



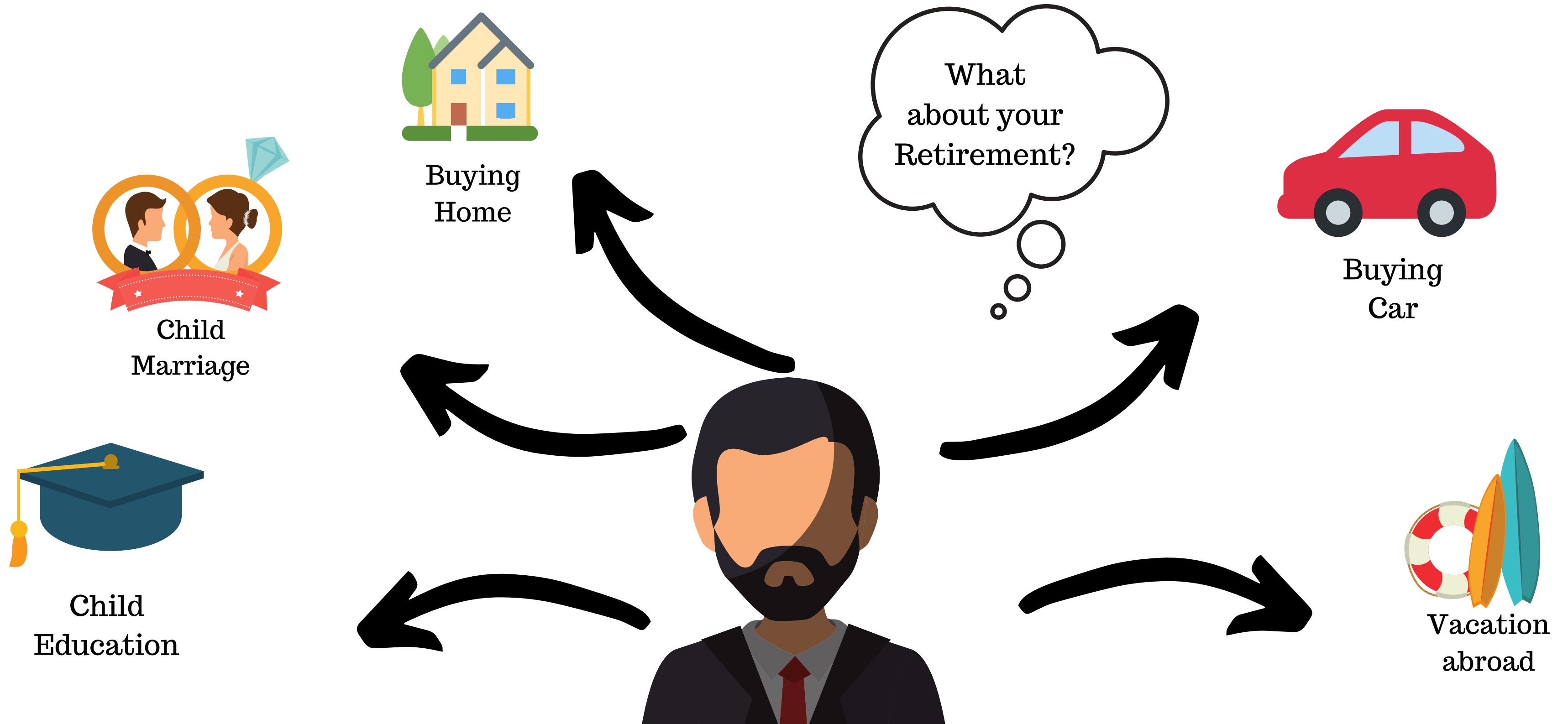
# Retirement Solution

**Plan for your second inning**

- Why retirement planning?
- Social security in India
- Planning for your retirement
- Creating your own pension system through Mutual Funds



# We plan for all our dreams



# Earning Age increased

1980s



18 Years

Due to focus on higher studies

Current



25 Years



# Retirement Age reduced

1980s



58 Years

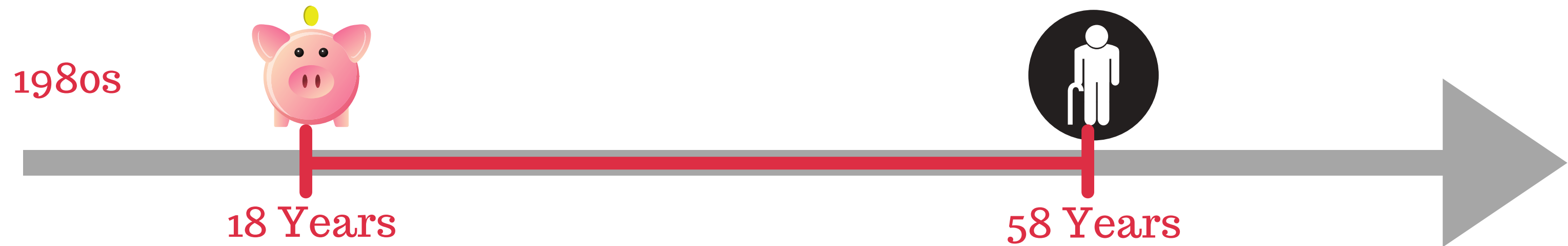
Change in lifestyle

Current

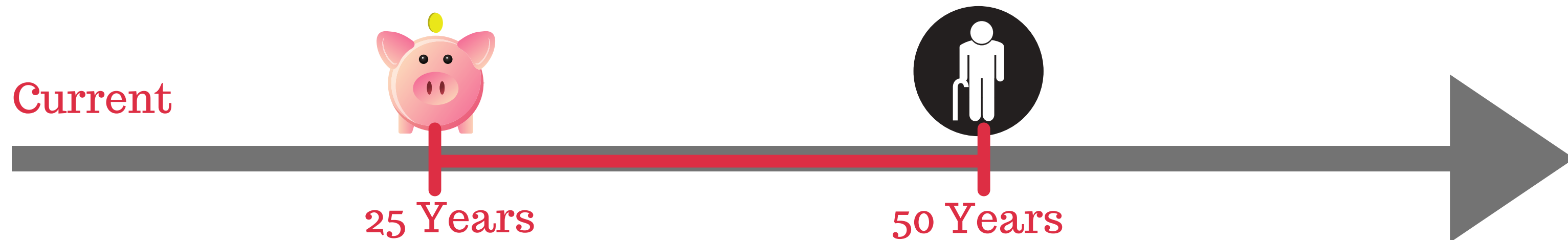


50 Years

# Consequence



Earning Age reduced



2006

64.97 Yrs.



Life Expectancy is increased due to  
medical advancement

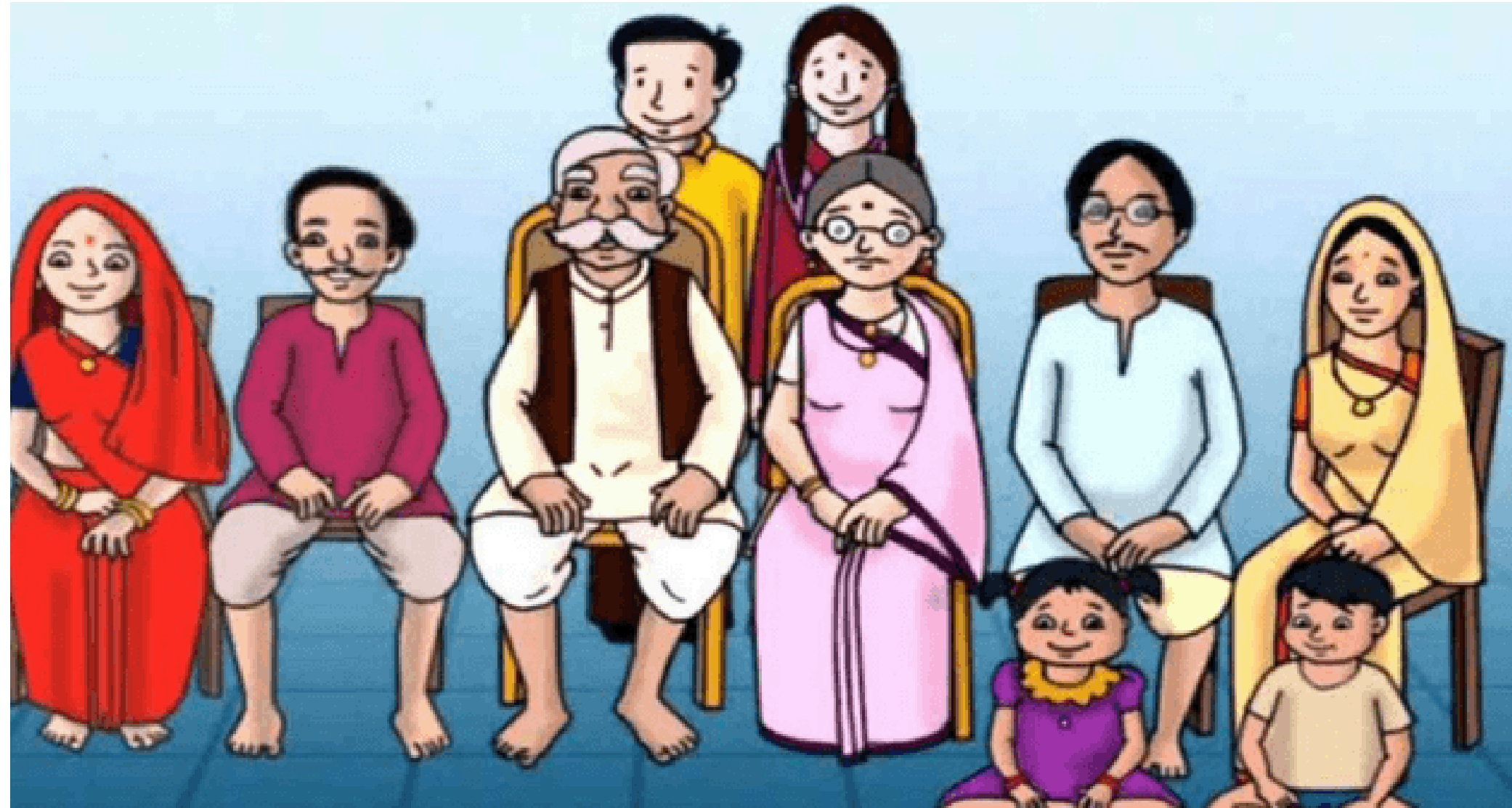
2016

68.56 Yrs.



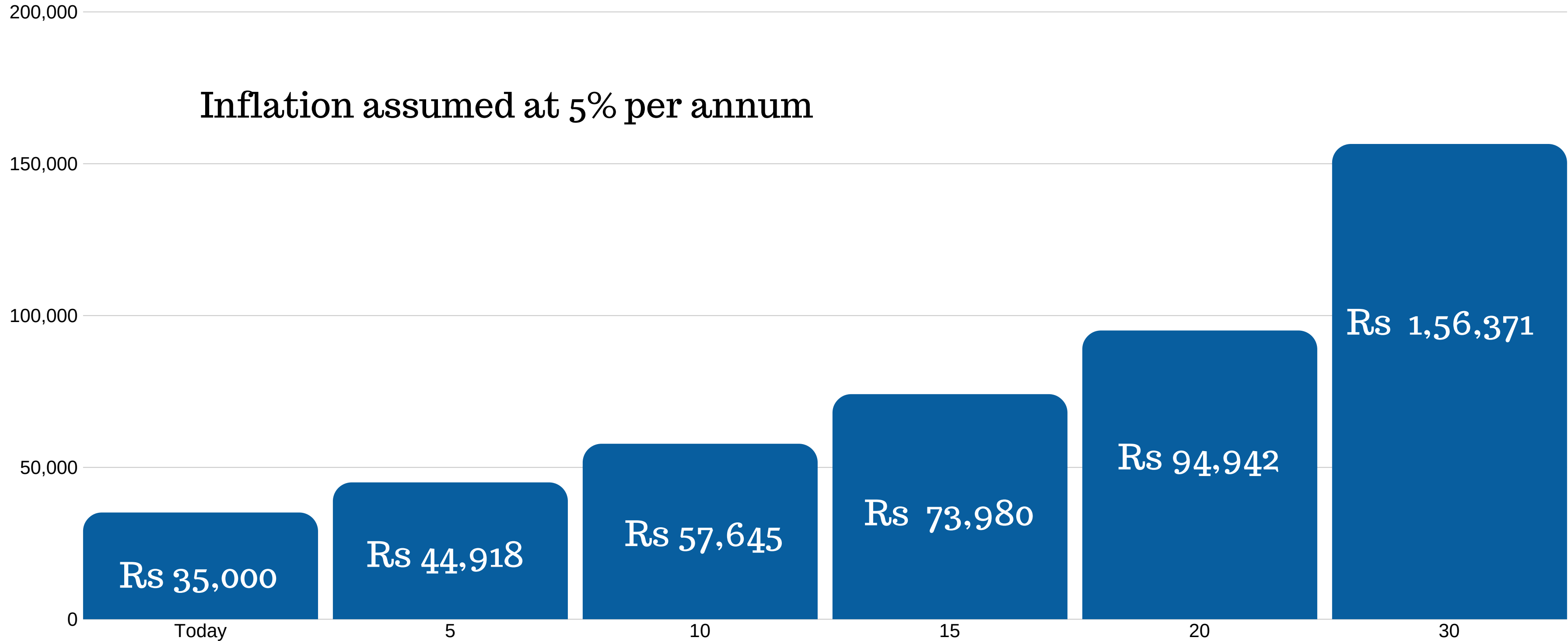
Source: <https://www.weforum.org/agenda/2018/10/life-expectancy-jumps-11-years-in-india/>

# Shift in social structure

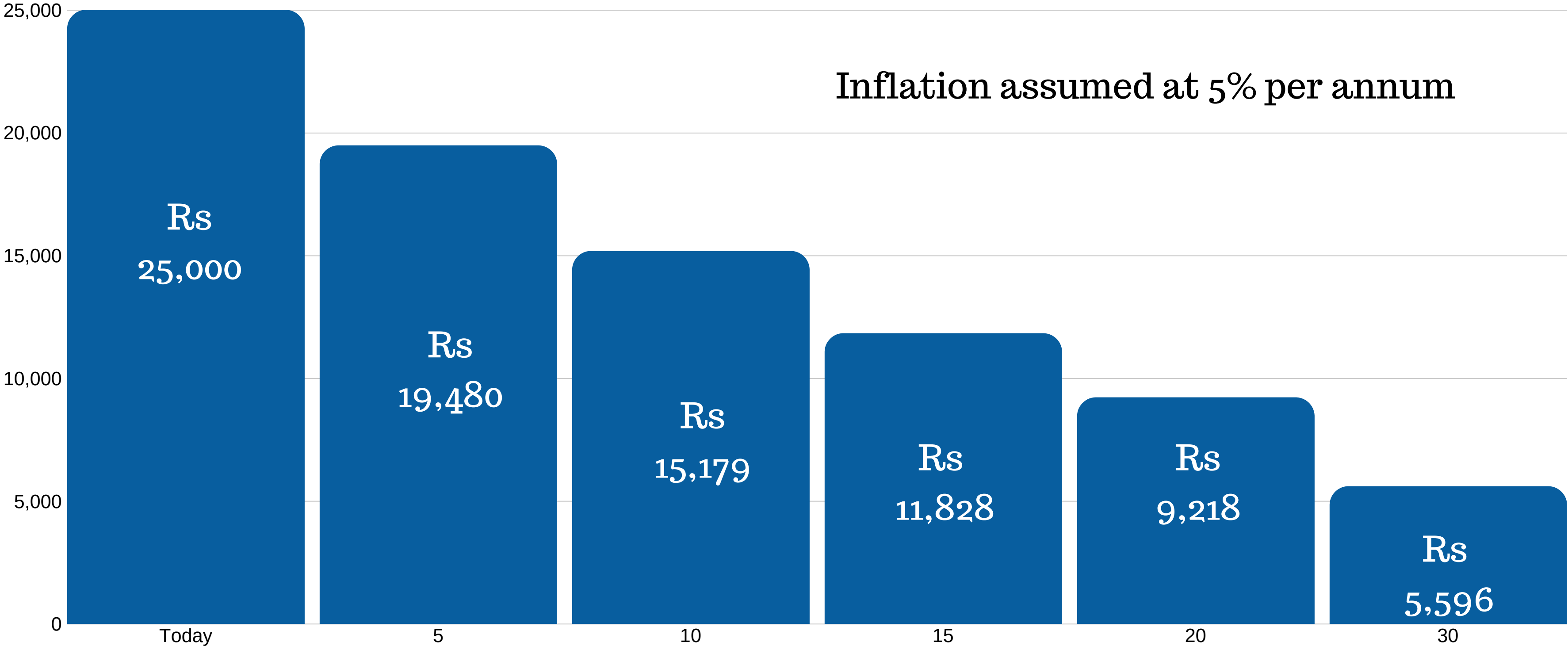


**Lack of support in crisis**

# Inflation - increasing expenses



# Declining value of your saving



# Are you planning enough

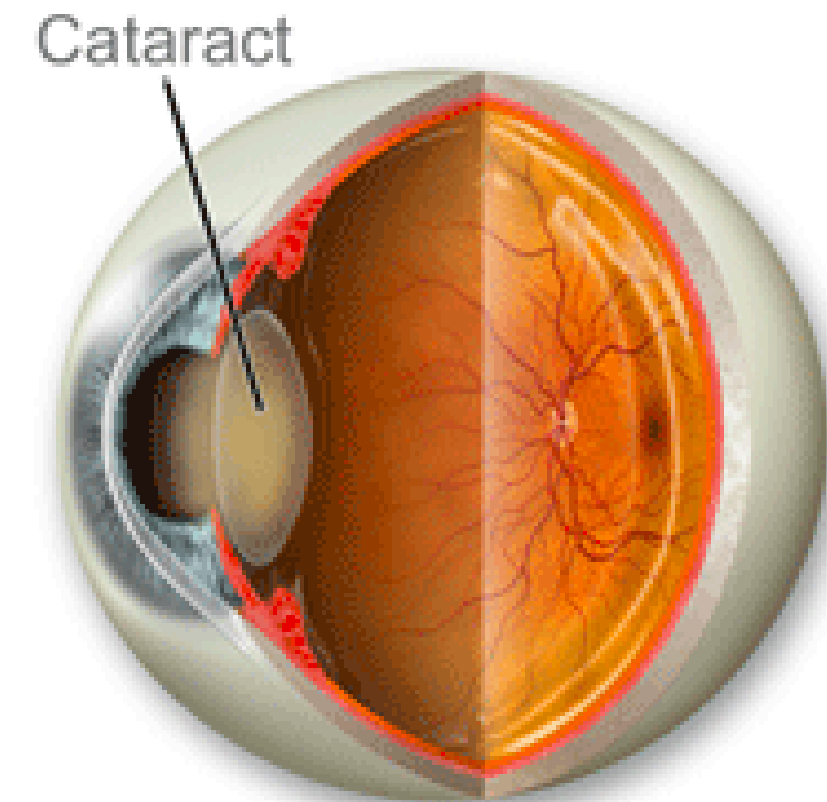
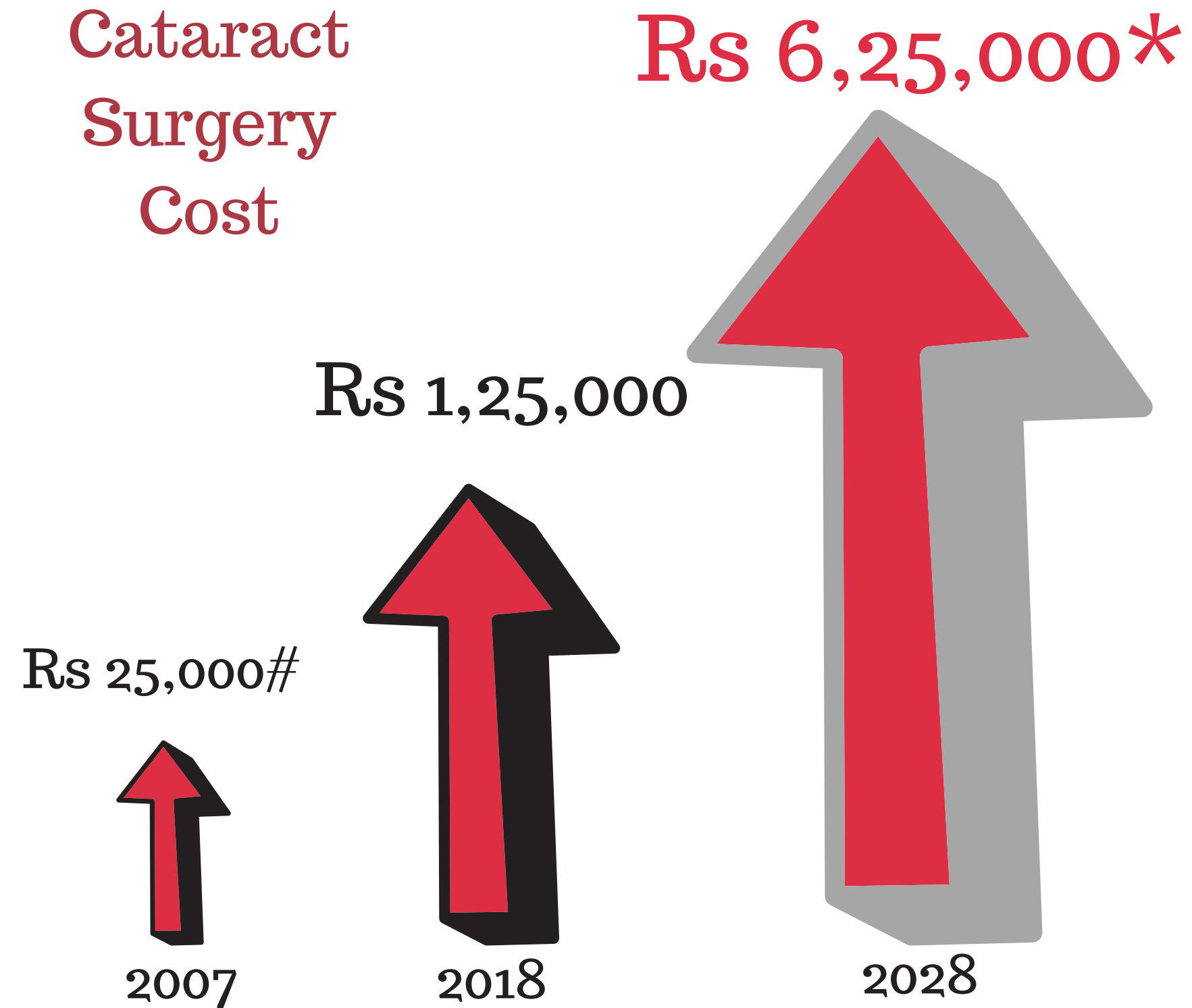


**Value of Saving**

**Expenses**

# Health Care expenses rising faster

Cataract  
Surgery  
Cost



Health care cost in India is rising at the rate of 10% p.a. with new lifestyle diseases getting every 5 to 10 years; we need to do provision for healthy retirement

\*Assuming cost increases at 10% every year  
#Internal Research. Approx cost



# Major surgery cost

Specialty	Procedure	Cost Range in 2007 (in Rs.)	Current Cost Range (Rs.)
Cardiology	Coronary Angiogram	14,000 – 25,000	15,875 - 63,500
	Angioplasty (one stent)	155,000 – 200,000	190,500 - 412,750
	Bypass Surgery (CABG -coronary artery bypass graft)	165,000 – 200,000	190,500 - 603,250
Eye	Cataract surgery with lens	16,000 – 25,000	50,800 - 127,000
General surgery	Cholecystectomy-Laparoscopic (gall bladder removal)	30,000-40,000	95,250 - 190,500
	Appendectomy-Laparoscopic (Appendix removal)	25,000-35,000	76,200 - 177,800

[http://www.indiahealthcaretourism.com/average\\_cost\\_of\\_treatment.php](http://www.indiahealthcaretourism.com/average_cost_of_treatment.php)

<https://www.businesstoday.in/moneytoday/cover-story/rise-in-medical-costs-should-be-covered-in-health-insurance/story/185680.html>

# Lack of social security

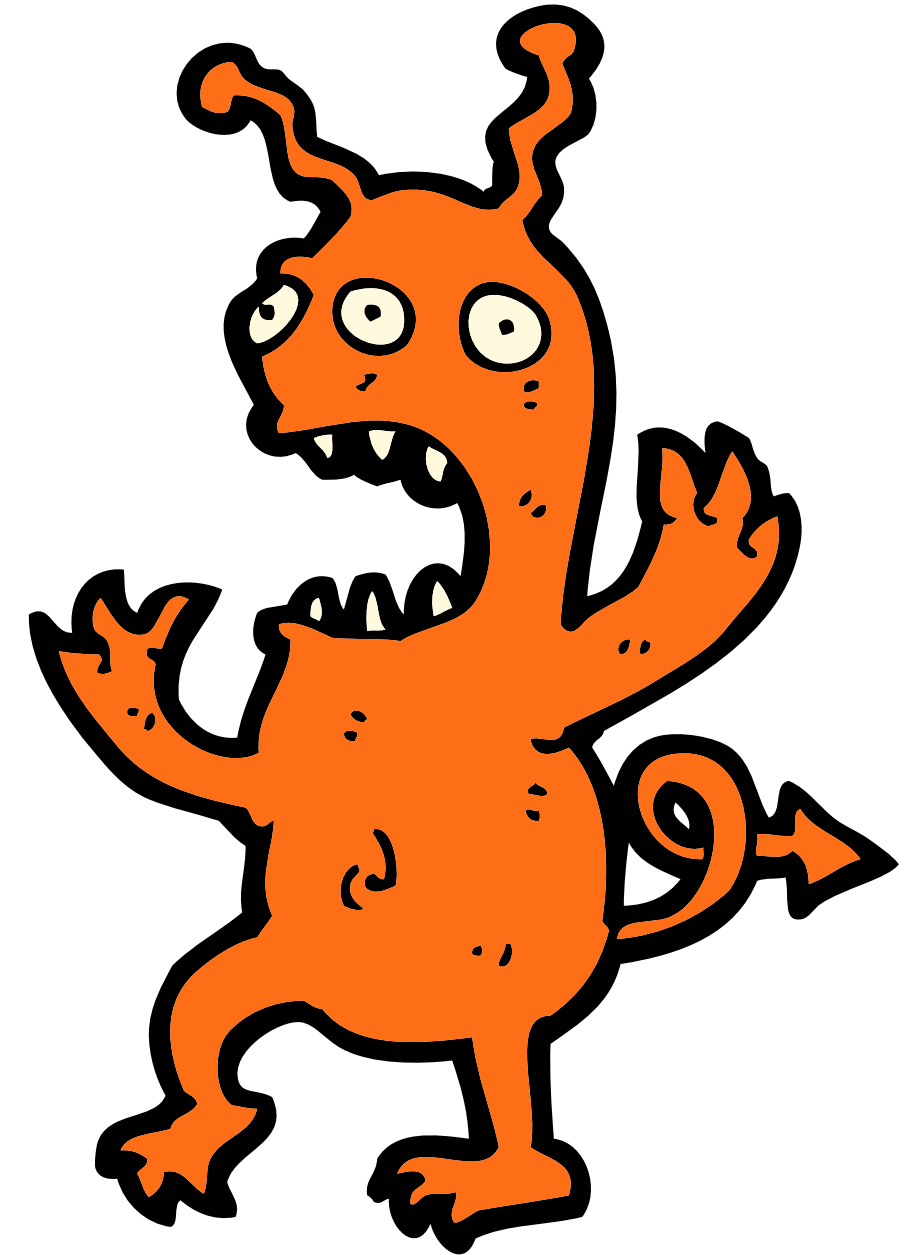
- India's PENSION system is already RANKED 28 out of the 30 countries.
- ONLY 7.4 percent of the working age population in India is COVERED under a PENSION program

Source: WEF Report



# Future looks scary

- By 2050, 19% of Indians will be above 60 years of age, according to the UN Population Division, but only 25% of that population currently have some form of pension cover.
- 60% DO NOT have any retirement plan. Yet 63% feel that they will have SUFFICIENT money during their RETIRED years





Most expensive financial  
Goal  
&  
Financing not available

Plan wisely!

*Plan your*

# RETIREMENT WITH

Mutual Funds

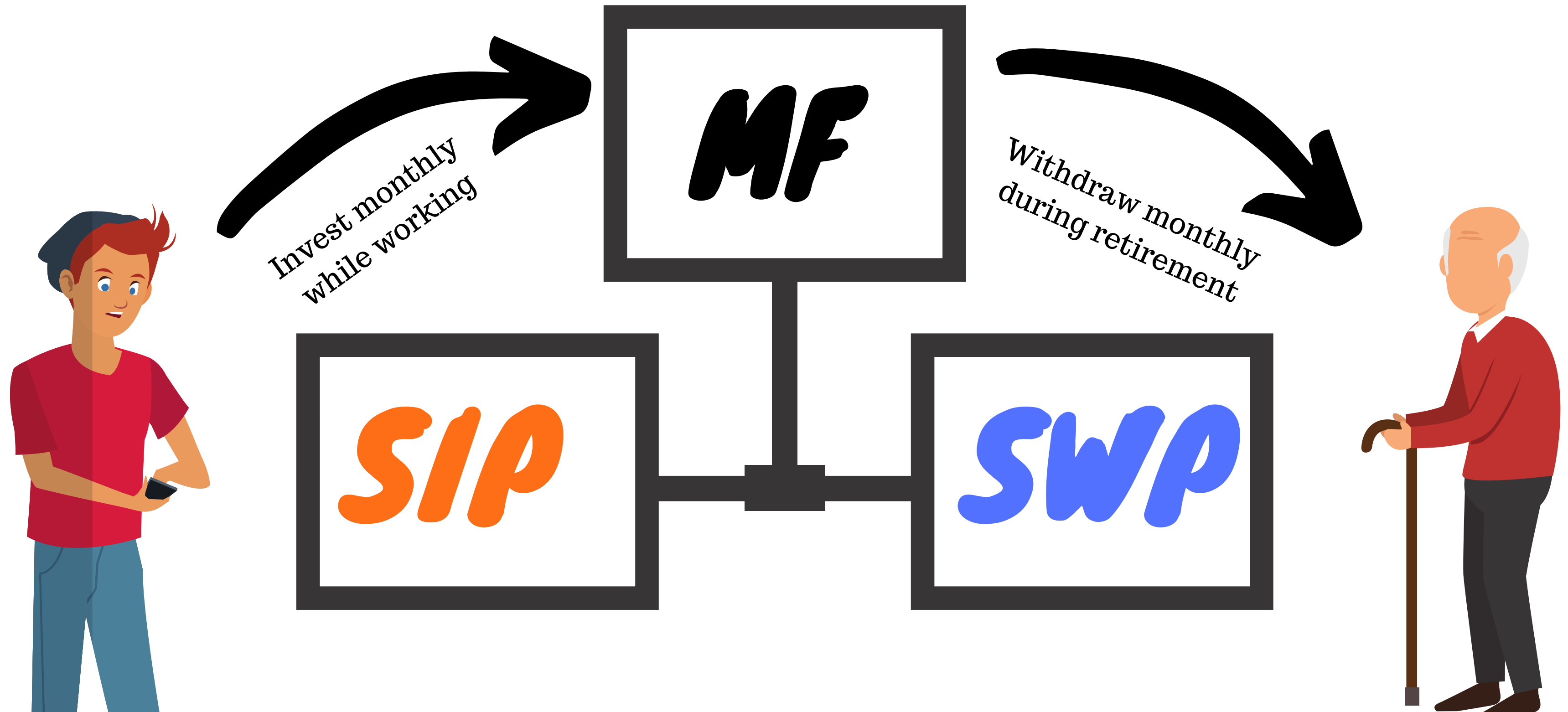


**SIP + SWP**

**Systematic Investment Plan & Systematic Withdrawal Plan**

**YOUR OWN RETIREMENT SOLUTION WITH  
MONTHLY PENSION LIKE CASH-FLOW AFTER RETIREMENT**

# How does it work!



# Two step process

- Accumulate Retirement corpus by investing through SIP in Equity mutual fund.
- Switch the retirement corpus on retirement from equity to debt MF & start withdrawing monthly basis through SWP.





- Name - Mr Prashant Sharma
- Age - 28 Years
- Monthly SIP Amount - Rs 10,000/-
- Retirement Age - 55
- Assumed return - 12%\*

# Retirement corpus - SIP

- Name - Mr Prashant Sharma
- Age - 28 Years
- Monthly SIP Amount - Rs 10,000/-
- Retirement Age - 55
- Assumed return - 12%\*

## Retirement Corpus

**Rs. 2,16,23,129**

\*Assumed return is only for the illustrative purpose and not to be considered as a guarantee. Mutual fund investments are subject to market risk please read all scheme related documents carefully before investing.



# Monthly Withdrawal - SWP

- Retirement Corpus - Rs. 2,16,23,129
- Return expected from debt MF - 6%\*

**Monthly withdrawal**  
**Rs. 1,08,116**

\*Assumed return is only for the illustrative purpose and not to be considered as a guarantee. Mutual fund investments are subject to market risk please read all scheme related documents carefully before investing.



# Your own pension system

By investing Rs 10000/- monthly starting from Age 28 , Prashant can create his own 'pension like' the monthly withdrawal of Rs. 1,08,116 after retirement.



\*Return from Equity fund is assumed as 12% p.a. and from debt fund for the purpose of SWP 6% p.a. is considered.

Mutual fund investments are subject to market risk please read all scheme related documents carefully before investing.

# Your own pension system

SIP Amount	<b>10,000</b>	* The returns earned on the retirement corpus is assumed to be systematically withdrawn as annuity. Hence, the principal of the retirement corpus will remain intact and the annuity will be perpetual in nature.			
Lumpsum	<b>0</b>				
Retirement Age	<b>55</b>				
<b>SIP START AGE</b>	<b>Period (Yrs)</b>	<b>No. of Installments</b>	<b>Amount Deposited</b>	<b>Returns During Accumulation</b>	<b>Returns During Distribution</b>
				<b>12%</b>	<b>6%</b>
				<b>Retirement Corpus (SIP)</b>	<b>Monthly Pension Amount (SWP)</b>
<b>28</b>	27	324	32,40,000	21623129	1,08,116
29	26	312	31,20,000	19192379	95,962
30	25	300	30,00,000	17022066	85,110
31	24	288	28,80,000	15084286	75,421
32	23	276	27,60,000	13354126	66,771

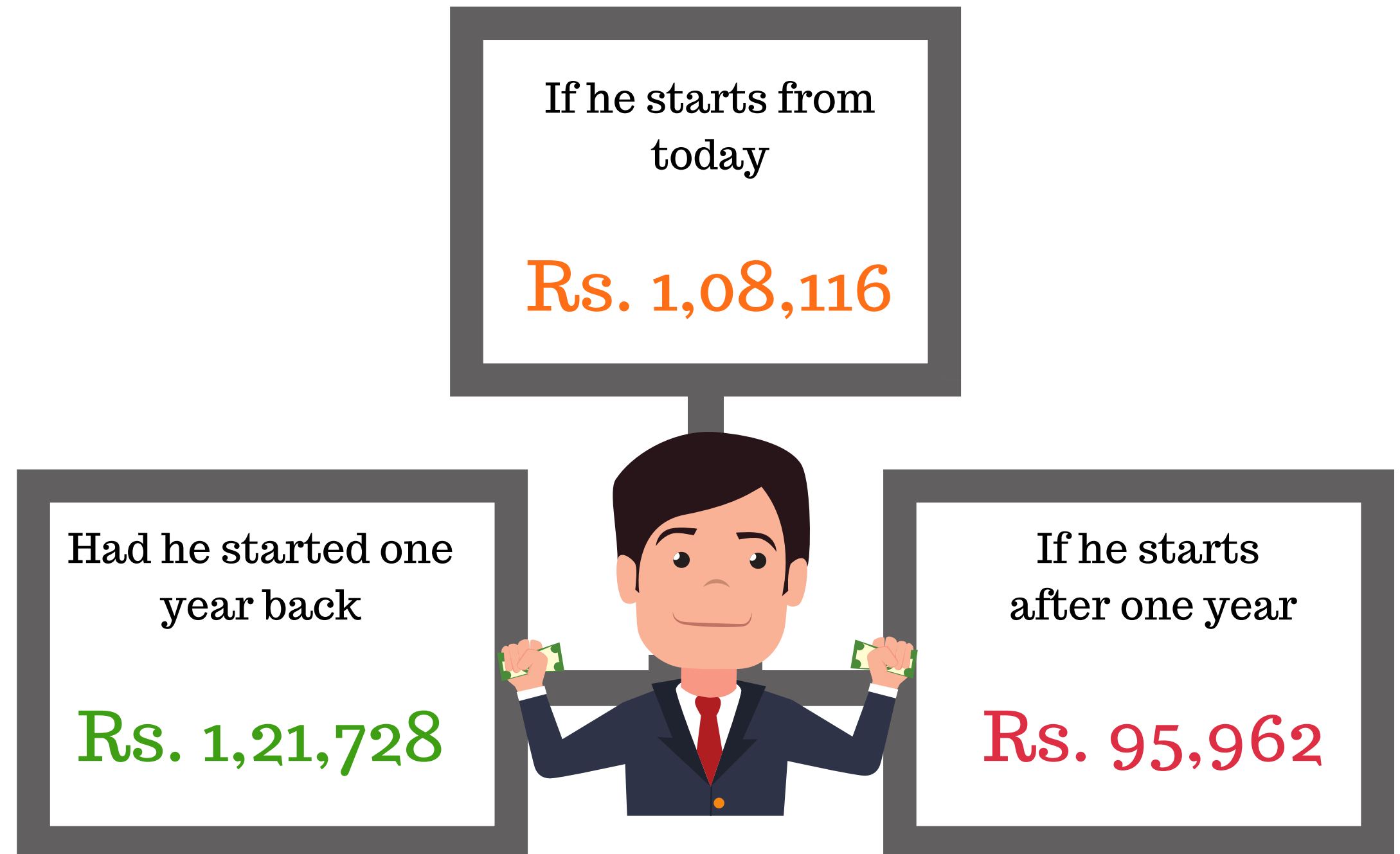
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# Key is to start early!

- Name - Mr Prashant Sharma
- Age - 28 Years
- Monthly SIP Amount  
Rs 10,000/-
- Retirement Age - 55
- Equity return - 12% p.a.\*
- Debt return - 6% p.a.\*

\*Assumed return is only for illustrative purpose.  
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please read all scheme related documents carefully  
before investing.

## Monthly 'Pension like' SWP amount



- Planning for your own retirement is the most crucial financial goal.
- Starting early is the key
- Create your own 'Pension like' system with the help of SIP & SWP of Mutual Funds



THANK  
YOU!

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