

NIRMA UNIVERSITY

Institute:	Institute of Commerce
Name of Programme:	B.Com. (Hons.)
Course Code:	4CC403IE25
Course Title:	Investment Analysis
Course Type:	Institute Elective – Disciplinary Minor
Year of introduction:	2025-26

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Course Learning Outcomes (CLO):

After successful completion of this course, students will be able to:

1	Describe the key components of the investment environment.	BL2
2	Evaluate different investment options by analyzing their potential risks and returns.	BL3
3	Conduct Economy, Industry, and Company (EIC) analysis to support informed investment choices.	BL3
4	Assess the valuation of equity and bonds for investment decision-makings	BL5

Content

Teaching hours

Unit I: The Investment Environment

- The investment decision process
- Types of Investments – Commodities, Real Estate and Financial Assets
- Security Market Indices
- Concept and calculation of single asset returns and risks
- Impact of Taxes and Inflation on returns

11

Unit II: Economy, Industry, and Company Analysis

- Economy Analysis
- Industry Analysis
- Company Analysis: Strategy Analysis; Accounting and Financial Analysis

10

Unit III: Equity Valuation

- Fundamental Analysis: Estimating Discount rates, Free Cashflow Approach, Price Multiple Approach, Du Pont Analysis
- Introduction to Technical Analysis: Charts & Indicators

15

Unit IV: Valuation of Fixed Income Securities

- Features and types of bonds, Estimating bond yields
- Bond Valuation: types of bond risks, default risk
- Credit rating

9

Suggested Readings:

1. Avadhani, V. A. (2012). Investment and Securities Markets in India: Investment Management. India: Himalaya Publishing House.
2. Bodie, Z., Kane, A., Marcus, A., & Mohanty, P. (2018). Essentials of Investments. United Kingdom: McGraw-Hill Companies, Incorporated.
3. Chandra, P. (2019). Investment Analysis and Portfolio Management. India: Tata McGraw-Hill.
4. Parameswaran, S. K. (2022). Fundamentals of Financial Instruments: An Introduction to Stocks, Bonds, Foreign Exchange, and Derivatives. Singapore: Wiley.

w.e.f. Academic Year 2025-26 and onwards