

# FINANCIAL Insights

Powered by CRK Financial Solutions

## DO

WEAR MASK, WASH HANDS,  
MAINTAIN SOCIAL DISTANCE

**BE INSURED**



## DON'T

TOUCH YOUR  
NOSE, EYES, MOUTH &

**INVESTMENTS**

## Dear Friends



I do hope this letter meets you all in your good health and safety. I avail this opportunity to request you all for prayers and good wishes to all those who got infected by COVID 19 and fighting for proper recovery and well-being. Our prayers will help them to come out of this difficulty.

This pandemic situation is imparting few key lessons for us to be safe, healthy and to have some core practices in life.

Intimacy with known persons can be with heart, senses, help and understanding and more importantly with SOCIAL DISTANCE. We have to get adapted to technology, communication equipments, mobile application for getting our needs fulfilled. This could reasonably help us to be safe at home and going out, only if the situation is extremely warranting the same.

Personal hygiene is not just being clean but also being sensibly protected. Frequent hand wash using soap or quality hand sanitizer is required. Face Mask is another necessity to help curb spread of infection. Wearing a face mask is now being legally made mandatory and of course we are all very sensible to understand the importance of the same. I am sure we all shall have them included in our monthly grocery/medicine list.

We, have a reasonable learning about the process of treating the COVID 19 affected patients and the cost involved in this. It is very essential to be aware that the regular medical insurance policies taken personally or being provided by employers to their employees would not be covering the full cost of treating this disease and hence insurance coverage is needed and in this issue of our magazine in the "Arivu -Selvam" dialogue we

have given a basic know how on two policies namely CORONA RAKSHAK and CORONA KAVACH which are specially framed for CORONA.

We are jointly and prudently fighting against this pandemic and shall surely come out of this to witness a bright and smooth future.

I am delighted to share with you all that CRK Financial Solutions is now helping our customers to open and handle DEMAT Accounts. We are now associated with Edelweiss Broking Ltd for this. Please contact us by e-mail, Whatsapp to open account and to avail further assistance on this.

All the best!!!

*C. Ravikumar*

CEO., CRK Financial Solutions

## OUR MOTTO

**Don't find customers for the products,  
Find products for the customers**

👍👍 திருக்குறள் - குற்றங்கழிதல் - 437

செயற்பாலை செய்வாது இவ்நியானின் செயல்வம்  
உயற்பாலை தன்நிக் கெடும்.

வளிக்கம் :

செய்வம் சேர்ப்பது உரிய காலத்தில் உரிய செயல்களைச்  
செய்து கொள்வதற்கு. அது இல்லாமல் செய்வதின் மீது  
மடரும் பற்று கொண்டு செய்ய வேண்டியதைச் செய்யாமல்  
இருந்தால் செய்வம் வளராது மாறாக அழியும்.

## We're Social



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username

CRK Financial Solutions



Dear Ravi,  
We understand that gold is a good investment and it's always in appreciating mode but I have a question. How much gold can you keep at home as per income tax rules?

**Mr. Venkatesan - West Mambalam.**

Dear Venkatesan. Yes certainly gold is a good investment to make and the growth will always be good. In fact there are no specific rules in Income tax act or rules specifying the maximum limit for a person to store gold. However it is being advised by auditors and financial experts with few norms where there is no need to prove source of income or purchase proof for the following limits.

Category	Can have gold without proof on source
Married women	500 grams
Unmarried woman	150 grams
Male member of the family	100 grams

We get gold by inheritance or by purchase which are normal in India. But it is always better to be more vigilant to buy the gold only from reputed institution who give proper documents for the purchase. It is always prudent to keep such documents safe as it could help in any case of suspicion on the source of purchase.

I invest Rs 50,000 in equity funds through monthly SIPs. Most of the funds have given negative returns over the past 3 years. I will need 1 crore for my child's education in 8 years. Should I stop the SIPs and invest it in a safer option? I am in the 30% IT slab?

**Mrs. Seetha - kodambakkam.**

Equities do not generate consistent returns. Period of outstanding returns are normally followed by periods of negative or dull returns. Hence it is important to stay invested in equity MF schemes for a longer horizon. I insist you to stay invested and continue your SIPs in equity funds. This helps in reducing your average investment cost during steep market corrections like the current market scenario of this pandemic. However do review your portfolio every year

to make the necessary corrections. In case you plan to send your child overseas for higher education, do add one or two international funds in your portfolio..

*If you have any queries related to finance/ savings/ investments, we would be pleased to answer them.*

e-mail : radhukanna@gmail.com

Whatsapp : 9941606398.

## Joint holding and Nomination

You need to be aware of the important holding pattern, based on the mode of operation and accessibility.

### Either (Or) Survivor

This is the most common form of joint account. Only two individuals can operate the account i.e., primary account holder and secondary account holder. Both can access the account and transfer the funds.

The final balance and interest (if any) will be paid to the survivor on death of anyone of the account holders. The survivor can opt to continue the account.

### Joint

A joint holding can be between two individuals or a maximum of three account holders. Joint holding is established at the time of application by choosing the mode of holding to 'joint' or 'either or survivor'. This mode offers equal rights and authority to all investors. That means

signature of all the investors are needed for investment or closure.

So, it is always better to hold investment jointly under "Either or Survivor" mode.

### Nomination

Nomination is a facility that enables an investor to nominate an individual, who can claim the proceeds of the investments, post the demise of the original investor. If one wishes to hold investment in Single holding pattern, it is mandatory to nominate.

Also note that it is always better to have an investment in either or survivor mode which is even more better than having a nominee with a single holding pattern.

**PLEASE CHECK HOLDING PATTERN AND NOMINATION IN ALL YOUR EXISTING INVESTMENTS FOR A HASSLE FREE TRANSFER OF TITLE TO THE CLAIMANT.**

# Wealth that grows & Lasts Forever

PRINCIPLE NO: 5 - "PURPOSE DECIDES THE CHOICE"

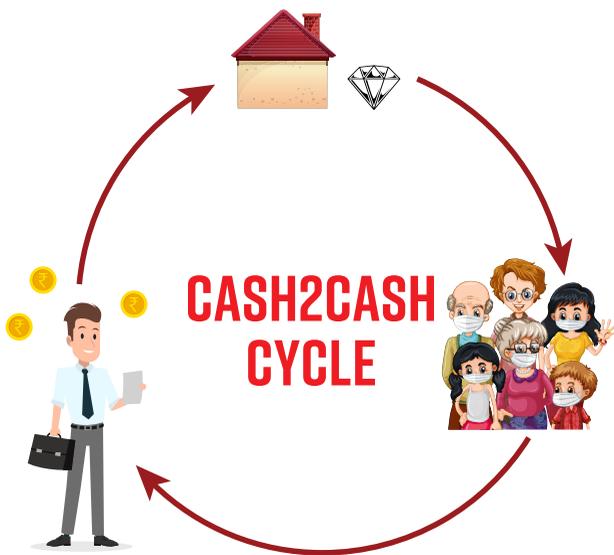
In the last 30 years in the financial services industry I have heard these dialogues very often.

## Where should I invest my money now in?

Before deciding on an asset, the questions that should be asked are;

- 1) When will I require this back?
- 2) How much will I require then?
- 3) For what purpose I will require that money?

Look at the picture given below:



This picture is called Cash2Cash cycle. A person works hard and earns money, from that money he buys assets (Like MFs, House property, Gold, Insurance policy, etc.,) and then over a period of time converts these assets into cash and fulfils his various needs. From this picture it is clear that, "CASH IS THE KING; ASSETS ARE INTERMEDIARY".



**Mr.R.Gopinath., CEO**  
Gopast Centre for learning Pvt Ltd

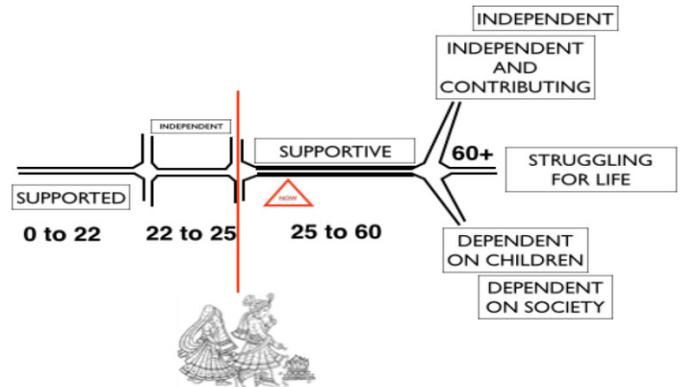
There are only two uses of assets;

- 1) Produce cash (Investment assets)
- 2) Used for Comfort, image or happiness. (Personal assets).

If that is the case then all the three questions asked needs to be answered.

For this, we need to draw a map of our life and mark junctions for which we will require money.

## How will a map of life look like?



### MAP OF LIFE

The first road that we had travelled was "Supported Road", where we were being financially supported by our parents (age 0 to 22) and then we travel to the next road called "Independent road" for a short distance (age 22 to 25) and now we are traveling the road "Supportive road" a long one (age 25 to 60) and thereafter we have three options as indicated in the map above. Let us discuss the 3rd road "Supportive Road".

Mark junctions on this supportive road. Divide the junctions into two categories.

- Not Negotiable Junctions and
- "Nice to have" Junctions.

In this exercise, we have understood the purpose of the buying decision. Without purpose, accumulation of assets does not give us the happiness. We allow the price to make us happy or otherwise. Such emotions blinds logic and therefore can be injurious in financial markets.

This randomness in selecting assets deprive us of the happiness related to fulfilment of a goal. Purpose defined in the beginning and then the choices of assets exercised gives us the following benefits:

1) The purpose allows us to pick the correct risk level that the goal can tolerate. For example goals like not negotiable goals need fund at the correct time, and therefore we may opt for lesser risk products or rebalance the portfolio as we keep nearing the goal. Whereas a "Nice to Have" goals can be funded with a little more risk exposure.

2) The purpose allows us to set the time span for holding-on to that asset. We can therefore select assets that are likely to give that estimated IRR in that longer period. Otherwise we will not have control during volatile times, we may quit the investment. This also gives us the discipline of continuing fresh investments so that the cost averaging works in our favour.

3) The purpose give us the happiness of progress. As we keep investing into our financial plan every month, every quarter, every half year, every year and one time big amounts, we are thrilled that we are adding value to our life.

So, fix the purpose, choose accordingly for a wealth that grows and tests for that given purpose.

தருக்குநர் - வினைத்தாய்கை - 659

அடிக்ககாண்ட என்னாம் அடிப்போம் இடிப்பிலும்  
பிரியகீகும் நர்பா ககை.

விகீகம் :

பிரகீகூத் துன்பம் தந்து ஈடப்பரும் லபாகூளம்  
கசல்வழும் , நம் கசல்வத்தகையும் அடித்துவரும். ஆனாக்  
பிரகீகூ நகீகை கசல்வதால் லபாகூளம் கசல்வழும்  
இடிந்தாலும் அகைவ பகீகநர் லபரும் அகைவல் கலபமாக  
வந்து கசரும்.

## SMART THINGS TO KNOW

### *Large Cap Companies*

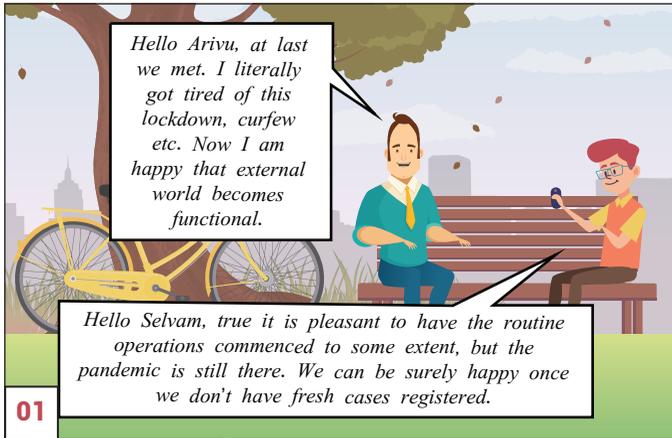
According to SEBI, large Cap companies fall in the top 100 of the list of companies according to market capitalization. Hence, investing in these companies is considered to be less risky and steady.

### *Mid Cap Companies*

According to the SEBI, mid-cap companies are those which are ranked between 101 and 250 in the list of companies according to market capitalization. To give you a fair idea, the market capitalization of the 101<sup>st</sup> company on the list is around INR. 30,000 crores, while the market cap of the 250th company is around INR. 9,500 crores.

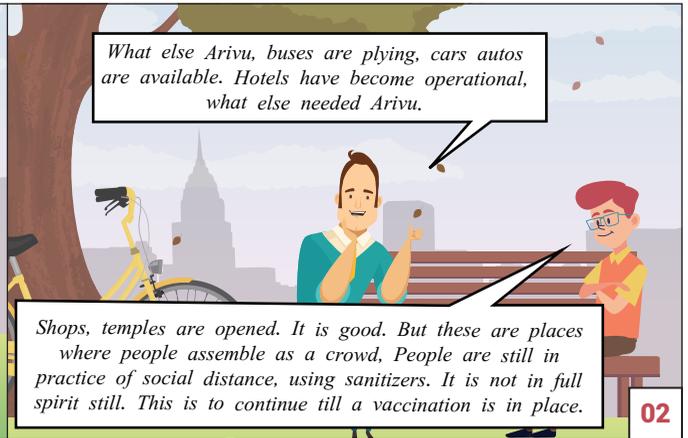
### *Small-Cap Companies*

According to the SEBI, small-cap schemes need to invest at least 80% of their total assets in small-cap companies. Also, SEBI defines small-cap companies as those which are ranked below the 250th rank in terms of market capitalization. In monetary terms, these are companies with a market capitalization of less than INR. 500 crores.



Hello Arivu, at last we met. I literally got tired of this lockdown, curfew etc. Now I am happy that external world becomes functional.

Hello Selvam, true it is pleasant to have the routine operations commenced to some extent, but the pandemic is still there. We can be surely happy once we don't have fresh cases registered.

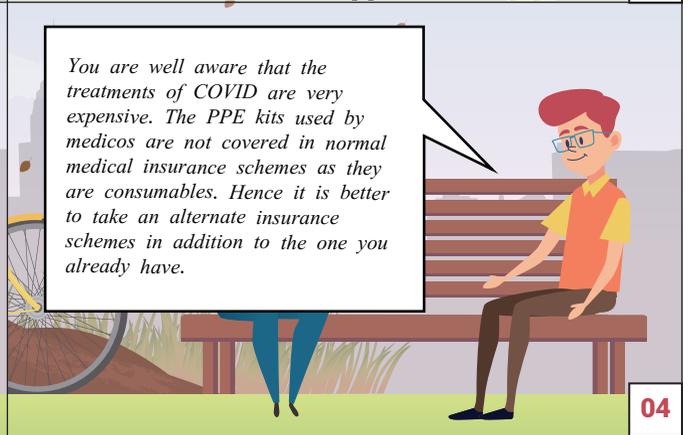


What else Arivu, buses are plying, cars autos are available. Hotels have become operational, what else needed Arivu.

Shops, temples are opened. It is good. But these are places where people assemble as a crowd, People are still in practice of social distance, using sanitizers. It is not in full spirit still. This is to continue till a vaccination is in place.



As you mentioned vaccination, I wish to know features of any mediclaim policies.

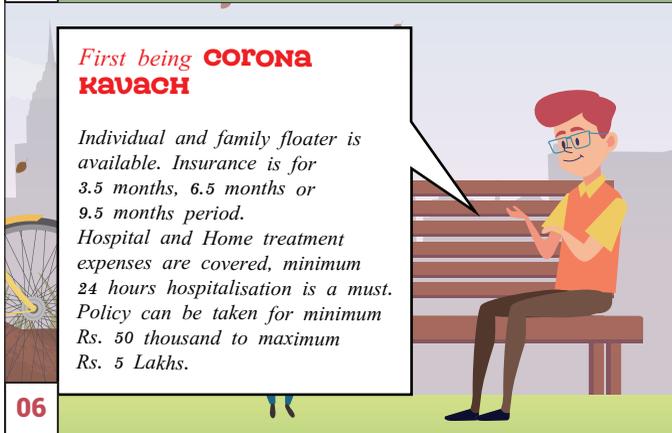


You are well aware that the treatments of COVID are very expensive. The PPE kits used by medicos are not covered in normal medical insurance schemes as they are consumables. Hence it is better to take an alternate insurance schemes in addition to the one you already have.



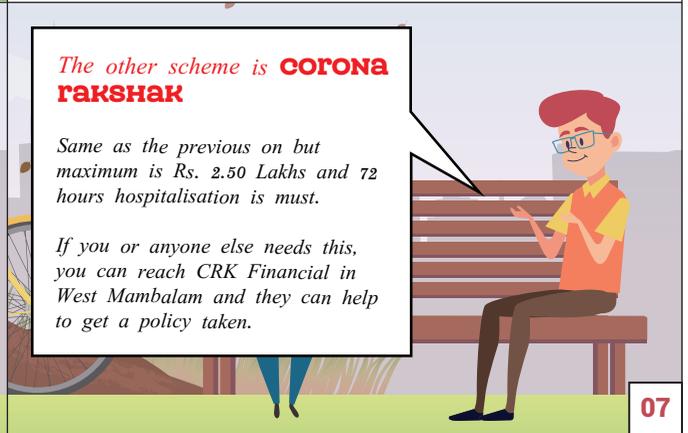
Then are there schemes for this? I mean exclusive for COVID

Yes Selvam. All insurance companies have two good schemes.



### First being **CORONA KAVACH**

Individual and family floater is available. Insurance is for 3.5 months, 6.5 months or 9.5 months period. Hospital and Home treatment expenses are covered, minimum 24 hours hospitalisation is a must. Policy can be taken for minimum Rs. 50 thousand to maximum Rs. 5 Lakhs.



### The other scheme is **CORONA PAKSHAK**

Same as the previous on but maximum is Rs. 2.50 Lakhs and 72 hours hospitalisation is must.

If you or anyone else needs this, you can reach CRK Financial in West Mambalam and they can help to get a policy taken.



## HIGHEST INTEREST RATES ON FIXED DEPOSITS SCHEMES

FD Name	Rating	Interest Rate * (Up to)
Govt of India Bonds (RBI) Taxable	FLOATING RATE HALF YLY INTEREST PAYOUT	7.15%
Shriram Unnati Deposits	MAA+ by ICRA, FAA+ by CRISIL	8.56%
Bajaj Finance Ltd	FAAA by CRISIL, MAAA by ICRA	7.35%
PNB Housing Ltd	CRISIL FAAA	7.15%
Sundaram Home Finance Ltd.	ICRA MAA+	6.75%
Mahindra & Mahindra Financial Services Ltd	CRISIL FAAA	6.55%
ICICI Home Finance	FAAA by CRISIL, MAAA by ICRA	6.35%
HDFC Ltd.	FAAA by CRISIL, MAAA by ICRA	6.23%

\* Highest rate including additional interest for Senior citizens, employees etc. wherever applicable.  
\* As of September 2020.

## FUND PERFORMANCE CHART - OUR FAVORITE EQUITY FUNDS

Fund Name	Category	NAV*	1 Year	3 Year	5 Year
Mirae Asset Emerging Bluechip Reg-G	Large Cap	57.60	15.97	6.60	14.49
SBI Small Cap-G	Small Cap	58.64	22.15	6.56	14.25
Axis Small Cap Reg-G	Small Cap	33.17	17.11	9.10	12.36
Axis Focused 25-G	Multi Cap	29.07	9.73	5.38	11.24
Axis Midcap-G	Mid Cap	41.57	20.33	10.12	10.90
Axis Bluechip-G	Multi Cap	30.60	8.39	8.44	10.75
Mirae Asset Large Cap Reg-G	Large & Mid Cap	51.25	8.50	4.55	10.49
Kotak Standard Multicap Reg-G	Large & Mid Cap	124.26	12.43	3.65	9.40
Kotak Equity Opportunities Reg-G	Large & Mid Cap	34.55	5.25	2.86	9.15
ICICI Prudential Bluechip-G	Large Cap	40.94	4.76	2.89	8.06

## FUND PERFORMANCE CHART - OUR FAVORITE DEBT & DYNAMIC FUNDS

Fund Name	Category	NAV*	1 Year	3 Year	5 Year
Axis Short Term Bond Fund - G	Debt	23.32	10.28	8.21	8.31
ICICI Prudential Medium Term Bond B - G	Hybrid	32.06	9.21	6.83	7.58
ICICI Prudential Balanced Advantage - G	Hybrid	37.72	9.19	5.89	8.17
ICICI Prudential Floating Interest - G	Debt	315.01	9.02	7.59	7.91
Kotak Low Duration Standard - G	Debt	2571.25	8.48	7.80	8.11
LIC MF Banking & PSU Debt - G	Debt	26.88	8.35	8.25	7.88
HDFC Low Duration - G	Debt	43.83	7.78	7.24	7.49
ICICI Prudential Asset Allocator (FOF) - G	FoF's	58.99	7.57	6.76	9.51
SBI Savings - G	Debt	31.96	6.42	6.90	7.25

All Equity funds ranked on 5-year returns. Debt funds ranked on 1-year returns.

\* NAV as of 21.09.2020.

# CRK TYING UP WITH EDELWEISS BROKING LTD

## OPEN YOUR DEMAT ACCOUNT NOW



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- BSE
- Commodities
- Futures & Options

### *Hear from our Clients*



*“We (our entire family) are always appreciative of the seamless effort and drive shown by Ravi and his team either in getting a new product or servicing them till maturity. It is very hard to get such a honest and go to person, I would say. No wonder, I saw him, by myself, growing as an individual, then as a team and now he is in a position to run his own investment management company. Congrats and best wishes to reach heights in your journey.”*

**- Mrs. Latha Gopalan,**  
Yoga trainer and Educationer



*“Amazing service is a small word for CRK services I started my saving habit by persistence of Mr. Ravikumar a decade back I want to stay with them forever. If I ever hear anyone needing help with insurance or financial planning, investments CRK SERVICES is the only choice, they have stood by me whenever I needed any help with my investments. The speed of personalised service is excellent, staff are professional & available over a call to offer you help beyond call of duty hours too, it is a lucky charm investing through them & our wealth has been growing, i also love the monthly newsletters. Best wishes to CRK to scale bigger heights in business.”*

**- Mr. G Krishnamurthy**  
Co-Founder, 3A Business Consulting

### A NOTE TO OUR DEAR READERS

“Financial Insights” is an investor awareness publication by CRK Financial Solutions. It is being sent to some of you on a complimentary basis as part of our humble effort to ensure that more & more investors are made financially aware so that they get the best from their savings & investments. We sincerely hope that you like the contents of Financial Insights and in some way benefit from the same. Moreover, we would be happy to receive your feedback on the contents of this publication, we request you to please let us know by sending us an email on [webmaster@chequeleaf.com](mailto:webmaster@chequeleaf.com). Alternatively, you can even write to us at our office address:

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