

'Meeting the planner was like a wake-up call'

The Kulkarnis were saving a lot, but were still well short of their target

Sunita Abraham
sunita.a@htlive.com

Darshan Kulkarni and his wife Malavika Kulkarni, both doctors, decided to come back home to Shahda in Nandurbar district of north-west Maharashtra though they could have lived and practised medicine in any place of their choice. Along with Darshan's parents, who are also doctors, the Kulkarnis run a family hospital in the tribal district.

Like most young professionals, in the initial years, Darshan and Malavika were busy establishing their practice. "There was no serious thought about savings and investments. Our financial situation was comfortable and we were able to take care of all our needs. Any money left over after meeting expenses was invested," said Darshan. The money saved was put into FDs and real estate, the go-to investments in a small town. They even started an SIP in a mutual fund on the advice of their bank manager, though they had no idea what they



we had just reached 9% of our target value. It made us realise that we need to get organised about our savings and investments," said Darshan.

All their goals are well in the future given that the children, Arnab and Vyom, are just 10 and 5 years old, respectively. Wagh explained to them the risks of holding low-return investments such as FDs for long-term goals. The Kulkarnis were receptive to the idea of building an equity portfolio once they understood its long-term benefits. The real estate holdings have been left

untouched, though they have made no further investments in it or in FDs. All their savings are now being channelised into building their equity portfolio. Any surplus savings is also invested into equity so that the allocation aligns

were signing up for.

Kulkarnis were fine with the amount they were saving though they wished things could be a little more organised. But they did not have the time to do it. It was around this time that Darshan first heard about the services of fee-based financial planners at a conference and decided to go for it. After some research, they decided to reach out to Shilpa Wagh, a Sebi-registered investment advisor.

"My first meeting was with Darshan Kulkarni's parents who met me in Mumbai to discuss their needs. Their primary concern was

to secure the financial future of their son and his family," said Wagh.

Once they were satisfied that Wagh was the right person for the

dinner table, including financial ones. The whole family is involved," said Darshan.

Wagh's initial impression was of a financial situation where there was adequate income but where the savings were not being used in the right way to meet the goals. The portfolio was real estate-heavy and investments did not consider the features of the goals that the Kulkarnis had.

In fact, at that stage they had not really articulated the goals clearly. That was the first step that Wagh initiated.

Darshan and Malavika were looking to build a corpus for their children's education and marriage and their own retirement. Once Wagh had put down the goal value, the next step was to align the existing investments to the goals. "We always thought that we were putting aside a decent amount

Asset allocation



quickly to their goals.

While the equity investments are in mutual funds, the debt portion is a mix of debt funds and FDs. "We decided on debt funds for tax efficiency since they fall in the highest tax bracket. But there are some FDs for comfort," said Wagh.

The Kulkarnis now have a complete plan that includes protection with life and health insurance and investments that reflect their goals. Wagh believes the family is determined to stay on track to meet their goals, particularly those that relate to their children. "We have a much clearer road map of where we are and what

Financial planner
Shilpa Wagh,
Sebi-registered
investment advisor

City
Shahda,
Maharashtra

MY PLAN

Malavika Kulkarni
Doctor, 37

Darshan



job, the decision to go ahead was taken. "All our discussions happen at

of money. It was a wake-up call when our financial planner told us that over so many years,

needs to be done," said Darshan, for whom the journey has been quite fulfilling.