

## **Dhan ki Baat #7 – Simple Living**

### **Why is Simple Living Good ?**

Living simply does not mean you do not enjoy life. It means that you do not become a slave to living life King size.

### **Simple Assets**

An asset like a car requires insurance, servicing and so on. An investment in land or property requires effort to buy, sell, rent and develop.

These days with services such as Uber, Ola, Oyo, Airbnb the need to own and maintain assets is reducing.

### **Emotional Return is Important**

Owning the home, you live in is an emotional decision. It may be better to rent but the uncertainty, the hassle of moving and the emotional security are important for many people. Investing in real estate other than the home you live in is a financial decision.

Bringing up a child requires considerable investment and these days many parents want to be self-reliant in their old age so there is no return on investment. The joy of parenting is the important thing.

The crux of simple living is to balance emotional return with financial prudence.

### **Building Optionality**

With simple living you can create optionality to take risk. For example, you could invest in yourself (learn something) or invest in a business (startup).

### **Financial Literacy Nuggets**

Dhan ki Baat messages give you nuggets that you can study to improve your financial literacy. Lookout for the next message on “Dhan ki Baat”.