



Mahatma Gandhi University Kottayam

Programme	B.Com. Honours					
Course Name	INDIAN SECURITIES MARKET: STRUCTURE AND OPERATIONS					
Type of Course	DSC A					
Course Code	MG2DSCCOM100					
Course Level	100					
Course Summary	This course in Stock Market provides students with a foundational understanding of the structure and functioning of the financial markets, the types and features of various securities. Covering the primary and secondary markets, students delve into the workings of initial public offerings, stock exchanges, and trading mechanisms. Through theoretical modules and hands-on practical sessions, participants develop essential skills in security investments.					
Semester	2	Credits			4	Total Hours
Course Details	Learning Approach	Lecture 3	Tutorial 0	Practical 1	Others 0	
Pre-requisites, if any						

COURSE OUTCOMES (CO)

CO No.	Expected Course Outcome	Learning Domains*	PO No
1	Develop a comprehensive understanding of the structure, functions, and significance of securities markets	Understand (U)	10
2	Acquire in – depth knowledge of the primary market, including the mechanisms of initial public offerings (IPOs), the role of underwriters, and the process of issuing new securities.	Analyse(An)	2, 10
3	Gain insights into the functioning of secondary markets, including stock exchanges, trading mechanisms, and the impact of market indices.	Understand (U)	2,10
4	Understand and compare instruments like Mutual Funds, Derivatives and Innovative Instruments	Evaluate(E)	2,10
5	Demonstrate practical skills and knowledge of investing in the securities market by using various tools and software and by participating in simulated and live market scenarios.	Skill (S)	1,2,6,10

***Remember(K), Understand(U), Apply(A), Analyse (An), Evaluate(E), Create(C), Skill (S), Interest (I) and Appreciation (Ap)**

COURSE CONTENT

Content for Classroom transaction (Units)

Module	Units	Course description	Hrs	CO No.
1. Introduction to Securities Market in India & Primary Market	1.1	Financial System and components- Financial Markets – Components - Role of Financial Markets in Financial System	2	1
	1.2	Money Market Vs Capital Market -Capital Market segments- cash and derivative market - Structure of Indian Capital Market – Instruments in capital market	3	1
	1.3	SEBI – Mandates and Functioning - Powers- Regulatory Functions- Developmental Functions	2	1
	1.4	Primary Market -Meaning- importance- functions	1	1
	1.5	Intermediaries in the new issue market	1	1
	1.6	Public Issue – Rights Issue - Bonus Issue and Private Placements IPO, FPO, Preferential Issue, Qualified Institutional Placement, Offer for Sale	2	1
	1.7	Pricing of a new issue – Book Building - Fixed price	2	1
	1.8	How to apply for a public issue- Requirements and procedure - ABSB	2	1
2. Secondary Market	2.1	Secondary Market- Meaning- importance- functions-role of Stock Exchanges	1	3
	2.2	Listing of Securities, Stock Exchanges in India – BSE - NSE	2	3
	2.3	Stock market Indices - Sensex and NIFTY- Methodology for Calculating Index- Sectoral Indices	2	3
	2.4	Trading in secondary market – types of orders-Settlement of trades-Contract Note	4	3
	2.5	Depository – functions –NSDL - CDSL - Demat Accounts- Rematerialisation	4	3
	2.6	Speculators in Stock Markets- Bulls, Bears, Lame ducks, Stags – Impact of speculation	2	3

3. Mutual Funds, Derivatives & Innovative Instruments	3.1	Mutual Funds-Features-Importance-Advantages	2	4
	3.2	Types of Mutual Funds	2	4
	3.3	Derivative Instruments – features - Financial Derivatives and Commodity Derivatives - Major Commodity Exchanges in India	2	4
	3.4	Forwards, features, Futures and features-Forwards v/s Futures	2	4
	3.5	Options - Features - Types - Moneyness in options	2	4
	3.6	Swaps-Features-Meaning of Interest rate futures and Currency Futures	2	4
	3.7	Innovative Instruments in Indian Capital Markets (Brief outline)	2	4
	3.8	Dos and Don'ts in buying and selling shares in Securities market	1	4
4. Practical Investment.	4.1	Pre-requisites for Investing in Stock Market, opening a Demat account and Trading Account- Mandatory and Voluntary Documents required, KYC, Basic Services Demat Account (BSDA)	10P	5
	4.2	Virtual Trading using online platform (Practical) and Practical Session on live stock trading (Practical)	10P	5
	4.3	Familiarise with the trading mechanism in derivatives market	5P	5
	4.3	Visit the website of SEBI and familiarise with SEBI Investor protection measures - Investor Grievance Redressal Mechanism SCORES -	5P	5
5	5	Teacher Specific Module		

Teaching and Learning Approach	Classroom Procedure (Mode of transaction) <ul style="list-style-type: none"> • Lecture • Collaborative/ Small Group Learning • Peer Teaching • Practical Sessions on Stock Market • Simulation • Financial Games • Flip classroom 																				
Assessment Types	MODE OF ASSESSMENT A. Continuous Comprehensive Assessment (CCA) – 30 marks (a) MCQ and Viva Voce (b) Case studies of recent IPOs/ Analysing the major Stock Market Developments (c) Presentation on various Stock Markets and Commodity Markets in India (d) Participation in demat and trading account opening campaigns OR Participation in virtual/live trading session and recording the details OR preparing the details of stock price movements or changes in the values of indices over a period of time and evaluate the scenario OR Participation in Stock Games and similar financial games etc. (based on reports, presentations, discussions etc.)																				
	B. End Semester examination – 70 marks <table border="1" data-bbox="662 1339 1364 1429"> <thead> <tr> <th>Mode</th> <th>Time in Hours Maximum</th> </tr> </thead> <tbody> <tr> <td>MCQ Based</td> <td>1</td> </tr> </tbody> </table> <table border="1" data-bbox="513 1467 1513 1915"> <thead> <tr> <th>Question Type</th> <th>Number of questions to answered</th> <th>Answer word/ page limit</th> <th>Marks</th> </tr> </thead> <tbody> <tr> <td>Section A-Multiple Choice Questions</td> <td>20 out of 22</td> <td>MCQ</td> <td>20 x 1= 20</td> </tr> <tr> <td>Section B- Multiple Choice Questions</td> <td>25 out of 27</td> <td>MCQ</td> <td>25 x 2 = 50</td> </tr> <tr> <td colspan="3" style="text-align: center;">Total</td> <td>70 marks</td> </tr> </tbody> </table>	Mode	Time in Hours Maximum	MCQ Based	1	Question Type	Number of questions to answered	Answer word/ page limit	Marks	Section A-Multiple Choice Questions	20 out of 22	MCQ	20 x 1= 20	Section B- Multiple Choice Questions	25 out of 27	MCQ	25 x 2 = 50	Total			70 marks
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References

1. Khan, M.Y., Indian Financial System, Tata Mc Graw Hill, New Delhi.
2. Singh, Preethi, Dynamics of Indian Financial System, Ane Books, New Delhi
3. Guruswami, S., Capital Markets, Tata Mc Graw Hill, New Delhi
4. Avadhani, V. A., Investment and Securities Market in India, Himalaya Publishing House.
5. Yogesh Maheswary: Investment Management, *PHI Learning Pvt. Ltd.*
6. Gordon E and Natarajan K, Financial Markets and Institutions, *Himalaya Publishing House*

Suggested Readings

1. Kevin.S: Security Analysis and Portfolio Management, *PHI Learning Pvt. Ltd.*
2. Bharathi.V. P. Pathak, The Indian Financial System: Markets, Institutions and Services, *Pearson Education*
3. <https://www.sebi.gov.in/>
4. <https://www.amfiindia.com/>
5. <https://www.bseindia.com/>
6. <https://www.nseindia.com/>
7. https://www.sebi.gov.in/sebi_data/faqfiles/nov-2021/1636459721896.pdf

MGU-UGP (HONOURS)

Syllabus