

B. Com. Semester VII

Corporate Investment Strategy- Syllabus

Unit	Title	Details of Topic
Unit I	Investment Strategy and Process	Introduction of Investment appraisal methods , Strategic considerations, Advanced manufacturing technology (AMT) investment, Environmental aspects of investment, The capital investment process, Post-Auditing
Unit II	Analysing Investment Risk	Expected net present value (ENPV), Attitudes to risk Types of risk , Measurement of risk , Risk description techniques, Adjusting the NPV formula for risk, Risk analysis in practice
Unit III	Identifying and valuing options	Share options ,Option pricing ,Application of option theory to corporate finance, Capital investment options, Why conventional NPV may not tell the whole story, Black–Scholes option pricing formula
Unit IV	Relationship Between Investment: A portfolio theory	Portfolio analysis: the basic principles ,How to measure portfolio risk ,Portfolio analysis where risk and return differ Different degrees of correlation ,Portfolios with more than two components
Unit V	Setting the Risk premium: A capital Assets pricing model	Security valuation and discount rates, Concepts of risk and return ,The relationship between different equity markets, Systematic risk ,Completing the model

Books Recommended:

1. Richard Pike & Bill Neale :Corporate Finance and Investment Decisions & Strategies: Pearson, New Delhi.
2. Reilly & Rrown :Investment Analysis and Portfolio Management: Cengage, New Delhi.
3. Jack Clark Francis: Investment: Analysis and Management: Tata McGraw Hill, New Delhi.
4. David Luemberger : Investment Science: Oxford