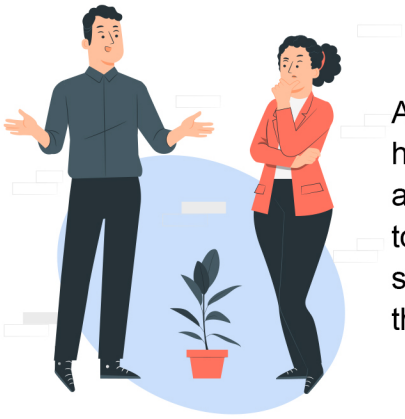
# UNLEASHING POTENTIAL

# HOW REGULAR INVESTMENTS CAN OUTPACE LIFETIME EARNINGS

Karan emerged from his boss's cabin with a wide grin on his face. And why wouldn't he? He had received approval to leave a little early and join the college reunion party later that day. The thought of reuniting with old friends after such a long time filled him with excitement.





At the reunion party, he came across Nisha, a former classmate who had recently quit her job to venture into the world of entrepreneurship as a Mutual Fund Distributor. During their conversation, Karan expressed to Nisha his reluctance to save money and start any investments. Nisha stressed the importance of savings for various objectives and explained the power of compounding.

She revealed that by investing just 30% of Karan's earnings on a regular monthly basis, he could potentially outpace his lifetime earnings, all the while maintaining the same level of savings rate along with future increments. The revelation left Karan astonished, and he expressed a desire to learn more about this fascinating concept. Nisha inquired about his current age, monthly salary, the anticipated rate of future increments along with his retirement age.

The very next morning, Nisha promptly returned to her office and sent an email containing the detailed projections to Karan.

| Age | 30 |
|---|---|
| Annual Salary | ₹12,00,000 |
| Savings Percentage | 30% |
| Assumed Return | 12% |
| Annual Increment | 8% |
| Retirement Age | 60 |

Jyotiraja Sodha
Shubhchintak
AMFI-Registered Mutual Fund Distributor | ARN-18594
jyotiraja_sodha@hotmail.com 9898398189 https://shubhchintak.investwell.app/app/#/login

| Age | Salary | Total Earnings from the Start | Annual Investment | Investment Corpus |
|---|---|---|---|---|
| 30 | ₹12,00,000 | ₹12,00,000 | ₹3,60,000 | ₹4,03,200 |
| 31 | ₹12,96,000 | ₹24,96,000 | ₹3,88,800 | ₹8,87,040 |
| 32 | ₹13,99,680 | ₹38,95,680 | ₹4,19,904 | ₹14,63,777 |
| 33 | ₹15,11,654 | ₹54,07,334 | ₹4,53,496 | ₹21,47,346 |
| 34 | ₹16,32,587 | ₹70,39,921 | ₹4,89,776 | ₹29,53,577 |
| 35 | ₹17,63,194 | ₹88,03,115 | ₹5,28,958 | ₹39,00,439 |
| 36 | ₹19,04,249 | ₹1,07,07,364 | ₹5,71,275 | ₹50,08,320 |
| 37 | ₹20,56,589 | ₹1,27,63,953 | ₹6,16,977 | ₹63,00,332 |
| 38 | ₹22,21,116 | ₹1,49,85,069 | ₹6,66,335 | ₹78,02,667 |
| 39 | ₹23,98,806 | ₹1,73,83,875 | ₹7,19,642 | ₹95,44,986 |
| 40 | ₹25,90,710 | ₹1,99,74,585 | ₹7,77,213 | ₹1,15,60,863 |
| 41 | ₹27,97,967 | ₹2,27,72,552 | ₹8,39,390 | ₹1,38,88,283 |
| 42 | ₹30,21,804 | ₹2,57,94,356 | ₹9,06,541 | ₹1,65,70,203 |
| 43 | ₹32,63,548 | ₹2,90,57,904 | ₹9,79,065 | ₹1,96,55,180 |
| 44 | ₹35,24,632 | ₹3,25,82,537 | ₹10,57,390 | ₹2,31,98,078 |
| 45 | ₹38,06,603 | ₹3,63,89,140 | ₹11,41,981 | ₹2,72,60,866 |
| 46 | ₹41,11,131 | ₹4,05,00,271 | ₹12,33,339 | ₹3,19,13,510 |
| 47 | ₹44,40,022 | ₹4,49,40,292 | ₹13,32,006 | ₹3,72,34,979 |
| 48 | ₹47,95,223 | ₹4,97,35,516 | ₹14,38,567 | ₹4,33,14,371 |
| 49 | ₹51,78,841 | ₹5,49,14,357 | ₹15,53,652 | ₹5,02,52,186 |
| 50 | ₹55,93,149 | ₹6,05,07,506 | ₹16,77,945 | ₹5,81,61,747 |
| 51 | ₹60,40,600 | ₹6,65,48,106 | ₹18,12,180 | ₹6,71,70,798 |
| 52 | ₹65,23,848 | ₹7,30,71,955 | ₹19,57,155 | ₹7,74,23,307 |
| 53 | ₹70,45,756 | ₹8,01,17,711 | ₹21,13,727 | ₹8,90,81,478 |
| 54 | ₹76,09,417 | ₹8,77,27,128 | ₹22,82,825 | ₹10,23,28,019 |
| 55 | ₹82,18,170 | ₹9,59,45,298 | ₹24,65,451 | ₹11,73,68,687 |
| 56 | ₹88,75,624 | ₹10,48,20,922 | ₹26,62,687 | ₹13,44,35,139 |
| 57 | ₹95,85,674 | ₹11,44,06,596 | ₹28,75,702 | ₹15,37,88,142 |
| 58 | ₹1,03,52,528 | ₹12,47,59,123 | ₹31,05,758 | ₹17,57,21,168 |
| 59 | ₹1,11,80,730 | ₹13,59,39,853 | ₹33,54,219 | ₹20,05,64,434 |
| 60 | ₹1,20,75,188 | ₹14,80,15,042 | ₹36,22,556 | ₹22,86,89,429 |

By the time Karan reaches retirement age, the above strategy could potentially boost his investment corpus to **1.55** times his lifetime earnings.

Jyotiraja Sodha
Shubhchintak
AMFI-Registered Mutual Fund Distributor | ARN-18594
jyotiraja_sodha@hotmail.com 9898398189 https://shubhchintak.investwell.app/app/#/login






Karan was amazed to discover that his investment value had the potential to exceed his total earnings over a lifetime. This realization is not unique to Karan; many of us who are in the early stages of life and hesitant to invest for future growth may be missing out on the opportunity to create wealth.

The projections presented in the above calculation and graph serve as a valuable reminder that even a modest regular savings percentage can lead to significant financial growth in the long run. Understanding the concept of compounding and adopting disciplined savings practices can unlock the potential to achieve our financial objectives and secure a prosperous future.

**Disclaimer:** Mutual Fund investments are subject to market risks. Please read the scheme related documents carefully before investing. Returns are not guaranteed. Returns over one year period are annualized. The provided chart is an illustrative tool. However, it's essential to note that real-world circumstances may cause variations from these projected figures.

**Jyotiraja Sodha**
**Shubhchintak**
**AMFI-Registered Mutual Fund Distributor | ARN-18594**
**jyotiraja_sodha@hotmail.com** **9898398189** **https://shubhchintak.investwell.app/app/#/login**