

Peaceful and Relaxed Retired Life

Prepared for
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What are Mutual Funds?



- Mutual funds combine money from many investors to create a diversified portfolio.
- Expert fund managers make investment decisions based on market analysis.
- Spread investments across various assets to reduce risk.
- Easily buy/sell shares, providing flexibility and access for a wide range of investors.

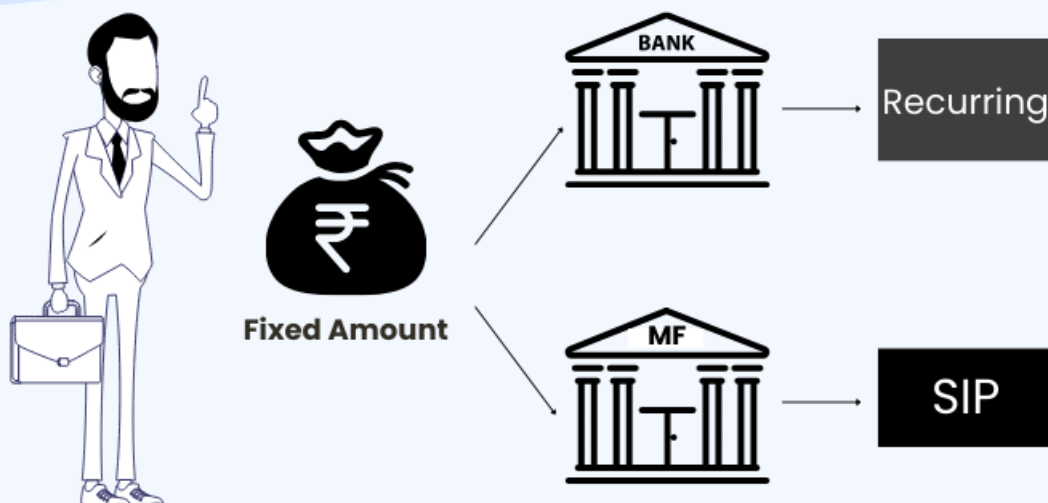
What is Systematic Investment Plan?

A Systematic Investment Plan (SIP) is a disciplined and smart way to invest in mutual funds. It provides investors with an opportunity to invest small amounts regularly, helping them achieve long-term financial goals.



- **Choose a Mutual Fund:**
 - Select a mutual fund scheme that aligns with your financial goals and risk tolerance.
- **Set Investment Amount:**
 - Decide on the amount you want to invest regularly. This can be as low as a few hundred rupees.
- **Select SIP Frequency:**
 - Determine the frequency of your investments (monthly, quarterly, etc.).
- **Automatic Investments:**
 - The chosen amount is automatically deducted from your bank account and invested in the selected mutual fund scheme.
- **Power of Compounding:**
 - Over time, the power of compounding helps your wealth grow as both your invested capital and returns earn returns.

Features of Systematic Investment Plan?



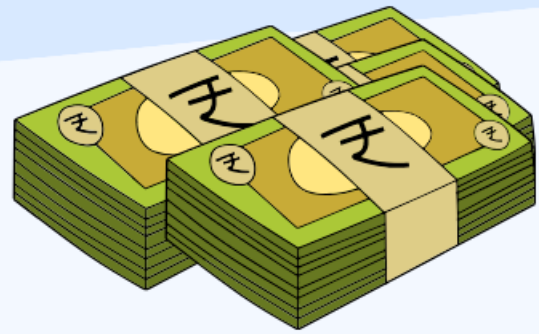
Regular Investments: SIP allows investors to contribute a fixed amount at regular intervals (monthly or quarterly), promoting financial discipline.

Rupee Cost Averaging: You buy more units when prices are low and fewer units when prices are high, reducing the impact of market volatility.

Convenience and Affordability: Investors can start a SIP with a minimal amount, making it accessible for individuals with various budget sizes.

Flexibility: SIPs offer flexibility in terms of choosing the investment amount, frequency, and the option to increase or decrease contributions.

Benefits of Systematic Investment Plan?



DISCIPLINED INVESTMENT

Encourages a habit of regular savings and investing.



MITIGATES VOLATILITY

Reduces the impact of market fluctuations through rupee cost averaging.



ACCESSIBILITY

Allows even small investors to participate in the wealth creation process.



LONG-TERM WEALTH CREATION

Ideal for achieving long-term financial goals such as education, home purchase, and retirement.

Power of compounding Systematic Investment Plan?

Following Table shows the Future value of Rs. 5,000 for various periods and CAGR returns, assuming the investment is done at the beginning of month.

Years	Assumed CAGR Return				
	8%	9%	10%	12%	15%
5	₹ 3,67,070	₹ 3,76,357	₹ 3,85,859	₹ 4,05,518	₹ 4,36,710
10	₹ 9,06,416	₹ 9,55,430	₹ 10,07,288	₹ 11,20,179	₹ 13,15,091
15	₹ 16,98,892	₹ 18,46,405	₹ 20,08,106	₹ 23,79,657	₹ 30,81,828
20	₹ 28,63,300	₹ 32,17,281	₹ 36,19,934	₹ 45,99,287	₹ 66,35,367
25	₹ 45,74,197	₹ 53,26,542	₹ 62,15,798	₹ 85,11,033	₹ 1,37,82,804
30	₹ 70,88,066	₹ 85,71,903	₹ 1,03,96,464	₹ 1,54,04,866	₹ 2,81,58,852

The calculation shown in table is only for the illustrative purposes.



What is Goal Based Investing?



Each of us harbors a multitude of life aspirations that span various timelines, ranging from short-term desires like vacations or purchasing a car to more substantial milestones such as buying a house, funding a child's wedding, or planning for retirement. Achieving these goals necessitates aligning our financial resources accordingly, which is where goal-based planning becomes essential.

Goal-based investing revolves around delineating your financial objectives, establishing a timeline for each, and consistently investing to realize them. Rather than saving aimlessly, this approach empowers investors to save with specific targets in mind, considering both the desired amount and the timeframe involved. By adhering to goal-based investing principles, individuals can methodically work towards their aspirations, ensuring a more structured and purposeful approach to wealth management.

Why Goal Based Investing?



GOAL



- **Precise Financial Targets:** Goal-based investing provides clarity on the exact amount needed to achieve your objectives, enabling more accurate financial planning.
- **Cultivating Investment Discipline:** It fosters discipline in investment habits, encouraging consistent saving and strategic decision-making aligned with your goals.
- **Tailored Investment Selection:** By considering factors like duration and risk tolerance, goal-based investing assists in selecting the most suitable investment products for each objective.
- **Debt Prevention:** Setting clear financial goals aids in avoiding excessive reliance on debt, promoting responsible financial behavior and long-term stability.
- **Portfolio Optimization:** Goals act as benchmarks for periodically rebalancing your investment portfolio, ensuring it remains in line with your evolving financial priorities.
- **Streamlined Investment Process:** With defined goals, investment decisions become simpler and more purposeful, facilitating efficient allocation of resources towards achieving your objectives.

Logical steps towards **Goal Based Investing.**



- **Step 1** - Identify Goals and prioritize
- **Step 2** - Define Tagline and calculate the future requirement considering Inflation
- **Step 3** - Understand your Risk Profile
- **Step 4** - Select the investment product/scheme based on your Goal and risk profile.
- **Step 5** - Monitor your investment periodically with the help of financial expert.

What is Systematic Withdrawal Plan



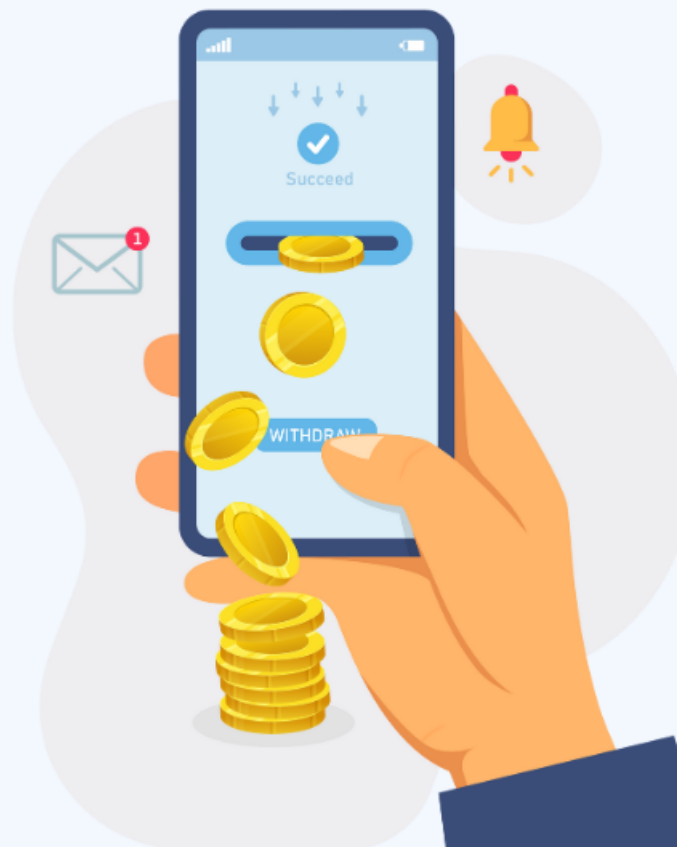
SWP stands for Systematic Withdrawal Plan. It's a facility offered by mutual funds that allows investors to withdraw a fixed amount or a predetermined number of units from their mutual fund investment at regular intervals.

With SWP, investors can set up a systematic withdrawal schedule according to their financial needs, such as monthly, quarterly, or annually. This provides a steady stream of income from their investments, making it particularly useful for retirees or individuals looking to supplement their income.

SWP allows investors to maintain their investment in the mutual fund while accessing a portion of their investment gains or principal amount. The frequency and amount of withdrawals can be customized based on the investor's cash flow requirements and financial goals.

Reap the rewards with **Systematic Withdrawal Plan**

- ✓ **Steady Income:** Generate reliable cash flow from your investments.
- ✓ **Manage Cash Flow:** Plan and control your withdrawals for financial stability.
- ✓ **Reduce Risk:** Mitigate impact of market downturns by spreading withdrawals.
- ✓ **Tax Efficiency:** Minimize taxes on investment gains with smart withdrawals.
- ✓ **Flexible Planning:** Customize your income stream to fit your evolving needs.



SWP: Unlock the benefits of your investments.

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Uses of **Systematic Withdrawal Plan :**

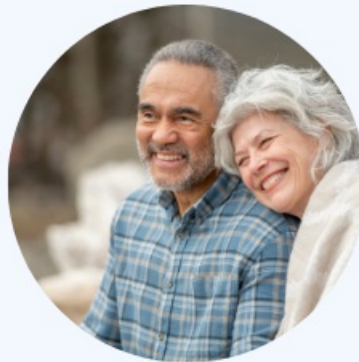


- Get regular cash:** Enjoy a steady stream of money from your investments.
- Manage expenses:** Plan withdrawals to cover your financial needs.
- Fund your retirement:** Access your savings in a controlled way during retirement.
- Reduce risk:** Spread out withdrawals to avoid market downturns.
- Minimize taxes:** Strategize withdrawals for tax efficiency.

Why Retirement Planning?



Financial Independence



Peace of Mind



Rising cost of Health Care



Fulfilling Dreams



Fulfilling Dreams



Increasing Life Expectancy

Planning for Retirement Corpus



Find out monthly expenses at the time to Retirement.

Today
Rs. 50,000 pm.



After 25 years
Rs. 2,14,593

Find out the retirement corpus required

Retirement Corpus
Rs. 3.99 Cr.

Find out Monthly SIP required for achieving Goal.

Assuming 12% CAGR
Rs. 23,458

Assuming 15% CAGR
Rs. 14,485

Inflation is considered as 6% pre retirement and 5% post retirement. Post retirement portfolio return is considered as 8% and pre-retirement Return is assumed for illustrative purposes only and not guaranteed. Post retirement life expectancy is considered as another 20 years.

Summary of Input values

Current Age	Retirement Age	Life Expectancy	Pre Retirement Inflation	Post Retirement Inflation	Monthly Expenses
40	60	86	7%	7%	₹ 100000
Current Value Of Investment	Current SIP	New Lumpsum Investment	Return on current investment	Pre retirement Rate of return	Post retirement rate of return
₹ 0	₹ 0	₹ 0	12%	12%	12%

Retirement Corpus and Deficit Calculation with Required SIP Amount

Lumpsum Investment	₹ 0
Monthly Expenses at the time of Retirement	₹ 3,86,968
Yearly Expenses at the time of Retirement	₹ 46,43,621
Future value of current Investment	₹ 0
Future value of New Lumpsum Investment	₹ 0
Retirement Corpus Required	₹ 7,22,91,182
Deficit in Retirement corpus	₹ 7,22,91,182
Monthly SIP Required	₹ 78,590

* Mutual fund investments are subject to market risks. read all scheme related documents carefully. The above calculation is based on the assumed rate of return and only for illustrative purposes only.



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Pre Retirement Portfolio Cashflow Based on Assumptions

Age	Future value of current investment	Future value of Lumpsum Investment	Fresh monthly SIP	Future value of Fresh SIP	Value of portfolio at the end of year
41	₹ 0	₹ 0	₹ 78,590	₹ 10,03,313	₹ 10,03,313
42	₹ 0	₹ 0	₹ 78,590	₹ 21,27,024	₹ 21,27,024
43	₹ 0	₹ 0	₹ 78,590	₹ 33,85,581	₹ 33,85,581
44	₹ 0	₹ 0	₹ 78,590	₹ 47,95,164	₹ 47,95,164
45	₹ 0	₹ 0	₹ 78,590	₹ 63,73,897	₹ 63,73,897
46	₹ 0	₹ 0	₹ 78,590	₹ 81,42,078	₹ 81,42,078
47	₹ 0	₹ 0	₹ 78,590	₹ 1,01,22,441	₹ 1,01,22,441
48	₹ 0	₹ 0	₹ 78,590	₹ 1,23,40,447	₹ 1,23,40,447
49	₹ 0	₹ 0	₹ 78,590	₹ 1,48,24,614	₹ 1,48,24,614
50	₹ 0	₹ 0	₹ 78,590	₹ 1,76,06,881	₹ 1,76,06,881
51	₹ 0	₹ 0	₹ 78,590	₹ 2,07,23,020	₹ 2,07,23,020
52	₹ 0	₹ 0	₹ 78,590	₹ 2,42,13,096	₹ 2,42,13,096
53	₹ 0	₹ 0	₹ 78,590	₹ 2,81,21,981	₹ 2,81,21,981
54	₹ 0	₹ 0	₹ 78,590	₹ 3,24,99,932	₹ 3,24,99,932
55	₹ 0	₹ 0	₹ 78,590	₹ 3,74,03,238	₹ 3,74,03,238
56	₹ 0	₹ 0	₹ 78,590	₹ 4,28,94,940	₹ 4,28,94,940
57	₹ 0	₹ 0	₹ 78,590	₹ 4,90,45,646	₹ 4,90,45,646
58	₹ 0	₹ 0	₹ 78,590	₹ 5,59,34,437	₹ 5,59,34,437
59	₹ 0	₹ 0	₹ 78,590	₹ 6,36,49,883	₹ 6,36,49,883
60	₹ 0	₹ 0	₹ 78,590	₹ 7,22,91,182	₹ 7,22,91,182

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Post Retirement Portfolio Cashflow Based on Assumptions

Age	Portfolio at the beginning of the year	Yearly Expenses (Withdrawal at beginning)	Portfolio at the end of Year
61	₹ 7,22,91,182	₹ 46,43,621	₹ 7,57,65,268
62	₹ 7,57,65,268	₹ 49,68,674	₹ 7,92,92,184
63	₹ 7,92,92,184	₹ 53,16,482	₹ 8,28,52,786
64	₹ 8,28,52,786	₹ 56,88,635	₹ 8,64,23,848
65	₹ 8,64,23,848	₹ 60,86,840	₹ 8,99,77,449
66	₹ 8,99,77,449	₹ 65,12,919	₹ 9,34,80,274
67	₹ 9,34,80,274	₹ 69,68,823	₹ 9,68,92,825
68	₹ 9,68,92,825	₹ 74,56,641	₹ 10,01,68,526
69	₹ 10,01,68,526	₹ 79,78,605	₹ 10,32,52,711
70	₹ 10,32,52,711	₹ 85,37,108	₹ 10,60,81,475
71	₹ 10,60,81,475	₹ 91,34,705	₹ 10,85,80,382
72	₹ 10,85,80,382	₹ 97,74,135	₹ 11,06,62,996
73	₹ 11,06,62,996	₹ 1,04,58,324	₹ 11,22,29,232
74	₹ 11,22,29,232	₹ 1,11,90,407	₹ 11,31,63,484
75	₹ 11,31,63,484	₹ 1,19,73,735	₹ 11,33,32,518
76	₹ 11,33,32,518	₹ 1,28,11,897	₹ 11,25,83,095
77	₹ 11,25,83,095	₹ 1,37,08,730	₹ 11,07,39,289
78	₹ 11,07,39,289	₹ 1,46,68,341	₹ 10,75,99,462
79	₹ 10,75,99,462	₹ 1,56,95,124	₹ 10,29,32,858
80	₹ 10,29,32,858	₹ 1,67,93,783	₹ 9,64,75,763
81	₹ 9,64,75,763	₹ 1,79,69,348	₹ 8,79,27,184
82	₹ 8,79,27,184	₹ 1,92,27,202	₹ 7,69,43,979
83	₹ 7,69,43,979	₹ 2,05,73,107	₹ 6,31,35,377
84	₹ 6,31,35,377	₹ 2,20,13,224	₹ 4,60,56,811

Age	Portfolio at the beginning of the year	Yearly Expenses (Withdrawal at beginning)	Portfolio at the end of Year
85	₹ 4,60,56,811	₹ 2,35,54,150	₹ 2,52,02,980
86	₹ 2,52,02,980	₹ 2,52,02,940	₹ 44

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Disclaimer

This investment proposal is based on assumed rates of return and is for informational purposes only. It is not intended to be, nor should it be construed as, investment advice or a recommendation to buy or sell any financial products or securities.

The assumed rates of return used in this proposal are assumed and only for the illustrative purposes at the time of preparation. Actual returns may vary significantly from these assumptions, and there can be no assurance that the proposed investment strategy will be successful.

Investors should carefully consider their own investment objectives, risk tolerance, and financial circumstances before making any investment decisions.

The information contained in this proposal is subject to change without notice and may not be updated. We do not assume any liability for any losses that may result from the use of this proposal or the information contained herein.

Past performance is not a guarantee of future results. The value of investments may fluctuate, and investors may not get back the amount invested.

Mutual fund investments are subject to market risk, read all scheme related documents carefully.

By using this investment proposal, you acknowledge that you have read and understand this disclaimer, and that you accept and agree to be bound by its terms and conditions.

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(Signature)

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