

**ACADEMIC AFFAIRS OFFICE  
INDIAN INSTITUTE OF TECHNOLOGY ROORKEE**

No. Acd./5249/IAPC-91

Dated: November 09, 2020

**Head, Department of Management Studies**

The IAPC in its 91<sup>st</sup> meeting held on 01.10.2020 vide **Item No. 91.2.2(1)** considered the proposal to introduce a new Institute Elective i.e., IBM-316: Introduction to Corporate Finance and Stock Market from session 2020-21 onwards.

The IAPC accepted the proposal with minor modifications. Duly modified syllabus is attached as **Appendix-A**.



**Assistant Registrar (Curriculum)**

**Encl:** as above

**Copy to (through e mail):-**

1. All faculty
2. All Heads of Departments/ Centres
3. Dean, Academic Affairs
4. Associate Dean of Academic Affairs (Curriculum)
5. Channel I/ Academic webpage of iitr.ac.in

## INDIAN INSTITUTE OF TECHNOLOGY ROORKEE

**NAME OF DEPARTMENT/CENTRE:** Department of Management Studies

1. **Subject Code:** IBM-316      **Course Title:** Introduction to Corporate Finance and Stock Market
2. **Contact Hours:**              **L:** 3                      **T:** 0                      **P:** 0
3. **Examination Duration (Hrs.):**      **Theory:** 3                      **Practical:** 0
4. **Relative Weightage:**    **CWS:** 20-35      **PRS:** 0      **MTE:** 20-30      **ETE:** 40-50      **PRE:** 0
5. **Credits:** 3                      6. **Semester:** Both                      7. **Subject Area:** HSSMEC
8. **Pre-requisite:** Nil
9. **Objective:** The purpose of this course is to offer the students relevant, systematic knowledge of basics of corporate finance and stock market that can be applied in practice while making financial decisions and resolving financial problems.

### 10. Details of the Course

S.No.	Contents	Contact hours
1.	Corporate Finance: An overview, Financial statement; Balance sheet, Profit and Loss account	6
2.	Sources of Capital: Introduction to Equity shares, Debentures, Retained Earnings and Preference Share Capital, Venture capital	6
3.	Operating and financial leverage	4
4.	Discounted Cash Flow Techniques for Investment Decision: Introduction to Time Value of Money, NPV and IRR	7
5.	Risk Analysis; Risk Measurement, Scenario analysis, Sensitivity Analysis	6
6.	Stock Market : primary and secondary market, Types of Stocks, Indices, Exchanges, Bull/Bear Markets,	4
7.	Portfolio basics: benefits of diversification, portfolio risk, Mutual fund, ETF etc	4
8.	Efficient frontier and optimal portfolio, single index model	5
<b>Total</b>		<b>42</b>

### 11. Suggested Books:

S.No.	Name of Authors/Book/Publisher	Year of Publication / Reprint
1.	Brigham,E. F and Ehrhardt, M.C., “Financial Management: Theory and Practice”, Cengage learning.	12 <sup>th</sup> Edition 2013
2.	Khan and Jain, “Management Accounting”, McGraw Hill Education (India) Private Limited.	7 <sup>th</sup> Edition, 2017
3.	M.Y. Khan and P.K. Jain, “Financial Management: Text, Problems and Cases”, McGraw Hill Education (India) Private Limited.	8 <sup>th</sup> Edition, 2019

4.	Ashok Sehgal and Deepak Sehgal, “Fundamentals of Financial Accounting”, Taxmann,s Publishers, New Delhi	5th Edition
5.	Bodie, Z. A., Kane. A., & Marcus, A. J., Investments (10th ed.). McGraw Hill, New York	10 <sup>th</sup> Edition, 2013
6.	Chandra, P., Investment Analysis and Portfolio Management, Tata McGraw Hill, New Delhi	4 <sup>th</sup> Edition, 2012
7.	Brigham,E. F and Ehrhardt, M.C., “Financial Management: Theory and Practice”, Cengage learning.	12 <sup>th</sup> Edition 2013