

GATEWAY FOR INVESTMENTS

Fore@recast



DON'T STOP YOUR SIP IN THE MIDDLE.
LET IT GROW TO CONTINUE FULFILLING YOUR FINANCIAL NEEDS.

EDITORS NOTE



K.CHINNADURAI
CEO, KC Financial Services

Dear Investors,

I am delighted to reach you through this month's magazine. This edition focuses on the importance of planning for retirement life. With the right steps today, we can enjoy a secure and peaceful tomorrow.

In our working years, we earn and spend for the family, while creating assets like house, gold, or land. Later, these assets may be sold to support our needs. That's why we say, cash is the king and assets are intermediary.

But in reality, many people after retirement hold on to their assets as a legacy for their children and are emotionally unwilling to sell them. Social expectations also add to this mindset. As a result, they depend heavily on their children for their retirement needs and later face serious challenges for their own survival.

குறள் 385

இயற்றலும் ஈட்டலும் காத்தலும் காத்த
வகுத்தலும் வல்ல தரசு.

ஓர் எளிய விளக்கம்

திருவள்ளுவர் கூறுவது பேரல, வாழ்க்கையில் வருமானம் ஈட்டுவது மட்டுமல்ல, அதைச் சேமித்து பாதுகாத்து, தேவையான நேரத்தில் அறிவுடன் பயன்படுத்தும் பழக்கமே உண்மையான செல்வம். இதுவே ஓய்வு வாழ்க்கைக்கான நிதி திட்டமிடலின் அடிப்படை உண்மை.

Possible Scenarios in Life

1. We may live beyond age 80, with income continuing even after 80.
2. We may live beyond age 80, but our income may stop at age 60 (retirement).
3. We may live beyond age 80, but due to illness or disability, income may stop as early as age 40.
4. Life may end at 40 with income also stopping at

the same age (life uncertainty risk), while the family may continue to live up to age 80.

The truth is, we do not know whether Scenario 2, 3, or 4 will happen in our life. What we do know is that living beyond 80 is becoming more common. Therefore, it is wise to prepare a retirement income corpus for the years from 60 to 80, so that life after retirement can be lived with dignity and financial security.

Are you prepared to live longer?

In India, if retirement begins at age 60, the average life expectancy is 76 for men and 78 for women. This means a man would need about ₹58.4 lakh and a woman about ₹65.7 lakh to cover just the basic daily expenses of ₹1,000 per day. Together, that amounts to nearly ₹1.24 crore.

The good news is, this retirement corpus can be built through guaranteed pension plans, annuities, systematic withdrawal plans, and NPS. The right time to plan is not tomorrow, but today. Don't wait for a "good day" — today itself is the best day to start. Plan early, live happily, and enjoy an independent life throughout your retirement years.

Retirement is not the end of earning, it is the beginning of living. Plan today, so tomorrow you can live with freedom, dignity, and happiness.



Honored by the Mr. Doraiswamy (CEO & MD., LIC)
as a proud member of the Topmost Elite Club

Privileged to be part of the Top Advisors Meet
hosted by TATA Mutual Fund in Mumbai

Dreaming of a peaceful retirement?

Follow the

Rule today

let your money work for you

10:20:30 & Tomorrow

**Start early,
Save smart,
Retire stress free!**

Invest in SIP

10 Thousand
Per Month

For

20 Years

Get **1 Lakh** (SWP) Monthly for

30 Years

If you start investing just ₹10,000 per month through SIP from the age of 30, and continue this for 20 years, by the time you turn 50 you could build a retirement corpus of around ₹3 crores*. From this wealth, you can begin drawing a pension of ₹1,00,000 every month from age 50 to 80, ensuring a steady income for 30 years. Over this period, you would receive a total of ₹3.6 crores as pension while your money continues to grow. Even after fulfilling your retirement needs, at the end of 30 years you can still leave behind a legacy of ₹1 crore for your family. This way, a disciplined monthly investment of just ₹10,000 can help you achieve financial independence, live a stress-free retirement, and also secure your loved ones' future.



Mr.R.Gopinath., CEO
Gopast Centre for learning Pvt Ltd

Suitability of Life insurance endowment types of products in the new scenario after,

*the amendment to Sec 10(100) of the income tax announced in
the finance act 2023-24*

Part 02

In the previous edition, we discussed two important aspects:

1.Understanding the Amendment

2.Yield

Continuing from there, let us now look into the third aspect – Suitability of these products to clients.

3) Suitability to the needs of clients

Having seen the explanations as above let us now consider if savings through life insurance policies is still an attractive proposition to the policyholder.

A life insurance policy covers the life risk to provide an assured amount upon the death of the life assured to the nominees. It is therefore not comparable with other investment options available in the market.

Savings through life insurance policies gives a feeling or financial obligation to the life assured, with the result that it develops a discipline of Income minus Savings = Expenses. It helps maintain regularity in the investments because the amount to be invested is fixed and the dates of remittances are also fixed. In other savings/investment products this is left to the will of the investor. So the investor might break this regularity due to other tempting or (seemingly) compelling wants/needs.

When investing in Life insurance savings products there is less temptation to keep seeing the amount accrued in the amount, this is one reason that why the persistence in life insurance is higher than

many other savings/investments products.

With suitable riders added a life insurance policy can mitigate both these risks:

- 1) Income stopping after Death
- 2) Income stopping before Death.

The three natures of assets that need to be kept in mind in selecting a suitable asset for reaching the goals are:

FINANCIAL PYRAMID PART 2

The next side of the financial pyramid defines the three natures of assets.

Granularity:

The capacity of the asset to be broken into small pieces, to be used only to the extent required.

Transparency:

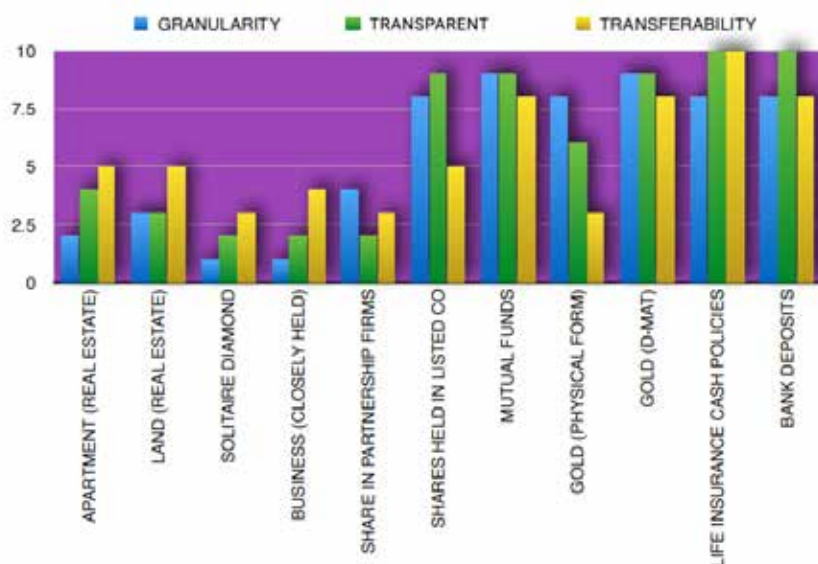
The price disclosure, or a predetermined value. The price does not depend upon the buyer's qualifications.

Transferability:

The ease with which the title of the asset can be passed on to the person of our choice.

The following table will give an indicative ratings for the three natures of an asset on a 1 to 10 scale. These ratings have been arrived at based on the prevailing legal and economic scenario in India.

Savings/Investment	Post Tax Yield	Does it cover risk of life, disability and Critical illness	Term of Investments
Bank Deposits	0.06	No	Medium term
Post Office Savings	0.06	No	Medium term
PPF	0.071	No	Long term
Govt Bonds	0.06	No	Medium term
Life Insurance	0.054	YES	Long term



You will find from this chart that Life insurance cash policies score well on all the three natures. So for families that need asset that is granular, transparent and easily transferable this is a suitable asset class.

The returns under a life insurance policy may not be directly comparable with other investments. Even if we attempt at arriving at IRR on maturity in

comparison with other assets it should be compared with other assets in the “Risk Free Growth” segment of the financial pyramid.

The yield shown here is assumed at the highest tax bracket. In the above table the yield is calculated on an average basis, not scheme specific in that class. However It is incorrect to select products only on the

basis of yield, it should be selected according the matching of the features of the product to the needs of the investor and amongst the matching ones filter it by the yield.

You can observe that post tax yield is reasonable while comparing the other investments in this segment considering the benefits of the risk cover availed.

The other benefits that Life insurance policies can be used as collaterals for availing credits and flexibilities provided in the contract are also to be considered in deciding the suitability to an individual.

Gst on Life Insurance Reduced To NIL

PLAN	PREVIOUSLY	NOW
Term Plan	18.00%	NIL
Traditional/ ULIP (First Year)	4.50%	NIL
Traditional/ ULIP (Renewal)	2.25%	NIL
Single Premium	1.8%	NIL

A big relief for policy holders



VIEWS ON DEPOSITS & MUTUAL FUNDS

HIGHEST INTEREST RATES ON FIXED DEPOSITS SCHEMES		
FD Name	Rating	Interest Rate* (Up to)
Shriram Finance Limited	MAA+by ICRA, FAA+by CRISIL	8.10%
Bajaj Finserv	FAAA by CRISIL, MAAA by ICRA	7.30%
Mahindra & Mahindra Financial Services Ltd	CRISIL FAAA	8.35%
ICICI Home Finance	FAAA by CRISIL, MAAA by ICRA	7.40%
PNB Housing Finance	CRISIL FAAA	7.35%
LIC Housing Finance	FAAA by CRISIL, MAAA by ICRA	7.15%
HDFC Bank	FAAA by CRISIL, MAAA by ICRA	7.08%
RBI Bonds	Reserve Bank of India	8.05%
* Highest rate including additional interest for Senior citizens, employees etc. Wherever applicable.		
* As of August 2025.		

POSTAL DEPOSIT	
Time Deposit (TD 1-5 Years)	7.50%
NSC (5 Years)	7.70%
Monthly Income Scheme (MIS)	7.40%
Kisan Vikas Patra	7.5% (Double in 115 months)

Earn Higher rate of interest
UP TO **8.10%*** p.a.
(Inclusive of 0.5% for senior citizen)

FUND PERFORMANCE CHART - TOP EQUITY FUNDS					
Fund Name	Category	NAV	1 Year(%)	3 Year(%)	5 Year(%)
Bandhan Small Cap Fund	Small Cap	45.723	28.86	29.84	31.15
Invesco India Midcap Fund	Mid Cap	181.07	27.67	27.52	25.98
HDFC Flexi Cap Fund	Flexi Cap	1987.37	22.28	26.96	23.54
ICICI Pru Large & Mid Cap Fund	Large & Mid	995.48	21.09	25.43	21.47
Nippon India Large Cap Fund	Large Cap	90.76	19.51	23.19	18.52
Sundaram Multi Cap Fund	Multi Cap	378.64	16.44	21.10	17.59
ICICI Pru Pharma Healthcare Fund	Sectorial	34.54	13.43	22.65	26.27

FUND PERFORMANCE CHART - TOP DEBT & HYBRID FUNDS					
Fund Name	Category	NAV	1 Year(%)	3 Year(%)	5 Year(%)
ICICI Pru Multi Asset Fund	Multi Asset	759.92	18.95	22.55	21.51
HDFC Balanced Advantage Fund	Dynamic Asset Al	512.37	18.54	22.11	19.64
Mahindra Manulife Aggressive Hybrid	Hybrid Aggressive	27.11	16.49	19.42	17.69
UTI Banking and PSU Debt Fund	Banking & PSU	22.16	7.05	7.09	6.26

Which is **Better?**



Pure **Gold**

VS



Gold **Mutual Fund**

Gold holds a special place in Indian culture and investment portfolios. Traditionally, investing in gold meant buying physical jewellery, coins, or bars. However, managing physical gold comes with challenges like storage, security, purity concerns, and making charges. Financial markets now offer convenient digital alternatives: Gold Exchange Traded Funds (ETFs) and Gold Mutual Funds. Both allow investors to gain exposure to gold prices without holding the physical metal, but they differ significantly in structure, cost, and investment process.

Multi Asset Allocation Fund

One Fund. Many Assets. Endless Growth!

SIP ₹10k/month
20 years

Invested Market Value
₹24L **₹3.38 Cr**

Growth
₹3.14 Cr



Invest in Equity, Debt | Gold/Silver

All in one fund!

Start your smarter, balanced portfolio today!



HEAR FROM OUR CLIENTS



I would like to extend my sincere gratitude for the outstanding financial services you provide. Your expertise, professionalism, and commitment to excellence have truly made a positive impact on my financial journey. Your personalized approach, timely guidance, and unwavering support have given me confidence in making sound financial decisions and providing guidance on the Health insurance and Term insurance and financial planning with the Pyramid concept which made me to understand the details very clearly.

The level of dedication and transparency you bring on investment planning, wealth management and financial advisory services is truly commendable. I deeply appreciate the effort you put into understanding my financial goals and tailoring strategies that align perfectly with them. Your proactive approach and customer-first mindset set you apart in the industry. Especially Mr. Chinnadurai sir is reachable at any time and his staffs are so kind of people and I am impressed with their dedication and Excellent services.

Your service is really commendable. I would like to express my special thanks to each and every staff in KC Financial services. I would happily say that KC Financial Services is a one stop shop for anyone who is looking financial planning and guidance. Thank you once again for your exceptional service. I look forward to continuing this valuable association with KC Financial Services. The Investor Awareness program which you have conducted yesterday was really an eye opener for many of us. please do continue the same.

- Mr. Chandrakumar, Associate Vice president, Standard Chartered



I was Completely impressed with their professionalism and customer service. The Services are consistently outstanding and exceeding my expectations every time.

- Mr. Joseph Victor, Civil Engineer L&T Realty

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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