Retirement Income Plan – Simple & Realistic

- Client Corpus: ₹2 Crore
- Monthly Income: ₹2 Lakh
- Duration: 30 Years
- Target End Corpus: ₹1 Crore
- Approach: Bucket Strategy (Risk-managed withdrawals)

Why Bucket Strategy?

- Avoid selling equity during market crashes
- Ensure steady monthly income
- Let long-term money compound peacefully
- Reduce stress and decision errors

Bucket Structure – At Start

- Bucket 1: Conservative – ₹70 L (Income Stability)
- Bucket 2: Hybrid – ₹50 L (Medium-term Growth)
- Bucket 3: Equity – ₹70 L (Long-term Growth)
- Bucket 4: FD + Gold – ₹10 L (Safety & Hedge)

Bucket 1 – Income & Stability

- Amount: ₹70 L
- Assets: Conservative Funds
- Expected Return: ~8%
- Covers ~3 years of income
- Monthly withdrawals come ONLY from here

Bucket 2 – Growth with Stability

- Amount: ₹50 L
- Assets: Hybrid / Balanced Advantage Funds
- Expected Return: ~10%
- Used to refill Bucket 1 every few years

Bucket 3 – Long-Term Growth Engine

- Amount: ₹70 L
- Assets: Equity Mutual Funds
- Expected Return: 14–15%
- Time Horizon: 10–30 years
- Key to sustaining income & ending with ₹1 Cr

Bucket 4 – Safety & Hedge

- FD: ₹5 L (Liquidity & stability)
- Gold: ₹5 L (Inflation & crisis hedge)
- Used only in later years if required

How Withdrawals Work

- Years 1–3: Income from Bucket 1 only
- Every 3–4 years: Refill Bucket 1 from Bucket 2
- Equity used only after strong market years
- Avoid panic selling during downturns

Expected Outcome

- Monthly income: ₹2 Lakh
- Income duration: 30 years
- Expected end corpus: ~₹1 Crore
- Blended return target: ~10.5–11%

Important Reality Check

- Returns are not guaranteed
- Plan needs periodic review
- Income may be adjusted in extreme markets
- Discipline is critical to success