

<b>Program: BCom (Economics and Analytics)</b>	<b>Semester: IV</b>
<b>Course: BUSINESS FINANCE</b> <b>Academic Year: 2024-25</b>	<b>Code:</b>

Teaching Scheme				Evaluation Scheme	
Lectures	Practical's	Tutorials	Credits	Internal Continuous Assessment (ICA) (weightage)	Term Examinations (TEE) (weightage) <span style="float: right;">End</span>
60	Nil	Nil	04	40 Marks	60 Marks

<b>Internal Component</b>			
<b>Class Test (Duration 20 Mins)</b>	<b>Projects / Assignments</b>	<b>Class Participation</b>	
<b>20 Marks</b>	<b>20 Marks</b>		

**Course Description:**

This dynamic course is designed to provide students with a holistic understanding of financial management principles within the broader context of the financial system. The course seamlessly integrates essential concepts from financial management with a comprehensive exploration of the structures, components, and regulatory frameworks that constitute the financial system. The key topics covered include fundamentals of financial management, overview of Financial systems, Capital markets and Investment strategies and funding strategies for business

**Learning Objectives:**

1. To introduce the students to the basic concepts of Business finance
2. To apply suitable techniques for making financial decisions in Business
3. To examine the components of a formal financial system and analyse the regulatory structures that underpin the landscape of business finance
4. To develop a comprehensive understanding of financial services and sources of business finance and to analyse their functions and impact within the broader financial ecosystem.

**Learning Outcomes:**

After completion of the course, students would be able to:

1. Learner will be able to gain foundational understanding of key concepts in Business Finance, enabling them to demonstrate proficiency in fundamental financial principles, and the interplay between financial decision-making and business operations.
2. Learner will be able to develop practical skills in financing and investment decision-making, allowing them to contribute effectively to strategic business planning and resource allocation.
3. Learners will have the capability to critically examine and evaluate the components of a formal financial system and comprehend the interplay between regulatory frameworks and financial institutions
4. Learner will be equipped with the knowledge and skills to navigate the complexities of financial services and to evaluate various sources of capital, enabling them to contribute strategically to financial decision-making and to leverage diverse funding avenues to support the growth and sustainability of entrepreneurial ventures

**Detailed Syllabus: (per session plan)**

**Session Outline for BUSINESS FINANCE**

**Each lecture session would be of ONE hour duration (60 sessions)**

<b>Module</b>	<b>Module Content</b>	<b>Module Wise Duration</b>
<b>I</b>	<p>A) Introduction to Financial Management. Objectives of Financial Management. Scope of Financial Management. Financial Decision-Making Areas. Role and Functions of a Finance Manager.</p> <p>B) Sources of Short-Term Finance- Trade Credit, Bank Credit. Working Capital – Concept and factors affecting working capital requirements. Sources of Long-Term Finance. Long Term – Equity, Internal Accrual, Preference, Term Loan and Debentures.</p> <p>C) Capitalization: Introduction and Theories. Overcapitalization: Concept, Causes, Effects and Remedies. Undercapitalization: Concept, Causes, Effects and Remedies. Overcapitalization v/s Undercapitalization</p>	<b>15</b>
	Evaluation (3 sessions)	
<b>II</b>	<p>A) Cost of Capital: Introduction. Methods of Computing Cost of Capital – Equity, Preference, Debt, internally generated funds and overall cost of capital</p> <p>B) Capital Structure: Concept and Factors influencing capital structure. Financial Leverage and Capital Gearing: Concept and Sums.</p> <p>C) Capital Budgeting: Concept, Significance, Principles and Techniques- Payback Period, Net Present Value, Internal rate of return, accounting rate return</p>	<b>15</b>
	Evaluation (3 sessions)	
<b>III</b>	<p>A) Financial System: Components of the Formal Financial System. Financial Market: Classification. Capital Market (Primary and Secondary). Primary Market: Types of Issues, Factors for increase in popularity of international markets, Instruments. Secondary Market. Functions and Significance of Stock Exchanges. Money Market: Functions, Benefits &amp; Instruments.</p> <p>B) Derivative Market: Concept, Need for Financial Derivatives, Types of Derivative and Traders in Derivatives Market. Regulatory Structure of Financial Institutions and Markets. SEBI: Powers and Functions &amp; Investor Protection Measures. RBI: Role of RBI in Indian Financial System</p> <p>C) Financial Services: Concept, Classification. Fund Based Financial Service: Lease Financing, Hire Purchase Finance. Factoring, Forfeiting. Venture Capital Financing, Mutual Fund: Concept, Benefits, Growth of Mutual Funds in India , Types of Schemes , Systematic Investment Plan</p>	<b>15</b>
	Evaluation (3 sessions)	

<b>IV</b>	A) Fee Based Services: Investment Banking, Merchant Banking: Services, Credit Rating. Credit Rating Agencies in India (CARE, ICRA, CRISIL). Depositories. B) Financial Inclusion: Need & Benefits, Process, Initiative for Financial Inclusion. Micro Financing: Concept, Significance & an Overview of Microfinance in India. C) Funding of Start Ups: Crypto Currency, Angel Funding, Crowd Funding, Boot Strapping, Funding from incubators and accelerators and Alternate Investment Fund	<b>15</b>
	Evaluation (3 sessions)	

**Reference Books:**

1. Fundamentals of Financial Management – Prasanna Chandra (7e – 2023)
2. Financial Services - M Y Khan (10e – 2022)
3. Financial Management P.V Kulkarni (14e – 2015)
4. Indian Financial System - Bharati Pathak (4e – 2014)
5. Financial Services and Markets - Dr. Punithavathy Pandian - 2014

**Any other information:**

**Details of Internal Continuous Assessment (ICA)**

**Term End Examination Question Paper Pattern**

**Course: BUSINESS FINANCE**

**Total Marks: 60**

**Time: 2 hrs**

Q1 Answer any <b>two</b> out of the following three questions (Question 1 from module 1)	<b>12</b>
Q2 Answer any <b>two</b> out of the following three questions (Question 2 from module 2)	<b>12</b>
Q3 Answer any <b>two</b> out of the following three questions (Question 3 from module 3)	<b>12</b>
Q4 Answer any <b>two</b> out of the following three questions (Question 4 from module 4)	<b>12</b>
Q5 Read the Case Study and answer the following questions	<b>12</b>