Investment- Importance and methods

Among the majority of the problems of the world, one of the crucial problems which are being faced by many of the common population is a **lack of monetary terms.**

So, why do they face such problem? The simple reason is they don’t have enough and relevant knowledge of how important is an **investment.** The present generation works on the cliché’d philosophy of: *‘seize the day my friend, live in the present than think of being 40’* No doubt this dialogue of the movie is true up to one extent but it’s not totally correct to amend in our lives. What the above quote is trying to explain is that *work hard as possible as you can so you can craft your future as beautiful as you can and do not have to think of the future.*

Also, many people keep their money stagnant in their pockets and homes. Another mistake. Let your money flow in the market. Invest your money in *stock markets, insurances, mutual funds etc.* These methods are totally safe and allow you to gain enough liquidity when the correct time comes.

If you have your money invested in legit ways, you can easily conquer over inflation rates going up and down. However, everybody has their *financial goals*. These goals may include higher education of children, retirement plans, buying a house and a lot more. Earn and invest in present means sit back and relax in future. Investing by purchasing the shares of the right and profitable companies can earn you regular dividends, making use which you can fulfill your daily needs up to an extent.

In the times of unforeseen events, investments in insurance can help you get out of the situation as soon as possible. Depending upon the time there are three types of investments: Short(no risk), medium(moderate risk), Long(risk) time.

Also, no one in this world will give you money for free. Risk comes in hand-in-hand with investment. Higher the investment, higher is the risk. When the market takes a considerable amount of leap, withdrawing your money proves you to be a profit, but when the market slides down during the recession period, do not panic and withdraw in order to remain safe. This act will prove you to be a dumb and you will suffer a great loss. Be patient and wait until market rockets upwards.

**Some of the best ways to invest in India.**

1. **Provident funds:** This is the best way for long-term investments and the safest and secured way. The minimum amount is 500/- and can be extended up to 1,50,000/-. Minimum investment period is 15 years.
2. **Mutual funds:** Nowadays, it has become a trend to invest in share market through mutual funds. An individual with a calculated and balanced amount of risk can invest in this method. There is no maximum limit but the minimum limit of 500/- INR should be maintained.
3. **Real estate:** this method is flexible and varies with investors. There is no minimum or maximum limit and return is proportional to the market values at the time of selling. According to me, this is the best and the foremost investment to be done when we all start earning. Any problems can be tackled if one has a shelter over his/her head.
4. **Equity shares:** This is one of the best options for long-term(15 years) investment. But remember, with large returns, comes large risk.
5. **Cryptocurrency:** Market of cryptocurrency is slowly gaining its pace. But still, this method will take a considerable amount of time to make it to top of the list. This new defined new-age method of investment will surely take over the other options in short span of time.