

Assignment
In Semester I
25 marks

Hello, students. I'm introducing the first assignment. This assignment is worth 25 marks.

The task is about personal finance. In the assignment, you will write down how much money you earn and how much you give though to what you want to do with your money. You, you, figure out how much it will cost.

The next part is generating money for achieving your goals. You will put your money into. The other parts involves selecting savings and check whether your goal will be achieved. You have chosen to achieve goals.

ent for T1
Examination
arks

t for your in-semester assessment i.e. T1. This

nt you need to create a budget for one month.
much you spend. In the second part you need to
ey in the future. Decide what's most important to

ur goal. Here you think about where to put your
I decide the investment avenues or instruments to
cting appropriate insurance to safeguard your
ed or not with the investment strategy you have

Remember, this assignment is important for your goal. You have different goals and priorities in life. What's important for you is different from another. For example, if you already have a house,

You can talk to your father, mother, relatives and friends for advice. This assignment is a chance to learn, and it will help you understand the market. someone else's, you both will only get half of the money

Please keep in mind that for this assignment, your investment is happening in the market. Choose funds and insurance carefully. Make sure the fund or policy you pick acts as a good investment. Make sure the fund/policy is real and

rade, but you need to do it on your own. Everyone
ortant to one person might not be important to
you don't need to think about buying one.

riends for help, but don't copy their work. This
in the future. If your assignment is too similar to
arks.

ncome and goal costs should match what's
nce policies that are available in the market right
tually exists in the market, and all the
verified .

Fair (2)	Needs Improvement (1)
2-3 marks	1 mark
- Budget includes major expenses and income but lacks detail. Some unrealistic estimates or unclear categorization. Limited savings.	- Incomplete or poorly categorized budget. Many missing expenses or income. Unrealistic estimates and no savings accounted for.
2-3 marks	1 mark
- Rough calculation of emergency fund. Limited plan for generating the fund. Basic understanding of its importance.	- Incorrect or incomplete calculation. Poor plan or no plan for generating the fund. Limited or unclear understanding of its importance.
4-6 marks	1-3 marks
- General goals with basic cost calculations. Somewhat realistic timelines.	- Vague or unclear financial goals. Inaccurate or incomplete cost calculations. Unrealistic or missing timelines.
6-9 marks	1-5 marks
Investments chosen are appropriate but not sufficient for achieving the financial goals. Investment is somewhat diversified. Returns on the investment are not realistic.	Investments chosen is not appropriate for achieving the financial goals. Investment is not diversified. Returns on the investment are not realistic.
4-6 marks	1-3 marks

	Risk Management Using Insurance (10 marks)	- Detailed risk management plan covering life, health, and general insurance. Comprehensive understanding and analysis of coverage options.	- Detailed plan covering life, health, and general insurance. Good understanding and analysis of coverage options.
		5 marks	4 marks
	Overall Presentation and Clarity (5 marks)	- Exceptionally clear, well-organized, and professional. Free of errors with detailed explanations and logical flow.	- Clear and organized with minor errors. Good explanations and logical flow.

- Basic risk management plan with some coverage options for life, health, and general insurance. Basic understanding.	- Incomplete or vague plan. Limited understanding of insurance types. Poor or no analysis of coverage options.
2-3 marks	1 mark
- Somewhat clear but lacks organization. Several errors and basic explanations.	- Unclear, disorganized, with many errors. Poor explanations and lack of logical flow.

SIMPLE MONTHLY BUDGET

PERCENTAGE OF INCOME SPENT

11%

SUMMARY

Total monthly income	₹ 54,000.00
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Total monthly expenses	₹ 5,800.00
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BALANCE

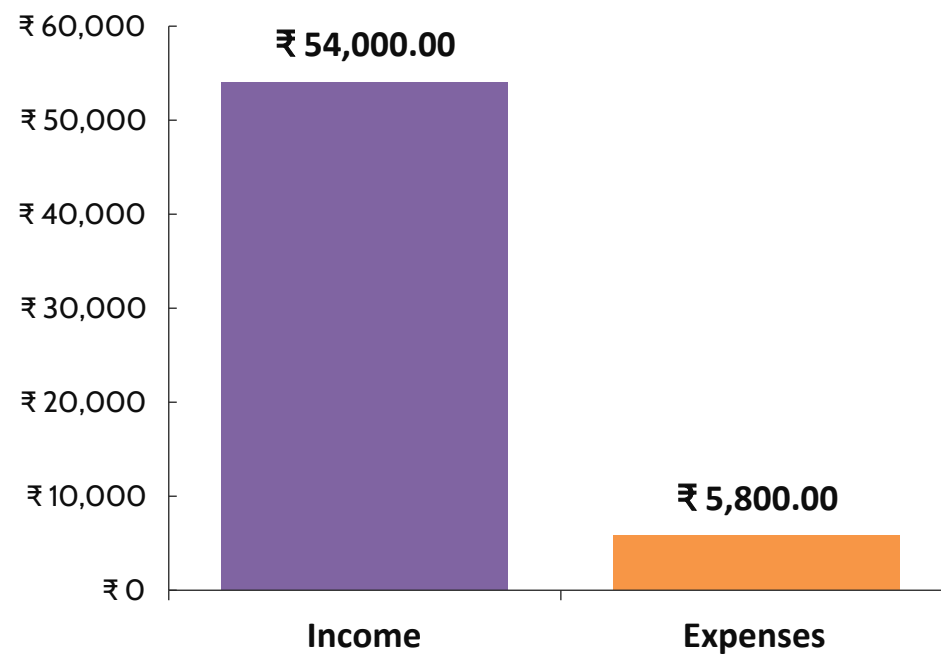
₹ 48,200.00

MONTHLY INCOME

Item

Amount

2024



Income 1	₹ 4,000.00
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₹ 50,000.00

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MONTHLY EXPENSES

Item	Amount
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Rent/mortgage	₹ 1,000.00
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Petrol	₹ 3,000.00
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	₹ 600.00
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₹ 1,200.00

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Step 1

List down all your Major Life Goals.

Life Goals



Step 2

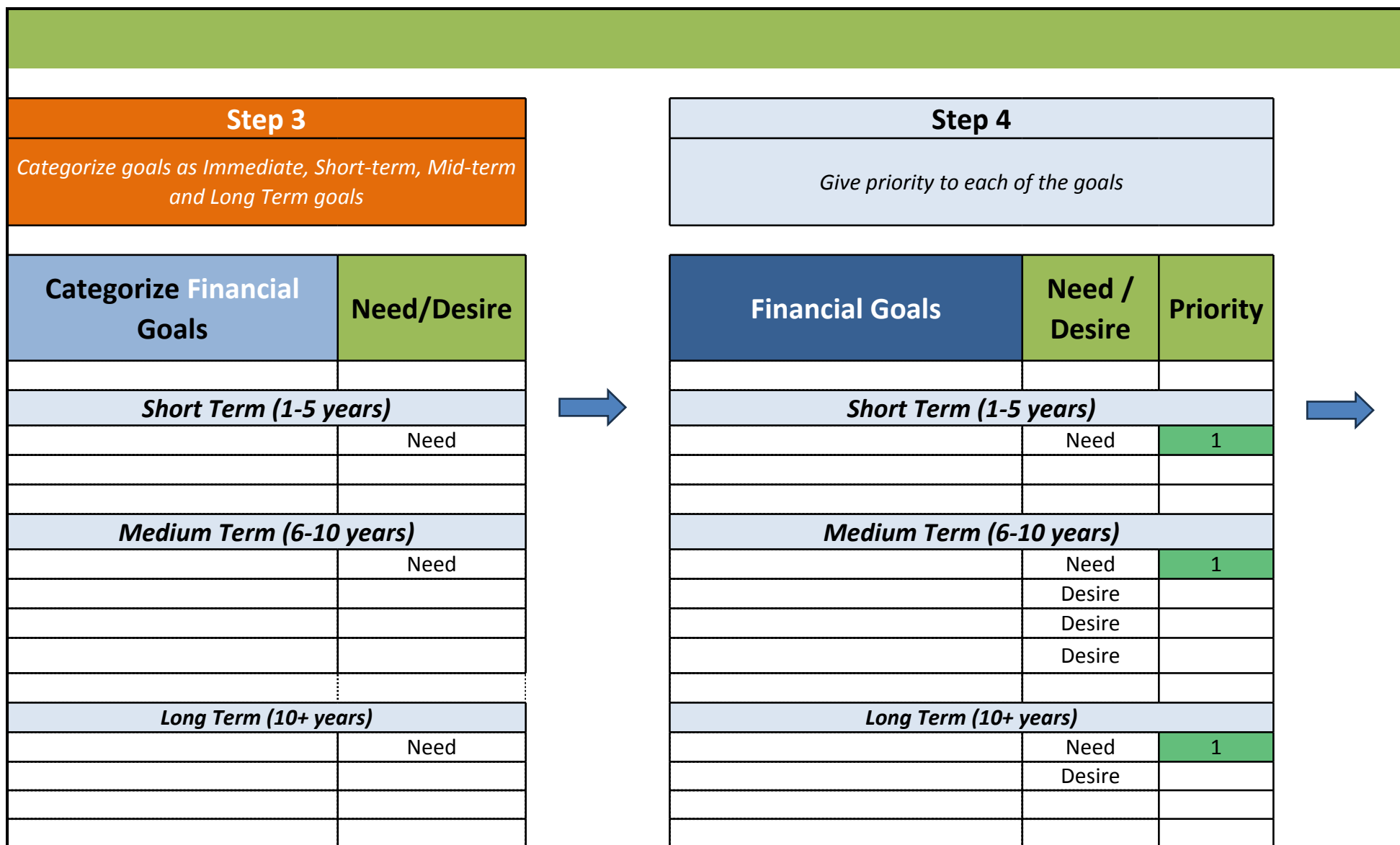
Tag goals as 'Need' or 'Desire'

Financial Goals

Tag as Need or Desire

Buy 2nd House	Desire
Foreign Trip (every 2-3 years)	Desire





Financial Goals Worksheet

Step 5

Find cost of each goal Today

Financial Goals	Need / Desire	Priority	Cost Today
Short Term (1-5 years)			
	Need	1	Rs 2 Cr
Medium Term (6-10 years)			
	Need		
	Desire		
	Desire		
	Desire		
	Desire		
Long Term (10+ years)			
	Need	1	Rs 5 crore
	Desire		



Step 6

Rationalize goals & costs if r

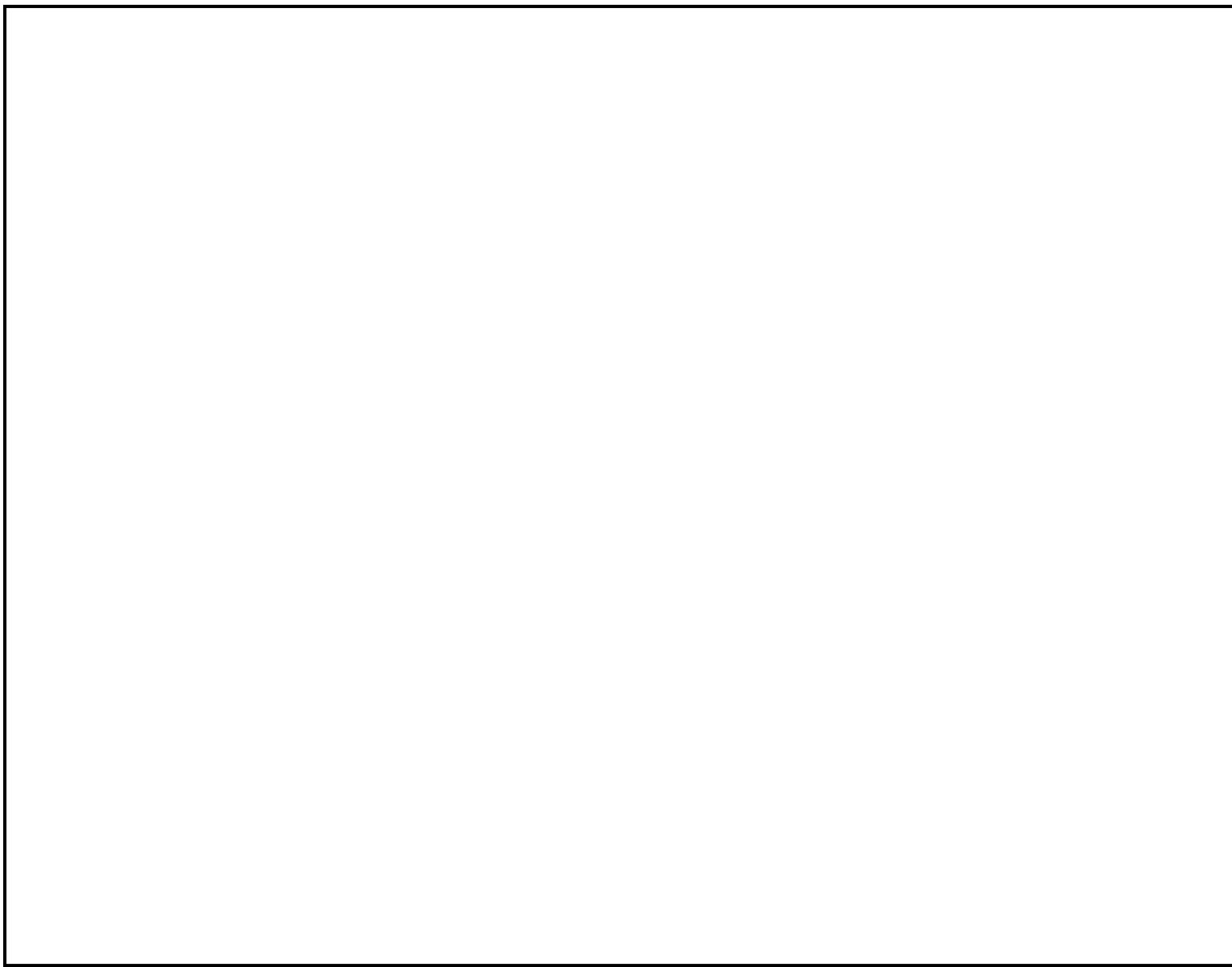
Financial Goals	Need / Desire
Short Term (1-5 years)	
	Need
Medium Term (6-10 years)	
	Desire
	Desire
Long Term (10+ years)	
	Need
	Desire

					Step 7				
eed be					Find how much you need to save and invest, where to invest to achieve				
Priority	Cost Today				Financial Goals	Need / Desire	Priority	Invesment Horizon (In years)	Cost Today
rs)					Short Term (1-5 years)				
2						Need	2	5	₹ 500,000
ears)					Medium Term (5-10 years)				
					Long Term (10+ years)				
						Need	1		
1									
					Total				

ve your inflation adjusted goal costs in future

Inflation adujsted Cost in Future	Monthly Required Investment	
₹ 669,112.79		
NA		
₹ 669,113	₹ 0	

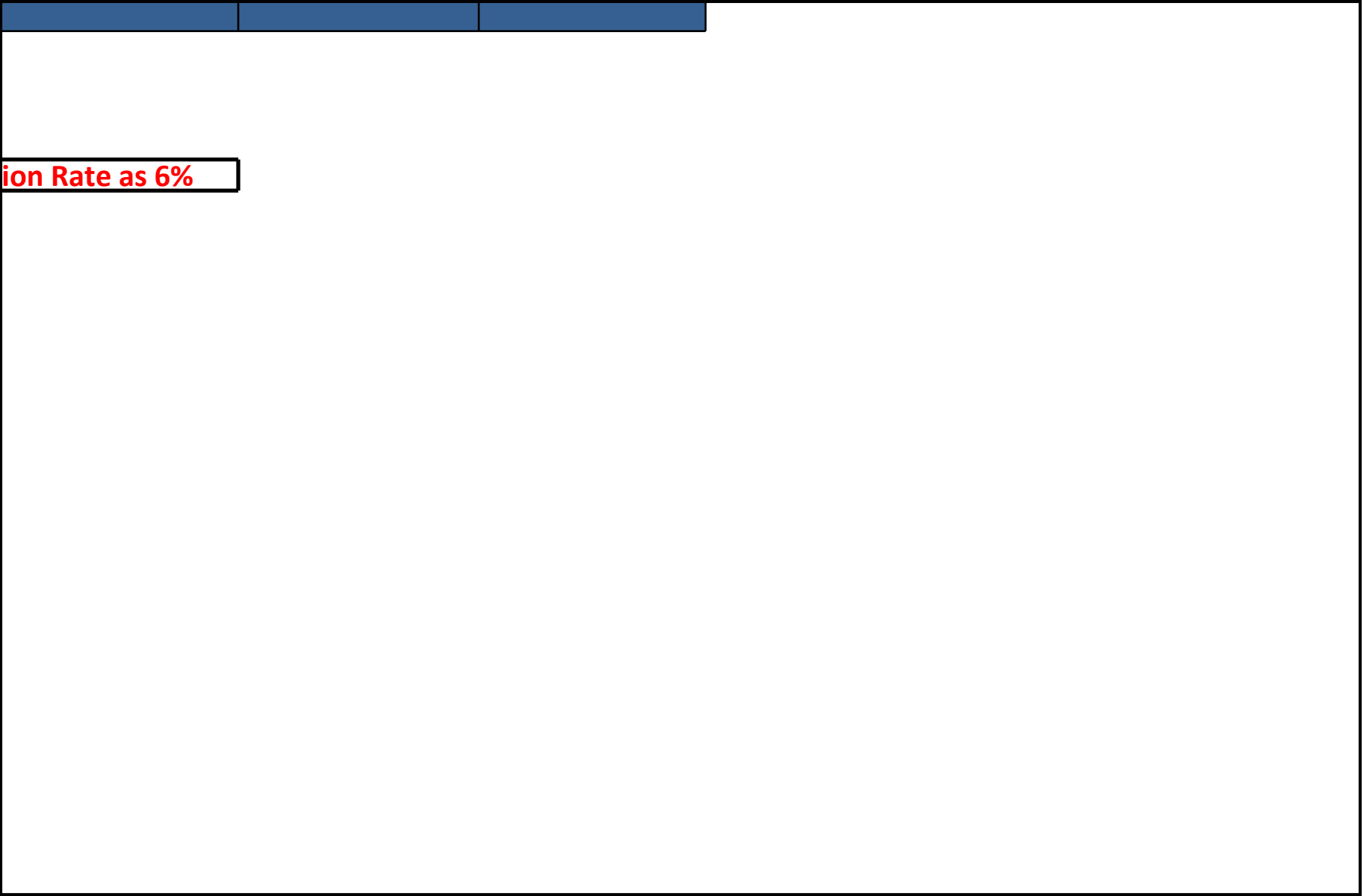
Category	Sub-category	Value
A	1	10
	2	20
	3	30
	4	40
B	1	10
	2	20
	3	30
	4	40
C	1	10
	2	20
	3	30
	4	40
D	1	10
	2	20
	3	30
	4	40
E	1	10
	2	20
	3	30
	4	40
F	1	10
	2	20
	3	30
	4	40
G	1	10
	2	20
	3	30
	4	40
H	1	10
	2	20
	3	30
	4	40
I	1	10
	2	20
	3	30
	4	40
J	1	10
	2	20
	3	30
	4	40
K	1	10
	2	20
	3	30
	4	40
L	1	10
	2	20
	3	30
	4	40
M	1	10
	2	20
	3	30
	4	40
N	1	10
	2	20
	3	30
	4	40
O	1	10
	2	20
	3	30
	4	40
P	1	10
	2	20
	3	30
	4	40
Q	1	10
	2	20
	3	30
	4	40
R	1	10
	2	20
	3	30
	4	40
S	1	10
	2	20
	3	30
	4	40
T	1	10
	2	20
	3	30
	4	40
U	1	10
	2	20
	3	30
	4	40
V	1	10
	2	20
	3	30
	4	40
W	1	10
	2	20
	3	30
	4	40
X	1	10
	2	20
	3	30
	4	40
Y	1	10
	2	20
	3	30
	4	40
Z	1	10
	2	20
	3	30
	4	40



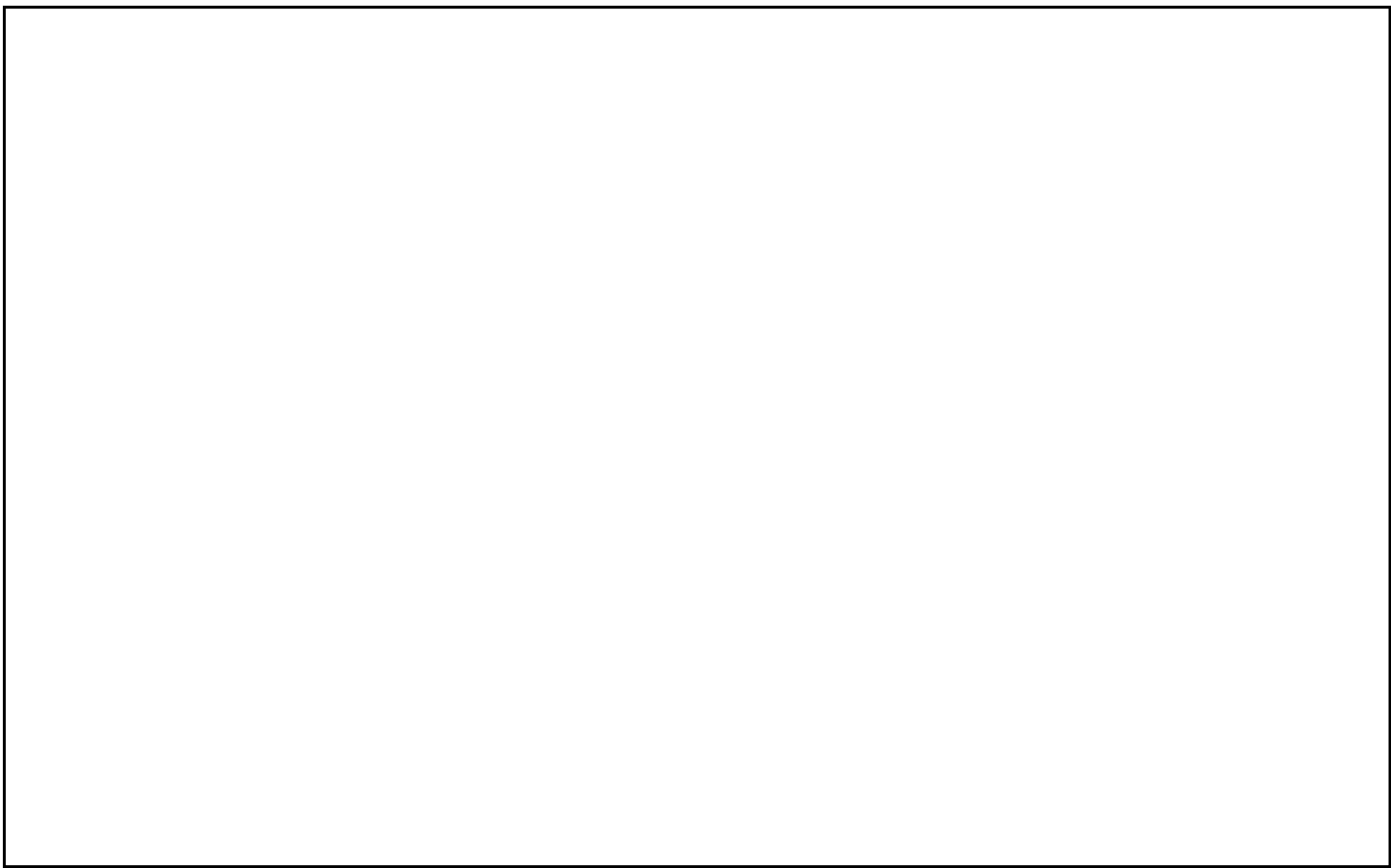
				Desire	

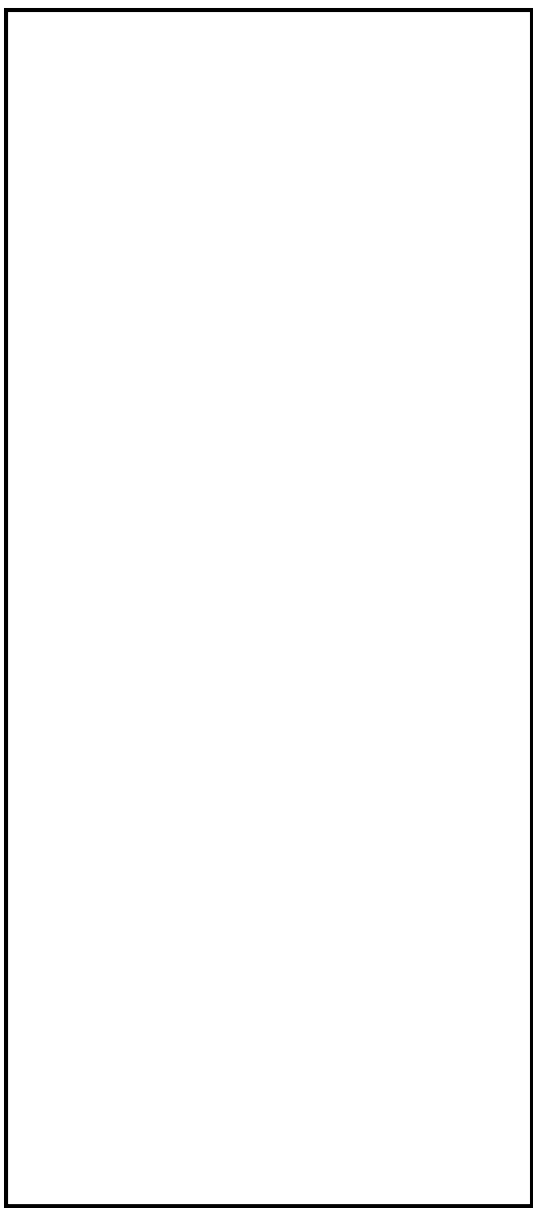
	Desire					

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ion Rate as 6%









	Emergency Funds	
	Financial Head	Amount
	Current Expenses	₹ 5,800.00
	Emergency Funds Required Based on Current expenses	₹ 34,800.00
	Current savings towards this goal	₹ 0.00
	Actual emergency funds required	₹ 34,800.00
	Time Duration to achieve the goal in years	
	Mode to achieve the goal	
	Source of Emergency Fund	
	Monthly investment required to achieve the goal	

Investments

Mutual Fund

[illegible]

[illegible]

Other Investments





		Bank Recurring				
		Bank name	Monthly Amount	Period	Interest Rates	Future Value
			5000	2 Years		Associated Goal
		Public Provident Fund				
		Monthly Amount	Period	Expected Returns	Future Value	Associated Goal
		3000	35 Years	7%		
		Other Investments				

Life Insurance				
Insurance Company	Plan	Sum Assured	Premium (Yearly)	Add ons
ABC	ABC Insurance			

Health Insurance				
Insurance Company	Plan (Individual/Floater)	Plan Name	Sum Assured	Premium
1				

General Insurance				
Insurance Company	Insured Entity	Plan Type	Plan Name	Premium
1		Car		
2				
3				



Total Cash Receivable at the end of year

Year	Investments	Bank Balance	Other Investment	Goal to Achieve
1				
2	Recurring Deposit	₹ 128,405		
3	Mutual Fund		₹ 269,735	Buying car
4				
5	Mutual Fund		₹ 1,225,045	House Loan Down Payment
6				
7				
8				
9				
10				
11				
12				
13				
14				
15				
16				
17			₹ 6,613,078	Child 1 Higher Education
18				
19				
20				
21				

Whether Meets your Goal
Yes
No
Yes

22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35	Mutual Fund + Provident Fund		₹ 73,314,868	

[illegible]

SIP RETURNS CALCULATION EXCEL SHEET
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Future Value of the Investment	
Investment Per Month	₹ 80,000.00
Number of Months	144
Initial Capital	0.00
CAGR	12%
Future Capital	₹ 25,524,924.75

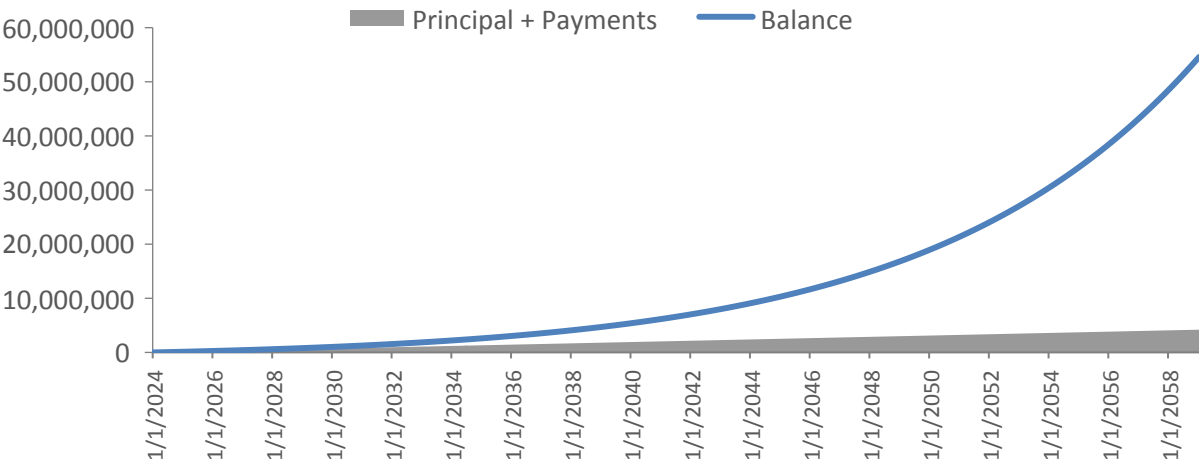
Monthly Investment Calculator	
CorpusRequired	₹ 600,000.00
Number of months	48
CAGR	12%
Monthly Invetsmnet required	₹ 9,800.30

Future Cost/Value calculator

Current Cost	₹ 2,500,000
Period in Years	16
Rate of inflation	6%
Future Cost	₹ 6,350,879

Compound Interest Calculator

Inputs		Results	
Principal Amount (P)	0.00	Rate Per Payment Period	0.94888%
Annual Interest Rate (r)	12.000%	Total Payments	₹ 4,200,000
Years of Growth (t)	35	Total Payments + Principal	₹ 4,200,000
Start Date	1/1/2024	Total Interest	₹ 50,390,315
Compound Frequency (n)	Annual (1)	Future Value (F)	₹ 54,590,315
Payment (A)	₹ 10,000.00		
Payment Frequency (p)	Monthly (12)		



No.	Date	Payment	Principal + Payments	Interest	Cumulative Interest	Balance
0	1/1/2024		0.00			0.00
1	2/1/2024	10,000.00	10,000.00	0.00	0.00	10,000.00
2	3/1/2024	10,000.00	20,000.00	94.89	94.89	20,094.89
3	4/1/2024	10,000.00	30,000.00	190.68	285.56	30,285.56
4	5/1/2024	10,000.00	40,000.00	287.37	572.94	40,572.94

No.	Date	Payment	Principal + Payments	Interest	Cumulative Interest	Balance
5	6/1/2024	10,000.00	50,000.00	384.99	957.93	50,957.93
6	7/1/2024	10,000.00	60,000.00	483.53	1,441.46	61,441.46
7	8/1/2024	10,000.00	70,000.00	583.01	2,024.46	72,024.46
8	9/1/2024	10,000.00	80,000.00	683.43	2,707.89	82,707.89
9	10/1/2024	10,000.00	90,000.00	784.80	3,492.68	93,492.68
10	11/1/2024	10,000.00	100,000.00	887.13	4,379.82	104,379.82
11	12/1/2024	10,000.00	110,000.00	990.44	5,370.25	115,370.25
12	1/1/2025	10,000.00	120,000.00	1,094.72	6,464.98	126,464.98
13	2/1/2025	10,000.00	130,000.00	1,200.00	7,664.98	137,664.98
14	3/1/2025	10,000.00	140,000.00	1,306.27	8,971.25	148,971.25
15	4/1/2025	10,000.00	150,000.00	1,413.56	10,384.81	160,384.81
16	5/1/2025	10,000.00	160,000.00	1,521.86	11,906.67	171,906.67
17	6/1/2025	10,000.00	170,000.00	1,631.19	13,537.86	183,537.86
18	7/1/2025	10,000.00	180,000.00	1,741.55	15,279.41	195,279.41
19	8/1/2025	10,000.00	190,000.00	1,852.97	17,132.37	207,132.37
20	9/1/2025	10,000.00	200,000.00	1,965.44	19,097.81	219,097.81
21	10/1/2025	10,000.00	210,000.00	2,078.97	21,176.78	231,176.78
22	11/1/2025	10,000.00	220,000.00	2,193.59	23,370.37	243,370.37
23	12/1/2025	10,000.00	230,000.00	2,309.29	25,679.66	255,679.66
24	1/1/2026	10,000.00	240,000.00	2,426.09	28,105.76	268,105.76
25	2/1/2026	10,000.00	250,000.00	2,544.00	30,649.76	280,649.76
26	3/1/2026	10,000.00	260,000.00	2,663.03	33,312.78	293,312.78
27	4/1/2026	10,000.00	270,000.00	2,783.18	36,095.97	306,095.97
28	5/1/2026	10,000.00	280,000.00	2,904.48	39,000.45	319,000.45