

ELSS FOR RETIREMENT CORPUS

Can a tax saving mutual fund scheme, that is Equity Linked Savings Scheme (ELSS), be used to create a retirement corpus? Financial planners and advisors believe this is one of the best and the most cost-effective solutions to creating a corpus for retirement.

Here are the some aspects of the same:

Rs 500:
Minimum
monthly
investment

100%: Of the
corpus can
be withdrawn
after the
lock-in period

1.5%-2.75%:
Cost per
annum

**Up to Rs 1.5
lakh:**
Tax savings
per annum
under Section
80C of Income
Tax Act

3 years:
Lock-in from
the date of
investment
for tax
benefits

**No maximum
investment limit**

Nil: Tax
liability on
corpus if
withdrawn
after lock-in

