

Part-time work from home can help offset some expenses.



## Budgeting for Baby

Preparing to welcome a baby into your family? Here are some tips to budget for the upcoming expenses, and ideas to save money for the short- and long-term.

by ARUNDHATI NATH

### plan early

Start keeping some amount aside in a savings or recurring deposit account each month from the time you plan a baby. This can cover costs including doctor's appointments, tests, ultrasounds, vaccinations, medicines during pregnancy and other expenses for an emergency situation.

### visualize a shortfall

If you have to give up your full-time job, think of how you will compensate for the shortfall. You can work part-time from home in content writing, web designing, telemarketing or data entry, which usually requires just a computer with an internet connection and some of the skills you already have.

### buy equipment online

From a cot to a car seat to a high chair, it can all be bought online, with great discounts to boot. Some online stores dealing exclusively in baby gear are [www.babyoye.com](http://www.babyoye.com), [www.hushbabies.com](http://www.hushbabies.com) and [www.firstcry.com](http://www.firstcry.com). Such equipment can even be borrowed from close friends or family whose children have used them previously. Alternatively, [www.precared.com](http://www.precared.com) is a great site dealing in used baby gear, thoroughly sanitized. Buy equipment when your baby needs it—not all at once.

### get smart on supplies

Baby supplies don't have to cost a bomb. Here are some smart tricks:

- Diapers can be bought in bulk from a wholesaler or through online stores that usually offer discounts. Reusable cloth nappies are a cheaper option.

- Baby care products like creams, powders, and oils are cheaper if bought online. You can also visit a large format retailer like Easy Day and Big Bazaar; they usually have good deals on.

- Milk: Doctors advise exclusive breastfeeding for the first six months. It is pocket friendly too (compared to formula\*).

- Clothes: They must be comfortable but need not be very costly. Use hand-me-downs of older children in the family. Save new buys for special occasions and buy must-haves in the initial years.

### enlist free babysitters

Working moms can lean on the child's grandparents for support. Putting a child in a day-care centre is costly, as is hiring a full-time nanny. However, if you decide to hire one, get her through word-of-mouth. That way, you avoid shelling out the commission agencies charge.





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JOHNSON'S® Baby  
Skincare Wipes.  
A gentle way  
to clean your baby.**

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How can I prevent it? JOHNSON'S® Baby Skincare Wipes have baby lotion that leave a protective layer of moisture on the skin.



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**don't splurge**

Spending on fancy cutlery, soft toys, or designer dresses is unnecessary. In fact, paediatricians will tell you that dust mites trapped in soft toys are one of the major triggers for respiratory problems in children. Also, don't spend a fortune on converting a room to a nursery. Save it for later when your child will have an opinion on how she wants her room to look.

**secure the future**

Take up an insurance scheme to safeguard your child's future in case of an unfortunate event. You should take up a combination of policies with guaranteed income as well as a high return on investment. LIC's Jeevan Ankur and Child Future Plans, SBI LIFE's Scholar II and Smart Scholar, ICICI Prudential's Smart Kid Regular Premium, and HDFC's Children's Plan are some options. You could also start putting away some money regularly through Systematic Investment Planning (SIPs) in mutual funds.

**keep long-term in mind**

As your child grows up, expenses will mount. Save in different ways. ● Start saving in a monthly recurring deposit account for a

long period (usually a maximum of 10 years).

- Park a lump sum in a fixed deposit account with your bank.
- Open a Public Provident Fund Account. It can be opened with just Rs 500 and you can make deposits every year up to a maximum of Rs 1 lakh, in 1 to 12 instalments. The current rate of interest is 8.8 per cent per annum and you will get the maturity value at the end of 15 years.
- National Savings Certificates (NSCs) can be bought at post offices for a minimum value of Rs 100. There is no upper limit and the term period is 5 or 10 years.

**avoid expensive tech toys**

Many parents shower young kids with lavish gifts like iPads, tech toys and video games. However, investing in inexpensive toys, crafts and books will instil value for money in children early on. Plus, babies could be careless and break things. Also, gadgets get redundant in no time, so you'd rather buy the latest versions when your kid grows up.

**get debt-free**

Try to pay off any previous debts that you may have and limit the use of credit cards (the interest rates are exceptionally high). ☘

\*See Resource for Important Notice.