

# CASE STUDY: ANNUAL LUMP SUM REQUIRED FOR TARGET FUTURE VALUE



Mr. A, a caring father, has set a financial goal of accumulating ₹25,00,000 over the next 10 years to fund his daughter's higher education. With a vision to invest prudently, Mr. A plans to allocate funds annually and invest them in an equity fund, leveraging the potential for higher returns over the long term. He targets an annual return of 12% from his investments.



## How much should he invest annually to achieve his goal?

### INVESTMENT GOAL



Target Future Value

₹25,00,000

Time Horizon

10 Years



Goal

Fund daughter's higher education

### INVESTMENT PLAN



**Annual Investment**

Invest a lumpsum amount at the end of every year.



**Investment Avenue**

Equity Mutual Fund



**Investment Horizon**

10 Years



**Objective**

Achieve a future value of ₹25,00,000.

### ASSUMPTIONS



**Expected Annual Return**

12%



**Investment Frequency**

Once a year (Year-end)



**Inflation & Taxes**

Not considered



**Investment Type**

Equity Fund (High growth potential)

### HOW IT WORKS



Mr. A will invest a fixed amount at the end of each year. These investments will grow at an expected rate of 12% p.a. Over 10 years to build a corpus of ₹25,00,000.



This is an example of a systematic annual investment strategy.

### OBJECTIVE



Determine the annual lumpsum amount Mr. A should invest in an equity fund, earning an expected return of 12% p.a., to accumulate a target corpus of ₹25,00,000 in 10 years for his daughter's higher education.



**Note:** Actual returns may vary based on market conditions and fund performance.

## Annual Lumpsum Calculation For Mr. A

Target Amount	₹ 25,00,000
Investment Period	10 Years
Payment Period	10 Years
Assumed Rate of Return	12.00 %

### Initial Investment Required

Scenario 1 @ 12.00 %
₹ 1,27,197

\*This illustration and returns assumed are on the basis of the request made by you. These are neither indicative nor guaranteed returns. Mutual fund investments are subject to market risks. Do read all scheme-related documents carefully.

Report Date : 29/05/2026

MFD Name

MFD Company Name

AMFI-Registered Mutual Fund Distributor + SIF Distributor | ARN-123456

 mfdcompanyname@gmail.com  9876543210  www.mfdcompanyname.com

### Projected Annual Investment Value

Year	Annual Investment	Year End Value @ 12.00 %
1	₹ 1,27,197	₹ 1,42,460
2	₹ 1,27,197	₹ 3,02,016
3	₹ 1,27,197	₹ 4,80,718
4	₹ 1,27,197	₹ 6,80,865
5	₹ 1,27,197	₹ 9,05,029
6	₹ 1,27,197	₹ 11,56,093
7	₹ 1,27,197	₹ 14,37,285
8	₹ 1,27,197	₹ 17,52,219
9	₹ 1,27,197	₹ 21,04,946
10	₹ 1,27,197	₹ 25,00,000

\*The chart is for illustration purposes only. Figures are approximate and may not be linear as shown in the chart. The returns assumed above are as per your request. These are neither indicative nor guaranteed returns.

Report Date : 29/05/2026

**MFD Name**

**MFD Company Name**

**AMFI-Registered Mutual Fund Distributor + SIF Distributor | ARN-123456**

✉ [mfdcompanyname@gmail.com](mailto:mfdcompanyname@gmail.com) ☎ 9876543210 🌐 [www.mfdcompanyname.com](http://www.mfdcompanyname.com)