HDFC MUTUAL FUND
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HDFC MF

Weekend Bytes

A weekly series from HDFC Mutual Fund

Beyond the Classroom:

Planning for Your Child's Growing Passions



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Childhood today goes far beyond the classroom. From music and sports to coding and communication skills, extracurricular activities are playing an increasingly important role in shaping well-rounded individuals. Today, parents increasingly view these activities not as add-ons, but as critical enablers of confidence, creativity, discipline, and social skills.

From dance studios and chess academies to robotics labs and public speaking workshops, children are being exposed to a wide spectrum of opportunities that prepare them for a dynamic and competitive world. These experiences often play a pivotal role in shaping personality, building resilience, and even influencing future career choices.

This trend is prompting many families to think: ***How do we support our child's growth today without compromising financial stability tomorrow?*** The answer lies in early planning, disciplined investing, and involving children in basic financial education.



Understanding the Cost Landscape

In urban India, monthly expenses for enrichment activities can vary widely depending on the level of coaching, infrastructure, and specialization.

Illustrative Monthly Costs

Activity	Approximate Monthly Cost
Dance classes	₹2,500 – ₹7,000
Music / singing / keyboard	₹3,000 – ₹10,000
Chess coaching	₹2,500 – ₹7,000
Drawing and art	₹2,000 – ₹6,000
Drama / public speaking	₹3,000 – ₹8,000
Coding / robotics programs	₹4,000 – ₹15,000

Source: Various public sources

Beyond these base fees, additional expenses often include:

- Equipment (instruments, sports gear, art supplies)
- Certification and competition fees
- Travel and accommodation for events
- Online subscriptions or specialised workshops

Over time, these costs could compound significantly, sometimes running into lakhs over several years. **Which brings us to an important question - when should you start planning?**



At Birth: Start Early, Gain Time

- The best time to begin planning is when your child is born.
- Even small SIPs started early could grow meaningfully over time.

Build the SIP Habit

As your child's interests begin to take shape, **start structured SIP investing:**

- Use relatively lower volatility-oriented funds for near- to medium-term needs
- Build a pool for upcoming expenses like hobby classes, gear, and early learning programs

Long-Term Goals: Build a Dedicated Corpus

For future milestones like advanced learning or development, consider **long-term SIPs** in **HDFC Children's Fund** to build a dedicated corpus over time.

At the same time, planning for these expenses also presents an opportunity to involve children in the journey. **Introducing them to the basics of saving and investing early on** can help build financial awareness and discipline. Simple habits - like saving towards small goals and understanding that money grows over time, can go a long way in shaping responsible decision-making for the future.

Combining SIP and SWP Together

While Systematic Investment Plan (SIP) helps in wealth creation, a Systematic Withdrawal Plan (SWP) could help in structured usage of funds when expenses arise.

	SIP for 15 Years and SWP for the next 10 years in HDFC Children's Fund
Monthly SIP amount in HDFC Children's Fund (in ₹)	10,000
SIP tenure in years	15
Rate of Return* (XIRR)	16.66%
Total amount invested through SIP (in ₹)	18 Lakhs
Value at the end of SIP (in ₹)	71.27 Lakhs
Monthly SWP amount (in ₹)	50,000
SWP tenure in Years	10
Total SWP amount (in ₹)	60 Lakhs
Value of investment at the end of SWP Years (in ₹)	1.29 Crore

SWP - Systematic Withdrawal Plan, SIP - Systematic Investment Plan. *Rate of return is calculated by taking actual SIP returns of HDFC Children's Fund – Regular Plan for 15 Years (01/05/2001 - 30/04/2016) and SWP for 10 Years (01/05/2016- 01/05/2026). SWP is a facility to withdraw fixed amount periodically from the investments by redeeming units. Thus, withdrawals happen from capital and appreciation portion of the investments. The above table is purely to explain the concept of SWP and should not be construed as providing any kind of investment advice or as a substitute for any kind of financial planning. The above is not an indication/assurance of any return that may be earned by using this facility. **Past Performance may or may not be sustained in future and is not a guarantee of any future returns. HDFC Mutual Fund/HDFC AMC is not guaranteeing any returns on investments made in the Scheme**. Due to the personal nature of investments and financial planning, investors are advised to consult his/her professional advisor.

How This Works in Practice

- **During early years:** Invest consistently via SIP to build a corpus
- **When expenses begin:** Use SWP to withdraw a fixed amount periodically

This approach supports:

- Continued investment growth on the remaining corpus
- Cash flows for ongoing expenses like classes or coaching
- Better financial discipline compared to lump-sum withdrawal

Supporting your child's passions is no longer just about enrolling them in the right classes—it's about planning ahead with clarity and discipline.

By combining **early planning, SIP-led investing, structured SWP withdrawals, and financial education**, parents can create a balanced approach, one that nurtures both **dreams and financial well-being.**

Because ultimately, the goal is not just to fund your child's passions... but to **empower them with the mindset to sustain them for life.**



HDFC Children's Fund

A. SIP Performance - Regular Plan - Growth Option

	Since Inception*	15 year SIP	10 year SIP	5 year SIP	3 year SIP	1 year SIP
Total Amount Invested (₹ in lacs)	30.20	18.00	12.00	6.00	3.60	1.20
Market Value as on April 30, 2026 (₹ in lacs)$	269.59	52.23	22.48	7.45	3.79	1.16
Returns (%)$	**14.71**	**13.08**	**12.07**	**8.61**	**3.46**	**-5.91**
Benchmark Returns (%)#	**N.A.**	**10.83**	**10.42**	**7.51**	**4.85**	**-3.74**
Additional Benchmark Returns (%)##	**13.86**	**12.34**	**12.14**	**8.34**	**4.60**	**-6.15**

Assuming ₹ 10,000 invested systematically on the first Business Day of every month over a period of time. CAGR returns are computed after accounting for the cash flow by using XIRR method (investment internal rate of return) for Regular Plan - Growth Option. The above investment simulation is for illustrative purposes only and should not be construed as a promise on minimum returns and safeguard of capital. Since Inception Date = Date of First allotment in the Scheme / Plan. SIP - Systematic Investment Plan. $ Adjusted for Bonus units declared under the Scheme.

B. Performance - Regular Plan - Growth Option

NAV as on April 30, 2026. ₹280.724 (per unit)

Period	Scheme Returns (%)$	Benchmark Returns (%)#	Additional Benchmark Returns (%)##	Value of investment of (₹) 10,000		
				Scheme (₹)$	Benchmark (₹)#	Additional Benchmark (₹)##
Last 1 Year	-0.61	0.40	-0.28	9,939	10,040	9,972
Last 3 Years	10.73	9.54	11.18	13,588	13,152	13,753
Last 5 Years	12.43	9.67	11.69	17,971	15,872	17,382
Last 10 Years	12.90	11.35	13.18	33,666	29,331	34,537
Since Inception*	15.36	N.A.	13.79	364,941	N.A.	258,395

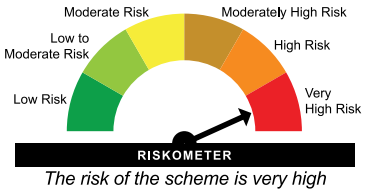
Common notes for table A & B: Scheme performance may not strictly be comparable with that of its Additional Benchmark in view of balanced nature of the scheme where a portion of scheme's investments are made in debt instruments. The Scheme is co-managed by Mr. Chirag Setalvad (Equity Portfolio) (since April 2, 2007) and Mr.Anil Bamboli (Debt Portfolio) (since October 6, 2022). N.A. - Not Applicable. # NIFTY 50 Hybrid Composite Debt 65:35 Index (Total Returns Index). ##NIFTY 50 Index (TRI). $ Adjusted for Bonus units declared under the Scheme. *Inception Date: March 02, 2001. **Past performance may or may not be sustained in future and is not a guarantee of any future returns.** Returns greater than 1 year period are Compounded Annualised (CAGR). Load is not taken into consideration for computation of above performance(s). Different plans viz. Regular Plan and Direct Plan have different expense structure. The expenses of the Direct Plan under the scheme will be lower to the extent of the distribution expenses/commission charged in the Regular Plan. The above returns are of Regular Plan - Growth Option. Returns as on April 30, 2026.

For performance of other funds managed by fund manager, Please click here.

HDFC Children's Fund [(An open ended fund for investment for children having a lock-in for at least 5 years or till the child attains age of majority (whichever is earlier)] is suitable for investors who are seeking*:

- Capital appreciation over long term
- Investment in equity and equity related instruments as well as debt and money market instruments.

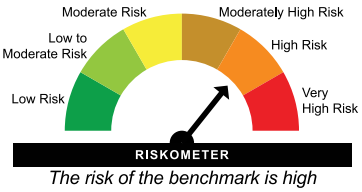
Riskometer #



The risk of the scheme is very high

Benchmark Riskometer#

NIFTY 50 Hybrid Composite Debt 65:35 Index (Total Returns Index)



The risk of the benchmark is high

*Investors should consult their financial advisers, if in doubt about whether the product is suitable for them. #For latest Riskometer, investors may refer to the Monthly Portfolios disclosed on the website of the Fund viz. **www.hdfcfund.com** Scheme and Benchmark Riskometer as on April 30, 2026.

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.