

Annexure II – Test Objectives (w.e.f April 6, 2021)

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 related to the Capital Market
 - 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, 2013
- 2.3. Securities Contracts (Regulation) Act, 1956 read with the Securities Contract Regulation, Rules 1957
- 2.4. Foreign Exchange Management Act, 1999 (FEMA)
- 2.5. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- 2.6. SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018
- 2.7. SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- 2.8. SEBI (Prohibition of Insider Trading) Regulations, 2015
- 2.9. Depository Receipts Scheme, 2014
- 2.10. SEBI (Merchant Bankers) Regulations, 1992
- 2.11. SEBI (Issue and Listing of Debt Securities) Regulations, 2008
- 2.12. SEBI (Credit Rating Agencies) Regulations, 1999
- 2.13. SEBI (Debenture Trustee) Regulations, 1993
- 2.14. SEBI (Issue and listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013
- 2.15. SEBI (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008
- 2.16. Indian Stamp Act, 1899

3. Compliance Officer

- 3.1. Definition 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
- 3.3.3 Under Various Statutes with specific reference to the following:
 - 3.3.3.1 SEBI (Prohibition of Insider Trading Regulations) 2015
 - 3.3.3.2 SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
 - 3.3.3.3 SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
- 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
 - Brief Evolution of Public Issues in the World Economy
 - Brief Evolution of Public Issues in India
- 4.3. Raising money
 - 4.3.1. Types of Issues
 - 4.3.1.1. Initial Public Offer (IPO) on Main Board
 - 4.3.1.2. Further Public Offer (FPO)
 - 4.3.1.3. Rights Issue
 - 4.3.1.4. Private Placement
 - Preferential Issue
 - Qualified Institutions Placement (QIP)
 - Listing on Innovators growth platform through an issue
 - 4.3.1.5. Initial Public Offer by a Small and Medium Enterprise
 - 4.3.2. Types of Instruments
 - 4.3.2.1. Equity
 - 4.3.2.2. Debt
 - Convertible Debentures
 - Non-Convertible Debentures
 - Bonds, Commercial Paper
 - 4.3.2.3. Warrants
 - 4.3.2.4. Depository Receipts

5. Role of Compliance Officer in a IPO and FPO –Main Board

- 5.1 Determining the Companies eligibility to make an Issue w.r.t IPO
- 5.2 Eligibility Conditions for Listing on the Main Board
- 5.3 Eligibility Criteria for Companies which are desirous of listing on the SME Exchange
- 5.4 General Conditions
- 5.5 Conduct of Due Diligence
- 5.6 Board Resolution/Shareholder Resolution
- 5.7 Corporate Governance Requirements

- 5.8 Policy on Insider Trading and other policies as required under LODR
- 5.9 Website Requirements
- 5.10 Appointment of Other Intermediaries
- 5.11 Offer Document and role of Compliance Officer before filing the Offer Document with SEBI
- 5.12 Advertisement Code
- 5.13 Compliances before opening of the Issue and during the Issue open period
- 5.14 Post Issue Compliances
- 5.15 Determining the Companies eligibility to make an Issue w.r.t FPO

6. Role of Compliance Officer in other Issues

- 6.1 Rights Issue
 - 6.1.1 Due Diligence Process
 - 6.1.2 Fixing Record date
 - 6.1.3 Preparation of the Offer Document
 - 6.1.4 Other Procedures
 - 6.1.5 Time Schedule
- 6.2 Bonus Issue
- 6.3 Private Placement
 - 6.3.1 Preferential Issue
 - 6.3.2 Qualified Institutions Placement (QIP)
- 6.4 Innovators Growth Platform (IGP)
- 6.5 IPO by a small and medium enterprise

7. Raising money from foreign market

- 7.1 American Depository Receipt (ADR) / Global Depository Receipt (GDR)/Foreign Currency Convertible Bonds
 - 7.1.1 Regulations / Compliances
 - 7.1.2 Reporting
- 7.2 Masala Bonds
 - 7.2.1 Regulations
 - 7.2.2 Compliances

8. Corporate Actions

- 8.1 Compliances with respect to the following Statutes:
 - 8.1.1 Companies Act 2013
 - 8.1.2 SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - 8.1.3 SEBI (Buy-back of Securities) Regulations, 2018
 - 8.1.4 SEBI (Delisting of equity shares) 2009

9. Ongoing Compliance Requirements

- 9.1. Know the reports to be submitted under
 - SEBI (LODR) Regulations
 - Companies Act
 - FEMA

9.2 Compliances under the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

9.3 Compliances under the SEBI (Prohibition of Insider Trading) Regulations, 2015

9.4 Compliances under the PMLA

9.5 SCORES system for investor grievance

10. Ethical Practices by Compliance Officers

10.1 Importance of Corporate Governance

10.2 Related party transaction

10.3 Case Laws

11. Penalties

11.1 Know the Penalties prescribed under different Statutes (SEBI Act/Regulations, Companies Act/Rules) for Non Compliance (On the Company, On the Compliance Officer and Continuing Penalty)

Annexure: Additional Cases, Suggested Readings