

First steps to investing

A Beginner's Guide



Save prudently.....Invest wisely



सत्यमेव जयते

GOVERNMENT OF INDIA
MINISTRY OF CORPORATE AFFAIRS
(Under the aegis of Investor Education and Protection Fund)

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INVESTOR EDUCATION AND PROTECTION FUND

Investor Education and Protection Fund (IEPF), managed by the Ministry of Corporate Affairs, has been established under the Companies Act, 1956 for promotion of investors' awareness and protection of the interests of investors. Activities undertaken by the IEPF include educating and creating awareness among investors through seminars and media and funding projects pertaining to investor education awareness and protection.

Investor Related Websites

IEPF has also sponsored three websites for the purpose of investor education and protection:

iepf.gov.in

This website fulfils the need for an information resource for small investors on all aspects of the capital market and does it in the small investors' language.

This website presently covers information on IPO Investing, Mutual Fund Investing, Stock Trading, Depository Account, Debt Market, Derivatives, Indices, Index Funds, Investor Grievances & Arbitration (Stock Exchanges), Investor Rights & Obligations, Do's and Don'ts etc.

This website is now available in English, Hindi and 11 major regional languages.

watchoutinvestors.com

The best defense against frauds is precaution. This first-of-its-kind-in-the-world, free public service arms the investors with a 'precautionary'

tool to protect themselves from fraudulent/ non-compliant companies, intermediaries and individuals. This website is now a national web-based registry of such entities.

watchoutinvestors.com enables investors to do a fast, efficient and user-friendly search. It provides investors information on such entities/ persons who have been indicted by various regulators/ courts. This information can be used by the investors/ prospective investors while making investments and can also be used for reviewing their portfolio vis-à-vis such entities.

As of 31st May 2011, the website had listed over 1,32,000 indicted/non-compliant/non-existent entities covering more than 95,000 companies/ firms and over 37,000 individuals. These relate to the orders passed by several regulatory bodies, such as, BSE, CDSL, CLB, DRT, EPFO, IRDA, MCA, NHB, NSDL, NSE, RBI, ROC, SEBI etc.

investorhelpline.in

This is a dedicated, free of charge, portal to handle investor grievances relating to various authorities like Ministry of Corporate Affairs, Registrar of Companies, Securities and Exchange Board of India and Reserve Bank of India. Complaints are taken up by the website for redressal both with the companies and with the concerned regulators.

Investors can log-in their grievances related to the capital market and company deposits in easy-to-fill forms and track progress of their grievance redressal online.

Become an Informed Investor

Many investors, especially the small investors, do not often possess adequate expertise/ knowledge to take informed investment decisions. Many of them are not aware of the risk-return profiles of various investment products. A large number of investors are not fully aware of the precautions they should take while dealing with the market intermediaries. Many are not familiar with the market mechanisms and practices as well as with their rights and obligations. These are substantially fuelled by the huge rewards that some investments have the potential to offer. At the same time, wrong investment decisions can lead to huge losses too.

"Investors Beware" should be the watchword. As all investments have some risk element, this should be borne in mind by the investors. If caution is thrown to the winds, they have only to blame themselves. Investing well has a secret formula – having the right information, planning and making good choices.

Chapter 1

WHY IS INVESTING IMPORTANT?

Savings v/s Investing

1.1 Saving is the excess of your income over your expenditure. Generally, this lies in the savings bank account or in fixed deposits with a bank. The money is very safe, earning a small rate of interest and it can be in hand as and when required (high liquidity). On the other hand, this money could be invested for meeting long term goals. While some investments may rise or fall in value over time, prudent investments would earn a lot more than the banks savings account.

1.2 It is important to take into account the effects of inflation on your investments. (Inflation is the rise in prices of goods and services. As the prices of these increases, the value of the rupee goes down and one will not be able to purchase as much with those rupees as one could have in the last month or last year). Savings rarely beat the inflation rate; investments can.

1.3 In essence, the difference between savings and investment is that savings is simply idle cash while investments help your funds to grow over a period of time. One can meet his short term needs with his savings but to meet his long term goals, he needs to make investments. Savings primarily help to protect the principal while investments help to earn returns beyond the inflation rate.

Power of Compounding

1.4 The most powerful tool for creating wealth safely and surely is the magical 'power of compounding'. If you park your money in an investment with a given return, and then reinvest those earnings as you receive them, your investment grows exponentially over time. Illustratively, if you set aside a sum of say ` 5,000 every month from the age of 25, earning interest at the rate of 10% p.a., in 60 years you will have with you funds worth more than Rs. 1 crore. However, if you start at 40 with the same amount and rate of interest, the fund

accumulated will amount to only around Rs. 33 lakh. Hence, it is always advisable to start savings early to enjoy the benefits of power of compounding.

What should be the investment objectives?

1.5 There are primarily three investment objectives: safety, returns and liquidity. In ideal scenario, this means that one would like the investment to be absolutely safe, while it generates handsome returns and also provides high liquidity. However, it is very difficult to maximize all three objectives simultaneously. Typically, one objective trades off against another. For example, if one wants high returns, one may have to take some risks; or if one wants high liquidity, one may have to compromise on returns.

1.6 Every person should prepare a statement of financial goals covering as many requirements as possible. This is the basis on which the financial plan shall then be prepared. A person's financial needs depend on the age, stage in the career path, size of the family, needs of the other family members etc. Some of the needs can be identified with precision while others can only be determined tentatively. There may be unanticipated needs as well for which provisions will need to be made. If the financial capability in terms of savings is found to be inadequate to meet all the goals, these would need to be prioritized. The financial plan is never static; it has to be reviewed from time to time to account for the changing circumstances.

1.7 There are investment opportunities that are high on risk and there are investment opportunities that are low on risk. Each is called an asset class. An investor needs to allocate his savings to one or more asset classes depending upon his circumstances.

1.8 The indicative table below charts some instruments vis-à-vis their features.

Investment Option	Returns	Liquidity	Safety	Active Involvement	Amount Required
Equity Shares	Low to High	Moderate to High	Low	Yes	Medium
Debentures	Moderate	Low	Moderate	No	Medium
PSU/FI Bonds	Moderate	Moderate	High	No	Low
RBI Tax Free Bonds	Moderate	Moderate	High	No	Low
Debt Mutual Funds	Moderate	High	Moderate	No	Low
Equity Mutual Funds	Low to High	High	Low	No	Low

Investor Age and Asset Allocation

1.9 There are no magic tricks to find the perfect asset allocation. Perfect asset allocation is not the one which will make you rich but rather the one that will fit your profile. One of the key factors in determining your investing profile is your age. While it is not the only factor to take into consideration, you can manage your asset allocation according to your age.

1.10 Younger investors should be better off with a portfolio featuring more stocks with greater growth opportunities. Older investors nearing or already in retirement should prefer portfolios with a greater percentage of bonds (or other fixed income products) with their more reliable revenue streams and a lower proportion of stocks with their associated risks.

1.11 There are many ways to determine an asset allocation, including several rules of thumb. One common suggestion is to invest your age in bonds. So, if you are 40 years old, you may use a 40/60 (bond/equity) allocation. At worst, by such investing according to age, the asset allocation might be slightly more conservative for the under-40 people and slightly more risky than is advisable for those over 60.

1.12 However, if there was only age to manage, things would be pretty easy. This is far from being that simple. In fact, age is only a mathematical data that doesn't take into consideration your risk tolerance. You might be young enough to support a big market drop as you will have time to play with you to gain it back but if you are about to have a heart attack when the market goes down by 5%, you won't last until your retirement!

1.13 Here is some general advice for various age groups.

18 to 35 : While you should not be having much money to invest during this period, this is where you should risk the most. Technically, you should not need the money you invest for retirement for a good 30 years. This is the perfect time horizon for an investor. As such, an

asset allocation with 90% to 100% in stocks would be ideal. Unless you are good at building your own stock portfolio, it is advisable to invest through mutual funds or index ETFs. Why should you select such an aggressive asset allocation? Simply because it will be the type of portfolio with the highest expected yield over time. Investing in bonds at such early age will minimize your profit expectancy for nothing.

36 to 50 : This is usually the time of your life where you get a better job (therefore better salary). Try to aim for an asset allocation of about 75% of equity and 25% of bonds. At your age, you still can afford a lot of risk and you should not be shy to take them. The 25% in your asset allocation will smooth your investment returns during major crisis but would not slow down too much.

51 to 65 : During this period, you can start seeing your retirement. However, that should not be the reason for you to secure your asset allocation to the maximum either. Since you would not be withdrawing much of your investment at that age, you can still handle some market fluctuations. Going from a growth to a more balanced asset allocation seems logical and as such, a 25%/75% asset allocation approach would allow you to earn some decent investment returns while not suffering too much during market crashes.

66 and older : You will for sure be retired during this period of your life. If you have been investing throughout your whole life, you should be sitting on a solid nest egg. There are no reasons why you should now risk in the name of higher returns. A more secure asset allocation showing a 90% to 100% bond portfolio would be advisable.

Individual Category and Selection Criteria

1.14 Are there any parameters one should look at based upon his individual status. On a thumb rule basis, the following could be the selection criteria before making an investment for various categories of individuals:

	Students	Salary Earners-Private	Salary Earners-Government	Professionals	Traders	House wives	Retired Persons
Returns	VI	VI	I	VI	VI	I	I
Liquidity	LI	I	I	LI	LI	I	I
Safety	I	I	VI	I	I	VI	VI
Tax Savings	LI	VI	I	VI	VI	LI	LI

VI: Very Important I: Important LI: Less Important

FIRST TIME INVESTING

Chapter 2

CAPITAL MARKET

2.1 Among all investment options available, capital market is considered the most challenging as well as most rewarding. Capital market is a market for securities (equity and debt), where companies (and government) raise long-term funds from the public investors, and where investors can subsequently trade among themselves in these securities.

EQUITY SHARES

2.2 Typically, personal savings of an entrepreneur, and if required then contributions from friends/relatives are the source of funds to start a new business. For a large project, however, as the fund requirements are large, these will not only require term loans but go even beyond that. Thus availability of capital is a major input for setting up or expanding business on a large scale. There is a way to raise equity beyond oneself or from a limited pool of a small circle of friends and relatives. This is by way of raising money from the public across the country by selling shares of the company. For this purpose, the promoter has to invite subscriptions through an offer document which gives full details about the promoters' track record, the company, the nature of the project, the business model, the expected profitability etc. When an individual is comfortable with such an investment opportunity, he may apply in the company's public issue and upon allotment become a shareholder of the company. This way, through aggregation, even small amounts available with a very large number of individuals translate into usable capital for corporates. Your small savings of, say, even Rs. 5,000 can contribute in setting up, say, a Rs. 5,000 crore telecom plant. This mechanism by which companies raise money from the public is called the primary market.

2.3 Importantly, when you, as a shareholder, need your money back, you can sell these shares to other or new investors. Such trades do not reduce or alter the company's capital. Stock exchanges bring such sellers and buyers together through stock brokers and facilitate trading. As such, companies raising money from the public are required to compulsorily list their shares on a stock exchange which has nationwide trading terminals. This mechanism of buying and selling shares through a stock exchange is known as the secondary market.

2.4 As a shareholder, you are part owner of the company and entitled to all the benefits of

ownership, including dividend (company's profit distributed to owners). Over the years if the company performs well, other investors would like to become owners of such a company by buying its shares. This increase in demand for the shares leads to increase in its price. You then have the opportunity of selling your shares at a higher price than at which you purchased it. You can thus increase your wealth, provided you make the right choice at the first instance of buying shares of the right companies. The reverse is also true! It is therefore important that an investor makes an informed choice.

2.5 Equity is an appropriate investment avenue for an investor who is prepared to take risks in order to generate higher returns. Over the long term, returns from equity shares at aggregated levels have been historically higher than most other avenues. (As on 31st March, 2011, the BSE Sensex had generated a compounded annualized return of 17.6 per cent over the last 10 years).

DEBENTURES/BONDS

2.6 There are primarily three types:

- Non convertible debentures (NCD) – Total amount is redeemed by the issuer at a specified time
- Partially convertible debentures (PCD) – Part of the value is redeemed and the remaining is converted to equity shares at a specified price and time
- Fully convertible debentures (FCD) – Full value is converted into equity at a specified price and time

2.7 Debentures/Bonds are contracts where one party is the lender (investor) and the other party is the borrower (company). This contract specifies the rate of interest, the periodicity of interest payments (monthly/quarterly/ annual), and the maturity date for repayment of the principal amount (like 3/5/7 years). The term "bond" is used for the debt instrument issued by the central and state governments and PSUs while the term "debenture" is used for debt issues from the private corporate sector. These instruments are normally secured/charged against the assets of the company, and are required to be rated by credit rating agencies.

2.8 Debentures/Bonds are ideal for investors seeking assured and regular income. These instruments typically offer interest rates higher

than bank fixed deposits. Some bonds offer tax benefits to the investors.

Purchasing Securities in the Primary Market

2.9 Initial Public Offering (IPO) is when a hitherto unlisted company makes either a fresh issue of shares or some of its existing shareholders make an offer to sell of part of their existing shareholding for the first time to the public. This paves the way for the listing and trading of such shares. An IPO of fresh shares is typically made by a company when it needs money for growth-expansion or diversification or acquisitions or even to meet its increasing working capital requirements. In an IPO involving an offer for sale, the proceeds go to the selling shareholders.

2.10 Further Public Offering (FPO) is when an already listed company makes either a fresh issue of securities to the public or the existing promoters make an offer for sale to the public. An FPO, where fresh securities are issued, is typically made by a company when it needs money for growth-expansion or diversification or acquisitions or even to meet its increasing working capital requirements. An FPO is also the preferred route (over a rights issue) when the company wants to bring in new investors-both institutional as well as retail. It may be pointed out that the FPO route is also being utilized extensively by the Government for the PSUs for the purpose of disinvestment of government's holdings.

2.11 Regarding price of shares offered in an IPO or an FPO, SEBI does not play any role in price fixation. The issuer company decides the price. In support of this, it is required to give full disclosures in the offer document and also justify the issue price by parameters such as EPS, PE multiples and return on net worth and comparison of these parameters with peer group companies. There are two types of issues. In one, the company fixes a specified price (called fixed price issues). In the other, the company stipulates a floor price or a price band (within 20%) and invite bids from the market to then determine the final price (called book building issues). In the case of FPOs, the issue price is normally at a discount to the current market price. Some companies, and specifically PSUs, offer a discount to the retail investors in both IPOs and FPOs up to a maximum 10%.

Dos for Investing in IPOs/FPOs

- ✓ Read the Prospectus/Abridged Prospectus carefully, with special attention to:
 - Risk factors
 - Background of promoters
 - Company history
 - Outstanding litigations and defaults

-Financial statements

-Object of the issue

-Basis of Issue price

-Instructions for making an application

- ✓ Use the ASBA process for applying (Under this, the investor authorizes his bank to block in his bank account an amount equivalent to the application money. The money remains in the bank. Upon finalization of the basis of allotment, only the amount equivalent to the allotment amount is debited to the bank account, and the rest is freed up).
- ✓ In case of non-receipt, within due period, the credit to demat account/refund of application money, lodge a complaint with compliance officer of the issuer and with post-issue lead manager

DON'Ts for investing in IPOs/FPOs

- × Don't be influenced by any implicit/explicit promise made by the issuer or any one else
- × Don't invest based only on the prevailing bull run of the market index or of scrips of other companies in the same industry or scrips of the issuer company/group companies
- × Don't expect the price of the shares of the issuer company to necessarily go up upon listing or forever

Purchasing Securities in the Secondary Market

2.12 Secondary market refers to the market where the issued shares and bonds/debentures are sold and bought among investors through a broker of a stock exchange.

DOs for investing in the secondary market

- ✓ Before investing, check the credentials of the company, its management, fundamentals and recent announcements made by them and other disclosures made. The main sources of information are the websites of the exchanges and companies, databases of data vendors, business newspapers and magazines
- ✓ Adopt trading/investment strategies commensurate with your risk-bearing capacity as all investments carry some risk, the degree of which varies according to the investment strategy adopted
- ✓ Transact only through SEBI-recognized stock exchanges and deal only through SEBI-registered brokers/sub-brokers
- ✓ Give clear and unambiguous instructions to your broker/sub-broker/DP
- ✓ Insist on a contract note for each transaction and verify details in the contract note, immediately on receipt. If in doubt, crosscheck details of your trade available with the details on the exchange's website

- ✓ Ensure that the broker's name, trade time and number, transaction price and brokerage are shown distinctly on the contract note
- ✓ Issue cheques/ drafts only in the trade name of the broker
- ✓ Deliver the shares/depository slip in case of sale and pay the money in case of purchase within the prescribed time
- ✓ Ensure receipt of payment/deliveries within 48 hours of payout
- ✓ Insist on periodical statement of accounts
- ✓ Scrutinize both the transactions and the holding statements that you receive from your DP
- ✓ Handle Delivery Instruction Slips (DIS) Book issued by the DP carefully. Insist that the DIS numbers are pre-printed and your account number (Client ID) is pre-stamped
- ✓ In case you are not transacting frequently, use the freezing facility in your demat account
- ✓ In case of disputes with the sub-broker, inform the main broker immediately

DON'Ts for investing in the secondary market

- × Don't forget to take account of the potential risks that are involved in investment in shares
- × Don't undertake off-market transactions
- × Don't deal with unregistered intermediaries
- × Don't fall prey to promises of unrealistic returns or guaranteed returns
- × Don't invest on the basis of hearsays, rumors and tips
- × Don't be influenced into buying into fundamentally unsound companies (penny stocks) based on sudden spurts in trading volumes or "low" prices or favourable articles/stories in the media
- × Don't blindly follow investment advice given on TV channels/ websites/ SMS
- × Don't invest under peer pressure or blindly imitate investment decisions of others who may have profited from their investment decisions
- × Don't get misled by companies showing approvals / registrations from Government agencies as the approvals could be for certain other purposes
- × Don't get carried away with advertisements about the financial performance of companies

INDICES

2.13 A stock market index captures the behaviour of the overall equity market. The ups and downs of an index reflect the changing expectations of the stock market about the future profitability of India's corporate sector. This is achieved by giving each stock a weight

proportional to its market capitalization. The most important market index is the broad-market index, consisting of the large, liquid stocks of the country. In India, we have **NIFTY 50** and **SENSEX** as the major index.

DEPOSITORY SYSTEM

2.14 Earlier, there used to be physical share certificates issued, which are now converted to Electronic form. A depository holds securities (like shares, debentures, bonds, mutual fund units etc.) of investors in electronic form (demat form) through a registered Depository Participant (DP). It also provides services related to transactions in securities. A DP is an agent of the depository through which it interfaces with the investor and provides depository services. It is now compulsory for every investor to open a beneficial owner (BO) account to apply in IPOs/FPOs or to trade in the stock exchange.

Benefits of availing depository services include:

- A safe and convenient way to hold securities
- Immediate transfer of securities
- No stamp duty on transfer of securities
- Elimination of risks associated with physical certificates such as bad delivery, fake securities, delays, thefts etc.
- Reduction in paperwork involved in transfer of securities
- Reduction in transaction cost
- No odd lot problem, even one share can be traded
- Nomination facility
- Change in address recorded with DP gets registered with all companies in which investor holds securities electronically eliminating the need to correspond with each of them separately
- Transmission of securities is done by DP eliminating correspondence with companies
- Automatic credit into demat account of shares, arising out of bonus/split/merger etc.
- Holding investments in equity and debt instruments in a single account.

Process for becoming a capital market investor

2.15 For investing in IPOs/FPOs

- The first requirement is PAN
- The second requirements is a bank account
- The third requirement is demat account (shares are credited/debited in an electronic mode) which can be opened with a registered Depository Participant. For more details, visit the websites of the two depositories: CDSL (www.cdslindia.com) and NSDL (www.nsdl.co.in)

2.16 Additionally, for investing in the secondary market

- Select a broker, complete the KYC form and enter into a broker-client agreement to open a Trading Account

RIGHTS AS A SHAREHOLDER

2.17 All shareholders have certain rights. Shareholders also need protection; not protection for assured growth of their investments but protection from malpractices and frauds. SEBI regulates the capital market and it has laid down guidelines for ensuring rights of the shareholders. For this purpose, it monitors all constituents of the capital market—from issuers on one hand to stock exchanges on the other hand and all other intermediaries like stock brokers, merchant bankers and underwriters. For more information, please visit www.sebi.gov.in. Please also visit the websites of the two national-level stock exchanges: BSE-www.bseindia.com and NSE-www.nseindia.com.

Rights as a shareholder

- To receive the shares on allotment or purchase within the stipulated time
- To receive copies of the Annual Report of the company
- To receive dividends, if declared, in due time
- To receive approved corporate benefits like rights, bonus, etc.
- To receive offer in case of takeover, delisting or buyback
- To participate/vote in general meetings
- To inspect the statutory registers at the registered office of the company
- To inspect the minute books of the general meetings and receive copies
- To complain and seek redressal against fraudulent and investor unfriendly companies
- To proceed against the company, if in default, by way of civil or criminal proceedings
- To receive the residual proceeds in case of winding up

Rights as a debentureholder

- To receive interest/redemption in the stipulated time
- To receive a copy of the trust deed on request
- To apply before the CLB in case of default in redemption of debentures on the date of maturity
- To apply for winding up of the company if the company fails to pay its debt
- To approach the Debenture Trustee for grievances

MUTUAL FUNDS

2.18 Introduction

The capital market is highly complex. The risks rise further for most individuals who neither have the time, skills or resources to select the right securities nor to monitor their investments subsequently nor to take decisions on exits. Selecting securities with growth and income potential from the large number of listed securities involves careful research and monitoring of the market, which is not possible for most small investors. Also, the key to successful investing in the capital market is to minimize risks which can be done by building a diversified portfolio, which however requires substantial capital.

2.19 Mutual Fund is a professional intermediary between the investor and the capital market. Mutual Fund is an entity which collects funds from small investors, pools these funds together and with the help of competent professionals invest these into various equity and debt instruments, in accordance with the scheme objectives. Investors are issued units by a mutual fund against their investments. For this, the mutual funds charge a management fee. The profits or losses made by the mutual fund are shared with the investors in proportion to their investments. Mutual Funds as such mitigate to a large extent the shortcomings of direct investing.

2.20 The performance of a particular scheme is denoted by Net Asset Value (NAV). The NAV per unit is the market value of securities of a scheme divided by the total number of units of the scheme on any particular date. Since market value of securities changes every day, the NAV of a scheme also changes accordingly. NAV is required to be disclosed by the mutual funds on a daily basis.

Some mutual fund schemes for the first-time investors

2.21 Mutual Funds offer a wide range of schemes to suit different needs of the investors. An investor should select suitable schemes matching his investment objective. One must study the offer document of the scheme carefully; due care must be given to sections relating to main features of the scheme, risk factors, initial expenses and recurring expenses of the scheme, exit loads, sponsor's track record of the sponsor and of fund managers, past and pending litigations/defaults. The past track record of performance of the scheme or other schemes of the same mutual fund is an important input in the decision making. Though past performance of a scheme is not an indicator of its future performance and good

performance in the past may or may not be sustained in the future, this still is one of the important factors for making the investment decision.

2.22 Many investors are tempted to invest in schemes that are available at a low NAV. Accordingly, they are even drawn towards NFOs, which are made available at Rs. 10 per unit. Investors should understand that in case of mutual funds schemes, lower or higher NAVs of similar type schemes of different mutual funds have no relevance. At the entry point for the investor in an existing scheme, the NAV reflects the present value of the underlying assets, and a higher NAV in fact shows a comparative high quality of assets. In NFOs, the initial corpus shall be first invested and the NAV shall then depend upon the quality of investments.

2.23 Growth/Equity Oriented Schemes normally invest a major part of their corpus in equities, and as such carry higher risks/rewards. Growth schemes are good for investors having a long-term outlook. Such schemes could be focused, for example, investing only in large cap stocks or only in mid cap stocks etc.

2.24 Income/Debt Oriented Schemes aim to provide regular and steady income to the investors. As such, these schemes generally invest in fixed income securities such as bonds, corporate debentures, Government securities and money market instruments. Such schemes are less risky, but offer low returns.

2.25 Balanced Schemes offer the middle path by combining both growth and income. As such, these schemes invest both in equities and in fixed income securities. These are appropriate for investors who do not wish to take excessive risk and at the same time are also looking for some capital appreciation. Such schemes generally invest 40-60% in equity and the balance in debt instruments.

2.26 Sector Specific Funds/Schemes invest in the securities of a pre-specified sector/industry (like Pharmaceuticals, Software, FMCG, PSUs, Banks). The returns in these funds are significantly dependent on the performance of the respective sector/industry. Such funds may give higher returns, but they are also more risky.

2.27 Tax Saving Schemes offer tax rebates to the investors under specific provisions of the Income Tax Act. A good example of this is the Equity Linked Savings Schemes (ELSS). Pension schemes launched by mutual funds also offer tax benefits. Such schemes are growth oriented and invest pre-dominantly in equities.

2.28 Capital Protection Oriented Schemes are oriented towards protection of capital but not with guaranteed returns. Such schemes typically invest a part of their portfolio into AAA rated bonds in such a way that on maturity, this investment equals to 100 percent of the original capital. The balance of portfolio is invested in other assets which offer higher returns.

2.29 Systematic Investment Plans (SIP) is a convenient option which offers disciplined investing. Under SIP, an investor invests a fixed amount regularly, say every month or quarter. Such investments are made at the respective prevailing NAVs. The investor can redeem his units any time irrespective of whether he has completed his minimum investment in that scheme.

2.30 Index Funds replicate the portfolio of a particular index such as the BSE Sensex or the S&P NSE Nifty. These schemes invest in the securities in the same weightage as in the index. NAVs of such schemes rise or fall substantially in accordance with the rise or fall of the index.

2.31 Exchange Traded Funds, popularly known as ETFs, select a market index and make investments in the basket of stocks drawn from the constituents of that index. The fund may invest in any or all of the stocks constituting that index but not necessarily in the same proportion.

2.32 Gold ETFs are funds where the underlying asset is standard gold bullion of 0.995 purity and the investors' holding is denoted in units, unlike the equity mutual fund, where the underlying asset is the stocks of various companies.

2.33 All Mutual Funds are regulated by SEBI. For more information, visit www.sebi.gov.in and www.amfiindia.com.

Purchasing mutual fund schemes

2.34 A new scheme launched by a mutual fund to collect funds from the investors is called a New Fund Offering (NFO). Launches of NFOs are usually advertised in newspapers/TV. Investors can also contact agents and distributors of mutual funds for necessary information and application forms. The units of existing schemes can be purchased directly from the fund itself or from distributors/brokers/sub-brokers/agents.

DOs for investing in mutual fund schemes

- ✓ Read the offer document carefully before investing
- ✓ Investments in mutual funds may be risky, and do not necessarily result in gains
- ✓ Invest in a scheme depending upon your investment objective and risk appetite

- ✓ Note that past performance of a scheme or a fund is not indicative of the scheme's or the fund's future performance. Past performance may or may not be sustained in the future
 - ✓ Keep regular track of the NAV of the schemes in which you have invested
 - ✓ Ensure that you receive an account statement for your investments/ redemptions
- × Don't get carried away by the name of the scheme/ mutual fund
 - × Don't be guided solely by the past performance of a scheme/ fund
 - × Don't forget to take note of the risks involved in the investment
 - × Don't hesitate to approach the proper authorities for redressal of your doubts/ grievances.
 - × Don't deal with any agent/broker dealer who is not registered with AMFI

DON'Ts for investing in mutual fund schemes

- × Don't invest in a scheme just because somebody is offering you a commission or some other incentive, gift etc.

Chapter 3

COMPANY FIXED DEPOSITS

3.1 Many companies accept Fixed Deposits from investors, typically for short durations of 6 months to 3 years. These are similar to bank fixed deposits but entail lesser liquidity and usually carry higher risk and return. The attractive returns on such deposits draw many investors to channel their savings into such deposits. This results in mobilization of household savings for utilization in productive purposes by the corporate sector.

3.2 Some key features of Company Fixed Deposits are:

- Fixed deposit scheme offered by a company. Similar to a bank deposit
- Used by companies to borrow from small investors
- The investment period must be selected carefully as most FDs are not encashable prior to their maturity
- Not as safe as a bank deposit. Company deposits are 'unsecured'
- Offer higher returns than bank FDs, since they entail higher risks
- Ratings can be a guide to their safety

Rights of depositholders

- Right to receive periodic interest payments on time.
- Right to receive intimation regarding any amendment to the terms of repayment of deposits.
- Right to receive the amount of matured deposits on time.
- Right to intimation regarding unclaimed deposits before transfer to the IEPF.
- Right to file complaint in the prescribed format before Company Law Board (in the office where the registered office of the company is situated) in case of default in repayment of deposits.

- Right to alternatively file complaint in the Consumer Forum under the Consumer Protection Act, 1986.

DOs for investing in company fixed deposits schemes

- ✓ Do check the credit rating assigned by the Credit Rating Agencies to the Fixed Deposits being considered
- ✓ Do ignore the unrated Fixed Deposit schemes
- ✓ Do understand the background and credibility of the promoters
- ✓ Do choose a company with a better track record for similar rated companies
- ✓ Do avoid investing in Fixed Deposits of companies whose promoters have a dubious record
- ✓ Do realize while investing in Fixed Deposits that if the company is unable to repay your money, you may end up losing it, as Deposits are unsecured
- ✓ Do refer to the investor service standards of the company
- ✓ Do lodge a complaint with the concerned regulator in case the company defaults in repayment of deposits (For listed companies, file complaint with SEBI; for manufacturing companies, file complaint with MCA; for banks and NBFCs, file complaint with RBI)
- ✓ Do state the name of the guardian in the application, if the deposit is in the name of a minor
- ✓ Do always have a nominee for the deposits made by you

DON'Ts for investing in company fixed deposits schemes

- × Don't invest all or substantial part of your savings in Fixed Deposits

- × Don't get lured by high interest rates
- × Don't forget to check on track record of the company

- × Don't invest in companies that care little about investor services
- × Don't hesitate to seek regulator's assistance for any grievance

Chapter 4

PENSION PRODUCTS

4.1 New Pension System (NPS): A person can build his retirement corpus during his working life by regularly contributing (the minimum amount being Rs. 6,000 p.a.) to the NPS till the age of 60. Such contributions are invested by the Pension Fund Manager (PFM) the investor chooses, in the investment option of his choice:

Active Choice

- √ Asset Class E (Equity): Invests in index funds (the maximum allowed is 50%, the balance has to be in Asset Class G & C)
- √ Asset Class G (Government securities): Invests in central and state government bonds
- √ Asset Class C (non government debt): Invests in liquid funds of Asset Management Companies, bank fixed deposits, rated bonds issued by corporates, banks, financial institutions, PSUs, Municipality and Infrastructure entities.

Auto Choice (Life cycle fund)

Under this option, the contributions are automatically allocated to the three asset

classes in a predefined manner depending on the investor's age.

4.2 Upon subscribing, the investor is allotted a Permanent Pension Account Number (PPAN). The PPAN will remain constant even if the investor changes the PFM, his location or employer. The returns earned on the contributions would depend on the investment option. Charges are applicable to the NPS account as prescribed by the regulator-Pension Fund Regulatory and Development Authority (PFRDA). For further details, visit www.pfrda.org.in

4.3 At the age of 60, a minimum of 40% of the accumulated amount in the account has to be used to buy a pension (annuity) scheme from any insurance company from whom the investor will receive monthly pension. The balance of 60% in the account can be withdrawn or be used to buy annuity.

4.4 Annuity/Pension Policies/Funds are products of the insurance companies and offer guaranteed income either for life or for a certain period without any insurance cover.

Chapter 5

INSURANCE POLICIES

5.1 Insurance, as the name suggests is an insurance against future loss. Life insurance is the most common insurance cover for an individual. Life Insurance is a contract providing for payment of a sum of money to the person assured, or following him to the person entitled to receive the same, on the happening of a certain event. It is a good method to protect your family financially, in case of death, by providing funds for the loss of income.

Term Life Insurance

- Lump sum is paid to the designated beneficiary in case of the death of the insured
- Policies are usually for 5, 10, 15, 20 or 30 years
- Low premium compared to other policies
- Does not carry any cash value

Endowment Policies

- Provide for periodic payment of premiums and a lump sum amount either in the event of death of the insured or on the date of expiry of the policy, whichever occurs earlier

Annuity / Pension Policies / Funds

- No life insurance cover but a guaranteed income either for life or a certain period
- Taken so as to get income after the retirement
- Premium can be paid as a single lump sum or through installments paid over a certain number of years
- The insured receives back a specific sum periodically from a specified date onwards (can be monthly, half yearly or annual)
- In case of the death, it also offers residual benefit to the nominee.

Units Linked Insurance Policy (ULIP)

- ULIP is a life insurance policy, providing a combination of risk cover and investment.
- The dynamics of the capital market have a direct bearing on performance of ULIPs.
- Most insurers offer a wide range of funds to suit one's investment objectives, risk profile and time horizons. Different funds have different risk profiles. The potential for returns also varies from fund to fund
- ULIPs offered by different insurers have varying charge structures. Broadly the different fees and charges include- Premium allocation charges, Mortality charges, fund management fees, policy/administration charges and fund switching charges

DOs for an insurance policy

- ✓ Do review your insurance coverage
- ✓ Do consider how much life cover you need and your affordability to pay premium
- ✓ Do study details of various schemes
- ✓ Select a policy that suits you in terms of your requirement and premium outflows
- ✓ Do get an advice from an insurance professional who offers policies of different insurance companies
- ✓ Do go online to get the best quotes and verify the same before choosing one

- ✓ Do consider two single plans rather than joint cover
- ✓ Do disclose correct information in your application
- ✓ Do check and update your policy regularly

DON'Ts for an insurance policy

- × Don't purchase a policy unless you understand the concept behind it
- × Don't buy life insurance unless you need it
- × Don't opt for the cheapest deal without understanding the risk
- × Don't forget to check for terminal illness benefits
- × Don't limit your choice to one insurer
- × Don't over-burden yourself with unaffordable premium outflows
- × Don't blindly trust the information that is available online
- × Don't lie in your medical exam
- × Don't cancel any current insurance policy until you receive a certificate
- × Don't do anything to hinder an investigation if you file a claim
- × Don't default on your payments which may lead to cancellation at the time of need
- × Don't forget to report accidents and mishaps to your insurance company, even if you don't plan on filing a claim

Chapter 6

GOVERNMENT SCHEMES

6.1 The Government offers a wide variety of savings/investment products:

National Savings Certificates (NSC)

- Popular Income Tax Savings scheme, available throughout the year
- Interest rate of 8%
- Minimum investment Rs. 100, no upper limit
- Maturity period of 6 years
- Transferable and a provision of loan

Public Provident Fund (PPF)

- Interest rate of 8% p.a
- Minimum investment limit is Rs. 500 and maximum is Rs. 70,000
- Maturity period of 15 years
- The first loan can be taken in the third financial year from the date of opening of the account, or up to 25% of the amount at credit at the end of the first financial year. Loan amount can be returned in maximum of 36 installments
- A person can withdraw an amount (not more than 50% of the balance) every year from the 7th year onwards

Post Office Scheme (POS)

- One of the best Tax Saving Schemes
- It is available throughout the year
- Post Office schemes depends upon the type of investment and maturity period, which can be divided into following categories: Monthly Deposit/Saving Deposit/Time Deposit/Recurring Deposit

Infrastructure Bonds

- Lock in period of three years
- Tax benefit U/S 88 on investments up to Rs. 20,000
- Any redemption prior to maturity nullifies the tax exemption

Kisan Vikas Patra (KVP)

- Money invested in this scheme doubles in 8 years and 7 months
- There is a minimum investment limitation of Rs. 100 with no upper limit
- This scheme is available throughout the year
- Currently, there is no tax benefit on investment under this scheme

WHERE NOT TO INVEST

Chapter 7

DON'T INVEST IN DUBIOUS SCHEMES

Introduction

7.1 There are several dubious schemes operating in the market. The promoters of such schemes float companies with attractive names. They start in a particular area and then, on attaining saturation of member enrollments, keep shifting over to new areas. While promoting the schemes, they get film stars, politicians, sportspersons etc. at grand functions to impress the public. They engage persuasive direct marketing agents, print attractive brochures, release eye-catching advertisements and hoardings and offer gifts to the investors. They also use attractive slogans. They also "honour" their members with titles like Silver Member or Gold Member. Some of such schemes that are designed to entrap the gullible public by luring them with the promise of becoming rich overnight are:

MONEY CIRCULATION SCHEMES (MCS) MULTI-LEVEL MARKETING SCHEMES (MLM) NETWORK MARKETING (NWM) SELF EMPLOYMENT YOJANA (SEY)

7.2 By enrollment into such scheme, one gets back some or full initial investment and then keeps gaining financially by enrolling new members. So also the second set of enrollers keeps multiplying and gain financially, luring every onlooker. Such a system of chain to work endlessly to provide profit to everyone concerned ultimately breaks down at some stage, resulting in big financial losses to many. When a person fails to get his required clients or enrollers, the promoters of the scheme do not tell about the non-viability of the scheme but blame it as one's personal failure. Many companies have now disguised into the activity of marketing goods, services, drugs and health care products.

CHIT FUNDS

7.3 Chit fund is a kind of savings scheme under which a person enters into an agreement with a specified number of persons that every one of them shall subscribe a certain sum of money by way of periodical installments over a definite

period and that each such subscriber shall, in his turn, as determined by lot or by auction or by tender, be entitled to the prize amount. However, there are many such schemes which have been misused by their promoters and there are many instances of the founders running what is basically a Ponzi scheme and absconding with their money.

DEPOSITS

7.4 Finance Companies take deposits from the public, promising them unusually high returns. Since high returns are unsustainable, ongoing repayments of interest and deposit amounts depend on continuous and uninterrupted flow of fresh deposits. At some stage, when the flow of deposits gets stifled, the payments to the investors stop, leaving them high-and-dry.

PRIVATE PLACEMENTS

7.5 Many companies offer equity shares/convertible debentures/preference shares etc to the public through the private placement route, often for a "a mega project" and promise dream returns. By law, such securities cannot be sold to more than 49 persons, beyond which the Company is required to come out with a Public Issue under the guidelines of SEBI.

PLANTATION COMPANIES

7.6 Many companies offer schemes that multiply money by investment into plantations. Most of such companies are not registered with SEBI, and typically have fled with the investors' monies.

Caution for the general public

7.7 Remember that there is no free lunch and that there is some catch when some one offers to make money for you easily and quickly. So any get rich quick scheme or high returns schemes should be suspected. Remember also that these schemes are unsecured, are illegal and are not regulated by the Government. As such, if you lose money, you will not be able to seek any help from the Government.

Chapter 8

EDITOR'S 20 MANTRAS TO WISE INVESTING

Save prudently.....Invest even more wisely

- You need to invest, otherwise your savings will depreciate in value/purchasing power.
- However, mindless or reckless investing is hazardous to wealth; Please become an investor... and not a trader or a gambler.

20 Mantras to Wise Investing

Mantra 1

Follow life-cycle investing

- You can afford to take greater risks when you are young.
- As you cross 50, you should consider gradually getting out of risk instruments.
- By 60, you may exit risk instruments. (To not lose your capital when you have stopped earning new money). There are better things to do than watch the ticker on TV!

Mantra 2

Read carefully, and take informed decisions

- Do due diligence; take informed decisions.
- Read about options and processes on iepf.gov.in and visit mca.gov.in for more information on companies
- For example, for IPOs, read about the offer. This is difficult, with the offer documents now running into more than 1000 pages; abridged prospectus too is difficult to read. Yet, read you must, at least, the risk factors, litigations, promoters, company track record, issue objects and key financial data.

Mantra 3

Invest only in fundamentally strong companies

- Invest only in companies with strong fundamentals; these are the ones that will withstand market pressures, and perform well in the long term.
- Strong stocks are also liquid stocks.
- Do not go for penny stocks; you may get lured as these rise by 5-10% a day against top stocks that rise 5-10% in a year; you will typically enter at peak and then make losses.
- Remember, equity investments cannot be sold back to the company/promoters.

Mantra 4

Consider investing in IPOs

- IPOs have been a good entry point.
- Decide whether you are investing in an IPO as an IPO or in the IPO of a company.

- During bull runs, almost all IPOs provide positive returns on the listing day. If investing in an IPO just because it is an IPO during a bull phase, it may be advisable to exit on the listing date, as you have invested without due diligence.
- However, most such investors put IPOs on a pedestal and expect them to perform forever. That will not happen as an IPO becomes a listed stock on the listing date, and will then behave like that; and only some will be outstanding.
- If an investor does not book profit on the listing date, he is either greedy or takes a wrong call on the company/industry/market. He should then not fault the IPO price or blame regular/issuer/merchant banker. In any case, he invested in the IPO by choice; it was not forced upon him.
- However, if you invest in the IPO of a company, with due diligence, then do not get bothered by immediate post-listing performance or volatility. Remain invested as you would in a listed stock.

Mantra 5

PSU IPOs deserve special attention

- PSU IPOs are typically from companies that are profitable and have a significant track record and market leadership; also very little risk of fraud.
- In almost all PSU IPOs, there is a discount for the retail investors.

Mantra 6

Invest in mutual funds, but select the right fund and scheme

- Mutual funds are a better vehicle for the small investors, most of whom have little skills or time to manage a personal portfolio.
- The problem is that there are too many mutual funds, and there are too many schemes. Spend time to select the right fund manager and the right scheme/s.
- And remember, mutual funds are subject not just to market risks, and that investing in these does not mean guaranteed returns.

Mantra 7

Beware of free advice

- Too many people in the capital market offer free advice; these come through TV, print media, websites, emails and SMS.
- Don't act blindly on such advice; remember free advice carries no accountability.

Mantra 8

Don't get taken in by advertisements

- Advertisements are to make you feel good.
- Don't get carried away by attractive headlines, appealing visuals/messages.
- Don't get carried away by upward arrows, big percentages and deceptive numbers.

Mantra 9

Don't get overwhelmed by sectoral frenzies/bull runs

- Remember, you can not buy the shares of the Indian economy or of India Inc. or of a sector... ultimately you have to buy into a specific company.
- Also, sectoral frenzies keep changing.
- All companies in a sector are not necessarily outstanding. Each sector will have some very good companies, some reasonably good companies and many bad companies.
- Be also careful about companies that change their names to reflect current sectoral fancy.

Mantra 10

Look at the credentials of the entity/person

- Many scamsters are waiting to exploit your greed; targeting gullible small investors.
- Be careful about the entity seeking your money; visit watchoutinvestorts.com before investing.

Mantra 11

Be careful promoters issuing shares/warrants to themselves

- Many a times, preferential allotments to promoters are for the benefit of the promoters only, at the expense of minority shareholders.

Mantra 12

"Cheap" shares are not necessarily worth buying

- Price of a share can be low (and therefore appear cheap) because in reality the company is not doing well; the hype about the company/sector and comparison with prices of good companies may induce you.
- Worse, the price can become low because the face value has been split (over 500 companies have split their shares); rationale given is to make shares affordable to small investors; not valid as one can buy even one share; real purpose is to make shares appear "cheap"

Mantra 13

Beware of guaranteed returns offers

- Be extra careful before investing in any offer which promises very high returns.

- Remember the plantation companies many of which promised phenomenal returns (in some cases, 50% on Day 1)!
- Let not greed make you an easy prey!

Mantra 14

Don't borrow to invest

- Interest mounts by the day; returns don't necessarily.
- Invest within your means.

Mantra 15

Deal only with registered intermediaries

- There are many unregistered operators in the market who will lure you with promises of high returns, and then vanish with your money or they will mis-sell or they will undertake unauthorized transactions.
- Deal with registered intermediaries, it also allows recourse to regulatory action.

Mantra 16

Don't over-depend upon 'comfort' factors like

- IPO Grading
- Independent Directors
- Corporate Governance Awards
- CSR Activities

Mantra 17

Don't take decisions based just on summary accounts

- Read through the schedules as well as qualifications and notes to the accounts.
- Check out for "Other Income" and unusual expenses
- Look out especially for entries relating to related party transactions, sundry debtors, subsidiaries' accounts, cash/bank balances.

Mantra 18

Learn to sell

- Most investors buy and then just hold on (Regrettably, most advice by experts on the media is also to buy or hold, rarely to sell).
- Profit is profit only when it is in your bank (and not in your register or Excel sheet).
- Don't be greedy. Leave some profits for the buyer too. Remember, you cannot maximize the market's profits.
- Set a profit target and sell, unless you have good reasons to hold on for very long term.

Mantra 19

If after all this, you do have a grievance...

- Seek help of www.investorhelpline.in.

The final... Mantra 20

Be honest

- Be honest as only then you can demand honesty and fight for your rights.

Chapter 9

INVESTOR GRIEVANCE REDRESSAL

9.1 The capital market can grow only when investors find it safe for them to invest and they are assured that the rules governing the market are fair and just for all the players. For this purpose, there is an effective mechanism for resolutions of disputes and grievances in place.

Ministry of Corporate Affairs

9.2 Ministry of Corporate Affairs (MCA) provides an efficient and effective grievance redressal framework to address and resolve the grievances speedily. Investors can approach any of the officers of the Registrar of Companies, the Regional Directors as well as the Headquarters of MCA with their grievances. The complaints are taken up with the respective companies. For complaints relating to areas not in the charter of MCA, these are forwarded to the relevant regulator and the investors are also advised to approach the concerned regulator.

9.3 Investor Grievance Handling & Redressal has acquired a special focus with the implementation of MCA21 e-Governance portal, which has a dedicated online facility for filing of grievances on www.mca.gov.in. It also has 'online status tracking' facility to enable monitor the progress.

9.4 MCA also operates an outsourced service through www.investorhelpline.in. This is a dedicated portal to handle investor grievances. The service provider takes up the redressal of the complaints both with the concerned regulators as well as with the companies.

Securities and Exchange Board of India

9.5 In the event of capital market related grievances not resolved by the concerned company or the intermediary, investors can approach SEBI at www.sebi.gov.in. The following kinds of complaints can be filed:

Type-I: Refund Order/ Allotment Advise.

Type-II: Non-receipt of dividend.

Type-III: Non-receipt of share certificates after transfer.

Type-IV: Debentures.

Type-V: Non-receipt of letter of offer for rights.

Type VI: Collective Investment Schemes

Type VII: Mutual Funds/ Venture Capital Funds/ Foreign Venture Capital Investors/ Foreign Institutional Investors/ Portfolio Managers, Custodians.

Type VIII: Brokers/ Securities Lending Intermediaries/ Merchant Bankers/ Registrars and Transfer Agents/ Debenture Trustees/ Bankers to Issue/ Underwriters/ Credit Rating Agencies/ DP.

Type IX: Securities Exchanges/ Clearing and Settlement Organizations/ Depositories.

Type X: Derivative Trading

Type XI: Corporate Governance/ Corporate Restructuring/ Substantial Acquisition and Takeovers/ Buyback / Delisting / Compliance with Listing Conditions

Stock Exchanges

9.6 The following types of complaints should be filed with the concerned stock exchange:

- Complaints related to securities traded/listed with the exchanges.
- Complaints regarding trades effected in the exchange with respect to the companies listed on it.
- Complaints against the brokers/sub-brokers of the exchange.

Reserve Bank of India

9.7 The RBI website-www.rbi.org.in- has a dedicated facility for investor grievances handling and resolution. All complaints relating to banks and company fixed deposits should be filed with RBI.

Chapter 10

INVESTOR ASSOCIATIONS

10.1 Why become a member? It is often difficult for an investor to fight for his rights at an individual level. This can also include settling of investor grievances. It is ideal for an investor to become a member of an investor association, who can take up causes on his behalf. Moreover, many of the investor associations

regularly organize education seminars for their members, in addition to organizing special talks by eminent experts. The list of investor associations/NGOs/voluntary agencies registered with IEPF and SEBI is available on www.iepf.gov.in and www.sebi.gov.in.

Chapter 11**ENTITIES AND CONCERNED REGULATORY BODIES**

11.1 Given below is a list of types of companies/ intermediaries/service providers/activities in the financial market. The names of the relevant bodies that regulate them and their website addresses are given in the second and the third columns.

Type of Entity/Activity	Regulatory body	Website
Auditors	ICAI/CAG	www.icaai.org www.cag.gov.in
Banks	RBI	www.rbi.gov.in
Banks –Issue Collection	SEBI	www.sebi.gov.in
Chit Funds	REG. OF CHIT FUNDS	-
Collective Investment Schemes	SEBI	www.sebi.gov.in
Companies –All	MCA/ROC	www.mca.gov.in
Companies –Listed	MCA/ROC/SEBI/SE	www.mca.gov.in www.sebi.gov.in
Company Secretaries	ICSI	www.icsi.edu
Competition	CCI	www.cci.gov.in
Co-operative Banks	RBI	www.rbi.gov.in
Cost Accountants	ICWAI	www.icwai.org
Credit Rating Agencies	SEBI	www.sebi.gov.in
Custodial Services	SEBI	www.sebi.gov.in
Debenture Trustees	SEBI	www.sebi.gov.in
Depositories	SEBI	www.sebi.gov.in
Depository Participants	SEBI/NSDL/CDSL	www.sebi.gov.in www.nsdl.co.in www.cdslindia.com
Foreign Investment Institutions	SEBI	www.sebi.gov.in
Housing Finance Companies	NHB	www.nhb.org.in
Insurance Brokers/ Agents	IRDA	www.irdaindia.org
Insurance Companies	IRDA	www.irdaindia.org
Investment Bankers	SEBI	www.sebi.gov.in
Investor Associations	SEBI	www.sebi.gov.in
Media(Print/Electronic)	MIB	www.mib.nic.in
Mutual Funds	SEBI	www.sebi.gov.in
Mutual Fund Brokers/ Agents	SEBI/AMFI	www.sebi.gov.in www.amfiindia.com
New Pension Scheme (NPS)	PFRDA	www.pfrda.org.in
Non-Banking Financial Companies	RBI	www.rbi.gov.in
Nidhi Companies	MCA	www.mca.gov.in
Plantation Companies	SEBI	www.sebi.gov.in
Portfolio Managers	SEBI	www.sebi.gov.in
Registrars/Share Transfer Agents	SEBI	www.sebi.gov.in
Serious Frauds	SFIO	www.sfio.nic.in
Stock Brokers	SEBI/SE	www.sebi.gov.in
Stock Exchanges	SEBI	www.sebi.gov.in
Sub-Brokers	SEBI	www.sebi.gov.in
Venture Capital Funds	SEBI	www.sebi.gov.in

MCA OFFICES FOR INVESTOR GRIEVANCES REDRESSAL

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Acknowledgements

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