

# **As Per NEP 2020**

## **Tolani College of Commerce (Autonomous)**

**Title of the Course: Financial Accounting and Auditing – Paper – IX  
(Financial Management)**

**(Semester – VI)**

**Programme: Bachelor of Commerce (B.Com.)**

**Syllabus for 2 Credit Course  
From the Academic Year 2025 – 2026**

**Name of the Course: Financial Accounting and Auditing – Paper – IX  
(Financial Management)**

Sr. No.	Heading	Particulars
1	<b>Description of the course:</b>	Learners will understand Capital Budgeting, which involves evaluating long-term investment decisions using techniques like NPV, IRR, and Payback Period to maximize returns. They will explore the Cost of Capital, which determines the required return on various funding sources, influencing investment and financing decisions. Budgetary Control will teach them how to plan, monitor, and control budgets to ensure financial efficiency and goal achievement. Lastly, they will study Capital Structure Decisions, focusing on the optimal mix of debt and equity to minimize costs and maximize shareholder value.
2	<b>Vertical:</b>	Major
3	<b>Type:</b>	Theory
4	<b>Credit:</b>	2 Credits (1 Credit = 15 Hours for Theory in a Semester)
5	<b>Hours Allotted:</b>	30 Hours
6	<b>Marks Allotted:</b>	50 Marks Continuous Evaluation 20 Marks Semester End Examination 30 Marks
7	<b>Course Objectives:</b>	<ol style="list-style-type: none"> <li>To understand the concept and techniques of <b>Capital Budgeting</b>, enabling them to evaluate long-term investment proposals.</li> <li>To understand the concept of <b>Cost of Capital</b> and its significance in financial decision-making</li> <li>To understand the process of <b>Budgetary Control</b></li> <li>To Develop an understanding of <b>Capital Structure Decisions</b></li> </ol>
8	<b>Course Outcomes:</b>	<ol style="list-style-type: none"> <li>Learners will be able to apply techniques like Payback Period, NPV, IRR, and Profitability Index to assess the financial viability of investment projects</li> <li>Learners will be able to calculate the cost of individual components of capital (equity, debt, preference capital) and the <b>Weighted Average Cost of Capital (WACC)</b>.</li> <li>Learners will be able to prepare different types of budgets (cash budget, sales budget, production budget, flexible budget, etc.)</li> <li>Learners will be able to understand the factors influencing capital structure decisions and evaluate the impact of leverage on shareholders' wealth.</li> </ol>
9	<b>Modules</b>	
	<b>Modules I: Capital Budgeting – Project Planning &amp; Risk Analysis (15 Hours)</b>	
	<ul style="list-style-type: none"> <li>Introduction - Capital Budgeting Process, Project Classification and Investment Criteria.</li> <li>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)</li> <li>Capital Rationing – Meaning, Need and Dealing with Capital Rationing Problems</li> <li>Risk Analysis in Capital Budgeting – Sources and Perspectives of Risk, Sensitivity</li> </ul>	

	Analysis, Scenario Analysis, Simulation Model, Decision Tree Analysis and Break - Even Analysis
	<b>Module II: Cost of Capital (15 Hours)</b>
	<ul style="list-style-type: none"> <li>• Introduction</li> <li>• Definition and Importance of Cost of Capital</li> <li>• Measurement of Cost of Capital</li> <li>• WACC</li> </ul>
10	<p><b>Reference Books:</b></p> <ol style="list-style-type: none"> <li>1. Prasanna Chandra: Financial Management (TMH),</li> <li>2. I. M. Pandey – Financial Management (Vikas),</li> <li>3. M. Y. Khan &amp; P. K. Jain – Financial Management (TMH),</li> <li>4. Brigham &amp; Houston – Fundamentals of Financial Mgmt., Thomson Cengage Learning</li> <li>5. Fundamentals of Financial Management – Vanhorns &amp; Bhandari- Pearson evaluation.</li> <li>6. Contemporary Financial Management – Kothari &amp; Dutta – Machanilan India Ltd.</li> <li>7. Financial Markets &amp; Institution – Guruswamy – Thomson / Cengage Learning</li> <li>8. Stephen A. Ross, Wester FIELD, Jordan – Fundamentals of Corporate Finance (Mac Graw Hill)</li> <li>9. Vanhorne &amp; Wachowicz, Fundamentals of Financial Management – Pearson</li> <li>10. Damodaran, Corporate Finance – John Wiley &amp; Co.</li> </ol>

### Evaluation Pattern

Continuous Evaluation: 40%  
Semester End Examination: 60%

The Continuous evaluation will consist of

	<b>Total Marks</b>
Class Test/ Assignment/ Project Work/ Presentation/ Case Study/ Book Review	20

### Semester End Examination Question Paper Pattern

Maximum Marks: 30

Duration: 01 Hours

All Questions are Compulsory Carrying 15 Marks each.

<b>Q. No.</b>	<b>Particular</b>	<b>Marks</b>
Q-1	A. Practical Question (Module – I)	<b>15 Marks</b>
	<b>OR</b>	
	B. Practical/ Theory Question (Module – I) C. Practical/ Theory Question (Module – I)	<b>08 Marks</b> <b>07 Marks</b>
Q-2	A. Practical Question (Module – I)	<b>15 Marks</b>
	<b>OR</b>	
	B. Practical/ Theory Question (Module – I) C. Practical/ Theory Question (Module – I)	<b>08 Marks</b> <b>07 Marks</b>

**Note: Questions of 7/8 marks (Practical/theory) may also be divided as 2 questions of 10/5 marks (Practical/theory) or 1 full length question (Practical/theory) of 15 marks.**

### Signature of Team Members

<b>Sr. No.</b>	<b>Name</b>	<b>Signature</b>
1	Dr. Ishtiyah Chiplunkar	
2	Mr. Murugan Nadar	