

## ICAI Initiatives in Capital Market Domain: An Overview and Update

*Indian financial market is among the oldest in the world and with a faster rate of growth it has entered the league of best markets in emerging economies. To this day, it remains one of the most favourites for investors from across the world, offering plethora of professional opportunities, particularly for Chartered Accountants. Globally, financial markets across the world are getting integrated and complex due to technological advancements of most of the erstwhile closed economies. This process warranted the market professionals to be equipped with the knowledge of the various market processes, and the understanding of broader role of various segments of the markets. The Institute of Chartered Accountants of India (ICAI) has been very much alive to the importance of capital markets, the phenomenon of professional opportunities, the need for equipping Indian CAs with the necessary skillsets to excel in capital markets domain and the necessity to protect investors through knowledge dissemination. Its Committee on Capital Market and Investors' Protection is dedicated to this cause. Read on...*



The ICAI's Committee on Capital Market and Investors' Protection was constituted by the Council as a Non Standing Committee of the ICAI in the year 1993-94. Further in the year 1998-99 the name of the Committee was changed to "Committee on Financial Market Markets and Investors Protection". Consequently, in the year 2017-18 the erstwhile Committee on Financial Markets and Investors' Protection was merged to the Banking Financial Services and Insurance Committee. The committee was reconstituted as Committee on Capital Market and Investors Protection in the year 2018.

The Committee provides suggestions on various Bills/ Regulations/ Notifications/ circulars and other documents relating to Capital Market for submission to the Government/ Regulator. Besides this the Committee regularly interacts with Reserve Bank of India

(RBI) and Indian Banks Association for example, relating to Depositors, Non-performing Assets Management, Bank operation and supervision, issues relating to securitisation, role played by CAs, Non-Banking Finance Companies – NBFCs (Department of Non-Banking Finance Companies of RBI), Regulatory authority of Co-operative Banks, Strategies / recommendations relating to their investment patterns, Securities and Exchange Board of India e.g., matters relating to Primary and Secondary Markets, Take-Overs, Amalgamation, Mergers, (tax-havens, Participatory Note, hot-money, corporate governance regulatory compliances etc.), Mutual Funds, Foreign Institutional Investors, Intermediaries, Securities Laws, etc., Forward Markets Commission (FMC) including NCDX and MCX, and Stock Exchanges on the issues

Contributed by Committee on Capital Market and Investors' Protection of ICAI. Comments can be sent to [ccmip@icai.in](mailto:ccmip@icai.in)

relating to Capital Markets and Investors Protection.

The Committee conducts Training Programmes for Members and others on matters relating to Capital and Commodity Markets which are of professional interest for example on Derivatives, Options, Futures, hedging and investment strategies, Seminars, Conferences and Certificate courses relating to Capital Market, Investors Protection and other related laws. It also organises training programmes in association with Stock Exchanges/ Associations/ Trade Bodies/ Regulators.

The ICAI through its Committee on Capital Market & Investors Protection has been organising Investor Awareness Programmes under the aegis of Investor Education and Protection Fund (IEPF) of the Ministry of Corporate Affairs. The Committee has organised 700 Investor Awareness Programmes across India over last year.

### Partner in Nation Building

With the aim to emerge as the preferred partner in Nation Building and to spread awareness among public at large about the do's and do not's of investing their money in financial securities and to promote financial literacy, the ICAI through its

Committee on Capital Market & Investors Protection has been organising Investor Awareness Programmes under the aegis of Investor Education and Protection Fund (IEPF) of the Ministry of Corporate Affairs, through various Resource Persons and Programme Organising Units (Regional Councils, Branches, Study Circles, Study Chapters and Study Groups) through its various POU's.

The Committee has organised 700 Investor Awareness Programmes across India under the aegis of IEPF Authority of Ministry of Corporate Affairs Government of India over the last year till date. In line with the thoughts of the Hon'ble President of India, Shri Ram Nath Kovind on the occasion of Platinum Jubilee celebrations of ICAI on 1<sup>st</sup> July, 2018 wherein he had requested the ICAI to conduct programmes to create financial literacy particularly among the women of our Country, a total of more than 41,000 people were educated including more than 16,000 women over the last year.

### Initiatives for Members

#### Capacity Building

- **Certificate Course on**

**Forex and Treasury Management:** In order to enhance the skills of our members and empower them suitably as a capacity building measure, a Certificate Course for professional development of members in the field of Forex and Treasury Management has been initiated. Certificate course on Forex and Treasury Management was started in the year 2009.

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With the latest developments taking place in the Capital, Money, and Foreign Exchange Markets affecting volatility in exchange rates and accentuating liquidity constraints, corporates and banks have started paying closer attention to the treasury and forex management function.

The globalisation of the economy with mobilisation and deployment of funds from/in other countries is also necessitating added attention in the area of treasury and forex management.

Keeping in view of the current scenario, this course covers practical concepts and analyses the international finance environment within which banks, other intermediaries and companies operate and how it affects their operations in treasury. Sound treasury management utilises the right financial products and tools

for minimising risk. It also provides an overview of the structure and key functions of the treasury. The emphasis is on developing skill sets which would be required for making sound financial decisions in an international context.

In order to enhance the skills of our members and empower them suitably as a capacity building measure, a Certificate Course for professional development of members in the field of Forex and Treasury Management has been initiated.

One of the key initiatives has been the Certificate Course on Forex and Treasury Management for the Executives (Chartered Accountants) of HPCL (Hindustan Petroleum

Corporation Limited).

The Committee has successfully conducted 54 Batches of Forex and Treasury Management course till date.

- The Committee has also organised a long series of National Conferences/ Seminars/ Workshops/ Webcasts/ Residential Refresher Course (RRC) for professional enhancement of members.
- **Release of Publications:** The second edition of the background material on certificate course on Forex and Treasury Management i.e. *“Theory and Practice of Forex and Treasury Management” (Module I, II & III)* has been released at ICAI Convocation 2019 in Delhi. ■

