



Life Line.....

A Shah & Shah Group Publication

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CEO SPEAKS

Happy New Year !!! Traditionally it's the time to reflect on the changes we wish to make in our lives and make Resolutions to put them to effect. Firstly Define values -What's Important to me in my Life ? Then take Small steps, Simple steps to make effective changes in our Life

1. Set Goals – It is the map of our future - To create wealth you need to know why you desire the wealth.
2. Start saving money – It is the key to Financial success- savings should be at least 10% of the monthly income
3. Start a Budget – It is the most important thing to help one be Financially Successful.
4. Buy insurance early - Investing is not only about putting money in financial products. It is also about protecting that money . Insurance of life and health, can ENSURE that.
5. Invest regularly – Set aside a specific amount every month. Systematic investment plan (SIP) is an ideal way investing.
6. Account for Inflation – your money should grow at a rate above the prevailing rate of inflation.
7. Asset allocation - Spread your portfolio across different asset classes such as fixed income, equity, real estate, gold etc.
8. Seek professional help. If your health seeks a doctor, your money should seek a professional advisor.
9. **LASTLY - TAKE TIME OFF FOR YOURSELF AND YOUR FAMILY -PERIODICALLY- ENSURE THAT YOU ENJOY THE WEALTH THAT YOU ARE CREATING.**

MAY THIS NEW YEAR BE THE BEST SO FAR!

HOW TO BECOME A CROREPATI

To earn Rs. 1 crore over various intervals of time and at different annualised rate of returns, you'll need to invest as illustrated below:

SIP in years	Monthly SIP Amount at expected rate of return (annualised Rate of returns)			
	8%	12%	15%	20%
5	137091	124470	115834	102865
10	55518	45060	38466	29489
20	17575	10975	7624	4101
30	7100	3277	1797	648

While you need to invest a mere Rs. 648 per month to let your investments grow to Rs. 1 crore over 30 years (@20% Annualised rate of return), by investing little more, i.e. Rs. 4,101 every month, you can earn the same amount at the same rate of return in only 20 years.

Some good Mutual Funds Schemes for S.I.P.

Scheme Name	Fund Manager	Since	Performance			Min Amt in Rs.
			1 Year	3 Years	5 Years	
BSL Frontline Equity Fund	Mr. Mahesh Patil	Aug-02	89.91	17.28	28.24	1000
HDFC Top 200	Mr. Prashant Jain	Sep-96	98.16	18.69	29.82	1000
Mirae Asset India Opportunities Fund	Mr. Gopal Agrawal	Mar-08	114.97			1000
Reliance Diversified Power sector Fund	Mr. Sunil Singhania	Apr-04	93.8	28.99	45.66	500

Once again, it proves that investing small amounts with discipline over a period of time can reap truly rich rewards.

So, all it takes to secure the future is regular investments for the long term. Hence, invest early to build wealth.

Wish you all a very Happy & Prosperous New Year...2010

Nurturing your Investments

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AWAAL AAP KE

JAWAB HITESH KE..

There are so many Fund Houses and so many Fund Offerings, I am confused . How does one decide ?

- Prakash Shah, Vile Parle

I agree it is confusing but if you keep some fundamentals in focus it will help you decide. Firstly you have to decide your risk appetite meaning How much money you can afford to risk. Then depending on your age you decide the mixture of debt and equity. A thumb rule says it can be 100 minus -your age in equity. Then study the track record of leading fund houses. Select 5/6 of them then depending on the purpose of your Investment and the Time Horizon you have set for yourself select the Fund which will suit your purpose To avoid all these hassles you can select a competent advisor.

When should one Redeem mutual fund Investments ?

- Jignesh Shah, Dadar

An Ideally one should redeem only if the Investment Objectives have been achieved -Eg funding for a car, Children's education etc. Secondly one can redeem in case of a severe cash crunch otherwise it is always better to remain Invested over a period of at least 5 years which will enable you to get the advantage of compounding as well as avoid the need of timing the Market It is usually better to enter a fund by way of SIP/STP then a one time Investment

Are maturity proceeds on life insurance and pension policies taxable?

- Aditya Rathod, Deonar

The maturity proceeds of life insurance policies are not taxable. However, under pension plans, up to one-third of the maturity amount can be withdrawn in cash and the same is treated as tax-free. An annuity has to be purchased with the remaining two-third amount. Pension receipts from the same will be treated as income in the hands of the assessee and taxed accordingly.

What are the investments to qualify for Section 80C deductions?

- Sameer Lokhande, Pune

Few investment options in which you get Section 80C deductions are as follows

- ❖ Life Insurance Premium
- ❖ Equity Linked Savings Schemes (E.L.S.S)
- ❖ Public Provident Fund
- ❖ National Saving Certificate
- ❖ Accrued interest on National Saving Certificate
- ❖ Principal component of home loan repayment
- ❖ 5-Year fixed deposits with banks and Post Office

Cinnamon and Honey

HEALTH MANAGEMENT

Honey is the only food on the planet that will not spoil or rot.

Never boil honey or put it in a microwave. To do so will kill the enzymes in the honey.

It is found that a mixture of honey and Cinnamon cures most diseases. Scientists of today also accept honey as a 'Ram Ban' (very effective) medicine for all kinds of diseases.

Honey can be used without any side effects for any kind of diseases.

Today's science says that even though honey is sweet, if taken in the right dosage as a medicine, it does not harm diabetic patients.

Weekly World News, a magazine in Canada , in its issue dated 17 January,1995 has given the following list of diseases that can be cured by honey and cinnamon as researched by western scientists:

HEART DISEASES: Make a paste of honey and cinnamon powder, apply on bread, instead of jelly and jam, and eat it regularly for breakfast. It reduces the cholesterol in the arteries and saves the patient from heart attack. Also, those who have already had an attack, if they do this process daily, they are kept miles away from the next attack. Regular use of the above process relieves loss of breath and strengthens the heart beat.

ARTHRITIS: Arthritis patients may take daily, morning and night, one cup of hot water with two spoons of honey and one small teaspoon of cinnamon powder. If taken regularly even chronic arthritis can be cured.

CHOLESTEROL: Two tablespoons of honey and three teaspoons of Cinnamon Powder mixed in 16 ounces of tea water, given to a cholesterol patient helps to reduce the level of cholesterol.

COLDS: Those suffering from common or severe colds should take one tablespoon lukewarm honey with 1/4 spoon cinnamon powder daily for three days. This process will cure most chronic cough, cold, and clear the sinuses.

UPSET STOMACH: Honey taken with cinnamon powder cures stomach ache and also clears stomach ulcers from the root.

GAS: According to the studies done in India and Japan , it is revealed that if Honey is taken with cinnamon powder the stomach is relieved of gas.

INDIGESTION: Cinnamon powder sprinkled on two tablespoons of honey taken before food relieves acidity and digests the heaviest of meals.

WEIGHT LOSS: Daily in the morning one half hour before breakfast on an empty stomach, and at night before sleeping, drink honey and cinnamon powder boiled in one cup of water. If taken regularly, it reduces the weight of even the most obese person. Also, drinking this mixture regularly does not allow the fat to accumulate in the body even though the person may eat a high calorie diet.

CANCER: Recent research in Japan and Australia has revealed that advanced cancer of the stomach and bones have been cured successfully. Patients suffering from these kinds of cancer should daily take one tablespoon of honey with one teaspoon of cinnamon powder for one month three times a day.

Nurturing your Investments

Insurance

Mutual Fund

Advisory

Guidelines for creating a **WILL** **Cost of Delay** in starting Investments

Making a Will is one of the most important and integral part of Personal Financial Planning. Normally, all of us avoid making it. A Will enables each one of us to distribute our property and assets in the manner we wish to distribute it. A Will may also reduce the risks of undue litigation, delays, misunderstandings and disputes amongst family members. It is generally considered that creating a Will is a cumbersome and complicated process. On the contrary, it is rather simple and straightforward to create a will. A Will, in simple words, is a document to ensure that your estate (assets without liabilities) is disposed off the way you desire.



In legal language, a Will is defined as 'the legal declaration of the intention of the testator, with respect to his property, which he desires to be carried into effect after his death.' But such disposal comes into effect only after the death of the testator.

A Will can be hand-written, or typed, on a piece of paper. It requires no stamp duty or registration, although experts advise that a Will must be registered so that it is in safe custody. The Will must be attested by two witnesses, one preferably a doctor.

Consider some simple guidelines while creating a Will:

- ❖ A Will can be hand written in ink but preferably should be typed.
- ❖ It does not require any Stamp Paper & and it need not be Registered.
- ❖ It should preferably be drafted by a lawyer, and checked by an Accountant.
- ❖ It is advisable to name in your Will, more than one EXECUTOR / EXECUTRIX to administer the estate and distribute the property, as per your desire.
- ❖ The Will must be signed by you in the presence of at least TWO WITNESSES who must also sign Will at the same time. Their full names and addresses should be given. (Note: Witnesses need not know the Contents of the Will).
- ❖ The Executor or Beneficiary cannot ATTEST the Will as a witness. The Executor of the Will can also be named as a beneficiary and vice versa.
- ❖ SIGN each page of the Will, so that nobody can substitute a page later on, nor can anybody argue about fraudulent insertion of a page subsequently.
- ❖ KEEP your Will in a safe place e.g. in a bank locker. Inform the Executor and Beneficiaries where the Will is kept. Also give a signed copy to your lawyer.
- ❖ REVIEW your Will regularly, say once a year. It may need amending to take care of changes in your financial or family circumstances.
- ❖ On the demise of a spouse, the surviving spouse needs to revise his/her Will.

When thinking about investments, one always thinks about the risks associated with different types of investment options and rightly so. However, many

times investment decisions are deferred due to the desire of timing the market and getting a better deal by minimizing the risks. But while doing so, what one doesn't factor is the cost of delaying the investment decision.



Assuming that Rs. 10,000 is invested per month over a period of 20 years, the following table illustrates the loss that an investor can possibly incur if he/she delays the investing process by even a year.

Years	Loss because of delay in starting the Investments			
	8%	12%	15%	20%
1	540062	1099548	1843610	4237522
3	1503135	2957840	4840784	10711513
5	2328816	4439260	7107078	15207341

Such is the impact of 'delay in investment' that the magnitude of loss can be a massive Rs. 1.52 crore if a person decides to postpone the investing decision by 5 years (@ 20% annualised rate of return). The first installment is the one that stays in the term for the longest. Hence it is the one that has the highest appreciation!

So, a delay in starting SIP means eliminating the first Installment that gives you the most returns!

A step ahead to reach out to you **OUR NEW BRANCH**

SHOP No. 28, GANJAWALA APARTMENTS,
S.V.P ROAD, BORIVALI (W),
MUMBAI - 400092.

Branch Manager : Mr. Dhavan Kataria
Contact No. : 09920300680, 65222973

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YOUR AGE BY CHOCOLATE CALCULATOR

Don't tell me your age; you'd probably lie anyway this is how find **YOUR AGE BY CHOCOLATE MATH**

This is pretty neat.

DON'T CHEAT BY SEEING DOWN FIRST! It takes less than a minute. Work this out as you read. Be sure you don't read the bottom until you've worked it out! This is not one of those waste of time things, it's fun

1. First of all, pick the number of times a week that you would like to have chocolate (more than once but less than 10)
2. Multiply this number by 2 (just to be bold)
3. Add 5
4. Multiply it by 50 -- I'll wait while you get the calculator
5. If you have already had your birthday this year add 1759 If you haven't, add 1758..
6. Now subtract the four digit year that you were born.
7. You should have a three digit number

The first digit of this was your original number (i.e., how many times you want to have chocolate each week).

The next two numbers are : YOUR AGE! (Oh YES, it is!!!!)

**THIS IS THE ONLY YEAR (2009)
IT WILL EVER WORK.**

HOTEL CONTACT NUMBERS

Le Royal Méridien	: 28380000, 29262927, 29262846
Hyatt Regency Mumbai	: 66961234, 66961111, 66961122
JW Marriott Hotel	: 66933000, 66933366, 66933300
The Leela's Kempinski	: 66911234, 66911484, 66911481
Trident Hotel	: 66324343, 66325757
Taj Mahal Hotel	: 66653366, 66011825
Grand Hyatt Hotel	: 61632886
ITC Hotel Grand Maratha Sheraton	: 28303030, 28314444, 40341800

INVESTMENTS - 26163235, 26100763

Facts -Eyes

- ❖ We should never put anything in or near our eyes.
- ❖ Blinking helps to wash tears over our eyeballs. That keeps them clean and moist. Also, if something is about to hit our eye, we will blink automatically.
- ❖ Our body has some natural protection for our eyes. Our eyelashes help to keep dirt out of our eyes. Our eyebrows are made to keep sweat from running into our eyes.
- ❖ The eyeball of a human weighs approximately 28 grams.
- ❖ The eye of a human can distinguish 500 shades of the gray
- ❖ The cornea is the only living tissue in the human body that does not contain any blood vessels
- ❖ We generally read 25% slower from a computer screen compared to paper.
- ❖ Men are able to read fine print better than women can.
- ❖ All babies are colour blind when they are born.
- ❖ If the lens in our eye doesn't work quite right, we can get glasses to help us see. Glasses have lenses in them that work with our eye's own lens to help us see better.
- ❖ Babies eyes do not produce tears until the baby is approximately six to eight weeks old.
- ❖ The reason why your nose gets runny when you are crying is because the tears from the eyes drain into the nose.
- ❖ It is impossible to sneeze with your eyes open.
- ❖ Your eyes blink over 10,000,000 times a year.

QUIZ

First 5 all correct entries received in our office by E-mail will be rewarded

1. Savings should be atleast-----% of your monthly income
2. E.L.S.S _____ full form is _____
3. Never -----honey or put it in a microwave.
4. Name of the building where our new office will be located.
5. The Will must be signed by you in the presence of atleast -----witnesses.

(All answers can be found in the magazine itself)

S h a h & S h a h
Nurturing your Investments

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