COVER STORY

Is your retirement number built to survive 30 years?

"Most investors know how big their retirement number is. Very few stress-test it against inflation, health costs and time."

₹31,961 Cr	**4.45%**	**5.25%**
SIP FLOWS, JULY 2026	CPI INFLATION, JULY	RBI REPO RATE

INSIDE THIS ISSUE

From the editor's desk: Every retirement plan runs on one number — the corpus. This issue asks a less comfortable question: is that number built to survive inflation, a medical surprise and 30 years of real life, not just a spreadsheet projection. As always — education first, and our team is here if you'd like a second opinion on your own numbers.

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MARKET AT A GLANCE

What moved the markets in August 2026

SENSEX	NIFTY 50	USD/INR	RBI REPO RATE
76,957.27	**24,080.40**	**₹95.56**	**5.25%**
▼ 307.24 pts (0.40%)	▼ 95.25 pts (0.39%)	Weaker, near 95-96	Held, Aug policy

Sensex, Nifty and USD/INR levels as of market close, Aug 31, 2026 — the last trading session of the month (source: Business Standard). Figures are snapshots for investor context, not live trading data — please verify same-day levels from NSE/BSE before acting on them.

What happened?

Indian equity benchmarks stayed choppy through August 2026 and ended the month on a soft note. The Nifty 50 had gone through a seven-session losing streak mid-month — its longest in nearly a year — followed by a brief recovery, before slipping again into month-end: on August 31, the Sensex fell 307.24 points (0.40%) to close at 76,957.27, while the Nifty 50 declined 95.25 points (0.39%) to settle at 24,080.40, dragged down by IT, metal, realty and media stocks even as auto and private banking names held up relatively well. Retail inflation, measured by the Consumer Price Index, came in at 4.45% for July 2026 (source: Ministry of Statistics and Programme Implementation, PIB) — a 19-month high, driven mainly by food prices. The Reserve Bank of India's Monetary Policy Committee kept the repo rate unchanged at 5.25% at its August meeting. The rupee weakened to close near ₹95.56 to the US dollar on August 31, pressured by rising crude oil prices.

Why did it happen?

Crude oil prices climbed back above $90 a barrel by month-end amid renewed US-Iran tensions, weighing on both equity sentiment and the rupee — India imports the large majority of its crude, so costlier oil widens the trade deficit and adds to inflation worries. Expectations of a possible US Federal Reserve rate move in September also kept global bond yields elevated, which tends to pull some foreign investor money away from emerging markets like India. On the domestic side, food prices had pushed CPI inflation to a 19-month high, which is why the central bank chose to hold rates rather than cut them, while flagging that further increases in food and fuel costs could force its hand later.

What does it mean for investors?

A volatile, headline-driven stretch like this is not a signal to change your asset allocation. It's a reminder of why one exists. If your equity allocation is doing its job, a few volatile weeks driven by oil prices and bond yields shouldn't change your monthly SIP or your long-term plan. Investors close to a large withdrawal — retirement, a child's fees, a property purchase — are the ones who should recheck their debt-equity split this month, not the ones with 10+ years to go.

> **Deepak Wealth View:** Short-term currency and rate moves are noise for a goal that is 10-15 years away, and signal for a goal that is 1-2 years away. Know which bucket your next big goal falls into before you react to a month like this one.

Related reading: **Inflation and Savings — why your money can lose value even in the bank**

MUTUAL FUND INDUSTRY UPDATE

SIP contributions stay strong even in a choppy month

SIP flows

According to data published by the Association of Mutual Funds in India (AMFI), the mutual fund industry collected **₹31,961 crore** through Systematic Investment Plans (SIPs) in July 2026 — a four-month high, and about 12% higher than the same month last year. This is a useful number for investors to sit with: it means retail India kept investing every month through a period when headline markets were flat to volatile — which is exactly what a SIP is designed to do.

What this tells long-term investors

A SIP does not need a rising market to work. It needs discipline. When markets are range-bound, your fixed monthly instalment buys more units on the weaker days and fewer on the stronger ones — the averaging effect that gives SIPs their name. The July 2026 flow number is a reminder that most SIP investors did not stop to time the market. That is usually the right call for a goal that is still years away.

New to SIPs? Read: **How to Start SIP Investing — Choosing the Right Fund for Your Goal** | Try our **SIP Calculator**

SEBI & AMFI — what to watch

SEBI and AMFI periodically update rules on cut-off timings, expense ratio disclosures, nomination requirements and risk-o-meter classifications. We did not identify a headline regulatory change specific to July–August 2026 that materially affects retail investors beyond routine disclosure updates. If you have made a change to your KYC, bank mandate or nomination recently, it is still worth confirming it reflected correctly across all your folios this month.

Equity category flows, July 2026

Category	Net flow (₹ crore)
Active equity funds (overall)	+24,697
— Small cap funds	+7,768 (highest)
— Mid cap funds	+6,192
— Large cap funds	−1,322 (outflow)
Total open-ended MF AUM (Jul 31, 2026)	₹85.59 lakh crore

Source: AMFI monthly data for July 2026, as reported by Cafemutual and Tribune. Figures are for investor context; please refer to AMFI's official release (amfiindia.com) for the complete category-wise break-up before quoting them elsewhere.

A periodic portfolio review can help you check whether your existing SIPs, fund categories and asset allocation still match your goals, risk profile and time horizon — regardless of which way the month's flow data moved.

DEEPAK WEALTH BLOG HIGHLIGHTS

From deepakwealth.com this past month

Four of the most useful reads from deepakwealth.com published in July 2026.

How Much Retirement Corpus Do I Need?

Summary: A step-by-step way to size your own retirement corpus — starting from today's monthly expenses, adjusting for inflation, and applying the "25X rule" as a practical starting multiple.

Key takeaway: Starting early matters more than the exact multiple you use — delaying your retirement savings by 10 years can require over eight times the monthly investment for the same eventual corpus.

Why it matters: Pairs directly with this issue's cover story on stress-testing your retirement number. · **Read More →**

SWP in Mutual Funds: The Complete Guide

Summary: Explains how a Systematic Withdrawal Plan lets you draw a fixed monthly amount from your mutual fund investments while the rest stays invested, and compares it with fixed deposits and IDCW payouts.

Key takeaway: Only the gain portion of each SWP withdrawal is taxed, not the principal — which can make it more tax-efficient than a fixed deposit for many investors.

Why it matters: Useful reading for anyone planning a post-retirement income stream from their mutual fund portfolio. · **Read More →**

Inflation and Savings: Why Your Money Is Losing Value Even While It Sits in the Bank

Summary: Shows how money sitting in a bank account earning 3-4% actually loses purchasing power when inflation runs higher, using education costs as a worked example.

Key takeaway: "Safe" savings carry their own risk — inflation risk — and long-term goals generally need growth-oriented investments like equity mutual funds to stay ahead of it.

Why it matters: A useful companion to this issue's Market at a Glance section on August's inflation print. · **Read More →**

Planning for Your Child's Education: How Much to Save, Starting When

Summary: A framework for estimating a child's future education costs after inflation, and building the corpus through a mix of guaranteed instruments (SSY, PPF) and equity mutual fund SIPs.

Key takeaway: The number of years you stay invested matters more than chasing the highest return — starting 5 years later can sharply raise the monthly amount needed.

Why it matters: A practical read for parents balancing this goal alongside their own retirement planning. · **Read More →**

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Visit deepakwealth.com/blog for the full articles on mutual funds, retirement, tax and financial planning.

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COVER STORY

Your retirement number looks fine on paper. Will it survive 30 real years?

In simple words: Most people work out their retirement number by adding up one thing — total savings across EPF, PPF, mutual funds and fixed deposits. That's a good start, but it is not the full picture. Three things quietly eat into this number over time: rising prices (inflation), a big medical bill that insurance doesn't fully cover, and money you have already promised to your family, like a wedding or a parent's care. Once you account for all three, your real, usable number can look quite different from the one on your statement.

The number you quote isn't always the number you can use

Ask most people in their late fifties what their retirement corpus is, and they'll give you one figure: EPF, PPF, mutual funds, fixed deposits, property — all added up. That figure tells you what you have today. It doesn't tell you what you'll need over the next 25-30 years.

Three things matter most. First, inflation: prices keep rising every year, so the same amount buys less and less as time passes. Second, a large medical bill: it can happen at any age, and insurance rarely covers all of it. Third, family promises: a child's wedding, a parent's care, a loan — some written down, many just understood within the family — but all of them use up the same pool of money.

A simple example

Take a household retiring with ₹2.5 crore in savings and monthly expenses of ₹60,000. If ₹50 lakh of that ₹2.5 crore is really set aside for a family promise and a medical reserve, then the amount this household can actually plan around is ₹2 crore — not ₹2.5 crore. That's a 20% gap. It changes how many years the money will last, and how much room is left for a genuine surprise.

Line	How you work it out	Illustrative figure
1. Corpus you think of as retirement money	Write it in	₹2.5 crore
2. Known reductions (family commitments + medical reserve)	Write it in	₹50 lakh
3. Your usable, spendable number	Line 1 minus Line 2	₹2 crore
4. Monthly household expenses	Write it in	₹60,000
5. Corpus-to-expense multiple you have	Line 3 ÷ Line 4	333x

Illustrative figures for explanation only, not a recommendation or projection for any individual. A widely cited rule of thumb suggests a corpus of roughly 300-350 times monthly expenses can support a 30-35 year retirement at a moderate withdrawal rate — actual requirements vary by lifestyle, inflation assumptions and health costs, and should be checked against a personalised plan.

Check your number before you rely on it

Why a medical bill deserves its own line

Most retirement plans assume smooth, steady withdrawals for 30 years or more. Real life rarely works that way. A single hospital stay for a heart problem, or a course of cancer treatment, can cost anywhere from a few lakh rupees to well over ₹20 lakh. Health insurance covers part of this, but the rest usually comes straight out of your retirement savings, in one go, on a day you don't choose.

When this bill arrives matters too. A bill that hits early in retirement hurts more than the same bill hitting later — because that money loses years of growth it would have otherwise earned. This is why it helps to keep a separate medical reserve, apart from your main investments, ready before you retire.

The DWF Retirement Stress-Test

This is our own simple way to check if your retirement number is realistic. Fill it in with your own figures. It takes just five lines, and tells you clearly whether your plan has room to spare, is roughly on track, or needs a closer look.

Particulars	How you get it	Your figure
1. Corpus you think of as retirement money	Write it in	
2. Known reductions (family commitments + medical reserve)	Write it in	
3. Your usable number, free to spend	Line 1 − Line 2	
4. Your monthly household expenses	Write it in	
5. Withdrawal-rate multiple you're planning around	See note below	
6. What you actually need	Line 4 × Line 5	
7. Your DWF Preparedness Ratio	Line 3 ÷ Line 6	

A commonly used starting point is 300x-350x of your monthly expenses, for a long retirement at a moderate withdrawal rate (based on the standard 4-6% safe withdrawal rule). Treat this as a starting reference, not a personal answer — your own number depends on your withdrawal rate, expected returns, inflation, and how many years your retirement needs to last.

How to read your Preparedness Ratio

Ratio	What it suggests	What to consider
1.25 and above	Comfortable buffer	Plan has room for most shocks; revisit yearly to stay on track.
1.00–1.24	Broadly on track	Workable, but little room for a large, unplanned expense.
0.75–0.99	Worth tightening	Look at trimming commitments or extending your investment horizon.
Below 0.75	Needs a closer look	Revisit the withdrawal rate, the horizon, or the commitments together.

> If your ratio turned out lower than you hoped, that's exactly why this stress-test exists — better to know now, while you still have time to act, than to find out later. A personal retirement-plan review can help you see the real gap, and the realistic ways to close it.

Related reading: **How Much Retirement Corpus Do I Need?** | Try our **Retirement Planning Calculator**

Three families, same budget, three different results

Same lifestyle. Same monthly budget. But a different amount of "known reductions" changes the final result completely. Here's how the seven lines play out for three example households.

Particulars	Household A	Household B	Household C
1. Corpus you think of as retirement money	₹3.2 crore	₹2.7 crore	₹2.1 crore
2. Known reductions (family + medical)	₹40 lakh	₹50 lakh	₹50 lakh
3. Usable number, free to spend (Line 1 − 2)	₹2.8 crore	₹2.2 crore	₹1.6 crore
4. Monthly household expenses	₹62,500	₹62,500	₹62,500
5. Withdrawal-rate multiple used	320x	320x	320x
6. What's actually needed (Line 4 × 5)	₹2.0 crore	₹2.0 crore	₹2.0 crore
7. DWF Preparedness Ratio (Line 3 ÷ 6)	**1.40**	**1.10**	**0.80**
What it suggests	**Comfortable buffer**	**Broadly on track**	**Worth tightening**

These are made-up numbers, used only to show how the stress-test works — not a forecast or advice for any real person. All three households have the same lifestyle and the same multiple; only the size of "known reductions" is different.

Household A — comfortable buffer

A ₹3.2 crore corpus, with only ₹40 lakh in known reductions, leaves ₹2.8 crore usable — 40% more than the ₹2 crore this household actually needs. This gives enough room to absorb a medical emergency or a market fall early in retirement.

Household B — broadly on track

A smaller corpus, and slightly higher known reductions, bring the usable number down to ₹2.2 crore — just 10% above what's needed. This works, but leaves little room for a big, unplanned expense without adjusting something else first.

Household C — worth tightening

The same ₹50 lakh in known reductions as Household B, but on a smaller ₹2.1 crore corpus, leaves only ₹1.6 crore usable — 20% short of what this household needs. This isn't a crisis, but it is a clear sign to act now: work longer, save more, revisit the withdrawal rate, or build a stronger medical and inflation buffer while there is still time.

> Notice that Households B and C have the same known reductions (₹50 lakh) — only the size of the underlying corpus is different. This is exactly why the stress-test asks for your own numbers instead of a one-size-fits-all benchmark: two households with the "same" problem on paper can be in very different positions once you actually run the numbers.

Who gets your mutual fund money — and how?

In simple words: A nominee is not the owner of your mutual fund units. A nominee is more like a caretaker — they receive the units first, but they hold them for the real owners under law, unless a will says something else. Doing the paperwork right, and choosing a nominee early, is what decides if your family gets this money in days, or after months of running around.

A nominee is not always the final owner

This is easy to misunderstand, so read it twice. A nominee only "holds" the units. The real owner is whoever the law says should get the money.

If you wrote a will, the will decides who gets the units. If there is no will, the law of succession decides. In most families this is a non-issue, because the nominee and the rightful owner are the same person, usually a spouse. Problems come up only in mixed situations — say, one child is the nominee but the will names a different child. In such cases, get advice from a professional. Do not assume the nominee simply keeps the money.

Steps every family should know

- **Add a nominee today, don't wait:** every account with a single holder should have a nominee, or a clear written note saying "no nominee." Skipping this step can turn a simple claim into a long, paper-heavy one.
- **One folio can have up to 10 nominees, and you must give each one a percentage share:** you do not need a separate folio for every child. A father with one son and one daughter can name both on the same folio and simply write down each one's share — say 50% and 50%, adding up to 100%. This field is mandatory under SEBI's rules, effective September 2025 — leaving it blank can get your form treated as incomplete and sent back for resubmission, so fill it in correctly the first time rather than assuming a default split will apply.
- **Keep the same split everywhere:** if you own more than one folio, use the identical percentage split on all of them. Different funds grow at different speeds, so splitting unevenly across folios can quietly give one child a bigger share than you meant — even though your intention was a simple 50:50 division.
- **Make your records match:** your name, PAN and Aadhaar should be spelled and entered exactly the same way everywhere. A small spelling gap between a death certificate and a folio is one of the most common — and most avoidable — reasons a claim gets stuck.
- **Tell the fund house quickly:** once a fund house learns of an investor's death, it stops further transactions and SIPs on that folio. This happens anyway once the linked bank account is frozen, so there is little to gain by delaying.
- **Fill the Transmission Request Form (TRF):** this form exists for one specific purpose — moving mutual fund units out of a deceased investor's name and into the name of the nominee or legal heir. It is not used for any other kind of transfer. Along with it, the claimant submits the death certificate, their own KYC, and proof of how they are related to the investor. A TRF is different from a normal redemption form or a nomination form — it is its own document, used only in cases of the investor's demise.
- **Bigger claims need more paperwork — especially with no nominee:** with no nominee, claims up to ₹5 lakh generally need a bank-attested indemnity bond, ₹5-10 lakh needs notarised attestation, and above ₹10 lakh you need a succession certificate, probated will, or court's letter of administration. A nominee avoids the succession-certificate route at any size — though a nominee's claim above ₹5 lakh still needs notary attestation, not just a bank manager's.

Do you have to pay tax?

Short answer: not at the time of transfer. Moving units from a deceased investor to a nominee or heir is not a taxable event, and it is not counted as a "gift" either — Section 56(2)(x) of the Income Tax Act keeps inheritance outside the gift-tax rule that otherwise applies to gifts over ₹50,000. Tax comes in only later, when the units are eventually sold: gains are calculated using the original investor's purchase price and date, as if the new owner had held the units from day one. In short: receiving the units is tax-free; selling them, later, is what attracts tax.

> **One simple task this week:** Check every folio's statement for a nominee's name, and tell one trusted family member where the list is kept. Half an hour, no cost — can save your family months of paperwork later.

General information based on standard mutual fund practice (AMFI-aligned processes, CAMS/KFintech). Requirements vary by fund house and claim value — please verify with your fund house or RTA at the time of a claim.

TAX PLANNING

The one deduction the new tax regime still allows

Direct answer: Under the new tax regime, most familiar deductions — Section 80C, HRA, the health insurance premium deduction — are not available. One meaningful deduction still stands: your employer's contribution to your NPS Tier I account, on top of your salary, up to prescribed limits. For a salaried employee whose employer offers this structure, it is worth checking.

How it works, in plain terms

If your salary structure is set up for it, your employer can route a percentage of your basic salary plus dearness allowance into your NPS Tier I account, instead of paying that amount to you directly and taxing it as salary. This amount is not treated as part of your taxable salary in your hands, subject to overall limits under the Income Tax Act. Under the new tax regime, both private-sector and government employees can claim this deduction up to 14% of basic salary plus DA. Government employees already had access to this 14% limit; it was extended to private-sector employees under the new regime specifically — under the old tax regime, the private-sector cap remains 10%.

A simple illustration

Take a salaried professional with a basic salary plus DA of ₹8 lakh a year. Moving the employer's NPS contribution from 10% to the full 14% allowed under the new regime routes an additional ₹32,000 a year into the NPS account instead of taxable salary. At a marginal tax rate of 30%, that works out to roughly ₹9,600 a year in tax saved — money that also starts compounding inside a retirement account rather than being spent as take-home pay.

Basic pay + DA	Deduction at 10%	Deduction at 14%	Extra deduction	Approx. tax saved (30% slab)
₹8,00,000	₹80,000	₹1,12,000	₹32,000	₹9,600
₹15,00,000	₹1,50,000	₹2,10,000	₹60,000	₹18,000
₹20,00,000	₹2,00,000	₹2,80,000	₹80,000	₹24,000

DWF illustrative calculation, based on the private-sector NPS employer-contribution cap under the current new-regime rules (10% → 14% of basic pay plus DA), before the 4% cess. Limits, caps and eligibility can change with each Finance Act — please verify the applicable percentage and any overall ceiling with the Income Tax Department's current guidance or your tax advisor before acting.

What this means for you

This benefit is not automatic. It depends on whether your employer's payroll structure already routes NPS contributions this way, and at what percentage. It's worth a short conversation with your HR or payroll team about whether your CTC can be restructured to include this, ideally before the financial year is too far along.

> A goal-based retirement review can help you see how an NPS allocation like this fits alongside your existing mutual fund SIPs and other retirement savings — rather than looking at the tax saving in isolation.

Related reading: **Retirement Planning: NPS vs PPF vs Mutual Funds**

FINANCIAL PLANNING CORNER

Investor Question of the Month

Q1. What is a safe withdrawal rate for retirement in India?

There is no single number that fits everyone, but a commonly used starting reference is drawing around 4-6% of your retirement corpus per year from a balanced portfolio. A higher withdrawal rate increases the chance your money runs out before you do, especially once inflation and any large one-off expenses are factored in. Your own safe rate depends on your asset allocation, expected returns, and how long your retirement needs to last. A Systematic Withdrawal Plan (**SWP**) is one common way to structure this drawdown from a mutual fund portfolio.

Q2. How do I stress-test my retirement corpus for inflation and medical costs?

Start by projecting your current monthly expenses forward at a reasonable inflation assumption (commonly 6%) across your expected retirement horizon. Separately, set aside a ring-fenced medical reserve distinct from your core investments, since a large uninsured bill can arrive at any point. Add any known family commitments on top. What remains after these known reductions is the number your own retirement plan should actually be built around, as this issue's cover story explains in detail.

Q3. What happens to my mutual fund units if I die without registering a nominee?

Your legal heirs can still claim the units, but the paperwork scales up with the claim size. Up to ₹5 lakh, an indemnity bond with bank-attested signatures is usually enough. Between ₹5 lakh and ₹10 lakh, the same route needs notarised attestation instead. Above ₹10 lakh, heirs need a succession certificate, a probated will, or a court's letter of administration — a longer process, often running into months. Registering a nominee on every folio is the single easiest way to spare your family this delay.

Q4. Can I claim the NPS employer-contribution deduction if I'm on the new tax regime?

Yes — the employer's contribution to your NPS Tier I account, up to the prescribed limit, remains deductible under the new tax regime even though most other deductions are not. Check your Form 16 and payroll structure to see whether your employer already offers this, and at what percentage.

Q5. How often should I review my mutual fund portfolio?

Once a year is a reasonable default for most long-term investors, with an additional check whenever a major life event occurs — a new goal, a job change, marriage, or a large windfall or expense. A review should look at whether your funds, categories and overall asset allocation still match your goals, risk profile and time horizon.

Deepak Wealth View — this month's takeaways

- A retirement corpus is only as reliable as the stress-test behind it — run yours against inflation, a medical shock and known family commitments, not just the headline figure.
- A ring-fenced medical reserve, kept separate from your core retirement portfolio, protects your long-term investments from a single unplanned hospital bill.
- SIP flows staying strong through a flat market month is a sign of investor discipline working as intended — not a reason to change your own approach.
- Registering (and periodically verifying) nominations across every folio remains one of the highest-value, lowest-effort things any investor can do for their family.
- If your salary structure allows it, the NPS employer-contribution route is worth a conversation with HR before this financial year progresses further.

WHAT TO WATCH NEXT MONTH

Is your financial plan on track?

Development	Why it matters for investors
RBI's next Monetary Policy Committee meeting	Will confirm whether the rate hold continues or shifts, affecting debt fund returns and loan EMIs.
Festive-season consumption data	An early signal on domestic demand strength heading into the year-end quarter.
Q2 FY27 corporate earnings season	Sets the tone for equity market sentiment over the following quarter.
AMFI's August 2026 monthly data release	Will confirm whether July's strong SIP flows continued into August.
Any updates on Middle East geopolitical developments	Continues to influence crude oil prices, and through them, inflation and the rupee.
Your own portfolio's asset allocation	Worth a check if it's been more than a year since your last review — see the FAQ on page 10.

Is your financial plan on track?

Markets will continue to change. Your financial goals should remain the focus. If you'd like to understand whether your investments are aligned with your goals, risk profile and time horizon, our team can help you review your financial plan.

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Deepak Gokul, CWM®

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Deepak Gokul specialises in goal-based financial planning, child education planning, SIP investments, mutual fund advisory, and retirement planning for families across the globe. With his Chartered Wealth Manager (CWM®) certification and specialised training in retirement advisory, Deepak helps clients build long-term wealth through structured, disciplined financial planning.

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