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INSIDE

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Editorial

Mr. Bhavesh Vora

Welcome to the April edition of "Investor World".

I am sure as enlightened citizens you all must have cast your votes and must now be eagerly awaiting the results and formation of a new government.

Those investing in Equities must have experienced the turbulence that normally precedes an event of such large magnitude as General Elections. The key is to ride the turbulence and emerge unscathed. Capital market offers various options to face the turbulence. One could invest in defensive stocks or Debt and liquid mutual funds till the time turbulence settles down. At an opportune time switch over to high beta growth stocks and equity based mutual funds depending on your risk appetite. That's the beauty of the capital markets. It can cater to the needs of all types and kinds of investors. Its only when you get caught on the wrong foot that you have to scamper to cover your losses.

We at IEWA through our seminars and workshops help you to be an educated investor so that you can take conscious decisions based on information available in public domain.

Month of April carried a mixed bag of good and bad news for our economy. Normal rains predicted by the met department is a big plus for our agrarian economy. However rising crude prices is a big drain on our import dependent economy. Between the two we hope we will sail successfully and keep the growth path intact.

In the heat of election and in the heat of scorching summer and in the heat of IPL matches, keep a cool head and enjoy this Bulletin which carry some interesting and though provoking articles.

HAPPY READING & HAPPY INVESTING !!!

WISHING YOU ALL A HAPPY INVESTING AND HAPPY VOTING.

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Here's What the Biggest 'Rebirth of India' Investors are Doing

Tanushree Banerjee
Team Equity Master

Bankruptcies, debt defaults, rating downgrades, joblessness, corporate governance scandals... you name it and we have it all in news these days.

The deluge of negative news understandably dampens sentiments. And if India were a stock, it would probably be trading at deep discount valuations right now.

The fact is that each of these economic problem is real. And could certainly be a drag on economic productivity and corporate profitability. But there is no denying that the problems are temporary.

Well, over the past few months, I did what an analyst should do. I studied the fundamental upside for India over the coming decades. And while doing so, I came across nearly 50 reasons why the India story could get more and more compelling over the years.

“I and my team call it the Rebirth of India. But if I had to pick the biggest and most important reason for anyone to take the Rebirth of India seriously, which one would it be?”

Well, it has to be this - Billions of dollars of sovereign wealth and pension fund money finding its way to India.

The sceptics may find plenty of near term risks that India may have to contend with. And the stock markets in India will of course reflect this skepticism in its volatility.

But the biggest believers in the Rebirth of India are, in fact, already lining up to choose their best investments in the country.

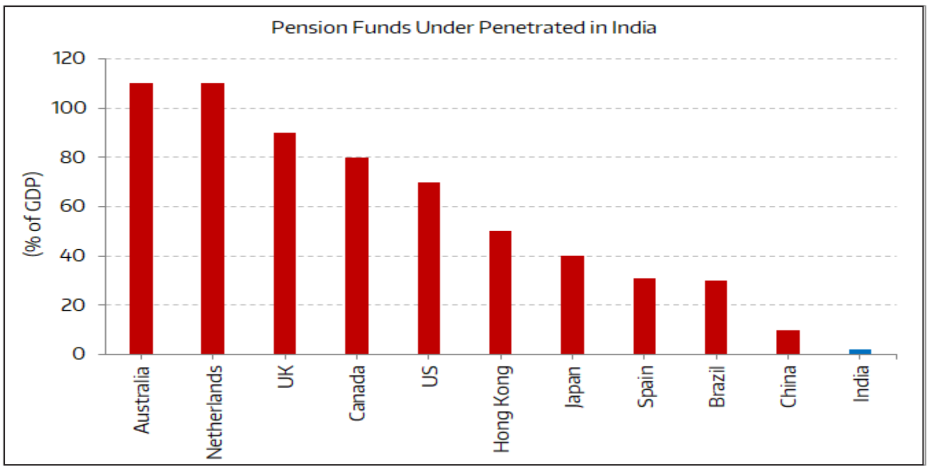
What I am referring to is the meeting that around 27 sovereign wealth funds and pension funds, had with the Prime Minister, in Gujarat, on the 18th of January 2019.

"This included some the biggest and most renowned funds like...Government Pension Investment Fund (GPIF), JapanBritish Columbia Investment Management Corporation (BCIMC)Ontario Municipal Employees Retirement System (OMERS), CanadaJapan Bank for International Cooperation (JBIC)Pacific Investment Management Company (PIMCO)”.

“Vanguard International FundEven if these funds commit a fraction of their corpus to India for the next several decades, it could have a huge impact on India's infrastructure and Indian businesses. For the investment corpus of these funds are so huge that a fraction of it coming in would bring several times the amount of money, which FIIs have ever invested in India, since 1991.Like a true Rebirth of India investor, such pension funds would hardly be concerned about the near-term challenges.

Rather they would keep their eyes peeled for signs of Rebirth of India evolving in the way billions of Indians live, earn, spend, invest and consume.”

Chart of the Day
Foreign Pension Funds are Making a Beeline for India



More than 40 foreign pension funds (endowments and university and family foundations) registered with the Securities and Exchange Board of India in 2018.

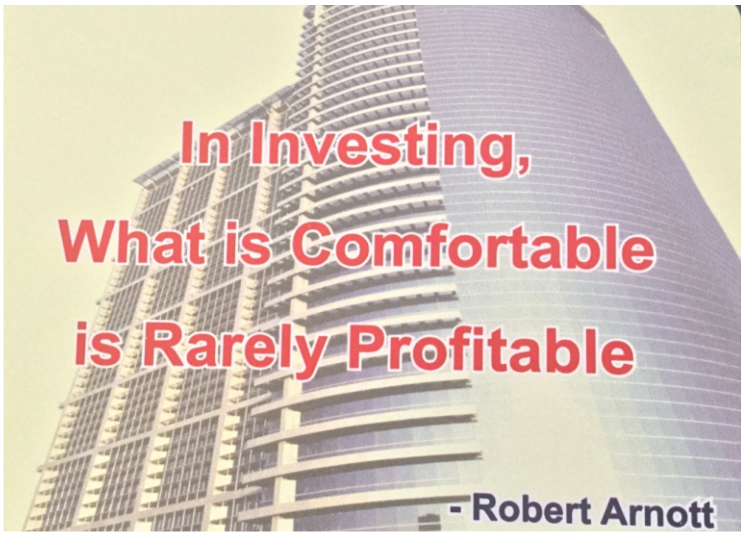
According to OECD, the 20 largest pension funds together hold about 43.2% of total global pension assets. Even if India were to receive 5% allocation, it will mean a boom for Indian stock markets.

In last three years, there has been a consolidation as a result of stronger growth among the major players in the pension landscape. And these players are likely to concentrate more on geographies that offer stronger returns apart from relative safety, like India.

However, the fact is that as a percentage of GDP, India's own pension fund assets are miniscule, even compared to that of other developing economies. And this could bring in a huge crisis in the decades ahead.

About a quarter of the projected increase in the global population aged 15-64 years between 2010 and 2040 will occur in India. However, only 7.4% of India's working age population is covered under a pension program. That compares with 31% for Spain and 30% for Brazil, according to the World Economic Forum's report on Global Human Capital.

Therefore, it is imperative that along with attracting global pension funds, India also works towards bringing in most of India's working age population (especially those working in the unorganized segment) under pension plans. Budget 2019 seems to have made a start in that direction.



NPS HERE TO STAY

If more tax incentives are provided, more people will join it, says DHIRENDRA KUMAR

On its 10th anniversary, one can finally say the National Pension System (NPS) has settled down. For something that was supposed to be a no-braineran utterly simple way of saving for retirement, the NPS has had a rocky time. Even now, it's hardly a secret that except for government employees who have to compulsorily save for their pensions through it, the NPS has not attained the kind of ubiquitous use that it should ideally have. Voluntary use of the NPS is minimal - a situation that is now changing slowly with the introduction of the ₹ 50,000 additional tax break that it provides.

Even though there are still some challenges in its path, the core qualities of a retirement product are in place. The cost is low and most importantly, an excellent investment track record has been built. That's crucial, because the most critical aspect of a retirement system - it's very reason for existence - is how well off the retirees will be in their old age. If a pension system can deliver on that, then the rest will eventually fall into place.

Anyone who has raised any doubts about the efficacy of the investment model of NPS no longer has a leg to stand on. The returns are excellent, as you can see by visiting vro.in/nps, where Value Research publishes the most extensive analysis of all NPS plans that are available anywhere. Moreover, the ultra-low cost model of the fund management is now clearly showing its salutary impact on the returns. The effect of the low-cost compounds strongly as the years go by and therefore, over the long periods of time that the NPS saver will stay invested, the impact will be strong.

An important facilitator has been the sorting out of the tax problem of NPS last year. Till December 2018, the NPS had a split taxation structure, more complex than any other form of savings. The situation was that when NPS members retired, 40% of the accumulated value had to be compulsorily used to purchase an annuity and this amount was tax-free. The remaining amount could be withdrawn and was taxable. From December onwards, it's all tax-free. This is how it has always been in schemes like the EPF. There's still the fact that 40% of the corpus has to be compulsorily put into an annuity. Many savers don't like this but I think that's a judgement on the quality of annuities available in India. Well before the first lot of NPS members start retiring, I would expect the annuity situation to be cleaned up.

So this is the part of the story that's good. Unfortunately, the voluntary takeup of NPS is still the missing piece of the puzzle. Having watched investor and seller attitude to NPS closely, I strongly feel that this is a real challenge. All kinds of measures will be needed, including stronger tax-saving incentives, specially at the lower end. Perhaps an automatic universal creation of an NPS account, with some kind of a seeding system for initial deposits, could be implemented.

This sounds strange but the key to solving India's pension problem lies as much in the pension system as in reducing the need for pension. When you look at the actual savings and post-retirement finances of a lot of people, you realise that just as important as the NPS are low inflation and a functional public health system. Whether the NPS will meet its goal or not will be as much decided by continuing sensible fiscal policies and the success of the Ayushman Bharat plan.

"The Courtesy author is the Founder and CEO of Value Research"

INVESTOR CORNER

INVESTOR ORGANISATION AND WELFARE ASSOCIATION organised a seminar on Sunday, 21st April, 2019 from 9.00 am to 12.00 noon on the topic "EQUITY POST ELECTION" at Skyline Wealth Space, Vidya Vihar West. Mr. Fakhri Sabuwala, capital market expert, and associated with the market for nearly four decades. It was a full house with more than 100 participants. Eminent participants include Hasmukh Jobanputra, Sunidhi Sanghvi, Past District Governors, other dignitaries of Lions Clubs, C. Vasudevan, CGM, BSE IPF, journalists, Divya Lalwani, Professor, Poddar College, and social elites of Ghatkopar. The meeting was preceded with tea and snacks.

On the role of elections going forward, he said that the regional parties today have a significant role to play. The ghatbandhan seems to be going diagonally opposite to each other and hence there does not seem much scope for the market to rise in case we were to witness a 'ghatbandhan Sarkar'. However, the rally is far from being over in case of the BJP winning with a clear majority.

He cautioned the investors saying that they should be long term investors and not short term traders. He urged them to study the news and consider its impact on the business of the company in terms of growth or downfall.

He also dealt at length future of outlook of industries and stated that metal sector, today, though in the red but in 3 to 5 years time once the infrastructure projects are completed, will definitely be on the rise.

In the case of automobile sector, the investor is wary of spending on automobile before election as they are pinning their hopes on reduction in costs and petrol prices. The convenience of Ola and Uber service providers also has contributed to the dip in the automobile sector. Owing to the innovations in the automobile sector in terms of electric buses and cars, this sector is predicted to be on its rise.

FMCG sector which largely work in rural areas would do very well in the coming years. In case of telecommunications it is important to catch the market early.

The session was followed by a question-and-answer round which gave an opportunity to the investors to get their doubts cleared.

Bhavesh Vora President IEWA
Felicitating Speaker Mr. Fakhri Sabuwala

Audience at the seminar

बचत करेंगे तो बच सकेंगे.....

जयेश चितलिया
पत्रकार

बचत की सात महत्वपूर्ण बातें समझ लेनी जरूरी हैं । इन सात बातों में जीवन के महत्व औंर व्यवहार का सार आ जाता हैं ।

दीर्घायु होना कहने और सुनने में अच्छा लगता होगा परंतु आज के जमाने में वास्तविक लंबा जीवन है कहां? हां, यदि आपके पास सम्पत्ति हो और स्वास्थ अच्छा हो तो अच्छी बात है वरना लम्बा जीवन अब महंगा और कष्टदायी बनता जा रहा है । इतना होते हुए भी जीवन – मरण मनुष्य के हाथ में नहीं है। जीना पड़ता है भाई, कहावत है कि आदमी जितनी जिंदगी लिखाकर लाता है उतना जीना पड़ता है । फिर भले ही मदर इंडिया के गाने “**दुनिया में हम आये हैं तो जीना ही पड़ेगा, जीवन हैं अगर जहर तो पीना ही पड़ेगा**“ गा गाकर जीना पड़े और जब जीना ही है तो फिर आर्थिक आयोजन करके क्यों ना जिया जाये ? कम से कम लम्बा जीना महंगा तो ना लगे।

पहली बात

कंजूसी भले ना करो लेकिन किफायत जरूर करो

पैसा कमाने की शुरूआत का दिन बचत करने का फैसला करने का दिन ही नहीं बल्कि इसको अमल में लाने का दिन भी है । सामान्य रूप से लोग कहते हैं कि कमाई से पैसा बचेगा तो बचत करेंगे । लेकिन सच्चाई यह है कि पैसा बचाकर ही बचत करनी पड़ती है । माना कि प्रत्येक के मामले में ऐसा संभव नहीं हो पाता लेकिन कमाई के पहले दिन से ही बचत करने का पक्का इरादा होना चाहिए । सारांश में बचत की आदत भले ही बचपन में डाल ली गई हो लेकिन बचत की वास्तविक शुरुआत तो युवावस्था में कमाई शुरु होने पर होती है । जितनी जल्दी बचत शुरु होगी उतनी ही अधिक मात्रा में प्रतिफल और मूल्यवृद्धि होगी । दूसरे शब्दो में कहें तो काम पर लगते ही रिटायरमेंट की प्लानिंग शुरू कर देनी चाहिए । याद रहे, आधुनिक युग में सेवानिवृति की उम्र आने तक मजबूर होकर काम करते रहना जीवन की असफलता कहलाता है । अब लोग ५० की उम्र में रिटायर होने का लक्ष्य रखने लगे हैं । हां, ऐसे वर्ग को दूरदृष्टि रखकर काम करना पड़ता है । ये लोग आलसी नहीं होते, उन्हें अगली जिंदगी सुख से जीनी होती है, वे बूढे होने तक काम के बोझ तले दबे नहीं रहना चाहते ।

दूसरी बात

छोटी रकम से भी बचत शुरु कर देनी चाहिए । छोटी सी रकम भी समय के साथ बड़ी होती जाती है । बूंद बूंद से सरोवर भी भर जाता है जैसी कहावत बहुत ज्ञानियों के अनुभव से बनी होगी । छोटी बचत करने वालों के मन में सबसे पहले यही सवाल पैदा होता है कि भला १०० – ५० रू. की बचत करने से क्या होने वाला है ? लेकिन दोस्तों, यही १०० रू. बाद में हजार रू. और लम्बी अवधि में लाख रू. बनते हैं । बचत के लिए कोई भी रकम छोटी नहीं होती । आज लम्बी अवधि के तमाम ऐसे साधन हैं जो छोटी बचत को दीर्घावधि में वास्तव में बड़ी रकम बना देते हैं । एक सामान्य उदाहरण देखें तो यदि आप हर महीने १००० रू. सिस्टेमेटिक इंवेस्टमेंट प्लान (एसआईपी) में ३० साल तक निवेश करें तो ३० साल में यह रकम लगभग १ करोड़ रू. हो सकती है। यदि आप न्यूनतम प्रतिफल की दर से गणना करें तो भी यह ५० लाख रू. तो हो ही जाती है । कारण कि इस रकम का निवेश शेयर बाजार में होता है जो लम्बी अवधि (३० साल) में इतनी वृद्धि देने में सक्षम है । यहाँ ३० साल की समय मर्यादा को पकड़कर रखने की जरूरत नहीं, परंतु भावार्थ यह है कि निवेश जितने लम्बे समय के लिए होगा, उतना ही ज्यादा प्रतिफल मिलेगा । विशेष करके इक्विटी बाजार में यह माध्यम से निवेश करने पर यह सपना साकार हो सकता है ।

तीसरी बात

अपनी आयु तथा जोखिम लेने की क्षमता के अनुसार ही निवेश करें । युवावस्था तक अधिकतम निवेश इक्विटी में रख सकते हैं। सामान्य नियम के अनुसार अपनी उम्र को १०० से घटाने पर जो शेष बचता है उतनी प्रतिशत राशि का निवेश इक्विटी में किया जा सकता है । उदाहरण के लिए यदि आपकी उम्र २५ साल है तो १०० में से २५ घटाने पर ७५ बचता है तो आप इस उम्र में अपनी बचत का ७५ प्रतिशत हिस्सा इक्विटी में निवेश कर सकते हैं । जैसे जैसे उम्र बढ़ती जायेगी यह प्रतिशत घटता जायेगा । उम्र बढ़ने के साथ साथ आपको अपना निवेश जोखिम वाले साधनों से हटाते रहना चाहिए । सवाल केवल इक्विटी और उम्र का नहीं है बल्कि कोई भी निवेश करने से पहले जोखिम की सीमा को समझ लेना चाहिए ।

चौथी बात

मात्र एक या अमुक साधन में निवेश करने के बजाय निवेश में विविधता होनी चाहिए । यदि बचत का सारा निवेश एक ही साधन में होगा तो उस साधन में समस्या उत्पन्न होने पर आपकी पूरी बचत ही जोखिम में आ सकती है । इसलिए शेयर, बाँड, म्युच्युअल फंड, प्रॉपर्टी, पीपीएफ जैसी सरकारी स्कीमों, सोने - चांदी आदि में निवेश होना चाहिए जिससे जोखिम की गुंजाइस तो कम हो जाये उचित प्रतिफल प्राप्त होता रहे । इससे आपकी पूरी बचत डूबने की संभावना नहीं रहती । अपनी आवश्यकताओं, पारिवारिक उत्तरदायित्व, संभावित या आकस्मिक खर्च को ध्यान में रखते हुए निवेश करेंगे तो अच्छा होगा ।

पांचवी बात

वृद्धावस्था का ध्यान रखते समय बीमारी का विचार भी करना चाहिए । वैसे तो बीमारी युवावस्था में भी आ सकती है और हो सकता है आपके किसी पारिवारिक सदस्य को बड़ी बीमारी हो जाये जिसमें आपके परिश्रम की कमाई धुल जाये । इससे बचने के लिए उपयुक्त मेडीक्लेम पॉलिसी भी लेनी चाहिए । अपनी युवावस्था में ही ऐसी पॉलिसी ले लेना समझदारी है और वह भी फेमिली फ्लोटर हो तो पूरे परिवार को बीमारी के खर्च से राहत मिलेगी । इसके साथ ही जीवन बीमा पॉलिसी लेना भी जरूरी है जिससे आपके आश्रितों को आर्थक सुरक्षा मिल सके ।

छठी बात

जहाँ तक हो सके जीवन में मितव्ययता का पालन करो, लेकिन कंजूस मत बनों । इस समय की गयी किफायत का महत्त्व भविष्य में समय आने पर समझ में आता है । रूढिवादी विचारधारा समझकर इन बातों का पालन करने में ना झिझकें । समय बहुत बलवान है । उडाऊ प्रवृत्ति से बचें । आधुनिक भाषा में कहें तो क्रेडिट कार्ड कल्चर से बचना चाहिए । इसके चक्कर में पड़ने से एक व्यक्ति ही नहीं पूरा का पूरा देश कर्ज में डूबकर आर्थिक संकट में फस सकता है ।

सातवीं बात

इस आखिरी परंतु कड़वी बात को गंभीरता से ध्यान में रख लें । आनेवाले समय में आपकी संतान आपका ध्यान रखेगी या फिर वह बुढ़ापे की लाठी बनेगी, ऐसा पक्का विश्वास मन में ना पालें । आपके पास आपकी बचत – सम्पत्ति होगी तो ठीक है, अन्यथा सब समस्या ही समस्या है । इसके अलावा अपनी संतान के नाम पर पहले से ही सारी सम्पत्ति करने के बजाय अपनी पत्नी के नाम पर भी रखें जिससे आपके अवसान के बाद आपकी पत्नी को भी किसी अन्य पर निर्भर ना रहना पड़े । प्रत्येक के लिए आर्थिक स्व निर्भरता इस युग की आवश्यकता है । आपकी संतानें अच्छी हो सकती हैं जो आपकी सुख – सुविधाओं का पूरा ध्यान रखे, फिर भी यह जरूरी है कि आप उक्त सावधानियाँ बरतें ।

AVOID FAMILY DISPUTES AFTER YOUR DEMISE

BY

CA Dharmen Shah

Numerous stories are heard of siblings fighting for their share, for their right, in the estate of their parents. Fights get so serious that they no longer meet during festivals but definitely meet in the court rooms. The sweet memories of young days is replaced by bitterness. The bygone days of playfulness and playing pranks is replaced by anger and venom. Moreover, once the fight reaches the court rooms it takes decades to resolve and by that time the beneficiaries are often not in a position to enjoy the estate left behind by their parents.

In many such cases of sibling rivalry and fights, it is the parents who are responsible. They leave behind wealth and along with it lack of proper clarity regarding its distribution. This initially creates confusion amongst the legal heir and then confusion leads to dispute.

In order to ensure that your legal heir do not get involved into fights for their rights, it is necessary to take some basic but very important steps in respect of your property. If done, it saves relationships from turning bitter, it saves wasteful legal expenditure and most importantly it saves time to be utilized in a more positive manner.

The most important step is to decide a Nominee for the property, be it immoveable or moveable.

The financial sector has become alert to the problem caused by the absence of nomination. Banks, Insurance Companies, Mutual Fund Agents and Companies all insist on nomination and you must not defer in appointing one. Some people having a sole legal heir and therefore believe that it is not necessary to do nomination because ultimately all assets will go to that heir. But they do not realise that **in the absence of nomination, others can make a claim**. If the parent has not nominated anyone on his/her investments,

the case of being able to claim the money from any institution will be much more complicated. Thus an act of Nomination is an important step to ensure peace and harmony in the family and amongst the legal heirs. Nomination is a simple process. One just have to mention the name of the nominee in the forms filled be it a Bank account opening form, mutual fund investment form, taking an insurance policy, registering a property, opening a demat account etc . An account can have one or more nominees. Nominee can be a minor too. One can always add or delete or modify a nomination. It can also be done any number of times. But, always have an acknowledgement after submitting the nomination form.

A nominee is entitled to proceeds of the account holder on nominee producing the death certificate of the account holder.

Thus, nomination ensures that the proceeds do not remain with the financial institution after the death of the account holder/owner but gets rightfully transferred to the nominee. In the absence of nomination, the legal heir or the claimants will have to prove their rightful ownership before the institution which is extremely difficult and time consuming.

However , remember that a nominee is simply a custodian for most assets, except in case of equities. A nominee will then have to distribute assets to the beneficiaries/legal heir as per the Will of the deceased.

To Summarise, here is how Nomination works in relation to various Investments:

- **Bank Accounts**

  Reserve Bank of India (RBI) guidelines specify that the deceased's nominee would receive the money in the capacity of a trustee, of legal heirs. The same applies for all other financial transactions such as public provident fund, mutual funds and others where the nominee plays the role of a trustee and not of an owner.

- **Insurance:**

  Section 39 of the Insurance Act says the appointed nominee will be paid, though he/she may not be the legal heir. The nominee, in turn, is supposed to hold the proceeds in trust and the legal heir can claim the money.

- **Stocks/Equities:**

  Under Section 56 of the Companies Act, 2013 if the nomination is made under procedure prescribed by law, the nominee will be entitled to become the rightful owner of shares. And such right shall exclusively favour the nominee and exclude all other persons.

- **Property:**

  Section 30 of the Maharashtra Co-operative Societies Act says in event of the death or a member of a society, the shares of the deceased will be transferred to the nominee. But, this transfer cannot result in vesting of the flat with the nominee. He/She is merely a trustee for the deceased's estate.

- **Self-Acquired Property:**

  A will is the deciding factor. In its absence, the property will be classified as "inherited property". "The property, consequently, will have to be shared equally between the successors.

- **Joint Ownership of Self Acquired Property:**

  The surviving owner becomes the sole owner.

- **Inherited Property:**

  All members of the immediate family will get an equal share of the pie.

Will Supersedes Nomination. Since nominee is only a trustee and the actual beneficiary is the one mentioned in the Will, the question that arises is why should I do nomination if will supersedes nomination. The answer is **you need to do both nomination and a execute a WILL for smooth transfer of your assets**. Nomination will ensure smooth transfer of funds from Bank or financial institution to the Nominee. **WILL** will ensure smooth transfer of funds/assets to the legal heir as per the wish of the person. **Nominee and beneficiary can be the same person or different. Nomination will ensure hassle free transfer of funds else your legal heir will have to go through long drawn process of providing death certificate/proof of relation/probate of the WILL in respect of each class of asset**.

Most people have multiple Bank accounts, multiple properties, multiple mutual fund investments etc. In such a scenario it will indeed be a very smooth process to do Nomination so that the funds can move to the Nominee and then from Nominee to the legal heir. **Thus to conclude, first ensure that you have done a proper nomination for each and every property of yours. Also prepare a WILL to ensure that asset flows to the person whom you desire it should go to.**

You can then rightfully Rest in Peace.

HOUSEHOLD FINANCES UNDERSTANDING AND IMPORTANCE

CA Kavita B Upadhyay

In most households, only one person is responsible for maintaining the family budget and managing household's finances. Though this may have slightly improved in the last few years, there is still a long way to go. In case of emergencies/mishaps, it turns into a dreadful situation, where the manager of the house is incapacitated and can no longer manage the budget.

The following steps help in better management of household finances:-

Maintain a household budget - Get a big picture idea of all the money in play - the income, the debts, the recurring expenses, the investments, the urgent one time expenses and so on. Understand your family finances and fill out a budget. Make an approximate cash flow statement and a balance sheet to understand the family net worth. The purpose of these two financial tools is to give you a financial snapshot of your finances. If you put clean honest data in, you will get a true picture of your financial situation.

Understand and estimate your current spending patterns -

Recurring Constant debits:- EMI (equated monthly installment) payments, car loans, taxes are the amounts that are debited every month

Recurring Changing debits:- Electricity, phones, groceries and more utilities that are dependent on the usage. Bills for these services fluctuate and must be recorded on a monthly basis.

One time debits:- School fees, major repairs, new asset purchased, vacations, family events etc.

Make sure you have access to everything - Just knowing that you own various assets won't be enough. Keep a regular check on the statements of investments. Make sure all the documents are in place for all major assets or other documents executed. All debt statement with outstandings, rate of interest and payments, details of security provided should be reviewed regularly. Also ensure that all investments, including policies and bank accounts have valid nominees (for emergencies) registered.

Understand everything and why it is important - People tend to complete tasks more successfully when they understand the purpose of what they are doing. Just hearing from your partner that "this account is where we put our savings" isn't as good as explaining why you choose to put your savings there. Saying that we get the best interest rate at this bank helps. This helps understanding the financial decisions in more detail.

Gradually share some financial responsibility - If your kids currently don't handle the money at all, start off with a small manageable task, preferably one with low stakes. For example, let them be responsible for paying one small bill each month - something with a generous grace period on the payment due date, like the electric bill. As they become more adept, manage additional tasks. Eventually, handle all the finances for one month (with supervision, of course). Then, you switch off for a month, with them handling the finances every other month until you both feel completely comfortable. This way you will not only boost their self confidence while handling financial matters, it will also provide freedom to you to think on other issues of the family.

Discuss contingency Plans - Make sure you know what your partner would do in an emergency or unplanned financial event. Don't just be conceptual - discuss actual, concrete strategies to handle unplanned events. Example:- if there was a sudden loss of income, which bills would need to be prioritized, and which expenses could be reduced or dropped altogether.

12 RULES TO INVEST WISELY

(AND REAP BENEFITS IN ANY MARKET CONDITION)

Rule 1: Invest regularly

Rule 2: Start investing early in life (and get the power of compounding to work for your investment)

Rule 3: Never try and time your investments basis tips, market trends or economic outlook

Rule 4: Inflation and Taxes will eat into your returns. Therefore know your actual returns in hand

Rule 5: Diversify your investments across asset classes, to spread your risk

Rule 6: Balance and re-balance your investments as you age

Rule 7: Expect reasonable returns from your investments and sell, once you have got the returns you seek

Rule 8: Get over your mistakes and losses. Learn from them

Rule 9: Never invest or sell in haste (and regret later)

Rule 10: Avoid investing in complicated products you don't fully understand or products that offer unrealistic returns

Rule 11: Spend time on your investments (it's your hard earned money) or get a good financial advisor to do it for you

Rule 12: Keep it simple, invest in Mutual Funds

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