

## Annexure I – Syllabus Outline

### NISM-Series-XVI: Commodity Derivatives Certification Examination

#### Objective of the Examination

The examination seeks to create a common minimum knowledge benchmark for associated persons functioning as approved users and sales personnel of the trading members who are registered as such in the commodity derivatives segment of a recognized stock exchange.

The examination aims to enable a better understanding of various derivatives products available in exchange traded commodity derivatives markets, risks associated with those products and the trading, clearing and settlement mechanisms of commodity derivatives contracts traded in Indian exchanges. The examination also covers knowledge competencies related to the understanding of important regulations governing the commodity derivatives markets in India.

On successful completion of the examination the candidate should:

- Know the basics of the Indian commodity derivatives markets.
- Understand various trading strategies that can be built using commodity derivatives.
- Understand the clearing, settlement and risk management as well as the operational mechanism related to commodity derivatives markets.
- Know the regulatory environment in which the commodity derivatives markets operate in India.

#### 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 the question for each wrong answer.

The passing score for the examination is 60 marks.

#### Syllabus Outline with Weights

Unit No.	Unit Name	Weightage
Unit 1	Introduction to Commodity Markets	10
Unit 2	Commodity Indices	5
Unit 3	Commodity Futures	15
Unit 4	Commodity Options	15
Unit 5	Uses of Commodity Derivatives	15
Unit 6	Trading Mechanism	10
Unit 7	Clearing, Settlement and Risk Management	15
Unit 8	Legal and Regulatory Environment	5
Unit 9	Accounting and Taxation	5
Unit 10	Code of Conduct and Investor Protection Measures	5