

## Personal Finance planning - what, when and how?

All of us are having a source of income – that is there, that may get changed for good or bad and that may not be there even. Whatever the case is, when you draw your salary you either have a plan to utilize that or you suddenly discovered you have exhausted it. What are your expectations on your hard earned money? There can be Three cases:

**Case 1:** You have a predefined amount to save from the salary and then start spending

**Case 2:** You spend throughout the month and save the residual which at times become '0'

**Case 3:** You have No Idea!

Possible cash outflow for these cases may be likely at:

1. Family maintenance
2. Supporting EMI for
  - a. Education Loan
  - b. Personal Loan
  - c. Housing Loan
3. Saving for
  - a. Marriage
  - b. New Home/New Car
  - c. Hobby
  - d. Major medical expense
4. Impulsive buying
  - a. Latest mobile phone
  - b. Getting a new car/bike when you can easily avail public transport
  - c. Getting a laptop/tablet (when you have a desktop and you don't need much mobility or unnecessary high configuration that you really don't need)
5. Non favorable investments
  - a. Keeping all the savings in savings bank account
  - b. Maintaining Fixed Deposits for a longer time
  - c. Investment in Mutual Fund or stocks going by advices from non-experts
  - d. Purchased a Land at a distant location
  - e. Additional flat/house apart from your residence especially when running on EMIs

Where are you heading now? Your job won't support you after you turn 60. Inflation will keep growing at a compound rate. \$100 today will become \$265 after 20 years if the inflation stands at 5%. A single digit increment in inflation will make that final amount to \$321.

**What:** Are you ready for the challenge? Have you done the calculations right?

**When:** Its better late than never, lets get started..

**How:** Dial or click for eempaact; we are here to support you.