

FINANCIAL ARCHITECT OF SECURED FUTURE

# F@reccast



*Inaugural Ceremony*



# EDITORS NOTE



**K.CHINNADURAI**  
CEO, KC Financial Solutions

## Dear Valued Clients

Let me begin by extending my sincere and heartfelt thanks for your presence and heartwarming response on 26/10/2020 for the new office inauguration function. It gave me an opportunity to express my gratitude to you all.

The function was graced by the speech of Mr. Prabhakaran, Development Officer (My Mentor) LIC OF INDIA, Lamp Lighted by Shri K.K Binjumon, Senior Divisional Manager LIC of INDIA, Shri D.Vishnudev, Marketing Manager LIC of India, Shri R.Balu Chief Manager LIC Of India.

The function is important milestone on the path of KC Financial Services. We also received a lot of

Feedback, suggestions from almost every one via Zoom and YouTube live, text messages etc. All your voices are the best motivators for us. We are very thankful to all those who shared their valuable feedback, suggestions and inputs for the improvement of our service.



**INAUGURAL CERMONY**

**Financial Services** **LIC**

*We welcome you all for the inauguration of new office premises*

**KC FINANCIAL SERVICES  
LIC PREMIUM COLLECTION & POLICY SERVICES**

on monday 26th october 2020  
10.00am to 10.30am

Opening by

**SHRI. K.K.BIJUMON**  
Senior Divisional Manager  
LIC of india, chennai Div - 1

**SHRI. D.VISHNUDEV**  
Marketing Manager

**SHRI. R.BALU**  
Chief Manager

lamp lighting by  
**SHRI. B.PRABHAKARAN**  
Development officer, My Team Leader

Regards  
**K.Chinnadurai**, #Com, #GA, #NRT, #COT(USA)  
FINANCIAL CONSULTANT  
Mob : 94440 45161  
www.kcfs.in







## *My Long Journey of Success With LIC*

KC Financial Services have the pleasure to continue its journey of customer service with this year 2020 being its 19th year in its service. Dedicating all this to the beloved clients, for their faith on his investment advice.





**Mr.R.Gopinath., CEO**

Gopast Centre for learning Pvt Ltd

*Wealth that grows &*

# LAST FOREVER

*Principle - 06*

**Financial Pyramid:** Protection - The Foundation

In the previous issue we had discussed about the bottom of the financial pyramid, being protection, and the reasons for the priority given to this asset in the pyramid. We concluded the last issue by saying we will now quantify that need. How much life insurance should a person have? There are broadly three methods to estimate this requirement.

- a) Capital Need Analysis
- b) The Human Life Value and
- c) The Net Worth Method.

**Capital need analysis (Working capital provision) Method:**

Just like any business has a cash requirement for providing Fixed Capital and Working capital, a family also needs cash to provide for these two capitals in the family. If Plant, Machinery, Land etc. constitute the Fixed capital of business, then House, Car, One time Big expenses on Education or Marriage constitute FC of the family. Sample of Working capital is given here below:

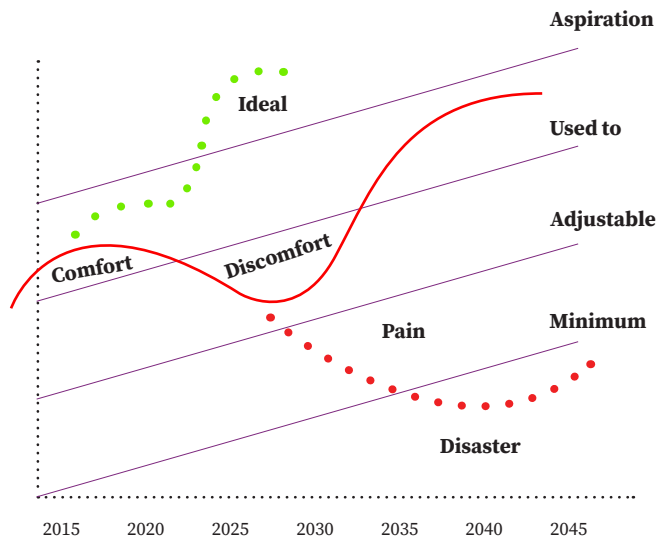
**Working Capital**

Business	Family
Raw Materials and Other Components	Food, Clothes, Schools Fees, Etc.,
Salaries and Wages and Operating Expenses	Salaries to Driver, Maids and Staff, Rents, Maintenance, EB, WB, Etc
EMIs, Interest Payments	EMIs, Credit Cards
Taxes	Property Tax, Road Tax

Look at the example below of a family. Mr RK’s family.

Family	Mly	Yly
Food, Clothes, Schools Fees, Etc.,	40,000	4,80,000
Salaries to Driver, Maids and Staff, Rents, Maintenance, EB, WB, Etc	25,000	3,00,000
EMIs, Credit Cards	35,000	4,20,000
Property Tax, Road Tax	0	0
Total	1,00,000	12,00,000

In the present times Mr RK’s family are used to spending 12,00,000 per annum. This is made possible because of Mr. RK’s income. Please look at the relation between the income of a person and the life styles the family enjoys or gets to live in:



The red colour line in the chart indicates the income of a person. The green colour dotted line indicates the income which usually a person will dream of to earn for his family. The upward diagonal purple lines in the chart indicates the amount of money spent for the levels of life that the family enjoys (or required to enjoy). Look at the right hand side ribbon on the chart. The first purple line shows the money required for the family to live an aspirational level of life the next purple line below it shows the money required to continue the present level of life that the family is used to (accustomed to). The next purple line below that is the level of money required for an adjustable level of life. The family can somehow manage with this level even though it is below what they have been used to all these days. And below that is act purple line which shows the money required to live life at a minimum level.

Please trace the income line in the graph. If the income available is more than the aspirational level then the family is in an ideal situation. And in the same lines, if the income available is more that the used to level then the family is in a comfort situation, When the income happens to fall below the used to level the family gets into a discomfort situation and if the income further drops and goes below the adjustable level, the family is left to undergo a painful situation. If for some reason, the income dips below the minimum level required to sustain the family then the family is pushed to a disastrous situation.

If we place Mr RK's family into this graph and also match the working capital requirement of the family, it will appear like the table given below. The amount of working capital that the family is used to is 1,00,000 per month. If we assume that the family can, if the situation so demands can adjust for

Family	Monthly	Corpus @ 6%
Food, Clothes, Schools Fees, Etc.,	40,000	
Salaries to Driver, Maids and Staff, Rents, Maintenance, EB, WB, Etc	25,000	
EMIs, Credit Cards	35,000	
Property Tax, Road Tax	0	
Total Used to Per Month	1,00,000	2,00,00,000
Adjustable Level	80,000	1,60,00,000
Minimum	50,000	1,00,00,000
Aspiration	1,50,000	3,00,00,000

a lesser amount at 80% of the used to level, then they need 80,000 per month. Assuming 50% is the minimum level then 50,000 per month and if Mr RK aspires to provide an ideal life style then it could cost around 1,50,000 per month.

The last column in the table indicates what amount of liquid capital or Corpus the family should have so that in case of the stoppage of income of Mr RK, @6% will be able to provide an amount required to provide life style of various levels. This Corpus will be amount of Insurance Mr RK will require right now. Ofcourse from this figure we can reduce the amount of cash or cash equivalent assets or the insurance cover he has already acquired and make a recommendation for the balance amount.



Prof *Solomon S Huebner* is known as the father of insurance science. He says:

“

The family should be established and run on a sound business basis. It should be protected against needless bankruptcy.



# TIPS ON INVESTING IN MUTUAL FUNDS

## *01. Which is the Best Time to Invest in Mutual Funds?*

There is no right time as such when it comes to investing in mutual funds. Investments in mutual funds should be made at the earliest. Any day is the best time to invest in mutual funds. Remember, you need to invest as per your financial goals and risk tolerance.

## *02. When is the Best Time to Invest in Mutual Funds?*

Mutual funds have gained immense popularity among investors due to its flexibility. There has been growing acceptance to invest in mutual funds due to the availability of several fund categories that suit investors across all risk profiles. Today, investors are not only curious about the right fund to invest but also about the right time to invest in mutual funds.

There are no rules that state mutual fund investors have to be earning individuals. Even students can invest in mutual funds. There is no best time as such for investing in mutual funds. Individuals can make investments in mutual funds as and when they wish. But it is always better to catch the funds at a lower NAV rather than higher price. It will not only maximize your returns but also lead to higher wealth accumulation.

## *03. Which is the Best Mode to Invest in Mutual Funds?*

Each day, the number of investors investing in mutual funds is rising. From students to employed to retired people, everyone has started investing in mutual funds to help bridge the barrier of money being an issue to accomplish their personal and career goals.

If you are new to the investment world, then to give yourself the confidence of investing, to begin with, you can start with SIPs as you can initiate, pause, continue and redeem investments at any time (depending on the lock-in period). Investors can choose a date on which they like their bank account to get auto debited, and the amount goes in the funds selected.



# SIP

As health as taking the stairs  
regularly

Start an SIP in Mutual  
Funds today

Mutual funds are subject to market risk read the policy documents carefully.



# VIEWS ON DEPOSITS

## HIGHEST INTEREST RATES ON FIXED DEPOSITS SCHEMES

FD Name	Rating	Interest Rate * (Up to)
LIC Housing Finance	FAAA by CRISIL, MAAA by ICRA	5.85%
HDFC Ltd.	FAAA by CRISIL, MAAA by ICRA	6.50%
Sundaram Home Finance Ltd.	ICRA MAA+	6.75%
Bajaj Finserv	FAAA by CRISIL, MAAA by ICRA	6.85%
ICICI Home Finance	FAAA by CRISIL, MAAA by ICRA	6.50%
Mahindra & Mahindra Financial Services Ltd	CRISIL FAAA	7.30%
Shriram Unnati Deposits	MAA+ by ICRA, FAA+ by CRISIL	7.90%

\* Highest rate including additional interest for Senior citizens, employees etc. wherever applicable.

\* As of Nov 2020

## Children's Plan

Turn your child's dream into reality

Save  
Rs. 3500/pm  
Get

**13 Lakhs**

Save  
Rs. 7000/pm  
Get

**26 Lakhs**

**10 LAKHS**  
Age 22

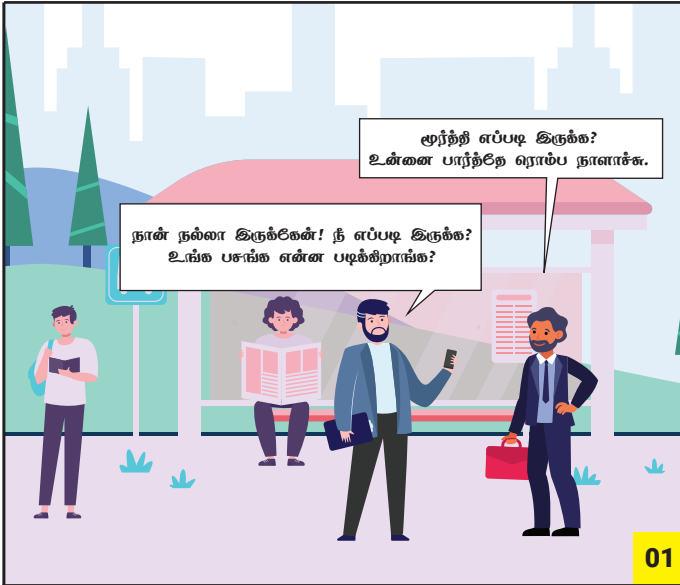
**2 LAKHS**  
Age 21

**2 LAKHS**  
Age 20

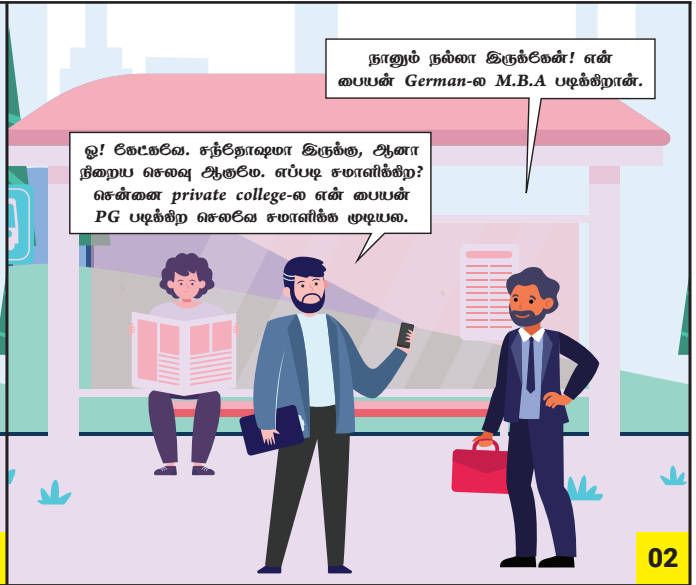
**2 LAKHS**  
Age 19

**10 LAKHS**  
Age 18





01



02

# புத்திசாலி கீர்த்தி

## தொடர் - 05



03



04



05



# FINANCIAL TRENDS

## *Tax filing Deadline extended*

The income tax return (ITR) filing deadline for FY 2019-20 has been further extended to December 31, 2020, for most individual taxpayers, from the earlier deadline of November 30, 2020.

## *Now you can pay health insurance premium in monthly mode*

The regulator has allowed the payment of health insurance premiums in installments. You will now get the option to pay your health insurance premiums on a monthly, quarterly or half-yearly basis in addition to the current option of paying premiums on an annual basis.

## *Do you know about MWP Act?*

Married Women's Property Act was enacted in 1874.

It was originally meant to state that the earnings of a married woman can be considered as her separate property. It was aimed at protecting the properties of women from their relatives, creditors and even their own husbands.

However, there was a life insurance amendment to this act which concluded that the proceeds from the life insurance policy under this act will not be in the control of the husband. Thus, implying that the proceeds of the policy will be treated as effective property of his beneficiaries and not his personal property.

## *Investment options for senior citizens*

The Government of India has introduced Pradhan Mantri Vaya Vandana Yojana (Modified-2020), the Scheme will provide an assured pension of 7.40% p.a for 10 years. Both husband and wife can invest each 15L in this scheme. PMVVY can start through LIC of INDIA.

SCSS is a government - backed savings instrument offered to indian resident over 60 years. The SCSS interest rate has been set at 7.4% for 5 years term . SCSS is available through Public/Private Sector banks. we can invest 15L of Maximum Amount.

## KCFS tied up with EDELWEISS STOCK BROKING LTD



Open a  
**DEMAT /TRADING ACCOUNT**  
with us

For you to go digital in trading: NSE, BSE, Commodities, Futures & Options.

Get

# EMI option in Health Insurance

Pay the premiums in affordable installments.

Pay 1000 monthly & Get 10L cover



*Your parents are not your emergency fund,  
your children are not your retirement fund,*



## Build your own wealth

WITH KCFS







**Financial Services**  
Gateway for Investments



**LIC Premium Collection & Policy Services**

Now it's **Better ! Bigger !! Brighter !!!**

## Our office is relocated to the new location



No. 2/183, Mount Poonamallee High Road, (opp. Muneeswaran Temple) Kattupakkam, Chennai 600056. Tel no: 044 2679 2642

We are looking forward to serving you better with all facilities.

## Dealing with Financial Services



Financial Planning



Health Insurance



NRI Wealth Management



Mutual Funds



Fixed Deposits



Income Tax Filing



Home Loan



Motor Insurance



Share Trading



DEMAT

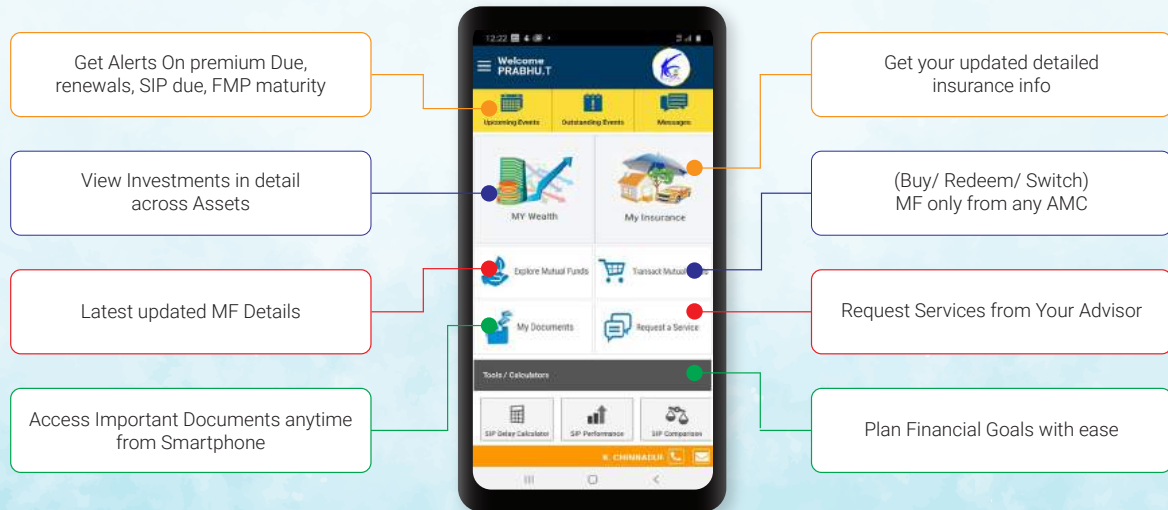


E-Gold



NPS/Bonds

## VIEW YOUR FINANCIAL PORTFOLIO ANYTIME, ANYWHERE THROUGH OUR KCFS APP



## HEAR FROM OUR CLIENTS



“We were searching for a knowledgeable, proactive agent that would find the best policies to fit our personal needs and wanted a professional we could rely on. We found exactly what we were searching for. My relationship with Chinnadurai is more than 5 years. A major factor in our decision to retain this KCFS agency was his willingness to go beyond the routine. A second factor in our decision was the level of service he routinely provides”

- Mr.Dillibabu Sekar, FIS Global.



“If you have a question of How to do financial planning for entire life? Please visit KC Financial Solutions Consultant Chinnadurai. Book an appointment with him for 30 minutes which will change and secure your whole life. He will explain you how to meet your financial needs without any troubles by proper planning. How to invest and where to invest your hard earned money that is where he is an expert. Moreover he comes with an My Wealth app which will show all your investments/growth in one place(Outstanding app). He will clarify all your investment doubts and makes you understand/comfortable before you invest. He can guide you on IT Filing, Housing Loan, Vehicle Insurance, Health Insurance, LIC Policies, Company Deposits, Mutual Funds, Post office deposits, Recurring Deposit and Fixed Deposits. I reviewed him here because anyone who do not know him will also know about his service and get benefit out of it. Just a reminder! 30 mins will change your life. BOOK AN APPOINTMENT AND GIVE A TRY. \*\*\* TIMES AND CONDITIONS CHANGE SO RAPIDLY THAT WE MUST KEEP OUR AIM CONSTANTLY FOCUSED ON THE FUTURE \*\*\* ”

- Mr. Yuvaraj, Tidel wave infotech.

### A NOTE TO OUR DEAR READERS

“Forecast” is an investor awareness publication by KC Financial Services. Write your Feedback to support@kcfs.in or you can simply send a message.

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