

THUMB RULE OF FINANCIAL PLANNING

Total Income



30% - Household Expenses

30% - EMI (Housing / Car / Bike)

10% - Life Style (Current Luxuries -
Mobile, Laptop, Movie, Hotel & Outing)

30% - Compulsory Savings

10% Short Term
Savings

- Bank FD
- Post Office
- Mutual Funds
- Shares
- Company Deposit

For Short Term
Goals

(Holiday, Car, Bike,
Mobile, Laptop Etc.)

20% Long Term
Savings

- PPF
- LIC

For Long Term
Goals

(Child's Education & Marriage,
Old Age Pension)



Age Group	Compulsory Savings	
	Short Term	Long Term
30 - 40	10%	20%
40 - 45	15%	15%
45 - 50	20%	10%