

Business Finance Business Finance [Core Course]

Semester: III Credits: 4 Subject Code: MCM32001 Lectures: 48

Course Outcomes:

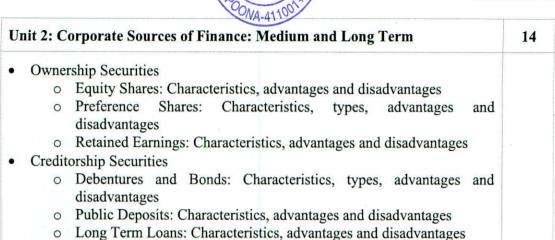
At the end of this course, the learner will be able to:

- Appreciate the significance of finance and financial planning in business to achieve a balanced capitalisation
- Evaluate the significance of investment decisions of a business with the aid of different techniques of Capital Budgeting
- Appraise the distinct sources of long-term financing of a business essential for achieving an ideal Capital Structure
- Analyse the impact of short-term sources of financing of a business on its liquidity and profitability positions
- Recognise the evolving trends in business finance and their significance in terms of industrial and economic development

Unit 1: Strategic Financial Planning for Business 14 **Business Finance** o Meaning and nature o Scope and importance **Financial Planning** Meaning and importance o Steps in Financial Planning o Principles of Financial Planning o Limitations of Financial Planning Capitalisation Meaning and definition o Types - Over Capitalisation and Under Capitalisation Capital Structure Meaning and definition o Principles of Capital Structure Management Factors affecting Capital Structure Capital Budgeting o Meaning Time Value of Money Techniques - Payback Period Method, Average Rate of Return Method, Net Present Value Method and Internal Rate of Return Method

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o Lease Financing: Characteristics, advantages and disadvantages

Unit 3: Corporate Sources of Finance: Short Term	
Meaning and Need for Short Term Finance	
Sources of Short Term Finance	
 Trade Creditors 	
 Bank Credit – Unsecured (Cash Credit and Overdraft) 	
 Bank Credit – Secured (Bill Discounting and Factoring) 	
o Commercial Paper	
 Advantages and Disadvantages of sources of Short Term Finance 	

Unit 4: Trends in Business Finance	10
 Venture Capital Financing Meaning and Definition Features Functions Advantages Private Equity Funds Meaning and Definition Features Functions Advantages 	
 Distinction between Venture Capital Financing and Private Equity Mezzanine Financing Meaning and Definition Features Functions Advantages Angel Financing Meaning and definition 	

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- o Features
- Functions
- Advantages
- Case Studies

#12 contact hours for Assignments, Visits, Research, Field Studies, etc.

Recommended Reference Books:

- Bhole, L. M. Financial Institutions and Markets. McGraw Hill: Delhi; 2009.
- Bhole, L. M. and Jitendra Mahakud. Financial Institutions and Markets: Structure, Growth and Innovations. McGraw-Hill Education: New Delhi; 2017.
- Chandra Prasanna. *Financial Management Theory and Practice*. Tata McGraw Hill Publishing Company Ltd.: New Delhi; 2017.
- Chandra Prasanna. Financial Management. McGraw-Hill Education: Noida; 2019.
- Dr. Kohok, M. A., Dr. Mishra, S.K. and Bhivpathaki, D.P. Advanced Financial Management. Everest Publishing House: Pune; 2004.
- Gupta, C.B. and Maheshwari. *Financial Management and Corporate Planning and Policy*. Sultan Chand and Sons: Delhi; 2019.
- Inamdar Satish, M. Principles of Financial Management. Everest Publishing House: Pune; 2011.Khan and Jain. Financial Management. Tata Mc Graw Hill Publishing: New Delhi; 2007.
- Maheshwari, S. N. Financial Management. Sultan Chand and Sons: New Delhi; 2013.
- Periasamy, P. Financial Management. Vijay Nicole Imprints Pvt. Ltd.: Chennai; 2010.

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Faculty	Dr. Mrs. Dimple Buche	Buehe 15/06/2020	
Faculty	Mrs. Deepanjali Mazumder	1 0 00	706/2020
Subject Expert (Outside SPPU)	Dr. Smita Deshpande	Jul. 15706/2020	
Subject Expert (Outside SPPU)	Ms. Soma Kulshrestha		15706/2020
VC Nominee	Dr. Yashodhan Mithare	Sher	15/06/2020
Industry Expert	CA Akshay Oke	1570	5/2020
Alumni	Mrs. Pratishtha Sharma	\$ 15/06/2020	

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