



## Certified Wealth Management Professional Rules & Syllabus 2026

The Certified Wealth Management Professional (CWMP) has been introduced to create a cadre of financial planning and wealth management professionals to cater to the needs of the BFSI industry. This certification will be offered in the blended format i.e. examination in three subjects followed by mandatory training in one subject. This will replace the existing Advanced Wealth Management (AWM) course.

### OBJECTIVES:

This course will offer deep expertise in financial planning, wealth management principles, investment techniques, asset allocation, estate planning, taxation, insurance and risk management, etc. This comprehensive course aims as under:

- i. To create a cadre of competent practitioners of financial advisors/ counselors in the BFSI industry
- ii. To provide candidates with competencies required to act as an Independent Financial Advisor.
- iii. To enable candidates to possess the needed skills and knowledge to understand clients' needs attitudes and fears.
- iv. To enable candidates to design appropriate finance planning strategies suitable to individual clients.
- v. To enable candidates to meet the client's wealth creation and wealth protection needs.
- vi. To enable candidates to attain high ethical and professional standards.

### FOR WHOM

- i. Bank Employees
- ii. Insurance Professionals
- iii. People intending to be Financial Counsellors/ Advisors/ Planners

### ELIGIBILITY

1. Members and Non-Members of the Institute
2. Graduate in any discipline

### SUBJECTS OF EXAMINATION:

- I. Financial Planning and Tax Planning
- II. Investment Planning, Asset Management and Regulatory Environment
- III. Risk Management & Insurance, Retirement & Estate Planning

### TRAINING SUBJECT

The candidates, who have successfully passed the three certificate examinations, will have to undergo 3 days of training (virtual or physical) on the subject "**Development of Financial Plan**".

### METHODOLOGY:

Course has two components viz.,

- a) Online examination for three subjects of 100 marks each based on a specially designed courseware on the three subjects
- b) Classroom Training of 3 days for the fourth subject

## PASSING CRITERIA:

1. Minimum marks for pass in the subject is 50 out of 100.
2. Candidates securing at least 45 marks in each subject with an aggregate of 50% marks in all subjects of examination in a single attempt will also be declared as having completed the Examination.
3. Candidates will be allowed to retain credits for the subject they have passed in a attempt till the expiry of the time limit for passing the examination as mentioned below:

## TIME LIMIT FOR PASSING THE EXAMINATION:

1. Candidates will be required to pass the examination within a time limit of 2 years or 4 attempts whichever is earlier. Time limit of 2 years will start from the date of application for first attempt. Subsequent attempts will be counted irrespective of whether a candidate appears/applies at any examination or otherwise.
2. Candidates not able to pass examination within stipulated time period of two years are required to re-enroll themselves afresh. Such candidates will not be granted credit/s for subject/s passed, if any, earlier.

## EXAMINATION FEES\*:

Particulars	For Members	For Non-Members
First attempt fee	Rs.4,000/- *	Rs.6,500/- *
Second attempt fee	Rs.2,000/- *	Rs.2,000/- *
Third attempt fee	Rs.2,000/- *	Rs.2,000/- *
Fourth attempt fee	Rs.2,000/- *	Rs.2,000/- *

\* Plus Convenience charges and Taxes as applicable.

**Please Note: Candidates are required to Register for every attempt separately.**

As a measure to streamline the traffic for registration, Institute will charge regular examination fee to candidates who registers for the examination during the regular open period of registration. **For the extended days of registration, late fee of Rs.200 plus taxes, will be charged in addition to regular examination fee.** This extended days of registration, also gives candidates additional opportunity to register for the examination, having missed the regular open period of registration.

The fee once paid will **NOT** be refunded or adjusted on any account.

## MEDIUM OF EXAMINATION:

Examination will be conducted in English only.

## PATTERN OF EXAMINATION:

- (i) Question Paper will contain 100 objective type multiple choice questions including situation analysis/ problem based questions for a total of 100 marks. The Institute may however vary the number of questions to be asked for a subject
- (ii) The examination will be held in Online Mode only
- (iii) There will NOT be negative marking for wrong answers.

## DURATION OF EXAMINATION:

The duration of the examination will be of 2 hours.

## PERIODICITY AND EXAMINATION CENTRES:

- a) Examination will be conducted on pre-announced dates published on IIBF website. Institute conducts examination on half yearly basis, however periodicity of the examination may be changed depending upon the requirement of banking industry.
- b) List of Examination centers will be available on the website. (Institute will conduct examination in those centers where there are 20 or more candidates.)

## “CLASS OF PASS” CRITERIA:

1. The Institute will consider the FIRST PHYSICAL ATTEMPT of the candidate at the examination as the first attempt for awarding class. In other words, the candidate should not have attempted any of the subject/s pertaining to the concerned examination any time in the past and has to pass all the subject as per the passing criteria and secure prescribed marks for awarding class. Candidates re-enrolling for the examination after exhausting all permissible attempts as per the time limit rule will be awarded Pass class.
2. First Class: 60% or more marks in aggregate and pass in all the subjects in the FIRST PHYSICAL ATTEMPT
3. First Class with Distinction: 70% or more marks in aggregate and 60 or more marks in each subject in the FIRST PHYSICAL ATTEMPT.

## TRAINING

Candidates who have successfully passed the examination will have to undergo training. For this purpose, the candidate, on passing the examination should log on to IIBF website - [www.iibf.org.in](http://www.iibf.org.in) and select his/her convenient slot for classroom/virtual classroom training of 3 days duration from the pre-determined dates and venue (in case of classroom training) at select centres announced by the Institute. During the classroom/virtual classroom training, candidates will be assessed (Internal assessment) for training performance for a total of 50 marks. Marks for training will be awarded to candidates by faculty for their training participation, analytical skills, case discussions, dealing ability, presentation skills etc.

### Time Limit for Training

Virtual/ Classroom Training is required to be completed within 15 months from the date of declaration of the online examination results in which the candidate passes.

In case a candidate fails to complete the training either on account of not able to successfully complete the training or by not attending training within the stipulated period of 15 months, the candidate would be required to Re-enroll for the Online examination foregoing credit for the subject/s passed in the Online examination earlier in case he wants to complete the course.

### Upgradation from AWM to CWMP

Candidates who have passed the AWM course under the old syllabus and are interested in acquiring the CWMP certification have to first register for CWMP by paying a registration fee of Rs. 1000/- plus taxes (both members and non-members). Post this registration, the candidates will be eligible to register for the 3-day training program (virtual or physical) by making the requisite training fee payment, as tabled below. **(The registrations for upgrading from AWM to CWMP will commence in due course).**

### Training Fees

The training fees for the course will need to be paid separately by the successful candidates after the examination. The proposed fees for the virtual and physical examination shall be as follows:

Sr. No.	Particulars	Training Fee	Subsequent Attempts (Training Fee)
1	Virtual training mode	Rs. 4500/- plus applicable taxes	Rs. 1000/- plus applicable taxes
2	Physical classroom training mode at centres where IIBF have got presence	Rs. 9000/- plus applicable taxes	Rs. 9000/- plus applicable taxes

Candidates who fail in virtual classroom training need to re-enroll by paying Rs. 1,000/- plus applicable taxes per subsequent attempt.

Candidates who fail in the physical classroom training need to re-enroll by paying Rs. 9000/- plus applicable taxes per subsequent attempt.

## AWARD OF CERTIFICATE

Certificate will be awarded to candidates on successful completion of both examination as well as training program. No certificate will be issued for passing only the examination.

## PROCEDURE FOR APPLYING FOR EXAMINATION

Application for examination should be registered online from the Institute's website [www.iibf.org.in](http://www.iibf.org.in). The schedule of examination and dates for registration will be published on IIBF website.

### SCRIBE GUIDELINES:

Candidates who are visually impaired / have low vision or affected by cerebral palsy with locomotor impairment whose writing speed is affected and Physically Handicapped (PH) candidates who cannot operate Keyboard and Mouse can use scribe at his/her own cost during the examinations. Compensatory time and facility of scribe would be provided to only the above categories of Physically challenged candidates. Physically challenged candidates of other categories are not eligible to get the above-mentioned benefits.

To avail the facility of a scribe/special assistance/extra time, eligible candidates are required to apply online on the Institute's website [www.iibf.org.in](http://www.iibf.org.in). Candidates who do not apply for availing the facility of a scribe/special assistance/extra time as per the procedure well before the said examination/s may be denied the facility of a scribe/special assistance/extra time.

[Click Here - GUIDELINES/RULES FOR USING SCRIBE BY VISUALLY IMPAIRED & ORTHOPEADICALLY CHALLENGED CANDIDATES \(Physical Classroom exam\)](#)

## PROOF OF IDENTITY

Non-members applying for Institute's examinations/ courses are required to attach/ submit a copy of any one of the following documents containing Name, Photo and Signature at the time of registration of Examination Application. Application without the same shall be liable to be rejected.

- 1) Photo ID Card issued by Employer or 2) PAN Card or 3) Driving License or 4) Election Voter's ID Card or 5) Passport 6) Aadhaar Card

## STUDY MATERIAL/ COURSEWARE

The Institute has developed coursewares to cover the syllabus. The courseware (book) for the subject/s will be available at outlets of publisher/s. Please visit IIBF website [www.iibf.org.in](http://www.iibf.org.in) under the menu "Examination/courses" for details of book/s and address of publisher/s outlets. Candidates are advised to make full use of the courseware. However, as banking and finance fields are dynamic, rules and regulations witness rapid changes. Therefore, the courseware

should not be considered as the only source of information while preparing for the examinations. Candidates are advised to go through the updates put on the IIBF website from time to time and go through Master Circulars/ Master Directions issued by RBI and publications of IIBF like IIBF Vision, Bank Quest, etc. All these sources are important from the examination point of view. Candidates also advised to visit the websites of organizations like RBI, SEBI, BIS, IRDAI, FEDAI etc. besides going through other books & publications covering the subject/ exam concerned etc. Questions based on current developments relating to the subject/ exam may also be asked.

## Cut-off Date of Guidelines/ Important Developments for Examinations

The Institute has a practice of asking questions in each exam about the recent developments/ guidelines issued by the regulator(s) in order to test if the candidates keep themselves abreast of the current developments. However, there could be changes in the developments/ guidelines from the date the question papers are prepared and the dates of the actual examinations.

In order to address these issues effectively, it has been decided that:

In respect of the examinations to be conducted by the Institute for the period March to August of a calendar year, instructions/ guidelines issued by the regulator(s) and important developments in banking and finance up to 31st December will only be considered for the purpose of inclusion in the question papers.

- (i) In respect of the examinations to be conducted by the Institute for the period September to February of a calendar year, instructions/ guidelines issued by the regulator(s) and important developments in banking and finance up to 30th June will only be considered for the purpose of inclusion in the question papers.

The table given below further clarifies the situation.

<b>Particulars Developments for Examination/s</b>	<b>Cut-off Date of Guidelines/ Important Developments for Examination/s</b>
For the examinations to be conducted by the Institute for the period March 2026 to August 2026	31st December 2025
For the examinations to be conducted by the Institute for the period September 2026 to February 2027	30th June 2026

## **TUTORIAL/ CONTACT PROGRAMMES**

Tutorial/ Contact programmes may be organized by the Institute at various centres. For details in this regard candidates may visit Institute's website [www.iibf.org.in](http://www.iibf.org.in).

## **SYLLABUS:**

The details of the prescribed syllabus which is indicative are furnished in the booklet. However, keeping in view the professional nature of examinations, all matters falling within the realm of the subject concerned will have to be studied by the candidate as questions can be asked on all relevant matters under the subject. Candidates appearing for the examination should particularly prepare themselves for answering questions that may be asked on the latest developments taking place under the various subject/s of the said examination although those topics may not have been specifically included in the syllabus. The Institute also reserves to itself the right to vary the syllabus/ rules/ fee structure from time to time. Any alterations made will be notified from time to time. Further, questions based on current developments in banking and finance may be asked.

Candidates are advised to refer to financial newspapers/ periodicals more particularly "IIBF VISION" and "BANK QUEST" published by the Institute.

## **PAPER 1 - FINANCIAL PLANNING & TAX PLANNING**

### **MODULE A FINANCIAL PLANNING**

#### **1) Indian Economic Environment**

Introduction to Economics and Indian economy  
 Economic policies and tools  
 Economic indicators and value of investment  
 Impact of Budget and Monetary Policy on the Economy and Financial Markets  
 Government and Fiscal Policy

#### **2) Introduction to Indian Financial Markets**

Indian Economy  
 Financial System  
 Regulators  
 Economic Environment  
 What is an 'Economy'  
 The Finance Sector  
 Different Economic Systems  
 Global Economic Forces  
 Investment Intermediaries  
 Impact of Government Policies  
 Economic or Business Cycles

Effects on Investment Values  
Approaches to Analysis  
Media and Information Sources

### **3) Basics of Financial Planning**

Introduction  
Need and Scope of Financial Planning  
Regulatory controls and practices  
A brief overview of advisers.  
The consumer life cycle and wealth life cycle  
Understanding of asset, liability and net worth

### **4) The Financial Planning Process**

Various views of financial planning  
The evolution of financial planning as a profession  
Good practices in financial planning  
Content of a comprehensive financial plan

### **5) Towards a Financial Plan**

Working with clients  
Gathering initial information from the client  
Financial goals  
Assessing risk tolerance  
Analysis of insurance needs  
Analysis of retirement savings  
Analysis of investment preferences  
The conclusion of the first interview  
Meeting the client's objectives  
Asset allocation  
Implementation  
Ongoing service

### **6) Effective Communication in Financial Counselling**

Introduction  
Three types of structured communication  
Essentials in financial counselling  
Profile of the effective counsellor  
Elements of non-verbal behaviours  
Attending and listening skills  
Counsellor leading responses  
The questioning process of a Financial Counselling

### **7) Marketing of Financial Products and Services**

Various marketing strategies  
Customer Relationship Management  
Customer Acquisition, Customer Experience and Customer Retention  
Introduction to Strategic and Tactical Marketing

### **8) Statistical and Mathematical tools**

Time value of money (TMV) concepts and assumptions  
Solving time value of money problems  
Basic time value of money calculations  
Present value of a single sum  
Future value of a single sum  
Number of compounding periods and interest rate per compounding period  
Present value of an annuity  
Future value of an annuity  
Present value of an annuity due (PVAD) of a serial payment

Advanced time value of money calculations  
Internal rate of return with unequal cash flows  
Net present value calculation with unequal cash flow

## **9) Behavioural Finance**

Behavioural biases  
Information processing biases  
Emotional biases  
The psychology of money  
Choice architecture  
Behavioural Finance Vs Standard Finance  
Biases Categorization  
Client emotion management

## **MODULE B: TAXATION PLANNING**

### **10) Taxation aspects of Wealth**

Principles of taxation  
Components of tax liability  
Some other principles of taxation  
Taxes payable by an individual  
Effect of selling property  
Tax avoidance/evasion  
Tax-exempt income  
Tax-sheltered income  
Tax-preferred retirement, education and spending plans  
Investment strategies to manage tax liability  
Minimum Alternate Tax (MAT)  
Alternate Minimum tax (AMT)

### **11) Income-tax Act, 1961: Concepts and Terminology & Rules of Residency**

Assessment Year' (AY), 'Previous Year', 'Assessee', 'Person'  
Broad Principles that categorize 'Income', Extended meaning of income  
Capital and Revenue Receipts, and their Taxability  
Residential status of an individual and other taxable entities  
Taxability based on Residential status  
Individuals – Resident in India, Ordinarily Resident and Not-ordinarily resident  
Individuals – Not-resident in India (NRI)  
Residential Status of a Foreign Company  
Residential Status of Hindu Undivided Family (HUF)  
Residential Status of 'any other person'  
Incidence of Tax or Tax Liability  
Indian Income and Foreign Income  
Income 'received' vs. 'accrue' or 'arise' in India  
Income deemed to accrue or arise in India

### **12) Income From 'Salary'**

Various heads of salary and their taxability  
Various allowances including Dearness Allowance  
Various perquisites  
Profits in lieu of salary  
Wages  
Fees and Commission  
Gratuity, Exemption limits – Government and other employees – on retirement or resignation  
Annuity and Pension – Taxability of commuted pension amount – received with or without Gratuity payment  
Leave encashment on retirement or resignation

Balance in recognized Provident Fund  
Employer contribution under notified pension scheme, National Pension System (NPS) and recognized Provident Funds  
Compensation received on Voluntary Retirement/Separation Schemes

### **13) Various Allowances and Their Exemption Limits and Taxable Perquisites**

House Rent Allowance (HRA)  
City Compensatory Allowance  
Entertainment Allowance  
Special Allowance – Travelling, Conveyance, Daily, Uniform, etc.  
Furnished /Unfurnished accommodation with no rent/concessional rent charged  
Services of house help, attendant  
Supply of amenities (electricity, water, gas, etc.)  
Interest free loan or concessional loan  
Use of car and other movable assets  
Medical facility and club facility  
Employer's contribution towards superannuation fund (above the exempt maximum limit)  
Value of specified security, sweat equity, Employee Stock Option Plan (ESOP) allotted/transferred to employee  
Tax of an employee paid by employer

### **14) Income from House Property**

The Basis of computing income from a let out house property  
Gross Annual Value (GAV) on the basis of Municipal Valuation (MV), Fair Rent (FR) and Standard Rent (SR)  
Net Annual Value (NAV)  
Standard Deduction under section 24(a) and Interest on borrowed capital u/s 24(b)  
Self-occupied house purchased/built on borrowed capital

### **15) Income from Capital Gains**

Definition of a 'Capital Asset'  
Short-term' and 'Long-term' capital asset  
Indexation benefit basis cost inflation index (CII) in respect of certain capital assets  
Capital assets transferred under a Gift, a Will, by succession/inheritance, etc.  
Self-generated capital assets (goodwill, business rights/permits/licenses, trade mark, brand, etc.  
Shares converted from debentures/bonds – basis of cost and period of holding  
Capital gain on transfer/redemption of debt securities and units of income/liquid MF schemes  
Tax on long-term/short-term capital gains where Securities Transaction Tax (STT) is paid  
Tax on long-term/short-term capital gains where STT is not paid

### **16) Income from Other Sources**

Interest on Deposits (with banks, post office, companies, cooperative societies, etc.)  
Interest on loan  
Interest on securities, e.g. bonds, debentures, government securities, etc. (other than dividend from Indian companies)  
Dividends received by residents and ordinarily residents from non-domestic companies  
Gifts  
Winning from lotteries, horse races, card games, crossword puzzles, TV shows/contests, etc.  
Income from racing establishment  
Rental income on letting out plant, machinery, furniture and attached premises to such plant

### **17) Income Exempted from Tax**

Agricultural Income (meaning and tax treatment)  
Family income received by a member of HUF  
Leave Travel Concession (LTC)

Gratuity received by an employee on retirement or by dependents on death of employee (subject to rules)  
Commutated value of pension (subject to rules)  
House Rent Allowance (subject to rules and limits)  
Income of minor child (subject to limits)

### **18) Permissible Deductions from Gross Total Income**

Standard Deduction  
Professional Tax  
Employer contributions (forming part of Employee cost to company) to statutory and recognized Provident Funds, National Pension System (subject to approved limits)  
Approved investments, PF/NPS employee contributions, insurance premium, repayment of borrowed capital in housing loans, etc. (subject to limits of Section 80CCE)  
Additional contribution under NPS (subject to limits of Section 80CCD[1B])  
Interest on borrowed capital in housing loans (subject to limits of Section 24b)  
Medical Insurance premium (Section 80D)  
Medical treatment (Section 80DD/Section 80DDB)  
Approved Donations (Section 80G)  
Rent paid by self-employed individuals (subject to rules and limit under Section 80GG)  
Interest on deposits in savings bank account (subject to limit under Section 80TTA)  
Rebate under Section 87A

### **19) Profits and Gains of Business or Profession**

Meaning of business, profession or vocation  
The basis of charge  
Business income, profits, compensation received, etc.  
Principles for arriving at business income  
Exclusions from business income

### **20) Computation of Taxable Income and Tax and Filing of Returns**

Income from all sources  
Set off of losses – Current year and earlier years – Gross Total Income  
Admissible deductions – Net Income or Taxable Income  
Tax Liability – Income taxable at special rates and normal rates  
Tax as per slabs and applicable rates, surcharge and cesses  
Self-assessment tax  
Advance Tax – Due dates of filing and percentage limits of advance tax payable

### **21) Taxation of Other Products**

Taxation of Equity Products (Listed/ Unlisted)  
Taxation of Mutual Funds  
Taxation of Derivatives  
Taxation of ESOP/ SGB/ REIT/ AIF/ InVIT/ ETF

### **22) Introduction to International Taxation**

Essential Concepts in International Taxation  
Cross Border Enforcement of Taxes  
Taxation Structure in major countries  
Concept of Double Taxation and Double Taxation Avoidance Agreement  
Taxation of NRIs

## **PAPER 2 - INVESTMENT PLANNING, ASSET MANAGEMENT & REGULATORY ENVIRONMENT**

### **MODULE A - INVESTMENT PLANNING**

#### **1) Investment Objectives, Constraints and Suitability**

Engaging investment clients  
The initial client interview

- Investor personalities
- Gathering client data
- Risk tolerance and suitability
- Determining investor risk tolerance
- Risk tolerance questionnaires
- Suitability using risk tolerance information
- Matching return expectations with risk tolerance
- Risk-return application
- Potential tax issues
- Taxability of a portfolio
- Understanding life stages
- Establishing goals and timelines
- SMART goals
- Defining and determining investment objectives
- Investment Policy Statement (IPS)

## **2) Principles of Investment Risk**

- Total risk
- Types of investment-related risk
- Systematic risk
- Nonsystematic risk
- Risk measurements
- Standard deviation
- Covariance
- Correlation coefficient (R)
- Coefficient of determination
- Beta

## **3) Asset Classes and Securities**

- Equity/common stock
- Primary market
- Secondary market
- Types of orders
- Types of return from common stock
- Equity valuation methods (EVA, MVA, Gordon's Growth Model)
- Additional valuation ratios
- Fixed income securities
- Cash and equivalents
- Bonds
- Types of bonds and issuers
- Bond risks and returns
- Buying and selling bonds
- Bond yields
- Bond price / valuation calculations
- Duration and immunization
- Convexity
- Bond portfolio examples
- Yield curve and risk-free rate of return
- Preferred stock
- Real assets
- Derivatives
- Options contracts, key terms, rights and obligations
- Options strategies
- Structured products/market-linked securities
- Commodities
- Futures and forward contracts

#### **4) Investing in Capital Markets, Operational Aspects and Investment Products**

Operational Aspect

Payment instruments - Transformation to Digital Payments

Corporate Actions

Dividends, Stock Split, Bonus and Rights issues

Buy-back, Delisting of Shares, Mergers & Acquisitions

Direct Investing

Risk Management Systems in the Secondary Market

Mutual Funds Regulatory Framework

Portfolio Management Schemes (PMS)

Alternative Investment Funds

#### **5) Investing in Fixed Income Securities**

Role of Debt markets in India in financing Government and the Corporate

Bond market ecosystem in India

Role of the Debt Market

Government Debt Market

Types of Instruments

Government Securities

Treasury Bills

Cash Management Bills

Sub-types of Government Securities

State Development Loans

Demand and Supply side Players and Intermediaries

Corporate bonds

Corporate Debt Market

Key Demand and Supply Side Players

Company Deposits

Bonds and Debentures

Infrastructure Bonds

Inflation-indexed Bonds

Zero-coupon Bonds and Deep Discount Bonds

Tax-free Bonds

Masala Bonds and FCCBs

Convertible Bonds

Pass Through Certificates and Security Receipts

Intermediation

Attribute Portfolio Performance and Evaluate Investment Alternatives

#### **6) Small Savings Schemes and Instruments with Sovereign Guarantee**

Public Provident Fund (PPF)

National Savings Certificates (NSC)

Kisan Vikas Patra (KVP)

Post Office Monthly Income Scheme (POMIS)

Senior Citizens Savings Scheme (SCSS)

Sukanya Samriddhi Yojana

Sovereign Gold Bonds (SGBs)

#### **7) Mutual Funds**

Mutual funds

Characteristics

Advantages of mutual funds

Disadvantages of mutual funds

The fund prospectus

Fund reporting

Types of mutual funds

Open ended and Closed-end funds

- Exchange Traded Funds (ETFs)
- Exchange Traded Notes (ETNs)
- Unit Investment Trusts (UITs)
- Individual securities versus pooled holdings
- Offshore Funding through MFs

### **8) Investment Performance Management**

- Types and measures of return
- Evaluating performance
- Weighted-average return
- Time-weighted return
- Dollar-weighted return
- Holding-period return
- Assessing/comparing performance
- Sharpe Ratio
- Treynor Ratio
- Jensen's Index / Alpha
- Benchmark construction and comparisons
- Application of performance measures
- Historical returns by asset class
- Fundamental analysis
- Top-down analysis
- Bottom-up analysis
- Technical analysis
- General assumptions of technical analysis
- Contrarian investing rules/strategies
- Price and volume based rules

### **9) Portfolio Management and Investment Theory**

- Modern Portfolio Theory (MPT)
- The efficient frontier and optimal portfolios
- Capital Asset Pricing Model (CAPM)
- Capital market line
- Security market line
- Arbitrage pricing theory
- Efficient Market Hypothesis (EMH)
- Random walk theory

### **10) Asset Allocation and Wealth Management**

- Asset allocation
- Rebalancing strategies
- Active management
- Wealth management process
- Executive stock options
- Concentrated stock positions
- Corporate finance / financial statement analysis
- Alternative investments for high net worth individuals
- Private banking versus wealth management

### **11 ) Alternative Investments**

- Categories of Issuers
- Central and State Governments
- Private Sector Companies
- Banks, NBFCs and Financial institutions
- Mutual Funds
- REITs and InvITs
- Alternative Investment Funds (AIFs)
- Equity Markets

Role played by different investors in the market (Retail, HNWI, DII, FPIs)  
Shareholding Pattern – What does it indicate?  
Investment in Equity - Shareholders' Rights  
Equity Derivatives Market – Indicators and Pricing Mechanism  
Futures and Options  
Costs, Benefits and Risk of Derivatives  
Index Futures vs Index Options vs Index Funds  
Debt Markets  
Depth of Debt Markets and Key Players  
Types of Debt and Fixed Income Instruments  
Trading in Various Debt Products  
Commodities Markets  
Structure, Exchanges and Regulation  
Commodities Futures and their Settlement Mechanism  
Foreign Exchange Markets  
Structure, Functions and Regulation  
Pricing of Forwards & Futures and Interest Rate Swaps  
Concept of Interest Rate Parity  
Real Estate, Gold and Collectibles  
Forms of Realty – Land, Residential and Commercial  
Venture Capital  
Private Equity  
Hedge Funds  
P2P Lending  
Real Estate vs REITs  
REITs vs InvITs  
Precious Metals - Gold  
Physical Gold vs. Gold Funds vs. Sovereign Gold Bonds vs Gold ETFs  
Gold Futures vs Gold ETFs - Time Horizon, Cost and Risks  
Cryptocurrency  
Art, Antiquities and Collectibles

## **MODULE B: ASSET MANAGEMENT**

### **12) Cash Management/ Liquid Investment Products in India**

Savings bank account, Recurring Deposit and Fixed Deposit with graded maturity profile  
Corporate Deposit, Post Office Term Deposit  
Ultra-Short duration fund, low duration fund, Liquid scheme, Money Market Mutual Fund

### **13) Sources of Personal Credit/Debt**

Structured Lending Institutions  
Public Sector and Private Sector Banks, Small Banks, Co-operative Banks, Regional Rural Banks, Payment Banks  
Financial Institutions, State Financial Corporations  
Non-banking Financial Companies (NBFC), Housing Finance Companies, Gold Finance Companies, Micro-Finance Institutions  
Unregulated lending  
Moneylenders  
Chit Funds  
Cooperative Credit Societies  
Loans and Advances from Employer

### **14) Credit/Debt Management**

Nature and Types of Debt, Productive and Unproductive Debt  
Types of Loans to finance varied goals  
Using the right credit to finance goals  
Analysis of Debt and Financing Alternatives

## **15) Financial Modelling**

Quantitative Modelling

Introduction to spreadsheets and models

Risk Modelling

## **16) ESG Factors and responsible investing**

What are ESG factors

Importance of ESG factors

ESG fundamental analysis

## **17) Portfolio Management Services**

What is PMS

Types of PMS

Objective of PMS

Process of PMS

Risk Management in PMS

## **MODULE C: REGULATORY ENVIRONMENT, COMPLIANCE AND LAW**

### **18) Regulatory Environment of Financial Sector**

Regulatory System and Environment

Reserve Bank of India (RBI)

Securities and Exchange Board of India (SEBI)

Insurance Regulatory and Development Authority of India (IRDAI)

Pension Fund Regulatory and Development Authority (PFRDA)

### **19) Acts Relevant to Corporate Entities, Securities and External Trade**

The Companies Act, 2013 (erstwhile 1956)

The Indian Trusts Act, 1882

The Securities Contracts Regulation Act, 1956

The Securities and Exchange Board of India Act, 1992

The Foreign Exchange Management Act, 1999

The Prevention of Money Laundering Act, 2002 (PMLA)

The Insolvency and Bankruptcy Code, 2016 (IBC)

Negotiable Instruments Act, 1883

The Forward Contracts Regulation Act, 1952

The Indian Contract Act, 1872

The Indian Partnership Act, 1932

The Limited Liability Partnership Act, 2008

### **20) Customer Service**

Customer Care, Customer Delight and Moments of Truth

Handling different types of Customers

Role of RTAs

Problem Solving approach

Effective Communication

### **21) Consumer Grievances Redressal**

Redress in Banking – The Banking Ombudsman Scheme 2006 (amended July 1, 2017)

Investor Grievance Redress Mechanism – SEBI Complaints Redress System (SCORES) platform

Insurance Ombudsman Scheme

Stipendiary Ombudsman – PFRDA

The Consumer Protection Act, 2019

Other Acts, Statutes and Regulations Relevant to Financial Consumers

Right to Information Act, 2005 (RTI)

IRDAI (Protection of Policyholders' Interests) Regulations, 2017

## **22) Ethics in Wealth Management**

Ethics in Finance  
Fiduciary relationship with client  
SEBI guidelines  
Principles of Ethics  
Current issues in financial planning

## **PAPER 3- RISK MANAGEMENT & INSURANCE, RETIREMENT AND ESTATE PLANNING Risk Management & Insurance, Retirement and Estate Planning**

### **MODULE A: RISK MANAGEMENT AND INSURANCE**

#### **1) Principles of Risk Management**

Fundamentals of Risk Management  
Meaning and treatment of risk  
Types of risk  
Pure and speculative risk  
Perils and hazards Basic Risk Management assumptions and techniques  
Personal risk tolerance and management  
Insurance as Tool for Risk Management

#### **2) Introduction to Insurance**

History and evolution of insurance  
Principle of Risk Pooling  
Principles of Insurance  
Term life insurance  
Characteristics of insurance and how they are different from other financial products  
Insurance Contracts-Indemnity contracts and wagering contract  
Legal aspects of an insurance contract  
Structure and Organization of Life Insurance Companies in India

#### **3) Regulator for Insurance Business and allied bodies**

Insurance Regulatory and Development Authority  
Insurance Council (Life)  
Insurance Council (non-Life)

#### **4) Overview of the Insurance Sector in India**

Economic, Commercial and Social Aspects of Insurance  
Insurance penetration in India-Life and Non-Life  
Scope of Insurance Business  
Various segments of insurance-Life-Non Life-Health-Reassurance  
The laws governing insurance business in India  
The Insurance Act, 1938 (amended upto 2015)  
The India Contract Act, 1872  
The Consumer Protection Act, 2019

#### **5) Regulator for insurance business allied bodies**

Insurance Regulatory and Development Authority of India (IRDAI Act, 1999)  
Insurance Council (Life)  
Insurance Council (Non-Life)

#### **6) Life Insurance**

Conventional Products: Term Insurance, Whole Life Policies, Endowment Insurance Policies, Joint Life Policies, Children Assurance Policies  
Non-conventional Policies: Unit Linked Insurance Policies, Variable universal Policies  
Riders – Critical health Insurance riders, Disability and accident benefit riders, etc.,  
Annuity and Pension Products  
Key man Insurance

## Group Insurance Schemes

Group funded schemes like Group Gratuity scheme, Group Leave encashment scheme, and group Superannuation scheme.

Calculation of Human Life Value

Insurable Interest

Risk assessment – Moral Hazard – Financial Under writing

Factors in fixations of Premium Net Premium and Gross Premium – Concept of Level Premiums

Participating and Non-participating policies – Distribution of Valuation Surplus

Life Insurance Policy Documentation – Proposal form, Agents Confidential Report, First Premium Receipt; Policy Document- its contents and their significance

Policy Service: Grace Period, Nomination and Assignment, lapse of a Life Insurance Policy

– Revival – Loan on a Policy – Surrender of a Policy – Guaranteed Surrender Value –

Claims – Maturity Claims and Death claims- Early Death Claims- Section 45 of Insurance Act 1938 - Regulatory Bench marks for settlement of Claims

Provisions relating to Income Tax benefits in respect of premium paid and claims received

## 7) General Insurance

Structure of Indian General Insurance Market – Companies operating in India

Agricultural Insurance Corporation of India

Deposit Insurance and Credit Guarantee Corporation

Export Credit Guarantee Corporation of India (ECGC), Role of ECGC in International Trade

General Insurance Corporation of India – Re-insurance.

Personal and Retail Insurance: Named Peril Policies – All Risk Policies – Package Policies, Shop keepers Policies, Householder's Insurance Policies, Personal Accident Policies, Motor Insurance – OD, TP Coverage, etc.,

Commercial Insurance: Property /Fire Insurance, Standard Fire/Special Perils Policy with add on Covers (SFSD), Business Interruption Insurance (Loss of Profits Insurance), Burglary Insurance, Fidelity Guarantee Insurance, Bankers Indemnity Insurance, Marine Cargo Insurance, Liability Policies for payment of compensation under Public Liability Insurance Act, 1991 and Employees Compensation Act, 1923, Directors and Officers Liability Policy

Documentation –Non-Life Policies: Proposal Form, Certification of Insurance, Policy Document – Policy wordings – Warranties Interpretation of Policies.

General Insurance Claims: Claim settlement process – promptness and professionalism – Investigation and assessment.

Role of surveyors and loss assessors

## 8) Health Insurance

Types of Medical Policies – Indemnity Covers and Fixed Benefit Covers.

Individual Cover and Group Cover

IRDAI guidelines on Standardization in Health Insurance

The concept of waiting period in Health Insurance

Critical Illness covers

Micro Insurance and Health Insurance for Poorer sections

PM Jan Arogya Yojana

Overseas Travel Insurance

Cash less Service

Role of Third-Party Administrators

Renewals of HI Policies – Grace Period

Process of Claim settlement - Bench Marks for Claim settlement

## 9) Grievance Redressal Mechanism

Guidelines regarding Internal Mechanism

Ombudsman Scheme

Consumer Forums

## **10) Insurance Intermediaries**

Individual Agency System

Corporate Agents and Bancassurance Channel

Brokers

Appointment Rules and regulations and their functions and responsibilities of the above

## **11) Others**

Insurance Surveyors

TPAs

Medical Examiners

Repositories

## **MODULE B: RETIREMENT PLANNING**

### **12) Principles of Retirement**

Value of early and consistent planning for retirement

Investing for retirement

Accumulation strategies

### **13) Retirement Objectives**

Retirement goals and objectives

Goals and needs

Capital required for retirement

High net worth clients

Establishing retirement cash flow targets

Conflicting goals and trade-offs

Objectives in retirement

Wealth transfer and philanthropy

### **14) Retirement Needs Analysis and Projections**

Longevity risk, inflation and the impact on retirement cash flow needs

Goal classification and funding

Fixed and terminable

Fixed and permanent

Variable and terminable

Variable and permanent

Goal development

Establishing goals and timelines

Determining goal priorities

Selecting and administering long-term investment portfolios

Risk, return and implications for retirement planning

### **15) Potential Sources of Retirement Cash Flow**

Pension funds

Government-sponsored

Defined benefit plans

Employer-sponsored

Defined contribution plans

Types of non-pension employee retirement benefits

Individual retirement plans

Annuities

Types of annuities

Settlement and payout options

### **16) Retirement Cash Flow, Withdrawal Projections and Strategies**

Sources of cash flow in retirement

Portfolio distribution strategies

Retirement distribution rates

Sequence risk

Portfolio distribution options

Impact of taxes on retirement cash flow

## **17) Pension Reforms in India**

Pension Scenario – State Governments, Autonomous Bodies and Un-organized Sector

## **18) Retirement Products in India**

Provident Funds

National Pension Systems (NPS) - PFRDA (Pension Fund) Regulations, 2015

Public Provident Fund (PPF) under the Public Provident Fund Act, 1968

Annuities

Government sponsored regular income schemes

Reverse Mortgage

## **19) Employee Benefits on Superannuation Payment of Gratuity Act, 1972**

Leave Encashment – Tax-exempt amounts

Ex-Gratia Lump-sum Compensation

Pension Scheme for Government Employees – Rules for Commuting pension

Family Pension

Employees' Deposit Linked Insurance Scheme (EDLIS)

Pensions in Public Sector Bank and other Public Sector Enterprises

## **MODULE C: ESTATE PLANNING**

### **20) Estate Planning and Wealth Distribution Goals, Estate Planning Process**

Estate Planning Terminologies

Estate planning and wealth distribution goals

Discovering client goals

Common estate planning goals

Providing for loved ones

Children and grandchildren

Providing for organizations and others

Small business owners

Steps in the estate planning process

Determine expenses and estate value at death

Transfer during life and at death

Planning for incapacity

### **21) The Indian Succession Act, Governing Principles and Applicability**

The Indian Succession Act, 1925

Law of situs of land – Immovable property

Law of domicile of testator – Movable property

Domicile of Origin

Intestate Succession

Hindu Succession Act, 1956

Mohammedan Law (Muslim Personal Law)

Provision of Indian Succession Act applies to Parsis and Indian Christians

Succession certificate and/or Letter of Administration

Mutation and process of distribution of Estate

### **22) Types of Wills in India and Requirements of Valid Will**

Privileged Will (Oral Will in the presence of two witnesses)

Contingent Will

Concurrent Will (cross border bequests)

Mutual Will

Joint Will

Holograph (handwritten) Will

Duplicate Will (Revocation of testator destroys copy in his/her custody)

Requirements of a valid Will

Duly and validly executed Will (registration not mandatory)

Mandatory attestation by at least two witnesses

Appointment of executor of the Will

Will needs to be revisited periodically for material change in circumstances

### **23) Administration of Estate in a Testamentary Succession**

The Executor – Legal Representative in fiduciary capacity

Power, Role and Responsibility as conferred by Indian Succession Act

Procedure for Probate

Get the Will verified by a competent court (Grant of Probate)

Aggregate inventory of estate and assess value

Establish solvency of the estate; pay expenses, pay off debt on priority

Honor specific legacies and proportionate general legacies

### **24) Other Tools and Methods, Will substitutes – Tenancies, Survivorship Accounts and Nominations**

Tenant-in-Common and Joint Tenant

Contracts – Holdings on Any/Either or Survivor basis in bank accounts, Mutual Funds and Securities Accounts

Nomination in Life insurance Policies

Nomination in Housing Society documents

Married Women's Property Act and Estate Planning

Other Tools for Estate Planning – Power of Attorney

### **25) Gifts, Trusts & Family Arrangements in Estate Planning**

Gifts

Inheritance Tax

Tax on Gifts

Moveable Property – Fair Market Value

Immovable Property – Stamp Duty

The Indian Trusts Act, 1882

## **IMPORTANT RULES/ INFORMATION FOR CANDIDATES**

### **1. ADMIT LETTER OF EXAMINATIONS:**

- a. While registering for the examination/ course candidates will only be allowed to select their exam centre. The venue and time slots will be allotted by the Institute.
- b. **Candidates are required to take utmost care and precaution in selecting Centre, as there is no provision to change the Centre in the system after successful application. Hence no request for change of centre, will be entertained for any reason.**
- c. No Admit letter will be issued at the time of registration. Admit Letters with details of Venue and time slots will be available for download 10-15 days prior to the date of examination.
- d. Admit letter will be hosted on Institute's website [www.iibf.org.in](http://www.iibf.org.in) under the menu 'Examination/Courses>Admit Letter'
- e. For downloading and printing of admit letter from the above mentioned website, candidates will have to enter the following:
  - i. Membership or registration number as login id
  - ii. Edit profile password.
  - iii. If candidates do not remember their Edit profile password, they have to click on the 'Forgot password/ Get Password' button after entering the Membership or Registration number. On clicking, fresh edit profile password will be sent to their registered email id.
- f. Candidates are required to produce printed copy of admit letter along with Membership identity card or any other valid photo ID card in original (Aadhaar card/ e-Aadhaar/ Employer's card/ PAN Card/ Driving License/ Election voter's card/ Passport etc.) at the examination venue.
- g. In the absence of printed copy of Admit Letter and Original Photo Identity Card, candidates will be denied permission to write Examination.
- h. Admit letter is valid only for the examination, date/s and centre/venue mentioned in the admit letter.

## 2. MOBILE PHONES

Mobile phones and other electronic/ smart gadgets (except calculator as permissible) are not allowed in the examination hall. It is clarified that mere possession of mobile phone and other electronic/ smart gadgets in the examination hall whether in switch off mode or silent mode shall also be deemed to be resorting to adoption of unfair means in the examination.

## 3. USE OF CALCULATOR

- a. Candidates will be allowed to use battery operated portable calculator in the examination. The calculator can be of any type up to 8 functions i.e. (Addition, Subtraction, Multiplication, Division, Percentage, Sq.-root, Tax+ and Tax -), 12 digits.
- b. Attempt to use any other type of calculator not complying with the specifications indicated above or having more features than mentioned above shall tantamount to use of unfair means. Scientific calculator is not allowed.

## 4. OTHER RULES/ INFORMATION

- a. Candidates should ensure that they sign the Attendance Sheet.
- b. Candidates are advised to reach the Examination Venue before the reporting time mentioned in the admit letter. No candidate/s will be permitted to enter the Examination Venue after the gate closing time mentioned in the admit letter.
- c. **No candidate will be permitted to leave the examination venue in the first 60 minutes from the scheduled start time of the examination.**
- d. **Candidates should occupy the seat allotted to them at the examination hall on the exam day.**
- e. Candidates would be able to login to the system only with the password mentioned in their Admit Letter. This password should not be disclosed to others. Keep it safe to avoid the possible misuse.
- f. If the examination could not commence on scheduled time or there is delay due to Failure of power, Technical snag of whatsoever nature or for any such reason having bearing upon the conduct of examination; candidates have to:
  - i. Wait till resumption of power supply/ solving of technical snag.
  - ii. Take-up the examination at other venue arranged by the examination conducting authority.
  - iii. Follow instructions given by the examination conducting authority.
- g. Candidates are required to strictly follow all the instructions given by the examination conducting authority during the examination and adhere to Rules of the examination.
- h. Violation of any of the Rules/ Instructions, misuse of the Admit Letter will be considered to be an act of serious misconduct and the Institute will take action as per the Rules of the examination, which will also be reported to the employer of the candidate.
- i. Always visit the website one day prior to the examination for any important updates on the exam/center/venue etc.
- j. In the event of any dispute between the Institute and the member, only Competent Courts in Chennai, Kolkata, New Delhi and Mumbai alone have the jurisdiction to entertain the dispute.
- k. Candidates are advised to read the IMPORTANT RULES/INFORMATION FOR CANDIDATES OF JAIIB/DB&F/CAIIB/DIPL & CERTIFICATE EXAMINATIONS on the website i.e. [www.iibf.org.in](http://www.iibf.org.in)

## 5. RULES, PENALTIES FOR MISCONDUCT/ UNFAIR PRACTICES:

- a. Communication of any sort between candidates or with outsiders is not permitted and complete silence should be maintained during the examination.
- b. Copying answers from other candidates/ other printed/ Electronic material or permitting others to copy or consultation of any kind will attract the rules relating to unfair practices in the examination.
- c. No candidate shall impersonate others or allow others to impersonate himself/ herself at the examination.

d. No candidate shall misbehave/ argue with the Examination Conducting Authorities at the centre.

e. Candidates have to compulsorily return any papers given including that given for rough work to invigilator before leaving the examination hall.

f. Candidates should not possess and/ or use books, notes, periodicals, etc. in the examination hall at the time of examination/ or use mathematical tables, slide rules, stencils etc. during the examination.

If any candidate violates any of the above rules, it will be considered to be an act of misconduct and he/she will be liable for punishment.

**PLEASE REFER INSTITUTE'S WEBSITE UNDER THE MENU "EXAMINATION/COURSES" FOR DETAILS OF DEBARMENT PERIOD FOR UNFAIR PRACTICES ADOPTED BY CANDIDATES DURING CONDUCT OF INSTITUTE'S EXAMINATIONS.**

Candidates may kindly note that their entire activity during the examination will be reviewed post examination. The Institute would review the audit trail reports of the candidate using a scientific method to detect adoption of unfair means. Also, the CCTV footage of centres would be reviewed. Candidates found to be adopting unfair means, using the scientific method of analysis of audit trail reports or review of CCTV footage or through any other scientific method, will be booked and appropriate action shall be initiated as per the Institute's policy. Candidates are also requested to read the Rules and Policy regarding malpractice/unfair means / misconduct / misbehaviour in Examinations from the below link:

[Rules and Policy regarding malpractice/unfair means/misconduct/misbehaviour in examination Classroom based.](#)

## **6. RESULT ADVICE/ CONSOLIDATED MARKSHEET/ FINAL CERTIFICATE**

a. Result Advice of candidates will be hosted on Institute's website on declaration of result, which can be downloaded by the candidates.

b. Consolidated mark sheet for candidates completing examination having more than one subject, will be available on the Institute's website after the declaration of results. Candidates can download the same after entering login credentials using their membership number and edit profile password.

c. Final certificate: Digitally Signed Certificate will be issued to the candidates who have enrolled and passed the examination. The Certificate will be emailed to the email-id of the candidate registered with the Institute, within 3 weeks from the date of declaration of result.

## **MULTIPLE CHOICE QUESTIONS (MCQs) AND ANSWERS**

"The Institute conducts its examinations through Multiple Choice Questions (MCQs). These MCQs are part of the Question Bank of the Institute and its Intellectual Property. As a matter of policy, these MCQs and their answers will not be shared by the Institute with the candidates or others and no correspondence in this regard will be entertained."

## **CONTACT DETAILS:**

Register your queries through website [www.iibf.org.in](http://www.iibf.org.in) > Members/ Candidates Support Services (Help) or email all your queries to [care@iibf.org.in](mailto:care@iibf.org.in)

## **MEMBER SUPPORT SERVICE OFFICE:**

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## FOR TRAINING/ CONTACT CLASSES RELATED QUERIES CONTACT:

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