



Model Institute of Engineering
& Technology (Autonomous)
Course Handout

Kot, Bhalwal, Jammu

COURSE HANDOUT

CORPORATE FINANCE (BCMMJ-604)

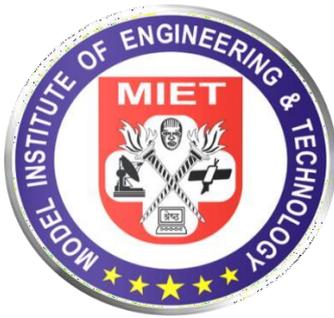
BCOM (H) – 6TH SEMESTER

ACADEMIC YEAR (2024-25)

Mr. Koushik Dhar

Assistant Professor

UG-School of Management



UG-School of Management

Model Institute of Engineering & Technology (Autonomous)

Kot Bhalwal, Jammu - 181122

www.mietjmu.in



Dr. Arun K. Gupta Teaching-Learning Centre

Version 1.1





Course Code	Course Name	Course Type	Cd	L	T	P	Marks		
							Sessional	Final Exam	Total
BCMMJ-604	Corporate Finance	Major	4	4	0	0	40	60	100

Course Outcomes:

At the end of the course the student will be able to:	
CO1	Explain the role of corporate finance across business organizations.
CO2	Analyze financial planning models to determine short-term financial policy features.
CO3	Evaluate the different types of bonds.
CO4	Assess synergies of mergers & acquisitions.
CO5	Analyze types of underwriting & factors affecting IPO.

Unit I: Introduction to Corporate Finance: Introduction to Corporate Finance and the Financial Manager, Financial Management Decisions, forms of business organizations- Sole proprietorship, Partnership, Corporation, A corporation by another name, Goals of financial management.

(10 Hrs)

Unit II: Corporate Financial Planning: Corporate Financial planning- Concept and ingredients of Financial Planning Model, determination of growth, Limitations of Financial-Planning Models, Short term finance- Sources and uses of cash, operating cycle and cash cycle, Features of short-term financial policy.

(10 Hrs)

Unit III: Valuation of Bonds: Definition, valuation of bond, pure discount bonds, level-coupon bonds, interest rates and bond prices, yield to maturity, Bond market reporting, dividend Vs capital gains

(09 Hrs)

Unit IV: Mergers and Acquisitions: Merger: Meaning, Motives for merger, merger gains and costs, Basic forms of Acquisitions, Acquisition of stocks, Acquisition of assets, classification scheme, Takeover, Determining the synergy from an acquisition, sources of synergy from acquisitions.

(09 Hrs)

Unit V: Underwriters and IPOs: Concept, choosing and underwriter, types of underwriting- Firm commitment underwriting, Best efforts underwriting, The aftermarket, The green shoe provision, Lockup agreements, IPO under pricing: evidence on under pricing.

(10 Hrs)

Textbooks

S.No	Name of the Books	Name of the Author	Publisher Name	Edition (Pub.Yr.)
1	Corporate Finance- Theory and Practice	Pascal Quiry, Maurizio Dallocchio, Yann Le Fur, Antonio Salvi, Pierre Vernimmen	Wiley	6 th (2022)
2.	Principles of Corporate Finance	Prasanna Chandra, 2019	McGraw Hill	14 th (2023)



Reference Books

S.No	Name of the Books	Name of the Author	Publisher Name	Edition (Pub.Yr.)
1	Corporate Finance (SIE)	Stephen A. Ross, Randolph W. Westerfield, Jeffrey J.J, Kumar.K	McGraw Hill	12 th (2021)

COURSE PLAN		
Unit-I Introduction to Corporate Finance		
S.No	Topics	Recommended Books
1	Introduction to Corporate Finance and the Financial Manager	https://www.investopedia.com/terms/c/corporatefinance.asp
2	Financial Management Decisions	https://www.wallstreetmojo.com/financial-management/
3	Forms of Business Organizations: Sole Proprietorship, Partnership, Corporation	https://www.entrepreneur.com/article/388230
4	A Corporation by Another Name	https://www.investopedia.com/terms/c/corporation.asp
Unit-II Corporate Financial Planning		
6	Corporate Financial Planning: Concept and Ingredients of Financial Planning Model	https://corporatefinanceinstitute.com/resources/financial-planning/
7	Determination of Growth	https://www.forbes.com/advisor/business/growth-strategies/
8	Limitations of Financial-Planning Models	https://www.wallstreetmojo.com/financial-planning/
Unit-III Valuation of Bonds		
11	Definition, Valuation of Bond, Pure Discount Bonds	https://www.investopedia.com/terms/b/bondvaluation.asp
12	Level-Coupon Bonds, Interest Rates and Bond Prices	https://www.investopedia.com/terms/c/couponbond.asp
13	Yield to Maturity, Bond Market Reporting	https://www.wallstreetmojo.com/yield-to-maturity-formula/
14	Dividend Vs Capital Gains	https://www.investopedia.com/terms/d/dividend.asp
Unit-IV Mergers and Acquisitions		
16	Merger: Meaning, Motives for Merger, Merger Gains and Costs	https://www.investopedia.com/terms/m/merger.asp
17	Basic Forms of Acquisitions, Acquisition of Stocks, Acquisition of Assets	https://www.wallstreetmojo.com/acquisition/
18	Classification Scheme, Takeover	https://www.investopedia.com/terms/t/takeover.asp
19	Determining the Synergy from an Acquisition, Sources of Synergy from Acquisitions	https://hbr.org/1998/05/the-synergy-trap
20	Concept of Underwriters, Choosing an Underwriter	https://www.investopedia.com/terms/u/underwriter.asp
Unit-V Underwriters and IPOs		

Goals of Financial Management



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22	Types of Underwriting: Firm Commitment, Best Efforts	https://www.wallstreetmojo.com/firm-commitment-underwriting/
23	The Aftermarket, The Green Shoe Provision, Lockup Agreements	https://www.investopedia.com/terms/g/greenshoe.asp
24	IPO Underpricing: Evidence on Underpricing	https://www.cfainstitute.org/en/research/cfa-digest/2015/06/ipo-underpricing-why-does-it-still-exist

ADDITIONAL WEB RESOURCES

1.	MOOC: Corporate Finance https://onlinecourses.swayam2.ac.in/cec22_mg14
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GRADING AND ASSESSMENT

- **Sessional Test:** 20 marks
- **Assignment:** 10 marks
- **Attendance:** 10 marks
- **Final Examination:** 60 marks

COURSE POLICIES

- **Attendance:** Minimum 75% attendance is mandatory to appear in the final examination of the course.
- **Academic Integrity:** MIET's academic integrity policies apply. Plagiarism will not be tolerated.
- **Late Submissions:** Assignments and projects must be submitted by the specified timelines.

FACULTY INFORMATION

- **Office Hours**
Monday (12:55 PM - 1:45 PM) to Friday (12:55 PM - 1:45 PM)
- **Contact Information**
Koushik.mba@mietjammu.in



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