Course Code	Course Name	Credits
26CM011	PORTFOLIO MANAGEMENT IN FUNDAMENTAL ANALYSIS	04

Course Objectives

- To provide a comprehensive understanding of portfolio management concepts, investment environment, and financial instruments.
- To develop analytical skills for measuring risk and return and understanding portfolio theory.
- To familiarize students with capital market theories such as CAPM, APT, and portfolio construction techniques.
- To equip learners with methods of portfolio evaluation and insights into Behavioural finance.
- To provide knowledge about mutual funds, portfolio management services, and their role in investment decisions.

Learning Outcomes

- Learn the concepts of portfolio management, investment avenues, and financial markets.
- Analyze risk and return characteristics of various investment options using statistical tools.
- Apply modern portfolio theory and capital market theories in portfolio construction and decision-making.
- Evaluate portfolio performance using different measures and understand behavioral biases affecting investors.
- Understand and assess mutual funds, NAV calculation, and portfolio management services for effective investment planning.

Unit I - Introduction to Portfolio Management (12 Hrs)

Meaning and objectives of portfolio management - Investment vs speculation vs gambling - process of portfolio management - Role of portfolio managers - Types of investors (individual, institutional) - **Investment Environment:** Financial markets overview (primary & secondary markets) - Instruments: Equity shares - Bonds & debentures - Mutual funds - Derivatives (basics) - Risk–return trade-off - Time value of money.

Unit II - Risk and Return Analysis (12 Hrs)

Types of risk (systematic & unsystematic) - Measurement of return (average, expected return)- Risk measurement (standard deviation, variance) - Beta concept - Relationship between risk and return. **Portfolio Theory:** Modern Portfolio Theory - Diversification and its benefits - Efficient frontier - Optimal portfolio selection -Assumptions of portfolio theory.

Unit III - Capital Market Theories (12 Hrs)

Capital Asset Pricing Model (CAPM) - Security Market Line (SML) - Arbitrage Pricing Theory (APT) - Risk -free rate and market return. **Portfolio Construction & Revision:** Asset allocation strategies - Active vs passive portfolio management - Portfolio revision techniques - Formula plans (constant rupee, constant ratio).

Unit IV - Portfolio Evaluation (12 Hrs)

Meaning and definition of portfolio evaluation - Performance evaluation methods: (1) Sharpe Ratio – (2) Treynor Ratio – (3) Jensen's Alpha - Benchmarking - Market timing ability. **Behavioural Finance:** Investor psychology - Biases (overconfidence, herd behavior, loss aversion) - Impact on investment decisions.

Unit V - Mutual Funds & Portfolio Services (12 Hrs)

Meaning and definition of Mutual funds – Meaning, Scope, objectives of Portfolio Services - Types of mutual funds - NAV calculation - Role of fund managers - Portfolio management services (PMS)

Reference Books:

1. Taxmanns., Income Tax Act., Taxmann; 63rd Edition 2019 edition (2019)
2. Vinod K.Singhania., Direct Taxes: Law & Practice., Taxmann; 62nd Edition A.Y.2019-20 edition (2019)
3. Dr. Girish Ahuja & Dr. Ravi Gupta., Direct Taxes., Wolters Kluwer India Pvt. Ltd.; tenth edition
4. (1March 2018)
5. Boomi F.Daruwala., Direct Taxes., Bharat Law Publishers., Direct Taxes Code., 28th edn., 2019
6. Malhotra., Income Tax Law and Accounts., Sahitya Bhawan Publications; 60 edition (2019)

Websites and eLearning Sources:

1. https://www.youtube.com/watch?v=BqKC74-kULc
2. https://www.youtube.com/@CAIntermediateGrooming.
3. https://www.youtube.com/watch?v=s0uSq_NDDSA
4. https://www.youtube.com/watch?v=lreOqxWcUgE
5. https://www.youtube.com/watch?v=BqKC74-kULc&t=269s

COs and Bloom's Taxonomy Mapping – 26CM011		
Course Outcomes	**On successful completion of this course, students will be able to**	**BTL**
CO1	Learn the concepts of portfolio management, investment avenues, and financial markets.	K3
CO2	Analyze risk and return characteristics of various investment options using statistical tools.	K4
CO3	Apply modern portfolio theory and capital market theories in portfolio construction and decision-making.	K6
CO4	Evaluate portfolio performance using different measures and understand behavioural biases affecting investors.	K5
CO5	Understand and assess mutual funds, NAV calculation, and portfolio management services for effective investment planning.	K1, K2

BTL Bloom's Taxonomy Level) - K1 – Remembering, K2 – Understanding, K3- Applying, K4 – Analyse, K5- Evaluate and K6 - Create

Relationship Matrix – 26CM011													
Course Outcomes	**Programme Outcomes (POs)**						**Programme Specific Outcomes (PSOs)**						**Mean Score of Cos**
	PO1	**PO2**	**PO3**	**PO4**	**PO5**	**PO6**	**PSO1**	**PSO2**	**PSO3**	**PSO4**	**PSO5**	**PSO6**	
CO1	3	2	1	3	1	2	3	3	1	2	1	3	2.08
CO2	3	2	3	1	3	1	2	2	3	2	3	1	2.17
CO3	3	3	2	3	1	1	2	2	3	2	2	3	2.25
CO4	2	3	2	2	3	1	2	3	2	3	3	2	2.33
CO5	3	2	3	1	3	2	2	2	3	2	3	3	2.42
												Total	2.25

Mean Score: 3- High, 2- Medium/Moderate, 1-Low

FULLY HUMAN Fully Alive