

Wealth Creation through Mutual Fund Investment

Wealth creation is not a magic, it is a pure technique – where to invest, when to invest and how much to invest. There are various financial products available to invest like Public Provident Fund (PPF), National Pension System (NPS), National Savings Certificate (NSC), Insurance, Fixed Deposits, Term Deposits, Share Market, Mutual Fund, Bonds, Gold ETF and Real Estates etc etc, but question is where to invest, when to invest and how much to invest in different products.

Please don't invest your hard earned money as your colleague or friend has invested in it. Don't be greedy, priority should be given to invest on regular basis and protect capital. So, before taking any investment decision, please take an adequate amount of time to go through the different investment options. Please study and understand the subject, identify your goals and then invest accordingly. If required, you can approach a qualified financial advisor to help you to make the right investment decisions and plan your regular income and wealth creation journey.

I made a general prescription for the age group of 22 to 55 years, which may help to invest in different financial products as discussed below to achieve financial goal like purchase of House & SUV Car, Kids Higher Education, Quality Medical treatment, Domestic & Foreign Vacation and happy Retirement life.

Remember, it is very simple to create wealth, subject to "Earn Honestly, Spend Wisely and Invest timely at the right financial product and allow reasonable time on your investment then nobody can stop you to create wealth.

Investment options for the age group between 22 years to 55 years					
Name of the Scheme	Minimum Deposit	Maximum Deposit	Rate of Interest	80 C Benefits	Lock in Period
National Pension System (NPS)	1000	No Limit	Market Linked	Yes	Till 60 Years
Public Provident Fund	1000	1,50,000	7.1% Compound ed annually	Yes	15 years
National Savings Certificates (NSC)	1000	unlimited	7.7% Compound ed annually	Yes	5 years
Postal Life Insurance	Amount of Premium depends on your Age & Insurance Value				
Mutual Fund for Wealth Creation : Start SIP either Rs.5000 pm or Rs.10000 pm in					
1. Nifty 50 Index Fund	Possibility to get 12% annualised return				
2. Large & Mid Cap Fund	Possibility to get 14% to 16% annualised return				
3. Balanced Fund (Equity & Debt)	Possibility to get 14% to 16% annualised return				
4. Small Cap Fund	Possibility to get 18% to 22% annualised return				
5.ELSS Fund - Wealth Creation + 80C benefits	Possibility to get 14% to 16% annualised return				

Disclaimer: The article is for information purpose only and not investment advice. Mutual Fund investments are subject to market risks, read all scheme related documents carefully. The NAVs of the schemes may go up or down depending upon the factors and forces affecting the securities market including the fluctuations in the interest rates.