

*The only smart move
is Investing Money.*



குழந்தைகள்
மனநிலை அதில்
பெற்றோர் பங்கு

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Basics of
Mutual Fund

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Dear Clients,

A very warm welcome to our fifth edition of FS connect. This time, let's try and walk you through the topic of emergency fund and why it's extremely crucial in these unpredictable times. Active cases are dropping in number, the virus is being attenuated by the vaccine and cities are re-commencing, but the uncertainty may continue for some more time to come. There are businesses and sectors that have been deeply impacted and will take time to get back to normalcy. However, to investors, we will reiterate that staying invested, investing regularly and more importantly, investing as per your financial goal and risk appetite are the fundamental rules of personal investments. This testing period has in some way shown us the reality and taught us unforgettable lessons, one of them being, expect the unexpected. This has emphasized

that a Contingency or Emergency Fund should be the starting point of any financial planning exercise. To arrive at the size of your emergency fund, you need to total up the living expenses that you incur every month towards house rent, home maintenance like food, grocery, utility, conveyance, education, basic repairs and medical bills.

In case of any outstanding loans as EMIs, they should be added in too. In simpler terms,

Total Expenses = House Rent + Home Maintenance + EMI (if any)

Discretionary expenses like those incurred on entertainment, restaurants need not to be considered. It is generally recommended to hold an emergency fund equal to six months' expenses.

This brings us to our next question. Now that six months' expenses has been accumulated, where should you invest it?

This Emergency fund should be parked in any one of the following:

1. Nationalized bank fixed deposits
2. Post office deposits or Reputed companies
3. Corporate bonds
4. Mutual fund-Liquid funds

Be mindful of investing it in such a manner to earn decent returns from it without compromising on liquidity.

Stay Safe! Stay Invested!

What is Mutual Fund ?



“Mutual Funds!” When a beginner hears this word anywhere, he/she usually thinks that this is some sort of investing where mostly people lose their money.

But the reality is not true. Yes, during the downwind times, the portfolio may take a nosedive and cause pain to their heart. But from the past data, each fallen market has seen a new and vigorous rising market most of the times.

“Money is where the heart goes”

Mutual funds are one of the best prevalent methods for first-hand investors to build wealth.

It is first important to understand what mutual funds are. Mutual funds are there in India from 1964.UTI was setup by Parliament and the first equity fund was launched in 1986.

How does it work ?

A mutual fund is a pool of Investor's money managed by a professional Fund Manager.

Simply put, the money pooled in by a large number of investors together to earn good returns on their capital is what makes up a Mutual Fund.

Let me explain it with an example to understand better.

Let's say in a vegetable market, 100kgs of vegetables costing 10,000 rupees are available and the seller wholesales it by 100kg only. But you don't have money to buy 100kgs as a whole. Your 4 other friends also want to buy vegetables and each have Rupees 2000 with them. So you and your friends decide to pool ₹2000 each and buy the whole box. Based on the contribution, each receive 20kgs. Now you hold 20kgs of vegetables, you can sell them as and when you want and get benefitted as per market conditions.

A common misconception is that Mutual Funds are only for stock market investments or shares. Here is a list of few commonly used terms when talking about mutual funds that everyone should understand how it works.





NAV or Net Asset Value

In Share market, Equity shares has a trading price. Likewise, in Mutual funds, the performance of a particular scheme of a mutual fund is denoted by Net Asset Value (NAV). In simple words, NAV is the market value of the securities held by the scheme.



Units

Similar to stocks, Unit represents the Quantity you want to purchase/sell. For any investing amount, Units is equal to amount invested divided by the NAV of the fund.



Expense ratio

Every AMCs have their associated expenses like Fund Manager Salary, Operating Costs, Advertisement Cost, Advisor Commissions, Net Profit and other misc. expenses.

In short, Expense ratio is the cost of running and managing a mutual fund. Mutual funds deduct a portion of your investment value as fees to cover the above said expenses. Usually this is adjusted in the NAV Value at the end of every day. Expense ratio is generally expressed as a percent.

For actively managed equity schemes, the total expense ratio (TER) allowed under the regulations is 2.5 % for the first ₹100 crore of average weekly net assets; 2.25 % for the next ₹300 crore, 2 % for the subsequent ₹300 crore and 1.75 % for the balance AUM.

For debt schemes, the expense ratio permitted is 0.25 % lower than that allowed for equity funds.

A scheme with a consistently decent track record, but a higher expense ratio may be better than the one which lower expense ratio, but gives poor returns. So Expenses ratio alone should not be the only criterion while selecting mutual fund scheme.



AUM – Assets Under Management

AUM is the overall market value of the mutual fund scheme. It indicates the fund size. Higher the AUM size

means many investors have already invested in that fund. AUMs will rise when the fund's assets, perform better in the market and fall when it underperforms.

AUM also indicates the Fund's popularity and performance in its Category.



AMC – Assets Management Company

An Asset Management Company (AMC) is a Company that invests the money pooled from individual investors in various securities with the motto of finest return to investors in exchange for a fee. AMC keeps the portfolio diversity by investing in both high-risk and low-risk securities such as stock, debt, real- estate, shares, bonds, pension funds, etc.



Plans

There are Regular and Direct Plans available in each fund. 'Direct Plan' and 'Regular Plan' are both part of the same mutual fund scheme, have the same / common portfolio and are managed by the same fund manager, but have different expense ratios. In the Regular plans, there will be commission to the mutual fund broker / distributor. Due to this commission fees, regular plans have more expense ratio than direct plans. Lower expense ratio leads to higher returns to the investors.



Plan options

There are options like Growth & Dividend. In the Growth option, NAV price will reflect the actual growth. For example, if the fund priced 100Rs grows 20% in the next year then return would be 20Rs. In the Growth option, NAV will be 120Rs in the Next year.

In the Dividend option, Some amount of the 20Rs will be given back to the Investors and NAV will be adjusted accordingly.

If the investors looking at the long term, Growth option is preferable to accumulate wealth.

Common Terms in Mutual Funds

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Scheme Type

There are 3 types of Scheme in the mutual funds.

- Open Ended Schemes
- Close Ended Schemes
- Interval Schemes

Basic differences between those schemes are the Structure and Pricing.

An open ended fund is a fund which is officially launched after the New Fund Offer(NFO) ends.

A close-ended funds has a fixed number of units offered by the fund house through NFO and this type of fund does not allow entry and exit of investors after the NFO period, until maturity. Close-ended funds typically mature in 3-4 years from their launch date.

Interval Schemes are those that combine the features of open-ended and close-ended schemes. These funds are open for purchase or redemption only during specific intervals (decided by the fund house) and closed the rest of the time.

Open ended funds offer liquidity where as close ended funds does not offers that much liquidity.



KYC

Know Your Customer is a mandatory requirement by SEBI for declaring identity and address proof for the purpose of investing.



Lock-in Period

The investment cannot be withdrawn during this lock-in period. For example, ELSS Mutual Funds have a lock-in of 3 years. If the investment is withdrawn before the lock-in period, Exit load will be applied.



Exit Load

It is the penalty amount levied to the investors who exits in the lock in period. Investor should know about the scheme exit loads before investing. If you are investing for short term you should know about the Exit loads and lock-in period.

It is imposed by the mutual funds to discourage the premature withdrawals by the investors.

Exit load for the Equity funds shall be maximum upto 1%.

Investing in mutual funds is one of the simplest ways to achieve your financial goals on time. Before you invest, take an adequate amount of time to go through the different fund options. Don't invest in a fund because your colleague or friend has invested in it. Identify your goals and invest accordingly.



Happy Investing!



Coloring Image



Quiz

1. What are baby owls called?
2. What's a total number of dots in a pair of dice?
3. Name the biggest island in the world?
4. What is the biggest star in the sky?
5. What color is Giraffe's tongue?

Fun Facts:

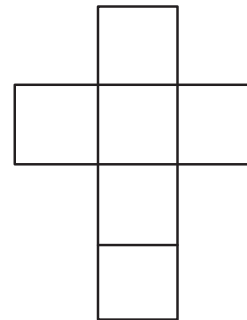
1. The Monalisa has no eyebrows.
2. Camels have three eyelids to protect themselves from the blowing desert sand.
3. Like fingerprints, everyone's tongue print is different.
4. The sentence, "The quick brown fox jumps over the lazy dog" uses every letter in the English language.
5. Earth is about 4.5 billion years old.

Math quiz

1) Write the numbers -6, -4, 1, 2, 3 and 5 in the correct place so that each line of the cross adds up to 3.

-6 -4 1 2 3 5

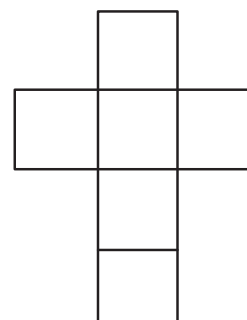
Total must be 3



1) Write the numbers -6, -5, 2, 3, 4 and 7 in the squares so that each line of the cross adds up to 0.

-6 -5 2 3 4 7

Total must be 0



Answers

1. Owlets / nestlings
2. 42
3. Greenland
4. Sirius
5. Blue-Black



How is Investment different from Savings ?

Investments is a better option than Savings

Savings is the process through which you keep funds aside from your income for proverbial rainy day typically, in cash, these funds come handy during emergency expenses or even certain planned expenses (small amounts) in the near future.

Investment, as defined above, is the process of purchasing an asset today with the hope that it will provide regular income or appreciate in value in the future. The funds invested may/may not be available during the times of need (depending on the investment option chosen)

Traditionally people are tuned by their families to save money for the future, however, not many families have a history of investments which makes it a second choice. However, merely putting funds aside without investing them can be counterproductive for a variety of reasons:

Inflation

An inflation rate of 10% means that if you save Rs.100,000 today, then after one year it will be worth Rs.90,000 only. Saving without investing can eventually lead to a shortage of funds in the future when you try to use your savings. Many investment options offer returns factoring in the rate of inflation.

Small expenses corrode the savings

Liquidity is good for emergency expenses. However, having access to funds at all times can lead to unnecessary small ticket expenses which can eventually eat into your savings.

ILL Prepared for big-ticket expenses

Savings are good for short – term and small ticket expenses. But for large – ticket expenses like children's education or retirement planning, investments are a must.

The biggest benefit of savings is the liquidity it offers. By defining your investment objective to include a certain amount of liquidity, you can get the best of both the worlds. Savings come first, but it is investment that can help you build a future on the foundation provided by savings.

குழந்தைகள் மனநிலை அதில் பெற்றோர் பங்கு

கொரோனா ஊரடங்கு : குழந்தைகள் மனநிலை அதில் பெற்றோர் பங்கு

கொரோனா நோய்த்தொற்று மக்களின் இயல்பான தினசரி வாழ்க்கையை புரட்டிபோட்டுள்ளது. அப்பாடா!! என்னால் முடியவில்லை இன்னும் எத்தனை நாள் வீட்டுக்குள் முடங்கிக்கிடப்பது. வீட்டு வேலைக்கு, சமையலுக்கு உதவிக்கு ஆள் இல்லாமல் ஆன்-லைன்ல ஆபிஸ் வேலை செய்து, குழந்தைகளுக்கு ஆன்லைன் வகுப்பில் கூட அமர்ந்து ஹோம் வொர்க் செய்து அவர்களுடன் விளையாடி, அவர்கள் சண்டைக்கு மத்தியஸ்தம் செய்து, மனிதர்களுடன் நேர்முக தொடர்பில்லாமல் எனக்கு 'பைத்தியம்" பிடித்திடும் போல் உள்ளது என வெறுப்பாக உள்ளது என்று நீங்கள் புலம்புவது கேட்கிறது.

பெற்றோர்களே!!! உங்களை பற்றி சிந்திக்கும் நீங்கள் உங்கள் குழந்தைகளை பற்றி யோசித்தீர்களா? நீங்கள் அனுபவிக்கும் அத்தனை விஷயங்களையும் அவர்களும் அனுபவிக்கிறார்கள். அவர்களுக்கும் 'ஆன்லைன்' வகுப்பு புதிதே! அவர்களும் தனிமை படுத்தப்பட்டிருக்கிறார்கள். நண்பர்களை பார்க்காமல், விளையாடாமல் 'கூண்டு கிளி' போல் உள்ளார்கள். அவர்களும் எரிச்சல், கோபம் அடைகிறார்கள்.

இந்த புதிய சூழ்நிலையில் மக்கள் உடல் ரீதியாக மட்டுமில்லாமல் மனரீதியாகவும் பாதிக்கப்படுகிறார்கள் என்று பல ஆய்வுகள் வெளிவந்துள்ளன. இதில் குழந்தைகள் விதிவிலக்கில்லை இதற்கு முக்கிய காரணங்கள் இந்த நோய் தொற்றினை பற்றி சரியான விளக்கங்கள் இல்லாததாலும் அவர்கள் பார்க்கும் கேள்விபடும் விஷயங்களும் அவர்களுக்கு ஒரு வித பயத்தையும் மனப்பதற்றத்தையும், மன அழுத்தத்தையும் அளிக்கிறது. குழந்தைகள் தங்கள் உணர்வுகளை வெளியில் கொண்டு வர தெரியாமல் கோபமாக, அழுகையாக வெளிபடுத்துகின்றனர். இதை நாம் புரிந்து கொள்ளாமல் அவர்களை திட்டிகிறோம்.

ஆனால் இதை மாற்ற புரிந்துகொள்ள வழி இருக்கிறது. குழந்தைகள் இன்னும் 'வளரும் பருவத்தில் இருக்கிறார்கள்" என்பதால் பெற்றோர்கள் இதில் அதிக கவனம் செலுத்த வேண்டியுள்ளது. அவை என்ன என்பதை இங்கு பார்ப்போமா?

பெற்றோர்கள் இதற்காக 'தனியாக நேரம்" ஒதுக்கி அவர்கள் சொல்வதை கூர்ந்து கவனிக்க வேண்டும். அன்புடன் நீ எப்படி இருக்கிறாய்? என்ன உணருகிறாய் என்று கேட்க வேண்டும்?(Listening) அவர்கள் பகிரும் பொழுது நீங்களாகவே உங்கள் அனுபவங்களை வைத்து எதையும் தீர்மானம் செய்யக்கூடாது. சொல்வதை அப்படியே கேட்க வேண்டும் (Non-judgmental) நீங்கள் கேட்கிறீர்கள் என்பதை அவர்களுக்கு நம்பிக்கையை கொடுக்கும். இது அவர்கள் குழந்தைகள் நிலையிலிருந்து அவர்களை புரிந்து கொள்ள உதவும். இது இருவருக்கும் இடையே ஓர் 'தொடர்பினை ஏற்படுத்தும்.

அவர்கள் உணர்வுகள் சரியானவையே, ஆக்க பூர்வமானவை. இதுபோல் உணர்வதில் எந்த தப்பும் இல்லை என்பதை வழிமொழியுங்கள் (it is ok to feel bad) பின்னர் எப்படி இந்த சூழ்நிலையை உணர்வை கையாள்வது பற்றி குழந்தைகளிடம் கலந்து ஆலோசித்து முடிவெடுங்கள். இவற்றை தவிர வீட்டில் சிறு சிறு மாற்றங்களை செய்யலாம். ஆதாரமற்ற செய்திகளை பார்ப்பதையும் கேட்பதையும், அதைப்பற்றி விவாதிப்பதையும் நிறுத்தலாம். ஒரு நாளைக்கு ஒரு முறை ஆதாரமுள்ள செய்திகளை பார்க்கலாம் கேட்கலாம்.

வீட்டில் உள்ள பழமையான நினைவுகளுக்கு இழுத்து செல்லும். தினசரி வேலைகளை பட்டியலிட்டு கொடுங்கள் இது அடுத்தடுத்து அவர்கள் செய்யும் வேலையை நினைவு படுத்துவதால் மற்றவற்றை நினைக்கும் சமயம் குறையும். அவர்களை பிஸியாக வைக்கும். "மாலை முழுவதும் விளையாட்டு" என்பது பாரதியார் கூறியது போல் மாலையில் விளையாட அனுமதியுங்கள். வீட்டில் மொட்டை மாடி இருந்தால் '8' என்று போட்டு நடக்க செய்யுங்கள் தவிர நடைபயிற்சி, யோகா நாட்டியம் போன்ற பயிற்சிகளில் நீங்களும் குழந்தைகளுடன் பங்கு கொள்ளுங்கள். இது நான் தனிமையில் இல்லை என்ற எண்ணத்தை கொடுக்கும்.

உடல் ரீதியான எந்த பயிற்சியும் குழந்தைகளின் மன அழுத்தத்தையும், மன பதற்றத்தையும் குறைத்து மன ஆரோக்கியத்தை மேம்படுத்துகிறது என பல ஆய்வுகள் தெரிவிக்கின்றன.

கூடி வாழ்ந்தால் கோடி நன்மை கொரோனாவை வெல்வோம் !!!



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Dentaire et Lumière, meaning dentist and glow, is a Dental and Cosmetology practice, launched newly, on North Boag road of T. Nagar, Chennai. The practice's main focus is on bringing awareness and essential treatments to public. Headed by, Dr. Madhura, D&L believes in maintaining ethical practice at affordable price, so that everyone can have access to a good oral and general wellbeing. According to the team, Oral health is an essentiality and not a luxury, whereas cosmetology is a luxury that everyone should be able to enjoy. D&L are equipped with latest equipment ranging from "intraoral Cameras" to educate the patients, to "portable x ray Machine" and "cordless x ray scanners" so that treatment can be provided to the patient anywhere, hustle free. On Cosmetology front D&L are equipped with "Portable Hair removal lasers to basic peels". At Dentaire et Lumière, or D&L, they strongly belief and say, " Your smile, speaks for us..."



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Client Testimonial



HSEQ Specialist
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In 2006, when I was working on my overseas assignment in Perth, Western Australia I was searching for someone who can provide better guidance. With a plethora of investment options available in the market I was confused with, which investment option to go for. Thanks to a dear friend who referred to Mr. Praveen and I would say that was the golden moment of my life.

I am associated with FUTURE SAVINGS for the past 14 years. Their Financial Goal Planning initiative looks very good and I have secured my family by getting an investment plan (life and general insurance policies) recommended by FS. Really thankful to Mr. Praveen for being more of a friend than just being a financial advisor. He is always there whenever I needed his expertise as his services are excellent and prompt. All my requests are attended to promptly and to my full satisfaction by the highly responsive and competent staff.

"Simple, reliable, scalable, and consistent - that's what I look for in passive investments and FS continues to deliver the best investing strategies where you can maximize your return while minimizing your risk.

Mr. Praveen's knowledge and attention to market opportunities and risk management; to fulfill client's requirements has been instrumental in FS's success and good performance over the years. They do have a well-trained and committed team to help you out in every possible way and for a hassle-free experience.

Keep up the great work! Best Wishes to FUTURE SAVINGS -Together we will grow!!

**"You can do all the due diligence you want,
 yet it all comes down to who you are associating with."**



How to choose the best FD scheme?

Interest paid:

Comparing the rate of interest paid is the most important factor which helps us in choosing the best fixed deposit scheme. Thus, one must compare and choose a good deal.

Credibility of FD provider:

Don't just fall into the trap of going for FD which offers the highest interest rates. Also, keep other factors in mind like the credibility of the FD provider. Go for 'A-rated' schemes and also which have credible ratings from reputable organizations like ICRA or CRISIL.

Tenure:

You must also check in the lock-in period of your Fixed deposit. You will get a higher rate of interests if the deposit is done for a longer duration.

Penalty rates:

Many times, due to a certain situation, you may want to break our FD before the maturity date. So, before investing in FD, you must check whether you will be levied any penalty charges if you break your FD before maturity. After analysing, you can make the decision to invest.

Interest payout option:

Before investing, you must check whether your FD is giving you a wide range of interest payouts option. Also, keeping a check on frequency on interest payouts is necessary. Payments are made monthly, quarterly, annually or half-yearly in many cases thus you must check the frequency of interest payouts.

Company Name	Rating	Interest rate in %			Minimum Investment in Rs.	Interest Mode
		12M	24M	36M		
	CRISIL					
HDFC Ltd	FAAA	5.7	5.85	6.05	20,000	M/Q/H/Y
Sundaram Finance Ltd	FAAA	5.72	5.97	6.22	10,000	M/Q/H/Y
LIC Housing Finance Ltd	FAAA	5.1	5.5	5.6	20,000	M/Y
Mahindra & Mahindra Financial Services Ltd	FAAA	5.7	6.2	6.3	5,000	M/Q/H/Y
ICICI Home Finance	FAAA	5.7	5.85	6.05	10,000	M/Q/Y
Shriram City Union Finance Ltd	FAA	7.5	7.7	8.15	5,000	M/Q/H/Y

M/Q/H/Y-
Monthly/Quarterly/
Half-yearly/Annual

As per RBI Circular RBI/2021-22/66 dated July 2, 2021, Fixed deposits will not be automatically renewed and such matured deposits will get savings bank interest rate.

You can upload your FD Details in our mobileapp 'FutureSavings' and view it anytime. Moreover you will also receive a reminder for renewal well in advance.

Tax Saving Investments under Section 80C

Maximum allowed deduction is Rs 1.5 lakh per year.

Debt Investments

Employee Provident Fund (EPF): Most companies automatically deduct EPF, current interest rate is 8.5% with lock-in period till retirement age 58. Partial withdrawal can be done after 5 yrs under certain conditions.

Voluntary Provident Fund (VPF): This is optional, available only to salaried employees, current interest rate is 8.5% with lock-in period up-to retirement.

Life Insurance: Life Insurance Plans are very popular as a tool to get deduction under section 80C of the Income Tax Act, 1961. The investment in life insurance can be deducted up to Rs 1,50,000 individual deduction is available in respect of policy taken in the name of taxpayer or his/her spouse or his/her children.

Public Provident Fund: EEE scheme available for everyone except NRIs, current interest rate is 7.1%, with lock-in period of 15yrs, can be extended by 5yrs. Partial withdrawal can be done after 6th financial year under certain conditions.

Senior Citizen Saving Schemes: Only available for senior citizen, current interest rate is 7.4% which is taxable.

Sukanya Samridhi Vojana (SSV): Only available if one is blessed with a daughter, current interest rate is 7.6% with a tenure of age 21Yrs or until the girl child married after the age of 18.

Tax Saving Fixed Deposit: Saving scheme with 5.3-6% interest and lock-in period of 5yrs.

National Saving Certificate (NSC): Saving scheme, with 6.8% interest and lock-in period of 5yrs.

Equity Investments

Equity-Linked Savings Scheme (ELSS): 100% equity, comes with market risk, and risk it varies from AMC to AMC. It has the lowest lock-in period of only 3yrs.

Unit-Linked Investment Plans (ULIPs): A policy designed by mixing insurance & investment, comes with lock-in period of 5yrs.

National Pension Scheme (NPS): Comes under 80CCD, additional tax can be saved by investing Rs.50,000 in NPS. The deduction claimed will be over and above Section 80C deduction of Rs 1.5 lakh.

Why Corona Insurance is Must?

Maximum allowed deduction is Rs 1.5 lakh per year.

Why do you need a supplementary Corona policy?"

Although regular health insurance plans cover COVID - 19 treatment, people have experienced high deductions - largely due to high room charges + special COVID costs that are not separately covered under regular health insurance policies.

From Apr20-Feb21, only 54% of the amount of claims were settled.

What do these supplementary options cover?

Corona Kavach and Corona Rakshak pay when there is necessary hospitalization. These are temporary covers available for a maximum of 9.5 months.

It covers major expenditure for hospitalization(and deductions), but both won't pay if you are quarantined due to mild symptoms. In our view, majority of us can afford the expenses incurred due to home quarantine and medication.

Limitations of the policies.

There is an initial waiting period of 15 days. You cannot claim in this policy for the first 15days. Note, people who are already COVID positive cannot buy this policy.

Corona Kavach vs. Corona Rakshak

Particulars	Corona Kavach	Corona Rakshak
What does the policy pay for?	Hospitalization & Hospitalization *at home	Hospitalization
Reimbursement or Fixed Benefit	Full Reimbursement	Fixed Cash Benefit
Waiting Period	No cover in first 15 days	No cover in first 15 days
Time to be spent in hospital	24+ hours	72+ hours
Room Rent / Eligibility Limit	No	N.A
Cover for PPE	Covered	N.A
Sanitization Costs	Yes	N.A
Cover on Co-morbidities	Yes	N.A
Cover available upto	Temporarily 9.5m	Temporarily 9.5m
Sum Insured Options	0.5 L to 5 L	0.5 L to 2.5 L



Incase you have no or low(less than 5Lakhs) coverage right now, you should buy Corona Kavachasa temporary measure to sail through the pandemic.

CoronaRakshak for people under 65 with an existing cover of 5L+

Incase you have adequate health insurance, then you should go for Corona Rakshak. This will be more convenient since you get paid fixed cash of Rs.2.50 Lakhs on minimum paperwork.



Jeevan Lakshya



LIC Jeevan Lakshya Policy is a participating endowment plan which provides both investment and insurance benefits

How does LIC Jeevan Lakshya Policy work?

- Basic Sum Assured - this is the amount of cover that you want. You can choose a minimum amount of Rs. 1,00,000. There is no upper limit.
- Policy Term - this is the period for which you wish to have the cover. The term can be anywhere between 13 to 25 years
- Premium Payment Term - You need to pay the premiums for the Policy Term minus 3 years only.

Death Benefit in LIC Jeevan Lakshya Plan

In case of the death of the policyholder before the end of the policy term, the nominee will receive all of the following:

- 10% of the Basic Sum Assured as an Annual Income Benefit from the next policy anniversary date to the policy anniversary date one year before the Maturity Date.
- 110% of the Basic Sum Assured payable on the Maturity Date.
- Simple Reversionary Bonus which has accrued throughout the policy term payable on the Maturity Date.
- Final Additional Bonus payable on the Maturity Date.

The Death Benefit shall not be less than 105% of all premiums paid as on date of death of the policyholder.

Maturity Benefit in LIC Jeevan Lakshya Plan

At the end of the policy term, the policyholder will receive the following:

- Basic Sum Assured
- Reversionary Bonus
- Final Additional Bonus

Income tax benefits

Policy Holder can avail income tax benefit u/s 80c of I.T Act for the premiums paid and all maturity proceeds and debt benefits will be tax free u/s 10(10D) of I.T Act.

5 Financial Habits Every Successful Women Follows

While success comes in many different respects, be it a career, personal or social, there's one common denominator among successful women — and that is they all have good financial habits that keep them on track achieving their goals.

Get the life you want by establishing these five financial habits:

1. Pay off your Bad Debt

Before we talk about how you can establish good financial habits, we have to talk about getting rid of that “bad debt.”

Being debt-free before you start pursuing your other financial goals is like starting off with a clean slate. Credit card debt and high interest personal loans are things we'd prefer to put off paying towards because it's really not an easy thing to do, but it's the first major step in taking control of your financial future. We all have to start somewhere.

2. Don't just save — Invest

Investing regularly is how you can become an experienced investor (and improve your chances of reaching your goals).

Women aren't missing out on big returns because they're making risky investments. In fact, women are missing out because they aren't even investing at all. Studies show that women are better investors than men, so why leave it to them to do the investing for us? Don't wait on taking the leap! If you need a little help dividing up your pay check, follow this rule: set aside 50 percent for needs, 30 percent for wants, and 20 percent to invest towards your biggest goals, be it a house or a dream vacation.

3. Set up an Emergency Fund

Life happens — and you never know just when a natural disaster will strike, your car will break down, or a jog down your lane will turn into a visit to the emergency room. Your money is your power, and having money stashed away for those less-than-desirable moments in life will help you breathe easy during difficult times. Set aside whatever you can towards your emergency fund while also building your wealth by investing.



4. Schedule a Call with a Financial Advisor

Even a go-getter like you doesn't have all of the answers all of the time. That's totally okay — after all, every successful woman has an entourage. Having a reliable financial advisor can help you navigate through sticky situations and answer your most burning financial questions. Whether you need help mapping out your financial future or want guidance on how to save up for a specific goal, your financial advisor will be able to help you through every major decision you make with your money. You don't have to be a Stock Market expert yourself to start building up your wealth!

5. Remember Your Retirement is YOUR Retirement

We often think retirement is so far away, and that hopefully, everything will fall into place financially by then. What successful women know is that the path to a carefree retirement starts right now. The moment that you start your first job, set aside some time to set up and understand your PF. There is more benefits of having a PF than just retirement, so make sure to do your research on what's the best option for you. Future You will thank you for it!

Your new golden rule for 2021. Make sure a cut of every pay check goes straight to your retirement or savings account and does not pass go. Pay yourself first and you'll retire like a boss later.

Q & A

01 I wish to invest Rs.10,000/- per month in a Mutual Fund. How do I go about it? My goal is to buy a Sedan in 3 years time.

Savings is good for goal based options. Currently the equity market seems high. Generally we will recommend Mutual Funds for 5 to 8 years time period. So plan accordingly.

02 My daughter is 3 years old. I want to start an investment of Rs.15,000/- now and then gradually increase. Is mutual fund good or would you recommend any other instrument?

Since your daughter is 3 years old, we have enough time for her education and marriage goals. We would recommend 70% towards equity and 30% towards debt oriented savings funds.

03 I am 50 years old and I had invested lumpsum of Rs.3,00,000/- in a debt fund. My friend is suggesting me to switch to Equity funds. Can I do the switch? Please advise.

Debt and Equity will be different categories. If you are looking for safe returns, debt funds are advisable, but returns are low. If you are looking for more returns, equity is advisable, but return will be risky. Please tell us your full wealth portfolio, we will suggest accordingly.

04 My advisor is suggesting Liquid Funds over Fixed Deposits. Is the suggestion right?

Liquid funds and Fixed Deposit interest will more or less be the same. Bank Fixed deposits are guaranteed by Rs.5 Lakhs capital whereas Liquid funds are not guaranteed. But still liquid funds are advisable for tax purposes based on your annual income.

05 I am a salaried person and took a home loan in July 2020 for Rs.35 Lakhs. EMI is Rs.24,000/- tenure 30 years. After my increment in April, I wanted to increase my EMI from about Rs.1,000 to Rs.1,500. Is this a good decision or should I invest the same amount in other instruments?

Rs.35 Lakhs loan amount, 30 years tenure, 24K EMI would mean that you are paying an interest of 7.5%. Not sure if it's a joint loan. Then you and your spouse can get 4 lakhs as deductible from your salary as it's an interest portion. I would say that, with 1K to 1.5K as an additional amount, it's better to invest in a SIP. Once you have a bigger lumpsum amount, please prepay and reduce the tenure. Taking long term tenure is not an issue, but you need to reduce the tenure gradually without losing sight of your emergency corpus and ability to save in some market linked instrument.



YOUR PORTFOLIO AT YOUR FINGER TIPS



Download our **futuresavings** app now!



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Mutual Fund



Health Insurance



Home Loans



Life Insurance



Tax Planning



Corporate Deposit