

SHORT TERM COURSE – GOVT. COLLEGE, PUNJAB

CERTIFICATE COURSE IN STOCK MARKET AND TRADING OPERATIONS

Objective:

The objective of this course is to equip the students with the highest standards of ethics, education, and professional excellence in the stock market industry and with wide experience in the securities trading operations.

Duration of the Course: 6 Months

Eligibility: A student enrolled in any of the degree courses in college.

Learning Outcome:

After completing the course, the student will be able to:

1. Understand the working of the investment industry.
2. Understand different types of securities and their differences.
3. Fundamentally analyse different types of securities on the levels of economy, industry and company.
4. Perform Technical Analysis, draw charts, draw support and resistance levels and also understand Price Patterns.
5. Manage portfolio of investments depending on the need of the investor.
6. Use derivatives for arbitrage, hedging and speculation purposes.
7. Calculate, assess and manage risks

INSTRUCTIONAL DESIGN

PROGRAMME STRUCTURE

CODE	COURSE TITLE	CREDIT
GC-CST1	ELEMENTS OF FINANCIAL SERVICES AND MARKET	6
GC-CST2	BASICS OF SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT	6
GC-CST3	RISK MANAGEMENT	6
	TOTAL	18

GC-CST1: ELEMENTS OF FINANCIAL SERVICES AND MARKET

Max. Marks: 100

External: 70

Internal: 30

Pass: 40%

Credits: 6

INSTRUCTIONS FOR THE PAPER SETTER/EXAMINER:

1. The syllabus prescribed should be strictly adhered to.
2. The question paper will consist of three sections: A, B, and C. Sections A and B will have four questions from the respective sections of the syllabus and will carry 10 marks each. The candidates will attempt two questions from each section.
3. Section C will have fifteen short answer questions covering the entire syllabus. Each question will carry 3 marks. Candidates will attempt any ten questions from this section.
4. The examiner shall give a clear instruction to the candidates to attempt questions only at one place and only once. Second or subsequent attempts, unless the earlier ones have been crossed out, shall not be evaluated.
5. The duration of each paper will be three hours.

INSTRUCTIONS FOR THE CANDIDATES:

Candidates are required to attempt any two questions each from the sections A and B of the question paper and any ten short questions from Section C. They have to attempt questions only at one place and only once. Second or subsequent attempts, unless the earlier ones have been crossed out, shall not be evaluated.

SECTION A

Unit I: Introduction to Financial market: Money market and capital market. Money market: Meaning and instruments under money market. Capital market: Meaning and instruments under capital market Meaning of the financial services industry;

Unit II: Types of financial services: Mutual funds, factoring, housing finance

Unit III: Leasing: Introduction, Tax, Legal and Accounting Aspects, Financial Evaluation: Lessor and Lessee Points of View, Qualitative Factors. Lease Structuring, Lease Agreement, Funding of Leases.

Unit IV: Merchant Banking, Managing of Public Equity / Debenture Issues, Mobilizing Fixed Deposits, Arranging Inter-corporate Loans, Raising term Finance and Loan Syndication.

SECTION B

Unit V: Underwriting: Concept and SEBI Regulations.

Unit VI: Hire Purchase and Installment System, Consumer Finance, Securitization, Venture Capital: Meaning, Characteristics, SEBI Guidelines, Venture Capital Funds in India.

Unit VII: Factoring: Types, Factoring in India.

Unit VIII: Credit Rating: Meaning, Significance, types, Rating Methodology, Drawbacks, SEBI Regulations for credit Rating, Credit Rating Agencies in India and in foreign countries.

GC-CST2: BASICS OF SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT

Max. Marks: 100

External: 70

Internal: 30

Pass: 40%

Credits: 6

INSTRUCTIONS FOR THE PAPER SETTER/EXAMINER:

1. The syllabus prescribed should be strictly adhered to.
2. The question paper will consist of three sections: A, B, and C. Sections A and B will have four questions from the respective sections of the syllabus and will carry 10 marks each. The candidates will attempt two questions from each section.
3. Section C will have fifteen short answer questions covering the entire syllabus. Each question will carry 3 marks. Candidates will attempt any ten questions from this section.
4. The examiner shall give a clear instruction to the candidates to attempt questions only at one place and only once. Second or subsequent attempts, unless the earlier ones have been crossed out, shall not be evaluated.
5. The duration of each paper will be three hours.

INSTRUCTIONS FOR THE CANDIDATES:

Candidates are required to attempt any two questions each from the sections A and B of the question paper and any ten short questions from Section C. They have to attempt questions only at one place and only once. Second or subsequent attempts, unless the earlier ones have been crossed out, shall not be evaluated.

SECTION A

Unit I Security Analysis (Fundamental): Meaning and Need of Fundamental Analysis, Factors affecting Economic Analysis, Industry Analysis and Company Analysis;

Unit II Techniques used in Economic Analysis, Industry Analysis and Company Analysis

Unit III: Security Analysis (Technical): Meaning and Need of Technical Analysis; Principles of Technical Analysis;

Unit IV: Theories of Technical Analysis – The Dow Theory, Elliot Wave Theory, Random Walk Theory; Charting Techniques; Market Indicators; Support and Resistance Levels; Interpretation of Price Patterns; Differences between Fundamental Analysis and Technical Analysis

SECTION B

Unit V: Portfolio Management: Meaning, definition and significance of Portfolio management, Process of portfolio management

Unit VI: Portfolio Theories, Markowitz Model of Risk – Return Optimisation; Capital Market Theory; Sharpe Model Index; Capital Asset Pricing Model (CAPM); Arbitrage Pricing Theory Model

Unit VII: Portfolio Evaluation Methods, Portfolio Revision and Rebalancing; Asset Allocation Strategies; Fixed Income Portfolio

GC-CST3 RISK MANAGEMENT

Max. Marks: 100

External: 70

Internal: 30

Pass: 40%

Credits: 6

INSTRUCTIONS FOR THE PAPER SETTER/EXAMINER:

1. The syllabus prescribed should be strictly adhered to.
2. The question paper will consist of three sections: A, B, and C. Sections A and B will have four questions from the respective sections of the syllabus and will carry 10 marks each. The candidates will attempt two questions from each section.
3. Section C will have fifteen short answer questions covering the entire syllabus. Each question will carry 3 marks. Candidates will attempt any ten questions from this section.
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5. The duration of each paper will be three hours.

INSTRUCTIONS FOR THE CANDIDATES:

Candidates are required to attempt any two questions each from the sections A and B of the question paper and any ten short questions from Section C. They have to attempt questions only at one place and only once. Second or subsequent attempts, unless the earlier ones have been crossed out, shall not be evaluated.

SECTION A

Unit I: Risk: Definition, Risk and uncertainty distinction and Types of risk; Dynamic nature of risk, Risk and the economic environment

Unit II: Sources and evaluation of risks: Identification and sources of risk (Qualitative and quantitative techniques), quantification of risk, Impact of risk on various stakeholders in business

Unit III: Risk management: Concept of risk management, framework, objectives, and Risk management process. Principles of Risk Management

Unit IV: Tools of Risk Management; Risk management techniques, Evaluation of

Financial Risks (Operational Risk, Compliance Risk and Investment Risk);

SECTION B

Unit V: Risk Measurement and Control: Approaches to Risk Measurement, Standard Deviation, Value at risk, Sensitivity Analysis, Scenario Analysis, Decision Tree Analysis, Operational Risk, Portfolio Risk

Unit VI: Hedging: The Hedging Concept, Types of Hedge, Comparison of Hedging with other tools, Advantages & Disadvantages of Hedging

Unit VII: Risk Management Information System: Objectives, Introduction of Risk Management Information System, Need of RMIS, Requirements and types of Information Systems, Implementation of an Information Management System, Advantages and limitations of Risk Management Information System

Suggested Reading:

1. Bhalla, V.K. –Management of Financial Services, Anmol Publications Pvt. Ltd., New Delhi.
2. Pathak, Bharati, –Indian Financial System, Pearson Education, New Delhi
3. Peter S. Rose, Sylvia C. Hudgins, (2010). Bank Management and Financial Services, 7/e; New Delhi: Tata McGraw Hill.
4. Padmalatha Suresh, Justin Paul, (2010). Management of Banking and Financial Services, 2/e; New Delhi: Pearson Education.
5. Khan, M.Y. (2013). Financial Services, 7/e; New Delhi: Tata McGraw-Hill.
6. Machiraju, H.R (2014). Merchant Banking: Principles and Practice, 4/e; New Age International.
7. Gurusamy, S. (2013). Merchant Banking and Financial Services, 5/e; New Delhi: Tata McGraw-Hill