SIP
Systematic Investment Plan – Your building blocks to wealth creation
We all have dreams… dreams that become our Financial Goals.

And for these goals to be achieved, one needs a fair amount of money!
The cost of things keep changing; what costs a certain amount today will most definitely cost more tomorrow!

<table>
<thead>
<tr>
<th>Conventional Courses</th>
<th>Cost Today (approx.)</th>
<th>Cost after 10 years (approx.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineer</td>
<td>12 lacs</td>
<td>37 lacs</td>
</tr>
<tr>
<td>Medicine</td>
<td>70 lacs</td>
<td>2.17 crores</td>
</tr>
<tr>
<td>MBA (domestic)</td>
<td>10 lacs</td>
<td>31 lacs</td>
</tr>
<tr>
<td>Architect</td>
<td>10 lacs</td>
<td>31 lacs</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Unconventional Courses</th>
<th>Cost Today (approx.)</th>
<th>Cost after 10 years (approx.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>RJ (Radio Jockey)</td>
<td>10 lacs</td>
<td>31 lacs</td>
</tr>
<tr>
<td>Game designer</td>
<td>14 lacs</td>
<td>43 lacs</td>
</tr>
<tr>
<td>Fashion Designer</td>
<td>12 lacs</td>
<td>37 lacs</td>
</tr>
<tr>
<td>Aerospace Engineering</td>
<td>10 lacs</td>
<td>31 lacs</td>
</tr>
</tbody>
</table>

Education is one of the most important goals for any parent. There are a variety of educational courses available, and good-quality education comes at a price.

Inflation @ 12%
Source: collegedekho.com, bschool.careers360.com, shiksh.com. For medicines – private colleges considered, Generally considered average of 4 – 5 colleges for respective courses
An individual with 25 years to retirement with a current monthly expense of Rs.25K will need a retirement corpus of approx. 3.6 crores to take care of 25 years post retirement.

Depending on one’s existing lifestyle, the retirement corpus required would vary.

Pre-Retirement Inflation @ 7 %. Post retirement returns @ 8 %, Post Retirement inflation @ 7 % Calculation of Retirement corpus is done using the estimation of expense method.
The Moot Question

How does one accumulate enough money to achieve these goals?
The Good News …

Big things often have SMALL beginnings.

A small SHURUAAT today can lead you to your goals.

#ShuruaatSIPse
The Shuruaat

towards your dreams

towards fulfilling your responsibilities

towards living a life of independence

#ShuruaatSIPse
Karo #ShuruaatSIPse
What is SIP?

- SIP is Systematic Investment Plan
- Investor invests a fixed amount every month in mutual funds
- Ideal for New Investors
- Helps investors achieve their financial goals over a period of time
SIP Advantages

- **Light on the Pocket**
  - Investors can start SIP with a minimum of Rs. 500 per month

- **Rupee Cost Averaging**
  - Get more mutual fund units when markets fall, & buy less when markets rise

- **Financial Discipline**
  - SIP helps investors imbibe discipline in investments as each month the money would get invested automatically

- **Power of Compounding**
  - SIP done over long periods of time helps investors realize the power of compounding
When should one start a SIP?

Mr. Early Starter
Starts @ Age 30 | Stops @ Age 60
Invests Rs.5K per month

Total Investments over 30 years is
**Rs.18 lacs**

His corpus grows to
**Rs.1.74 cr**
at the end of 30 years

Mr. Late Mover
Starts @ Age 40 | Stops @ Age 60
Invests Rs.5K per month

Total Investments over 20 years is
**Rs.12 lacs**

His corpus grows to just
**Rs.49 lacs**
at the end of 20 years

The earlier you start, the better it is ....

Assuming a return of 12% per annum, returns are compounded annually. Returns are CAGR returns. This is only for illustration purpose.
## SIP Calculator

**Monthly SIP required to become a Crorepati**

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<tr>
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<tbody>
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<td>30</td>
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<td>4809</td>
<td>3246</td>
<td>2174</td>
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</tbody>
</table>

To accumulate a corpus of 1 Crore in 30 years, one needs to invest only Rs. 2174 per month, assuming an annual return of 14% per annum.

As the years go by, power of compounding helps Small Investments GROW BIG.

Returns are compounded annually. Returns are CAGR returns. This is only for illustration purpose. Past performance may or may not be sustained in future.
Thank You