

**HDFC MF**

# Weekend Bytes

A weekly series from HDFC Mutual Fund

## Retirement Made Simple: Live Fully, Invest Smartly



Retirement is often imagined as a time of freedom - no deadlines, no morning rush, just days filled with travel, hobbies, and family. But behind those dreams lies a big question: **Will my money last as long as I do?**

It's not just about how much you save, it's about how smartly you invest. Because in retirement, you need to consider Three things:

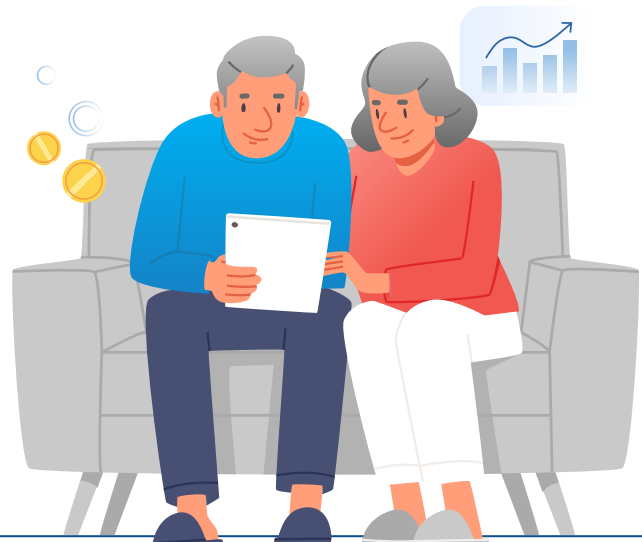
- ✓ **Growth potential, so your savings could keep pace with inflation.**
- ✓ **Withdrawal rate, if withdrawals are too high relative to corpus, savings can deplete quickly, increasing the risk of outliving your money.**
- ✓ **Regular Income, so you can enjoy life's moments without dipping into your capital too fast.**

This is where planning ahead makes all the difference.

## Suresh's Story

Suresh retired at 60 with a well-considered vision for his post-retirement years - travelling with his wife, taking his grandchildren on holidays, and finally starting the small gardening project he always dreamed of. Like most of us, he wanted two things from his corpus:

1. Growth, so his savings wouldn't run out too soon.
2. A steady income, so he could live life comfortably without worrying about the markets



## The Role of Asset Allocation

Instead of investing everything into debt or equity alone, he chose to invest in a solution designed for retirement needs - the **HDFC Retirement Savings Fund – Hybrid Equity Plan**, which invests across equity and debt to balance growth potential and volatility. Suresh Invested Rs 1.5 Crore in **HDFC Retirement Savings Fund – Hybrid Equity Plan** on Feb 25, 2016.

## Income Through SWP

Suresh retired on 01 March 2021, to meet his regular post-retirement expenses, Suresh opted for a Systematic Withdrawal Plan (SWP) in HDFC Retirement Savings Fund – Hybrid Equity Plan



## Suresh's Retirement Journey - Illustration

| Date      | Event                                                                  | Corpus               | Cashflow Through SWP |
|-----------|------------------------------------------------------------------------|----------------------|----------------------|
| 25-Feb-16 | Initial Investment                                                     | Rs 1.5 Crore         | -                    |
| 01-Mar-21 | Investment Value at Retirement                                         | Rs 3.23 Crore        | -                    |
| 01-Mar-21 | SWP Started Post Retirement (Withdrawal @4% = ~Rs 1.08 Lakh Per Month) | -                    | -                    |
| 30-Sep-25 | Cumulative Cashflow from SWP                                           | -                    | <b>Rs 59.21 Lakh</b> |
| 30-Sep-25 | Investment Value                                                       | <b>Rs 4.96 Crore</b> | -                    |

SWP is a facility to withdraw fixed amount periodically from the investments by redeeming units. Thus, withdrawals happen from capital and appreciation portion of the investments. The above table is to explain the concept of SWP and should not be construed as providing any kind of investment advice or as a substitute for any kind of financial planning. The above is not an indication/assurance of any return that may be earned by using this facility. HDFC Mutual Fund/HDFC AMC is not guaranteeing any returns on investments made in the Scheme. The result of the calculations generated in the above concept may not be accurate. Due to the personal nature of investments and financial planning, investors are advised to consult his/her professional advisor. If you decide to opt for this facility, you should be aware that the withdrawals may take place from the principal amount invested. **\*Past performance may or may not be sustained in future and is not a guarantee of any future returns.** For complete performance details in SEBI Prescribed format, please refer page no 6.

SWP – Systematic Withdrawal Plan

## Takeaway

Retirement doesn't have to mean choosing between enjoying today or securing tomorrow. With the HDFC Retirement Savings Fund and tools like SWP, investors could create a balance between regular income and long-term growth potential. Maintaining a moderate withdrawal rate, typically around 4% could help sustain your corpus through retirement.



## Some Thumb Rules for Managing Investments During Retirement



### → Rule of 4%

This refers to the withdrawal rate from your retirement corpus per annum. For instance, if you have a retirement corpus of Rs. 4 Crore, then as per this rule of thumb it may be ideal to withdraw upto Rs. 16 lakh a year, which works out to a monthly withdrawal of Rs. 1.33 lakh. Would this be enough for you when you retire?

### → Rule of 25\*

According to this rule, you may need a retirement corpus which is 25 times your yearly expenses at the time of retirement. If you observe carefully, the Rule of 25 is actually the inverse of Rule of 4%.

Keeping the math aside, the key for younger investors aspiring to retire early, is to maintain a balance between one's current lifestyle and saving for the future. If you are thinking of an early retirement, you may wish to be conservative and keep a good enough buffer while estimating your retirement corpus.

### → Rule of 72

Divide 72 by your expected annual rate of return to estimate how many years it will take for your investments to double in value.

\*The Rule of 25 is a guideline that suggests you should aim to save 25 times your annual expenses before retiring based on the assumption that a well-invested retirement portfolio can sustainably provide 4% of its value each year to cover living expenses.

## SIP Performance

### HDFC Retirement Savings Fund - Equity Plan - SIP Performance - Regular Plan - Growth Option

|                                                   | Since Inception* | 7 year SIP   | 5 year SIP   | 3 year SIP   | 1 year SIP  |
|---------------------------------------------------|------------------|--------------|--------------|--------------|-------------|
| Total Amount Invested (₹ in lacs)                 | 11.60            | 8.40         | 6.00         | 3.60         | 1.20        |
| Market Value as on September 30, 2025 (₹ in lacs) | 280.13           | 16.71        | 9.25         | 4.42         | 1.22        |
| <b>Returns (%)</b>                                | <b>17.43</b>     | <b>19.31</b> | <b>17.36</b> | <b>13.90</b> | <b>3.65</b> |
| <b>Benchmark Returns (%)#</b>                     | <b>15.39</b>     | <b>16.60</b> | <b>14.95</b> | <b>13.49</b> | <b>4.68</b> |
| <b>Additional Benchmark Returns (%)##</b>         | <b>14.05</b>     | <b>14.45</b> | <b>12.71</b> | <b>11.29</b> | <b>4.96</b> |

### HDFC Retirement Savings Fund - Hybrid Equity Plan - SIP Performance - Regular Plan - Growth Option

|                                                   | Since Inception* | 7 year SIP   | 5 year SIP   | 3 year SIP   | 1 year SIP  |
|---------------------------------------------------|------------------|--------------|--------------|--------------|-------------|
| Total Amount Invested (₹ in lacs)                 | 11.60            | 8.40         | 6.00         | 3.60         | 1.20        |
| Market Value as on September 30, 2025 (₹ in lacs) | 229.90           | 14.01        | 8.32         | 4.26         | 1.22        |
| <b>Returns (%)</b>                                | <b>13.60</b>     | <b>14.37</b> | <b>13.05</b> | <b>11.29</b> | <b>3.69</b> |
| <b>Benchmark Returns (%)#</b>                     | <b>11.92</b>     | <b>12.01</b> | <b>10.69</b> | <b>10.01</b> | <b>5.13</b> |
| <b>Additional Benchmark Returns (%)##</b>         | <b>14.05</b>     | <b>14.45</b> | <b>12.71</b> | <b>11.29</b> | <b>4.96</b> |

### HDFC Retirement Savings Fund - Hybrid Debt Plan - SIP Performance - Regular Plan - Growth Option

|                                                   | Since Inception* | 7 year SIP  | 5 year SIP  | 3 year SIP  | 1 year SIP  |
|---------------------------------------------------|------------------|-------------|-------------|-------------|-------------|
| Total Amount Invested (₹ in lacs)                 | 11.60            | 8.40        | 6.00        | 3.60        | 1.20        |
| Market Value as on September 30, 2025 (₹ in lacs) | 171.06           | 11.19       | 7.30        | 4.03        | 1.22        |
| <b>Returns (%)</b>                                | <b>7.81</b>      | <b>8.07</b> | <b>7.81</b> | <b>7.61</b> | <b>3.97</b> |
| <b>Benchmark Returns (%)#</b>                     | <b>8.30</b>      | <b>8.15</b> | <b>7.66</b> | <b>8.01</b> | <b>5.27</b> |
| <b>Additional Benchmark Returns (%)##</b>         | <b>6.35</b>      | <b>6.42</b> | <b>6.80</b> | <b>8.13</b> | <b>5.69</b> |

@Assuming ₹10,000 invested systematically on the first Business Day of every month over a period of time. CAGR returns are computed after accounting for the cash flow by using XIRR method (investment internal rate of return) for Regular Plan - Growth Option. The above investment simulation is for illustrative purposes only and should not be construed as a promise on minimum returns and safeguard of capital. SIP - Systematic Investment Plan.

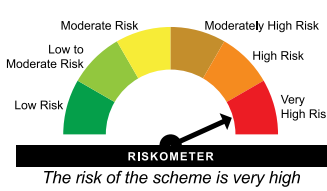
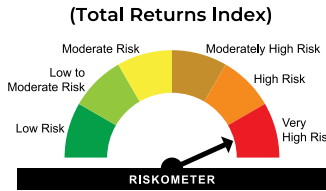
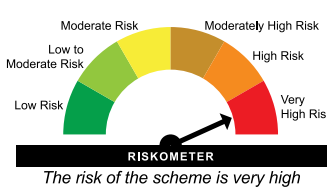
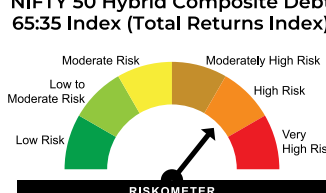
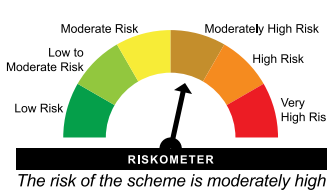
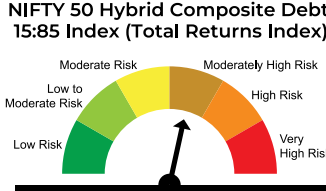
## Performance - Growth Option

| Plan                 | Period          | Scheme Returns (%) | Benchmark Returns (%)# | Additional Benchmark Returns (%)## | Value of ₹10,000 invested |                                     |                            |
|----------------------|-----------------|--------------------|------------------------|------------------------------------|---------------------------|-------------------------------------|----------------------------|
|                      |                 |                    |                        |                                    | Scheme (₹)                | Benchmark (₹)#                      | Additional Benchmark (₹)## |
|                      |                 |                    |                        |                                    |                           | <b>NAV as on September 30, 2025</b> |                            |
|                      |                 |                    |                        |                                    |                           | Equity plan                         | ₹50.003                    |
|                      |                 |                    |                        |                                    |                           | Hybrid Equity plan                  | ₹38.325                    |
|                      |                 |                    |                        |                                    |                           | Hybrid Debt plan                    | ₹21.5698                   |
| Equity Plan@         | Last 1 year     | -4.35              | -5.28                  | -3.45                              | 9,565                     | 9,472                               | 9,655                      |
|                      | Last 3 years    | 18.73              | 16.38                  | 14.21                              | 16,744                    | 15,771                              | 14,904                     |
|                      | Last 5 years    | 24.15              | 20.70                  | 18.36                              | 29,516                    | 25,630                              | 23,241                     |
|                      | Since Inception | 18.25              | 16.57                  | 15.49                              | 50,003                    | 43,592                              | 39,853                     |
| Hybrid Equity Plan^@ | Last 1 year     | -2.26              | 0.03                   | -3.45                              | 9,774                     | 10,003                              | 9,655                      |
|                      | Last 3 years    | 15.06              | 12.04                  | 14.21                              | 15,240                    | 14,070                              | 14,904                     |
|                      | Last 5 years    | 17.50              | 14.17                  | 18.36                              | 22,407                    | 19,406                              | 23,241                     |
|                      | Since Inception | 15.02              | 13.08                  | 15.49                              | 38,325                    | 32,556                              | 39,853                     |

|                                 |                 |      |      |      |        |        |        |
|---------------------------------|-----------------|------|------|------|--------|--------|--------|
| Hybrid Debt Plan* <sup>\$</sup> | Last 1 year     | 2.43 | 4.95 | 7.05 | 10,243 | 10,495 | 10,705 |
|                                 | Last 3 years    | 8.94 | 8.73 | 8.48 | 12,933 | 12,858 | 12,770 |
|                                 | Last 5 years    | 8.60 | 8.05 | 5.41 | 15,109 | 14,728 | 13,014 |
|                                 | Since Inception | 8.34 | 8.99 | 6.70 | 21,570 | 22,851 | 18,636 |

| Plan               | Inception Date | Benchmark* <sup>#</sup>                                          | Additional Benchmark** <sup>#</sup> |
|--------------------|----------------|------------------------------------------------------------------|-------------------------------------|
| Equity plan        | 25-Feb-2016    | NIFTY 500 (Total Returns Index)                                  | NIFTY 500 TRI                       |
| Hybrid Equity plan | 25-Feb-2016    | NIFTY 50 Hybrid Composite Debt 65:35 Index (Total Returns Index) | NIFTY 500 TRI                       |
| Hybrid Debt plan   | 25-Feb-2016    | NIFTY 50 Hybrid Composite Debt 15:85 Index (Total Returns Index) | CRISIL 10 Year Gilt Index           |

**Past performance may or may not be sustained in future and is not a guarantee of any future returns.** \*Scheme performance may not strictly be comparable with that of its Additional Benchmark in view of hybrid nature of the scheme where a portion of scheme's investments are made in equity instruments. The above returns are of Regular plan - growth option. Returns greater than 1 year period are compounded annualized (CAGR). Load is not taken into consideration for computation of performance. Different plans viz. Regular Plan and Direct Plan have a different expense structure. The expenses of the Direct Plan under the Scheme will be lower to the extent of the distribution expenses/commission charged in the Regular Plan. Returns as on September 30, 2025. For performance of other schemes managed by Srinivasan Ramamurthy (Equity portfolio) and Shobhit Mehrotra (Debt portfolio), please refer pages 35 and 36 respectively. @The schemes are managed by Srinivasan Ramamurthy (Equity portfolio) since December 14, 2021 & Shobhit Mehrotra (Debt portfolio) since February 25, 2016. \$The scheme is managed by Srinivasan Ramamurthy (Equity portfolio) since December 14, 2021 & Shobhit Mehrotra (Debt portfolio) since February 26, 2016. ^Scheme performance may not strictly be comparable with that of its Additional Benchmark in view of hybrid nature of the scheme where a portion of scheme's investments are made in debt instruments.

| Name of Scheme / Investment Plan                         | This product is suitable for investors who are seeking*                                                                                                                                                                                                                                                                | RISKOMETER# OF THE SCHEME(S)                                                                                                          | NAME AND RISKOMETER# OF BENCHMARK#                                                                                                                                                                                       |
|----------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>HDFC Retirement Savings Fund – Equity Plan</b>        | <ul style="list-style-type: none"> <li>A corpus to provide for pension in the form of income to the extent of the redemption value of their holding after the age of 60 years</li> <li>Investment predominantly in equity and equity related instruments</li> </ul>                                                    |  <p>The risk of the scheme is very high</p>       | <p><b>NIFTY 500 (Total Returns Index)</b></p>  <p>The risk of the benchmark is very high</p>                                        |
| <b>HDFC Retirement Savings Fund – Hybrid Equity Plan</b> | <ul style="list-style-type: none"> <li>A corpus to provide for pension in the form of income to the extent of the redemption value of their holding after the age of 60 years</li> <li>Investment predominantly in equity and equity related instruments &amp; balance in debt and money market instruments</li> </ul> |  <p>The risk of the scheme is very high</p>       | <p><b>NIFTY 50 Hybrid Composite Debt 65:35 Index (Total Returns Index)</b></p>  <p>The risk of the benchmark is high</p>            |
| <b>HDFC Retirement Savings Fund – Hybrid Debt Plan</b>   | <ul style="list-style-type: none"> <li>A corpus to provide for pension in the form of income to the extent of the redemption value of their holding after the age of 60 years</li> <li>Investment predominantly in debt and money market instruments &amp; balance in equity and equity related instruments</li> </ul> |  <p>The risk of the scheme is moderately high</p> | <p><b>NIFTY 50 Hybrid Composite Debt 15:85 Index (Total Returns Index)</b></p>  <p>The risk of the benchmark is moderately high</p> |

\*Investors should consult their financial advisers, if in doubt about whether the product is suitable for them.  
 #For latest Riskometer, investors may refer to the Monthly Portfolios disclosed on the website of the Fund viz. [www.hdfcfund.com](http://www.hdfcfund.com)

Views expressed above are indicative and should not be construed as investment advice or as a substitute for financial planning. Due to the personal nature of investments, investors are advised to seek professional advice before investing.

**MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS,  
 READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.**

Mission: To be the wealth creator for every Indian

Vision: To be the most respected asset manager in the world