



Handbook for the

Financial Wellbeing Journey

Goal Planning



Introduction

Thank you for your interest in the Goal Planning program.
Hope the program was insightful with many implementable takeaways.

Here is a Handbook which gives a glance:

- To the Financial steps to be followed
- Brief inputs on investment products
- Useful video/ calculator links to help you with further information
- Finsafe Tips



Planning your Financial Life

The journey begins with

1. Plan for Emergency Cash
2. Plan for covering Risk: Life and Health Insurance
3. The first goal - Retirement Planning
4. Goal Planning -Child education, buying a house, etc.
5. Tax Planning to help you save TAX efficiently
6. Smart Borrowing



Emergency Cash

What is Emergency Cash?

Is an essential amount to be kept aside to fall back during emergencies/ uncertainties that might arise in future.

How to set up Emergency Cash?

Invest small amounts of money into a Fixed Deposit/ Overnight Debt Funds/ Liquid Debt Funds/ Ultra Short Duration Debt Funds.

Learning Resources:

<https://www.youtube.com/watch?v=HT2TNgTUoIU>

Finsafe Tips:

- Have at least 3-6 months of your expenses as emergency cash
- Keep your spouse/ partner informed about this fund



Need to plan for Risk of Life

What is Risk Of Life?

Protecting your loved one's financial future and help them maintain their lifestyle/achieve all financial goals, in case of uncertainty to your life.

How to buy a Life Cover?

- Term insurance provides higher Sum Assured with lower premiums.
- Compare policies online:
 - Premium amount
 - Claims Ratio

Learning Resources:

<https://www.youtube.com/watch?v=J1piiymZ>

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Finsafe Tips:

- Buy the right amount of insurance
- Access a Human Life Value (HLV) calculator in any insurance website to help you get a desired amount

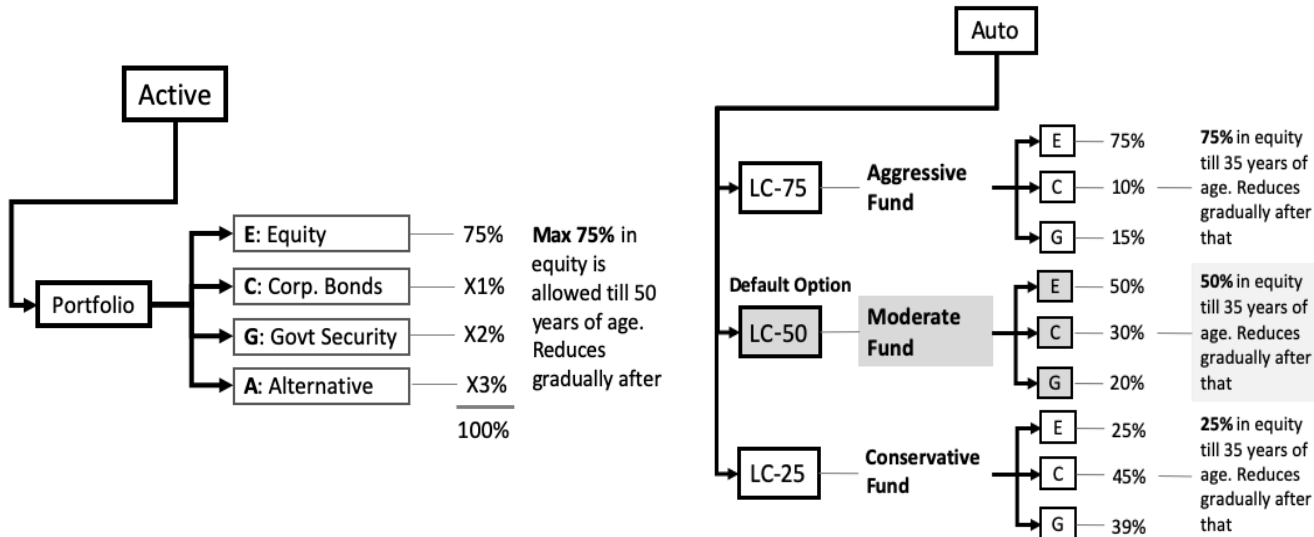


Retirement Products – National Pension Scheme

What is NPS?

- Defined contribution scheme
- Minimum Rs. 1,000 per year
- Lock in- upto 60 years
- 60% of corpus can be withdrawn tax free as lumpsum or periodically
- 40% needs to be invested into annuity plan

Investment Choices in NPS :



Learning Resources:

https://youtube.com/playlist?list=PLsRkc9JvTV2EVUk8OlmwfYR44v8_2KFfg&si=IbM4GGTjsodTwnVS

Finsafe Tips:

- Invest in Active Equity Option if retirement is > 10 years away



Investment Products – Mutual Funds

What are Mutual Funds?

A mutual fund is a professionally managed trust, which pools the investors' money and invests them into stocks, bonds, commodities, money market instruments and other securities. A mutual fund is like a basket of investments and your investment in the fund is a part of that basket.

Different Types Of Mutual Funds

- Equity Funds
- Debt Funds
- Hybrid or Balanced Funds
- Gold Funds
- International Funds

Learning Resources:

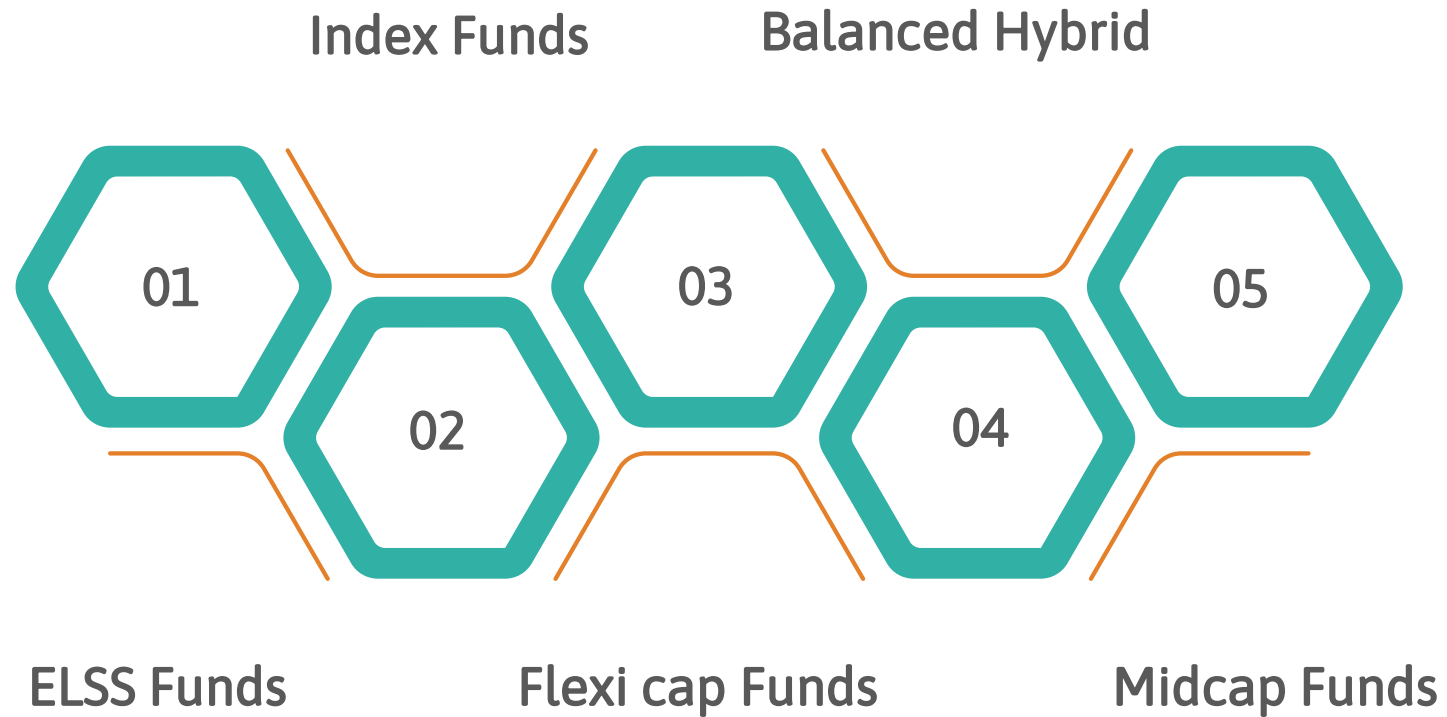
https://youtube.com/playlist?list=PLsRkc9JvTV2HebEHkdm0l5ychd-hQopv_&si=hHRATp6CoKGA4Mpg

Finsafe Tips:

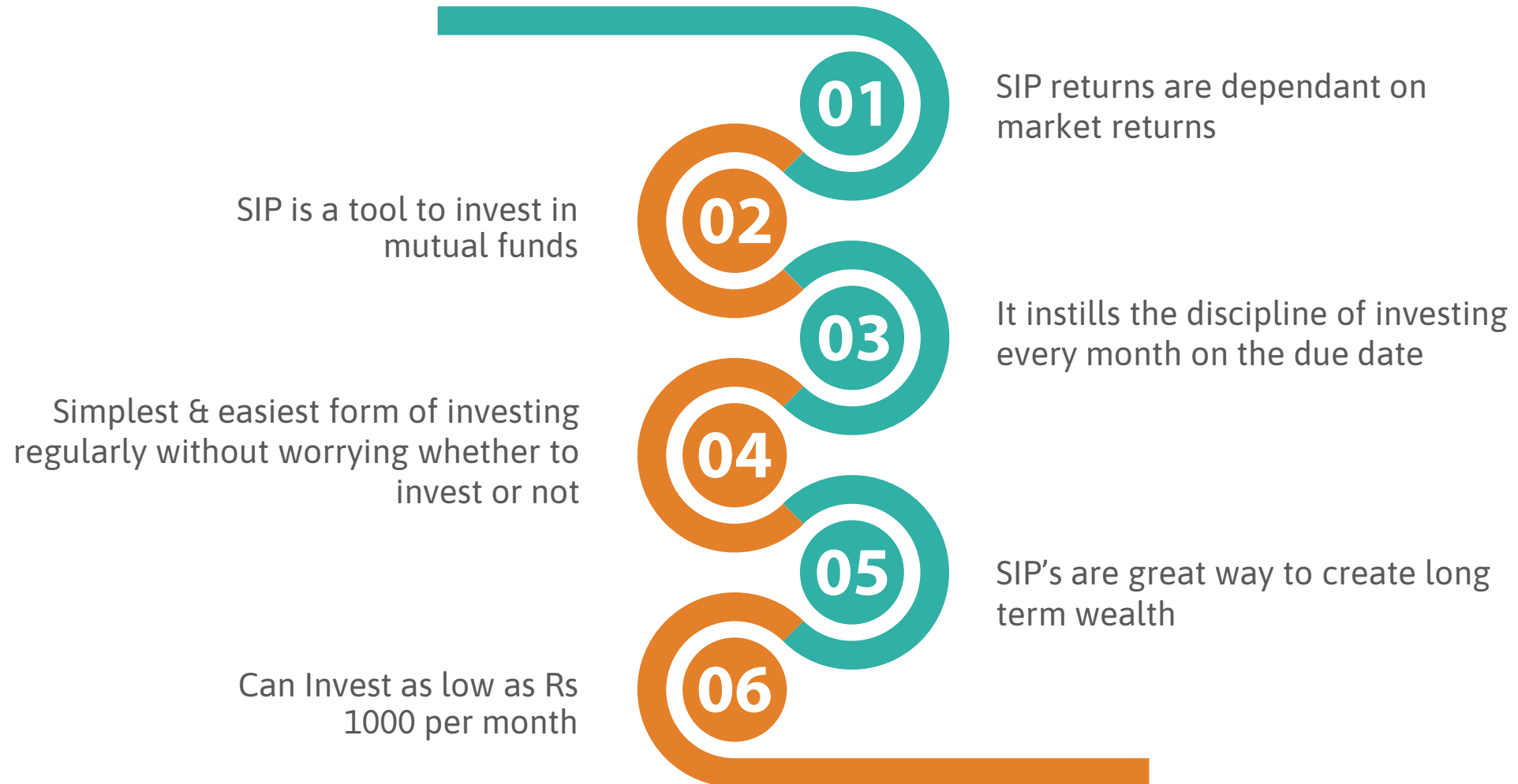
- Invest in debt funds for short term period
- Invest in Equity Funds for longer term goals (above 7 years)



Recommended Categories Of Equity Funds



Features of SIP



Sources for unbiased Mutual Fund recommendations

<https://www.finsafe.in/schemes/>

EQUITY FUNDS

Index & Large Cap	Multi Cap	Mid & Small Cap	ELSS	Balanced Fund
UTI Nifty Index Fund	Quantum LT Equity Fund	Mirae Asset Emerging BlueChip	Franklin India Tax Shield	L&T India Prudence Fund
SBI BlueChip Fund	BSL Equity Fund	SBI Magnum Mid Cap Fund	DSPBR Tax Saver Fund	Tata Balanced Fund
BSL Advantage Fund	Kotak Select Focus	DSP Small & Midcap Fund	Reliance Tax Saver Fund	ICICI Pru Balanced Advantage Fund
ICICI Pru Top 100	Most Focused Multi Cap 35 Fund			HDFC Balanced Fund

FIXED INCOME FUNDS FOR SPECIFIC INVESTMENT HORIZON

0 - 3 Months	3 Months-1.5 Years	1.5 - 3 Years	> 3 Years
BSL Cash Plus	ICICI Pru Flexible Income Plan	Birla SL Short Term Fund	ICICI Pru Short Term Plan
HDFC Liquid	IDFC Ultra Short Term Fund	HDFC Medium Term Opportunities Fund	L&T Resurgent India Corp Bond Fund
	L&T Ultra Short Term Fund(G)	SBI Short Term	Birla SL Treasury Optimizer Plan
		TATA Short Term	

<http://www.morningstar.in/featured-reports.aspx>

The screenshot shows a table of funds on the Morningstar India website. The table columns are: Fund Name, Category, Analyst Rating, Equity Stylebox, Fixed Income Stylebox, Star Rating, and Report Date. The funds listed include Reliance Focused Large Cap Fund, Reliance Regular Savings Fund, SBI Magnum Multiplier Fund, SBI Magnum Taxgain Scheme, HDFC Mid-Cap Opportunities Fund, HDFC Equity Fund Growth, HDFC Top 200 Fund Growth, Franklin India Bluechip Fund, Franklin India Prima Fund, Franklin India Prima Plus Fund, Franklin India Ultra Short Term Bond, and Reliance Top 200 Fund.

Mint 20 Mutual Fund Schemes

EQUITY	3-years return (%)	5-years return (%)	Corpus (₹ cr)
LARGE-CAP			
UTI Nifty Index	17.81	16.73	5,380
HDFC Index	17.51	16.53	4,085
Category average	17.52	16.37	
EQUITY FLEXICAP			
Canara Robeco Flexi Cap	21.67	19.23	6,143
Parag Parikh Flexi Cap	28.80	22.38	17,220
Category average	20.31	17.47	
EQUITY SMALL AND MIDCAP			
Axis Midcap	26.43	22.68	15,988
SBI Small Cap	28.57	23.56	10,626
Category average Midcap	23.67	17.47	
Category average Smallcap	27.28	19.12	
EQUITY (TAXSAVER)			
Canara Robeco Equity Tax Saver	23.78	19.95	2,893
Mirae Asset Tax Saver	23.56	21.30	10,146
Category average	18.82	16.07	
HYBRID			
BALANCED ADVANTAGE			
Edelweiss Balanced Advantage	16.23	14.12	6,331
ICICI Prudential Balanced Advantage	12.97	11.35	36,816
Category average	11.54	9.67	
ARBITRAGE			
Kotak Equity Arbitrage	4.80	5.35	24,430
Tata Arbitrage*	5.10	-	11,980
Category average	4.41	4.91	
DEBT	1-year return** (%)	3-years return (%)	Corpus (₹ cr)
SHORT TERM			
HDFC Corporate Bond	4.41	8.85	28,807
IDFC Corporate Bond	3.87	8.05	20,613
Category average	4.23	6.30	
CREDIT RISK			
HDFC Credit Risk Debt	7.44	8.94	8,757
ICICI Prudential Credit Risk	6.61	8.62	8,304
Category average	2.51	3.53	
DEBT (LESS THAN 1 YEAR)	6-month return** (%)	1-year return** (%)	Corpus (₹ cr)
HDFC Money Market	1.88	3.77	15,828
Kotak Money Market	1.86	3.68	11,454
Category average money market	5.85	6.19	
OUT OF THE BOX	Returns since launch	Date of launch	Corpus (₹ cr)
BHARAT Bond ETF - April 2031	4.95	23 Jul 2020	10,484
Motilal Oswal S&P 500 Index Fund	30.52	28 Apr 2020	2,398

MC 30 Funds

EQUITY	
LARGE CAP (CORE)	
Canara Robeco Bluechip Equity Fund - Regular Plan - Growth	Despite being large-cap, has managed to beat benchmark consistently
Mirae Asset Large Cap Fund - Regular - Growth	Among the largest in its category; size not an issue for performance
FLEXI CAP (CORE)	
UTI Flexi Cap Fund - Growth	Follows a growth-styled approach and managed conservatively. Stable long-term performance
Parag Parikh Flexi Cap Fund - Growth	Investments in international equities and timely deploying cash, helped
Kotak Flexi Cap Fund - Growth	Large-size has pushed the fund towards large-caps, but remains adequately diversified
MID-CAP (CORE)	
Kotak Emerging Equity - Growth	Size is bit large for a mid-cap fund, but so far fund has managed well.
Invesco India Mid Cap Fund - Growth	Small corpus bodies well for a midcap fund. Takes lesser risks
DSP Midcap Fund - Regular Plan - Growth	Despite a conservative portfolio, performance is good. Well-diversified.
Axis Midcap Fund - Growth	Consistent performer and manages risks well. Takes active cash calls
SMALL CAP (SATELLITE)	
Axis Small Cap Fund - Growth	Strong pedigree. Did well in 2018 and 2019, despite tough markets.
SBI Small Cap Fund - Regular Plan - Growth	Good stock picking skills. Did well in rising and falling markets.
ELSS (CORE/SATELLITE)	
Kotak Tax Saver Scheme - Growth	Same manager for over seven years now. 3-year lock-in helps in stock picking
Canara Robeco Equity Tax Saver - Regular Plan - Growth	Despite a high churn, the scheme has done well across market cycles
FOCUSED (SATELLITE)	
SBI Focused Equity Fund - Regular Plan - Growth	Invests across large, mid and small sized companies and up to 30 stocks
Axis Focused 25 Fund - Growth	Invests in up to 25 stocks. Tilted towards large-caps last year
HYBRID	
AGGRESSIVE HYBRID (CORE)	
DSP Equity & Bond Fund - Regular Plan - Growth	Ideal for first-time equity investors. Invests almost 65% in equities. Well-diversified.
Canara Robeco Equity Hybrid Fund - Regular Plan - Growth	At least 65% in equities. Well-diversified, tilts towards large-caps
DEBT	
SHORT TERM (CORE)	
ICICI Prudential Short Term Fund - Growth	Actively-managed. Small portion in perpetual bonds, though monitors risks closely
HDFC Short Term Debt Fund - Growth	Despite investing 8-10% in AA-rated securities, fund has managed credit risks well.
Axis Short Term Fund - Growth	Consistent performer. Actively-managed. Does not take credit risks
CORPORATE BOND (CORE)	
Sundaram Corporate Bond Fund - Growth	Invests significantly in high-rated securities. Despite small-size, the fund is well-diversified
HDFC Corporate Bond Fund - Growth	Largest fund in this category. Invests almost entirely in AAA-rated assets.
BANKING AND PSU DEBT (CORE)	
IDFC Banking & PSU Debt Fund - Regular Plan - Growth	Fund manager's track record in avoiding credit risks, inspires confidence
Kotak Banking and PSU Debt Fund - Growth	Tilt to labels, avoids private sector firms. Uses Government securities opportunistically
Nippon India Banking & PSU Debt Fund - Regular Plan - Growth	Ideal for investment around 3 years. Avoids AT1 bonds. Well-diversified.
OTHERS	
INDEX FUNDS/ETFs	
Nippon India ETF Nifty BEES	Oldest ETF in India. One of the most liquid.
Nippon India ETF Gold BEES	An ideal way to invest in gold, without bothering about storage
Motilal Oswal Nifty 100 ETF (MOIS) Shares NANOAG 100	Invests in the US companies. Passively-managed. No fund manager risk
ICICI Prudential Nifty Next 50 Index Fund - Growth	A good way to invest in the next lot of emerging large-cap companies
UTI Nifty Index Fund - Growth	Oldest index fund in India. Low tracking error.

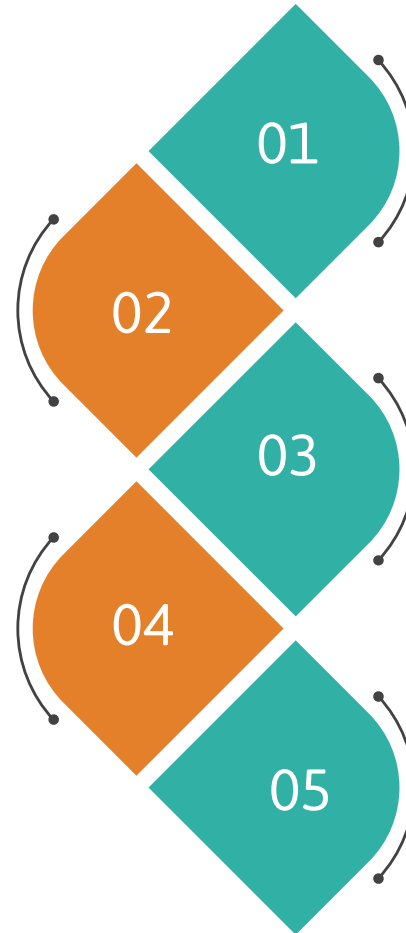


Choosing Investment Products based on Goal period



Next Steps

- Create an emergency savings fund
 - Minimum of 6 months of expenses
 - Invest in a Liquid Fund / FD
 - Your spouse should be able to access this fund
- Saving for retirement is imperative
 - Do not withdraw your EPF



- Follow the 30/30/40 budgeting rule
- Take health and term insurance
 - Investments & insurance to be kept separate
- Start saving the right amount for other goals
 - <https://www.finsafe.in/dreamcalc/>
 - Choose products based on investment horizon & risk
 - Remain invested through volatile times

Learning Resources: <https://youtube.com/playlist?list=PLsRkc9JvTV2EacmW7CrV8HBSgEc8Jq5yp&si=-g3fBa6Gn4T7zBAg>



Finsafe – Other facilitated services

Financial Counselling

1:1 Financial Counselling with Certified Financial Planners



Tax Filing

List of Practicing Chartered Accountant



Legal Counselling

1:1 with the practicing lawyer



Insurance Counselling

1:1 with the Insurance Counsellor



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Women and Money 4:



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