

Syllabus
and
Question Paper Pattern
of
M.Com.
Semester II
Corporate Finance

Under Academic Autonomy and Credit, Grading and Semester System
With effect from Academic Year 2017 - 18

Syllabus of M. Com.
Corporate Finance
SEMESTER II

Topics

Sr. No.	Topics	No. of lectures
Module1	Time Value of Money	16
Module 2	Financial Analysis	12
Module 3	Financing Decisions	24
Module 4	Fundamental analysis of Financial Statements	08
	Total	60

Objectives

- 1.To understand concepts relating to financing decisions.
- 2.To develop ability to analyse and interpret various tools of financial analysis and planning.
- 3.To enable the learners to develop and apply the techniques in the financial decision making in the business corporates.
- 4.To enhance the ability of learners to analyse the financial statements.
- 5.To make the learners understand the importance of Research and Analysis while making investment as well as financial decisions.

Detailed Syllabus

Module	Topics	No. of Lectures
1	Time Value of Money	18
	Concept, Present Value, Annuity and perpetuity, Techniques of Discounting, Techniques of Compounding, Bond Valuation and YTM (Yield to Maturity)	
2	Financial Analysis	12
	<p>Application of Ratio Analysis in Performance evaluation and Financial Decision Making</p> <ul style="list-style-type: none"> • Profitability Ratios: Gross Profit Ratio, Operating Profit Ratio, Return on Capital Employed • Efficiency Ratios: Sales to Capital Employed, Fixed Asset Turn over Ratio, Profit to Fixed Assets, Stock Turnover Ratio, Debtors Turnover Ratio, Creditors Turnover Ratio • Liquidity Ratios: Current Ratio, Quick Ratio • Stability Ratio: Capital Gearing Ratio, Interest Coverage Ratio • Earnings per Share, P/E Ratio, Dividend Yield • CAGR(Compound Annual Growth Rate) - Capital Infusion, Revenue, PAT(Profit AfterTax), Free Cash Flow, EBITDA(Earning Before Interest, Tax, Depreciation and Amortisation) 	
3	Setting Context for Financing Decisions	24
	<ul style="list-style-type: none"> • Cost of Capital - Estimation of Cost of Capital, Weighted Average Cost of Capital(WACC), Marginal Cost of Capital • Capital Structure Decisions - Scheming Optimal Capital Structure, EBIT-EPS Analysis, Capital Structure and Market Price of Share, Capital structure theories, Dividend Policy-Pay Out Ratio • Business Risk and Financial Risk - Introduction, Debt v/s Equity Financing, Types of Leverage- Operating and Financing. 	
4	Fundamental Analysis of Financial Statements	8
	Study of Annual Reports, Fundamentals of Ratios and Financial Analysis, Analysis of Cash Flow Statements, Analyst's forecast.	

Evaluation Pattern

The performance of the learners shall be evaluated in two components viz. Continuous Internal Evaluation (CIE) of 40 marks as the first component and conducting the Semester End Examination (SEE) of 60 marks as the second component. The allocation of marks for the Internal Assessment and Semester End Examination are as shown below:

A) Continuous Internal Evaluation (CIE) – 40% - 40 Marks

Project work on Fundamental Analysis of Financial Statements - 40 Marks

B) Semester End Exams (SEE)

Maximum Marks: 60

Questions to be set: 04

Duration: 2 Hrs.

Question Paper Pattern (60 Marks)

Q. 1	Full Length Practical Question OR Full Length Practical Question	15 Marks 15 Marks
Q. 2	Full Length Practical Question OR Full Length Practical Question	15 Marks 15 Marks
Q. 3	Full Length Practical Question OR Full Length Practical Question	15 Marks 15 Marks
Q. 4	Objective Questions (Multiple choice/ True or False/Match the columns/fill in the blanks) OR Short Questions (Notes) / Case Studies	15 Marks 15 Marks

Note: Full length question of 15 marks may be divided into two sub questions of 08 and 07 marks.

Reference Books:

Financial Accounting by M. Mukherjee.M. Hanif. Tata McGraw Hill Education Private Ltd;
New Delhi

Corporate Accounting, 5/e, S N Maheshwari & Suneel K Maheshwari, Vikas Publishing,
New Delhi

The Analysis and Use of Financial Staements by Gerald I.White, Ashwinpaul C. Sondhi ,
Dov Fried. Willey India,Haryana

Corporate Finance Theory and Practical by Wishwanath S.R., Response Books , New Delhi

Fundamentals of Corporate Finance by Ross Westerfield Jordan, Tata Mac Graw Hill
Publishing Companies

Cororate Financial Reporting by Professor Jawaharlal, Taxmann's Publication

Financial Statement Analysis, by John J. Wild, K.R.Subramanyam, Robert Halsey, Tata Mac
Graw Hill
