

YOUR FINANCIAL PLAN

Ms. AMANDEEP KAUR

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For further questions, please mail us on info@yfinadvisor.com

We are glad you are here!

Dear Ms. Kaur

Congratulations on taking a huge step towards Your Richest Life! Your Yfin Financial Plan will show you how to take control of your money and give you a complete to-do list to get there. Financial Planning may sound intimidating, but it is really just **four simple things**.



YOUR FINANCIAL SNAPSHOT

Age	25
Monthly Take home Pay	45,000
Monthly Spending	10,000
CIBIL Credit Score	N/A
Savings	
Bank Savings Accounts	25,000
Other Savings	220,000
Non Retirement Investments	
Mutual Funds	0
Direct Equity	0
Retirement Investments	
PPF	0
NPF	0
Property	0
Gold	0
Others	0
Mortgage	0
Credit Cards debt	0
Other Loans	0

TOTAL ASSETS	minus	TOTAL LIABILITIES	equals	NET WORTH
275,000	-	0	=	275,000

Note: Your net worth is one measure of your financial health. It changes as you pay down debts, make investments, or take new loans. There's no "right" number, but it should grow each year.

YOUR INCOME

You told us that your take-home- pay is 45,000. Remember, this will differ a lot from what is your "CTC"- we are talking of all the deductions, including taxes and other contributions you have before the salary comes to you.

Take-home Salary	=	45,000
Other Income	=	0
Total Income	=	45,000

YOUR EXPENSES

Nobody likes to budget, so to make this important process a bit easier, we split spending into two camps and provide rules of thumb about how much is too much.

ESSENTIALS

+

CHOICES

=

TOTAL SPENDING

Housing
Utilities
Groceries
Transportation

Shopping
Eating Out
Personal Care
Everything Else

RULE OF THUMB

NO MORE THAN **50%** OF YOUR
NET INCOME

RULE OF THUMB

NO MORE THAN **30%** OF YOUR
NET INCOME

RULE OF THUMB

NO MORE THAN **80%** OF YOUR
NET INCOME

We like these rules of thumb because people typically need to set aside at least 20% of their income to achieve their Financial Priorities.

But these guidelines are still pretty general- let's take a look at what your spending looks like.

How you spend your money is honestly up to you but we are here to help you understand how much you need to put aside to achieve your most important financial priorities.

ESSENTIALS ARE 15.56% OF YOUR NET INCOME

Housing	0
Utilities	0
Groceries	2,000
Transportation	5,000
Other Essentials	0
Total	7,000

CHOICES ARE 6.67% OF YOUR NET INCOME

Shopping	2,000
Eating Out	0
Personal Care	1,000
Others	0
Total	3,000

Total Expenditure is 22.22% of your Net Income- 10,000

ACHIEVING FINANCIAL SECURITY

Now that we know where you stand, we can talk about your Financial Priorities. YfinAdvisoR places three Priorities above the rest:

- Emergency Fund
- Retirement
- Paying off debts

These define your financial security and make it possible to accomplish other goals down the road. To make sure you're fully protected, we emphasize hitting certain targets for these goals before moving on to anything else.

YOUR KEY STATS

WE ADVISE YOU TO
SAVE

35,000

PER
MONTH

TO YOUR FINANCIAL
PRIORITIES

HOW THAT'S GOING TO HAPPEN

WHERE YOUR MONEY GOES TODAY

INCOME	45,000
SAVINGS	35,000
SPENDING	10,000

WHAT IT NEEDS TO LOOK LIKE

INCOME	45,000
SAVINGS	35,000
SPENDING	10,000

BOTTOM LINE

Changes in your day-to-day spending will make sure that you don't spend more than you earn and that you build the funding required to achieve your financial priorities in timeframe that makes sense for you.

35,000

**MUST BE REALLOCATED TOWARD FINANCIAL PRIORITIES
IN ORDER TO ACHIEVE YOUR GOALS**

We're not here to micromanage your lifestyle. We know that making budget changes is both a tough and personal process. If you ever have specific questions about a way that you want to cut your spending, we can always discuss it on a follow-up call or via email. Believe me, these cuts may be hard at first, but they will be worth it you make fabulous progress on your Financial Priorities!

YOUR GOALS

Monthly Savings: 35,000

Order	Goal	Achieved
1	Emergency Fund	Not Met
2	Retirement	Not Met
3	Wedding	Not Met
4	Down Payment for House Renovation	Not Met
5	Down payment for car	Not Met

GOAL 1: EMERGENCY FUND

We believe that everyone should have an Emergency Fund equal to 6 months of their net income, and it should only be used in emergencies like Job loss, medical emergency, etc.

You should not use this fund for leisure purposes like vacation, shopping etc and once you break this fund for some emergency, it should again be funded ASAP.

Your Net Income per month	-	45,000
Your Emergency Fund should have	-	270,000
Funds you already have	-	25,000
Funds required to be added	-	245,000

GOAL 2: RETIREMENT

WHY RETIREMENT SHOULD BE YOUR PRIORITY?

INFLATION

Put simply, inflation means higher prices. By the time you retire, prices will likely be higher than they are today, which means a rupee will not go as far tomorrow as it does today. Since each dollar will buy slightly less in the future, the answer is simply to save more.

HEALTHCARE

On one hand, advances in health care mean that we're living longer. On the other hand, that means caring for ourselves in old age is more expensive.

INDEPENDENCE

Unlike old generations, who could count on Social Security and large pensions, we're largely on our own to fund our retirement.

Am I On Track?

Current Status		
I Save INR 8,333 Per Month	My Post- Retirement Income Is* INR 422,309 Per Year (In Today's Rupees)	Which Is 78.2% Of My Current Salary

YfinAdvisor Recommends		
I Should Save INR 7,534 Per Month	My Post- Retirement Income Is* INR 378,000 Per Year (In Today's Rupees)	Which Is 70% Of My Current Salary

GOAL 3: WEDDING

Budget of a wedding varies for everyone, but whatever the budget one should start saving for the big day as soon as possible.

Amount required- 1,500,000

Target- 31 Dec 2018

PLAN	Aggressive	Balanced	Low Risk	Zero Risk
EMI	48,451	50,597	52,067	55,880

GOAL 4: DOWN PAYMENT FOR HOUSE RENOVATION

You need Rs 150,000 by 31 Dec 2017 for your goal 'DOWN PAYMENT FOR HOUSE RENOVATION'.

Amount required- 150,000

Target- 31 Dec 2017

PLAN
EMI

Aggressive
7,866

Balanced
8,058

Low Risk
8,189

Zero Risk
8,522

GOAL 5: DOWN PAYMENT FOR CAR

You need Rs 200,000 by 31 Dec 2018 for your goal 'DOWN PAYMENT FOR CAR'.

Amount required- 200,000

Target- 31 Dec 2018

PLAN
EMI

Aggressive
5,625

Balanced
5,874

Low Risk
6,045

Zero Risk
6,487