GC
Consultants

BUSINESS FINANCE DECISION (MODULE : F)



| 2 | 34 | $1.9 \%$ |
| ---: | ---: | ---: |
| 3 | 71 | $3.9 \%$ |
| 7 | 110 | $6.1 \%$ |
| 6 | 103 | $5.7 \%$ |
| 3 | 51 | $2.8 \%$ |
| 1 | 20 | $1.1 \%$ |

## DIVIDEND

Dividend Irrelevance Theory
Right Share \& Capital Structure
Right share
Dividend growth models
Right Issue \& Price Effect

## WACC + CAPITAL STRUCTURE

WACC + Adjusted WACC
Adjusted Present Value
WACC + Cost of equity
WACC + Market Price
WACC + MM
Different Capital Structure
Interest Cover + MM
Debt Equity Ratio
Debenture \& Bonds
Arbritage


| 2 | 24 | $1.3 \%$ |
| ---: | ---: | ---: |
| 3 | 42 | $2.3 \%$ |
| 1 | 9 | $0.5 \%$ |
| 2 | 27 | $1.5 \%$ |
| 2 | 34 | $1.9 \%$ |

## CAPM + PORTFOLIO

Alpha Values
Sharp Ratio
Return \& Weighted Beta
Beta Calculations
Risk+Return+Investment Decision
Portfolio Analysis


| 1 | 19 | $1.1 \%$ |
| ---: | ---: | ---: |
| 2 | 35 | $1.9 \%$ |
| 1 | 22 | $1.2 \%$ |
| 1 | 12 | $0.7 \%$ |
| 3 | 58 | $3.2 \%$ |
| 3 | 54 | $3.0 \%$ |
| 1 | 23 | $1.3 \%$ |
| 1 | 17 | $0.9 \%$ |
| 3 | 40 | $2.2 \%$ |
| 1 | 10 | $0.6 \%$ |

## FOREIGN EXCHANGE

All Methods (Future+Hedge+Options)
Options (Call+Put)
Hedge (Through Forward Cover)
Hedge (Forward Cover+Money
Market+Multilateral Netting)
Hedge (Forward Cover+Money
Market+Interest Rate Risk)
Hedge (Forward Cover+Money Market)
Multilateral Netting
Hedge gain + loss
Loan Substituition Option
Interest swap
Forward cover + Bulk discount

|  |  |  |  |  |  |  |  |  | 13 |  | 20 |  |  |  |  | 13 |  |
| ---: | ---: | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | ---: | ---: |
|  |  |  |  |  |  | 15 |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  | 18 |  |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  | 12 |  |  |  |  |
|  |  |  |  |  | 19 |  |  |  |  |  |  |  |  |  |  |  |  |
|  | 3 | 46 | $2.6 \%$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1 | 18 | $0.8 \%$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1 | 12 | $0.0 \%$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1 | 19 | $1.1 \%$ |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |


VALUATION

| FCF +Cash Flow Mag+ Optimum Sale |
| :--- |
| FCF + Acquisition |
| FCF + Synergy |
| Purchase Consideration calculation |
| Merger |
| MBO |
| Demerger (Surplus Value) |
| Goowill valuation |
| Shares as Purchase <br> consideration+EPS+Discount rate <br> Synergy + Cost of Equity + Price <br> Earning Ratio <br> Restructuring <br> Value of Ordinary share + Total value <br> Share exchange/Evaluation |



| 2 | 53 | $2.9 \%$ |
| ---: | ---: | ---: |
| 3 | 63 | $3.5 \%$ |
| 1 | 25 | $1.4 \%$ |
| 1 | 25 | $1.4 \%$ |
| 1 | 21 | $1.2 \%$ |
| 1 | 24 | $1.3 \%$ |
| 2 | 45 | $2.5 \%$ |
| 1 | 14 | $0.8 \%$ |
|  |  |  |
| 1 | 20 | $1.1 \%$ |
|  |  |  |
| 1 | 18 | $1.0 \%$ |
| 1 | 23 | $1.3 \%$ |
| 1 | 15 | $0.8 \%$ |
| 1 | 20 | $1.1 \%$ |

## RISK ANALYSIS <br> Decision Tree + NPV <br> Probabilities \& Expected Value <br> Interest rate swaps



| 1 | 14 | $0.8 \%$ |
| :--- | :--- | :--- |
| 1 | 15 | $0.8 \%$ |
| 1 | 10 | $0.6 \%$ |


| MISC |
| :--- |
| Investment Mix |
| Leverage ratios |
| Projected cash flow \& dividend payoutr ratio |
| Sensitivity analysis |
| Forecasting \& debt equity ratio |
| Working capital (Strategy + Financing) |
| Working Capital Constraints |
| Minimum rent |
| Injection of fresh equity + Shareholding |
| calculation |



| 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- | :--- |


| 3 | 46 | $2.6 \%$ |
| ---: | ---: | ---: |
| 1 | 15 | $0.8 \%$ |
| 1 | 22 | $1.2 \%$ |
| 4 | 57 | $3.2 \%$ |
| 1 | 14 | $0.8 \%$ |
| 2 | 33 | $1.8 \%$ |
| 1 | 12 | $0.7 \%$ |
| 1 | 23 | $1.3 \%$ |
|  |  |  |
| 1 | 10 | $0.6 \%$ |


| 107 | 1,800 | $100 \%$ |
| :--- | :--- | :--- |

## Caveats

This analysis is only for identifying trends in ICAP exams; No decision (of selective study) should be taken only upon this analysis.
The categorization of degree of importance is just based on marks allocation, no other logical reasoning exists
All topics are of equivalent importance as ICAP may ask any topic any time in any detail deemed fit by ICAP
This analysis has been compiled with due care but still it is error prone due to human mistake.
This analysis is upgraded on the analysis made by Sir Atif Abidi.
If you find any mistake, plz mail us by mentioning cell reference at the e-mail address. i.e.gcaconsultants@gmail.com

## Talib e doa

GCA Admins
Global Chartered Accountants - GCA
January 08, 2015

