

UNDERSTANDING UNIT LINKED INSURANCE PLANS (ULIP)



What is a ULIP?

A Unit Linked Insurance Plan (ULIP) is a product that offers both insurance and investment under a single integrated plan.

Key Features:

- ✓ Dual benefits of investment and insurance.
- ✓ Choice of funds for investment.
- ✓ Flexibility to switch between funds.

Benefits:

- ✓ Potential for high returns.
- ✓ Life cover protection.
- ✓ Tax benefits under section 80C.
- ✓ Up to ₹2.5 lakhs premium per annum per pan the returns are tax free*



*According to the amendment, the maturity amounts of ULIP plans issued on or after February 1, 2021, will no longer be exempt in the following cases:

- If you have paid a premium over ₹2.5 lakh in any year during the ULIP's tenure, the amount received (including the bonus) at maturity will be taxable.
- If you have multiple ULIP plans and the total premium paid exceeds ₹2.5 lakh, the amount received will be subject to taxation.

How ULIP Plan Works?

Premium Allocation: A portion of the premium goes towards life cover, and the remaining is invested in funds chosen by the customer.

Fund Options are:

- Equity Funds
- Debt Funds
- Balanced Funds

Lock-in Period: Typically, 5 years, during which withdrawals are not allowed.



Investment Strategies

Types of Funds: Options include equity, debt, and balanced funds.

Switching Between Funds: Policyholders can switch funds based on market performance and personal goals.

Charges Involved:

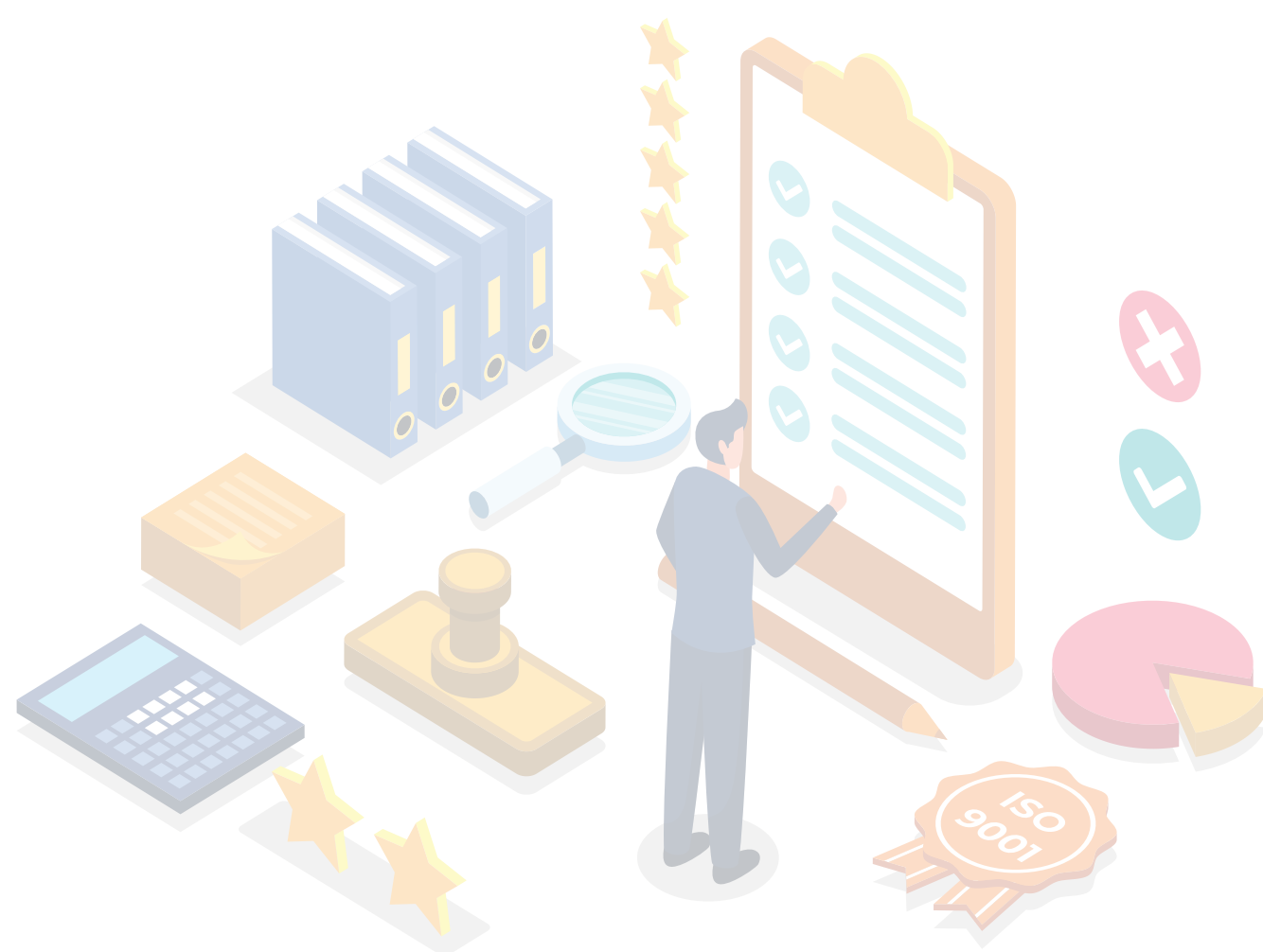
- Premium Allocation Charges
- Fund Management Charges
- Policy Administration Charges

Key point:

- No exit load or any other charges*

*The client should verify the following before purchasing ULIP policies:

- Some plans have no allocation charges or policy administration fees.
- Switching between funds may or may not incur charges, depending on the specific policy terms.

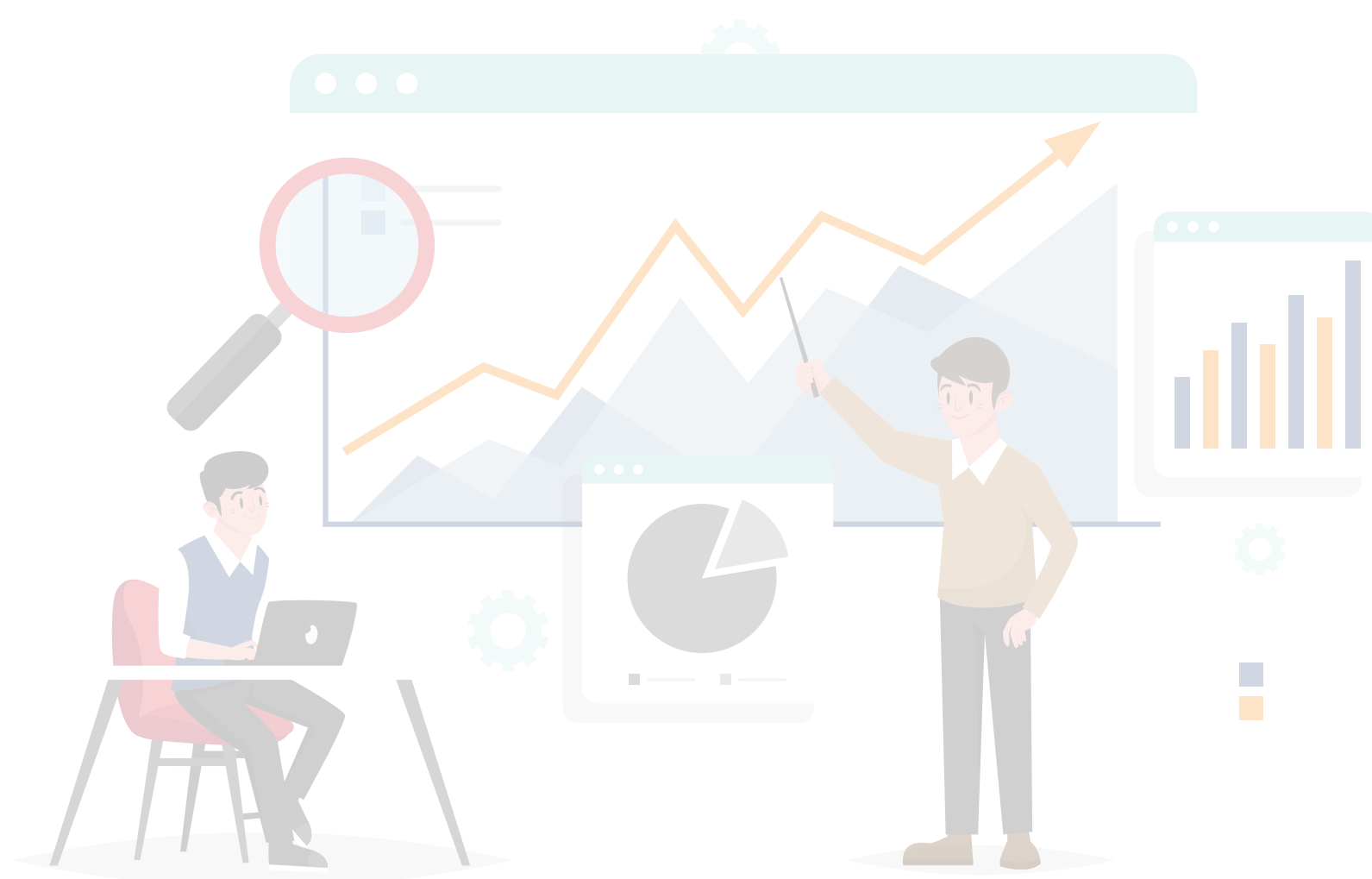


Factors to Consider while buying a ULIP

Risk Appetite: Higher risk for potentially higher returns.

Investment Goals: Long-term financial goals alignment.

Policy Tenure: Longer tenure for better returns and benefits.



To begin your investment journey,
scan the QR code to open your account.



 Dont forget to share and save this post.

The ULIP information mentioned is for general purpose and not for insurance solicitation. Mvalu technology services private limited is not the Insurance intermediary and not allowed to sell Insurance products to any person. For making any insurance decision kindly discuss with the regulated Insurance intermediary.

The above content is for knowledge and education purpose only. The user is required to undergo risk profiling before investing. Guided view is indicative in nature and is based on the information provided by the user voluntarily. Each user of this information should make such investigation as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred

InCred Premier (Mvalu Technology Services Private Limited) is an AMFI registered Mutual Fund Distributor under ARN: 275918. Some services are offered through group companies. InCred Premier is also registered with APMI having registration no: APRN00175 and is registered as Authorised Person with NSE and BSE. Mutual Funds & Securities are subject to market risks, please read all your scheme/securities related documents carefully before investing.