

# SWATANTRA KUMAR EXPLAINS

## GOAL: TO LIVE A DEBT-FREE LIFE

According to RBI, the total household Debt in 2017-18 was ₹6.74 lakh crore. This figure rose to 11.2% as on June 2018.\*

Debt is an underlying cause of stress. Thus, you must aim to live a Debt-free life. Let's help you get evade the Debt trap.



Say, you take a car loan today.

Loan amount	₹5,00,000
Interest rate	12%*
Tenure	5 years
Total amount to be repaid	₹6,67,332

How about waiting for 5 years and buying the car with your OWN money?

Here's how it is possible:

Monthly Savings/Monthly Systematic Investment Plan (SIP) amount	₹8,091
Expected return	12%*
Investment tenure	5 years
Investment value after 5 years	₹6,67,397

Clearly, you are getting into the Debt trap by buying the car today.

Debt or pride - The choice is yours!

\*Tradingeconomics.com, Bank of International Settlements.

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