

**BBA HONOURS 5<sup>th</sup> SEMESTER**  
**DISCIPLINE SPECIFIC ELECTIVE – I (DSE-1)**

**OPTION-I**

**BBA520D1A: FINANCE: INDIAN FINANCIAL SYSTEM**

**CREDITS: THEORY: 04; TUTORIAL: 02**  
**MAX. MARKS: THEORY: 60; TUTORIAL: 30**  
**MIN. MARKS: THEORY: 60; TUTORIAL: 30**

*Course Objectives: To enable the students to acquire basic understanding of the structure, organization and functioning of the financial system in India. The course also aims at exposing the students to new financial instruments and their implications in the existing regulatory framework.*

**A. COURSE CONTENTS (THEORY) (4 CREDITS) (60 marks)**

**Unit I:**

Indian Financial system: An overview, structure and functions of financial system, financial system and economic development, Components: Financial Assets, Financial Intermediaries, Financial Markets, Regulatory framework, Financial Instruments, Government Securities Market, Long Term Loans Market, Mortgages Market, Financial Guarantees Market. Capital Markets and Money Market: Features, Objectives and Role, Money Market Instruments: Treasury Bills, Certificate of Deposits, Commercial Paper, Call money market, Commercial bills, Inter-corporate deposits, Inter-bank participation certificates.

**Unit II:**

Financial Institutions: Role of the Central Bank (RBI), Commercial banks, Indigenous Financial Agencies, Discount houses, Acceptance houses, Merchant Banks, Investment companies, Development banks, Mutual Funds, Special Financial Institutions: Need, Objectives and functions of IDBI, IFCI, SFCs, ICICI, EXIM Bank of India, Cooperative Banking Institutions: Features and Structure. Non-Banking Finance Companies: Meaning, Role, Types of NBFCs,

**Unit III:**

Primary Markets: Features, objectives and functions, players in the New Issue Market, relationship between New Issues Market and Stock Exchange, Problems and Recent Developments, Modes of procuring long term funds. Secondary Market: Meaning, Functions of the stock exchange, Stock market indices, Method of Trading in a Stock Exchange, listing of securities, Registration of Stock Brokers, Registration Procedure, Code of Conduct for Stock Brokers, Kinds of Brokers and their Assistants, Kinds of Speculators.

**Unit IV:**

Financial services: Venture Capital Financing: Meaning, Steps and methods, Factoring: Meaning, Types, costs and benefits of factoring, difference between factoring and forfeiting, Leasing: Meaning, Definition, Types of leases, Underwriting: Meaning and benefits, Credit Rating Agencies: Meaning and role of such agencies (CRISIL, CARE, ICRA). Concept of Depository Services. Financial regulation: Capital Issues (Control) Securities Contract (Regulations) Act, Malpractices in the Securities Market, SEBI: Introduction to SEBI ACT 1992, Objectives, Functions, powers, Organization of the Board.

**B. COURSE CONTENTS - TUTORIAL (2 CREDITS) (30 marks)**

- ---Field visit to a local unit/manufacturing firm/trading firm/service firm describing the issues related to the Indian financial system aspects and submitting a brief report thereof.

**SUGGESTED READINGS:**

1. Financial Markets and Institutions-Dr. S. Gurusamy,Tata McGraw Hill.
2. The Indian financial system and Development- Vasant Desai, Himalaya Publishing House
3. Financial Management- I.M.Pandey, Vikas Publishing House.

4. Financial Management- M.Y.Khan and P.K.Jain: Tata McGraw Hill Education Pvt. Ltd.
5. Bhole, Financial Institutions in Market, Tata McGraw Hill

**BBA HONOURS 5<sup>th</sup> SEMESTER**  
**DISCIPLINE SPECIFIC ELECTIVE – I (DSE-1)**

**OPTION-II**

**BBA520D1B: FINANCE: PROJECT APPRAISAL AND FINANCIAL ANALYSIS**

**CREDITS: THEORY: 04; TUTORIAL: 02**

**MAX. MARKS: THEORY: 60; TUTORIAL: 30**

**MIN. MARKS: THEORY: 60; TUTORIAL: 30**

**COURSE OBJECTIVES:** To explain identification of a project, feasibility analysis including market, technical and financial appraisal of a project. Understand the relevance of alternative project appraisal techniques, financial structuring and financing alternatives. This course intends to involve students to apply appraisal techniques for evaluating live projects

**A. COURSE CONTENTS (THEORY) (4 CREDITS) (60 marks)**

**UNIT I**

Appraisal : an introduction, Project appraisal and evaluation , Project cycle, Project cycle management , Private and Public sector Projects; Identification of investment opportunities – industry analysis review of project profiles, – feasibility study , Project identification and formulation , Generation and screening of Project ideas, Basic Principles of Project Analysis.

**UNIT II**

Market Analysis: Market analysis of a project, Need for market analysis, Demand and supply analysis, primary and secondary data- analysis, Forecasting techniques

Technical appraisal of a project, Business and Technology Acquisition and management of technology. Economic Analysis- Rationale and Approaches.

**UNIT III**

Financial appraisal of projects, Project cost – Components and computation, working capital estimates, means of financing- short run and long run, profitability projection, cash flow estimates and balance sheet.

**UNIT IV**

Project risk assessment – Risk and Sensitivity Analysis, Taxonomy of Risks, probabilistic cash flow approaches – application of simulation techniques; Monitoring and Evaluation of a Project - PERT / CPM, Monitoring mechanism, Evaluation and Lessons, Preparation of project report - Case Analysis.

**B. COURSE CONTENTS - TUTORIAL (2 CREDITS) (30 marks)**

- ---Field visit to a local unit/manufacturing firm/trading firm/service firm describing the issues related to the project appraisal and financial analysis aspects and submitting a brief report thereof.

**SUGGESTED READINGS:**

1. Machiraju, H.R.: Introduction to Project Finance, Vikas Publishing House.
2. Prasanna Chandra: Project Preparation Appraisal Budgeting and Implementation, Tata McGraw.

**BBA HONOURS 5<sup>th</sup> SEMESTER  
DISCIPLINE SPECIFIC ELECTIVE – I (DSE-1)**

**OPTION-III**

**BBA520D1C: FINANCE: INVESTMENT ANALYSIS AND MANAGEMENT**

**CREDITS: THEORY: 04; TUTORIAL: 02**

**MAX. MARKS: THEORY: 60; TUTORIAL: 30**

**MIN. MARKS: THEORY: 60; TUTORIAL: 30**

***COURSE OBJECTIVE:** The aim of this course is to provide a conceptual framework for analysis from an investor's perspective of maximizing return on investment – a sound theoretical base with examples and references related to the Indian financial system.*

**A. COURSE CONTENTS (THEORY) (4 CREDITS) (60 marks)**

**UNIT-I**

Introduction: Properties of financial assets, Concept of investment, features and objectives of investments, Security Markets- Primary and Secondary Market, Role of security market in economy, various types of securities and their features, Security market Indices- computation of stock indices. Risk and Return-Measurement & Concept.

**UNIT II**

Fundamental Security Analysis: Economy Analysis – purpose, sources of information and techniques; Industry Analysis – objectives, sources of information, and techniques; Company Analysis- objectives, techniques of company analysis.

**UNIT III**

Efficient Market Hypothesis- Need for efficient capital markets, concept-Randomwalk, three forms of EMH and implications for investment decisions, concept of Beta and Alpha and their usage.

**UNIT IV**

Portfolio Theory- Concept, Objectives, portfolio return, portfolio risk, covariance, correlation and variance, determination of portfolio beta; Markowitz Portfolio Model; Sharpe's Index model; Technical Analysis- Concept, Features and Techniques.

**B. COURSE CONTENTS - TUTORIAL (2 CREDITS) (30 marks)**

- --- Field visit to online trading centres vis-à-vis Investment in Financial securities viz., stocks, MF's, Bonds, etc.
- --- Preparation and presentation of a report by students Individually

**SUGGESTED READINGS:**

1. Fischer, D.E. & Jordan, R.J.: Security Analysis & Portfolio Management, Pearson Education.
2. Sharpe, W.F., Alexander, G.J. & Bailey, J.: Investments, Prentice Hall of India.
3. Singh, R: Security Analysis & Portfolio Management . Excel Books.
4. Frank K Reilly & Keith C Brown: Investment Analysis and Portfolio Management, Cenage India Pvt. Ltd.