NISM-Series-V-D: Mutual Fund - Specialized Investment Fund Distributors Certification Examination

Annexure I – Deliverables, Examination Structure and Weightages

Objective of the Examination

The examination seeks to create a common minimum knowledge benchmark for all persons involved in selling and distributing Mutual Fund and Specialized Investment Fund products including:

- Individual Mutual Fund and Specialized Investment Fund Distributors
- Employees of organizations engaged in sales and distribution of Mutual Fund and Specialized Investment Fund
- Employees of Asset Management Companies especially persons engaged in sales and distribution of Mutual fund and Specialized Investment Fund products

The certification aims to enhance the quality of sales, distribution and related support services in the mutual fund industry.

On successful completion of the examination, the candidate should:

- Know the basics of Mutual Fund, their role and structure, different kind of Mutual Fund schemes and their features.
- Understand how Mutual Funds are distributed in the market-place, how schemes are to be evaluated, and how suitable products and services can be recommended to investors and prospective investors in the market.
- Know the basics of the Indian equity derivatives market.
- Understand the various trading strategies that can be built using futures and options on both stocks and stock indices.
- Know the basics of fixed income securities and interest rate derivative products in India.
- Understand the analytical framework of interest rate futures and options traded in Indian exchanges.
- Understand various hedging, trading and arbitrage strategies that can be built using interest rate derivative

Deliverables and Examination Structure

- This is a computer-based examination with multiple choice questions.
- The fees for the Certification Examination shall be Rs. 3000/- (plus applicable taxes)
- The examination consists of 150 questions of 1 mark each adding to 150 marks.
- The examination should be completed in 3 hours.
- There shall be negative marking of 10 percent of the marks assigned to a question.

- The passing score for the examination is 60 percent; which is 90 marks out of total 150 marks.

Weightages

Module No.	Module /Chapter Name	Marks
Module 1	**Mutual Fund Distributors [45%]**	
Chapter 1	Investment Landscape	5
Chapter 2	Concept & Role of a Mutual Fund	4
Chapter 3	Legal Structure of Mutual Funds in India	3
Chapter 4	Legal and Regulatory Framework	7
Chapter 5	Scheme Related Information	7
Chapter 6	Fund Distribution and Channel Management Practices	4
Chapter 7	Net Asset Value, Total Expense Ratio and Pricing of units	5
Chapter 8	Taxation	3
Chapter 9	Investor Services	10
Chapter 10	Risk, Return and Performance of Funds	5
Chapter 11	Mutual Fund Scheme Performance	5
Chapter 12	Mutual Fund Scheme Selection	10
Module 2	**Equity Derivatives [35%]**	
Chapter 13	Basics of Derivatives	10
Chapter 14	Understanding Index	5
Chapter 15	Introduction to Forwards and Futures	15
Chapter 16	Introduction to Options	13
Chapter 17	Strategies using Equity Futures and Equity Options	9
Module 3	**Interest Rate Derivatives [20%]**	
Chapter 18	Introduction to Interest Rate, Interest Rate Instruments and Fixed Income Markets	6
Chapter 19	Interest Rate Derivatives	2
Chapter 20	Exchange Traded Interest Rate Futures	10
Chapter 21	Exchange Traded Interest Rate Options	6
Chapter 22	Strategies using Interest Rate Derivatives	6
Total Marks		**150**