

# How can a Registered Investment Advisor help you?



To know more, contact your  
Registered Investment Advisor today.

Good gets *better*



An Investor Education & Awareness Initiative of  
 **Nippon India Mutual Fund**

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### Helpful information for investors

All Mutual Fund investors have to go through a one-time KYC (know your Customer) process. Investors should deal only with registered mutual funds, to be verified on SEBI website under 'Intermediaries/ Market Infrastructure Institutions'. For redressal of your complaints, you may please visit [www.scores.gov.in](http://www.scores.gov.in). For more info on KYC, change in various details & redressal of complaints, visit <https://mf.nipponindiaim.com/InvestorEducation/what-to-know-when-investing.htm>. This is an investor education and awareness initiative by Nippon India Mutual Fund.

### Disclaimer

The information provided in this booklet is solely for creating awareness about mutual funds and for general understanding. The views expressed herein constitute only the opinions and do not constitute any guidelines or recommendations on any course of action to be followed by the reader. Many of the statements and assertions contained in this booklet reflects the belief of Nippon Life India Asset Management Limited, which may be based in whole or in part on data and other information. Nippon Life India Asset Management Limited (formerly known as Reliance Nippon Life Asset Management Limited) does not guarantee the completeness, efficacy, accuracy or timelines of such information. This information is not intended to be an offer or solicitation for the purchase or sale of any financial product or instrument. Readers of this booklet are advised to seek independent professional advice, verify the contents and arrive at an informed investment decision. Neither the Sponsor, the Investment Manager, Mutual Fund, the Trustee, their respective Directors, nor any person connected with it accepts any liability arising from the use of this information.

## PREFACE



The Mutual Fund industry has grown fast to become an important component of the Indian economy, helping channelise household savings into the capital market. Moreover, Mutual Funds investment has become an important way for citizens' private investment and wealth management. In light of this, investor education is an important aspect to keep the investor well informed, as well as protect their legitimate rights and interests, particularly for small and medium investors.

This booklet is a specific exhibition of Nippon India Mutual Fund's efforts to spread awareness and continue building the investors' knowledge. It explains investment related information in simple language and in a lively and vivid manner. I am sure, investors of all kinds will find value in this booklet and be encouraged to use this as a stepping stone towards practicing financial prudence.

All the very best and happy reading.

A handwritten signature in black ink that reads "Sundeep Sikka". The signature is written in a cursive style with a long horizontal line underneath.

**Sundeep Sikka**

Executive Director & CEO

Nippon Life India Asset Management Limited

(Formerly known as Reliance Nippon Life Asset Management Limited)

# MANAGING YOUR INVESTMENTS

We often find it easy to manage our mutual fund investments on our own. However, over time, the following factors may make this task quite demanding and challenging:



Lack of time available to monitor the performance of various funds



Complex financial situations as one nears the career peak



Investment scenario is ever-changing and some rebalancing may be required



Investment goals are dynamic



**Professional financial advice can go a long way which may help you lead a safe, secure and happy financial life.**

# YOUR REGISTERED INVESTMENT ADVISOR

A registered investment advisor has the requisite training, experience, expertise and resources to offer a customized and comprehensive financial solution.

Understands your current financial situation, goals and risk tolerance

Helps you develop a financial roadmap that covers important life events



Has access to market information and events that can affect your financial decisions

Builds an investment strategy with an action plan to realise your short term and long term goals through regular investing



**The key role of your registered investment advisor is to get you on a simple plan and help you stay on track.**

# A FINANCIAL PLAN

Your registered investment advisor works closely with you to draw up a financial plan.



## Meeting with your registered investment advisor will typically involve:

- ✔ Guidance on your investment choices and goal prioritization
- ✔ Assessment of your current financial situation by asking you relevant questions
- ✔ Identification of your attitude towards risk
- ✔ Discussion on the objectives that you wish to achieve

## Be prepared to answer these questions

- What are your current savings and investments?
- How much do you plan to invest?
- What is the time horizon that you look to invest for?
- What is the level of risk you are prepared to take?
- How much return do you expect from the investment?



A well thought through financial plan is the foundation for working towards achieving your investment goals.

# YOUR RISK TOLERANCE

Your ability to take risk depends upon how willing you are to endure market's ups and downs in exchange for more growth potential over the long term.

Your risk-taking ability will determine the allocation to different asset classes.



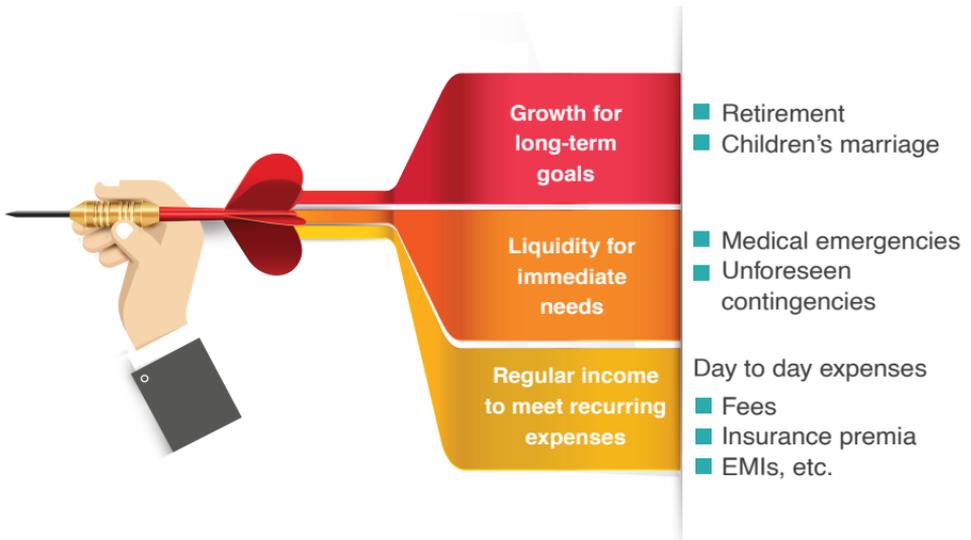
Investments that have potential to generate higher returns are also more risky. Only you can decide how comfortable you are with that trade-off.



Your registered investment advisor will understand your risk appetite and help you determine the risks and potential rewards of each type of mutual fund.

# YOUR GOALS

Typically, investors have three primary needs:



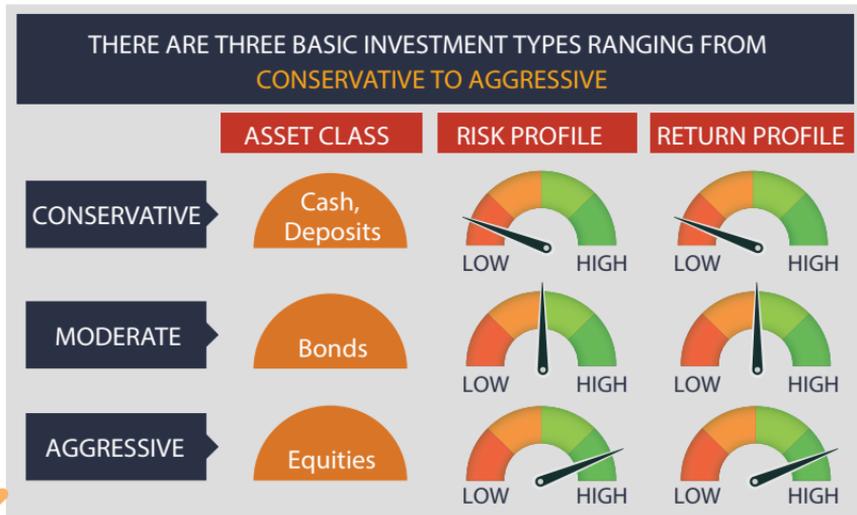
Asset allocation will depend on how important each of these needs are, and therefore how much investment they require.



Your registered investment advisor will create a portfolio of different mutual funds, which will cater to these diverse needs.

# YOUR ASSET ALLOCATION

Once your registered investment advisor understands your investment goals and assesses your risk appetite, return expectation and time will determine your asset allocation between various assets classes.



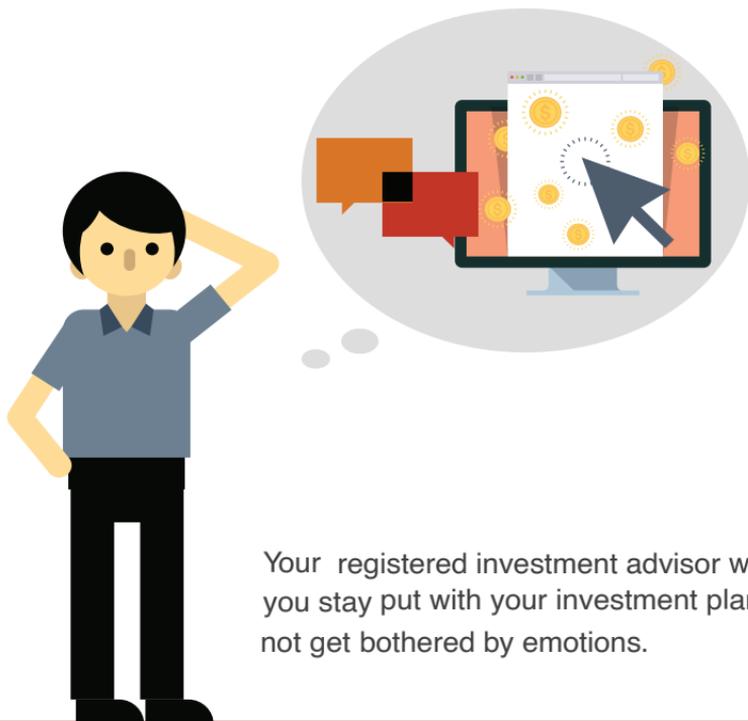
He will help you choose funds amongst different asset classes such as equities, debt, cash, gold, real estate and international assets, such that it suits your risk tolerance and your goals.



Your asset allocation strategy will be the key to determine how to diversify your portfolio and when to rebalance your portfolio.

## ELIMINATE EMOTION OUT OF INVESTING

It is common human behavior to get caught up by hearsay or media hype or fear and buy or sell investments at the peaks and valleys of the cycle.



Your registered investment advisor will help you stay put with your investment plan and not get bothered by emotions.



**Your registered investment advisor will put space between you and your investments so that you don't make emotional decisions.**

# CHEAT SHEET TO CHOOSE A REGISTERED INVESTMENT ADVISOR



Check whether the registered investment advisor has the requisite qualifications to provide financial advice.



**Interview him** - To find out his area of practice, experience, performance and scope of services.

Is he **well qualified**?

Is he **AMFI certified**?

Find out whether he only provides financial advice on mutual funds or offers **comprehensive services including estate planning, insurance, retirement and tax planning.**

**Understand the advisory process or philosophy** that the advisor follows and decide if it suits your style of working.



Take time to find a registered investment advisor who meets your needs and works in your best interest.

**MEET YOUR REGISTERED INVESTMENT ADVISOR  
PERIODICALLY TO REVISIT YOUR FINANCIAL  
PLAN TO ENSURE IT IS ON TRACK AND  
MAKE AMENDS, IF NECESSARY.**



**Nippon *india* Mutual Fund**

Wealth sets you free

**SMS 'EDU' to '561617'**

Visit <https://mf.nipponindiam.com/InvestorEducation/home.htm>

SMS charges apply.

**Mutual Fund Investments are subject to market risks, read all scheme related documents carefully.**