

GUJARAT TECHNOLOGICAL UNIVERSITY

INTEGRATED MASTER OF BUSINESS ADMINISTRATION

Year – 3 (Semester –5) (W.E.F. Academic Year 2017-18)

Subject Name: Advance Financial Management (AFM)

Subject Code: 2557103

1. Learning Outcomes:

- (a) Understand the fundamental principles and techniques of financial management concern with acquisition and use of funds by a business firm.
(b) Understand the basic concepts of digital finance.

2. Course Duration: The course duration is of **40 sessions of 60 minutes** each.

3. Course Contents:

Module No.	Modules with its Contents/Chapters	No. of Sessions	Marks (out of 70)
I	Capital Budgeting & Cost of Capital	10	17
	Capital Budgeting: Concept of Capital Budgeting, Nature and Process, Evaluation Techniques – Net Present Value, Internal Rate of Return, Profitability Index, Payback Period, Average Rate of Return. Cost of Capital: Meaning & Significance of cost of capital, Determining Components of Cost of Capital, Cost of Equity, Cost of Preference & Cost of Debt, Weighted Average Cost of Capital (WACC).		
II	Capital Structure Theories	10	18
	Concept of Optimum Capital Structure & Value of Firm, Net Income Approach, Net Operating Income Approach, Traditional Approach, Modigliani Miller Model (with taxes), Practical Problems. Factors Affecting Capital Structure, Profitability and Capital Structure – EBIT-EPS Analysis.		
III	Dividend Theories	10	18
	Concept & Significance, Relevance of Dividend Policy – Walter & Gordon Model. Dividend and Uncertainty: The Bird in the hand argument, Irrelevance of Dividend Policy – Modigliani & Miller Approach, Practical Problems. Determinants of Dividend Policy.		
IV	Digital Finance	10	17

	Basics of Digital Payments Services: Electronic Clearing Service (ECS) Debit & Credit; <i>Electronic Funds Transfer (EFT)</i> - National Electronic Funds Transfer (NEFT) System, Real Time Gross Settlement System (RTGS). Crowdfunding: Concept of crowdfunding, types of crowdfunding platforms, crowdfunding in India. Virtual Wallets: concept of virtual wallet, virtual wallets in India, types of virtual wallets – closed wallets, semi closed wallets, open wallets.		
V	Practical: Students are advised to prepare a project report on utilization of digital financial services by organizations working in Gujarat.	---	30 Marks of CEC

4. Teaching Methods:

The course will use the following pedagogical tools:

- (a) Classroom Discussion of Concepts and Applications
- (b) Case Discussions
- (c) Management Exercise / Stimulations /Games

5. Evaluation:

The evaluation of participants will be on continuous basis comprising of the following Elements:

A	Continuous Evaluation Component comprising of evaluation of project report and its presentation – viva	(Internal Assessment- 50 Marks)
B	Mid-Semester examination	(Internal Assessment-30 Marks)
C	End –Semester Examination	(External Assessment-70 Marks)

6. Text / Reference Books:

Sr. No.	Author	Name of the Book	Publisher	Year of Publication
1	I M Pandey	Financial Management	Vikas Publication	2015
2	Khan and Jain	Financial Management	Tata McGraw Hill	2007
3	R P Rastogi	Financial Management	Taxmann	2016
4	Chandra, Prasanna	Financial Management, theory and Practice	Tata McGraw Hill	2011

7. List of Journals/Periodicals/Magazines/Newspapers, etc.

1. Chartered Financial Analyst
2. Economic Times
3. Business Standard
4. Financial Express
5. Harvard Business Review

8. List of Websites (Link):

1. <https://www.rbi.org.in/scripts/paymentsystems.aspx>
2. www.kickstatrer.com
3. <http://www.npci.org.in/home.aspx>
4. <http://www.idrbt.ac.in/>
5. <http://www.bis.org/cpps/index.htm>