

Roadmap to F.I.R.E

Where to Start my F.I.R.E Journey and How do I track progress



Foundations of F.I.R.E Journey

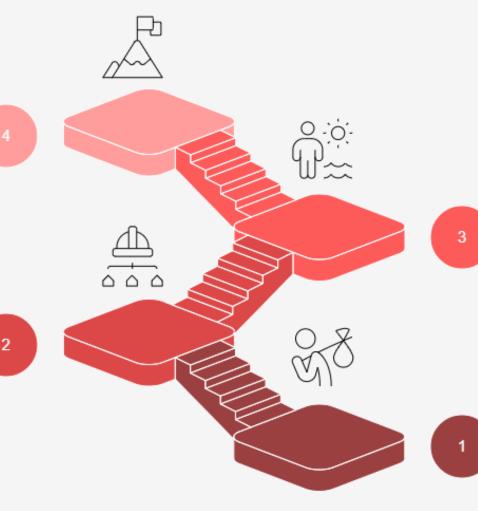
Independence

Achieving Financial Freedom and living on your terms. Goal: Achieve a life of purpose, not pressure.

Stability

Building a debt-free foundation with a safety net.

Goal: Build a stable, debt-free base to grow from



Security

Reaching Coast FI and gaining flexibility in work choices.

Goal: Let your money work harder than you do.

Solvency

Breaking free from financial dependence and controlling cash flow.

Goal: Stop bleeding money. Start controlling cash flow



10 Stages of F.I.R.E Journey

Phase	#	Stage	Criteria
Solvency	01	Financial Dependency	 Expenses consistently exceed income Absence of an emergency fund or savings
	02	Financial Solvency	 Ability to cover all monthly expenses with current income Lack of an established emergency fund
Stability	03	Financial Stability	 Maintenance of an emergency fund covering 3-6 months of expenses Consistent surplus of income over expenses enabling investing / debt repayment
	04	Debt Freedom	 Complete repayment of high-interest debts; manageable low-interest debts like mortgages may remain Enhanced capacity to allocate funds toward savings and investments
Security	05	Costing FI	 Retirement savings equal to at least 15 times annual expenses Current lifestyle still reliant on active income for non-retirement expenses
	06	Financial Security	 Passive income from investments, rental properties, or other sources covers essential expenses Basic needs are met without dependence on active employment
	07	Financial Flexibility	 Passive income equals or surpasses total monthly expenses Ability to sustain current lifestyle without active income
Independence	08	Financial Independence	 Investments or passive income generate at least 30 times annual expenses Lifestyle is fully supported by passive income sources
	09	Financial Freedom	 Investments or passive income provide at least 50 times annual expenses Financial capacity to engage in desired activities and charitable contributions
	10	Financial Abundance	 Investments or passive income provide at least 100 times annual expenses Financial decisions are driven by desired impact rather than necessity





Financial Dependence

Rely on external financial support from family, friends, or loans to meet basic living expenses.



Financial Solvency

Income matches or slightly surpasses expenses, eliminating the need for external financial assistance.



Financial Stability

Establishment of a financial safety net provides protection against unexpected financial challenges.





Financial Flexibility

Passive income meets or exceeds current lifestyle expenses, offering the flexibility to make employment optional





Financial Independence

Passive income sustains living expenses indefinitely, granting complete freedom from the necessity of active work



Financial Security

Passive income streams are adequate to cover basic living necessities, providing a cushion against income disruptions



Financial Freedom

Financial Abundance

Wealth exceeds personal

feasible

needs to such an extent that large-scale contributions and a legacy of generosity become

Abundant resources are available to pursue personal interests, travel, and philanthropic endeavors without compromising financial security



Debt Freedom

Liberation from all high-interest debts, leading to improved financial health and increased disposable income



Coasting FI

Sufficient retirement savings have been accumulated, allowing compound interest to grow the nest egg without additional contributions



Roadmap to Financial Independence



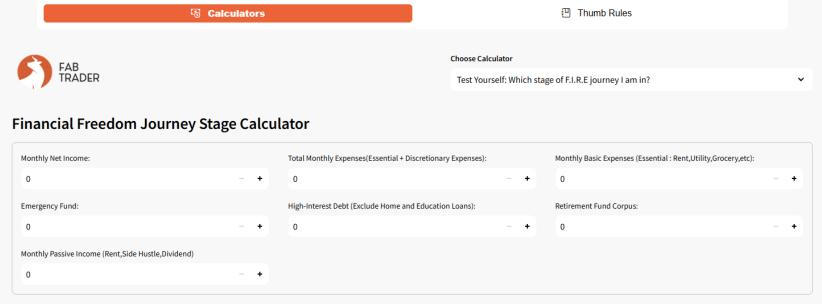
How to Track your F.I.R.E Progress

I've created a **free online tool** that tells you exactly:

- Which stage you're currently in
- · How many stages you've crossed
- · What's left to go
- Specific criteria for each stage
- Personalized insights on what to focus on next

You can access this tool for free. Follow link below!

www.tools.fabtrader.in



Note:

- For Home Loan / Education Loan EMIs, you need not add this to the Total Monthly expenses. You could deduct from the net income. This way, that amount is accumulated in a separate savings account and these debts are serviced separately and you have provisioned it from your income already
- · However, ensure that your home / education loan outgo every month does not exceed 30% of your net income
- Do not include returns from your retirement corpus investments into passive income. That is already factored in to the calculation. A nominal return of 8% assumed on the corpus
- This calculator is simplistic representation of the FIRE calculation. For more detailed analysis, try the other FIRE calculators

Calculate My Stage





Financial independence is not about being rich.

It's about having the freedom to make choices that align with your values

