

Financial Plan

Page 1: Executive Summary

Financial Health Score

| | |
|---------------|-----------------|
| Overall Score | 48/100 |
| Status | Needs Attention |

Score Components

| Area | Score | Weight | Status |
|------------------|---------|--------|----------------------|
| Protection | 50/100 | 30% | Underinsured |
| Liquidity | 50/100 | 20% | Unknown |
| Portfolio Health | 50/100 | 20% | Needs Rebalancing |
| Debt Management | 80/100 | 15% | Unknown |
| Goal Readiness | 0.0/100 | 10% | Needs Work |
| Tax Efficiency | 30/100 | 5% | Room for Improvement |

Your Snapshot

| Area | Current | Ideal | Priority |
|-------------------|---------|------------|----------|
| Life Cover | Rs. 0 | Rs. 1.3 Cr | URGENT |
| Health Cover | Rs. 0 | Rs. 10.0 L | URGENT |
| Emergency Fund | Unknown | Rs. 1.2 L | HIGH |
| Equity Allocation | 0% | 25%-40% | MEDIUM |
| EMI Burden | 0% | <40% | GOOD |
| Goals Funded | 0/0 | 0/0 | MEDIUM |

Key Numbers

| Income & Cashflow | |
|-------------------|------------|
| Annual Income | Rs. 6.5 L |
| Monthly Surplus | Rs. 53.8 K |
| Savings Rate | 100% |

| | |
|-------------------|----|
| - | |
| Investments | |
| Current Portfolio | - |
| Equity Allocation | 0% |
| Active SIP | - |

Your Top 3 Priorities

Priority 1: Goal Readiness (MEDIUM)

Priority 2: Tax Efficiency (MEDIUM)

Priority 3: Protection (MEDIUM)

Time to review this report: 15 minutes

Page 2: Actuals vs Ideal

Financial Health Dashboard

| Area | You | Recommended | Status |
|---------------------|---------|-------------|-----------|
| Protection - Life | Rs. 0 | Rs. 1.3 Cr+ | 0% |
| Protection - Health | Rs. 0 | Rs. 10.0 L+ | 0% |
| Emergency Fund | Unknown | Rs. 1.2 L | Assess |
| Equity Allocation | 0% | 25%-40% | Rebalance |
| Debt Allocation | 100% | 60%-75% | - |
| EMI/Income Ratio | 0% | <40% | Good |

Priority Ranking

| Area | Score | Action Required |
|------------------|---------------|------------------------|
| Goal Readiness | 0.0/100 | Immediate |
| Tax Efficiency | 30/100 | Immediate |
| Protection | 50/100 | Assess & Improve |
| Liquidity | 50/100 | Assess & Improve |
| Portfolio Health | 50/100 | Assess & Improve |
| Debt Management | 80/100 | Maintain |
| OVERALL | 48/100 | NEEDS ATTENTION |

When to recalculate this score:

- Quarterly review (every 3 months)
- After change in income or expenses
- After major asset/liability changes
- Before making significant financial decisions

Advanced Risk Assessment

| Parameter | Value |
|------------------|----------|
| Calculated Score | 2.4 |
| Risk Appetite | Moderate |
| Tenure Limit | Moderate |

| | |
|-------------------------|---------------------|
| Baseline Category | Conservative |
| Final Category | Conservative |
| Recommended Equity Band | 25%-40% (mid 32.5%) |

Reasoning: Score 2.40 → Appetite Moderate | Tenure limit Moderate | Baseline after adjustments Conservative | Final Conservative

Assessment Summary

| Assessment | Result |
|------------------|-----------------|
| Risk Profile | Conservative |
| Surplus Level | Adequate |
| Insurance Status | Underinsured |
| Debt Position | Low |
| Liquidity | Insufficient |
| IHS Band | Needs Attention |

Page 3: Protection Gap Analysis

Life Insurance

| Parameter | Value |
|----------------------|--|
| Current Status | No coverage |
| Current Coverage | Rs. 0 |
| Recommended Coverage | Rs. 1.3 Cr minimum |
| Basis | 15x annual income (with 1.3x inflation buffer) |
| Gap | Rs. 1.3 Cr |

What to look for:

- Pure term insurance (no investment component)
- Coverage tenure until age 60-65
- Sum assured: Rs. 1.3 Cr minimum
- Consider critical illness rider for comprehensive protection

Health Insurance

| Parameter | Value |
|----------------------|--|
| Current Status | No coverage |
| Current Coverage | Rs. 0 |
| Recommended Coverage | Rs. 10.0 L-15L |
| Structure | Family floater adequate for married couple |
| Gap | Rs. 10.0 L |

What to look for:

- Family floater covering both spouses
- Rs. 10-15 lakh sum insured
- Cashless facility at major hospitals
- No room rent capping (or minimum 2% of sum insured)

Tax benefit: Premiums eligible for 80D deduction (up to Rs. 25,000)

Page 4: Liquidity & Emergency Fund

Emergency Fund Assessment

| Parameter | Value |
|-----------------------|---|
| Target Amount | Rs. 1.2 L |
| Basis | 6 months of essential expenses |
| Monthly Expenses Used | Estimated Rs. 20,000 |
| Current Status | Assess your savings account + FD balances |

Building Strategy (if starting from zero):

- Option A (12 months): Set aside Rs. 10,000/month
- Option B (18 months): Set aside Rs. 6,667/month
- Option C (24 months): Set aside Rs. 5,000/month

Where to Park Emergency Fund:

- Tier 1 - Instant Access (40%): Rs. 48,000 in savings bank account
- Tier 2 - Quick Access (40%): Rs. 48,000 in liquid funds or sweep-in FD
- Tier 3 - Short-term (20%): Rs. 24,000 in short-term fixed deposits

Priority: Build emergency fund BEFORE investing in long-term goals

Page 5: Portfolio Rebalancing

Current Portfolio Analysis

| Metric | Value |
|-------------------|-------|
| Current Value | - |
| Equity Allocation | 0% |
| Debt Allocation | 100% |
| Unrealized Gains | - |

Risk Assessment:

- 0% equity allocation may be too conservative
- May not meet inflation-adjusted growth requirements

Recommended Allocation

| | | | |
|----------------|------|---------------|-----|
| Current Equity | 0% | Target Equity | 32% |
| Current Debt | 100% | Target Debt | 68% |

What You Control:

- Which funds/instruments to use
- When to execute rebalancing
- How to split equity vs debt within each goal
- Which goals to prioritize if all aren't affordable

Page 6: Goal Feasibility Analysis

No goals recorded. Please add your financial goals for feasibility analysis.

Reality Check: Your Actual Financial Situation

| | |
|---------------------------------|-----------------------|
| Monthly Income | Rs. 53.8 K |
| Monthly Expenses | Rs. 0 |
| Monthly Surplus | Rs. 53.8 K |
| | |
| Current SIP (Already Investing) | None |
| Insurance Provision Needed | Rs. 10,266/month |
| Available for NEW Additions | Rs. 43,576/month |
| | |
| TOTAL Investing | Rs. 43,576/month |
| Goal Requirement | Rs. 0/month |
| Coverage | 100.0% of requirement |

Your Realistic Action Plan

Phase 1: Protection First (Months 1-6)

Before investing in goals, secure your family's protection:

- Get Term Insurance: Rs. 1.3 Cr cover → ~Rs. 88,193/year premium
- Get Health Insurance: Rs. 10.0 L cover → ~Rs. 35,000/year premium

Total insurance cost: ~Rs. 123,193/year (Rs. 10,266/month equivalent)

Phase 2: Goal-Based SIPs (After Insurance)

No goals defined. Add financial goals to see allocation recommendations.

Page 7: Tax Optimization

Tax Profile (from ITR)

| Parameter | Value |
|------------------|-----------|
| Gross Income | Rs. 6.5 L |
| Total Deductions | Rs. -5 |
| Taxable Income | Rs. 6.5 L |
| Tax Paid | Rs. 128 |

Old vs New Tax Regime Comparison

| Scenario | Old Regime Tax | New Regime Tax | Better Regime |
|--------------------|----------------|----------------|---------------|
| Current (Your ITR) | Rs. 33.0 K | Rs. 0 | New |
| If Max Deductions | Rs. 0 | Rs. 0 | New |

Recommendation: With income \leq ₹7L, New Regime is better (full rebate, zero tax).

Potential savings by choosing New Regime: Rs. 33.0 K

Tax Optimization under New Regime

Since New Regime is recommended for you, Section 80C, 80D, and 80CCD deductions do NOT apply.

Under New Regime, focus on:

- **Employer NPS contribution** (Section 80CCD-2) - still allowed up to 14% of basic
- **Standard deduction** of Rs. 75,000 - automatically applied
- **Tax-efficient investments** - equity funds (held >1 year for LTCG exemption)
- **Health insurance** - still important for protection, even without tax benefit

Page 8: Your Action Roadmap

Timeline for Financial Actions

WEEK 1: Protection Assessment

- Check if you have term insurance. If yes, verify coverage is adequate. If no, prioritize obtaining term coverage. (2-3 hours)
- Check if you have health insurance. If yes, verify coverage is Rs. 10L+. If no, obtain health coverage. (1-2 hours)

WEEK 4: Tax Planning

- Calculate if old tax regime is beneficial for your situation (1 hour)
- Plan 80C, 80D, 80CCD(1B) investments before financial year end (30 mins)

DAY 90: Full Progress Review

- Review progress on all action items from Week 1-4 (1 hour)

QUARTERLY: Ongoing Review

- Recalculate Financial Health Score (15 mins)
- Check if income, expenses, or goals have changed - update plan accordingly (30 mins)
- Review portfolio allocation and rebalance if needed (30 mins)

What This Report Contains

- ✓ Financial health assessment across 6 areas
- ✓ Protection gap analysis
- ✓ Portfolio risk evaluation
- ✓ Goal feasibility assessment
- ✓ Tax optimization opportunities
- ✓ Prioritized action roadmap

Important Notes

- This is an educational financial plan, not personalized investment advice.
- Calculations based on standard assumptions and data provided.

- Product selection and execution are your decisions.
- Market conditions and regulations may change.
- Review quarterly or after significant life events.

Review Schedule:

- IMMEDIATE: Complete Priority 1 & 2 (Protection + Emergency)
- 30 DAYS: Portfolio rebalancing + Tax planning
- 90 DAYS: Full progress review
- QUARTERLY: Recalculate Financial Health Score
- ANNUALLY: Comprehensive plan update