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INVESTMENT PLANS FOR ALL OFFICERS

Dear Officer,

With my experience of more than a decade in Finance Management, I have drawn investment plans for ALL OFFICERS. Of course, they are of general nature, based on my experience in the Army about psyche of officers at various ages, needs and availability of finances. They will have to be modified to the specific needs of any individual officer. I shall do that for all my client officers - who invest through me - without professional fee or with very little professional fee (depending on facts of each case)

My General Recommendations:-

For ALL Officers:

1. Invest Rs. 0 /- (ZERO) in Bank FDs.
2. Invest Rs. 0 /- (ZERO) in Company Deposits however lucrative it may be and whatever is the reputation of the Company.
3. Invest Rs. 0 /- (ZERO) in Shares / Derivatives either by yourself or through broker.
4. You should take loan and purchase / build only one house - anytime during your service - for yourself. There is NO need of that also, if you have an ancestral house of which you are a definite owner / successor.
5. You should invest Arrears of 7th Pay Commission for purchase of a house mentioned in paragraph 4. If that is already done, you should invest the amount in Systematic Withdrawal cum Transfer Plan.

Young Officers – Up to Five - Six Years of Service.

- 6. Invest Rs. 3,000 /- per month in DSOP. Invest Rs. 2,000 /- per month in insurance company preferably a company that gives insurance cover for militancy / terrorist action, war and other war like situations. With Rs. 5,000 /- per month AGI Subscription, it will cover Rs. 1,20,000 /- tax free investment in a year.**
- 7. Invest Rs. 1,000 /- per month or Rs. 10,000 /- in a year in National Pension System. There is NO BAR for you to invest as an Indian Citizen. Public money is NOT used in pension funds or in NPS.**
- 8. Invest Rs. 15,000 /- per year in Medical Insurance of parents (if they are NOT eligible for medical treatment in Military Hospitals)**
- 9. Invest Rs. 3,000 /- per month in two SIPs of Tax Saver Mutual Funds.**
- 10. Invest Balance available amount (preferably in monthly SIP) in Equity Oriented and Debt Oriented Mutual Funds in following proportion: Equity 90% Debt 10%.**

Middle Age Officers – Five to Twenty Years of Service.

- 11. Invest Rs. 4,000 /- per month in DSOP. Invest Rs. 2,000 /- per month in insurance company preferably a company that gives insurance cover for militancy / terrorist action, war and other war like situations. With Rs. 5,000 /- per month AGI Subscription, it will cover Rs. 1,32,000 /- tax free investment in a year.**
- 12. Invest Rs. 2,000 /- per month or Rs. 20,000 /- in a year in National Pension System. There is NO BAR for you to invest as an Indian Citizen. Public money is NOT used in pension funds or in NPS.**
- 13. Invest Rs. 15,000 /- per year in Medical Insurance of parents (if they are NOT eligible for medical treatment in Military Hospitals)**
- 14. Invest Rs. 2,000 /- per month in two SIPs of Tax Saver Mutual Funds.**
- 15. Invest Balance available amount (preferably in monthly SIP) in Equity Oriented and Debt Oriented Mutual Funds in following proportion: Equity 70% Debt 30%.**

Senior Officers – Above Twenty Years of Service.

- 16. Invest Rs. 5,000 /- per month in DSOP. Invest Rs. 2,000 /- per month in insurance company preferably a company that gives**

insurance cover for militancy / terrorist action, war and other war like situations. With Rs. 5,000 /- per month AGI Subscription, it will cover Rs. 1,44,000 /- tax free investment in a year.

17. Invest Rs. 3,000 /- per month or Rs. 30,000 /- in a year in National Pension System. There is NO BAR for you to invest as an Indian Citizen. Public money is NOT used in pension funds or in NPS.

18. Invest Rs. 15,000 /- per year in Medical Insurance of parents (if they are NOT eligible for medical treatment in Military Hospitals)

19. Invest Rs. 1,000 /- per month in two SIPs of Tax Saver Mutual Funds.

20. Invest Balance available amount (preferably in monthly SIP) in Equity Oriented and Debt Oriented Mutual Funds in following proportion: Equity 60% Debt 40%.

Officers – About to Retire.

21. Invest Rs. 5,000 /- per month in DSOP. Invest Rs. 3,000 /- per month in insurance company preferably a company that gives insurance cover for militancy / terrorist action, war and other war like situations. With Rs. 5,000 /- per month AGI Subscription, it will cover Rs. 1,50,000 /- tax free investment in a year.

22. Invest Rs. 3,000 /- per month or Rs. 30,000 /- in a year in National Pension System. There is NO BAR for you to invest as an Indian Citizen. Public money is NOT used in pension funds or in NPS.

23. Invest Rs. 15,000 /- per year in Medical Insurance of parents (if they are NOT eligible for medical treatment in Military Hospitals)

24. Invest Balance available amount (preferably in monthly SIP) in Equity Oriented and Debt Oriented Mutual Funds in following proportion: Equity 50% Debt 50%.

Officers – After Retirement.

25. Invest Rs. 5,000 /- per month in PPF. Invest Rs. 3,000 /- per month in insurance company preferably a company that gives insurance cover for militancy / terrorist action, war and other war like situations.

26. Invest minimum applicable amount in National Pension System to keep the scheme alive.

27. Invest Rs. 20,000 /- per year in Medical Insurance of parents (if they are NOT eligible for medical treatment in Military Hospitals)
28. Invest Rs. 5,000 /- per month in two SIPs of Tax Saver Mutual Funds.
29. Invest the Amounts received from Pensionary benefits as under:-
 - A. Money required immediately for purchase of house etc. to be invested in Liquid Mutual Funds.
 - B. Money required within 3 years – for Children marriage etc. to be invested in Balanced Mutual Funds (Debt Oriented).
 - C. Balance Amount to be invested in Systematic Withdrawal Plan.
30. Invest Balance available amount from the regular pension (preferably in monthly SIP) in Equity Oriented and Debt Oriented Mutual Funds in following proportion: Equity 50% Debt 50%.

How to Invest

For National Pension System, you will have to go to your bank. SBI, HDFC and ICICI - all three banks are Govt. approved agencies for NPS.

For Mutual Funds, I shall help you. It is pretty easy. All you have to do is send KYC Documents (KYC Form, Photographs, PAN Card Copy and Aadhar Card Copy) duly self attested and I shall get your KYC approved. After that, I shall send you Mutual Fund Forms as necessary and appropriate for you. You have to sign and send them back with First Cheque in the name of the Mutual Fund and ECS Mandate for future installments to the concerned mutual fund house. There is NO requirement for you to have a DEMAT Account. Also, there is NO requirement of your personal presence. Also, whether you are in Arunachal or in Kashmir or in Deserts is NOT material. I can handle your investment requirements from here at Pune. The entire correspondence up to allotment of units should take less than 20 days.

I shall take care of all the administrative aspects of investment / redemption and shall send you monthly report on the behaviour of your investment. I shall re-assess your investment on your behalf once in a year and change the fund if absolutely necessary, only AFTER CONSULTING YOU.

I have put the words AFTER CONSULTING YOU in block capital with a special reason. I have seen a case where a broker churned the investments of the investor without knowledge of the investor to the extent that total amount invested / withdrawn / reinvested was Rs. 10

crore in a single year with negligible profit. But the broker himself got huge amount of commission. Even the employees of some big broking companies are indulging in such malpractices. I am an Ex Army Officer holding the same ethos and values as you hold. So, please be assured of complete confidentiality, loyalty, competence, prudence and transparency on my part.

So Comrades, be enlightened and invest properly so that you get maximum tax benefits and also appropriate returns from your investment that you so well deserve.

Thanking you.

Yours faithfully,

A handwritten signature in cursive script that reads "Sharad". The signature is written in black ink and is positioned above a thin horizontal line.

(Sharadchandra S Patil)

Col (Retd)

Independent Financial Advisor

Registered Mutual Fund Advisor