

# PERCEPTION TOWARD THE INVESTMENT

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Investment in early stage is a very important factor in today's life because, the investment you make now, becomes the lender of the last resort after your retirement from the job you will need more money after 30 years to get the same life that you have now!

To protect your money from the inflation, you must invest it somewhere you will get good Investment you make acts as an emergency fund to fulfil your short term and long term goals, needs and also gives you returns. Invest your money somewhere, proper planning and selection of suitable methods make it easier to get good returns.

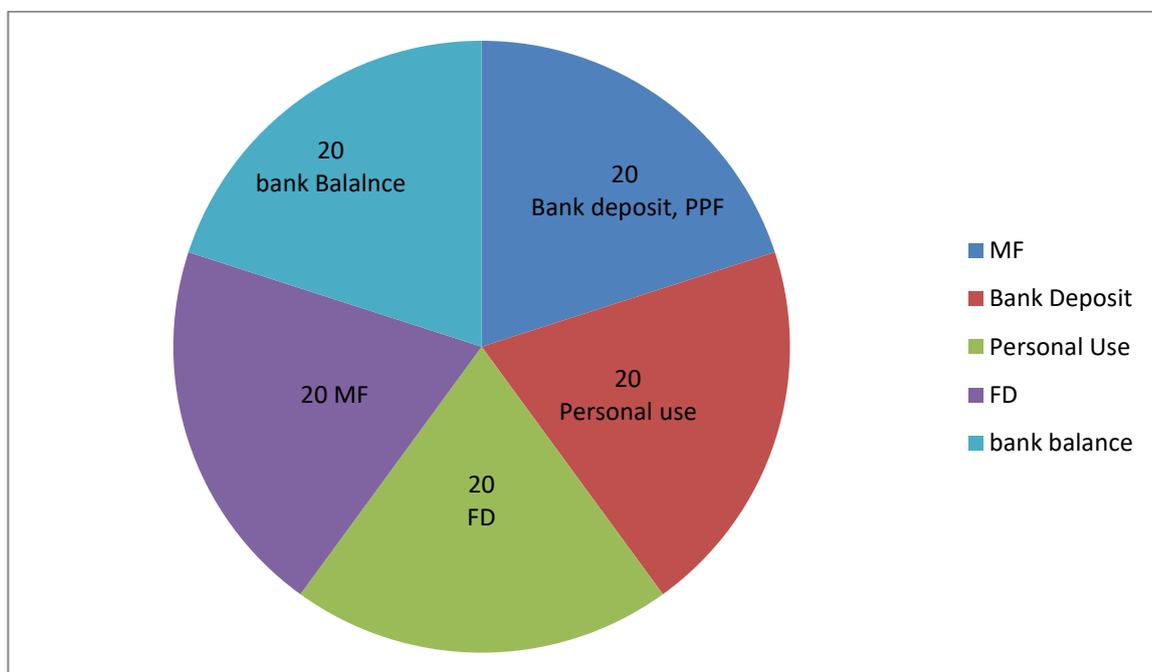
*"Never depends on single income,*

*Make investment to create a second source."*

Investment preference toward the investment avenue and the various studies concluded that the majority of the respondents invested their money based on educational background. They invested in purchasing homes and make long-term investment, because it is safety and have low risk

For Example:

A person earned ₹ 100 in a month, the finance strategy is that person should diversify their earning in different sector. rupees100



Because money is an important factor in life. Where, How, What purpose the money spends is an important?

*"If you buy things that you do not need soon,*

*You will have to sell things you need."*

A diversified investment is a portfolio of various assets that earns the highest return for the least risk. If the person invested the money in different sector. Then there is low risk because if the one sector goes in deflation, then there may be a chance that other sector may be in inflation. It has an impact that person goes loss in one sector, but due to inflation from the other sector person may get better return which he has invested.

According to the Warren Buffet,

*“Do not put all eggs in one basket”*

A diversified portfolio is your best defence against financial crisis. In the world there are different top most investors, which invest in the stock market. Like Warren Buffet, Rakesh Jhunjhunwala etc.

Warren Buffet is considered one of the most successful investors in the world. According to him, ‘The basic idea of investing is to look at a stock as business, use the market fluctuation to your advantages and seek a margin of safety.’ People always remember that investment must should be high quality growth companies because our investment is safety at least risky, or some high quality companies, which gives assurance to the investors.

One of the biggest mistakes that people make is thinking that all investing is gambling or speculation like investing in share market, mutual funds, etc. But it is not like that Investment is nothing but the, to invest money in the expectation of some benefits in the future.

For example :

Investment in bank, deposits like PPF. PPF is on a government backed, long term retirement saving instrument. It is nothing but the minimum investment and maximum output. PPF account holder enjoys the tax exemption on investment in section 80C i.e. it is totally exempted from the income tax. One piece of criteria you can look at when choosing a stock is for companies that consistently buy back their own shares; this is a good sign Many good companies reward their shareholders through share, buyback beside regular dividend. The buyback has positive effect for investors.

People always remember that before investing in any companies look beyond a company financial position of last three years, future plan, ratio analysis, etc. To get an overall idea about the company's stability in the market. The easy way to make an investment is investing through the SIP (Systematic Investment Plan). SIP is similar to an RD. SIP is a disciplined approach to saving and investment. This helps you to inculcate the habit of saving and building wealth in future.

According to our basic needs anyone must have to select the proper investment liquidity is a more important factor. Share and mutual funds must give a higher return than any other investment, but definitely there is a risk factor, so from the point of view of the middle and lower class, investment in gold and bank deposit is safer and in case of emergency immediate money can be available through Gold and bank deposit and helpful for the future life.

*“It’s Easier to look back then to look into the future.”*