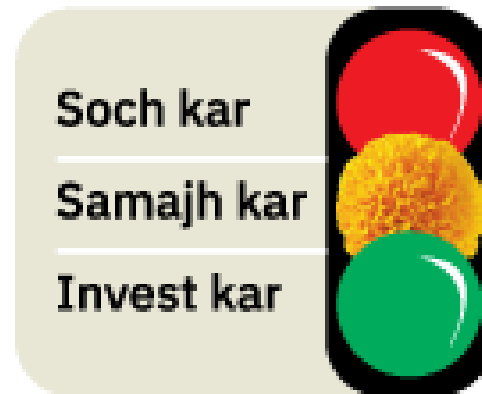


# || Pratham ||

Level 1 of Financial Literacy Program

## Introduction to Financial Planning



Investor Awareness Program

# Disclaimer

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# Who should go through this module?



- Hi friends !! I am Mohan Krishnan from Madurai.
- I am 32 years old. Me and my wife work for a public sector company.
- Me and my wife have surplus fund in savings account, but we have not invested anything.
- **I am new to investing. Want to know about capital markets.**
- **Target: Deploy money decisively and get good returns.**

# Agenda

What is more important? (Savings or Investment)

Steps in Financial Planning

Investment sutras

What is Capital Market?

Mutual Funds

ETFs and SGB

# Money

- “Money doesn’t buy happiness; money buy choices . It is what you do with those choices that makes you happy”
- “If you buy things that you do not need, soon you will have to sell things that you need”
- Hence, it is important to manage money.



# Financial Planning



**“Planning is bringing the future into the present so that you can do something about it now.”**

# Steps in Financial Planning



# Let's learn to manage money



Video of Mohan and his family.



What do you do with your money?



# Meet Mohan & his family



In this introductory video, Mohan introduces himself, his family and neighbor Ashok who is a retired banker. To set the context, Mohan starts with providing an insight into his monthly earnings and monthly expenses which needs to be considered before starting his investments.

# Investment Sutras



Mohan is 40 years old and has not started his investment journey. He and his wife have some excess funds for investing. He approaches Mr. Ashok, Mohan's neighbor who gives his insight on the 3 important investment sutras – Plan for Emergencies, Plan for Family Goals, Plan for Retirement.

# Risk and Reward Matrix



# Sutras



Plan for  
Emergencies




Plan for  
Family Goals



Plan for  
Retirement



# Financial Products as per your Goals




Savings account  
Fixed Deposit  
Recurring Deposit  
Post Office Savings account  
Money Market Instruments

**Short Term goals & Emergencies**



Stocks  
ETF & Index funds  
Bonds & Debentures  
Mutual Funds  
Public Provident Funds  
Gold  
Real Estate

**Medium & Long-term goals**



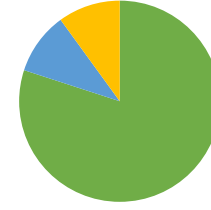
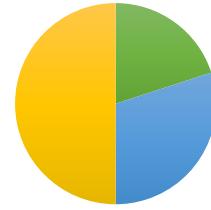
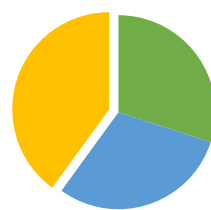
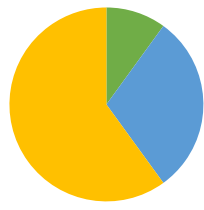
Medical Insurance  
Life Insurance  
Other insurance

**Insurance needs**

- The time to start planning is now. Get started.
- Invest in less risky products for short term goals and for long term goals one may invest in riskier products
- For retirement, invest in the stock market with a long -term view. Monitor and be patient.



**High Risk**



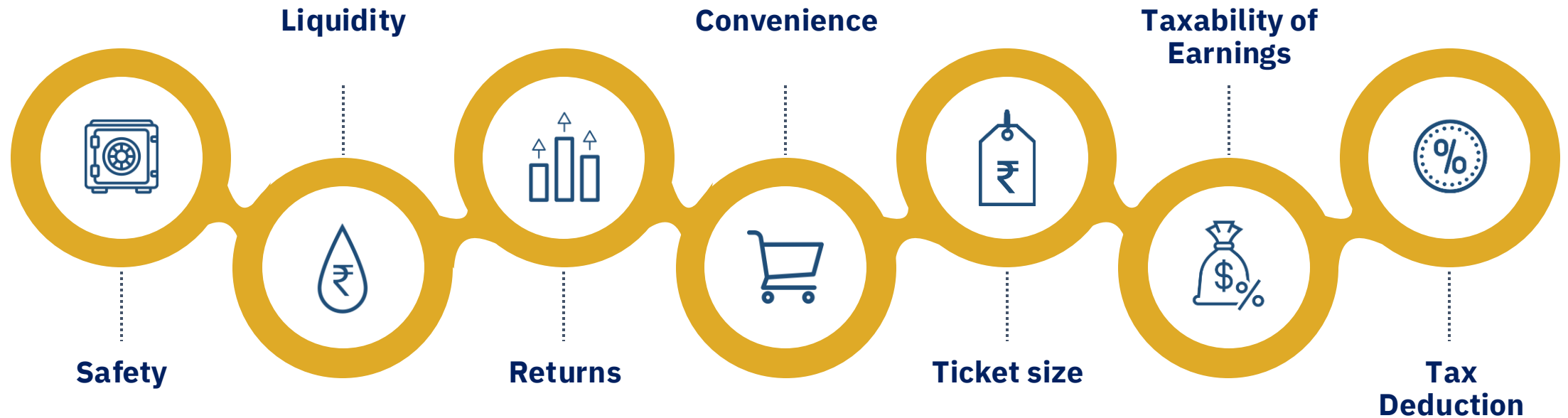
**Low Risk**

■ Low Risk

■ Medium Risk

■ High Risk

# Investment Evaluation Factors



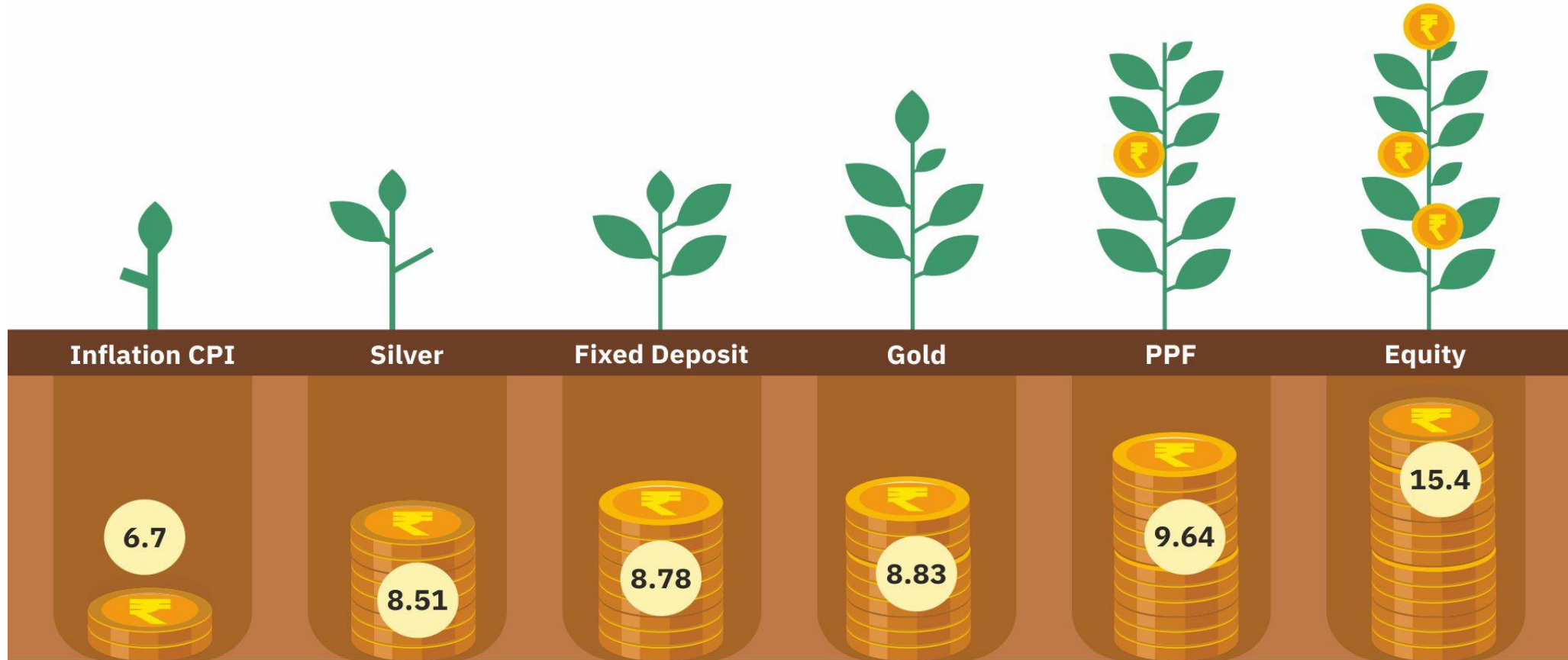
# Path to financial Planning



- The time to start planning is now. Get started.
- Invest in less risky products for short term goals and for long term goals one may invest in riskier products
- For retirement, invest in the stock market with a long -term view. Monitor and be patient.

**Mohan feels angry with himself that he has not realised this 5 years ago and lost valuable time**

# Returns from different Classes in last 30 years



Past Performance may or may not sustain in the future

Source: ICRA MFIE, MCX, Bloomberg, MOSPI .

Please note that investment in equities carries high risk.



# Remember

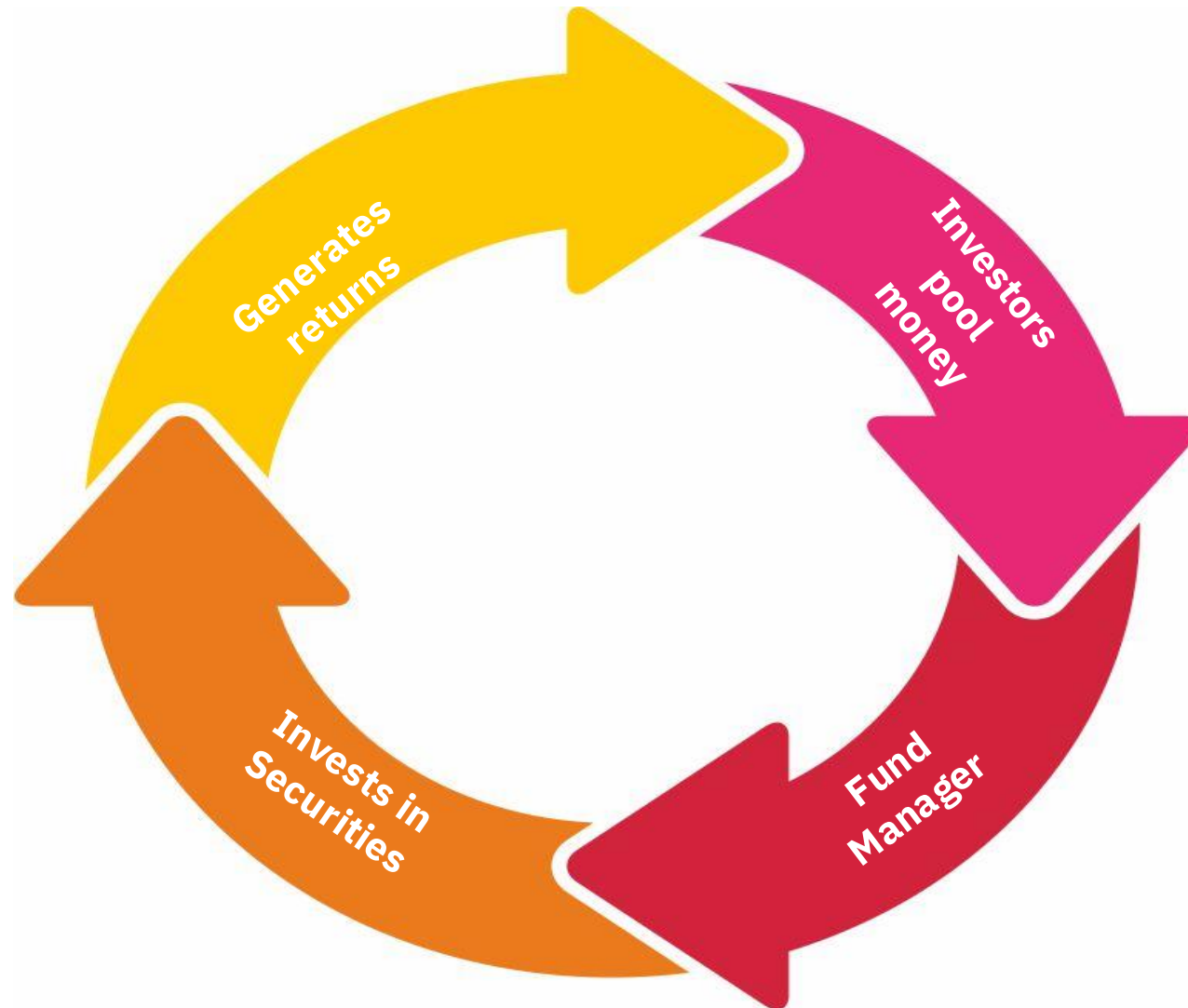
- Investment is not gambling
- You need to put your effort for your money to work for you
- You should know
  - where you're going with your investments
  - what you're investing in
  - who you're dealing with
  - where to go for help

# What is meant by Capital Market?

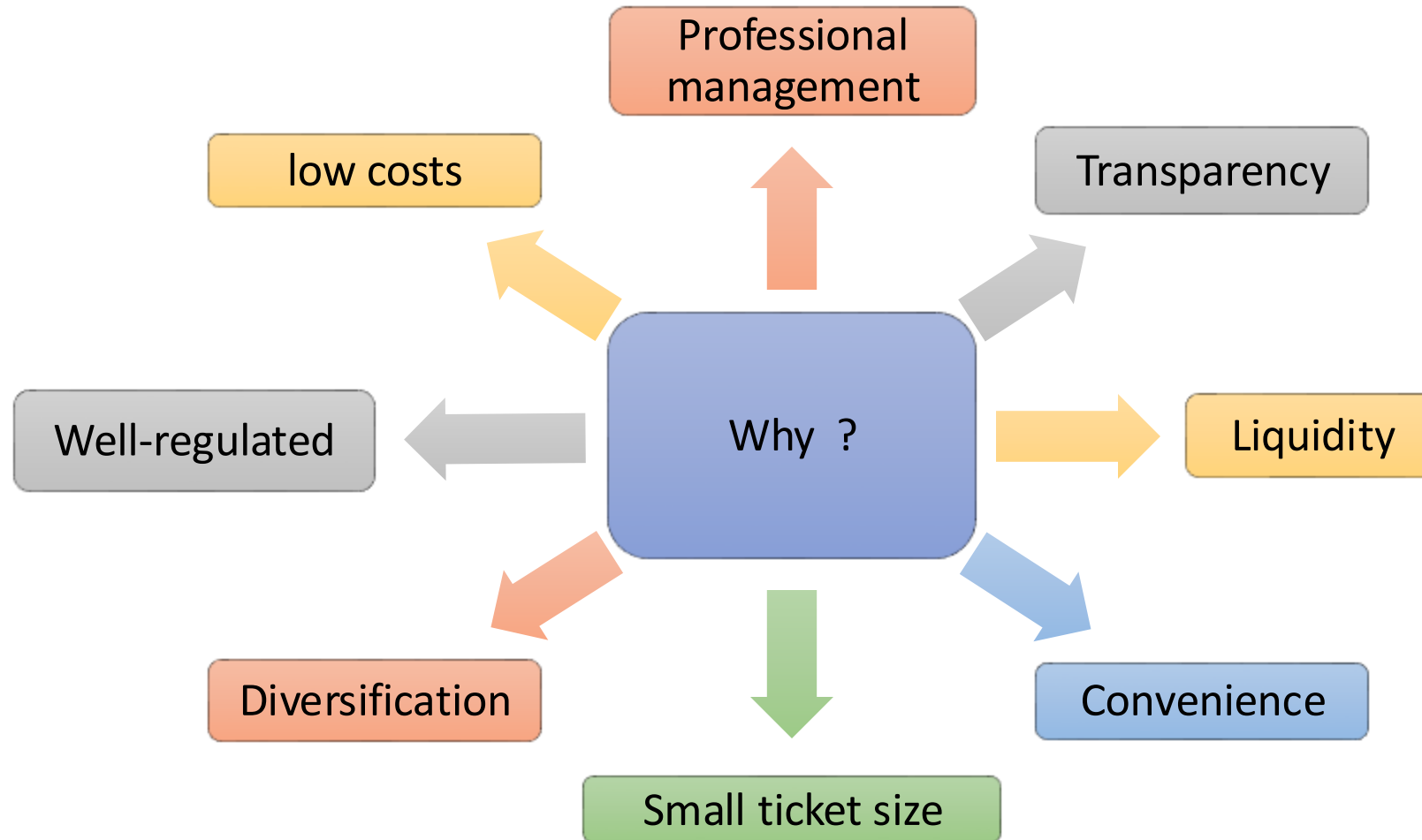
Capital market is a place where buyers and sellers indulge in trade (buying/selling) of financial securities like bonds, stocks, etc. The trading is undertaken by participants such as individuals and institutions. In India the capital markets is governed by Securities and Exchange Board of India - SEBI



# What is a Mutual Fund?



# Why Mutual Funds?



# Risk Classification of Mutual Funds



Risk Level	Investor Type
Low Risk	Conservative Investors
Low to Moderate Risk	Moderately Conservative Investors
Moderate Risk	Moderate Investors
Moderately High Risk	Moderately Aggressive Investors
High Risk	Aggressive Investors
Very High Risk	Very Aggressive Investors

# Due Diligence while investing in Mutual Fund

## Parameters to analyze a right Mutual Fund

- Fund v/s Benchmark performance
- Expense Ratio of the Mutual Fund
- Risk Level:- checked through Risk-o-Meter
- Fund's History :- Performance of the fund in past 3 to 5 years.
- Portfolio Turnover Ratio :- How frequently fund manager buy/sells securities from the fund.
- Background and history of the fund Manager.



# Exchange Traded Funds (ETFs)



- ETFs are popular investment choice for investors seeking diversification, low costs, transparency, flexibility and tax efficiency.
- ETFs can be bought and sold throughout the trading day.

# Sovereign Gold Bond Scheme

SGBs are government securities denominated in grams of gold.

- Investors pay the issue price in cash
- bonds will be redeemed in cash on maturity.
- The bond bears an interest at the rate of 2.50% (fixed rate) per annum on the nominal value credited semi-annually
- Investors will earn returns linked to gold prices
- Available in DEMAT and paper form

**Sovereign guarantee** - The Bond is issued by Reserve Bank on behalf of Government of India.

**Minimum investment** - 1 gram. Maximum investment: 4 Kgs for individual, 4 Kgs for HUF and 20 Kgs for trust and similar entities per fiscal (April-March)

**Secondary Market** - tradable on NSE



## INVESTOR AWARENESS PLEDGE

I, [Your Name], hereby pledge that as an investor, am recognizing that taking informed decisions is key to achieving my financial goals and managing potential risks.

*I am prioritizing the safety of my investments by conducting research before investing.*

*I am refraining from investing based on any unsolicited stock tips from any mode of communication.*

*I am never sharing my passwords and confidential information with anyone.*

*I am maintaining a long-term perspective when investing and avoiding speculation.*

*I am not getting influenced by market ups and downs, and I am maintaining my investments aligned to the financial goals.*

*By taking this Investor Awareness Pledge, I am affirming my commitment to being an informed and responsible investor.*

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# Saaṛṛthi Ap



UNLOCK THE **WEALTH** OF **KNOWLEDGE** WITH **Saaṛṛthi App**

- User-friendly interface with comprehensive tools aimed at simplifying complex financial concepts.
- Resources and Educational Videos designed to increase investor awareness.
- Unbiased, Objective and Trusted Source of Investment Awareness
- Reliable and essential insights into the securities market.
- Vital for young investors, who are at the beginning of their financial journey
- Access a range of Financial Tools and Calculators,
- Do your Financial Health Check-up,

*Empower yourself in the world of investing*



# SEBI INVESTOR WEBSITE



<https://investor.sebi.gov.in>



Dive into Money Matters to grasp Personal Finance concepts.



Educational Resources, related to investments, including securities market



Access a range of Financial Tools and Calculators.



Evaluate your Financial Health with the easy check.

Join on a journey of informed decision-making and confident participation in the securities market.

UNLOCK THE **WEALTH OF KNOWLEDGE**  
AT THE SEBI INVESTOR WEBSITE

*Empower yourself in the world of investing*

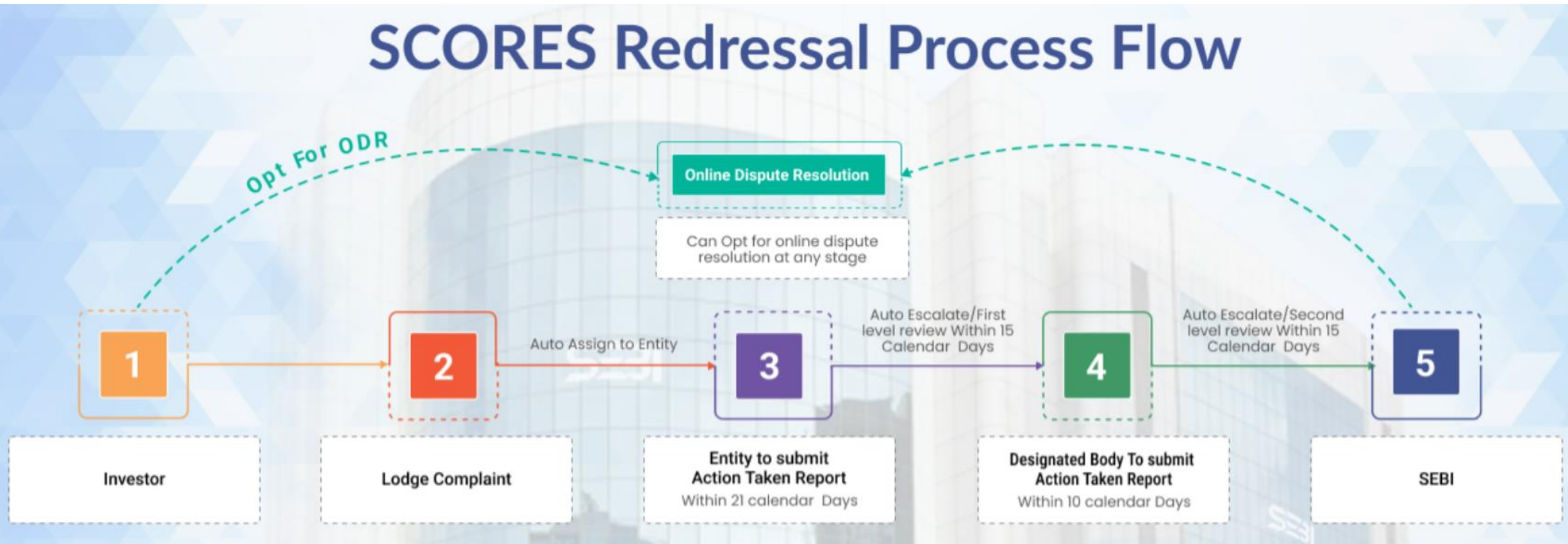


TO VISIT THE SEBI  
INVESTOR WEBSITE,  
SCAN THE QR CODE



# SCORES 2.0 - Online Grievance Redressal Facilitation Platform

## SCORES Redressal Process Flow



# ODR – ONLINE DISPUTE RESOLUTION

The SMART ODR Portal - Securities Market Approach for Resolution Through ODR Portal, has been established by the 7 Market Infrastructure Institutions together with ODR Institutions to help investors access efficient dispute resolution fully online.

Follow the steps below to resolve a dispute.

- 1 Register on SMART ODR Portal**  
Click on Create Account to register on the platform.
- 2 File a New Dispute**  
Click on File a New Dispute to begin.
- 3 Select Intermediary**  
Select the Intermediary against whom you wish to file a dispute.
- 4 Select Category**  
Select the relevant Categories for your dispute.
- 5 Enter Dispute Details**  
Fill details of the dispute and attach relevant files or documents.
- 6 Track Resolution Progress**  
Once your dispute is filed, track progress easily under the Dispute Timeline.

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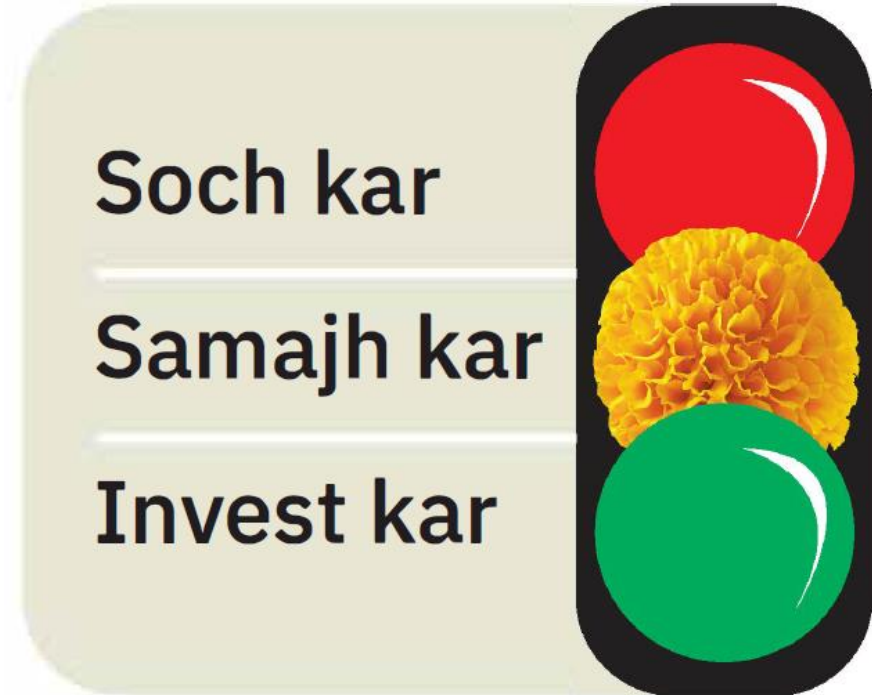
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# FEEDBACK

NSE Investor Awareness Program



**Thank You !**