

CHILD EDUCATION PLAN

Start planning for your kid's future



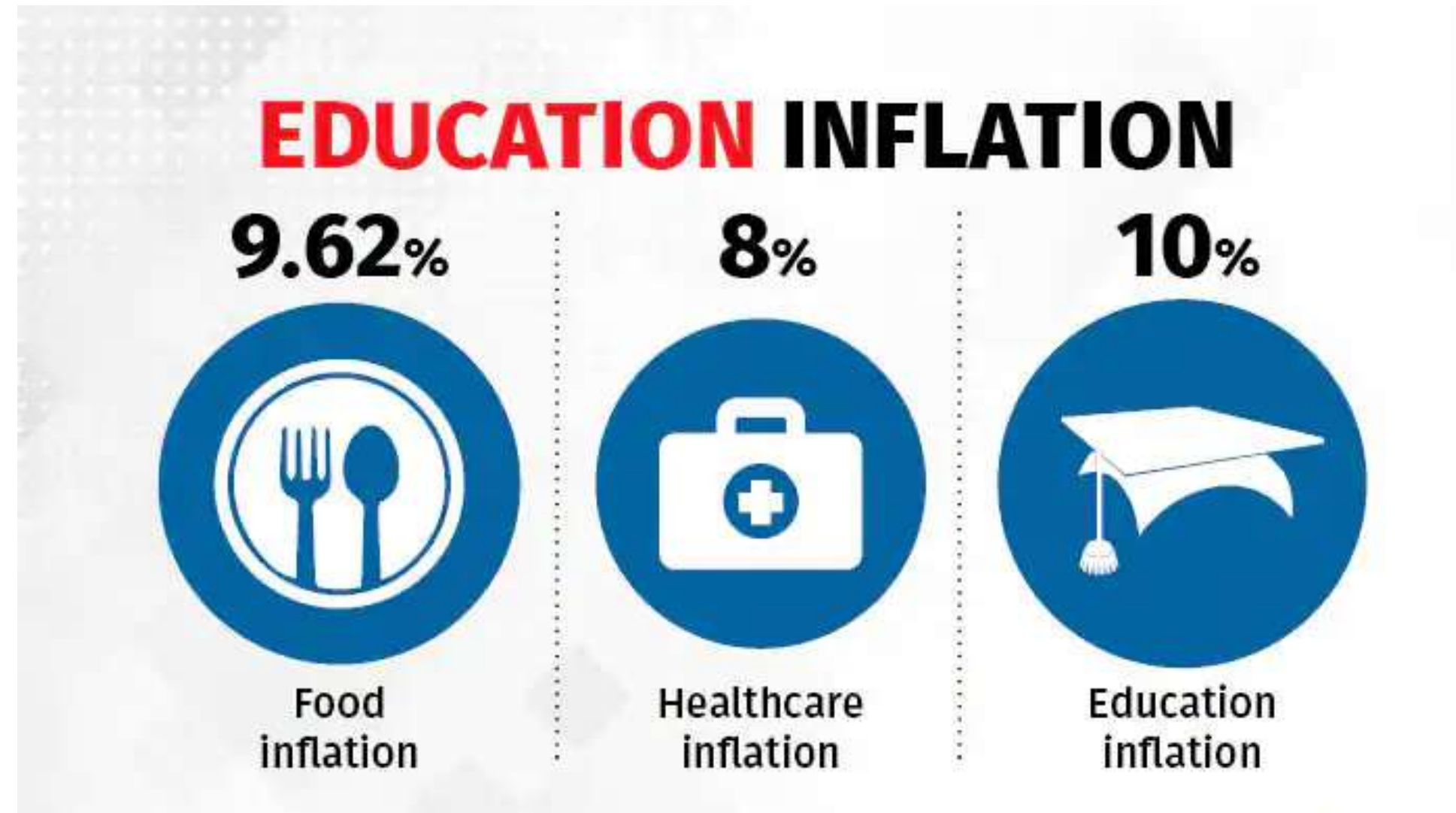


“Education is not preparation for life; education is life itself.”

John Dewey

Biggest worry for Parents

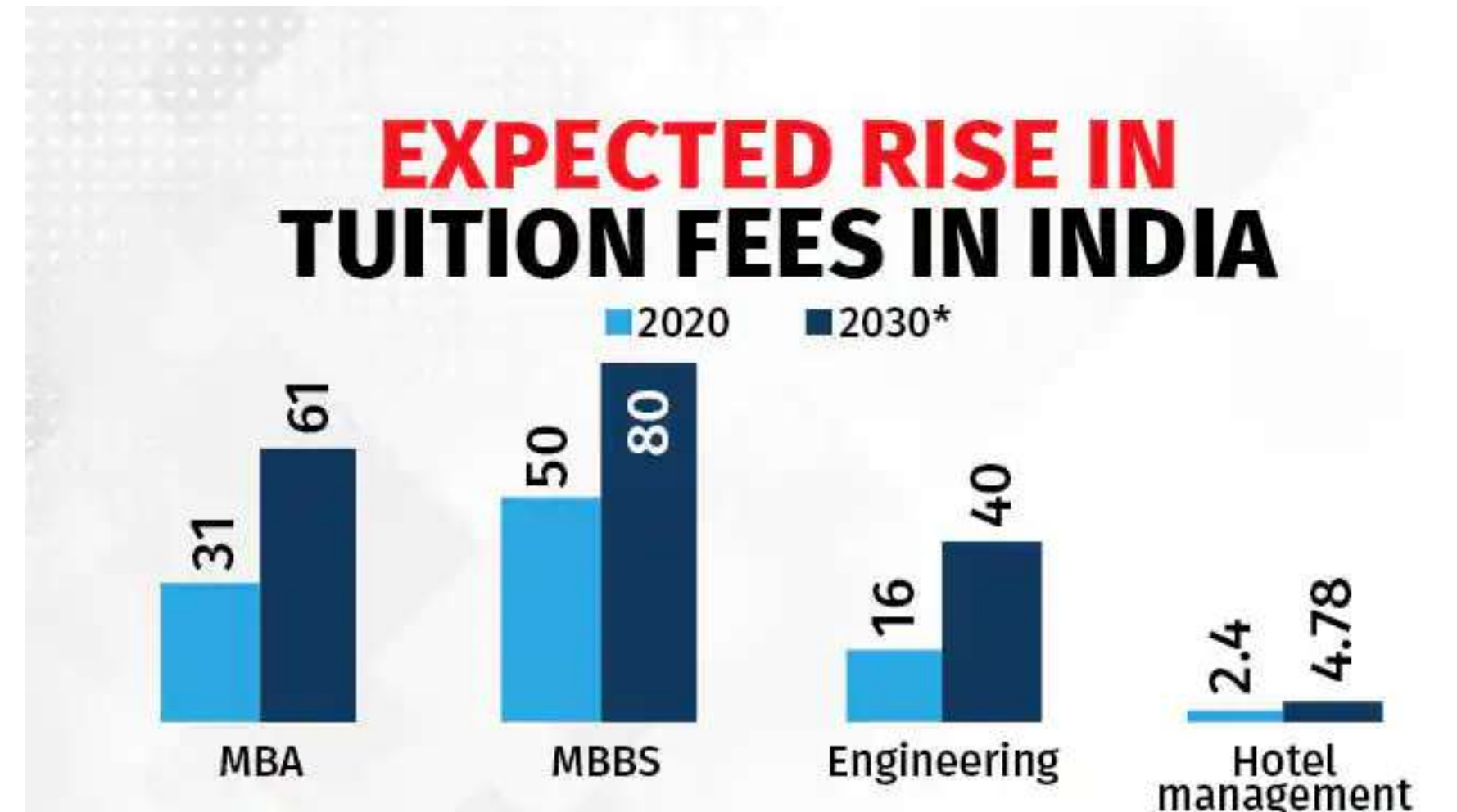
Between 2012 and 2020, while food inflation rose by 9.62 percent, education inflation climbed by 10 percent.



Source: MOSPI, EduFund Research

Expected rise in Tuition fees in India

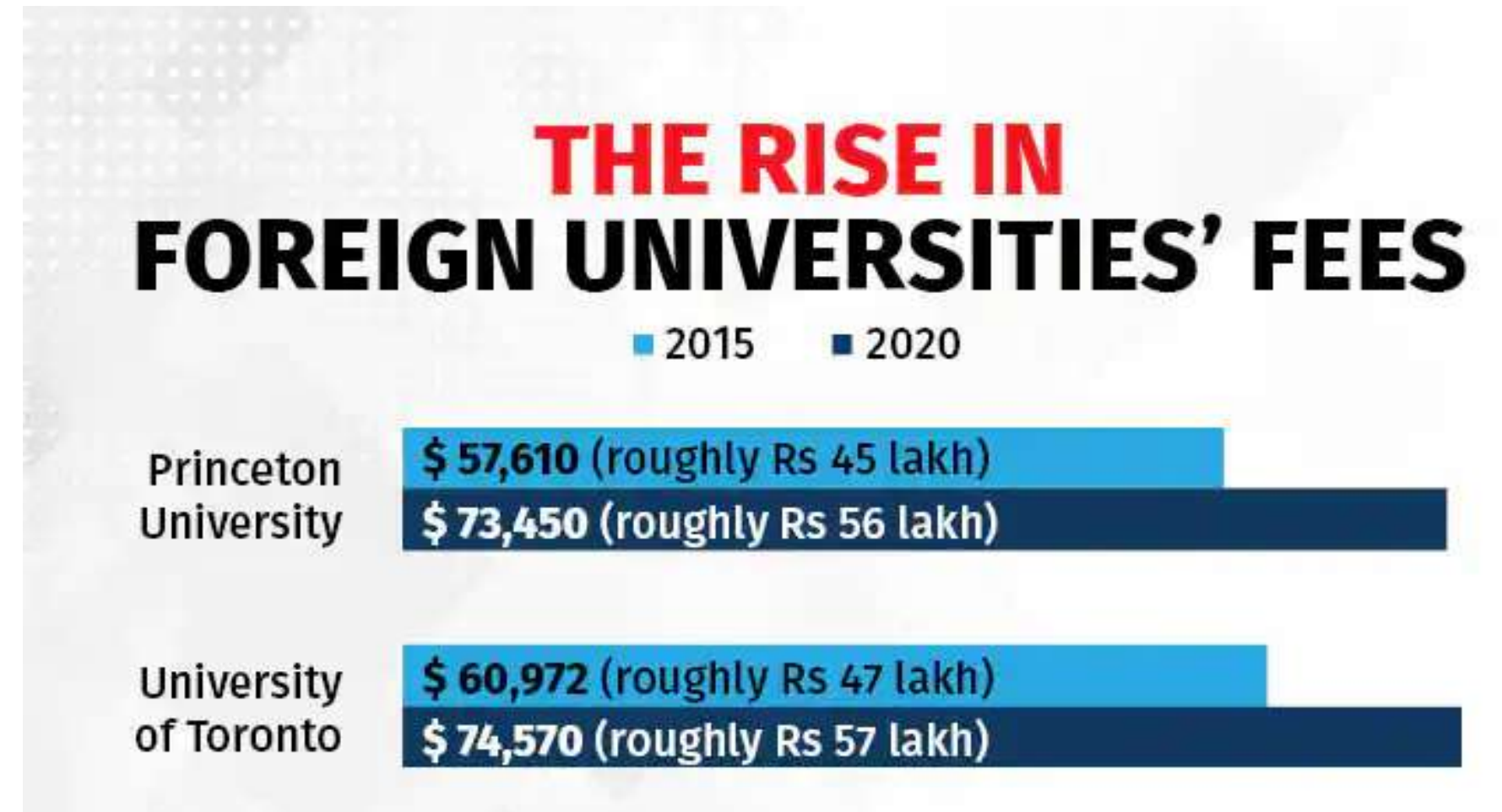
Tuition fees of colleges in India have seen an enormous rise over the years.



*Future projection based on analysis of past inflationary data, subject to change: and figures are in lacs

The rise in overseas education

If you envision overseas education for your child, you should be prepared to shell out a huge amount for your child's entry into a top university.



Average cost of a 4-year graduate course
Source: Various universities websites



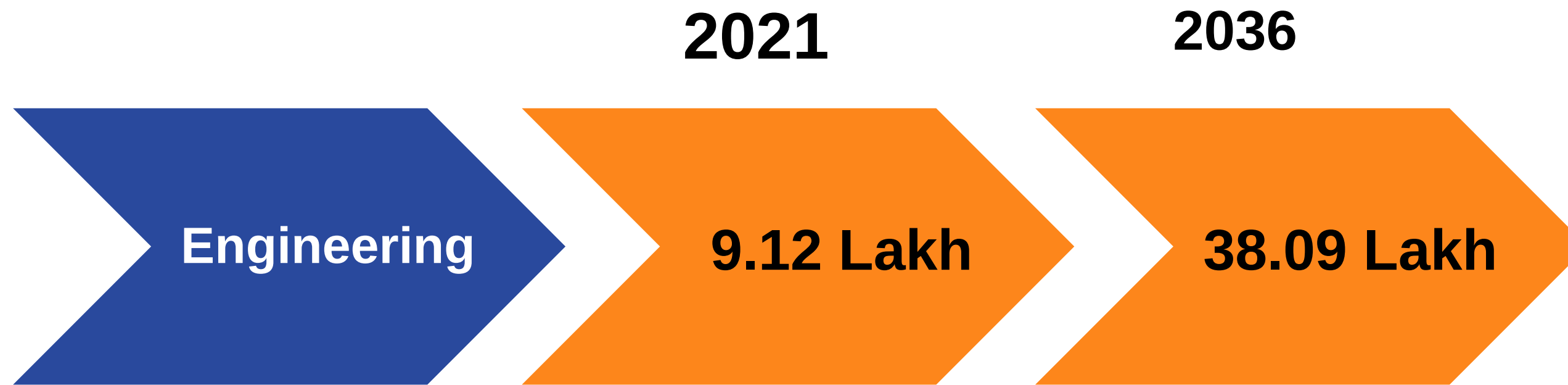
How to plan for your Child's Education?

How much is enough? - Calculate

- With rising education costs across all professional degrees, saving for education becomes even more imperative.
- Childcare costs include housing, transportation, clothing, food, health care, etc.

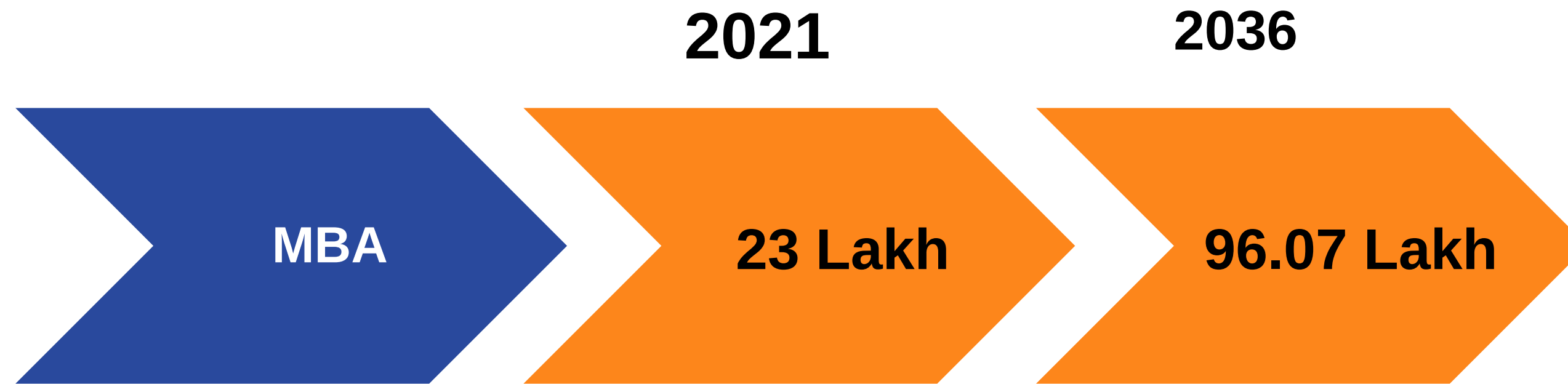


Decide how much will you require?



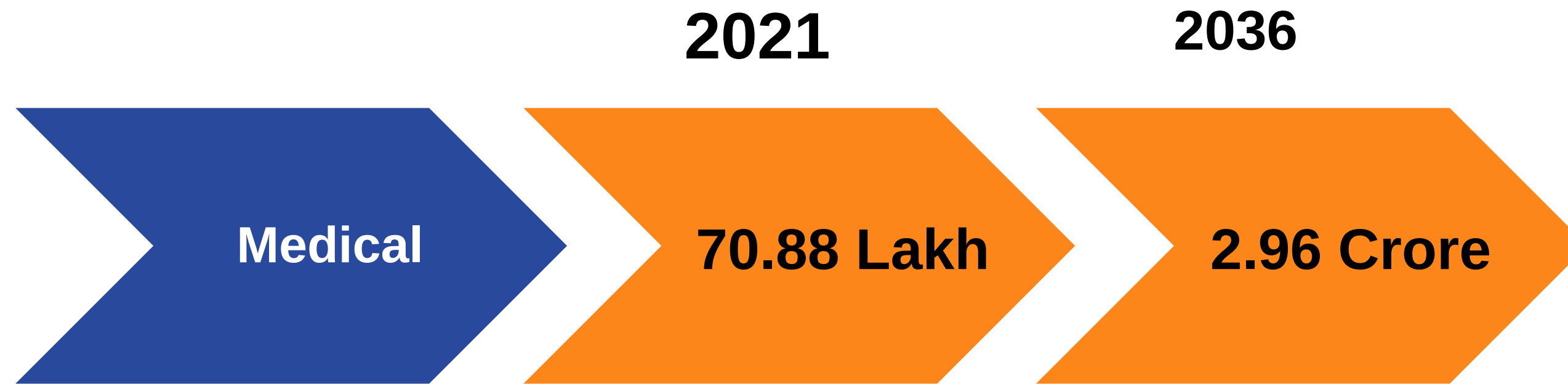
Source: Indian Institute of Management – Ahmedabad, IIT – Bombay, Manipal University – Mangalore. Costs depicted based on the education costs for the Post Graduate Programme in Management at Indian Institute of Management – Ahmedabad, B. Tech 4 year program at IIT – Bombay (Fees extrapolated for 4-year course) & MBBS program at Manipal University - Mangalore. 2036 figures based on inflation assumed at 10% p.a.

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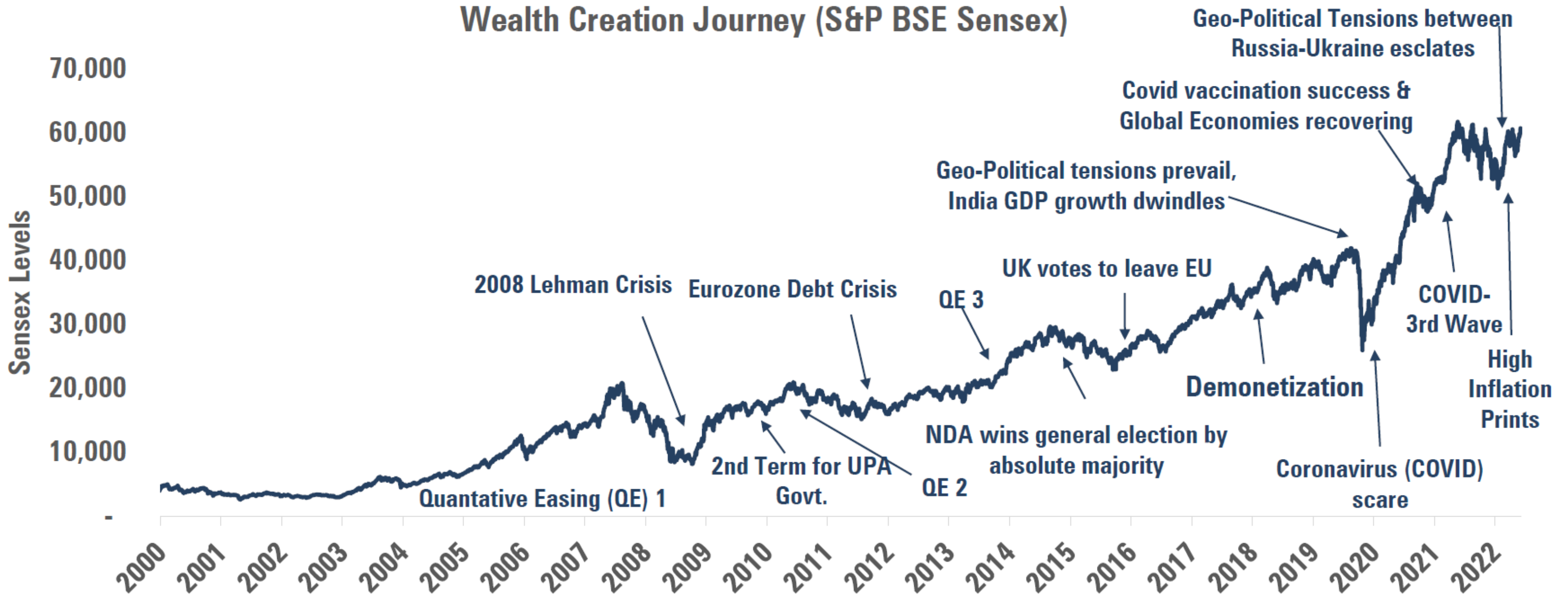


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Equity delivered great returns despite all problems

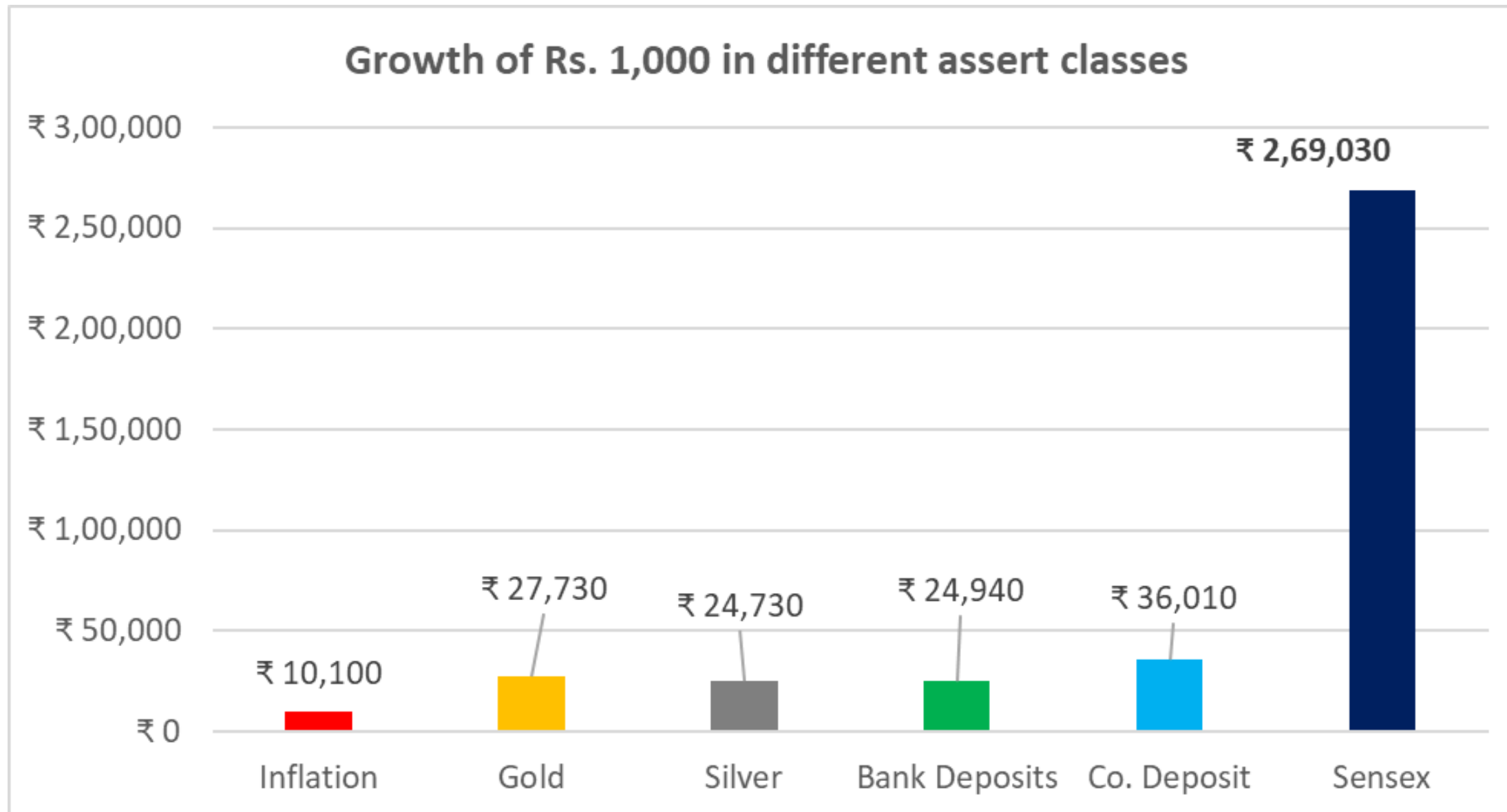


Wealth Creation Journey (S&P BSE Sensex)



Data Source : BSE. Data upto October 31,2022 has been considered. Past performance may or may not sustain in future. UPA: United Progress Alliance. GDP: Gross Domestic Product, EU: European Union. Sensex levels signify S&P BSE Sensex levels. NDA: National Democratic Alliance. Covid: Coronavirus Disease., QE: Quantitative Easing

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, 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.

Sensex Return



Year	Sensex	Investment
1979	100	₹ 1,00,000
2022	58569	₹ 5,85,69,000

Sensex has delivered a **15.96% return in the past 43 years**

*As on 31st March 2022 - Source: www.bseindia.com



Start

SIP

in

Equity Mutual Fund

Benefits of SIP

- Regular Investment irrespective of the market condition ensures discipline in saving & investing.
- Rupee cost averaging helps to neutralize market ups & downs.
- Gives you the **Power of Compounding**
- Helps you to prepare for higher education expenses for kids.



Each drop of water is essential to make a mighty ocean, Every rupee saved is essential to make your kid future ready.

Investing vs. Borrowing

Let's assume you will need ₹50 lacs for your kids higher education whose current age is 3 years and amount will be required when he turns 18 years.

Option 1 - Borrowing

EMI

Rs. 55,425 / month*

Option 2 - Investing

SIP

Rs. 10,505 / month#

*SBI education loan interest rate 10.55% for 15 years tenure source: <https://sbi.co.in/web/interest-rates/interest-rates/loan-schemes-interest-rates/education-loan-scheme> as of 20th November 2022 # For SIP assumed rate of return 12% is assumed for the illustrative purpose.

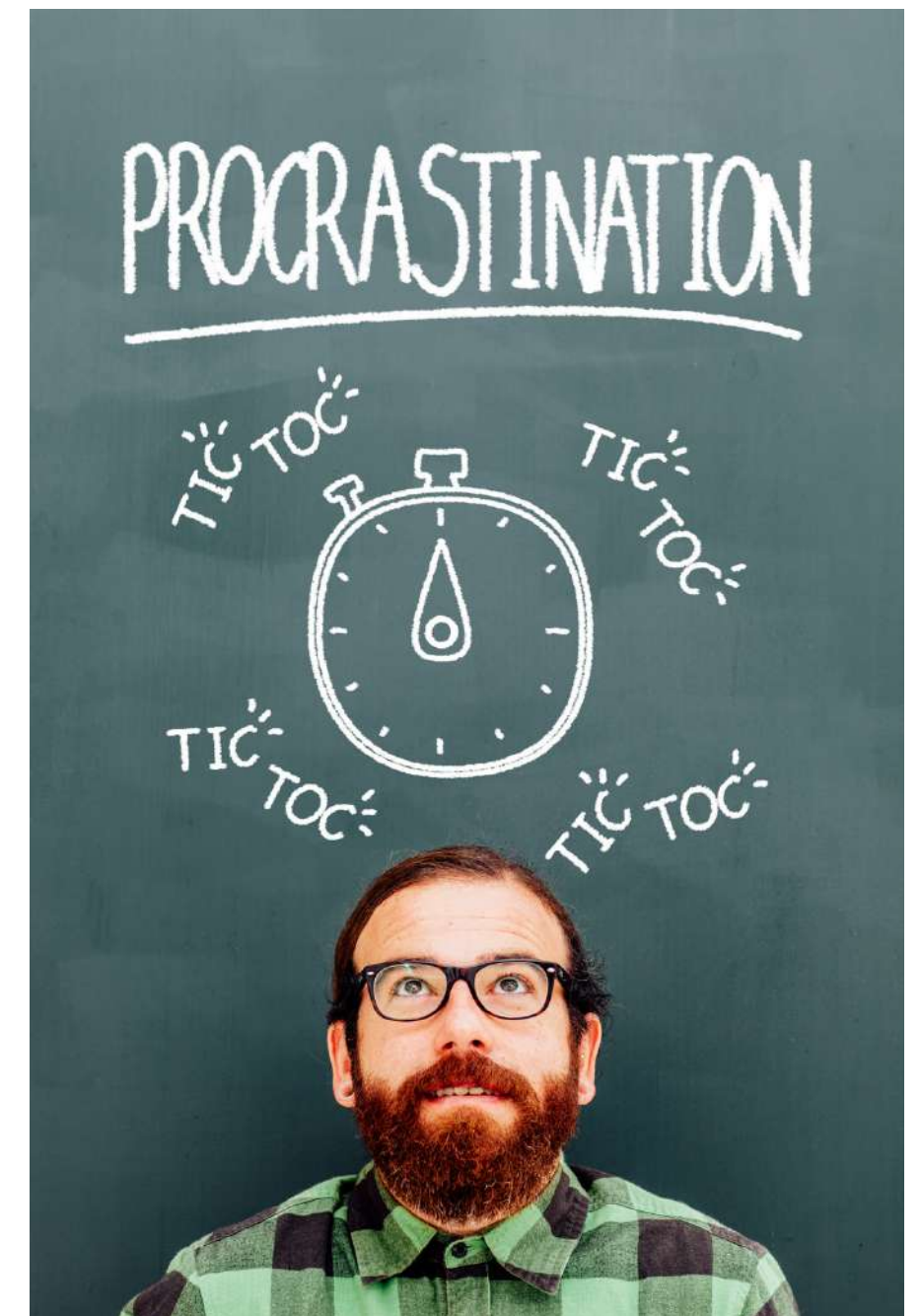
Cost of delay

Kids age:3 years | Higher Education age:18 Years | Target:50 Lacs

SIP Required

- **If you start today - Rs. 10,505**
- **If you start after 5 years - Rs. 22,317**
- **If you start after 10 years - Rs. 61,649**

For SIP, rate of return of 12% is assumed for illustrative purpose.



SIP track record



Value of Rs. 10,000 SIP as on 18th November 2022 for 15 years tenure			
Category	CAGR	Investment	Current Value
Mid Cap	16.41%	₹ 18,00,000	₹ 69,30,028
Small Cap	15.99%	₹ 18,00,000	₹ 68,11,372
Multicap	15.21%	₹ 18,00,000	₹ 63,35,280
Large & Mid cap	14.10%	₹ 18,00,000	₹ 57,37,420
ELSS	13.31%	₹ 18,00,000	₹ 53,62,204
Large Cap	11.92%	₹ 18,00,000	₹ 47,28,289
Index Fund	11.74%	₹ 18,00,000	₹ 46,35,750

Source: www.advisorkhoj.com





**YOUR TODAY'S DECISION WILL
DESIGN THEIR DESTINY**





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

THANK YOU