

YOUR FINANCIAL PLAN

MR. VIKAS KUMAWAT

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Next Review: 5th May 2017

For further questions, please contact us on www.yfinadvisor.com/contact or call us on our toll-free number
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We are glad you are here!

Dear Mr. Kumawat

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	45
Monthly Take home Pay	25,000
Monthly Spending	11,900
CIBIL Credit Score	0
Savings	
Bank Savings Accounts	15,000
Other Savings	20,000
Non Retirement Investments	
Mutual Funds	10,000
Direct Equity	3,000
Retirement Investments	
PPF	4,000,000
NPF	0
Property	20,000
Gold	40,000
Others	0
Mortgage	20,000
Credit Cards debt	20,000
Other Loans	20,000

TOTAL ASSETS	minus	TOTAL LIABILITIES	equals	NET WORTH
4,128,000.0	-	60,000	=	4,068,000

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 50,000. 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	=	50,000
Other income	=	0
Total Income	=	50,000

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 10% OF YOUR NET INCOME

Housing	4,000
Utilities	1,000
Groceries	200
Transportation	1,000
Other Essentials	500
Total	6,700

CHOICES ARE 20% OF YOUR NET INCOME

Shopping	500
Eating Out	500
Personal Care	200
Others	4,000
Total	5,200

Total Expenditure is 20% of your Net Income- 11,900

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 AGREED YOU'RE
READY TO DEDICATE**

\$5,165 PER
MONTH

**TO YOUR FINANCIAL
PRIORITIES**

HOW THAT'S GOING TO HAPPEN

WHERE YOUR MONEY GOES TODAY

INCOME	\$11,377
FINANCIAL PRIORITIES	\$165
SPENDING	\$6,212

UNDER BUDGET BY: \$7,048

WHAT IT NEEDS TO LOOK LIKE

INCOME	\$11,377
FINANCIAL PRIORITIES	\$165
SPENDING	\$6,212

BALANCED BUDGET \$6,212

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.

\$5,000

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

We're not here to micromanage your lifestyle. I know that making budget changes is both a tough and personal process, so in the appendix I've include a collection of LearnVest's best "smart spending" tips to help you make these changes. 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: 15,000

Order	Goal	Achieved
1	Emergency Fund	Yes
2	Retirement	No
3	Payback Loans	Yes
4	Child Education	No
5	Home	Yes
6	Child Wedding	No

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 - 1,00,000

Your Emergency Fund should have- 6,00,000

Funds you already have- 3,00,000

Funds required to be added- 3,00,000

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
250
PER MONTH

MY POST- RETIREMENT INCOME IS*
68,606
PER YEAR (IN TODAY'S RUPEES)

WHICH IS
33%
OF MY CURRENT
SALARY

Yfin RECOMMENDS

I SHOULD SAVE
2,197
PER MONTH

MY POST- RETIREMENT INCOME IS*
1,44,900
PER YEAR (IN TODAY'S RUPEES)

WHICH IS
70%
OF MY CURRENT
SALARY

GOAL 3: PAYBACK LOANS

Writeup

Amount required- 10,00,000

Target- 2022

PLAN	Aggressive	Balanced	Low Risk	Zero Risk
EMI	24,392	26,360	28,446	31,780

GOAL 4: CHILD EDUCATION

Writeup

Amount required- 10,00,000

Target- 2022

PLAN	Aggressive	Balanced	Low Risk	Zero Risk
EMI	24,392	26,360	28,446	31,780

GOAL 5: HOME

Writeup

Amount required- 10,00,000

Target- 2022

PLAN EMI	Aggressive 24,392	Balanced 26,360	Low Risk 28,446	Zero Risk 31,780
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GOAL 6: CHILD WEDDING

Writeup

Amount required- 10,00,000

Target- 2022

PLAN	Aggressive	Balanced	Low Risk	Zero Risk
EMI	24,392	26,360	28,446	31,780