



GIVE YOUR CHILDREN  
THE GIFT OF  
A GOOD FUTURE.

 **Sunder**  
Investments



# We all have Different Financial Goals



# Two Critical Goals

## Parent's Dilemma



- Rising Costs of fulfilling our child's need!
- Have we saved enough for it?
- Innumerable Career Options
- How can we fulfill their dreams ?

Goals can be short or long term, small or large, but they all need to be achievable.

# Facts on Rising Educational Cost



In the last 5 years, Average rise in the fees of Top 3 IIMs has been around **242%**

Source: Economic Times (Top 3 include IIM Ahmedabad, Bangalore and Calcutta)



In the last 5 years, average annual private expenditure for general education has shot up by **175%**

Source: NSSO



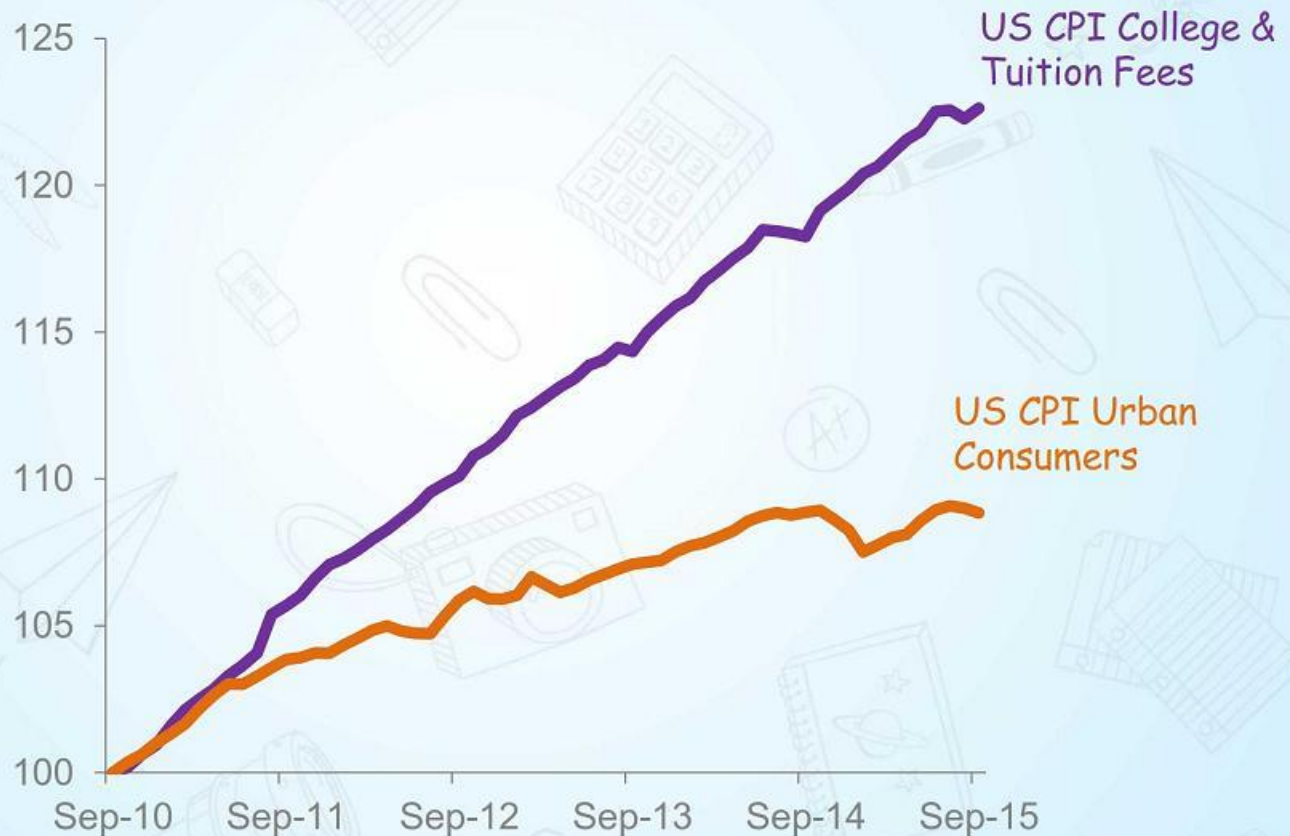
Cost of school education has risen by **150%** in last 10 years

Source: <http://www.assochem.org/>

The younger your child is, the more expensive education is likely to be going forward.

## Facts on rising educational cost ... (Contd.)

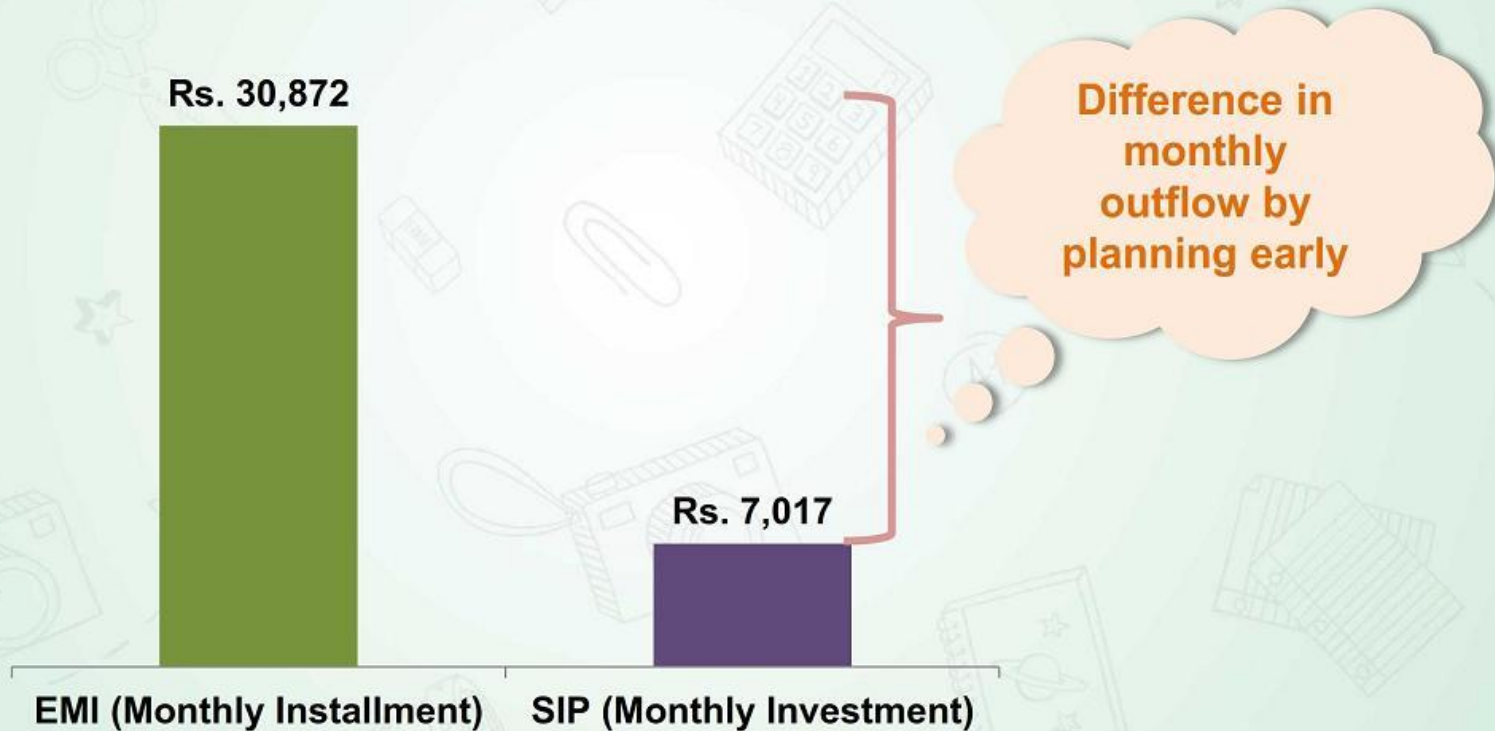
Globally, Education Inflation is way above Consumer Price Index (CPI).



Source: Bloomberg

# Investing Vs. Borrowing

Illustration: Assuming the education cost is 25lac for a 5 year old child when he/she turns 18, below is the comparison on how you can save on your monthly outflow by investing when your child is young.



Source for education loan interest rate (11.45%) : SBI (for education loan above 7 lacs)  
Assumed rate of return on monthly SIP is 11.45%

# Long Term Investing has Benefited Investors



Source: Bloomberg, Data from Dec'80 - Dec'14, Returns are compounded annualized. Data based on yearly rolling. Rolling returns based on Sensex (1980 - 2014)

## Benefits of Early Planning : SIP Route

SIP Amount→	Rs. 5,000	Rs. 10,000	Rs. 25,000	Rs. 50,000	Rs. 100,000
Holding period↓	Value of investment at the end of holding period (in lacs)				
3 yrs	2	4	10	21	41
5 yrs	4	8	19	38	76
7 yrs	6	12	29	59	117
10 yrs	10	19	49	97	195
15 yrs	19	38	95	191	381
17 yrs	24	48	121	241	483

Above data is only for illustration purpose and does not assure or guarantee any returns. This is an illustration to explain the concept of SIP & does not indicate the returns provided by any scheme of mutual fund. Above data is for monthly SIP considered to be made at the beginning of the month. Rate of returns is assumed @ 9%.



# Introducing Axis Children's Gift Fund

(An Open Ended Balanced Scheme)

The fund focuses on long-term investment and endeavors to help in saving for your child's needs as he/she grows up.





Investments in the fund can be planned for a child's future be it education, marriage or just an investment for a rainy day.\*

***Giving an investment can be a great way to provide a gift that continues to give!***

*\*Investors are requested to consult their financial, tax and other advisors before taking any investment decision(s).*

# Key Features

- The investments can be made only in the name of a minor (<18 yrs at the time of investment).
- A Unit holder till attaining Majority shall be represented by his / her parent or legal guardian.
- Who can invest and how much?\*

Minor Kid  No limit	Parent / Guardian  No limit	Grandparent  No limit	Relative / Non-individual  No limit
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- The Investor makes a gift of the Units to the beneficiary child, i.e. the Unit holder.

\* Please ref to Scheme information document for detailed list of eligible investors

# Plans & Options

## Plans/ Options

**Sub-plan:** Compulsory Lock-in: Investment will be locked-in till child is 18 years of age. Investment may be redeemed after child is 18 years of age or 3 years whichever is later

No Lock-in: Investment will not be locked-in till the child is 18 years of age & can be redeemed at any point of time at NAV based prices subject to exit load

**Option:** - Growth, Dividend (Dividend Payout and Reinvestment Facility [reinvestment option is available under No Lock-in sub-plan only])

Default Plan: Direct

Default Sub-Plan: No Lock-in

Default Option: Growth

- Options/ Plans
  - SIP : All SIP installments are guided by the lock-in rule
  - STP/SWP: Available only post lock-in period
  - Trigger facility available post lock-in period
  - DSO facility available

# Key Operational Aspect

Beneficiary	Investor	Cheque from	Amount	Documents required	Post lock-in
Minor	Minor/ Guardian	Minor's A/C or Guardian's A/C	<b>No limit</b>	<ul style="list-style-type: none"> <li>• <b>Guardian's KYC</b></li> <li>• Documents evidencing date of birth of the minor and relationship of the guardian with the minor</li> <li>• Income details of guardian (part of application form)</li> </ul>	KYC of Minor
Minor	Any other person	Any other person's A/C	<b>No limit</b>	<ul style="list-style-type: none"> <li>• <b>Guardian &amp; Investor's KYC</b></li> <li>• Documents evidencing date of birth of the minor and relationship of the guardian with the minor</li> <li>• Income details of guardian (part of application form)</li> </ul>	KYC of Minor

# Investment Objective & Asset Allocation

## Investment Objective~

- To generate income by investing in debt & money market instruments along with long-term capital appreciation through investments in equity & equity related instruments

## Asset Allocation\*

Instruments	Indicative Allocation (% of net assets)		Risk Profile
	Minimum	Maximum	Low/Medium/High
Debt and money market instruments	25	55	Low to Medium
Equity and Equity related instruments	40	60	High
Cash-Futures Arbitrage	5	15	Low to Medium

*^However, there is no assurance or guarantee that the investment objective of the Scheme will be achieved. The Scheme does not assure or guarantee any returns..* \*Please refer to SID for detailed asset allocation table

# Investment Strategy

## **Fixed Income Strategy (25-55%)**

- The portfolio duration and credit exposures will be decided based on a thorough research of the general macroeconomic condition, political and fiscal environment, systematic liquidity, inflationary expectations, corporate performance and other economic considerations.
- Flexibility to invest in the entire range of debt instruments

## **Equity Strategy (40-60%)**

- Focus on building a diversified portfolio of strong growth companies, reflecting our most attractive investment ideas, at all points of time.
- Bottom-up stock selection process, focusing on appreciation potential of individual stocks from a fundamental perspective
- Active management

## **Cash-Futures Arbitrage Strategy (5-15%)**

- The fund would look for market opportunities between the spot and the futures market.



These dreams-filled tiny bright eyes;  
These treading feet, tottering surprise

Embrace them, as they walk their way  
making it ahead, with first step away  
don't let them stop, don't let them stray  
Guide them with hope, make a pray

Unfurl their wings in the bright sky  
One day, they will choose to fly  
Glory would await, with open arms  
taming fate, within their palms

Someday, when hair would grey  
cracks in your skin would make deep way  
they will hold your hand, like you did once  
walk you home, to the setting sun  
their touch would tell you  
their smile would say...

Thank you, to be with me, Always...

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