

**Name of the Programme** : MBA (Financial Services)  
**Course Code** : MGF-508  
**Course Title** : Corporate Finance  
**Number of Credits** : 3  
**Effective from AY** : 2022-23

<b>Pre-requisites for the Course:</b>	NIL	
<b>Course Objectives:</b>	To develop in learners an understanding of various aspects of Corporate Finance and enable them to acquire the ability to apply such knowledge in decision making.	
<b>Content:</b>	<b>Unit 1</b> <b>Introduction to Corporate Finance</b> <i>Corporate Finance: Nature and Objective, Company stakeholders' groups, Principal-agent conflicts, Finance function, Role of Finance Manager, Introduction to time value of money, Risk-Return framework for financial decision.</i>	<b>8 Hours</b>
	<b>Unit 2</b> <b>Capital Budgeting Decision</b> <i>Capital Budgeting Decision: Nature, Process of Capital Budgeting, Project appraisal methods (Discounted and non-discounted methods), Project Selection under Capital Rationing, Risk analysis in Capital Budgeting.</i>	<b>13 Hours</b>
	<b>Unit 3</b> <b>Capital Structure Decision</b> <i>Capital Structure Decision: Sources of financing, Cost of Capital, Measures of leverage, Capital structure theories, Factors determining capital structure, Planning optimum capital structure: EBIT and EPS analysis, ROI and ROE analysis.</i>	<b>12 Hours</b>
	<b>Unit 4</b> <b>Dividend Decision and Working Capital Management</b> <i>Dividend Decision: Forms of dividend, Dividend policy, Stock splits and buyback, Theories of dividend, Issues in dividend decisions.</i> <i>Working Capital Management: Approaches of working capital, Operating and Cash conversion cycle, Factors determining requirement of working capital, Working capital Financing, Optimum working capital estimation.</i>	<b>12 Hours</b>
<b>Pedagogy:</b>	The pedagogy for this course constitutes of mixture of Lectures, Case study, classroom discussion, seminar, Assignment and group project.	
<b>References/ Readings:</b>	1. Watson, D and Head, A (2017). <i>Corporate Finance: Principles and practice</i> . Pearson education Ltd. 2. Pandey, I. M (2021). <i>Financial Management</i> . Vikas Publishing House. 3. CFA (2021). <i>Corporate Finance and Equity</i> . Level 1. 4. Khan, M.Y and Jain, P.K. (2014). <i>Financial Management</i> . Tata McGraw Hill, New Delhi. Chandra, Prasanna (2015). <i>Financial Management: Theory and Practice</i> . Tata McGraw Hill, Delhi.	
<b>Course Outcomes:</b>	Upon completion of this course, the students will be able to: <b>CO1.</b> Evaluate capital projects using capital budgeting techniques. <b>CO2.</b> Identify and design the optimum capital structure. <b>CO3.</b> Evaluate a firm's dividend policy. <b>CO4.</b> Estimate a firm's working capital requirements and design suitable working capital financing plans.	