

**JYOTI NIVAS COLLEGE AUTONOMOUS
SYLLABUS FOR 2019 BATCH AND THEREAFTER**

Programme: M.Voc. (Banking and Finance)

Semester: III

ADVANCED FINANCIAL MANAGEMENT

Course Code: 19MVB302

No. of Hours: 60

COURSE OBJECTIVES:

- To familiarize the students with advanced financial analysis, decisions and theory.
- To understand the risk factor in investments.
- To enhance the knowledge towards corporate value and value based management

LEARNING OUTCOMES:

- To enable students to understand risk and uncertainty in investment decisions so make realistic decision in capital budgeting.
- To develop skills for corporate valuation.
- To understand various theories based on which real life decision built upon.

UNIT I: INVEST DECISION AND RISK ANALYSIS

12 HRS

Risk analysis – types of risk, risk and uncertainty, techniques of measuring risk, risk adjusted discount rate approach, certainty equivalent approach, sensitivity analysis, probability approach, decision tree analysis, standard deviation and co efficient of variation.

UNIT II: CAPITAL STRUCTURE THEORIES

12 HRS

Introduction to capital structure, Capital structure theories, net income approach, net operating income approach, traditional approach, MM approach

UNIT III: DIVIDEND THEORIES

12 HRS

Introduction to irrelevance theories, MM model, relevance theories, Walters model, Gordon model, problems on dividend theories

UNIT IV: MERGERS & ACQUISITIONS, CORPORATE RESTRUCTURING

12 HRS

Reasons for Mergers , Estimating Merger Effects , Cross-Border Mergers & Acquisitions , Design and Valuation of LBO , Joint Ventures Analysis , Strategic Alliances , Corporate Restructuring

UNIT V: CORPORATE VALUE AND VALUE-BASED MANAGEMENT 12 HRS

Free Cash Flow Valuation and the Cost of Capital, International Investment Decisions ,
Overview of Corporate Valuation , Value Based Management , Corporate Governance and
Shareholders Wealth, International Corporate Governance

PRACTICAL COMPONENTS:

- Designing a capital structure for a trading concern.
- Preparation of risk analysis decisions for a small companies.
- A report on recent merger or acquisition

BOOKS FOR REFERENCE:

1. I.M Pandey Financial Management, Vikas Publishing House Pvt Ltd
2. Dr. S.N Maheswari& Dr. C.B Gupta, Financial Management, Vikas Publishing House Pvt Ltd
3. Dr. Sathya Prasad & P.V Kulkarni, Financial Management, Himalaya Publishing House
4. V. K Bhalla, Financial Management, International Book House Pvt Ltd.
5. Eugene F Brigham & Michael C Ehrhardt, Financial Management Theory and Practice, 10th edition, Thomson Learning South Western
6. Prasanna Chandra, Financial Management, Tata McGraw Hill.
7. Khan and Jain, Financial Management, Tata McGraw Hill.