Rayat Shikshan Sanstha's

KARMAVEER BHAURAO PATIL COLLEGE, VASHI

(Empowered Autonomous College)

Department of Banking & Insurance

Extension Activities & Outreach Programme

Report of activity

Date: 15th March 2025

Awareness about Stock Exchange Market

Details of Activity :

Title of Activity: **Awareness about Stock Exchange Market**

Duration: 2 Hours

Attendee Number: 05

Topics Covered:

1. Introduction to Stock Exchange

- Definition: A stock exchange is a regulated marketplace where stocks, bonds, and other securities are bought and sold.
- Purpose: Facilitates capital formation, investment opportunities, and economic growth.
- Examples: Bombay Stock Exchange (BSE), National Stock Exchange (NSE), New York Stock Exchange (NYSE).

2. Importance of Stock Exchange

- Mobilizes savings into productive investments.
- Encourages corporate growth and industrial development.
- Enhances liquidity, allowing easy buying and selling of securities.
- Acts as an economic indicator reflecting market trends.
- Facilitates wealth creation for individuals and businesses.

3. Structure of the Stock Market

1. **Primary Market:**
   - Where companies issue new securities through IPOs (Initial Public Offerings).
   - Investors buy directly from the issuing company.
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2. **Secondary Market:**
   - Where previously issued securities are traded among investors.
   - Facilitates liquidity and price discovery.

3. **Stock Market Participants:**
   - Retail Investors – Individuals investing in stocks.
   - Institutional Investors – Mutual funds, pension funds, banks.
   - Stockbrokers – Licensed intermediaries between buyers and sellers.
   - Market Regulators – SEBI in India ensures fair trading practices.

Step-by-Step Process for Trading in Stock Market:

1. Open a Demat Account – Stores securities electronically.
2. Open a Trading Account – Enables stock buying and selling.
3. Select a Stock Broker – Choose a SEBI-registered brokerage firm.
4. Analyze Stocks & Place Orders – Decide on investments and place buy/sell orders.
5. Settlement of Trade – Securities are transferred electronically (T+1 settlement cycle).

4. Major Stock Exchanges in India

Stock Exchange	**Year Established**	**Key Features**
Bombay Stock Exchange (BSE)	1875	Oldest stock exchange in Asia, home to SENSEX index.
National Stock Exchange (NSE)	1992	India's largest exchange by trading volume, home to NIFTY 50 index.

5. Regulatory Framework of the Stock Market

- **SEBI (Securities and Exchange Board of India)** regulates the stock market to prevent fraud and ensure transparency.
- **Role of SEBI:**
   - Protects investor interests.
   - Regulates stock exchanges and brokers.
   - Monitors corporate governance of listed companies.
   - Prevents insider trading and unfair practices.

7. Stock Market Instruments

- **Equity Shares** – Represents ownership in a company.
- **Preference Shares** – Fixed dividend payout before equity shareholders.
- **Debentures/Bonds** – Debt instruments issued by companies/governments.
- **Derivatives (Futures & Options)** – Contracts based on stock price movements.
- **Mutual Funds & ETFs** – Pooled investment funds.

8. Factors Affecting Stock Market Movements

- **Economic Indicators:** GDP growth, inflation, interest rates.
- **Corporate Performance:** Earnings reports, mergers, acquisitions.
- **Global Markets:** US Federal Reserve policies, geopolitical events.
- **Market Sentiment:** Investor confidence, fear, or speculation.

9. Risks & Challenges in Stock Market Investment

- **Market Risk:** Stock price fluctuations.

- **Liquidity Risk:** Difficulty in selling shares at the desired price.
- **Fraud & Scams:** Insider trading, Ponzi schemes.
- **Economic Uncertainty:** Recession, inflation affecting stock prices.
- **Lack of Awareness:** Many retail investors lack proper financial education.

Objectives of Activity :

- To provide knowledge about major stock exchanges like BSE, NSE, NYSE, etc.
- To understand how stock exchanges contribute to **capital formation and industrial growth**.
- To introduce various **financial instruments.**
- To spread awareness about SEBI regulations and investor protection measures.
- To educate individuals on rights and responsibilities of investors.
- To encourage **responsible financial planning and savings**.

Description of Activity :

Students of **SYBBI** class from **Department** of **Banking & Insurance** had conducted **Societal Extension Activity** on **Awareness about Stock Exchange Market.** The activity was conducted on **10th March 2025, 11th March 2025 and 15th March 2025** at nearby locations of **Navi Mumbai**. **4** students had participated and created awareness amongst **40** people from the society. Students created awareness on Awareness about Stock Exchange Market. The aim of activity was to increase the target audience's financial literacy by educating them on fundamental financial ideas, investment possibilities, and the value of long-term financial planning.

Impact of activity on the community:

1. Increased Financial Literacy

- Empowers individuals with knowledge about stock markets and investments.
- Helps people understand financial instruments like stocks, bonds, and mutual funds.
- Reduces financial ignorance and investment-related myths.

2. Economic Empowerment & Wealth Creation

- Encourages people to **invest in stock markets** to build long-term wealth.
- Helps individuals plan for **future financial security** (e.g., retirement, education, business expansion).
- Supports economic growth by directing **savings into productive investments**.

3. Reduction in Financial Scams & Fraud Cases

- Raises awareness about **fraudulent schemes, insider trading, and Ponzi schemes**.
- Educates individuals on **how to identify and avoid stock market scams**.
- Promotes **ethical trading practices** and investor protection.

4. Growth of Entrepreneurship & Business Investments

- Encourages local businesses to explore **funding options through stock markets**.
- Promotes **entrepreneurial mindset** by showing how companies raise capital through IPOs.

- Strengthens the connection between **investors and business opportunities**.

5. Community Development & Economic Stability

- Helps **reduce financial dependency** on government schemes by promoting self-investment.
- Strengthens the community's financial well-being through **better financial management**.
- Increases participation in stock markets, leading to **higher economic activity and stability**.

6. Awareness of Government Regulations & Investor Protection

- Educates people about **SEBI regulations** and their role in ensuring market transparency.
- Spreads awareness about **legal rights and investor protection mechanisms**.
- Encourages **responsible financial behavior and compliance** with market regulations.

7. Promotion of Digital & Technology-Based Trading

- Encourages the use of **online trading platforms and digital payment methods**.
- Helps people understand **how fintech and AI are transforming stock markets**.
- Reduces the gap between **rural and urban investors** by making stock trading more accessible.

8. Strengthening a Culture of Investment & Savings

- Helps create a **financially independent society** by promoting investment awareness.
- Encourages individuals to **save and invest wisely rather than spending excessively**.
- Contributes to **nation-building by increasing domestic investment participation**.

- **Benefit to Volunteers (students):**

1. Enhanced Financial Knowledge & Investment Skills

- Students gain **practical knowledge** about stock markets, trading, and investment strategies.
- Helps them understand **financial instruments like stocks, bonds, mutual funds, and derivatives**.

Teamwork & Collaboration

- Enhances **teamwork** by coordinating with peers to conduct the activity.
- Encourages **idea-sharing and problem-solving** to ensure the activity's success.
- Fosters a sense of **responsibility and collaboration** in organizing financial awareness programs.

Community Contribution & Social Impact

- Volunteers contribute to **financial literacy and economic awareness** in their community.
- Helps in **reducing financial illiteracy and promoting responsible investing**.
- Builds a sense of **social responsibility** by empowering others with financial knowledge.

- **Certificates received by students (google drive link) :**

Attendance of participated students (Google drive link):

Photos of Activity (Geo tag):