

## **Annexure-I**

### **NISM-Series-XI: Equity Sales Certification Examination**

#### **Objective of the Examination**

The examination seeks to create a common minimum knowledge benchmark for all persons involved in equity sales in order to enable a better understanding of equity markets, better quality investor service, operational process efficiency and risk controls.

It seeks to ensure a basic understanding of the various aspects of the equity products, the process flow involved in trading, clearing and settlement of these products and the regulatory environment under which the market operates.

The standard of the examination will be that applicable to a member of staff who is entering the equities market.

On successful completion of the examination the candidate should:

- Know the basics of the Indian equity market
- Understand the characteristics of equity, associated risks and returns and taxation aspects
- Understand the clearing, settlement and risk management as well as the operational mechanism related to equity market.
- Know the regulatory environment in which the equity market operates in India.

#### **Functional Coverage**

The examination will be for approved users and sales personnel of all Trading Members of the Equities segment of recognised Stock Exchanges.

#### **Examination Specifications**

This is a computer-based examination with multiple choice questions.

The examination consists of 100 questions of 1 mark each adding to 100 marks.

The examination should be completed in 2 hours.

There shall be negative marking of 25% of the marks assigned to a question.

The passing score for the examination is 50 marks.

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### Syllabus Outline with Weights

<b><i>Unit No</i></b>	<b><i>Unit Name</i></b>	<b><i>Weightage</i></b>
Unit 1	Overview of Indian Securities Markets	<b>7%</b>
Unit 2	Regulatory Framework	<b>15%</b>
Unit 3	Primary Markets	<b>17%</b>
Unit 4	Secondary Markets	<b>5%</b>
Unit 5	Understanding Market Indicators	<b>10%</b>
Unit 6	Trading and Risk Management	<b>20%</b>
Unit 7	Clearing and Settlement	<b>10%</b>
Unit 8	Market Surveillance	<b>6%</b>
Unit 9	Client Management	<b>10%</b>