

CBSE | DEPARTMENT OF SKILL EDUCATION CURRICULUM FOR SESSION 2023-2024 FINANCIAL MARKET MANAGEMENT

(SUBJECT CODE 805)

JOB ROLE: EQUITY & DERIVATIVE MARKET DEALER/MUTUAL FUND ADVISOR

Class XI & XII

COURSE OVERVIEW:

Financial skills particularly in the 21st century are as important as computer skills. It empowers a person to take informed judgments and decisions regarding the use and management of money. Financial skills improves the quality of life and standard of living by promoting budgeting, disciplined savings, intelligent use of credit for buying home, children's education & marriage, retirement planning etc.

There is also an acute shortage of trained professionals in BFSI (Banking, Financial Services, and Insurance) industry. The National Skill Development Corporation (NSDC) has identified BFSI as one of the 21 growth sector to develop skills. NSE is also co-promoter of BFSI sector council. The BFSI is also known as financial markets.

CBSE and NSE Academy have jointly promoted the Financial Markets Management (FMM) course. A joint certificate on completion of the course for class IX & X and for class XI & XII is provided by CBSE and NSE Academy.

Suggested Job Roles: Back Office Assistant/Front Office Assistant/ Assistant Operator (after Class X). Relationship Executive/ Mutual Fund Executive/ Equity Dealer/ Back Office Executive/ Sales Executive (Financial Services) etc. (after Class XII).

OBJECTIVES OF THE COURSE:

In this course, Followings are the main objectives of this course.

- To develop financial skills
- To build foundation for money management and equity market
- To develop basic understanding of mutual funds, capital and derivative market
- To build speed and accuracy for financial market operations
- To develop business acumen and entrepreneurial skills for financial markets
- To gain knowledge of green skills for environment protection
- To develop computer skills required for financial market.
- To learn oral and written communication skills to deal with clients
- To understand regulatory requirements while working in financial markets

SALIENT FEATURES:

- Joint Certificate –CBSE and NSE Academy providing joint certificate.
- Skill Development – NSE Academy helps skill development through internet based mock simulator software NSMART
- NCFM online Exam – Students appear online NCFM exams in XI and XII standard as according to the CBSE syllabus.

LIST OF EQUIPMENT AND MATERIALS:

The list given below is suggestive and an exhaustive list should be prepared by the teacher. Only basic tools, equipment and accessories should be procured by the Institution so that the routine tasks can be performed by the students regularly for practice and acquiring adequate practical experience.

Equipment's required for Computer Lab / Classroom:

1. Computers
2. LCD Projector with screen
3. White/Black Boards
4. Internet Connection
5. NSE –NSMART (Internet based software) to be provided by NSE Academy on enrolment of students.

CAREER OPPORTUNITIES:

FMM is the career for the tech savvy young persons in the 21st century. Your office can be anywhere in the world, if you have a laptop or smart phone with internet connection. There is lifelong learning as well as earning opportunities. Students can acquire employable skills for life and virtually there is no retirement. They can be employed in Banks, Mutual Funds, Stock Market, Currency Market, Commodity Market, Teaching etc. in BFSI (Banking Financial Services & Insurance) sector.

A candidate on completion of FMM and on attaining the age of employment will be a preferred candidate (compared to general market candidates without any specific skills) in the job roles of Back office executive, equity dealer, relationship executive, mutual fund executive, sales executive for selling financial services etc. in banks, broking firms, KPOs, asset management companies etc.

- **Career opportunities** – Students can acquire employable skills for life and virtually there is no retirement. They can be employed in Banks, Mutual Funds, Stock Market, Currency Market, Commodity Market, Teaching, KPOs etc. in BFSI (Banking Financial Services & Insurance) sector.
- **Career for 21st Century** – FMM is the career for the tech savvy young persons in the 21st century. Your office can be anywhere in the world, if you have a laptop or smart phone with internet connection. There is lifelong learning as well as earning opportunities.

- **Employment potential** – A candidate on completion of FMM and on attaining the age of employment will be a preferred candidate (compared to general market candidates without any specific skills) in the job roles of Back office executive, equity dealer, relationship executive, mutual fund executive, sales executive for selling financial services etc.in banks, broking firms, KPOs, asset management companies etc.

VERTICAL MOBILITY:

Students starting from class IX can continue to study Financial Markets in CBSE till XII, and thereafter till Post Graduation in college and university. They can also get preference for admission in the same stream (Financial Markets) in Universities for BBA, B.Com and 5 years Integrated MBA in Financial Market.

CBSE Schools: School Students starting from class IX can continue to study Financial Markets Management (FMM) in CBSE till XII.

Graduation: After passing out from school, they can go for BBA-FIA, BBA (FM), B Com (FM), 5 years integrated MBA (FM) with option to leave after 3 years as BBA (FM), B.Voc (FM) or B.Voc(FS) with universities and colleges who have tie up with NSE Academy. Many universities/colleges also give preference in admission to FMM students in these courses.

Post-Graduation: A large number of universities in India also offer MBA/ M Com in (Financial Markets) in collaboration with NSE Academy.

CURRICULUM:

This course is a planned sequence of instructions consisting of Units meant for developing employability and Skills competencies of students of Class XI and XII opting for Skills subject along with other subjects.

XI-FINANCIAL MARKET MANAGEMENT (SUBJECT CODE 805)

Total Marks: 100 (Theory-60 + Practical-40)

	UNITS	NO. OF HOURS for Theory and Practical	MAX. MARKS for Theory and Practical
Part A	Employability Skills		
	Unit 1 : Communication Skills-III	13	2
	Unit 2 : Self-Management Skills-III	07	2
	Unit 3 : ICT Skills-III	13	2
	Unit 4 : Entrepreneurial Skills-III	10	2
	Unit 5 : Green Skills-III	07	2
	Total	50	10
Part B	Subject Specific Skills		
	Unit 1: Markets and Financial Instruments	7	04
	Unit 2: Primary and Secondary Market	28	12
	Unit 3: Mutual Funds Products and Features	20	08
	Unit 4: ETFs, Debt and Liquid Funds	17	06
	Unit 5: Taxation and Regulations	20	08
	Unit 6 : Quantitative Evaluation of Mutual Fund Schemes	28	12
	Total	120	50
Part C	Practical Work		
	Project	15	10
	Viva	5	5
	Practical File	10	5
	Demonstration of skill competency via Lab Activities on NSMART software (NSE Smart Equity and NSE Smart PMS)	60	20
	Total	90	40
	GRAND TOTAL	260	100

PRACTICAL GUIDELINES FOR CLASS XI

Assessment of performance:

The two internal examiners, assigned for the conduct and assessment of Practical Examinations each in Senior Secondary School Curriculum (Under NSQF) . Question for the viva examinations should be conducted by two examiner (both internal). Question to be more of General nature, project work or the curriculum. Investigatory Project especially those that show considerable amount of effort and originality, on the part of the student, should get suitable high marks, while project of a routine or stereotyped nature should only receive mediocre marks.

Project -10 marks

Projects for the final practical are given below. Student may be assigned
Guidelines for Project Preparation:

The final project work should encompass chapters on:

- a) Introduction,
- b) Identification of core and advance issues,
- c) Learning and understanding and Observation during the project period.

Viva based on Project -05 marks

The teacher conducting the final practical examination may ask verbal questions related to the project, if any, done by the student. Alternatively, if no project has been assigned to the students, viva may be based on questions of practical nature from the field of subject as per the Curriculum

Practical File -05 Marks

Students to make a power point presentation/ assignment/ practical file/ report. Instructor shall assign them any outlet to study the elements in retailing.

Demonstration of skill competency in Lab Activities -20 marks

- a) NSMART set up Market Watch (Cash Market)
- b) NSMART Order Entry features
- c) NSMART Trading Features
- d) NSMART set up portfolio
- e) NSMART realized and unrealized P/L Position

Student need to practice 60 hours in a FMM LAB and describe the above features of NSMART in practical.

CLASS XI
Financial Markets Management(805)

UNIT-1	SUB-UNIT	SESSION/ ACTIVITY/ PRACTICAL
Markets and Financial Instruments & Employability Skills	Investments	Session-1 1.1 Investment 1.1.1 <i>Need of Investment</i> 1.1.2 <i>start Investment</i> 1.1.3 <i>care should one take while investing</i> 1.1.4 <i>Interest</i> 1.1.5 <i>factors determine interest rates</i> 1.2 Options available for investment 1.2.1 <i>Various Short-term financial options available for investment</i> 1.2.2 <i>various Long-term financial options available for investment</i>
	Stock Exchanges	Session-2 1.3 Stock Exchange 1.3.1 <i>'Equity'/Share</i> 1.3.2 <i>'Debt Instrument'</i> 1.3.3 <i>Derivative</i> 1.3.4 <i>Mutual Fund</i> 1.3.5 <i>an Index</i> 1.4 Depository 1.4.1 <i>Dematerialization</i> 1.5 Securities 1.5.1 <i>The function of Securities Market.</i> 1.5.2 <i>The securities one can invest in?</i>
	Regulators and other Participants	Session-3 1.6 Regulator 1.6.1 <i>Securities Market needs Regulators</i> 1.6.2 <i>Regulators of the Securities Market</i> 1.6.3 <i>SEBI role in the securities market</i> 1.7 Participants 1.7.1 <i>The participants in the Securities Market</i> 1.7.2 <i>Transact through an intermediary</i> 1.7.3 <i>The segments of Securities Market</i>
	EMPLOYABILITY SKILLS	Unit-1 Communication Skill ✓ <i>Session 1: Introduction to Communication</i> ✓ <i>Session 2: Verbal Communication</i> ✓ <i>Session 3: Non-verbal Communication</i> ✓ <i>Session 4: Pronunciation Basics</i> ✓ <i>Session 5: Communication Styles — Assertiveness</i> ✓ <i>Session 6: Saying No — Refusal Skills</i> ✓ <i>Session 7: Writing Skills — Parts of Speech</i> ✓ <i>Session 8: Writing Skills — Sentences</i> ✓ <i>Session 9: Greetings and Introduction</i> ✓ <i>Session 10: Talking about Self</i> ✓ <i>Session 11: Asking Questions</i> ✓ <i>Session 12: Talking about Family</i> ✓ <i>Session 13: Describing Habits and Routines</i> ✓ <i>Session 14: Asking for Directions</i>

	ACTIVITY / PRACTICAL	ACTIVITY <ul style="list-style-type: none"> ✓ Flow Chart on different investment Avenues ✓ Debate on stock Market Products (Risk and Return) ✓ Discuss Role of regulators and intermediaries in securities Market PRACTICAL <ul style="list-style-type: none"> ✓ Presentation on Indian Securities Market REFERENCE www.investopedia.com , www.nseindia.com
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UNIT-2	SUB-UNIT	SESSION/ ACTIVITY/ PRACTICAL
Primary and Secondary Market & Employability Skills	Primary Market	Session -1 <p>2.1 Primary Market</p> <p>2.1.1 Face Value of a share/debenture</p> <p>2.1.2 The term Premium and Discount in a Security Market</p> <p>2.2 Issue of Shares</p> <p>2.2.1 Companies need to issue shares to the public</p> <p>2.2.2 The different kinds of issues</p> <p>2.3 Issue price</p> <p>2.3.1 Market Capitalisation</p> <p>2.3.2 The difference between public issue and private placement.</p> <p>2.4 Initial Public Offer (IPO)</p> <p>2.4.1 Decides the price of an issue</p> <p>2.4.2 'Price discovery through Book Building Process' mean.</p> <p>2.4.3 The main difference between offer of shares through book building and offer of shares through normal public issue</p> <p>2.4.4 Cut-Off Price</p> <p>2.4.5 The floor price in case of book building</p> <p>2.4.6 Price Band in a book built IPO</p> <p>2.4.7 Price Band</p> <p>2.4.8 Minimum number of days for which a bid should remain open during book building</p> <p>2.4.9 open outcry system be used for book building</p> <p>2.4.10 Investor uses the book building facility to make an application?</p> <p>2.4.11 Shares are allotted in an IPO/offer for sale timeframe for getting refund if shares not allotted</p> <p>2.4.12 ASBA</p> <p>2.4.13 Shares listed after issue</p> <p>2.4.14 The role of a 'Registrar' to an issue</p> <p>2.4.15 NSE provides any facility for IPO</p> <p>2.5 Prospectus</p> <p>2.5.1 Draft Offer document' mean</p> <p>2.5.2 An 'Abridged Prospectus'</p> <p>2.5.3 'Prospectus'/'Offer Documents'</p> <p>2.5.4 'Lock-in'</p> <p>2.6 Listing of Securities</p> <p>2.6.1 'Listing Agreement'</p> <p>2.6.2 'Delisting of securities' mean</p>

		<p>2.7 SEBI's Role in an Issue</p> <p>2.7.1 SEBI recommends an issue</p> <p>2.7.2 SEBI doesn't tag make one's money safe</p> <p>2.8 Foreign Capital Issuance</p> <p>2.8.1 Companies in India raise foreign currency resources</p> <p>2.8.2 American Depository Receipt</p> <p>2.8.3 ADS</p> <p>2.8.4 Global Depository Receipts</p> <p>2.8.5 Foreign Currency Convertible Bonds</p>
	Secondary Market	<p>Session-2</p> <p>2.1 Introduction</p> <p>2.1.1 Secondary market</p> <p>2.1.2 Role of the Secondary Market</p> <p>2.1.3 Difference between the Primary Market and the Secondary Market</p> <p>2.2 Stock Exchange</p> <p>2.2.1 Role of a Stock Exchange in buying and selling shares?</p> <p>2.2.2 Demutualization of stock exchanges</p> <p>2.2.3 Demutualized exchange different from a mutual exchange</p> <p>2.3 Depository</p> <p>2.3.1 Depository similar to a bank</p> <p>2.3.2 Depositories in India</p> <p>2.4 Stock Trading</p> <p>2.4.1 Screen Based Trading</p> <p>2.4.2 NEAT</p> <p>2.4.3 Place orders with the broker</p> <p>2.4.4 An investor gets access to internet-based trading facility</p> <p>2.4.5 Means of trading</p> <p>2.4.6 Contract Note</p> <p>2.4.7 Details are required to be mentioned on the contract note issued by the stock broker</p> <p>2.4.8 The maximum brokerage that a broker can charge</p> <p>2.4.9 One trade on a recognized stock exchange only for buying/selling shares</p> <p>2.4.10 The broker or sub broker is registered</p> <p>2.5 precautions must one take before investing in the stock markets</p> <p>2.5.1 Here are some useful pointers to bear in mind before you invest in the markets:</p> <p>2.5.2 Do's and Don'ts should an investor bear in mind when investing in the stock markets?</p> <p>2.5.3 SEBI SCORES or SEBI Complaints Redressal System?</p> <p>2.6 Products in the Secondary Markets</p> <p>2.6.1 The products dealt in the Secondary Markets</p> <p>2.7 Equity Investment</p> <p>2.7.1 Invest in equities in particular</p> <p>2.7.2 The average return on Equities in India</p> <p>2.7.3 The factors that influence the price of a stock</p> <p>2.7.4 The terms Growth Stock / Value Stock</p>

		<p>2.7.5 One acquire equity shares</p> <p>2.7.6 Bid and Ask price</p> <p>2.7.7 Portfolio</p> <p>2.7.8 Diversification</p> <p>2.7.9 Advantages of having a diversified portfolio</p> <hr/> <p>Session-3</p> <p>2.1 Debt Investment</p> <p>2.1.1 'Debt Instrument'</p> <p>2.1.2 The features of debt instruments</p> <p>2.1.3 'Interest' payable by a debenture or a bond</p> <p>2.1.4 The Segments in the Debt Market in India</p> <p>2.1.5 The Participants in the Debt Market</p> <p>2.1.6 Bonds rated for their credit quality acquire securities in the debt market</p>
	Debt investment	
	Miscellaneous	<p>Session-4</p> <p>2.17 Miscellaneous</p> <p>2.17.1 Corporate Actions</p> <p>2.17.2 Index</p> <p>2.17.3 Clearing & Settlement and Redressal</p> <p>2.17.4 What is a Book-closure/Record Date?</p>
	EMPLOYABILITY SKILLS	<p>Unit-2 Self-management Skills</p> <p>✓ Session 1: Strength and Weakness Analysis</p> <p>✓ Session 2: Grooming</p> <p>✓ Session 3: Personal Hygiene</p> <p>✓ Session 4: Team Work</p> <p>✓ Session 5: Networking Skills</p> <p>✓ Session 6: Self-motivation</p> <p>✓ Session 7: Goal Setting</p> <p>✓ Session 8: Time Management</p>
	ACTIVITY / PRACTICAL	<p>ACTIVITY</p> <p>✓ Case study on Primary Market IPOs</p> <p>✓ Presentation on SBTS (LAB Activity)</p> <p>✓ Class Discussion on Basics of NEAT Terminal</p> <p>✓ Debate on Equity investment vs Debt investment</p> <p>COMPETENCY BASED ASSESSMENT</p> <p>✓ Each students will plan virtual IPO through ASBA</p> <p>PRACTICAL</p> <p>✓ Pitching on Initial Fund Raising through IPO (Team Role Play)</p> <p>✓ Individual Role as Trading Member to deal in Secondary Market</p> <p>✓ Corporate Actions (Stocks Split and Buy Back)</p> <p>REFERENCE</p> <p>www.investopedia.com, www.nseindia.com</p>

UNIT-3	SUB-UNIT	SESSION/ ACTIVITY/ PRACTICAL
Mutual Funds Products and features & Employability Skills	Mutual Fund Structure	Session-1 3.1 Introduction: 3.2 Mutual Funds: Structure in India 3.3 Manages Investor's Money 3.4 Custodian 3.5 Role of the AMC 3.6 NFO(New Fund Offer) 3.7 Role of a registrar and transfer agents 3.8 Procedure for investing in an NFO 3.9 Investor's rights & obligations
	Categories of Mutual Funds	Session-2 3.10 Different schemes offered by Mutual Funds 3.11 Category wise funds 3.12 open ended and close ended funds 3.13 Equity Oriented Funds 3.13.1 Introduction 3.13.2 Equity Fund Definition 3.14 Index Fund 3.15 Diversified large cap funds 3.16 Midcap funds 3.17 Sectoral Funds
	Equity Schemes and turnover	Session-3 3.18 Other Equity Schemes 3.18.1 Arbitrage Funds 3.18.2 Multicap Funds 3.18.3 Quant Funds 3.18.4 International Equities Fund 3.18.5 Growth Schemes 3.18.6 ELSS 3.18.7 Fund of Funds 3.19 Basic offer documents (SID and SAI) 3.20 Key information document 3.21 NAV(Net Asset Value) 3.22 Expenses incurred in relation to a scheme 3.23 Expense Ratio 3.24 Portfolio Turnover 3.25 AUM affects portfolio turnover 3.26 Cash level in portfolios 3.27 Exit loads
	EMPLOYABILITY SKILLS	Unit-3 Information and Communication Technology Skills ✓ Session 1: Introduction to ICT ✓ Session 2: Basic Interface of Libre Office Writer ✓ Session 3: Saving, Closing, Opening and Printing Document ✓ Session 4: Formatting Text in a Word Document ✓ Session 5: Checking Spelling and Grammar ✓ Session 6: Inserting Lists, Tables, Pictures, and Shapes ✓ Session 7: Header, Footer and Page Number ✓ Session 8: Tracking Changes in Libre Office Writer

	ACTIVITY / PRACTICAL	ACTIVITY <ul style="list-style-type: none"> ✓ Categories the fund on the basis of Risk / Returns / Age / Sources of income / Short term or Long Term Goals COMPETENCY BASED ASSESSMENT <ul style="list-style-type: none"> ✓ Presentation on –why Mutual Fund sahi hai ! PRACTICAL <ul style="list-style-type: none"> ✓ Role of Fund Manager (Individual Role Play) ✓ AMC based product/ scheme related upfront information (Team Role Play) REFERENCE : https://www.amfindia.com/
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UNIT-4	SUB-UNIT	SESSION/ ACTIVITY/ PRACTICAL
ETFs, Debt and Liquid Funds & Employability Skills	Exchange Traded Funds	Session-1 <ul style="list-style-type: none"> 4.1 Introduction to Exchange Traded Funds 4.2 Salient Features 4.3 REITS 4.4 Gold ETF 4.5 Working <ul style="list-style-type: none"> 4.5.1 during New Fund Offer (NFO) 4.5.2 on an on-going basis 4.6 Sovereign Gold Bonds <ul style="list-style-type: none"> 4.6.1 Product Details of Sovereign Gold Bonds 4.7 Market Making by APS 4.8 Creation units, Port Folio deposit and cash component (an example)
	Features of Debt Funds	Session-2 <ul style="list-style-type: none"> 4.9 Salient Features 4.10 Interest Rate Risk 4.11 Credit Risk 4.12 Debt Instrument Priced 4.13 Debt Mutual Fund Schemes <ul style="list-style-type: none"> 4.13.1 Fixed Maturity Plans 4.13.2 Capital Protection Funds 4.13.3 Gilt Funds 4.13.4 Balanced Funds 4.13.5 MIPs 4.13.6 Child Benefit Plans
	Features of Liquid Funds	Session-3 <ul style="list-style-type: none"> 4.14 Salient features 4.15 Valuation of securities 4.16 Floating rate scheme 4.17 Portfolio churning in liquid funds 4.18 Stress testing of assets
	EMPLOYABILITY SKILLS	Unit-4 Entrepreneurship Skills <ul style="list-style-type: none"> ✓ Session 1: Introduction to Entrepreneurship ✓ Session 2: Values of an Entrepreneur ✓ Session 3: Attitude of an Entrepreneur ✓ Session 4: Thinking Like an Entrepreneur ✓ Session 5: Coming Up with a Business Idea ✓ Session 6: Understanding the Market ✓ Session 7: Business Planning

	ACTIVITY / PRACTICAL	ACTIVITY <ul style="list-style-type: none"> ✓ Brief session on Gold Bonds / Equity Funds / Debt Funds ✓ Presentation on Liquid Funds COMPETENCY BASED ASSESSMENT <ul style="list-style-type: none"> ✓ Case Study on Exchange Traded Funds PRACTICAL <ul style="list-style-type: none"> ✓ Flow chart Debt funds and their pricing REFERENCE:- https://www.amfiindia.com/
UNIT-5	SUB-UNIT	SESSION/ ACTIVITY/ PRACTICAL
Taxation and Regulation & Employability Skills	Capital Gain Taxation	Session-1 <ul style="list-style-type: none"> 5.1 Capital gains taxation 5.2 Indexation benefit 5.3 Dividend distribution tax 5.4 FMPs are popular 5.5 Overview 5.6 Industry association for the Mutual Fund Industry
	Types of systematic Mutual Fund Plans	Session-2 <ul style="list-style-type: none"> 5.7 Objectives of AMFI 5.8 Product labelling in mutual funds – Riskometer 5.9 Advantages of Mutual Funds 5.10 Systematic Investment Plan (SIP) 5.11 Systematic Transfer Plan (STP) 5.12 Systematic Withdrawal Plan (SWP)
	Options of Mutual Fund Schemes	Session-3 <ul style="list-style-type: none"> 5.13 Choosing between dividend payout, dividend reinvestment and growth options. Which one is better for the investor? <ul style="list-style-type: none"> 5.13.1 Growth option 5.13.2 Dividend payout option 5.13.3 Dividend reinvestment option
	EMPLOYABILITY SKILLS	Unit-5 Green Skills <ul style="list-style-type: none"> ✓ Session 1: Sectors of Green Economy ✓ Session 2: Policies for a Green Economy ✓ Session 3: Stakeholders in Green Economy ✓ Session 4: Government and Private Agencies
	Activities	ACTIVITY <ul style="list-style-type: none"> ✓ Flow Chart Long Term vs Short Term Capital Gain ✓ Debate on SIP, STP and SWP ✓ Panel Discussion on Growth/ Dividend Payout/Dividend Reinvestment

		COMPETENCY BASED ASSESSMENT ✓ Case Study on Financial Planning PRACTICAL Team Role Play / Presentation on Advantages of Mutual Fund REFERENCE https://www.amfiindia.com/
UNIT-6	SUB-UNIT	SESSION/ ACTIVITY/ PRACTICAL
Quantitative Evaluation Of Mutual Fund Schemes	Mutual Fund Return Calculations	Session-1 6.1 Returns 6.1.1 XIRR 6.1.2 Dividend Re-investment (CAGR) 6.1.3 Compounding of Periodic Returns
	Mutual Fund Risk Calculations	Session-2 6.2 Risk 6.2.1 Standard Deviation 6.2.2 Beta 6.2.3 Weighted Average Maturity 6.2.4 Modified Duration
	Mutual Fund Risk adjustment Calculations	Session-3 6.3 Risk Adjusted Returns 6.3.1 Sharpe Ratio 6.3.2 Sortino Ratio 6.3.3 Treynor Ratio 6.3.4 Jensen's Alpha
	ACTIVITY / PRACTICAL	ACTIVITY <ul style="list-style-type: none"> ✓ Frame individual Spreadsheet on Risk Matrices ✓ Frame individual Spreadsheet on Return Matrices ✓ Bring/download Factsheet of any AMC and discuss the Risk Adjustment Return COMPETENCY BASED ASSESSMENT Present Factsheet of any Asset Management Company PRACTICAL Lab Practical :- Frame- Case wise Spreadsheet REFERENCE https://www.amfiindia.com/

(SUBJECT CODE 805)
CLASS –XII
Total Marks: 100 (Theory-60 + Practical-40)

	UNIT	NO. OF HOURS for Theory and Practical 260	MAX. MARKS for Theory and Practical 100
Part A	Employability Skills		
	Unit 1 : Communication Skills-IV	13	2
	Unit 2 : Self-Management Skills-IV	07	2
	Unit 3 : ICT Skills-IV	13	2
	Unit 4 : Entrepreneurial Skills-IV	10	2
	Unit 5 : Green Skills-IV	07	2
	Total	50	10
Part B	Subject Specific Skills		
	Unit 1: Introduction to Indian Securities Market and Trading Membership	25	10
	Unit 2: Trading	25	10
	Unit 3: Clearing and Settlement, Legal Framework	25	10
	Unit 4 : Financial Statement Analysis	17	06
	Unit 5: Introduction to Derivatives	11	06
	Unit 6: Future and Option Contracts, Mechanism and Pricing	17	08
	TOTAL	120	50
Part C	Practical Work		
	Project / Practical Activities	15	10
	Viva based on Project	5	05
	Practical File/ Report or Portfolio	10	05
	Demonstration of skill competency on NSMART software (NSE Smart Equity and NSE Smart Derivatives)	60	20
	Total	90	40
	GRAND TOTAL	260	100

PRACTICAL GUIDELINES FOR CLASS XII

Assessment of performance:

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Project -10 marks

Projects for the final practical is given below .Student may be assigned

Guidelines for Project Preparation:

The final project work should encompass chapters on:

- a) Introduction,
- b) Identification of core and advance issues,
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Viva based on Project -05 marks

The teacher conducting the final practical examination may ask verbal questions related to the project, if any, done by the student. Alternatively, if no project has been assigned to the students, viva may be based on questions of practical nature from the field of subject as per the Curriculum

Practical File -05 Marks

Students to make a power point presentation/ assignment/ practical file/ report Instructor shall assign them any outlet to study the elements in detailing.

Demonstration of skill competency in Lab Activities -20 marks

- a) NSMART set up Market Watch (Capital and Derivative Market)
- b) NSMART Order Entry features (FNO)
- c) NSMART Trading Features (Future contracts)
- d) NSMART Trading Features (Option contracts)
- e) NSMART Realized and Unrealized P/L Position

Student need to practice 60 hours in a FMM LAB and describe the above features of NSMART in practical.

CLASS XII
Financial Markets Management(805)

UNIT-1	SUB-UNIT	SESSION/ ACTIVITY/ PRACTICAL
<i>Introduction to Indian Securities Market and Trading Membership & Employability Skills</i>	<i>Securities Market segments and products</i>	Session -1 1.1 Market Segments 1.1.1 Primary Market 1.1.2 Secondary Market 1.2 Key Indicators of Securities Market 1.2.1 Index 1.2.2 Market Capitalisation. 1.2.3 Market Capitalisation Ratio 1.2.4 Turnover 1.2.5 Turnover Ratio 1.3 Products and Participants 1.3.1 Products 1.3.2 Participants 1.4 Market Segments and their Products
	<i>Market Reforms</i>	Session -2 1.5 Reforms in Indian Securities Markets 1.5.1 Creation of Market Regulator 1.5.2 Screen Based Trading 1.5.3 Reduction of Trading Cycle 1.5.4 Equity Derivatives Trading 1.5.5 Demutualization 1.5.6 Dematerialization 1.5.7 Clearing Corporation 1.5.8 Investor Protection 1.5.9 Globalization 1.5.10 Launch of India VIX 1.5.11 Direct Market Access 1.5.12 Launch of Securities Lending & Borrowing Scheme 1.5.13 Launch of Currency Futures 1.5.14 ASBA: Application Supported by Blocked Amount (ASBA) 1.5.15 Launch of Interest Rate Futures 1.5.16 Issue of Capital and Disclosure Requirements (ICDR) Regulations 2009
	<i>Trading Memberships</i>	Session -3 1.6 Stock Brokers 1.7 NSE Membership 1.7.1 New Membership 1.7.2 Eligibility Criteria for Membership at NSE 1.7.3 Admission Procedure for New Membership 1.8 Surrender of Trading membership 1.9 Suspension & Expulsion of Membership 1.9.1 Basis of Suspension of Membership 1.9.2 Suspension of Business 1.9.3 Removal of Suspension 1.9.4 Consequences of Suspension 1.9.5 Consequences of Expulsion 1.10 Declaration of Defaulter 1.11 Authorized Persons 1.12 Sub-Brokers 1.12.1 Eligibility 1.12.2 Registration 1.12.3 Cancellation of Registration

		<p>1.13 Broker-Clients Relations</p> <p>1.13.1 Client Registration Documents</p> <p>1.13.2 Unique Client Code (UCC)</p> <p>1.13.3 Margins from the Clients</p> <p>1.13.4 Execution of Orders</p> <p>1.13.5 Contract Note</p> <p>1.13.6 Payments/Delivery of Securities to the Clients</p> <p>1.13.7 Brokerage</p> <p>1.13.8 Segregation of Bank Accounts</p> <p>1.13.9 Segregation of Demat (Beneficiary)Accounts</p> <p>1.14 Sub-Broker-Clients Relations</p> <p>1.14.1 Relationship with clients</p> <p>1.14.2 Contract notes</p> <p>1.14.3 Securities/Funds</p> <p>1.15 Investor Service Cell and Arbitration</p> <p>1.16 Code of Advertisement Activity</p>
	EMPLOYABILITY SKILLS	<p>Session-4</p> <p>Unit-1 Communication Skill</p> <ul style="list-style-type: none"> ✓ Session 1 Active Listening ✓ Session 2 Parts of Speech ✓ Session 3 Writing Sentences
	ACTIVITY / PRACTICAL	<p>ACTIVITY</p> <ul style="list-style-type: none"> ✓ Presentation on Primary and secondary market, Role play, presentation on NSE trading products ✓ ASBA project through net banking, case on globalization etc. ✓ Authorized Person vs Sub Broker ✓ Visit to Broker house. Role play, Quiz contest and presentation on the operations of Broker House <p>COMPETENCY BASED ASSESSMENT</p> <ul style="list-style-type: none"> ✓ Client – Broker Registration Documents <p>PRACTICAL</p> <ul style="list-style-type: none"> ✓ Individual Role Play (Trading Member) will be assessed <p>REFERENCE</p> <ul style="list-style-type: none"> ✓ www.investopedia.com , www.nseindia.com

UNIT-2	SUB-UNIT	SESSION/ ACTIVITY/ PRACTICAL
Trading & Employability Skills	Overview of Trading network and NEAT Screen	Session -1 2.1 Introduction 2.2 NEAT System 2.3 Market Types 2.4 Trading System Users Hierarchy 2.5 Local Database 2.6 Market Phases 2.7 Logging On 2.8 Log Off / Exit from the Application 2.9 NEAT Screen
	Inquiry Screens	Session-2 2.10 Invoking an Inquiry Screen 2.10.1 Market Watch Security 2.10.2 Descriptor Previous Trades 2.10.3 Outstanding Orders Activity Log 2.10.4 Order Status Snap Quote 2.10.5 Market Movement Market 2.10.6 Inquiry Auction Inquiry 2.10.7 Security /Portfolio List 2.10.8 Multiple Index Broadcast and Graph Online Backup 2.10.9 Basket Trading Buy Back Trades
	Order-Management	Session -3 2.11 Order Managed on NEAT 2.11.1 Entering Orders 2.11.2 Order Modification 2.11.3 Order Cancellation 2.11.4 Order Matching 2.12 Internet Broking 2.13 Co-location 2.14 Wireless Application Protocol
	EMPLOYABILITY SKILLS	Session-4 Unit-2 Self-management Skills ✓ Session 1 Motivation and Positive Attitude ✓ Session 2 Result Orientation ✓ Session 3 Self-awareness
	ACTIVITY / PRACTICAL	Activity ✓ Presentation on NEAT Screen, visit to Broker House, discussion on market phases and its operations. ✓ NEAT Screen Key Features, NSMART Trading Features, Trading Techniques etc. ✓ LAB based Trading Activities (NEAT Terminal) COMPETENCY BASED ASSESSMENT ✓ Discrete Stages of NEAT Terminal PRACTICAL ✓ NSMART Trading Terminal REFERENCE https://www.nsesmart.com/ , www.nseindia.com

UNIT-3	SUB-UNIT	SESSION/ ACTIVITY/ PRACTICAL
Clearing, Settlement and Legal Framework & Employability Skills	Clearing and Settlement	Session -1 3.1 Introduction 3.2 Key terminologies used in Clearing and Settlement Process 3.3 Transaction Cycle 3.4 Settlement Agencies 3.5 Clearing and Settlement Process 3.5.1 Clearing Process 3.5.2 Settlement Process 3.5.3 Settlement Cycle 3.6 Securities and Funds Settlement 3.6.1 Securities Settlement 3.6.2 Funds Settlement 3.7 Shortages Handling 3.7.1 Valuation Prices 3.7.2 Close-out Procedures
	Risk Management and Reports	Session -2 3.9 Risk Management 3.9.1 Capital Adequacy Requirements 3.9.2 Margins 3.9.3 On-Line Exposure Monitoring 3.9.4 Off-line Monitoring 3.9.5 Index-based Market-wide Circuit Breakers/Price Bands for Securities 3.9.6 Settlement Guarantee Mechanism 3.10 International Securities Identification Number
	Legal Framework	Session -3 3.11 SEBI (Intermediaries) Regulations, 2008 3.12 SEBI (Prohibition of Insider Trading) Regulations, 2015 3.12.1 Prohibition on Dealing, Communicating or Counseling (Chapter) 3.12.2 Investigation (Chapter III) 3.12.3 Disclosures and Internal Procedure for Prevention of Insider Trading 3.13 SEBI (Prohibition of fraudulent and Unfair Trade Practices relating to securities market) Regulations, 2003 3.13.1 Prohibition of Certain Dealings in Securities 3.13.2 Prohibition of Manipulative, Fraudulent and Unfair Trade Practices 3.14 The Depositories Act, 1996
	EMPLOYABILITY SKILLS	Session-4 Unit-3 Information and Communication Technology Skills ✓ Session 1 Getting Started with Spreadsheet ✓ Session 2 Performing Basic Operations in a Spreadsheet ✓ Session 3 Working with Data and Formatting Text ✓ Session 4 Advanced Features in Spreadsheet ✓ Session 5 Presentation Software ✓ Session 6 Opening, Closing, Saving and Printing a Presentation ✓ Session 7 Working with Slides and Text in a Presentation ✓ Session 8 Advanced Features used in Presentation

	ACTIVITY / PRACTICAL	<p>Activity</p> <ul style="list-style-type: none"> ✓ Practical Presentation on T to T+2 Trading Process, Presentation and Project on Settlement Process ✓ Margin Calculation, Role Play on Trade monitoring ✓ Role Play on Insider Trading, Presentation on Unfair Trade Practices, Visit to Depository Participants (DP) House ✓ Settlement Cycle diagrammatically ✓ Imposition of Margin <p>COMPETENCY BASED ASSESSMENT</p> <ul style="list-style-type: none"> ✓ Margin Positions /Calculations <p>PRACTICAL</p> <ul style="list-style-type: none"> ✓ Play Role of settlement agencies ✓ Memberwise Capital Adequacy Requirements <p>REFERENCE www.nseindia.com</p>
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UNIT-4	SUB-UNIT	SESSION/ ACTIVITY/ PRACTICAL
Financial Statement Analysis & Employability Skills	Overview on Financial Statement Analysis	<p>Session -1</p> <p>4.1 CONCEPTS & MODES OF ANALYSIS</p> <p>4.1 .1 What is Simple Interest?</p> <p>4.1.2 What is Compound Interest</p> <p>4.1.3 What is meant by the Time Value of Money?</p> <p>4.1.4 How to go about systematically analyzing a company?</p>
	Ratio Analysis and its types	<p>Session -2</p> <p>4.2 Ratio Analysis</p> <p>4.2.1 Liquidity ratios</p> <p>4.2.2 Leverage/Capital structure Ratios</p> <p>4.2.3 Profitability Ratio</p>
	EMPLOYABILITY SKILLS	<p>Session -3</p> <p>Unit-4 Entrepreneurship Skills</p> <ul style="list-style-type: none"> ✓ Session 1 Entrepreneurship and Entrepreneur ✓ Session 2 Barriers to Entrepreneurship ✓ Session 3 Entrepreneurial Attitudes ✓ Session 4 Entrepreneurial Competencies
	ACTIVITY / PRACTICAL	<p>ACTIVITY</p> <ul style="list-style-type: none"> ✓ Simple vs compound interest (LAB Activity) ✓ Time value of Money (Single cashflow and Annuity) ✓ Ratios with analysis <p>COMPETENCY BASED ASSESSMENT</p> <ul style="list-style-type: none"> ✓ Financial risk measurement through Ratio analysis <p>PRACTICAL</p> <ul style="list-style-type: none"> ✓ Flow chart on Time value of Money ✓ Spreadsheet and Flow chart on Ratio Analysis <p>REFERENCE www.investopedia.com , www.nseindia.com, https://www.screener.in/</p>

UNIT-5	SUB-UNIT	SESSION/ ACTIVITY/ PRACTICAL
Introduction To Derivatives & Employability Skills	Overview on Derivatives	Session -1 5.1 Types of Derivative Contracts 5.2 Basic Derivatives 5.3 History of Financial Derivatives Markets 5.4 Participants in a Derivative Market 5.5 Economic Function of the Derivative Market
	Understanding Interest Rates and index significance	Session -2 5.6 Understanding Interest Rates 5.7 Understanding the Stock Index 5.8 Economic Significance of Index Movements
	Index Constructions and its Attributes	Session -3 5.9 Index Construction 5.10 Desirable Attributes of An Index 5.11 Applications of index
	EMPLOYABILITY SKILLS	Session -4 Unit-5 Green Skills ✓ Session 1 Green Jobs ✓ Session 2 Importance of Green Jobs ✓
	ACTIVITY / PRACTICAL	Activity ✓ Role of three participants ✓ Interest rate calculation (LAB Activity) ✓ Presentation of Index Calculation (FFMC-NIFTY 50) ✓ Case discussion on Application of Index ✓ Calculate interest rates, Discuss and Design Micro and Macro Factors of index movements ✓ Understand that how Indian stock market index calculate, presentation on index and its applications ✓ Presentation on Derivatives Market history and its Products, Discussion on various economics function of derivatives PRACTICAL ✓ Spreadsheet (MS-Excel) Market Capitalisation, Various interest rates REFERENCE www.investopedia.com , www.nseindia.com

UNIT-6	SUB-UNIT	SESSION/ ACTIVITY/ PRACTICAL
Future and Option Contracts, Mechanism and Pricing & Employability Skills	Forward vs Future Contracts	Session -1 6.1 Forward 6.2 Limitations of Forward Markets 6.3 Introduction to Futures 6.4 Distinction between Futures and Forwards Contracts 6.5 Futures Terminology 6.6 Trading Underlying Vs. Trading Single Stock Futures 6.7 Futures Payoffs 6.8 Pricing Futures

		<p>6.8.1 Price equity index future</p> <p>6.8.2 Price equity index future with dividend amount</p> <p>6.8.3 Price equity index future with dividend yield</p> <p>6.8.4 Price stock future</p> <p>6.8.5 Price stock future with no dividend</p> <p>6.8.6 Price stock future with dividend expected</p> <p>6.9 Understanding Beta (β)</p> <p>6.10 Numerical Illustration of Applications of Stock Futures</p> <p>6.10.1 Hedging : Long securities , sell future</p> <p>6.10.2 Speculation : Bullish securities , Buy future</p> <p>6.10.3 Speculation : Bearish securities , sell future</p> <p>6.10.4 Arbitrage: Overpriced future , Buy Spot , sell future</p> <p>6.10.5 Arbitrage : Underpriced future , Buy future , sell spot</p> <p>6.11 Hedging using Stock Index Futures</p> <p>6.11.1 Selling index Future</p>
	Option Terminology	<p>Session -2</p> <p>6.11 Option Terminology</p> <p>6.12 Difference between Future and Option</p> <p>6.13 Option Payoff</p> <p>6.14.1 Payoff profile for buyer</p> <p>6.14.2 Payoff profile for seller</p> <p>6.14.3 Payoff profile for buyer of call option</p> <p>6.14.4 Payoff profile for writer of call option</p> <p>6.14.5 Payoff profile for buyer of put option</p> <p>6.14.6 payoff profile for writer of put option</p> <p>6.15 Application of Option</p> <p>6.15.1 Hedging : Have underlying buy put</p> <p>6.15.2 Speculation : Bullish Security , buy call , sell put</p> <p>6.15.3 Speculation : Bearish security , sell call, buy put</p> <p>6.15.4 Bull Spread</p> <p>6.15.5 Bear Spread</p>
	ACTIVITY / PRACTICAL	<p>Activity</p> <ul style="list-style-type: none"> ✓ Presentation or panel discussion on Forward vs Future Contracts, Presentation on Payoff Position, Calculations on Future Pricing with Beta ✓ Panel discussion on Future vs Option Contracts, Presentation on Option Terminology. Visit broker house to learn Trading techniques of Future and Option. Trade through NSMART and create position in F&O. Three Cases Pricing of Future ✓ Three Application of future (LAB Activity) <p>COMPETENCY BASED ASSESSMENT</p> <ul style="list-style-type: none"> ✓ Each students will design future payoff on Optra <p>PRACTICAL</p> <ul style="list-style-type: none"> ✓ Cases of three Market Participants and their applications <p>REFERENCE</p> <p>www.investopedia.com , www.nseindia.com</p>