

YOUR FINANCIAL PLAN

Ms. MUKTA NEGI

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Next Review: 03 Oct 2016

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

We are glad you are here!

Dear Ms. Negi

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	21
Monthly Take home Pay	23,000
Monthly Spending	12,500
CIBIL Credit Score	N/A
Savings	
Bank Savings Accounts	3,000
Other Savings	0
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	30,000
Other Loans	0

TOTAL ASSETS	minus	TOTAL LIABILITIES	equals	NET WORTH
3,000	-	30,000	=	-27,000

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 23,000. 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	=	23,000
Other Income	=	0
Total Income	=	23,000

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 32.61% OF YOUR NET INCOME

Housing	5,000
Utilities	0
Groceries	2,000
Transportation	500
Other Essentials	0
Total	7,500

CHOICES ARE 21.74% OF YOUR NET INCOME

Shopping	2,000
Eating Out	0
Personal Care	0
Others	3,000
Total	5,000

Total Expenditure is 54.35% of your Net Income- 12,500

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

10,500

PER
MONTH

TO YOUR FINANCIAL
PRIORITIES

HOW THAT'S GOING TO HAPPEN

WHERE YOUR MONEY GOES TODAY

INCOME	23,000
SAVINGS	10,500
SPENDING	12,500

WHAT IT NEEDS TO LOOK LIKE

INCOME	23,000
SAVINGS	10,500
SPENDING	12,500

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.

10,500

**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: 10,500

Order	Goal	Achieved
1	Emergency Fund	Not Met
2	Payback credit card debt	Not Met
3	Retirement	Not Met
4	Downpayment for 2BHK Flat in Delhi NCR	Not Met
5	Car	Not Met
6	Iphone 7	Not Met
7	Two wheeler	Not Met
8	Jewellery	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	-	23,000
Your Emergency Fund should have	-	138,000
Funds you already have	-	3,000
Funds required to be added	-	135,000

GOAL 2: PAYBACK CREDIT CARD DEBT

Debt problems are a reality for each one of us, at one point or the other one has witnessed some or more of these problems. You could have faced it because of a special situation, such as an illness or a family member's wedding, or simply because you went on a shopping binge, and ended up spending far more than your means.

PAYING OFF EXPENSIVE DEBT AT THE EARLIEST IS A WISE DECISION.

Amount required- 30,000

Target- 31 Dec 2016

PLAN	Aggressive	Balanced	Low Risk	Zero Risk
EMI	5,832	5,867	5,890	5,948

GOAL 3: 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 0 Per Month	My Post- Retirement Income Is* INR 0 Per Year (In Today's Rupees)	Which Is 0.0% Of My Current Salary

YfinAdvisor Recommends		
I Should Save INR 2,998 Per Month	My Post- Retirement Income Is* INR 193,200 Per Year (In Today's Rupees)	Which Is 70% Of My Current Salary

GOAL 4: DOWNPAYMENT FOR 2BHK FLAT IN DELHI NCR

Every one of us wants to have his own house to live in and for that one should at least plan to save for the down payment of the house at the earliest. When planning for the down payment, rise in the property prices should be accounted for as your dream house today might not be of the same value in the future.

Amount required- 600,000

Target- 02 Jul 2024

PLAN	Aggressive	Balanced	Low Risk	Zero Risk
EMI	4,367	5,155	5,739	7,422

GOAL 5: CAR

You need Rs 700,000 by 02 Jul 2020 for your goal 'CAR'.

Amount required- 700,000

Target- 02 Jul 2020

PLAN
EMI

Aggressive
10,282

Balanced
11,088

Low Risk
11,651

Zero Risk
13,151

GOAL 6: IPHONE 7

You need Rs 70,000 by 31 Jul 2017 for your goal 'IPHONE 7'.

Amount required- 70,000

Target- 31 Jul 2017

PLAN	Aggressive	Balanced	Low Risk	Zero Risk
EMI	5,393	5,482	5,542	5,696

GOAL 7: TWO WHEELER

You need Rs 50,000 by 31 Dec 2022 for your goal 'TWO WHEELER'.

Amount required- 50,000

Target- 31 Dec 2022

PLAN
EMI

Aggressive
362

Balanced
412

Low Risk
448

Zero Risk
548

GOAL 8: JEWELLERY

You need Rs 70,000 by 31 Jul 2017 for your goal 'JEWELLERY'.

Amount required- 70,000

Target- 31 Jul 2017

PLAN
EMI

Aggressive
5,393

Balanced
5,482

Low Risk
5,542

Zero Risk
5,696