

FINVISOR – YUKTA '25

Purpose

The case simulates a real-life personal finance decision-making scenario where participants must plan and manage investments strategically under constraints, changing economic conditions, and evolving financial goals.

Objectives

- Goal achievement feasibility
- Return optimisation
- Risk diversification
- Liquidity and adaptability under stress

Case Overview

Your gross family monthly income is ₹3,00,000 (₹36,00,000 per annum), and you are a 32-year-old married person working on a professional basis. Your salary is assumed to increase on average by 10% per annum. Please consider the necessary deductions as per the new tax slab based on your income category.

Your family consists of your parents and wife, who need your support financially.

The current estimate of your monthly household expenditure ranges from ₹ 1,20,000 to ₹ 1,80,000, which is around 40–60% of your monthly income and is expected to increase with the prevailing rate of inflation. You are starting afresh financially and have no commitments.

Additionally, you wish to:

- Build a strong retirement corpus
- Generate passive income for family support
- Maintain adequate liquidity for emergencies

Investment & Constraints

Participants must compute their year-wise investible surplus after accounting for taxes, mandatory deductions, and inflation-adjusted household expenses.

You must allocate investments across **multiple asset classes**, including but not limited to:

- Mutual Funds
- Direct Equities
- Bonds
- Fixed Deposits / PPF / NPS / REITs / Gold ETFs (optional but encouraged for diversification)

Restrictions:

- No more than **40%** of your portfolio can be invested in any one asset class.
- Maintain at least **six months of expenses** as liquid reserves.
- **Exclude** investments in **crypto, art, NFTs, and other speculative assets**.

Participants must specify **exact allocations** (with reasoning) for each instrument chosen.

Family Risk Profile

Each participant/team must conduct a **family risk assessment**, outlining:

- Risk tolerance level (Conservative / Balanced / Aggressive)
- Age and dependents' considerations
- Income stability
- Emergency fund preparedness
- Investment horizon and comfort with volatility

This will influence your portfolio structure and rebalancing decisions.

Midway Market Fluctuation

At the end of year five, a major macroeconomic disruption occurs:

- Equity markets correct by 5% due to a global slowdown.
- Repo rate rises to 7%, pushing bond yields up to 8%, making fixed-income investments more attractive.

Participants must demonstrate:

- Portfolio rebalancing strategy in response to the market shock.

- Impact on 10-year goal feasibility and revised financial plan.

Macroeconomic Reference

You are encouraged to incorporate real-world macroeconomic data from reliable sources (e.g. **RBI**, **MOSPI**, **NSO**, **Trading Economics**, etc.)

Submission Method

- **Excel Sheet:** Investment plan, cash flow projections, portfolio rebalancing, and goal achievement simulation
- **PowerPoint Presentation:** Summary of rationale, risk profile, and results. (Max. 5 Slides – Excluding cover and thank you slides)



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