

B.Com.: Semester-III GE-2 BCR333: FINANCE FOR NON- FINANCE EXECUTIVES	
Teaching Scheme	Examination Scheme
Lectures: 3 hrs/Week	Class Test – 12 Marks
Tutorials: 1 hr/Week	Teachers Assessment – 6 Marks
Credits: 4	Attendance – 12 Marks
	End Semester Exam – 70 Marks

Course Objective

To familiarize non-finance executives with the essentials of finance and investments.

Course Learning Outcomes

After completing the course, the student shall be able to:

- CO1: understand Investment Environment and concept of Return & Risk.
- CO2: analyze Bond valuation & role of Credit Rating agencies.
- CO3: examine Equity analysis approaches.
- CO4: develop insights in to two securities portfolio using Harry Markowitz model and understand CAPM.
- CO5: evaluate the financial position of the entity by ratio analysis.
- CO6: understand the concept of capital budgeting and evaluate the project using capital budgeting techniques.

Unit I: Introduction
Meaning and Importance of Finance, Time Value of money (Compounding & Discounting), Risk & Return. Alternative investment options, Sources of Long term financing and short-term financing.
Unit II: Financial Analysis & Capital Budgeting
Types of Financial Statements- Income Statement, Balance Sheet, Ratio Analysis: Meaning, Significance and Limitations. Current Ratio, Quick Ratio, Absolute Liquidity Ratio, Debt-Equity Ratio, Interest Coverage Ratio, Inventory Turnover Ratio, Debtors Turnover Ratio, Average Collection Period, Creditors Turnover Ratio, Average Payment Period, Return on Capital Employed, Earning Per Share, Dividend Per Share, Capital Budgeting Process, Capital Budgeting Techniques (Pay Back Period, Discounted payback period, NPV, IRR).
Unit III: Cost of Capital & Capital Structure
Concept of Cost of Capital and Capital Structure: Cost of Debt Capital, Cost of Preference Share Capital, Equity Share Capital, Weighted Average Cost of Capital (WACC); Meaning of Leverage, Operating Leverage, Financial Leverage, Combined Leverage.
Unit IV: Dividend Decisions & Working Capital
Types of Dividends, Dividend policies and factors affecting dividend policies. Concept of Working Capital, its components and Factors affecting working capital requirements; Contemporary issues in Finance.

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Unit V: Valuation of Securities

Types of Risks and Returns, Concept of Valuation, Equity Valuation & Analysis, Bond Valuation & Analysis, Portfolio Analysis.

Suggested Readings

- Bhargav, B, K, Finance for Non-Finance Managers. Jaiko Publishing House.
- Chandra, P. Finance Sense: Finance for Non-Finance executives, Tata McGraw Hill.
- Gabriel Hawawini, Claude Viallet, Finance for Non-Finance Managers, Cengage Delmar Learning India Pvt. Ltd.
- Gene Siciliano, Finance for Nonfinancial Managers, (Briefcase Books Series), Tata McGraw Hill
- Tripathi, Vanita, "Basic Financial Management" Taxmann Publication.

Additional Readings

- Chandra, P. Financial Management-Theory and Practice., Tata McGraw Hill
- Tripathi, Vanita, Fundamentals of Investments, Taxmann Publication.

Note: Latest edition of readings may be used.

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