



Post Membership Diploma in Capital, Commodity and Money Market

Vision

“ To be a global leader in promoting good corporate governance ”

Mission

“ To develop high calibre professionals facilitating good corporate governance ”

For further details, please visit: www.icsi.edu or contact:
Director (Academics)



**THE INSTITUTE OF
Company Secretaries of India**
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament

ICSI House, 22, Institutional Area, Lodi Road, New Delhi 110 003
tel 011-45341039, 45341014 E-mail: pmq@icsi.edu



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Introduction

As there has been a number of players/products and regulations affecting capital markets globally, the issuers, intermediaries, investors seek professional advice at various stages for better compliance, better risk management, better investment decisions and so on. To deliver an effective professional advice on capital markets one should know the concepts, functioning, regulations controlling the markets, options available and the stakeholders of capital markets.

Financial markets have emerged as the modern engine of growth. In order to appreciate the role of capital market in the society, the economy indeed, and also the role of various stakeholders such as government, regulators, intermediaries, companies, investors, professionals, company secretaries, all in capital market and to provide an opportunity to learn from practice based education, and to prepare for the challenges and opportunities of tomorrow, the Institute of Company Secretaries of India has introduced a Post Membership Diploma Course in **Capital, Commodity and Money Market** for the members of the ICSI.

Objective and Scope

The objective of Post Membership Diploma in Capital, Commodity and Money Market is to provide practice based approach to Indian Capital markets through in-depth study and practical training in the operations of capital markets. The main objectives of this course are:

- To understand the concepts of flow of funds in the economy and aspects of capital market.
- To understand the concepts of functioning of primary and secondary market.
- To familiarize with legal framework for capital, money and commodity market.
- To understand the critical aspects of Commodity Exchanges.
- To be able to analyse the instruments of money market to provide investment advice accordingly.

Eligibility Criteria

The members of the Institute shall be eligible for the admission to the course.

Course Structure

In order to provide in-depth theoretical and practical knowledge to the candidates, Post Membership Diploma in Capital, Commodity and Money Market shall comprise of the following two parts namely:

- Part I: One Paper for which written examination will be conducted
- Part II: Workshop cum interview

Part I:

The candidates for Part I shall be examined in one paper comprising for which an open book written examination of three hours will be conducted. The examination will be based on application of knowledge and theoretical concepts where in the candidates will be allowed to use reference books and other reading material. The paper shall comprise of following course contents.

1. Conceptual Framework–Capital Market

Basic structure of flow of funds in the economy;

Capital Markets, its role in Capital formation, Functions of Liquidity, Resource Allocation and Transaction Cost-reduction

- Capital Market Investment Institutions ; Domestic Financial Institutions (DFI), Qualified Institutional Buyers (QIB), Foreign Institutional Investors (FII) , Private Equity (PE), Angel Funds, HNIs, Venture Capital (VC), Qualified Foreign Investors (QFI), Mutual Funds, Alternative Investment Funds (AIF), Hedge Funds, Pension Funds
- Capital Market Instruments; Capital Market Instruments available; Equities; Preference Shares, Shares with Differential Voting Rights (DVR) Corporate Debt: Non Convertible Debentures (NCD), Partly-and Fully-Convertible Debentures (PCD, FCD); NCDs with or without Call and Put Features; Bonds, Foreign Currency Convertible Bonds (FCCB); Indian Depository Receipts (IDR) ; Derivatives: Single Stock Futures, Single Stock Options, Index futures (SENSEX, NIFTY), Index Options, Interest Rate Futures, Currency futures; Exchange Traded Funds (ETF); Warrants
- Market Intermediaries; Framework of Market Infrastructure Institutions (MII), Stock Exchanges Clearing Corporations, Custodians Depositories, Depository Participants, Registrars and Transfer Agents (RTA), Bankers to issue Merchant Bankers, Underwriters, Investment Advisors, Portfolio Managers, Self Certified Syndicate Banks Brokers, Sub-brokers, Market-makers Credit Rating Agencies
- Capital Market Challenges

2. Legal Framework

- SEBI Act, 1992 and regulations, rules, guidelines made thereunder, Securities Contracts (Regulation) Act, 1956 (SCRA), Depositories Act, 1996, Prevention of Money Laundering Act, 2002 – Obligations of Intermediaries.
- Companies Act, 2013 , Rules made thereunder,
- Grievance Redressal Mechanism: Stock Exchange (Investor Protection Fund), SEBI, Securities Appellate Tribunal (SAT), Supreme Court
- Enforcement: Agencies in Capital Market

3. Raising of Capital through Primary Markets

- Fund Raising options and Mechanism IPO, FPO, Offer for Sale, Private Placement, Preferential Allotment, Institutional Placement Procedures (IPP), Qualified Institutional Placement (QIP), Rights Issue, Bonus Issue, Prospectus, DRHP, Shelf Prospectus, Book Building, Red Herring prospectus , Private Investment in Public Equity (PIPE)
- Finding optimum combination of fund raising options
- Understanding and reading of Prospectus and offer documents, sensitizing risks on various Investment options.
- Regulatory compliances on various types of issues, penalties and prosecutions
- Role and obligations of intermediaries, institutions and investors in primary market
- Pre-listing and Post-listing activities, Listing Agreement
- Preparation of IPO Reports
- Proxy advisory services on voting by institutional investors'
- Due Diligence Review' and analysis of prospectus, open offer documents etc.,

4. Operating in Secondary Markets

- Understanding basic terminologies and operation mechanism, obligations as Intermediary, issuer and investor. Margining, Trading, Clearing and Settlement, Trade Guarantee Fund, Trading Software, Arbitration Mechanism Stock Market Indices; Functioning of an Exchange: Understanding online trading through mock trading sessions
- Issuer - Sustaining and enhancing wealth through secondary market.
- Disclosure requirements, Minimum public holding requirement, takeover defences, listing obligations, corporate actions, Corporate Governance Norms. investor relations
- Intermediary- Managing portfolio for clients, overall compliance management understanding. Margin requirements, registration/licensing requirements, KYC obligations, addressing of grievances, compliance and internal audit requirements and other operational and regulatory aspects.
- Investor- Managing effective portfolio of investments, rational investment decisions etc., Understanding takeover thresholds and acting on open offer

5. Resource Mobilization through International Markets

- Global Depository Receipt (GDR)
- American Depository Receipt (ADR)
- Listing on the London Alternative Investment Market (AIM), NASDAQ, NYSE and other overseas exchanges.
- Legislative provisions involved and its critical analysis

6. Drafting of prospectus, letter of offer, offer documents, Appeals, informal Guidance under SEBI Regulations

- Drafting of open offer document under SEBI (SAST) Regulations 2011,
- Drafting of prospectus, private placement letter of offer
- Drafting of buy-back offer document
- Drafting of appeals before adjudicating officer and Securities Appellate Tribunal.
- Complying with the Listing Agreements of stock exchanges

7. Introduction to Money Market

- Nature & Deployment of Surplus Funds and Raising of Short-term funds, Characteristics of Money Market
- Regulatory framework of RBI, FIMMDA (Fixed Income, Money Market and Derivatives Association) and Foreign Exchange Dealers Association of India (FEDAI)
- Call Money Market-Players, Utility, Money market Instruments: Commercial Paper, Certificates of Deposits, Bills of Exchange, Treasury Bills (T-Bills), Bill Discounting, Factoring, Letter of Credit, Money Market Mutual Funds, Fixed Maturity Plans

8. Opportunities for Company Secretaries in Capital, Money and Commodity Markets

9. Economics of Commodities Marketing

- Economic Rationale for Commodities Trading Place and store value
- Perishables and non-perishables
- Tangibles and Intangibles (Weather, Freight)
- How resources can be optimized through price hedges

10. Commodities Market Operations

- Origin of Commodity Market in India
- Products, Participants and Functions
- Evolution of Commodity Exchanges
- Functioning of Commodity exchanges
- Regulatory Framework-Commodity markets
- Structure Of Commodity Exchanges, Membership, Risk Management, Clearing and Settlement System, Commodities Traded on Stock Exchanges Platform-NCDEX, MCX. Instruments available for Trading, Price Discovery, Warehousing Facilities and challenges
- Using commodity exchanges for Hedging, Speculation and Arbitrage
- International Commodity agreements and sector wise leading players in commodities.
- Problems and solutions/Case Studies

PART II:

A candidate after qualifying Part I of the course shall participate in a workshop cum interview organised by the Institute.

Examination

For Part-I, a written examination will be conducted at such intervals, in such manner and at such time and place as the Council may decide subject to availability of such minimum number of candidates enrolled for the examination as may be decided from time to time. The dates and places of the examination shall be published in the Institute's Journal "Chartered Secretary".

Registration

- Registration for the course will be valid for a period of five years during which period the candidate will be required to complete both the parts.
- Registration shall be open throughout the year.
- A candidate should however, register at least six calendar months prior to month in which the examination commences.

Preparation for the Course

Post Membership Diploma in Capital, Commodity and Money Market is a specialized course and the candidates pursuing this course will be required to have through knowledge under each topic of the course curriculum. For this purpose, the candidates will be provided an illustrative list of readings.

Fee Structure

- Rs. 25,000 for the entire course payable as under:
 - Rs. 12,500/- payable at the time of registration for the course
 - Rs. 12,500/- payable at the time of workshop cum interview
- Examination Fee of Rs. 1500
- Change of Examination Centre Fee - Rs. 100
- Verification of marks fee - Rs. 250 per paper

Certification

The candidates successfully completing the course shall be awarded a Diploma Certificate to that effect in the appropriate form by the Institute and shall be entitled to use the descriptive letters and brackets "DCCM (ICSI)" to indicate that he has been awarded "Post Membership Diploma in Capital, Commodity and Money Market" by the Institute the company Secretaries of India.

APPLICATION FORM
APPLICATION FOR ADMISSION TO
POST MEMBERSHIP DIPLOMA
IN CAPITAL, COMMODITY AND MONEY MARKET

To
The Secretary
The Institute of Company Secretaries of India
ICSI House
22, Institutional Area, Lodi Road
New Delhi – 110003

Paste your
recent
photograph

Sir,

I hereby apply for admission to the Post Membership Diploma in Capital, Commodity and Money Market. The required particulars are furnished below :

1. Name in full
(in block letters) : _____
(Surname) (name)
2. Father's/Husband's Name: _____
3. Membership No.
(i) ACS/FCS
(ii) CP (if Company Secretary in Practice) _____
4. Date of Birth : _____
5. Nationality : _____
6. Educational/Professional
Qualifications _____
7. Address : (i) Professional Designation: _____
(ii) Residential _____
(iii) For Correspondence _____

8. (a) Tel No. : Off. _____ Res _____
(b) Fax No. _____
(c) Telex No. _____
(d) Mobile _____ E-mail ID _____
9. Gross Monthly Income Rs. _____
10. A crossed Bank Draft drawn in favour of the 'Institute of Company Secretaries of India', payable at New Delhi bearing (printed) No. _____ dated _____ for Rs. _____ drawn on _____ Enclosed towards the registration fees.
11. Self-attested copies of the following certificates are enclosed :

12. I hereby declare that the particulars furnished above are true to the best of my knowledge and belief, and if at any time it is proved that the said particulars were untrue, I agree to my registration for the Post Membership Diploma in Capital, Commodity and Money Market Course being cancelled without any obligation on the part of the Institute to refund any fee paid by me to the Institute and without prejudice to the rights of the Institute to take any further action deemed fit and appropriate.

I undertake that I shall, as a registered candidate conduct myself in a manner befitting the ideals and standards of profession of company secretaries generally and as specified by the Council from time to time and shall abide such regulations, bye-laws, rules, standing orders, directions, conditions or guidelines as may be laid down by the Council and made applicable to me from time to time. I further undertake not to pass on, sell or gift away any materials provided to me by the Institute.

Place : _____

Date : _____

Signature

- I. Applicants are requested to send self-attested copies of certificates of their date of birth, professional examination's, ACS/FCS and four passport size photographs (not to be attested)