



SYSTEMATIC WITHDRAWAL PLAN SWP GSC

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Systematic Withdrawal Plan



Convert Mutual Fund Units to Bank Balance
In a phased manner



Mutual Fund investments are subject to market risk, please read all scheme related document carefully.

A Sample Illustration of SWP

From Balance Fund

Initial Investment	Rs.10,00,000
Monthly Withdrawal Amount	Rs.7,000
Assumed Return	10% pa.

Year	Balance Fund Value at the beginning of year	Annual Return	Annual Withdrawal	Balance Fund Value at the end of year
1	1,000,000	96,216	84,000	1,012,216
2	1,012,216	97,438	84,000	1,025,654
3	1,025,654	98,782	84,000	1,040,436
4	1,040,436	100,260	84,000	1,056,696
5	1,056,696	101,886	84,000	1,074,581
6	1,074,581	103,674	84,000	1,094,256
7	1,094,256	105,642	84,000	1,115,898
8	1,115,898	107,806	84,000	1,139,704
9	1,139,704	110,187	84,000	1,165,890
10	1,165,890	112,805	84,000	1,194,695
11	1,194,695	115,686	84,000	1,226,381
12	1,226,381	118,854	84,000	1,261,236
13	1,261,236	122,340	84,000	1,299,575
14	1,299,575	126,174	84,000	1,341,749
15	1,341,749	130,391	84,000	1,388,140
16	1,388,140	135,030	84,000	1,439,171
17	1,439,171	140,133	84,000	1,495,304
18	1,495,304	145,747	84,000	1,557,051
19	1,557,051	151,921	84,000	1,624,972
20	1,624,972	158,713	84,000	1,699,685
21	1,699,685	166,185	84,000	1,781,870
22	1,781,870	174,403	84,000	1,872,273
23	1,872,273	183,444	84,000	1,971,717
24	1,971,717	193,388	84,000	2,081,105
25	2,081,105	204,327	84,000	2,201,432

- The above chart is approximate and for illustration purpose only
- It is assumed that withdrawals are made at the end of each month.
- Mutual Fund investments are subject to market risk, read all scheme related document carefully.

Category of Debt Funds to be considered for SWP Withdrawal

Fund Category	Where do they invest?	Category Average Returns of last 10 years.
Gilt Fund	Gilt funds invest primarily in government securities. These funds have no risk of non-payment of interest or principal amount.	7.40%
Credit Risk Fund	As the name suggests, the majority of the funds under this category are invested below AAA-rated securities.	6.68%
Dynamic Bond Fund	Dynamic bond funds are debt schemes where the fund manager has the flexibility to decide the duration of the bond in the portfolio depending on the movement of interest rates.	7.38%
Medium Duration Fund	These funds invest in securities with maturity typically in the range of around 3-4 years. The fund manager of these funds may invest in securities with different credit qualities.	7.43%
Short Duration Fund	Short Duration Funds are debt funds that invest in debt instruments with a typical maturity duration of around 1-3 years. These types of debt funds are less affected by interest rate movement compared to longer-duration debt funds.	7.00%

Disclaimer: Mutual Fund investments are subject to market risks. Please read the scheme-related documents carefully before investing. Returns are not guaranteed, Past performance is not an indication of future returns. The above is for illustration purposes only. SWP is a process, not a guaranteed product. Actual investment experience may differ. Data source masterstrokeonline.com. Report date: 06/04/2022

SWP Ready Reckoner

Monthly Withdrawl For Lumpsum Investment (Without Return of Investment Amount)

Liquid Fund						
Period	Investment Amount					
	10 Lacs	25 Lacs	50 Lacs	1 Crore	2 Crore	5 Crore
10 Year	11,022	27,556	55,112	1,10,224	2,20,448	5,51,120
15 Year	8,353	20,882	41,765	83,529	1,67,059	4,17,647
20 Year	7,073	17,682	35,365	70,729	1,41,458	3,53,646
25 Year	6,346	15,866	31,731	63,462	1,26,924	3,17,310
30 Year	5,894	14,734	29,469	58,937	1,17,874	2,94,685

Assuming returns of 6% pa. in Liquid Fund.

* It is assumed that the withdrawal is made on the last day of each month.

For example, if an amount of Rs.10.00 Lacs is invested in Liquid Fund earning a return of 6.00% pa, an amount of Rs.11,022/- can be withdrawn monthly for a period of 10 years. The amount invested in the beginning will become NIL at the end of 10 years.

Balance Fund						
Period	Investment Amount					
	10 Lacs	25 Lacs	50 Lacs	1 Crore	2 Crore	5 Crore
10 Year	12,978	32,444	64,888	1,29,775	2,59,551	6,48,877
15 Year	10,484	26,210	52,420	1,04,839	2,09,678	5,24,195
20 Year	9,366	23,416	46,832	93,664	1,87,328	4,68,320
25 Year	8,785	21,962	43,925	87,850	1,75,699	4,39,248
30 Year	8,459	21,147	42,295	84,589	1,69,178	4,22,945

Assuming returns of 10% pa. in Balanced Fund.

* It is assumed that the withdrawal is made on the last day of each month.

For example, if an amount of Rs.10.00 Lacs is invested in Balanced Fund earning a return of 10.00% pa., an amount of Rs.12,978/- can be withdrawn monthly for a period of 10 years. The amount invested in the beginning will become NIL at the end of 10 years.

The above is for illustration purpose only.

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Benefits of SWP



Mutual Fund investments are subject to market risk, please read all scheme related document carefully.

SWP Ready Reckoner

Lumpsum Investment Required for Target Monthly Withdrawal (Without Return of Investment Amount)

Liquid Fund						
Period	Monthly Withdrawal					
	10,000	25,000	50,000	100,000	200,000	500,000
10 Year	9,48,000	23,69,000	47,38,000	94,77,000	1,89,53,000	4,73,83,000
15 Year	12,74,000	31,85,000	63,69,000	1,27,39,000	2,54,77,000	6,36,93,000
20 Year	15,29,000	38,24,000	76,47,000	1,52,94,000	3,05,89,000	7,64,72,000
25 Year	17,30,000	43,24,000	86,48,000	1,72,97,000	3,45,94,000	8,64,85,000
30 Year	18,87,000	47,16,000	94,33,000	1,88,66,000	3,77,32,000	9,43,30,000

Assuming returns of 5% pa. in Liquid Fund.

* Rounded off to nearest '000.

It is assumed that the withdrawal is made on the last day of each month.

For example, in order to receive monthly annuity of Rs.10,000/- per month for 10 years, an amount of Rs.9.48 Lacs needs to be invested if the expected rate of return is 5.00% pa. The amount invested will become NIL at the end of 10 years.

Balance Fund						
Period	Monthly Withdrawal					
	10,000	25,000	50,000	100,000	200,000	500,000
10 Year	8,01,000	20,03,000	40,07,000	80,14,000	1,60,28,000	4,00,70,000
15 Year	10,07,000	25,16,000	50,33,000	1,00,66,000	2,01,31,000	5,03,28,000
20 Year	11,40,000	28,50,000	57,00,000	1,13,99,000	2,27,98,000	5,69,95,000
25 Year	12,27,000	30,66,000	61,33,000	1,22,66,000	2,45,32,000	6,13,29,000
30 Year	12,83,000	32,07,000	64,15,000	1,28,29,000	2,56,58,000	6,41,45,000

Assuming returns of 9% pa. in Balance Fund.

* Rounded off to nearest '000.

* It is assumed that the withdrawal is made on the last day of each month.

For example, in order to receive monthly annuity of Rs.10,000/- per month for 10 years, an amount of Rs.8.01 Lacs needs to be invested if the expected rate of return is 9.00% pa. The amount invested will become NIL at the end of 10 years.

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Category of Hybrid Funds to be considered for SWP Withdrawal

Fund Category	Where do they invest?	Taxation	Category Average Returns of last 10 years.
Balanced Advantage Fund.	These funds invest in a mix of assets like stocks, debt, and arbitrage opportunities. The allocation is dynamic and is based on various valuation matrices.	Equity	12.05%
Dynamic Asset Allocation Fund.	These funds invest mainly in debt & equity. The fund manager does regular adjustments to the underlying asset allocation based on market performance and valuation.	Equity	9.94%
Equity Savings Funds	These funds invest in a combination of equity, debt, and arbitrage opportunities. The overall net exposure to equity is between 15-40% across various schemes.	Equity	7.54%
Multi-Asset Allocation Fund	These funds invest in at least 3 asset classes, such as equity, debt & gold, and increase/decrease their allocation according to the current market condition. A minimum of 10% of its portfolio should be allocated to any asset class.	Equity	10.98%

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