

Annexure I – Syllabus Outline

NISM-Series-XVIII: Financial Education Certification Examination

Objective of the Examination

The examination is created for those candidates who wish to assess their financial literacy and their understanding of various aspects of financial markets including banking, securities, insurance and pension.

It seeks to ensure a basic understanding of the various aspects of an individual's and/or a household's financial planning by enhancing their financial literacy. This examination covers key concepts in financial literacy, various investment options, savings and investment products, insurance and pension, retirement planning, stock market, caution against ponzi schemes, tax savings options, investor protection and investor grievance redressal.

On successful completion of the examination the candidate should:

- Know the key concepts of one's financial life
- Understand the concept of financial planning and the steps involved
- Understand the importance of saving and budgeting and the power of compounding
- Familiarize with various investment options and saving and investment products
- Familiarize with Stock Markets and Mutual Funds
- Understand the concept and need of Insurance and various types of Insurance
- Understand the need for retirement planning and salient features of various pension products
- Be aware about various government schemes available for saving, investment, insurance and pension needs
- Be aware about Ponzi schemes and financial frauds
- Know the Investor Grievance Redressal mechanisms developed by the financial sector regulators for investor protection

Functional Coverage

By the end of this certification, it is expected that the candidates get a fair idea of various introductory but essential elements of personal finance and appreciate the importance of personal financial planning for their overall financial well-being.

Examination Specifications

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

The examination consists of 50 multiple choice questions of 1 mark each adding to 50 marks.

The examination should be completed in 2 hours.

There shall be no negative marking.

The passing score for the examination is 25 marks (i.e., 50% of the total marks).

Syllabus Outline with Weights

UNIT NAME	Marks	% Marks
Key Concepts in Personal Finance	5	10%
Financial Planning and Budgeting	6	12%
Savings Related Products	7	14%
Investment in Securities Market	7	14%
Insurance related Products	6	12%
Pension, Retirement and Estate Planning	5	10%
Borrowing Related Products	4	8%
Government schemes for various savings and investment options	2	4%
Tax Savings Options	3	6%
Caution against Ponzi Schemes and unregistered Investment Advisers	3	6%
Grievance Redressal Mechanism	2	4%
TOTAL	50	100%