

HDFC MF

Weekend Bytes

A weekly series from HDFC Mutual Fund

What financial freedom means to you?



Every year on Independence Day, we celebrate our nation's freedom with pride. It's also a moment to pause and think about the freedoms we work towards in our personal lives. For many, Financial Freedom means, having the confidence to make life decisions without being limited by money. And in countless Indian households, this journey is unfolding in simple, everyday moments.

Sometimes, it's about lessons passed down – like how to save and sometimes, it's about adapting those lessons to a changing world.

On Independence Day, two generations Mother and her Daughter sit together, swapping stories of savings, dreams and what financial freedom means to them.



Happy Independence Day, beta!



Happy Independence Day, Ma! Today always reminds me of how precious freedom is, whether it's for our country or for shaping our lives.

Hmmm... I've always believed in saving. Coins and notes tucked away in my barni gave me peace of mind.



That habit taught me discipline, Ma. But I realised that if we only save, we're just protecting money, not growing it and reducing the value of it overtime due to inflation. Now that I have started earning, I've realised money can also grow if we invest it smartly. That's where SIPs (Systematic Investment Plan) come in.

SIPs, hmm... so you've replaced my barni with the market?



Not replaced, Upgraded! The market has its ups and downs, but over time, staying invested could work in our favour. For example, If I had invested Rs 1000 every month in Nifty 50 TRI over the last 20 years, my corpus could have grown to Rs 10.24 Lakhs, with a total investment of Rs 2.40 Lakhs with a rate of return of about 12.88% p.a*. That's the power of staying invested and letting time do its work.

*Actual 20 Years SIP Returns (XIRR) of NIFTY 50 TRI as on 31st July, 2025. **Past performance may or may not be sustained in future and is not a guarantee of any future returns.**

So, the earlier you start, the more time you give your investment to grow?



Exactly, it's like planting a tree, the sooner you plant, the bigger it could grow. But like gardening there are seasons when growth could slow, so patience is important.

For example, Mr. A started investing Rs 9,000 every month at the age of 35; and Mr. B started investing Rs 15,000 every month at the age of 45. Both invested Rs 27 lakhs till the age of 60.

	Mr A	Mr B
Starts investing at the age of (in years) in Nifty 50 TRI	35	45
Monthly SIP instalment (in Rs)	9,000	15,000
Investment till the age of (in years)	60	60
Total Investment	27 Lakh	27 Lakh
Accumulated value at the end	2.3 Crore	81.1 Lakh
*Rate of return (XIRR)	14.61%	13.48%

*Returns: Actual SIP Returns (XIRR) of Nifty 50 TRI for 15 Year and 25 Year period as on 31st July, 2025. **Past Performance may or may not be sustained in future and is not a guarantee of any future returns. HDFC AMC / HDFC Mutual Fund is not guaranteeing / offering /communicating any indicative yield on investments made in the scheme(s)**

That makes sense. Just like when we plant a tree, we would also need to deal with storms and bad seasons too right?



Exactly Ma. And just like you wouldn't put all your plants in one spot, diversifying investments could help to reduce the risk.



So, you're saying its about balance, not chasing returns?



Yes. It's about finding a mix that matches your goals and how much risk you're comfortable taking and reviewing it regularly. Because our needs and market condition can change.



I like this approach. It's not about quick gains, but building wealth steadily.



That's right, Ma. For me financial freedom is about having choices, without having to worry about every rupee. It takes time, patience and a plan that could work for us.



Through this conversation, The mother realised that while barni could just store her money, SIPs could grow it for true financial freedom.

Because true independence isn't about securing money. It's about unlocking the dreams that your investments can make possible.



Start investing early to give your investments more time to grow



Stay invested for the long term to make the most of market cycles



Diversify your investments to manage risk effectively



Review your portfolio regularly to stay aligned with your goals



Patience and discipline are as important as returns

So, this Independence Day, **Apne Sapne Karo Azad** and make your investments work harder with SIPs in Mutual Funds.

Happy Independence Day!



Views expressed above are indicative and should not be construed as investment advice or as a substitute for financial planning. Due to the personal nature of investments, investors are advised to seek professional advice before investing.

**MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS,
READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.**

Mission: To be the wealth creator for every Indian

Vision: To be the most respected asset manager in the world