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As we grow old we work less and consequently earn less, and therefore we need a secure source of income to see us through the rest of our lives.

“Income security in our old age must come from sustained preparation during working years.”

Retirement planning is an important part of today's practice. And, Retirement is the most important phase of our lives. From both personal and financial perspective, realizing the important goal of a comfortable retirement is an incredible extensive process that takes sensible planning and sustained preparation during our working years.

Therefore we need the right financial advisor. I have advocated often about the need for financial advisors and wealth managers to assist our clients, not only on pensions, legacy planning and tax planning, but also on how best to create a well structured retirement strategy. A strategy that includes a balanced leisure lifestyle, health and wellbeing plan and other holistic retirement actions and goals.

Why do many retiree fail at retirement?

Even though retirement should be a lifetime highlight, it can be a lot like a marshmallow. Marshmallow is a type of confectionery that is typically made from sugar, water and gelatine whipped to a solid but soft consistency. Retirement is also soft and sweet in parts but also gooey to the point of getting bogged down and unable to move forward.

There is often a blissful honeymoon feeling during the first days, weeks or may be even months of retirement. Life is wonderful. No more stress, no more boss, job, worries. But as honeymoon period wind down, retirement will be no longer feels like an extended holiday.

The National Institute of Health (USA) report that of the 35 million Americans age 65 or older, about 2 million suffer from full-blown depression. Another 5 million suffer from less severe form of the illness.

Many pre-retirees start out looking at retirement through a broken lens. A distorted view that tends to focus more on money than the individual. Many financial advisors, planners, retirement experts are also give their focus on retirement income only but not on emotional aspect of the retiree. These retirees are may be under an Emotional Recession.

Our special focus will be to create a way to help people re-envision to retirement planning in a more personal and meaningful way. To assist many in developing and applying a level of retirement readiness that goes beyond just the rupees or income to include mental, social, physical and spiritual aspects.

Our efforts will continue. I would like to request all the revered readers to follow the articles of Sir Gopinath. He is giving us his unique and incomparable writings to all issues of “Life-A Promise.”

It does not require wisdom to grow old but only his wisdom and courage in young age alone can help an old man live gracefully and comfortably.

Our journey has begun. Many thanks to all the readers. Stay healthy stay well.

Nayan Bhowmick
Development Officer
Senior Business Associates
L.I.C. of India, Shillong Branch



Financial Discipline Vs Financial Intelligence The Former Wins Most Of The Times; Hands Down



Gopinath Radhakrishnan
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gopinathr@go-past.com

Of late I have been reading articles in some financial newspapers and magazines advising that customers must de-link insurance and investment. More specifically on Endowment type of insurance policies that offer a savings portion along with the risk cover. In many countries this is known as cash value policies. So the magazines claim that the customer must buy a term cover from an insurance company and for savings or investment he must look for other sources and not from insurance companies. IT IS NOT AN INTELLIGENT CHOICE, that is what they say. But are they correct in saying so?

They claim that by opting to save money through insurance policy the investor is loosing heavily and if only he would save the money through other savings media he will be far more benefited because those instruments offer a higher Return on Investment (ROI) compared to what Endowment policies offer.

In the last 30 years of my experience in the financial services industry I have come across thousands of investors.

At the beginning of my discussion I ask them what they would like to achieve through their investments or simply put what they want?

Mostly people say, "I want high returns"

Then I ask them "Why?"

They say, "So that I have more Money".

Now I ask them "Do you want more money or do you want to earn more Return (ROI)?"

They say "Aren't both the same?"

What many people do not know is that More ROI does not mean you will always end up with more money.

Now I ask them why do you want more money, They say, "So that I can be happy or I can be independent"

Now I ask them let us define clearly as to what do you really want amongst the three above?

1) More ROI or 2) More money or 3) More Happiness (or a feeling of independence) ?

Stephen Covey a noted management guru and author has authored a book "Seven habits of highly effective People" One of the habits of that:

"BEGIN WITH THE END IN THE MIND"

In discussing the habit he says, we are all busy climbing ladders, but let us check if the ladder is leaning on the right wall. So what is the end result you want to achieve? High returns (15%+ IRR) or to have more

money or to have a happy and fulfilling life/ independence?

You find advertisements saying that Mutual Fund Sahi Hai (Meaning That Mutual Funds are the right choice) My question is for whom? For what purposes? In what circumstances?

Does this mean that other savings instrument are wrong choice? Is this ladder leaning on the correct wall?

The person who established the Wharton university had a very good understanding of the role of finance in a person's life. That is why he had advocated that the students pursuing any subject for graduation be it mathematics or science or social science or language, must be taught the fundamentals of personal financial management.

"Every graduate from this school should be taught of the idea of the deep comfort and healthfulness of the pecuniary independence, whether the state of affairs is large or small."

Mr. Joseph Wharton
1826-1909



A person can have adequate money if he is able to stick to the fundamental principles that govern finance rather than go in search of the highest yielding financial instruments.

Good financial discipline creates more wealth than even financial intelligence.-rg

It is plain greed to wish to save less money but "somehow" make more money for the big needs that arise in the future.

It might happen so, but not every time for everyone.



If a fund has given 15% yield as per the fact sheet shown, we must know that NOT all the investors made 15% on their savings.

THREE main facts that are ignored in estimating the power of savings through an endowment type of insurance policies are:

Other savings instruments	Endowment policies
It is just a resolution to save money	It is felt as a financial obligation
Temptation to withdraw money on noticing a sizeable money accumulated	Withdrawal attracts penalty
When the profits are varying there is a temptation to book the profits so as not to lose that gain and when the instrument is making losses there is drive to pre-close and get out with whatever remains	Definite reward for loyalty

Let me show you how the money earned on maturity and the IRRs differ according to the differential behaviour of the investor. In the present scenario a young man buying an endowment policy based on the bonus structure so far declared can expect the following:

When a person decides to contribute ₹12,00,000 every year into the policy and has bought it, he knows he has to give this money every year. If during the later years he says he would like to give ₹10,00,000 in a year and compensate the balance in the coming years, it is not possible in this contract. This fact itself makes him feel this commitment as a financial obligation. He knows the company will not accept ₹10,00,000 in renewal premium.

YR	REGULAR
1	-12,00,000
2	-12,00,000
3	-12,00,000
4	-12,00,000
5	-12,00,000
6	-12,00,000
7	-12,00,000
8	-12,00,000
9	-12,00,000
10	-12,00,000
11	-12,00,000
12	-12,00,000
13	-12,00,000
14	-12,00,000
15	-12,00,000

16	-12,00,000
17	-12,00,000
18	-12,00,000
19	-12,00,000
20	-12,00,000
	4,80,00,0000
IRR	6.22%

The total amount contributed by the person is ₹2,40,00,000 While saving the same amount through any other instrument, he is just making a resolution to save the amount of ₹ 12,00,000 regular for 20 years.

We know what happens to our new year resolutions, birthday resolutions, resolutions related to regular physical exercises, resolutions by a student to study one chapter every week and finish the whole book in the first half year of the academic year. MOST OF THE TIMES THE RESOLUTIONS ARE BROKEN AND RENEWED AGAIN:

YR	REGULAR	FLEXIBLE
1	-12,00,000	-12,00,000
2	-12,00,000	-1,00,000
3	-12,00,000	-50,000
4	-12,00,000	-1,50,000
5	-12,00,000	-12,00,000
6	-12,00,000	-1,00,000
7	-12,00,000	0
8	-12,00,000	-2,00,000
9	-12,00,000	-1,50,000
10	-12,00,000	-8,00,000
11	-12,00,000	-12,50,000
12	-12,00,000	0
13	-12,00,000	-26,00,000
14	-12,00,000	-1,00,000
15	-12,00,000	-12,00,000
16	-12,00,000	-3,00,000
17	-12,00,000	-36,00,000
18	-12,00,000	-24,00,000
19	-12,00,000	-12,00,000
20	-12,00,000	-74,00,000
	4,80,00,0000	3,60,50,000
IRR	6.22%	6.22%

Any instrument where he saves the same ₹2,40,00,000 but in his own style, with the same IRR would have got only ₹3,60,50,000. What if his target was ₹4,80,00,000 on maturity?

YR	REGULAR	FLEXIBLE	FLEXIBLE
1	-12,00,000	-12,00,000	-12,00,000
2	-12,00,000	-1,00,000	-1,00,000
3	-12,00,000	-50,000	-50,000
4	-12,00,000	-1,50,000	-1,50,000
5	-12,00,000	-12,00,000	-12,00,000
6	-12,00,000	-1,00,000	-1,00,000
7	-12,00,000	0	0



8	-12,00,000	-2,00,000	-2,00,000
9	-12,00,000	-1,50,000	-1,50,000
10	-12,00,000	-8,00,000	-8,00,000
11	-12,00,000	-12,50,000	-12,50,000
12	-12,00,000	0	0
13	-12,00,000	-26,00,000	-26,00,000
14	-12,00,000	-1,00,000	-1,00,000
15	-12,00,000	-12,00,000	-12,00,000
16	-12,00,000	-3,00,000	-3,00,000
17	-12,00,000	-36,00,000	-36,00,000
18	-12,00,000	-24,00,000	-24,00,000
19	-12,00,000	-12,00,000	-12,00,000
20	-12,00,000	-74,00,000	-74,00,000
	4,80,00,000	3,60,50,000	4,80,00,000
IRR	6.22%	6.22%	9.81%

This means to earn the same amount of ₹4,80,00,000 he must be getting an yield of 9.81%. That means he has to take a risk on the capital invested. Taking risk means investing in Volatile instruments. When he follows the volatile curve will he have peace of mind? And even after that what has he achieved the same ₹4,80,00,000. So he achieved more IRR but ended up with the same amount of money.

Look at another scenario where he withdraws money in-between:

Here you observe he had withdrawn money twice in-between and did not compensate it, so even with 11.27% IRR he had a total benefit of ₹4,80,00,000. 11.27% is a high yield compared to 9.81% and much more than 6.22% close to double but the end result in terms of amount of money is the same.

YR	REGULAR	FLEXIBLE	FLEXIBLE	WD
1	-12,00,000	-12,00,000	-12,00,000	-12,00,000
2	-12,00,000	-1,00,000	-1,00,000	-1,00,000
3	-12,00,000	-50,000	-50,000	0
4	-12,00,000	-1,50,000	-1,50,000	-8,00,000
5	-12,00,000	-12,00,000	-12,00,000	-10,00,000
6	-12,00,000	-1,00,000	-1,00,000	-8,00,000
7	-12,00,000	0	0	25,00,000
8	-12,00,000	-2,00,000	-2,00,000	-15,00,000
9	-12,00,000	-1,50,000	-1,50,000	-50,000
10	-12,00,000	-8,00,000	-8,00,000	-12,00,000
11	-12,00,000	-12,50,000	-12,50,000	-1,00,000
12	-12,00,000	0	0	25,00,000
13	-12,00,000	-26,00,000	-26,00,000	-1,50,000
14	-12,00,000	-1,00,000	-1,00,000	-24,00,000
15	-12,00,000	-12,00,000	-12,00,000	-12,00,000
16	-12,00,000	-3,00,000	-3,00,000	-3,00,000
17	-12,00,000	-36,00,000	-36,00,000	-24,00,000
18	-12,00,000	-24,00,000	-24,00,000	-36,00,000
19	-12,00,000	-12,00,000	-12,00,000	-12,00,000
20	-12,00,000	-74,00,000	-74,00,000	-60,00,000
	4,80,00,000	3,60,50,000	4,80,00,000	4,30,00,000
IRR	6.22%	6.22%	9.81%	11.27%

Look at another scenario where in he compensates for the amount that

he had withdrawn and if he had achieve the same IRR of 6.22% he would have ended up with an amount of money as shown hereunder:

All the above illustrations show us the advantage of a financial obligation vis-a-vis flexible and also the advantage of the threat of penalty on withdrawal.

YR	REGULAR	FLEXIBLE	FLEXIBLE	WD	WD
1	-12,00,000	-12,00,000	-12,00,000	-12,00,000	-12,00,000
2	-12,00,000	-1,00,000	-1,00,000	-1,00,000	-1,00,000
3	-12,00,000	-50,000	-50,000	0	0
4	-12,00,000	-1,50,000	-1,50,000	-8,00,000	-8,00,000
5	-12,00,000	-12,00,000	-12,00,000	-10,00,000	-10,00,000
6	-12,00,000	-1,00,000	-1,00,000	-8,00,000	-8,00,000
7	-12,00,000	0	0	25,00,000	25,00,000
8	-12,00,000	-2,00,000	-2,00,000	-15,00,000	-15,00,000
9	-12,00,000	-1,50,000	-1,50,000	-50,000	-50,000
10	-12,00,000	-8,00,000	-8,00,000	-12,00,000	-12,00,000
11	-12,00,000	-12,50,000	-12,50,000	-1,00,000	-1,00,000
12	-12,00,000	0	0	25,00,000	25,00,000
13	-12,00,000	-26,00,000	-26,00,000	-1,50,000	-1,50,000
14	-12,00,000	-1,00,000	-1,00,000	-24,00,000	-24,00,000
15	-12,00,000	-12,00,000	-12,00,000	-12,00,000	-12,00,000
16	-12,00,000	-3,00,000	-3,00,000	-3,00,000	-3,00,000
17	-12,00,000	-36,00,000	-36,00,000	-24,00,000	-74,00,000
18	-12,00,000	-24,00,000	-24,00,000	-36,00,000	-36,00,000
19	-12,00,000	-12,00,000	-12,00,000	-12,00,000	-12,00,000
20	-12,00,000	-74,00,000	-74,00,000	-60,00,000	-60,00,000
	4,80,00,000	3,60,50,000	4,80,00,000	4,30,00,000	3,44,50,000
IRR	6.22%	6.22%	9.81%	11.27%	6.23%

In the beginning i had asked him does he want more Returns? More money? or Happiness?

All these illustrations in flexible and WD are just assumed amounts. You can change this according to your wish and arrive at IRRs and decide for yourself the power of Financial discipline. Here I consider earning a higher IRR need financial intelligence in terms of selecting stocks, timing and knowledge of technical analysis and other aspects.

Experts, who have experienced the investor behaviours during volatile movements and those who have studied the investors' psychology will never undermine the value of an instrument that offers a system that ensures disciplined investment merely on the fact that it offers a lower IRR.

I will be discussing about happiness and money in the coming issue of "Life - A Promise" drawing information from the speeches of Dr Daniel Kahneman, Dr Richard Thaler and other behavioural analysts and economists.

But for now if you are an advisor or if you are an investor reading this article, be informed about the use of this age-old insurance cum savings product.

We must estimate the probability of loss and the probability of gain and the effect of this growth or reduction on our wealth consciously and then and only then take an action (investing).- Thirukural 461. □



The Human Spirit Is To Grow Strong By Conflict



Nayan Bhowmick



Many times, God gives us new challenges. If we think we are specially designed and equipped and act accordingly, than we can face our challenges and move forward with more vigour to carry out more extraordinary works. Challenges are nothing new to us. Today I will talk about a person who always makes me think why and how these extraordinary people face their challenges in life and succeed.

This is the story of Ms Basanti Kumari, from a place called Sindri situated in the state of Jharkhand, India. She is the eldest of five daughters born to a low income family. Her father, late Madhav Singh was a foreman at the Fertiliser Corporation of India, Sindri and her mother Late Prabhavati Devi was a homemaker. When Basanti Kumari was born, her parents were shocked to see a lump of meat in place of hands of their newly born baby. The concerned parents visited all kinds of physicians and witch doctors in search of rectifying their daughter's arm. But every effort was in vain. With no choice her parents opted not to send Basanti to school as she was unable to use her hands.

But Basanti had a strong will, she started mastering daily activities with her legs. And at the age of six, Basanti's progress gave full confidence to her parents to get her admitted to a regular school. From childhood she had a dream of becoming a teacher. Thus she joined Rajendra Madhya Vidyalaya in

Sindri and passed Class X examination in 1993. She joined the intermediate course and on successful completion, Ms Basanti took her graduation in Sociology from Sindri College in the year 1999. She was contented with this accomplishment as she was able to carry out all her educational activities without depending on others.

Basanti always kept her eyes on her goal of becoming a teacher and she groomed herself towards her dream. By the time Ms Basanti could complete her BA, her father was affected by paralysis. Her brother also lost his job. All these incidents vested the responsibility of running the family on her shoulders. After a long struggle, she got a job as a contractual Para teacher at Rorabandh Karmik Middle School in 2005. She opines that her disability to use hands has not come in her way as a teacher.

"I am used to doing a lot of things with my feet and toes since childhood. I write notebooks with my toes too. My father, till his death, never stopped encouraging me." Basanti Kumari said.

She also revealed that with continuous practice and balancing her body, she was able to master the art of writing with a leg on the blackboard. She developed a new competency to give shape to her dream. She also admits that God has blessed her with a more flexible left leg, though she has a challenge that she is deprived of hands.



My best wishes to this inspiring soul who kept her focus on her dream with tremendous confidence on herself. My salute to Ms Basanti! She had zeal to develop a new competency while she was physically challenged since her birth.

What I learn from this real life story, I will try to explain diagrammatically.

The position we are now today is our Present Position. Let us call it "P". Now let us say after 5 years if we remain in the same position that we are today or we make a slight improvement, even then, we will call that position "P". We prefer this journey from present "P" to future "P" because it is comfortable and less painful. It may be called "maintaining P" journey. Maintaining this "P" journey is not very challenging because we can do so with our already acquired knowledge and skills. But it is also a fact that all of us have dreams in life. The dream may be scoring good marks in the case of students, reaching a higher position or developing new expertise for professionals or business leaders; meaning any change from position "P" to a better, higher level. I call this position as "D". But the journey from present position{P} to our dream{D} is demanding. It requires great determination and the willingness to work hard. When we start from "P" towards our dream, many a times we face some unwanted, unexpected challenges. Perhaps God tests if we are worthy of achieving our dreams by giving us these trials and tribulations. These ordeals may be our critical illness, death of our close family members, pandemic like COVID 19 etc. which may make us sad, depressed or devastated. If we are unable to come out strongly from these troubles, we gradually start crawling towards "Lost" situation; represented by "L". It also a fact that we are not responsible for this lost position. We have not created this "L".

In case of Ms Basanti, her physical disability was not created by her.

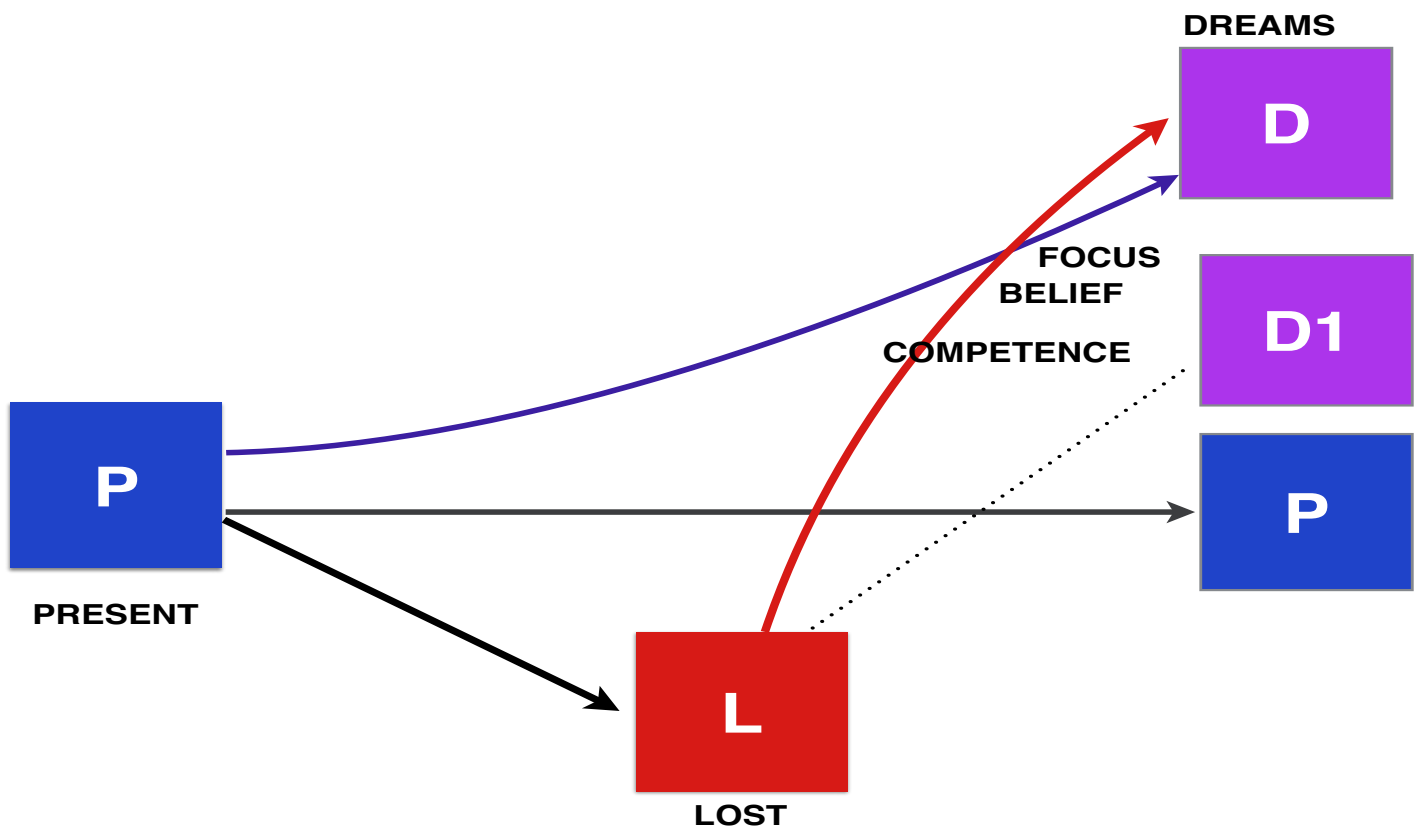
To bounce back to "D" from "L" is tough to say the least. Many of us will be satisfied if we can reach from lost to present position. Some of us cannot even touch "P" and we start giving excuses for our inability. On the other hand, there are few amazing people like Basanti, who can rise up to the challenge of "L" reach "P" and go beyond to reach "D". These people not only achieve their dreams in spite of hardships, but also serve as a source of inspiration to others.

There are 3 important qualities are a must to thrive from "PRESENT" to "DREAM". These are

- 1) Focus- Our life is controlled by our focus on.
- 2) Self belief: "They canbecause they think they can."- Unknown.
- 3) Competency.

Again, if we have to achieve "DREAM" from "LOST", our old competency may not work, we have to acquire NEW COMPETENCY. Ms Basanti developed a NEW COMPETENCY that is, writing on note book and on black board with her leg. She developed a proper flexibility of her body to stand on left leg and writes with right leg on black board.

In our case also, with proper focus towards our dream, with tremendous self belief we can reach "DREAM 1" and not only "day dream" by sticking to our old competency. Only and only by acquiring NEW COMPETENCY, and developing FOCUS and SELF BELIEF can we reach our DREAM, overcoming the challenges of birth and circumstances. □





Achievers



Everbloom K. Nongrum of Mawryngkneng village in Meghalaya's East Khasi Hills district is just 12 but he displayed courage which is often found lacking even in adults. Nongrum, who got the Jeevan Raksha Padak Award, 2019 awarded by the President of India. He has saved the lives of his friends who fell into an uncovered pit.

On July 17, 2019, David Sohtun (9), resident of Mawryngkneng, fell into a 3 meter-deep hole near a construction site that was left uncovered and screamed for help. Everbloom than age 10 years, rushed to rescue and pulled him out of the pit.

Again, on July 23, 2019, Wanphai Rani (8), a resident of Mawryngkneng studying in class 3, slipped and fell into the same hole and the ever ready Everbloom, who again happened to be there, saved his life.

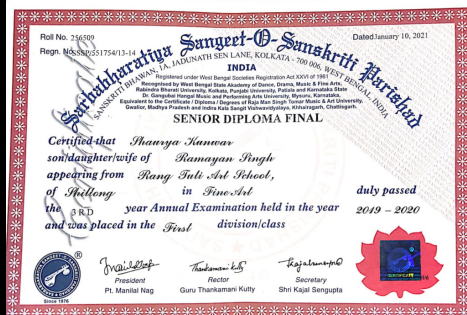
We salute the courage of this magical boy, Everbloom K. Nongrum.

ARMY PUBLIC SCHOOL SHILLONG

ART COMPETITION

Date - 6/2/2021

This is to certify ---**Shaurya Kunwar**--- of class V B, Awarded 1st Rank in the School Emblem drawing & painting Competition held through online



Our best wishes to **Master Shaurya Kunwar**, a brilliant student of Class V, secured first division on Fine Arts. He also ranked 1st in drawing and painting competition conducted by the Army Public School, Shillong.



Debasmitta Chakraborty, daughter of Sri Debashish Chakraborty passed ICSE (Class X) with 92.4% marks. Now, she is studying at Army Public School, Shillong with Science and Computer. Her ambition is to pursue higher studies with Physics. Our best wishes to Debashmitta and her proud parents.



We are happy to share your result of SOF International Mathematics Olympiad conducted during 2020-21.

STUDENT NAME:	ARMAN SHARMA
ORIGINAL ROLL NO:	ML923702007
REVISED ROLL NO:	ML923702007
CLASS:	02
MARKS SCORED:	40/40
INTERNATIONAL RANK:	1274
INTERNATIONAL AWARD WON:	N.A.
REGIONAL RANK:	367
ZONAL RANK:	23
ZONAL AWARD WON:	Medal of Distinction + Certificate of Distinction
CLASS RANK:	2
CLASS AWARD WON:	Participation Certificate
SCHOOL:	ST. EDMUND'S SCHOOL SHILLONG MEGHALAYA



Arman Sharma, a brilliant student who ranked second in the International Mathematics Olympiad. Our good wishes to this small kid of Shillong.

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पत्र संख्या / S No. SSCCE2020 0938557		रिज. नं. / Regn.No. Q220/052020/0108				
 केन्द्रीय माध्यमिक शिक्षा बोर्ड CENTRAL BOARD OF SECONDARY EDUCATION अंक विवरणिका MARKS STATEMENT संनिय स्कूल सर्टिफिकेट परीक्षा, 2020 SENIOR SCHOOL CERTIFICATE EXAMINATION, 2020						
परीक्षार्थी का नाम / Name of Candidate BIPASHA DHAR						
सूचनांक / Roll No. 16627612						
माता का नाम / Mother's Name BUBBLY DHAR						
पिता/संरक्षक का नाम / Father's/Guardian's Name BISWAJIT DHAR						
विद्यालय / School 35264 B K BAJORIA SCHOOL SHILLONG MEGHALAYA						
विषय कोड / SUB. CODE	विषय / SUBJECT	प्राप्त अंक / MARKS OBTAINED			विवर्तित ग्रेड / SECTIONAL GRADE	
		लिखित / THEORY	आ. म. / I.A. / XI. PR.	योग / TOTAL		योग (शब्दों में) / TOTAL (IN WORDS)
301	ENGLISH CORE	074	018	092	NINETY TWO	A2
029	GEOGRAPHY	065	030	095	NINETY FIVE	A1
039	SOCIOLOGY	074	019	093	NINETY THREE	A1
028	POLITICAL SCIENCE	073	020	093	NINETY THREE	A1
837	FASHION STUDIES	067	030	097	NINETY SEVEN	A1
048	PHYSICAL EDUCATION	063	029	092	NINETY TWO	A2
500	WORK EXPERIENCE					A2
502	HEALTH & PHYSICAL EDUCATION					A2
503	GENERAL STUDIES					A1
संक्षिप्तों का अर्थ : Abbreviations AB : अनुपस्थित Absent RP : प्रयोगात्मक में पुनरावृत्ति Repeat in Practical RT : लिखित में पुनरावृत्ति Repeat in Theory ER : अनिवार्य पुनरावृत्ति सभी विषयों में Essential Repeat in all subjects						
दिल्ली Delhi		परीक्षा निवेद्यक				
दिनांक Dated : 13-07-2020		परीक्षा निवेद्यक				



Miss Bipasha Dhar passed her SSCE examination with extraordinary results. Her father Sri Biswajit Dhar is the resident of Shillong RR Colony. Our best wishes to this brilliant child.