

Thrive Plan



Nandish Nayak & family

June 25, 2020



Disclaimer

The information, products and services are provided on an "AS IS," "WHERE IS" and "WHERE AVAILABLE" basis. o3 Bhuvi does not warrant the information or services provided herein, either expressly or impliedly, and expressly disclaims any implied warranties, including but not limited to, warranties of title, non-infringement, merchantability or fitness for a particular purpose. o3 Bhuvi will not be responsible for any loss or damage that could result from interception by third parties of any information or services made available to you via any means. Although the information provided to you is obtained or compiled from sources we believe to be reliable, o3 Bhuvi cannot and does not guarantee the accuracy, validity, timeliness or completeness of any information or data made available to you for any particular purpose. Neither o3 Bhuvi, nor any of its affiliates, directors, officers or employees, nor any third party vendor, will be liable or have any responsibility of any kind for any loss or damage that you may incur in the event of any failure or interruption thereto, or resulting from the act or omission of any other party involved in making this material, the data contained herein or the products or services made available to you, or from any other cause relating to your access to, inability to access, or use of the web site or these materials, whether or not the circumstances giving rise to such cause may have been within the control of o3 Bhuvi. In no event will o3 Bhuvi or any such parties be liable to you, whether in contract or tort, for any direct, special, indirect, consequential or incidental damages or any other damages of any kind even if o3 Bhuvi or any other such party has been advised of the possibility thereof. This limitation on liability includes, but is not limited to, the transmission of any viruses which may infect a user's equipment, failure of mechanical or electronic equipment or communication lines, telephone or other interconnect problems (e.g., you cannot access your internet service provider), unauthorized access, theft, operator errors, strikes or other labor problems or any force majeure. None of the information constitutes a recommendation, solicitation or offer by o3 Bhuvi or its affiliates to buy or sell any securities, futures, options or other financial instruments of any person or provide any investment advice or service.



Family Information

Your details

Name	Age	Stakeholder*	Earning	Retirement age*
Nandish Nayak	46	Yes	Yes	55
Sarala Nayak	44	Yes	No	-

Children

Name	Age	Relationship
Sachin Nayak	22	Son
Rashmeet Nayak	20	Daughter

Dependents*

Name	Age	Relationship
Dhimant Nayak	69	Father
Rekha Nayak	69	Mother

Stakeholder primary decision maker/s in the family.

Retirement age expected age to retire from regular work/ employment.

Dependents family members/close relatives partially or entirely dependent on the stakeholders.



Net Worth

Net worth*	46,836,138
Assets	46,836,138
Liabilities	0
Assets	46,836,138
Cash	4,718,324
Investments	12,417,814
Mutual funds	1,001,267
Direct stocks	1,016,547
Deposits	7,700,000
Gold	2,700,000
Real estate	19,700,000
Other assets*	10,000,000
Liabilities	0
Home loans	-
Personal loans	-
Other liabilities	-

Net worth current market value of assets minus outstanding balance of debt/ liabilities.

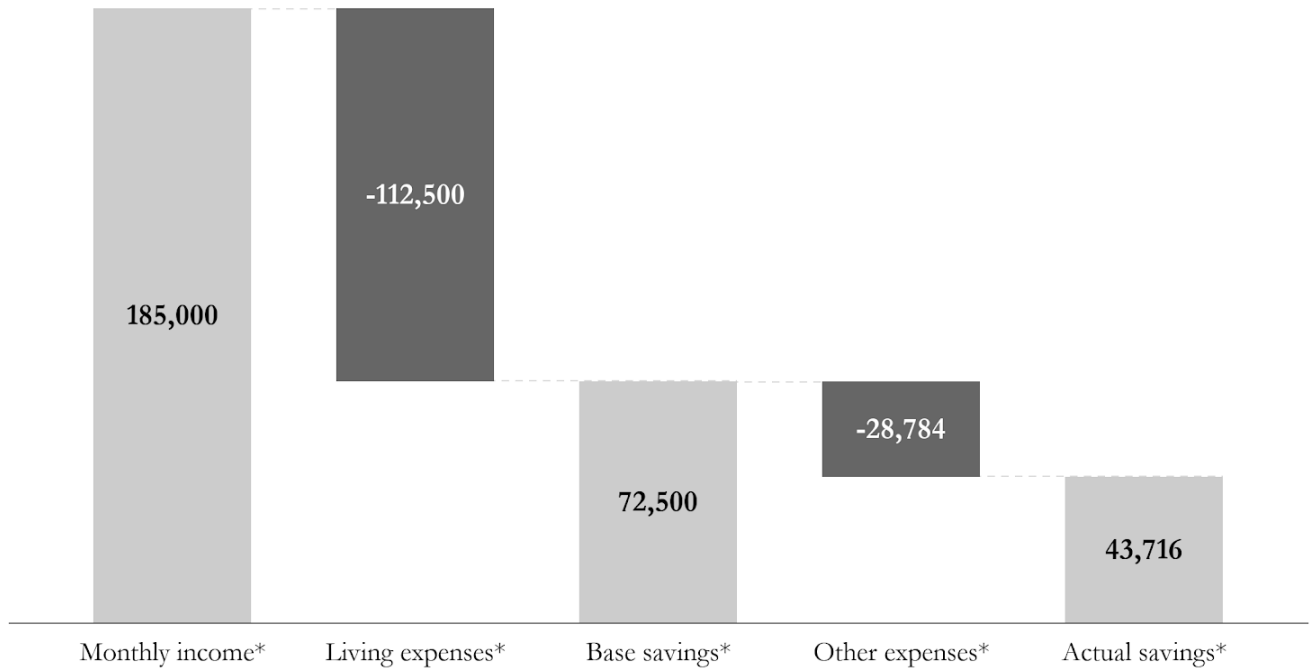
Cash aggregation of each stakeholder/s' bank & brokerage account cash balance.

Real estate current value of stakeholder/s' real estate assets - plots, flats, independent houses & commercial properties.

Other assets current balance of EPF and PPF.



Cash Flows



Income	Actuals	Percentage (of total)	Estimated growth
Your monthly income (post-tax)	175,000	95%	6%
Spouse monthly income (post-tax)	-	-	-
Other monthly income (post-tax)	10,000	5%	5%
Total	185,000		

Monthly income stakeholder/s' regular monthly income plus other monthly income. Other monthly income represents monthly rental income.

Living expenses aggregate of basic household, food, health care & maintenance expenses incurred monthly.

Base savings savings post living expenses.

Other expenses monthly outflow towards lifestyle, loan repayments & insurance premiums.

Actual savings represents current monthly available (savings) balance towards investments.



Cash Flows

Living expenses summary	Yearly	Monthly	Inflation
Rental payments	-	-	-
Household expenses	600,000	50,000	5%
Lifestyle expenses	240,000	20,000	5%
Transportation expenses	126,000	10,500	5%
Miscellaneous	384,000	32,000	5%
Total	1,350,000	112,500	

Other expenses summary	Yearly	Monthly	Inflation
Insurance	195,412	16,284	-
EMIs	-	-	-
School education	-	-	-
Lifestyle expenses	-	-	-
Other expenses	150,000	12,500	-
Total	345,412	28,784	
Overall expenses	1,695,412	141,284	

Other expenses include your yearly investments in PPF.



Financial Goals: Scenario 1

Goals*	Payout frequency	Period	Amount
Retirement	Monthly	2030-2076	100,000
Final Settlement - Current Home (Mumbai)	One-time	2020	700,000
Home Purchase	One-time	2021	1,000,000
Home Renovation	One-time	2022	800,000
Sachin's MBA	Annually	2023-2024	2,750,000
Car Purchase	One-time	2024	2,000,000
Rashmeet's Wedding	One-time	2023	4,000,000
Sachin's Wedding	One-time	2026	2,500,000
Vacation	Annually	2021-2029	150,000

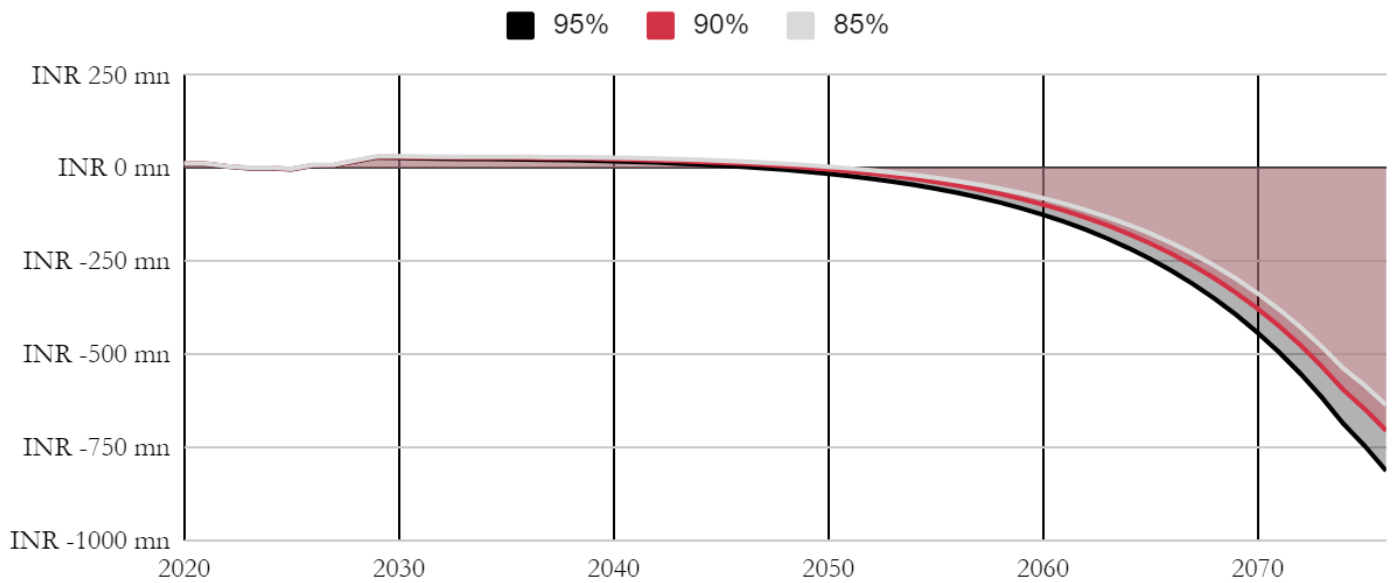
Supporting loan*	Loan Amount	Period	EMI	Interest Rate	Outstanding
Home Purchase	3,000,000	2021-2031	35,059	8.50%	3,000,000
Home Renovation	3,000,000	2022-2032	35,882	9.00%	3,000,000

Goals potential cash flow over a specific future time period to fulfil needs, wants & desires in no particular order.

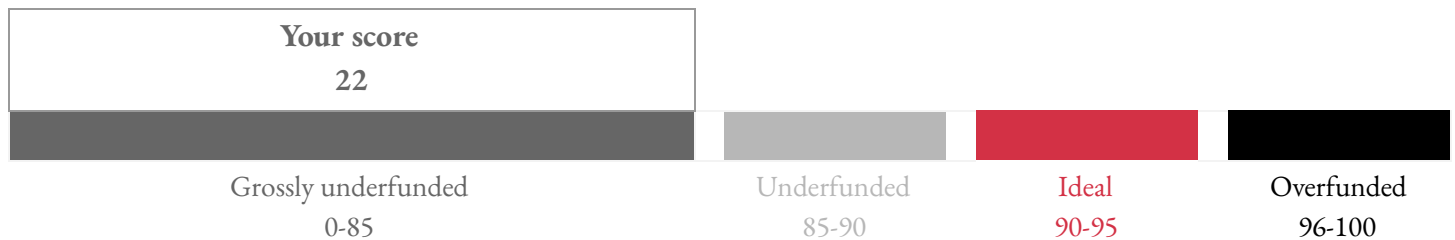
Supporting loans borrowing/s taken to fulfil goals.



Fundedness: Scenario 1



10,000 Monte Carlo simulations



Corpus at retirement*29,945,234

Your retirement age 55

Understanding the graph: The graph represents percentile lines of the stochastic process. As we move up, the percentiles fall and vice versa. Your score is represented by the percentile line that touches the axis at the age of 100.

Understanding the score: Your score is gathered using a stochastic process across 10,000 simulations with varying asset return profiles. The score represents the percentage of such simulations where your net worth remains positive throughout your life.

Corpus at retirement represents only liquid net worth, without real estate and gold.



Financial Goals: Scenario 2

Goals*	Payout frequency	Period	Amount
Retirement	Monthly	2030-2076	70,000
Final Settlement - Current Home (Bangalore)	One-time	2020	700,000
Home Purchase	One-time	2021	1,000,000
Home Renovation	One-time	2022	500,000
Sachin's MBA	Annually	2023-2024	2,000,000
Car Purchase	One-time	2024	1,000,000
Rashmeet's Wedding	One-time	2023	3,000,000
Sachin's Wedding	One-time	2026	2,000,000
Vacation	Annually	2021-2029	100,000

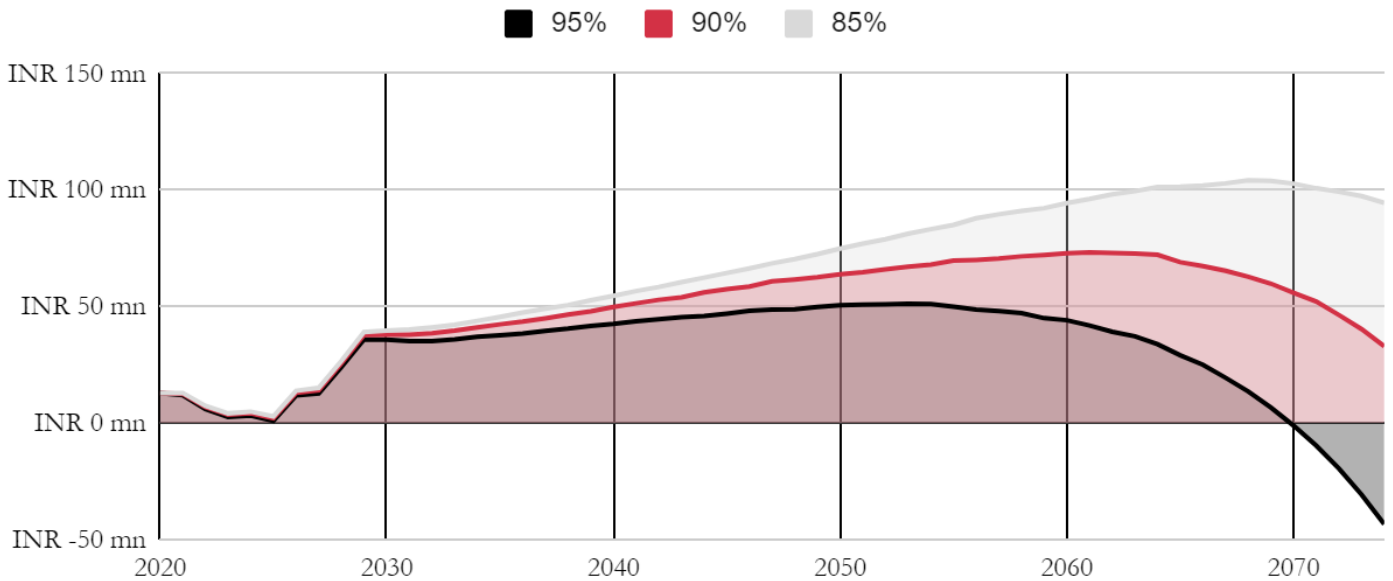
Supporting loan*	Loan Amount	Period	EMI	Interest Rate	Outstanding
Home Purchase	3,000,000	2021-2031	35,059	8.50%	3,000,000
Home Renovation	2,500,000	2022-2032	29,902	9.00%	2,500,000

Goals potential cash flow over a specific future time period to fulfil needs, wants & desires in no particular order.

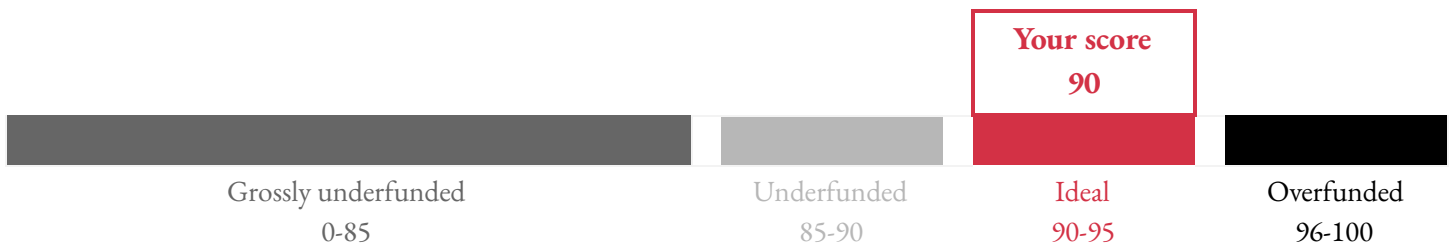
Supporting loans borrowing/s taken to fulfil goals.



Fundedness: Scenario 2



10,000 Monte Carlo simulations



Corpus at retirement* 35,733,582

Your retirement age 55

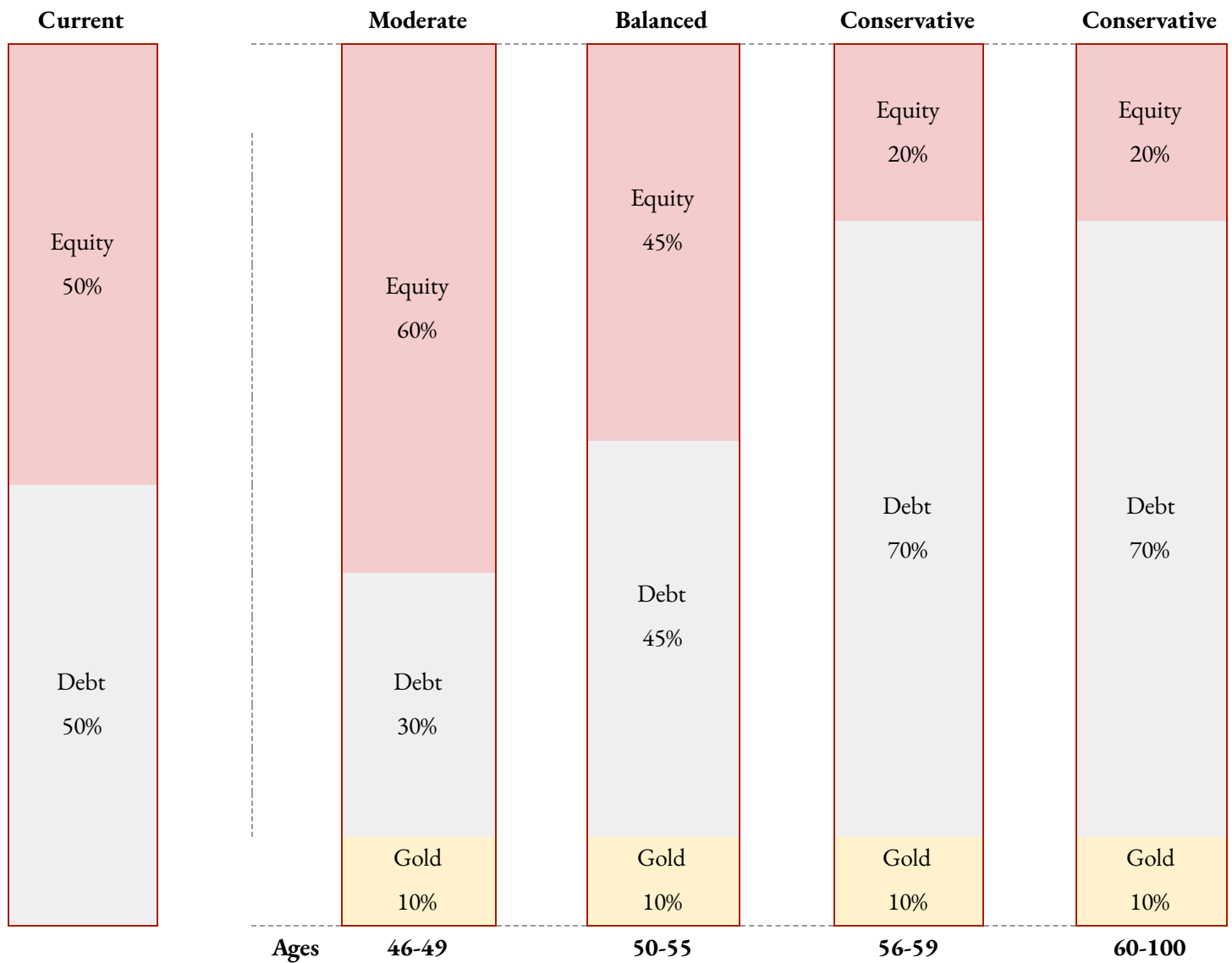
Understanding the graph: The graph represents percentile lines of the stochastic process. As we move up, the percentiles fall and vice versa. Your score is represented by the percentile line that touches the axis at the age of 100.

Understanding the score: Your score is gathered using a stochastic process across 10,000 simulations with varying asset return profiles. The score represents the percentage of such simulations where your net worth remains positive throughout your life.

Corpus at retirement represents only liquid net worth, without real estate and gold.



Strategic Portfolio Allocation



Over the next few months, your current allocation will move towards the above strategic allocation. This does not entail blanket selling of existing instruments, but it mandates selective re-organization based on the following:

1. Removal of instruments where comparable (to other similar instruments) favourable outcomes either carry lower risks, or they are bigger in magnitude due to the prevailing regime construct.
2. Alter allocation of monthly savings systematically, to ensure your corpus reaches and maintains its strategic allocation.



Current Portfolio Allocation

Stocks			
Description	Market value	Percentage	Total Percentage
Total	1,016,547		
BAJAJ-AUTO	91,994	9.0%	0.20%
BEPL	354,000	34.8%	0.76%
ECLERX	141,760	13.9%	0.30%
EQUITAS	532	0.1%	0.00%
EVERESTIND	2,081	0.2%	0.00%
GRAPHITE	9,500	0.9%	0.02%
HINDUNILVR	21,433	2.1%	0.05%
HINDZINC	76,320	7.5%	0.16%
INDIGO	105,250	10.4%	0.22%
IRCTC	70,883	7.0%	0.15%
L&TFH	678	0.1%	0.00%
NMDC	86,000	8.5%	0.18%
NTPC	978	0.1%	0.00%
OBEROIRLTY	3,824	0.4%	0.01%
SBICARD	49,016	4.8%	0.10%
SOBHA	2,298	0.2%	0.00%

Mutual funds			
Description	Market value	Percentage	Total Percentage
Total	1,001,267		
SBI Overnight Fund - Direct Plan	1,001,267	100.0%	2.14%



Deposits

Description	Market value	Percentage	Total Percentage
Total	7,700,000		
Fixed Deposit - 1	700,000	9.1%	1.49%
Fixed Deposit - 2	500,000	6.5%	1.07%
Fixed Deposit - 3	6,500,000	84.4%	13.88%

Real estate

Description	Market value	Percentage	Total Percentage
Total	19,700,000		
Residential Property - Bangalore	7,000,000	35.5%	14.95%
Mumbai Property - 1	8,500,000	43.1%	18.15%
Plot - Bangalore	1,700,000	8.6%	3.63%
Mumbai Property - 2 (Let-out Property)	2,500,000	12.7%	5.34%

Gold

Description	Market value	Percentage	Total Percentage
Total	2,700,000		
Physical Gold Bars	2,700,000	100.0%	5.76%

Other assets

Description	Market value	Percentage	Total Percentage
Total	10,000,000		
EPF	4,800,000	48.0%	10.25%
PPF	5,200,000	52.0%	11.10%



Cash			
Description	Market value	Percentage	Total Percentage
Total	4,718,324		
Savings Ac	4,100,000	86.9%	8.75%
Zerodha Cash	618,324	13.1%	1.32%



Investment Plan

Managed assets	
Asset type	Value
Liquid equivalent*	13,419,591
Assets to be sold or moved*	1,016,547
Illiquid assets*	5,200,000
Adjustments	-
Total assets	19,636,138

Liquid portfolio	
Description	Value
Requirement	2,537,912
Liquid equivalent assets	13,419,591
Surplus	10,881,679

Long term portfolio		
Description	Periodicity	Value
Thrive portfolio	Monthly	43,716
Government schemes	Annual	150,000
Assets to be moved to Thrive	One-time	11,898,226

Liquid equivalent financial assets such as savings a/c, fixed deposits, and cash.

Assets to be sold or moved other financial assets that are to be moved to Thrive.

Illiquid assets include government schemes which are managed under Thrive.

Requirement represents an emergency corpus equivalent to 3 months of your living expenses, current year's goal expenses, and the next year's goal expenses.



SIP Plan

Long term portfolio		Percentage	Actuals
Monthly allocation			43,716
Equity		60.0%	26,229
Debt		30.0%	13,115
Gold		10.0%	4,372

Equity	Category	Percentage	Actuals
UTI Nifty 50 Index Fund	NIFTY 50	30.0%	13,115
UTI Nifty Next 50 Index Fund	NIFTY Next 50	15.0%	6,557
Motilal Oswal Nifty Midcap 150 Index Fund	NIFTY Midcap 150	15.0%	6,557

Debt	Category	Percentage	Actuals
HDFC Ultra Short Term Fund	Debt Mutual Fund	11.3%	4,918
L&T Ultra Short Term Fund	Debt Mutual Fund	11.3%	4,918
HDFC Gilt Fund	Debt Mutual Fund	7.5%	3,279

Gold	Category	Percentage	Actuals
SBI Gold Fund	Gold	10.0%	4,372

Government Schemes		Periodicity	Actuals
Annual allocation			150,000
Public Provident Fund		Annual	150,000



Assumptions

Stakeholders

- 1) Stakeholder/s' life expectancy for our analysis is considered as 100 years from the date of birth.
- 2) Your retirement age is assumed to be 55.
- 3) Your salary income growth is assumed to be 6% p.a.
- 4) We have assumed an annual bonus of INR 300,000 p.a. As a conservative estimate, we have not assumed any growth rate on this

Financial goals

- 1) Education inflation is assumed to grow at 10% p.a.
- 2) All other financial goals and living expenses are assumed to grow at 5%p.a

Liquid requirement

- 1) A liquid fund requirement, equivalent to 1 year of expenses (outflows for the upcoming year) and 3 months of current living expenses has been considered at the end of each year, starting from 2020 onwards. The same is considered to be invested in a liquid fund to meet your upcoming goals and can be used to meet near term contingencies. We have also assumed a liquid fund growth rate of 5% p.a.
- 2) Net savings after meeting the liquid requirement is assumed to be completely invested in the target portfolio allocation.

Investments

- 1) Employee Provident Fund (EPF) is categorized into EPF & EPS (Employee Pension Scheme) contributions. EPF balance at the end of each year is assumed to grow at 6% p.a. and EPS balance stays as is (as per EPFO regulation). Entire EPF & EPS balance (INR11,090,819) at retirement is added to your retirement corpus.
- 2) We have assumed your yearly contribution of INR 150,000 towards Public Provident Fund to continue till the year 2027. The total estimated value in 2027 (INR 9,772,630) at a growth rate of 6% p.a added to your retirement corpus.
- 3) We have neither considered your real estate properties entirely nor partially, for our analysis.



Insurance

- 1) Health insurance premiums are assumed to grow at 8% p.a and term insurance premiums are assumed to grow at 4% p.a.
- 2) INR 185,412 is considered as your overall premium expenses towards your existing life insurance and health insurance policies.
- 3) We have assumed an additional cash outflow of INR 10,000 p.a as expenses towards additional term insurance (cover - INR 5,000,000) and the same is assumed to continue till the year 2050. Please refer to - “Term insurance analysis” below.

Asset Monetization

We have assumed the sale of your Mumbai property -1 and your plot in Bangalore in 2026. As a conservative estimate, we have assumed that the properties are sold at their current value.

Data/ information is based on your interaction with your financial advisor and we treat this information as reliable. We have not independently verified any data/ information and do not guarantee the accuracy or completeness of the data/ information. If any data/information or assumptions are incorrect, please notify your financial advisor. Even a small change in any data/ information or assumptions can have a substantial impact on the results of our analysis.



Term Insurance Analysis

Insured	Nominee	Current plan	Present Cover	Annual premium	Required Cover
Nandish Nayak	Sarala Nayak	Kotak Term Plan	10,000,000	17,865	15,000,000
Sarala Nayak	Nandish Nayak	-	-	-	Not required

Term insurance cover is an important source of funds to your family/ dependents in the event of premature death. We have analysed whether or not your investments and assets adequately support your family, to cover basic needs & financial goals.

Nandish needs to take an additional term insurance cover of **INR 5,000,000** for his family to fulfil the following needs.

Financial needs/ goals for your family to fulfil

Regular annual income	Payout frequency	Period	Amount
Living expenses	Annually	2020-2076	840,000

Goals	Payout frequency	Period	Amount
Final Settlement - Current Home (Bangalore)	One-time	2020	700,000
Sachin's MBA	Annually	2023-2024	2,000,000
Rashmeet's Wedding	One-time	2023	1,000,000
Sachin's Wedding	One-time	2026	1,000,000

(a) We have assumed Sarala's life expectancy as 100 years.

(b) We have assumed the Living expenses of INR 840,000 grows at an annual inflation rate of 5% p.a.

(c) Current EPF balance of INR 4,800,000 is assumed to be paid to Sarala in the year 2020. The same is considered as an investment corpus & allocated as per target portfolio allocation.

(d) Your current PPF balance of INR 5,200,000 is assumed to be paid out to Sarala in the year 2020. The same is considered as an investment corpus & allocated as per target portfolio allocation.

(e) The payout amount w.r.t to your children's wedding has been reduced for term insurance analysis

(g) No other financial need/ goal is considered besides the ones mentioned above for analysing additional corpus required for term insurance.



Action Plan

■ Immediate ■ Important ■ Optimal

Priority	Case	Comments	Check-In Date (dd/mm/yyyy)
Optimal	Liquid Portfolio	You have a sufficient liquid corpus of INR13,419,591 as part of the emergency fund and liquidity to fund goals for the current year.	-
Optimal	Health Insurance	You have sufficient health cover for your family (INR 5,000,000). However, we need to review this for mandatory inclusions - check below.	-
Important	Critical Illness Insurance	You have a cancer insurance cover. However, we need to review if a cover is required for other critical illnesses.	25/06/2020
Immediate	Term Insurance	You need an additional term cover of INR 5,000,000	25/06/2020
Important	Tax Regime (Old vs. New regime)	We need to review this.	25/06/2020
Important	Personal Interest Funding	You are not sufficiently funded to take a vacation of INR 150,000 p.a. You can consider reducing your expenses to INR 100,000. You should also consider reducing Rashmeet's wedding expenses by INR 500,000.	25/06/2020
Important	Car Purchase	You are not sufficiently funded to purchase a car worth INR 2,000,000. You can consider purchasing a car worth INR 1,000,000.	25/06/2020
Important	Asset Monetization	You need to consider the sale of your Mumbai property -1 and Bangalore plot.	25/06/2020
Optimal	Stressed Investments	You do not have any exposure to stressed investments.	-
Important	Whole Life Policies / LIC Policies	We need to review this. You may need to surrender a few policies.	25/06/2020
Important	Retirement Adequacy	You are not sufficiently funded for a retirement payout of INR 100,000 p.m. However, you can consider a payout of INR 70,000 p.m post-retirement.	25/06/2020
Important	Portfolio Review	We will review your financial plan every 3 months.	25/09/2020



Insurance

Health Insurance Checklist

- Room rent - Pick a policy with either no room rent limit or a policy that covers the room of your choice.

- ICU charges - The policy should cover ICU room rent.

- Hospital network - The policy should cover your preferred hospitals.

- Second medical opinion - Consider the hospitals covered here and the diseases eligible for a second opinion.

- Pre-existing diseases - The no claim waiting period for pre-existing diseases should be less than 2 years.

- At home hospitalisation - The conditions and diseases covered under domiciliary hospitalisation need to be considered.

- Pre & post hospitalisation expenses - The policy should cover expenses incurred before getting admitted for the same illness. The policy should also cover follow up treatments or consultations for which you were previously hospitalised. It should cover at least 45-60 days of pre and post hospitalisation expenses.

- Health checkup - The policy should cover at least an annual checkup.

- Daycare - The policy should cover medical/surgical procedures under 24 hours for both accidents and illnesses.

- Outpatient benefits - The policy should reimburse outpatient medical expenses incurred for both accidents and illnesses.

- Accident cover - The policy should cover accidental hospitalisation

- Dental treatment in case of an accident - The policy should cover accidental dental treatment required after an accident under both inpatient and outpatient benefits.

- Psychiatric illness - Expenses related to psychiatric illness should be covered by the policy.

- Policy renewability - Lifelong renewability would be ideal.



Insurance

Critical illness list

- 1 Cancer (up to a certain stage)
- 2 Heart attack
- 3 Bypass grafting
- 4 Open heart surgeries/replacement of heart valves/angioplasty
- 5 Hypertension
- 6 Aorta surgery
- 7 Coma of a specified severity/apallic syndrome
- 8 Kidney failure/dialysis
- 9 Stroke resulting in permanent symptoms
- 10 Major organ transplant (lung, liver, kidney)
- 11 Brain tumour
- 12 Motor neuron disease with permanent symptoms
- 13 Multiple sclerosis with persisting symptoms
- 14 Loss of independent existence
- 15 Major burns
- 16 Blindness & deafness
- 17 Paralysis
- 18 Loss of speech
- 19 Bone marrow transplant
- 20 Loss of limbs
- 21 Major head trauma
- 22 Bariatric surgery
- 23 Aplastic anaemia