

ESTATE PLANNING : CARE FOR EVER..... !!!



This is time to be optimist, no doubt. At same time we need to plan for eventualities such as death. The trauma of losing a loved one, on whom our family depends upon, should not be multiplied, by our carelessness, in not being disciplined in our financial matters and not doing our estate planning well in time.

Few experiences observed in last few days showed how careless we are towards our family. Death of a 41 year strong man who had not made a Will. Death of another young man who had not kept his family informed about his financial matters. The family in their grief of loosing their loved ones also faced challenges in getting access to the good amount of wealth created by the these persons. The families had to fight internally among other loved ones for their share of inheritance etc .

What are the basic planning actions one needs to do to de risk our families facing such a situation.

1. **Create a Will and detail how the inheritance should flow** . This to be prepared considering the needs of spouse , children's age , parents requirements and much more. Where there is no Will , the inheritance will happen as prescribed under law, which in many cases, may not be the ideal distribution pattern, the man would have desired.
2. Where one feels, the family may have members who needs special attention, have members who may not be competent to manage wealth, have children who are not yet matured to manage wealth in the right way , need to think of **creating a Family Trust and inbuild in it how wealth needs to be managed** , how income earned to be used for the benefit of all family members etc.
3. **Entrepreneurs who own business , needs to think of a Family Trust** which would isolate the management of the business and the ownership of the business amongst various family members. This will save the business from being not efficiently managed post their demise.
4. Where possible , **make the immovable properties . demat accounts , mutual funds , stocks and shares held in single name be made joint holdings.**
5. Where joint holdings are not feasible or do not want to do, **identify and bring on record nominees for various financial assets including banks, savings etc** . Nominees do not have right to inherit but have right to receive and operate till the assets are distributed as per will or as per law of inheritance.
6. **Create Power of Attorneys in favour of family members** , which can be used by them , in the event of incapacities , loss of memory and other situations where one is alive but not able to execute any legal contract .

7. Work with your Chartered Accountant / Financial Advisor and create a personal Balance sheet which details all the assets and liabilities . Create an archival of important title documents and material contracts. Create a database of contact numbers for each of the persons who can manage your financial transactions .

8. Include your family members in at least one annual meeting with your Chartered Accountant . Based on our experience it adds immense value.

How and where to start ?

What is required to reach there , is to start thinking on above lines and start executing . The thoughts will be vary hazy at start , not an issue, go ahead, execute it as it is. Wills, GPA and other documents can always be modified later as you gain more maturity over the years . Better have something rather than be sorry for not having it.

We have a team with empathy , patience and experience, to work through with you and seeing that your Family is protected. These are similar to taking an insurance policy. Just planning for an event which we really do not want to happen.



For further enquiries, please feel free to contact

Arun on +91 99019 71333

arun.s@annveshan.com