COURSE CODE: 2CM2010112	**COURSE TITLE:** ADVANCED FINANCIAL MANAGEMENT-1 **COURSE TYPE :** SPECIALIZATION

COURSE OBJECTIVE:
To get expertise knowledge in financial management and evaluate various financial plans and get expertise in investment and financial decisions

Teaching Scheme (Hours per week)		**Evaluation Scheme (Marks)**		
Lectures	Credit	University Assessment	Institutional Assessment	Total
4	4	60	40	100

Unit	**Topic and Contents**	**Hours**	**Wt. (%)**
1.	**A. Fundamentals of Financial Management:(An overview)** Meaning, nature and scope of finance; financial goal -profit vs. wealth maximization; Finance function: Traditional approach and Modern approach, **B. Financial Planning:** Meaning, objectives, characteristics of Financial planning, process of Financial planning, short term- Long term Financial Plan, Factor affecting financial plan, limitation of financial Planning.	15	25%
2.	**Capital Budgeting:** Meaning of capital budget, capital budgeting, capital budgeting process. Nature of investment decisions; Investment evaluation criteria- Net Present Value (NPV), Internal Rate of Return (IRR), Profitability Index (PI), Payback period (PBP), Accounting rate of return (ARR); NPV and IRR comparison; capital rationing; **Risk analysis in capital budgeting**. Risk Adjusted rate of return, Certainty Equivalent Method, Sensitivity Analysis, Decision Tree method etc. Advanced level problems based of various method including risk	15	25%
3.	**A. Cost of Capital:** Meaning and significance of cost of capital; Calculation of cost of debt, preference capital, equity capital and retained earnings; Combined cost of capital (weighted); Marginal Cost of capital Cost of equity and CAPM. **B. Capital Structure Theories:** Net Income Approach, Net Operating Income Approach, Traditional and M.M hypotheses - without taxes and with taxes; Determining capital, structure in practice	15	25%
4.	**Leverage Analysis:** Meaning of leverage, Types of Leverage: Operating, Financial and combine leverage. Measurement of leverages, Effects of operating and financial leverage on profit; Indifference point of various financial plans, Earning per share, price earnings ratio.	15	25%

References Books:

1. Chandra, Prasanna : Financial Decision Making, Prentice Hall, Delhi.
2. Dr, Hukmaram Devilal Pawar: fundamental of Financial Management-1(Theory and practical) Sunrise Publication.
3. G. Sudarshan Reddy :Financial Management (Principle and Practice)
4. Khan MY, Jain PK: Financial Management; Tata McGraw Hill, New Delhi.
5. Pandey, I.M : Financial Management, Vikas Publishing House, Delhi.
6. Saravana Prasath B.,'Cost Accounting & Financial Management', C. Sitaraman Co., Chhanai Techniques, Prentice Hall, New Delhi.
7. Tulsian P. C.: 'Financial Management', S. Chand & Co., New Delhi