

# G.VENKATASWAMY NAIDU COLLEGE (AUTONOMOUS)

(Re-Accredited with "A" Grade by NAAC)

Department of B.Com

## U23CO6OE - FUNDAMENTALS OF STOCK MARKET

| Course Code | Course Title                 | Category   | Lecture | Tutorial | Practical | Credit |
|-------------|------------------------------|--|---------|----------|-----------|--------|
| U23CO6OE    | Fundamentals of Stock Market | Extra Department Course- Open Elective – Self-stud | 0       | 0        | 0         | 3      |

| Year | Semester | Internal Marks (CIA) | External Marks (ESE) | Total Marks |
|------|----------|----------------------|----------------------|-------------|
| III  | VI       | 0                    | 100                  | 100         |

### Course Objective

- To understand the structure and functioning of the stock market, including its key components, intermediaries, and the role of SEBI
- To learn the functioning of the primary market and examine the process of issuing new securities, IPOs, and investor protection measures
- To explore the role and operations of the secondary market and understand its regulatory and organizational framework
- To gain insights into trading mechanisms, types of speculation, broker activities, and settlement procedures in the stock market
- To identify and compare various investment alternatives and apply models like CAPM for evaluating stock returns and investment decisions

### Course Outcomes (COs)

**On the completion of the course the student will be able to**

| CO  | Course Outcome   | Knowledge Level (RBT) |
|-----|--|-----------------------|
| CO1 | Explain the basic concepts and overview of stock market.                                   | K1,K2,K3,K4,K5        |
| CO2 | Describe the significance of Primary Market and Secondary Market.                          | K1,K2,K3,K4,K5        |
| CO3 | Discuss the functions of recognized stock exchange in India(NSE and BSE) and Role of SEBI. | K1,K2,K3,K4,K5        |
| CO4 | Analyze the trading practices in stock market.   | K1,K2,K3,K4,K5        |
| CO5 | Compare and select the most profitable investment alternatives.                            | K1,K2,K3,K4,K5        |

K1–Remember; K2–Understand; K3–Apply; K4–Analyze; K5–Evaluate; K6–Create

### CO-PO and CO-PSO Mapping (Course Articulation Matrix)

| COs          | POs       |           |           |           |          |           |          | PSOs      |           |           |
|--------------|-----------|-----------|-----------|-----------|----------|-----------|----------|-----------|-----------|-----------|
|              | PO1       | PO2       | PO3       | PO4       | PO5      | PO6       | PO7      | PSO1      | PSO2      | PSO3      |
| CO1          | 3         | 3         | 2         | 3         | 2        | 3         | 2        | 3         | 3         | 2         |
| CO2          | 3         | 2         | 3         | 2         | 1        | 1         | 1        | 3         | 3         | 3         |
| CO3          | 3         | 3         | 3         | 3         | 2        | 2         | 2        | 3         | 2         | 1         |
| CO4          | 3         | 2         | 2         | 2         | 1        | 1         | 2        | 3         | 3         | 2         |
| CO5          | 3         | 3         | 2         | 1         | 2        | 3         | 2        | 3         | 2         | 3         |
| <b>Total</b> | <b>15</b> | <b>13</b> | <b>12</b> | <b>11</b> | <b>8</b> | <b>10</b> | <b>9</b> | <b>15</b> | <b>13</b> | <b>11</b> |

(3-Strong, 2-Medium, 1-Low, -No Correlation)

### Course Content

**Unit I An Overview of Stock Market** 0 Hrs

Meaning, Functions, Intermediaries, Role of SEBI, Recognized stock exchange in India (NSE and BSE), Derivative on stocks, Meaning, Types

**Unit II Primary Market** 0 Hrs

Meaning, Role of Primary Market, Functions of primary market, Problems of New Issues Market, IPO's, Investor protection in primary market – Recent trends in primary market – SEBI measures for primary market.

**Unit III Secondary Market** 0 Hrs

Meaning, Role of secondary market, Functions of Secondary Market, Organization and Regulatory framework for stock exchanges in India, SEBI measures for secondary market.

**Unit IV Trading in Stock Market** 0 Hrs

Patterns of trading and settlement, Speculation, Types of speculations, Activities of brokers, Broker charges, Settlement procedures, National Securities Depository Limited (NSDL), Central Securities Depository Limited (CSDL).

**Unit V Investment Alternatives** 0 Hrs

Introduction and meaning of Investment Alternatives, Shares, Bonds, Government Securities, Insurance Policies, Mutual Funds, Post Office saving scheme, Public Provident Fund, Stock Return Valuation, Capital Assets Pricing Model (CAPM).

**Text Books**

1. Mridula Goyal and Alok Goyal (2020), "Fundamentals of Stock Market", VK Global Publications Pvt Ltd.

**Reference Books**

1. AnkushBansal, " Professional Corporate Funding and Listings in Stock Exchanges" The Present Publication House
2. Matthew R. Kratter, " A Beginner's Guide to the Stock Market", Independently Publishing Company

**Web Resources**

1. [https://www.flame.edu.in/pdfs/fil/presentations/FIL\\_Stock%20Market.pdf](https://www.flame.edu.in/pdfs/fil/presentations/FIL_Stock%20Market.pdf)
2. <https://www.dailyfx.com/education/understanding-the-stock-market/stock-market-basics.html>
3. <https://www.angelbroking.com/knowledge-center/share-market/share-market-basics>

**Course Designer**

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