

Annexure II – Test Objectives

NISM-Series-III-B

Issuers Compliance Certification Examination

1. Introduction to Indian Capital Market

- 1.1. Understand the Capital Market Structure in India and Role of Capital Market
 - 1.1.1. Capital Market Structure in India
 - 1.1.2. Role of Capital Market in the Economy
 - 1.1.3. Some Important Terms
 - 1.1.4. Market Participants
- 1.2. Discuss the Regulatory Framework in India
 - 1.2.1. Financial Market Regulators

2. Capital Market Regulations

- 2.1. SEBI Act, 1992
- 2.2. Companies Act 1956,
- 2.3. Securities Contracts (Regulation) Act, 1956
- 2.4. Listing Agreement
- 2.5. Foreign Exchange Management Act, 1999 (FEMA)
- 2.6. Prevention of Money Laundering Act, 2002 (PMLA)
- 2.7. The Competition Act, 2002
- 2.8. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 (SEBI(ICDR))
- 2.9. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- 2.10. SEBI (Buy Back of Securities) Regulations, 1998
- 2.11. SEBI (Prohibition of Insider Trading) Regulations, 1992
- 2.12. SEBI (Intermediaries) Regulations, 2008
- 2.13. SEBI (Delisting of Equity shares), Regulations, 2009
- 2.14. SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999
- 2.15. Companies (Issue of Indian Depository Receipts) Rules, 2004 (IDR Rules)
- 2.16. SEBI (Issue of Sweat Equity) Regulations, 2002

3. Compliance Officer

- 3.1. Appointment of Compliance Officer
- 3.2. Role of Compliance Officer
- 3.3. Responsibilities of a Compliance Officer

- 3.3.1. Internal stakeholders
 - 3.3.1.1. Board of Directors
 - 3.3.1.2. Employees
 - 3.3.1.3. Shareholders
 - 3.3.1.4. Lenders/Creditors
- 3.3.2. External stakeholders
 - 3.3.2.1. General Public
 - 3.3.2.2. Associations
 - 3.3.2.3. Government
 - 3.3.2.4. Customers
 - 3.3.2.5. Suppliers
- 3.4. Reporting requirements
 - 3.4.1. Mandatory Reporting
 - 3.4.2. Exception Reporting

4. Raising Capital from the market

- 4.1. Why raise money from the market
- 4.2. Evolution of Public Issues
- 4.3. Raising money:
 - 4.3.1. Share Capital
 - 4.3.1.1. Initial Public Offer (IPO)
 - 4.3.1.2. Further Public Offer (FPO)
 - 4.3.1.3. Public Issue
 - 4.3.1.4. Rights Issue
 - 4.3.1.5. Private Placement
 - 4.3.1.6. Depository Receipts
 - 4.3.2. Debt
 - 4.3.2.1. Convertible Debentures
 - 4.3.2.2. Non-Convertible Debentures
 - 4.3.3. Others
 - 4.3.3.1. Venture Capital
 - 4.3.3.2. Angel Funding
 - 4.3.3.3. Private Equity

5. Role of Compliance Officer in IPO

- 5.1. Planning an IPO
 - 5.1.1. Steps and applicable laws involved in Planning an IPO
 - 5.1.1.1. Eligibility
 - 5.1.1.2. Decide on the Funds Required
 - 5.1.1.3. Listing and Approval for the Memorandum of Association

- 5.1.1.4. Board Resolution/Shareholder Resolution
- 5.1.1.5. Deciding the timeline
- 5.1.1.6. Decide on the Promoter's Contribution
- 5.1.1.7. Due diligence
 - 5.1.1.7.1. Define due diligence and due diligence report
 - 5.1.1.7.2. Applicable laws for appointment of persons conducting the due diligence
 - 5.1.1.7.3. Areas of due diligence
- 5.1.1.8. Interaction with the Statutory Auditors of the Company
- 5.1.1.9. Interaction with the Legal Advisors of the Company
- 5.1.1.10. Corporate Governance
- 5.1.1.11. Policy on Insider Trading
- 5.1.1.12. Common Conditions to be complied with
- 5.1.1.13. Minimum Offer to Public
- 5.1.1.14. Reservation on Competitive basis
- 5.1.1.15. Appointment of other Advisors and Intermediaries
 - 5.1.1.15.1. Advisors and intermediaries required to be appointed
 - 5.1.1.15.2. Role of each of the intermediary vis-à-vis the company
 - 5.1.1.15.3. Eligibility criteria for the appointment of the intermediaries
- 5.1.1.16. Preparation of the Offer Document
- 5.1.1.17. Filing of Offer Document with SEBI
 - 5.1.1.17.1. Nomenclatures of offer document
- 5.1.1.18. IPO Grading
- 5.2. General Obligations during Public Issue
- 5.3. Marketing the Issue
 - 5.3.1. Road Show Process
 - 5.3.2. SEBI Advertisement Code
 - 5.3.3. Compliances during the Issue Period
- 5.4. Application Supported by Blocked Amount (ASBA)
 - 5.4.1. ASBA Process
- 5.5. Allotment of Shares
 - 5.5.1. Allotment Process
 - 5.5.2. Process of Refund
 - 5.5.3. Allotment and Refund to Non-resident Indians (NRI) and Foreign Institutional Investors (FII)
- 5.6. Listing with Stock Exchanges
 - 5.6.1. Process of Listing
- 5.7. Post Issue Compliances
 - 5.7.1. Regulations pertaining to Post-issue Compliances

6. Role of Compliance Officer in other public Issues

- 6.1. Further Public Offer
- 6.2. Rights Issue
 - 6.2.1. Regulations
 - 6.2.2. Due Diligence Process
 - 6.2.3. Preparation of the Offer Document
 - 6.2.4. Other Procedures
 - 6.2.5. Time Schedule
- 6.3. Bonus Issue
- 6.4. Employee Stock Option Plan (ESOP)
- 6.5. Sweat Equity
- 6.6. Private Placement
 - 6.6.1. Preferential Issue
 - 6.6.2. Qualified Institutions Placement (QIP)
 - 6.6.3. Institutional Placement Programme (IPP)
- 6.7. Indian Depository Receipts (IDR)

7. Raising money from foreign market

- 7.1. American Depository Receipt (ADR) / Global Depository Receipt (GDR)
 - 7.1.1. Related Regulations
 - 7.1.2. Two-way Fungibility Scheme
 - 7.1.3. Sponsored ADR/GDR issue
 - 7.1.4. Reporting of ADR/GDR issues
 - 7.1.5. Participants in the Issue
 - 7.1.6. Procedure
- 7.2. Foreign Currency Convertible Bonds (FCCB)
 - 7.2.1. Foreign Currency Exchangeable Bond (FCEB)

8. Corporate Actions

- 8.1. Related laws and process
 - 8.1.1. Split/Consolidation
 - 8.1.2. Mergers and Acquisition
 - 8.1.3. Takeover
 - 8.1.4. Buy-back
 - 8.1.5. Demerger
 - 8.1.6. Delisting

9. Ongoing Compliance Requirements

- 9.1. Reports to be submitted as per Listing Agreements
- 9.2. Compliances under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- 9.3. 9.3. Compliances under the SEBI (Prohibition of Insider Trading) Regulations, 1992
- 9.4. Appellate Tribunal
- 9.5. Scores system for investor grievance

10. Additional Read: SAT Cases