Date: 5th October, 2019

INDIA'S 1st 360° Financial & Portfolio Wellness Coaching to Investor Family (LEARN, PLAN & IMPLEMENT in SPIRIT) have defied expected Monetary & Non – Monetary Benefits.

Mr. Dhaval Mehta wishes to Learn FINANCIAL & PORTFOLIO WELLNESS COACHING **(Relationship of Coach – Student (Investor))** to improve his knowledge & skill set in Personal Financial Planning.

We Team Blue Ocean, **Team of Independent Qualified & Experienced Professionals** having together work experience more than 50+ years in Personal Finance Domain having SEBI Registered Investment Adviser (INA000012926), CFP certification, CFA Level 1 passed, MBA, Engineers are in the Profession of **Financial Education / Coaching** to Individual Clients / Families.

We provide Fee based One to One Coaching / Education to Client Family Includes 360 Degree Comprehensive Customized FINANCIAL & PORTFOLIO WELLNESS PLAN.

Ref. to our telephonic discussion, PFA Key Features, Benefits & T&C of Financial & Portfolio Wellness Coach for your Family.

Immediate & Short-Term Key Benefits:
(1 to 3 years)

1) **Team of Independent Qualified, Experienced & Honest Professionals**

2) **Less Emotional & More Logical Investments Decision**.
Change your Thought Process from Earning High Returns (illusion) to Achieving your Financial Goals (Reality). Learn to avoid Emotional Investments (bad habits) of Intra Day, F&O and Short-Term Tip based Investing. **(Avg. Rs 50k to 100k pa capital saved by our per Client family.)**

3) **Reduce Your Life Style Expenses (Avg. 50k pa to 200k pa saving by existing investor family.)**

4) **Reduce your Loan EMIs (Avg. 50k to 200k pa savings to investor family).**

5) **Surplus Planning – Asset Lite & Cashflow Rich** (We will help you to identify Unproductive assets like land / plot / gold & earmarked to achieve your Goals…**average 100k to 1000k savings per family.**)

6) **Save your Most Valuable Asset – TIME :** Today, Most of clients invest too much time in reading, watching, analysing EVERY DAY about how to earn **more returns in short terms** leads to wastage of their precious productive TIME & ALSO PARTLY / FULLY LOSS THEIR CAPITAL.
OUR PAST CLIENTS SAVED AVG 200 HRS / PA…SO U CAN USE THIS TIME PARTLY WITH FAMILY & PROFESSION = 1 month Income = Average savings Rs. 100k to 300k pa)

7) **New Loan Planning** (Right loan leads to lower interest cost e.g. Secured Vs. Unsecured Loan (Average. Rs 50k to 200k pa per family savings)

8) **Identify Mis - placed investments** (Total Avg. 100k to 500k to past investor family)

9) Correct your Investment Mistakes… (Selling fundamentally weak assets & Reinvesting in fundamentally strong assets e.g. Liquidate Loss making equity portfolio and switch to Mutual funds. **Avg. 50k to 200k pa savings by family.)**

10) Better Tax Planning (Avg. 50k to 200k pa).

11) Suitable Products leads to **Lower Charges** (MF instead Traditional Endowment plan, Lower cost MF etc leads to savings of 50k to 200k pa per client family.)

12) Right Strategic Asset Allocation & Rebalaned Strategy helps to reduce Monthly Investment Required to achieve long term Goals eg. Retirement / Children's Education. (Avg. 1 lakh to 3 lakh pa)

Expected Avg. Total Monetary benefits to our Client family between Rs 5 lakh to 15 lakhs in total 3 years in upper middle class Investor family category provided LEARN, PLAN & IMPLEMENT IN SPIRIT.

Expected Non – Monetary Benefits: Less Stress…More Happiness leads to better relationship in family & Profession and Better Health.

Long Term Future Benefits (3+ Years)

1. Identify family's Short term, Medium term & Long-Term Goals.
2. **Learn difference between Needs Vs. Wants based Goals**
3. Learn to save average 20% to 30% of your Annual Income.
4. **Calculate Inflation adjusted Corpus required to achieve each Goal. E.g. Retirement, Children's Higher Education, Vacation Planning etc.**
5. Right Strategic / Tactical Asset allocation & rebalancing required to achieve each Goal...**Optimum Risk – Return** E.g. Bucket Strategy in post-Retirement period can **reduce Rs 50 lakh to Rs 200 lakh Corpus requirement at expected retirement age.**
6. **Advanced Asset Allocation & Rebalanced Strategy (Optimum Risk – Return) can help u to reduce Monthly SIP 10k to 25k for long term goals e.g. Retirement / Children's Higher Education / Marriage.**
7. **Calculate SIP / Lumpsum amount required to achieve each Goal.**
8. **Suggest Suitable Products....Cost effective & better performing...Unbiased Advice.**
9. **Portfolio Strategy instead of adhoc investments.**
10. Contingency (Emergency) Planning
11. **Debt Free Planning.**
12. Succession Planning.
13. **Risk analysis & Insurance Planning (Life, Health & Assets).**
14. **Diversified Portfolio Planning & Management – Act as a Financial Coach of a family.**
15. **An opportunity to generate excess / extra returns on your investments with help right Asset Allocation strategy (Positive Alpha & Gamma returns of Approx of 1% to 2% pa in the long run.**

16. **Can work as an Antivirus for your family's financial matters.**

17. **Peace of Mind and more quality time with your family / Business / Job.**

18. **Guidance across Asset class (Equity, Debt, Real Estate, Alternative Investments, Structured products and Commodities etc.)**

Disclosures & Disclaimers:

1. **Our relationship will be Mentor / Coach to Investor – Student & not as supplier or seller.**

2. **We will invest total 30 hrs time (initial 20 hrs time in 1st & 2nd months to construct Plan & 1 hrs per month from 3rd month.)**

3. **We will charge Annual Financial Coaching FEE Rs. 1,00,000/- (One Lakh only) beginning of year…2nd year Annual Fee will be Rs. 1,10,000/- pa subject to every year upward revision of 10% pa.**

4) FFPW Plan will be prepared by Team BLUE OCEAN (Ankit Savla / Shrey Tanna / Shaishav Shah / Kamal Vora / Paresh Bhardreshwara / Ashish Shah / Ravi Deshmukh / Jitendra Fule) under supervision & guidance of Mr. Keyur Shah.

Mr. Keyur Shah will be available to solve your queries during week days (between 4pm to 7pm) – Ideally, you will message if any queries…Will reply in 2 working days or provide suitable time to discuss on phone. **(Note: 80% Queries will be handled by Team Blue Ocean)**

4. We don't give any guarantee of returns…its purely based on market performance. Returns are indicative & assumptions.

5. This is purely Financial Coaching & Portfolio Planning, Not comprising of any kind of day to day Stocks Tips / Short Term Equity Tips etc.

6. Time Investment in Coaching, Plan making & queries handling not more than 30 hrs per year. (We will charge Rs. 2000 per hr for extra time investment)

7. Coaching FEE is not refundable in any circumstance…So, please think twice before paying.

8. Please don't expect any kind of tips for doubling money in short term…You may be finding no excitement in investing…That's my duty.

9. No Execution Support will be provided. (Note: You have to pay additional FEE for Execution Rs. 25,000 OR will suggest Regular Products to provide execution service)

10. We will suggest suitable long-term Investment products in Equity Category (MF / Direct Equity) & Debt category (Liquid & Debt funds, Small Savings products, Insurance etc.) – **Please note that expected Equity Returns in Direct / MF may be in range of 10% to 12% pa provided you have invested for long term.**

11. Financial Coaching Service is limited to only One Family Financial Plan Construction & Diversified Portfolio Planning / Management.

12. Our Primary Objective is to Learn, Prepare Plan & Follow it in SPIRIT to achieve our Goals. So, our focus will be on passive investing & review our strategy once in 3 months.

Kindly read below the detailed Sample Financial Plan.

Case – Study:

(Reference date: 1st April, 2019)

Ashok, aged 34 years, is employed with an IT company since December 2003. He is an engineer by profession and is part of project team that manages insurance business worldwide. He has to tour extensively in different parts of the world in connection with the company's projects. He has approached you, a CFP[CM] practitioner, for preparing his Financial Plan. He is staying in his own house at Pune. His wife Sunita, aged 31 years, is working in a private sector bank as Manager. They have a son Rohit aged 4 years, and a year-old daughter Alia. The family's monthly house hold expenses are Rs. 70,000 p.m. (excluding EMI on loans and insurance premium). Ashok's parents stay in their ancestral house at Belagavi. His father is engaged in a small business.

Ashok's monthly salary (FY 2019-2020)

Basic Salary	:	Rs. 60,000
Dearness Allowance[1]	:	50% of Basic salary
House Rent allowance	:	Rs. 15,000
Transport Allowance	:	Rs. 7,500
Medical Reimbursement	:	Actual expenses up to Rs. 1,250 per month
Entertainment Allowance	:	Rs. 7,500
PF & Superannuation	:	12% of Basic Salary

Sunita's monthly salary (FY 2019-2020)

Basic Salary	:	Rs. 40,000
Dearness Allowance	:	30% of Basic salary
House Rent allowance	:	Rs. 10,000
Transport Allowance	:	Rs. 1,600
Executive Allowance	:	Rs. 7,500
PF & Superannuation	:	12% of Basic Salary

Couple's Assets & Liabilities (As on 31st March, 2019)

Assets	**(In Rs. Lakhs)**
House	75.00 (municipal value)
Car	3.50 (depreciated value)
PPF (maturity on 1st April 2027)	6.20 (account balance in Ashok's name)
Insurance – Money Back policy[2]	4.00 (sum assured)
Child Plan – Life Insurance[3]	20.00 (sum assured)
Gold ornaments	6.50 (valued 22 karats less 10%)
Sovereign Gold Bonds[4]	2.90 (quoted value)
Equity Mutual Fund schemes[5]	1.87 lakh
Balanced Mutual Fund scheme	3.28 lakh
Debt Mutual Fund Schemes[6]	7.67 lakh
Portfolio of Equity Shares	4.87 lakh
Term deposits	3.50 lakh (in Sunita's name)
Cash/Bank Balance	2.25 lakh (cumulatively in accounts of Ashok and Sunita)

Liabilities:	**(In Rs. lakh)**
Home loan[7]	45.40
Car Loan[8]	7.77

Goals:

1. To provide for higher education of Rohit and Alia. The expenses, at current cost, required foreach child for 4 years; Rs. 8 lakhs at their respective age of 18, and Rs. 3 lakh p.a. for 3 subsequent years; cost escalation 8% p.a.
2. Marriage expenses of Rs. 20 lakhs (current cost) for each child at their respective age of 27 years; cost escalation for such expenses is 8% p.a.
3. Retirement corpus at Ashok's age of 60 to sustain the same lifestyle till their expected life time.
4. To start building a separate dedicated fund for annual vacation expenses of Rs. 2 lakhs (current cost) to be utilized during 15 years to Ashok's retirement; cost escalation 8% p.a.
5. Buy a second home and rent out existing house as income generator.
6. Buy a plot at country side as holiday home.
7. Buy a SUV car worth 18 lakhs today.

Life Parameters:

Ashok's expected life	85 years
Sunita's expected life	90 years

Notes:

[1] 100% of DA received forms part of salary for retirement benefits; DA not part of PF contribution.

[2] Ashok purchased the 20-year policy on 18th November, 2010; annual premium Rs. 26,864; 20% of sum assured (SA) payable on survival each on expiry of 5th, 10th and 15th years and 40% of SA payable with accrued bonuses on survival of the term

[3] Purchased by Ashok on the life of Rohit on his 3rd birthday for a term of 20 years; annual premium Rs. 44,347
[4] Sunita purchased 100 units @Rs.3,150 in September 2016 Series, maturity date 30-Sep-2024, coupon @2.75% p.a. payable half-yearly on 30-Mar and 30-Sep every year
[5] Three schemes out of which one is mid-small cap fund (Rs. 3.83 lakh),
and two are sector specific funds on Banking (Rs. 1.26 lakh) and Information Technology (Rs.1.07 lakh)
[6] Two schemes, one is short term debt fund in Growth option (current value Rs. 2.59 lakh) acquired through Rs. 10,000 monthly SIP continued for 2 years, the last SIP on March 1, 2017; the other is Gilt fund subscribed in New Fund Offering (May 20, 2014) for Rs. 2 lakhs in Growth option with further contributions of Rs. 1 lakh each on Feb 11, 2015 and on June 17, 2016
[7] Home loan of Rs. 65 lakhs taken on 1st November, 2013 to acquire a house of 1050 sq. Ft. built up area valued at Rs. 80 lakhs then. Loan details: fixed interest of 8% p.a., tenure 15 years, first EMI paid on 1st December, 2011. Loan shared in 60:40 ratio, major share by Ashok
[8] Car loan of Rs. 9 lakhs taken on 1st April, 2018 at a fixed interest of 11% p.a. for a 4-year term. First EMI paid on 1st April, 2018.

Assumptions regarding pre-tax returns in various asset classes:

1) Equity & Equity MF schemes/ Index ETFs : 12.00% p.a.
2) Balanced MF schemes : 9.50% p.a.
3) Bonds/Govt. Securities/ Debt MF schemes : 7.50% p.a.
4) Liquid MF schemes : 6.00% p.a.
5) Gold and linked investments : 6.00% p.a.
6) Real Estate appreciation : 6.50% p.a.
7) Bank/Post Office Term Deposits (> 1 year) : 7.25% p.a.
8) Public Provident Fund/EPFO : 7.75% p.a.

Assumptions regarding economic factors:

1) Inflation: 5.00% p.a.
2) Expected return in Risk free instruments: 5.50% p.a.

Cost Inflation Index:

FY	CII	FY	CII	FY	CII	FY	CII	FY	CII
2001-02	100	2005-06	117	2009-10	148	2013-14	220	2017-18	272
2002-03	105	2006-07	122	2010-11	167	2014-15	240	2018-19	280
2003-04	109	2007-08	129	2011-12	184	2015-16	254		
2004-05	113	2008-09	137	2012-13	200	2016-17	264		

360^o Financial Plan components:

1. Reduce Life Style Expenses.

Once the data is collected from the above format, we would work upon the financial goals and asset so that we help you to achieve the same.
We will do detailed analysis of your expenses and help you to classify into two i.e. Need Based and Want Based.

When you have list of “want based” expenses it will help you to identify expenses what can have a substitute and avoid and save money.

Example 1: Post-paid Mobile bills converted into prepaid and multiplied with 24 months is a big wealth saver with our client Mr. Nilesh, it now helps him to get life insurance for the differential amount without extra stress. Mr. Nilesh saved annually nearly Rs. 8500 which facilitated to buy to buy him shortfall in life insurance worth Rs. 75 lakhs.

Example 2: Consumption of gadgets like smart watches which is an overhead above smart phone.

Example 3: Increase in frequency of consuming restaurant food in last 5 years, whether frequency changes are in line with increment in income.
The frequency of increase is more than 3X/4X faster when compared with income growth.
Investor can retain better health along with saving the wealth.

2. **Surplus Wealth Planning**.

Approach 1:

Few investors have already completed with managing financial goals and save surplus in form tangible and non-tangible assets. We help with inflation adjusted wealth creation with identifying right risk profile.

The plan created helps with liquidity and regular cashflows and make them cash rich instead of asset rich.

Tax optimisation is taken into consideration too.

Approach 2:

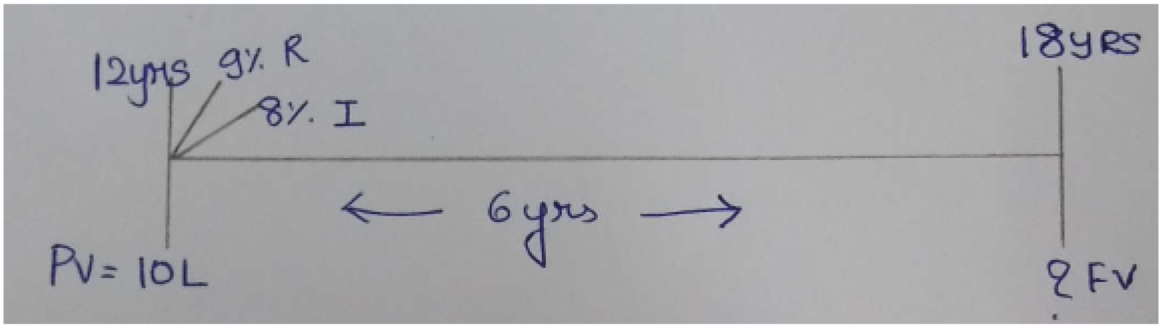
One of our clients had maintained balance of more than Rs. 40 lakhs in a saving account, as he could not identify asset and reason to make his investment. The fear of not investing capital because no correct guidance and met all product seller and none among them were Financial advisor. We had a current SIP of Rs. 38000.

We identified all upcoming financial goals and investment the amount earmarking each goal. The goals identified were children higher education, marriage expenses and Retirement in first phase of planning and at same time creating contingency amount.

All amount is invested through systematic transfer in equity product.

The monthly SIP is reduced to Rs. 24000 and investor is identifying goals where we can invest the balance amount and take benefit of same.

Surplus Management Ex. 1:
Allocation for children higher education.



Assumptions: RE = 12%, RD= 7%, I = 8%

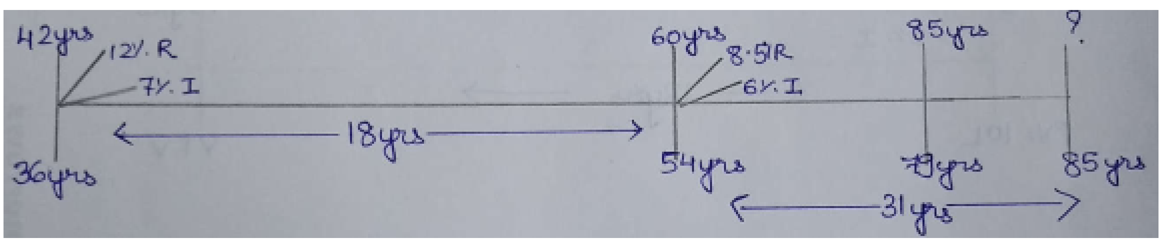
The corpus required for the higher education of Mast. Akshit as on today is Rs. 10 lacs. Hence, considering inflation of 8% y-o-y the future value of the corpus required would be Rs. 15,86,874 ~ Rs. 16 Lacs.

FV = 15,86,874 ~ Rs. 16Lacs

PV = Rs. 9.5 Lacs (Lumpsum @ 9% STP only)

The amount of Rs. 10 Lacs would be invested in Debt Funds and weekly STP (Systematic Transfer Plan) of Rs. 10,000 would be in Equity Funds for next 2 years. Later the funds would remain invested in Equity for next 3 years. In the last one year we would then transfer all the corpus in the Debt Funds to reduce the risk of equity.

Surplus Management Ex. 2:
Investment for Retirement Planning.



Assumptions: R(Pre) = 12%, R(Post) = 8.5% I=6%

Mr. Hemant would like to retire after 18 years from now. His post-retirement age would start from 60th year for next 31 years i.e. Poonam's age till 85 years. Present Monthly Household Expense is Rs. 30,000

During the post retirement phase the corpus would be managed by rebalancing from Equity fund to Debt Fund on timely basis to get risk adjusted returns.

PV of Monthly Household Expense: Rs. 30000

Therefore FV= Rs. 1,01,398 (Future Value).

PV = 2,68,83,320

PMT = 23725 ~ Rs. 24,000

3. **Uneven Asset Allocation.**

Many of the people are rich by net worth but most of the investment in only one of the assets that are in real-estate, gold, FD, Direct Equity.
We can help them in building the diversified portfolio.

4. **Low Yield Products.**

Many investors have found to be invested in traditional insurance product with time horizon of more than 10 years with the aim of generation of wealth. Such Insurance, ULIPs generate does not at times generate inflation (life style) adjusted return.

The returns showed by product seller are always in terms of 2X/3X times of investment or in terms of absolute returns instead of IRR/ CAGR of product.
Also, such products have low liquidity / high surrender value.

Also explaining rental yields for residential and commercial property.
The rent received before payment of expenses like maintenance and taxes in metro cities is upto maximum of Rs. 3 lakhs for real estate worth Rs. 1 crore.
Post expenses yield is less than 3% and property becomes non-saleable after certain age.

5. **Debt Planning:**

Approach 1: (Building Equilibrium between Financial & Non-financial Assets)
At same time, client who have more of real-estate as portfolio and have not build financial asset, we suggest them with building the financial asset instead of reducing liabilities if loan against net worth and existing amount is less than **X%**

GOAL: Debt Planning.
Existing Loan: Rs: 39L (Home Loan)
Remaining Term: 19 years.
Interest Rate : 8.4%

8.4 = I
19 yrs
PV = 39L

Existing EMI = Rs. 34289.
Suggested EMI = Rs. 34289 + Rs. 8000
= Rs. 42,289.

New Tenure = 149 months.
Original Tenure = 228 months.
Saving = 79 months.

Amount Saved =
= 228 X 34289 − 149 X 42,289
= 7817892 − 6301061
= Rs. 15,16,831

Approach 2: (Debt Free)

We can help client to be debt free with their existing outstanding liabilities with suggestion of increasing EMI contribution, helping them to bargain with bank for lower interest rate.
Also providing by selling lower yield product and repay higher interest loan.

6. Tax Planning.

Investor those who are in higher tax bracket are unable to get inflation adjusted post tax return on some of the products. They end up paying more in taxes which depreciates the time value of money. We help them in suitable asset allocation towards products which are much more tax optimised.

Let us consider an example Rs. 10L invested in debt mutual fund & FD each for a period of 36 months and each has cumulative returns of 7% and Inflation is 5.5%.

FD V/S Debt Mutual Fund:-

Investment Amount = Rs. 10L
Return = ~~Rs~~.7%
Inflation = 5.5%
Term = 36 months.

FD is cumulative, hence returns after 36 months

Maturity value for FD/Debt MF = Rs. 12,25,043.

Interest Earned / Profit = Rs. 2,25,043

Income Tax @ 30% = Rs. 67513.
@ 20% = Rs. 45009.
} for FD only.

Debt MF, after 36 months benefits with LTCG and taxes are 20% of indexation Amount.

ICOA {Time value of Money} = Rs. 11,74,241

LTCG = 12,25,043 – 11,74,241
= Rs. 50802.

Tax of be paid = 20% of LTCG
= 20% x 50802
= Rs. 10160

Extra Savings.
20% Tax Bracket = Rs. 34849.
30% Tax Bracket = Rs. 57353.

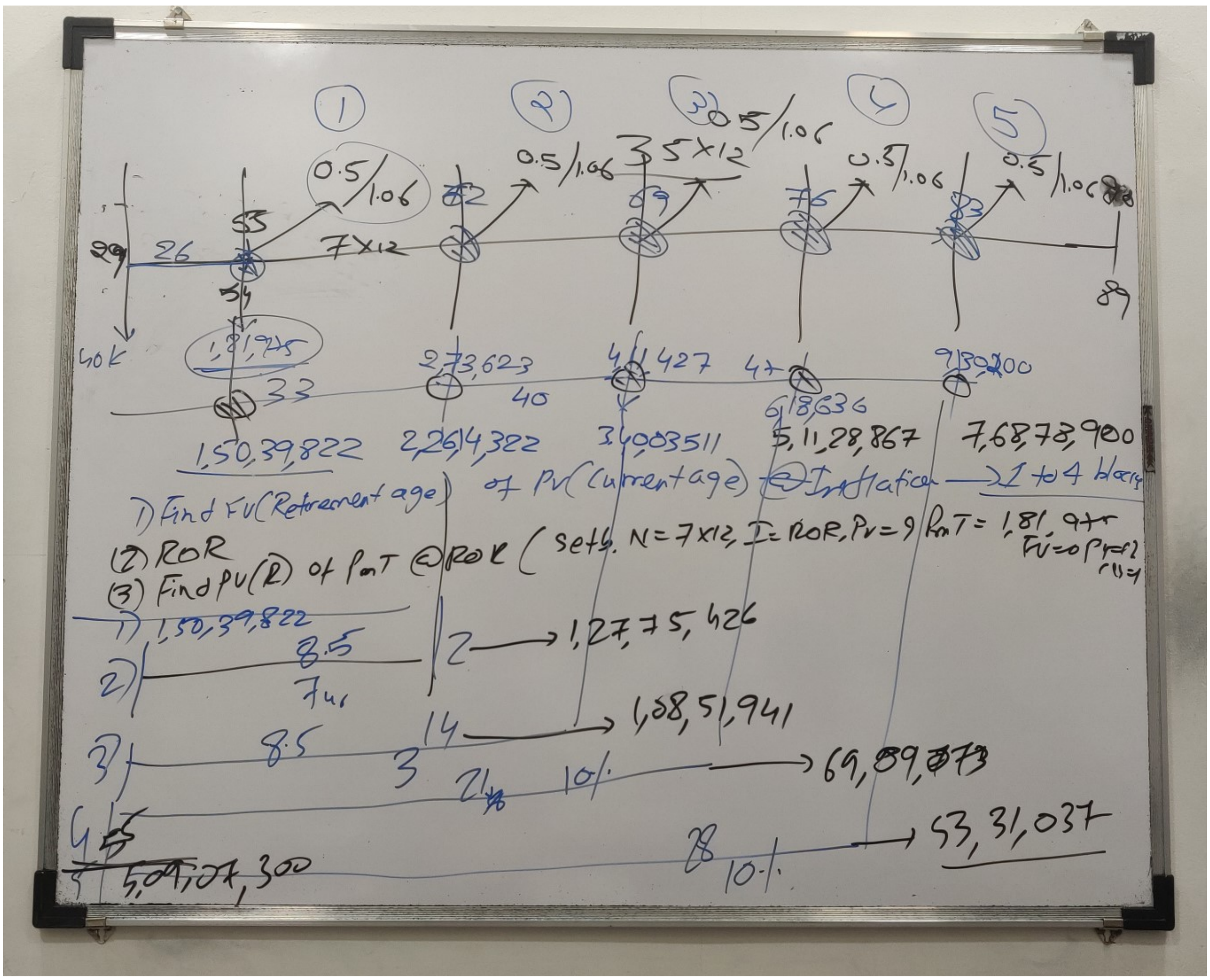
- Many invest in **NPS** to avoid tax payment and benefit maximum upto Rs. 15,000 extras but destroys the liquidity of money at the same time during the maturity, they end up paying 40% maturity in Annuity product which yields upto 5.5% return and also the amount received is treated as income and taxable.

- Avoiding investment in **PPF** as exhausted limit of 80C. We can still invest in PPF as a part of asset allocation and in such scenario, we will withdraw “Tax-Free” money during maturity and is only **EEE** product in Indian Financial market.

7. Retirement Corpus Planning using Bucket Strategy.

Not all wealth gathered during the day of retirement, hence we have a unique strategy that we call it as “**BUCKET STRATEGY**”. Using this strategy, we can help a client to have a smooth retirement life with 15% to 20% less corpus with right asset allocation and risk adjusted returns.

We define it returns, as “**GAMMA**” returns, which an advisor generates over the market benchmarks.



By using this **Bucket Strategy,** the retirement corpus of Rs. 7 Cr reduced to 5 Cr and client saved nearly Rs. 2 Cr.

8. Children Higher Education Planning.

There are few goals which could be delayed once the time is reached i.e. children higher education corpus. Hence we take utmost care in managing the corpus using asset allocation and rebalance strategy. i.e. **AARB.**

After every interval of time, we rebalance the risker asset and move them to asset which are safer and are least affected by volatility, hence you do not face capital loss at 11th Hour for your dear ones.

8YRS — 8% I — 18YRS

⟵ 10YRS ⟶

PV = 10L   FV = ?

Assumptions:- $R_E = 12\%$, $R_D = 7\%$, $I = 8\%$

Kevin would require the corpus of Rs. 10 Lacs i.e. Current Cost / present value for his Higher Education after 10yrs. The future value (FV) required is Rs. 21,58,925 considering Inflation of 8%.

The investment would be done for next 10years by way of Strategic Allocation & Timely Re Balancing.

	8YRS	14YRS	16YRS	18YRS
E (12% R)	-100 ⟵ 6yrs ⟶	-70 (2yrs)	-50 (2yrs)	
D (7% R)	⟵ 6yrs ⟶	-30 (2yrs)	-50 (2yrs)	

Phase 1:- FV = 10,360

Phase 2:-

10,360 E 70%. 7252 + (70) = 10,991
D 30%. 3108 + (30) = 4331
= 15,322

Phase 3:-

15322 E 50%. 7661 + (50) = 10,963
D 50%. 7661 + (50) = 10,060
= 21,023

Strategy CAGR = 10.8%

100 — 21,023

x — 21,58,925

∴ x = 10,269 ~ 10,000

Monthly SIP of Rs 10,000/-

9. **Misplaced Investments.**

We have come across many investors who have invested in financial products from multiple distributors, Banks, wealth management companies and few even direct investments through online services.

Most of such investment lies in mutual funds with missing nominee, email address, multiple banks.
We can assist you to get all centralize same and help you to rebalance the scattered investment.

Example: Mutual Fund purchased through physical forms from multiple brokers. Nominee, email address, mobile no. not updated with folio.
Bank account closed and not updated in the folios.

10. Contingency Planning.

We suggest and assist every investor, Self – employed / Employee to maintain a contingency corpus equivalent upto 9 months of monthly expenses and EMI which can help him in his expenses during a job loss / bad health.

Such corpus should be easily available without exit load charges as emergency does not arrive with pre intimation.

Also, salaried can opt for over-draft from salary account as facility if they fail to create an emergency corpus due to shortfall in investment. Interest will be charged on amount consumed and is much more beneficial when compared with personal loan.

Those having existing Mutual Fund Portfolio and want a short-term loan or planning to less MF Portfolio to meet the needs, we suggest them to go for **LAS (Loan Against Security).** You can avail 50% of loan amount by pleading Equity MF and 80% by pleading Debt MF.

11. Sabbatical Planning.

The skills that you learn at the early start of career, becomes absolute after 10-15 years.

To create a substantial growth with growing age, a break is necessary where complete concentration can be given to learn new skills and create the sustainability for 10-15 years with competitive growth.

Hence planning for such sabbatical phase helps in better management of finance when planned earlier.
The corpus can be used as a part of continuous learning too.

12. Insurance Planning.

It is the most important component of financial planning. By having a right insurance, you can protect all existing assets and financial goals as insurance will take care of all indemnity.

Health Insurance
Sufficient Amount of floater policy with multiplier benefit is required. In metro cities health insurance upto Rs. 20 lakhs in must.

Personal Accident.
If work involves travel through public/shared transport in metro cities.

Critical Illness.
Medical insurance takes care of the hospitalization expenses and follow up expenses of treatment but does not cover travel to metro cities and stay in case of unique treatment. Critical illness policies give you lumpsum amount on detection of mentioned illness which can compensate for travel, stay and income loss too.

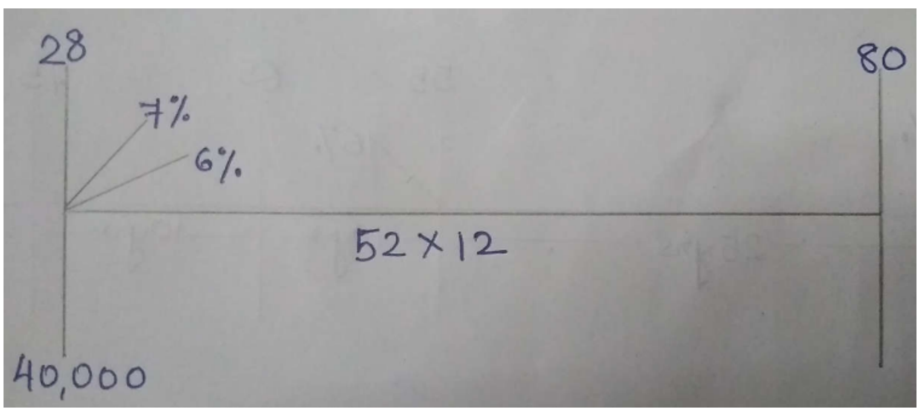
Life Insurance.

Life is un-certain, hence to safe guard the need based financial goals is most important. It is necessary to calculate the sum insured so that we are neither under insured and nor over-insured. Hence a planner can help to calculate the correct sum insured, calculations are explained as per the demonstration below.

Buying a term insurance of Rs. 1 crore as per online website ads, does not provide a complete answer to it.

NARAYAN'S INSURANCE PLANNING

Mr. Narayan's age as on 10th June, 2018 is 31 years and his wife Mrs. Madhvi is of 28 years. They have two daughters elder of 3 years and younger of 1 year. His present Household Expense is Rs. 50,000 of which 20% are Self-Expense. He desires to cover Household Expenses for wife till her age of 80 years. He has also expressed to allocate Rs. 25 Lacs (current cost) for both the daughters education.



PV of PMT @ROR = Rs.197,55,785~ 2Cr (A)

Living Expenses = Rs. 2 Cr.

Daughter's Education = 2 X Rs.25 Lacs = Rs.50Lacs (B)

Mr. Narayan wanted an **extra cushion** of Rs. 50Lacs for other miscellaneous expenses. Hence the suggested Insurance cover is of Rs.3Cr.

Policy Name: HDFC Click to Protect 3D Plus.
Policy No: 20448633
Premium Paying Term: 29 Years
MWP Act: Endorsement Completed.