



Wealthcare
SECURITIES PVT. LTD.

FINANCIAL PLANNING RECOMMENDATIONS

Prepared for
Mr Investor

Presented by

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on

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Personal & Confidential



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Dear **Mr Investor**

Re: Personal Portfolio Plan

Thank you very much for the courtesy extended to me on my visit and for your valuable time and inputs on your existing financial profile. We have prepared a draft portfolio based on your existing investments and the personal milestones that you propose to achieve. The solution is designed to give you a complete analysis of your savings and risk coverage and points out the gaps in your financial planning so as to recommend you precautionary measures by way of investment options.

For calculation purpose, we have assumed that all amounts you have entered increase at the rate of inflation and Interest specified in the "Investment Assumptions" section. Our analysis is as follows-

| Goals | Lumpsum Required Amount(Rs) | Inflation Adjusted Amount | After Years | Lumpsum Investment | | | Monthly Investment | | |
|-----------|--------------------------------|---------------------------|-------------|--------------------|---------|---------|--------------------|-------|-------|
| | | | | 10% | 12% | 14% | 10% | 12% | 14% |
| Education | 2500000 | 4223697 | 9 | 1723643 | 1442063 | 1206838 | 24266 | 21896 | 19712 |
| Marriage | 2500000 | 5030491 | 12 | 1522707 | 1200418 | 946714 | 18197 | 15766 | 13605 |
| | | | | | | | | | |
| Total | 5000000 | 9254188 | | 3246350 | 2642481 | 2153552 | 42463 | 37662 | 33317 |

YOUR FINANCIAL HEALTH ANALYSIS

Your Profile:

You have been steady and stable in planning a financial platform to take care of you and your family's requirements. However, in line with your current standard of living and to maintain its upward movement in the future, you may look at further diversification of your portfolio. Providing adequate security and protection for your family and fulfilling all of your need would simply require some more cautious planning, prudent decisions and suitable investment options.

Your Savings/Risk Profile:

Your saving pattern clearly reflects that you had diversified your portfolio across fixed income instruments, life insurance and other available options. The life insurance would definitely be ideal to take care of your long-term requirements. However, in light of your total risk cover requirements, there is certainly a deficit in coverage of risk exposure and risk protection for your family. You need to diversify your portfolio to include equities and Insurance to enhance the return on total portfolio.



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Overview:

Although you have sufficient amount of earnings and you have almost provisioned for all of your liabilities, but there is some requirement in

- A- Children education
- B- Insurance
- C- Children Marriage

You have planned your liabilities in well and planned way but you had thought little about children education and marriage.

Your Insurance Requirement

| Details | If Return is 8% | Existing Insurance | Shortfall |
|-----------------------|-----------------|--------------------|-------------|
| For Monthly Income of | 1,93,74,468 | 40,00,000 | 1,53,74,468 |
| | | | |

You need to have Insurance worth Rs 1,93,74,468/- to maintain present standard of living for your family for 40 years. You already have an insurance of Rs 40,00,000/- plus you have liquid assets of worth Rs 1,29,00,000/-, therefore your net requirement for insurance is Rs 24,74,468. We have also taken into account the requirement of Child education and marriage.

For your child education and marriage Insurance is an appropriate way since it guarantee the amount when required. Planning for the child education and marriage will go haywire in case of any mishappening.

Estimated Amount Required:

(This value is estimated amount needed to provide for your requisite goal)

Estimated value of your total saving:

(This value assumes that you will continue to save at the same rate you are currently saving)

Estimated Saving Surplus/Shortfall:

(This value is equal to the estimated value of your total saving minus your total saving goal)

The above information depicts hypothetical values based on the information you provided, and do not represent the performance of any security or economic condition.



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Assumptions

Our plan is based on following assumptions:

- Existing Investments are earmarked for the above-mentioned goals and will not be used for any other purpose.
- Your annual saving for future years is projected at 10 percent per annum
- Inflation and interest rates are projected at 6 % and 8% (post tax) respectively at the time of retirement.

Yours truly,

For Wealthcare Securities Pvt Ltd
Mukesh Gupta

General Recommendations

1. Consider putting all assets in joint names to avoid litigation of your estate.
2. Create a HUF as separate entity for tax purpose
3. Try to split income with lower tax bracket spouse - Plan Your Income at least a year ahead.
4. Start a systematic withdrawal plan (SWP) to reduce taxes, but increase spendable income.
5. Plan your future income so as to avoid being pushed into the higher tax bracket at a later date.
6. Keep track of your expenditures so as to monitor for increased savings potential, or disposable income.
7. Loan money to children (including minors) for Investments with low yield but high capital gain potential.
8. Purchase additional Life Insurance as shown on report.
9. Purchase Disability Insurance for amount shown on report.
10. Consider a Life Insurance policy to provide tax-sheltered accumulation of funds.
11. Before leasing again have us calculate the alternative purchase options.
12. If spouse needs business capital provide an interest free loan. Business income not attributed to you.
13. Loan funds to lower income spouse to make investments. Spouse pays you interest at prescribed rate.
14. Plan your income after retirement to minimize the amount of taxable income
15. Negotiate tax-free benefits from employer in lieu of a raise.
16. Review your Financial Plan with us at least once per year.
17. Consider Leverage for investing to grow your portfolio and provide some tax relief.
18. Claim any personal business losses & loss carry forwards against all other sources of income.