

Detailed Syllabus for Executive of ICSI Syllabus (2017)

SCHEME OF SYLLABUS

Executive Programme	
Module – 2	
5. Corporate & Management Accounting	
6. Securities Laws & Capital Markets	
7. Economic, Business and Commercial Laws	
8. Financial and Strategic Management	

**Executive Programme
Module2
Paper 5
Corporate & Management Accounting(Max Marks 100)**

Objectives

Part I : To provide knowledge and understanding of the concepts, principles and practices in Corporate Accounting and Indian and International Accounting Standards.

Part II: To acquire knowledge and understanding of the concepts, techniques and practices of management accounting and to develop skills for decision making and to acquire knowledge of the concepts, principles and methods of valuation.

Detailed Contents

Part I: Corporate Accounting (60 marks)

1. Introduction to Financial Accounting.

2. **Introduction to Corporate Accounting** : Records of accounts to be maintained by a company.
3. **Accounting for Share Capital** : Issue of Shares; Forfeiture and Re-issue of Shares, Accounting treatment of premium, Buyback of Shares; Redemption and Conversion; Capital Redemption Reserve, Bonus Shares; Rights Issue, ESOPs, ESPS, Sweat Equity Shares; and Underwriting; Book Building.
4. **Accounting for Debentures** : Accounting Treatment, Debenture Redemption Reserve, Redemption of Debentures and Conversion of Debentures into Shares. Deferred Tax.
5. **Related Aspects of Company Accounts** : Accounting for ESOP, Buy-back, Equity Shares with differential rights, Underwriting and Debentures.
6. **Financial Statements Interpretation**: Preparation and Presentation of Financial Statements; Quarterly, Half-yearly and Annual Financial Statement pursuant to Listing Regulations; Depreciation provisions and Reserves; Determination of Managerial Remuneration, Corporate Social Responsibility spend, various disclosures under the Companies Act, 2013, LODR & applicable accounting standards; Related party and segment reporting, Audit Queries; How to Read and interpret Financial Statements.
7. **Consolidation of Accounts as per Companies Act, 2013** : Holding Company, Subsidiary Companies, Associate Companies and Joint Venture; Accounting Treatment and disclosures.
8. **Corporate Financial Reporting** : Requirements of Corporate Reporting; Recent trends in Financial Reporting.
9. **Cash Flow Statements** : Preparation and their analysis.
10. **Accounting Standards (AS)** : Applicability, Interpretation, Scope and Compliance; International Financial Reporting Standards ; Overview of AS, AS vs. Ind AS vs. IFRS.
11. **National and International Accounting Authorities.**
12. **Adoption, Convergence and Interpretation of International Financial Reporting Standards (IFRS) and Accounting Standards in India.**

Case Studies & Practical Aspects.

Part II: Management Accounting and Valuation (40 marks)

13. **An Overview of Cost**: Importance and relevance of Cost Accounting; Material Cost, Labour Cost, Direct Expenses and Overheads, Cost Sheet.
14. **Cost Accounting Records & Cost Audit under Companies Act, 2013**
15. **Budget, Budgeting and Budgetary Control**: Preparation of various types of Budgets; Budgetary Control System; Zero Based Budgeting; Performance Budgeting
16. **Ratio Analysis**: Financial Analysis through Ratios
17. **Management Reporting (Management Information Systems)**
18. **Decision Making Tools**: Marginal Costing; Transfer Pricing
19. **Valuation Principles & Framework**: Conceptual Framework of Valuation, Valuation rules; Valuation of securities or financial assets; Approaches of Valuation - Assets Approach, Income Approach; Market Approach; Registered Valuer; IND AS Valuation
20. **Valuation of Shares, Business and Intangible Assets**: Regulatory Valuations; Companies Act; Insolvency and Bankruptcy Code; Income Tax Act; SEBI law; FEMA and RBI guidelines.
21. **Accounting for Share based payments (IndAS 102)**
22. **Business and Intangible Assets**
23. **Methods of Valuation** :Net Assets Valuation: Relative Valuation (Comparable Companies/Transactions); Discounted Cash Flow Valuation; Other Methods

Case Studies & Practical Aspects

Executive Programme
Module 2
Paper 6
Securities Laws & Capital Markets(Max Marks 100)

Objective

Part I : To provide expert knowledge in the legislations, rules and regulations governing the entities listed on the stock exchanges.

Part II : To provide the basic understanding of the working of Capital markets in India.

Detailed Contents

Part I: Securities Laws (70 Marks)

1. **Securities Contracts (Regulations) Act 1956** : Objectives of the SCR Act, Rules and Regulations made there under; Important Definitions; Recognized Stock Exchange, Clearing Corporation; Public issue and listing of securities; Rules relating to Public Issue and Listing of Securities under Securities Contracts (Regulation) Rules, 1957.
2. **Securities and Exchange Board of India Act, 1992**: Objective; Powers and functions of SEBI; Securities Appellate Tribunal; Penalties and appeals.

3. **Depositories Act, 1996** : Depository System in India; Role & Functions of Depositories; Depository Participants; Admission of Securities; Dematerialization & Re-materialisation; Depository Process; Inspection and Penalties; Internal Audit and Concurrent Audit of Depository Participants.
4. **An Overview of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009.**
5. **An Overview of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**
6. **An Overview of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.**
7. **SEBI (Buyback of Securities) Regulations, 1998** : Conditions of buy-back; Buy back Methods: Tender Offer, Open Market (Book building and Stock Exchange); General obligations; Penalties.
8. **SEBI (Delisting of Equity Shares) Regulations, 2009** : Delisting of Equity Shares; Voluntary Delisting; Exit Opportunity; Compulsory Delisting.
9. **An Overview of SEBI (Share Based Employee Benefits) Regulations, 2014.**
10. **An Overview of SEBI (Issue of Sweat Equity) Regulations, 2002.**
11. **SEBI (Prohibition of Insider Trading) Regulations, 2015** : Unpublished price sensitive information (UPSI); Disclosures; Codes of fair disclosure and conduct; Penalties and Appeals.
12. **Mutual Funds** : Types of Mutual Funds and Schemes; Key players in Mutual Funds: Sponsor, Asset Management Company, Trustee, Unit holder, Evaluating performance of Mutual funds- Net Asset Value, Expense Ratio, Holding Period Return.
13. **Collective Investment Schemes** :Regulatory Framework; Restrictions on Business Activities; Submission of Information and Documents; Trustees and their Obligations.
14. **SEBI (Ombudsman) Regulations, 2003** : Procedure for Redressal of Grievances; Implementation of the Award; Display of the particulars of the Ombudsman, SCORES, SEBI (Informal Guidance) Scheme, 2003.

Case Laws, Case Studies & Practical Aspects

Part II: Capital Market & Intermediaries (30 Marks)

15. Structure of Capital Market

I. Primary Market

- a. Capital Market Investment Institutions-Domestic Financial Institutions(DFI), Qualified Institutional Buyers(QIB), Foreign Portfolio Investors (FPI), Private Equity, Angel Funds, HNIs, Venture Capital, Pension Funds, Alternative Investment Funds.
- b. Capital Market Instruments-Equities, Preference Shares, Shares with Differential Voting Rights, Corporate Debt, Non-Convertible Debentures(NCD), Partly, Fully and Optionally Convertible Debentures, Bonds, Foreign Currency Convertible Bonds(FCCB), Foreign Currency Exchangeable Bonds (FCEB) Indian Depository Receipts (IDR),Derivatives, Warrants;
- c. Aspects of Primary Market- book building, ASBA, Green Shoe Option.

II. Secondary Market

Development of Stock market in India; Stock market & its operations, Trading Mechanism, Block and Bulk deals, Grouping, Basis of Sensex, Nifty; Suspension and Penalties; Surveillance Mechanism; Risk management in Secondary market, Impact of various Policies on Stock Markets such as Credit Policy of RBI, Fed Policy, Inflation index, CPI, WPI, etc.

16. **Securities Market Intermediaries** : Primary Market and Secondary Market Intermediaries: Role and Functions, Merchant Bankers, Stock Brokers, Syndicate Members, Registrars and Transfer Agents, Underwriters, Bankers to an Issue, Portfolio Managers, Debenture Trustees, Investment Advisers, Research Analysts, Market Makers, Credit Rating Agencies; Internal Audit of Intermediaries by Company Secretary in Practice.

Case Laws, Case Studies & Practical Aspects.

Executive Programme
Module 2
Paper 7
Economic, Business and Commercial Laws(Max Marks 100)

Objectives

- Part I :** To provide expert knowledge in Foreign Exchange Management and NBFCs.
Part II : To provide expert knowledge in Competition Law.
Part III : To provide working knowledge in Business and Commercial Laws.

Detailed Contents

Part I

Foreign Exchange Management &NBFCs (40 Marks)

1. **Reserve Bank of India Act, 1934:** Central Banking functions; Monetary policy; Penalties.
2. **Foreign Exchange Management Act, 1999** : Introduction
3. **Foreign Exchange Transactions & Compliances:** Current and Capital Account Transactions; Acquisition & Transfer of Immovable Property in India and Abroad; Realization and Repatriation of Foreign Exchange; Brief information of other FEMA

Regulations.

4. **Foreign Contribution (Regulation) Act, 2010:** Introduction and Object, Eligible Contributor, Eligible Receiver, Registration, Offences and Penalties.
5. **Foreign Direct Investments – Regulations & FDI Policy:** Automatic and Approval Route of FDI; Setting up of Subsidiary/Joint Venture/Liaison Office/ Branch Office by Non-residents; Foreign Portfolio Investments.
6. **Overseas Direct Investment: ODI Policy, foreign currency remittances,** Setting up of Subsidiary/Joint Venture/Branch Office.
7. **Liberalized Remittance Scheme:** Investment Outside India by Indian Residents.
8. **External Commercial Borrowings (ECB):** An Overview.
9. **Foreign Trade Policy & Procedure:** Merchandise Exports from India Scheme (MEIS); Service Exports from India Scheme (SEIS); Duty exemption / remission schemes; Export oriented units (EOUS); Electronics Hardware Technology Parks (EHTPS); Software Technology Parks (STPS); Bio-Technology Parks (BTPS). Imports and related policies.
10. **Non Banking Finance Companies (NBFCs):** Definition; Types; Requirement of Registration as NBFC and exemptions from registration as NBFC; Micro Finance Institutions, Activities of NBFCs; Compliances by the NBFCs and requirements of approvals of RBI; Deposit Accepting and Non-deposit Accepting NBFCs; Deemed NBFC; Core Investment Company and Systemically Important Core Investment Companies; Peer to Peer Lending; Defaults, Adjudication, prosecutions and penalties.
11. **Special Economic Zones Act, 2005:** Establishment of Special Economic Zones; Approval and Authorization to Operate SEZ; Setting up of Unit; Special Economic Zone Authority.

Case Laws, Case Studies & Practical Aspects

Part II

Competition Law (25 Marks)

12. **Competition Act, 2002:** Competition Policy ; Anti-Competitive Agreements; Abuse of Dominant Position; Overview of Combination and Regulation of Combinations; Competition Advocacy; Competition Commission of India; Appellate Tribunal.

Case Laws, Case Studies & Practical Aspects

Part III

Business & Commercial Laws (35 Marks)

Consumer Protection

13. **Consumer Protection Act, 1986:** Consumer Protection in India; Rights of Consumers; Consumer Dispute Redressal Forums; Nature and Scope of Remedies.
14. **Essential Commodities Act, 1955:** Essential Commodities; Powers of Central Government; Authorities responsible to administer the Act; Delegation of powers; Nature of Order passed under the Act; Seizure and Confiscation of Essential Commodities; Offences by Companies.
15. **Legal Metrology Act, 2009:** Standard weights and measures; Power of inspection, seizure; Declarations on pre-packaged commodities; Offences and penalties.

Property Law

16. **Transfer of Property Act, 1882:** Types of Properties; Properties which cannot be Transferred; Rule Against Perpetuities; Lis Pendens; Provisions Relating to Sale; Mortgage, Charge, Lease, Gift and Actionable Claim; Specific Performance.
17. **Real Estate (Regulation and Development) Act, 2016:** Registration of Real Estate Project; Real Estate Agents; Real Estate Regulatory Authority; Central Advisory Council; The Real Estate Appellate Tribunal; Offences, Penalties and Adjudication. Specimen Agreement for Sale between the Promoter and the Allottee; Due Diligence Reporting.

Anti-Corruption Laws

18. **Benami Transaction Prohibitions (Act):** Benami Property; Benami Transaction, Prohibition of Benami Transaction; Authority, Adjudication of Benami property.
19. **Prevention of Money Laundering:** Problem and adverse effect of money laundering; Methods of money laundering; Offence of money laundering; Attachment, adjudication and confiscation.

Business Laws

20. **Indian Contracts Act, 1872:** Essential elements of a Valid Contract; Indemnity and Guarantee; Bailment and Pledge; Law of Agency; E-Contract; Landmark judgments.
21. **Specific Relief Act, 1963:** Specific reliefs and defense; specific performance and defense; unenforceable contracts; Rescission of Contracts; Cancellation of Instruments; Declaratory Decrees; Preventive Reliefs.
22. **Sale of Goods Act, 1930:** Essentials of a Contract of Sale; Sale Distinguished from Agreement to Sell, Bailment, Contract for Work and Labour and Hire-Purchase; Conditions and Warranties; Doctrine of Caveat Emptor; Performance of the Contract of Sale; Landmark judgments.
23. **Partnership Act, 1932:** Rights and Liabilities of Partners; Registration of Firms; Dissolution of Firms and Partnership; Landmark judgments.

24. Negotiable Instrument Act, 1881: Negotiable Instruments and Parties; Material Alteration; Crossing and bouncing of Cheques; Dishonour of Cheques & its Remedies; Presumption of Law as to Negotiable Instruments; Landmark judgments.

Case Laws, Case Studies & Practical Aspects

Executive Programme
Module 2
Paper 8
Financial and Strategic Management (Max Marks 100)

Objective

Part I: To provide knowledge of practical aspects of financial management so as to develop skills in taking financial and investment decisions.

Part II : To enable students to acquire multidimensional skills as to equip them to comprehend the process of strategy formulation.

Detailed Contents

Part I: Financial Management (60 marks)

1. **Nature and Scope of Financial Management:** Nature, Scope and Objectives of Financial Management; Risk-Return and Value of the Firm; Objectives of the firm; Profit Maximisation vs. Wealth Maximisation; Emerging roles of Finance Managers.
2. **Capital Budgeting:** Compounding and Discounting techniques- Concepts of Annuity and Perpetuity; Capital Budgeting Process; Techniques of Capital Budgeting- Discounted and Non- Discounted Cash Flow Methods; Capital Rationing; Risk Evaluation and Sensitivity Analysis.
3. **Capital Structure:** Introduction- Meaning and Significance; Optimal Capital Structure; Determinants of Capital Structure; Theories of Capital Structure; EBIT - EPS Analysis; EBITDA Analysis; Risk and Leverage; Effects of Leverage on Shareholders' Returns.
4. **Sources of raising long-term finance and Cost of Capital:** Sources, Meaning, Factors Affecting Cost of Capital; Methods for Calculating cost of capital; Weighted Average Cost of Capital (WACC); Marginal Cost of Capital.
5. **Project Finance:** Project Planning – Preparation of Project Report, Project Appraisal under Normal Inflationary and Deflationary Conditions; Project Appraisal by Financial Institutions – Lending Policies and Appraisal Norms by Financial Institutions and Banks; Project Review and Control; Social Cost and Benefit Analysis of Project. Term loans from Financial institutions and Banks; Lease and Hire Purchase Finance; Venture Capital Funds; Private Equity; International Finance and Syndication of Loans, Deferred Payment Arrangements; Corporate Taxation and its Impact on Corporate Financing; Financing Cost Escalation.
6. **Dividend Policy:** Introduction- Types; Determinants and Constraints of Dividend Policy; Forms of Dividend; Different Dividend Theories.
7. **Working Capital :** Meaning, Types, Determinants and Assessment of Working Capital Requirements, Negative Working Capital; Operating Cycle Concept and Applications of Quantitative Techniques; Management of Working Capital – Cash Receivables Inventories; Financing of Working Capital; Banking Norms and Macro Aspects; Factoring and Forfeiting.
8. **Security Analysis:** Measuring of Systematic and Unsystematic Risk; Fundamental Analysis (Economic, Industry and Company); Technical Analysis and Efficient Market Hypothesis.
9. **Portfolio Management:** Meaning, Objectives; Portfolio Theory -Traditional Approach; Markowitz Portfolio Theory; Modern Approach - CAPM Model; Economic Value Added; Sharpe Single & Multi Index Model; Risk Adjusted Measure of Performance.

Part II: Strategic Management (40 Marks)

10. **Introduction to Management:** An Overview of functions of management.
11. **Introduction to Strategic Management:** An Overview- Meaning & Process; Strategic Leadership; Functions and Importance for Professionals like Company Secretaries; Environmental Influences of Business-Characteristics and Components of Business Environment, Factors of Micro & Macro Environment of Business; Competitive Environment and Porter's Five Force Model.
12. **Business Policy and Formulation of Functional Strategy:** Introduction to Business Policy; Framework of Strategic Management; Strategic Decision Model; Vision; Mission; Objectives and Goals; Strategic Levels of the Organization; Formulation of Functional Strategy-Formulation of Financial; Marketing; Production; Human Resource and Logistics strategies.
13. **Strategic Analysis and Planning:** Situational Analysis, Strategic Choices-SWOT and TOWS Analysis; PERT (Programme Evaluation Review Technique) and CPM (Critical Path Method); Portfolio analysis-Boston Consulting Group (BCG) growth-share Matrix, Ansoff's Product Growth Matrix, ADL Matrix and General Electric (GE) Model; Strategic Planning; Strategic Alternatives-Glueck and Jauch and Michael Porter's Generic Strategies.
14. **Strategic Implementation and Control:** Issues in Strategy Implementation; Various Organizational Structures and Strategy Implementation; Leadership and its forms ; Strategic Change and Control.
15. **Analysing Strategic Edge:** Introduction to Business Process Reengineering; Concept of Benchmarking; Introduction to Total Quality Management and Six Sigma.

