



Financial Planning for Children's needs

[Resources for you and your baby to be](#)

[Budgeting for education](#)

[Encouraging children to be financially capable](#)

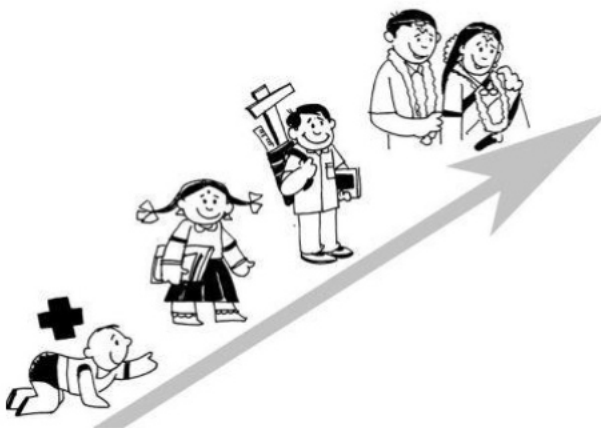
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1. First find out the cost of a range of professional courses now – even if your child has not yet secured admission to nursery school. Take an average cost. For simplicity sake, let's say the cost of an average post graduate degree is Rs. 2 lakh.
2. Then calculate how many years are left before your little one is actually ready to enter such a programme. Coming back to our example, let us assume that your little one is only 3 years old. This means that it will be around 17 years before he is ready to enter such a programme.
3. Now, for each year left before your child will be ready for the course, add an inflation factor. For simplicity sake, let us assume an inflation factor of 5% for our example. As a result, the figure of Rs. 2 lakh will become Rs. 2 lakh 10 thousand by the first year. By the second year it will become Rs. 2,20,500. By the tenth year it will become Rs. 3,25,779. And, by the 17th year the cost of the course will be close to Rs. 4,60,000.
4. That is the figure that you need to aim for with your budgeting and investments.

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