

GENERIC ELECTIVE (GE) COURSES

GE 2: FINANCIAL MANAGEMENT OF FAMILY BUSINESS

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Financial Management of Family Business GE-2	4	3	1	0	Class XII	NA

Course Objectives:

- To familiarize students with various financial and quantitative techniques of analysis required at different stages for management of family business.
- To acquaint the students with qualitative aspects related to starting a new venture and various options for financing.

Learning Outcomes:

On successful completion of his course, the students will be able to:

- Understand the process of screening of ideas and carrying out appraisal of new venture.
- Apply various quantitative methods for demand forecasting and making financial projections.
- Use capital budgeting techniques for financial evaluation and selection of projects.
- Carry out risk analysis for business projects and identify alternative sources of financing.

Course Contents

Unit 1: Capital Investments & Starting a Venture

(9 hours)

Capital investments importance and difficulties, types of capital investments, phases of capital budgeting, levels of decision making, facets of project analysis, key issues in major investment decisions. Generation of ideas, monitoring the environment, corporate appraisal, tools for identifying investment opportunities, scouting for project ideas, preliminary screening, project rating index, sources of positive net present value.

Unit 2: Demand Forecasting & Financial Projections**(12 hours)**

Methods of demand forecasting: qualitative methods – jury of executive and Delphi method. Time series projection methods: trend projection, exponential smoothing and moving average method. Causal methods: chain ratio, consumption level, end use, bass diffusion, leading indicator and econometric method. Uncertainties in demand forecasting, improving forecasts, coping with uncertainties.

Financial estimates and projections: cost of project, estimates of sales and production, cost of production, working capital requirement and its financing, profitability projections, projected cash flow statement, projected balance sheet and multi-year projections.

Unit 3: Capital Budgeting & Project Selection**(12 hours)**

Project appraisal: market appraisal, technical appraisal, financial appraisal, economic appraisal, and managerial appraisal. Project cash flows: components of cash flow, basic principles of cash flow estimation, cash flows for a replacement project. Biases in cash flow estimation: overestimation and underestimation of profitability. Time value of money: concept, present and future value of a single amount, present and future value of an annuity. Investment evaluation criteria: payback period, accounting rate of return, net present value, profitability index, internal rate of return (IRR), modified internal rate of return (MIRR). Assessment of various methods, investment evaluation in practice.

Unit 4: Risk Analysis and Financing**(12 hours)**

Risk Analysis: sources and measures of risk. methods of assessing risk: sensitivity analysis, scenario analysis, break-even analysis, simulation analysis, decision tree analysis. Managing risk. Project selection under risk – judgmental evaluation, payback period requirement, risk adjusted discount rate method, certainty equivalent method. Risk analysis in practice.

Financing: capital structure, choices of financing, internal accruals, equity capital, preference capital, debentures (or bonds), term loans, raising capital in international markets, venture capital, private equity, venture capital vs private equity. Credit rating and appraisal by financial institutions – what information they want and how they appraise.

Essential Readings:

1. Chandra, Prasanna: Projects – Planning, Analysis, Selection, Financing, Implementation, and Review. 2019 Edition. McGraw Hill Education.
2. Agrawal, R., & Mehra, Y. S. (2017). Project Appraisal and Management. Taxmann Publications.

Additional Readings:

1. Goodpasture, C. John: Quantitative Methods in Project Management. J. Ross Publishing.
2. Prasanna Chandra: Financial Management: Theory and Practice, McGraw Hill Publishing.

Examination scheme and mode:

Evaluation scheme and mode will be as per the guidelines notified by the University of Delhi.

GE4: FUNDAMENTALS OF ECONOMETRICS

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Fundamentals of Econometrics GE-4	4	3	1	0	Class XII	NA

Course Objectives:

- To provide a comprehensive introduction to basic econometric concepts and techniques.
- To cover estimation and diagnostic testing of simple, multiple regression models, panel data models, and dummy variable regression with qualitative response regression models.

Learning Outcomes:

The course will help the student to:

- Understanding of basic econometrics and its assumptions and the impact of violations of classical assumptions.
- Interpretation of functional forms of regression model.
- Understanding of models using dummy variables and Qualitative Response Regression Models.

Unit 1

(9 Hours)

Introduction to Econometrics and an overview of its applications; Simple Regression with Classical Assumptions; Least Square Estimation and BLUE, Properties of estimators, Multiple Regression Model and Hypothesis Testing Related to Parameters – Simple and Joint. Functional forms of regression models.

Unit 2

(12 Hours)

Violations of Classical Assumptions: multicollinearity, heteroscedasticity, autocorrelation, and model specification errors, their identification, their impact on parameters; tests related to parameters and impact on the reliability and the validity of inferences in case of violations of Assumptions; methods to take care of violations of assumptions.

Unit 3**(12 Hours)**

Understanding the impact of change in scale of variables on output. Understanding and calculation of information criteria for model selection: AIC, BIC, and HQC. Understanding and calculation of R Square and adjusted R Square. Understanding of outliers and their impact on the model's output.

Unit 4**(12 Hours)**

Dummy variables: Intercept dummy variables, slope dummy variables, Interactive dummy variables, Use of Dummy Variables to model qualitative/Binary/Structural changes, Other Functional Forms, Qualitative Response Regression Models or Regression Models with Limited Dependent Variables - Use of Logit, and Probit Models

Recommendation Computer Package to be Used: Use of softwares like E-Views, R, and STATA to solve real-life problems and check assumptions, taking care of assumption violations, and test goodness of fit, and for estimation of Logit, and Probit Models is recommended.

Essential Readings:

1. Christopher Dougherty. Introductory Econometrics. Oxford University Press.
2. Gujarati, N. Damodar. Basic Econometrics. New Delhi: McGraw Hill.
3. Gujarati, N. Damodar. Econometrics by Examples. New Delhi: McGraw Hill.

Additional Reading

1. Pindyck, Robert S. and Daniel L. Rubinfeld Econometric Models and Economic Forecasts. Singapore: McGraw Hill.
2. Ramanathan, Ramu (2002). Introductory Econometrics with Applications (5th ed.). Thomson South-Western.

Examination scheme and mode:

Evaluation scheme and mode will be as per the guidelines notified by the University of Delhi.

GE 6: PERSONAL FINANCE

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Personal Finance GE-6	4	3	1	0	Class XII	NA

Course Objectives:

- To equip students with the knowledge and practical understanding of important dimensions of managing one's personal finance.
- To understand and plan for their tax liabilities, investments, insurance coverage, and retirement.

Learning Outcomes:

On successful completion of his course, the students will be able to:

- Understand the fundamentals of Personal Financial Planning.
- Learn the basics of managing personal tax liabilities.
- Able to ascertain and choose appropriate insurance policies for managing personal risks.
- Appreciate the importance of choosing right investments for managing personal finance.
- Learn the basic concepts and underlying principles for Retirement Planning.

Course Contents

Unit 1: Basics of Personal Finance and Tax Planning

(12 Hours)

Understanding Personal Finance. Rewards of Sound Financial Planning. Personal Financial Planning Process. Personal Financial Planning Life Cycle. Making Plans to Achieve Your Financial Goals. Common Misconceptions about Financial Planning. Financial Planning as a career choice. The Financial Planning Environment. Personal Tax Planning – Tax Avoidance versus Tax Evasion, Fundamental Objectives of Tax Planning, Tax Structure in India for Individuals, Common Tax Planning Strategies – Maximizing Deductions, Income Shifting, Tax-Free and Tax-Deferred Income.

Unit 2: Managing Insurance Needs**(12 Hours)**

Basics Concepts – Risks, Risk Management and Underwriting. Insuring Life – Benefits of Life Insurance, evaluating need for Life Insurance, Determining the Right Amount of Life Insurance. Choosing the Right Life Insurance Policy – Term Life Insurance, Whole Life Insurance, Universal Life Insurance, Variable Life Insurance, Group Life Insurance, Other Special Purpose Life Policies. Buying Life Insurance – Compare Costs and Features, Select an Insurance Company, and Choose an Agent. Life Insurance Contract Features. Insuring Health – Importance of Health Insurance Coverage. Making Health Insurance Decision – Evaluate Your Health Care Cost Risk, Determine Available Coverage and Resources, Choose a Health Insurance Plan. Types of Medical Expense Coverage. Policy Provisions of Medical Expense Plans. Property Insurance – Basic Principles, Types of Exposure, Principle of Indemnity, and Coinsurance.

Unit 3: Managing Investments**(12 Hours)**

Role of Investing in Personal Financial Planning, Identifying the Investment Objectives, Different Investment Choices. The Risks of Investing, The Returns from Investing, The Risk-Return Trade-off. Managing Your Investment Holdings – Building a Portfolio of Securities, Asset Allocation and Portfolio Management, Keeping Track of Investments. Investing in Equity – Common Considerations, Key Measures of Performance, Types of Equity Stocks, Market Globalization and Foreign Stock, Making the Investment Decision. Investing in Bonds – Benefits of Investing in Bonds, Bonds Versus Stocks, Basic Issue Characteristics, The Bond Market, Bond Ratings. Investing in Mutual Funds and Exchange Traded Funds (ETFs) – Concept of Mutual Funds and ETFs, Benefits of Investing in Mutual Funds or ETFs, Some Important Cost Considerations, Services Offered by Mutual Funds, Selecting appropriate Mutual Fund and ETF investments, Evaluating the performance of Mutual Funds and ETF.

Unit 4: Investing in Real Estate and Retirement Planning**(9 Hours)**

Investing in Real Estate – Some Basic Considerations. Modes of Real Estate Investment – Raw Land, Commercial Properties, Residential Properties, Real Estate Investment Trusts (REITs).

Planning for Retirement – Role of Retirement Planning in Personal Financial Planning, Pitfalls to Sound Retirement Planning, Estimating Income Needs, Sources of Retirement Income. NPS- its importance, benefits and choices/alternatives available under this scheme

Essential Readings:

1. Randall S. Billingsley, Lawrence J. Gitman, and Michael D. Joehnk (2017): Personal Financial Planning. Cengage Learning.
2. Susan M. Tillery, and Thomas N. Tillery: Essentials of Personal Financial Planning. Association of International Certified Professional Accountants.

Additional Readings:

1. Introduction to Financial Planning (4th Edition 2017) – Indian Institute of Banking & Finance.

2. Sinha, Madhu. Financial Planning: A Ready Reckoner. July 2017. Mc Graw Hill

Examination scheme and mode:

Evaluation scheme and mode will be as per the guidelines notified by the University of Delhi.

GE 8: WORKING CAPITAL MANAGEMENT

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course (if any)
		Lecture	Tutorial	Practical/ Practice		
Working Capital Management GE-8	4	3	1	0	Class XII	NA

Course Objective(s):

- To provide understanding of the concept and importance of sound working capital strategies of a firm.
- To have an understanding of the impact of working capital policies relating to Cash management, inventory and receivables management on firm's profitability.

Learning Outcomes:

On successful completion of his course, the students will be able to:

- Evaluate the importance of effective working capital management and its role in meeting the firm's strategic objectives and its impact in value creation.
- Understand the management of cash and marketable securities
- Formulation of optimum inventory and receivables management plan.
- Formulate appropriate working capital management policies to achieve corporate objectives.

Course Contents:

Unit 1: Working Capital Management – Introduction

(15 Hours)

Concept and Scope of Working Capital, Types of working Capital, Determinants of working capital, Working Capital Cycle, Assessment and Computation of Working Capital Requirement, Profitability–Liquidity trade-off, Working Capital Policies. Brief about working capital financing.

Unit 2: Management of Cash & Marketable Securities

(12 Hours)

Meaning of Cash, Motives for holding cash, objectives of cash management, factors determining cash needs, Cash Management: basic strategies, techniques, Lock Box system and concentration banking. Marketable Securities: Concept, types, reasons for holding marketable securities.

Unit 3: Management of Receivables**(9 Hours)**

Concept & cost of maintaining receivables, objectives of receivables management, factors affecting size of receivables, policies for managing accounts receivables, analysis for optimum credit policy including credit analysis, credit standards, credit period, credit terms, etc.

Unit 4: Inventory Management**(9 Hours)**

Inventory: Need for monitoring & control of inventories, objectives of inventory management, Benefits of holding inventory, risks and costs associated with inventories, Techniques of Inventory Management – EOQ, Minimum order quantity, ABC Analysis, JIT etc.

Essential Readings:

1. Bhattacharya – Working Capital management ,2e, PHI.
2. Rustagi – Working capital Management, Taxmann's.
3. Bhalla V.K - Working Capital management, Text and cases, Anmol Publication.
4. Periasamy – Working Capital Management –Theory & Practice, Himalaya Publishing House.

Examination scheme and mode:

Evaluation scheme and mode will be as per the guidelines notified by the University of Delhi.

GE 10: INTRODUCTION TO MUTUAL FUNDS

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course
		Lecture	Tutorial	Practical/Practice		
Introduction to Mutual Funds GE- 10	4	3	1	0	Class 12	None

Learning Objectives

- To develop an understanding of fundamental concepts of mutual funds, channels for mutual funds distribution, financial planning as an approach to investing in mutual funds, accounting, valuation, and taxation aspects underlying mutual funds.

Learning outcomes

After studying this course, the students will be able to:

- Understand the basic principles and characteristics of mutual funds.
- Explore and understand the different distribution channels for mutual funds, including direct channels and intermediaries.
- Assess the impact of regulatory frameworks on the distribution of mutual funds.
- Apply financial planning concepts to create investment strategies using mutual funds.
- Analyse the methods used for the valuation of mutual fund assets.
- Understand the tax implications associated with investing in mutual funds, including capital gains taxation and other relevant tax considerations.

Unit 1: Foundations of Mutual Funds

(12 hours)

Introduction to Mutual Funds: Definition and purpose of Mutual Funds, historical evolution, significance in the financial market; Types and structure of Mutual Funds: Equity Funds, Debt Funds, Hybrid Funds, Close-ended vs Open-ended Funds, ETFs; Net Asset Value (NAV); Risk and Return in Mutual Funds, Diversification and portfolio management, Fund Managers and Investment objectives

Unit 2: Distribution Channel and Intermediaries**(9 hours)**

Direct vs Indirect Channels; Online Platforms and Fintech in distribution, Financial Intermediaries in the Mutual funds Market; SEBI Regulations and Guidelines; AMFI; Compliance and Code of Conduct; Investor Protection Measures

Unit 3: Financial Planning and Management of Mutual Funds**(12 hours)**

Role of Mutual Funds in Goal Achievement; Investment Horizons and Strategies; Systematic Investment Plans (SIPs) and Lump-Sum Investments; Performance Evaluation of Managed Funds using Sharpe's, Treynor's, and Jensen's measures.

Unit 4: Accounting, Valuation and Taxation in Mutual Funds**(12 hours)**

NAV Calculation; Mark-to-Market Valuation; Fair Value Accounting, Capital Gain Taxation, Dividend Distribution Tax (DDT), Tax Planning with Mutual Funds; Latest developments in the Mutual Fund industry.

Essential/Recommended Readings:

1. Sankaran, S. (2018). Indian Mutual Funds Handbook (5th Edition): A Guide for Industry Professionals and Intelligent Investors. Vision Books.
2. Mishra, S. K. (2018). A guide to Indian mutual fund investments. Independently Published.
3. Halan, M. (2023). Let's talk mutual funds: A Systematic, Smart Way to Make Them Work for You. Harper Collins.
4. Tripathy, N. P. (2007). Mutual funds in India: Emerging Issues. Excel Books India

Examination scheme and mode:

Evaluation scheme and mode will be as per the guidelines notified by the University of Delhi.

GE12 : INTRODUCTION TO FOREIGN EXCHANGE MARKET

CREDIT DISTRIBUTION, ELIGIBILITY AND PRE-REQUISITES OF THE COURSE

Course title & Code	Credits	Credit distribution of the course			Eligibility criteria	Pre-requisite of the course
		Lecture	Tutorial	Practical /Practice		
Introduction to Foreign Exchange Market GE- 12	4	3	1	0	Class 12	None

Learning objectives:

- To develop a comprehensive understanding of the foreign exchange market, including its structure, key players, and fundamental principles.
- To equip students with skills in analysing currency trends, risk management, and making informed trading decisions. This course serves as a foundation for navigating the dynamic world of foreign exchange.

Learning Outcomes:

After studying this course students will be able to :

- comprehend fundamental concepts such as currency pairs, exchange rates, market, participants and chart reading.
- Analyse the impact of economic indicators, geopolitical events, and risk management strategies.
- Gain practical insights into trading platforms and develop a foundational understanding of global currency markets.

Unit 1: Basics of Foreign Exchange Market

(9 hours)

Introduction to Foreign Exchange Market: Definition and purpose of the Forex market, Historical evolution and significance. **Market Participants:** Major players: banks, financial institutions, corporations, retail traders, Understanding the role of brokers and liquidity providers. **Currency Pairs:** Definition and classification, Major, minor, and exotic pairs, Reading currency pair quotes. Overview of Over-The-Counter (OTC) trading, Current monetary system.

Unit 2: Forex Market Structure

(12 hours)

Spot market, and forward market: Various kinds of transactions and their settlement dates, forward rates, Swaps, Quotes for various kinds of Merchant transactions; Exchange Rate determination and Forecasting: Purchasing power parity and Interest rate parity, relationship between PPP and IRP, reasons for deviation from PPP and IRP;

Unit 3: Fundamental Analysis in Forex

(12 hours)

Economic Indicators: Impact of economic indicators on currency values, Key indicators: GDP, inflation, employment, etc. **Central Banks and Monetary Policy:** Role of central banks in the Forex market, Interest rates and their influence on currency values, Central bank interventions. **Political and Economic Events:** Elections, geopolitical events, and their effects, Market reactions to news and economic releases

Unit 4: Technical Analysis in Forex

(12 hours)

Forex Trading Platforms: Introduction to popular trading platforms, Using charts, indicators, and order types. Price charts and timeframes, Support and resistance levels. **Technical Indicators:** Moving averages, RSI, MACD, and other popular indicators, Using technical indicators for trend analysis and trading signals. **Chart Patterns:** Head and shoulders, double tops/bottoms, triangles, etc., Recognizing and trading chart patterns. **Practical Exercises and Case Studies:** Analyzing real-world trading scenarios.

Essential/Recommended Readings:

1. Matthew Driver (2013)- An Introduction to Forex Trading: A Guide for Beginners.
2. Michael Rosenberg: Currency Forecasting: A Guide to Fundamental and Technical Models of Exchange Rate Determination.
3. John J. Murphy: Technical Analysis of the Financial Markets: A Comprehensive Guide to Trading Methods and Applications.
4. Joel Greenblatt and Andrew Tobias: The Little Book That Beats the Market.

Examination scheme and mode:

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