Faculty of Commerce
M.Com (Semester–I)
In Effect from Academic Year 2026-27

Branch Name:	M.Com
Program Code:	CM201
Course Name:	Advanced Financial Management-I
Course Code:	3CM2010112
Pre-requisite Course:	Basics Management Theories and Practices up to B.com.

Course Objectives:
To develop expert-level knowledge in financial management, enabling the effective evaluation of various financial plans and the ability to make informed investment and financial decisions.

Teaching and Examination Scheme:

Teaching Scheme (Hours per week)				Evaluation Scheme (Marks)				
				Theory (Marks)		Practical (Marks)		
Lecture (L)	Tutorial (T)	Practical (P)	Credit	University Assessment	Continuous Assessment	University Assessment	Continuous Assessment	Total (Marks)
4	--	-	4	50	50	-	-	100

Subject Contents:

Sr. No	Topic	Total Hours	Weightage (%)
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	**Mergers, Acquisitions and Corporate Restructuring:** • **Meaning and Objectives**: Growth, synergy, diversification, tax advantages, market power. • **Types of Mergers**: Horizontal, vertical, conglomerate, backward and forward integration. • **Valuation and Financing of Mergers**: Methods to value target companies—NPV, discounted cash flows, EPS impact. • **Takeovers and Acquisitions**: Friendly vs. hostile, tender offers, legal and regulatory considerations. • **Corporate Restructuring**: Spin-offs, demergers, buybacks, and recapitalization. • **Impact on Shareholders and Financial Strategy**: Effect on capital structure, dividends, and leverage.	15	25%
4	**Leverage Analysis** Meaning of Leverage;Types of Leverage: Operating, Financial And	15	25%

	Combine Leverage; Measurement of Leverages; Effects of Operating And Financial Leverage On Profit; Indifference Point of Various Financial Plans; EarningPer Share, Price Earnings Ratio.		

Text Books:

- Advanced Financial Management & Accounting – by Vaibhav Sharma and others

Reference Books:

1. Bhattacharya, Hrishikas : Working Capital Management : Strategies and Techniques, Prentice Hall, New Delhi.
2. Chandra, Prasanna : Financial Decision Making, Prentice Hall, Delhi.
3. G. Sudarshan Reddy :Financial Management (Principle and Practice)
4. Khan MY, Jain PK: Financial Management; Tata McGraw Hill, New Delhi.
5. Philippe Jorion — Financial Risk Manager Handbook
6. Smithson & Wilford — Managing Financial Risk
7. Michel Crouhy, Dan Galai & Robert Mark — The Essentials of Risk Management

List of Open Source Software/learning website:

- https://www.vikaspublishing.com/books/business-economics/finance-accounting/mergers-acquisitions-corporate-restructuring/9789HM5964556/?utm_source=chatgpt.com

LAB/Practical

Course Learning Outcomes (CLO): On completion of this course, the students will be able to:

CLO	**Description**	**Bloom's Taxonomy Level**
CLO1	Explain the fundamental concepts, nature, scope, and goals of financial management, including profit and wealth maximization and the finance function.	2 Understanding
CLO2	Describe the meaning, objectives, characteristics, process, and limitations of financial planning along with factors affecting short-term and long-term financial plans.	2 Understanding
CLO3	Analyze capital budgeting decisions using techniques such as NPV, IRR, PI, Payback Period, and ARR, and compare their effectiveness in investment evaluation.	4 Analyzing
CLO4	Evaluate investment decisions under risk using methods like Risk Adjusted Rate of Return, Certainty Equivalent Method, Sensitivity Analysis, and Decision Tree.	2 Understanding
CLO5	Examine the concepts, objectives, types, valuation, and financial implications of mergers, acquisitions, and corporate restructuring.	3 Applying, 4 Analyzing
CLO6	Analyze leverage concepts including operating, financial, and combined leverage, and assess their impact on earnings per share, financial risk, and financial planning decisions.	2 Understanding, 4 Analyzing

Mapping of CLOs with Pos & PSOs

Course Learning Outcomes (CLOs)	**Program Outcomes (POs)**						**Program Specific Outcomes (PSOs)**	
	PO1	**PO2**	**PO3**	**PO4**	**PO5**	**PO6**	**PSO1**	**PSO2**
CLO1	**H**	**M**					**M**	
CLO2		**M**					**M**	
CLO3	**H**		**M**	**M**			**H**	
CLO4	**M**	**H**		**H**	**M**		**H**	**M**
CLO5	**M**		**M**	**H**	**M**		**H**	**M**
CLO6	**H**	**H**	**H**	**M**	**M**		**H**	**M**

H:High, M:Medium, L:Low