

Guidelines for the Paper titled “Fundamentals of Investment”
BA Prog. Semester 2, Discipline (A&F)- A2 (Non-major/Minor), NEP course
Jointly organized by
Department of Commerce, Delhi School of Economics, University of Delhi and
PGDAV College, University of Delhi
Date: 22nd March, 2025

MINUTES

An online meeting was held on Saturday, 22nd March, 2025 at 12:30 PM on Google Meet Platform (Meeting Link: <https://meet.google.com/qkz-pxsr-yqk>) to prepare the Guidelines for UGCF Syllabus for the paper titled “Fundamentals of Investment”, a Non-major/Minor paper of BA Prog. Semester 2, Discipline (Accounting and Finance)- A2 taught by Commerce Department, jointly organized by Department of Commerce, Delhi School of Economics, University of Delhi and PGDAV College, University of Delhi. The faculty members of different colleges of University of Delhi attended the online meeting on the scheduled day and time. The meeting was convened by Prof. Shuchi Pahuja, Professor in Department of Commerce, PGDAV College and represented by Dr. Sahaj Wadhwa, Assistant Professor in Department of Commerce, Delhi School of Economics, University of Delhi.

The guidelines were set in the online meeting with the consent of the faculty members present in the meeting and the Representative of Department of Commerce, Delhi School of Economics, University of Delhi. The following aspects were agreed upon in the meeting so as to maintain uniformity in the pattern of teaching at various colleges:

1. General Guidelines related to the lectures assigned, assessment pattern and

University examination: Number of lectures: 45

Total marks: 160 (including 30 marks Internal Assessment, 40 marks Continuous Assessment and Final theory examination of 90 marks)

Duration of Final exam: 3 hours

The final theory exam will be of 90 marks having 5 questions of 18 marks each. Each question will have internal choice preferably from the same unit. Each question may contain sub-parts.

Unit-wise Marks distribution of 90 marks for Semester End Examination was decided as follows:

Unit	Description	Marks
Unit 1	Introduction to Investment	18
Unit 2	Bond analysis and Valuation	18
Unit 3	Equity analysis and valuation	18
Unit 4	Portfolio management	18
Unit 5	Mutual Funds and derivative	18

It was decided that students are allowed to use simple calculators and mathematical tables containing PVF, PVA, CVF and CVA values in the classroom as well as in the examination and

it should be clearly mentioned in the question paper that the use of simple calculators and mathematical tables is allowed.

2. Matters concerning coverage and depth of the topics specified in the syllabus while teaching this paper:

Unit wise coverage of syllabus:

Unit	Particulars
Unit 1: Introduction to Investment	<p>Concept of Investment, Investment Decision Process; Avenues for investment-features and classes; Difference between Investment, speculation, and gambling; Primary market and Secondary Markets- Trading of securities (short note), Security market indices (with focus on BSE Sensex and NSE Nifty 50); Return and risk: concept and calculation (HPRR, Average return using arithmetic mean, Expected return, and risk using standard deviation and coefficient of variation), risk-return trade-off.</p> <p>Numerical questions on calculation of Risk and return</p>
Unit 2: Bond Analysis and Valuation	<p>Bond Fundamentals (meaning, features and types of bonds); Estimating bond yield (Calculating current yield, YTM using approximate method and exact YTM using interpolation); Bond Valuation (finding intrinsic value of a simple bond with annual and semi-annual payment of interest without adjustment for taxes), bond risks and credit rating.</p> <p>Numerical questions on current yield, YTM and Valuation of simple bond.</p>
Unit 3: Equity Analysis and Valuation	<p>Fundamental Analysis (EIC framework and Fundamental analysis using various ratios impacting equity shareholders like DPS, EPS, ROE, PER, dividend yield, earning yield etc.), Technical Analysis (important Charts and Patterns) and Efficient Market Hypothesis; Valuation of Equity Shares using Dividend Discount Model (Zero-growth model and constant growth model).</p> <p>Numerical questions on Fundamental analysis and Equity valuation using zero growth model and constant growth model</p>
Unit 4: Portfolio Management	<p>Portfolio Management- Concept and need; Measurement of Portfolio Return and risk; Diversification- Markowitz Theory.</p> <p>Numerical questions on measurement of Portfolio risk and return (two security model only). Capital Market Line and Security Market Line (CAPM) are not to be covered as these are not mentioned in the syllabus.</p>
Unit 5: Mutual Fund and Derivatives	<p>Mutual Fund- concept and types; Overview of Financial Derivatives-Forwards; Futures and Options.</p> <p>Numerical questions on finding pay-off in call and put option (basic options)</p>

The list of faculty members who attended the meeting is given below:

S.No.	Name	College
1	Dr. Sahaj Wadhwa	Department of Commerce, DSE
2	Prof. Shuchi Pahuja	P.G.D.A.V. College (M)
3	Dr. Poonam	Bharti college
4	Ms. Ritika Juhi	P.G.D.A.V. College (M)
5	Dr. Soma Garg	Maharaja Agrasen College
6	Dr. Nirmal Jain	Maharaja Agrasen College
7	Dr. Seema Sharma	Vivekananda College

The faculty members actively participated in the deliberations of the meeting. It was requested that the paper setters should strictly follow these guidelines while setting up the question paper. The meeting concluded with the sincere thanks to Dr. Sahaj Wadhwa and all the participants for their valuable suggestions in the preparation of guidelines of the Paper Fundamentals of Investment for BA Prog.



Prof. (Dr.) Shuchi Pahuja
(Convenor)



Dr. Sahaj Wadhwa
(Department Representative)