

Investment Avenue	Features	Products	Returns	Time Horizon	Risk	Taxation
<b>1. Debt</b>						
	Loan to Banks / Corporates / Government / FI  Fixed Interest (Periodic / Cumulative)  Fixed Tenure  Repayment (Refund) of principal on maturity	Saving Account Bank F.D. / R.D. NSC (National Saving Certificates) PPF Bonds / Debentures Companies F.D.	Low - Medium  2.5% - 4% 5% - 7 % 7%  7.1% 6.5% - <b>8.5%</b> 8% - 9%	Short Term (4 - 6 M) Medium Term (12 M - 3 Years) Fixed : 5 years / 10 Years  Fixed : 15 Years Medium-Long term (3 - 10 Years)	Low  Interest Rate Liquidity Risk Default (Not for Govt. Securities) Inflation	Interest above Rs.10000, taxable - As per income tax slabs  PPF - 1) No tax U/S 80C (for total investments upto overall limit of Rs.1.5 Lac), 2) No tax on Maturity
<b>2. Equity</b>						
	Issued by companies through IPO  Traded in secondary market (Stock Exchanges)  Capital Appreciation  Highly volatile	Shares	Medium - High  10% - 15%	Long Term (> 5 Years)	High - Vey High  Market Valuation Dividend	SCGT - < 1 Yr - @15%  LCGT - 1) > 1 Yr - @10% (w/o indexation - above Rs. 1 Lac gain) 2) > 1Yr. - No tax below Rs.1 Lac gain  + STT

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3. Derivatives & Structured Products						
	<p>Value derived for underlying asset (Debt/ Equity/commodity/ currency)</p> <p>Traded on exchanges / OTC</p> <p>Lot size for each contract</p> <p>Weekly / Monthly validity (expiry)</p>	<p>Futures</p> <p>Options</p> <p>Forwards</p> <p>Swaps</p>	<p>Medium - High</p> <p>15% - 20%</p>	Short Term (1 - 12 M)	High / Very High	Considered as business income - Different rules for tax calculation
4. Mutual Fund						

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	<p>Pool of money (fund)</p> <p>Buying of other securities (shares/bonds/debentures)</p> <p>Units Available at NAV</p>	<p>Equity Oriented Debt (Income) Oriented Balanced (Hybrid) – e.g. 60:40</p> <p>Liquid Fund Gilt Fund Index Fund ELSS</p>	<p>Medium - High</p> <p>10% - 15% 8% - 10% 9% - 12% 7% - 9%</p>	Long Term (> 5 Years)	<p>Medium</p> <p>Related to individual scheme</p>	<p>Debt Funds :</p> <p>STCG - &lt; 3 Yrs. - As per income tax slabs LTCG - &gt; 3 Yrs. - @20% with indexation</p> <p>Equity / Balance Funds : STCG - &lt; 1 Yr. - @ 15% LTCG - &gt; 1 Yr. - @ 10%</p> <p>+ STT on all above</p>
<b>5. Insurance</b>						
	<p>Protection against a possible eventuality (threat) Event : Damage / Loss / Illness / Accident / Death</p> <p>Guarantee of compensation</p> <p>Premium (monthly/annually)</p>	<p>Life Insurance : Term Insurance Endowment Plan Pension Plan (Incl. NPS) Unit Link Insurance Plan (ULIP)</p> <p>Health Insurance</p> <p>General Insurance : Vehicle (Motor)Insurance Travel insurance</p>	<p>Low</p> <p>5% - 7%</p>	Long Term (> 10 Years)	<p>Low</p> <p>Claim Settlement Process</p> <p>Cover / Exclusion terms</p> <p>High premium in certain cases</p> <p>No returns in certain products</p>	<p>Life Insurance :</p> <p>No tax U/S 80C (for total investments upto overall limit of Rs.1.5 Lac)</p> <p>And Exemption on maturity amount if premium paid is not more than 10%/20% of. S.A. (U/S 10(10D))</p> <p>Health Insurance (Mediclaime) - Rs.25000 deduction U/S 80 D</p> <p>Pension : Considered as a income &amp; taxed under the head "Salary"</p>

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<b>6. Gold</b>						
	<p>Considered as safe haven</p> <p>Increasing trend, slowly steadily</p> <p>Less volatility, Highly liquid</p>	<p>Coins</p> <p>Ornaments</p> <p>Gold Saving Schemes</p> <p>Gold ETF (Paper Gold)</p>	<p>Low - Medium</p> <p>6% - 8%</p>	<p>Long Term (&gt; 10 Years)</p>	<p>Low</p> <p>May not give exceptional returns</p> <p>Loss in returns (making chg., conversion loss)</p> <p>Purity / Guarantee</p> <p>Handling / storage / theft</p>	<p>STCG - &lt; 3 Yrs. - As per income tax slabs</p> <p>LTCG - &gt; 3 Yrs. @ 20% with indexation benefit</p>
<b>7. Real Estate</b>						

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	Need High Capital	Agricultural land Semi-urban land Commercial property Resort home Second house REIT (Embassy Office Park IPO-April'19)	Rental - Residential : 3% - 4% Commercial : 7% - 9%	Long Term (> 10 Years)	Maintainance & Re-construction/ rennovation No appreciation Real rate of return (negative) Low liquidity	Residential & Commercial :  Rs. 2 Lac interest exempted U/S 24 No tax U/S 80C (for principal repayment upto overall limit of Rs.1.5 Lac)  On Sale : STCG - < 3 Yrs. - As per income tax slabs LTCG - > 3 Yrs. - 20% <b>with indexation</b>