

SYLLABUS

SET C

PAPER-1: RISK MANAGEMENT (100 MARKS)

Objective

To gain knowledge and acquire an insight into the spectrum of risks faced by businesses and to develop an understanding of the techniques of managing risks in practical case scenarios.

Contents	Section	Weightage
1. Introduction & Overview (i) Introduction to Risk & Uncertainty (ii) Classifications & Types of Risks (iii) Importance & Objectives (iv) Overview of Mitigation & Controls (v) Opportunities in RM for CAs	I	10-13%
2. Risk Strategy & Governance (i) Risk Management Frameworks (ii) Implementation of Risk Management Policies & Processes (iii) Enterprise Risk and linkage to Business (iv) Governance & Ethical dimensions	II	10-12%

	(v) Legal, Regulatory & Compliance		
3.	<p>Role of Risk Stakeholders</p> <ul style="list-style-type: none"> (i) Board Oversight (ii) Role of CEO, Management (iii) Role of Risk Managers, Owners (iv) Role of Auditors (Statutory/Internal) 	III	10-12%
4.	<p>Risk Assessment</p> <ul style="list-style-type: none"> (i) Risk Identification (ii) Risk Evaluation (Impact/Likelihood) (iii) Risk Quantification & Ratings (iv) RM Quantification Tools (v) Risk Prioritization & Heat Matrix 	IV	10-13%
5.	<p>Risk Response</p> <ul style="list-style-type: none"> (i) Risk Appetite (ii) Risk Treatment Techniques (iii) Controlling Risk (iv) Contingency Planning 	V	10-12%
6.	<p>Risk Monitoring & Reporting</p> <ul style="list-style-type: none"> (i) Information & Communication (ii) Automation & Continuous Monitoring (iii) Auditing & Evaluating Risk (iv) Continuous & Periodic Reporting 	VI	10-12%
7.	<p>Strategic Risk</p> <ul style="list-style-type: none"> (i) Business Portfolio Risks 	VII	10-12%

<ul style="list-style-type: none"> (ii) Industry/Competition Risks (iii) Investments & Funding of Growth (iv) Product/Service Risks 		
<p>8. Operational Risk</p> <ul style="list-style-type: none"> (i) Process level Risk Management (ii) Outsourcing Risks & 3rd Party Risk (iii) Supply Chain (Sale/ Purchase) (iv) Product/Service Quality etc. 	VIII	10-12%
<p>9. Emerging Issues in ERM</p> <ul style="list-style-type: none"> (i) External Influences (ii) Global Developments (iii) Technology & Automation 	IX	10-12%

PAPER-2 : SUSTAINABLE DEVELOPMENT AND SUSTAINABILITY REPORTING (100 MARKS)

Objective

- (a) To develop an understanding of the concepts and principles of Sustainable Development
- (b) To analyse impact of business decisions on Sustainable Development
- (c) To recognise the emerging trends in sustainability

Contents	Section	Weightage
<p>1. Fundamentals of Sustainable Development</p> <ul style="list-style-type: none"> i Origin ii Key terms iii Need for sustainability iv Decoding Sustainable Development v Benefits of integrating sustainability in business vi State of sustainability in current business planning 	I	10%-15%
<p>2. Sustainability Reporting in India</p> <ul style="list-style-type: none"> i National Guidelines on Responsible Business Conduct, 2018 (NGRBC) <ul style="list-style-type: none"> - Background and Structure - Nine Principles of NGRBC - Linkage with the Sustainable Development Goals (SDGs) ii Sustainability Reporting Standards Board of ICAI 	II	20%-25%

<p>iii Social Stock Exchange and Institute of Social Auditors of India</p>		
<p>3. Business Responsibility and Sustainability Reporting (BRSR) in India</p> <p>i Business Responsibility and Sustainability Report issued by Committee on Business Responsibility Reporting of Ministry of Corporate Affairs</p> <p>ii Securities Exchange Board of India (SEBI) Circular on Business Responsibility and Sustainability Reporting (BRSR)</p> <p>iii Business Responsibility and Sustainability Reporting (BRSR) Disclosures</p> <p>iv Sustainability Reporting Maturity Model (SRMM), ICAI</p> <p>v Overview of Format of Business Responsibility and Sustainability Reporting (BRSR) Lite</p>	<p>III</p>	<p>20%-25%</p>
<p>4. Global Trends in Sustainability Reporting</p> <p>i United Nations Sustainable Development Goals (UNSDG) and Reporting</p> <ul style="list-style-type: none"> - Objective - Structure - The 17 Sustainable Development Goals (SDGs) <p>ii Overview of Key Global Sustainability Reporting Standards and Frameworks</p> <p>iii International Sustainability</p>	<p>IV</p>	<p>20%-25%</p>

Standards Board (ISSB) and overview of its Sustainability Reporting Standards		
5. Sustainability Assurance <ul style="list-style-type: none"> i Overview of Assurance Standards on sustainability ii Types of Assurance: Limited vs. Reasonable 	V	15%-25%

PAPER-3 : PUBLIC FINANCE AND GOVERNMENT ACCOUNTING (100 MARKS)

Objective

To develop an understanding of the economic policies of the Government, Budgets, Fiscal tools, Government Grants, Public Funds, Rules, Regulations and Accounting Systems pertaining to Government departments/Institutions of Centre, State and Local-Self Government.

Contents	Section	Weightage
1. Introduction to Government Functioning: Role and responsibilities of Central, State, Panchayati Raj Institution and Urban Local Bodies, Union-State-Local Government Fiscal Relations, Fiscal Federalism	I	10%
2. Constitutional Provisions and Related Authorities: 112. Annual financial statement. 113. Procedure in Parliament with respect to estimates. 114. Appropriation Bills. 115. Supplementary, additional, or excess grants. 116. Votes on account, votes of credit and exceptional grants. 117. Special provisions as to financial Bills, 148. Comptroller and Auditor-General of India. 149. Duties and powers of the Comptroller and Auditor-General. 150. Form of accounts of the Union and of the States 280. Finance Commission. 281. Recommendations of the Finance Commission. State Finance commission, CGA, Niti Aayog.	II	10%
3. Public Finance Public Finance - Meaning, Importance, Scope and Categories, Fiscal/Budgetary functions, Distinction between Private and Public Finance, Public Finance & Economic System, Fiscal & Monetary Policies.	III	10%

<p>4. Public Revenue Sources of Tax and Non-tax Revenue for Centre, States and Local Government, Efficiency and Equity in Tax Policy Design, Tax Policy and Tax Administration in India, Tax collection by Government- Union, State & Local Governments.</p>	IV	10%
<p>5. Budget: Budget Cycle: Planning, Preparation, Execution, Monitoring, how to interpret data from Budget document, Fiscal Deficit, Primary Deficit, Revenue and Effective Revenue Deficit.</p>	V	10%
<p>6. Public Debt/Bond: Meaning and Types of Public Debt, Burden of Public Debt, Principles of Public Debt Management, Debt Profile of the Union Government, Debt servicing, Role of multilateral agencies.</p>	VI	10%
<p>7. Public Expenditure: Canons of Public Expenditure; Classification of Public Expenditure; Wagner's Law of Public Expenditure; Public Expenditure as an Instrument of Fiscal Policy: PFM Structure -An Introduction and IT Intervention.</p>	VII	10%
<p>8. Union & State Accounts: Constitutional Provisions, Structure of various ministries/departments of Government of India, Controller General of Accounts - Hierarchy and Functions, Structure of Government Accounts and Flow of Funds, Classification of Government Accounts - Consolidated Fund, Contingency Fund and Public Accounts, Classification of Government expenditure in India including</p>	VIII	10%

introduction to Chart of Accounts, Banking Arrangements, Bankers to the Government.		
9. Urban Local Bodies: Introduction: - NMAM , National Municipal Asset Valuation Manual, State Municipal Accounts Manuals/Rules and ASLBs.	IX	10%
10. Standard Internal Control and Risk Management: Internal Control Systems in Government, Internal Audit, Outcome Budgeting & Reporting, Procurement Control, Asset Controls, Cash Controls, etc., Type of Audit – Role of CAG & PAC, Contingent liability, and Parliamentary Control, Brief Introduction of IGAS, IGFRS and IPSAS.	X	10%

PAPER-4: THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (100 MARKS)

Objective

To develop an understanding of the Code and acquire the ability to apply such knowledge in practical situations.

Contents	Sections	Weightage
The Insolvency and Bankruptcy Code, 2016 covering references of Significant Rules and Regulations:		
1. Introduction covering Journey of development of Insolvency and Bankruptcy Code and its importance.	I	15%-25%
2. Preliminary: Relevant Definitions and application of the Code.		
3. Insolvency Resolutions and Liquidation for Corporate Persons: Corporate Insolvency Resolution Process, Liquidation Process, Pre-Packaged Insolvency Resolution Process, Fast Track Corporate Insolvency Resolution Process, Voluntary Liquidation of Corporate Persons, Adjudicating Authority for Corporate Persons.	II	50%-65%
4. Insolvency Resolution and Bankruptcy for Individuals and Partnership Firms: Preliminary (Application & Definitions), Fresh Start Process, Insolvency Resolution Process, Bankruptcy Order for Individuals & Partnership Firms, Administration & Distribution of the Estate of the Bankrupt, Adjudicating Authority, Offences & Penalties.	III	15%-30%

<p>5. Regulation of Insolvency Professionals, Agencies and Information Utilities: The Insolvency and Bankruptcy Board of India, Powers & Functions of the Board, Insolvency Professional Agencies, Insolvency Professionals, Information Utilities, Inspection & Investigation, Finance, Accounts & Audit.</p> <p>6. Miscellaneous provisions including Forms 1-6 filed for initiation of CIRP before the NCLT, lists of all rules and regulations under IBC.</p>		
<p>7. Significant Judicial Pronouncements under Insolvency and Bankruptcy Code, 2016.*</p>	IV	-

*** Since the question will be based on any of the chapters pertaining to the Code, so no separate section wise weightage is assigned to this chapter.**

Note: *If new legislations are enacted in place of the existing legislations, the syllabus would include the corresponding provisions of such new legislations with effect from a date notified by the Institute.*

The specific inclusions/exclusions in the various topics covered in the syllabus will be effected every year by way of Study Guidelines, if required.

PAPER-5: INTERNATIONAL TAXATION (100 MARKS)

Objective

To develop an understanding of the basic concepts, principles and provisions of international taxation and acquire the ability to apply such knowledge in practical case scenarios

Contents		Section	Weightage
1.	Background of International Taxation	I	15% - 20%
	(i) Genesis of international taxation		
	(ii) International tax conflicts and double taxation		
	(iii) Meaning of treaty		
	(iv) Source rule v. Residence rule of taxation		
2.	Overview of the Income-tax Act, 1961		
	(i) Charge of income-tax and important definitions		
	(ii) Residential Status and Control and Management		
	(iii) Scope of total income		
	(iv) Concept of 'deemed accrual'-Section 9		
	(v) Business connection (including significant economic presence)		
3.	Non-resident Taxation	II	20% - 25%
	(i) Categories of income and their taxability		
	(ii) Withholding tax		

	(iii)	Return filing obligations of non residents		
4.	Taxation of E-Commerce Transactions (including Equalization levy)			
5	Double Taxation Relief		III	30%-35%
	(i)	Concept of double taxation and circumstances that give rise to double taxation		
	(ii)	The Concept of Tax Neutrality		
	(iii)	Types of Relief		
	(iv)	Tax Residency Certificate		
	(v)	Treaty shopping		
6.	Model Tax Conventions			
	(i)	Introduction – OECD and UN Model Tax Conventions		
	(ii)	Comparative analysis of some of the significant articles of OECD and UN Model Tax Conventions (with examples of India's DTAA's with USA, Singapore, UK, UAE and Netherlands)		
	(iii)	Protocol to DTAA's (MFN Clause)		
7.	Transfer Pricing		IV	20%-30%
	(i)	Introduction		
	(ii)	International transaction		
	(iii)	Associated Enterprises		
	(iv)	Specified domestic transaction		
	(v)	Arm's-length price		
	(vi)	Computation of arm's-length price		

	(vii)	Safe Harbour rules (SHRs)		
	(viii)	Overview of Advance Pricing Agreement		
	(ix)	Secondary Adjustment and Thin Capitalisation		
	(x)	Documentation and Compliances		
8.	Overview of BEPS		V	0%-5%

Note: If any new legislation(s) are enacted in place of an existing legislation(s), the syllabus will accordingly include the corresponding provisions of such new legislation(s) in the place of the existing legislation(s) with effect from the date to be notified by the Institute. Similarly, if any existing legislation(s) on direct tax laws ceases to be in force, the syllabus will accordingly exclude such legislation(s) with effect from the date to be notified by the Institute.

Further, the specific inclusions/exclusions in any topic covered in the syllabus will be effected by way of Study Guidelines every year, if required. Specific inclusions/exclusions in a topic may also arise due to additions/deletions made every year by the Annual Finance Act.

PAPER-6: THE ARBITRATION AND CONCILIATION ACT, 1996 (100 MARKS)

Objective

To develop an understanding of the Arbitration and Conciliation Law and acquire the ability of understanding issues in practical situations.

Contents	Sections	Weightage
1. Introduction: Introduction to the various modes of Alternate Dispute Redressal Mechanism (ADRs).	I	5%-10%
2. Fundamentals of Arbitration: General provisions, Arbitration Agreement, Conduct of Arbitral Proceedings, Making of Arbitral Award and Termination of Proceedings, Recourse against Arbitral Award, Finality and Enforcement of Arbitral Awards.	II	45%-55%
3. Enforcement of Certain Foreign Awards: Types of Arbitration, Arbitral Awards (Adhoc, Domestic and International Commercial Awards), Enforcement of Foreign Awards (New York Convention Awards and Geneva Convention Awards).	III	15%-25%
4. Conciliation: Difference between Arbitration and Conciliation, Commencement of Conciliation Proceedings, Number of Conciliators, Appointment of Conciliators, Submission of statements to	IV	20%-25%

Conciliator, Conciliator not bound by Certain Enactments, Role of Conciliator, Administrative Assistance, Communication between Conciliator and Parties, Disclosure of Information.		
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Note: If new legislations are enacted in place of the existing legislations, the syllabus would include the corresponding provisions of such new legislations with effect from a date notified by the Institute.

The specific inclusions/exclusions in the various topics covered in the syllabus will be effected every year by way of Study Guidelines, if required.

PAPER -7: FORENSIC ACCOUNTING (100 MARKS)

Objective

- (a) To develop an understanding of the basic concepts of Forensic Accounting and its application in Fraud Investigations.
- (b) To acquire the ability to apply such concepts in practical case scenarios.

Contents		Section	Weightage
1	Background & Overview	I	5%
	(i) Brief overview & evolution of Forensic profession		
	(ii) Increasing Importance of Forensic Accounting profession		
	(iii) Legal & Regulatory ramifications		
	(iv) Opportunities in Forensic Accounting for Chartered Accountants		
2	Introduction & Basic Concepts	II	15%
	(i) Meaning of Fraud, Forensics, Forensic Accounting, Investigations		
	(ii) Differences between Audit, Forensics & Investigations		
	(iii) Roles & Responsibilities of Stakeholders		
	(iv) Theories and Vulnerabilities of Fraud		

	(v)	Introduction to Forensic Accounting and Investigation Standards (FAIS)		
3.	Nature & Types of Frauds		III	15%
	(i)	Different Categories of Fraud		
	(ii)	Different Nature of Frauds		
	(iii)	Types of Occupational Frauds - Fraud Tree		
	(iv)	Specialised Areas/schemes of Fraud		
	(v)	Cyber Fraud/Crime		
	(vi)	Fraud Mechanisms		
4.	Financial Statement Frauds		IV	10%
	(i)	Characteristics, nature and Reasons		
	(ii)	Different types of Financial Statement Frauds		
	(iii)	Legal & Regulatory provisions related to Financial Statement Frauds		
	(iv)	Fraud Risk Factors in Financial Statement Frauds		
5.	Process of Forensic Investigation		V	15%
	(i)	Initialization & defining mandate		
	(ii)	Develop Plan & gather expertise		
	(iii)	Gathering Relevant Evidence		
	(iv)	Perform the analysis		
	(v)	Reporting		

	(vi)	Court proceedings		
6.	Fraud Detection		VI	10%
	(i)	Fraud Predication/Indicators		
	(ii)	Quantitative Evidence - Data Mining & Analysis		
	(iii)	Qualitative Evidence		
	(iv)	Law and Evidence		
	(v)	Applying Hypothesis		
7.	Digital Forensics		VII	10%
	(i)	Digital Evidence		
	(ii)	Use of Technology Tools		
	(iii)	Laboratory Analysis of Physical and Electronic Evidence		
	(iv)	Important legal sections of Information Technology Act		
8.	Interviewing Skills		VIII	5%
	(i)	Art & Science of Interviews - Nature & Type		
	(ii)	The Interview Process		
	(iii)	Importance of Non-verbal Cues		
	(iv)	Recording the Statements		
	(v)	Case Studies/Role play		
9.	Writing a Forensic Investigation Report		IX	10%
	(i)	Summary of findings		
	(ii)	Presenting & discussing draft report		

	(iii)	Key Elements as per Forensic Accounting and Investigation Standards (FAIS)		
	(iv)	Assumptions and Limitations		
10.	Fraud Prevention		X	5%
	(i)	Anti-Fraud Policies/ Vigilance Mechanism		
	(ii)	Internal Controls and Systems & Processes		
	(iii)	Compliance culture		
	(iv)	Disciplinary Mechanism		

PAPER-8 : VALUATION (100 MARKS)

Objective

- (a) To develop conceptual understanding of valuation, various approaches and methodologies.
- (b) To develop understanding of the regulatory requirements and the framework.
- (c) To develop basic understanding towards applying various valuation methodologies, techniques and its approaches on business organizations.

Contents	Section	Weightage
1. Introduction to Valuation <ul style="list-style-type: none">(i) Genesis of Valuation(ii) Valuation under present scenarios(iii) Reference to important terminologies<ul style="list-style-type: none">- Valuation- Valuer- Registered Valuer- Types of Value- Distinction between Price and Value- Valuation Bases and Premise- Valuation Date	I	10%-12%
2. Need and Purpose of Valuation <ul style="list-style-type: none">(i) Purpose of Valuation(ii) Transaction based Valuation(iii) Regulatory & Tax based Valuation	II	5% - 8%

(iv) Other Requirements based Valuation		
<p>3. Valuation Approaches and Methodologies</p> <p>(i) Valuation Approaches (Definition)</p> <ul style="list-style-type: none"> - Asset Based Approach - Income/Earning Based Approach <ul style="list-style-type: none"> (a) Price/Earnings Ratio & Price/Growth Ratio (b) Earning measure on Cash Flow Basis (DCF Approach) (c) Earning measure non-Cash Flow Basis (Non DCF Approach) - Market Based Approach <p>(ii) Fair Value Computation</p> <p>(iii) Guidelines for opting Approaches/ Methodologies under various circumstances</p>	III	45%-50%
<p>4. Valuation Documentation and Report</p> <p>(i) Valuation Documentation</p> <p>(ii) Valuation Report</p>	IV	10%-12%
<p>5. Valuation Standards</p> <p>Basic understanding of ICAI Valuation Standards 2018 and its application</p>	V	10%-13%

<p>6. Other Applications of Valuation Valuation in specific Situations and Cases</p> <ul style="list-style-type: none"> (i) Valuation of inventories (ii) Valuation of Investments (iii) Fixed income instruments (iv) Valuation of Intangibles (v) Valuation of liabilities 	VI	10%-15%
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PAPER-9 : FINANCIAL SERVICES AND CAPITAL MARKETS (100 MARKS)

Objective

- (a) To gain knowledge of financial services rendered by various intermediaries and their role and activities in the financial market, especially in capital market.
- (b) To acquire the ability to apply such knowledge to address issues in practical scenarios.

Contents	Section	Weightage
1. Introduction to Financial Markets	I	5%
(i) Introduction to Financial Market		
(ii) Role of Financial Market in Economic Development of a country		
(iii) Stakeholders in Financial Market (Domestic and Global)		
(iv) Indian Financial Market scenario		
2. Impact of various Policies of Financial Markets	II	5%
(i) Credit Policy of RBI		
(ii) Fed Policy		
(iii) Cost Inflation Index		
(iv) Consumer Price Index		
(v) Wholesale Price Index		
3. Capital Market - Primary	III	10%
(i) Basics of Capital Markets		
(ii) Segments of Capital Markets		
(iii) Capital Market Instruments		
(iv) Aspects of Primary Market – Kinds of Securities, Types of Offer Documents, Issue Requirements, Intermediaries to the Capital Markets, Book		

<p>Building, Special Purpose Acquisition Companies, Application Supported by Blocked Amount (ASBA), Green Shoe Option, Anchor Investors, Private Placement of Shares, Right Issue, Exit Offers.</p>		
<p>4. Capital Market - Secondary</p>		
<p>(i) Introduction to Secondary Market</p>		
<p>(ii) Development of the Stock Market in India</p>		
<p>(iii) Stock Market Organization in India</p>		
<p>(iv) Demutualization of Stock Exchanges</p>		
<p>(v) Share Trading in Secondary Market – Trading by a Retail Investor, Algorithmic Trading, Basket Trading</p>		
<p>(vi) Stock Market and its Operations – Growth of Stock Exchanges, Characteristics of Stock Exchanges in India, Functions of Stock Exchanges, Basics of Stock Market indices, Index Management: Rebalancing and Reconstitution, Uses of Market Indexes</p>	<p>IV</p>	<p>10%</p>
<p>(vii) Risk Management in Secondary Market – Trading Rules and Regulations, Circuit Breakers to curb excess volatility, Trading and Settlement, National Securities Clearing Corporation Limited, Market Making System, Securities Lending and Borrowing, Short Selling, Straight Through Processing, Margin Trading, Block</p>		

Mechanism in Demat Account.				
(viii) Other aspects of Secondary Market – Buy Back of Shares, Block and Bulk Deals.				
(ix) Indian Debt Market				
(x) Emerging Markets – GIFT City, Power Exchange, Energy Exchange, Social Stock Exchange				
5. Money Market				
(i) Basics of Money Market				
(ii) Money Market Participants				
(iii) Money Market Instruments				
(iv) Cash Reserve Ratio and Statutory Liquidity Ratio				
(v) Determination of Interest Rates – MIBOR, LIBOR, Replacement of LIBOR	V	10%		
(vi) Money Market Instruments – Government Securities (G Sec)				
(vii) Recent developments in Money Market				
(viii) Repo and Reverse Repo				
(ix) CRR, SLR				
(x) Day Count Convention				
6. Bond Market				
(i) Introduction to Bond Market			VI	5%
(ii) Primary Bond Market vs Secondary Bond Market				
(iii) Types of Bond Market				
(iv) Bond Market Strategies				
(v) Bond Indices				
(vi) Bond Market vs. Stock Market				
7. Derivative Market				
(i) Introduction to Derivatives	VII	5%		
(ii) Forward Contract				

(iii) Futures Contract		
(iv) Options Contract		
(v) Concept of Swaps		
8. Institutions and Intermediaries		
(i) Depository		
(ii) Stock and Commodity Exchanges – Indian and Global		
(iii) Intermediaries in the Capital Markets – Merchant Bankers, Registrars to an issue and Share Transfer Agents, Underwriters, Bankers to an issue, Debenture Trustees, Portfolio Managers, Stockbrokers, and sub-brokers	VIII	5%
(iv) Institutional Investors		
(v) Foreign Portfolio Investors (FPIs)		
(vi) Custodians		
(vii) Clearing Houses – Indian and Global		
9. Commodity Market		
(i) Introduction of Commodity Markets		
(ii) Role of Commodity Markets		
(iii) Commodity Market in India – Including warehousing and physical settlement	IX	5%
(iv) Application of Derivative in Commodities		
(v) Global Commodities Exchanges		
10. Mutual Funds		
(i) Meaning		
(ii) Evolution		
(iii) Mutual Fund Organization	X	10%
(iv) Types of Mutual Funds		
(v) Net Asset Value (NAV)		

(vi) Performance Measurement		
(vii) Advantages and Disadvantages of Mutual Fund		
(viii) Factors influencing the selection of Mutual Funds		
(ix) Signals highlighting the exist of investors from the Mutual Fund Scheme		
(x) Money Market Mutual Funds		
(xi) Exchange Traded Funds (ETFs)		
(xii) Real Estate Investment Trusts (ReITs)		
(xiii) Infrastructure Investment Trusts (Invits)		
(xiv) Other aspects - Side Pocketing and Tracking Error		
11. Private Equity		
(i) Meaning of Private Equity		
(ii) Classification of Private Equity		
– Venture Capital		
– Buyouts		
– Hurdle rate		
– Paid in Capital		
– Term Sheet		
(iii) Cost of Investing in Private Equity		
(iv) Exit Routes		
(v) Valuation of Private Equity Transactions		
(vi) Private Equity Funds (Distribution of returns in General Partner and Limited Partner)		
(vii) Contemporary issues in Private Equity – The rise of patient		

capital, Ethical Issues		
12. Investment Banking	XII	5%
(i) Concept		
(ii) Functions		
(iii) Challenges		
(iv) Developments in Investment Banking		
(v) Merchant Banking and Issue Management		
13. Credit Rating	XIII	5%
(i) Introduction		
(ii) Rating Services		
(iii) Objectives and types		
(iv) Uses		
(v) Credit Rating Process		
(vi) Credit Rating Methodology		
(vii) CAMEL Model in Credit Rating		
(viii) Rating Revisions		
(ix) Credit Rating Agencies in India and abroad		
(x) Credit Rating agencies and the US Sub-prime crisis		
(xi) Limitations of Credit Rating		
(xii) Contemporary Aspects in Credit Rating		
14. Leasing	XIV	5%
(i) Meaning, types, advantages, and disadvantages of Leasing		
(ii) Financial evaluation of lease proposal from the perspective of Lessee and Lessor		
(iii) Break Even Lease Rental (BELR) from Lessee's and Lessor's point of view		
(iv) Cross Border Leasing		

(v) Regulatory Aspects of Leasing		
15. Factoring	XV	5%
(i) Concept, Definition and Mechanism of Factoring		
(ii) Types/Forms of Factoring		
(iii) Functions of a Factor		
(iv) Benefits of Factoring		
(v) Factors inhibiting the growth of Factoring in India		
(vi) Forfaiting		
(vii) Forfaiting vs Export Factoring		
(viii) Regulatory Aspects of Factoring		
16. SEBI Regulations – Compliances in Capital Markets	XVI	5%

PAPER-10: FOREX AND TREASURY MANAGEMENT – (100 MARKS)

Objective

To gain knowledge in the field of Forex and Treasury Management, deal with its complexities, and apply it in practical situations.

Contents	Section	Weightage
1. Organizational Structure of Treasury	I	10%
(i) Introduction of Treasury		
(ii) Treasury – Its Evolution and Objectives		
(iii) Organization Structure of Treasury – Front, Back & Mid Office		
(iv) Functions of Treasury Department		
(v) Role of Treasury and Treasurer in:		
– Raising Capital		
– Managing Bank Relationships		
– Money Management		
– Treasury Performance Management		
– Liquidity Management		
– Credit Management		
– Forex Management		
– Risk Management		
(vi) Responsibilities of a Treasurer		
(vii) Integrated Treasury Management - Cost Centre and Profit Centre		
2. Process of Treasury	II	20%
(i) Treasury Management - Systems		

	and Techniques		
(ii)	Treasury Policy and Procedure Manual		
(iii)	Delegation with Accountability:		
	– Open Position Limits: Daylight, Overnight, Asset Position Limit, Intraday Limit		
	– Deal Size, Individual Dealer's Limit		
	– Stop Loss Limits		
(iv)	Control and Reporting Requirements		
(v)	Dealing and Trading Operations – Control and Orderly Conduct, Moral and Ethical Codes, Checks of Balances, Signing Ethical Code Agreement		
(vi)	An insight into:		
	– Float, Availability, Swaps		
	– Account Analysis, Clearing Houses		
	– Lockboxes, Disbursement		
(vii)	Benchmark Rates for Discounting Cash Flows		
(viii)	Liquidity and Cash Flow Management – CRR		
	– Objectives, Sources and Deployment		
	– Internal Control, Netting, Gap Management		
(ix)	Treasury Management Processes like Domestic Treasury Remittances, International Treasury Remittances		

(x)	Payment & Settlement Systems, CCIL, CLS, RTGS, NEFT and SWIFT		
(xi)	Dealing Room Operations: Nostro / Vostro/ Loro, Mirror A/cs – Open Currency Position, Cash Position by Dealers		
3.	Types of Treasuries		
(i)	Treasury – Manufacturing and Service Corporates:		
(ii)	Background		
	– Contribution Analysis		
	– Operating and Financial Leverage		
	– Liquidity Management		
	– Foreign Exchange Exposures		
	– Commodity Exposures		
	– Credit Exposures		
	– Debt Restructurings		
(iii)	Treasury – Banking		
	– Background		
	– Capital Adequacy		
	– Yield Curve and Spreads		
	– Credit Risks		
	– Foreign Exchange Risk		
	– Interest Risks		
	– Re-financing Risks		
	– Securitization		
	– Asset Liability Management		
		III	15%

(iv) Treasury – Special Reference to:		
– Insurance Companies (Life & General)		
– Mutual Fund Organizations		
– Chit Fund Organizations		
– Housing Finance Companies		
– Non-banking Financial Companies		
– Government (Either State or Central)		
– Reserve Bank of India		
– Profit Centre Vs. Non-Profit Treasury		
4. Treasury – Domestic		
(i) Classification of Treasury Market:		
– Domestic or National Treasury Market	IV	15%
– Forex or International Treasury Markets		
5. Treasury – Forex		
(i) Foreign Exchange Markets:		
– Different Kinds of Inter - Bank Forex Markets	V	40%
– Highly Traded Markets - Cash/OTC		
– Nature of Transactions		
– Cross Border Currency Flows		
– Liberalization of Exchange Control		
– Role of Banks in Forex Market		

– Factors Impacting Forex Market		
– Convertibility and BOP		
(ii) Forex Concepts:		
– Exchange Rate Quotes		
– Factors affecting Exchange Rates		
– Exchange Rate Mechanism		
– Spot and Cross and Forward Rates		
– Premium and Discount		
– Forward Contracts–Booking, Extension, Cancellation		
(iii) International Treasury:		
– Market Participants		
– Various Forex Treasury Products		
– Volatility of Major Currencies		
– Currency Trading		
– Global Securities – Portfolio Management		
(iv) Derivative Markets:		
– Futures, Options and Swaps		
– Price Calculation of Various Instruments		
– Swaps - Outright Deals, Dealer Operations		
– Trends in Futures Market		
– Short Term Interest Rate Futures		

(v) Interest Rate Derivatives:		
– Introduction		
– Brief terminologies		
– Hedging		

Note: A deviation of maximum $\pm 5\%$ in the specified section-wise weightage is permitted.