

**SEMESTER-V**  
**COURSE 5: STOCK MARKET OPERATIONS**

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| <u>Theory</u> | <u>Credits: 4</u> | <u>4 hrs/week</u> |
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**Course objectives:**

- To make the student understand the Capital Markets' scenario
- To make the student understand the nature and significance of stock markets

To understand the process of listing of stocks.

To provide an overview of the Stock Market Indices.

To impart basics of the commodity and currency markets.

**UNIT I : CAPITAL MARKETS IN INDIA**

An overview of Indian Securities Market, Meaning, Functions, Intermediaries, Role of Primary Market – Methods of floatation of capital – Problems of New Issues Market – IPO's – Investor protection in primary market – Recent trends in primary market – SEBI measures for primary market.

**UNIT II : STOCK EXCHANGES**

Meaning, Nature and Functions of Secondary Market – Organization and Regulatory framework for stock exchanges in India – SEBI: functions and measures for secondary market – Overview of major stock exchanges in India.

**UNIT III : LISTING OF SECURITIES**

Meaning – Merits and Demerits – Listing requirements, procedure, fee – Listing of rights issue, bonus issue, further issue – Listing conditions of BSE and NSE – Delisting.

**UNIT IV : STOCK MARKET INDICES**

**Stock Market Indices:** Meaning, Purpose, and Construction in developing index – Methods (Weighted Aggregate Value method, Weighted Average of Price Relatives method, Free-Float method) – Stock market indices in India – BSE Sensex - Scrip selection criteria – BSE indices (briefly) – NSE indices – S&P CNX Nifty.

## **UNIT V : COMMODITY AND CURRENCY MARKETS**

Commodity exchanges : evolution and history – governing regulations – price –risk management – commodity exposure – hedge accounting – currency futures – managing exchange rate – carbon markets – weather derivatives – ETFs – Purpose, Importance, types , construction.

### **Recommended Books:**

1. Punithavathy Pandian, Security Analysis and Portfolio Management, Vikas Publishing House
2. Dr. V.A. Avadhani, Security Analysis and Portfolio Management, Himalaya Publishing House, Mumbai.