

## TITLE: 5 Tailwinds for a Smooth Retirement Journey in India

“Don’t retire from something, retire to something” Retirement is a major transition in your life that can be both exciting and daunting. With more nuclear families, the traditional reliance on children for elder support is reducing and now retiring comfortably requires robust financial & retirement planning and utilisation of resources.

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Fortunately, there are several helpful tailwinds at play that can make the retirement planning journey easier to navigate. With proper retirement planning and foresight, retirees in India can look forward to a smooth and fulfilling next chapter.

This is where the right strategies and expert guidance can make all the difference in turning retirement into your most fulfilling life chapter. By leveraging key tailwinds early on, and getting professional advice, you can retire to an enriching second innings rather than just from a lifelong career.

Let’s look at 5 key strategies that are acting as tailwinds for Indian retirees in 2024 and beyond.

### STARTING EARLY

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Beginning to save consistently in your 20s or 30s allows decades for compound growth to build a robust retirement corpus. With early efforts, you can invest more aggressively early on and accumulate potentially higher returns. Getting a head start also provides flexibility to save at lower rates as retirement nears.

### USING RETIREMENT PRODUCTS THAT EFFICIENTLY SAVE TAX

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Structuring your savings and investments to maximise tax advantages under Indian laws can enhance long-term growth. Contributing to EPF, PPF, NPS and other tax-saving instruments provides significant savings over time. It lowers your taxable income while allowing investments to compound tax-free for years, increasing net returns.

### AVOIDING WITHDRAWALS

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Resisting the temptation to make early withdrawals from retirement funds is key. Cashing out decreases your principal and reduces future compounding. Avoid withdrawals and plan other savings to cover near-term needs. Keeping retirement funds invested longer enables greater growth potential.

### CONSULTING A HOLISTIC FINANCIAL ADVISOR

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A holistic advisor takes the time to thoroughly review your complete financial situation, including assets, expenses, risk appetite, family needs and more.

Based on their analysis they suggest personalised strategies tailored specifically to you to help maximise retirement savings and investment returns.

Their guidance can help you make optimised decisions on selecting the right mix of financial products, balancing debt paydown versus investing, utilising tax-saving instruments properly, and maintaining an optimal asset allocation over time.

A good advisor proactively keeps you updated on new retirement planning opportunities and changes in regulations. They act as an objective sounding board for key decisions on whether to purchase annuities, how to withdraw savings in retirement, create legacy assets for the family, and more.

This expert guidance is invaluable in creating and fine-tuning an integrated retirement planning strategy designed around your unique situation and goals.

## INCREASING SAVINGS RATE

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As your income grows, strive to increase your retirement contribution rate. Even small increases make a difference over time. Setting up automatic escalation of your contribution annually is an easy way to ensure you're saving more as income rises. The more you can save, the more your retirement corpus can grow.

Leveraging these tailwinds early and consistently can help retirement savings expand exponentially during your working years. They provide momentum to pursue the comfortable, secure retirement you deserve. With proper diligence and advice, you can make these tailwinds work hard for your future.