

Bachelor of Commerce with Accountancy and Finance

SEMESTER – III

Security Analysis and Portfolio Management

Computer Code-3002

4 Credits

Module 3.2

Evaluation Pattern:

Internal Evaluation: 25 Marks

External Evaluation:75 Marks

Module	Topic	Weightage %	No. of Periods
	Objectives : This course aims at providing the students a basic introduction to the areas of security analysis and portfolio management and equipping them with basic tools and techniques for making profitable investment decisions.		
I	INTRODUCTION TO INVESTMENT Meaning of investment , Investment avenues, Types of investors, Investment objectives , The investment process, Security Analysis, Meaning of security, Types of securities, Calculation of security return,	20	10
II	Equity Valuation Model Discounted Cash-flow techniques Balance sheet valuation, Dividend discount models, Intrinsic value and market price, earnings multiplier approach, P/E ratio, Price/Book value, Price/sales ratio, Economic value added (EVA).	25	15

III	<p>SECURITIES RETURN & VALUATION ANALYSIS</p> <p>Fixed-Income Securities – Overview of fixed-income securities – Risk factors in fixed-income securities (Systematic and unsystematic) – Bond analysis – Types of bonds, Major factors in bond rating process – Bond returns – Holding period return</p> <p>Stock Return and Valuation – Anticipated returns, Present value of returns, Constant Growth model, Two-Stage Growth model, The Three-Phase Model,.</p>	25	15
IV	<p>PORTFOLIO MANAGEMENT & CAPITAL MARKET THEORY:</p> <p>Meaning of Portfolio – What is Portfolio Management – Objectives, Principles of Portfolio Construction.</p> <p>Investment Alternatives</p> <p>Non Marketable Financial Assets – Bonds or fixed Income securities – Equity shares – Mutual Funds – Schemes of mutual funds (only concept of equity scheme, Hybrid Scheme, Debt Scheme) Calculation of “Net Assets Value”</p> <p>Evaluation of portfolio performances</p> <p>Securities Market</p> <p>Primary Equity Market, IPO, Book Building Process, Red herring Prospectus. Secondary Market – Stock Markets</p>	30	20
		100	60

Reference Books:

Bhalla : Investment Analysis, S. Chand & Co. Delhi.

Fischer & Jordan, Security Analysis and Portfolio Management, Prentice Hall India.

Pandian, Security Analysis and Portfolio Management, Vikas Publishing House Pvt. Ltd.

I. M. Pandey, Financial Management, Vikas Publishing House Pvt. Ltd.

V. A. Avadhani, Investment and Securities Market in India, Himalaya Publishing House.

D. C. Patwari, Options and Futures: Indian Perspective, Jaico Publishing House.

V. K. Bhalla, Portfolio Analysis and Management, Sultan Chand & Sons Agarwal, A Guide to Indian Capital Markets, New Delhi.