SIP INTO SUCCESS:

BUILD YOUR WEALTH

What is SIP ?

SIPs, or Systematic Investment Plans, are a hassle-free way to invest a fixed amount regularly in mutual funds or other investment avenues.

They offer benefits such as rupee cost averaging, compounding returns, flexibility, and diversification. SIPs are ideal for clients seeking long-term wealth accumulation with minimal effort and maximum returns.

How Does SIP work?

SIP, or Systematic Investment Plan, works by allowing investors to regularly invest a fixed amount of money at predetermined intervals, typically monthly or quarterly.

This amount is then used to purchase units of a mutual fund or other investment product chosen by the investor. SIPs are a convenient and disciplined way to invest systematically for long-term financial goals.

Why should you invest via SIP?

Disciplined Investing: Encourages regular and consistent investments.

Rupee Cost Averaging: Buys more units when prices are low and fewer when prices are high, potentially reducing the average cost per unit.

Compounding Returns: Earn returns not just on the principal amount but also on previous investment returns, accelerating wealth accumulation.

Flexibility: Allows for adjustable investment amounts and frequencies to suit individual financial goals and market conditions.

Diversification: Offers opportunities to invest across various asset classes and funds, spreading risk and potentially enhancing overall returns.

When to Invest in SIP?

The best time to invest in SIPs is when you have identified your financial goals and have the means to invest regularly over the long term.

Since SIPs rely on consistent investments over time, it's more about starting as soon as possible rather than timing the market.

By initiating SIPs early, you can benefit from the power of compounding and rupee cost averaging, irrespective of short-term market fluctuations. Therefore, the right time to invest in SIPs is when you are financially prepared to commit to regular investments aligned with your goals.
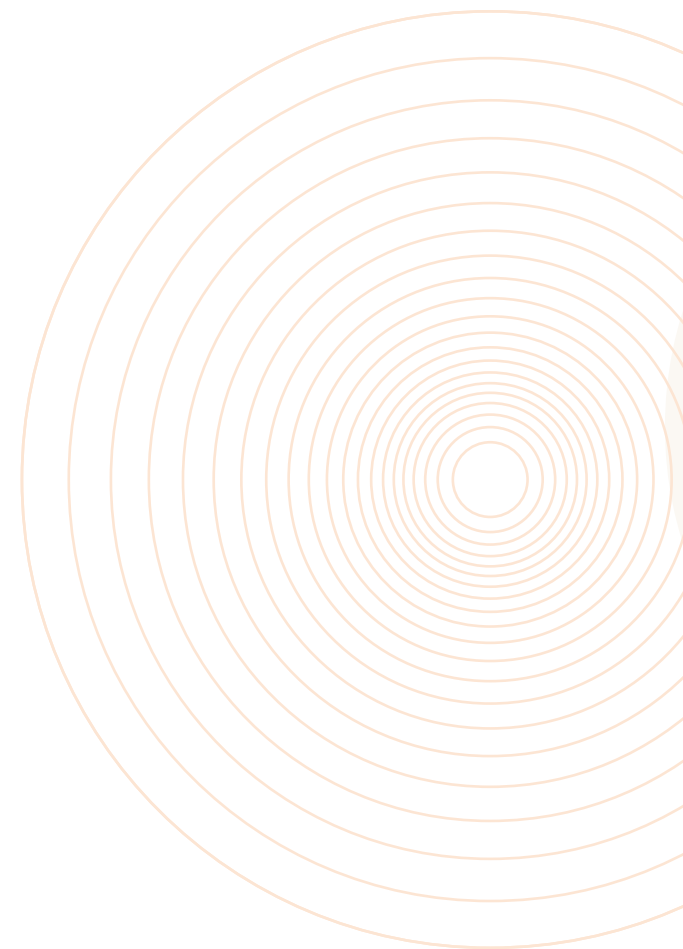
How to invest in SIPs?

» Invest via online investment platforms like InCred Premier

» Invest via your financial advisor or relationship manager

» Invest through an existing Demat account

Tax Benefit of Investing in SIP

SIPs themselves do not offer direct tax benefits. However, SIP investments in specific mutual funds like Equity Linked Savings Schemes (ELSS) offer tax benefits under Section 80C of the Income Tax Act.

Investments in ELSS funds through SIPs qualify for deductions up to ₹1.5 lakh in a financial year, reducing your taxable income. However, capital gains earned from redeeming ELSS, at the end of a three-year tenure, are tax-free up to ₹1 lakh per year, any earnings beyond ₹1 lakh are subject to a 10% long-term capital gains tax plus applicable surcharge and health and education cess.

It's essential to consult with a tax advisor to understand the tax implications of SIP investments based on individual financial circumstances.

To Bring It to a Close

At InCred Premier, we acknowledge that your hard-earned wealth deserves nothing less than the utmost care and attention.

Rest assured, we are committed to providing you with unparalleled investment services.

If you need help or have any questions as you progress, our dedicated team is here for you. You may reach out to us at care@incredpremier.com.

InCred Premier

Rise. With Confidence.

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