

<b>COURSE TITLE</b>	<b>CAPITAL MARKET OPERATIONS</b>
<b>COURSE CODE</b>	<b>05FN0302</b>
<b>COURSE CREDITS</b>	<b>4</b>

**Objective:**

- 1 To understand the structure, participants, and functioning of capital markets.
- 2 To apply knowledge of trading systems and settlement procedures.
- 3 To analyze legal and ethical aspects of securities transactions.
- 4 To evaluate the role of FinTech in reshaping investment platforms and capital flows.
- 5 To develop skills in market operations, compliance, and investor communication through simulations and case studies.

**Course Outcomes:** After completion of this course, student will be able to:

- 1 Define and describe the types of capital markets, participants, and instruments.
- 2 Demonstrate practical understanding of trading, settlement, and demat operations.
- 3 Analyze regulatory frameworks and ethical obligations in securities markets.
- 4 Evaluate digital disruption and FinTech innovation in capital markets.
- 5 Simulate real-world market operations through role play and apply decision-making skills.

**Pre-requisite of course:** Basic Knowledge of Financial Market

**Teaching and Examination Scheme**

<b>Theory Hours</b>	<b>Tutorial Hours</b>	<b>Practical Hours</b>	<b>ESE</b>	<b>IA</b>	<b>CSE</b>	<b>Viva</b>	<b>Term Work</b>
4	0	0	50	30	20	0	0

<b>Contents : Unit</b>	<b>Topics</b>	<b>Contact Hours</b>
1	<b>Introduction to Capital Markets &amp; Market Participants</b> Overview of capital markets: Primary and Secondary Markets, Role of capital markets in economic development, Key institutions: SEBI, NSE, BSE, NSDL, CDSL, Types of securities: Equity, Debt, Hybrid instruments, IPO process and Book Building mechanism, Merchant bankers and underwriters – Role and regulation, Listing of securities and delisting norms, Intermediaries: Stock brokers, R&T agents, depositories, custodians, Role Play: IPO Launch Simulation (Investor, Merchant Banker, SEBI), Case Study: Paytm IPO – Hype vs Reality, Skill Focus: Understanding capital market ecosystem, stakeholder roles	15

<b>Contents : Unit</b>	<b>Topics</b>	<b>Contact Hours</b>
2	<b>Trading, Settlement &amp; Surveillance Mechanisms</b> Trading platforms: NSE/BSE, screen-based trading, Order types: Limit, Market, Stop-loss, IOC orders, Settlement cycles: T+1, Clearing Corporation, Pay-in and Pay-out, Demat account operations: Opening, functioning, transfer of securities, Margin trading and Securities Lending & Borrowing (SLB), Circuit breakers and price bands, SEBI's role in market surveillance and fraud detection, Algorithmic & high-frequency trading: Overview and regulations, Role Play: Trading Floor Simulation, Case Study: NSE Co-location case, Skill Focus: Trade placement, risk surveillance, regulatory application	15
3	<b>Regulatory Framework, Ethics &amp; Investor Protection</b> SEBI Act, 1992 – Objectives and powers, SCRA, 1956 – Securities Contract Regulation, Insider Trading – Definition, detection, and penalties, Prohibition of Fraudulent and Unfair Trade Practices (PFUTP), Investor grievance redressal mechanisms, Ethical conduct in market dealing and analyst reports, Investor education and awareness initiatives, Role of SAT (Securities Appellate Tribunal) and adjudication, Role Play: SEBI Investigation and Hearing Simulation, Case Study: Infosys Insider Trading case, Skill Focus: Law application, ethics, redressal handling	15
4	<b>FinTech Innovations in Capital Markets</b> Online trading platforms and robo-advisors, Algorithmic trading and its impact, AI/ML in sentiment analysis and trading bots, Blockchain in securities settlement, Tokenized securities and asset digitization, Digital KYC and customer onboarding, ESG investing and sustainability indexes, Regulatory technology (RegTech) for capital markets, Role Play: FinTech Startup Pitch for Capital Market Innovation, Case Study: Zerodha – Tech-driven transformation of retail investing, Skill Focus: Tech fluency, platform analysis, innovation application	15
<b>Total Hours</b>		<b>60</b>

#### **Textbook :**

- 1 Indian Financial System, M.Y. Khan, McGraw Hill Education, 2019
- 2 Financial Markets and Institutions, Frederic S. Mishkin and Stanley G. Eakins, Pearson Education, 2019

#### **References:**

- 1 Capital Markets: Institutions, Instruments, and Risk Management, Capital Markets: Institutions, Instruments, and Risk Management, Frank J. Fabozzi and Franco Modigliani, Coursefarm, 2015
- 2 Central Banking 101, Central Banking 101, Joseph Wang, Joseph, 2016

#### **Suggested Theory Distribution:**

The suggested theory distribution as per Bloom's taxonomy is as follows. This distribution serves as guidelines for teachers and students to achieve effective teaching-learning process

Distribution of Theory for course delivery					
<b>Remember / Knowledge</b>	<b>Understand</b>	<b>Apply</b>	<b>Analyze</b>	<b>Evaluate</b>	<b>Higher order Thinking / Creative</b>
20.00	30.00	25.00	15.00	10.00	0.00

**Instructional Method:**

- 1 Board Work,PPT

**Supplementary Resources:**

- 1 <https://www.investopedia.com/terms/c/capitalmarkets.asp>
- 2 <https://www.sebi.gov.in/>