



Investment calculators: When in doubt, calculate it out!

Math time!

Without using a calculator, tell us how much is $2+2$? You would say, "Is this even a question!". $2+2$ is obviously 4. But what if we ask you, how much is $24388239+32683494$? Now, you would say, "Thank God we have calculators". Thankfully, there are calculators in the mutual fund world too. What are they, how do they work, and how are they helpful – let's find out?

The more the merrier – different types of calculators

SIP Calculator:

1. SIP in mutual funds stands for Systematic Investment Plans. With an SIP calculator, you can ascertain your ideal SIP amount for reaching your target amount within the time frame you have in mind.

How to use: Enter the amount that you want to create, the number of years that you can remain invested and the % of returns that you expect from your investment. The calculator will then show you the monthly SIP amount that you must invest. You will also come to know how much money you need to invest in total.

Example: If you want to make Rs 1 lakh in 8 years with an expected return rate of 9%, you will need to start a mutual fund SIP of Rs 715/month. Thus, your total investment over the years will be Rs 68,640.

Return Calculator:

2. This online tool works on the principle of compounding. It shows you how much your initial investment amount will turn into if you stay invested for a certain period.

How to use: Enter the lump sum amount you want to invest, the number of years that you want to stay invested for and the expected rate of return. The calculator will then show you the amount that your investment will grow into.

Example: If you invest Rs 50,000 for 8 years and you expect a return rate of 9%, your investment will convert to Rs 99,628 at the end of the tenure.

Lumpsum Calculator:

3. This calculator helps you find out the actual returns on your lump sum investment in a specific mutual fund scheme.

How to use: Choose the category of mutual funds to invest in, the name of the scheme and whether you opted for a dividend or growth option, whether you opted for a reinvestment or payout option. Enter your investment amount, investment start date and end date. The calculator will then show the return rate of your fund.

Just like these, there are several other calculators that can help you with different mutual fund and personal finance aspects. These include the Retirement Calculator, STP Calculator, SWP Calculator, SIP Performance Calculator etc.

Repeat after us, “Thank you calculators for making my life easy” – Pros explained

1. **They are easily available:** You can find these calculators online on the website of most AMCs in India. They are easy to handle and you also need not pay anything to use them.
2. **They help in financial planning:** Since these calculators help you ascertain your SIP amount, investment amount, etc., you can better plan your finances for the present as well as the future.
3. **They can provide quick results:** You can get your results in just a single click. This can help you make informed decisions faster.

To sum it

Technology has made life simpler even while investing. There are several investment calculators in India that can make your investment journey easier and help you reach your financial goals faster.

An investor education initiative by Edelweiss Mutual Fund

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Mutual Fund investments are subject to market risks, read all scheme related documents carefully.