



## Programme Description Document

<b>Course Name</b>	<b>Certificate Programme On Equity Derivatives</b>
<b>Course Name as on Certificate</b>	<b>CERTIFICATE PROGRAMME ON EQUITY DERIVATIVES</b>
<b>Certificate Type</b>	Certificate of Completion by IIT-MADRAS
<b>Certificate Issued by</b>	IIT MADRAS
<b>Course Objectives</b>	<ol style="list-style-type: none"> <li>1. To provide an overview of Derivatives In India</li> <li>2. Understand how Forwards, Futures market work, their payoff chart and how these can be used while investing</li> <li>3. Understand the basics of Options their payoff chart and their pricing</li> <li>4. Know about different Option strategies and how they can be used in mitigating portfolio and market risk</li> <li>5. Who are the different players involved in settlement and clearing of derivatives market</li> <li>6. Learn about Legal and Regulatory environment and guidelines from Regulator</li> <li>7. Know about Taxation of Derivatives, Accounting &amp; Best sales practices.</li> </ol>
<b>Eligibility</b>	A bachelor's degree from a recognised Indian university or students pursuing graduation
<b>Pre Requisites</b>	Basic understanding of Stock Markets
<b>Target Segment</b>	<ul style="list-style-type: none"> <li>• Trading Desk Executives</li> <li>• Brokers &amp; Sub-Brokers</li> <li>• Portfolio Managers from PMS &amp; AIF's</li> <li>• Treasury Team</li> <li>• Research Analyst</li> <li>• Wealth Managers</li> <li>• Investors</li> <li>• Students</li> </ul>
<b>Course Content</b>	<b>See Enclosed Programme details – as Annexure 1</b>
<b>Pedagogy</b>	<ul style="list-style-type: none"> <li>• The Primary method of instruction will be through Online Video Classes.</li> <li>• Participants can access the courses via Desktop / Laptop / Smart phone.</li> <li>• The lectures and content are created by Financial Market Experts, Eminent Trainers &amp; Well known Academician who are quite experienced.</li> <li>• This programme is a Compilation of Video Lectures, Mock Tests, Quiz, Group Discussions and Case Studies.</li> </ul>
<b>Assessment</b>	The students can assess their learning by undertaking Mock Tests, Quiz and Case Studies.
<b>Programme Faculty</b>	Programme Faculty is Ms. S.Supriya Senior Academicians with more than 20 years of experience in Teaching
<b>Duration</b>	15 Hours of Theory and 3 hours of Case Study
<b>Validity</b>	Students will have to complete the programme within 90 days after registering for the course.



<b>Programme Highlights/USPs</b>	<p><b>On successful completion of the programme, you will have a good understanding of</b></p> <ul style="list-style-type: none"><li>• In detail learning of Derivatives</li><li>• Understand how Derivative Instruments can be used in managing portfolios risks</li><li>• Know about Option strategies to be used in bullish, bearish and neutral markets or during specific events</li><li>• Learn about concepts like Open Interest, Cost of Carry, Greeks, Delta, Theta &amp; Gamma</li><li>• How to maximize profits and minimize risk of equity portfolio using options</li></ul>
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- Understand Index & Stock Futures and Options and device a trading plan for different expiry dates

**Other Highlights:**

- Opportunity to earn a Certificate from IIT Madras.
  - Help the students to clear their NISM CERTIFICATION EXAM.
  - Lectures imparted by Eminent Academicians and practicing Industry Experts.
  - Fully Online Pre-Recorded Course with online lectures that provides a “real” classroom experience in a “virtual” environment.
  - Seamless technology that can transmit lecture videos effectively at home broadband connection of 512 kbps.
  - User friendly and easy to use technology interface. No expensive and time consuming software/hardware installations required at your end.
  - Through our web portal, Students are provided access to course presentations, case studies, assignments and other reference materials as applicable for specified courses
- Learn from Anywhere – No need to travel to an institute or training centre. Learning continues even if you are traveling or not available at any specific location. You may also learn from the comfort of your home at your convenient time.

<b>Total Fees</b>		<b>Total Fees (Rs.)</b>	
	Total Programme Fee	₹11,800 incl GST	



## **EQUITY DERIVATIVES**

### **Chapter 1: Basics of Derivatives**

Basics of Derivatives  
Derivatives Market – History & Evolution  
Indian Derivatives Market  
Market Participants  
Types of Derivatives Market  
Significance of Derivatives  
Various risks faced by the participants in derivatives

### **Chapter 2: Understanding Index**

Introduction to Index  
Significance of Index  
Types of Stock Market Indices  
Attributes of an Index  
Index management  
Major Indices in India  
Application of Indices

### **Chapter 3: Introduction to Forwards and Futures**

Introduction to forward and futures Contracts  
Pay off Charts for Futures contract  
Futures pricing  
Commodity, Equity & Index Futures  
Uses of futures

### **Chapter 4: Introduction to Options**

Basics of options  
Pay off Charts for Options  
Basics of Option Pricing and Option Greeks  
Uses of Options

### **Chapter 5: Option Trading Strategies**

Option Spreads  
Straddle  
Strangle  
Covered Call  
Protective Put  
Collar  
Butterfly Spread

### **Chapter 6: Introduction to Trading Systems**

Trading System  
Selection criteria of Stocks for trading 6.3 Selection criteria of Index for trading  
Adjustments for Corporate Actions  
Position Limit  
Using Daily Newspapers to Track Futures and Options

### **Chapter 7: Introduction to Clearing and Settlement System**

Clearing Members  
Clearing Mechanism Settlement Mechanism  
Risk Management Margining and mark to market under SPAN



### **Chapter 8: Legal and Regulatory Environment**

Securities Contracts (Regulation) Act, 1956  
Securities and Exchange Board of India Act, 1992 Regulation in Trading  
Regulations in Clearing & Settlement and Risk Management  
Major recommendations of Dr. L.C.Gupta Committee  
Major recommendations of Prof. J.R.Verma Committee

### **Chapter 9: Accounting and Taxation**

Accounting  
Taxation of derivative transaction in securities

### **Chapter 10: Sales Practices and Investors Protection Services**

Understanding risk profile of the client  
Investors Grievance Mechanism