

Financial Plan Report

Prepared for

ABC

By

Yadnya Academy Pvt. Ltd.

Date

DD MMM YYYY



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Scope of the Report

A financial plan is a comprehensive evaluation of your current worth and future financial state by using current known variables to predict future income, asset values and withdrawal plans. This plan allocates your income to various types of expenses, such as rent or utilities, and reserves some income for short-term and long-term savings. And these savings are used to fulfill your future financial goals such as vacation, children education, retirement etc.

Key Elements

Sr	Items	Description
1	Financial Goals	A financial plan is based on an individual's or a family's clearly defined financial goals.
2	Net Worth Statement	A snapshot of assets and liabilities serves as a benchmark for measuring progress towards financial goals.
3	Cash Flow Analysis	An income and spending plan determines how much can be set aside for debt repayment, savings and investing each month.
4	Retirement Planning	The plan should include a strategy for achieving retirement independent of other financial priorities.
5	Insurance Planning	Identify all risk exposures and provide the necessary coverage to protect the family and its assets against financial loss.
6	Asset Allocation	Include a customized asset allocation strategy based on specific investment objectives and a risk profile.

Assumptions

Description	Value
Inflation Rate	7.0 %
Inflation Rate - Child Education	10.0 %
Return on Debt Instruments	10.0 %
Return on Hybrid Funds	12.0 %
Return on Equity Instruments	12.0 %
Yearly Income Growth	10.0 %

Personal Details

Name: ABC

Age: 34

Email: abc@gmail.com

Family Details:

Name	Relationship	Age
PQR	Spouse	28
AB	Children	5
STR	Mother	46

Your Risk Profile

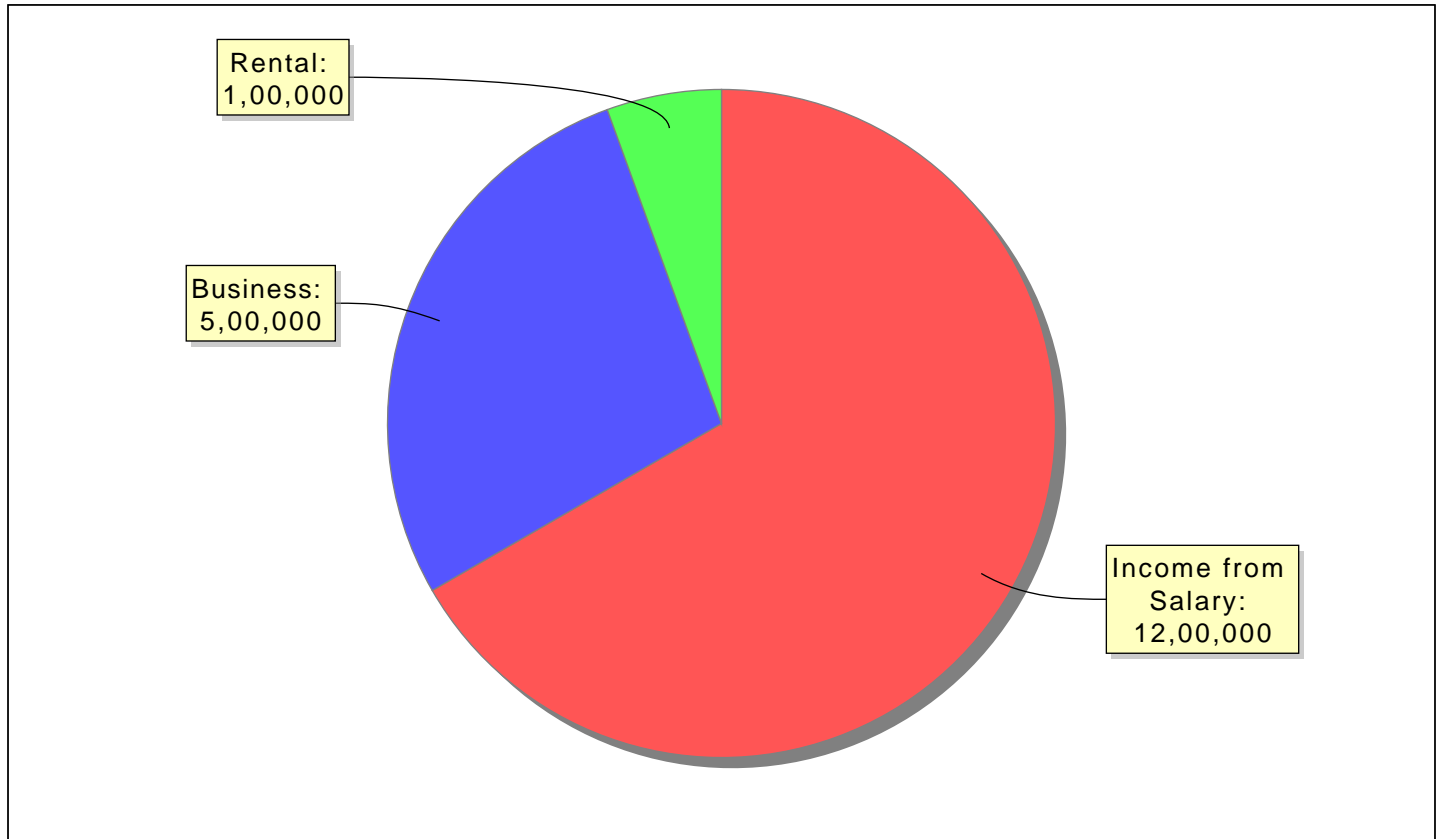
Moderate Risk Taking

- Primary Goal: Growth of Capital
- You want to invest in a broad spread of quality investments, but predominantly in growth assets to achieve higher growth.
- You have a reasonable understanding of the investment markets and their operation.
- When you think of the term risk, you think it means 'possibilities'.
- When you make a financial decision, you are more focussed on the possible gains, but also keep in mind the possible losses.
- You can accept that there will be some level of volatility in the value of your investments.
- You are a moderate risk taker and can accept some moderate levels of investment risk.
- Primary Asset Class – Equity, Hybrid & Real Estate

Income - Expense Analysis

Income

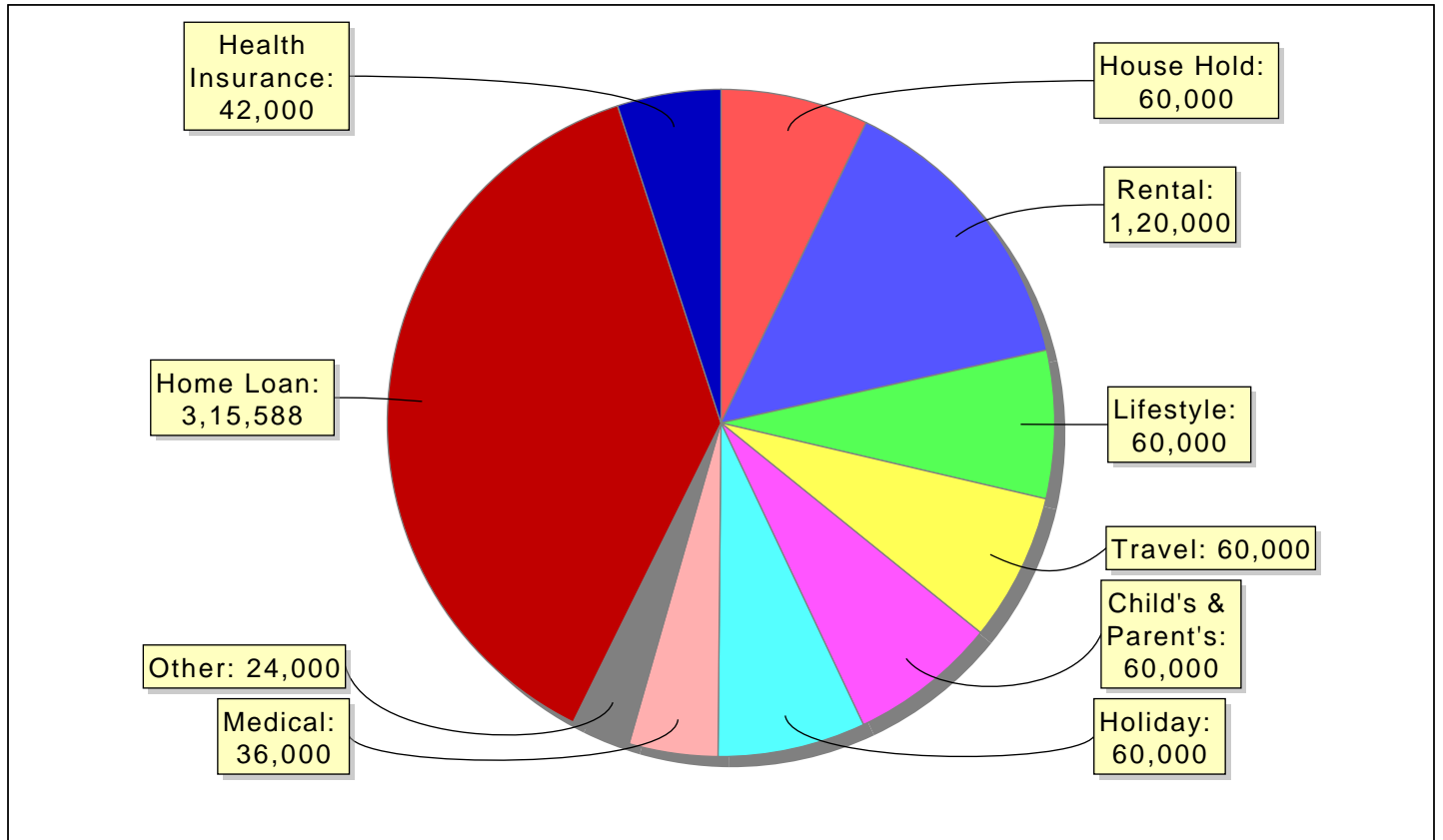
Total Income(Yearly): Rs 18,00,000



Income Type	Monthly (₹)	Yearly (₹)
Income from Salary	1,00,000	12,00,000
Business Income	41,666	5,00,000
Rental Income	8,333	1,00,000
Total	1,49,999	18,00,000

Expenses

Total Expenses(Yearly): Rs 8,37,588



Expenses Type	Monthly (₹)	Yearly (₹)	Expenses Type	Monthly (₹)	Yearly (₹)
House Hold	5,000	60,000	Rental	10,000	1,20,000
Lifestyle	5,000	60,000	Travel	5,000	60,000
Child's & Parent's	5,000	60,000	Holiday	5,000	60,000
Medical	3,000	36,000	Other	2,000	24,000
Home Loan	26,299	3,15,588	Health Insurance	3,500	42,000
			Total	69,799	8,37,588

50/30/20 Guideline For Tracking Budget

EXPENCES: Maximum 50% Take Home Income (Post all deductions)	SAVING: Minimum 30%	FLOATING: 20%
<ul style="list-style-type: none"> - All household expenses : Utilities, food, entertainment, education, fuel. - Rent/House EMI 	<ul style="list-style-type: none"> - Saving for long term goals such as marriage, kids higher education, retirement 	<ul style="list-style-type: none"> - Short Term goals : Car, vacations, electronics - Emergency Fund : Medical, denations

Income = ₹ 18,00,000

Expenses = ₹ 6,99,588 = 39% of Income

Floating = ₹ 1,38,000 = 8% of Income

Saving = ₹ 9,62,412 = 53% of Income

You have a good Saving Ratio. Please make sure to sustain this in future as well.

Net Worth

Assets

Asset Type	Current Amount (₹)	Percentage
Mutual Fund	50,000	7.46 %
Fixed deposit	1,50,000	22.39 %
PPF	1,20,000	17.91 %
Equity	50,000	7.46 %
Gold	3,00,000	44.78 %
Total	6,70,000	100 %

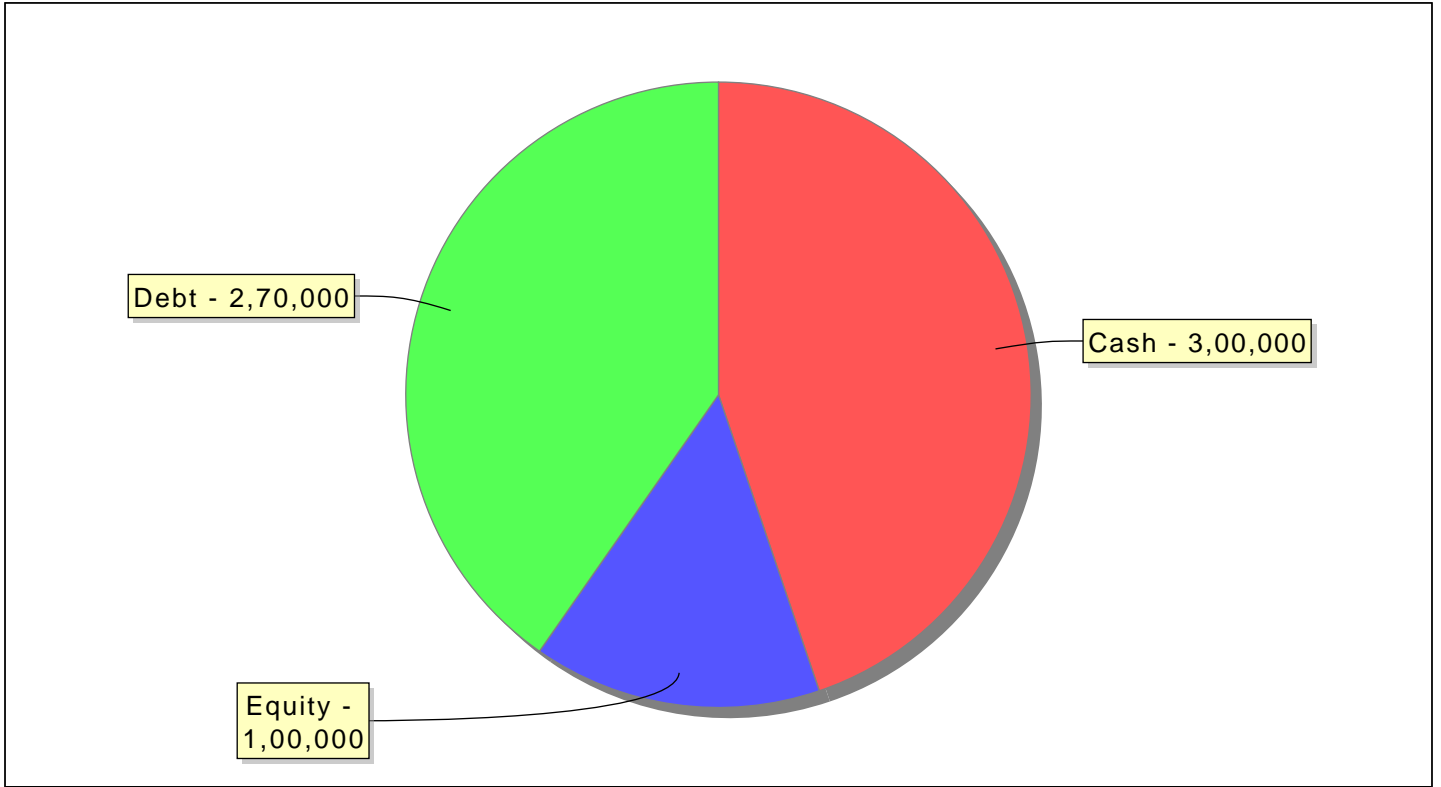
Liabilities

Liability Type	Current Outstanding (₹)
Home Loan	4,00,000
Total	4,00,000

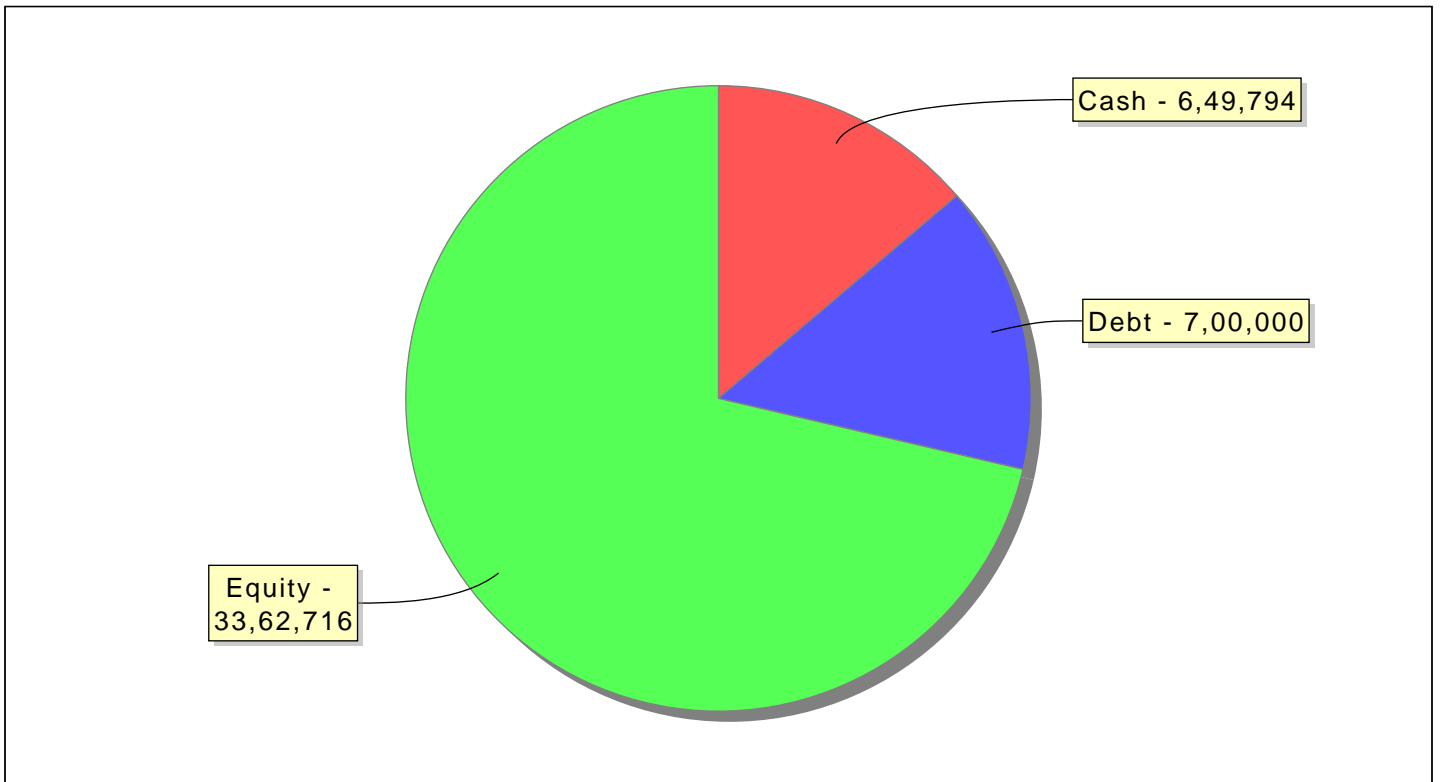
Total Networth (Assets - Liabilities) = ₹ 2,70,000

Asset Allocation

Your Current Financial Asset Allocation



Proposed Financial Asset Allocation



Emergency Planning

Many a time, things don't pan out according to your plans. It makes sense then, to have a contingency plan armouring you to deal with unexpected outcomes. A contingency plan is often used to manage risk that may seem unlikely to happen, but if it does, would have a disruptive impact on your life.

For example, a sudden job loss can derail your financial planning but most importantly, also leave you struggling to meet your everyday expenses and financial obligations like a personal or home loan till you find another job. Having a contingency fund will ensure that you don't have to worry if such a situation arises. It will enable you to pay your EMIs on time, even if your cash flow stops for some time as you have anticipated this and kept funds aside.

Similarly, we need to have a rain cheque for medical emergencies or other natural disasters.

We have created an Emergency Fund for you -

Emergency Fund = ₹ **6,49,794**

Invest 10% of this in your savings account and rest in a Liquid Fund.



Expert's Recommendation

Recommended Fund
(You should invest this money in following Fund)

XXXXX

Goals

Goals Summary

Goal Name	Year To Goal	Present Cost (₹)	Goal Priority	Inflation	Type	Achievable?
Vacation-Domestic	2	3,00,000	0	7.0 %	Short term	May be
AB-Graduation	20	10,00,000	1	10.0 %	Long term	Yes
AB-Marriage	22	5,00,000	1	7.0 %	Long term	Yes
Retirement	26	14,62,716	2	7.0 %	Long term	Yes
Purchase-Home	6	8,00,000	3	7.0 %	Long term	Yes

1. Vacation-Domestic

Year To Goal	Present Cost (₹)	Future Cost (₹)	Inflation	Current Value Of Tagged Assets (₹)	Expected Returns From Tagged Assets	Future Value Of Tagged Assets (₹)	Deficit (₹)
2	3,00,000	3,43,470	7.0 %	20,206	10.0 %	24,449	2,79,794

1.1 Investment Options For This Goal

Lumpsum (₹)	SIP (₹)	Step Up SIP (₹)	Expected Returns From Investment
2,63,653	12,018	12,018	10.0 %

1.2 Yadnya's Recommendation

Asset Name	Chosen Option	Amount (₹)	Comment
Yadnya Recommended Assets section	Monthly SIP	3,605	-

1.3 Recommended Additional Investments

Years	Recommended Investment Per Month (₹)	Years	Recommended Investment Per Month (₹)
2018	12,018	2019	12,018

2. AB-Graduation

Year To Goal	Present Cost (₹)	Future Cost (₹)	Inflation	Current Value Of Tagged Assets (₹)	Expected Returns From Tagged Assets	Future Value Of Tagged Assets (₹)	Deficit (₹)
20	10,00,000	67,27,499	10.0 %	0	10.0 %	0	10,00,000

2.1 Investment Options For This Goal

Lumpsum (₹)	SIP (₹)	Step Up SIP (₹)	Expected Returns From Investment
6,97,418	7,313	3,491	10.0 %

2.2 Yadnya's Recommendation

Asset Name	Chosen Option	Amount (₹)	Comment
Yadnya Recommended Assets section	Monthly SIP	7,313	-

2.3 Recommended Additional Investments

Years	Recommended Investment Per Month (₹)	Years	Recommended Investment Per Month (₹)
2018	7,313	2019	7,313
2020	7,313	2021	7,313
2022	7,313	2023	7,313
2024	7,313	2025	7,313
2026	7,313	2027	7,313
2028	7,313	2029	7,313
2030	7,313	2031	7,313
2032	7,313	2033	7,313
2034	7,313	2035	7,313
2036	7,313	2037	7,313

3. AB-Marriage

Year To Goal	Present Cost (₹)	Future Cost (₹)	Inflation	Current Value Of Tagged Assets (₹)	Expected Returns From Tagged Assets	Future Value Of Tagged Assets (₹)	Deficit (₹)
22	5,00,000	22,15,200	7.0 %	0	10.0 %	0	5,00,000

3.1 Investment Options For This Goal

Lumpsum (₹)	SIP (₹)	Step Up SIP (₹)	Expected Returns From Investment
1,83,069	1,875	847	10.0 %

3.2 Yadnya's Recommendation

Asset Name	Chosen Option	Amount (₹)	Comment
Yadnya Recommended Assets section	Monthly SIP	1,875	-

3.3 Recommended Additional Investments

Years	Recommended Investment Per Month (₹)	Years	Recommended Investment Per Month (₹)
2018	1,875	2019	1,875
2020	1,875	2021	1,875
2022	1,875	2023	1,875
2024	1,875	2025	1,875
2026	1,875	2027	1,875
2028	1,875	2029	1,875
2030	1,875	2031	1,875
2032	1,875	2033	1,875
2034	1,875	2035	1,875
2036	1,875	2037	1,875

2038	1,875	2039	1,875
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4. Retirement

Year To Goal	Retirement Corpus Required (₹)	Inflation	Current Value Of Tagged Assets (₹)	Expected Returns From Tagged Assets	Future Value Of Tagged Assets (₹)	Deficit (₹)
26	2,78,50,228	7.0 %	0	10.0 %	0	14,62,716

4.1 Investment Options For This Goal

Lumpsum (₹)	SIP (₹)	Step Up SIP (₹)	Expected Returns From Investment
14,62,716	14,511	5,923	10.0 %

4.2 Yadnya's Recommendation

Asset Name	Chosen Option	Amount (₹)	Comment
Yadnya Recommended Assets section	Monthly SIP	14,511	-

4.3 Recommended Additional Investments

Years	Recommended Investment Per Month (₹)	Years	Recommended Investment Per Month (₹)
2018	14,511	2019	14,511
2020	14,511	2021	14,511
2022	14,511	2023	14,511
2024	14,511	2025	14,511
2026	14,511	2027	14,511
2028	14,511	2029	14,511
2030	14,511	2031	14,511
2032	14,511	2033	14,511
2034	14,511	2035	14,511

2036	14,511	2037	14,511
2038	14,511	2039	14,511
2040	14,511	2041	14,511
2042	14,511	2043	14,511

5. Purchase-Home

Year To Goal	Present Cost (₹)	Future Cost (₹)	Inflation	Current Value Of Tagged Assets (₹)	Expected Returns From Tagged Assets	Future Value Of Tagged Assets (₹)	Deficit (₹)
6	8,00,000	12,00,584	7.0 %	0	10.0 %	0	8,00,000

5.1 Investment Options For This Goal

Lumpsum (₹)	SIP (₹)	Step Up SIP (₹)	Expected Returns From Investment
6,08,253	11,588	8,990	10.0 %

5.2 Yadnya's Recommendation

Asset Name	Chosen Option	Amount (₹)	Comment
Yadnya Recommended Assets section	Monthly SIP	11,588	-

5.3 Recommended Additional Investments

Years	Recommended Investment Per Month (₹)	Years	Recommended Investment Per Month (₹)
2018	11,588	2019	11,588
2020	11,588	2021	11,588
2022	11,588	2023	11,588

Yadnya's Asset Recommendations



Goal Type	Name of the Fund	Monthly Investments (₹)
Short Term Goals: Vacation-Domestic	XXXXX	3,605
Medium Term Goals: Purchase-Home	XXXXX	11,588
Long Term Goals: AB- Graduation, AB- Marriage, Retirement	XXXXX	7,109
	XXXXX	7,109
	XXXXX	4,739
	XXXXX	4,739

Post Retirement Cash Flow

Years	Starting Retirement Corpus (₹)	SWP - Yearly (₹)	Ending Retirement Corpus (₹)
1	2,78,50,228	12,42,773	2,66,07,455
2	2,87,36,051	13,29,767	2,74,06,284
3	2,95,98,787	14,22,851	2,81,75,936
4	3,04,30,011	15,22,451	2,89,07,560
5	3,12,20,165	16,29,023	2,95,91,142
6	3,19,58,433	17,43,055	3,02,15,378
7	3,26,32,608	18,65,069	3,07,67,539
8	3,32,28,942	19,95,624	3,12,33,318
9	3,37,31,983	21,35,318	3,15,96,665
10	3,41,24,398	22,84,790	3,18,39,608
11	3,43,86,777	24,44,725	3,19,42,052
12	3,44,97,416	26,15,856	3,18,81,560
13	3,44,32,085	27,98,966	3,16,33,119
14	3,41,63,769	29,94,894	3,11,68,875

15	3,36,62,385	32,04,537	3,04,57,848
16	3,28,94,476	34,28,855	2,94,65,621
17	3,18,22,871	36,68,875	2,81,53,996
18	3,04,06,316	39,25,696	2,64,80,620
19	2,85,99,070	42,00,495	2,43,98,575
20	2,63,50,461	44,94,530	2,18,55,931
21	2,36,04,405	48,09,147	1,87,95,258
22	2,02,98,879	51,45,787	1,51,53,092
23	1,63,65,339	55,05,992	1,08,59,347
24	1,17,28,095	58,91,411	58,36,684
25	63,03,619	63,03,810	0

Tax Planning

In order to encourage the culture of saving and to direct the savings of an individual into the right resources, the Government of India permits tax exemptions, but only if the savings are invested in instruments as listed under section 80C, 80CCC, and 80CCD of Income Tax (IT) Act. Under these 3 sections a maximum tax deduction of ₹ 1,50,000 is allowed. With proper tax planning throughout the year, an individual should definitely claim these exemptions for saving tax by making a single investment or a combination of investments in any of these sections. However, it is important to keep in mind that the total tax exemption allowed is limited to ₹ 1,50,000. Some of the popular taxes saving investment options are: - Best Tax Saving Investments under Section 80C.

Investment	Returns	Taxation	Lock-in
EPF & VPF	8.55%	EEE	Till Retirement
PPF	8%	EEE	15 Years
NSC	8%	EET	5 Years
5 Year FD	6.5-8.5%	EET	5 Years
ELSS	11% (Last 3 Years)	EET, 10% LTCG	3 Years
NPS	7-10%	EET, 60% corpus is tax free	Till Retirement
SCSS	8.7%	EET	5 Years
SSY	8.5%	EEE	When daughter turns 21

Your current Section 80C limit is met by

1. PPF = ₹ 12,000/annum

2. Home Loan Principal Repayment = ₹ 2,38,010/annum

Based on your risk profile (Moderate Risk Taking), you should invest in ELSS fund for your Section 80C remaining limit.



Expert's Recommendation

Recommended Fund

XXXXXX

Insurance Planning

Life Insurance

Description	Value (₹)
Current annual income of the insured	18,00,000
Current age of the insured	34
Expected retirement age of the insured	60.0
Estimated Human Life Value	3,77,04,010
Insurance cover already taken	2,50,000
Value of existing assets and investments	6,70,000
Net additional insurance cover to be taken	3,67,84,010



Expert's Recommendation

If you are happy, you can take a top-up from your existing Insurer or You should choose one of the online term plan mentioned below

1. XXXXX
2. XXXXX

Health Insurance

Medical Insurance should be the next thing on your mind. You should always think about medical insurance for you and your family. There may not be sufficient resources to take care of your medical expense in case of any urgent medical treatment.

Currently You have ₹ **2,00,000** medical cover in Individual plan.

Ideal Medical cover for whole family in -

1. Metros : ₹ 10 Lakhs

2. Other Major Cities : ₹ 7 Lakhs

You should opt for min ₹ **5** lakhs more cover on your Health Insurance.

You should opt for Family floater plan which includes your spouse and kids. You should have a separate Individual plans for your parents.

While choosing a Health Insurance Plans, you should always consider following things -

1. Is my nearby hospital part of their empanelled list to help in cashless facility?
2. Do I need want to cover Pre & Post Hospitalization charges as well (If yes, it will increase your premium)
3. Do I need Maternity cover?
4. Is there any cap on Daily room rent? If yes, is it justifiable for my preferred hospital?



Expert's Recommendation

Recommended Health Insurance Plans (You should choose one of the following term plan)

1. XXXXX

2. XXXXX

3. XXXXX

Cash Flow Till Retirement

Years	Your Age	Inflow (₹)	Expense s (₹)	Surplus / Shortage (₹)	Short Term Goals (₹)	Medium Term Goals (₹)	Long Term Goals (₹)	Surplus (₹)	Goal Outflow (₹)	Assets (₹)	Goal Name
2018	34									6,70,000	
2019	35	18,00,000	8,37,588	9,62,412	43,260	1,39,056	2,84,388	4,95,708	6,49,794	11,09,442	Emergency
2020	36	19,80,000	8,96,219	10,83,781	43,260	1,39,056	2,84,388	6,17,077	3,43,470	20,13,407	Vacation - Domestic
2021	37	21,78,000	9,58,954	12,19,046		1,39,056	2,84,388	7,95,602		34,63,984	
2022	38	23,95,800	10,26,080	13,69,720		1,39,056	2,84,388	9,46,276		51,74,309	
2023	39	26,35,380	10,97,905	15,37,475		1,39,056	2,84,388	11,14,031		71,80,500	
2024	40	28,98,918	11,74,758	17,24,160		1,39,056	2,84,388	13,00,716	12,00,584	83,22,560	Purchase -Home
2025	41	31,88,809	12,56,991	19,31,818			2,84,388	16,47,430		1,09,53,455	
2026	42	35,07,689	13,44,980	21,62,709			2,84,388	18,78,321		1,40,10,948	
2027	43	38,58,457	14,39,128	24,19,329			2,84,388	21,34,941		1,75,51,916	
2028	44	42,44,302	15,39,866	27,04,436			2,84,388	24,20,048		2,16,40,115	
2029	45	46,68,732	16,47,656	30,21,076			2,84,388	27,36,688		2,63,46,960	
2030	46	51,35,605	17,62,991	33,72,614			2,84,388	30,88,226		3,17,52,399	
2031	47	56,49,165	18,86,400	37,62,765			2,84,388	34,78,377		3,79,45,877	
2032	48	62,14,081	20,18,448	41,95,633			2,84,388	39,11,245		4,50,27,410	
2033	49	68,35,489	21,59,739	46,75,750			2,84,388	43,91,362		5,31,08,773	
2034	50	75,19,037	23,10,920	52,08,117			2,84,388	49,23,729		6,23,14,817	
2035	51	82,70,940	24,72,684	57,98,256			2,84,388	55,13,868		7,27,84,930	
2036	52	90,98,034	26,45,771	64,52,263			2,84,388	61,67,875		8,46,74,658	
2037	53	1,00,07,837	28,30,974	71,76,863			2,84,388	68,92,475		9,81,57,497	

2038	54	1,10,08,620	30,29,142	79,79,478			2,84,388	76,95,090	67,27,499	10,66,99,381	AB-Graduation
2039	55	1,21,09,482	32,41,181	88,68,301			2,84,388	85,83,913		12,34,99,960	
2040	56	1,33,20,430	34,68,063	98,52,367			2,84,388	95,67,979	22,15,200	14,02,94,649	AB-Marriage
2041	57	1,46,52,473	37,10,827	1,09,41,646			2,84,388	1,06,57,258		16,16,23,909	
2042	58	1,61,17,720	39,70,584	1,21,47,136			2,84,388	1,18,62,748		18,57,11,982	
2043	59	1,77,29,492	42,48,524	1,34,80,968			2,84,388	1,31,96,580		21,28,86,744	
2044	60	1,95,02,441	45,45,920	1,49,56,521			2,84,388	1,46,72,133	2,78,50,228	21,56,62,842	Retirement

Action Plan

1. Review of this Financial Plan with a Financial Advisor - [Click here](#) to review this Report with Yadnya's Financial Advisor
2. First you should create enough Emergency Fund of ₹ 6,49,794 Put 10% of this i.e ₹ 64,979 in your savings account and rest ₹ 5,84,815 in **XXXXX**
3. Secondly you should take the additional life insurance of ₹ 3,67,84,010 for yourself to cover your dependents.
4. Action Plans on your Important goals -
 - AB-Graduation: This goal is achievable with SIP in recommended equity mutual fund.**
 - AB-Marriage: This goal is achievable with SIP in recommended equity mutual fund.**
 - Retirement: This goal is achievable with SIP in recommended equity mutual fund.**
 - Purchase-Home: This goal is achievable with SIP in recommended equity mutual fund.**
5. Next Financial Review - **19 December 2019**

Important Thumb Rules

Rule Name	Rules
6 months car rule	Your car price shouldn't be more than your 6 months salary
Emergency fund rule	You should have upto 6 months of your salary as emergency fund
Retirement rule	Whenever you have investments of 33 times of your current annual Expense, you can retire considering same lifestyle for life.
First year salary rule	You shouldn't take out more in student loans than you expect to make first year on the job.
Life cover rule	You should take term insurance worth 10 times your annual salary
House price rule	You shouldn't buy a home more than 5 times of your annual income. Loan EMI shouldn't be more than 40% of your monthly salary
Diversification rule	No more than 10 mutual funds (Equity, Debt & Hybrid) in your portfolio.

Disclaimer

This financial plan was developed using information provided by you. Our Estimates of future returns and inflation parameters, using past history and reliable sources, play a significant part in the plan. While the information is presented in a detailed manner with exact numbers, PLEASE BE AWARE THAT ALL FUTURE PROJECTIONS ARE ESTIMATES ONLY.

As the time period between the current date and projection date increases, so does the possible margin of error. This plan should be viewed as a "road map", and it should be reviewed minimum every year and adjusted as more current or accurate information becomes available.

All the calculations are done based on our proprietary algorithms and programs. As with other computer applications, these programs are subject to errors due to various reasons such as malware attack, hacking, human errors etc. Though we take the highest care to keep your information secured and making sure our algorithm works fine, still please do not consider this report as Final Financial Advice. There is no human review, which has happened to this report and hence it is prone to system errors.

Suggested Financial Plan to achieve your financial goals may not be accurate or yield expected results if the information provided by you is incorrect or any of the assumptions made are rendered invalid due to uncontrollable external forces, like change in interest rates, change in govt policies etc.

This plan is not designed as a substitute for your own judgment, nor is it meant to eliminate the necessity of your personal review and analysis. This plan is designed to supplement your own planning and analysis to help you fulfil your financial objectives. Information provided in the attached report is general in nature and should NOT be construed as providing legal, accounting, investment and / or tax advice. Should you have any specific questions and / or issues in these areas, please consult your legal, tax, investment and / or accounting advisor. InvestYadnya cannot endorse or support any specific decision you may make because we are not privy to all the other information that effective financial decision making requires.