

DEPARTMENT OF HUMANITIES & SOCIAL SCIENCES

Programme: Ph. D

Course Title: Advanced Financial Management

Course Category: Pre-PhD Course Work

Course Code: HUT 716

Credits: 3 (L-3)

Semester: Odd/Even

Internal: 50 Marks

Theory: 50 Marks

Total: 100 Marks

Time: 3hrs

Note for the Paper Setter

The number of questions to be set will be six, at least one from each unit. Out of these one question will be compulsory. The examinee will be required to attempt the compulsory one and any other four questions. All questions shall carry equal marks.

Course Objectives

The course seeks to make the students acquainted with various aspects of advanced financial management. It also attempts to make students familiar with Capital Structure and its Theories, Corporate Restructuring and Mergers & Takeovers.

Unit-I Capital Structure Decisions and Leverage

Capital Structure Decisions: Concept & Importance, Determinants of Capital Structure, Theories of Capital Structure, Optimum Capital Structure. Leverage: Operating, Financial & Combined Leverage, EBIT-EPS Analysis.

Unit-II Corporate Restructuring

Corporate Restructuring: Need and broad Areas of Corporate Restructuring, Objectives and Techniques of Corporate Restructuring.

Unit-III Mergers and Takeovers

Mergers & Takeover: Types & Objectives, Legal and Procedural aspects of Mergers and Takeover Process, Valuation & Financing of Mergers & Acquisitions. An Overview of Mergers & Takeovers in India.

Unit-IV Merchant Banking

Financial Restructuring: Need & Steps in Financial Restructuring, Reorganization of Capital. Buyback of Shares: Concept, Necessity and Procedure. Financial Management of Sick Units.

Course Outcomes

After studying this course, the students will be able to know the determinants of capital structure and analyse EBIT-EPS, broad areas and techniques of corporate restructuring, mergers & takeovers and understand financial restructuring.

Suggested Readings

1. Ravi M. Kishore, Financial Management, Taxman Publications Pvt. Ltd., New Delhi.
2. Sinha, Pradip Kumar, Financial Management, Excel Books, New Delhi
3. James C Van Horne, Financial Management & Policy, Prentice Hall of India, New Delhi.
4. John J Hampton: Financial Decision Making, Prentice Hall of India, New Delhi.
5. Prasanna, Chandra: Financial Management, Tata McGraw Hill, New Delhi.
6. Khan, MY and Jain, PK, Financial Management, Tata McGraw Hill, New Delhi.