

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

Current Age	32	Yrs
Retirement Age	60	Yrs
Current Monthly Salary	1,20,000	₹
% SIP of Monthly Salary	10	%
Annual Salary Increment	8	%
Investment Till Age	60	Yrs
Assumed Rate Of Return	12	%
Include Existing Investment	<input checked="" type="radio"/> Yes <input type="radio"/> No	
Existing Investment Value	600000	₹
Expected Return on Existing Investment	12	%

☒ Rohan Mehta 

☐ Add Suggested schemes for investment

Calculator Output (Illustrative Approximation)

Wealth Creation Through Disciplined Savings

For Rohan Mehta



Current Age	32 Yr
Retirement Age	60 Yr
Starting 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%
Existing Investment Value	₹6,00,000
Expected Return on Existing Investment	12.00%

Total Salary Received

₹13,72,87,915

Total New Investment via SIP

₹1,37,28,791

Wealth Created Through SIP

₹5,84,32,619

Wealth Created Through Existing Investment

₹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

◆ 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

☐ Wealth Creation

☒ Saving Required

Current Age	32	Yrs
Retirement Age	60	Yrs
Target Corpus Required	10,00,00,000	₹
Current Monthly Salary	1,20,000	₹
Investment Till Age	60	Yr
Annual Salary Increment	8	%
Assumed Rate Of Return	12	%
Include Existing Investment	<input checked="" type="radio"/> Yes <input type="radio"/> No	
Existing Investment Value	6,00,000	₹
Expected Return on Existing Investment	12	%

Calculator Output (Illustrative Approximation)

Wealth Creation Through Disciplined Savings
For Rohan Mehta



Current Age	32 Yr
Retirement Age	60 Yr
Corpus Required	₹10,00,00,000
Current Monthly Salary	₹1,20,000
Expected Annual Salary Increment	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
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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.*