

# Financial Literacy Guide

## Financial Literacy for Women Entrepreneurs

### Money Management Basics

#### 1. Separate Business and Personal Money

- Open separate bank account for business
- Do not mix household and business expenses
- Pay yourself a fixed "salary" from business profits

#### 2. Keep Daily Records

- Write down every purchase (materials, transport, etc.)
- Record every sale and payment received
- Use a notebook or mobile app for accounting
- Keep all bills and receipts

### Understanding Profit

**Profit = Total Sales - Total Expenses**

#### Types of Expenses:

- **Fixed Costs:** Rent, equipment, licenses (same every month)
- **Variable Costs:** Raw materials, packaging, transport (changes with production)

#### Pricing Your Product:

- Cost of materials + Your time/labor + Profit margin (20-30%)
- Check competitor prices in your area
- Consider what customers can afford

### Saving and Growing

- **Emergency Fund:** Save 3-6 months of expenses
- **Reinvest:** Use 30-40% of profits to grow business
- **Personal Savings:** Save at least 20% for your future

## Getting Loans

### **Mudra Loan:**

- Shishu: Up to Rs. 50,000
- Kishor: Rs. 50,000 to Rs. 5 lakh
- Tarun: Rs. 5 lakh to Rs. 10 lakh
- No collateral required
- Lower interest rates for women (0.25% discount)

### **Other Options:**

- Self-Help Group loans
- Stand-Up India (Rs. 10 lakh to Rs. 1 crore for SC/ST/Women)
- Bank loans with government subsidy schemes

## Digital Banking Benefits

- Check balance anytime from home
- Transfer money instantly with UPI
- View all transactions and statements
- No need to visit bank for routine work
- Set up Fixed Deposits online