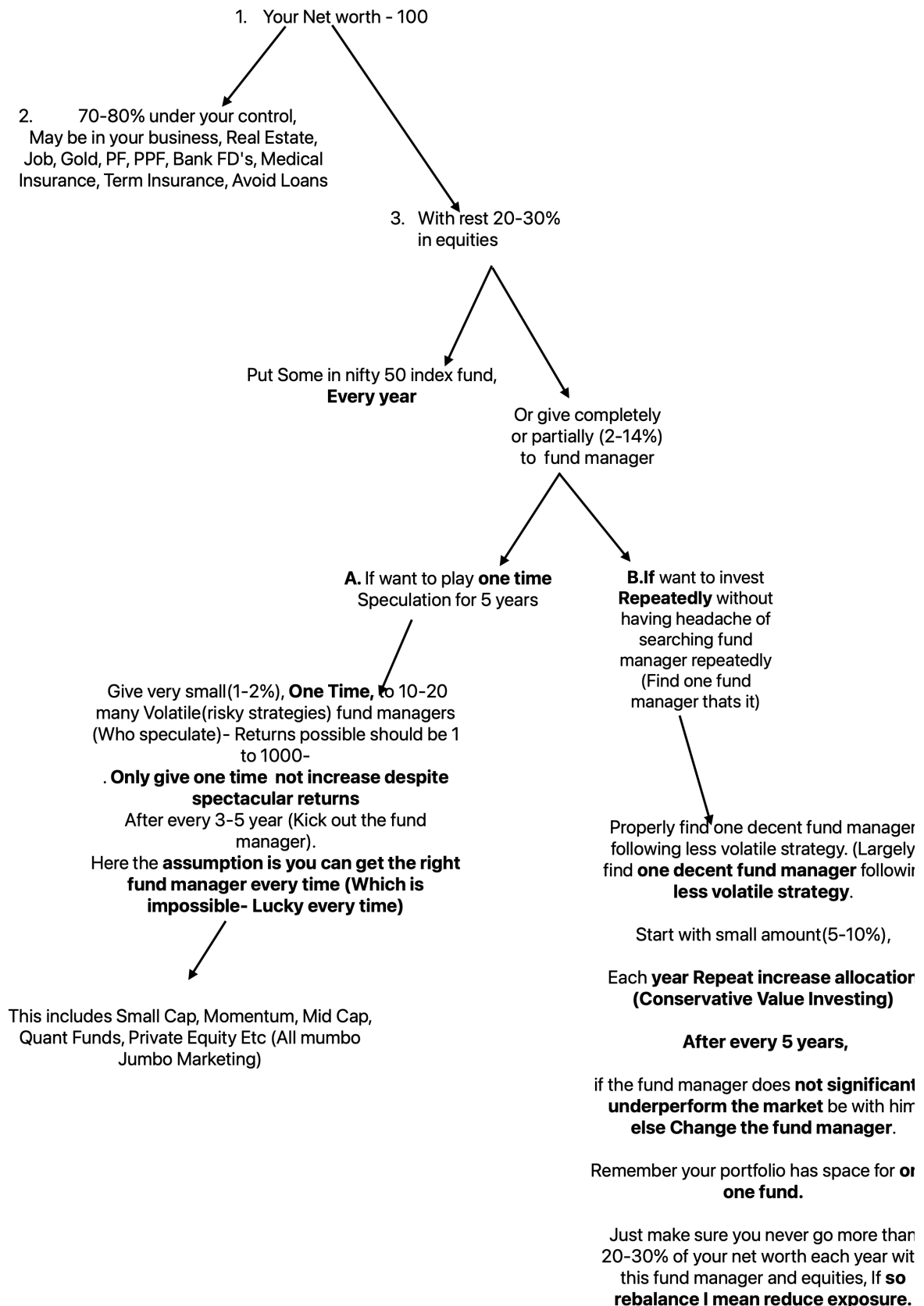


Decision Making framework for Investing with a Stock market Fund or Adviser

- This is a decision making framework.
- Its made while keeping in mind the assumption stock markets / fund management (managing multiple funds) etc are not your full time job - Largely money will come from your business or job You want some exposure to stock markets or growth of Indian businesses thats it - without risking too much - Since you don't have time you hire some adviser or fund manager - Beyond that its no magic pill.
- I think this decision framework largely applies to anyone. Obviously Individual case details differ. **Personal Situations are different talk to me directly for the same.(Your family situation)**
- Please **revisit this every year on 31st March** - To see what is your situation personally and rebalance.
- You can replace Net worth in the following Chart with Cash flows
- **Each year or Every 2-5 years, Dynamically**

**rebalance your portfolio as per point 3 and 1
(Thats how adults do it)**



- **Each year or Every 2-5 years, Dynamically rebalance your portfolio as per point 3 and 1 (Thats how adults do it)**
- Next time someone comes you with an investment fund or something just check whether he/she is in 3A or 3B? Plus whether your personal financial situation or net worth allows you to invest or not - Then allocate accordingly and increase or decrease each year accordingly - Check their strategy too deeply
- My target or how I Run the investments myself - I myself run Point 3, B kind of conservative investing strategy. My target is whenever you exit you get decent returns without much volatility as much as possible. - If tomorrow you find someone better (or I underperform very very significantly) feel free to reduce exposure to me and invest with him/her.
- Personally for me I need to have greater than 80% of my investments in the same way - But you dont need to do the same way.

Why?

There is 3A or 3B, because in most cases the fund manager will become rich (If the investments are too volatile) and you wont.

For 3A you yourself need to become funds of funds manager. Devote significant time for the management of your funds. If thats not true in your case dont do it.

If you are having multiple funds in your portfolio now question, start thinking? Are you in 3A or 3B. What you want to do and have done? Match these questions and answers. In Most cases your fund manager / advisor / distributor will become rich and you will lose. How do you want to be in the stock markets? Are your past returns fooling you (Will you keep on jumping fund managers)?

In Finance, nothing new is ever created, these funds/ advisers/distributors its largely all legal structures and marketing, in the end the business of finance is same old poor one.