

CA FINAL AFM MAY 25
QUESTION PAPER REVIEW / SUMMARY
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Q No.	Q Summary	Chapter	Marks	Reference P 600+	Reference ICAI Material	P/T
1	Case Study 1	Forex	8			P
2	Case Study 2	PM	10			P
3	Case Study 3	MF	6		ICAI SM	P
3	Case Study 4	Derivatives	6			P
1 (a)	Share Price	Sec Val Eq	6	III 5	ICAI SM, MTP Mar'24, Old PM	P
1 (b)	EVA	Bus Va	4	III 30	ICAI SM	P
1 (c)	Risk Management	Risk Management	4	ICAI SM	ICAI SM	T
2 (a)	Portfolio Var	PM	6	New	New	P
2 (b)	Simple conversion	Forex	4	III 40	ICAI SM, Similar Nov'22 QP 8 marks, RTP May'19 Old, Old PM	P
2 (c)	Role of CFO	Fin policy Corp Strat	4	ICAI SM	ICAI SM	T
3 (a)	Replacement Decision	ACBD	6	New	New	P
3 (b)	Simple Q	Sec Val Eq	4	III 30	ICAI SM, Nov'17 QP (Old), MTP May'20 Old, MTP Aug'18 Old, Old PM	P
3 (c)	Weak Efficiency Test	Sec Analysis	4	ICAI SM	ICAI SM	T
4 (a)	Project viability	IFM	6	III 7	ICAI SM, RTP Nov'22, RTP May'18, Old PM	P
4 (b)	EPS based M&A	M&A	4	III 45	Nov 19 Old	P
4 (c)	Tokenization	Securitization	4	ICAI SM	ICAI SM	T
4(d)	VC	Startup Finance	4	ICAI SM	ICAI SM	T
5 (a)	Dividend equalization	MF	7	III 26	ICAI SM, Jan'21 QP (Old), MTP Oct'24, MTP Apr'19, MTP Aug'18, RTP Nov'18 Old, RTP May'19 Old, RTP Nov'19 Old, Old PM	P
5 (b)	FCFF & Unlevered beta	Business Valuation	7	III 1	ICAI SM	P
6 (a)	MTM	Derivatives	7	III 14	ICAI SM, RTP Nov'19, MTP Oct'24, MTP April'22, RTP Nov'18 Old, Old PM	P
6 (b)	Cap & Floor	IRRM	7	New	New	P
Total			118			

Practical 98
Theory 20

CA FINAL PAPER 2:ADVANCED FINANCIAL MANAGEMENT (100M)																		
CHAPTER WISE WEIGHTAGE BASED ON PAST EXAM & ANALYSIS THEREOF																		
S. No.	CHAPTER NAME	May-25	Nov-24	May-24	Nov-23	May-23	Nov-22	May-22	Dec-21	Jul-21	Jan-21	Nov-20	Nov-19	May-19	Nov-18	May-18	Avg. of category	ICAI Weightage
1	Financial Policy & Corporate Strategy	4	4	4	4	4	4	4	-	4	4	-	4	-	-	4	6.91 Marks	8-15 Marks
2	Advanced Capital Budgetting Decisions	6	8	8	-	-	-	-	-	-	-	-	-	-	-	-		
3	Risk Management	4	-	-	4	8	4	4	4	4	4	4	4	4	4	4		
	TOTAL	14	12	12	8	12	8	8	4	8	8	4	8	4	4	8		
4	Security Analysis	4	-	6	4	-	-	8	4	-	8	4	16	-	-	8	31.45 Marks	20-30 Marks
5	Security Valuation	6	18	6	8	17	20	8	16	16	4	15	-	16	28	14		
6	Portfolio Management	16	14	14	16	16	32	16	12	8	10	8	16	8	8	10		
	TOTAL	26	32	26	28	33	52	32	32	24	22	27	32	24	36	32		
7	Securitization	4	-	4	4	4	4	4	4	4	8	4	8	4	4	4	26.27 Marks	20-30 Marks
8	Mutual Funds	17	6	8	8	8	-	16	8	12	8	14	10	8	8	10		
9	Derivatives, Analysis & Valuation	13	20	6	18	12	8	8	16	16	12	16	14	16	8	9		
	TOTAL	34	26	18	30	24	12	28	28	32	28	34	32	28	20	23		
10	Forex Exposure & Risk Management	12	14	-	16	13	12	8	16	8	16	12	8	16	24	8	28.45 Marks	20-25 Marks
11	International Financial Management	6	6	8	-	-	8	12	16	8	16	8	12	-	-	8		
12	Interest Rate Risk Management	7	10	10	16	12	8	12	4	12	-	8	8	8	4	8		
	TOTAL	25	30	18	32	25	28	32	36	28	32	28	28	24	28	24		
13	Business Valuation	11	8	-	8	-	8	8	8	8	8	12	8	16	12	5	20.45 Marks	10 - 15 marks
14	M&A & Corporate Restructuring	4	6	10	10	18	8	8	8	16	18	12	8	8	12	16		
	TOTAL	15	14	10	18	18	16	16	16	24	26	24	16	24	24	21		
15	Startup Finance	4	4	4	8	8	8	4	8	8	8	7	8	4	4	4	6.45 Marks	2-5 marks
	TOTAL	4	4	4	8	8	8	4	8	8	8	7	8	4	4	4		
16	Removed Topics / MCQS		-	30	-	-	-	-	-	-	-	-	-	12	4	8		
	Grand Total	118	118	118	124	120	124	120	124	124	124	124	124	120	120	120		

NOTE: 1: Weightage of Optional questions has been taken in calculations;

CA FINAL PAPER 2: ADVANCED FINANCIAL MANAGEMENT										
QUESTION WISE TOPICS BASED ON PAST EXAM PATTERN										
Q.			Nov-24 Topic	M	May-24 M	M	Nov-23 Topic	M	May-23 Topic	M
Part 1 - MCQs										
Set 1	Forex - Evaluation of various choices for hedging	8	Security Valuation - Equities DDM	10						
Set 2	Portfolio Management - Beta, Co Variance & SD	10	Security Valuation - Bonds - Price & Duration	8						
Set 3	MFs - NAV Computation	6	Derivatives - Options Call & Put Pay off	6						
Set 4	Derivatives - Futures - Gain Loss	6	M&A - Swap Ratio & Shares Issues	6						
COMPULSORY										
1 (a)	Sec Valuation Eq - Earnings Growth Model	6	Portfolio Management - Risk Return Using SD	6	Portfolio Management - Action to be done on shares based on next years financials	6	Derivatives - Futures - Nifty contracts req to hedge a portfolio	8	M&A & Corp Restructuring - Buy Back & Premia	10
1 (b)	Business Valuation - EVA	4	Real options - Abandonment Option	4	Mutual Funds - Compute NAV based on certain data	4	Portfolio Management - Arbitrage Pricing Theory	8	Forex - Forward Vs. Futures for export receipt	6
1 (c)	Types of risks in Imports & Exports (T)	4	Dividend Decisions (Fin Policy & Corp Strategy) - (T)	4	Interface of Strategic Management & Financial Policy (T)	4	Problems in Securitization (T)	4	Int rate risk Mgmt - Swaptions (T)	4
OPTIONAL (4 of 5)										
2(a)	Portfolio management - Port var with Correl	6	Mutual Funds - Compute NAV based on Holding Period Returns	6	Security Analysis - Exponential Moving Average	6	Options - Binomial Model Valuation	8	Risk Management - VAR based Max investment	8
2(b)	Forex - Buy & sell currency rates	6	ACBD - Compute Investmet based on CF to arrive at 0 NPV	8	International Financial Management - GDR floatation cost	4	MFs - compute initial investment based on data	8	Security Valuation - Eq - Compute stable growth rate based on Share Price	8
2(c)	Role of CFO (T)	4			Mutual Fund NAV Computation	4	Coverion factor in IRF & Vega & Rho in Option Values (T)	4	Securitisation (T) PassThrough Vs Pay Through Securities	4
3(a)	Adv Cap Budgetting Decision, Machine NPV evaluation	6	Interest Rate Risk Management - FRA - compute int rate based on payoffs	6	Interest Rate Risk Management - Cap computation	10	Sec Valuation - Right issue impact on wealth	8	Interest Rate risk management - Floating To Fixed Swap Total benefit	8
3(b)	MFs - Return computation	4	Forex Nostro Account Balance	8	Start ups - Why India preferred for startups (or) Tokenization & Securitization (T)	4	Forex Option - best strategy to hedge	8	Derivatives - Commodity Future - realised price	8
3(c)	Sec Analysis - Weak Mkt efficiency tests (T)	4					Functions of Corpoarte Level Strategy (T)	4	Fin Policy & Corp Strategy - Fin Sustainable Org (T)	4
4(a)	IFM - Investment into india	6	Derivatives - Futures - compute Portfolio Beta, Hende & Nifty Futures Value	6	Derivatives - Options - Compute Gain / loss on Options portfolio	6	M&A - Acquisition	10	Sec Valuation - Bonds - Price Duration & Vol	8
4(b)	M&A - Breakevern swap ratio	4	Biz Valuation - EVA back work to NP	4	M&A	4	IRF - Cheapest to Deliver	6	Forex - Comparison of two intl investments	8
4(c)	Securitization - Tokenization (T)	4	Succession planning (T)	4	GIFT City & IFC meaning (T)	4	Financial Risk & Currency Risk(T)	4	Start up financing - Methods of Innovative financing (T)	4
4 (d)	Stages of VC funding (T)	4	IRRM - MIBOR OIS Swap Fixed rate	4						
5(a)	MF Div Reinvestment	7	IFM / Forex - Derive forward rate based on Cashflows	6	Portfolio Management (Risk & Return of Two Securities)	8	Forex - fate of forward contract	8	Mutual Funds - Compute Org Investment based on ending value	8
5(b)	Biz Valuation - EV computation	7	Biz Valuation - Share buy back missing count & price	4	Security Valuation Intrinsic Value	6	PM - Beta of portfolio, SML & Sharpe index model	8	Portfolio Management - Beta, RF based on Rish Adjusted returns	8
5(c)			Derivatives - Portfolio Gain loss incl Futures gain loss	4			Startup Criteria (T)	4	Start up financing - LLPs for VC (T)	4
6(a)	Futures - MTM computation	7	PM - Sharpe & Treynor Ratio based back working	8	Advanced Capital Budgetting Decisions	8	Corporate Valuation - EVA	8	M&A - Pre and post merger shares and EPS	8
6(b)	Int Rate Risk mgmt - Collar	7	Forex -Project profitability based on swap rate	6	M&A - Maximum price for acquisition	6	IRS - Fixed / Floating Swaps	8	Portfolio Management - Crtical Line Theory	8
6(c)							Technical Analysis - Disadvantages (T) or Startups - Deal structuring and Exit Plans (T)	4	Commodity Detivatives (T) Vs Mutual Funds - Special Funds (T)	4
6 (d)										
MCQs						30				
		120		118		114		120		120

CA FINAL PAPER 2: ADVANCED FINANCIAL MANAGEMENT										
QUESTION WISE TOPICS BASED ON PAST EXAM PATTERN										
Q.	Nov-22		May-22		Dec-21		Jul-21		Jan-21	
	Topic	M	Topic	M	Topic	M	Topic	M	Topic	M
COMPULSORY										
1 (a)	M&A - Swap , Merged Value, Gain / Loss etc	8	Forex - LC vs borrowing	8	M&A - Optimal Exchange Ratio	8	Intl Fin Management - Inbound Investment	8	Security Analysis : Efficiency level of markets	8
1 (b)	Corporate Valuation - FCFF, WACC	8	Derivates Options - Expected Value of Option based on various share prices	8	MFs - NAV computation based on market movements when various ratios (Sharpe, Treynor, SD) are given	8	Derivatives - Hedging a portfolio with Futures	8	International Financial Management - Outbound Investment & CFAT	8
1 (c)	Int rate risk Mgmt - Asset Liability Management (T)	4	Int rate risk Mgmt Net interest position risk & price risk (T)	4	Modes of Startup financing - Bootstrapping (T)	4	Fin policy & Corporate Strategy : Strategy at Diff levels of Heirarchy (T)	4	Fin policy & Corporate Strategy : Key decisions of Financial Strategist (T)	4
OPTIONAL (4 of 5)										
2(a)	International Financial Management - NPV of project	8	Mutual Funds - Find out Date of investment	8	Corporate Valuation - WACC, EVA , MVA	8	Derivatives - Hedging a portfolio with Futures	8	MFs - NAV computation based on income & Expenses	8
2(b)	Forex - Forward rate based on Spot & Spread	8	Security Valuation - Equities - Per share FCFE	8	Derivatives - Futures MTM & Margin calls	8	Interest Rate Risk - All in swap	8	International Financial Management - Outbound Investment With inflation & WHT	8
2(c)	Interest Rate Risk - various Methods of hedging	4	Financial Planning - outcomes (T)	4	Risk Management - Counterparty risk Management & mitigation tools (T)	4	Risk Management - Features of VAR	4	Securitization: Features (T)	4
3(a)	Derivatives :Beta of a Portfolio - Derivative contracts to change BETA	8	Intl Fin mgmt - GDR issue	8	Portfolio Management - Avg Return & price of shares	8	Security Valuation - Equities - Ration analysis DDM, Overpriced etc	8	Derivatives - Futures - MTM Computation	8
3(b)	Portfolio Management - Buy & Hold Vs. Constant Proportion	8	Portfolio Management - Beta Computation of a security with index	8	Derivatives - Hedging an equity position using Futures	8	Forex - Choice of cirrency for Exports & Importst based on exchange rate movement	8	Forex - LC , EEFC & Exchange rate	8
3(c)	Forex - Money market Hedging (T)	4	FCCBs - International Financial Management (T)	4	Security Analysis Technical Analysis - principles on which it is based (T)	4	Startup financing Risk Matrix for stages of VC financing	4	Securitiy Valuation - Bonds - Forward Rates - Practical question	4
4(a)	Portfolio Management : Sharpe & Treynor Ratio evaluation	8	Corporate Valuation - Projection & FCFF	8	Intl Fin Management - Inbound investment into india with inflation rates	8	MFs - Effective Yield computation for various schemes & choice of scheme	8	M & A - Post merger EPS etc	12
4(b)	Portfolio Management : Portfolio allocation for desired return	8	MFs - NAV based on inflows & Outflows	8	Forex - simple hedging using a forward contract	8	Security Valuation - Bonds - Convertible bond	8	Derivatives - futures - hedge Equities	4
4(c)	Securitisatation Benefits (T)	4	Securitisatation Benefits (T)	4	Securitization - Pricing (T)	4	Start up financing - Pitch presentation	4	Startup Financing - Stages of VC Funding (T)	4
4 (d)										
5(a)	Portfolio Management : - SD & Expected Return & Portfolio allocation for desired return	8	M&A - Value of merged entity with old PE	8	Security Valuation - Bonds - Bond Refinancing Evaluation	8	Corporate Valuation - Business Value using various methods	8	Portfolio Management - Risk, Return	10
5(b)	Security Valuation - Bonds - Convertible Bonds	8	Security Analysis - EMA	8	Forex - Evaluation of a Forward contract under various spots	8	Portfolio Mgmt + MF (more weightage to PM) - Portfolio Beta	8	M&A - Evaluation of an investment	6
5(c)	Start up - Bootstrapping & Trade Credit	4	Risk Management - compliance & operational risk (T)	4	Characterstics of VC financing (T)	4	Securitization - problems in Indian Context	4	Non banking sources of Finance for Startups (T)	4
6(a)	Security Valuation - Bonds - Valuation of Bond	8	Portfolio Management - Corr & Cov of two securities	8	Security Valuation - Price computation based on DDM & Buy / Sell decision	8	M&A - Cost of Acquisition, gain etc	8	Corporate Valuation + Ratio Analysis - External Funding Requirement	8
6(b)	Sustainable Growth Rate - Theory & computation	8	Interest Rate Management - Collar cash flows	8	Intl Fin Management - Import Vs Dom Manf decision	8	M&A - Restructuing - Buy Back Question	8	Forex - hending principal & Int on loan	8
6(c)	Start up finance - VC Vs. Risk Management : Applications of VAR	4	Start up finance - Angel Investors / Startup India (T)	4	Portfolio Management - Portfoli Rebal Vs. Interest Rate management - FRA (T)	4	Int Rate risk - Swaption Vs. MFs - Tracking Error (T)	4	Participants in securitization Vs. Risks are inherant part of Markets (T)	4
6 (d)										
		120		120		120		120		120

CA FINAL PAPER 2: ADVANCED FINANCIAL MANAGEMENT										
QUESTION WISE TOPICS BASED ON PAST EXAM PATTERN										
Q.	Nov-20		Nov-19		May-19		Nov-18		May-18	
	Topic	M	Topic	M	Topic	M	Topic	M	Topic	M
COMPULSORY										
1 (a)	Forex - Forward rate gain / loss	8	M & A - Swap Ratio	8	Corporate Valuation - EVA	8	Security Valuation - Bond Refinancing	8	M&A - post acquisition value & EPS	8
1 (b)	Derivatives - American Call option - binomial tree	8	Interest Rate Management - FRA	8	Security Valuation - DDM	8	Forex - Nostro balances	8	Forex - arbitrage gains based on interest rates and forex rates	8
1 (c)	Risk Management VAR - Practical Question	8	Start up Financing - Basic Characteristics of VC financing (T)	4	Features of NPS (T)	4	Starup Financing - Angel Investors (T)	4	RERA (T)	4
OPTIONAL (4 of 5)										
2(a)	Corporate Valuation + Ratio Analysis - Sustainable Growth Rate	8	MFs - Effective yield	10	Corporate Valuation - Cost of Take over	8	Security Valuation - Price of a share	8	Portfolio Management - Correlation . Return etc	10
2(b)	Interest Rate Risk Management - All in Swap	8	Derivatives - Futures Pricing	6	M& A and Restructuring - Buy back	8	Portfolio Management - multi factor theory	8	Security Valuation - Convertible Debentures	6
2(c)	Start up Financing - P2P lending - Crowd Financing (T)	8	Securitisation - benefits (T)	4	Applications of VAR (T)	4	Securitization - Primary Participants (T)	4	Financial Policy & Corporate Strategy - Fin Policy & SM (T)	4
3(a)	Security Valuation - Bonds - Convexity etc	7	Derivatives - Delta hedging Options	8	Portfolio Management - Portfolio Variance	8	Mutual Funds Dividend Payout Vs Reinvestment	8	Corporate Valuation - EVA	5
3(b)	Mutual Funds - find missing Info based on bonus, dividend & yield	10	Security Analysis : EMA	8	Derivatives - Call + Put	8	Derivatives - Call option Pay off	8	Mutual Fund - NAV computation	10
3(c)	Startup Financing - Bootstrapping (T)	3	Start Up Finance - Define Start up (T)	4	Securitization - Steps involved (T)	4	Risk Management - Views of Various Stakeholders (T)	4	Derivatives - Embedded Derivatives (T)	5
4(a)	M&A - Target valuation	12	Security Analysis - Debt or Equity	8	MFs - Effective Yield	8	M&A - EPS , consideration etc	12	M& A Demerger	8
4(b)	Forex - arbitrage based on quotes	4	Forex - Hedge or not	8	Security Valuation + Ratios - DDM & share price	8	Forex - ₹ or \$ Borrowings	8	Derivatives - call option P&L	4
4(c)	MFs - Sidepocketing (T)	4	Risk Management - VAR (T)	4	Start up financing - sources of Financing (T)	4			Security Valuation - CAPM	4
4 (d)									Islamic & Conventional finance (T)	4
5(a)	Derivatives + Forex - Surplus money deployment various options	8	Portfolio Management - Portfolio Return	8	Derivatives - Commodity Futures	8	Corporate Valuation - viability of New Strategy	12	Security Analysis : EMA	8
5(b)	Portfolio Management + MFs - compare performance	8	International Financial Management - Inbound Investment	8	Forex - Cancellation Gain loss	8	Interest Rate Risk Management - all in swap	4	Interest Rate Risk Management - OIS	8
5(c)	Security Analysis - Technical Analysis (T)	4	Financial Policy & Corporate Strategy - Scope of Financial Strategy (T)	4	Listing SME - benefits (T)	4	Islamic Finance (T)	4	Startup Financing - Advantages of VC money (T)	4
6(a)	Security Valuation - Equity share valuation	8	Portfolio Management - Portfolio Risk & Return	8	Forex - Moneymarket + option + Forward	8	Security Valuation - Bonds portfolio Immunization	12	International Financial Management - GDR issuance	8
6(b)	International Financial Management - Adjusted Present Value Method	8	Corporate Valuation - DCF	8	Interest Rate Management + Forex	8	Forex - Cancellation gain loss	8	Risk Management - max loss level	4
6(c)	Securitization - PTC Vs. PTS Vs. Corporate Valuation EVA Vs MVA (T)	4	Securitization - problems Vs. Objectives of International Cash Management (T)	4	Constituents of International Financial Centre Vs Islamic vs conventional finance (T)	4			Securitization - benifits or steps involved in it (T)	4
6 (d)									Security Valuation DDM	4
		128		120		120		120		120