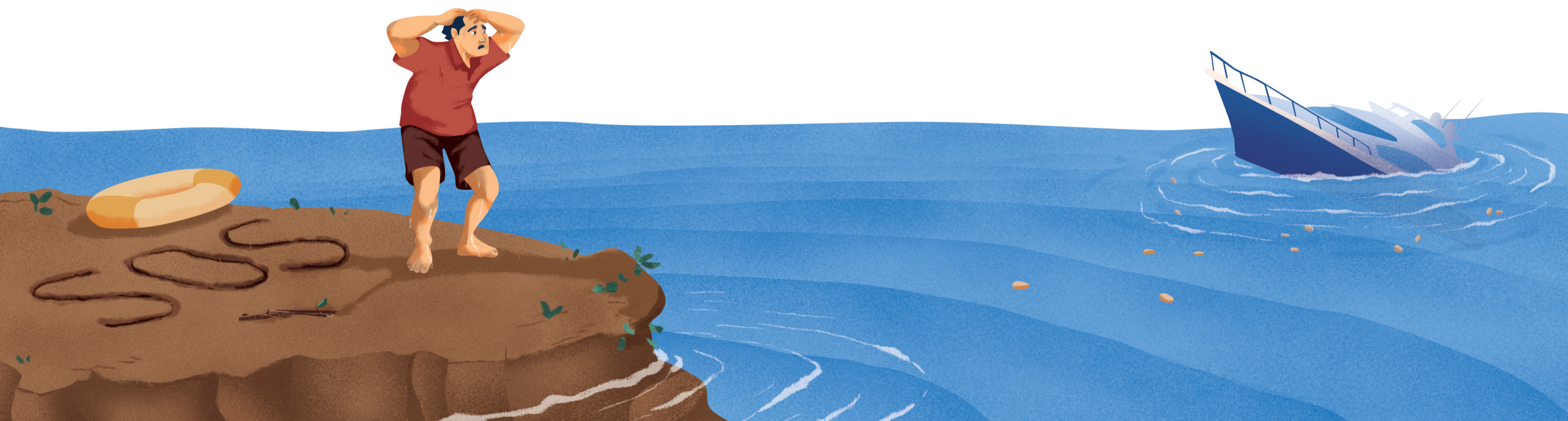
1.1

How 'Retirement Ready' is India?

Four in five Indians approaching retirement do not have a detailed plan for it, yet 61% of those without one say they feel confident about retiring comfortably. This is from a primary survey of 1,218 respondents, predominantly aged 40-60, conducted by 1 Finance across India. When asked what comes to mind when they think of retirement, respondents chose family time (48%) and rest and relaxation (23.3%) far more often than financial independence (28%).

The aspiration is personal. The planning gap is structural. The sections ahead break down that gap across savings behaviour, corpus targets, healthcare preparedness, the lack of professional advice, and what may be the weakest link of all, estate planning.



Study Objectives

The 1 Finance Retirement Readiness Survey aims to understand the following:

Retirement readiness from the standpoint of current savings, expenses, income, corpus, and investment planning.

Respondents' views on retirement, covering expected lifestyle, healthcare needs, and income security.

Inheritance readiness includes how much individuals depend on inherited assets for retirement and their preparedness for inheritance.

Methodology

1 Finance conducted the survey across more than 20 Indian cities. The sample includes 1,218 respondents in the 40 to 60 age group, with 12.3% below 40 and 0.7% above 60.

Responses were collected through telephonic and in-person interviews. The sample skews metro (71.3%) and salaried (83.7%), so the findings are not nationally representative.

Median values throughout this article are computed from midpoints of response brackets. The survey did not capture formal educational qualification; occupation has been used as the closest proxy.

The report is divided into two parts:

- Part I: Retirement Readiness
- Part II: Inheritance Readiness

Detailed demographic profiling has been provided at the end of the report.

Key Findings

Part I: Retirement Readiness

75.5%

of respondents do not have a detailed retirement plan, yet 61.4% of those without one still feel confident about retiring comfortably.

82%

cite healthcare costs as their most important planning factor, yet most address it through general savings rather than dedicated instruments.

Only

23.1%

use professional advice. Among those who do seek it, family and friends (49.5%) outrank financial advisers (18.6%) by 2x.

The median corpus is

3.6x

₹28 lakh saved against a target of ₹1 crore. At the 75th percentile, the gap widens to 8x.

58.5%

plan for retirement funds to run out before age 80, yet longevity ranks last among planning concerns.

24.3%

have no fallback strategy if savings run out. A further 21.2% default to family support.

The metro–non-metro target corpus gap is

3.8x

nearly double the 2.3x income gap.

Part Ii: Inheritance Readiness

30.5%

report some form of inheritance dispute. Families with disputes are nearly twice as likely to have formalised their estate plans.

84.8%

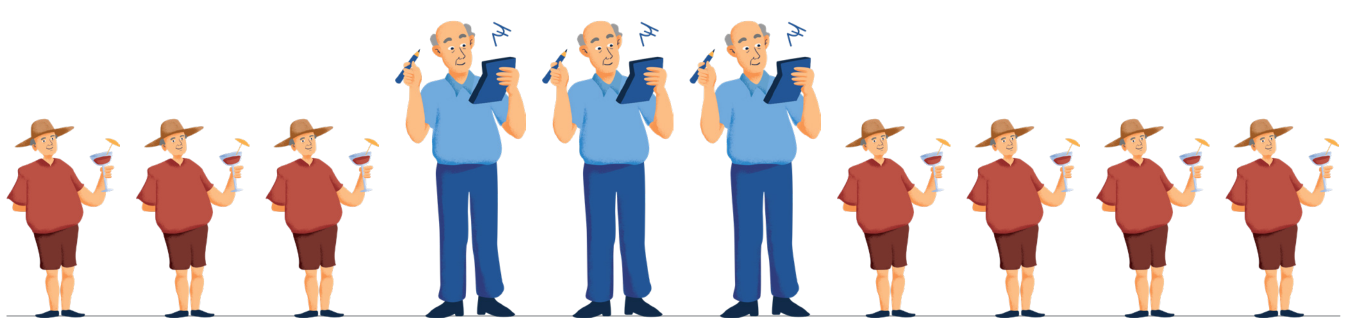
do not have a will. 62.5% have no plans to make one.

What Retirement Means to Respondents

Retirement, for most respondents, is not a financial concept. Only 28% associate it with financial independence, while the rest gravitate toward personal milestones such as family time (48%), rest and relaxation (23.3%), travel (21.7%), hobbies and interests (19%), and volunteering (7.3%). Respondents could cite more than one theme, as the responses were multi-coded.

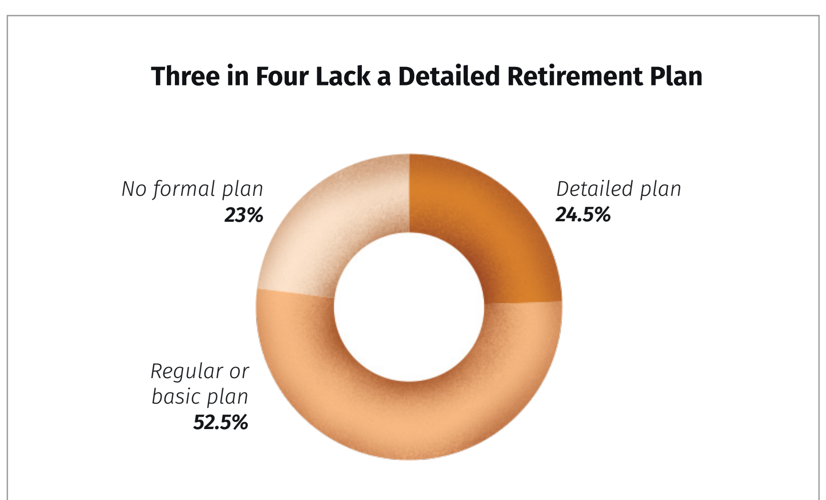
Retirement is predominantly framed as an emotional milestone rather than a financial event requiring structured preparation. That gap between what retirement means emotionally and what it requires financially shows up in every section of this survey.

Lesser than **3/10** respondents associate retirement with financial outcomes at all.



Why Three in Four Approach Retirement Without a Detailed Plan

Respondents were asked to describe their retirement planning status as one of three categories: detailed plan, rough or basic plan, or no formal plan. Only 24.5% report having a detailed plan. The majority (52.3%) describe their planning as rough or basic, while 23% have no formal plan at all.

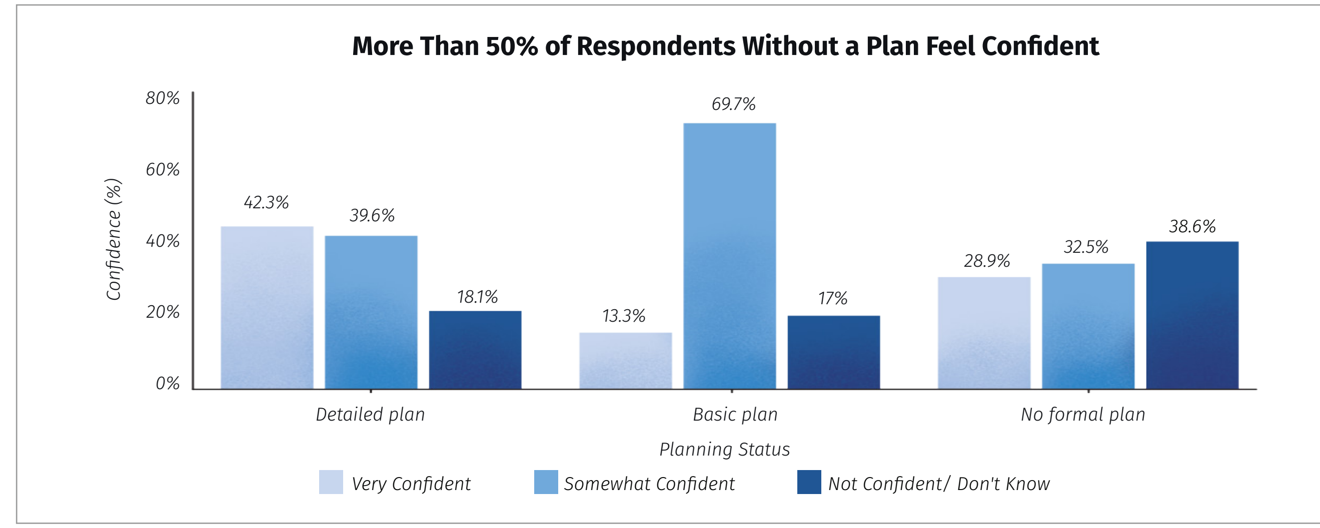


Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

Confident Without a Plan

Among respondents with a detailed plan, 42.3% report being very confident, as they should. But among those with no formal plan, 28.9% still describe themselves as very confident and a further 32.5% as somewhat confident.

In all, **61.4%** of those without a retirement plan still feel confident about retiring comfortably.

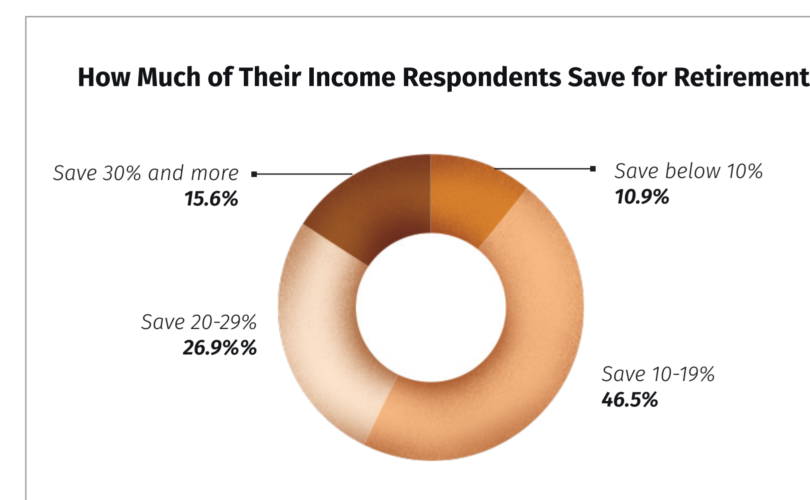


Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

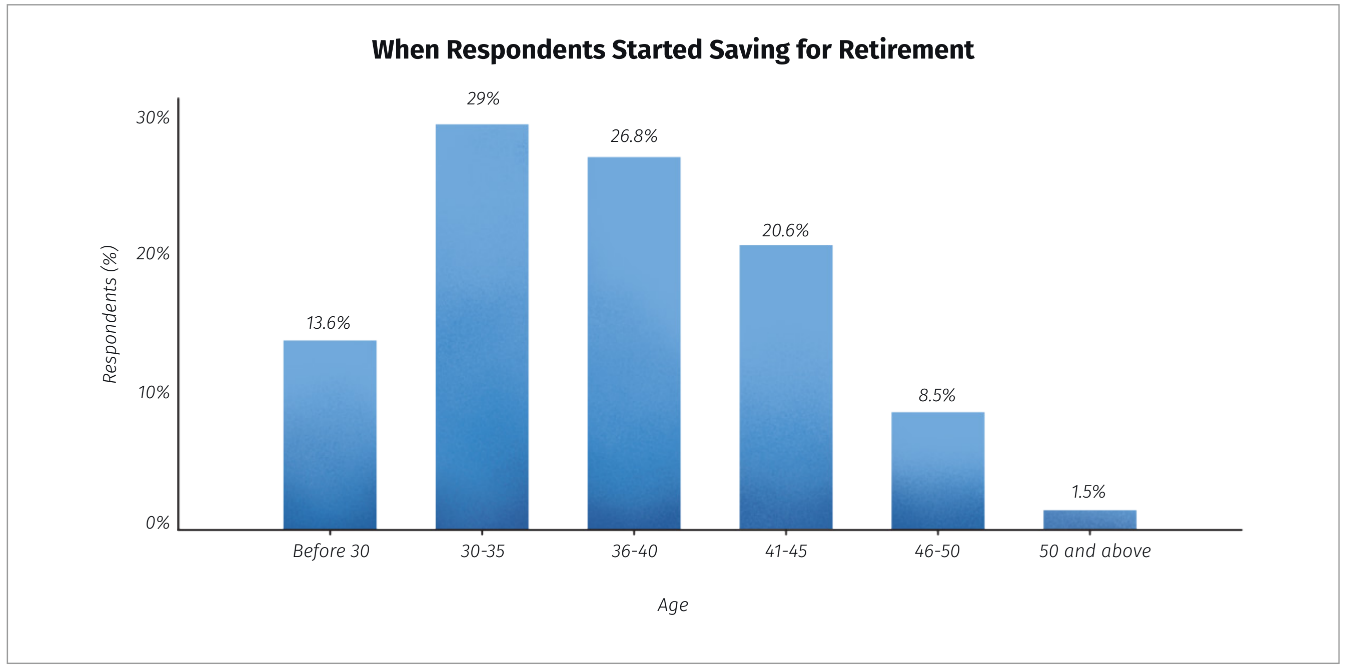
A client who believes they are retirement-ready will not voluntarily increase their SIP or ask for a retirement-specific review. Telling them they should worry more does not help either. What works is one number: the age at which their current retirement corpus runs out, assuming their monthly expenses grow at 6-7% a year. A client who plans to retire at 60 and expects to live until 85 will pay attention when the projection says the money lasts until 71.

How Much Indians are Saving and How Far Short it Falls

The median respondent allocates 15% of their annual income toward retirement savings and begins at age 39, leaving approximately two decades of accumulation before a typical retirement at 60.



Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

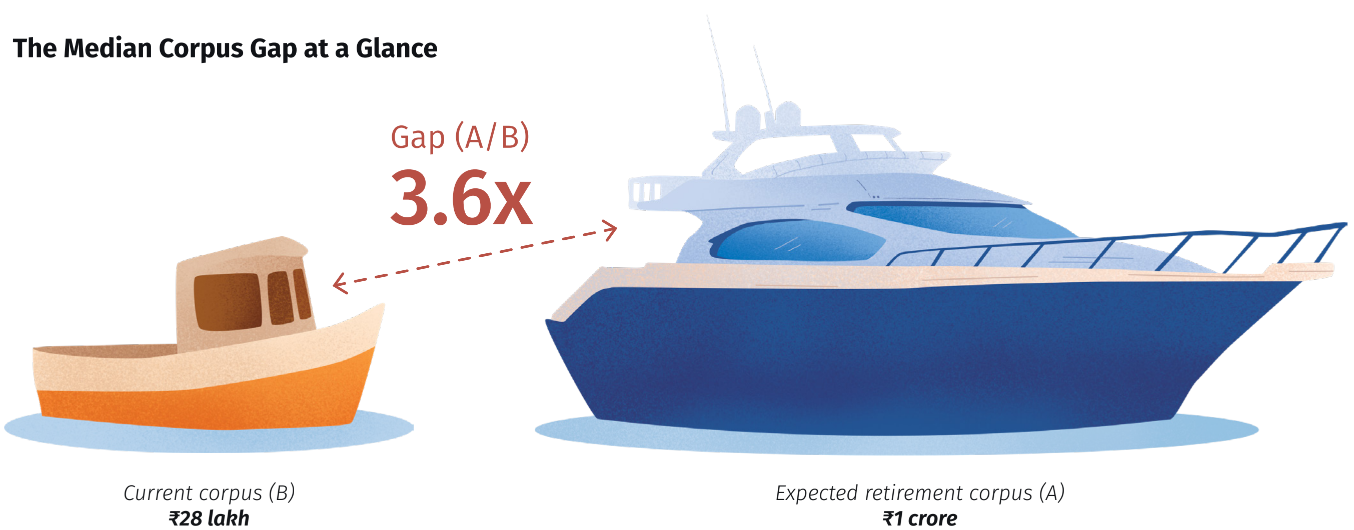


Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

The Corpus Gap is 3.6 Times

The median respondent has a corpus of ₹28 lakh built currently but targets a retirement corpus of ₹1 crore. The gap is 3.6x.

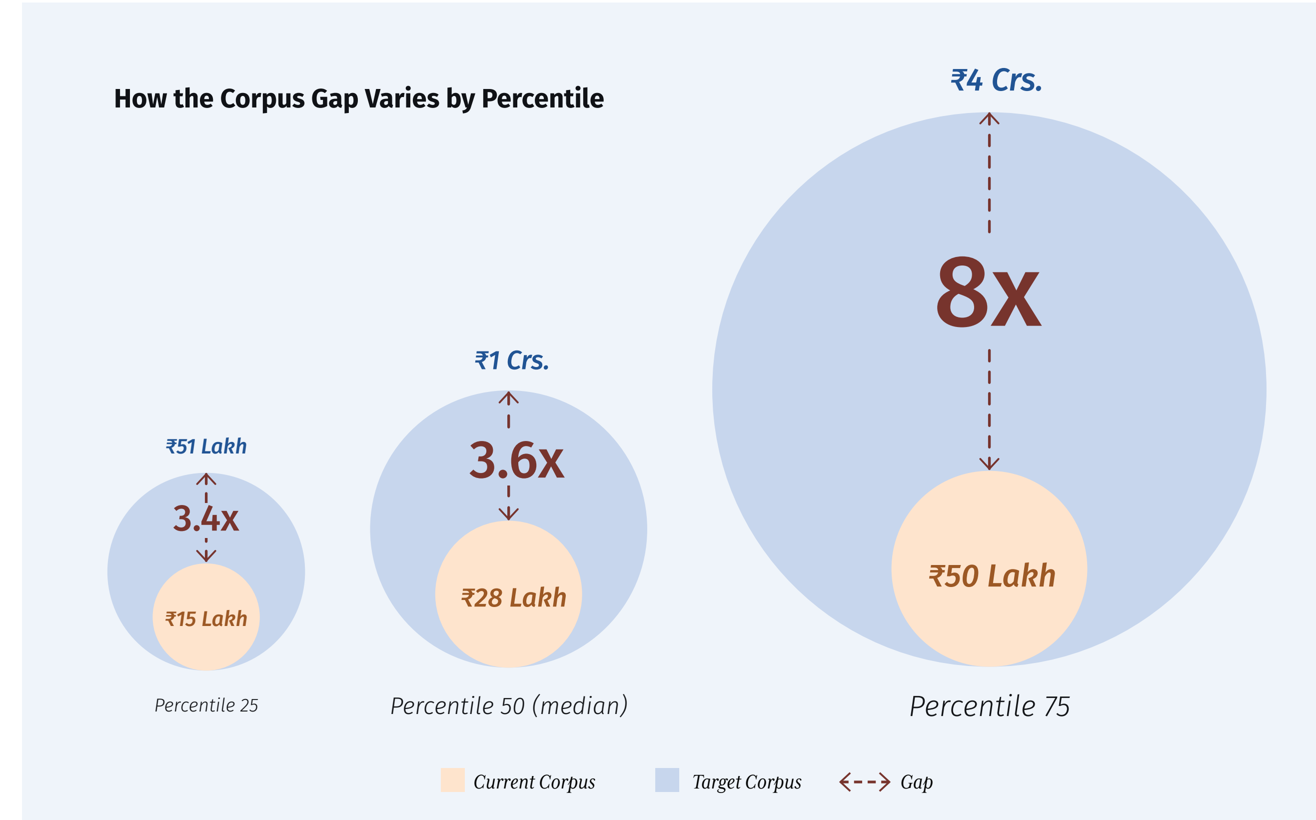
The Median Corpus Gap at a Glance



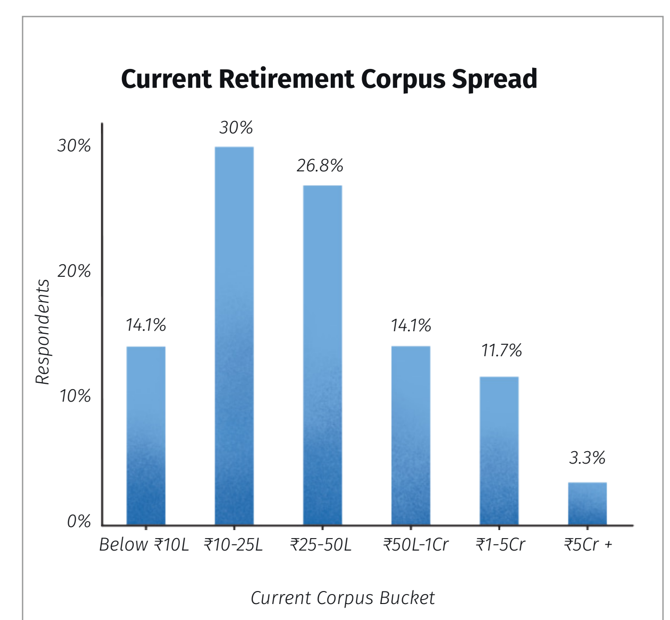
1 Finance Retirement Readiness Survey, 1 Finance Magazine.

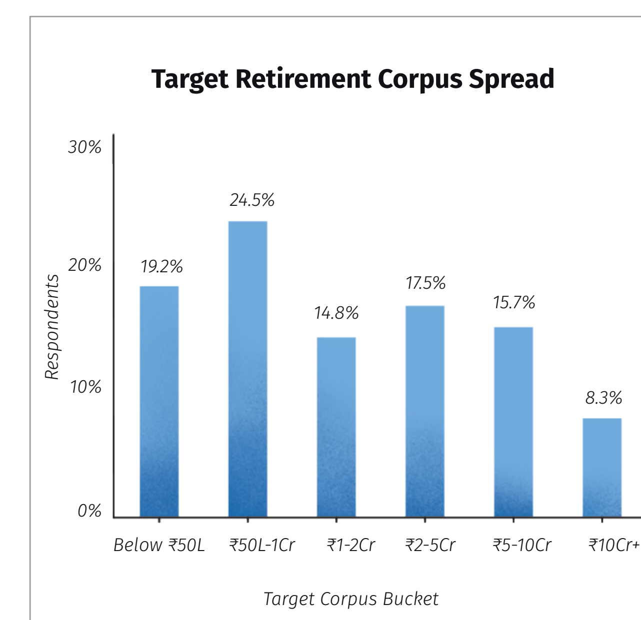
The median, however, smooths over a wide range. At the 25th percentile, the current corpus is ₹15 lakh against a target of ₹51 lakh; however, at the 75th percentile, the current corpus is ₹50 lakh against a target of ₹4 crore, an 8x gap.

Those with larger ambitions face a proportionally wider shortfall. The full bucket-wise distribution is in the table below.



Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.





Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

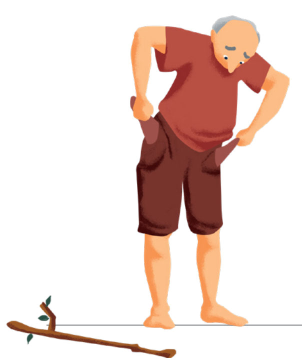
A 3.6x gap translates to a household that needs either an increase in monthly savings, a shift from FD-heavy allocation to equity-dominant portfolios, or an extension of working life.

Most Respondents Expect Expenses to Fall After Retirement

59.7% of respondents expect expenses to decrease after retirement, while 22.7% expect them to rise.
Discretionary spending may decline in retirement, but healthcare expenditure tends to rise steeply with age. Medical inflation in India has consistently run at 12-14% annually, roughly two to three times the rate of general Consumer Price Index (CPI) inflation. This in itself contradicts the expectation respondents have for their expenses to fall while medical expenses, which peak at old age, are rising at twice the rate of everything else.
The safer assumption for any retirement plan is that expenses stay flat or rise, not that they fall.

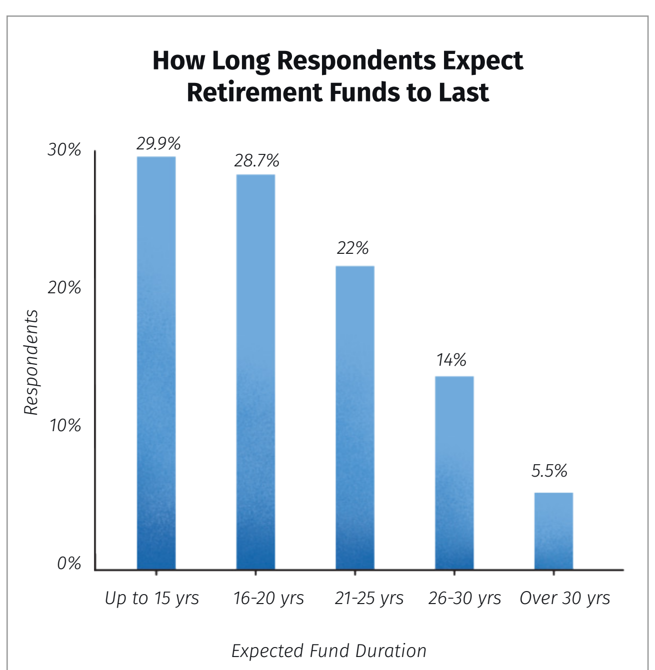
Most Respondents Plan for Funds to Run Out Before Age 80

Among respondents who provided a numeric estimate, the median expectation is that retirement funds need to last 20 years, against a median expected retirement age of 60. This implies a planning horizon that ends at age 80.
29.9% of respondents expect their funds to last 15 years or fewer, a planning horizon ending at age 75 or earlier.



58.5%
plan for funds to run out before age 80.

Only **19.5%**
plan for funds to last beyond 25 years.

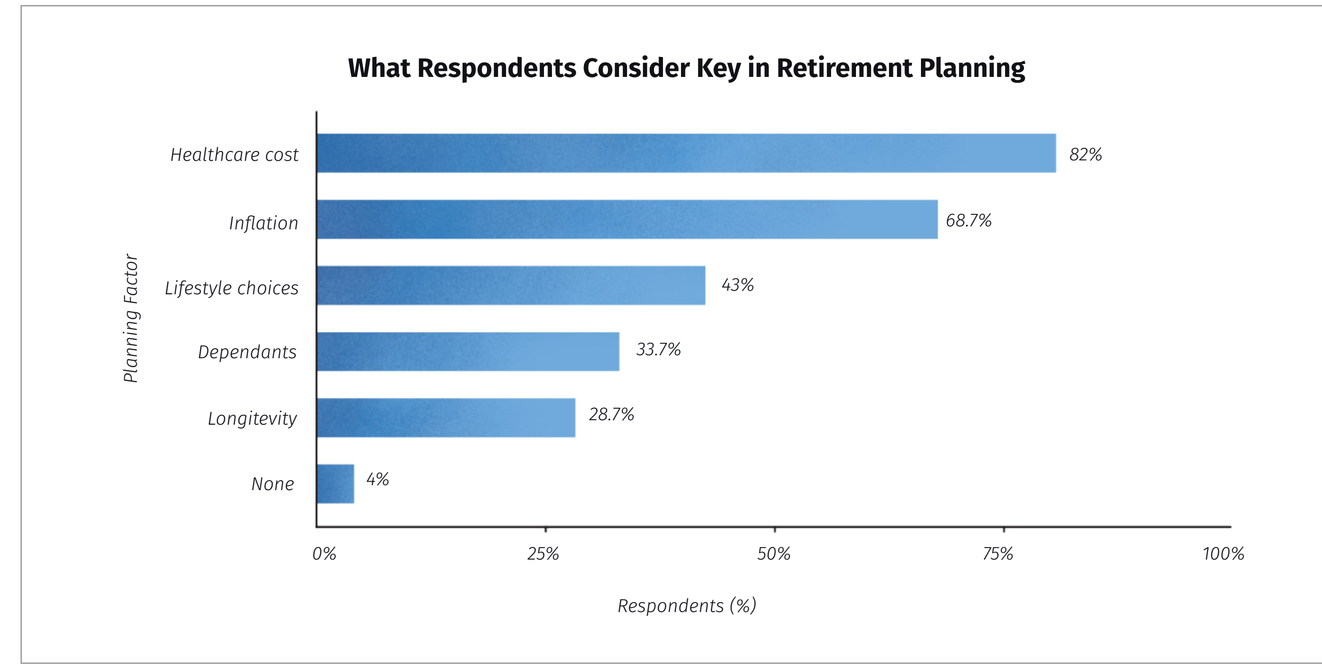


Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

Current life expectancy for 60-year-olds who are urban, upper-income Indians is approximately 22-24 years (to 80-84 years), and this is before accounting for improvements in medical care over the next two decades.
A respondent planning for 20 years of retirement is planning to run out of money while still alive. These fund duration estimates show why longevity should be a key factor in retirement planning.

Why Healthcare Costs Dominate Retirement Anxiety

When asked which factors they consider most important in retirement planning, 82% of respondents cited healthcare costs, making it the most commonly reported concern. Inflation followed at 68.7%, lifestyle choices at 43%, and dependants at 33.7%.



Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

The anxiety is grounded in arithmetic.

Roughly **48%**
of total health expenditure in India comes from out-of-pocket spending, among the highest globally, and most employer-provided health insurance lapses at retirement, precisely when claims frequency begins to rise.

And the annual medical inflation implies that a hospitalisation that costs ₹5 lakh today would cost ₹16-19 lakh by age 75 for a 50-year-old respondent.
Yet, despite ranking as the topmost concern, most respondents address healthcare through general savings rather than dedicated instruments.

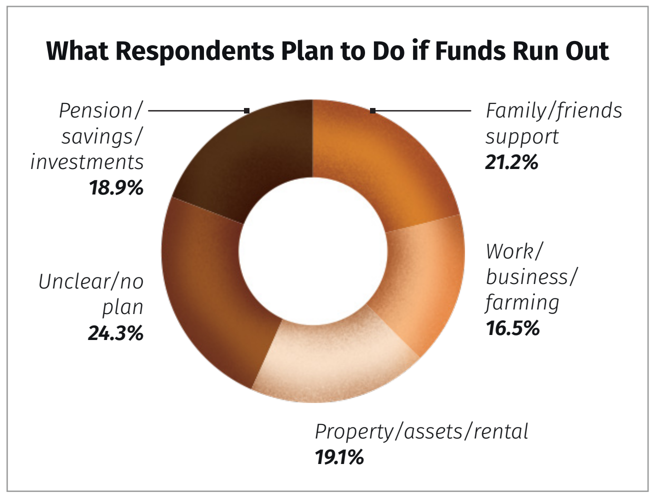
Three targeted actions emerge from this data:

- First, a super top-up health policy (₹25-50 lakh cover at relatively modest premiums for the 45-55 age group).
- Second, a ring-fenced health corpus of 15–20% of total retirement savings invested in liquid or ultra-short-term debt.
- Third, a critical illness rider is recommended if family history warrants it.

The fact that longevity ranks lowest (28.7%) despite being the factor that amplifies all other risks suggests that many respondents are planning for a 15-year retirement when they may face a 25-year one.

How Respondents Expect to Cope if Retirement Funds Fall Short

When asked about fallback strategies if savings prove insufficient, the most common response was 'unclear or no plan' at 24.3%, followed by reliance on family and friends at 21.2%.



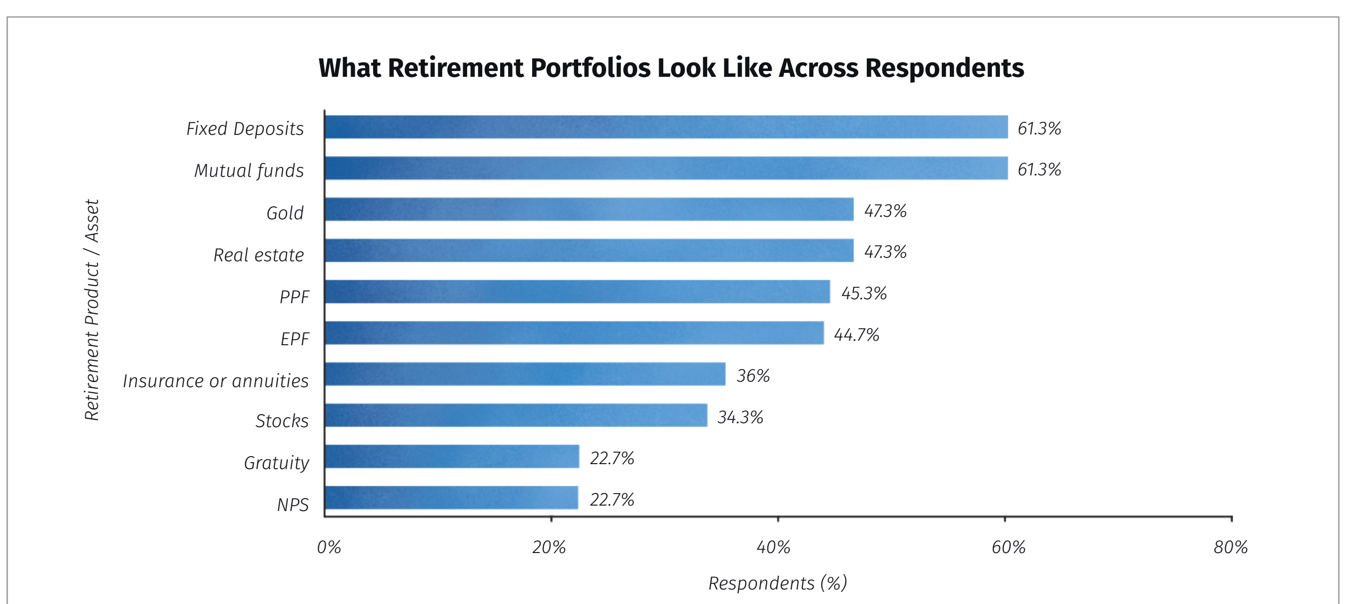
Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

That nearly one in four respondents have no fallback plan at all, and another one in five default to family support, reveals a structural fragility in Indian retirement planning. From a policy perspective, this underscores why India's pension architecture needs a stronger default annuity layer: if voluntary planning is this incomplete, mandatory or auto-enrolled safety nets become essential.

For households, the practical takeaway is to build a contingency layer separate from the primary corpus: an emergency fund covering 24-36 months of expenses in liquid instruments, a small annuity floor for non-negotiable costs, and, at the least, an awareness of reverse mortgages as a last-resort option.

Where Indians Park Their Retirement Savings

Fixed deposits (FDs) and mutual funds rank as the most common retirement assets, each accounting for 61.3%. Gold and real estate follow at 47.3%, with the Public Provident Fund (PPF) at 45.3% and the Employee Provident Fund (EPF) at 44.7%. Only 22.7% of respondents use the National Pension Scheme (NPS), the product specifically designed for retirement.



Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

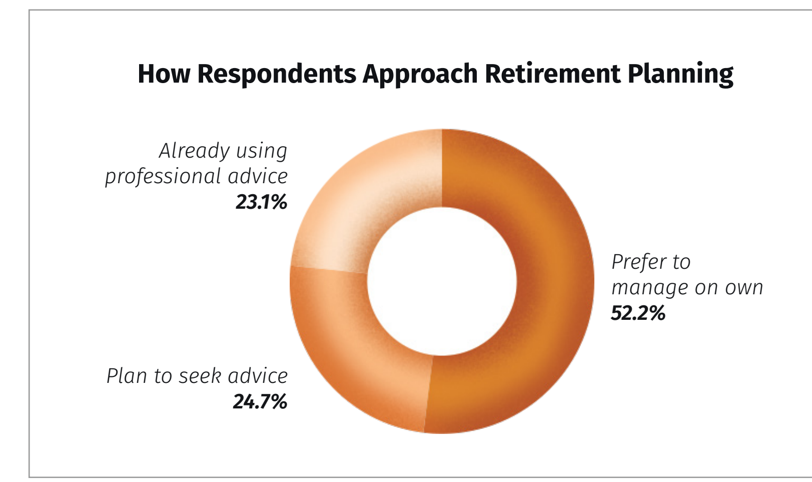
The asset allocation pattern tells a story about investor psychology. Fixed deposits and mutual funds are tied at 61.3%, but they serve fundamentally different purposes. FDs offer certainty and liquidity; mutual funds offer growth and inflation-beating returns. The fact that respondents hold both in near-equal proportion suggests a barbell approach: safety on one end, growth on the other, rather than a structured retirement glide path.

NPS, at 22.7%, ranks last despite being the only product specifically designed for retirement with built-in annuitisation. For product manufacturers and distributors, this result signals that NPS needs better distribution incentives and simpler onboarding, not more features.

For the Pension Fund Regulatory and Development Authority (PFRDA), the low adoption among an affluent, financially aware cohort is a more telling indictment than low adoption among the unbanked.

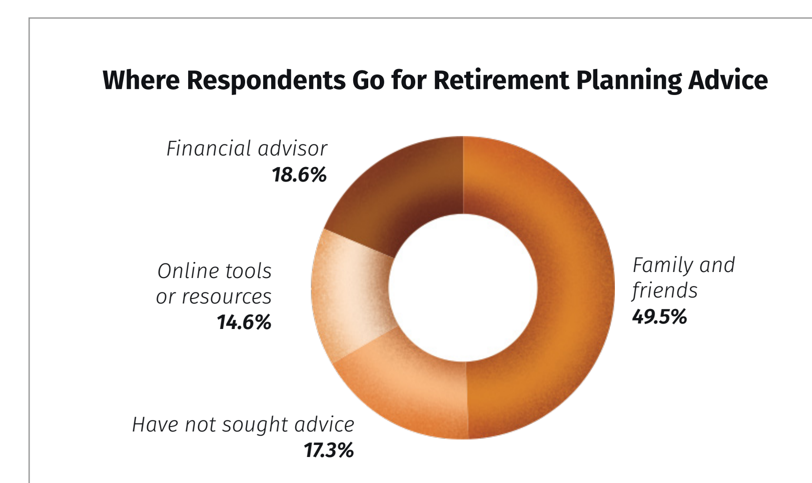
Why Professional Financial Advice Reaches Fewer than One in Four

More than half the respondents (52.2%) prefer to manage retirement planning on their own. Only 23.1% are currently using professional advice, while 24.7% plan to seek it in the future.



Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

Among these, family and friends remain the dominant source of advice at 49.5%, ahead of financial advisors at 18.6% and online tools at 14.6%.

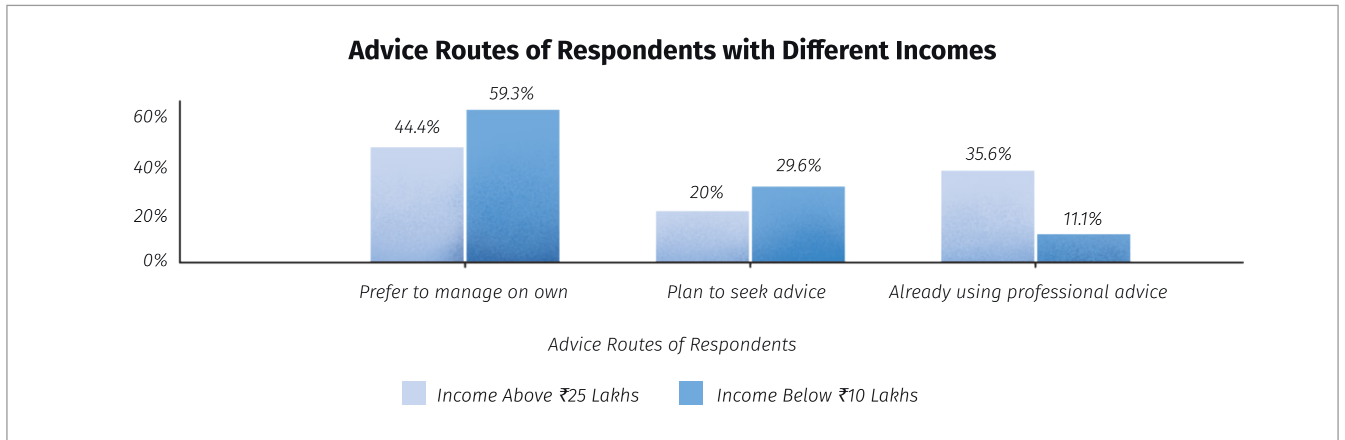


Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

Taken together, 76.9% of respondents do not use professional help when planning for retirement. This is consistent with the broader Indian advice gap. The country has fewer than 1,000 SEBI-registered investment advisers for 1.4 billion people.

But the problem is not just supply. The data shows that even when advice is sought, family and friends (49.5%) outrank financial advisers (18.6%) by more than 2.6x. This suggests a trust deficit as much as an access deficit. The advisory industry's growth will depend less on increasing the number of advisers and more on demonstrating measurable value through transparent fee structures, outcome-based reporting, and the kind of retirement gap analysis that makes the cost of not having an adviser concrete.

Crucially, higher income does not close this gap the way one might expect. Cross-tabulating advice preferences by income bracket reveals that even among respondents earning ₹25 lakh or more per annum, only 35.6% are using professional advice and 44.4% still prefer to manage on their own. At the other end, among those earning below ₹10 lakh, 59.3% self-manage and only 11.1% use an adviser.



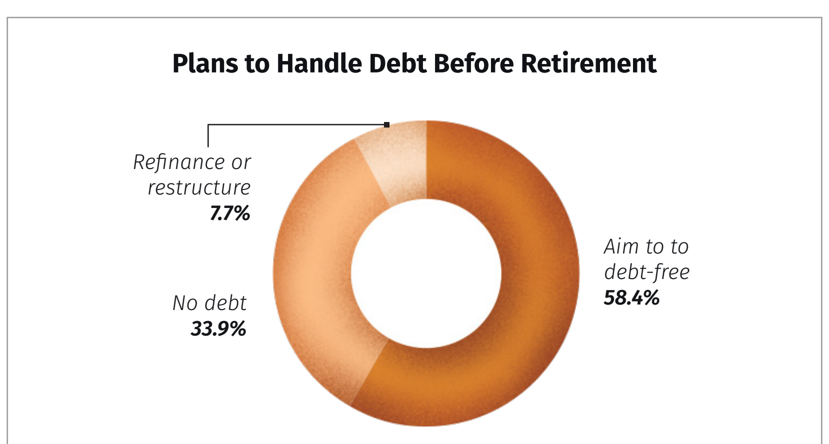
Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

The threefold gap between the highest and lowest income brackets (35.6% vs 11.1%) suggests that wealth increases the probability of seeking advice but does not make it the norm. Even among the affluent, the majority go without.

This weakens the 'access' narrative and strengthens the case that the Indian advice gap is fundamentally a trust and perceived-value deficit, not merely a supply problem.

How Respondents Plan to Handle Debt Before Retirement

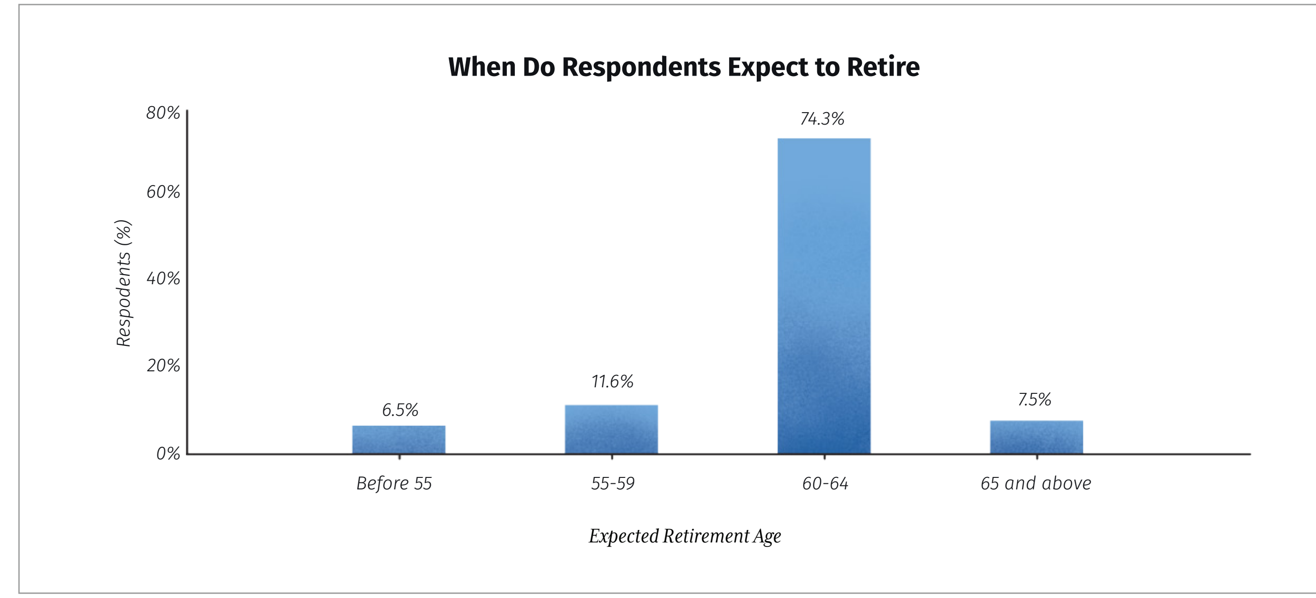
Most respondents either aim to be debt-free before retirement (58.4%) or already have no debt (33.9%). Only 7.7% plan to refinance or restructure.



Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

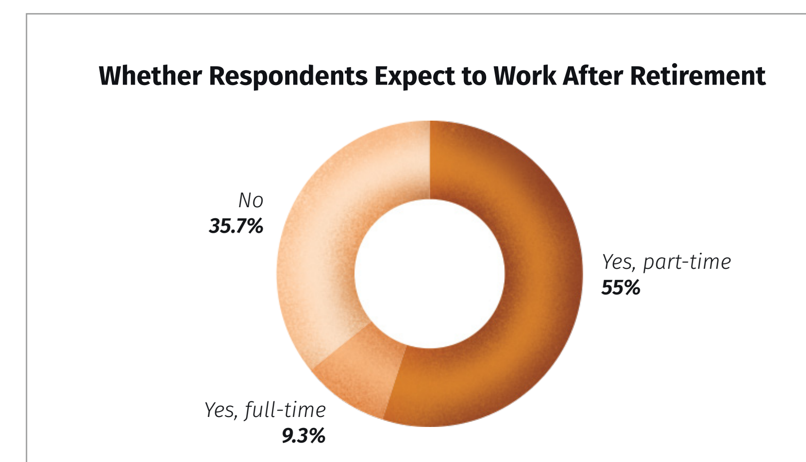
Why Most Indians Do Not Expect to Retire Before 60

81.8% of respondents expect to retire at age 60 or later, with the concentration heaviest in the 60–64 bracket at 74.3%.



Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

At the same time, 64.3% of respondents expect to continue working after retirement — 55% part-time and 9.3% full-time.



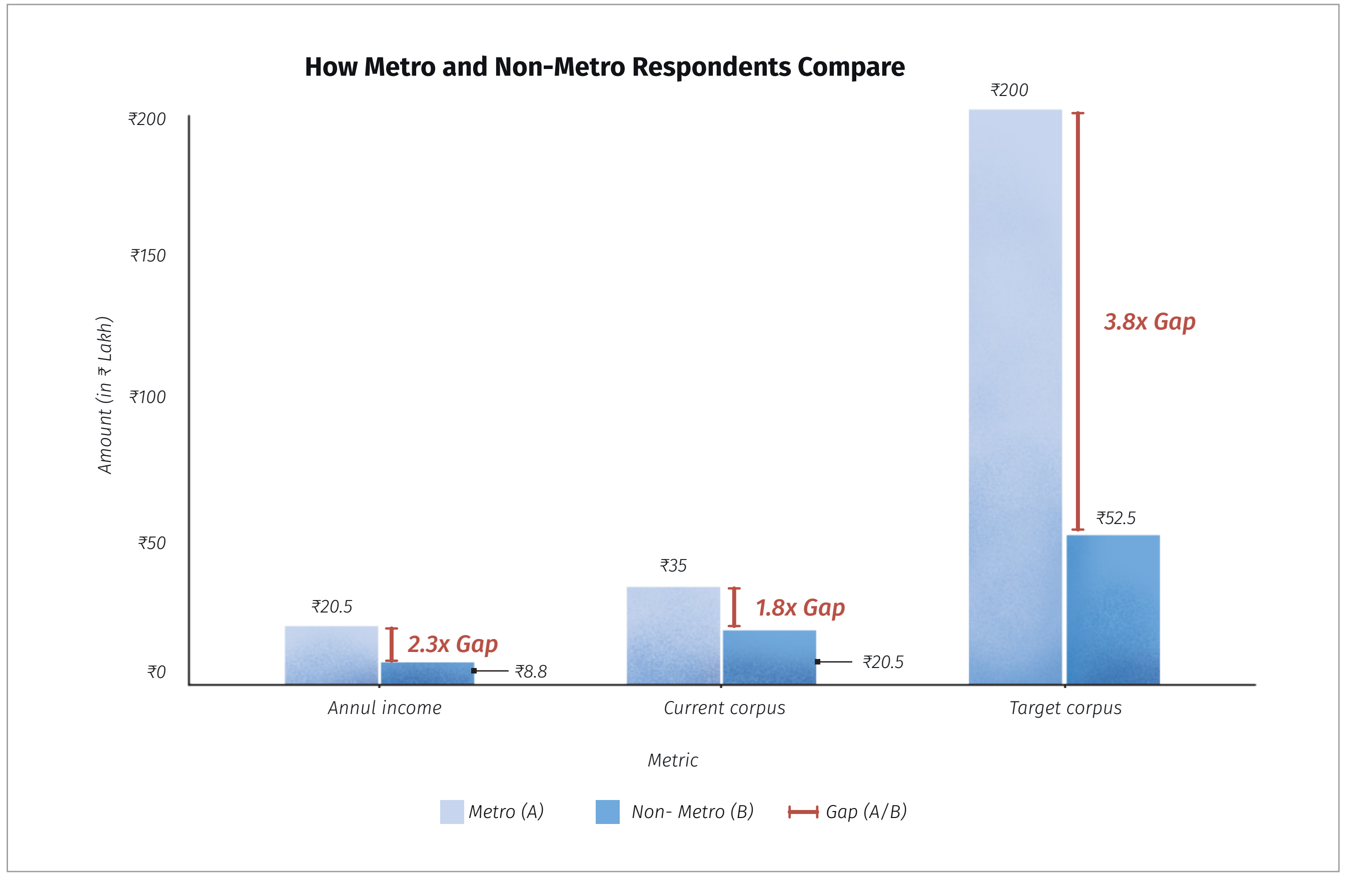
Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

The expectation to keep working after retirement may be realistic for some households but dangerous as an assumption in retirement planning. Health events, industry disruptions, and age discrimination in the Indian labour market can all independently make post-retirement employment impossible.

The prudent approach is to stress-test every retirement plan against a zero post-retirement income scenario. If the plan fails that test, it is not a plan; it is a hope. Employers and policymakers also have a role here: phased retirement programmes, consulting arrangements for experienced professionals, and age-neutral hiring policies could make the 64.3% expectation more achievable than it currently is.

The Metro–Non-Metro Retirement Gap is 3.8x, Far Wider than the Income Gap

Metro respondents report a median annual income of ₹20.5 lakh versus ₹8.8 lakh for non-metro respondents, a 2.3x gap. But the target retirement corpus gap is 3.8x: ₹2 crore in metros versus ₹52.5 lakh in non-metros. The current corpus gap is a more modest 1.8x.



Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

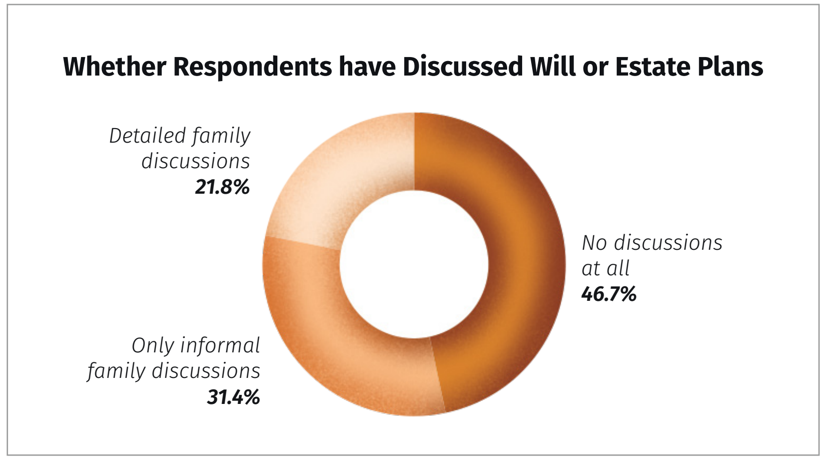
The 3.8x retirement corpus gap between metros and non-metros, nearly double the 2.3x income gap, suggests that metro residents factor in higher healthcare costs, longer life expectancy, and a costlier post-retirement lifestyle.
But the more actionable finding is on the non-metro side: a target corpus of ₹52.5 lakh is almost certainly an underestimate. Even at 5% annual inflation, a non-metro household spending ₹30,000 per month today will need ₹49,000 per month in 10 years and ₹80,000 per month in 20 years, an arithmetic that quickly exceeds ₹52.5 lakh in total. Financial literacy initiatives and advisory services in non-metro markets should lead with this inflation-adjusted expense projection rather than product features.

Why Estate Planning Remains India's Weakest Financial Habit

The second part of the survey examined inheritance and estate readiness. The findings suggest that estate planning is even less developed than retirement planning in this cohort.

Nearly Half Have Had No Estate Planning Discussions at All

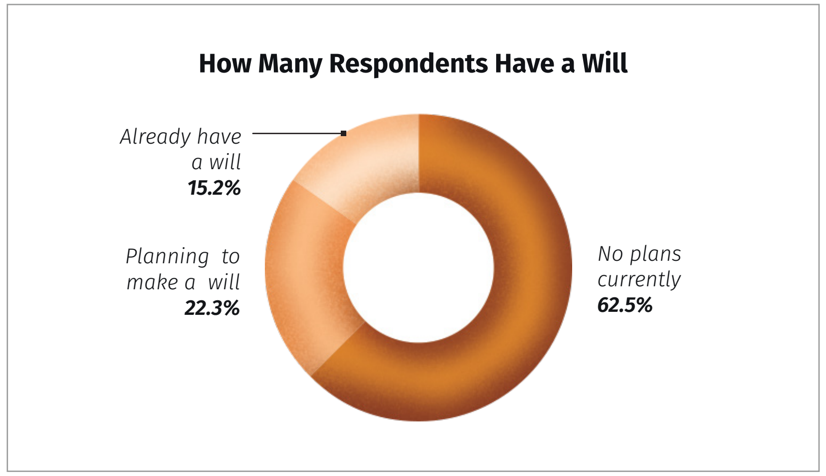
46.7% of respondents report no discussions on wills or estate planning. A further 31.4% have had only informal family conversations. Only 21.8% have had detailed discussions.



Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

84.8%
do not have a will

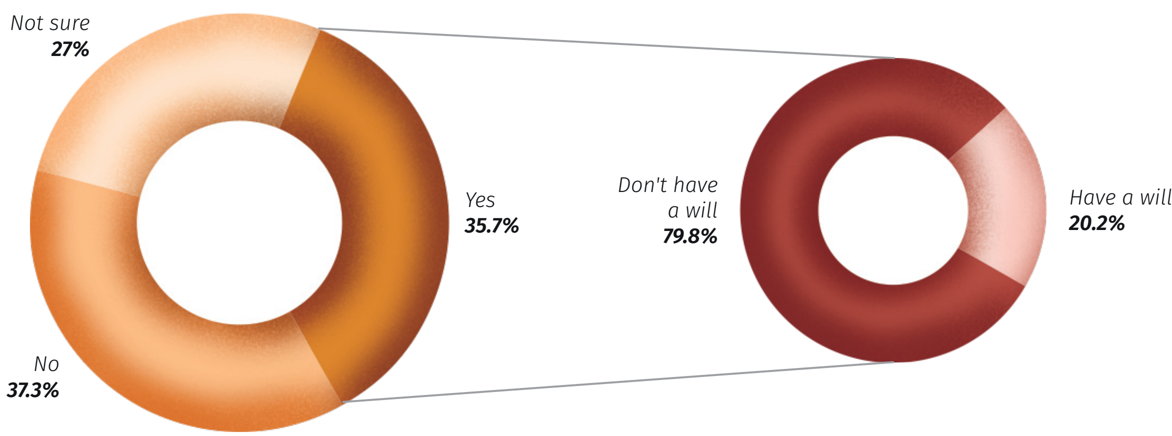
Only 15.2% of respondents already have a will in place. 22.3% are planning to make one, while 62.5% currently have no plans at all.



Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

Estate planning is arguably the most underserved area in Indian personal finance, and this data confirms it. The practical barrier is not legal complexity but conversational reluctance: families find it easier to discuss investments than inheritance.
A striking finding in this study is that, among respondents who expect to receive an inheritance, 79.8% do not have a will of their own, suggesting that inheritance is perceived as a passive entitlement rather than an active financial process.

Most Respondents Who Expect Inheritance Don't Have a Will in Place



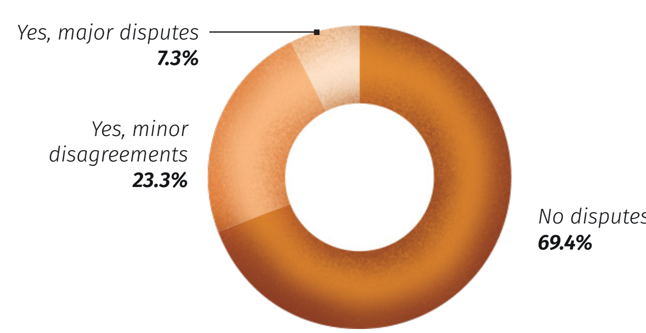
Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

For the legal profession, for insurance companies offering estate planning add-ons, and for financial advisers seeking a differentiated service, this is an open field.

Inheritance Disputes are More Common than Expected and They Trigger Will-Making

30.5% of respondents report some form of family dispute related to inheritance; 23.3% describe minor disagreements and 7.3% report major disputes. This is a significantly higher incidence than most financial planning conversations assume.

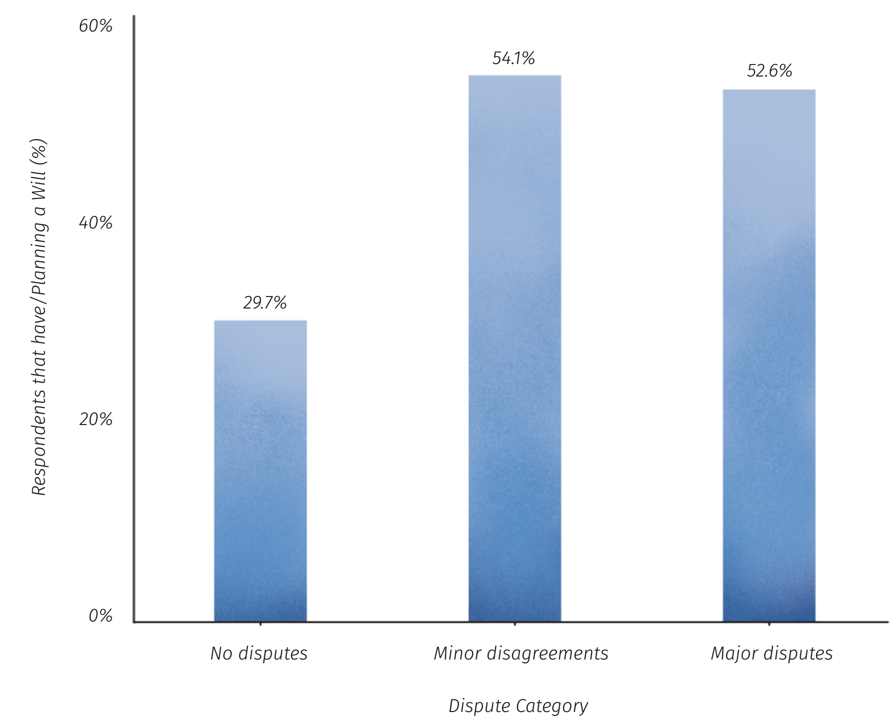
How Common Inheritance Disputes are Among Respondents



Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

What stands out is the relationship between disputes and will-making. Among families with no disputes, only 29.7% have made or are planning a will. Among families with minor disagreements, the rate rises to 54.1%. Among those with major disputes, 52.6% have a will or are making one.

How Inheritance Disputes Influence Will-Making Among Respondents



Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine.

In other words, families that have experienced disputes are nearly twice as likely to have formalised their estate plans as those that have not.

This inverts the commonly assumed causality. The standard financial planning narrative holds that making a will prevents disputes. The data suggests the opposite sequence is more common in practice: it is the experience of a dispute that finally triggers will-making.

For advisers and legal professionals, this has a practical implication: asking, 'Has your family experienced any disagreements about assets or inheritance?' may be a more effective conversation opener than 'Do you have a will?' because it connects estate planning to a lived experience rather than an abstract obligation.

What the Findings Mean in Practice: Industry Perspectives

To contextualise the survey findings, 1 Finance Magazine spoke with three financial advisors who work with retirement planning and estate readiness daily.

Abhishek Kumar
SEBI-Registered Investment Adviser, SahajMoney®

01

Estate planning looks even weaker than retirement planning in this survey. With 84.8% not having a will, why does will-making remain such a neglected financial decision?

Will making is often neglected, perhaps because many individuals view it as a task for the elderly or the exceptionally wealthy. This creates a lack of urgency. This neglect is reflected in the finding that 62.5% of respondents have no current plans to create a will, likely relying on the assumption that assets will transfer naturally through traditional family structures without the need for formal legal documentation.

02

Similarly, 78.2% have not had any detailed discussion around inheritance planning. Why do Indian families still avoid these conversations even when wealth transfer is clearly relevant?

In our experience Indian families frequently avoid these conversations because discussing the transfer of assets is often perceived as a culturally sensitive topic of discussion. The survey data also shows that 46.7% have had no discussions at all, suggesting that the preference for maintaining family harmony in the short term often outweighs the need for the transparency and structure required to prevent long-term legal complications.

03

One particularly striking finding is that 79.8% of those expecting inheritance still do not have a will. What does this reveal about how inheritance is perceived in Indian households?

This survey finding reveals that inheritance is largely perceived as a passive right rather than an active financial process that requires personal responsibility. It highlights a significant disconnect where individuals expect to benefit from a legacy but fail to implement the formal estate planning necessary to protect and transition that wealth to the next generation. Inheritance is treated as a birthright, but that sense of entitlement does not extend to planning for one's own estate.

04

Do you think many families confuse expected inheritance with actual retirement planning, and if so, how dangerous can that assumption be?

Many families indeed treat expected inheritance as a primary retirement safety net, which is a dangerous assumption because the timing, value, and legal clarity of those assets are often unconfirmed. The prudent approach is to exclude inheritance for their retirement projections entirely, as relying on unquantified inheritance can lead to a severe financial shortfall if the assets are depleted by the previous generation's healthcare costs or tied up in legal disputes.

05

Which of these findings worries you the most as an advisor: lack of detailed planning, overconfidence without a plan, dependence on fallback income, or weak estate planning?

The most concerning finding is the overconfidence bias, where 61.4% of those without a retirement plan feel confident about their financial future. This false sense of security is dangerous because it prevents individuals from seeking professional advice or increasing their savings at a time when 82% cite healthcare costs as a major concern.

06

If you had to give just three practical actions for Indian families after looking at this survey, what would those three actions be?

Families should first convert their basic retirement intent into a detailed, structured plan that specifically accounts for inflation and rising healthcare expenses. Second, they must formalise their legacy by drafting a legal will to ensure a smooth wealth transition and avoid future family litigation. Finally, they should hold structured family meetings to discuss inheritance expectations and fallback strategies so that all members are aligned on the financial reality of the household.

Note: This is an edited excerpt from our interview with Mr. Abhishek Kumar.

MARCH 2026 ISSUE 10 | 1 FINANCE MAGAZINE 360° VIEW OF PERSONAL FINANCE IMPACT 24

Rajat Sharma
Founder and CEO, Sana Securities

01

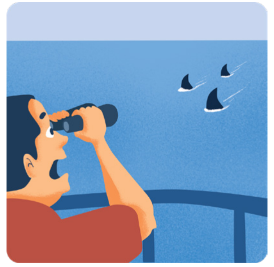
The retirement corpus gap between metro and non-metro respondents is nearly 3.8x, while the income gap is only 2.3x. What does this tell you about the way different households are thinking about retirement preparedness?

It points to a stark reality – the role of family support, owned housing and lower lifestyle aspirations in non-metro cities. Also, I think people living in metros factor in higher costs of living and inflation (healthcare, housing, and lifestyle). They assume a longer life expectancy and lesser social safety net compared to residents in non-metros. All of which is for the right reasons.

02

With 82.0% of respondents citing healthcare costs as their biggest retirement concern, why do you think this risk dominates so strongly over other retirement worries?

Again, concerns around healthcare are not unfounded. In India, quality healthcare is still lacking, particularly in non-metro cities. While insurance will cover the cost of procedures and hospital visits, it would not fully account for long-term expenses such as chronic disease management, post-hospitalisation care, expensive medicines, home care, and the impact of medical inflation, which often runs significantly higher than general inflation.



03

The survey shows that 75.5% do not have a detailed retirement plan. What does that say about the current state of retirement planning in India?

This needs to improve. I think this is where SEBI and IRDA should step in and encourage the distribution of retirement-orientated solutions a lot more. Financial advisors and distributors should be incentivised and a lot more money should be spent on encouraging retirement planning.

04

Even among those without a formal retirement plan, 61.4% still say they feel somewhat or very confident. How do you interpret this confidence-preparedness gap?

This perceived security is like a smoker saying they will quit one day. Without genuine effort, they will not. I think nobody wants to take that first step for something which is so far out in the future. The reality hits people only when they start seeing clear signs of ageing. I have witnessed this first-hand as a financial advisor.

05

In your experience, why do so many people feel retirement-ready even when their planning is still informal, incomplete or not fully thought through?

People equate current assets and income with readiness and underestimate the impact of inflation and longevity. The biggest problem is that not many people even sit down to do clear calculations based on the rate of inflation and their life expectancy and projection of future expenses. This creates a false sense of security. A useful exercise for any financial planning session is to ask clients to write down their monthly expenses and expected retirement age, then show them what those expenses will look like at the current rate of inflation. I am sure that will be a reality check. Most people will see a massive gap between perception and reality, making the need for disciplined, goal-based retirement planning immediately obvious.

Note: This is an edited excerpt from our interview with Mr. Rajat Sharma.

Ravi Saraogi
Co-founder, Samasthiti Advisors

01

The findings suggest that most respondents are realistically able to retire only at 60 or later. Does this reflect better longevity awareness, delayed financial readiness, or both?

Both, but more the latter. People are more aware today that retirement is not just 20 years of life after work. They know they may live much longer, and healthcare costs are very much on their minds. The survey confirms this, with healthcare and inflation ranking as the top two concerns. But planning is still starting late for many respondents, and there is a significant gap between the current corpus and the target corpus. Awareness of retirement risks is growing, but it is not yet translating into early preparation.

02

64.3% expect to continue working after retirement. Do you see post-retirement work today more as a financial necessity, a psychological comfort, or a genuine lifestyle choice?

For most people it is a mix of all three. Some are not fully confident that their retirement savings alone will be enough, so income after retirement gives them comfort. Others do not want a sudden stop, work gives routine and social connection. And then there is a smaller group for whom it is genuinely a lifestyle choice: consulting, teaching, or working part-time without the pressure of a full career. But if forced to rank them, financial necessity is probably the main driver, with psychological comfort coming next. The fact that so many expect to work after retirement suggests it is not yet being seen as a fully funded phase of life.

03

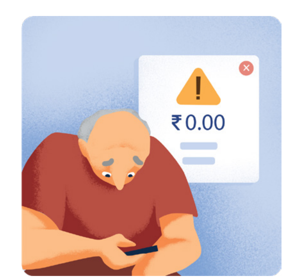
If a large share of people expect to work even after retirement, does that indicate willingness to stay active, or does it reveal a weakness in retirement preparedness?

From a planning perspective, it is a sign of weak preparedness. A good retirement plan should work even if post-retirement income does not materialise, whether because health does not support it, opportunities are not there, or life simply does not go as planned. It is fine if somebody wants to work after retirement. The problem is when the retirement plan quietly depends on that happening.

04

The survey finds that 76.9% do not use professional help for retirement planning. Why is formal advice still so underused in such a high-stakes financial decision?

One big reason is that retirement planning is still not seen as a specialised exercise. Good retirement planning is complicated. It is not just about building a corpus but about spending from it as well. The principles used for accumulating a corpus are different from the ones that should be used during decumulation. That awareness is lacking, but it will improve with time.



05

What are the most common mistakes self-managed investors make when building a retirement portfolio?

The first is that people focus only on building a corpus and not on how that corpus will actually support retirement. Accumulation gets all the attention; withdrawal hardly gets any. But in retirement, the withdrawal phase is just as important. The second is a misunderstanding of equity's role in a retirement portfolio. The relationship between equity and retirement outcomes is non-intuitive and requires careful consideration. Third, many assume expenses will fall significantly after retirement. Sometimes they do, but not always. Healthcare especially can change the picture. The biggest mistake overall is treating retirement as a savings goal when it is actually a long-term income problem.

Note: This is an edited excerpt from our interview with Mr. Ravi Saraogi.

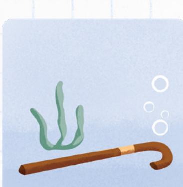
What This Survey Means for Advisors and the Industry

Taken together, the survey reveals that retirement planning in India is not absent, but it is structurally incomplete. Respondents are thinking about retirement, saving for it, and connecting it to financial independence. Yet detailed planning, realistic contingency design, and formal estate readiness remain weak across the sample.

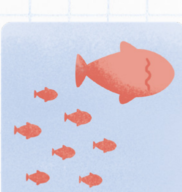
Seven implications stand out for the advisory community and for policymakers:

First, the confidence-preparedness gap is the primary obstacle. Clients who feel ready will not seek help. The advisor's first task is to make the gap visible through simple projections, expense inflation scenarios, and corpus adequacy calculations.

Second, healthcare planning needs a dedicated allocation. At 82%, it is the dominant anxiety. Yet the survey suggests most respondents are addressing it through general savings rather than specific instruments (health insurance top-ups, dedicated health corpus, and critical illness riders).



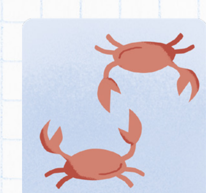
Third, the NPS adoption gap is an opportunity. At 22.7%, NPS ranks last among retirement assets despite its tax advantages and built-in annuity structure. Targeted education could shift this materially.



Fourth, estate planning is the most underserved area. With 84.8% not having a will and 78.2% not having had detailed inheritance discussions, the advisory conversation that begins with 'do you have a will?' is likely to be the most impactful one many clients have had.

Fifth, the metro–non-metro gap demands differentiated advice. Non-metro clients with a target corpus of ₹52.5 lakh may be significantly underestimating their needs. Advisors in these markets should lead with expense projection tools rather than product recommendations.

Sixth, the longevity blind spot needs direct confrontation. With 58.5% of respondents planning for funds to run out before age 80 and longevity ranking last among retirement concerns, many clients are structurally under-planning for their own lifespan. A simple exercise: asking clients to look up their family's average lifespan and then mapping that against their fund duration assumption can make this abstract risk viscerally real.



Lastly, estate planning conversations should start with disputes, not documents. The data shows that families with inheritance disputes are nearly twice as likely to have made a will as dispute-free families. Rather than leading with 'Do you have a will?', advisers may find more traction with 'Has your family ever disagreed about money or property?' — a question that connects estate planning to personal experience rather than legal obligation.

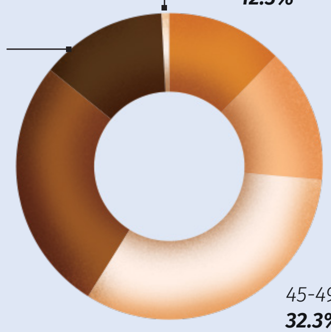
The next leap in retirement planning in India will not come from higher savings alone. It will come from better planning quality, clearer fallback structures, and more formal financial decision-making. This survey provides a baseline against which progress can be measured.

Appendix:
Demographic Profile of the Sample

The respondent base is concentrated in mid-life, family-responsible households. This is important context because healthcare concerns, dependent obligations, debt aversion, and inheritance questions tend to become more salient in this life stage.

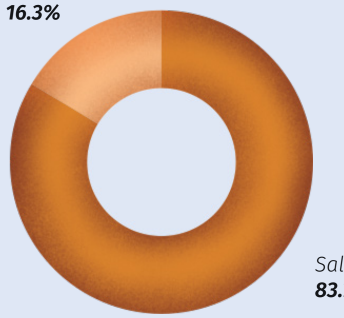
Age Distribution

The highest representation is in the 45–54 age group, indicating that most respondents are in the critical phase where retirement planning becomes active and time-sensitive.



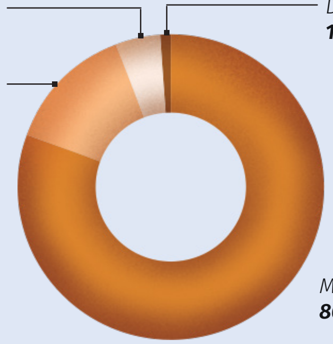
Occupation Profile

The sample is predominantly salaried (83.7%), with 16.3% self-employed. The questionnaire did not capture formal educational qualification; occupation serves as the closest proxy for professional background.



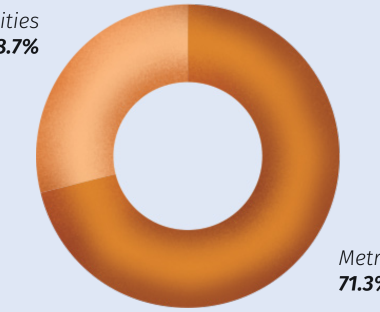
Family and Marital Status

The sample is largely composed of individuals with family responsibilities, particularly those with dependent children, which significantly influences financial priorities and long-term planning.



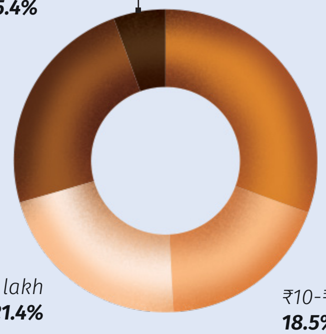
Location Profile

The respondent base has a 71.3% metro skew, which may reflect higher access to financial products, advisory services, and structured retirement planning. Findings should be interpreted with this skew in mind.



Income Profile

The income distribution is broad, with concentration in the middle to upper-middle brackets, providing context for overall financial capacity within the sample.



Source: 1 Finance Retirement Readiness Survey, 1 Finance Magazine. n = 1,218.

Disclaimer: This article presents findings from a primary survey and is intended for informational purposes only. It does not constitute investment advice, retirement planning advice, or a recommendation to buy or sell any financial product. Only a qualified financial adviser can provide recommendations tailored to an individual's specific financial situation, goals, and risk profile.
1 Finance Magazine is not responsible for any decisions made on the basis of this article.