# **Building Wealth From Salary: A Dual-Scenario Retirement Strategy for Rohan**

### **Client Background**

Client Name: Rohan Mehta

Age: 32 years

Profession: Senior Software Developer

#### **Financial Profile:**

Monthly Salary: ₹1,20,000

- Expects 8% annual salary growth
- Has ₹6 lakh invested in equity mutual funds
- No fixed retirement plan yet

#### Goals & Concerns:

- Wants a clear idea of **how much wealth he can accumulate** by retirement if he invests 10% of his Salary as SIP
- Wants to know how much savings (as % of salary) is needed to reach a target ₹5
  crore corpus

## **Purpose of Using the Calculator**

Rohan's MFD wants to provide him with a **complete retirement roadmap** using the Salary Wealth Creation Calculator.

The objective is to show:

1. Scenario 1:

How much wealth Rohan can create by investing a fixed % of his salary

#### 2. Scenario 2:

What % of salary Rohan needs to save monthly to reach his target ₹5 crore retirement corpus.

This gives Rohan a clear comparison between **how much he wants to save** vs **how much he needs to save** for a comfortable retirement.

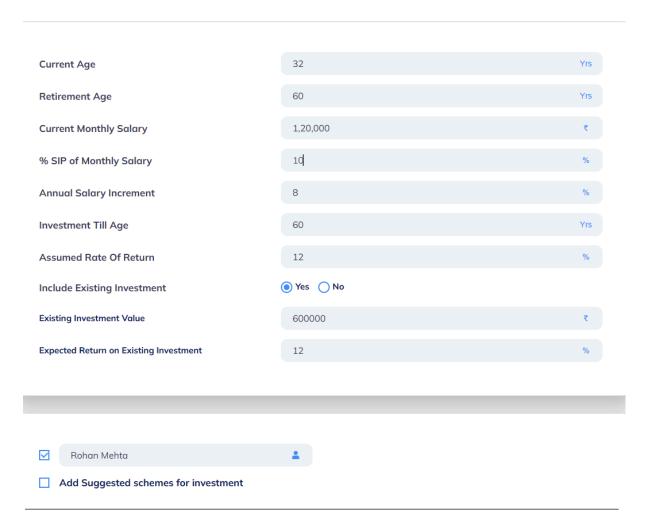


### Scenario 1 – Wealth Creation Through a % of Growing Salary

#### **Purpose:**

To show Rohan how much wealth he can accumulate by investing 10% of his monthly salary until age 60, considering yearly increments.

#### **Assumptions Entered in Calculator**



# **Calculator Output (Illustrative Approximation)**

Wealth Creation Through Disciplined Savings



Current Age	32 Yr
Retirement Age	60 Yr
Staring Monthly Salary	₹1,20,000
% SIP of Monthly Salary	10.00 %
Annual Salary Increment	8.00 %
SIP Till Age	60 Yr
Assumed Rate of Return	12.00%
<b>Existing Investment Value</b>	₹6,00,000
Expected Return on Existing Investment	12.00%

Total Salary Received	Total New Investment via SIP
₹13,72,87,915	₹1,37,28,791
Wealth Created Through SIP	Wealth Created Through Existing Investment
₹5,84,32,619	₹1,43,30,320
Total Wealth Created	
₹7,27,62,939	

Note: In Order to create wealth equivalent to total salary received, i,e, Rs.13,72,87,915/-only through new SIP, you need to invest 4.75% of your monthly salary via SIP till age 60.

# Interpretation - Scenario 1

By simply investing **10% of his salary**, which naturally increases every year, Rohan can accumulate over **₹7.27 crore** by age 60.

This **scenario** is ideal for clients who want:

- A realistic projection of how disciplined savings grow
- A long-term salary-linked wealth plan
- A clear understanding of how increments boost SIP capacity
- Motivation to start early so compounding works in their favour

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### Scenario 2 – Savings Required to Reach Target Corpus

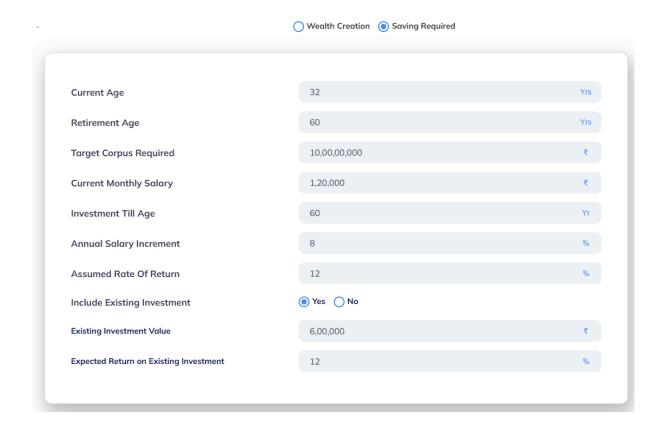
#### **Purpose:**

Rohan wants at least **₹10 crore** by retirement at age 60.

This scenario answers:

"What % of my salary should I invest every month to reach my target?"

## **Assumptions Entered in Calculator**



# **Calculator Output (Illustrative Approximation)**

Wealth Creation Through Disciplined Savings



Current Age	32 Yr
Retirement Age	60 Yr
Corpus Required	₹10,00,00,000
<b>Current Monthly Salary</b>	₹1,20,000
<b>Expected Annual Salary Increment</b>	8.00 %
SIP Till Age	60 Yr
Assumed Rate of Return	12.00%
Existing Investment Value	₹6,00,000
Expected Return on Existing Investment	12.00%

Starting Monthly SIP Required

Monthly Savings in terms of % of Salary

₹17,594

14.66 %

Total New Investment Till Age 60 ₹2,01,28,161

# Interpretation - Scenario 2

Rohan does **not** need to save aggressively to hit ₹10 crore. With his rising income and existing investments, a **14.66% salary SIP** is sufficient.

This scenario is ideal for clients who:

- Begin with a specific target corpus
- Want a realistic savings roadmap
- Need clarity on how salary increments affect SIP requirements

• Prefer a scientific approach to retirement planning



# **Final Recommendation**

"Rohan, both scenarios give you a clear understanding of how your salary can power your retirement wealth.

- If you invest **10% of your salary**, you can potentially build **₹7.2 crore**, comfortably achieving your goal.
- If you want to meet your minimum target of ₹10 crore, you only need to save
   15%(Approx) of your salary thanks to your expected future annual increments and existing investments.
- Since your income will grow steadily, starting at 15% today gives you both **security** and **flexibility**, ensuring you stay ahead of your retirement goal.

You are in a strong position, and with disciplined savings, your dream retirement corpus is well within reach."

**Disclaimer:** This case study is a fictional illustration created solely for educational purposes. It explains how the Salary Wealth Creation Calculator works using hypothetical assumptions and projections. Actual returns, salary growth, and investment outcomes may differ based on market conditions, individual financial circumstances, and product selection. Mutual fund investments are subject to market risks. Please read all scheme-related documents carefully.