

**MANAGE  
YOUR MONEY**



**Topic: Planning personal needs and budgeting**

**What is meant by a budget?**

A budget is a plan used to project future income and expenses. All individuals should prepare a budget to track his monthly income and expenses.

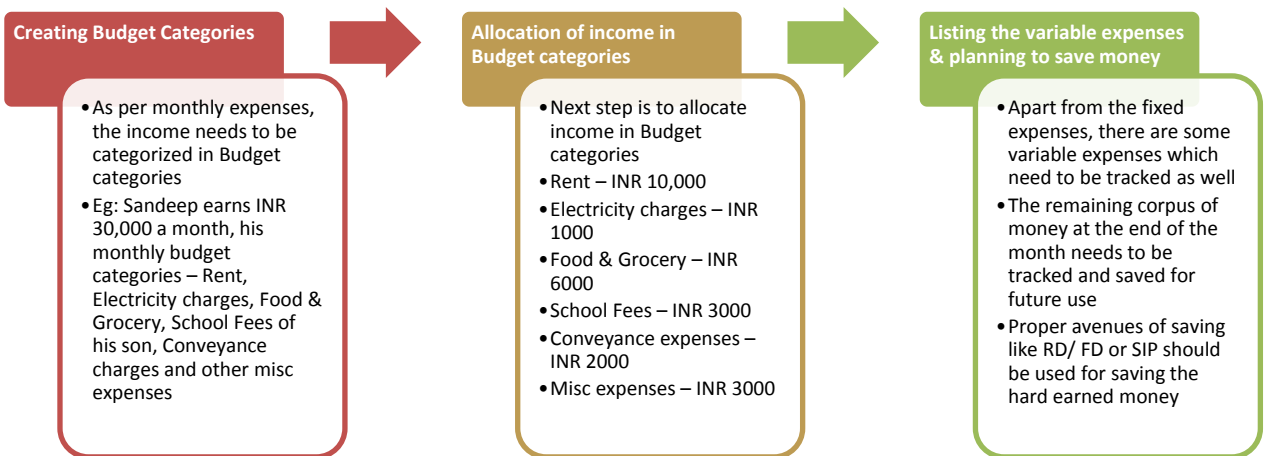
**Who Needs Budgeting?**

Every family that spends on products and services & earns an income needs to budget from time to time.

**Why Budget?**

Budgeting can help one to know exactly what they have and how much of it they can spend without compromising on their savings. By budgeting, one can make sure that he/she has enough for a rainy day. With a budget in place, one can control the way they spend money, thereby making it more purposeful and long lasting.

**Process of preparing a monthly budget**



**Example of preparing a monthly budget**



Particulars	Amount
<b>Monthly Income</b>	<b>INR 30,000</b>
<b>Budget Categories</b>	-
- Rent	INR 10,000
- Electricity Charges	INR 1000
- Food & Grocery	INR 6000
- School Fees of Son	INR 3000
- Conveyance charges	INR 2000
- Other Misc expenses	INR 3000
<b>Net monthly savings</b>	<b>INR 5000</b>