



Exploring New Horizons

From The Editor's Desk

Dear Reader,

You have been regularly receiving our monthly newsletter 'NSDL Update' at your doorstep or in your mailbox as an email. We have been getting feedbacks from our readers to change the design and make it more reader friendly and informative. Accordingly, We have decided to change our newsletter in entirety. Our newsletter "NSDL Update" will now be more Investor centric and will be reborn as "The Financial Kaleidoscope".

A "Kaleidoscope" as you know is an instrument that consists of mirrors that reflect images of bits of coloured glass in a symmetrical geometric design through a viewer. Every time the kaleidoscope shows amazingly different designs from the same set of glasses and mirrors.

We feel that even our investors can now look at various investment products through our newsletter (viewer) and they will see different aspects every month. Our endeavor will be to show you different investment products and provide more information about it every month. While we will continue to provide NSDL centric information, we have also added many new and interesting topics pertaining to Capital Market and related products that will be selected every month.

"The Financial Kaleidoscope" - July 2014 issue will provide insights about "Investing in Mutual Funds & its benefits". To help us to serve you better, your valuable suggestions/comments on our new monthly newsletter "The Financial Kaleidoscope" would be appreciated. As always, Good suggestions will receive free goodies from NSDL. You can post in your suggestions mentioning your contact details (contact name, address & contact number) with the subject "Suggestion for The Financial Kaleidoscope" to info@nsdl.co.in

We wish all our readers a very happy reading and happy investing !!!!

Best Regards,
NSDL

"Did You Know"

Limit for deduction under Section 80C of the Income Tax Act, 1961 has been enhanced from ₹1,00,000 to ₹1,50,000 in the Union Budget 2014. Enhanced deduction is applicable from Assessment Year 2015-16 corresponding to Financial Year 2014-15.

"Quote of the month"

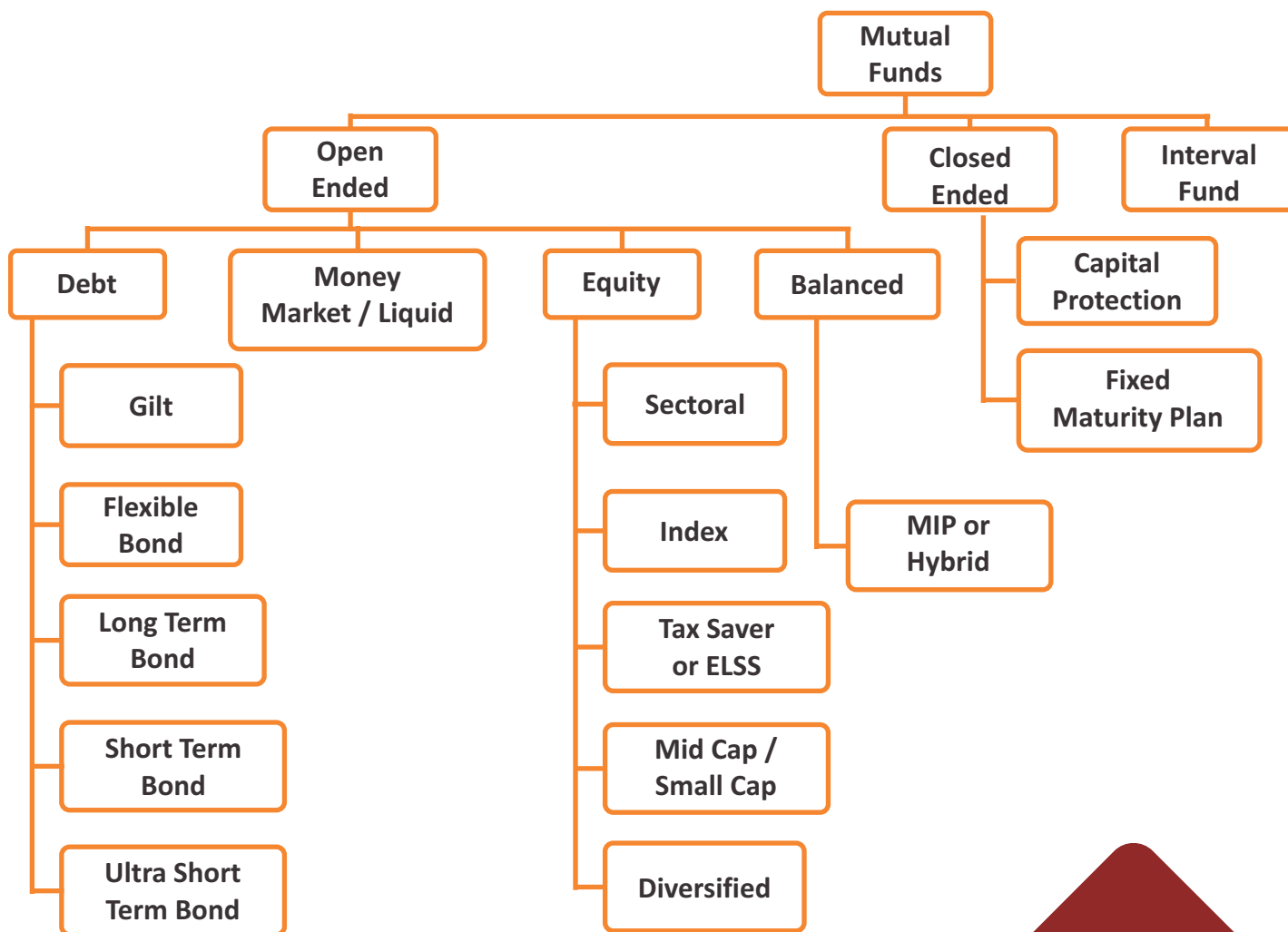
It's far better to buy a wonderful company at a fair price than a fair company at a wonderful price." - Warren Buffett

Do you know what a Mutual Fund is & what are the advantages of investing in Mutual Fund? To explain in brief, let us first understand what does a Mutual Fund signify? A mutual fund is a mediator that brings together a group of people and invests their money in stocks, bonds and other securities. Each investor owns units, which represent a portion of the share holdings of the fund. Thus, a mutual fund is one of the most viable investment options for the common man as it offers an opportunity to invest in a diversified, professionally managed basket of securities at a relatively low cost.

Investing in a mutual fund offers you a gamut of advantages such as reaping the benefits of a diversified portfolio with small investments to be made. It also helps in spreading the money in companies across a wide spectrum of industries thus diversifying the risk as well as it allows the investors to make a choice of selecting a wide variety of schemes to pick up from those which suit their risk / return profile.

Mutual Fund investments are managed by an Asset Management Company (AMC) who hires a professional money manager to buy and sell securities in line with the fund's stated objective. There are hundreds of mutual fund schemes to choose from. Hence, they have been categorized by structure, nature and investment objective.

Types of Mutual Funds



We would be explaining you the different types of Mutual Funds in detail in our next issue of 'The Financial Kaleidoscope'. Mutual Funds can also be held in demat form. NSDL has enabled holding of mutual fund units in dematerialised form. You can use your existing demat accounts for converting your mutual fund units in dematerialised form.

For more details, you can log on to www.nsdl.co.in/mutualfunds

To Convert your
Mutual Fund Units into Demat,
give us a Missed Call at
022 - 39386829

Get Started : Selecting a Mutual Fund

Mutual fund is a great alternative for investors to invest in the debt and the equity market. It's suitable for investors who do not have the time or the expertise to track the market or trade individually. Mutual funds also allow investors to diversify their investment portfolio in equity, debt and other instruments. It also significantly mitigates the quantum of risk involved in market trading and literally let experts manage investments on behalf of investors. Here are some of the ways to start investing in mutual funds. Be advised though that you need to do proper due diligence or consult a financial advisor to choose a fund that best suits your requirement.

Steps:

How to choose the best mutual fund



1) Consult: Take advice from your colleagues, experienced neighbors or friends. Better still, if they know an agent or financial advisor, simply ask for their contact details and get in touch. Always ask for the advisors AMFI Registration Number (ARN) before you consult any advisor. Every mutual fund advisor needs to have ARN which is issued by AMFI.

2) Contact an Agent: This is one of the oldest but convenient ways of investing in mutual funds. Just call the agent and spell out your requirement. They will then see you personally and get the application forms filled. All you need to do is review the offer document and provide your signature. Please get the ARN number of your agent / advisor before availing his / her services.



3) Web Based Portals: The Internet has tons of information on mutual fund investment. There are a variety of tools available to research, compare and even buy and sell funds. It is also fairly easy to manage your funds online. There are also many mutual fund websites that let you invest online. But, you'll have to check if they have partnered with the banks you have an account with.

4) Invest through a Demat Account: If you have a demat account, buying mutual fund units is simple. You can manage it in just a few clicks and invest in a fund you choose. You can subscribe for mutual fund units through your Stock Broker using the Stock Exchange platform. You can also redeem your mutual fund units held in dematerialised form through two different modes i.e., through your DP or stock broker. For more details, you can visit www.nsdl.co.in/mutualfunds.



1. Asset Management Company (AMC):

AMC is a company that invests its clients' pooled fund into securities that match its declared financial objectives. Asset management companies provide investors with more diversification and investing options than they would have by themselves. Some of the examples of Asset Management Companies are ICICI Prudential Asset Management Company Ltd., HDFC Asset Management Company Ltd., Axis Asset Management Company Ltd. etc.

2. Average Annual Total Return:

The fund's average yearly total return, net of most fees and expenses (other than sales charges and redemption fees), over a stated period. It assumes that distributions were reinvested.

3. Net Asset Value (NAV):

Net Asset Value (NAV) is the actual value of one unit of a given scheme on any given business day. The NAV reflects the liquidation value of the fund's investments on that particular day after accounting for all expenses. It is calculated by deducting all liabilities (except unit capital) of the fund from the realisable value of all assets and dividing it by number of units outstanding.

4. Index Fund:

A type of mutual fund that attempts to match the investment makeup and performance of a benchmark index, such as the S&P 500. Turnover rates and expenses are generally low relative to actively managed funds.

5. Portfolio Turnover:

A calculation of the percentage of fund holdings that were traded over a stated period (usually one year).

6. Systematic Investment Plan (SIP):

SIP is a vehicle offered by mutual funds to help investors save regularly. It is just like a recurring deposit with the post office or bank where you put in a small amount every month, except the amount is invested in a mutual fund. A SIP is a planned approach towards investments and helps you inculcate the habit of saving and building wealth for the future.

7. Systematic Withdrawal Plan (SWP):

A service offered by a mutual fund that provides a specific payout amount to the shareholder at predetermined intervals, generally monthly, quarterly, semiannually or annually.

8. Systematic Transfer Plan (STP):

STP refers to Systematic Transfer Plan where in an investor invests a lump sum amount in one scheme and regularly transfers (i.e. switches) a pre-defined amount into another scheme. Every month on a specified date an amount you choose is transferred from one mutual fund scheme to another of your choice.

Blog

By Mitul Patel - TYBFM

Hinduja College

"Hard work earns money and money has the ability to make more money. By saying this I mean to say everyone works hard for money but there are only a few who make their money work hard. Only saving your money is not enough, Inflation will eat it! So it becomes very necessary to invest your money and let it grow with time. There are many asset classes in which you can invest like Fixed Income Deposits, Gold, Real Estate etc., but looking at the current scenario in India with future prospects without a doubt, the best place to invest your money is "Equities" provided you have the knowledge and research at first place. While it is important to invest, what is even more important is to know the various avenues for investment. One of the best avenues is "Mutual Funds".



1. Why should I invest in mutual funds?

These days between work, family, and friends, most of us do not have the time to make or monitor personal investment decisions on a regular basis. Mutual funds have qualified professionals who do all this for you. This is the reason why, the world over, they have become the most popular means of investing.

Mutual funds minimise risk by creating a diversified portfolio while providing the necessary liquidity. Additionally, you benefit from the convenience of not having to bother with too much paperwork or repeat transactions. It is our belief that investors differ in their investment needs based on their personal financial goals.

It is recommended that you should, at the very beginning, identify your own financial goals, be it planning for a comfortable retired life or children's education. After defining the financial goals, you need to plan for them in an organised manner and look at investments that help achieve these goals.

Mutual funds vary in their investment objectives, thus providing you with the flexibility to create an investment plan based on individual financial goals. Investment experts recommend growth investments such as equity funds and stocks as a good choice for funding needs that are five years or more away, income funds to meet medium-term needs and liquid funds for short-term requirements.

2. Is there a guaranteed return on the mutual funds?

No, Mutual Funds do not give any guarantees on the returns on any of the funds.

3. Can non-resident Indians (NRIs) invest in mutual funds?

Yes, non-resident Indians can also invest in mutual funds. Necessary details in this respect are given in the offer documents of the schemes.

Send in your queries by mentioning your contact details (contact name, address & contact number) with the subject "Questions for Y Q😊A" to info@nsdl.co.in & selected questions along with answers would be published in our forth coming issue.

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Managing your Mutual Fund Investments with Demat

It's as easy as cutting butter

Dear Investor,

Manage your Mutual Fund Investments easily by converting them into demat today. It is safe, fast & convenient.

Benefits:

1. View your Investments with valuation online
2. Simple procedure to change the address & bank details
3. Ease of nomination
4. Free SMS Alerts for all debit transactions

To know more visit www.nsdl.co.in/mutualfunds

Sincerely,
NSDL

To Convert your
Mutual Fund Units
into Demat, give us a
Missed Call at
022 - 39386829

NSDL Launches Mobile App for its demat account holders

NSDL has launched the beta version of Mobile Application for its esteemed demat account holders. Using the Mobile App, Client would be able to view balances in respect of his/her demat account on his/her mobile anytime, anywhere. This Mobile app is absolutely free for Users. Clients can register their demat account online for IDeAS facility through NSDL Mobile Application by following simple registration steps after downloading App from Google Play Store. Further, existing Users of IDeAS or SPEED-e can use their existing credentials (i.e. User ID and Password) to access their demat account through Mobile Application. Client would be able to download the NSDL Mobile App.; 'NSDL' from Google Play Store from their Android based mobile phones having OS version 3.1 or higher. NSDL Mobile App will also be made available for other mobile phone users shortly. Users can share experience with us at mobileappfeedback@nsdl.co.in

IDeAS – An Internet based facility of NSDL

NSDL's internet based facility "IDeAS" (Internet-based Demat Account Statement) imparts to view balances and transactions in demat accounts updated on an online but not real time basis. This facility is available to the Users of SPEED-e, Clearing Members who have subscribed to IDeAS and to those clients whose Participants are registered for IDeAS facility with NSDL. A demat account holder or a Clearing Member will have the option to access IDeAS either as a Password or a Smart Card / e-Token User. For more information on IDeAS facility of NSDL, you can log on to <https://eservices.nsdl.com>.

One Participant became operational in NSDL during June 2014

In June 2014, following Participant became operational in NSDL:

Sr. No.	Participant Name	City
1	Findoc Investmart Private Limited (DP ID IN304088)	Ludhiana

The above additions take the total number of operational Participants to 278 and the total number of DPM set-ups to 358.

Subscription to SPEED-e

During June 2014, three more Participants have subscribed to the SPEED-e facility viz.,

- Ratnabali Capital Markets Limited (DP ID IN303639)
- Excel Stock Broking Private Limited (DP ID IN304045)
- Steel City Securities Limited (DP ID IN302324)

Clients of the above mentioned Participants can now avail the facility of submitting various instructions through SPEED-e facility. This takes the total number of Participants who have subscribed to SPEED-e to 142.

Closure of Depository Operations - Responce Securities Private Limited

NSDL has informed all its Participants that pursuant to the closure of Participant operations by Responce Securities Private Limited, the Participant ID (IN303905) of Responce Securities Private Limited has been deleted from the Depository System. (Ref: Circular No. NSDL/PI/2014/1562 dated June 13, 2014)

Investor Education initiatives undertaken by NSDL

- **Joint Awareness Programme with ICICI Securities Limited:** In order to reach out to investors that are spread across the country and to apprise them about the facilities available in NSDL depository system and the awareness on stock markets, NSDL conducted Joint Awareness Programme with ICICI Securities Limited at Hosur in Karnataka in June 2014 which was attended by around 40 investors.
- **Sponsorship in events conducted by Institutions:** In June 2014, NSDL sponsored a programme titled 'CII Capital Market Summit 2014' which was organised by Confederation of Indian Industry (CII) at Mumbai. Mr. G V Nageswara Rao, MD & CEO of NSDL addressed on the topic "Expectations from the New Government" to the officials attending the summit. SEBI chairman, Mr. U. K. Sinha & Ms. Chitra Ramakrishna, MD & CEO of National Stock Exchange (NSE) were other eminent speakers at this summit. This programme was attended by around 400 officials.
NSDL also sponsored an Interactive Workshop on 'Critical & Contentious Issues under Companies Act, 2013' organised by "Corporate Knowledge Foundation" (CKF) at Mumbai & Delhi in June 2014 which were attended by around 110 delegates. NSDL officials addressed on the topic "e-Voting" to the attendees of the event.
- **Participation in events conducted by Institutions:** During June 2014, NSDL participated as an Industry Partner for 'CII Mutual Fund Summit 2014' organised by Confederation of Indian Industry (CII) at Mumbai in June 2014. This programme was attended by around 400 officials. Further, NSDL also participated by putting up stall promoting e-Voting, in the 15th National Conference of Practising Company Secretaries organised by 'The Institute of Company Secretaries of India (ICSI)' held in June 2014 which was attended by around 300 officials practicing Company Secretaries.

Introducing e-Insurance Account by NSDL Insurance Repository

Access it anytime...anywhere

**Eliminates
multiple KYC.**

**No charges for
account opening
and
maintenance.**

**All insurance
policies under
one single
e-Insurance
Account.**

**Consolidated
insurance
statement on an
annual basis
from NIR.**

**Because only someone who appreciates
the benefits of technology
makes good use of it.**

**Hold all your life
insurance policies in
a single e-Insurance
Account with NSDL
Insurance Repository
(NIR)**

For more details, visit us at <https://nir.ndml.in/> or
contact us at
022 49142631 / helpdesk.nir@nsdl.co.in



Visit nearest Approved Person(AP) to open e-Insurance Account

Sr. No.	Approved Person of NSDL Insurance Repository
1	Action Commodities Limited
2	Alankit Assignments Limited
3	Ashlar Securities Private Limited
4	BgSE Financials Limited
5	Bharat Bhushan Equity Traders Limited
6	Coimbatore Capital Limited
7	Dayco Securities Private Limited
8	Elite Wealth Advisors Limited
9	Eureka Stock and Share Broking Services Ltd
10	Geojit BNP Paribas Financial Services Limited
11	Globe Capital Market Limited
12	Goldmine Stocks Private Limited
13	Integrated Registry Services Limited
14	JK Securities Private Limited
15	JKB Financial Services Limited
16	KIFS Securities Limited
17	Master Capital Services Limited
18	Navia Markets Limited

Sr. No.	Approved Person of NSDL Insurance Repository
19	Network Wealth Solutions Limited
20	Nikunj Stock Brokers Limited
21	O J Financial Services Limited
22	Ortem Securities Limited
23	Phillip Capital India Private limited
24	Pravin Ratilal Share and Stock Brokers Limited
25	Ratnakar Securities Private Limited
26	Sanjeevani Insurance Brokers Private Limited
27	Shah Investors Home Limited
28	SKI Capital Services Limited
29	Steel City Securities Limited
30	Stewart and Mackertich Wealth Management Limited
31	The Kapol Cooperative Bank Limited
32	The Surat Peoples Co-operative Bank Limited
33	Tracom Stock Brokers Private Limited
34	Vertex Customer Solutions India Private Limited
35	Vivek Financial Focus Limited

Detailed list of Approved Persons (AP) with contact details is available on <https://nir.ndml.in/>

Read and Win!

What is NAV?

Send your replies providing your contact details (Name, address and contact no.) with the subject 'Knowledge Wins Contest - July 2014' to info@nsdl.co.in

Terms and Conditions

- NSDL shall be solely responsible for the execution and administration of this Contest.
- This Contest is only open to Indian Citizens. (NSDL employees are not allowed to participate in this contest.)
- All personal details submitted must be accurate and complete and are subject to proof upon request by NSDL.
- NSDL reserves the right, at any time, to verify the validity of entries and entrants and to disqualify any entry not submitted in accordance with these Terms or which tampers with the entry process.
- NSDL reserves the right to discontinue the contest at any given point of time without prior intimation.
- All prize drawings will be made on a strictly random basis and the decision made by NSDL will be final.

KNOWLEDGE WINS Contest

Lucky 25
Winners will
Win Free
Goodies



Your suggestions for newsletter are valuable to us.
Send in your suggestions mentioning your contact details (contact name, address & contact number) with the subject "Suggestions for the newsletter" to info@nsdl.co.in



NSDL Offices

Head Office	Branch Offices	
Mumbai Trade World, A wing, 4th & 5th Floors, Kamala Mills Compound, Lower Parel, Mumbai - 400 013. Tel.:(022) 2499 4200 Fax:(022) 2497 6351	Ahmedabad Unit No. 407, 4th floor, 3rd Eye One Commercial Complex Co-op. Soc. Ltd., C. G. Road, Near Panchvati Circle, Ahmedabad - 380006 Tel.:(079) - 26461376 Fax:(079) - 26461375	Chennai 6A, 6th Floor, Kences Towers, #1 Ramkrishna Street, North Usman Road, T. Nagar, Chennai - 600 017. Tel.:(044) 2814 3917 / 18 Fax:(044) 2814 4593
	Kolkata 5th Floor, The Millenium, Flat No. 5W, 235/2A, Acharya Jagdish Chandra Bose Road, Kolkata - 700 020. Tel.:(033) 2281 4661 / 2281 4662 Fax:(033) 2289 1945	New Delhi 409/410, Ashoka Estate Building, 4th floor, Barakhamba Road, Connaught Place, New Delhi - 110 001. Tel.:(011) 2335 3815 / 2335 3817 Fax:(011) 2335 3756

Investor Relationship Cell	NSDL Certification Program
Officer-In-Charge National Securities Depository Ltd. Trade World, A Wing, 4th floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013. Tel.:(022) 2499 4200 Fax:(022) 2497 6351 Email: relations@nsdl.co.in	Officer-In-Charge National Securities Depository Ltd. Trade World, 4th floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400 013. Tel.:(022) 2499 4200 Fax:(022) 2497 6351 Email: trainingdept@nsdl.co.in

For more information, email us at info@nsdl.co.in

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