FPSB INDIA

Earn
4 CPD
Points!
QUIZ INSIDE

JOURNAL

OF FINANCIAL PLANNING IN INDIA

MARCH 2025

CFP Certification *Global symbol of excellence in financial planning*

WHAT'S INSIDE

CPD Quiz: Pass the CPD Quiz and Earn 4 CPD points

EDITOR'S NOTE

A very warm welcome to the first edition of the Financial Planning Journal for the year 2025.

According to 'The Wealth Report 2025', released by global property consultant Knight Frank, the High Net-Worth Individuals (HNWI) population in India as of 2024 was estimated at 85,698 against 80,686 in the preceding year 2023, which is a marked rise of 6% in a single year. In the same report, the consultant also estimates this number to cross 93,000 by the year 2028, reflecting India's expanding wealth landscape.

The rise in affluence opens the door for long-term relationships with clients, making it a lucrative and rewarding sector to work in. Several opportunities exist for the community of financial planners to offer specialized and high-value services in areas of Customized Investment Strategies including Global Investment Opportunities, Wealth Transfer to future generations, including setting up of trusts and foundations, Philanthropic Planning, Private Equity and Venture Capital, Art and Collectibles, Family Office Services, Cross-border Retirement Options, Impact Investing and ESG Investing, Navigating Regulations and Tax Optimization.

This year, and indeed many more to follow, will be rewarding not only for the financial planners but for the entire profession itself. There is, and will be, a greater demand from this segment for sophisticated financial advice and strategies to manage, preserve, and grow wealth.

Upskilling and learning will be the key essentials to serve and to meet the expectations of our clients.

The articles included in this edition aim to provide content that is not only informative but also accessible and actionable, and we hope you will find value in the pages of this Journal. We also hope it will help you in your conversations with the clients as you educate and guide them in meeting their financial goals.

We invite you to engage with our articles, share your feedback, and continue the conversation surrounding personal finance.

Your thoughts and suggestions are welcome at **akumar@fpsb.in**

Best Regards!

CEO NOTE

Dear CFP® Professionals,

As we enter the first quarter of the financial year 2025-26, I take immense pride in reflecting on the remarkable growth of the financial planning profession in India. This journey of excellence and impact is driven by your dedication, expertise, and commitment to delivering the highest standards of financial planning.

As we step into 2025, it is inspiring to see the remarkable growth of the CFP® professional community worldwide. As of December 2024, Financial Planning Standards Board Ltd. (FPSB) proudly reports a 3.1% increase in CFP® professionals globally, with 230,648 professionals now practicing across 28 territories.

India has emerged as one of the fastest-growing markets, achieving an outstanding 17.7% year-on-year growth, among the highest in the world. The number of CFP® professionals in India has grown from 2,731 in 2023 to 3,215 in 2024, crossing the significant 3,000 milestone. This success is a testament to the unwavering dedication, passion, and commitment of each CFP® professional in the country.

At FPSB India, we recognize the hard work and perseverance of our community. This growth reflects the increasing recognition of financial planning as a trusted and indispensable profession. As India's economy continues to evolve, the role of CFP® professionals has never been more critical—offering clients holistic, ethical, and well-structured financial advice.

It is also heartening to see a steady rise in women CFP® professionals, who now represent 23% of the total CFP® community in India. We remain committed to fostering inclusivity and aim to increase this to 35% by 2030.

This remarkable progress would not have been possible without the collective efforts of our professionals, partners, and stakeholders. Your dedication strengthens FPSB India's mission and inspires countless individuals to embark on this rewarding career path. Together, we are shaping a future where financial planning is more accessible, impactful, and valued than ever before.

Our collective efforts are shaping the future of financial planning in India, and I express my heartfelt gratitude to each and every one of you. Your unwavering dedication to ethical and client-centric financial planning is what makes this profession a force for positive change. Let's continue to build on this momentum, support each other, and strive for excellence in everything we do.

Thank you for your relentless pursuit of excellence. Let's continue to set new benchmarks and empower individuals and families to achieve financial well-being.

Wishing you all continued success and a prosperous year ahead!

Best Regards,
Krishan Mishra
CEO, FPSB India

ABOUT THE JOURNAL

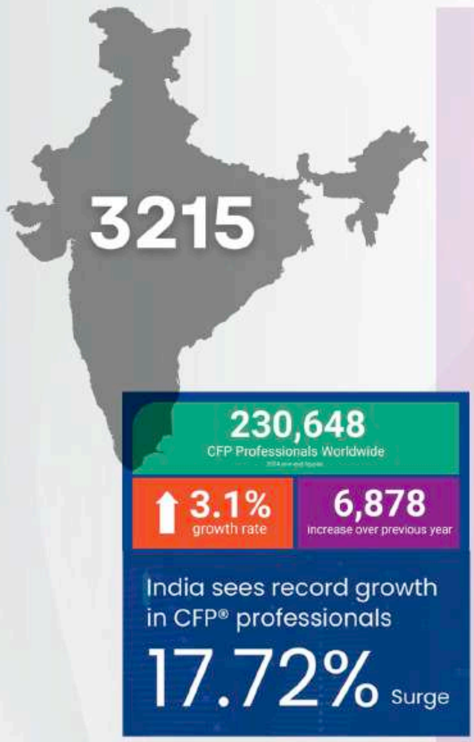
The purpose of the Journal of Financial Planning in India is to expand the knowledge base of CERTIFIED FINANCIAL PLANNER professionals and those interested in the profession. Future contributions will span a variety of areas including industry interviews, viewpoint columns, insightful articles and peer-reviewed technical papers. We wish to provide content that is interesting, original and, most importantly, beneficial to CFP professionals and their work on behalf of their clients.

Journal of Financial Planning in India is published by FPSB India. The opinions, beliefs and viewpoints expressed by the various authors in this Journal do not necessarily reflect the opinions, beliefs and viewpoints of FPSB India, its employees or its affiliated organizations. The information provided in the Journal is for informational purposes. It should not be considered legal or financial advice. You assume the sole responsibility of evaluating the merits and risks associated with the use of any information or other Journal content and should consult with an independent professional to determine what may be best for your situation.

FPSB INDIA

2024 CFP® PROFESSIONALS GROWTH NUMBERS

ACCESS PRESS RELEASE HERE



India's Growth Story: Surpassing 3,000 CFP® Professionals!

As on December 2024, Financial Planning Standards Board Ltd. (FPSB) is pleased to announce the number of CFP professionals worldwide has grown by 3.1%, with 230,648 CFP professionals now practicing across 28 territories.

India has emerged as one of the fastest-growing markets, recording an impressive 17.7% year-on-year growth—one of the highest globally. The number of CFP professionals in India has increased from 2,731 in 2023 to 3,215 in 2024, surpassing the 3,000 milestone.

As the licensing body for CFP® certification in India, FPSB India proudly acknowledges the unwavering dedication of CFP professionals in driving this growth and reinforcing the nation's commitment to professional financial planning.

Brand Guidelines

These brand guidelines are applicable to Education Providers, Universities, Business Schools, Colleges, and the Corporates, collectively referred to herein as "Partner(s)."

CFP® Certification *Global excellence in financial planning*

About FPSB India

FPSB India is the leading financial planning body in India and is dedicated to establishing, upholding and promoting professional standards in financial planning throughout India. FPSB India offers the globally recognized CFP certification, which represents excellence in financial planning through rigorous competency and ethical standards. It is home to over **3215** CFP professionals in India and part of a global network of organizations representing more than **230,648** CFP professionals worldwide. FPSB India is the Indian subsidiary of Financial Planning Standards Board Ltd., the global standards-setting body for the financial planning profession and owner of the international CERTIFIED FINANCIAL PLANNER® certification program.

Purpose

The main objective of these brand guidelines is to ensure the consistent positioning and promotion of the CFP marks throughout India. These guidelines are essential for maintaining a unified and cohesive visual and tonal representation of the CFP certification. Our partners play a crucial role in spreading awareness about CFP certification among potential students. Therefore, it is vital to use accurate messaging and provide students with trustworthy information. This approach not only helps build trust within the student community but also safeguards the integrity of our brand.

Promoting yourself as an Authorized Education Partner / Accredited University / Business School / Approved Corporate Partner

Status Prerequisite: Partners must not self-promote as Authorized or Approved partner until they have obtained the required status.

B2B Collaborations Responsibility: Partners engaging in B2B collaborations must ensure that all affiliated entities adhere to FPSB's promotional guidelines and best practices in student counselling.

Modification of Program: Partners intending to alter program structure, teaching methods, or study modes must notify FPSB India in advance to maintain transparency and program quality.

Websites, Social Media, & Press Releases: Partners cannot host websites or profiles resembling FPSB India's. However, they can include hyperlinks from FPSB India's site to their own.

Promoting as Authorized Education Provider: Advertise yourself as an Authorized Education Provider (AEP) of FPSB India. Refrain from using terms like AEP of "US FPSB" / "Global FPSB" / "Global CFP Certification".

Promotion of Integrated Program

Few examples of how to promote an Integrated Program

- Course name with CERTIFIED FINANCIAL PLANNER®
- Pursue CFP® certification along with your post-graduation/MBA.
- Unlock the potential for a dual achievement – embark on your journey towards CFP® certification while pursuing your post-graduation/MBA.
- Fast-track your progression towards a thriving career in financial planning by pursuing a dual degree – Course name with CERTIFIED FINANCIAL PLANNER®
- Plan your studies to complete CFP® certification along with your xyz course, FPSB India conducts exam every month, to know more visit FPSB India.
- Course name (CFP ® Logo) - powered by FPSB India (to be mentioned below the course name)

Student Counselling & Messaging

- **Respectful Promotion:** Avoid comparing CFP certification with other qualifications in a way that discredits any institute or qualification.
- **Transparency:** Ensure students are well-informed about program details, fees, exams, ethics module, work experience requirements, and the suitable pathway.
- **Avoid Unsubstantiated Claims:** Avoid making unsubstantiated claims such as declaring to be the "Best tuition provider" or offering pass guarantees. Claims must be substantiated by evidence, and it is advised to refrain from offering pass guarantees.
- **Clarification on Promises:** When making promises regarding placements, exercise caution and clarify that employment guarantees are offered by the partner institution, not by FPSB India.
- **Promotion of Course Completion:** Avoid promoting the certification with claims like "can be completed within 6-8 months." Or "easy to pass" Instead, highlight the flexibility of the certification program, emphasizing higher exam frequencies and remote/center-based options, while also addressing the program's rigorous curriculum.
- **Fast Track Pathway Promotion:** In promoting Fast Track pathways, emphasize recognizing prior learning and experience, rather than the number of exams exempted. Fast Track pathways aim to credit a student's prior learning and experience, making this the primary focus of promotion.

Logo Usage

01

FPSB Ownership:

The CFP marks must be used in a way that makes it clear that FPSB owns them.

02

Logo Alteration:

The FPSB India/ CFP marks logo should not be altered by modifying in text form, animating, making three dimensional, or using them on patterned background as a watermark or as part of background itself.

03

Territory Specific Trademark:

Use a territory specific trademarks symbol. For India we use registered trademark. i.e., ®

04

Color Alterations and Logo Size:

The logos cannot be used in different colors other than which is provided below. To ensure optimum legibility of the logo, a minimum size of 6mm width is recommended.

Logo for CFP Marks:

CFP®

CFP®

CFP®

FPSB India Logo:

Logo on white Background

FPSB INDIA

FPSB INDIA

Logo on Dark Background

FPSB INDIA

FPSB INDIA

CFP Marks Usage guidelines

E.g., Jane Smith is a CFP® professional. She achieved the CERTIFIED FINANCIAL PLANNER® designation in 2010. The CFP mark represents the global symbol of excellence in financial planning.

- Always use CFP and CERTIFIED FINANCIAL PLANNER as adjectives.
- Always use an approved nouns with CFP and "CERTIFIED FINANCIAL PLANNER:
- Mark(s), professional, practitioner, exam/examination, certification, designation, credential, certificant, education.
- CERTIFIED FINANCIAL PLANNER must always be used in all caps or small caps in copy. This distinguishes the words to confirm its status as trademark.
- CFP should not be used as an acronym for CERTIFIED FINANCIAL PLANNER including in parentheses.
- CFP mark in India is now listed as a Registered Trademark.
- Do not use or pronounce CFP in a plural form, such as "CFPs." Instead, refer to individuals as CFP Professionals or use other approved nouns from the list mentioned above.
- First use of CFP and CERTIFIED FINANCIAL PLANNER must appear with ® (superscript) in its first use in written/printed materials.

Compliance with FPSB India Guidelines:

Consent for Student Data: Always obtain written consent from students before uploading their details or declaring results on your social media channels.

Result Accuracy: Present results exactly as provided by FPSB India; avoid any alterations, combinations, or recalculations.

Avoid Misleading Claims: Refrain from making claims such as having the highest number of rankers or members in your region or country.

Pass Percentage Comparisons: Do not compare your pass percentages with National Pass Rates or reference them.

Continuous Education: Stay informed and updated about the latest information and changes related to CFP certification to provide accurate guidance to students.

Creative Approval: Prior to publishing, obtain approval for your promotional materials and creatives from the regional team of FPSB India.

Listing FPSB India Official Names: Do not use the names of FPSB India officials for marketing events or engagement activities without their written consent.

Violation of Brand Guidelines Consequences:

In cases where partner and their affiliates breach the advertising regulations outlined herein, FPSB India will follow a specific course of action:

Written Warning

FPSB India will issue a written warning to the partner, specifying the breach and setting a reasonable timeline for them to respond and rectify the issue in 3 days.

Resolution Deadline

If the partner fails to resolve the breach within the stipulated timeframe or commits repeated breaches, FPSB India reserves the right to take further action.

Suspension or Removal of Accreditation

FPSB India may, at its discretion, suspend or revoke accreditation or authorized approval if a breach persists or if there are repeated violations of the advertising regulations. The decision to suspend or remove accreditation will be made solely by FPSB India and will be considered final.

THANK YOU

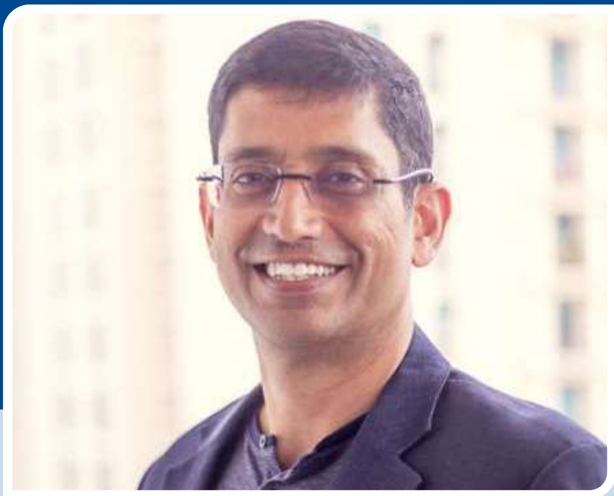
For any query feel free to contact us at

fpsb.institute@fpsb.in

FPSB INDIA | CFP®

FPSB India is the Indian subsidiary of Financial Planning Standards Board Ltd., the global standards-setting body for the financial planning profession and owner of the international CERTIFIED FINANCIAL PLANNER certification program.

EVALUATING ESG INVESTING IN INDIA: PERFORMANCE, VALUATION, AND FACTOR EXPOSURES



***Rajan Raju**, Director, Invespar Pte Ltd.*

Executive Summary

Environmental, Social, and Governance (ESG) investing has gained considerable traction in India, driven by regulatory advancements and growing investor interest in sustainable finance. However, does ESG investing lead to improved financial outcomes for investors in India? This article summarises key findings from Angels or Sinners? Exploring the Halo Effect in ESG Investing in Indian Equities by Rajan Raju (2024).

The study examines ESG investing through three key lenses: portfolio performance, valuation premiums, and factor exposures. The findings indicate that high-ESG firms exhibit higher profitability but do not consistently generate superior returns or command a valuation premium. ESG portfolios tend to have a profitability bias but lack strong tilts towards other risk factors such as size, value, or momentum. Additionally, market-weighted ESG portfolios show a slight large-cap bias, reflecting greater adoption of ESG principles among well-established firms.

For CFP professionals, ESG should be positioned within a broader investment strategy, balancing client sustainability preferences with financial risk-return trade-offs. While ESG considerations can improve risk management, they should not be relied upon as a primary driver of excess returns. Instead, financial planners should focus on diversification, long-term asset allocation, and regulatory developments to integrate ESG effectively.

1 Introduction: ESG Investing in India – A Double-Edged Sword?

The rise of ESG investing has led many Indian investors and financial planners to reconsider how sustainability factors impact portfolio performance. SEBI's Business Responsibility and Sustainability Reporting (BRSR) Core framework, which will be mandatory for the top 1,000 listed companies from FY2024–25, aims to improve ESG transparency. However, the fundamental question remains: does doing good lead to better financial outcomes in the Indian context?

This article draws upon the research paper Angels or Sinners? Exploring the Halo Effect in ESG Investing in Indian Equities by Raju (2024), which evaluates the impact of ESG on financial performance in India. The study analyses data from 492 Indian firms between 2013 and 2023, using portfolio analysis, Fama-MacBeth regressions, and the Fama-French five-factor model to examine whether ESG-aligned portfolios outperform, if high-ESG firms receive valuation premiums, and whether ESG portfolios exhibit distinct factor exposures. For CFP professionals, these findings emphasise the need to carefully integrate ESG strategies into client portfolios without presuming inherent financial advantages.

2 Data Sources and Methodology

The study leverages multiple data sources to ensure robustness:

Component	Details
Timeframe	2013–2023
ESG Scores	LSEG (Refinitiv)
Market Data	LSEG Datastream
Factor Data	Indian Fama-French Five-Factor Model, Invespar Data Library
Portfolio Construction	Terciles: Angels (high ESG) vs. Sinners (low ESG)
Statistical Models	Fama-MacBeth regressions, Sharpe & Sortino Ratios

The methodology applied a rigorous framework. Firms were categorised into three equal-sized groups (terciles) based on their ESG scores. The top third (high-ESG firms) were classified as 'Angels', while the bottom third (low-ESG firms) were labelled 'Sinners'. This approach ensures balanced portfolio construction. Both market-weighted and equal-weighted portfolios were used for comprehensive analysis. Fama-MacBeth regressions evaluated valuation relationships, and the Fama-French 5-factor plus momentum model assessed systematic ESG exposures. Risk-adjusted performance was tested using Sharpe and Sortino ratios to examine ESG's role in investment performance robustly.

3 The Reality Check: ESG and Portfolio Performance

One of the study's core findings is that ESG portfolios do not consistently deliver superior returns. Over the ten years analysed, equal-weighted and market-weighted high-ESG portfolios exhibited higher Sharpe ratios than their lower-ESG counterparts. However, these differences are not statistically significant across all configurations. Market cycles or sample constraints may influence the observed effect rather than an inherent ESG advantage.

Portfolio Performance Summary

Portfolio Type	Sharpe Ratio	Sortino Ratio
High-ESG (Equal-Weighted)	0.74	0.92
Low-ESG (Equal-Weighted)	0.48	0.66
High-ESG (Market-Weighted)	0.65	0.84
Low-ESG (Market-Weighted)	0.52	0.69

Source: Raju (2024), Angels or Sinners? Exploring the Halo Effect in ESG Investing in Indian Equities

In terms of downside risk, ESG portfolios demonstrated lower drawdowns during periods of market distress, suggesting a limited role in risk mitigation. However, this effect was not pronounced enough to establish a clear advantage in risk-adjusted returns. These findings align with global research, which presents mixed evidence on whether ESG-based investment strategies enhance financial performance. Since ESG mutual funds in India have only emerged since 2020, assessing their long-term performance remains a challenge.

These findings suggest that the financial case for ESG-based investing is not straightforward. While some investors pursue ESG for ethical reasons or sustainability objectives, it should not be promoted solely as a return-enhancing strategy.

4 Do ESG Stocks Command a Valuation Premium?

The study examined price-to-book (P/B) ratios and other fundamental indicators to determine whether high-ESG firms command a valuation premium. The table summarises the key findings.

Portfolio Performance Summary	
Factor	**Result**
ESG & P/B Ratio	**No systematic valuation premium**
Sectoral Effects	**Some influence, but not market-wide**
Profitability Influence	**High-ESG firms tend to be larger and more profitable**

Source: Raju (2024), Angels or Sinners? Exploring the Halo Effect in ESG Investing in Indian Equities

This finding suggests that ESG considerations should be integrated alongside traditional valuation metrics rather than assumed to provide an inherent premium. Investors should know that sectoral dynamics, firm size, and profitability may be more decisive in determining valuations than ESG factors alone.

5 Factor Exposure

The study assesses ESG portfolios using the Fama-French five-factor plus momentum model, finding that ESG investing in India has a limited profitability bias, without strong tilts towards other risk factors. Market-weighted high-ESG portfolios tend to be large-cap and profitable, reflected in their positive exposure to profitability (RMW) and negative exposure to size (SMB). However, they do not show exposure to value, investment, or momentum factors. The equal-weighted high-ESG portfolio resembles a market portfolio, with beta near 1 and the factor model explaining 93% of the portfolio returns.

Low-ESG portfolios have high beta, and the equal-weight variant tilts toward small size with notable negative momentum exposure and weak negative operating profitability. The factor model effectively explains all tercile portfolios, and no portfolio records significant alphas, implying ESG performance may be tied to fundamentals rather than ESG itself.

Factor	High-ESG (Market- Weighted)	High-ESG (Equal- Weighted)	Low-ESG (Equal-Weighted)
Profitability (RMW)	Positive	Neutral	Weakly Negative
Size (SMB)	Large-cap tilt	Market-like	Small-cap tilt
Value (HML)	No significant exposure	No significant exposure	No significant exposure
Momentum (WML)	No significant exposure	No significant exposure	Negative exposure

For CFP professionals, the key takeaway is that investing in ESG in India reflects a profitability bias, with no consistent factor exposure beyond this.

6 Limitations of the Study

While the study provides valuable insights, it is essential to acknowledge its limitations. One constraint is the limited historical depth of ESG scores in India, which are only available from 2013 onwards. As SEBI's BRSR Core reporting gains traction, data quality and consistency are expected to improve, but its impact on investor behaviour remains uncertain. While the study provides valuable insights, it is essential to acknowledge its limitations. One constraint is the limited historical depth of ESG scores in India, which are only available from 2013 onwards. As SEBI's BRSR Core reporting gains traction, data quality and consistency are expected to improve, but its impact on investor behaviour remains uncertain.

Key Study Limitations	
Limitation	Description
Data Constraints	ESG data limited to post-2013 period
Sample Bias	Focuses only on listed firms, excludes SMEs
Timeframe Limitations	ESG funds in India are new (post-2020), limiting long-term analysis
Omitted Variables	Government policies & regulatory incentives not explicitly tested

7 Conclusion: ESG – A Good Choice, But Not a Guaranteed Outperformer

The study's findings indicate that, as of now, ESG investing does not provide consistent evidence of superior financial returns or valuation premiums in Indian equities. However, with evolving regulatory incentives and shifting investor preferences, ESG's role in capital allocation and risk mitigation could become more pronounced over time. Continued research is needed to evaluate ESG's evolving impact on financial performance, particularly as regulatory frameworks and investor behaviour adapt over time.

Looking ahead, SEBI's BRSR Core framework will enhance ESG disclosures. As data quality improves and active ESG funds expand, future research may provide deeper insights into the long-term financial implications of ESG in India. For CFP professionals, ESG should be integrated into a diversified, risk-adjusted portfolio strategy, ensuring that ESG allocations align with client values, risk tolerance, and long-term financial objectives.

References

Raju, R. (2024).

"Angels or Sinners? Exploring the Halo Effect in ESG Investing in Indian Equities". SSRN. https://ssrn.com/abstract=4624179

Rajan is a Director of Invespar Pte Ltd, a visiting faculty of the Indian Institute of Management, Ahmedabad, and his research is available on SSRN at https://papers.ssrn.com/sol3/cf_dev/AbsByAuth.cfm?per_id=3354364.

He is reachable at **rajanraju@invespar.com** and on Twitter at **@rajanraju26**

FINANCIAL LITERACY AMONG INDIA'S YOUTH: PAST, PRESENT, AND FUTURE

Gurpreet Sidana, *CEO,*
Religare Broking Limited

In an era of rapid economic transformation, financial literacy has become an indispensable skill, particularly for India's youth. With the nation experiencing remarkable economic growth, the ability to manage personal finances effectively is critical not only for individual success but also for the overall economic health of the country. Financial literacy encompasses understanding and applying skills such as budgeting, saving, investing, and managing debt. For young Indians, mastering these skills paves the way for financial independence and meaningful contributions to the nation's progress. Let us explore the journey of financial literacy in India—its historical context, current landscape, and future potential—along with actionable steps to nurture a financially aware generation.

Reflecting on Financial Literacy: The Past

Historically, financial literacy in India received little to no attention. Financial management was traditionally seen as the responsibility of senior family members, leaving younger individuals uninvolved in financial planning or decision-making. This disengagement was compounded by limited access to educational resources and cultural norms that discouraged open discussions about money. As a result, financial knowledge was confined to basic saving habits, with minimal understanding of investment strategies or debt management.

The early 2000s marked a turning point with the liberalization of India's economy and the rise of digital banking. A burgeoning middle class began exploring financial products beyond traditional savings accounts. Despite these changes, financial literacy initiatives remained insufficient, and large sections of the population—especially in rural areas—continued to lack financial education.

Financial Literacy Today: Challenges and Opportunities

India's youthful demographic, with over 65% of the population under 35, represents immense potential for economic growth. However, financial literacy remains a significant challenge. According to a survey by the National Centre for Financial Education (NCFE) in FY24, only 27% of Indian youth are financially literate. This stark statistic underscores the urgent need for comprehensive financial education.

BUILDING A FINANCIALLY LITERATE GENERATION: KEY ELEMENTS

1 Budgeting and Saving

Budgeting forms the foundation of financial literacy. Teaching young individuals how to plan and adhere to a budget empowers them to control expenses and prioritize goals. Programs focusing on financial planning instill habits of disciplined saving and responsible spending.

Creating an emergency fund is another essential aspect. Understanding tools like fixed deposits, recurring deposits, and public provident funds can encourage early saving. Furthermore, grasping the concept of compound interest motivates young people to build substantial reserves over time.

2 Investing Fundamentals

After mastering budgeting and saving, youth can explore investment options aligned with their goals. Financial literacy initiatives should introduce them to various investment vehicles:

- **Stocks:** Investing in stocks offers ownership in companies and potential long-term returns. Education about stock markets, dividends, capital gains, and volatility is crucial, along with practical lessons on reading financial statements.
- **Mutual Funds:** Providing diversification, mutual funds pool resources to invest in stocks, bonds, and other securities. Youth should understand types of mutual funds, expense ratios, and associated risks. Options like SIPs (Systematic Investment Plans) allow small, regular investments, making them accessible for beginners.
- Bonds: Bonds offer lower risks and steady income. Understanding different types of bonds—government, corporate, and municipal—as well as factors like interest rates and credit ratings, helps in informed decision-making.
- Real Estate: Real estate is a popular long-term investment but requires knowledge of market dynamics, property valuation, and legalities. Youth should also weigh the risks of illiquidity and high upfront costs.

3 Exploring Alternative Investments

Modern investment avenues like private equity, venture capital, and cryptocurrency are gaining traction. While promising high returns, these options come with significant complexities and risks:

- **Private Equity:** Investing in private companies or buying out public ones for privatization offers diversification but requires patience and risk tolerance.
- **Venture Capital:** Supporting startups fosters innovation and can yield significant rewards. Understanding its mechanisms can inspire youth to participate as investors or entrepreneurs.
- **Cryptocurrency:** Digital currencies like Bitcoin offer potential high returns but are volatile and operate under evolving regulations. Staying informed and cautious is essential when venturing into crypto investments.

A balanced approach to alternative investments, considering financial capacity, risk appetite, and long-term goals, is vital.

4 Role of Financial Planners

Financial planners play a pivotal role in enhancing youth financial literacy by demystifying complex concepts and offering tailored advice. Workshops and seminars can bridge the gap between theory and practice. Planners can guide youth in areas like:

- Credit management and the impact of credit scores.
- Early retirement planning.
- Sustainable wealth-building and tax management.

Steps to Foster Financial Literacy

1. **Incorporating Financial Education in Schools:** Introducing personal finance as a core subject can build a strong foundation.
2. **Community Workshops:** Local initiatives led by experts can address diverse financial needs.
3. **Leveraging Technology:** Online platforms offering interactive tools and real-world simulations can engage tech-savvy youth.
4. **Mentorship Programs:** Pairing youth with experienced financial mentors can provide valuable guidance and insights.

Overcoming Implementation Challenges

Efforts to promote financial literacy face obstacles like:

1. **Educator Training:** Many teachers lack the expertise to impart financial knowledge. Specialized training programs are necessary.
2. **Cultural Shifts:** Encouraging open discussions about money and promoting financial awareness are critical for progress.
3. **Inclusivity:** Tailored programs for rural and underserved areas ensure wider reach.

Conclusion

The significance of financial literacy among India's youth cannot be overstated. Equipping them with essential knowledge empowers them to make informed decisions, achieve personal goals, and contribute to the nation's prosperity. By prioritizing financial education and addressing challenges, India can lay the foundation for a financially secure and progressive future.

Gurpreet Sidana is the CEO of Religare Broking Limited. He can be reached at

Gurpreet.sidana@religare.com

HOW TO MAKE YOUR HAPPINESS INDEX WORK: A FINANCIAL PLANNER'S PERSPECTIVE

Taresh Bhatia, CFP

As financial planners, our role extends beyond optimizing portfolios and achieving financial outcomes. We are guides, helping our clients navigate towards a more fulfilling life. This truth, above all, is what I've learned from mentoring fellow planners and students: financial success without emotional fulfilment is a hollow victory.

As a CFP professional, and a coach at The Richness Academy, I am witness to the Money-Happiness connection every day.

However, over the years, I discovered something profound - money by itself does not guarantee happiness. Instead, money becomes a tool - a mirror even - for the values we live by, the relationships we nurture, and the goals we pursue.

Through this article, I am excited to share the 10 strategies I teach for growing wealth and designing a happier, more fulfilling life. These strategies have the power to transform not just your clients' financial situations, but also their overall well-being.

1. Happiness is a Skill - I have learned, and taught, that happiness is a skill, just like budgeting, investing, or saving. You can learn to be happier. You can practice being happy. One of my clients, a senior HR professional from Gurugram, came to me constantly overwhelmed. "I'm earning well, but I am stressed," she said. Together, we implemented a happiness planner - just 10 minutes a day to reflect on wins, progress, and gratitude. The result? Less stress. Better decision-making. More control over finances. That is when I began encouraging all my clients to schedule joy like they schedule expenses. Strategy: Create a weekly "happiness check-in" like you would for your portfolio. Track moments that bring you joy, things you are grateful for, and areas that need a mindset upgrade.

2. Clarify Your Values - Your values are the compass for both Life and Money. Without them, every goal feels empty. A young couple I worked with debated whether to buy a flat or travel the world for a year. On the surface, it was a lifestyle choice. However, digging deeper, we discovered that security mattered more to one, and freedom mattered more to the other. Once they clarified this, they found a hybrid solution - an investment flat for rental income and six months of travel. Strategy: Sit down and write your top five values. Then align all your major financial decisions - career, investments, goals - with these values. That's how you build a life that feels right, not just looks good.

3. Set Meaningful Goals - Goals aren't just destinations but declarations of purpose, and so must be aligned with the heart, and not just the wallet. I remember a 60-year-

old client, recently retired, who told me he felt lost. "I thought retirement was the goal. Now what?" We revisited his old dreams. It turned out he had always wanted to teach. So, we built a financial plan supporting his new journey as a visiting lecturer. Guess what? He felt younger than ever. Strategy: Ask yourself - What would you pursue if money was not an issue? Now, can you start preparing for that today? When your money goals are meaningful, every rupee becomes a step towards joy.

4. Practice Gratitude - Gratitude is not just about saying "thank you". It is a rewiring of how we interpret reality. I remember a single mother I coached, working two jobs and still struggling to make ends meet. She often felt defeated. We started a small ritual - she wrote down three things she was thankful for every night. After two months, her emails to me changed. Instead of focusing on what was missing, she began celebrating every milestone - no matter how small. Her relationship with money shifted from anxiety to empowerment. Strategy: Start a family gratitude jar. Write down one thing you are thankful for daily - related to your life, money, career, or relationships. Watch how your emotional wealth grows alongside your financial wealth.

5. Cultivate Strong Relationships - I've worked with clients with all the wealth anyone could imagine but they still felt empty. Why? Because financial abundance without emotional connection is just accumulation. One businessman I coach had built a multi-crore empire; but his wife told me during a joint session: "I do not feel part of the journey." That moment became a turning point. Together, they started doing "Sunday money talks", where they aligned their goals and shared progress. The money grew, yes. However, their relationship flourished, too. Strategy: Make financial planning a family activity. Schedule joint reviews of your goals. Celebrate wins together - like you would on birthdays or anniversaries.

6. Embrace Resilience - There is no financial plan that guarantees a challenge-free life. But there is a mindset that ensures you bounce back stronger. One of my clients lost his job during the pandemic. Initially devastated, he called me and said, "I feel like a failure." I reminded him of the emergency fund we had built together and his dormant business idea. He used that fund to kickstart his side hustle - and today, that side hustle is a thriving full-time business. He did not just survive. He redefined his life. Strategy: Build your resilience fund - not just financially, but emotionally as well. Make time for rest, reflection, and resetting your path when needed. Let every setback build your inner strength.

7. Prioritize Self-Care—One of the most overlooked forms of financial planning is health. Not just health insurance but the daily practice of caring for your mind, body, and soul. I was coaching a senior executive who would constantly delay doctor visits, fitness routines, and mental breaks. One health scare changed everything. We restructured his financial plan to include a "wellness allowance." Gym memberships, therapy, and yoga classes - are all part of the portfolio now. He says, "Now I do not just manage money. I manage my energy." Strategy: Allocate at least 5–10% of your monthly income towards self-care. That could be therapy, spa visits, learning a hobby, or even investing in healthier food. Remember, you are your greatest asset and your most valuable long-term investment.

8. Be Present - As a planner, I love goals. But I also know the danger of always chasing "the next thing." A retired naval officer I coach once said, "Taresh, I spent 30 years preparing for tomorrow. Now, I do not know how to enjoy today." We began integrating mindfulness practices into his daily routine - slow walks, morning gratitude, focused reading. Gradually, his anxiety decreased, and his joy in everyday moments grew. Strategy: Every day, take 10 uninterrupted minutes for yourself. No screens. No planning. Just being. This simple act increases awareness, sharpens focus, and strengthens your decision-making muscles. Life is lived in the now, and not just in the Excel sheet.

9. Contribute to the Community - It is easy to think that giving is for the rich. However, the truth is that giving is what makes you feel rich. One young couple I mentored decided to contribute 1% of their income toward a cause close to their heart: girl child education. "It felt small at first," they said, "but it gave our money deeper meaning." Today, they've sponsored five children and feel more fulfilled than ever. Strategy: Decide as a couple or family what causes matter to you. Set up an auto-debit of even ₹500 or ₹1000 monthly. It is not about the amount. It is about the alignment. Remember, generosity multiplies joy.

10. Keep Learning and Growing - One of my clients, in her late 40s, told me during a session, "I wish I had learned about mutual funds earlier." That moment led us to a new weekly ritual called 'Wednesday Wisdom'. She would read or watch something new about finance or personal growth every Wednesday. Today, she confidently manages her family's portfolio and mentors two young women in her company. Strategy: Allocate 30 minutes weekly to learning - podcasts, courses, books. Growth does not stop with degrees or promotions. The mindset of being a lifelong learner transforms both your net worth and your self-worth.

Final Thoughts: In all my years of financial coaching, I have realized that richness is not just about money and portfolios. It is about waking up excited and going to bed fulfilled. It's about knowing you are on a path that feels right - not just financially but emotionally, spiritually, and relationally. Each of these strategies is a brick in the foundation of the life you want. Moreover, you do not have to build it alone.

TOP 10 STRATEGIC WAYS TO MAKE THE HAPPINESS INDEX WORK IN FINANCIAL PLANNING

1 Redefine Wealth: Include Emotional KPIs in Client Goals

Most planners measure wealth in terms of assets, returns, and retirement corpus. What if we included non-monetary metrics like life satisfaction, purpose, connection, and mental bandwidth?

Planner's Action:

Add a "Happiness Score" column to your client's dashboard. During quarterly reviews, ask clients to rate emotional indicators (e.g., stress, joy, alignment with values). Use this information to tweak goals and conversations.

2 Values-Based Planning: Begin Every Financial Plan with a Life Values Exercise

Traditional goal setting begins with financial outcomes. A richer approach starts by clarifying what truly matters to your clients—security, freedom, impact, learning, etc.

Planner's Action:

Use a Values Clarification Tool as a mandatory first step in onboarding. Helping clients rank their top 5 values will become the guiding light for all financial decisions.

3 Shift from Product-Centric to Purpose-Centric Conversations

Rather than "how much SIP to invest," focus on "what life goal are we funding?" Emotionally anchored goals see higher engagement and commitment.

Planner's Action:

Build a Purpose Planning Grid linking each investment product to a meaningful life outcome (e.g., SIP for "starting a business," PPF for "daughter's education," etc.).

4 Track Emotional Return on Investment (EROI)

Besides ROI, track EROI: the emotional satisfaction clients receive from their spending, saving, and investing decisions.

Planner's Action:

Introduce an EROI Tracker that includes client ratings on fulfilment from recent financial decisions. Identify areas where high spending yields low satisfaction and use that information to reset goals.

5 Make Gratitude a Financial Practice

Besides **ROI,** track **EROI:** the emotional satisfaction clients receive from their spending, saving, and investing decisions.

Planner's Action:

Introduce an EROI Tracker that includes client ratings on fulfilment from recent financial decisions. Identify areas where high spending yields low satisfaction and use that information to reset goals.

6 Integrate Financial Self-Care into Plans

Health, sleep, and mental peace are often overlooked in plans, yet they are crucial to enjoying wealth.

Planner's Action:

Create a "Wellness Budget" in the monthly plan—allocate 5–10% for mental health, hobbies, therapy, wellness apps, or retreats. Suggest health-linked investment products (e.g., wellness-based insurance).

7 Introduce Relationship-Based Financial Reviews

A client may be doing fine on paper, but are they aligned with their spouse or family in their financial goals?

Planner's Action:

Offer "Couple Financial Review Sessions" or "Family Money Dialogues." Include partner perspectives in goal reviews. Relationship alignment boosts clarity and consistency.

8 Build Resilience Planning into the Financial Blueprint

Emergency funds are common, but what about mindset reserves?

Planner's Action:

Add an "Emotional Buffer" section to encourage journaling, learning habits, or even therapy. Label an emergency fund as a "Resilience Fund" and periodically simulate scenarios for practice.

9 Encourage Clients to Plan for Presence, Not Just the Future

Overplanning the future often creates stress in the now.

Planner's Action:

Include a section titled "Present-Moment Joys." This could fund experiences like monthly hobbies, vacations, or meaningful downtime. Emphasize return on time, not just return on investment.

10 Institutionalize Growth with Weekly Learning Rituals

Financial literacy is not a one-time event. And joy multiplies with curiosity and learning.

Planner's Action:

Include "Learning Goals" in your client plan. Share one curated personal growth article or video each month. Recommend short online courses. Build "Wisdom Portfolios" that track personal growth over time.

Designing the Happiness Index Model for Financial Planners

Pillar	Planner Strategy	Emotional Outcome for Client
Joy	Weekly happiness check-ins	Improved money mindset
Values	Use of a values clarification worksheet	Decision alignment
Purpose	Goals mapped to meaning	Motivation to stay consistent
Gratitude	Gratitude rituals during reviews	Positive money memories
Relationships	Couple/family financial sessions	Deeper client engagement
Resilience	Rename emergency funds + simulate crisis	Confidence under uncertainty
Self-Care	Budget for wellness and energy	Sustainable lifestyle
Presence	Plan for mindful living	Balanced life vs hyper-goal-chasing
Contribution	Structured giving plans	Deeper fulfilment
Growth	Learning hours + wisdom portfolio	Empowerment & independence

As we prepare ourselves - and the next line of advisors - to serve with deeper empathy and wider impact, the Happiness Index becomes a crucial tool. It elevates client satisfaction and differentiates your practice in a competitive marketplace.

Adopting this mindset does not mean abandoning spreadsheets. It means integrating emotional intelligence into financial intelligence.

Taresh is a CFP professional and
Founder of - The Richness Academy.
He can be reached at

taresh@taresh.in

ACHIEVING INVESTMENT OBJECTIVES THROUGH OBJECTIVITY

Sandeep Sharma,
Country Head – Wealth Management,
State Bank of India

"Stock markets are not for me. I am not so lucky" – An investor who started investing in September 2024.

"Making money in equity markets is easy. I don't need any handholding" – Another investor who started investing in April 2020.

It is difficult to agree with either of these statements, as the truth lies somewhere between the extremes. Yet, we often come across such comments from investors. Why do people have such varied opinions of the same market they all invest in? The answer is BIAS.

Just like any other sphere of life, investing is also affected by our individual experiences and personality traits. We deal with external phenomena much later than we deal with our internal preconceptions. As financial planners, it is critical to understand these biases and help investors navigate them judiciously and rationally.

Let us look at some of these biases and understand how to overcome them.

1 Herding Bias

I'd like to start with Herding Bias as it affects retail investors the most. You'd never buy your favorite 1 rupee candy if it sells for 100 rupees, just because everyone is buying. Nor would you panic and sell your house if there is a temporary slowdown in the prices of real estate. Yet we tend to buy into popular investments at inflated prices and resort to panic selling during market crashes, resulting in muted gains or significant losses. We believe that a large group of people couldn't possibly go wrong and get swayed by the popular opinion.

How to overcome:

Don't try to align with the market. Align with fair pricing. Conduct independent research and avoid making decisions solely based on popular opinion.

2 Recency Bias

Recency Bias takes place as we often remember and make investment decisions based on the recent past. I am writing this at a time when the market has seen significant correction from peak levels. While a correction does result in a fall in investor portfolio, it may also bring an opportunity to buy good companies at fair prices. Similarly, positive signs in a sector may lead to excessive buying and inflated valuations. Further buying can kill the possibility of profit. How many investors manage to forget the recent past and make independent decisions?

How to overcome:

Review historical performances and market cycles. Avoid seasonal opportunities and stick to fundamentals through diversified, long term investment strategies.

3 Loss Aversion

"I got 500 rupees." "I just lost 500 rupees!" For most of us, the latter evokes a stronger emotion than the former. According to behavioral psychologists Daniel Kahneman's & Amos Tversky's, "Pain from a financial loss is twice the pleasure from a similar gain." Loss aversion can force us in making both slow decisions and premature decisions. For example, the fear of making losses may keep us away from equities and thus keeps them away from wealth creation opportunity. It may also result in holding on to bad investments for too long to avoid booking losses or selling the good ones too quickly to realize gains.

How to overcome:

Adopt an asset allocation approach which strikes a good balance between risk & returns and creates a portfolio where the losses are more digestible. One can also set predefined rules like stop loss orders to avoid subjectivity.

4 Action Bias

Now, you are a smart investor who knows to sell when the valuations are high and buy when they are low. What do you do every time you see euphoria in the market? Do you immediately sell? What if you are left sitting on cash while the market touches new highs? When do you start buying during a correction? Do you deploy everything on the first dip or wait for positive signs while judiciously managing your liquidity? Action bias is a cognitive bias that occurs when an investor's preference for action and impulsive behaviour eclipses his logical decision-making process. Financial market is a long-term play. It rewards those who do nothing most of the times than those who constantly try to time it. Further, excessive financial activity also results in high transaction costs. As they say, the best investor is a dead investor!

How to overcome:

Stick to your asset allocation. Acknowledge the possibility of error and remain humble about predictions.

5 Authority Bias

There is no dearth of views and opinion from market experts. There is nothing wrong in acquiring knowledge. What we often tend to forget is that the said expert may be sharing his views based on his assessment for a particular time. We may not come to know of the calls he may take later. Further, wouldn't everyone be rich if market predictions were so accurate? Or are the news channel and its famous panelist just living off each other at your expense?

How to overcome:

Concentrate on expert argument and thought process instead of their position. Don't trust blindly on advice even if it comes from a reputed investor or an investment expert.

6 Confirmation Bias

It is still easy to doubt and verify someone else's advice. What if the belief is our own? The feeling of validation of our thought process in a group or on a social media platform is unparallelled. The presence of yes men around you can make this situation trickier. For that company you're so bullish about might have been losing out on orders. Or the sector you consider as a sunshine sector may have overrun its upward course. Confirmation bias is a situation where we concentrate on information that support our beliefs and undermine contradictory evidence. It often culminates into overconfidence which may eventually dent one's portfolio. It is even more difficult to manage confirmation bias in times when social media algorithms are designed to give suggestions on topics and beliefs of your liking.

How to overcome:

Consider information from multiple sources before concluding anything. Actively seek out diverse viewpoints.

7 Anchoring Bias

Anchoring bias means relying too heavily on the first piece of information that you encounter e.g. a stock's previous high price. Regardless of the accuracy of that information, people use it as a reference point, or anchor, to make subsequent judgments. For example, the stock may be trading lower than its previous high. However, its intrinsic value might have also fallen accordingly, justifying its current price. Similarly, one may be used to analysing just one indicator e.g. P/E ratio of a stock, which may not give the true picture of all kinds of companies listed on the exchange.

How to overcome:

Reassess investments based on objective analysis. The more knowledgeable we are about a certain topic, the less likely we are to fall for anchoring bias.

8 Availability Bias and Choice Paralysis

Availability bias refers to making decisions based on readily available information rather than conducting thorough research. This may lead to missing out on information otherwise important in investment decisions. Choice paralysis refers to a situation where investment avenues are too vast and diversified to zero in on the most appropriate investment avenue. For example, this may occur while choosing a mutual fund scheme from a large pool of schemes.

How to overcome:

Consider an investment bouquet with a limited but diversified product suite. Resort to the bottom up approach while choosing mutual fund schemes to make the selection task easier.

Summary

Human beings have survived for over 2 lakh years. They have outlived far more powerful and some smarter species through herding, action, reaction and loss aversion at the right times. The biases stated above are deeply ingrained in the human psyche. Overcoming them is easier said than done.

The first step in managing them is the acknowledgement and awareness of these biases. It is paramount before making any investment decision that we pause for a moment and watch out for any trap we might fall into by succumbing to these preconceived notions.

An objective approach can help us navigate biases for our investors, which is the most important value that we can add to their decision-making process.

DIGITAL ESTATE PLANNING: A FINANCIAL PLANNER'S PERSPECTIVE

***Jinal Mehta,** CFP*

As a financial planner, estate planning has traditionally focused on tangible assets such as real estate, gold, cash, and bank accounts. Many clients assume that drafting a will is sufficient, believing their heirs will manage everything smoothly. However, with the rise of digital assets, estate planning has become more complex and requires a structured approach.

Today, individuals generate income not only through traditional businesses but also via digital platforms. Payment gateways linked to personal websites, social media earnings, and cryptocurrency investments have become integral parts of modern financial portfolios. Without a proper digital estate plan, these assets can become inaccessible or lost, leading to financial and legal complications for heirs.

A well-structured digital estate plan ensures the smooth transition of online assets while maintaining security and privacy. It prevents unauthorized access, safeguards intellectual property, and ensures financial holdings are accessible to the right beneficiaries. As financial planners, we must guide clients through the process of creating an effective digital estate plan.

The first step is identifying and documenting all digital assets. These include personal accounts such as email, social media, cloud storage, subscription services, and e-commerce accounts. Financial assets such as online banking, investment portfolios, cryptocurrency wallets, and digital payment services must also be recorded. Business-related digital assets—including websites, domain registrations, cloud-based client records, and intellectual property—should be accounted for as well. While financial accounts contain real-world money, the platforms and accounts themselves are part of the digital estate. Failing to document these details can lead to significant financial losses and legal hurdles for beneficiaries.

Appointing a digital executor is equally important. This individual, whether a trusted family member, legal professional, or financial planner, will be responsible for managing digital assets after the client's passing. The executor should be tech-savvy and capable of navigating digital platforms efficiently. It is also advisable to designate an alternate executor to ensure continuity in case the primary executor is unavailable. Many spouses or family members may not be aware of critical digital accounts and passwords, leading to loss of access or missed opportunities to recover important information.

Securely storing login credentials is a crucial component of digital estate planning. Clients should use password managers such as LastPass or 1Password to store credentials securely while granting limited access to their executor. Alternatively, a physical document listing account details can be stored in a safe deposit box or another secure location. Providing restricted access to trusted individuals under specific conditions ensures both security and accessibility.

Unlike physical assets, digital accounts are governed by stringent privacy laws and service agreements. Even if an heir possesses login credentials, unauthorized access to an account may violate terms of service or data protection laws. To ensure compliance, digital assets should be explicitly included in a will, specifying who will inherit access rights. Financial planners should encourage clients to utilize online legacy management tools such as Google's Inactive Account Manager, Facebook's Legacy Contact, and Apple's Digital Legacy, which grant designated individuals legal access to digital assets. Without proper authorization, service providers may lock or delete accounts, preventing heirs from accessing financial data, intellectual property, or personal memories.

Defining how digital accounts should be managed upon death or incapacity is a critical part of estate planning. Important email and cloud data should be archived or transferred, social media accounts should be memorialized, deleted, or managed per the client's wishes, and financial accounts should be legally transferred or closed. Cryptocurrency wallets must be securely transferred, and business assets should either continue, be sold, or be transferred according to the succession plan.

Currently, India lacks specific legal provisions for digital estate inheritance. The Information Technology Act, 2000, and the India Digital Personal Data Protection (DPDP) Act, 2023, primarily focus on data security and privacy rather than asset succession. While Indian succession laws govern the inheritance of physical and intellectual property, they do not explicitly cover digital assets, leading to uncertainties in digital estate planning, particularly in cases of intestate death.

In the absence of a clear legal framework, digital estate succession is determined by three factors. If a person has documented a digital estate plan, it is followed. If no explicit instructions exist, the service provider's terms and conditions apply. In cases where no plan is in place and the service provider does not offer legacy management options, most accounts are locked, preventing heirs from accessing them. This highlights the importance of proactive estate planning for digital assets.

A digital estate plan should be reviewed and updated regularly to reflect new accounts, password changes, and evolving financial or business circumstances. Financial planners should encourage clients to periodically revisit their estate plans, ensuring that all details remain current. Communicating the plan to heirs is equally vital. Even a well-prepared estate plan is ineffective if beneficiaries are unaware of it or do not know how to access critical information. Executors and key family members should be informed about where credentials are stored, how digital accounts should be handled, and the legal requirements for access.

As financial planners, we must emphasize the importance of digital estate planning in today's increasingly digital world. Identifying, documenting, and securing access to digital assets simplifies the inheritance process, protects valuable information, and ensures compliance with legal and service-provider regulations. Encouraging clients to take proactive steps today will safeguard their digital legacy, prevent complications, and ensure that their digital footprint is managed according to their wishes. With technology continuously evolving, staying informed and regularly updating digital estate plans will provide long-term security for future generations.

In addition to proactive digital estate planning, financial planners should also educate their clients about potential risks associated with unmanaged digital assets. Unclaimed or inaccessible digital accounts can result in financial loss, especially when they contain substantial cryptocurrency holdings or revenue-generating online businesses. Proper documentation ensures that these valuable assets do not become dormant or irretrievable. Clients should also be aware that data privacy laws and cybersecurity threats make it essential to store and protect information responsibly.

Furthermore, financial planners should emphasize the importance of aligning digital estate planning with traditional estate planning strategies. While a will or trust may outline property inheritance, digital assets require additional documentation and clear instructions. Many digital service providers update their terms frequently, so clients must remain informed about policy changes that could affect access rights after their passing. Educating clients about these nuances will help them make informed decisions about how they want their digital legacy handled.

Another critical aspect of digital estate planning is ensuring that beneficiaries understand how to manage inherited digital assets. Financial planners should guide clients in preparing their heirs for this responsibility. Whether it involves managing a portfolio of digital investments, maintaining an online business, or securing social media accounts, beneficiaries should have a clear understanding of how to execute the client's wishes effectively. Providing this knowledge in advance reduces confusion and ensures a smooth transition when the time comes.

Ultimately, financial planners play a pivotal role in helping clients protect and manage their digital legacies. By incorporating digital estate planning into comprehensive financial strategies, planners can help clients secure their digital assets, prevent potential disputes, and ensure that their wishes are honored. The digital landscape will continue to evolve, and with it, the need for diligent estate planning will only grow. Staying proactive and informed about digital estate management will help financial planners provide the best possible guidance to their clients, securing their wealth and legacy for future generations.

Sample Digital Estate Planning Data Collection Template				
Category	Asset Type	Details	Access Credentials	Notes/Instructions
Personal Accounts	Email	Gmail, Outlook, Yahoo	[Stored Securely]	Contact details for recovery
	Social Media	Facebook, Instagram, LinkedIn, Twitter	[Stored Securely]	Assign legacy contacts where possible
	Cloud Storage	Google Drive, Dropbox, OneDrive	[Stored Securely]	Specify important files
	Subscription Services	Netflix, Spotify, Amazon Prime	[Stored Securely]	Cancel or transfer after passing
Financial Accounts	Banking	ICICI, SBI, HDFC, Others	[Stored Securely]	List nominees if applicable
	Investment Portfolios	Zerodha, Groww, Mutual Funds	[Stored Securely]	Document investment preferences
	Crypto currency Wallets	Bitcoin, Ethereum, Other Wallets	[Stored Securely]	Secure private keys safely
	Digital Payments	Paytm, Google Pay, PhonePe, PayPal	[Stored Securely]	Specify recurring payments
Business Assets	Websites & Domains	Domain registrations, hosting accounts	[Stored Securely]	Transfer instructions if needed
	Client Records	CRM databases, cloud-stored documents	[Stored Securely]	Ensure legal compliance
	Intellectual Property	Patents, copyrights, AI models	[Stored Securely]	Assign beneficiaries or successors
Legal & Security	Password Manager	LastPass, 1Password, Others	[Stored Securely]	Provide limited access to executor
	Online Legacy Tools	Google's Inactive Account Manager, Apple Legacy Contact	[Configured]	Review settings annually

Jinal is a CFP professional and authorised Education Provider of FPSB India.
She can be reached at

mehtajinal.1987@gmail.com

A Landmark Achievement: CFP® Professionals Now Eligible for Key Roles at IFSC, GIFT City!

LOKMAT TIMES
The Truth In Print

Latest National International Cricket Maharashtra Entertainment LT Premium Web Stories Chhatrapati Sambhajinagar

IFSCA Expands Talent Criteria with Inclusion of CERTIFIED FINANCIAL PLANNER® Certification

By ANI | Updated: April 23, 2025 18:17 IST

Ahmedabad (Gujarat) [India], April 23: As per the Gazette Of India: Extraordinary, IFSCA (International Financial Services Centres Authority) announced and recognised that CFP® professionals, those holding the CERTIFIED FINANCIAL PLANNER® (CFP®) certification from the Financial Planning Standards Board (FPSB) will be eligible to be a Principal Officer of a distributor or an Investment Advisor or a Research Entity in the IFSC, Gift City. This is as per the International Financial Services Centre Authority (Capital Market Intermediaries) Regulations, 2025.

This move highlights the value of the CFP® certification in meeting the growing demand for skilled, future-ready talent and reinforces the importance of strengthening the talent pipeline for India's growing international financial hub.

IFSCA is the unified regulatory authority responsible for the development and regulation of financial products, financial services, and financial institutions in India's International Financial Services Centre (IFSC). FPSB India is the Indian subsidiary of Financial Planning Standards Board Ltd. (FPSB Ltd.), the global standards-setting body for the financial planning profession and owner of the international CERTIFIED FINANCIAL PLANNER® certification program. Notably, CFP® certification is the only globally recognized mark of professionalism for financia planning, setting the benchmark for expertise, ethics, and professionalism. Globally, there are 230,648 CFP® professionals worldwide of which 3,215 are in India. India is amongst the world's top growth markets for CFP® professionals.

THE GAZETTE OF INDIA: EXTRAORDINARY [PART IIISEC.4] INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY NOTIFICATION mentions

"In respect of a principal officer of a distributor or an investment adviser or a research entity, a graduate degree in any field from a university an institution recognised by the Central Government or any State Government or a foreign university along with a certification as a Certified Financial Planner from Financial Planning Standards Board shall also suffice."

"A capital market intermediary shall ensure that the principal officer and compliance officer meet the experience requirements. A principal officer shall have an experience of at least three years in the financial services market."

CXOtoday.com

IT Perspective for Decision Makers

CFP® Professionals Now Eligible for Key Roles at IFSC, GIFT City

CXOtoday News Desk

CFP® professionals will be eligible to be a Principal Officer of a distributor or an Investment Advisor, or a Research Entity at the International Financial Services Centre (IFSC), Gift City. This is as per the INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY (CAPITAL MARKET INTERMEDIARIES) REGULATIONS, 2025.

As per THE GAZETTE OF INDIA: EXTRAORDINARY, IFSCA (INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY) announced and recognised that CFP® professionals, those holding the CERTIFIED FINANCIAL PLANNER® (CFP®) certification from the Financial Planning Standards Board (FPSB) will be eligible to be a Principal Officer of a distributor or an Investment Advisor or a Research Entity in the IFSC, Gift City. This is as per the INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY (CAPITAL MARKET INTERMEDIARIES) REGULATIONS, 2025.

Speaking on this development, **Krishan Mishra, CEO, FPSB India**, said, *"We are honoured that CERTIFIED FINANCIAL PLANNER® professionals have been recognized to contribute to the talent requirements of the IFSC, Gift City. With their deep expertise in financial products, services, and client-centric planning, CFP® professionals are well-equipped to support capital market intermediaries and elevate industry standards. We thank the International Financial Services Centres Authority (IFSCA) for this forward-looking recognition, which not only validates the value of the CFP® certification but also aligns with India's vision of building a world-class international financial hub."*

ThePrint

ANI Press Releases

IFSCA Expands Talent Criteria with Inclusion of CERTIFIED FINANCIAL PLANNER® Certification

ANI PR 23 April, 2025 06:17 pm IST

Ahmedabad (Gujarat) [India], April 23: As per the Gazette Of India: Extraordinary, IFSCA (International Financial Services Centres Authority) announced and recognised that CFP® professionals, those holding the CERTIFIED FINANCIAL PLANNER® (CFP®) certification from the Financial Planning Standards Board (FPSB) will be eligible to be a Principal Officer of a distributor or an Investment Advisor or a Research Entity in the IFSC, Gift City. This is as per the International Financial Services Centre Authority (Capital Market Intermediaries) Regulations, 2025.

This move highlights the value of the CFP® certification in meeting the growing demand for skilled, future-ready talent and reinforces the importance of strengthening the talent pipeline for India's growing international financial hub.

IFSCA is the unified regulatory authority responsible for the development and regulation of financial products, financial services, and financial institutions in India's International Financial Services Centre (IFSC). FPSB India is the Indian subsidiary of Financial Planning Standards Board Ltd. (FPSB Ltd.), the global standards-setting body for the financial planning profession and owner of the international CERTIFIED FINANCIAL PLANNER® certification program. Notably, CFP® certification is the only globally recognized mark of professionalism for financial planning, setting the benchmark for expertise, ethics, and professionalism.

EDUCATION21

New India Aspires

CFP® Professionals now eligible for key roles at IFSC, GIFT City

April 23, 2025 in Careerwise

CFP® professionals will be eligible to be a Principal Officer of a distributor or an Investment Advisor, or a Research Entity at the International Financial Services Centre (IFSC), Gift City. This is as per the INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY (CAPITAL MARKET INTERMEDIARIES) REGULATIONS, 2025. IFSCA is the unified regulatory authority responsible for the development and regulation of financial products, financial services, and financial institutions in India's International Financial Services Centre (IFSC).

THE GAZETTE OF INDIA: EXTRAORDINARY [PART III—SEC.4] INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY NOTIFICATION mentions

"In respect of a principal officer of a distributor or an investment adviser or a research entity, a graduate degree in any field from a university or an institution recognised by the Central Government or any State Government or a foreign university along with a certification as a Certified Financial Planner from Financial Planning Standards Board shall also suffice."

"A capital market intermediary shall ensure that the principal officer and compliance officer meet the experience requirements. A principal officer shall have an experience of at least three years in the financial services market."

FPSB India is the Indian subsidiary of Financial Planning Standards Board Ltd. (FPSB Ltd.), the global standards-setting body for the financial planning profession and owner of the international CERTIFIED FINANCIAL PLANNER® certification program. Notably, CFP® certification is the only globally recognized mark of professionalism for financial planning, setting the benchmark for expertise, ethics, and professionalism. Globally, there are 230,648 CFP® professionals worldwide of which 3,215 are in India. India is amongst the world's top growth markets for CFP® professionals.

The Tribune

IFSCA Expands Talent Criteria with Inclusion of CERTIFIED FINANCIAL PLANNER® Certification

ANI

Ahmedabad (Gujarat) [India], April 23: As per the Gazette Of India: Extraordinary, IFSCA (International Financial Services Centres Authority) announced and recognised that CFP® professionals, those holding the CERTIFIED FINANCIAL PLANNER® (CFP®) certification from the Financial Planning Standards Board (FPSB) will be eligible to be a Principal Officer of a distributor or an Investment Advisor or a Research Entity in the IFSC, Gift City. This is as per the International Financial Services Centre Authority (Capital Market Intermediaries) Regulations, 2025.

This move highlights the value of the CFP® certification in meeting the growing demand for skilled, future-ready talent and reinforces the importance of strengthening the talent pipeline for India's growing international financial hub.

IFSCA is the unified regulatory authority responsible for the development and regulation of financial products, financial services, and financial institutions in India's International Financial Services Centre (IFSC). FPSB India is the Indian subsidiary of Financial Planning Standards Board Ltd. (FPSB Ltd.), the global standards-setting body for the financial planning profession and owner of the international CERTIFIED FINANCIAL PLANNER® certification program. Notably, CFP® certification is the only globally recognized mark of professionalism for financial planning, setting the benchmark for expertise, ethics, and professionalism. Globally, there are 230,648 CFP® professionals worldwide of which 3,215 are in India. India is amongst the world's top growth markets for CFP® professionals.

"In respect of a principal officer of a distributor or an investment adviser or a research entity, a graduate degree in any field from a university or an institution recognised by the Central Government or any State Government or a foreign university along with a certification as a Certified Financial Planner from Financial Planning Standards Board shall also suffice."

"A capital market intermediary shall ensure that the principal officer and compliance officer meet the experience requirements. A principal officer shall have an experience of at least three years in the financial services market."

Speaking on this development, Krishan Mishra, CEO, FPSB India, said, "We are honoured that CERTIFIED FINANCIAL PLANNER® professionals have been recognized to contribute to the talent requirements of the IFSC, Gift City. With their deep expertise in financial products, services, and client-centric planning, CFP® professionals are well-equipped to support capital market intermediaries and elevate industry standards. We thank the International Financial Services Centres Authority (IFSCA) for this forward-looking recognition, which not only validates the value of the CFP® certification but also aligns with India's vision of building a world-class international financial hub."

CALL FOR ARTICLES

Writing Guidelines for Contributions

- **Articles:** We welcome previously written work and ideas that pertain to one of the areas of financial planning: tax planning, debt management, cash flow management, ethics and legal and regulatory environment, education planning, retirement planning, investment planning, insurance planning, and estate planning.

  The articles should be of about 1200-1500 words in length, including all photos and graphics. Articles must be written in English and be relevant to Indian CFP professionals and/or the global CFP community.

- **Audience:** You are writing for people like you – other CFP professionals! Please provide timely and accurate information that has practical implications.

- **Style:** The Journal of Financial Planning in India is focused on providing and promoting easy-to comprehend, professional written work. A contributor's thoughts, comments, ideas, and graphics should be easy to understand and structured for flow.

ELEMENTS TO BE INCLUDED FOR SUBMISSION:

- Publication date - June 2025.
  Article submission date: 15 May 2025.
- Publication date - Sep 2025.
  Article submission date: 15 Aug 2025.
- Send to: akumar@fpsb.in
- Format: When submitting an article, please include author name(s), email address, phone number, author(s) picture, and a brief profile of the author(s).
- Executive Summary: The executive summary is not a sales pitch for the article, but instead, a summary telling the reader what to expect, the purpose, the topic, the why, and the important practitioner implications. Executive summaries should be no more than 250 words.
- Graphics: No more than 5 photos and graphics per article.
- Endnotes/References: Please be sure to use APA formatting for references and endnotes.

AUTHORS OF PUBLISHED ARTICLES WILL GET 4 CPD POINTS

- Author Release: By submitting this article (the Article) and in consideration of having the Article reviewed and evaluated for publication, I hereby grant FPSB India, and its agents and assigns (FPSB) the royalty-free, worldwide right and permission (but not the obligation) to reproduce, publish, sublicense, create derivative works of, transmit and distribute the Article (or any portion thereof) in one or more volumes of the Journal of Financial Planning in India (the Journal) to be published in any media now known or created in the future. I verify that the Article is an original work of authorship and that I own all rights in and to the Article and have secured permission, to the extent necessary, to publish any third-party content included in the Article (such as a diagram, illustration, or extended quotation). I understand that at no time will I be paid, compensated, or reimbursed by FPSB India. I also grant to FPSB India for purposes of marketing and publicizing the Journal the right to:

  1. Create, reproduce, publish, and distribute excerpts or summaries of the Article.

  2. Use my name and likeness, including without limitation, pictures, and photos of me.

  3. Make edits to the Article, including its title, that may be necessary to meet publication requirements, including without limitation size, layout, and format requirements.

  I agree to execute any documents that may be required to affect the agreements contained herein and to indemnify FPSB India for any claims, demands, or causes of action related to the licenses I have granted, and all matters waived or released herein.

FPSB INDIA

CPD QUIZ

FOR JOURNAL OF FINANCIAL PLANNING IN INDIA

(MARCH 2025 EDITION)

WELCOME TO THE CPD QUIZ!

This quiz is 5 questions long, and you need to answer 4 questions correctly to earn 4 CPD points. Your quiz results will be displayed after you complete all the questions.

Current CFP professionals are required to take the CPD Quiz by logging into their MyFPSBLearning portal. Once the Quiz is submitted, CPD points earned shall be reflected directly in the LMS portal of the candidate.

To improve your score in this Quiz, you will be able to take the CPD Quiz up to two times.

GOOD LUCK!

Evaluating ESG Investing in India: Performance, Valuation, and Factor Exposures

1. Based on the research and analysis, the study’s findings indicate that, as of now:

   a. ESG investing does not provide consistent evidence of superior financial returns or valuation premiums in Indian equities

   b. ESG’s role in capital allocation and risk mitigation could become more pronounced over time

   c. Continued research is needed to evaluate ESG’s evolving impact on financial performance

   d. All of the above

Digital Estate Planning: A Financial Planner's Perspective

2. The author brings forth that where no explicit instructions exist from the individual with respect to his digital estate succession and the service provider's terms and conditions also do not offer legacy management options, in such cases most digital accounts:

a. are locked, preventing heirs from accessing them
b. can be accessed by heirs by paying requisite fee
c. can be merged with the accounts of heirs
d. are terminated by the service provider

Achieving Investment Objectives Through Objectivity

3. While navigating various biases which impact our decision making in the capital markets, Anchoring bias often leads to ____

a. making decisions based on readily available information
b. action and impulsive behavior eclipsing logical decision-making process
c. relying too heavily on the first piece of information we encounter
d. making investment decisions based on the recent past

How to Make Your Happiness Index work

4.The author is of the view that while health, sleep, and mental peace are crucial to enjoying wealth, these aspects are often overlooked in the financial plans. For this the author proposes that financial planners should:

a. include a section titled "Present-Moment Joys"
b. create a "Wellness Budget" in the monthly plan
c. introduce an Emotional ROI Tracker
d. all of the above

Financial Literacy Among India's Youth: Past, Present, and Future

5. While the efforts aimed at promoting financial literacy do face obstacles, the author opines that _______ could be a great way to foster financial literacy amongst youth.

a. mentorship programs
b. visit to branch and offices of financial institutions
c. dummy trading in the stock market
d. certification programs in finance

END OF THE QUIZ

JOURNAL OF FINANCIAL PLANNING IN INDIA

Delivered to you by
FPSB India

fpsb.in

FPSB INDIA