

## Market News

- Pensions funds regulator PFRDA has introduced trail commissions in NPS investments through d-remit facility. With this, Points of Presence (PoPs), distributors in MF parlance, will receive trail commission at the end of year for bringing in fresh inflows in NPS accounts. In a circular, PFRDA said, "In order to support the Points of Presence (POPs) for their significant efforts and resources deployed by them for sourcing NPS Accounts and make them sustain their NPS outreach efforts, it has been decided that the trail commission shall be payable to POPs w.e.f. 01.09.2022."
- Pension Fund Regulatory and Development Authority (PFRDA) intermediaries have decided to reduce the timelines of various transactions under the National Pension Scheme (NPS) to provide a better subscriber experience and fulfil their evolving needs. That said, PFRDA reduces the timeline for execution of withdrawal requests under the NPS account to a T+2 basis from a T+4 basis.
- August 2022 has been tremendous for the MF industry. The industry reported all time high numbers across all key data points be it monthly SIP contribution (Rs.12,693 crore), SIP AUM (Rs.6.40 lakh crore), SIP accounts (5.72 crore), total folio count (13.65 crore) and average AUM (39.53 lakh crore).
- Singapore based iFAST Financial has exited its India business. The company sold its distribution business to Prudent Corporate Advisory. iFAST Financial managed assets of Rs.2000 crore as on March 2022.
- SEBI has asked new RIA applicants and existing RIAs to approach BSE Administration and Supervision Limited (BASL) to seek support for registration and post registration activities of investment advisors.

- SEBI has reconstituted its advisory committee on Investor Protection and Education Fund (IPEF) and appointed Monika Halan as the Chairperson. Monika is noted author, writer, speaker and professor, NISM.

## Expert Corner: Teaching your clients the importance of Health Insurance

Health insurance is a type of insurance that covers medical expenses that arise due to an illness. These expenses could be related to hospitalisation costs, the cost of medicines or doctor consultation fees, etc.

As per government statistics over 70% of health care is paid from personal savings. Medical expenses can wipe out one's lifelong savings. Most of us would have seen friends and family going through distress because of high medical expenses triggered by the Covid Pandemic.



Health insurance premiums increase with age and one may encounter health issues that will make them ineligible for health insurance coverage at a later age. It is pertinent to note that company-provided health policies can fail in case one changes jobs. Hence an independent health insurance policy is recommended even when one's company covers your medical expenses.

Buying Health Insurance will help one deal with medical uncertainties in a much easier and better way without putting any severe burden on an individual or their family. The earlier you avail yourself of health insurance, the more beneficial it is.



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***Arthasadhana Investments empowers clients to take well informed investment decisions. Their mission is to provide investment services by promoting the highest standards of ethics and professional excellence for the ultimate benefit of their investors and the society at large"***

Public Provident Fund (PPF) account is one of the most popular long term investment options for individuals with low-risk appetite as both the money in the PPF account and the returns it generates are guaranteed. Here are the features:

- This account can be opened with a minimum investment of Rs. 500
- PPF interest rate for the second quarter of the FY 2022-23 i.e. from 1st July to 30th September 2022 has been fixed at 7.1%. PPF is a long term investment with a lock-in period of 15 Years (can be extended in blocks of 5 years thereafter).
- The tax benefit one can get on this is upto Rs 1.5 lakh under Section 80C.
- Individuals can open a PPF account at post offices or through nationalized banks and major private banks like ICICI, Axis, HDFC, etc. The PPF account can be transferred from the bank to the post office or vice versa. It can also be transferred between different branches of the same bank.
- Only an Indian resident can only open a PPF account
- NRIs are not eligible to open PPF accounts. However, a resident Indian who has become an NRI after opening an account can continue the account until maturity
- Parents/guardians can also open PPF accounts for their minor children
- Opening of joint accounts and multiple accounts are not allowed
- Premature closure of PPF accounts is not permitted within 5 years of opening the account. Thereafter it can only be closed on specific grounds such as life-threatening ailments affecting the account holder, spouse, dependent children or parents. Supporting medical documents have to be produced to support a claim on these grounds.



## Investor Corner: Importance of Goal Based Planning

### ***Make it a GOAL to plan for your GOALS !***

How often do you go for a movie without booking tickets in advance or without planning a day and time of the show you wish to watch it at? Probably the answer is 'never'. So, leaving your family's financial goals to chance is a cost only a few can afford. Carefully planning for your goals with an expert help can mitigate these risks. This starts with identifying your financial goals and tagging them with a date and corpus value required for. they are further clubbed as a NEED or a WISH on priority scale. You may then earmark your current assets for the important goals vis-a-vis the corpus required. You are now clearly aware of how much to save more and in what time frame? So, before going for that guaranteed return insurance policy or a dream stock portfolio or a second or third real estate or a super safe bank FD, check with your financial advisor whether it is ALIGNED to your priority financial goals.



***Sushil Parashar, Founder, Profital Asset Services***

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