



NEW DELHI UPDATE

Bulletin of Rotary Club of New Delhi

R.I. District 3010

Vol. VII No. 24 December 12, 2011

PERSONAL INVESTMENT AND WEALTH MANAGEMENT THE BROAD BRUSH APPROACH



Mr. Lalit Khanna, Executive Director, Escorts Securities Ltd., New Delhi addressing our members at our regular weekly meeting on 8th December 2011 said, in Personal Investments the correct approach is how you manage your wealth, if you have inherited anything from the family. You should know what is your wealth and you should apply your mind where to invest your money to get best returns. You must devote sometime on your investments to get higher returns. My presentation this evening is directed for persons who want higher returns on their investments.

First and paramount thing is to have global view of everything. The two things you must know

are: What is the return you are likely to get and what is the risk for the period you are holding this investment?

You have to have an overall approach. You have to have an edge over the market. You should ask yourself a question: How much my money will grow from my investment over a period of time? First have a Broad Brush Approach.

Be all encompassing, review alternatives of a great variety, seek multibaggers, have diversified investments, be intuitive and adaptive, avoid analytical and mechanical sales pitches. Market is very flexible. Market knows much more than you. Seek non-consensus off the cuff but reliable assessment of value. Avoid any

analytical features you get from mind-boggling approaches of sales people. You should first make a crude judgement yourself. Your judgement gets sharpened out gradually.

You should try to know the market efficiency. Seek inefficient markets and use efficient markets as bench marks only. Do not get enamoured from the research reports published in papers or journals. They could be doctored. You will not make great fortune from efficiently managed companies. If you want large gains look for companies which are not doing very well. You will not find any research reports on these companies and the sales people will also not recommend you to invest in such companies. Look at the best value of the company and compare it with the market value. Make

NEXT MEETING

Thursday 15th December 2011
India Habitat Centre, New Delhi
Time: 7.15 p.m.
ANNUAL GENERAL MEETING
Followed by Dinner



assessment of value for 5 years from now for such companies. Value pays off better in the long run. You have to assess and judge value vs. growth. Value follows and emerges out from reliable economic analysis. Price and value leans on investor biases. You have to look for great winners.

Finbiz.com is a website on which all future items are available. Americans have created a market for whatever item they could think of putting in the market.

Mr. Khanna, added that he personally does not think that anyone will have an edge by investing in the bullion market. Lot of people are today investing in gold and silver as prices are currently going up.

Risk in investment is unavoidable and inevitable in any investment scheme. There is risk in everything whatever you may touch, so assess one sigma limits. Therefore you need to diversify your investments. If your investments are diversified, you can afford to bear the brunt of losses, if any, in some of your investments. Diversification does provide for a free lunch. Once you know you have made a mistake in a particular investment, exit from that investment. Some risks may be hidden and unquantifiable. Cycles change dramatically. You have to go through various business cycles. Cycles change future returns. Cycles therefore also alter risks sharply.

Today, property prices have been rising dramatically. Property is over priced today. Yields are much lower. The rentals are also lower. Property prices are going up speculatively. There is a big vacuum in the number of houses or dwelling units we are making available and the

number of people who are going to use them. There is a big demand and supply gap. Today prices of properties in Delhi are higher even from the prices of properties in Tokyo.

You will make your best returns when the world is mistaken and you are right. You have to do your own economic analysis and take your decisions yourself and manage your risk. Knowing the size of variability attached with future events and the odds attached is not always feasible. As such diversification in small lots is the key to managing risks for survival, prosperity and growth.

Assimilate the cyclical nature of the market. The economic cycles, industry cycles and credit cycles present risks and opportunities. Turning points can be forecast but without any accuracy. It is easier to know whether you are in a boom or bust. You have to extrapolate at extra risk to yourself.

Best returns are made when the world is wrong and you are right. Great homework and iterated validation is needed to establish the validity of the contrary position. Remember generally the world is right, but may be also wrong in a very small minority of cases. You should put on paper what you think the world does not know and you should know all that the world knows. You have to do your own homework. You have to have an access to the information. You could talk to the Stock Brokers, Advisors, Property Dealers, Financial Planners, Company Secretaries, Company Auditors etc. You have to be multibaggers and ask yourself how much your investment should grow in next five years.

Gold is going up because commercial Banks believe that currency will diminish in value over a period of time. Gold is a commodity which is considered difficult to touch.

There are bargains in investments too although everyone hates it and the smart money stays away from it. It is a natural you vs. the world alternative.

It is also closer to bankruptcy or too small or unknown.

Patience pays. You have to know when to pull the trigger. You must pass most choices and focus on a small number every year, even none, if nothing extraordinary presents itself. Knowing the stage of business or economic cycle can help forecast or atleast compensate for the inability to forecast. As such, it is very important that we should know where we stand.

To cut your losses early, let your winners run and you should cut your errors early.

There is no success without time and effort. Success leans on a 24x7 approach to Wealth Management. If it is on your mind all the time you will do well. Other investors will provide leads and project shape and clarify your ideas. Locate them, befriend them and meet them regularly.

Be patient. Seek extraordinary edge every time. Know your economic, credit and business cycles. Seek value bargains in inefficient markets. Diversify your investments. Let your winners run and you should cut your losses early for higher growth and best returns from your personal investments, advised Mr. Lalit Khanna in his highly enlightened presentation giving different perspectives of Wealth Management. □

VALID NOMINATIONS FOR NEW BOARD OF DIRECTORS FOR ROTARY YEAR 2012–13

President Rtn. Rajen Mata informed that the following nominations have been received for various offices on the Board of Directors for Rotary Year 2012–13. After last date of withdrawal and scrutiny same have been found to be in order. Since only the requisite valid nominations have been received for various offices on the Board, they will be officially declared as elected unopposed at the forthcoming Annual General Meeting of the Club on Thursday, 15th December 2011.

President	:	Rtn. Ashish Makhija
President Elect	:	Rtn. Surendra Singh
2 Vice Presidents	:	Rtn. Vinod Gupta Rtn. Umang Das
8 Directors	:	1. Rtn. Daljit Bhatia 2. Rtn. Kashish Chandan 3. Rtn. Prashant Sahgal 4. Rtn. Pankaj Rai 5. Rtn. P.K.D. Nambiar 6. Rtn. Gaurav Bhargav 7. Rtn. Madhumati Singh 8. Rtn. Sanjay Kapur

The Secretary, Jt. Secretary and Treasurer will be selected/nominated from amongst the eight elected Directors by the New President and the New Board at their first informal meeting. The Club Trainer and the Sergeant-at-Arms will also be appointed/nominated by the New Board at its first meeting. President (2011–12) Rtn. Rajen Mata will be the ex-officio member of the new Board for 2012–13 and will serve as Immediate Past President from 1st July 2012.

APPRECIATION FROM DGN Rtn. VINOD BANSAL

Dear President Rajen ji,

It has been my pleasure to read regularly about the activities of your Club through your weekly newsletter, 'New Delhi Update'.

I am glad to note that your Blood Donation Camps so far have been very successful and the number of units collected exceeded 1000 units in the first four months of the Rotary year. I also observed that the ongoing Digital Literacy Project is doing very well. It is a matter of pride that schools at Rampur, Nazibabad and Sonapat will also be covered soon. Your Interact Clubs have been very active, as always.

Nice to learn that you have inducted new members including a Military Attache' from the Government of Switzerland.

With Rotary Regards

Vinod Bansal, DGN 2013–14

DENTAL CAMP AT M.C.D. SCHOOL, MALVIYA NAGAR

On 30th Nov. at 10 am we: Rtns. Pran Mehta, Madhumati Singh, Neerja Baheti, President Rajen Mata, R'anns Lata Gupta and Rashmi Makhija met at MCD Girls School, Malviya Nagar, New Delhi.

- A talk by Dr. Priya Ahluwalia, Dentist, Daughter of Rtn. Pran Mehta interacting with the students about oral hygiene and dental care. Beautiful books with colourful illustrations were distributed to the staff.
- We visited the Computer Centre at the School and took down the requirements, the repair and upgradation of Computers and on-the-job training of basic computer knowledge to few teachers.
- The Certificates of Appreciation for helping in Health Camp were given to the Doctors and School Staff.

Reporting by: Rtn. Madhumati Singh

ANNUAL SPORTS EVENT AT SARASWATI VIDYALAYA



The school celebrated its Annual Event 'Synergy 2011' on 25th November in the school premises. The program began with the welcome of the Chief Guest, Dr. Kiran Datar, former Dean of Colleges, Delhi University, by the School's Chairperson Mrs. Anuradha Singh and Secretary Mrs. Leela Jain. The School Principal, Dr. Manisha Sharma read the welcome address which was followed by the Guard of Honour by Students and the School Band. The other dignitaries present were Padamshree awardee Sh. R.S. Lugani and Mrs. Ritu Das, senior member of the management. There was a spectacular presentation of Calisthenics, Yoga, Aerobics and Dance. The students spell bound the august gathering with their well choreographed and innovative dance presentations like "Lion Roar: victory of good over evil" and "fusion of east and west".

The tiny tots of primary wing sensitized the audience about the degrading of environment with the colourful dramatic presentation 'Save Mother Earth'.

An important feature of the event was presentations of Art & Craft, Mathematics, Science and Computer departments in the form of an exhibition, displaying the innovative and creative fervour of the students. Chief Guest Dr. Datar congratulated the students for such a wonderful show and urged them to be the "Agents of Change". The program came to a befitting end with prize distribution to the outstanding performers and a vote of thanks by Vice Principal, Mrs. Rini Rakesh.

MINUTES OF LAST MEETING

- The 323rd regular weekly meeting held on 8th December 2011 at DECK Suite, India Habitat Centre, Lodhi Road, New Delhi was called to order by President, Rtn. Rajen Mata.
- National Anthem was led by Rtn. P.K.D. Nambiar.
- President welcomed all present and said today is the first meeting of experimenting the club meetings over Dinner. Next three meetings this month on Dec. 15, 22 and 29, 2011 will also be held here at India Habitat Centre at 7.15 pm followed by Dinner.
- President extended a very warm and cordial welcome to our Chief Guest of the evening, Mr. Lalit Khanna, who has very graciously consented to address us in spite of very very short notice.
- President also welcomed a visiting Rotarian from Pune, VP Rtn. Bimal Mookherji from Rotary Club of Pune Downtown and invited him to briefly introduce himself.
- Introducing himself Rtn. Bimal Mookherji said he is currently Vice President of his club, Rotary Club of Pune Downtown and President Elect for 2012-13. Their Club is 26 years old and celebrated Silver Jubilee last year. They have 53 members. Their club is considered as Premier Club in their R.I. Dist. 3131. They have 3 major continuously ongoing major service projects since last 10 years: Gift of Mobility, Gift of Vision and Gift of Education. They plan to contribute US \$ 50,000 to The Rotary Foundation this year.
- President announced that after last day of withdrawal and scrutiny of Nomination Papers, the following will be officially declared elected unopposed/uncontested as Members of Board of Directors of our Club for the Rotary Year 2012-13 at the AGM on 15th December 2011:

President : Rtn. Ashish Makhija
 President Elect : Rtn. Surendra Singh
 2 Vice Presidents : Rtn. Vinod Gupta
 Rtn. Umang Das
 8 Directors : 1. Rtn. Daljit Bhatia
 2. Rtn. Kashish Chandan
 3. Rtn. Prashant Sahgal

- Rtn. Pankaj Rai
- Rtn. P.K.D. Nambiar
- Rtn. Gaurav Bhargav
- Rtn. Madhumati Singh
- Rtn. Sanjay Kapur

The members of the new team on the Board of Directors for 2012-13 were congratulated with a loud applause.

- President acknowledged the presence of R'ann Kitty Bhatia and R'ann Rita Mehra.
- President also welcomed the Guest of Rtn. Madhumati Singh. Madhumati introduced her Guest, Dr. Harinder Sekhon and said she is a prospective member for our club. Madhumati knows Dr. Harinder for more than 18 years.
- President invited PP Rtn. Daljit Bhatia to introduce the speaker of the evening, Mr. Lalit Khanna, Executive Director of Escorts Securities Ltd. Daljit said, Dr. Ashok Aggarwal, who was originally scheduled to come today evening had to rush to Chandigarh to attend to his father who suffered a heart stroke and is admitted to PGI at Chandigarh. We are grateful to Mr. Lalit Khanna who very graciously consented at a very very short notice to address our members today evening.
- Mr. Lalit Khanna made a highly interesting and informative presentation on the subject: Personal Investment and Wealth Management.
- Presenting the Vote of Thanks, Rtn. P.K.D. Nambiar profusely thanked the learned speaker for giving us a different perspective of Wealth Management. It was indeed an enlightened presentation on How to make Investments to get higher returns.
- A memento was presented to the speaker of the evening in appreciation as a token of our gratitude.
- President made an appeal to all members to atleast propose one new member to the Club.
- Hony. Secy. Rtn. Vinod Gupta informed that a function will be held on 11th December 2011 at Arya Samaj Mandir, Sector 29, Noida at 11 am where we are going to give Certificates to 40 students who have successfully completed the Microsoft Office Specialist (MOS) Certificate Course. Members are invited to join to encourage the young students.

THE BOARD 2011-12

President	Rajen Mata
President-Elect	Ashish Makhija
Vice President	Surendra Singh
Secretary	Vinod Gupta
Joint Secretary	Pankaj Rai
Treasurer	Prashant Sahgal
Sergeant-at-Arms	Kashish Chandan
Imm. Past President	Pratap Burman
Counsellor & Adviser	Asoke K. Ghosh
DIRECTORS:	
Umang Das	Daljit Singh Bhatia
Madhumati Singh	Gaurav Bhargav
Bhupinder Chowdhri	

Many Happy Returns

BIRTHDAYS

Rtn. C.P. Sharma Dec. 16
 Rtn. Sanjeev Sikka Dec. 21

NO WEDDING ANNIVERSARY THIS WEEK

- President acknowledged the presence of Rtn. Atul Khanna and Rtn. Ashok Nahar.
- Rtn. Madhumati Singh was greeted on her Wedding Anniversary on Dec. 9, 2011. Rtns. Rajesh Puri, Anil Seth, Nirmal Gupta, Rakesh Grover, Sudhir Kumar Aggarwal were all greeted in absentia on their Birthdays/Wedding Anniversaries.
- Next meeting on Thursday 15th December 2011 will be held here at India International Centre at 7.15 p.m. This is our Club's Annual General Meeting and will be a closed meeting to discuss Club matters.
- Sunshine of ₹ 1025 was collected by Rtn. Gaurav Bhargav.
- Meeting was declared adjourned by President.

CORRIGENDUM

In the last issue of our Club Bulletin, NEW DELHI UPDATE, issue Vol. VII, No. 23 dated 5th December, 2011 in the Minutes of Last Meeting on Page 4, Col. 1 in the Minute No. 8, the name of Rtn. PANKAJ RAI was erroneously remained to be printed in the list of 8 Directors whose nominations had been received in time for election to the Board of Directors for Rotary Year 2012-13.

The inadvertent error is sincerely regretted. We tender our most sincere apologies to Rtn. Pankaj Rai for any inconvenience that might have been caused on account of this unintentional inadvertent error.

—Editor

With Best Compliments from:

PAN ASIA DEVELOPERS PVT. LTD.

E-32 D, Rajouri Garden, New Delhi - 110027
 Phone: 25192419 • Mobile: 9810124108 • Fax: 25191788
 E-mail: bhatia.daljit@gmail.com

President: Rtn. Rajen Mata, P-35, South City I, Gurgaon, Phone: 9811069027 • Secretary: Rtn. Vinod Gupta, A-70, Sector - 39, Noida, Phone: 9810194465
 Please visit us at our Club Website: www.rotaryclubofnewdelhi.com • Editor's E-mail: vimalgupta.rcnd@gmail.com

Edited and published by Rtn. Vimal K. Gupta for and on behalf of Rotary Club of New Delhi and printed at Mudrak 30-A, Patparganj, Delhi - 110 091