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KYRON FINSERV'S

HORIZON

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Planning Your Child's Foreign Education

Dear Investors,

Every parent dreams of seeing their child walk into a top global university. But making that dream real takes clear planning and consistent action. Here's a simple roadmap:

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Start with a clear goal

- Choose the country, course, and duration
- Estimate tuition, living expenses, travel, and annual inflation (8 to 10 percent)
- Convert future costs into INR to get your target

Understand your time frame and risk

- If you have more than 5 years, use equity-focused options for growth
- If you have 3 to 4 years, go for conservative or balanced funds
- Check your current savings and the gap you need to cover

Choose the right investment tools

- SIPs in mutual funds build wealth steadily
- International or index funds offer currency protection
- Use debt funds for the final 1 to 2 years
- Avoid relying only on FDs or savings accounts, as they may not beat inflation

Increase your SIPs with time

- Use a step-up SIP strategy to boost savings gradually
- For example, starting with ₹20,000 monthly and increasing it by 10 percent each year for 7 years can grow to over ₹34 lakhs
- Without any increase, it would be just ₹26 lakhs
- Small increases make a big difference

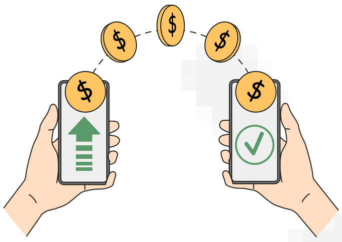
Shift to safer assets near the goal

- Move from equity to debt 12 to 18 months before the funds are needed
- Create a separate education fund to avoid mixing with other goals

Be mindful of currency risk

- A weaker INR could increase costs
- International mutual funds or ETFs help hedge this risk
- Review the plan annually and adjust for major currency changes

Know the LRS rules for sending money abroad



- Under RBI's Liberalised Remittance Scheme, each parent can send up to USD 250,000 per financial year
- Covers tuition, living expenses, books, and more
- TCS of 5 to 20 percent may apply depending on the amount and purpose
- Plan documentation and transfers well in advance

Keep a contingency fund

- Set aside 6 to 12 months of expenses in a liquid emergency fund
- Keep it separate from the education fund
- It acts as a safety net in case of unexpected events

Summary

The best way to fund a dream is to start planning early.
Stay consistent, review your strategy every year, and adjust when needed. Start small if you must, but start now. Your child's future will thank you.

Read More on our website