



Best Investment Plans for Good Returns in India

People invest their money in different financial instruments so as to get good returns from them.

To accomplish investing goals, they seek the best investment schemes which give the best interest rates in a fixed time.

If you are an investment lover, who would like to enhance your wealth, there are certain things you would need to consider.

Before starting your investment journey, the primary thing you need to do is to find out whether you have enough funds or not.

As it is important to save for the future, you need to make sure that your presentation must be secure before putting any money into a financial instrument.

Emergency money would be the second important thing you need to plan for. As 99 per cent of investment instruments come with a fixed lock-in period, the money you put into these funds cannot be withdrawn until the lock-in period gets ended.

Hence, it is suggested to keep some emergency funds as they may come into use if any immediate requirement comes like medical and other expenses.

Debt clearance is another important step you need to make before making an investment. If you get stuck somewhere in the debt, starting an investment might involve risks.

If you have zero debt and also have emergency funds, you are all set to start your investment journey.

Below are some of the investment options you can use for getting a better return on investment.

Best Investment Plan in India for High Returns

1. Mutual Funds

Mutual funds are the best investment schemes as many Indian investors put their money for better results. In mutual funds, your investments are diversified into different asset classes which makes it one of the safest investment instruments to date.

Investment in mutual funds comprises several benefits. For instance, it is less risky than the stock market.

Secondly, your money will be handled by a highly skilled or experienced fund manager who handles investment portfolios way better than regular investors.

2. Stock Market

When you invest in the stock market, as long as a firm is listed on the stock exchange, you can contribute to its capital.

A company's equity can be acquired by purchasing its shares, and the price of those shares will change based on how well the firm is performing financially. If the company from which the equity was purchased has financial success, investors stand to gain.

Here, the important thing to ponder is that getting outstanding results is possible only if the investor is extra careful while selecting any stock.

Good stocks with prices are the safer options for beginners as they prevent them from huge losses as the market fluctuates.

3. Systematic Investment Plan (SIPs)

SIPs are easy convenient investment options investors are looking for. SIP is a systematic investment plan where individuals put their pre-determined money on a monthly basis. The mode of payment chosen by the investor is completely based on his/her preference.

The set amount will automatically be deducted from the investor's connected account and invested in a certain mutual fund scheme. Additional units of the scheme will be purchased and added to the investor's mutual fund account with each debit of the account.

SIPs are regarded as the best savings vehicles since they not only offer favourable returns but also contribute to the development of saving habits in investors.

4. Post Office Savings Scheme

India Post Office Scheme, the organisation in charge of managing the nation's postal system, has made these deposit options available to investors. This investment choice was originally made available to encourage people to develop a lifelong habit of disciplined saving while also offering investment opportunities to support financial planning.

The simplicity of enrollment or application is what distinguishes these schemes as one of the best investing possibilities. By going to the nearest post office branch, you can make an investment in these savings plans.

5. Bonds

Companies and governmental entities, like individuals, require money for social programmes and infrastructure development, thus they sell bonds to the public markets. The interested parties then purchase the bonds to aid these organisations in raising money.

In other words, bonds are fixed-income investment choices that serve as collateral for a loan that a shareholder makes to a governmental or corporate borrower.

The fact that the terms for fixed interest payment, loan principal, and tenure are all covered in the bond specifics makes them one of the top investment plans in India.

As a result, it guarantees both the security of your money and an additional return.

Additionally, the relationship between bond prices and the current interest rates is inverse. It implies that these prices decrease as interest rates rise.

6. National Pension Scheme

A government-initiated investment option called the National Pension Scheme aims to protect a citizen's financial future after retirement. If you wish to save for retirement and have a low or no risk tolerance, consider NPS to be the greatest investment plan in India.

In accordance with your preferences, you may invest in government bonds, stocks, or other alternative investment opportunities under this programme.

NPS is not only among the best investment choices, but it is also the safest way to accumulate savings and investment returns for retirement. With a minimum investment of Rs. 500 and an interest rate of 8–10%, you can begin investing in the National Pension Scheme.

7. Public Provident Fund or PPF

Public Provident Fund, a government-backed investment scheme, offers you risk-free returns, making it one of the greatest investing options. Every quarter, the government revises and pays the interest.

Although PPFs have a 15-year maturity period, you can begin partial withdrawals of your money after six years have passed.

However, you can also take out loans using your PPF balance as collateral. Since the principal amount, interest earned, and maturity amount is all eligible for tax savings, it falls under the EEE category of tax savings.

PPF is thus among the greatest possible investment solutions. You are eligible for a tax deduction for your contribution to the PPF account under Section 80C of the IT Act of 1961.