Skillshort

Self-Study Preparation Pack

CA INTERMEDIATE

Paper 6: Financial Management and Strategic Management

Important Topics, Weightage & Past-Paper Frequency

For January 2027 attempt · Analysis of 4 recent ICAI attempts: Sept 2025, Jan 2026, May 2026, Sept 2026

Official ICAI weightage | 4-attempt frequency map | Priority list | Theory bank

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This subject pack has 6 parts

1 Chapter-wise notes

2 Important topics & weightage

3 Past papers: trends & links

4 Mock tests + solutions

5 Chapter practice questions

6 Last-week plan & strategy

Prepared by Skillshort for self-study. Original explanations and questions; not an official ICAI/ICMAI/ICSI publication. Items marked VERIFY should be checked against the latest official material.

1. Official ICAI section-wise weightage

Section A – FM (50 marks)	Weightage
I Financial management and financial analysis (scope, objectives, ratio analysis)	10%–15%
II Financing decisions and cost of capital (sources, cost of capital, capital structure, leverages)	45%–50%
III Capital investment and dividend decisions	20%–25%
IV Management of working capital	15%–20%
Section B – SM (50 marks)	
I Introduction to strategic management	15%–25%
II Strategic analysis – external environment (PESTLE, industry, value chain, PLC)	15%–25%
III Strategic analysis – internal environment (competencies, SWOT, portfolio, strategic drivers)	15%–25%
IV Strategic choices (generic, grand strategies, M&A)	15%–25%
V Strategy implementation and evaluation (structure, culture, leadership, change, digital, control, SPM)	15%–25%

Skill-wise: FM – knowledge 20–30%, application 70–80%. SM – knowledge 30–55%, application 45–70%. ±5% deviation is allowed in section weightage.

2. Past-paper frequency map – FM (Skillshort analysis)

Topic	Sep 25	Jan 26	May 26	Sep 26	Hits	Priority
Ratio analysis (working back, DuPont, current ratio effects)	M	D + D (OR)	D	D + M×2	4/4	HIGH
Cost of capital (Kd, Kp, Ke, WACC, CAPM)	D×2 + M	D	D + M×2	M×2 + D	4/4	HIGH
Leverages and EBIT–EPS	D	D	D + M×4	D×2	4/4	HIGH
Capital structure theories (MM, NI/NOI)	M + D	D	–	D	3/4	HIGH
Capital budgeting (NPV, IRR, payback, replacement)	D + M	D (theory)	D + M×2	M×5 + D	4/4	HIGH
Dividend decisions (Walter, Gordon, MM)	D	D	D + D (theory)	–	3/4	HIGH
Working capital estimation, operating cycle	M×5	–	D	D	3/4	HIGH
Receivables, payables (discount), cash (Baumol/Miller–Orr)	–	D	M + D	D (theory)	3/4	HIGH
Sources of finance and FM theory (bonds, seed capital, virtual banking, export finance, objectives)	D×3	D×3	D×2	D×3	4/4	HIGH

3. Past-paper frequency map – SM

Topic	Sep 25	Jan 26	May 26	Sep 26	Hits	Priority
Vision, mission, objectives, strategic management process	D + M	D	D + M	D + M	4/4	HIGH
External environment, Porter's five forces, globalisation	D + M	D	D×2	D	4/4	HIGH
Value chain, core competencies, experience curve	D + M	–	–	D×2	3/4	HIGH
SWOT, BCG, GE, Ansoff	D + M	–	M	D×2 + M	4/4	HIGH
Generic strategies (cost, differentiation, focus, best-cost)	D	D	D + M	M×3	4/4	HIGH
Grand strategies (turnaround, divestment, stability, M&A, diversification)	D×2	D	D + M	D	4/4	HIGH

Topic	Sep 25	Jan 26	May 26	Sep 26	Hits	Priority
Implementation – structure (hourglass), culture, leadership, 7S, Lewin, digital transformation	D×2	D + M	D + M	D×2	4/4	HIGH
Strategic control and strategic performance measures	D	D	–	D + M	3/4	HIGH

TREND What the four papers tell us

- **FM numericals** concentrate on cost of capital, leverages and capital budgeting – each about 10–15 marks per attempt. The MCQ case (5 MCQs) is a full numerical (working capital, financing plan, project NPV).
- **FM theory (Q4)** is short (4 + 4 + 2) and comes from sources of finance and basic concepts. It is the easiest choice question.
- **SM Q5** is three short cases asking you to **identify the strategy** (best-cost, divestment, Lewin, differentiation, turnaround, Porter force, SWOT) and explain it.
- SM theory now asks for **analytical** answers ("In the light of... analyse") – write the concept, its components and a brief application.

4. Priority list for January 2027

Priority	FM	SM
A – must master	Cost of capital and WACC; leverages and EBIT–EPS; NPV/IRR/payback and replacement; WC estimation; ratio work-back	Generic and grand strategies; Porter's five forces; SWOT/TOWS; BCG/GE/Ansoff; vision–mission; 7S; Lewin; strategic control
B – high yield	MM approach and arbitrage; dividend models; receivables policy; cash discount cost; Baumol/Miller–Orr	Value chain; core competency; experience curve; structures (hourglass, matrix, SBU); culture; leadership; digital transformation; SPM
C – do not skip	Sources of finance (bonds, seed capital, P2P, crowdfunding, export finance); FM objectives	PESTLE; PLC; strategic groups; globalisation; strategic uncertainty; innovation

5. Theory bank

FM (2–4 marks): profit vs wealth maximisation; functions of financial management; finance executive's role; financial manager vs controller; agency problem; seed capital; venture capital; types of bonds (callable, puttable, masala, drop-lock, green, junk); debentures – when advantageous; lease types; virtual banking; packing credit and post-shipment finance; factoring; financial distress; leverage as a double-edged sword; MM assumptions; stock split vs bonus; Miller–Orr features.

SM (5 marks): importance and limitations of strategic management; vision and mission – significance; strategic levels; PESTLE; five forces; value chain; core competencies; experience curve; SWOT/TOWS; BCG/GE/Ansoff; generic strategies and their risks; turnaround danger signs and action plan; divestment and liquidation; mergers – types; strategic alliances; formulation vs implementation; organisation structures; corporate culture; strategic leadership; 7S; Lewin's model; digital transformation; strategic control types; strategic performance measures.