



# FINANCIAL LITERACY FOR WOMAN





# Important role to play in society

- Women perform several roles, both within the family and outside as well.
  - Mother
  - Wife
  - Sister







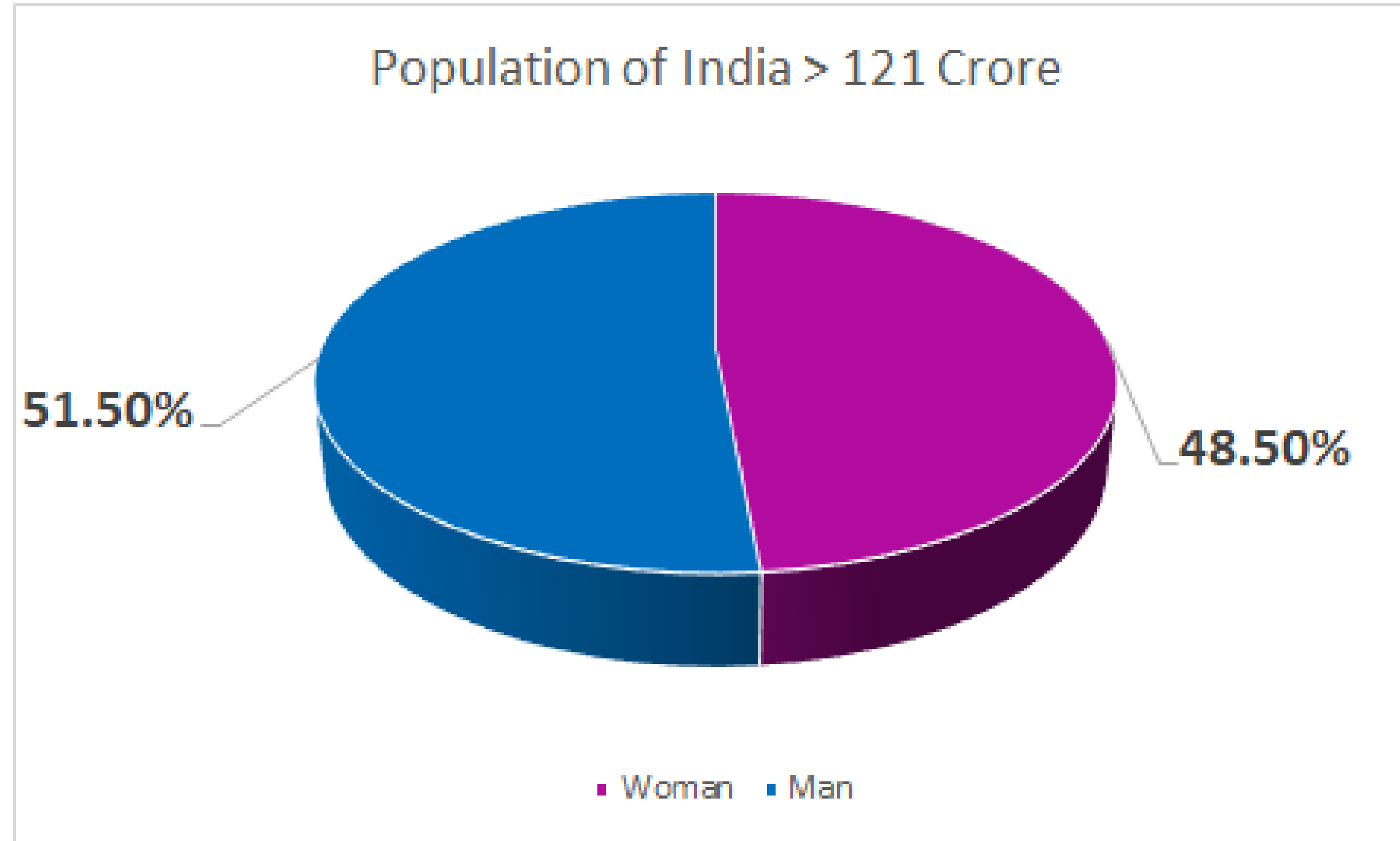
# Back Seat

- While performing these multiple roles in society with 100% determination, matters concerning financial literacy mostly end up taking a back-seat.
- During a crisis-like situation that she is introduced to the bitter truth.





# Census 2011

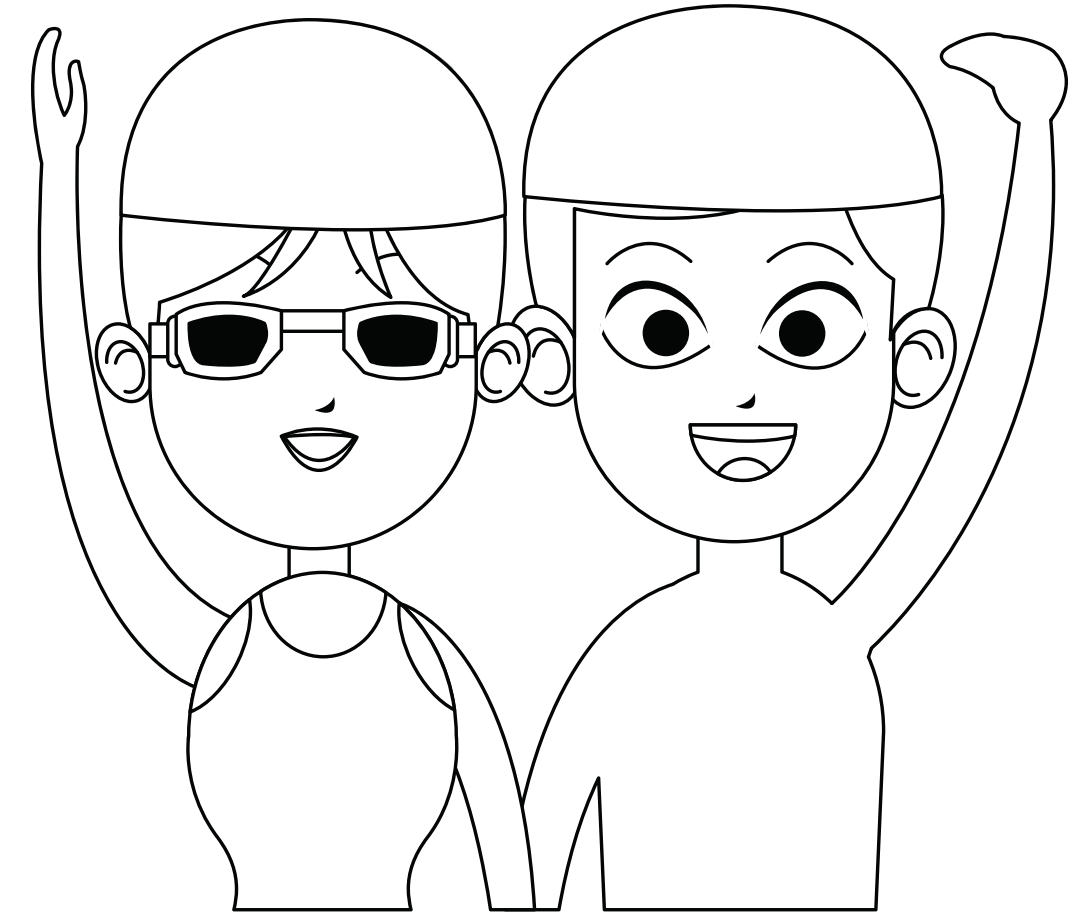


Source: Ministry of statistics and programme implementation, Govt. of India, ([www.mospi.nic.in](http://www.mospi.nic.in))



# Male-Female Ratio

- Urban Area
  - Male 1000
  - Female 949
- Rural Area
  - Male 1000
  - Female 929



Source: Ministry of statistics and programme implementation, Govt. of India, ([www.mospi.nic.in](http://www.mospi.nic.in))



# Workplace Participation

- Urban Area
  - Male - 53.26%
  - Female - 25.51%
- Rural Area
  - Male - 53.36%
  - Female - 30.02%

Rural sector has better female workforce participate rate

Source: Ministry of statistics and programme implementation, Govt. of India, ([www.mospi.nic.in](http://www.mospi.nic.in))

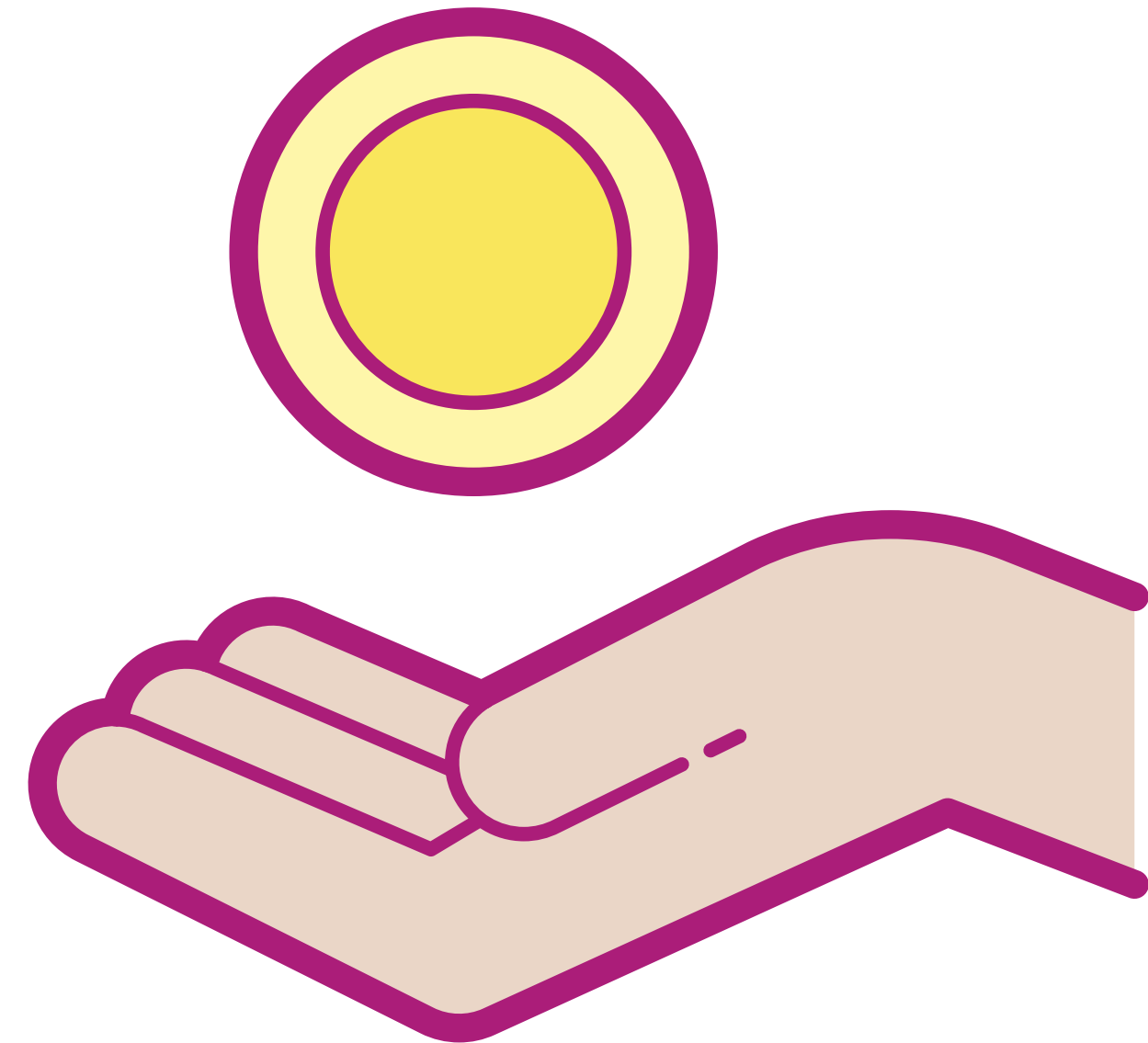






# Average Wage

- Urban Area
  - Male - Rs 805.52/Day
  - Female - Rs 609.7/Day
- Rural Area
  - Male - Rs 550.23/Day
  - Female - Rs 428.66/Day



Average Wage/salary Received By Regular Wage/salaried Employees  
economically active age group

Source: Ministry of statistics and programme implementation, Govt. of India, ([www.mospi.nic.in](http://www.mospi.nic.in))

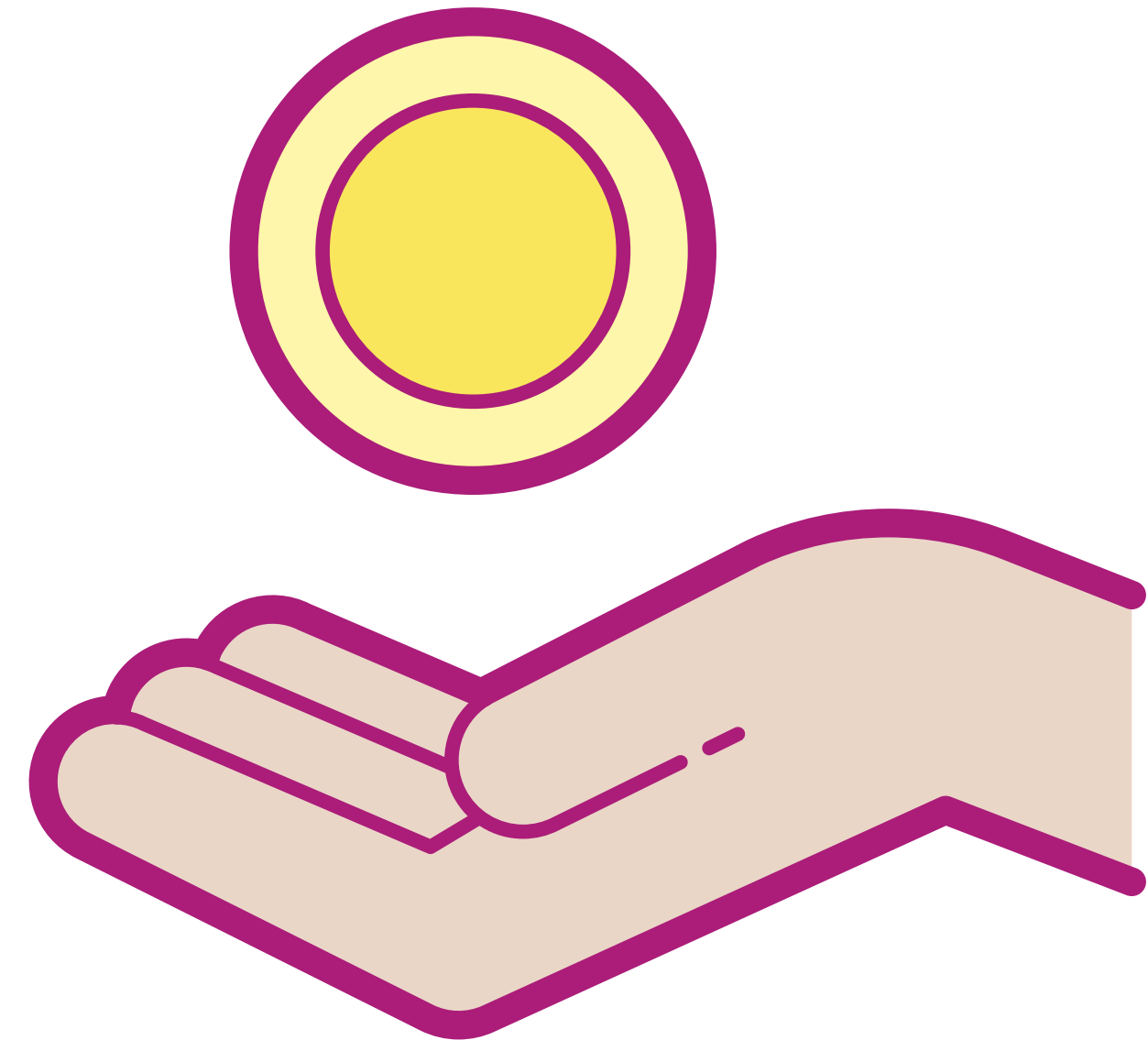


# Woman empowerment

- Urban Area
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- Rural Area
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  - Female - Rs 428.66/Day

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# Woman empowerment

"Economic freedom is very important for women empowerment. They must be partners in economic development also. I have seen that woman are very good at adapting to the latest technology. We should link women and technology up-gradation"

Narendra Modi, Prime Minister of India





# Life expectancy

- Male - 64.16 Years
- Female - 68.48 Years

Therefore, women's participation in our nation's economic progress cannot be undermined.

Financial literacy among women is an important part of the process of nation building.







# Every woman must learn

- Life Insurance
- Health Insurance
- Savings
- Investments
- Power of compounding







## Life Insurance

To protect your  
family's future  
during  
uncertainty





# Term Plan

- Every earning member must have Term Insurance Plan.
- Cheapest premium
- Highest Risk Cover
- Ideal risk cover of minimum 10 times of annual income





# Term plan - Benefits







# Mediclaim

To protect your  
Financial  
Freedom during  
Medical  
Emergency





Mediclaime

# Family Floater Policy





# Contingency Fund

To protect Your  
family's future  
from  
contingency







# Contingency Fund

Build Contingency  
Fund upto 6  
months' expense in  
Liquid Fund





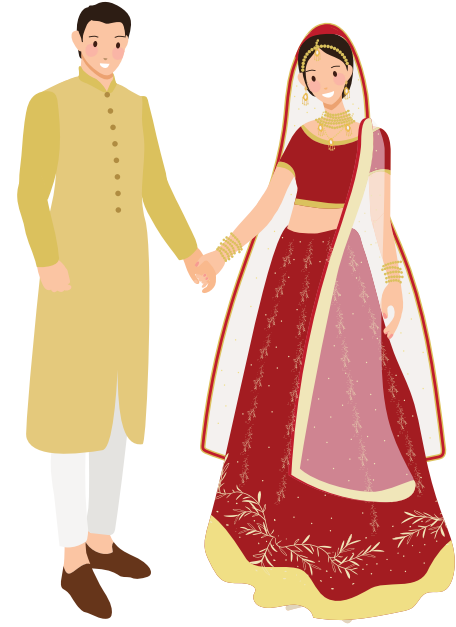
# Decide the investment objective

Investing without setting clear goals, is just like playing a foot ball without having a goalpost. You shall run and kick a lot but shall not score anything.

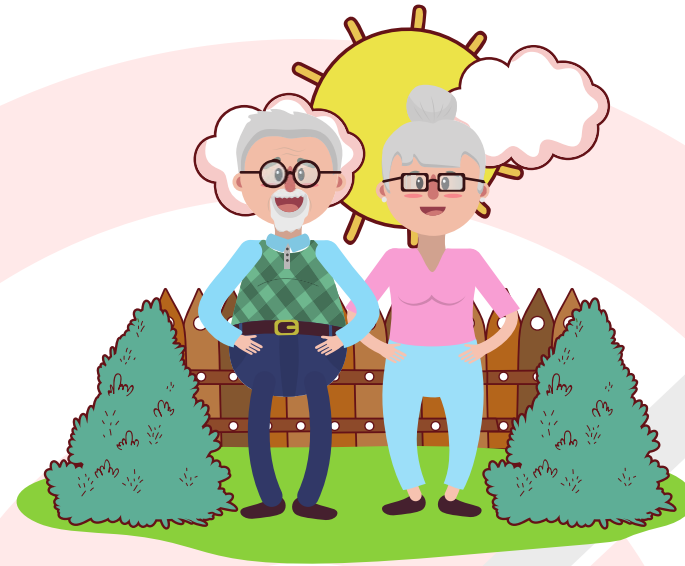




# We save & invest for our family



**Marriage**



**Retirement**



**Education**



**Vacation**



**Dream Home**





# What do we expect from Investment?



**Safety &  
Security**



**Tax  
Efficient**



**Regular  
Income**



**Easy  
Liquidity**



# Safety comes first!



## **Never forget two rules:**

Rule no 1 - Never lose money

Rule no 2 - Never forget rule no 1

## **Warren Buffett**

# Is it safe?

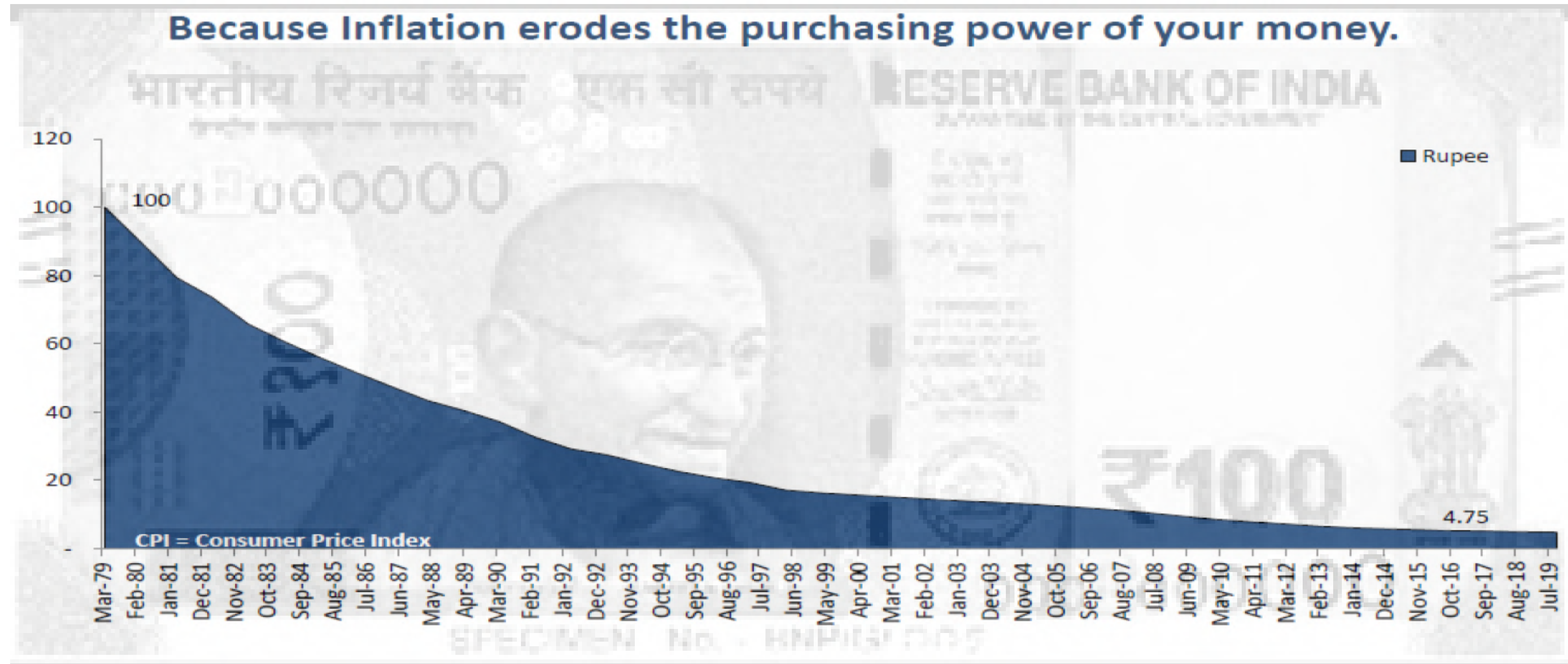


Rs. 100 note Kept in locker is safe, but value of the same Rs. 100/- will be very less after 10 Years.





# Who's eating your money?



Source: Bloomberg, MOAMC internal analysis, Data as on 29<sup>TH</sup> Feb 2020



# Inflation is the real monster



**Never forget two rules:**

10 Year CPI Inflation - 6.25% to 6.5%

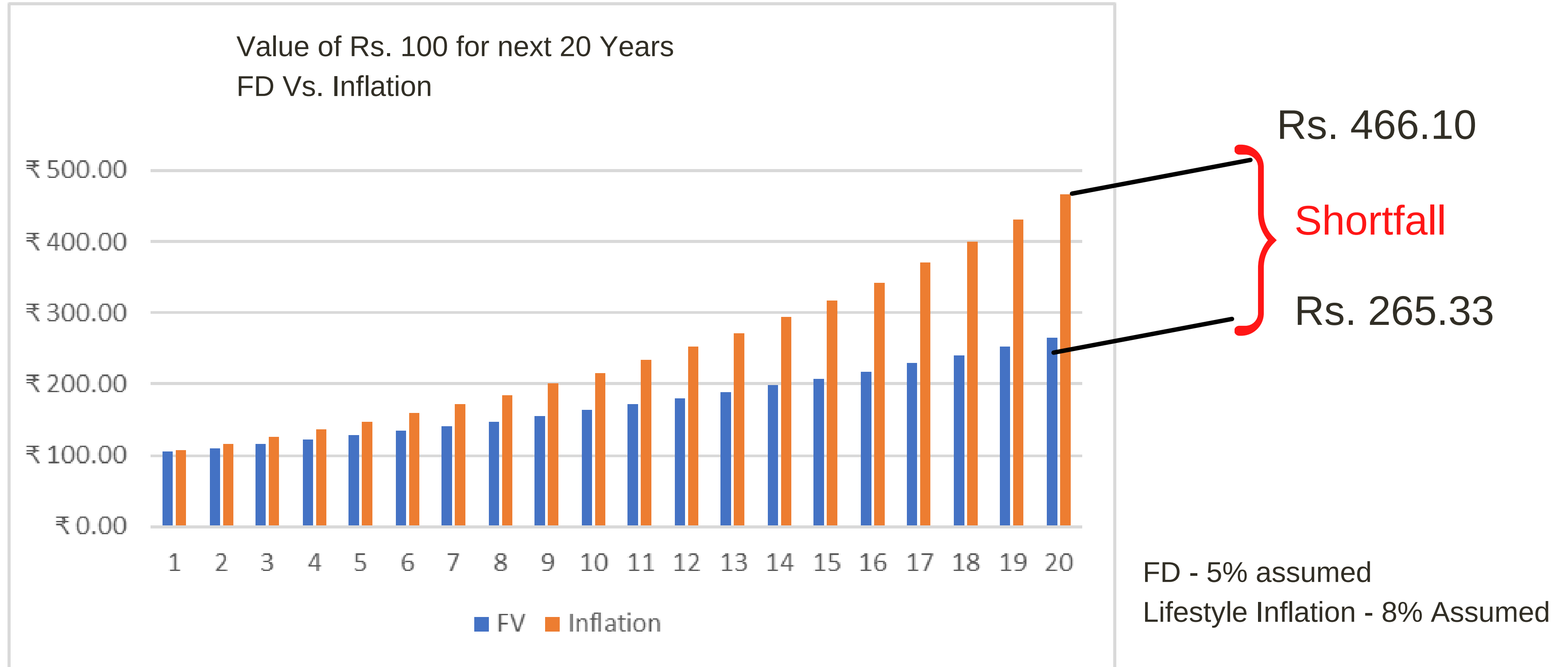
Present FD rate - Approx. 5%

Real rate of Return : **-1.25% to -1.5%**

**Real lifestyle inflation is more than CPI**

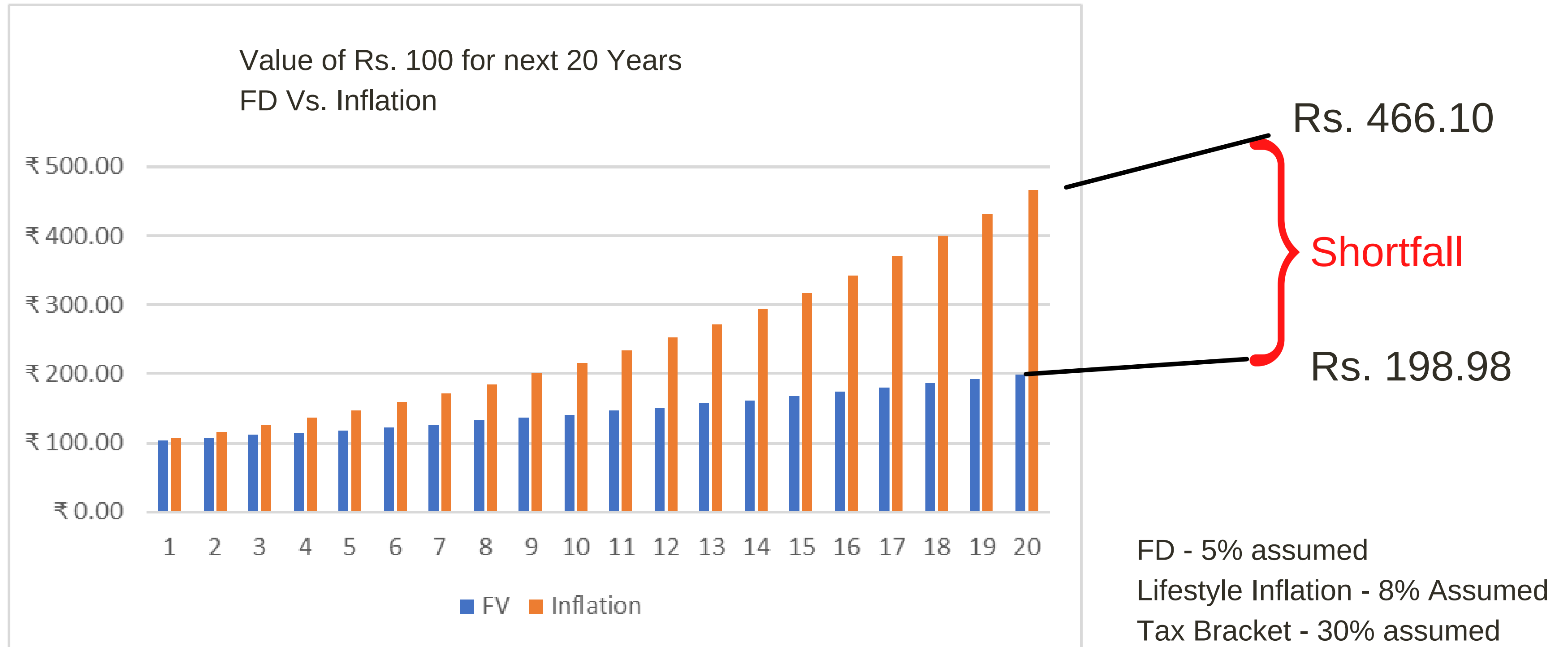


# Is your money safe in FD?





# Is your money safe in FD post tax?







# Interest rates in traditional Schemes

Investment Option	1992	2000	Current
Public Provident Fund	12.00%	11%	7.10%
Post office Recurring Deposit	13.50%	10.50%	5.80%
Post office Time Deposit (3 to 5 years)	13% to 13.5%	10% - 10.5%	5.5% to 6.7%
Post Office MIS	14.00%	11.00%	6.60%
NSC	12.00%	11.00%	6.80%
Bank FDs (3 to 5 years)	13.00%	9.5% to 10%	2.9% to 5.5%

Rates as of Dec. 2021



# ELSS vs PPF

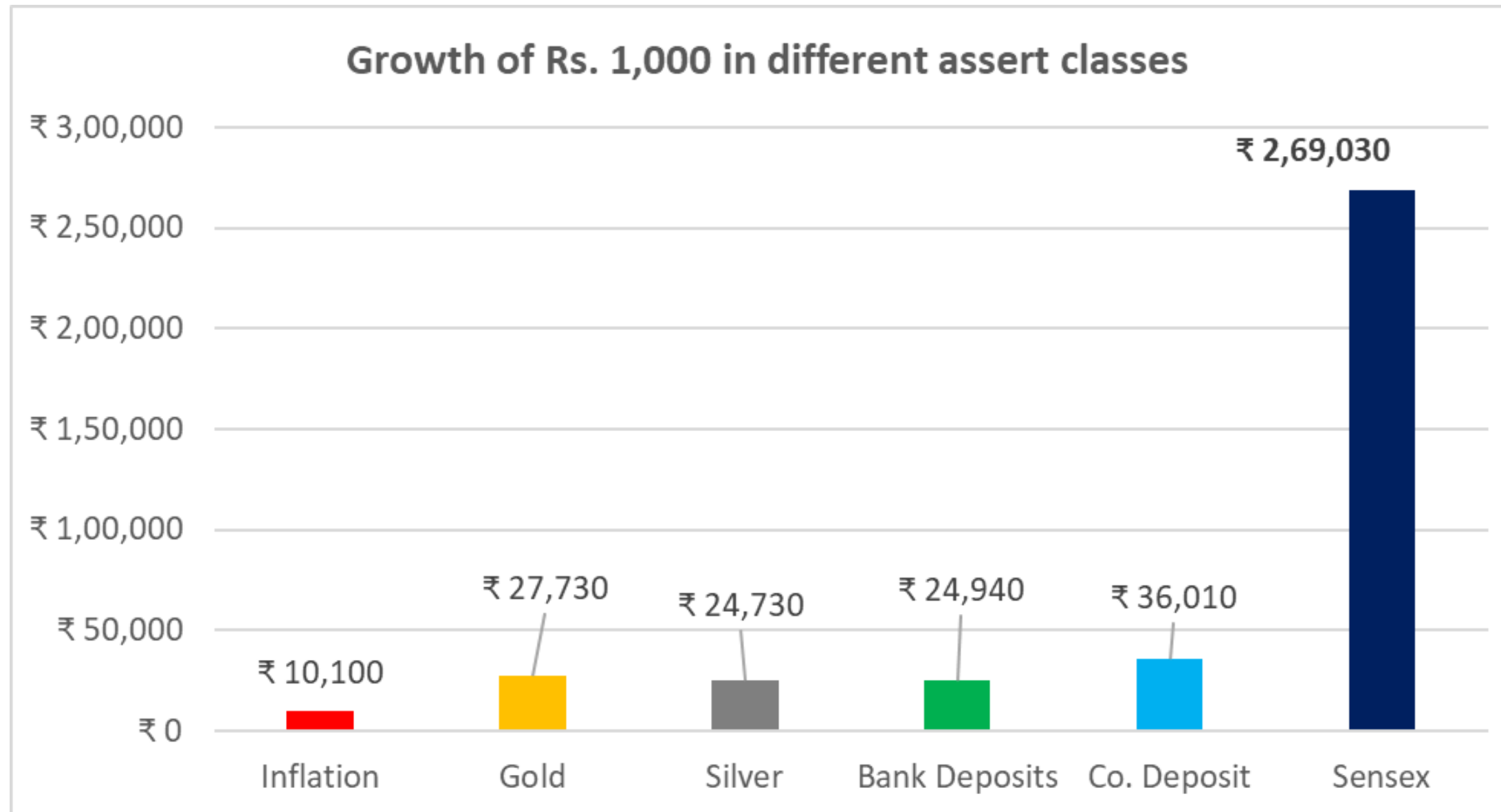
Return of 15 years (Rs 1,50,000 invested every year on 1st April starting from 2008 - valuation as of 1st April. 2022)

PPF	Rs. 41,95,802
Best ELSS	Rs. 96,42,569
Average ELSS	Rs. 68,83,888
Worst ELSS	Rs. 59,87,029

Past performance may or may not sustain. It is only for illustrative and educative purpose.



# Choose Equity



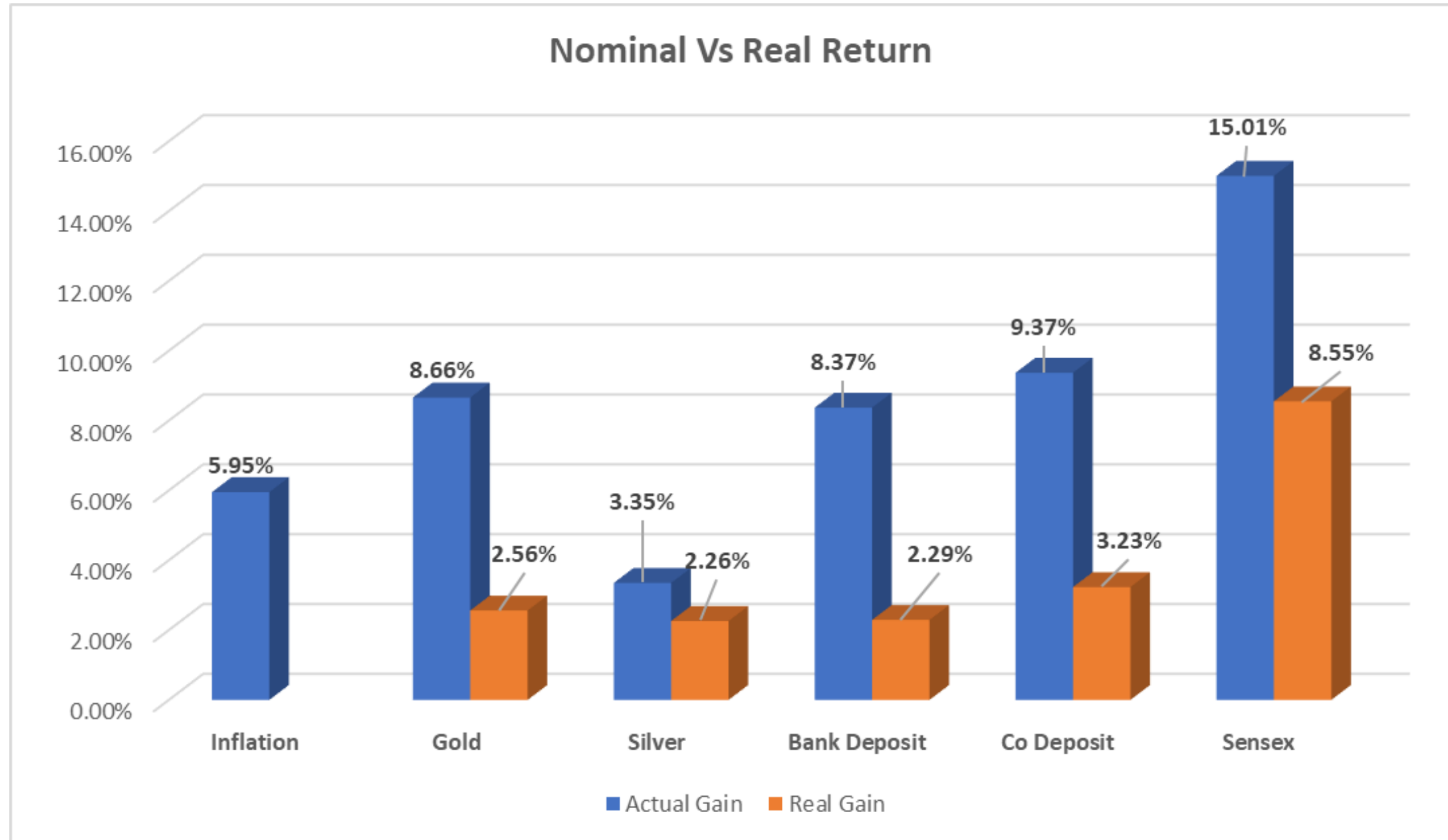
Equity has outperformed every other asset class with a great margin.

\*Growth in different asset class between March 1982 to March 2022.

Source: Gold-Handbook on statistics of Indian Economy, RBI. Silver-Handbook on statistics of Indian Economy, RBI. Sensex - [www.bseindia.com](http://www.bseindia.com), Co-deposits - assumed 1% higher than bank deposits, Bank Deposit - Handbook of Statistics of Indian Economy, RBI. Inflation (WPI) - Handbook of statistics of Indian Economy, RBI.



# Choose Equity



Equity has a power to deliver better return than inflation and protect the worth of your money.

\*Growth in different asset class between March 1982 to March 2022.

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# Personal inflation is more



Lifestyle inflation is a  
silent killer killing the  
value of your savings!



Changing lifestyle is increasing the expenses

From

Roti, Kapda aur Makan

To

Zindagi Na Milegi dobara



## Learn rule of 72

72

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Number of years

in which your expenses  
gets doubled



Your personal  
Inflation number





# What's your inflation number?

14.40%

**Can't ignore the possibility**

- If your total monthly expense amount gets doubled every **5 years**.

12.00%

**More Likely**

- If, your total monthly expense amount gets doubled every **6 years**.

10.23%

**Less Likely**

- If your total monthly expense amount gets doubled every **7 Years**.



# How to keep your money safe?

To save the value of money, You need to  
earn at least the Return (Post tax) equal to  
**Your Personal Inflation**

# Market risk



Probability of getting the negative return in given period of time is called market risk!







# Sensex Return

Year	Sensex	Inv./Value
1979	100	₹ 1,00,000
2022	61337	₹ 6,13,37,810

Sensex has delivered a **16.10%** return in the past 43 years

\*As 16th December 2022 - Source: [www.bseindia.com](http://www.bseindia.com)

# Sensex Rolling return analysis

Longer Time horizon is equal to less riskier

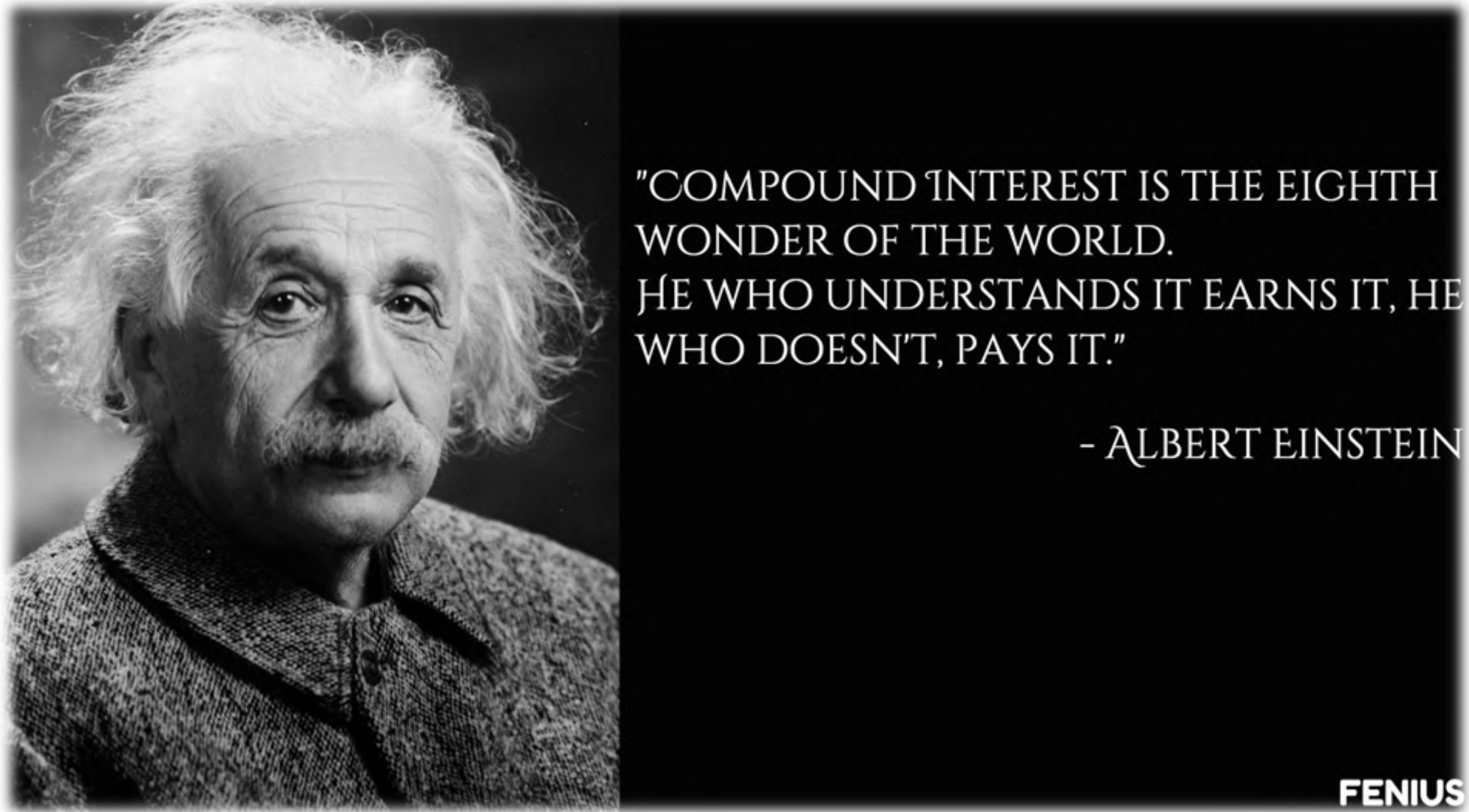
Detail	Rolling return starting from 1st Day of Financial year					
	1 Year	3 Year	5 Year	10 Years	15 Years	20 Years
Total Observations	43	41	38	34	29	24
Positive Observations	29	34	36	33	29	24
Probability of positive return	67.44%	82.93%	94.74%	97.06%	100.00%	100.00%
Probability of negative return	32.56%	17.07%	5.26%	2.94%	0.00%	0.00%

From 31st March 1979 to 31st March 2022

Source: [www.baseindia.com](http://www.baseindia.com) and internal research



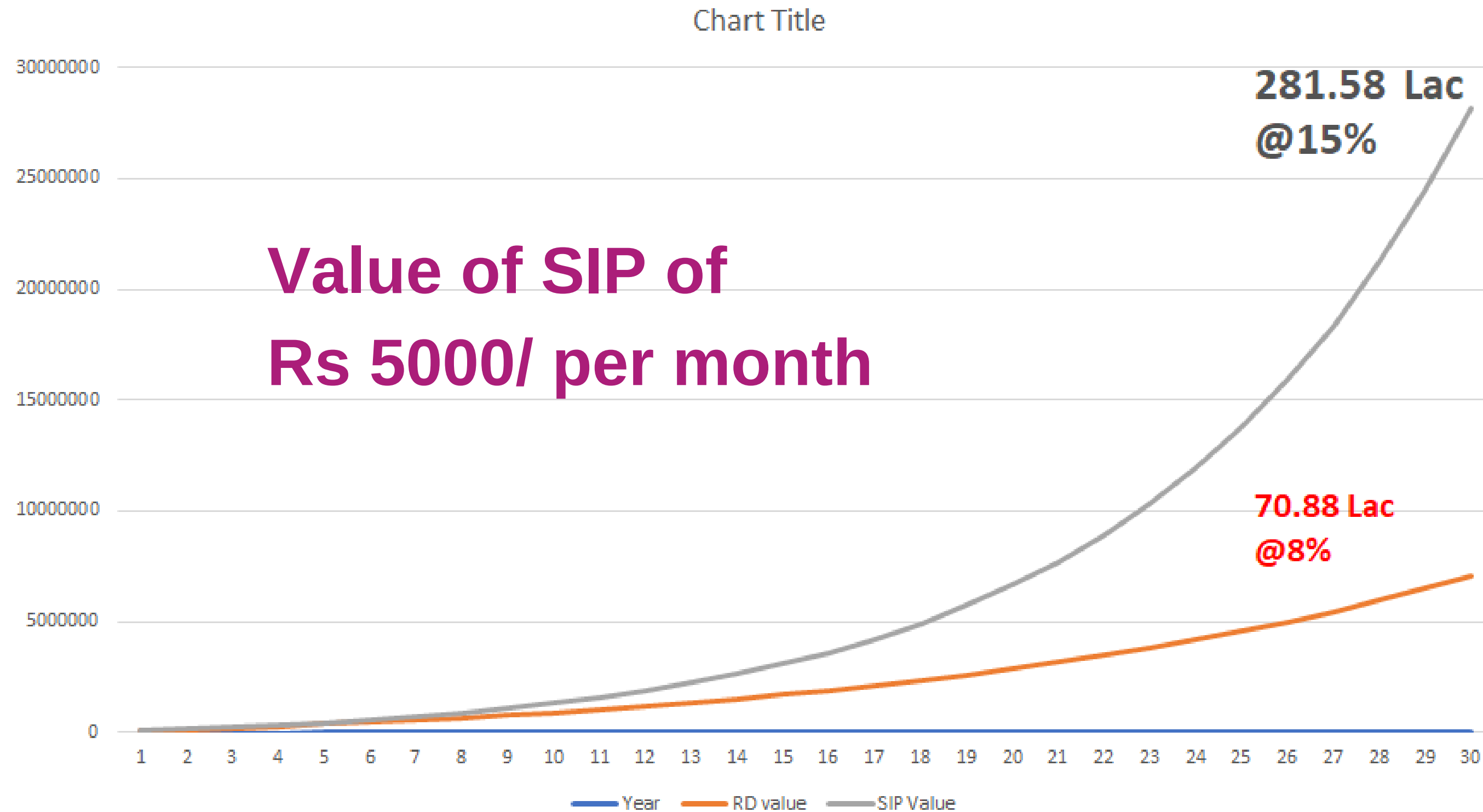
# Power of compounding







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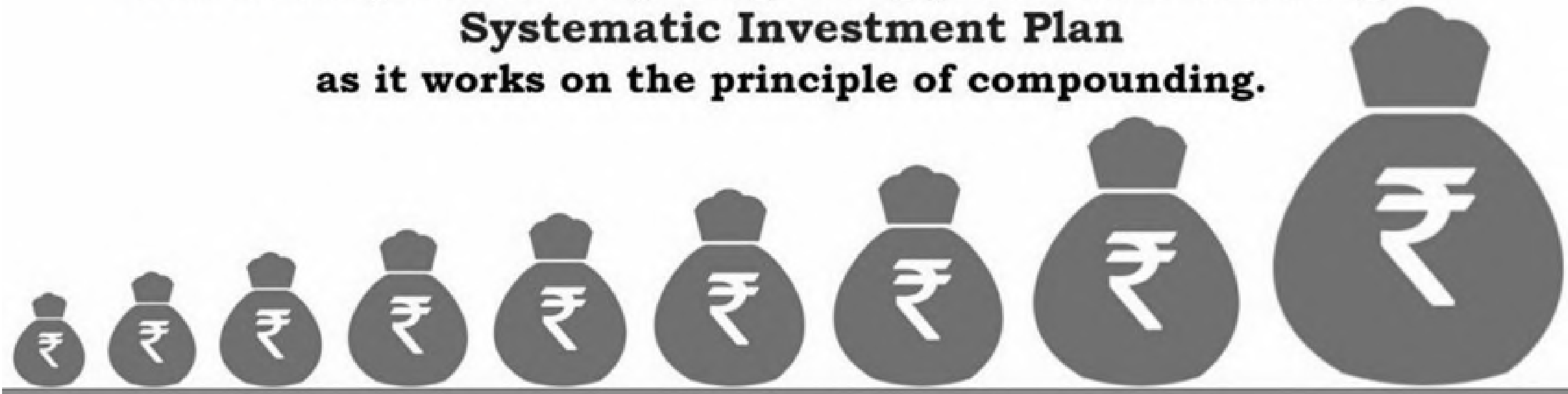




# Power of compounding

Monthly SIP Amount	Wealth	
	10 Years	25 Years
₹ 5,000	13.15 Lacs	1.37 Cr
₹ 10,000	26.3 Lacs	2.75 Cr
₹ 15,000	39.45 Lacs	4.13 Cr

**One of the preferred ways of growing your wealth is through a  
Systematic Investment Plan  
as it works on the principle of compounding.**





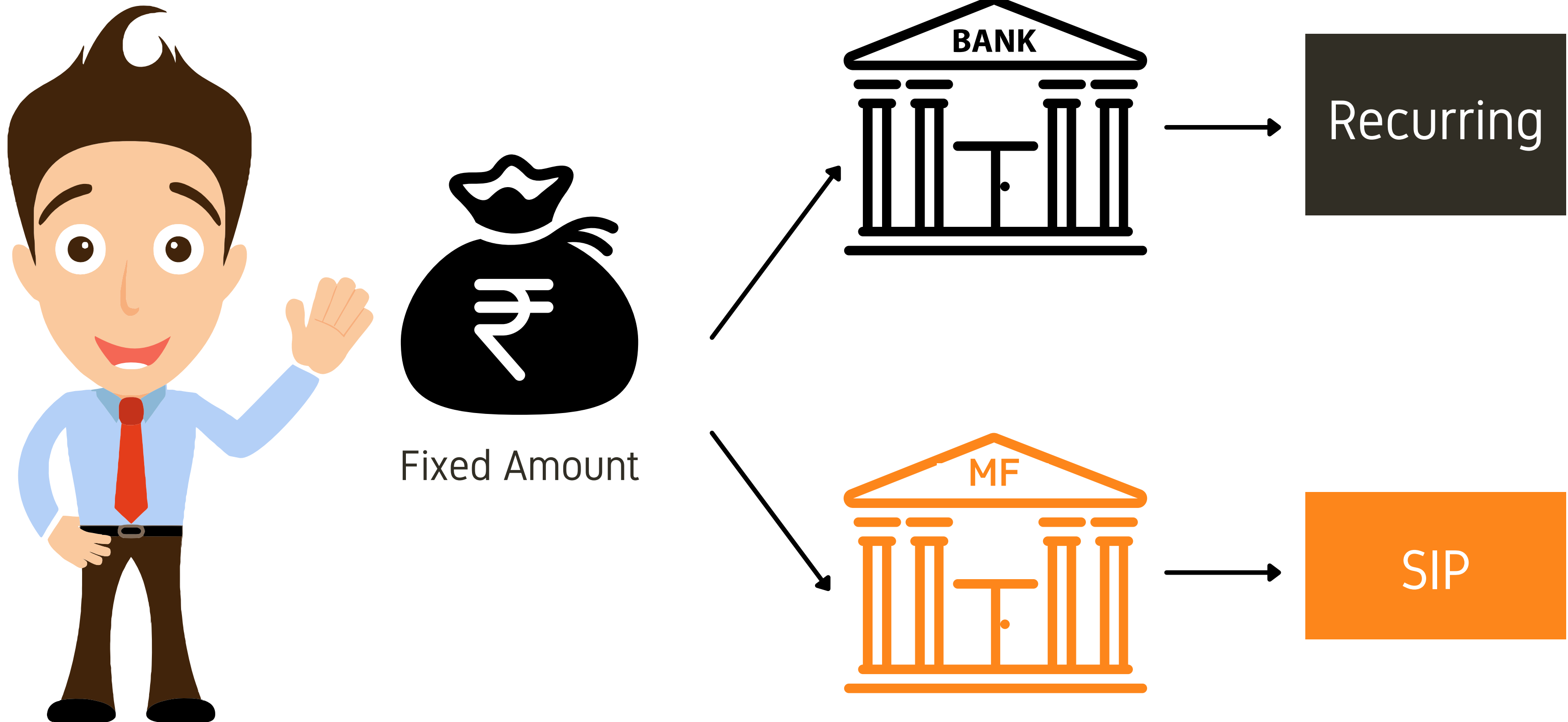
Take SIP route



# Systematic Investment Plan



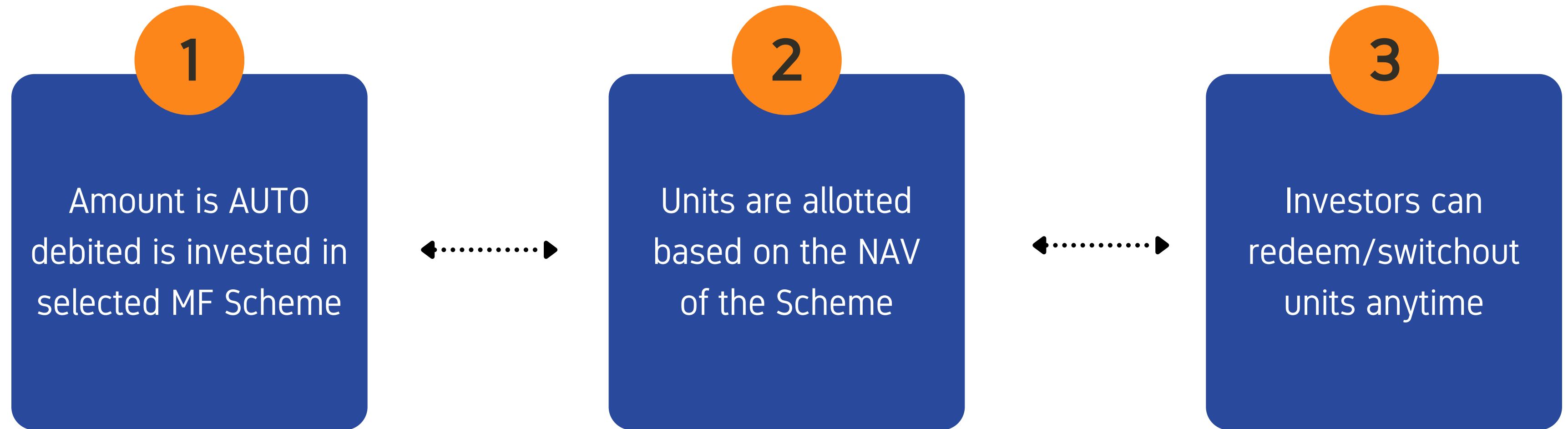
# What Is SIP







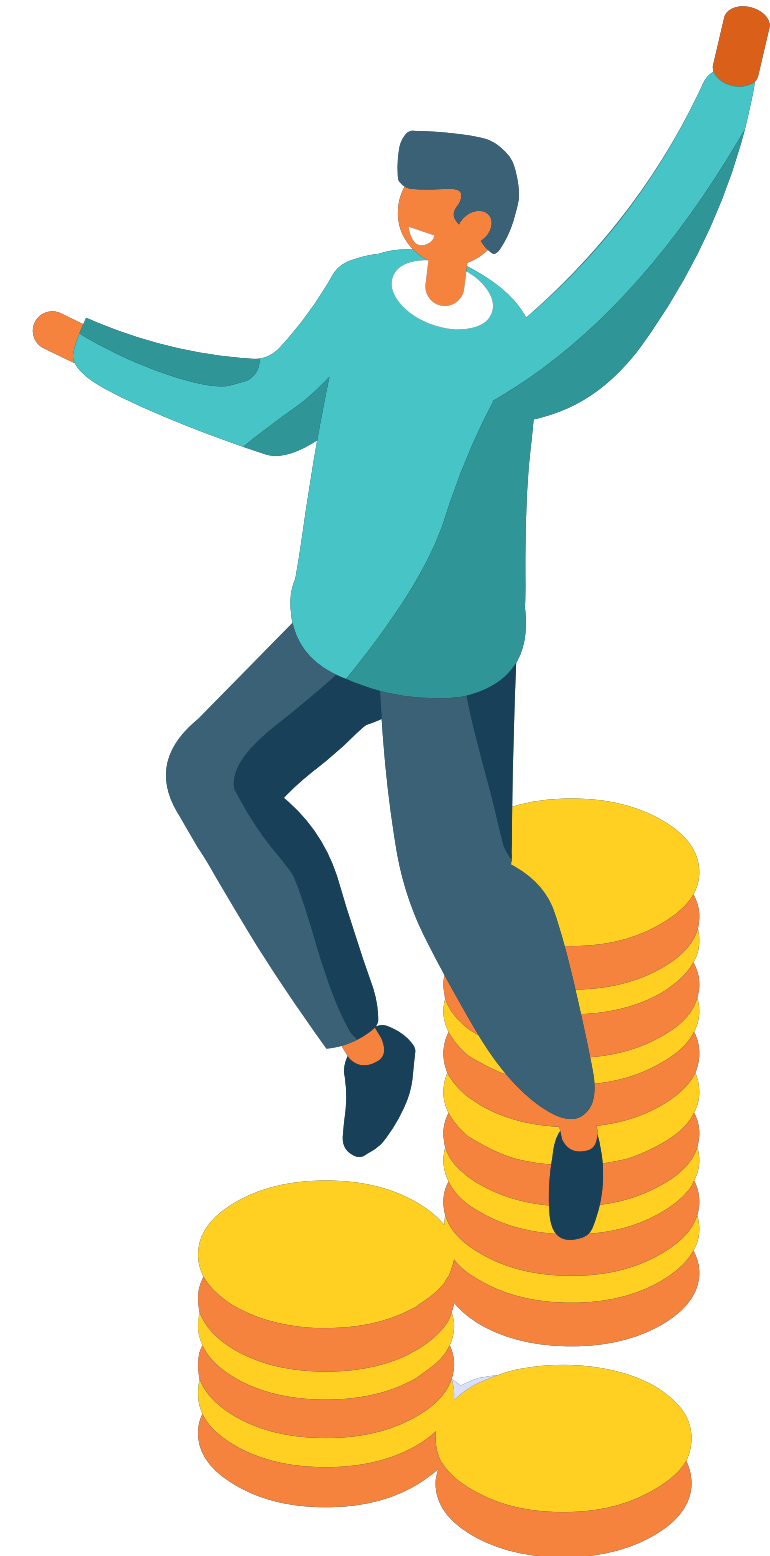
# How does it work?





# Benefits of investing through SIP

- Brings financial Discipline
- Rupee cost averaging
- Market timing risk minimized
- Power of compounding
- Can start with a small amount
- Helps to achieve financial goals





# Rupee cost average

Month	NAV	SIP Investment		Lumpsum Investment	
		Amount	No. Of Units	Amount	No of Unitis
1	20	10000	500.00	90000	4500
2	17	10000	588.24		
3	21	10000	476.19		
4	16	10000	625.00		
5	13	10000	769.23		
6	15	10000	666.67		
7	19	10000	526.32		
8	20	10000	500.00		
9	22	10000	454.55		
Total Amount Invested		90000		90000	
Average Price per unit		18.11		20	
Total No of Units purchased		5106.18		4500	
Value at the end of 9 months		112336		99000	

The above calculation is only for illustrative purposes.



# SIP return Analysis

Particular	10 Years	15 Years	20 Years
Total Number of Schemes	79	60	21
Highest Return (%)	24.08%	20.55%	19.50%
Lowest Return (%)	8.16%	9.09%	13.52%
Average Return (%)	15.53%	15.25%	16.46%
Schemes with 15% plus CAGR	39	23	18
Schemes with 12% plus CAGR	76	58	21
Schemes with 10% plus CAGR	79	58	21

As of 30th October. 2022

Selected shortlisted schemes which have completed 10 years as on 30th October





Mutual fund investments are subject to market risks,  
read all scheme-related documents carefully before  
investments.



**THANK**  
**YOU!**