

EC : 501 : Advanced Financial Management : Part –I (Elective Course)

Theory : Credit : 4 (100%)

Total Marks : 100

Unit	Topics Covered	Wt.
1.	Financial Planning and Forecasting : Meaning and need of financial planning , Sales forecast, Pro forma Profit and Loss Account, Pro forma Balance Sheet, Financial Modeling Using Spreadsheet, Growth and external Financing Requirement. <u>Capitalization:</u> Meaning over and under capitalization. Merits, demerits and remedial measures.	(20%)
2.	Preparation & Analysis of Cash Flow Statement: Meaning-uses-importance of Cash Flow statement and Preparation of Cash flow statement only on two years balance sheet .	(15%)
3.	Dividend Decision: Objectives of Dividend, Determinants of Dividend Policy, Forms of Dividend, Traditional position, Walter model Gordon model, M & M position for designing dividend policy.	(20%)
4.	Leasing : Concept significance, types of leasing, techniques of lease evaluation lease evaluation from the view point of lesser and lessee.	(10%)
5.	Merger, Acquisitions and Restructuring : Types of Transaction, Reasons for Mergers, Mechanics of a Merger, Cost and Benefits of a Merger, Exchange ratio of Mergers, Purchase of a division / Plant, Takeovers, Leveraged Buyouts. Acquisition Financing, Business Alliances, Managing Acquisitions, Divestitures, Holding Company	(20%)
6.	Venture Capital Meaning, Features, Stages & Process of Venture Capital Financing Forms of Venture Capital Financing, Dis-investment mechanisms	(15%)

Reference Books:

- Prasanna Chandra “Financial Management”, Tata Mc Graw -Hill, New Delhi.
- M.Y. Khan & P.K. Jain “Financial Management”, Tata Mc Graw -Hill, New Delhi.
- G. Sudershan Reddy “Financial Management”, Himalaya Publication, Mumbai
- I.M. Pandey “Financial Management”, S. Chand, New Delhi
- Dr. P.C. Tulsian “Financial Management”, S. Chand, New Delhi.