

Secure Your Plastic Money

Given the number of credit card frauds increasing in the city, **Kranti Khandekar** lists some precautionary measures that will help secure your plastic money



Courtesy: Google Images

Credit card holders often aren't as careful as they ought to be! This has resulted in the cases of fraudulent credit usage steadily increasing in the city of Mumbai. In today's world where paper currency is being supplemented with plastic and digital money, we need to take extra precaution against frauds.

Credit card fraud doesn't result from the loss or theft of actual credit cards alone. All a practiced fraudster needs is a credit card number. Fortunately, credit card security is relatively uncomplicated.

"The best advice for protecting credit card is to never give an account number over the telephone, unless you are confident that you are dealing with a reputed and trustworthy person/company," cautioned Gaurav Bhatt, a financial consultant. "Don't be fooled by a fraudster if he is asking for your credit card number because you have won a prize," he added.

"Also while traveling, carry only those credit

cards which you are likely to use and keep the other cards secure. Other point to remember is: never take your eyes off your card when you are making a purchase and make sure that no extra copies of your card are made," Bhatt warned. "Destroy all the carbon copies, so that no one can obtain your account number. It's also advisable to keep receipts of your transactions and check them against your monthly billing statement as a habit," he added.

In the event of a lost or stolen card, make sure to immediately notify the credit card company. Most banks or issuing company can be reached 24x7. The majority of fraudulent transactions are made within 48 hours of the loss.

Credit card thieves sometimes even call the victim to inform that their credit card has been found and that it will be returned. Don't fall for this fallacy. This ploy gives the swindler time to make the maximum use of the credit without anyone tracking or blocking the card.

However, Priya Balwally, Manager of Union Bank of India (Matunga Branch) recommends certain precautions a credit card holders should take to prevent it from being misused - both online and offline:

- ❖ Do not provide photocopies of both the sides of the credit card to anyone. The card verification value (CVV) which is required for online transactions is printed on the reverse of the card. Anyone can use the card for online purchases if the information is available with them.
- ❖ Do not click on links in email seeking details of your account. They could be deceiving



Courtesy: Google Images

emails from fraudsters. Most reputed companies will ask you to visit their website directly.

- ❖ While using a credit card for making payments online, check if the website is secure. The CVV will also be required.
- ❖ Do not give any information to persons seeking credit card information over phone.
- ❖ Be cautious at sites that offer discount introductory trial period especially online adult sites.
- ❖ Notify your bank / credit card issuer if you do not receive the monthly credit card statement on time. If a credit card is misplaced or lost, get it cancelled immediately.
- ❖ Credit card signature is a mechanism designed to make you feel safe. Hence, it is very important to make wacky signature before someone would pay attention. So, no one can forge it.
- ❖ After using Credit card, do check your amount thoroughly before signing on any bills or receipts.

kranti.khandekar@gmail.com

Smart Save

Looking for a better and safer option to park your funds, then mutual funds is one of the best bets for your investment, avers **Richa Desai**

There are many opportunities and ways in which your money can be invested. It needn't be synonymous to big amount; it can also be for limited sum of money. Mutual Funds are one of the options that have been open to even such investments.

Mutual Funds in its simplest form means a financial mediator that invests money on the behalf of the investors in stocks (shares) or bonds (lending money to government or company on interest) and commodity (things that are earth, eg. Cotton, metals, grains etc) on pre determined conditions laid down by a particular mutual fund. Different mutual funds have different strategies of investing meaning percentage of distribution in different areas, depending on which it pools in various investments options. The funds are managed by the fund manager. Mutual funds have diverse investment options under the main fund and these are created to offer wide variety of investment opportunities.

The idea of diversification is to support the risk factor, the more varied investment the lesser the risk. So buying stocks of different kinds (different companies or different sectors) helps

maintain the balance of gainings. For instance, if one investment is losing the others might be gaining. Ideally the stocks can be bought within a few hours, since the funds are already equipped with various categories. NAV (net asset value) is the tool to measure the effectiveness of mutual funds. NAV is the value of a share of a fund. It is calculated on the value of assets of a fund minus the liabilities, divided by the number of shares outstanding. NAV is calculated at the end of every day.

Mutual funds have two broad schemes. Open ended is wherein the investor can issue and sell his units according to his convenience and close ended scheme is where selling is allowed only after a fixed time, depending on the selection of term period in that scheme. Closed ended scheme is not affected by everyday measure of NAV. One of the highlights of mutual funds is the option of tax benefits. Tax benefit scheme is where the earnings above the investment are not charged.

Mutual funds are touted as one of the safest ways to invest, be it national or international funds. One can expect a return between 13 to 15%, which is not bad at all. Irrespective



Courtesy: Google Images



Courtesy: Google Images

of market fluctuations, it is ideal to invest in mutual funds calculating one's personal risk initiative, informs a research analyst from a prestigious mutual fund. Short term or long term, it is one of the more profitable options than a just another savings account.

RICHA DESAI
richadesai@gmail.com