

## Semester IV Lecture Plan

**Name of the college:** Government College of Arts Science & Commerce, Sanquelim

**Name of Faculty:** Ms. Pritam S. Naik

**Subject:** Derivatives Market

**Paper code:**VOG402

**Program/Course:**S.Y.B.Voc

**Division:**

**Academic year:** 2024-25

**Semester:** IV

**Total Lectures:** 45

**Course Objectives:**

1. To enable learners to understand the various products and regulatory aspects of the derivatives market.
2. To enable learners to understand the practical application of futures and options derivatives, and its trading, clearing and settlement process.
3. Perform virtual trading in derivatives segment using mobile and web applications

**Expected Course Outcome:**

1. Understand the fundamentals of derivatives, including their types, market structure, and regulatory framework in India.
2. Analyze the differences between futures and options contracts, along with their valuation using Binomial and Black-Scholes models.
3. Gain practical knowledge of trading, clearing, and settlement processes in derivative markets.
4. Apply virtual trading techniques to simulate real-world scenarios and present insights on the Indian derivative market.

**Student learning outcome:**

1. Demonstrate comprehension of key concepts, terminology, and regulatory guidelines related to derivatives.
2. Solve practical problems related to futures and options pricing using mathematical models.
3. Exhibit proficiency in using trading apps and tools for hands-on experience in derivative trading.
4. Develop presentation skills by analyzing and explaining derivative market practices and strategies.reporting.

Month	Lectures From: To:	No. of lectures allotted	Topic, Subtopic to be covered	Exercise and assignments	ICT Tools	Reference books
December	Week 1 (9–14 Dec 2024)	3	<b>Introduction to Derivatives:</b> Definition, Products, Participants, Types of Derivatives	Research on real-world derivatives examples	PPT, Videos, Online Notes	Hull J. C., Options, Futures, and Other Derivatives
			<b>Exchange Traded vs OTC Derivatives Markets:</b> Overview of Indian Derivative Markets			Sundaram & Das, Derivatives

Month	Lectures From: To:	No. of lectures allotted	Topic, Subtopic to be covered	Exercise and assignments	ICT Tools	Reference books
	Week 2 (16–21 Dec 2024)	3	<b>Regulatory Framework:</b> L.C Gupta Committee Report, J.R Varma Committee Report, Securities Contracts Act	Create a summary of regulations from the reports	Online PDFs, SEBI Website	Hull J. C., Options, Futures, and Other Derivatives
	Week 3 (23–31 Dec 2024)	-	<b>No Lectures</b>			
<b>January</b>	Week 1 (2–4 Jan 2025)	2	<b>Introduction to Futures:</b> Forward Contracts, Limitations, Distinction between Futures and Forwards	Research report on differences between Futures and Forwards contracts	Interactive Charts, PDFs	Hull J. C., Options, Futures, and Other Derivatives
	Week 2 (6–11 Jan 2025)	3	<b>Futures Terminology &amp; Options Terminology:</b> Definitions and examples	Create a glossary of terms	Online Tools, Trading Apps	Hull J. C., Options, Futures, and Other Derivatives
	Week 3 (13–18 Jan 2025)	3	<b>Valuation of Options:</b> Binomial Option Pricing Model, Black-Scholes Model (include practical problems)	Solve valuation problems using models	Financial Calculators, Software Simulations	Sundaram & Das, Derivatives
<b>February</b>	Week 1 (20–25 Jan 2025)	3	<b>Trading of Futures and Options:</b> System overview, Order types and conditions	Case study on real- life trading examples	Trading Simulators, Apps	Hull J. C., Options, Futures, and Other Derivatives
	Week 2 (27 Jan– 1 Feb)	3	<b>Clearing and Settlement:</b> Mechanisms for Futures and Options	Prepare a flowchart of the clearing and settlement process	Visual Tools, PPTs	Sundaram & Das, Derivatives

Month	Lectures From: To:	No. of lectures allotted	Topic, Subtopic to be covered	Exercise and assignments	ICT Tools	Reference books
March	Week 1 (3–8 Feb 2025)	3	<b>Virtual Trading Practice:</b> Introduction to stock market challenge app, moneybhai app	Virtual trading sessions	Apps (MoneyBhai, DSIJ)	Internet Resources, Articles
	Week 2 (10–15 Feb 2025)	3	<b>Virtual Trading Practice:</b> Simulation exercises and feedback	Trading challenge	Trading Simulators, Apps	Internet Resources, Articles
	Week 3 (17–22 Feb 2025)	3	<b>Presentations:</b> Preparation of PPTs on derivative segments of Indian security market	Group presentations	PPT Tools, Research Sources	Hull J. C., Options, Futures, and Other Derivatives
April	Week 1 (24–29 Feb 2025)	3	<b>Presentations Continued:</b> Student presentations and feedback	Q&A session	ICT Presentation Tools	Sundaram & Das, Derivatives

**\* Assessment Rubrics**

Component	Max Marks
ISA 1	7
ISA 2	8
Practical	-
Semester End Exam	60

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