



20 Simple Tips to Save Money in India (8 mins read)

Description

Hey folks, let's be honest to ourselves and ask whether saving money with spending is really the hardest thing for us. Do you know what are the best ways to save your money, especially in India? Is frugal living a real hard lifestyle?

The answer would be surely 'no' if you start knowing your lifestyle preferences. Saving money for beginners has been a burning, unstoppable desire but the hardest thing has been getting to start with it. You start struggling to save money when you keep your comfort over your actual needs.



Frugal living is sometimes misinterpreted as living poor or being cheap. It has nothing to do with

cutting things down that you enjoy. Saving in very simple words, is the residual amount that is left after all expenses are made.

Similar to 'saving habit' demonstrated by Napoleon Hill in one of his classics, Think and Grow Rich. Let's check out some really best ways to save money to avoid being broke and to develop this saving habit at the very beginner level. These ways to **save money** are not just limited to India as they can also be applied in any other country as well.

1. Categorize your Need and Want

Decide whether it is your need or want. 9 out of 10 times, we spend because it is our want. Watch out closely on your expenditures on food and entertainment. Many times, to fulfill our desires, we end up making endless purchases which costs us huge savings.

Some self-control over expenses can add up to our savings. For example, You can start preparing your food at home, in place of ordering from outside.

2. Track your spend



One of the important steps to save money is to figure out where you have spent it. Start tracking your expenses monthly, weekly, and on daily basis from the day you start spending on yourself. Keep a check on every spend on coffee, tea or household items, etc. Collect data and analyze these numbers to get an accurate amount of expenditure done in a month.

Separate your expenses into Fixed and Variable Expenses. Focus on reducing your variable expenses. This doesn't mean cutting down the things you enjoy, try to avoid meaningless purchases. You can also use any online spending tracker apps available on the Play Store or Apple Store to get

started.

3. Challenge yourself with a saving goal

How about taking a 30-day money-saving challenge this time? Saving money in itself is a challenge, then check how little you can survive as compared to the previous month or week. This will be acting as motivation and force at the same time, helping you develop the saving habit.

You can also make your goal an interesting number or an emotional date, for example, you can take the challenge of saving your target amount till your Birth date in the current year. Every successful person has been productive their entire life by setting different goals.

You might want to buy yourself a car this year, or get married at the end of the year, figure out how much expenses would it cost you and how much time would you need to save this amount. Make this something more fun by breaking these goals into short terms goals that should be achievable in the timeline you have fixed for yourself. Achieve that goal and save your money.

4. Find ways to cut expenses

Have you ever given a thought to how much can you save by driving a used car? Smart people often drive used or old cars instead of spending on a brand new car. You must know the difference between spending on an asset and a liability.

Use old books to study in place of new ones if you are a student. Use public transport to save on petrol. There can be plenty of such expenses which you can reduce by using alternatives. So, cut your expenses and save your money.

5. Pooling up resources



Finances are well managed when you are in a group. Use Uber pools instead of Uber go to save money on your travel. You can share your room with a roommate to distribute your monthly fixed spending such as rent, electricity, maintenance, grocery, etc.

While on a vacation trip, you can reduce your hotel expenses by booking hotel rooms with multiple sharing if you are traveling with your friends.

6. Have an income

Saving money is having money. You must have a fixed income source after the end of every month to grow your savings. Without a stable income source, you'll be broke by paying all your bills. You can start searching for options for side jobs or creating alternate income sources using social media platforms. You must save at least 45-50% of your total income.

7. Investment



There is a huge difference between investment and savings but both have a significant impact on our financial growth. Going along with saving money, you also need to start having a longer vision for your finances. Savings and investments should go hand in hand. This is how an expert saves money i.e. by investment.

With time, these savings will start depleting since your expenses will increase and you will not be left with enough spare liquidity at hand. Hence, watch your savings grow by investing 50% of your savings in mutual funds or by buying shares of a good company. Investment is one of those smart ways to save money from which, not only do you save money but also make money from money.

For investment tips, you can also read our article on the topic 'Warren Buffett share market tips for successful investment'. [Click here to read](#)

8. Open a separate bank account

You need to compartmentalize your money to simplify keeping track of it and for that purpose, you must open a separate savings account. Put a set amount of money into that account for spending on your grocery, eating, and other household needs.

This way, you would be staying within your budget limits and can easily manage your cash flow. To keep your monthly savings, you must open another bank account which can also serve as your emergency fund and can lock your savings safe for large purchases in the future.

9. Make a monthly budget

Get an idea about all your monthly spending and how you can organize these to limit your over-spending. Set a workable budget for these unavoidable expenses such as grocery buying or going out for a movie.

Before you go shopping, you can create your shopping budget with a list of things you plan to buy and must stick to your budget amount.

10. Check on your habits

Avoid spending money on ordering outside food, instead, prepare your meal at home. You must avoid spending your hard-earned money on your alcohol or smoking habits. It will not only deteriorate your health but can also cost you huge savings in medical expenses in the future.

We often buy so many TV subscriptions which are even not used by us. This is also a bad money spending habit that needs to be avoided. You must cancel the ones, not being used by you immediately.

11. Do not take liability loans

Never fall into this debt trap of taking loans from a bank to fulfilling your car needs or personal needs. As a beginner, you should stay away from all such desires which push you to take liability loans. These loans can hamper your savings very badly.

However, you must keep learning about asset loans which will put money in your pocket, unlike liability loans. Start planning about building your assets.

12. Avoid the tendency of showing off



Some people often spend on endless purchases by getting influenced by their surroundings. In the tendency of showing off, you tend to make life choices as per your circle. You must spread your legs as much as the area of your blanket.

Stay away from such a circle in which you are constantly spending beyond your limits and capacity. If you can manage with inexpensive things and lower bills, never give it a second thought.

13. Review your savings every week or month

You must check your savings every week or month and identify new ways to hit goals and achieve them as fast as possible. This will help you to stick to your saving plan and even fix problems faster.

Reviewing every week and seeing it grow will keep your momentum always high and will motivate you to pass your current level every week. After a couple of months, you would see you have achieved your goal of saving money with painless efforts.

14. Use Fixed Deposits (FDs) and Recurring Deposit (RDs) and forget

FDs are also considered a good option for a beginner who is starting to improve his financial appetite. Fixed deposits have fixed lock-in which can help you in avoiding unnecessary withdrawal of money until maturity in comparison to keeping a savings account. Whereas in RDs, with the help of standing instructions you can automate your savings.

Also, you can even prefer it for tax savings and creating wealth which is why it has been the most traditional and safest investment tool used by many. If you really want to grow your savings and not just keep it idle in a savings account, put all your savings into FD/RD and forget about it.

You can also read our article on 'Safest Investment options' to start your investing journey safely. [Click here to read](#)

15. Make Off-season purchases

You can really save a lot of money by planning and budgeting all your expenses by purchasing off-season. Like for example, buy refrigerators and ACs during winters, as you would get jaw-dropping prices in the off-season when the demand is very less.

This may be the time when you can also easily get so many discounts and offers on many e-commerce websites for off-season items.

16. Bulk buying, discounts, and sales



Buy daily usage items such as toilet papers, toothpaste, shampoos, etc. in bulk as you can get good discounts when purchased in good quantity. It can save money easily without impacting your consumption routine. You should always look for good discounts and sales on e-commerce websites before finalizing your order.

You may have noticed many times, the item you have kept on your wishlist is now have priced at a lower price than before. Nowadays there are many sales such as Great Indian sales launched on these e-commerce shopping platforms which you can use for your saving benefit. Never be in a hurry while ordering a high-valued item, rather wait for a sale to occur.

This could also result in one of your smart way to save your money. Because you spend a good amount of money on your shopping annually.

17. Use credit cards for purchases

You may have read several times that keeping a credit card can put you into debt which is correct when you do not plan your credit card payments properly. But these credit cards give you many perks

and bonus miles on every payment made through a card.

You can get 2% cashback and rewards on every purchase, which might be your regular petrol filling or grocery buying. You can smartly save some money and as you all know the money you save is the money you earn.

But paying off the entire money at the end of the month must be strictly followed when you are using a credit card to avoid getting into debt.

18. Use the internet and technology to cut expenses

Use social media platforms such as Facebook, WhatsApp, or Skype for video calls and voice calls to your family and friends. You can even use coupons and deals available on websites like CouponDunia, GrabOn, etc. to save money on your purchases.

19. Plan vacations in advance



It's a very cliché idea to plan a trip but it really helps in money savings a lot. A major part of expenditure in a year comes from our trips and travels. So why can't we plan such vacation months to get the best of the best deals?

Off-season hotel booking is also cheaper when you book months before while you may even get fair airfares because fuel prices could be lower than your expectations.

20. Go thrifting

Nowadays shopping at thrift stores has become very trendy not just because it gets you the latest fashion clothes and accessories but it also saves a good amount of money in comparison to buying it from original outlets. You get the latest fashion at the most affordable prices. Almost 15-16% of Americans now shop at such thrift stores to save money.

So here's what we want to say to every beginner starting to plan his/her financial growth at the end of our post on "Best ways to save money in India", that money is as important to a student as it is to a rich person. To be stable with money, you always have to have a good money blueprint throughout your life.

You always have to focus on your long-term strategies and skip off your short-term comforts. With time and consistency, even money savings becomes a mere task.

If you loved reading our post on [WealthDrift](#) on the How to save money in India, then please share your thoughts in the comment box below.

Category

1. General

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