

'I got support for my dream project'

This is the story of Amal Jajodia, a retired corporate professional, who, with some able help from Vishal Dhawan, a Mumbai-based financial planner, realized his dream of being part of an NGO that works towards educating girls from the rural areas.

One day in 2004, when I was posted in Dubai, I got a call from Vishal's wife. I knew her from before. A few days after that call, we all had dinner together. During the course of the dinner, Vishal suggested to me to that my strategy to invest towards my retirement needs to be thought out more deeply so that we are in a position to ensure that the retirement can take place as planned. Accordingly, keeping in mind that retirement was some time away and my portfolio was heavily tilted towards fixed deposits (FDs), he recommended that I shift some money from FDs to equity/balanced mutual funds, which I did, so that the impact of inflation on my expenses could be better managed.

Prior to that, my actual investments had started in 1999, when I was posted in London. The package that my company gave me took care of my house, car and the taxes. So I was able to save a fair amount from my salary. I could see that if I kept my money in a bank account in London, I would get about 1.5%. But if I transferred the money into a bank account in India, I would get around 9% in bank



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FDs. So I used to transfer some money to India and kept it in a high-paying bank FD. In 2003, I bought a house for our family in Mumbai.

A year after I started investing according to Vishal's advice, I came back to India. And then in 2008, I achieved the target corpus that I wanted to reach before retirement.

As the markets crashed and remained subdued in 2009, I was more or less insulated from the carnage because a significant portion of my funds were invested in a manner that they could take care of my regular post-retirement expenses, even though a portion of them were still in equities.

I retired in 2010.

In 2002, in the 25th year of passing out from IIM-Ahmedabad, along with some of my batch mates, I was one of the initial members of IIMPACT,

an NGO that works in the field of education for the girl child in the rural community, especially in those places where the literacy level is lower compared to other places. For us, one of the main reasons to work in this area was a report that said that educating a girl child had a much higher multiplier effect for the society than educating a boy. Our objective was to make sure that she is literate enough to live comfortably in the same surroundings that she currently lives in. For her, literacy should work as a tool that can help her take advantage of the environment with programmes sponsored by the government.

We started in a small village in Haryana in 2003 and the first two years were very tough. However, since we all were from the IIM, we had the right contacts and raising

funds was not an issue. The programme went on smoothly since it was scalable and replicable. Now we run about 750 schools in eight states, changing the lives of 24,000 little girls. The girls from the first batch that started with us are in the 10th standard now.

We spend Rs 70,000 to Rs 80,000 a year on each school, of which the salary for the teachers is the biggest expense, followed by their training. Usually, each one of our sponsors adopts one school or more fully. And our biggest supporter is noted investor Rakesh Jhunjhunwala.

About 20 of us are actively involved in this project on a day-to-day basis and the committee members meet once every quarter. The expenses of travel and stay for the meetings are borne by the members themselves. This is where money from my retirement corpus comes most handy. Without good financial planning, that would not be possible for me.

Financial planning continues to play an important role in my life, as it enables me to focus on rebalancing my portfolio on a regular basis, so that the retirement portfolio is in line with my needs to cover my regular expenses, as well as to support the project.

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(As told to Partha Sinha)