

CBSE | DEPARTMENT OF SKILL EDUCATION

CURRICULUM FOR SESSION 2022-2023

INTRODUCTION TO FINANCIAL MARKETS

(SUBJECT CODE 405)

JOB ROLE: BUSINESS CORRESPONDENT

CLASS – IX & X

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.

OBJECTIVES OF THE COURSE:

In this course, the students will be introduced to the fundamental concepts of Financial Markets Management (FMM) and the career opportunities available in this field. This course provides an insight to the students regarding various issues associated with business.

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:

- 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.
- Joint Certificate - NSE Academy provides industry certificates apart from CBSE and NSE Academy providing joint certificate.
- Books - Books for FMM subjects are readily downloadable from CBSE website by click of a mouse.
- Skill Development – NSE Academy helps skill development through internet based mock simulator software, NSE Learn to Trade-NLT.
- Save time - Students will save up to 1 year by passing 2/4 NCFM Modules while studying FMM in CBSE schools.
- 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, and BPOs 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.inbanks, broking firms, KPOs, asset management companies etc.

LIST OF EQUIPMENT AND MATERIALS:

The list given below is suggestive and an exhaustive list should be prepared by the skill 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

NSESMART Software (Internet based software) to be provided by NSESMART Software 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, KPOs, and BPOs 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.

VERTICAL MOBILITY:

Graduation: After passing out from school, they can go for 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 IX and X opting for Skills subject along with other subjects.

INTRODUCTION TO FINANCIAL MARKETS (SUBJECT CODE - 405)

CLASS – IX (SESSION 2022-2023)

Total Marks: 100 (Theory-50 + Practical-50)

| | UNITS | NO. OF HOURS for Theory and Practical 220 | MAX. MARKS for Theory and Practical 100 |
|-----------------|--|--|--|
| Part A | Employability Skills | | |
| | Unit 1 : Communication Skills-I | 13 | 2 |
| | Unit 2 : Self-Management Skills-I | 07 | 2 |
| | Unit 3 : ICT Skills-I | 13 | 2 |
| | Unit 4 : Entrepreneurial Skills-I | 10 | 2 |
| | Unit 5 : Green Skills-I | 07 | 2 |
| | Total | 50 | 10 |
| Part - B | Subject Specific Skills | | |
| | Unit 1: Money – What it is | 10 | 04 |
| | Unit 2: Money Exchange Systems | 8 | 03 |
| | Unit 3: Key Characteristics of Money | 5 | 02 |
| | Unit 4: What is Financial Planning | 11 | 06 |
| | Unit 5: What is income | 5 | 02 |
| | Unit 6: What is Expenses | 5 | 02 |
| | Unit 7: What is Bank | 03 | 01 |
| | Unit 7: What is Bank | 13 | 05 |
| | Unit 8: Why Save | 8 | 03 |
| | Unit 9: Setting Goals | 8 | 03 |
| | Unit 10: Systematic Saving and investments | 11 | 05 |
| | Unit 11: Making a Budget | 08 | 04 |
| | Total | 95 | 40 |
| Part C | Practical Work | | |
| | Project | 15 | 10 |
| | Viva based on Project | | 05 |
| | Practical File | | 10 |
| | Demonstration of skill competency via Lab Activities | 60 | 25 |
| Total | 75 | 50 | |
| | GRAND TOTAL | 220 | 100 |

INTRODUCTION TO FINANCIAL MARKETS (SUBJECT CODE - 405)

CLASS – X (SESSION 2022-2023)

Total Marks: 100 (Theory-50 + Practical-50)

| | UNITS | NO. OF HOURS for Theory and Practical 220 | MAX. MARKS for Theory and Practical 100 |
|---------------|--|--|--|
| Part A | Employability Skills | | |
| | Unit 1 : Communication Skills-II* | 13 | - |
| | Unit 2 : Self-Management Skills-II | 07 | 3 |
| | Unit 3 : ICT Skills-II | 13 | 3 |
| | Unit 4 : Entrepreneurial Skills-II | 10 | 4 |
| | Unit 5 : Green Skills-II* | 07 | - |
| | Total | 50 | 10 |
| Part B | Subject Specific Skills | | |
| | Unit 1: Investment Basics | 05 | 02 |
| | Unit 2: Securities | 06 | 02 |
| | Unit 3: Primary Market | 15 | 07 |
| | Unit 4 : Secondary Market | 15 | 07 |
| | Unit 5: Derivatives | 06 | 02 |
| | Unit 6: Depository | 06 | 02 |
| | Unit 7: Mutual Funds | 10 | 04 |
| | Unit 8: Miscellaneous | 13 | 06 |
| | Unit 9: Concepts & Modes of Analysis | 13 | 06 |
| | Unit 10: Ratio Analysis | 06 | 02 |
| | Total | 95 | 40 |
| Part C | Practical Work | | |
| | Project | | 10 |
| | Viva based on Project | 15 | 05 |
| | Practical File | | 10 |
| | Demonstration of skill competency via Lab Activities | 60 | 25 |
| Total | 75 | 50 | |
| | GRAND TOTAL | 220 | 100 |

Note: * marked units are to be assessed through Internal Assessment/ Student Activities. They are not to be assessed in Theory Exams

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CLASS – X (SESSION 2022-2023)

DETAILED CURRICULUM/TOPICS:

Part-A: EMPLOYABILITY SKILLS

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

Note: * marked units are to be assessed through Internal Assessment/ Student Activities. They are not to be assessed in Theory Exams

The detailed curriculum/ topics to be covered under Part A: Employability Skills can be downloaded from CBSE website.

Part-B – SUBJECT SPECIFIC SKILLS

| S. No. | Units | Duration in Hours |
|---------------|--------------------------------------|--------------------------|
| 1. | Unit 1: Investment Basics | 5 |
| 2. | Unit 2: Securities | 6 |
| 3. | Unit 3: Primary Market | 15 |
| 4. | Unit 4 : Secondary Market | 15 |
| 5. | Unit 5: Derivatives | 6 |
| 6. | Unit 6: Depository | 6 |
| 7. | Unit 7: Mutual Funds | 10 |
| 8. | Unit 8: Miscellaneous | 13 |
| 9. | Unit 9: Concepts & Modes of Analysis | 13 |
| 10 | Unit 10: Ratio Analysis | 6 |
| | TOTAL DURATION | 95 |

| UNIT | SUB-UNIT | SESSION/ ACTIVITY/ PRACTICAL |
|----------------------|-----------------------|---|
| 1. INVESTMENT BASICS | Saving Vs. Investment | Session-1 <ul style="list-style-type: none"> • Causes of Investment • Tools of Investment • Needs of Investment |
| | | Activity <ul style="list-style-type: none"> • Interactive lecture: Situation to Calculation of the Investment • Calculate Bank and Post Office Deposits |
| | Stock Exchange | Session -2 <ul style="list-style-type: none"> • Define Stock Exchange • Identify National Stock Exchanges Activity <ul style="list-style-type: none"> • Collection Market Return Charts and Sheets, Discuss |
| | Electronic Shares | Session -3 Find the Depositories of the Country. Activity Fill DRF (Demand Request Form) |
| 2. SECURITIES | Securities Market | Session -1 <ul style="list-style-type: none"> • Who can invest Insecurities Market? • Securities Platform Activity <ul style="list-style-type: none"> • Live Trading/Watch Business Channels |
| | Regulators | Session -2 <ul style="list-style-type: none"> • Need of Regulators • Role of SEBI Activity <ul style="list-style-type: none"> • Role Play of SEBI Representative |
| | Market Participants | Session -3 <ul style="list-style-type: none"> • Participant Registration • Transaction through Participants Activity <ul style="list-style-type: none"> • How to become Participants. • Role Play |
| 3. PRIMARY MARKET | New Issue Market | Session -1 <ul style="list-style-type: none"> • Who can bring new issue? • Role of Primary Market Activity <ul style="list-style-type: none"> • Visit in Stock Exchange to collect Reports and IPO Forms |
| | Issue of Shares | Session -2 <ul style="list-style-type: none"> • Need for issue • Market Capitalization • Public Vs Private Placement Activity <ul style="list-style-type: none"> • Learn how to fill IPO |
| | Saturated Prospectus | Session -3 <ul style="list-style-type: none"> • Draft offer documents • Listing agreement • SEBI role Activity <ul style="list-style-type: none"> • Bring prospectus from the Stock Exchange and readhighlights |

| UNIT | SUB-UNIT | SESSION/ ACTIVITY/ PRACTICAL |
|---------------------|----------------------------|---|
| 4. SECONDARY MARKET | Securities Market | Session -1 <ul style="list-style-type: none"> • Difference between Primary Market and Secondary Market Activity <ul style="list-style-type: none"> • Visit to Stock Exchange and Broking Houses in the nearby area for interaction with broker . |
| | Stock Exchange | Session -2 <ul style="list-style-type: none"> • Identify Demutualize Stock Exchange of India • Process of SBTS Activity <ul style="list-style-type: none"> • Operations of Online/ Electronic Trading |
| | Trading | Session -3 <ul style="list-style-type: none"> • Direct Market Access • Study Contract Note • Calculate Brokerage Activity <ul style="list-style-type: none"> • Interactive lecture: Pre-trading/ Post- trading Instructions • Participate in live/ mock trading & visit www.nlt.co.in |
| 5. DERIVATIVES | Futures and Options Market | Session -1 <ul style="list-style-type: none"> • Find the Derivatives Instruments • Difference between future and options Activity <ul style="list-style-type: none"> • Risk and Return of Derivative Trading • Mock Trading Techniques of Derivatives |
| | Commodity | Session -2 <ul style="list-style-type: none"> • Identify the features of Commodity Derivatives • Distinguish between Commodity & Financial Derivatives |
| | | Activity <ul style="list-style-type: none"> • Risk and Returns of Commodity Trading • Trading Techniques Basics of Commodity Market |
| 6. DEPOSITARY | Holding of Securities | Session - 1 <ul style="list-style-type: none"> • Similarities between Bank and Depository • Role of Depository Activity <ul style="list-style-type: none"> • Benefits of Holding Electronic Shares • Discussion on Physical Securities |
| | Ownership | Session -2 <ul style="list-style-type: none"> • Benefits of Equity Ownership • Describe ISIN • Role of Custodians Activity <ul style="list-style-type: none"> • Discuss Corporate Actions of any Company • Calculate all Corporate Benefits |
| | Dematerialization | Session -3 <ul style="list-style-type: none"> • Conversion of Physical to Electronic form to shares • Demat Benefits Activity <ul style="list-style-type: none"> • All steps of Demat |

| UNIT | SUB-UNIT | SESSION/ ACTIVITY/ PRACTICAL |
|---------------------------------|------------------------|---|
| | | <ul style="list-style-type: none"> Fill DRF and Submit in DP |
| 7. MUTUAL FUNDS | Basics of Mutual Fund | <p>Session -1</p> <ul style="list-style-type: none"> Define MF Benefits of MF How to calculate NAV Procedure of NFO <p>Activity</p> <ul style="list-style-type: none"> Calculate Returns of the Schemes. Find best suited scheme for each student |
| | Active/Passive Fund | <p>Session -2</p> <ul style="list-style-type: none"> Tools and Techniques of Active and Passive Fund <p>Activity</p> <ul style="list-style-type: none"> Risk and Returns of MF Role plays portfolio manager |
| 8. MISCELLANEOUS | Corporate Actions | <p>Session – 1</p> <ul style="list-style-type: none"> Distinguish b/w Cash benefits and Stock Benefits Tools of Corporate Actions <p>Activity</p> <ul style="list-style-type: none"> Why Company provide Corporate Benefits. Calculate all Corporate Benefits. |
| | Index | <p>Session -2</p> <ul style="list-style-type: none"> Describe Nifty / Sensex How Nifty Calculate? <p>Activity</p> <ul style="list-style-type: none"> Nifty Behavior and uses Presentation on Nifty - 50 |
| | Clearing & Settlement | <p>Session-3</p> <ul style="list-style-type: none"> Clearing Corporation of NSE Rolling Settlement <p>Activity</p> <ul style="list-style-type: none"> How NSCCL Eliminate the Risk of Counter Party Visit to clearing Dept. Of Exchange |
| | Post Market Activities | <p>Session-4</p> <ul style="list-style-type: none"> Ex/Cum No Delivery Period BC/RD Ex-Date IPF Arbitration <p>Activity</p> <ul style="list-style-type: none"> Discuss the Arbitration Cases |
| 9. CONCEPTS & MODES OF ANALYSIS | Time Value of Money* | <p>Session-1</p> <ul style="list-style-type: none"> Simple Interest Compound Interest Effective Annual Return <p>Activity</p> <ul style="list-style-type: none"> Practice through Log Book and Scientific Calculator |

| UNIT | SUB-UNIT | SESSION/ ACTIVITY/ PRACTICAL |
|--------------------|-----------------------------------|---|
| | Annual Report | Session -2 <ul style="list-style-type: none"> Identify Income Statement Position Statement Fund Sources CA/ CL Activity <ul style="list-style-type: none"> Draw Income and Position Statement. Frame the Procedure of Loan and its Requirements |
| | Accounting terms and Technologies | Session-3 <ul style="list-style-type: none"> Identify Secured and Unsecured Loans Net/Gross Blocks P/L Statement Fund Applications Activity <ul style="list-style-type: none"> Financial Needs of the Companies Frame the Procedure of Loan and its Requirements |
| | Liquidity Ratio* | Session -1 <ul style="list-style-type: none"> Current Ratio Acid Test Ratio Turnover Ratio Average Collection Period Activity <ul style="list-style-type: none"> Interpretation on the basis of Ratio Analysis Do Sums and Analysis |
| 10. RATIO ANALYSIS | Leverage/ Capital Structure | Session-2 <ul style="list-style-type: none"> Debt - Equity Ratio Debt - Total Asset Ratio Interest Coverage Ratio Activity <ul style="list-style-type: none"> Interpretation on the basis of Ratio Analysis Do Sums and Analysis |
| | Profitability Ratio | Session -3 <ul style="list-style-type: none"> GP Ratio NP Ratio Return on total Asset Return/on Capital Employed Return on Shareholder Equity Activity <ul style="list-style-type: none"> Interpretation on the Basis of Ratio Analysis Do Sums and Analysis |

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