		
	Question No	Particular	Marks
	Q-1	Attempt the following: a.Full Length Practical Question OR b. Theory/ Practical Questions c. Theory/Practical Questions	15 08 07
	Q-2	Attempt the following: a.Full Length Practical Question OR b. Theory/ Practical Questions c. Theory/Practical Questions	15 08 07
	Q-3	Attempt the following: a.Full Length Practical Question OR b. Theory/ Practical Questions c. Theory/Practical Questions	15 08 07
	Q-4	Attempt the following: a.Full Length Practical Question OR b. Theory/ Practical Questions c. Theory/Practical Questions	15 08 07
	Note: Theory/Practical question of 7 and 8 Marks can be Three Question of 5 Each or One Question of 15 Marks		

Signatures of Team Members

Sr.No	Name	Signature
1.	Mr.Murugan Nadar	
2.	Mr.Mubeen Shaikh	