

TARESH BHATIA RETIREMENT PLANNING PROPOSAL

Prepared for
TARESH BHATIA

31-05-2025



Summary of Input values

Current Age	Retirement Age	Life Expectancy	Pre Retirement Inflation	Post Retirement Inflation	Monthly Expenses
40	60	85	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 Expenseses 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	₹ 7,08,08,662
Deficit in Retirement corpus	₹ 7,08,08,662
Monthly SIP Required	₹ 76,978

* 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.

Pre Retirement Porfolio 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	₹ 76,978	₹ 9,82,738	₹ 9,82,738
42	₹ 0	₹ 0	₹ 76,978	₹ 20,83,404	₹ 20,83,404
43	₹ 0	₹ 0	₹ 76,978	₹ 33,16,151	₹ 33,16,151
44	₹ 0	₹ 0	₹ 76,978	₹ 46,96,826	₹ 46,96,826
45	₹ 0	₹ 0	₹ 76,978	₹ 62,43,183	₹ 62,43,183
46	₹ 0	₹ 0	₹ 76,978	₹ 79,75,103	₹ 79,75,103
47	₹ 0	₹ 0	₹ 76,978	₹ 99,14,854	₹ 99,14,854
48	₹ 0	₹ 0	₹ 76,978	₹ 1,20,87,374	₹ 1,20,87,374
49	₹ 0	₹ 0	₹ 76,978	₹ 1,45,20,597	₹ 1,45,20,597
50	₹ 0	₹ 0	₹ 76,978	₹ 1,72,45,806	₹ 1,72,45,806
51	₹ 0	₹ 0	₹ 76,978	₹ 2,02,98,041	₹ 2,02,98,041
52	₹ 0	₹ 0	₹ 76,978	₹ 2,37,16,543	₹ 2,37,16,543
53	₹ 0	₹ 0	₹ 76,978	₹ 2,75,45,266	₹ 2,75,45,266
54	₹ 0	₹ 0	₹ 76,978	₹ 3,18,33,436	₹ 3,18,33,436
55	₹ 0	₹ 0	₹ 76,978	₹ 3,66,36,186	₹ 3,66,36,186
56	₹ 0	₹ 0	₹ 76,978	₹ 4,20,15,266	₹ 4,20,15,266
57	₹ 0	₹ 0	₹ 76,978	₹ 4,80,39,836	₹ 4,80,39,836
58	₹ 0	₹ 0	₹ 76,978	₹ 5,47,87,354	₹ 5,47,87,354
59	₹ 0	₹ 0	₹ 76,978	₹ 6,23,44,575	₹ 6,23,44,575
60	₹ 0	₹ 0	₹ 76,978	₹ 7,08,08,662	₹ 7,08,08,662

* 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.



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	₹ 7,08,08,662	₹ 46,43,621	₹ 7,41,04,845
62	₹ 7,41,04,845	₹ 49,68,674	₹ 7,74,32,511
63	₹ 7,74,32,511	₹ 53,16,482	₹ 8,07,69,952
64	₹ 8,07,69,952	₹ 56,88,635	₹ 8,40,91,074
65	₹ 8,40,91,074	₹ 60,86,840	₹ 8,73,64,742
66	₹ 8,73,64,742	₹ 65,12,919	₹ 9,05,54,042
67	₹ 9,05,54,042	₹ 69,68,823	₹ 9,36,15,445
68	₹ 9,36,15,445	₹ 74,56,641	₹ 9,64,97,860
69	₹ 9,64,97,860	₹ 79,78,605	₹ 9,91,41,565
70	₹ 9,91,41,565	₹ 85,37,108	₹ 10,14,76,992
71	₹ 10,14,76,992	₹ 91,34,705	₹ 10,34,23,361
72	₹ 10,34,23,361	₹ 97,74,135	₹ 10,48,87,133
73	₹ 10,48,87,133	₹ 1,04,58,324	₹ 10,57,60,265
74	₹ 10,57,60,265	₹ 1,11,90,407	₹ 10,59,18,241
75	₹ 10,59,18,241	₹ 1,19,73,735	₹ 10,52,17,846
76	₹ 10,52,17,846	₹ 1,28,11,897	₹ 10,34,94,663
77	₹ 10,34,94,663	₹ 1,37,08,730	₹ 10,05,60,245
78	₹ 10,05,60,245	₹ 1,46,68,341	₹ 9,61,98,932
79	₹ 9,61,98,932	₹ 1,56,95,124	₹ 9,01,64,264
80	₹ 9,01,64,264	₹ 1,67,93,783	₹ 8,21,74,938
81	₹ 8,21,74,938	₹ 1,79,69,348	₹ 7,19,10,260
82	₹ 7,19,10,260	₹ 1,92,27,202	₹ 5,90,05,024
83	₹ 5,90,05,024	₹ 2,05,73,107	₹ 4,30,43,747

Age	Portfolio at the beginning of the year	Yearly Expenses (Withdrawal at beginning)	Portfolio at the end of Year
84	₹ 4,30,43,747	₹ 2,20,13,224	₹ 2,35,54,185
85	₹ 2,35,54,185	₹ 2,35,54,150	₹ 39

* 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.



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?

- **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.



Selecting right amount for Goal Based Investing.

Meet Mr. Raj whose age is 30 years and is planning to achieve his various financial goals through SIP from Equity Mutual Funds.



Goal	No. of years till goal	Amount required	SIP required
Retirement	25	₹ 2,00,00,000	₹ 11,749
Child Education	15	₹ 20,00,000	₹ 4,202
Daughter Marriage	20	₹ 25,00,000	₹ 2,718
Buying a Car	7	₹ 10,00,000	₹ 7,764

** For illustration purpose only. Rate of return has been assumed is 12% p.a.

** The calculations shown are based on SIP calculators provided. The total amount mentioned is an approximate value and is not an indicator of future returns. Mutual Fund does not provide guaranteed returns.



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.



Inflation Increasing the Cost!

Household Expenses

Cost 2024 - Rs. 50,000 p.m.

After 15 Years - Rs. 1,50,608



Foreign Trip

Cost 2024 - Rs. 3,00,000

After 5 Years - Rs. 7,34,664



Marriage Cost

Cost 2024 - Rs. 25,00,000

After 10 Years - Rs. 53,97,312



Cost of Home

Cost 2024 - Rs. 50,00,000

After 10 Years - Rs. 1,07,94,625



Calculation is based on various assumptions. Inflation is assumed @ 8% per annum for the calculation and is only for the illustrative purposes.



Why Retirement Planning?



- **Financial Independence**

Ensures you have enough savings to maintain your lifestyle without depending on others.

- **Peace of Mind**

Reduces financial stress, allowing you to enjoy your retirement without money worries.

- **Rising Cost of Health Care**

Prepares you for increasing medical expenses as you age.

- **Fulfilling Dreams**

Helps you save for personal goals, like traveling or hobbies, in retirement.

- **Increasing Life Expectancy**

Ensures your savings last longer as people live longer lives.



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

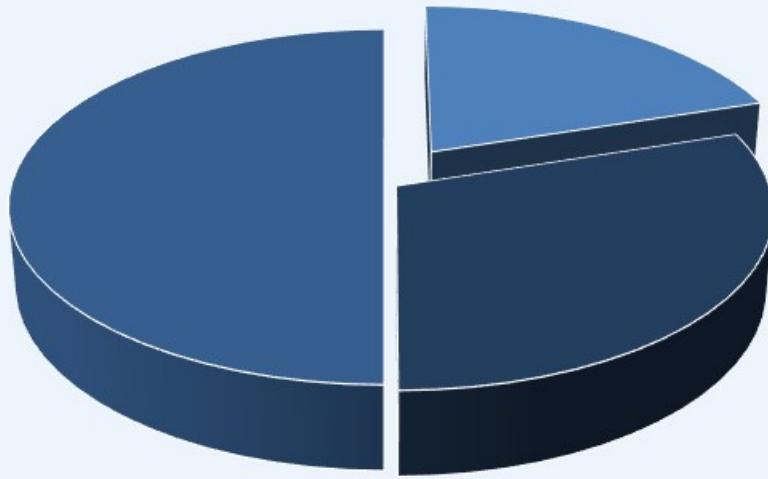
Inflation is considered as 6% pre retirement and 5% post retirement.

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.



What is **Asset Allocation?**



Asset allocation involves dividing your investments among different assets, such as Equity, Debt, Gold, and cash. The asset allocation decision is a personal one. The allocation that works best for you changes at different times in your life, depending on how long you have to invest and your ability to tolerate risk.

Asset allocation is all about deciding the right mix of each asset class for one's portfolio. Deciding the right asset allocation depends on many factors. Out of which Investment Time Horizon and Risk Profile of investor are the two major factors.



Why Asset Allocation?

Financial Year	Asset Class Return			Asset Class Rank		
	Equity*	Debt**	Gold	Equity*	Debt**	Gold
31-Mar-06	70%	3%	39%	1	3	2
31-Mar-07	14%	4%	11%	1	3	2
31-Mar-08	25%	8%	30%	2	3	1
31-Mar-09	-35%	7%	24%	3	2	1
31-Mar-10	75%	5%	8%	1	3	2
31-Mar-11	12%	5%	28%	2	3	1
31-Mar-12	-8%	8%	32%	3	2	1
31-Mar-13	9%	9%	3%	2	1	3
31-Mar-14	19%	4%	-11%	1	2	3
31-Mar-15	28%	15%	-4%	1	2	3
31-Mar-16	-8%	8%	10%	3	2	1
31-Mar-17	20%	11%	-1%	1	2	3
31-Mar-18	12%	5%	7%	1	3	2
31-Mar-19	16%	7%	4%	1	2	3
31-Mar-20	-25%	13%	36%	3	2	1
31-Mar-21	73%	8%	2%	1	2	3
31-Mar-22	20%	4%	19%	1	3	2
31-Mar-23	1%	4%	11%	3	2	1

Source - MFI, www.niftyindices.com. Data from April 1, 2005 to March 31 2023. *Equity - NIFTY50 TRI, **Debt- CRISIL Composite Bond Fund Index and Gold price is from World Gold Council, Spot Rate INR/10 Grams.

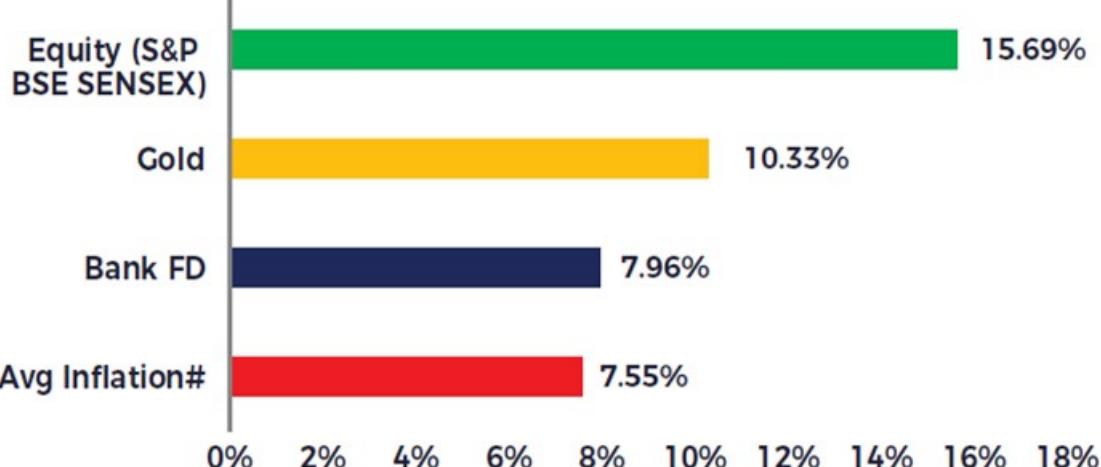
Past Performance may or may not be sustained in future and is not a guarantee of any future returns. FY is Financial Year

- The rotation of winners has been a consistent trend.
- The performance of asset classes is influenced by market cycles.
- Typically, the equity market demonstrates strong performance during expansionary phases.
- Conversely, the debt market tends to excel in contracting economies.
- Adjusting allocation between asset classes can facilitate a more seamless investment experience.



Wealth Creation through **Equity as Asset Class**

From March 1980 to 30th September 2023.



Source: World Bank

- Despite short-term volatility, equities exhibit consistent long-term outperformance over other asset classes.
- Their resilience is evident in substantial returns and inflation-beating margins, ideal for wealth preservation and growth.
- Equities serve as a hedge against rising prices, crucial for achieving financial objectives.
- By leveraging equities' strong return potential, investors can enhance portfolio growth and sustainability over time.

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.

TARESH BHATIA

(Signature)

Report as on date : 31-05-2025



Taresh Bhatia

AMFI Registered Mutual Fund Distributor



#107, Qutab Plaza, DLF Phase-1, Gurugram-122002.
Har. India



taresh@tareshbhatia.com



+919810144683



<https://tareshbhatia.com>

