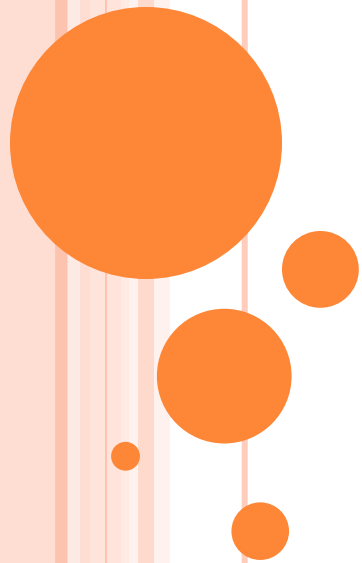


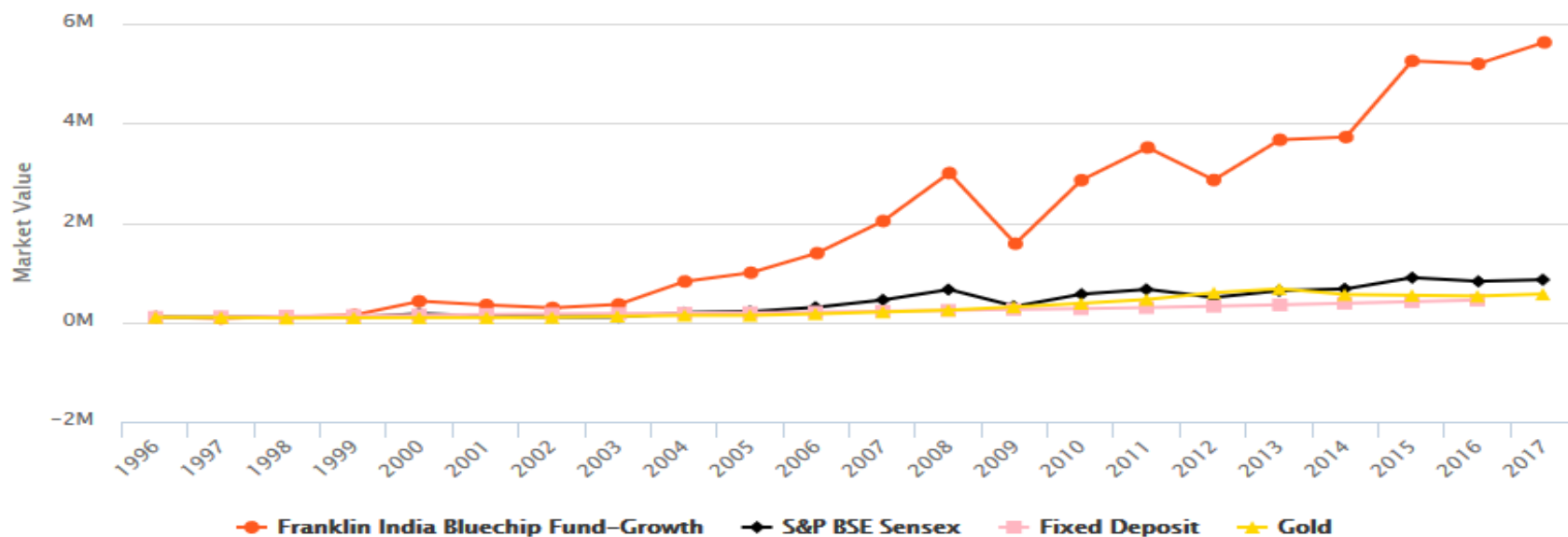
Invest in Mutual Fund



MUTUAL FUND COMPARISON WITH ASSET CLASSES

Asset Class	Start Date	End Date	Invested Amount	Current Value	Annualized Returns (%)
Franklin India Blue-chip Fund-Growth	02-01-1996	02-01-2017	100,000	5,626,226	21.14
S&P BSE Sensex	02-01-1996	02-01-2017	100,000	854,622	10.75
Fixed Deposit	01-01-1996	01-01-2017	100,000	446,832	7.38
Gold	02-01-1996	02-01-2017	100,000	567,754	8.61

Compare Returns of Asset Classes

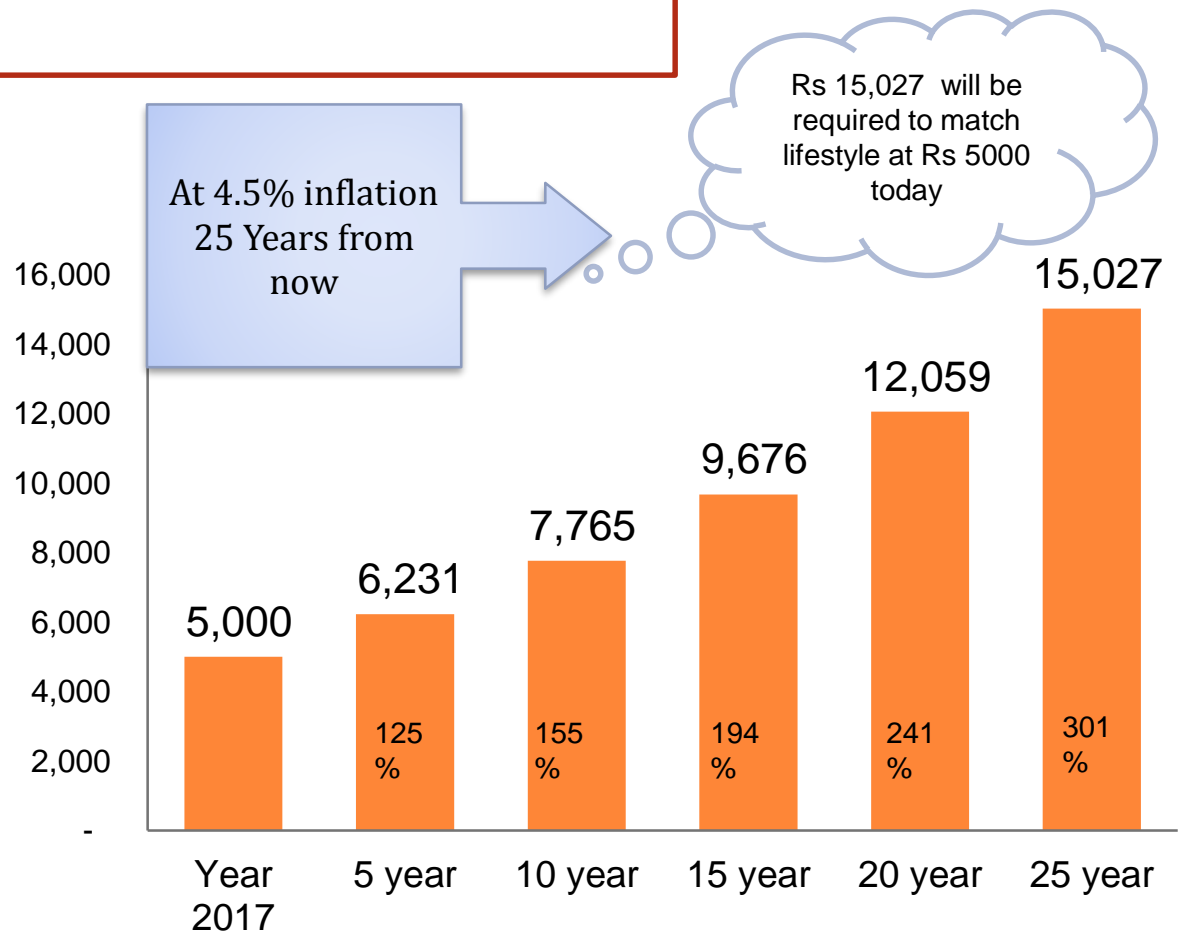


FIXED DEPOSITS VS SENSEX

Comparative chart on Fixed Deposit and Sensex, adjusted for inflation: From 1979-80 to 2011-12													
S.No.	Year	Inflation(WPI)	Value of Rs.1 (adjusted for inflation)	Value of Rs.1 Lakh (adjusted for inflation)	FD Rate	FD Value of Rs.1 Lakh	FD Value (adjusted for inflation)	Sensex	Sensex Returns	Sensex Value of Rs.1 Lakh	Sensex Value (adjusted for inflation)	Sensex minus FD	Sensex minus FD (adjusted for inflation)
			1.0000	100000		100000		100		100000			
1	1979-80	17.12%	0.8288	82880	7.00%	107000	88682	129	29%	129000	106915	22000	18234
2	1980-81	18.24%	0.6776	67763	7.50%	115025	77944	173	34%	173000	117229	57975	39285
3	1981-82	9.33%	0.6144	61440	8.00%	124227	76326	218	26%	218000	133940	93773	57615
4	1982-83	4.90%	0.5843	58430	8.00%	134165	78392	212	-3%	212000	123871	77835	45479
5	1983-84	7.53%	0.5403	54030	8.00%	144898	78289	245	16%	245000	132374	100102	54085
6	1984-85	6.47%	0.5053	50534	8.00%	156490	79081	354	44%	354000	178892	197510	99810
7	1985-86	4.41%	0.4831	48306	8.50%	169792	82019	574	62%	574000	277275	404208	195256
8	1986-87	5.82%	0.4549	45494	8.50%	184224	83812	510	-11%	510000	232021	325776	148210
9	1987-88	8.14%	0.4179	41791	9.00%	200804	83918	398	-22%	398000	166329	197196	82410
10	1988-89	7.46%	0.3867	38674	9.00%	218877	84647	714	79%	714000	276129	495123	191482
11	1989-90	7.46%	0.3579	35788	9.00%	238576	85383	781	9%	781000	279508	542424	194125
12	1990-91	10.26%	0.3212	32117	9.00%	260048	83518	1168	50%	1168000	375122	907952	291603
13	1991-92	13.74%	0.2770	27704	12.00%	291253	80688	4285	267%	4285000	1187106	3993747	1106418
14	1992-93	10.06%	0.2492	24917	11.00%	323291	80554	2281	-47%	2281000	568351	1957709	487798
15	1993-94	8.35%	0.2284	22836	10.00%	355620	81210	3779	66%	3779000	862980	3423380	781770
16	1994-95	12.60%	0.1996	19959	11.00%	394738	78785	3261	-14%	3261000	650858	2866262	572073
17	1995-96	7.99%	0.1836	18364	12.00%	442107	81189	3367	3%	3367000	618320	2924893	537131
18	1996-97	4.61%	0.1752	17518	11.00%	490739	85965	3361	0%	3361000	588765	2870261	502799
19	1997-98	4.40%	0.1675	16747	10.50%	542266	90812	3893	16%	3893000	651952	3350734	561140
20	1998-99	5.95%	0.1575	15750	9.00%	591070	93096	3740	-4%	3740000	589063	3148930	495967
21	1999-00	3.27%	0.1524	15235	8.50%	641311	97706	5001	34%	5001000	761918	4359689	664212
22	2000-01	7.16%	0.1414	14144	8.50%	695823	98420	3604	-28%	3604000	509766	2908177	411346
23	2001-02	3.60%	0.1364	13635	7.50%	748010	101993	3469	-4%	3469000	473007	2720990	371014
24	2002-03	3.41%	0.1317	13170	4.25%	779800	102702	3049	-12%	3049000	401562	2269200	298860
25	2003-04	5.46%	0.1245	12451	4.00%	810992	100978	5591	83%	5591000	696146	4780008	595168
26	2004-05	6.48%	0.1164	11644	5.25%	853569	99393	6493	16%	6493000	756068	5639431	656676
27	2005-06	4.50%	0.1112	11120	6.00%	904783	100615	11280	74%	11280000	1254377	10375217	1153762
28	2006-07	6.60%	0.1039	10386	7.50%	972642	101023	13072	16%	13072000	1357713	12099358	1256690
29	2007-08	4.67%	0.0990	9901	8.25%	1052885	104250	15644	20%	15644000	1548971	14591115	1444721
30	2008-09	8.06%	0.0910	9103	8.00%	1137116	103515	9708	-38%	9708000	883751	8570884	780235
31	2009-10	3.81%	0.0876	8756	6.00%	1205343	105546	17527	81%	17527000	1534749	16321657	1429204
32	2010-11	9.56%	0.0792	7919	8.25%	1304783	103331	19455	11%	19455000	1540713	18150217	1437382
33	2011-12	9.00%	0.0721	7207	9.00%	1422214	102494	17404	-11%	17404000	1254241	15981786	1151747

EVEN LOW INFLATION WILL TREBLE COST OF LIVING

- Inflation increase the cost of living.
- Even inflation of 4.5% from now will require to double the income to match same lifestyle.
- Saving the money is to match the inflation rate minimum and that is the purpose of Saving/FD account
- Investment means to beat the inflation rate



- ❖ Average inflation during the past fifteen years has been about 7 per cent
- ❖ Equity returns have beaten inflation by a higher margin than gold or a bank FD over the past fifteen year

WHAT GROWTH WE CAN EXPECT WITH TIME

Comparative Return on Investment

Asset Class	CAGR % (Post Tax Return)	
	5 Year	10 Year
S&P BSE Sensex	6.45	12.68
Gold - India	3.43	11.93
Bank FD	4.49	5.87

Data as on 31st December 2015

Direct Investment in equity is not easy on its own



Best way to invest in equity is Mutual Fund

Percentage of equity diversified equity mutual fund schemes which out-performs or under-performs the Sensex:

Mutual Funds	5 Years	10 Years
% of Equity- Diversified schemes that out-performed the Sensex	94%	86%
Weighted Average Return	12%	16%
Maximum Return	23%	22%

- There are 42 Mutual fund House
- Total number of schemes are more than ten thousands

Seems Complex but actually not

WHAT GROWTH WE CAN EXPECT FROM MF

Large Cap Equity Oriented Funds	Category	Launch Date	3 -Years (Return %)	5 -Years (Return %)	CAGR Return (Since Launch)
Birla Sun Life Frontline Equity Fund	Large Cap	30-Aug-02	17.14	18.32	22.81
ICICI Prudential Value Discovery Fund	Multi Cap	16-Aug-04	24.85	24.16	23.1
HDFC TaxSaver	Tax Saver (80C)	31-Mar-96	18.76	15.96	25.44
SBI Emerging Businesses Fund	Small Cap	11-Oct-04	19.67	19.54	21.48
HDFC TOP 200 Fund	Large Cap	11-Oct-96	15.49	15.15	20.93



Hundred of examples can be given with a track record of more than 20/25 years



INVESTING IN STOCK VERSUS EQUITY MUTUAL FUNDS



- **Equity** is one of the best asset classes to build wealth over long term. **The benchmark Nifty 50 and S&P BSE Sensex indices have returned 14% each over 15 years to May 31, 2016 (Source: Crisil Research)** . However, direct investing in equities requires for a lot of time and expertise to research about stocks spread across various sectors and also to keep track stock movements.

Direct Investing in stocks	Equity Mutual Funds
High risk, as investment maybe concentrated in fewer stocks	Less risky, as the investment is diversified across different stocks & sectors
Calls for regular monitoring of the stock performance	No need to keep track of daily market movements
Investors need to take investment calls or seek advisor from the financial advisor	Professionally managed teams of fund managers & analysts to take care of investments
Could turn out to be expensive, since some shares are available at unreasonable prices	Can invest mutual funds with as low as Rs 500



INVESTING IN STOCK VERSUS EQUITY MUTUAL FUNDS



- Mutual Fund Investment gives a solution to manage volatility and uncertainty of the Equity Investment.
- We able to take benefit of large diversified portfolio even for small investment of Rs. 1000.
- SEBI ensures transparency in the investment scheme.
- Low expense ratio of the mutual fund ensures better return on investment.
- 44 mutual fund houses and thousand of schemes available to cater varying need of investor.

Category average returns of equity mutual funds				
Category	1 Year	3 Year	5 Year	7 Year
Large-Cap Funds	- 3.94	12.37	7.6	14.39
Mid-Cap Funds	2.25	25.51	15.45	23.75
Multi-Cap Funds	- 1.25	17.11	10.14	17.42
Indices				
Nifty 50	- 5.29	10.12	6.28	12.86
S&P BSE 200	- 3.76	12.01	6.85	14.34
S&P BSE Sensex	- 6.55	9.88	5.82	12.81
CAGR in % as on 28th April, 2016				
Source: valueresearchonline.com				

Equity MFs also offer a host of other advantages

- Diversify across stocks and sectors
- Professional management
- Transparent, well-regulated industry
- Convenience of invest
- Return potential

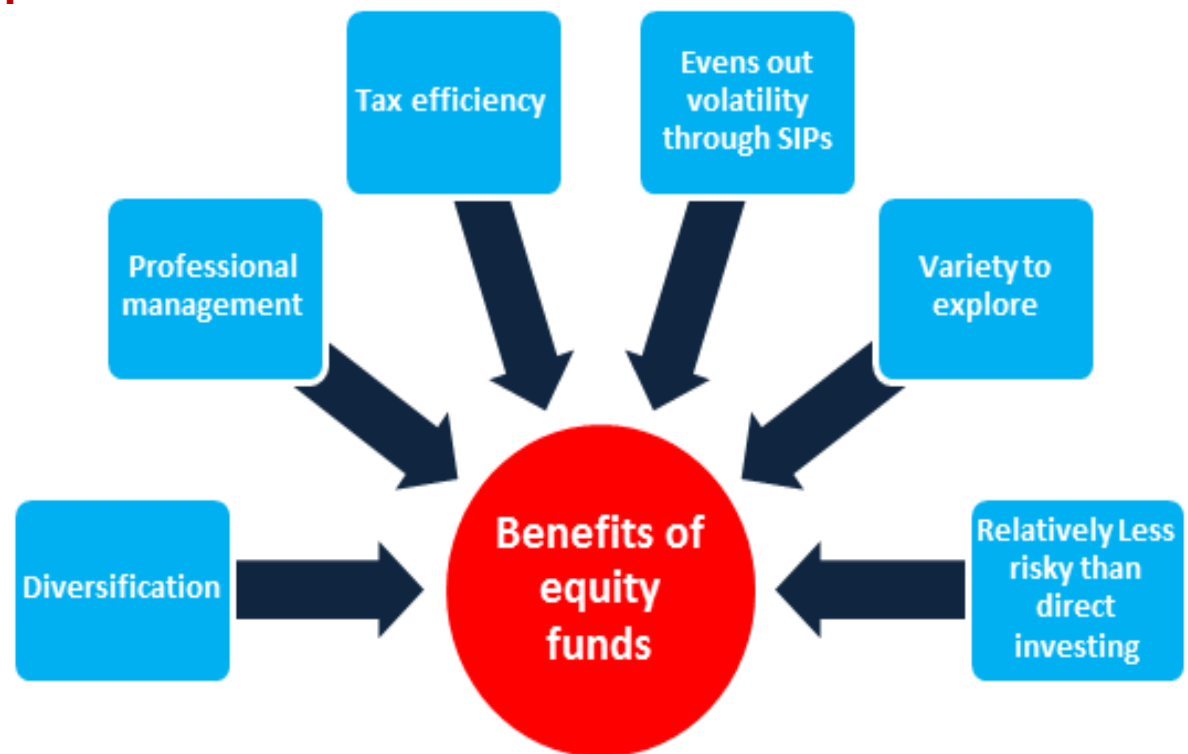
Low cost

Liquidity

Flexibility

Choice of schemes

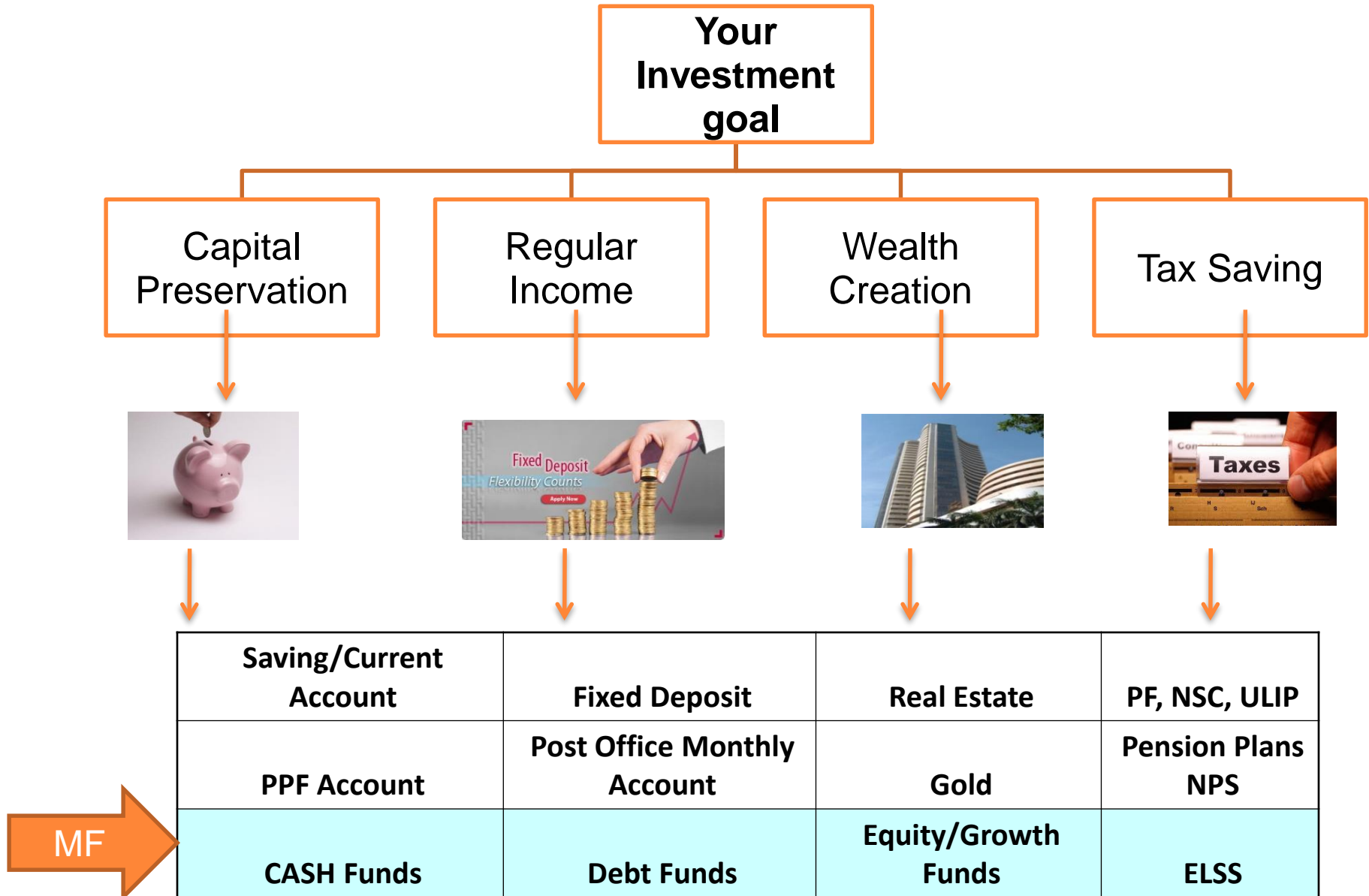
Tax benefits



CATEGORY OF MF – MARKET CAP BASIS

Fund Market Capitalization	What are they?	Risks	Ideal For
Large Cap Funds	Invest in Large Firms. Tend to provide better capital appreciation over a long term & distribute dividend fairly.	Moderate Risk	Who want equity exposure to high quality stocks & have a long term investment perspective. (suits for investment period “5 to 7 years”)
Mid Cap Funds	Invest in mid sized companies that are on rapid growth path	High Risk. Volatile rather than large cap stocks	Investors with greater risk taking ability & who wants to capture the gain of growing companies (suits for investment period “7 year and above”)
Small Cap Funds	Invest in small companies which may have higher growth potential	High Risk compare to large & mid cap stocks	Investors with greater risk taking ability & higher return expectations
Balanced Fund	Invest in mix of Debt and Equity	Moderate Risk	Investor Risk is being balanced by investing around 35% of the fund in debt fund. (suits for investment period “3 to 5 years”)

MF – Suits the varying need of investment

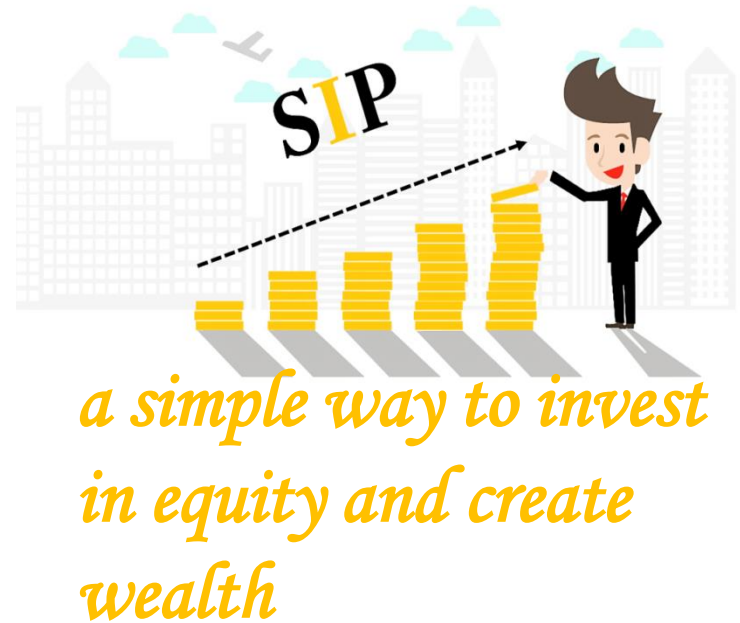


MODE OF INVESTMENT IN MF

S No	Different Mode	Suits for	Remarks
1	SIP (Systematic Investment Plan)	<ul style="list-style-type: none"> ➤ Small Monthly Investment ➤ We can start with even a small amount of Rs. 1000 per month. ➤ No upper limit. 	<ul style="list-style-type: none"> ➤ Ensure the monthly saving habit. ➤ On particular date every month money gets debited from saving account. ➤ We can choose any scheme to suits the specific need of investment
2	Lump Sum/One time Investment	<ul style="list-style-type: none"> ➤ Option to investment big sum of money lying in the bank account/FD account ➤ Look for the investment need and risk profile <input type="checkbox"/> Capital Preservation <input type="checkbox"/> Monthly Income <input type="checkbox"/> Growth 	<ul style="list-style-type: none"> ➤ MAP the investment with different time period for which money is available <input type="checkbox"/> 0 to 3 year :- Debt Fund <input type="checkbox"/> 3 to 5 year :- Balanced Fund <input type="checkbox"/> 5 to 7 year :- Large CAP fund <input type="checkbox"/> > 7 year :- Mix of Mid Cap and Multi Cap
3	STP (Systematic Transfer Plan)	<ul style="list-style-type: none"> ➤ We Park the lump Sum amount into Liquid Scheme ➤ Systematically transfer on a regular basis to equity scheme 	<ul style="list-style-type: none"> ➤ Invest systematically to equity fund at different market level. ➤ Can Start with single mandate.

SIP ROUTE OF INVESTMENT

- **Simply Decide the Investment Period (minimum investment horizon should be 5 years)**
- **Decide the suitable scheme of investment**
- **Decide the monthly investment amount**
- **Simple process to fill the form**



- ❖ **Ensured regular saving and wealth creation process**
- ❖ **No need to track the market as you have opted for a professional fund manager**
- ❖ **Patience and long term approach are build in benefits**
- ❖ **Enjoy the power of compounding in enhancing your wealth.**
- ❖ **Ensures regular saving habit.**

SIP ROUTE OF INVESTMENT

Small saving can result into remarkable wealth with time



(Figures are Rs. In Lakhs)

Year	Monthly Investment - Rs. 1,000		Monthly Investment - Rs. 5000		Monthly Investment - Rs. 10,000	
	Investment Done	Wealth Created	Investment Done	Wealth Created	Investment Done	Wealth Created
Year 5	0.6	.9	3	5	6	9
Year 10	1.2	2.9	6	14	12	28
Year 15	1.8	6.8	9	33	18	66
Year 20	2.4	15.2	12	71	24	141
Year 25	3	32.8	15	147	30	294
Year 30	3.6	70	18	300	36	600
Year 35	4.2	149	21	608	42	1,216

ROI – taken at 15% per annum (CAGR)

SIP ROUTE OF INVESTMENT

Longer Your SIP Period

- ❑ Greater the effect of compounding
- ❑ Superior the wealth creation and
- ❑ Lower the risk



“Investment Rs. 5000 per month”					
Name	Investment starts at Age	Investment done till Age	No of year	Investment Made (Rs. In Lakh)	Wealth Created (Rs. In Lakh)
Mr. Rajesh	25	60	36	22	8,63
Mr. Hari	35	60	26	17	1,91

ROI – taken at 15% per annum (CAGR)

LUMP SUM/ONE TIME INVESTMENT

- *Objective is capital growth*
- *Need to put the wealth at efficient trajectory (higher path of ROI)*
- *Mutual funds offer different products for near-term and far-term goals that too with good liquidity.*
- *Incremental ROI of 3% to 5% per annum have huge impact on the capital creation with time.*



Advantages

- ❖ We can choose the scheme as per the investment need and risk profile.
- ❖ Enjoy the professional management of the fund at very low cost.
- ❖ Easy to invest and detailed transparency of the investment portfolio.
- ❖ Investment is placed on growth path from capital protection options

LUMP SUM/ONE TIME INVESTMENT

End of the Year	(Amount in Rs. Lac)			
	Investment Amount	Wealth Created with different ROI per annum		
		5%	11%	16%
Year 5	10	13	17	21
Year 10	10	16	28	44
Year 15	10	21	48	93
Year 20	10	27	81	195
Year 25	10	34	136	409

Withdraw your capital from protection account like FD

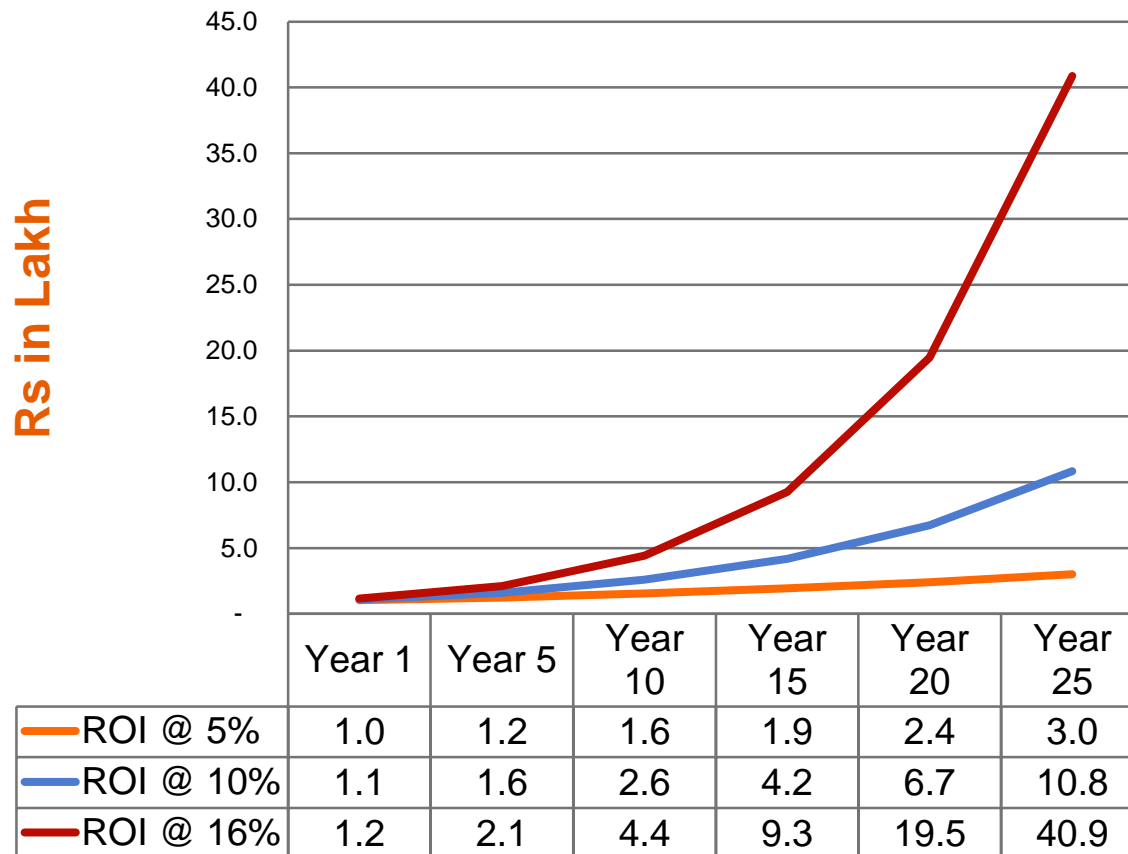
Decide your investment horizon

Choose correct growth scheme

Allow your money to grow

LUMP SUM/ONE TIME INVESTMENT

Rs 1 lakh growth at different ROI



Incremental
ROI

Power of
Compounding

Capital
Growth

SYSTEMATIC TRANSFER PLAN (STP)

- Investors can use Systematic Transfer Plan (STP) as a defence mechanism in volatile market. This plan is used to transfer investment from one asset or asset type into another asset or asset type.
- Generally amount is invested in “**Debt Fund Family or Liquid Fund family**” of MF and systematically transferred to “**Equity Fund Family**”. We can opt for Weekly or Monthly or Quarterly transfer.
- Just we need to choose one scheme from Debt Fund and One scheme of equity fund from the same mutual fund house.
- STP minimise the risk of the volatile market. No need to judge the correct level of equity market, we can plan our investment instantly.
- STP is risk mitigation strategy but we must understand that all risk mitigation strategies cap the loss but also reduce returns when market is bullish.
- Discipline is important, breaking STP because of short term market movement or interest rate movement will only harm the investment in long term.

SYSTEMATIC TRANSFER PLAN (STP)

1	Investment Amount	Rs. 10 lakh
2	Period for Investment	10 years
3	Number of equal instalments	30
4	Opted for Monthly transfer Plan	Rs. 33333 every month
5	FD Account (Post Tax ROI)	5%
6	Debt Fund (Post Tax ROI)	7%
7	Equity Fund (ROI)	16%



(Amount in Rs. Lakh)						
End of Year	FD Account	STP Account			STP Account less FD Account	STP less FD Account
	Amount	Amount in Debt Fund	Amount in Equity Fund	Total Amount		
1	10.5	6.6	4.4	10.9	0.5	105%
2	10.9	2.9	9.5	12.4	1.4	113%
3	11.4	-	14.4	14.4	3.0	126%
5	12	-	20	20	7	158%
10	16	-	43	43	28	279%
15	19	-	96	96	76	494%
20	24	-	211	211	187	875%

ELSS – TAX SAVING INSTRUMENTS U/S 80C OF INCOME TAX ACT

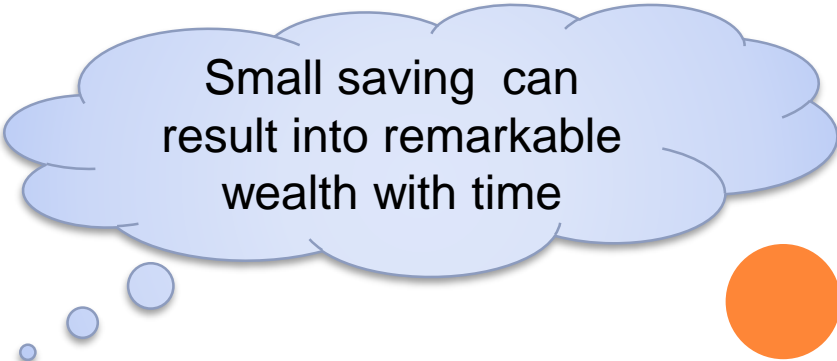
- ELSS is equity linked tax saving schemes of MF
- ELSS is equity oriented schemes of MF with lock in period of 3 years
- The ROI of ELSS is in same range as that of the equity oriented schemes, even better because the fund manager gets the stability in the fund for initial 3 years.
- ELSS should be taken as the right mix of tax saving scheme under section 80C of Income Tax Act and as a long term saving instruments with same benefit of equity oriented scheme of MF.
- There is dual benefit of taxation, one gets benefit of tax saving u/s 80C of IT Act at the time of investment and also the tax on the capital appreciation is exempt from tax in Income tax Act.

ELSS – TAX SAVING INSTRUMENTS U/S 80C OF IT ACT

ELSS TAX SAVINGS					
Annual Taxable Income (Rs)	Tax before investment in ELSS	Maximum amount to invest in ELSS	Taxable income post ELSS investment	Tax after investment in ELSS	Savings
4 lakh	15,000	1,50,000	2,50,000	NIL	15,000
6 lakh	45,000	1,50,000	4,50,000	20,000	25,000
8 lakh	85,000	1,50,000	6,50,000	55,000	30,000
10 lakh	1,25,000	1,50,000	8,50,000	95,000	30,000
12 lakh	1,85,000	1,50,000	10,50,000	1,40,000	45,000

MODE OF INVESTMENT IN ELSS

- Lump Sum
- Monthly SIP



Small saving can result into remarkable wealth with time

ELSS – Tax Saving instruments u/s 80C of IT Act

Instrument	Returns	Lock In Period (in Years)
EPF	8.50%	Until Retirement
PPF	8%	15
NSC	8%	6
FD's – Banks & Post office	5.70 to 8.50%	5
Senior Citizen Savings Scheme	9%	5
Life Insurance Policies	5 to 6%	3
ELSS	Market Linked	3

Tax Saving Funds (ELSS)	Launch Date	3 -Years (Return %)	5 -Years (Return %)	CAGR Return (Since Launch)
<i>Birla Sun Life Tax Relief '96</i>	<i>29-Mar-96</i>	<i>21.73</i>	<i>20.65</i>	<i>25.41</i>
<i>Franklin India Tax shield Fund</i>	<i>Apr-99</i>	<i>20.74</i>	<i>18.61</i>	<i>24.55</i>
<i>HDFC TaxSaver</i>	<i>31-Mar-96</i>	<i>18.76</i>	<i>15.96</i>	<i>25.44</i>

**Just some
Example
from MF
(ELSS)**



CASH MANAGER

Park Your Idle Money lying in a traditional saving instrument in
“CASH MANAGER”



Liquid



Reasonable
Returns*



Low on Risk



No Lock-in



No exit load



Easy to redeem

NEED OF *CASH MANAGER* -

COST OF MONEY LYING IDLE...

Money in savings account	+	100000
Interest earned in 1 year (@4.0 per annum)	+	4000
	=	104000
Tax on Interest (@30.9%)	-	1236
Impact of Inflation (@5% per annum)	-	5000
Value at the end of year 1	=	97764



Your investment ought to beat the inflation !!!

CASH MANAGER

Why settle for 4 to 6% Returns on your traditional savings instruments when you can earn higher returns on your idle money by investing in CASH MANAGER



Traditional Saving
Instrument



**CASH
MANAGER**

Make it work
harder for you by
investing your idle
money in CASH
MANAGER

CASH MANAGER SOLUTIONS THROUGH MUTUAL FUNDS

Scheme	AMC	Launch Date	CAGR Return (%)	Solution	Description
ICICI Prudential Savings Fund	ICICI Prudential Mutual fund	17-Nov-05	8.16	iSave-IPRUmf app	Make investing easy for you. The new, ICICI Prudential Mutual Fund'- iSave-IPruMF application brings simplicity and flexibility to invest and withdraw anytime. Now with your smartphone, become a smart investor.
HDFC Cash Management Fund - Treasury Advantage Plan	HDFC Mutual Fund	18-Nov-99	9.01	HDFC InstaInvest	Investors can initiate a transaction through just a text message. Its very easy & user friendly facility.
DSP BlackRock Money Manager Fund	DSP BlackRock Mutual fund	31-Jul-06	7.61	IFAXpress	IFAXpress is an online tool from DSP BlackRock Mutual Fund. Investor can initiate an Online transaction through IFAXpress. It enables investors to perform transactions anytime.
SBI Savings Fund	SBI Mutual Fund	19-Jul-04	7.6	'm-Easy,' a mobile investment facility	SBI Mutual Fund presents 'm-Easy,' a mobile investment facility which helps you Invest, Redeem and Switch from one scheme to another, via just an SMS.
Reliance Money Manager	Reliance Mutual Fund	Mar 20, 07	8.41	Simply Save App	Saving money with 'Simply Save' is very convenient, use website or mobile app anytime, no matter where you are and save money instantly.



Taxation on Mutual Funds

Mutual Fund Taxation 2017 - 18 (Capital Gain Tax Rates)		
	Individuals	NRI's
Equity Oriented Mutual Funds		
Long Term Capital Gain Tax(LTCG)	Nil	Nil
Short Term Capital Gain Tax(STCG)	15%	15%
Other than Equity Oriented Mutual Funds		
Long Term Capital Gain Tax(LTCG)	20% with Indexation	Listed 20% with Indexation and unlisted - 10% without taxation
Short Term Capital Gain Tax(STCG)	Based on Individual's Tax Slab	Based on Individual's Tax Slab

Taxation on Mutual Funds



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Today's Saving is Tomorrow's

