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KNOW-WIZ
Spreading Knowledge

Points to Keep in Mind before Investing in Mutual Funds

- 1) Goal of Investing
- 2) Choose the Right Fund for Yourself!
- 3) Consider the Risk Factors
- 4) Keep Your KYC Documents Updated
- 5) Time Horizon
- 6) Examine the track record of the mutual fund
- 7) Diversify your mutual fund portfolio
- 8) Pick the right investment mode
- 9) Check the taxation rules of equity, debt and balanced mutual fund schemes.
- 10) Check the mutual fund's exit load, the fees charged by AMCs when exiting the investment.

How to Invest in Mutual Funds - 5 Easy Steps

Step 1: Start with risk profiling, i.e., to understand your risk tolerance and capacity. Knowing the amount of risk, one can take before investing in mutual funds is essential.

Step 2: After completing the risk profiling, the next step is asset allocation, where you must divide your money between various asset classes. Asset allocation should include a mix of equity and debt instruments to balance the risk factors.

Step 3: The third step is the identification of funds that invest in each asset class. Then, you can check for past performance or investment objectives for comparing mutual funds.

Step 4: Select and decide the mutual fund scheme you will invest in. You can then start the application either online or offline.

Step 5: Diversifying your investments and regular follow-ups are essential to ensure better results and higher profit.

How to Invest in Mutual Funds Online?

1) By Creating an Account on an Official Website (AMC Website)

Every Asset Management Company has an official website where you can find multiple Mutual Funds in each category to invest. You have to follow the instructions provided on the official site of the fund house, fill in all the required information, and submit it.

The KYC process can also be completed online (e-KYC), for which only the Aadhar Number and PAN are needed. The information provided by you is verified at the backend, and you can start investing upon successful verification.

2) Through an App

Asset Management Companies allow investors to invest in Mutual Funds through mobile applications quickly and hassle-free. The AMCs have mobile applications, and third-party mutual fund aggregators provide a platform to invest in Mutual Funds.

The app enables the investor to **invest in Mutual Fund Schemes**, view account statements, buy or sell units and check other relevant details about their portfolio. Moreover, investors can invest in various funds offered by different fund houses.

- Prof. Ami Mistry
(Teaching Assistant, VTCBCSR)

Global temperatures set to reach new records in next five years



In 2023 according to (WMO) – Global temperatures are likely to surge to record levels in the next five years, fuelled by heat-trapping greenhouse gases and a naturally occurring El Niño event, according to a [new update issued by the World Meteorological Organization](#) (WMO).

There is a 66% likelihood that the annual average near-surface global temperature between 2023 and 2027 will be more than 1.5°C above pre-industrial levels for at least one year. There is a 98% likelihood that at least one of the next five years, and the five-year period as a whole, will be the warmest on record.

“This report does not mean that we will permanently exceed the 1.5°C level specified in the Paris Agreement which refers to long-term warming over many years. However, WMO is sounding the alarm that we will breach the 1.5°C level on a temporary basis with increasing frequency,” said WMO Secretary-General Prof. Petteri Taalas.

“A warming El Niño is expected to develop in the coming months and this will combine with human-induced climate change to push global temperatures into uncharted territory,” he said. “This will have far-reaching repercussions for health, food security, water management and the environment. We need to be prepared,” said Prof. Taalas.

There is only a 32% chance that the five-year mean will exceed the 1.5°C threshold, according to the Global Annual to Decadal Climate Update produced by the United Kingdom's Met Office, the WMO lead centre for such predictions.

The chance of temporarily exceeding 1.5°C has risen steadily since 2015, when it was close to zero. For the years between 2017 and 2021, there was a 10% chance of exceedance.

“Global mean temperatures are predicted to continue increasing, moving us away further and further away from the climate we are used to,” said Dr Leon Hermanson, a Met Office expert scientist who led the report.

The Global Annual to Decadal Update is one of a suite of WMO climate products, including the flagship State of the Global Climate, which seek to inform policy-makers. WMO will release its provisional statement on the State of the Global Climate in 2023 at the UN Climate Change Conference, COP28, in December.

The UK's Met Office acts as the [WMO Lead Centre for Annual to Decadal Climate Prediction](#). This year there are 145 ensemble members contributed by 11 different institutes to the predictions, which start at the end of 2022. Retrospective forecasts, or hindcasts, covering the period 1960-2018 are used to estimate forecast skill.

Confidence in forecasts of global mean temperature is high since hindcasts show very high skill in all measures.

The forecasts shown here are intended as guidance for Regional Climate Centres (RCCs), Regional Climate Outlook Forums (RCOFs) and National Meteorological and Hydrological Services (NMHSs). It does not constitute an official forecast for any region or nation, but RCCs, RCOFs and NMHSs are encouraged to appropriately interpret and develop value-added forecasts from this Climate Update.

-Prof. Diya D. Patel
(Ad hoc, VTCBCSR)

ALL EV SEGMENTS ARE GREEN: A MYTH OR REALITY?



Electric Vehicles (EVs) are fundamentally 5-6 times more efficient than Internal Combustion Engines (ICEs) because they convert energy directly into motion, as opposed to ICEs, which must first burn fuel to produce heat before converting that heat into motion. Furthermore, the use of EVs and charging stations is expected to increase overall energy efficiency in the transportation sector while reducing fossil fuel use and improving energy security. EVs have a high potential for reducing greenhouse gas emissions because increasing energy efficiency reduces GHG emissions significantly. Many countries have pledged to reduce their GHG emissions^[1] by adopting EVs in a variety of vehicle categories. But are all EV segments green? A thorough examination of each variable reveals that they are, but the answer is nuanced and includes asterisks.

It is highly debatable whether all EV segments are environmentally friendly, owing to the reliance on the electrical source used to charge the vehicle. EVs, for example, are easily justifiable in countries where the majority of electricity is generated using cleaner, fossil-fuel-free technologies (such as nuclear and hydroelectricity).

Power generation in European countries has recently shifted its emphasis to greener technology. The majority of energy produced in developing countries such as China and India, on the other hand, is produced using coal, and as a result of their rapidly expanding economies, they have grown to play a significant role in global CO₂ emissions. To better understand the eventual reduction of GHG emissions from various EV categories, it is necessary to investigate their implementation in developing countries. Because increasing

the number of EVs without first assessing their GHG emissions could have a negative impact on climate mitigation efforts.

Vehicle emissions are produced during the production process (manufacturing), while the vehicle is being driven (in-use), and after it has finished its useful life. Only in-use emissions will be covered in this article; later articles will go into greater detail about lifecycle emission assessments. As indicated in the figure below, mitigation of GHG emissions from ICE vs. EV is done nationwide using all grid parameters.

A nation's grid factor is a crucial metric to consider when evaluating emissions across various EV segments (GHG emission per unit of electricity production). Higher grid factors are associated with greater non-renewable energy use in a nation, and vice versa (as plotted on x-axis of diagram below).

In the case of India, with a grid factor of 0.75, the GHG mitigation potential is positive for all EV segments except buses and trucks as shown in the figure.

- **Prof. Nikunj Gamit**
(Asst. Professor, VTCBCSR)



-**Sharma Kumkum (Student, FYBBA)**