

Snapshots of the inauguration ceremony.

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From the C.E.O.'s Desk

Dear Readers,

This issue is a double bonanza for all our Shah & Shah fraternity. Soon after opening a branch office in Chembur, we have shifted to a new Borivali branch office & a bigger (& better) head office at Vile Parle in the month of January alone. We celebrated the opening of our Borivali Branch office and our head office on 2nd and 22nd January 2011 respectively. We alone could not have done this and your and your support only has made this move possible for us. I would like to thank you for your continuous patronage over the years and many more to come. Wish you all a very happy and prosperous new year.

Hitesh Shah, C.E.O.
Shah and Shah Group
ceo@snsgroup.in



Left to Right:
Mr. T. S. Vaidyan (Chairman - UC), Mr. Mafatal J. Shah, Mr. N. B. Sathe - [Executive Director - SBU CJA - UC], Mr. Hitesh Shah, Mr. D. K. Mahrotra (Managing Director - UC), Mr. Rajni Manchanba, Mr. Jagdish Manchanba, Mr. Thomas Mathew T (Managing Director - UC), Mrs. T. T. Mathew (Executive Director - New Projects/CPIB - UC), Mr. Neeraj Manchanba, Shah & Shah Team.

"This step is to provide a better working environment for my team so that they are able to serve you even better in the coming future."

- Hitesh Shah, C.E.O.

Nurturing Your Investments 1

Sawaal Apke, Jawaab Hitesh ke



Off late I have been getting a lot of queries regarding KYC and the changes announced recently. Here I try to give you some information regarding KYC.

What's KYC?
KYC is an acronym for "Know your Client", a term commonly used for Client Identification Process. SEBI has prescribed certain requirements relating to KYC norms for Financial Institutions and Financial Intermediaries including Mutual Funds to 'know' their clients. This would be in the form of verification of identity and address, financial status, occupation and such other personal information. Applicant must be KYC compliant while investing with any SEBI registered Mutual Fund.

Why does the Financial Institutions ask you for proof of your identity and address? The identification of a customer is a very critical process with a view to protect the customer interests by preventing from fraudsters who may use the name, address and forged signature to undertake benami / illegal business activities, encashment of stolen drafts, cheques, dividend warrants, etc. This also helps to safeguard Financial Institutions from unwittingly being used for the transfer of deposit of funds derived from criminal activity or for financing terrorism. Identification of customers will also help to control financial frauds, identify money laundering and suspicious activities, and for scrutiny / monitoring of large value cash transactions.

Are KYC requirements new? No, KYC requirements have always been in place and Financial Institutions have been taking KYC documents in accordance with the guidelines issued by RBI from time to time. RBI has revisited the KYC guidelines in the context of recommendations made by the Financial Action Task Force (FATF) on Anti-Money Laundering standards and on Combating Financing of Terrorism and enhanced the KYC standards in line with International benchmarks.

Is KYC mandatory? Yes, it is a regulatory and legal requirement.

Change in Know Your Customer (KYC) Compliance Requirements for Individual Investors

Notice is hereby given that, in accordance with the guidelines issued by Association of Mutual Funds in India (AMFI) vide its circular No 35/MEM-COR/62/10-11 dated October 07, 2010 regarding implementation of Know Your Customer (KYC) norms under Prevention of Money Laundering Act through CDSL Ventures Limited (CVL), effective 1st January, 2011 (Effective Date), it shall be mandatory for all individual investors, irrespective of the amount of investment, (except for investments through Micro Systematic Investment Plan (SIP) upto Rs 50,000 per year per investor) to quote the KYC Compliance Status of each applicant and attach a proof of KYC Compliance.

The Individual Investors for the purpose of KYC Compliance shall include (a) their constituent Power of Attorney (PoA) holder in case of investments through a PoA; (b) each of the applicants in case of investments in joint names; and (c)

guardian in case of investments on behalf of minor.

The aforesaid provisions shall be applicable in respect of all investments made on or after the Effective Date. Also, all references to the above provisions in Statement of Additional Information/Scheme Information Document/Key Information Memorandum(s) of the Schemes shall stand modified from the Effective Date.

All other terms and conditions of the schemes will remain unchanged. This addendum forms an integral part of the Statement of Additional Information/Scheme Information Document/Key Information Memorandum issued for the schemes of AMC as amended from time to time. Where and how does one get to be KYC Compliant? Does the investor have to repeat the KYC process with every Mutual Fund?

The Association of Mutual Funds of India (AMFI) has facilitated a centralized platform through CDSL Ventures Limited ("CVL"), a wholly owned subsidiary of Central Depository Services (India) Limited, to carry out the KYC procedure on behalf of all Mutual Funds. CVL through its Points of Service (POS) will accept KYC Application Forms, verify documents and provide the KYC Acknowledgement (across the counter on a best effort basis). The list of POS will be displayed on the websites of Mutual Funds, CDR, and AMFI. Once the KYC is duly completed in all regards, the investor needs to produce a copy of the acknowledgement when investing for the first time with a Mutual Fund. There is no need to repeat the KYC process individually for each mutual fund.

Do I need to inform about my change of income status?
Yes, if you find an increase/decrease in your income, which would effectively, changed the income bracket that you have declared in the KYC Application form, you should apply to any convenient PoS in the specified form. No proof is needed.

Is there a charge I need to pay to get myself KYC Compliant?
Currently, KYC is done free of cost.

What do I do once I have received my KYC Acknowledgement?
Once the investor is KYC compliant, it will be required to intimate his KYC details to all the Mutual Funds with whom it has investments by quoting the folio numbers. The same will be updated in the records of the Mutual Fund.

What are the documents to be provided by investors?
Investors in mutual fund schemes have to provide:

- (1) Proof of Identity
- (2) Proof of Address
- (3) PAN Card
- (4) Photograph

Important Numbers 24 Hour Chemists

Chemist Shops

Noble Chemists (Ghatkopar)
Khar Medical Stores (Khar)
Noble Chemists (Opera House)
National Chemists (Parel)
Parel Chemists (Parel)
Royal Chemists (Parel)

Telephone

25103281
26461329
23853130
24136860 / 24130164
24131299 / 24129751
24115028 / 24127422

Chemist Shops

Dilip Drug House (Vile Parle)
Empire Chemists (Vile Parle)
New Royal Chemist (Marine Lines)
Noble Medical (Santacruz)
Shiv Chemists (Sion)

Telephone

26182255
26718970 / 26722186
22004053
26498082 / 26001570
24097207 / 24024689

2 Nurturing Your Investments

Cool Gurus

Dear All,



Yours truly,
Mr. Dhavan Kataria
(Branch Manager, Borivali)

Firstly I would like to wish all our investors a happy and prosperous new year. I started my career 3 years back as a Manager Sales and feel proud of getting the opportunity of becoming the Branch Manager of the 1st Branch office of Shah & Shah Group.

This year has been of great importance to me as with your blessings and support we have now shifted from our old office to new bigger office on 2nd Jan, 2011.

Looking back, starting my journey in Shah & Shah as a Manager - Sales 3 years back, I have come ahead a long way, both in personal and professional front. Today I am confident in handling my responsibility and have got an opportunity to handle a team of six dedicated employees helping me to serve you better.

This new opportunity brings a lot of responsibility and trust which is bestowed on me by my management and the investors. I will give my best efforts to fulfill all the expectations.

We at Shah & Shah Group have a Vision of "Providing Peace Of Mind Through Appropriate Financial Solutions". We the team of Shah & Shah ensure you that we will strive hard to meet all your expectations.

I would welcome your feedbacks as your feedback will act as catalyst in improving our services for you and thus strengthening the bond which we share. So kindly feel free to text me on 9920300680 or email me at dhavan@snsgroup.in.

9 Lucky Financial Resolutions for 2011

- Create an emergency fund**
Nobody has seen the future or what unexpected events might come into our life. Best to be prepared with some cash that you can keep readily available for any emergencies - whether it's a unforeseen travel, or say a quick repair for your car.
- Get health insurance or renew my insurance on time**
Healthcare costs are rising very fast and are often unaffordable, unless you have health insurance. Make sure that your coverage is always valid and there are no gaps in renewal - medical emergencies don't come with a forewarning.
- Reduce the use of credit card debt**
Credit cards charge interest at anywhere > 30% per annum - don't fall into the credit card trap. Spend within your means and always remember that whatever you spend on your card still needs to be paid off by the end of the month.
- Educate myself about basic financial planning issues**
Financial planning is a major step towards achieving financial security. It can help you

The start of the new year is a great time to review your financial habits and set your resolutions for the year. We hope that the following **9 tips** help you achieve even more financial security in 2011.

- become better prepared for whatever life throws at you.** Do make yourself aware of basic issues such as your net worth, when your debts need to be paid off, your retirement goals, your capital needs to buy a house/car/appliances
- Pay my bills on time to avoid late fees**
We all delay paying our bills and before we know it we end up paying penalties and fines. If you have the money, pay your bills on time. Why make your budget operator or bank branch richer by paying them regular late payment fees?
- Utilize all the tax deductions available to me to save up to Rs 1 lakh**
Combine all the available deductions under section 80C and other taxes. You lose these if you don't use these! So, take advantage of these to reduce your tax payments.
- Maintain a budget tracker to control my expenses**
Do you know where all you are spending your hard-earned money? Just by regularly tracking your expenses you can identify whether you are living within your means or stretching yourself too much. Additionally, you can then understand what to do with your surplus funds, or what expenses you need to reduce to save more.
- Diversify my investments and match them to my risk profile**
Don't just rush into investments unless they are suited for your level of risk tolerance. Understand that sometimes it's best to diversify your investments to reduce risk.
- Prioritize financial goals that are important to me**
You will never hit the target if you don't even know what your goal is. So, identify and prioritize your financial goals and when you would like to achieve them by. For instance, do you know when you want to buy a house and its cost, what it will cost you for your daughter's wedding 20 years from now, or your retirement expenses 10 years from now?

Nurturing Your Investments 3

We blank the book, its pages are blank. We are going to put words on them ourselves. The book is called Opportunity and its first chapter is New Year's Day.
-Edith Lovejoy Pierce

Kid's Time



Try this!

Puzzle 2011

Find New Year Celebration related words in this puzzle by searching across, down and diagonally.

R	E	P	C	H	E	T	U	T	C	Y	
D	I	E	F	E	C	Y	N	U	H	R	E
A	N	P	R	I	O	L	U	D	I	E	M
N	B	E	R	I	O	E	I	D	E	O	R
C	A	E	S	C	T	T	B	S	R	T	E
E	R	G	T	T	T	B	R	I	D	V	
A	T	I	O	E	A	I	E	A	N	E	
I	Y	N	F	R	L	M	R	L	T	G	
J	A	N	U	A	R	A	E	C	L	E	
T	H	I	C	I	H	P	K	S	E	N	
E	A	N	O	M	I	D	N	I	G	H	
W	S	G	A	S	D	R	D	N	E	W	

BEGINNING	END	NEW
CELEBRATE	EVE	PARADE
CHEER	FIRE	PARTY
COUNT	FOOTBALL	SING
DANCE	JANUARY	TIME
DAY	MIDNIGHT	YEAR

Holi

Traditional concept

The spring season, during which the weather changes, is believed to cause viral fever and cold. The playful throwing of natural coloured powders has a medicinal purpose: the colours are traditionally made of Neem, Kumkum, Haldi, Bilva, and other medicinal herbs prescribed by Ayurvedic doctors. A special drink called thandai is prepared (commonly made of almonds, pistachio, rose petals, etc.), sometimes containing (Cannabis indica). For wet colours, traditional flowers of Falah are boiled and soaked in water over night to produce yellow coloured water, which also had medicinal properties.



A Young Man Celebrating Holi

Modern Issues - Synthetic Colors

As the spring-blossoming trees that once supplied the colors used to celebrate Holi have become more rare, chemically produced industrial dyes have been used to take their place in almost all of urban India. Safety issues were found with all these colors. The Holi colors are produced: pastes, dry colors and water colors.

The black powders were found to contain lead oxide which can result in renal failure. Two colors were found to be carcinogenic: silver, with aluminum bromide, and red, with mercury sulphide. The Prussian blue used in the blue powder has been associated with contact dermatitis, while the copper sulphate in the green has been documented to cause eye allergies, puffiness of the eyes, or temporary blindness.



A Natural Holi in Pune, an alternative to synthetic colors

The colorant used in the dry colors, also called gulals, was found to be toxic, with heavy metals causing asthma, skin diseases and temporary blindness. Both of the commonly used bases - asbestos or silica - are associated with health issues.

It was reported that the wet colors might lead to skin discoloration and dermatitis due to their use of color concentrate gentian violet.

Lack of control over the quality and content of these colours is a problem, as they are frequently sold by vendors who do not know their origin.

Save water, use organic colours and have a Happy Holi!!!

R	E	P	C	H	E	T	U	T	C	Y	
D	I	E	F	E	C	Y	N	U	H	R	E
A	N	P	R	I	O	L	U	D	I	E	M
N	B	E	R	I	O	E	I	D	E	O	R
C	A	E	S	C	T	T	B	S	R	T	E
E	R	G	T	T	T	B	R	I	D	V	
A	T	I	O	E	A	I	E	A	N	E	
I	Y	N	F	R	L	M	R	L	T	G	
J	A	N	U	A	R	A	E	C	L	E	
T	H	I	C	I	H	P	K	S	E	N	
E	A	N	O	M	I	D	N	I	G	H	
W	S	G	A	S	D	R	D	N	E	W	