

CBSE | DEPARTMENT OF SKILL EDUCATION CURRICULUM FOR SESSION 2020-2021

FINANCIAL MARKET MANAGEMENT (SUBJECT CODE 805) JOB ROLE: EQUITY DEALER/MUTUAL FUND AGENT

RATIONALIZED CURRICULUM FOR CLASS–XII FOR SESSION 2020-21 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 | 10 |
| | Unit 2 : Self-Management Skills-IV | 07 | |
| | Unit 3 : ICT Skills-IV | 13 | |
| | Unit 4 : Entrepreneurial Skills-IV | 10 | |
| | Unit 5 : Green Skills-IV | 07 | |
| | Total | 50 | |
| Part B | Subject Specific Skills | | |
| | Unit 1: Introduction to Indian Securities Market and Trading Membership | 29 | 12 |
| | Unit 2: Trading | 29 | 12 |
| | Unit 3: Clearing and Settlement, Legal Framework | 34 | 14 |
| | Unit 4: Introduction to Derivatives | 10 | 04 |
| | Unit 5: Introduction to Futures and Options | 18 | 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 NLT software (Numeric Speed Accelerator Module) | 60 | 20 |
| | Total | 90 | 40 |
| | GRAND TOTAL | 260 | 100 |

DETAILED CURRICULUM/TOPICS:**Part-A: EMPLOYABILITY SKILLS**

| S. No. | Units | Duration in Hours |
|-----------------------|--|-------------------|
| 1. | Unit 1: Communication Skills-IV | 13 |
| 2. | Unit 2: Self-management Skills-IV | 07 |
| 3. | Unit 3: Information and Communication Technology Skills-IV | 13 |
| 4. | Unit 4: Entrepreneurial Skills-IV | 10 |
| 5. | Unit 5: Green Skills-IV | 07 |
| TOTAL DURATION | | 50 |

NOTE: For Detailed Curriculum/ Topics to be covered under Part A: Employability Skill Scan be downloaded from CBSE website.

Part-B – SUBJECT SPECIFIC SKILLS

| S. No. | Units | Duration in Hours |
|-----------------------|---|-------------------|
| 1. | Unit 1: Introduction to Indian Securities Market and Trading Membership | 29 |
| 2. | Unit 2: Trading | 29 |
| 3. | Unit 3: Clearing and Settlement, Legal Framework | 34 |
| 4. | Unit 4: Introduction to Derivatives | 10 |
| 5. | Unit 5: Introduction to Futures and Options | 18 |
| TOTAL DURATION | | 120 |

| UNIT | SUB-UNIT | SESSION/ ACTIVITY/ PRACTICAL |
|---|--|--|
| 1. Introduction to Indian Securities Market and Trading Membership | Securities Market segments and products | 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 |
| | | Activity Presentation on Primary and secondary market, Role play, presentation on NSE trading products |
| | Market Reforms | Session -2 1.5 Reforms in Indian Securities Markets <ul style="list-style-type: none"> • Creation of Market Regulator • Screen Based Trading • Reduction of Trading Cycle |

| UNIT | SUB-UNIT | SESSION/ ACTIVITY/ PRACTICAL |
|------|-----------------------------------|--|
| | | <ul style="list-style-type: none"> • Equity Derivatives Trading • Demutualisation • Dematerialisation • Clearing Corporation • Investor Protection • Globalization • Launch of India VIX • Direct Market Access • Launch of Securities Lending & Borrowing Scheme • Launch of Currency Futures • ASBA: Application Supported by Blocked Amount (ASBA) • Launch of Interest Rate Futures • Issue of Capital and Disclosure Requirements (ICDR) Regulations 2009 <p>Activity ASBA project through net banking, case on globalization etc.</p> |
| | <p>Trading Memberships</p> | <p>Session -3</p> <p>1.6 Stock Brokers</p> <p>1.7 NSE Membership</p> <p>1.7.1 New Membership</p> <p>1.7.2 Eligibility Criteria for Membership at NSE</p> <p>1.7.3 Admission Procedure for New Membership</p> <p>1.8 Surrender of Trading membership</p> <p>1.9 Suspension & Expulsion of Membership</p> <p>1.9.1 Basis of Suspension of Membership</p> <p>1.9.2 Suspension of Business</p> <p>1.9.3 Removal of Suspension</p> <p>1.9.4 Consequences of Suspension</p> <p>1.9.5 Consequences of Expulsion</p> <p>1.10 Declaration of Defaulter</p> <p>1.11 Authorised Persons</p> <p>1.12 Sub-Brokers</p> <p>1.12.1 Eligibility</p> <p>1.12.2 Registration</p> <p>1.12.3 Cancellation of Registration</p> <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> |

| UNIT | SUB-UNIT | SESSION/ ACTIVITY/ PRACTICAL |
|-------------------|--|--|
| | | 1.16 Code of Advertisement Activity Visit to Broker house. Role play, Quiz contest and presentation on the operations of Broke House |
| 2. Trading | 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 Activity Presentation on NEAT Screen, visit to broker house, discussion on market phases and its operations. |
| | Inquiry Screens | Session -2 2.10 Invoking an Inquiry Screen Market Watch Security Descriptor Previous Trades Outstanding Orders Activity Log Order Status Snap Quote Market Movement Market Inquiry Auction Inquiry Security /Portfolio List Multiple Index Broadcast and Graph Online Backup Basket Trading Buy Back Trades Activity NEAT Screen Key Features, NSMART Trading Features, Trading Techniques etc. |
| | Supplementary Functions and order management * | Session -3 Supplementary Functions 2.11 Order Management 2.11.1 Entering Orders 2.11.2 Order Modification 2.11.3 Order Cancellation 2.11.4 Order Matching Internet Broking 2.12 Internet Broking 2.13 Co-location 2.14 Wireless Application Protocol Ch-2 Trading (Session-3) from page No. 74 supplementary functions to Page No.97 till WAP |

***Note: To be assessed in practical only. No question shall be asked from this portion in Theory Exams.**

| UNIT | SUB-UNIT | SESSION/ ACTIVITY/ PRACTICAL |
|---|-----------------------------|---|
| 3. Clearing, Settlement and Legal Framework | Clearing and Settlement | <p>Session -1</p> <p>3.1 Introduction</p> <p>3.2 Key terminologies used in Clearing and Settlement Process</p> <p>3.3 Transaction Cycle</p> <p>3.4 Settlement Agencies</p> <p>3.5 Clearing and Settlement Process</p> <p>3.5.1 Clearing Process</p> <p>3.5.2 Settlement Process</p> <p>3.5.3 Settlement Cycle</p> <p>3.6 Securities and Funds Settlement</p> <p>3.6.1 Securities Settlement</p> <p>3.6.2 Funds Settlement</p> <p>3.7 Shortages Handling</p> <p>3.7.1 Valuation Prices</p> <p>3.7.2 Close-out Procedures</p> <p>Activity</p> <p>Practical Presentation on T to T+2 Trading Process, Presentation and Project on Settlement Process</p> |
| | Risk Management and Reports | <p>Session -2</p> <p>3.9 Risk Management</p> <p>3.9.1 Capital Adequacy Requirements</p> <p>3.9.2 Margins</p> <p>3.9.3 On-Line Exposure Monitoring</p> <p>3.9.4 Off-line Monitoring</p> <p>3.9.5 Index-based Market-wide Circuit Breakers/Price Bands for Securities</p> <p>3.9.6 Settlement Guarantee Mechanism</p> <p>3.10 International Securities Identification Number</p> <p>3.11 Data and Report Downloads</p> <p>3.11.1 Obligation Reports</p> <p>3.11.2 Custodial Trade Reports</p> <p>3.11.3 Deliveries Reports</p> <p>3.11.4 Funds Reports</p> <p>3.11.5 Auction Reports</p> <p>3.11.6 Other Reports</p> <p>Activity</p> <p>Margin Calculation, Role Play on Trade monitoring</p> |
| | Legal Framework | <p>Session -3</p> <p>3.12 SEBI (Intermediaries) Regulations,2008</p> <p>3.13 SEBI (Prohibition of Insider Trading) Regulations,2015</p> <p>3.13.1 Prohibition on Dealing, Communicating or Counselling (Chapter)</p> <p>3.13.2 Investigation (Chapter III)</p> <p>3.13.3 Disclosures and Internal Procedure for Prevention of Insider Trading</p> <p>3.14 SEBI (Prohibition of fraudulent and Unfair Trade Practices relating to securities market) Regulations, 2003</p> <p>3.14.1 Prohibition of Certain Dealings in Securities</p> <p>3.14.2 Prohibition of Manipulative, Fraudulent and Unfair Trade Practices</p> <p>3.15 The Depositories Act, 1996</p> <p>3.16 Indian Contract Act, 1872</p> |

| UNIT | SUB-UNIT | SESSION/ ACTIVITY/ PRACTICAL |
|--|---|---|
| | | <p>3.17 Income Tax Act, 1961</p> <p>Activity Role Play on Insider Trading, Presentation on Unfair Trade Practices, Visit to Depository Participants (DP) House</p> |
| 4. Introduction to Derivatives | Overview on Derivatives | <p>Session -1</p> <p>4.1 Types of Derivative Contracts 4.2 Basic Derivatives 4.3 History of Financial Derivatives Markets 4.4 Participants in a Derivative Market 4.5 Economic Function of the Derivative Market</p> <p>Activity Presentation on Derivatives Market history and its Products, Discussion on various economics function of derivatives</p> |
| | Understanding Interest Rates and index significance | <p>Session -2</p> <p>4.6 Understanding Interest Rates 4.7 Understanding the Stock Index 4.8 Economic Significance of Index Movements</p> <p>Activity Calculate interest rates, Discuss and Design Micro and Macro Factors of index movements</p> |
| | Index Constructions and its Attributes | <p>Session -3</p> <p>4.9 Index Construction 4.10 Desirable Attributes of An Index 4.11 Applications of index</p> <p>Activity Understand that how Indian stock market index calculate, presentation on index and its applications</p> |
| 5. Introduction to Futures and Options | Forward vs Future Contracts and Future terminology | <p>Session -1</p> <p>5.1 Forward 5.2 Limitations of Forward Markets 5.3 Introduction to Futures 5.4 Distinction between Futures and Forwards Contracts 5.5 Futures Terminology 5.6 Trading Underlying Vs. Trading Single Stock Futures 5.7 Futures Payoffs 5.8 Pricing Futures 5.9 Understanding Beta (β) 5.10 Numerical Illustration of Applications of Stock Futures 5.11 Hedging using Stock Index Futures</p> <p>Activity Presentation or panel discussion on Forward vs Future Contracts, Presentation on Payoff Position, Calculations on Future Pricing with Beta</p> |
| | Option Terminology | <p>Session -2</p> <p>5.12 Option Terminology 5.13 Comparison between Futures and Options</p> <p>Activity :- 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.</p> |

