

CDS AND CLEARING LIMITED
Thapathali, Kathmandu
7th Level (Administrative)
Syllabus

KNOWLEDGE AND SKILLS REQUIRED:

The Administrative Staff is expected to have knowledge in the following areas

1. Understanding of basic concepts of macro- and microeconomics
2. General principles of management
3. Skill in negotiations and resolving conflicts
4. Skills in dispute settlement and handling investors' grievances
5. Understanding of financial system
6. Understanding of money market and capital market with their rules and regulations
7. General financial management
8. General understanding of functioning of Central Depository System (CDS)
9. Methods of Settlement in Stock Market

MODALITY OF EXAMINATION:

The examination comprises of two papers, each carrying 100 marks. The first paper is on Economics and General management and the second paper is on Financial System and Capital market, including general understanding of financial management.

The nature of the questions will require essay type answer with emphasis on the conceptual clarity and logical presentation.

PAPER I covers topics on macro and micro economics, general principles of management, negotiation, conflict resolutions, disputes settlement and handling of investors grievances.

The duration of examination will be four hours. The full marks will be 100 with 40 percent weight for macroeconomics, 30 percent for microeconomics and remaining 30 percent for general management.

There will four questions for macroeconomics and the candidate needs to answer three. Likewise, for the sections on Microeconomics and General Management three questions will be asked and the candidate will be required to answer two in each.

The detail syllabus of paper I is given below:

PAPER I: ECONOMICS AND GENERAL MANAGEMENT

- a. Macroeconomics:
 - i. Concepts : National Income Accounting, Measuring Gross Domestic Product, Inflation and Unemployment Exchange rates, Aggregate supply and demand,

- ii. Nepalese Context: Macroeconomic situation in Nepal, Trends and components of GDP, Trends of consumption, savings, investment and capital formation, Patterns of Government revenue and expenditure, Public debt and Budgetary trends. Balance of Payments,
- b. Microeconomics:
Concepts: Demand, supply and market equilibrium, Indifference curve analysis, Elasticity of demand, Law of variable proportions, Least cost combination, cost curves, Output determination and Pricing under various market structures.
- c. General Management:
Functions of management, Managers and Leaders, Leading and decision making, Motivation and Team work, strategic planning, Corporate Governance, negotiations strategies, conflict resolution, methods and techniques of dispute settlement
- d. Personnel Management :
Motivation, Performance management and appraisal, Training and Development, General Overview of Personnel Management

PAPER II covers topics on Financial System, Money Market, Capital Market and Financial Management. The duration of examination will be four hours. The full marks will be 100 with 20 percent weight for financial system, 20 percent for money market, 40 percent for capital market and remaining 20 percent for financial management.

There will two questions for each of the sections on financial system, money market and financial management and the candidate needs to answer one. Likewise, for the section on capital market three questions will be asked and the candidate will be required to answer two. Some questions may be split into two, a and b.

The nature of the questions will require essay type answer with emphasis on the conceptual clarity and logical presentation.

The detail syllabus for Paper II is given below:

PAPER II: FINANCIAL SYSTEM AND MARKETS

- a. Financial system:
 - i. Functions and types of Financial system, Economic determinants of saving and investment, Flow of funds in the financial system, Structure of interest rates,
 - ii. Financial structure in Nepal, Financial institutions and intermediation: Types, trend and development, Fiscal and Monetary Policies of the Government, Financial sector reform,
- b. Money market:
Purpose and Functions of Money Markets; Treasury debt management, Market for treasury bills and other money market instruments, Commercial banks and money market, Nepal Rastra Bank and money market in Nepal,
- c. Capital market:

- I. Major suppliers and investors in capital market, market for government bonds and corporate debentures.
 - II. Features of Stock Market in Nepal, Indicators of Stock market development, NEPSE Index, Primary and secondary markets: trend and current situation, Problems and challenges,
 - III. Market mechanism in the primary and secondary markets, Methods of settlement, Automation , Over-the Counter market, Market for derivatives, Commodities Market, Mutual Funds, Central Depository system,
 - IV. Objectives and Functions of Securities Board of Nepal and Nepal Stock Exchange, Assessment of their role and achievements as regulators, Handling Investor Grievances
 - V. Regulations and supervision of stock market, Various Acts and Regulations pertaining to stock markets: Securities Act, Company Act, Public Debt Act, Acts and regulations relating to income tax and primary and secondary markets
- d. Financial Management:
- i. Basic concepts of risk and return, valuation of bonds, preference shares and equity
 - ii. Investment decisions, Cost of capital, Methods of evaluating investment,
 - iii. Capital structure decisions, Determining debt-equity mix
 - iv. Understanding and analyzing financial statements, Ratio analysis, DuPont Analysis