

Future Value of Annual Lumpsum Investment

Mr. A, a prudent investor with a long-term financial outlook, seeks to invest ₹5,00,000 annually over the next 10 years. With an optimistic yet realistic assumption of a 12% annual rate of return, Mr. A aims to calculate the future value of his investments after 15 years.

Solution:

Annual Lumpsum Calculation

Annual Investment	₹ 5,00,000
Investment Period	15 Years
Payment Period	10 Years
Assumed Rate of Return	12.00 %

Expected Future Value

₹1,73,19,046

Projected Annual Investment Value

Year	Annual Investment	Year End Value @ 12.00 %
1	₹ 5,00,000	₹ 5,60,000
2	₹ 5,00,000	₹ 11,87,200
3	₹ 5,00,000	₹ 18,89,664
4	₹ 5,00,000	₹ 26,76,424
5	₹ 5,00,000	₹ 35,57,595
6	₹ 5,00,000	₹ 45,44,506
7	₹ 5,00,000	₹ 56,49,847
8	₹ 5,00,000	₹ 68,87,828
9	₹ 5,00,000	₹ 82,74,368
10	₹ 5,00,000	₹ 98,27,292
11	--	₹ 1,10,06,567
12	--	₹ 1,23,27,355
13	--	₹ 1,38,06,637
14	--	₹ 1,54,63,434
15	--	₹ 1,73,19,046

*The chart is for illustration purposes only. Figures are approximate and may not be linear as shown in the chart. The returns assumed above are as per your request. These are neither indicative nor guaranteed returns.