

CONTENTS

		PAGE
Foreu	vord	<i>I-3</i>
Ackn	owledgement	I-5
Abou	t NISM Certifications	I-7
Abou	t the Certification Examination for Retirement Adviser	I-9
	CHAPTER 1	
	FUNDAMENTAL CONCEPTS IN RETIREMENT PLANNING	Γ
1.1	Need for Retirement Planning	1
1.2	Basic financial concepts associated with retirement planning	7
1.3	Features of the retirement goal	15
1.4	Advantages and importance of starting retirement savings early	17
1.5	Risk of Underestimating Retirement Goals	19
1.6	Emotional Aspects of Retirement	20
	CHAPTER 2	
	FINANCIAL MARKETS AND INVESTMENT PRODUCTS	
2.1	Need for Making Investments to Reach Retirement Goals	23

NiSM NATIONAL INSTITUTE OF SECURITIES MARKETS An Educational Initiative of SEB

CONTENTS

		PAGE
2.2	Difference between Savings and Investments	24
2.3	Asset Class and Sub-Asset Classes	27
2.4	Features of Different Asset Classes	28
2.5	Asset Class Returns	31
2.6	Common Risks in Investments	35
2.7	Matching Investor Needs to Asset Class Features	37
2.8	Impact of Macro-Economic Factors on Asset Classes	38
2.9	Asset Allocation	40
2.10	Financial System and Investment Products	42
	CHAPTER 3	
	RETIREMENT PLANNING	
3.1	Evaluate Client's Current Situation	63
3.2	Learn the Process of Setting the Retirement Goal	67
3.3	Investing for Accumulation	83
3.4	Planning for the Distribution Stage in Retirement	86
3.5	Risks in Distribution Stage	92
3.6	Monitor and Update the Retirement Plan	95
3. 7	Behavioural Bias in Decision Making	97
	CHAPTER 4	
	RETIREMENT PLANNING PRODUCTS: NATIONAL PENSION SYSTEM	
4.1	National Pension System	99
4.2	Working of NPS	120

	CONTENTS	NiSM NATIONAL INSTITUTE OF SECURITIES MARKETS An Educational Initiative of SEB
		PAGE
4.3	Subscribing to the NPS	132
4.4	Investing in the NPS	136
4.5	Tax aspects of subscribing to the NPS	154
	CHAPTER 5	
	EVALUATING FUND PERFORMANCE A SELECTION	ND FUND
5.1	Return on Investment	159
5.2	Different types of return calculations	161
5.3	Measures of risk in an investment	164
5.4	Benchmarks	166
5.5	Performance Evaluation	166
5.6	Matching Investor's Retirement Needs to Product	168
	CHAPTER 6	
	OTHER INVESTMENT PRODUCT	rs
6.1	Mandatory Retirement Benefit Schemes	177
6.2	Voluntary Retirement Products	180
	CHAPTER 7	
	RETIREMENT PLANNING STRATE	GIES
7.1	Bridging Shortfall in Retirement Corpus	207
7.2	Periodic Investments	210
7.3	Retirement Income from Multiple Sources	213
7.4	Bucket Strategy	218

N	1	SI.	/ [NATIONAL INSTITUTE OF SECURITIES MARKETS An Educational Initiative of SEB
- 1.3	ш	ピノロ		An Educational Initiative of SER

CONTENTS

		PAGE			
7.5	Tax Advantages in Different Stages of Retirement	220			
7.6	Automating Investments	225			
	CHAPTER 8				
SPECIAL SITUATIONS IN RETIREMENT					
8.1	Debt Obligations in Retirement	229			
8.2	Documents for Effective Retirement Planning	239			
	CHAPTER 9				
REGULATIONS AND REGULATORS					
9.1	Indian Regulatory System	245			
9.2	Role of Pension Fund Regulatory and Development Authority (PFRDA)	246			
9.3	Role of Regulators	248			
9.4	Regulations for Retirement Advisers	254			
9.5	Ethics beyond Regulations	304			
9.6	Subscriber Grievance Redressal Mechanism	305			
Anne	xure 1: Composite Subscriber Registration Form (CSRF1)	311			
Anne	xure 2: Tier II Account Opening Form	314			
Anne	xure 3: NPS Form for NRIs	316			