

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 |
| Total | 15 | 13 | 12 | 11 | 8 | 10 | 9 | 15 | 13 | 11 |

(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. Ankush Bansal, "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
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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