

White Paper

Title: **What are the ten most important aspects of Financial Planning?**

Author: Taresh Bhatia CFP

Author: Taresh Bhatia, is a CERTIFIED FINANCIAL PLANNER CM. Taresh Bhatia is the Chief Financial Planner at [Advantage Financial Planners LLP](#) where he provides fee-only financial planning advice. He has helped over 286 families plan and organize their financial life so as to move positively towards their financial goals.

Taresh is an expert on financial advice and has over 27+ years of industry experience. He makes you do more with your money and is professionally qualified to do so. His advice financially empowers you with systematic savings and Goal tracking.

Among his qualifications, he is a CFP^{CM}-CERTIFIED FINANCIAL PLANNER and an MBA from IMI, New Delhi.

Taresh is the Founder and a Partner in M/s. Advantage Financial Planner LLP, a firm registered with SEBI as “Investment Advisor” (RIA). He is also a member of The Financial Planners’ Guild, India (FPGI), an association of Practicing Certified Financial Planners.

Summary: with SMART goals and advice of a qualified financial planner, you can be confident of the best investment advice for your hard earned money in India. A complete guide and a checklist for selecting the right planner, someone you can proudly say is my financial planner!

What are the ten most important aspects of Financial Planning? By Taresh Bhatia CFP

When Mr. Rajesh Kumar asked his financial planner the following ten questions as he wanted to make sure that he taking the right step for his personal financial planning, his advisor gave the respective answers

What exactly would you do in financial planning? What is the role of a financial planner in India? What is the importance of financial planning in India?

Before you begin any road journey, you need two things: a compass and the right roadmap. Likewise, you need directions and the right blueprint before you make any investments. Then, decisions made rationally, and not emotionally, would help you reach your destination, within the given time frame and risk profile. Without a financial plan is like making a house without foundations and having limited scope for building further. In India, most of the investments decisions are made in, so called “insurance policies” on emotional appeals and hence the consideration for having the correct personalized financial plan is critical.

Why is it important to have personalized financial plan? What are the steps of financial planning?

[Having SMART goals is the first step.](#)

Like a doctor who first checks your pulse, understands your problems, advises some tests, a financial advisor would first understand your income- expenses, goals, time horizon, risk taking ability and then develop a financial plan personalized individually for you and your family.

Your personal financial plan would include advise on your life security (your financial assets less liabilities, adding future liabilities etc and hence if you need and how much you need life insurance, where do you buy, how much to buy life insurance and what are the do's and don't's also), children's education and marriage planning, your retirement planning, wealth creation, your health insurance (including basic indemnity insurance, critical insurance and accident), Your other high end goals like house, car, holidays etc. and will and estate planning.

What are the top thumb rules for personal financial Planning? What are the elements or characteristics of financial planning?

Inflation, [risk profile](#), time horizons, past investments done, Saving possible from reducing monthly expenses from net income, current investments, current savings, current insurance (life, health etc)- are all the elements to be considered before your financial plan can be started. Inflation linked future value of each goal less of current investments done leads to the gap and that leads to developing your future investments strategy.

To be able to provide all these inputs and help your financial planner to develop your personal financial plan are the [top thumb rules](#).

Who is qualified to give financial advice? Is there some certification necessary for giving financial advice? 10 questions to ask when finalizing your financial planner?

It depends on how exactly your financial planner would behave when he gives his recommendations. If he or she recommends some insurance or mutual funds only at the end of his advise and doesn't charge you're a fee for his advice, its time to understand his actual intention! Buyer Beware! Look out for these signs and ask these questions

In India, CFP, ([CERTIFIED FINANCIAL PLANNER^{CM}](#)) Certification is a mark of excellence granted to individuals who meet the stringent standards of education, examination, experience and ethics. It is the most prestigious and internationally accepted Financial Planning qualification recognized and respected by the global financial community.

[10 reasons for choosing a certified financial planner](#)

Would an independent investment advisor be different from a financial planner?

An independent, qualified, experienced, educated and is a fee based investment advisor is the [right combination](#).

How do you find out the best financial advisors in India? How do I find out someone whom I can proudly call my financial planner?

Next, to hire one of the above mentioned, you need to:

- 1) search and locate appropriate financial planner and the need for a CERTIFIED FINANCIAL PLANNER CM (CFP CM).
- 2)search for his or her qualifications
- 3)be sure of what and what kind of person you need
- 4)have meeting, rather pre meeting to decide your liking and preferences
- 5)whether that person is experienced
- 6)whether that person is qualified
- 7)what are the services he or she is going to offer
- 8)what are the fees and fees structure
- 9)check on legal frameworks
- 10)check on compliance and other regulations
- 11) how to ensure your information would be kept confidential
- 12) Google search for that shortlisted person to find out more about him or her on socials

Can I see a sample financial plan before I start?

Yes, you must see a [sample financial plan](#) to get the gist of what your need and want is and what you would be getting.

Are there some financial tools or calculators used in financial planning that I can test for myself.

There are many such tools and calculators and you can learn how to use these [financial calculators](#) made easy.

What are the top financial planning myths that can hurt me?

Going on a sea trip without directions and without a compass can lead you to harsh, rough weathers and even leave your financial security in shambles. So, going ahead with an expert who can guide, monitor, control and continuously advise on the ups and downs of the market would be ideal. Don't get misled with advisors who "Sell" insurance to you and make false, undocumented promises. Don't buy any investment idea before you check its transparency, transportability and granularity.

I could **conclude by opening another question** that lot of my clients ask me "**can you give an ideal readymade instant solution to my financial problems.**". Well, my indepth understanding of family background, investments done, are many such discussions required before making any instant recommendation. Today, you have all the choices to go and explore and seek your financial freedom right financial planner in the most professional manner and then have confidence on him by selecting him and his advice. May the Joy be with you

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