**Name of Teacher: Dr. Rajni**

**Course: B.Com CBCS, Semester: IV**

**Year : 2021-22, Semester -Jan-June 2022**

**Paper SEC: Investing in Stock Market (optional)**

**4 Theory : 4 Credit hrs. (Four Lectures)**

**Subject Objectives**: To provide basic skills to operate in stock market and the ways of investing in it. It will enable the students to take up investment in stock market independently.

**LESSON PLAN (for the year 2021-22)**

**(Unit-wise)**

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| **UNIT/ Lectures and Labs Required** | **TOPICS FOR STUDENT PREPARATION (INPUT)** | **PROCEDURE (Tools)** | **LEARNING OUTCOME (OUTPUT)** | **ASSESSMENT** |
| UNIT 1 :  The Investment Fundamental  (12 lectures & 2 tutes) | Type of Investment- equity shares, I**P**O/F**P**O, Bonds, The Indian Securities market, the market participants and trading of securities, Security Market Indices, Sources of FinancialInformation, Role of stock exchanges, Stock exchange in India; BSE, NSE, MCX. Buying and selling of stocks using stock using brokerage and analysts recommendations, Use of Limit order and Market order. concept of risk and return, Calculation, Tradeoff between return and risk,Impact of taxes and Inflation on return | \*Lecture and discussion  \*Problem solving with the help of black-board  \*Live Trading Session for the students to have an understanding of stock market | \*Understanding the concept, features, factors and principles of Investment.  \*Differentiate between financial and Real Investment  \*Understand various **ty**pes of investment-equity shares, IpO/FpO, Bonds  \*Analyse the investment environment of the country.  **\***Differentiate between direct and Indirect investing  \*Understand the structure of the Indian Securities Market**.**  **\***Knows about variousparticipants and segments of Indian Securities Market.  \*Understand the role of stock exchanges.  \* Explain BSE, NSE, MCX and SME exchanges.  \*List out and explain various stock indices in BSE and NSE  \*Learn about the sources of financial information.  \*Learn about trading of securities-trading procedures, types of orders, types of Margins in the stock market.  Understand the concept of risk and return and its impact on inflation and taxes. | Evaluation through Assignment |
| UNIT 2 :  Stock Analysis and Valuation  (14 lectures & 4 tutes) | .Online Trading of Stocks, Understanding stock quotations, types and placing of order, Risk: its valuation and mitigation, Analysis of the company: Financial characteristics ( as explained by ratio analysis, future prospects of the company, assessing quality of Management using financial and non-financial data, balance sheet and quarterly results, cash flows and capital structure), Comparative Analysis of companies, Stock Valuations: using ratios like **P**E ratio **P**EG ratio, price Revenue Ratio, Use of Historic prices, simple moving average, basic and advanced interactive charts, Examining the shareholding pattern of the company, pitfalls to avoid while investing: high **P**/E stocks, low price stocks, stop loss, excess averaging | \*Lecture and discussion  \*Problem solving with the help of black-board | \*Explain online trading mechanism  \*Interpret the various types of price quotation  \*Knows about the different order types available and various order conditions,  \*place and order to initate trade and differentiate between delivery based trading and intra-day Margin based trading.  \*\*Understand different approaches to security valuation-fundamental analysis, technical analysis and efficient Market hypothesis  \*perform company analysis using financial and non-financial data.  \*Understand various types of charts and patterns.  \*Knows various pitfall to avoid while investing | Evaluation through virtual trading platform. |
| UNIT 3 :  Investing in Mutual Funds  (10 lectures, 8 labs & 4 tutes) | Background of Mutual funds, Advantages of investing in mutual funds. Motives of mutual fund investments, Net asset value, Types of mutual funds: open ended, close ended, equity, debt, hybrid, money market, load vs no load funds, Factors affecting choices of mutual funds, CRISIL, mutual fund ranking and its usage | \*Lecture and discussion  \*Problem solving with the help of black-board | **\***Understand the meaning of mutual fund  \*Explain about various types of mutual funds schemes in the market.  \*Analyze the benefits of investing in mutual funds.  \*Calculate NAV of the mutual funds  \*Explain about the factors affecting choices of mutual funds.  \*Explain about the CRISIL, mutual fund ranking and its usage | Evaluation through test & Assignment |
| UNIT 4 :  Understanding Derivatives  (20 lectures & 4 tutes) | Introduction of financial derivatives, Forwards, Futures and Options,Trading in futures and options, understanding stock market quotes on futures and options, types of orders, put and call options, How put options and call options work, commodities, Derivatives of commodities, trading of commodity derivatives on MCX, Currency derivatives and its trading. | \*Lecture and discussion  \*Problem solving with the help of black-board  \*Virtual Online trading Platform to make the students familiar with trading | \*Understand the meaning of derivatives and various types of derivatives, Forward, future, and option.  \*Understanding stock market quotes on futures and options  \*Determine the pricing of futures.  \*Determine payoffs from various positions on call and put option  \*understand the different types of option- call and put option.  \*Know about commodities derivatives.  \* Learn how to trade in commodities derivatives on MCX.  \*Understand the concept of currency derivatives and its trading.  \*Learn about trading, clearing and Settlement mechanisms of derivatives.  . | Evaluation through Assignment |

**Suggested Readings:**

1. Jones, C. P. *Investment Analysis and Management,* Wiley
2. Chandra, Prasanna. *Investment Analysis and* P*ortfolio Management, Tata McGraw Hill*
3. Bodie, Kane; Marcus and Mohanty, *Investments.* Tata McGraw Hill
4. Singh, J. K., *Investing in stock market.,* Dhanpat Rai and Company, Delhi
5. Tripathi.V., *Investing in stock Market,* Taxmann’s, Delhi
6. Fisher, Donald E., and Brown, Keith C. Investment Analysis and Portfolio Management, Prentice Hall of India.