

BS (4 Years) for Affiliated Colleges



Code	Subject Title	Cr. Hrs	Semester
COMM-406	Corporate Finance(Finance Specialization)	3	VII
Year	Discipline		
4	Commerce		

1. An overview of corporate finance
2. Nature, scope and importance of corporate finance
3. Making investment decisions in a business firm-capital budgeting ,relevant cash flows in capital budgeting, projects evaluation techniques and decision making, conflicting decisions of NPV and IRR
4. Making financing decisions in a business firm-cost of capital, calculating cost of individual source of capital, weighted average cost of capital(WACC), weighted marginal cost of capital(WMCC)
5. Risk and returns fundamentals
6. Leverage and capital structure-operating and financial leverage, total leverage concept, measuring operating, financial, and total leverage, optimal capital structure
7. Dividends and dividend policy
8. Lease financing-types, lease vs purchase option decision, off balance sheet financing
9. Mergers and acquisitions and other forms of corporate restructuring
10. Long term financing and role of capital market, long term debt, preferred stock, and common stock

Books Recommended (Latest editions)

- a. Van Horne J.C., Fundamentals of financial management
- b. Gitman L.J., Principals of managerial finance
- c. Campsey B.J., Brigham Eugene F., Introduction to financial management
- d. Khan M Y, Jhain P K, Financial management
- e. Keown Arthur J, Scott David F., Martin John D, Basic financial management
- f. Rao, Introduction to financial management
- g. Brigum Eugene F., Ehrhardt Michael C., Financial Management