



WILL POLLS HALT THE RALLY?

Volatility has risen in recent weeks as election fever grips the market. Is this surge a sign of continued turbulence or just a blip? **P2**



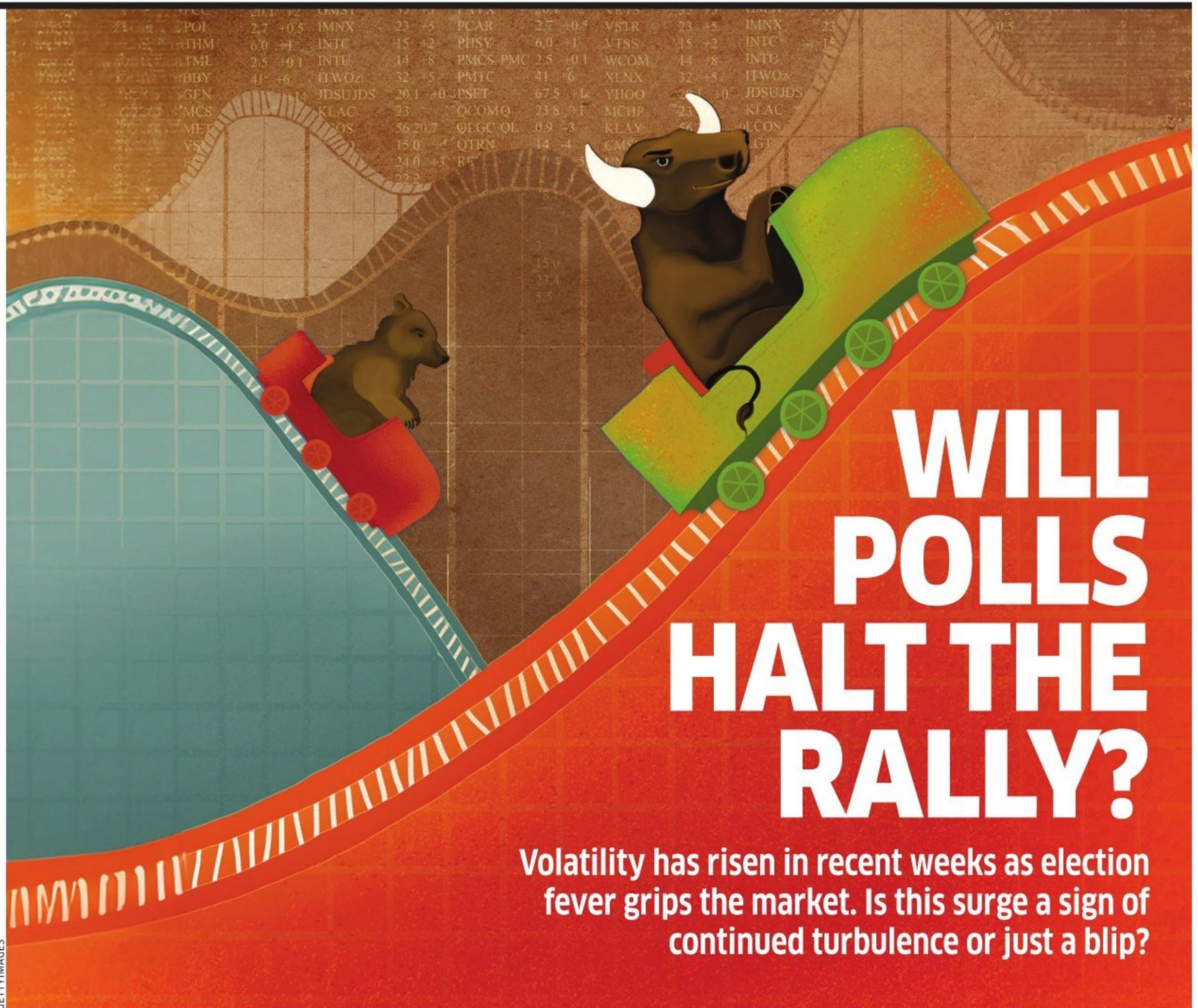
STRANGE TALE OF JIM SIMON
P8



SPENDING AT EASE IN RETIREMENT
P11



HOW TO DELIVER RESULTS
P12



WILL POLLS HALT THE RALLY?

Volatility has risen in recent weeks as election fever grips the market. Is this surge a sign of continued turbulence or just a blip?

By Sanket Dhanorkar and Sameer Bhardwaj

Fear has returned to the Street. The pre-election confidence in the stock market has dissipated. In the past three weeks, India VIX, a widely tracked fear gauge measuring the expected volatility in the stock market, has shot up from 10.15 on 23 April to 20.6 on 13 May. The heightened volatility stems from concerns over lower voter turnout in the ongoing general elections, potentially indicating an unfavourable verdict for the ruling party. Is this market nervousness a sign of future trends or a temporary blip before equities resume their upward journey?

Election season casts clouds
Elections introduce uncertainty in the stock market. This time, the market's confidence, in what seemed like an inevitable outcome, is being tested. According to initial estimates, the first four phases of the marathon seven-phase Lok Sabha elections have recorded a lower voter turnout

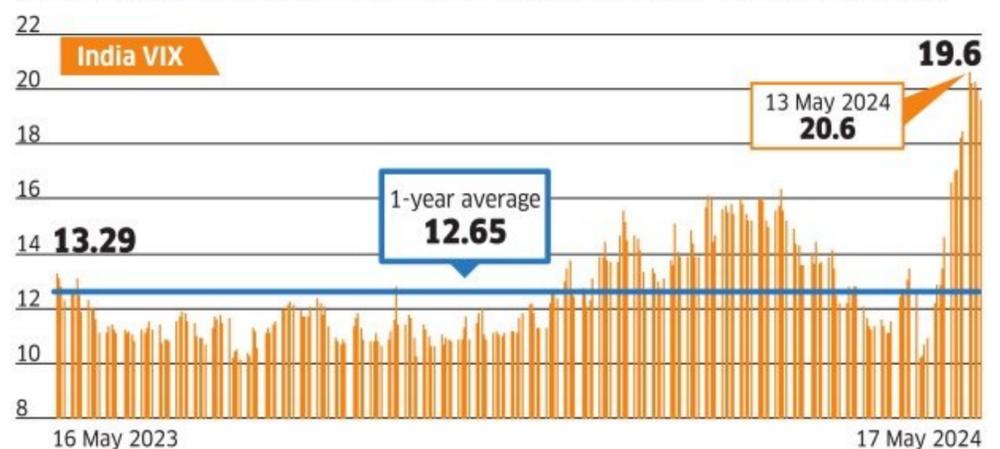
than the corresponding period in the 2019 general elections. Low voter participation is being perceived as harmful to the re-election prospects of the Narendra Modi government. The concern is that voter disengagement could potentially weaken the ruling party's numbers, undermining policy continuity and political stability, which the market favours.

"The markets are currently pricing in the continuation of the government and ongoing reforms. Any deviation in these expectations results in volatility, mostly downward," observes Deepak Jasani, Head of Retail Research, HDFC Securities.

Some analysts are expressing caution about the unfolding scenario. Amnish Aggarwal, Director of Research at Prabhudas Lilladher, asserts, "While opinion polls are predicting an easy win for the NDA, markets are unprepared for a 2004-like election outcome." Others suggest investors may be reading too much into the voter turnout figures. Wodehouse Capital Advisors insists in a note, "We think very little is known about the caus-

Volatility has shot up

India VIX has spiked due to election-related jitters and delay in interest rate cuts.

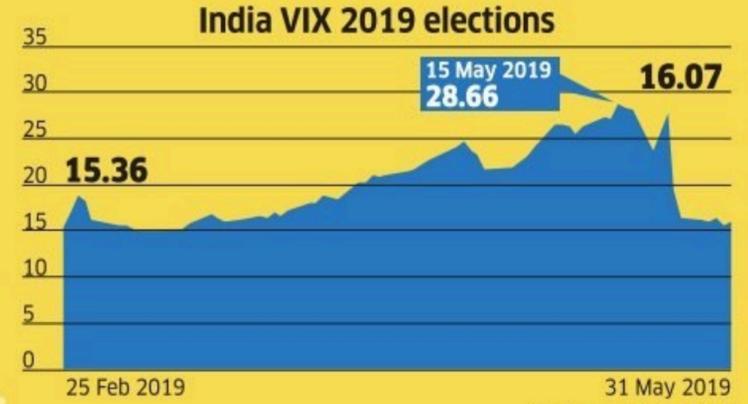
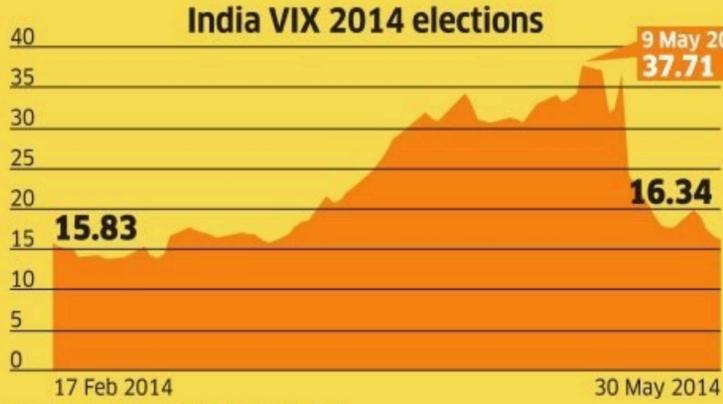


es and consequences of turnout change, so caution is advised on drawing broad inferences from any turnout number." Indeed, updated estimates by the Election Commission of India indicate that the 2024 voter turnout could surpass the 2019 figures. Rahul Ghose, CEO, *Hedged.in*, believes the current volatility has more to do with what happens in five-week ex-

piries in the equity derivatives segment. "Historically, five-week expiries have both side swings. May being a five-week series is giving the same outcome as the past—first a wild downswing, and now an upswing. If Nifty does not sustain over 22,500 in the next few days and rolls back, only then can we attribute this to any type of election phenomenon."

Volatility spiked during previous elections as well

Past data indicates that volatility may remain elevated as we get closer to the election results.



Uncertainty beyond elections

It's not just election-related jitters that are unsettling the market. Various global factors are also contributing to the weakness. The sell-off by foreign investors is weighing down the stock market as well. Foreign Portfolio Investors (FPIs) have sold over ₹22,767 crore worth of Indian equities in May so far (up to 14 May). "FPI selling is due to a change in FPI stance from 'sell China, buy India' earlier to 'sell India, buy China' now. This change in stance has been caused by the recent outperformance of the Shanghai Composite and underperformance of Nifty 50," says V.K. Vijayakumar, Chief Investment Strategist, Geojit Financial Services. The cheap valuations of Chinese stocks and the relatively high valuations of Indian stocks have influenced the behaviour of FPIs.

Furthermore, the delay in interest rate cuts signalled by the US Fed is dragging down the global markets. With interest rates likely to remain 'higher for longer', analysts expect growth to remain muted. Madhavi Arora, Lead Economist, Emkay Global Financial Services remarks, "We do not see any positive macro impulse from easier rates, either globally or domestically, as we believe neither the Fed, nor the RBI will cut rates this year." Ongoing geopolitical conflicts and rising crude oil prices are also keeping the market on the edge.

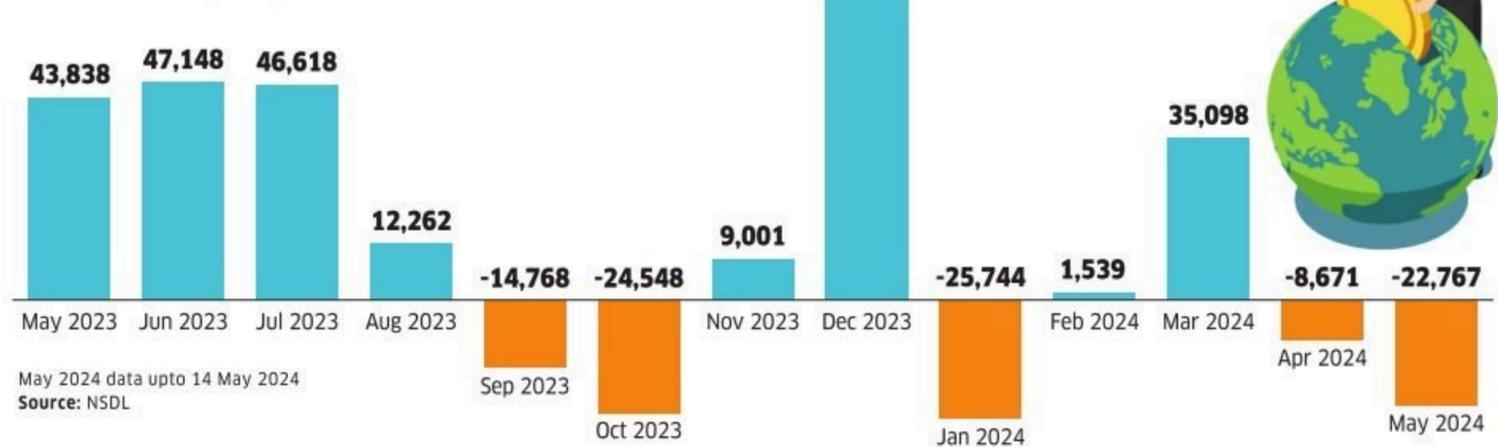
Macros remain healthy

Beyond the near-term concerns, India's macro environment continues to exhibit strength. The domestic economy remains one of the fastest-growing globally. The IMF has raised India's 2023-24 GDP growth forecast to 7.8%, surpassing the government's own projection. GST collections hit a record high of ₹2.1 lakh crore in April. Weather forecaster, Skymet, has predicted healthy rains in the upcoming monsoon season as the favourable La Niña effect takes over, which bodes well for the economy. "We observe that all La Niña years have experienced

Foreign investors have been withdrawing funds

Stretched Indian valuations and strong performance by Chinese markets are affecting FPI flows.

FPI inflow/ outflow (₹ crore)



May 2024 data upto 14 May 2024
Source: NSDL

Performance reports of the past four governments

INDICATOR	UPA I	UPA II	NDA I	NDA II
GDP growth (% y-o-y) (average)	6.9	6.7	7.4	7.0
Per capita income (₹ '000) (average)	56.5	72.0	94.4	114.6
Unemployment rate (%) (average)	5.6	5.5	5.6	4.3
Inflation (%) (average)	7.7	9.0	4.2	5.7
Fiscal deficit (% of GDP) (average)	4.0	5.4	3.7	5.9
Current account (% of GDP) (average)	-1.2	-3.3	-1.4	-1.3
FDI (\$ billion)	114.1	151.6	205.1	244.2
FPI (\$ billion)	33.1	102.2	67.7	52.7
INR/USD (average)	44.1	51.2	65.6	77.1
Tax revenue (₹ billion)	17,291	32,139	55,085	90,097
Capex (₹ billion)	4,575	7,824	13,052	30,452
Food subsidy (₹ billion)	1,480	3,721	5,689	14,241
Fertiliser subsidy (₹ billion)	1,697	3,265	3,469	8,030
Electricity installed capacity ('000 MW)	174.6	290.8	431.3	460.7
Domestic electricity connections (mn)	148.4	170.7	239.6	266.9
Domestic LPG connections (mn)	105.6	166.25	265.4	314.0
Railways route length (km)	64,015	65,808	67,415	>68,907
National highway road length (km)	70,458	91,287	1,32,499	>1,48,000
Nifty 50 CAGR (%)	11.5	17.3	11.6	13.9

Source: Prabhudas Lilladher

India grew rapidly under both NDA and UPA regimes of the past.

The NDA rule over the past 10 years has shown higher GDP growth, lower inflation, lower unemployment, lower trade deficit, and higher FDI.

The UPA saw higher FPI inflows than the NDA regime.

NDA's focus on infra is evident, with capex during NDA II 4X higher than during UPA II.

Under NDA rule, expenses towards food and fertiliser subsidy have risen sharply.

The availability of basic amenities like LPG and electricity, and national highways increased under both the NDA and UPA.

The equity market has delivered double-digit return in both regimes.



above-normal rainfall and growth in Rabi and Kharif output. This can significantly boost agricultural output, alleviate rural stress, and reduce inflation," remarks Prabhudas Lillardher's Aggarwal.

India's headline consumer price inflation, which had already eased to a 10-month low of 4.85% in March, remained subdued at 4.83% in April. The country's trade deficit narrowed to \$78 billion in 2023-24, mainly driven by a reduction in merchandise imports and an increase in services exports. Additionally, India's fiscal deficit profile remains under control due to enhanced tax compliance, an improved base, and a focus on quality spending. "A healthy twin deficit shields India from massive EM shocks in case the global cycle turns averse," opines Emkay's Arora.

Meanwhile, India's manufacturing activity hit a 16-year high in March, signalling a vibrant economy. "Robust macro indicators at nearly all levels, lower inflation, expectations of falling interest rates later in the year, increased industrial activity, and a reduction in both the current account and fiscal deficits have led to increased optimism and an extended Goldilocks scenario," states Axis Mutual Fund in a report.

Earnings and valuation concerns linger

The earnings season has been tepid so far. Mid- and small-cap companies, in particular, have witnessed earnings downgrades, compared to their large-cap counterparts. An analysis by CRISIL Market Intelligence and Analytics of 350 companies (excluding financial services, and oil and gas sectors) indicates that India Inc. likely logged a 4-6% revenue growth in January-March, marking the slowest quarterly growth since recovery from the pandemic began in September 2021. This moderation follows stronger growth in previous years and is, therefore, on a higher base. Among the 47 sectors monitored by CRISIL, only 12 are expected to have shown an improvement in revenue growth, both sequentially and year-on-year, for the quarter. "This season did not witness any major recovery in consumer staples, and growth in the IT sector has been modest. In addition, sluggish export demand and slow B2B execution due to the elections are all expected to keep the earnings tepid in the near future," mentions a report by Axis Mutual Fund.

Despite the heightened volatility, key benchmark indices continue to hover close to previous highs. Indian market valuations remain stretched, with the 12-month forward PE of the Nifty 50 index at 20.8 times, compared to its 10-year average of 17.9 times, according to Reuters-Refinitiv data. India also remains considerably more expensive compared to its Asian peers. A recent Kotak Securities report indicates that broader market valuations

Post-El Niño years saw above-normal rains, good crops

All La Niña years have seen above-normal rainfall and positive growth in crop output.

YEARS	RAINFALL (% DEVIATION FROM NORMAL)	RABI CROP PRODUCTION (y-o-y %)	KHARIF CROP PRODUCTION (y-o-y %)
2002-3	-21.4	-13.1	-22
2003-4	1.3	9.9	34.1
2004-5	-4.5	-1.2	-11.7
2005-6	0.4	3.9	6.3
2006-7	0.5	8	0.7
2007-8	2.7	2.9	9.4
2009-10	-15.9	-1.9	-12
2010-11	0.9	8.3	16.3
2014-16	-14.8	-9	-2.3
2016-17	-7.2	8.2	10.6
2023-24E	-6	-10.8	-1

Source: Prabhudas Lillardher

are even more inflated, with the overvaluation being inversely proportional to capitalisation, quality and risk. Such valuations are disconnected from fundamentals and reality, relying entirely on optimistic assumptions, incorrect valuation methodologies and unrealistic narratives, adds the report.

What lies ahead?

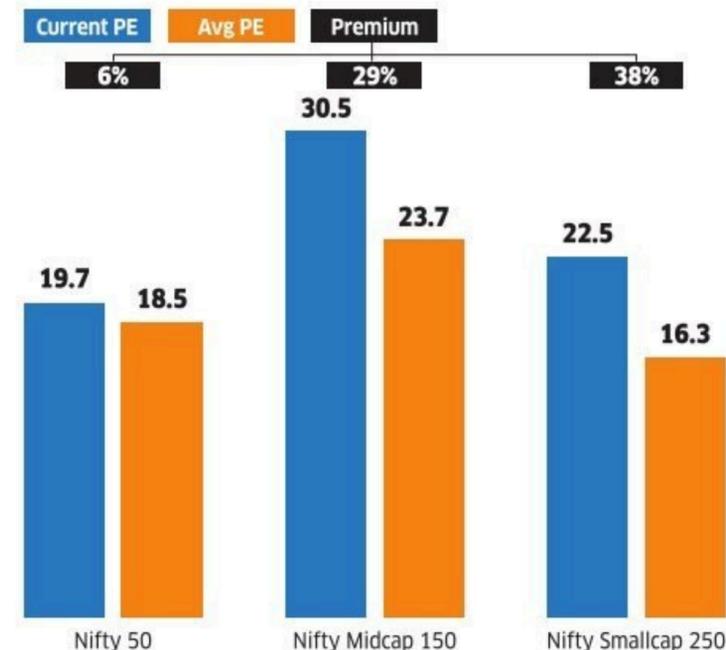
For now, the market will continue to respond to the high-decibel noise of the election season. Volatility is expected to remain elevated as we approach the poll outcome date. "Market volatility tends to increase as we near the election results. This is driven by the market's anticipation of and speculation on the new government's policy orientation," says Tejas Khoday, Co-Founder & CEO at FYERS. Jasani contends, "We started with high expectations, saw some nervousness in the middle, and hopefully will end with positive expectations, as in the past. Market nervousness could peak between the sixth and seventh phases."

The rise in India VIX closely resembles the trends observed during the previous two general elections in 2014 and 2019. During the 2014 Lok Sabha elections, the volatility index began soaring towards the end of March, and reached levels of 38 until the result announcement. In 2019, India VIX climbed to 28. Comparatively, the current VIX level of 20 seems benign, suggesting that the market does not anticipate any major surprises from the polls.

Even so, any deviation in actual poll outcomes, however modest, will be viewed unfavourably. Some believe that a lower win ratio for the NDA government will initially spook the markets. "A lower-than-expected win ratio for the incumbent government could initially disrupt market stability, especially if it suggests a fragmented or coalition government. This could lead to concerns about policy continuity and legislative effectiveness," remarks Khoday. "It also depends on how many seats the NDA gets, and how many the BJP gets individually, not as an alliance. Though there is a possibility of cheer after either happens, if the majority

Mid-cap and small-cap valuations are stretched

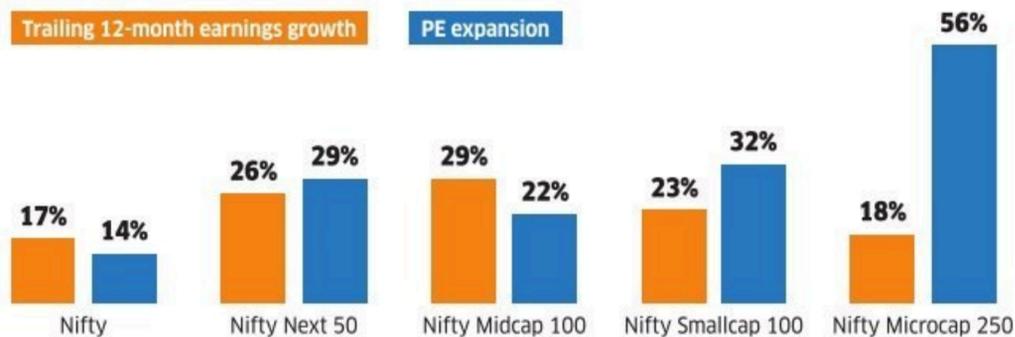
Large-cap segment offers a better risk-reward payoff.



Source: Motilal Oswal

Rise in small, micro caps not led by earnings

High earnings growth expectations in smaller businesses are driving up stock prices.



Trailing earnings growth and PE expansion measured since March 2023. | Source: ICICI Securities

is not strong, this cheer will get sold into," says Ghose.

However, experts insist that markets will soon get over the noise around the elections and shift attention elsewhere. Broader economic fundamentals, led by global events, will guide post-election market dynamics more than just election results. Prabhudas Lillardher's Aggarwal remarks, "June beginning is a crucial turning point as uncertainty around political front and monsoons will be over, which can significantly increase the FII inflows." Kislay Upadhyay, smallcase manager and Founder of FidelFolio, asserts, "The customary three- to six-month post-election review may not be as applicable this time around since global issues could soon eclipse the consequences of the election outcomes." According to an analysis by FidelFolio, the current general election and its outcome will not have any major long-term effect on the equity markets.

"The pre-election rhetoric has to be taken with a pinch of salt. What is more important is the election action," reckons Jasani. "A lower win ratio for the NDA may reflect in the leadership and policies of the present government, and could weigh on their minds for some time. Later, however, they could get back to business as usual. Markets may initially react downwards, and after fresh policy announcements, start getting excited again," he adds.

Experts insist any corrections should be lapped up by investors. "The market movements seen in the past few months suggest that though consolidation could continue in the near term, investors can utilise these corrections to increase exposure to equities. A word of advice is to focus on the long term and shut out any noises in the near term," recommends Axis Mutual Fund. While mid- to long-term economic and earnings growth prospects remain healthy, we need to be careful to avoid pockets of over-exaggeration of longer-term growth, reckons Vinay Paharia, CIO, PGIM Mutual Fund. "The strong market rally has led to valuation expansion for strong and weak long-term growth companies alike in some cases, more so in the case of the latter. While we don't mind paying for structural long-term growth, we certainly would like to avoid growth which is cyclical, and of poor quality," he says. In general, returns may be dictated by earnings growth rather than valuation multiple expansion, and it may be best to stick with investments offering the 'higher for longer' growth earnings visibility, Paharia suggests.



Beat volatility with Sharpe ratio

Stocks that have delivered good risk-adjusted returns can effectively manage the rising market uncertainty.

By Sameer Bhardwaj

Fear is intensifying in the Indian equity market due to election uncertainties, likely delays in interest rate cuts, disappointing fourth quarter earnings, and high valuations. The India VIX Index has surged over 100% since late April 2024, closing at 20.6 on 13 May, its highest since October 2022. Rising volatility is affecting returns, with the Nifty 50 index up just 2.2% year-to-date, significantly lagging behind most American, European and Asian benchmarks.

FPIs have sold over ₹22,767 crore of Indian equities in May (up to 14 May). Since the beginning of this year, they have offloaded equities worth ₹20,545 crore. Shares of financial services companies were the worst hit, followed by IT, FMCG and oil and gas sectors. However, analysts remain confident that domestic institutional investors (DIIs) will step in to fill the gap. "DIIs are sitting on huge liquidity and retail investors are highly optimistic, so FPI selling will be largely absorbed by domestic money," says V. K. Vijayakumar, Chief Investment Strategist, Geojit Financial Services.

Indian market valuations remain stretched, with the Nifty 50's 12-month forward PE at 20.8 times compared to a 10-year average of 17.9, as per Reuters-Refinitiv. A Kotak Securities report notes that while Nifty 50 valuations are more reasonable, broader market valuations are even more expensive, inversely proportional to capitalisation, quality, and risk.

Given the rising risk environment, we have identified stocks with better risk-reward profiles. The Sharpe ratio, which compares a stock's return to its risk, is an effective tool for assessing risk-adjusted returns. The Sharpe ratio is calculated by dividing excess return (return over the risk-free rate) by standard deviation (total risk). For example, if a stock generated 10% in a year and the government bond yield is 7%, the excess return is 3%.

A Sharpe ratio above 1 is acceptable, with higher ratios indicating better risk-adjusted returns. Stocks with market caps over ₹100 crore were compared to their industry median. Companies with a Sharpe ratio of more than 20% above the industry median and greater than 1 were included. Data from Reuters-Refinitiv, using weekly share prices from the past year, was used for calculations. The following are eight such companies that are currently offering a double-digit price potential:

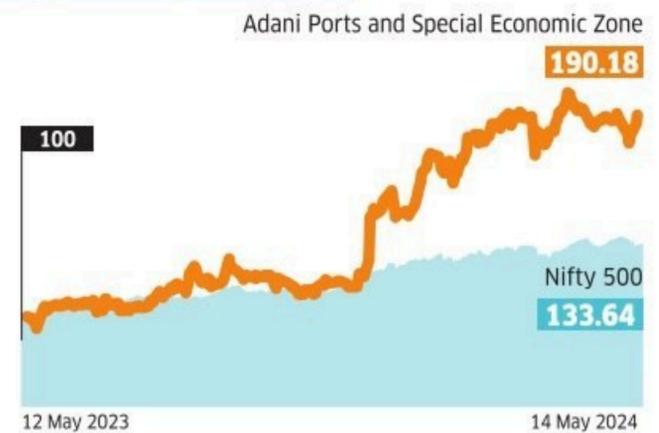
Adani Ports and Special Economic Zone

Sharpe ratio	Industry name	Industry median ratio	12-month forward PE	Current price (₹)	1-year target price (₹)
2.10	Transportation infrastructure	1.10	26.6	1,331	1,469

ANALYSTS' RECOMMENDATIONS			
BUY	HOLD	SELL	
18	1	0	

UPSIDE POTENTIAL
10.4%

THE INTEGRATED PORTS and logistics company reported 19% and 42% year-on-year growth in revenue and EBITDA, respectively, for March 2024, driven by healthy growth in India port volumes and consolidation of Haifa and Karaikal ports. Port volumes grew by 24%, and logistics revenue by 5%. In 2023-24, it entered the trucking business for last-mile connectivity. The management expects the logistics segment to grow, supported by margin improvement and capacity additions. They project volume growth of 460-480 million metric tonne and capex target of ₹11,500 crore for 2024-25, aiming to maintain net debt to EBITDA between



2.2 to 2.5 times. Motilal Oswal is bullish on the company's growth prospects.

Tata Consumer Products

Sharpe ratio	Industry name	Industry median ratio	12-month forward PE	Current price (₹)	1-year target price (₹)
1.63	Food products	0.25	61.3	1,085	1,232

ANALYSTS' RECOMMENDATIONS			
BUY	HOLD	SELL	
18	6	2	

UPSIDE POTENTIAL
13.5%

THE FMCG COMPANY missed Reuters-Refinitiv revenue estimates by 1.6% in March 2024, mainly due to weak growth in India beverage business. However, strong margin expansion and lower tax rate resulted in net income surpassing the estimates by 27.2%. The business grew by 10% y-o-y, with promising performance from growth businesses like Sampann, Souful, NourishCo, and Smartfoodz. The acquisition of Capital Foods and Organic India is expected to boost EPS. International business saw 7% growth. Favourable product mix and operating efficiencies are projected to boost margins. DAM Capital expects sales and operating profit CAGR of 12% and 18.5%, respectively, over 2022-23 and 2025-26. As per



Motilal Oswal, focus on new growth engines and expanding distribution network will drive future growth.

Shriram Finance

Sharpe ratio	Industry name	Industry median ratio	12-month forward P/BV	Current price (₹)	1-year target price (₹)
2.26	Consumer finance	0.80	1.5	2,330	2,823

UPSIDE POTENTIAL
21.1%

ANALYSTS' RECOMMENDATIONS			
BUY	HOLD	SELL	
30	0	1	

THE NBFC REPORTED a 48.7% y-o-y jump in net profit in the March 2024 quarter, led by strong margins that were driven by a change in product mix and peaking of the cost of funds. The net earnings surpassed Reuters-Refinitiv estimates by 3.9%. The disbursements grew by 27%, whereas its AUM rose by 21% on a y-o-y basis.

Merger synergies are evident in a diversified product mix, now

including CV and non-CV segments like MSME, gold loans, and personal loans. Steady demand is anticipated for used CVs in the coming years. It has also expanded branches and hired new employees in the recent past, and productivity gains were visible during the quarter.

The opex to AUM ratio has declined on a sequential basis in the March 2024 quarter. The operating expenses are expected to moderate

further as the company will leverage cross-selling opportunities to reach new customers.

A recent Systematix report is bullish on the company due to its attractive valuations. It believes that high cross-selling opportunities in non-vehicle products and stable credit costs will support earnings growth in the future. The report expects RoA and RoE of 3.5% and 17.8%, respectively, in 2025-26.



Angel One

Sharpe ratio	Industry name	Industry median ratio	12-month forward PE	Current price (₹)	1-year target price (₹)
1.84	Capital markets	1.51	15.9	2,612	3,587

ANALYSTS' RECOMMENDATIONS		
BUY	HOLD	SELL
6	0	1

UPSIDE POTENTIAL
37.3%

THE RETAIL STOCK broking company reported a healthy performance in the March 2024 quarter, with 65% and 27% y-o-y growth in the total income and PAT, respectively. The net profit surpassed Reuters-Refinitiv estimates by 6.7%. The performance was aided by strong order growth in both cash and F&O segments. The total orders jumped by 79% y-o-y to ₹47.1 crore.

The company enjoys healthy client loyalty as its vintage clients (more than five years old) continue to provide a steady contribution to revenue. The net broking revenue is expected to grow in the future, aided by stability in the existing clients and continuous influx of new clients.

It is taking several strategic steps to sustain its growth momentum. Expansion of addressable market through channel and product play, deepening of channel partner



network, enhanced geographical reach and focus on efficiencies in the existing framework are some such initiatives. Also, the company is leveraging its in-house technology platform NXT to enhance partner engagement (for acquiring and servicing clients).

Birlasoft

Sharpe ratio	Industry name	Industry median ratio	UPSIDE POTENTIAL
3.41	IT	0.75	22.9%

12-month forward PE	Current price (₹)	1-year target price (₹)
23.8	610	750

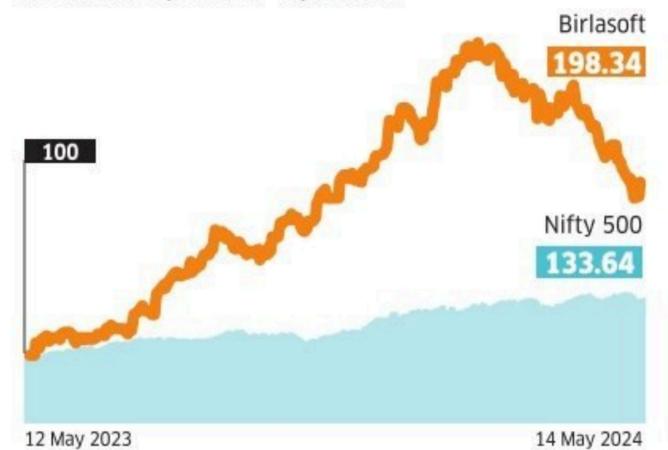
ANALYSTS' RECOMMENDATIONS		
BUY	HOLD	SELL
9	2	2

THE IT SERVICES and solutions provider reported revenue growth of 1.5% quarter-over-quarter (1.6% in constant currency terms), whereas the net profit jumped by 11.8% on a sequential basis in the March 2024 quarter. Overall, the performance was mixed as the company missed Reuters-Refinitiv revenue estimates by 0.35%, while the net profit surpassed estimates by 10.7%.

The management expects macro challenges and delayed decision-making (by clients) to persist in 2024-25. Sector-wise, BFSI is performing well, led by new client wins, whereas life sciences is likely to see headwinds for the next two quarters. On the other hand, strong traction is visible in ERP and infra business.

Despite near-term headwinds, the company aims at industry-leading growth in the current financial year through a continuous focus on execution and investments in building capacities. While the deal TCV was muted in 2023-24, the deal pipeline is healthy at \$1.8 billion and better conversions are expected in the future.

The company also strengthened its leadership pool with several additions to the senior management, which are likely to enhance the scalability of the business. The management is also planning to expand its business beyond the US and is focusing on the UK, Switzerland and Germany. It is also open for acquisitions to enhance its domain expertise or capabilities.



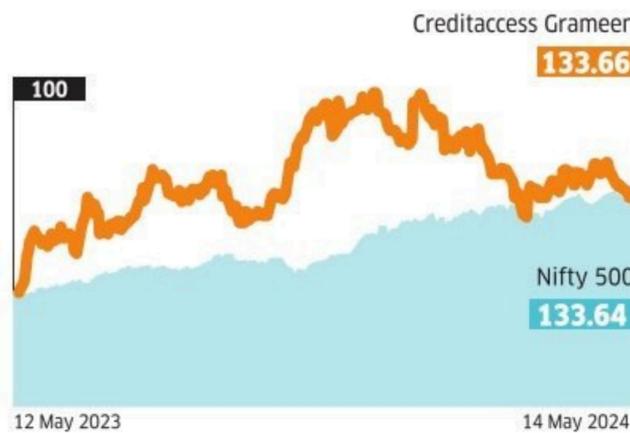
Creditaccess Grameen

Sharpe ratio	Industry name	Industry median ratio	12-Month forward P/BV	Current price (₹)	1-year target price (₹)
1.17	Consumer finance	0.80	3.0	1,380	1,786

ANALYSTS' RECOMMENDATIONS		
BUY	HOLD	SELL
16	0	0

UPSIDE POTENTIAL
29.4%

THE NBFC MICRO-finance company posted a strong performance in March 2024, with a 34% y-o-y increase in net profit, surpassing Reuters Refinitiv estimates by 5.6%. Stable NIMs and consistent cost-to-income ratio supported this growth, with disbursements rising by 12% y-o-y and AUM increasing by 27%. The management aims to grow overall AUM by 23-24% in 2024-25, expanding beyond Karnataka, Maharashtra and Tamil Nadu. Geographical expansion and borrower additions are anticipated to drive future loan growth. Analysts highlight operational efficiency improvements through technology investments, integrated risk management framework for asset quality, robust capital position, and an optimised borrowing mix as the company's key strengths. A recent HDFC Securities report is bullish on the company, noting that its conservative underwriting and



strategic scaling approach have led to robust profitability and growth across cycles. Despite concerns about rising credit costs in new geographies, the report sees the recent price correction as factoring in these challenges, presenting a favourable risk-reward ratio.

Birla Corporation

Sharpe ratio	Industry name	Industry median ratio	12-month forward PE	Current price (₹)	1-year target price (₹)	UPSIDE POTENTIAL
1.32	Cement	0.70	16.9	1,435	1,811	26.2%

ANALYSTS' RECOMMENDATIONS		
BUY	HOLD	SELL
11	3	0

THE CEMENT MANUFACTURER showed robust performance in March 2024, with EBITDA and net profit increasing by 72% and 165% y-o-y, respectively, surpassing Reuters-Refinitiv estimates by 12.8% and 18.9%. This growth was fuelled by increased volumes and reduced operational costs.

Despite a 2% decline in realisations, mitigated by higher sales of premium products, the company

is poised to capitalise on growing cement demand fuelled by government infrastructure projects and sustained activity in the real estate sector. The volumes are expected to improve with the full ramp-up of the Mukubtan plant, which will provide access to newer markets in Gujarat and Maharashtra.

Efforts to boost capacity and operational efficiency, such as utilising coal from captive mines and inte-

grating solar and waste heat recovery for captive power consumption, are set to drive long-term growth. Enhanced efficiency and stable fuel costs are projected to bolster future EBITDA/tonne.

The company has guided a capex of ₹800 crore for 2024-25 and continues to maintain a target of achieving 25 million tonne per annum cement capacity by the end of 2026-27.



PCBL

Sharpe ratio	Industry name	Industry median ratio	12-month forward PE	Current price (₹)	1-year target price (₹)
2.21	Chemicals	0.18	16.9	256	340

ANALYSTS' RECOMMENDATIONS		
BUY 6	HOLD 1	SELL 0

UPSIDE POTENTIAL 32.8%



2022-23, due to tightness in international markets and an increased share of speciality grade, says an ICICI Direct report. The report also sees cash flow from operations yielding 10% between 2022-23 and 2025-26.

THE CARBON BLACK manufacturer is expected to achieve 37.6% revenue and 40.6% PAT growth y-o-y in the March quarter, as per Reuters-Refinitiv estimates. The quarter is expected to see improved volumes, driven by the commissioning of the Chennai plant and robust export demand. A JM Financial report highlights impending European sanctions on Russian carbon black imports from July 2024, and the integration of the Aquapharma business as key strengths. The management's emphasis on high-margin speciality carbon black is expected to boost future EBITDA/tonne. Analysts foresee speciality-grade carbon contributing positively to margins and serving as a key growth driver for the company. PCBL's EBITDA/tonne is projected to rise to ₹20 k/tonne by 2025-26, from ₹16.5 k/tonne in

Mahindra Lifespace Developers

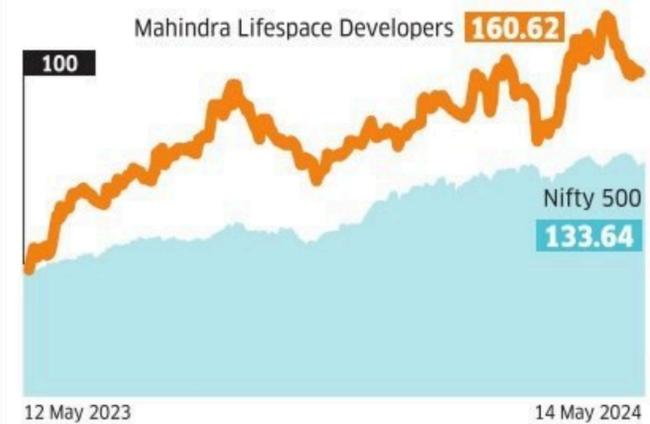
Sharpe ratio	Industry name	Industry median ratio	UPSIDE POTENTIAL
1.93	Real estate	1.11	15.1%

12-month forward PE	Current price (₹)	1-year target price (₹)
57.9	605	697

ANALYSTS' RECOMMENDATIONS		
BUY 4	HOLD 2	SELL 0

THE REAL ESTATE developer posted quarterly bookings of ₹1,090 crore in March 2024, primarily driven by new launches. The full-year bookings for 2023-24 surged by 28% y-o-y. Despite a 94% decline in revenue, the increased other income and JV earnings propelled the net profit to ₹71.5 crore, up from ₹0.5 crore in the same period last year.

The company stands to benefit from a thriving real estate sector, supported by favourable government policies and rising income levels. Residential sales momentum is expected to continue in the short term, while the previously sluggish industrial leasing business is gaining traction. With a robust launch and business development pipeline for the next two years, the management targets scaling the business to ₹8,000-10,000 crore by 2027-28, with Mumbai playing a significant role. According to a recent Sharekhan report, the company is poised for substantial growth, particularly in the MMR, Pune, and Bengaluru markets, over the next four years. Additionally, the industrial leasing segment is expected to benefit from the 'China plus-one' strategy and the government's focus on attracting manufacturing investments.



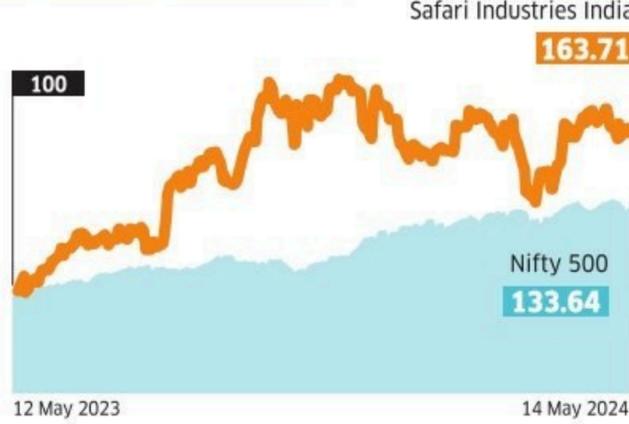
Current price as on 14 May 2024. Nifty 50 12-M forward median PE: 20.8. Source: Refinitiv

Safari Industries India

Sharpe ratio	Industry name	Industry median ratio	12-month forward PE	Current price (₹)	1-year target price (₹)
1.46	Textiles, apparel & luxury goods	0.39	44.2	2,019	2,335

ANALYSTS' RECOMMENDATIONS		
BUY 6	HOLD 0	SELL 0

UPSIDE POTENTIAL 15.6%



reduced raw material expenses. An Ambit Capital report is optimistic about the company's prospects. Nonetheless, it flags slowing air traffic growth, reduced auspicious wedding dates, and potential election-related impacts as short-term challenges.

THE LUGGAGE manufacturer saw a solid 20.7% and 13.4% y-o-y growth in revenue and PAT, respectively, in the March quarter. This growth was driven by robust e-commerce sales and the popularity of hard luggage. Though the revenue fell short of Reuters-Refinitiv estimates by 3.5%, the net profit exceeded expectations by 5.9%.

The company stands to gain from travel industry trends favouring short-term trips, increased individual bag ownership, and shorter replacement cycles. Additionally, the growing fashion appeal of luggage and consumer preference for branded products are poised to bolster both the industry and the company's growth.

Margins are forecasted to stay steady, driven by a better product mix, increased in-house manufacturing, and

MFs sitting on ₹1.36 lakh crore cash pile

Around 42 mutual funds were sitting on ₹1.36 lakh crore cash in April, according to data from ACE MF. SBI Mutual Fund alone had ₹22,703 crore cash, which was 3.84% of its total AUM of ₹5.69 lakh crore in April. ICICI Prudential Mutual Fund had ₹20,473 crore cash in April, which was 6.51% of its total AUM of ₹2.94 lakh crore. In third rank was HDFC Mutual Fund, with ₹19,274 crore cash pile. This was 6.52% of its total AUM of ₹2.76 lakh crore.

Interestingly, smaller fund houses had a larger percentage of their AUM in cash. The largest percentage cash holding was that of PPFAS Mutual Fund. It was holding ₹10,057 crore cash, which was 14.95% of its total AUM of ₹57,237 crore.

Quant Mutual Fund was also holding a large chunk of its AUM in cash. The fund



house had ₹9,563 crore cash, which was 13.78% of its total AUM of ₹59,845 crore. Meanwhile, mutual funds have been stocking up on some good mid-cap stocks in the past one month. According to a report by ICICI Direct, these funds bought almost 25 lakh shares of Vodafone Idea in April, taking their total holding to 34 lakh shares, compared to 9.7 lakh shares in March. The total market value of these shares in April was ₹4,497 crore. Tata Technologies was another stock that mutual funds bought in April. Mutual funds bought 20 lakh shares of the company in April. IRCTC (51 lakh shares), JSW Energy (45 lakh shares) and Mazagon Dock Shipbuilders (4 lakh shares) were the other stocks that were bought by mutual funds in large numbers in April.

—Surbhi Khanna

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DHIRENDRA KUMAR
CEO, VALUE RESEARCH

MONEY MYSTERIES

Simon's story is of extraordinary intellect and unconventional methods, setting him apart in the investment world. While Buffett, Munger and Kahneman offered insights and knowledge that the average investor could adopt, Simon's approach was different. His reliance on advanced mathematical models and statistical analysis was innovative and almost exclusive to his firm's unique skill set.

Strange tale of Jim Simon

Despite his investing genius, it's of little use to investors, says **Dhirendra Kumar**.

Charlie Munger, Daniel Kahneman and Jim Simon. The past few months have seen the passing away of these three people whose lives and work have been of great interest to investors. Of the three, Munger and Kahneman have often been the subjects of my writings over the years. However, I have hardly ever mentioned Jim Simon, even though his life has been the most interesting in some ways.

By all accounts, Simon, who passed away last week at 86, was an extraordinary genius. During the first half of his life, he was an academic mathematician or, to be precise, a geometer. Around the time he was 40, he decided that the equity markets could be understood and predicted using purely statistical techniques. He set up an investment firm and hired people from maths and maths-adjacent fields. They struggled for about a decade, but around 1987, their techniques had been developed to a point where they started succeeding.

From 1988 to 2018, the Medallion Fund, which was run by his investment firm, delivered annual gross returns of 66%. After considering the enormous fees, the average annual returns came to 39%. During this period, the only negative year was 1989, when the fund lost just 3%. These numbers seem completely incredible, and they are. Most readers must be thinking that these returns should have compounded to trillions of dollars over the years. They would have, but here's the most interesting fact about this fund: it was not allowed to accumulate assets.

Simon capped the size of the Medallion Fund at US \$10 billion, which meant that after a point, most returns were paid to investors every year. He did this because the statistical techniques that the Medallion Fund was using could only work to a certain scale. To help limit the size, the fund was closed to fresh investors in 1995—and has never been opened again. In fact, by 2005, all outside investors were bought out by the firm and, since then, the fund only



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has investments bits y employees and former employees.

In almost every way, this tale is the strangest in the world of investments. It is also the reason I have never written about Simon as an investment writer and educator. Simon and his team's success holds no real lessons for you and me in our investing lives. Unlike Buffett, Munger, or so many other successful investors, there is nothing we can emulate.

Simon's story is of extraordinary intellect and unconventional methods, setting him apart in the investment world. While Buffett, Munger and Kahneman offered insights and knowledge that the average investor could adopt, Simon's approach was completely different. His reliance on advanced mathematical models and statistical analysis was not just innovative, but almost exclusive to his firm's unique skill set. This is why, despite his phenomenal success, his methods remain largely inaccessible to everyday investors. Of course, one should be aware of some of the basic principles he followed, such as considering invest-

ments from the perspective of diverse fields, as well as formulating a system of investing. For anyone fascinated by the strange nooks of the financial world, *The Man Who Solved the Market* by Gregory Zuckerman could be an interesting read. Beyond that, despite the recent hype, we should ignore him in terms of any personal relevance to our investments.

There's one exception though—Simon's style of philanthropy. Unlike the 'I'm going to save the world from itself' obsession of some well-known billionaires, Simon poured an enormous amount of wealth into scientific and mathematical research. His contributions to the academia were vast, funding research that bridged theoretical and practical applications. Simon's philanthropic legacy is a testament to his belief in the power of knowledge and innovation. As is his own life.

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Silver prices hit all-time high of ₹87,476

Silver prices hit a fresh all-time high of ₹87,476 per kg on 16 May, in MCX July series, amid sustained buying. Silver is up by around ₹6,600 or 8% in May. In the US market, spot silver fell 0.4% to \$29.56 per ounce, having hit its highest since February 2021 earlier in the session. "Silver is catching up with gold. Strong fundamentals amid rising gold prices are likely to spur investor interest in silver," analysts at ANZ wrote in a note, adding that they expect the metal to trade above \$31 by the end of 2024.

The swift rise in silver prices is primarily due to its unique industrial properties, which set it apart from gold. Key industrial metals like copper, aluminium, zinc and lead prices have risen sharply since April on worries of supply threat. This has prompted speculators to bet largely on sil-

ver. A record high gold prices, escalating geopolitical tensions and hopes of US interest rate cuts may have aided the sentiment. "The ongoing momentum-driven buying is likely to extend in the immediate run driven by a robust rally in gold and other industrial metals. Investors can add silver to their portfolios, but should be limited to below 5%. Periodic buying in small quantities is advised for greater benefits," said Hareesh V, Head of Commodities, Geojit Financial Services.

Investors should also consider that silver prices can be highly volatile due to speculation, which can lead to short-term price surges. Silver is one of the most volatile precious metals and its volatility can be 2-3 times greater than gold some days. "Our analysis suggests that if silver



sustains its position above the \$30 benchmark, it could sign a fresh bull run of 7-10%. Conversely, failure to secure a close above \$30 might see downward pressure, potentially leading to corrective movements towards the \$28.5 and \$27.9 levels, while on MCX, the critical level lies at the ₹88,550 level, which is a make or break point for silver," said Rahul Kalantri, VP, Commodities at Mehta Equities.

Ashwani Harit, Commodities Analyst at Religare Broking said that on the basis of rising industrial demand for silver and its current price movement, future outlook remains strong. "We expect an upside of ₹90,000-91,000/kg in the coming weeks, where any dip around ₹85,500/kg would provide an opportunity to add more in long positions," he said. —Nishtha Awasthi



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Separate family finances from business risks

Manish is keen to become an entrepreneur. He has worked for 25 years and has held senior management positions in large companies. He holds a large portfolio of assets, including real estate, equity, mutual funds and bonds. He is fairly confident that his business idea will scale up. His two children are currently pursuing their graduation. He is confident of funding their higher education with his savings and educational loans. What precautions should Manish take before quitting his job?

Manish's family will be used to certain expenses given their current lifestyle. As a household moves to a higher income bracket, what is seen as discretionary spending by a simple household, may become essential. This may include salaries of support staff, entertainment and socialising, vacations, among others. So, Manish should first make a realistic estimate of these expenses. He should then ensure that he has deployed an adequate corpus to fund his family's expenses to insulate them from the volatilities of his new enterprise. This corpus should be able to fund three years of expenses after taking inflation into account.

Second, Manish should be careful about how his enterprise is structured and funded. Setting up an entity, such as a private limited company, will be able to protect him better in the event of a lawsuit. He should keep his contribution limited and in phases so that he is not desperate when the early uncertainties of a new business hit him. He can begin with a small capital and seek

funding as he builds the business to allow for early mistakes and modifications. A first generation entrepreneur has to allow the business idea to grow without demanding too much funding, too early. The business needs to demonstrate its sustainability to be able to get funding. Efficient use of capital is required when the pockets are not too deep.

Third, Manish should ensure that he separates and insulates his business from family assets. Pledging personal assets, providing personal guarantees, deploying personal capital in business, involving spouse as a dormant partner are all business practices that reduce the distinction between home and business. These practices are convenient, but create problems in the long run for a professionally managed business. Insurance can be an important part of Manish's business risk protection plan as it can take care of an untoward incident in business, insulating it from personal loss. Manish should create and build his business as a distinct entity, whose success can reward him and, therefore, his family too.

Content courtesy Centre for Investment Education and Learning (CIEL).
Contributions by Girija Gadre, Arti Bhargava and Labdhi Mehta.

PAPER WORK

Investing in ELSS

Equity-linked savings schemes (ELSS) serve a dual purpose, offering potential for wealth growth, while providing tax-saving benefit under Section 80C. These also have a short lock-in period of three years, compared to other schemes like the PPF, Sukanya Samriddhi Yojana and NSC. Here's how to invest in these schemes.

ELSS mutual funds



ELSS funds are equity-oriented mutual funds that primarily invest in equities and equity-related instruments. These have a lock-in period of three years, making them suitable for long-term wealth accumulation. ELSS funds are best suited to investors with high risk appetite and long-term investment horizon of at least 3-5 years.

Selecting the right fund



It is important to conduct thorough research and due diligence to choose the right ELSS fund that aligns with your investment goals and risk profile. Consider factors such as fund performance, fund manager's track record, investment strategy, and expense ratio.

Evaluating past performance



Review the historical performance of ELSS funds across different market cycles to gauge their consistency and resilience. Look for funds that have delivered competitive returns compared to benchmark indices and peers over the long term.

Investing systematically



Opt for a systematic investment plan (SIP) approach to invest in ELSS schemes regularly. SIPs enable investors to benefit from rupee-cost averaging and inculcate discipline in investment while mitigating the impact of market volatility.

Points to note

- It is important to note that unlike other equity mutual fund schemes, ELSS has a three-year lock-in period. Hence, the financial goals for which ELSS investments are made need to be planned keeping in mind this lock-in period.
- Consult a financial adviser or an investment professional to get personalised advice on investing in these schemes.

SMART THINGS TO KNOW

Travel credit cards

1

A travel credit card is specifically designed to provide benefits that are related to travel expenses.

2

These come with joining and annual fees. The rewards and benefits of the card should be more than the cost of the card.

3

Travel cards offer bonuses, like free airline tickets or hotel stays, at the time of signing up. Pick the one that is most suitable for you.

4

If opting for foreign travel, pick a card with low foreign currency markup and zero transaction fees.

5

If there is a likelihood of cash withdrawal while travelling, check that the cash withdrawal charges are low.



I'm 53 and retired early. My wife is a homemaker and our monthly expenses are ₹1.5 lakh. My investments include ₹3.75 crore in equity mutual funds (14-16% over 15 years), ₹75 lakh in bond market funds, ₹25 lakh in company deposits and gold worth ₹35 lakh. I have property worth ₹5 crore yielding ₹1.25 lakh a month, and a house valued at ₹2.5 crore. How should I reallocate my assets to correct the skew towards real estate?

If we exclude your real estate investment, your portfolio appears to be well diversified. While the heavy skew towards real estate isn't overly concerning due to its tangible nature and strong market value, your annual rental yield is relatively low at around 3%. With AAA-rated debt instruments offering around 7-8%, there's an opportunity loss to consider in terms of yield. Given that this property serves an investment purpose and considering your age, it might be prudent to consolidate this physical asset for convenience and mitigating yield opportunity losses. Consider investing the corpus in debt and/or dynamic asset allocation hybrid mutual funds for better yields. Real estate often serves as a psychological/emotional investment due to its tangible nature and perceived safety. Even if you don't plan to liquidate the property, it should suffice for a few more years or until you're able to manage it. Your equity mutual funds are yielding handsome returns and can be retained. Regardless of consolidating your real estate investment, you can comfortably cover your monthly expenses. However, closely monitor inflation as your real estate yield may not effectively offset it.



Rushabh Desai
Founder, Rupee With Rushabh Investment Services

I've been providing engineering consultancy to a company since April 2023, where I previously worked as an employee. I'm earning nearly ₹3 lakh a month as fee. What are the tax implications for my consultancy services?

You have the option to consider the presumptive tax scheme under Section 44ADA of the Income-tax Act. This caters to professionals in various fields, such as legal, medical, accountancy, technical consultancy, interior decoration, and others, as notified by the CBDT. If your total gross receipts/sales did not exceed ₹75 lakh in 2023-24 (with cash receipts not surpassing 5% of the total), you can opt for presumptive taxation. Under this scheme, 50% of the total gross receipts would be deemed taxable as professional income and taxed at the applicable slab rates. This provision simplifies tax compliance for smaller professionals by allowing them to pay taxes presumptively, eliminating the need for meticulous book-keeping. All deductions related to professional income are deemed allowed within this limit. However, if your actual expenses exceed 50%, you'll need to maintain accounts and have these audited by a chartered accountant.



Amit Maheshwari
Tax Partner, AKM Global

Our panel of experts will answer questions related to any aspect of personal finance. If you have a query, mail it to us right away.

QUESTION OF THE WEEK

I am 35 years old, earning ₹1.5 lakh per month. I have recently paid off my home loan and have started investing ₹45,000 monthly in mutual funds (Nippon Small Cap, Mirae Bluechip, and PPFAS), besides investing ₹50,000 annually in the NPS. What other investment options would be best to help me achieve my goal of building a corpus of ₹5 crore by retirement?

At 35, it's commendable that you're focusing on retirement planning after achieving a significant milestone like purchase of a house. Assuming retirement at 55 (or 60), you can invest for over 20 years. Hence, a higher equity allocation of, say, 75% equity and 25% debt, for this long-term goal is advisable. Initially, the portfolio can be skewed towards equity, but you can reduce the equity share to mitigate risk as you approach retirement. To achieve a corpus of ₹5 crore in 20 years (assuming there are no current savings), you'll need to invest ₹52,000 a month. This should be increased by at least 5% annually over the next 20 years.

With a monthly investment of ₹45,000 in equity funds and NPS contribution of nearly ₹4,200 a month (₹50,000 annually), you seem to be on track to reach your ₹5 crore goal in 20 years, assuming returns of 11% in equity and 7% in debt. To expedite savings, consider directing a significant portion of your annual bonus/incentives towards your portfolio. You're currently invested in three pure equity funds. While these are good performers, small-cap funds can be volatile and may not deliver returns consistently. Adjust your expectations accordingly, especially if your allocation to these is high.

While your retirement target of ₹5 crore may seem substantial today, it's essential to consider inflation's impact, which could significantly reduce its real value by retirement. Instead of aiming for a fixed figure like ₹5 crore, it's advisable to calculate the actual corpus required on the basis of your estimated expenses at retirement. Apart from retirement, other significant goals like children's education may also require attention. Address these goals accordingly, if applicable. It's also advisable to set up an emergency fund covering at least six months' expenses.

If you are relying solely on your employer's health insurance, buy additional cover. If you have dependants and inadequate life insurance, it's crucial to buy a term plan. Given your age, you can easily secure sufficient life insurance at a reasonable premium.



Dev Ashish
Founder, StableInvestor, and
Sebi-registered investment adviser

I am a retired businessman, aged 65. I have ₹1 crore to invest after fulfilling all my obligations. My goal is to preserve the principal while generating a monthly income of ₹1 lakh. With a medium risk appetite, I plan to remain invested for 15 years or more. Please suggest the avenues I can invest in.

A monthly income of ₹1 lakh, or ₹12 lakh annually, requires 12% return on the invested corpus. However, to ensure a stable retirement income, you need to take into account the following: fixed-income products seldom offer such high rates; preserving the purchasing power of your invested corpus over time is crucial; inflation-adjusted income is necessary to account for inflation's impact on household expenses, and tax implications must be considered.

Given your comfort with moderate risk, consider investing in two hybrid funds and opting for a systematic withdrawal plan (SWP). Balanced advantage and multi-asset funds typically yield 10-12% long-term average returns, offering a mix of equity, debt and gold. SWP benefits include reduced tax liability on principal withdrawals, favourable taxation compared to fixed-income products, and potential positive real returns over time despite equity exposure. Assuming ₹1 lakh monthly withdrawal, ₹1 crore corpus could last 15 years with 10% return. Adjusting for a 6% inflation, the corpus may last nine years with increasing withdrawals. To ensure sufficient funds for 15-18 years, reduce monthly withdrawals to ₹60,000-70,000. Additionally, prioritise health insurance and an emergency fund.



Prableen Bajpai
Founder, FinFix Research and Analytics

I made short-term capital gains from selling equity shares in 2023-24, while carrying forward long-term capital losses. Can I offset the the long-term capital losses with short-term capital gains? If I choose the new tax regime, can I still offset the losses?

Under the Income-tax Act, long-term capital losses are only eligible for adjustment against long-term capital gains. Thus, for 2023-24, you cannot offset these with short-term capital gains. While the new regime allows offsetting losses with capital gains, you must adhere to income-tax regulations. Long-term capital losses can be carried forward for up to eight years from the year of occurrence, allowing you to offset these against long-term capital gains within this period. To utilise this benefit, ensure you file your income-tax return by due date.



Shubham Agrawal
Senior Taxation Adviser,
TaxFile.in

Ask our experts

Have a question for the experts?
etwealth@timesgroup.com

Spending at ease in retirement

How you invest your retirement corpus after quitting work is as important as where you invest your earnings while you are working. The strategy is to allow your savings to grow at all times, says **Uma Shashikant**.

<https://telegram.me/PaperMagazine>



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UMA SHASHIKANT
IS CHAIRPERSON,
CENTRE FOR INVESTMENT
EDUCATION AND LEARNING

The fear that the retirement corpus will not be enough comes primarily from it being small. It is also stoked by how the corpus is invested. The conservative mistake of earning years is repeated in retirement. The money is invested in debt products and income earning assets. Many retirees believe that equity investing will put their lifetime savings at risk.

My cousin is touring the South American countries on a curated holiday with a bunch of women friends. A common friend wondered how someone could afford this after retirement. “Why not?” I asked. Notions about retirement planning have changed. It is old-fashioned to seek pension from the government and live an entitled life. Many investors prefer to take matters into their own hands. They began with IPOs in the 1980s and soon graduated to equity mutual funds. My cousin saved and invested aggressively in her earning years, which is why her retirement corpus has grown sizeably.

Retaining the focus on growth in corpus value over a long haul of 20-25 years of saving is important. Many remain conservative and invest in fixed-income instruments, such as bank recurring and fixed deposits, bonds and post office schemes, among others. They buy into the fear that their retirement corpus should not be subjected to the risks of the equity market.

This bias towards debt products leads to a compromise in the accumulated value of their corpus. The longer the time period, the greater the opportunity lost. There is no denying that equity investing is riskier than debt, and that higher return comes with higher risk. However, there are tools like diversification to manage those risks and earn market returns. Investing in a portfolio of equity stocks, managed to be diversified, monitored to be invested in companies that are performing well, is not difficult.

One can create such a portfolio and manage it actively; one can buy a diversified equity mutual fund; or simply buy an equity market index holding a diverse set of stocks. In all these cases, the market risk of being exposed to equity still remains. This is addressed by staying

invested through bull and bear market cycles. This is a cultivated preference, now mastered by thousands of investors, like my cousin, who invests in equity indices and mutual funds.

This strategy of accumulation and growth, enabled by equity investing, preferably executed over a long period of time, is what left them with a retirement corpus adequate enough for their travels and other post-retirement activities. “How do they spend it so courageously?” I was asked next.

The fear that the retirement corpus will not be enough comes primarily from it being small. It is also stoked by how that corpus is invested. The same conservative mistake of the earning years is repeated in retirement. The money is invested in debt products and income earning assets. Many retirees believe equity investing will put their lifetime savings at risk.

If there are 30 earning years, there are 30 years in retirement too. At least that is the assumption one makes with respect to using the corpus and living off it. This must guide the investment strategy after retirement too. The important difference is that one is dependent on the investment corpus for income, and one does not contribute to it. So, drawing from what is seen as a fixed pile of money is a difficult decision.

The strategy to deploy is one that enables the corpus to grow and appreciate in value as well. There is always a small portion that is drawn and the rest is kept for the future. A portion of this money can be invested in equity—diversified equity funds, portfolios or stocks, as one prefers—to enable it to grow in value. How much one should invest in equity depends primarily on the size of the corpus. This is because the portion needed for annual use will be a smaller percentage of the larger corpus. One can continue to draw as needed even if the equity markets fall, if the corpus is

large enough. The simplest way to arrive at how much to invest in equity is to ask how much of the corpus will be left for the heirs. If that residual portion is 30%, it could be in equity. The benefit of its appreciation will be available through retirement.

There are a few sensible decisions my cousin made, which enabled her to spend her retirement travelling, as she always wanted to. First, she has no investment in gold. She did not see it as being worthwhile, nor did she crave it for her daughters. She gave them a good education and they both earn well. Her savings went into equity.

Second, her only investment in property was the house they lived in. She sold the large flat after her husband passed away a few years ago. She saw it as an asset whose value could be utilised in a better manner. She invested a portion of the sale proceeds in equity for each of her two daughters and created a will to enable them to bequeath this investment after her death. These funds are available to her, if needed, while she is alive. After her time, her daughters will receive the appreciated value of these investments in easy-to-bequeath financial assets. By doing this, she has also capped and minimised what she has allocated to them. The equity markets will work for her to grow this allocation over the years.

Third, she has defined her monthly expenses to be minimalistic. She has a single bedroom rented accommodation that is sparsely furnished for her needs. She does not entertain, host, or party at home. Her house is defined as her space, where she cooks, reads, writes and sleeps securely and comfortably. She can easily and happily move houses as needed and doesn't care much about it.

Fourth, she has minimised her investment portfolio to one bank account and a handful of mutual fund investments. She holds her annual expense in bank deposits and draws from it each month. She has a fixed deposit allocated as emergency fund. The rest is in mutual funds, from which she draws down what she needs when she plans a long travel holiday.

Fifth, she focuses on her health and strength, and cares about her diet and physical activity. She has instructed her children to not spend on invasive treatments to keep her alive if she hits a roadblock. She will soon write a living will to document this desire. Her girls are well placed, love and care for her, and this is a source of comfort and security. She hopes to see the world before she turns 70 in another eight years. Allocating money to what one cares for and what truly matters is a great skill. More power to people like her.



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How to deliver results

The only skill you need to charge up your job and career is the ability to deliver results consistently. **Devashish Chakravarty** explains how to achieve this.

What are you paid to deliver? Are you delivering it? As an employee, if you do not know the exact answers, you may end up being ambushed in the next lay-off cycle or be left behind in the next appraisal. Intuitively, you may realise that the only way to retain your job and be successful in your career is to have a strong record of delivering results consistently. But have you taken a reality check? Undertake this short exercise to find out. In 60 seconds, write down the top five goals that you are being paid to deliver. If you took more time, your goals are not at the centre of your daily work life. If you struggled to even think about and write down the goals, you have lost sight of what you are paid to deliver while you got busy with whatever landed on your plate. Take a break this weekend to make a list of goals that you think your employer wants you to meet. Thereafter, follow these steps.

Results & activities

Under each goal, write down the results you are expected to achieve in the next three or six months. Under your annual sales goal, your quarterly sales results might include addition of new clients and farming of the existing ones. Under results, list the activities that you need to conduct to achieve these. So, for instance, under the sales goals, you might need to hire an extra team member, train or let go of underperformers, set up bi-monthly meetings with existing clients, and generate five new leads a week with a funnel to conversion. Along with your goals, your results and activities add up to your understanding of the employer's expectations from your job.

Reality check with boss

The most important step in this process is to get a reality check with your boss. Discuss your goals, results and activities with your manager. Your effort will be appreciated, but be prepared to be surprised.

Your biggest assumptions may turn out to be completely wrong or your manager's goals may have changed since the previous year. Ultimately, you and your manager need to agree upon a common set of goals by which to measure your success this year. This makes it easier to secure your job and next year's appraisal.

Deadlines & distractions

Are you currently focused on all the activities that will get you the results, or are you spending more time on unrelated tasks? Make a list of activities you need and rank them according to priority. Delete or delegate all other tasks. Now, set a deadline for starting and ending each task in your quarterly plan. Are you allocating sufficient and realistic time for each activity? After setting deadlines, list out all the distractions. Common and avoidable distractions may include talkative colleagues, long, pointless meetings, social media distractions, personal/ family interruptions, and excessive e-mails. Unavoidable distractions can include reporting and compliance requirements. Plan on increasing your efficiency by reducing distractions and meeting your deadlines regularly.

Relationships, resources and problems

What are the tools, technology, budget and resources that you require? How and when are you going to procure these? List out the people you need to make your plans work, including clients, colleagues, gatekeepers, finance personnel and, most importantly, your boss. How will you build and strengthen your professional and personal relationships with these key people? Apart from resources and relationships, what new skills do you require to build your capabilities? How will you get the required training and exposure to new skills? Do you foresee any problems and roadblocks that may derail you? Can you get your manager to commit

to the support you will need to bypass or overcome these problems? This completes your planning and preparation stage prior to the execution.

Scorecard and daily list

Before you start executing your plan, set up a personal scorecard that includes progress in all the goals this year. How will you measure each of these against deadlines, thereby scoring your wins and losses? Your scorecard will keep you focused through weeks and months. Now let's focus on the daily execution. Start each day early by spending at least 15 minutes to list the exact results you want to achieve during the day. Next to each result, specify the activities you will carry out, along with the time slot for each. The balance time available is for the inevitable contingencies and distractions that creep in. In the middle and at the end of the day, take five minutes to review your progress. Your daily investment of up to 30 minutes increases your productivity up to a third and keeps you on track for your overall results and goals.

Self-leadership

You will display self-leadership when you learn to consistently deliver results and outcomes. Self-leadership is your ability to seize control of your life, actions and behaviour so that you achieve the goals you choose for yourself. The path of self-leadership and repeated success comes from intentionally setting goals and taking continuous, meaningful steps towards these. Start with self-awareness and understanding of your values, strengths, weaknesses, beliefs and motivations. Use this knowledge to craft goals that motivate you. Learn to regulate your emotions and behaviour, invest in constant learning, be accountable for your actions and consequences, and keep going despite setbacks, failures and obstacles. Your mastery in self-leadership is about being in control of and leading a fulfilling and successful life.

CRACKING TEAM RESULTS

1 RIGHT PERSON FOR EACH JOB

If you are a manager or team leader accountable for results in your job or in a temporary project, start with the team-mates. Map out the right person for each job, starting with the most capable person. If there are tasks left over, add more people or provide the right training to your team.

2 ESTABLISH ACCOUNTABILITY

After mapping, establish personal accountability by providing clarity for each role. Each person should know what is expected of him and what his S.M.A.R.T. goals are (Specific, Measurable, Achievable, Relevant, Time-bound). Both individual goals and dependencies should be shared across the team.

3 DECISION-MAKING

A leader is expected to take decisions, more right than wrong, and be prompt about it. So, foster a decision-making culture. Know that late decisions or decisions that delay work are 'wrong' decisions. Coach your team to gather data quickly, seek relevant advice and take timely decisions.

4 COMMUNICATION FLOW

Without the right communication channels, no results are possible. Set up the communication process for each task. Who initiates communication? How frequently, and who needs to know? How is good work recognised and celebrated? Have you covered every stakeholder in your process?

5 MEASUREMENT & FEEDBACK

Finally, control the output so that your team can deliver the expected results. Set up a measurement system or dashboard with deadlines to keep track of projects and tasks. Establish a weekly feedback for course correction and figure out the right questions to find the root cause of failures.



THE WRITER IS FOUNDER & CEO, SALARYNEXT.COM, A JOB LOSS ASSURANCE COMPANY.

SMART STATS

ET WEALTH TOP 50 STOCKS

Every week we put about 3,000 stocks through four key filters and rate them on a mix of factors. The end result of this is the listing of the top 50 stocks based on the composite rating to help ease your fortune hunt.

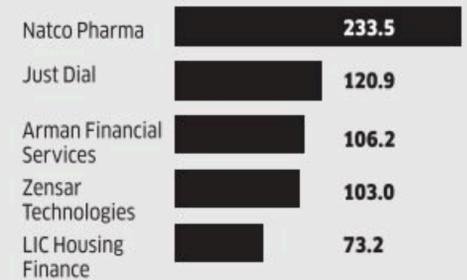
	RANK		PRICE ₹	GROWTH%*		VALUATION RATIOS				RATING	
	Current Rank	Previous Rank		Revenue	Net Profit	PE	PB	PEG (5-year)	Div Yield (%)	No. of funds	Value Research Stock Rating
Can Fin Homes	1	1	760.25	20.8	28.5	13.5	2.3	0.4	0.8	48	*****
Manappuram Finance	2	2	185.10	51.9	29.0	7.7	1.4	0.4	1.6	13	*****
Bajaj Finance	3	4	6,747.15	24.0	34.9	28.9	5.5	0.5	0.5	117	*****
Gujarat State Petronet	4	3	290.30	35.9	15.3	9.9	1.5	1.0	1.7	56	*****
Aavas Financiers	5	5	1,589.80	14.1	25.5	25.6	3.3	0.9	0.0	39	*****
Coal India	6	6	468.30	10.2	2.9	7.7	3.5	0.8	5.4	110	*****
PI Industries	7	7	3,608.30	43.0	14.9	34.3	6.5	1.4	0.3	64	*****
Indraprastha Gas	8	9	440.30	21.0	-0.8	15.6	3.2	1.1	2.0	39	*****
Nesco	9	8	884.00	32.1	34.7	18.2	2.9	1.4	0.5	7	*****
Repc Home Finance	10	11	502.90	34.1	19.1	7.6	1.1	0.2	0.5	10	*****
LIC Housing Finance	11	12	653.15	73.2	24.3	7.5	1.1	1.6	1.4	43	*****
Kotak Mahindra Bank	12	13	1,672.05	21.9	33.4	18.2	2.6	1.2	0.1	131	*****
The Great Eastern Shipping	13	--	1,059.75	1.5	-7.6	5.8	1.2	0.0	3.4	23	*****
Dr. Reddy's Laboratories	14	16	5,850.40	23.6	13.5	17.4	3.4	0.9	0.7	52	****
Akzo Nobel India	15	14	2,558.75	31.5	6.0	28.1	8.0	2.0	2.5	13	*****
Infosys	16	17	1,453.35	9.8	4.7	23.0	6.9	2.0	3.2	206	*****
Narayana Hrudayalaya	17	18	1,261.35	53.7	17.0	33.4	9.6	0.5	0.2	25	*****
Indraprastha Medical Corp.	18	332	246.85	38.2	15.7	20.2	5.1	0.8	1.2	5	*****
Gulf Oil Lubricants India	19	19	927.90	22.8	13.3	16.0	3.5	1.9	2.7	8	*****
Zensar Technologies	20	21	640.15	103.0	1.1	21.8	4.1	2.7	1.4	28	*****
Persistent Systems	21	20	3,528.45	17.9	17.6	49.5	10.9	1.1	0.7	87	*****
Amara Raja Energy & Mobility	22	24	1,133.55	19.8	7.4	25.4	3.5	2.2	0.5	16	*****
Godfrey Phillips India	23	15	3,597.50	36.9	22.8	23.0	4.7	1.0	1.2	7	*****
Sun TV Network	24	22	670.00	7.5	9.6	13.9	2.5	2.7	2.2	17	*****
Avanti Feeds	25	23	533.95	28.5	-2.8	21.0	3.2	5.9	1.2	11	*****
Arman Financial Services	26	25	2,050.50	106.2	72.7	13.4	2.6	0.3	0.0	9	*****
Muthoot Finance	27	26	1,696.75	14.4	20.8	16.3	2.8	1.3	1.3	52	*****
Jamna Auto Industries	28	27	134.15	17.5	4.5	26.4	6.0	5.1	1.4	10	*****
Cholamandalam Investment	29	30	1,262.00	26.7	47.0	31.1	5.4	0.4	0.2	119	****
Nestle India	30	29	2,468.35	2.8	10.3	74.4	71.2	0.7	1.3	61	*****
Coforge	31	28	4,680.95	15.4	14.5	35.8	8.0	2.6	1.6	126	*****
ITC	32	33	431.45	14.0	1.0	26.2	7.2	2.4	3.6	143	*****
Bajaj Holdings & Investment	33	31	8,336.30	49.8	399.4	12.8	1.7	1.0	1.6	9	*****
Cipla	34	36	1,421.10	47.0	13.3	27.9	4.3	1.7	0.9	104	****
Maruti Suzuki India	35	35	12,497.65	60.7	19.9	29.1	4.6	3.9	1.0	175	*****
Just Dial	36	40	984.40	120.9	23.5	23.1	2.1	4.3	0.0	6	*****
City Union Bank	37	37	153.90	5.3	13.0	11.7	1.4	2.0	0.6	27	*****
Garware Technical Fibres	38	38	3,282.10	20.2	1.7	32.7	5.6	3.6	0.1	7	*****
Cera Sanitaryware	39	--	7,042.80	14.1	4.1	38.4	6.8	2.7	0.8	14	****
SKF India	40	--	5,659.50	5.2	6.2	50.8	10.4	4.8	2.3	40	****
3M India	41	42	30,006.15	25.1	7.9	61.7	17.1	10.4	3.2	42	****
Natco Pharma	42	39	998.85	233.5	59.1	14.0	3.2	2.7	0.6	9	****
Abbott India	43	41	26,542.55	26.5	9.4	46.9	15.2	2.7	1.5	49	****
Praj Industries	44	57	515.85	33.5	2.9	34.1	8.0	1.1	0.9	22	*****
Asian Paints	45	34	2,814.05	33.0	2.9	49.4	14.4	3.2	1.2	35	****
Marksans Pharma	46	326	164.85	33.8	17.9	23.5	3.8	0.7	0.3	5	****
Avenue Supermarts	47	44	4,671.25	5.0	18.4	120.0	16.3	5.4	0.0	93	****
Hawkins Cookers	48	46	6,403.60	5.5	-2.2	34.4	11.3	2.7	1.6	5	*****
Eicher Motors	49	51	4,681.75	37.2	14.5	32.0	7.1	3.5	1.1	67	****
Castrol India	50	45	190.30	11.2	5.7	21.4	8.3	5.0	3.9	14	*****

*REVENUE AND EPS FIGURES BASED ON ONE-YEAR GROWTH. DATA AS ON 16 MAY 2024.

SOURCE: VALUE RESEARCH

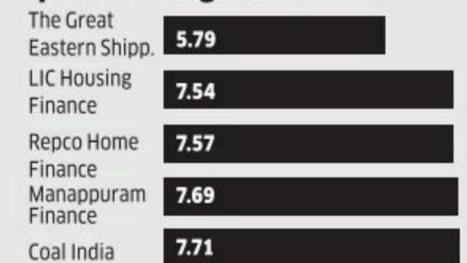
1 Fast growing stocks

Top 5 stocks with the highest revenue growth (%)



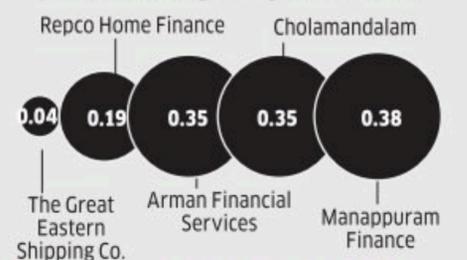
2 Least expensive stocks

Top 5 stocks with the lowest price-earnings ratio



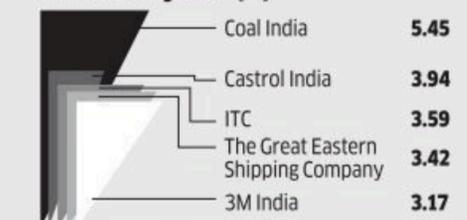
3 Best PEGs

Top 5 stocks with the least price earnings to growth ratio



4 Income generators

Top 5 stocks with the highest dividend yield (%)



5 Most widely held

Top 5 stocks held by most number of mutual funds



SEE NUMBER OF MUTUAL FUNDS HOLDING THE STOCKS IN THE ADJACENT TABLE.

ETW FUNDS 100

BEST FUNDS TO BUILD YOUR PORTFOLIO

ET Wealth collaborates with Value Research to identify the top-performing funds across categories. Equity funds and equity-oriented hybrid funds are ranked on 3-year returns while debt-oriented hybrid and income funds are ranked on 1-year returns.

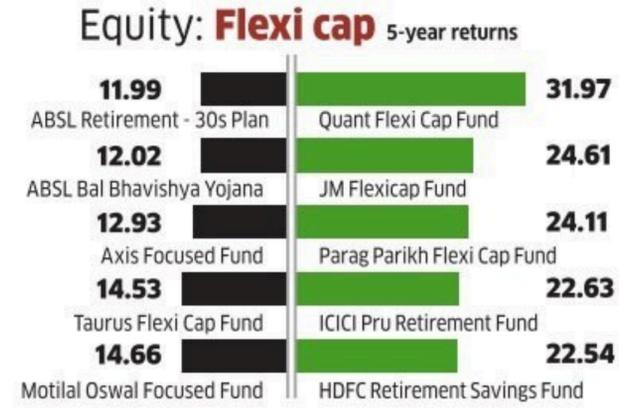
	Value Research Fund Rating	Net Assets (₹ Cr)	RETURNS (%)					Expense Ratio (%)
			3-Month	6-Month	1-Year	3-Year	5-Year	
EQUITY: LARGE CAP								
Nippon India Large Cap Fund	*****	26,137.65	5.4	20.68	36.83	24.75	18.8	1.61
ICICI Prudential Bluechip Fund	*****	54,904.23	4.03	20.44	36.74	21.27	18.91	1.49
JM Large Cap Fund	*****	144.17	3.77	24.75	43.12	21.23	17.63	2.41
HDFC Top 100 Fund	****	33,170.08	2.4	16.63	32.06	20.74	16.67	1.62
Quant Focused Fund	*****	924.73	3.16	26.94	49.33	20.25	23.3	2.22
Baroda BNP Paribas Large Cap Fund	****	1,930.52	5.73	23.53	36.65	19.69	18.74	2.07
DSP Nifty 50 Equal Weight Index Fund - Regular Plan	*****	1,345.87	1.34	17.42	33.49	19.5	18.45	1
Edelweiss Large Cap Fund - Regular Plan	****	874.24	3.94	16.9	29.84	18	17.23	2.24
Kotak Bluechip Fund - Regular Plan	****	8,027.99	4.39	17.22	28.17	17.07	17.58	1.76
SBI Bluechip Fund	****	45,410.51	5.15	12.75	21.93	16.37	16.42	1.53
Canara Robeco Bluechip Equity Fund - Regular Plan	****	12,830.12	4.29	16.61	26.35	15.76	18.04	1.69
EQUITY: LARGE & MIDCAP								
Motilal Oswal Large and Midcap Fund - Regular Plan	*****	4,036.22	8.09	23.56	49.42	26.85	-	1.86
ICICI Prudential Large & Mid Cap Fund	*****	13,117.39	6.23	24.1	43.06	26.55	22.68	1.72
HDFC Large and Mid Cap Fund - Regular Plan	****	18,691.62	4.2	20.15	44.59	25.82	22.7	1.7
Kotak Equity Opportunities Fund - Regular Plan	****	21,495.80	10.38	24.05	42.62	23.35	21.84	1.62
SBI Large & Midcap Fund	****	22,689.50	3.46	17.05	31.1	21.49	20.37	1.65
EQUITY: FLEXI CAP								
ICICI Prudential Retirement Fund - Pure Equity Plan	*****	729.80	7.58	30.37	53.79	30.29	22.63	2.27
JM Flexicap Fund	*****	2,107.42	9.04	30.89	62.47	30.15	24.61	1.97
HDFC Focused 30 Fund	****	11,246.61	5.77	21.66	38.65	28.48	21.1	1.71
Bank of India Flexi Cap Fund - Regular Plan	****	879.32	9.02	30.23	59.67	27.52	-	2.25
HDFC Flexi Cap Fund	****	52,874.12	4.78	21.96	39.49	25.84	20.89	1.5
HDFC Retirement Savings Fund Equity Plan	*****	5,044.10	3.88	17.16	34	24.23	22.54	1.81
ICICI Prudential Focused Equity Fund	****	7,872.07	8.46	25.8	43.58	23.56	21.2	1.77
Franklin India Flexi Cap Fund	****	15,267.10	3.98	19.18	40.22	22.43	20.47	1.73
Parag Parikh Flexi Cap Fund - Regular Plan	*****	63,933.76	3.8	17.4	35.87	21.72	24.11	1.37
360 ONE Focused Equity Fund - Regular Plan	****	7,009.01	5.58	17.59	34.59	21.54	22.42	1.8
Franklin India Focused Equity Fund	****	11,511.53	6.56	19.46	35.4	21.47	19.56	1.77
Union Flexi Cap Fund	****	2,051.30	2.52	14.82	33.67	19.57	19.63	2.05
EQUITY: MID CAP								
Motilal Oswal Midcap Fund - Regular Plan	*****	9,819.09	9.47	26.26	56.59	36.69	28.1	1.72
Quant Mid Cap Fund	*****	6,920.17	9.48	35.31	71.3	32.95	34.65	1.77
Nippon India Growth Fund	****	26,821.89	6.83	21.27	54.49	29.78	26.71	1.63
HDFC Mid-Cap Opportunities Fund	****	63,413.49	4.2	19.91	53.23	29.34	25.8	1.44
Edelweiss Mid Cap Fund - Regular Plan	****	5,534.33	5.29	21.5	48.5	26.10	26.48	1.8
SBI Magnum Midcap Fund	****	17,910.24	6.42	15.9	35.54	24.73	24.91	1.69
Kotak Emerging Equity Fund - Regular Plan	****	42,699.18	9.75	18.68	42.34	24.20	24.95	1.47
EQUITY: SMALL CAP								
Nippon India Small Cap Fund	*****	50,422.78	8.46	21.31	55.41	34.29	32.13	1.47
Tata Small Cap Fund - Regular Plan	****	6,951.59	9	19.46	44.17	29.91	28.74	1.74
ICICI Prudential Smallcap Fund	****	7,658.95	3.98	15.47	40.53	27.98	27.11	1.77
Edelweiss Small Cap Fund - Regular Plan	****	3,361.40	4.16	14.39	43.71	27.21	29.43	1.88
Axis Small Cap Fund - Regular Plan	*****	20,136.63	2.26	11.4	36.12	24.41	27	1.63
EQUITY: VALUE ORIENTED								
SBI Contra Fund	*****	29,585.65	4.35	22.68	45.75	30.16	27.24	1.58
JM Value Fund	****	665.51	5.56	26.03	62.71	29.74	25.17	2.35
Templeton India Value Fund	****	1,922.69	4.08	21.94	41.24	27.37	22.59	2.08
Bandhan Sterling Value Fund - Regular Plan	****	8,943.61	4.18	21.02	39.46	25.6	22.9	1.76
ICICI Prudential Value Discovery Fund	*****	42,664.32	3	20.39	39.2	25.24	23.52	1.58
EQUITY: ELSS								
SBI Long Term Equity Fund - Regular Plan	*****	23,411.67	6.15	29.42	55.41	27.58	23.18	1.62
Quant ELSS Tax Saver Fund	*****	9,360.89	6.74	30.8	56.7	27.09	33.45	1.76
Bank of India ELSS Tax Saver Fund - Regular Plan	*****	1,297.72	7.4	28.43	52.49	24.97	26.86	2.11
Kotak ELSS Tax Saver - Regular Plan	****	5,608.21	9.11	22.96	37.97	21.93	20.36	1.77
Bandhan ELSS Tax Saver Fund - Regular Plan	****	6,432.29	2.81	16.28	32.78	21.2	20.99	1.75
Parag Parikh ELSS Tax Saver Fund - Regular Plan	*****	3,360.61	1.23	14.31	29.94	21.16	-	1.71
DSP ELSS Tax Saver Fund	****	14,859.56	4.47	21.05	38.9	20.44	20.85	1.66
Union ELSS Tax Saver Fund	****	875.87	3.15	14.49	32.52	20.35	19.96	2.29

LAGGARDS & LEADERS

Taking a long-term view of fund returns, here is a list of 10 funds in each category—five leaders (worth investing) and five laggards (that may be a drag on your portfolio).



24.75%
THE 3-YEAR RETURN OF NIPPON INDIA LARGE CAP FUND IS THE HIGHEST IN ITS CATEGORY.



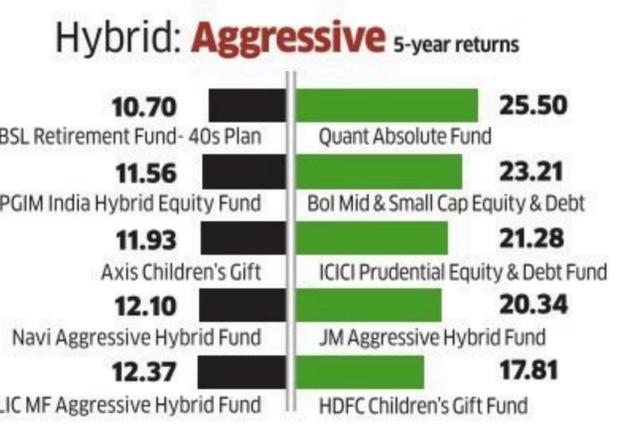
30.29%
THE 3-YEAR RETURN OF ICICI PRU RETIREMENT FUND IS THE HIGHEST IN ITS CATEGORY.



36.69%
THE 3-YEAR RETURN OF MOTILAL OSWAL MIDCAP FUND IS THE HIGHEST IN ITS CATEGORY.



30.16%
THE 3-YEAR RETURN OF SBI CONTRA FUND IS THE HIGHEST IN ITS CATEGORY.



ETW FUNDS 100

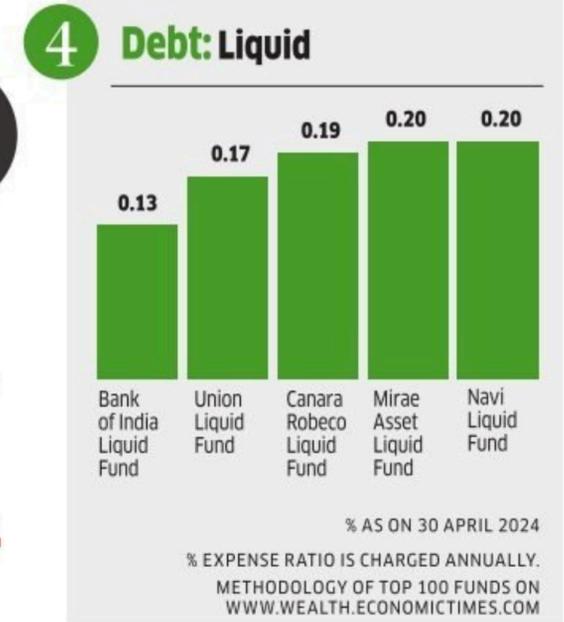
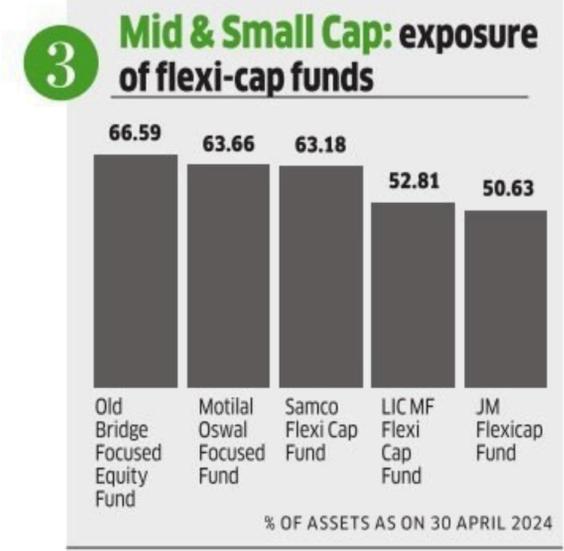
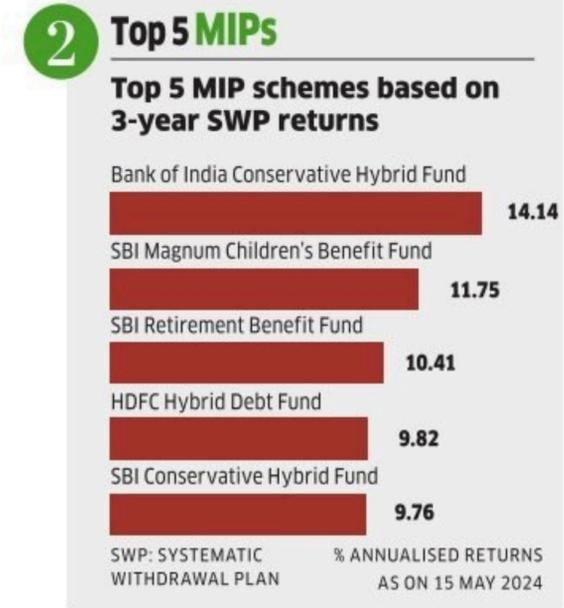
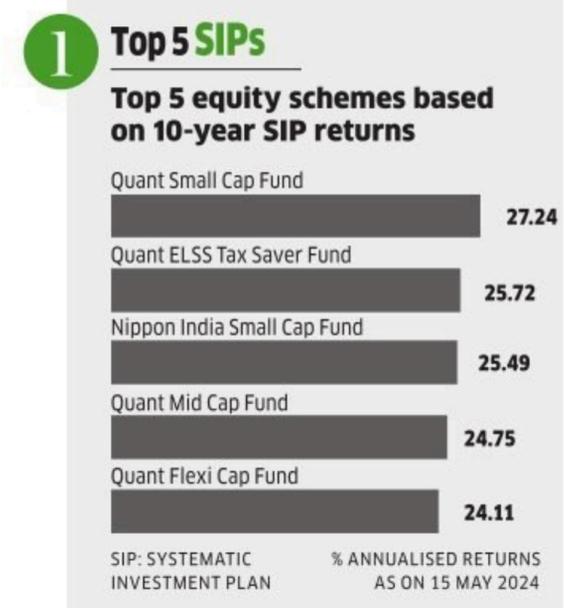
	Value Research Fund Rating	Net Assets (₹ Cr)	RETURNS (%)					Expense Ratio
			3-Month	6-Month	1-Year	3-Year	5-Year	
HYBRID: EQUITY SAVINGS								
HSBC Equity Savings Fund	★★★★	274.96	6.08	12.13	21.76	12.91	11.32	1.51
Kotak Equity Savings Fund - Regular Plan	★★★★★	5,132.18	2.12	10.18	18.11	12.24	11.01	1.86
HDFC Equity Savings Fund	★★★★	4,180.30	1.87	9.19	16.69	11.58	10.79	1.94
UTI Equity Savings Fund - Regular Plan	★★★★★	357.05	2.59	8.42	16.42	11.37	10.73	1.54
SBI Equity Savings Fund - Regular Plan	★★★★	4,751.72	2.05	7.19	18.3	10.72	11.11	1.19
ICICI Prudential Equity Savings Fund	★★★★	10,118.19	1.3	4.15	10.37	8.05	8.23	0.97
HYBRID: AGGRESSIVE (EQUITY-ORIENTED)								
ICICI Prudential Equity & Debt Fund	★★★★★	34,733.09	4.56	19.33	37	24.18	21.28	1.62
JM Aggressive Hybrid Fund	★★★★	262.45	7.86	24.97	55.48	23.99	20.34	2.35
Bank of India Mid & Small Cap Equity & Debt Fund	★★★★★	724.24	6.37	17.49	47.28	23.81	23.21	2.39
Quant Absolute Fund	★★★★★	2,024.53	5.26	24.95	36.14	20.25	25.5	2.03
Edelweiss Aggressive Hybrid Fund - Regular Plan	★★★★	1,564.25	3.85	15.57	31.09	19.39	17.5	2.03
HDFC Children's Gift Fund	★★★★★	8,864.86	4.32	13.98	26.26	18.62	17.81	1.77
UTI Aggressive Hybrid Fund - Regular Plan	★★★★	5,487.53	4.33	14.71	29.16	18.22	16.67	1.94
Mahindra Manulife Aggressive Hybrid Fund - Regular Plan	★★★★	1,138.39	4.91	16.45	30.77	18.18	-	2.12
HDFC Retirement Savings Fund - Hybrid Equity Plan	★★★★	1,394.48	2.44	12.5	25.45	16.69	16.41	2.11
Kotak Equity Hybrid Fund - Regular Plan	★★★★	5,411.89	5.21	14.64	26.15	16.48	17.57	1.82
Baroda BNP Paribas Aggressive Hybrid Fund - Regular Plan	★★★★	1,022.15	5	17.4	30.29	16.01	17.26	2.17
HYBRID: CONSERVATIVE (DEBT-ORIENTED)								
SBI Magnum Children's Benefit Fund - Savings Plan	★★★★★	109.84	2.4	8.14	17.78	12.72	11.82	1.21
Kotak Debt Hybrid Fund - Regular Plan	★★★★★	2,414.67	1.35	8.82	15.15	10.51	11.61	1.71
HDFC Hybrid Debt Fund	★★★★	3,140.27	1.92	8.33	15.03	10.88	10.77	1.78
ICICI Prudential Regular Savings Fund	★★★★	3,402.04	2.75	7.27	13.58	9.45	9.72	1.71
SBI Conservative Hybrid Fund	★★★★★	9,789.02	2.64	7.08	13.39	10.54	10.99	1.11
Canara Robeco Conservative Hybrid Fund - Regular Plan	★★★★	983.88	1.81	5.59	10.16	7.47	9.41	1.83
DEBT: MEDIUM TO LONG TERM								
ICICI Prudential Bond Fund	★★★★	2,928.20	1.66	4	6.91	5.29	7.13	1.03
SBI Magnum Income Fund	★★★★	1,748.14	1.49	3.81	6.2	5.26	7.47	1.46
UTI Medium to Long Duration Fund - Regular Plan	★★★★★	297.39	1.36	3.95	5.36	9.53	5.38	1.63
DEBT: MEDIUM TERM								
Axis Strategic Bond Fund	★★★★	1,970.65	1.84	4.14	6.96	5.89	6.77	1.09
ICICI Prudential Medium Term Bond Fund	★★★★	6,321.81	1.74	3.64	6.68	5.73	7.35	1.39
SBI Magnum Medium Duration Fund	★★★★	6,222.05	1.7	3.67	6.57	5.5	7.46	1.21
Aditya Birla Sun Life Medium Term Plan - Regular Plan	★★★★★	1,858.58	1.59	3.63	6.4	12.32	8.68	1.58
Nippon India Strategic Debt Fund	★★★★★	119.62	1.8	3.74	6.07	9.2	-0.27	1.06
DEBT: SHORT TERM								
ICICI Prudential Short Term Fund	★★★★	18,091.83	1.85	3.67	7.22	5.82	7.15	1.07
HDFC Short Term Debt Fund	★★★★	12,947.96	1.87	3.92	7.14	5.47	7	0.69
UTI Short Duration Fund - Regular Plan	★★★★★	2,680.40	1.73	3.82	6.91	6.99	5.2	0.84
Aditya Birla Sun Life Short Term Fund - Regular Plan	★★★★	7,274.29	1.69	3.7	6.71	5.5	6.89	1.07
Axis Short Term Fund	★★★★	7,944.42	1.79	3.76	6.59	5.24	6.68	0.9
Sundaram Short Duration Fund	★★★★★	187.10	1.71	3.6	6.43	7.41	5.21	0.85
DEBT: DYNAMIC BOND								
Quantum Dynamic Bond Fund - Regular Plan	★★★★	97.69	1.58	4.77	7.73	5.83	7.19	0.96
ICICI Prudential All Seasons Bond Fund	★★★★★	12,458.02	1.76	3.71	7.09	5.86	7.63	1.31
360 ONE Dynamic Bond Fund - Regular Plan	★★★★	710.12	1.43	4.55	6.79	5.87	6.49	0.52
Aditya Birla Sun Life Dynamic Bond Fund - Regular Plan	★★★★★	1,694.31	1.45	4.02	6.56	6.32	5.78	1.23
DEBT: CORPORATE BOND								
ICICI Prudential Corporate Bond Fund	★★★★★	27,350.22	1.94	3.73	7.45	5.93	7.19	0.55
Aditya Birla Sun Life Corporate Bond Fund	★★★★	21,330.37	1.82	3.92	7.34	5.68	7.27	0.51
HDFC Corporate Bond Fund	★★★★	28,968.10	1.92	3.95	7.2	5.48	7.16	0.6
Nippon India Corporate Bond Fund	★★★★★	2,892.76	1.82	3.87	6.94	5.85	6.66	0.7
Kotak Corporate Bond Fund - Standard Plan	★★★★	12,144.90	1.83	3.79	6.92	5.4	6.59	0.67
Axis Corporate Debt Fund - Regular Plan	★★★★	5,336.26	1.73	3.68	6.65	5.22	6.2	0.95

12.91%
THE 3-YEAR RETURN OF HSBC EQUITY SAVINGS FUND IS THE HIGHEST IN ITS CATEGORY.

17.78%
THE 1-YEAR RETURN OF SBI MAGNUM CHILDREN'S BENEFIT FUND IS THE HIGHEST IN ITS CATEGORY.

7.22%
THE 1-YEAR RETURN OF ICICI PRU SHORT TERM DEBT FUND IS THE HIGHEST IN ITS CATEGORY.

Expense as on 30 April 2024
Returns as on 15 May 2024
Assets as on 30 April 2024
Rating as on 30 April 2024



Did not find your fund here?
Log on to www.wealth.economictimes.com for an exhaustive list.

Methodology
The Top 100 includes only those funds that have a 5- or 4-star rating from Value Research. The rating is determined by subtracting a fund's risk score from its return score. The result is assigned stars according to the following distribution:

- ★★★★★ Top 10%
- ★★★★ Next 22.5%
- ★★★ Middle 35%
- ★★ Next 22.5%
- ★ Bottom 10%

(Not covered in ETW Funds 100 listing)

Fixed-income funds less than 18 months old and equity funds less than three years old have been excluded. This ensures that all the funds have existed long enough to be tracked for consistency of performance. Given the focus on long-term investing, liquid funds, short-term funds and FMPs are not part of the list. For the same reason, we have considered only the growth option of funds that reinvest returns instead of offering dividends that increase the NAV of funds. Despite these rigorous filters, the list includes 2/3 funds of each category to maximise choice from the best funds. The fund categories are:

EQUITIES (figures over the past one year)

- Large-cap:** Mostly invested in large-cap companies.
- Multi-cap:** Mostly invested in large- and mid-cap companies.
- Mid-cap:** Mostly invested in mid-cap companies.
- Small-cap:** Mostly invested in small-cap companies.
- Tax planning:** Offer tax rebate under Section 80C.
- International:** More than 65% of assets invested abroad.
- Income:** Average maturity varies according to objective.
- Gilt:** Medium- and long-term; invest in gilt securities.
- Equity-oriented:** Average equity exposure more than 60%.
- Debt-oriented aggressive:** Average equity exposure between 25-60%.
- Debt-oriented conservative:** Average equity exposure less than 25%.
- Arbitrage:** Seek arbitrage opportunities between equity and derivatives.
- Asset allocation:** Invest fully in equity or debt as per market conditions.

FUND RAISER

88%
of assets of equity-oriented schemes were owned by individual investors (retail and HNI), in April 2024. In April 2023, it was 89%.

SOURCE: AMFI

LOANS & DEPOSITS

ET WEALTH collaborates with ETIG to provide a comprehensive ready reckoner of loans and fixed-income instruments. Don't miss the information on investments for senior citizens and a simplified EMI calculator.

Top five bank FDs

TENURE: 1 YEAR	Interest rate (%) compounded qtrly	What ₹10,000 will grow to
Bandhan Bank	7.85	10,808
IndusInd Bank	7.75	10,798
RBL Bank	7.50	10,771
DCB Bank	7.25	10,745
YES Bank	7.25	10,745
TENURE: 2 YEARS		
RBL Bank	8.00	11,717
IDFC First Bank	7.75	11,659
IndusInd Bank	7.75	11,659
DCB Bank	7.55	11,614
Bank of India	7.25	11,545
TENURE: 3 YEARS		
DCB Bank	7.60	12,534
RBL Bank	7.50	12,497
Bandhan Bank	7.25	12,405
Bank of Baroda	7.25	12,405
YES Bank	7.25	12,405
TENURE: 5 YEARS		
DCB Bank	7.40	14,428
Dhanlaxmi Bank	7.25	14,323
IndusInd Bank	7.25	14,323
YES Bank	7.25	14,323
RBL Bank	7.10	14,217

Top five senior citizen bank FDs

TENURE: 1 YEAR	Interest rate (%) compounded qtrly	What ₹10,000 will grow to
Bandhan Bank	8.35	10,862
IndusInd Bank	8.25	10,851
RBL Bank	8.00	10,824
YES Bank	7.75	10,798
DCB Bank	7.65	10,787
TENURE: 2 YEARS		
RBL Bank	8.50	11,832
IDFC First Bank	8.25	11,774
IndusInd Bank	8.25	11,774
DCB Bank	8.05	11,728
Bandhan Bank	7.75	11,659
TENURE: 3 YEARS		
DCB Bank	8.10	12,720
RBL Bank	8.00	12,682
YES Bank	8.00	12,682
Bandhan Bank	7.75	12,589
Bank of Baroda	7.75	12,589
TENURE: 5 YEARS		
YES Bank	8.00	14,859
DCB Bank	7.90	14,787
Axis Bank	7.75	14,678
Dhanlaxmi Bank	7.75	14,678
IndusInd Bank	7.75	14,678

Top five tax-saving bank FDs

TENURE: 5 YEARS AND ABOVE	Interest rate (%)	What ₹10,000 will grow to
DCB Bank	7.40	14,428
Dhanlaxmi Bank	7.25	14,323
IndusInd Bank	7.25	14,323
YES Bank	7.25	14,323
RBL Bank	7.10	14,217



HOME LOAN RATES

With effect from October 2019, all banks have made the transition to external benchmarks for pricing new home loans. Most banks have picked the RBI repo rate as the external benchmark.

REPO RATE: 6.50%

BANK	RLLR (%)	FOR SALARIED		FOR SELF-EMPLOYED (%)		WEF
		FROM (%)	TO (%)	FROM (%)	TO (%)	
City Union Bank	9.60	8.25	9.50	8.25	9.50	2 April 2024
IndusInd Bank	--	8.35	9.45	8.35	9.45	Not Given
UCO Bank	9.30	8.35	10.00	8.35	10.00	15 Mar 2023
Union Bank of India	9.25	8.35	10.75	8.35	10.75	11 April 2024
Indian Bank	9.20	8.40	9.80	8.85	10.35	3 April 2024
Punjab National Bank	9.25	8.40	10.10	8.90	10.60	9 Feb 2023
Indian Overseas Bank	9.35	8.40	10.50	8.50	10.60	13 Oct 2023
Bank of India	9.35	8.40	10.70	8.40	10.85	1 May 2024
IDBI Bank	9.10	8.45	10.75	8.55	12.25	12 Feb 2023
Canara Bank	9.25	8.50	11.20	8.55	11.25	12 April 2024
Punjab & Sind Bank	8.45	8.55	10.00	8.55	10.00	16 Feb 2024
Karnataka Bank	--	8.60	10.62	8.60	10.62	1 April 2024
Bank of Maharashtra	9.30	8.60	10.80	8.60	10.80	9 Feb 2024
Kotak Mahindra Bank	--	8.70	9.35	8.75	9.60	Not Given
South Indian Bank	9.85	8.70	11.20	8.75	11.70	Not Given
HDFC Bank	--	8.75	9.95	8.75	9.95	Not Given
Federal Bank	--	8.80	10.25	10.20	10.30	16 Feb 2024
Karur Vysya Bank	10.00	9.00	11.05	9.00	11.05	12 Feb 2024
J & K Bank	9.10	9.10	9.45	9.10	9.45	10 April 2024
SBI Term Loan	9.15	9.15	9.65	9.15	9.65	1 Feb 2024
Bank of Baroda	9.15	9.15	10.75	9.25	10.85	14 Feb 2023
Bandhan Bank	--	9.16	13.33	9.16	13.33	Not Given
ICICI Bank	--	9.25	9.90	9.40	10.05	Not Given

Your EMI for a loan of ₹1 lakh

TENURE	5 YEARS	10 YEARS	15 YEARS	20 YEARS	25 YEARS
@ 7%	1,980	1,161	899	775	707
@ 8%	2,028	1,213	956	836	772
@ 9%	2,076	1,267	1,014	900	839
@ 10%	2,125	1,322	1,075	965	909

FIGURES ARE IN ₹. USE THIS CALCULATOR TO CHECK YOUR LOAN AFFORDABILITY. FOR EXAMPLE, A ₹5 LAKH LOAN AT 10% FOR 15 YEARS WILL TRANSLATE INTO AN EMI OF ₹1,075 X 5 = ₹5,375

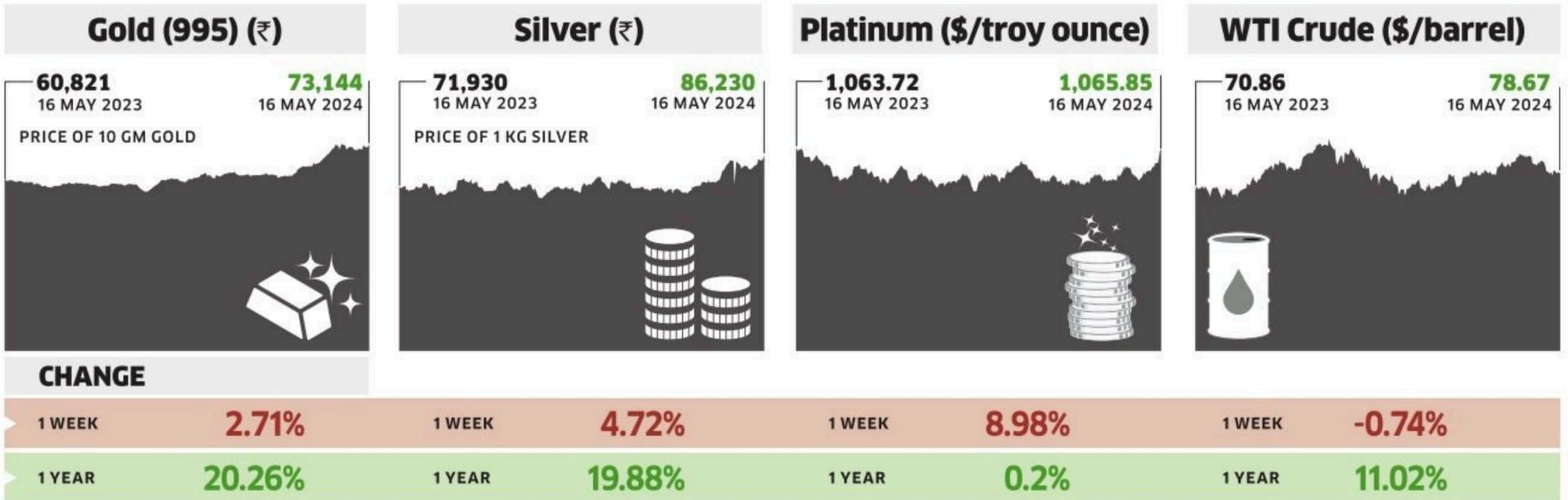
Post office deposits



	Interest (%)	Minimum investment (₹)	Maximum investment (₹)	Features	Tax benefits
Sukanya Samridhi Yojana	8.25	250	₹1.5 lakh p.a.	One account per girl child	80C
Senior Citizens' Savings Scheme	8.20	1,000	₹30 lakh	5-year tenure, minimum age 60 yrs	80C
Public Provident Fund	7.10	500	₹1.5 lakh p.a.	15-year tenure, tax-free returns	80C
Kisan Vikas Patra	7.50	1,000	No limit	Can be encashed after 2.5 years	Nil
5-year NSC VIII Issue	7.70	1,000	No limit	No TDS	80C
Time deposit	6.9-7.50	1,000	No limit	Available in 1, 2, 3, 5 year tenures	80C*
Post Office Monthly Income Scheme	7.40	1,000	Single ₹9 lakh	5-year tenure, monthly returns	Nil
			Joint ₹15 lakh	5-year tenure, monthly returns	Nil
Recurring deposits	6.70	100	No limit	5-year tenure	Nil
Savings account	4.00	500	No limit	₹10,000 interest tax-free	Nil

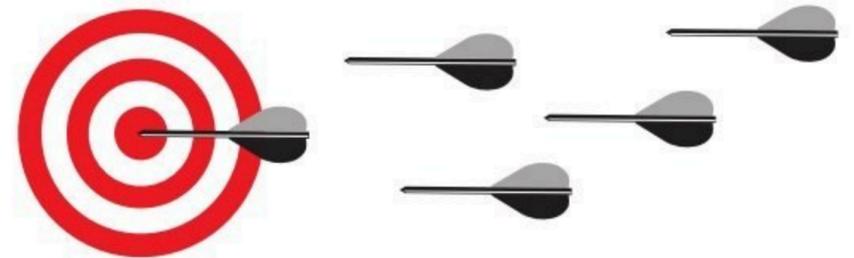
ALTERNATIVE INVESTMENT RETURNS MONITOR

The scope and attractiveness of alternative investments is increasing. Here's a weekly tracker of returns from such investments. But don't compare these with returns from traditional investments since the proportion and purpose of alternative investments is vastly different.



PENNY STOCKS UPDATE

Penny stocks as a recommended non-traditional investment? Not exactly. **ET WEALTH** neither has the expertise nor does it recommend investing in such stocks. But since the relatively 'low' cost of investment attracts some investors to penny stocks, we provide a weekly snapshot of this most volatile and uncertain type of stock investing.



Top price gainers

STOCK	MARKET PRICE (₹)	1-WEEK (%) CHANGE	1-MTH (%) CHANGE	1-MONTH AVG VOL (LAKH)	1-MONTH AVG VOL CHG (%)	MKT CAP (₹ CR)
Franklin Industries	5.62	27.15	93.79	4.93	73.45	81.27
Rollatainers	3.89	9.89	80.93	7.32	61.2	97.29
Leading Leasing Finance	3.65	61.50	73.81	4.01	-4.19	38.95
DSJ Keep Learning	4.14	15.32	64.29	0.43	89.49	64.46
Alps Industries	3.92	15.63	57.43	1.32	363.12	15.33
Tahmar Enterprises	9.39	10.21	55.72	0.08	296.2	29.3
Sawaca Business Machines	1.55	13.97	40.91	34.04	436.41	88.66
Nila Spaces	9.90	-9.42	39.04	5.68	37.1	389.96
Gayatri Highways	1.38	9.52	38.00	0.63	118.07	33.07
Creative Eye	6.08	2.70	36.63	0.15	502.57	12.2

Top volume gainers

STOCK	MARKET PRICE (₹)	1-WEEK (%) CHANGE	1-MTH (%) CHANGE	1-MTH AVG VOL (LAKH)	1-MONTH AVG VOL CHANGE (%)	MKT CAP (₹ CR)
Radaan Mediaworks (I)	2.08	18.18	26.83	0.30	2,548.84	11.26
Creative Eye	6.08	2.70	36.63	0.15	502.57	12.20
Polo Hotels	8.38	-6.58	-23.82	0.24	480.75	18.75
Viji Finance	3.26	26.36	34.16	0.97	447.49	46.46
Sawaca Business Machines	1.55	13.97	40.91	34.04	436.41	88.66
Country Condo's	6.59	10.20	29.72	1.20	404.56	51.14
Alps Industries	3.92	15.63	57.43	1.32	363.12	15.33
Tahmar Enterprises	9.39	10.21	55.72	0.08	296.20	29.30
Paras Petrofils	3.19	-5.34	-0.31	1.71	273.18	106.61
Vinny Overseas	4.42	-0.67	7.80	3.24	255.32	102.81

Top price losers

Atal Realtech	8.47	1.68	-39.06	2.15	215.66	62.68
Jackson Investments	0.65	-16.67	-32.29	4.61	-32.39	18.90
White Organic Agro	7.54	-3.46	-24.22	1.43	49.08	26.39
Unistar Multimedia	7.07	-18.74	-23.40	1.19	-44.72	17.68
Sylph Technologies	2.42	0.41	-22.68	10.78	-19.48	56.41
Standard Capital Markets	1.55	-11.93	-17.99	50.06	35.10	227.85
Arshiya	5.74	-4.97	-17.17	2.13	-37.16	151.25
Maharashtra Corp.	0.81	-4.71	-15.62	39.43	-67.20	50.29
Teamo Prodyction HQ	1.18	2.61	-14.49	16.56	59.01	101.62
Gautam Gems	8.72	-2.35	-14.26	2.90	251.34	35.62

Top volume losers

Akshar Spintex	2.55	8.05	2.00	1.67	-81.74	76.50
Toyam Sports	3.71	-8.40	-5.84	6.19	-81.50	210.10
Rajnish Wellness	6.82	-2.29	-6.70	7.79	-78.14	524.12
IEL	7.06	-3.29	-9.37	1.93	-77.89	23.58
Vivanza Biosciences	7.53	13.23	-8.95	2.58	-76.68	30.12
Kenvi Jewels	5.80	0.17	-4.92	2.89	-76.02	73.31
East West holdings	5.90	-0.17	-8.10	1.14	-73.76	64.63
Murae Organisor	1.58	8.22	-8.14	5.53	-73.32	48.73
Garment Mantra Lifestyle	5.57	-4.62	-13.10	1.25	-69.59	55.92
Adcon Capital Services	0.80	0	1.27	3.42	-67.34	14.94

STOCKS HAVE BEEN SELECTED USING THE FOLLOWING FILTERS: PRICE LESS THAN ₹10, ONE-MONTH AVERAGE VOLUME GREATER THAN OR EQUAL TO 1 LAKH, AND MARKET CAPITALISATION GREATER THAN OR EQUAL TO ₹10 CRORE. DATA AS ON 16 MAY 2024. SOURCE: ETIG DATABASE AND BLOOMBERG.

PGIM INDIA FLEXI CAP

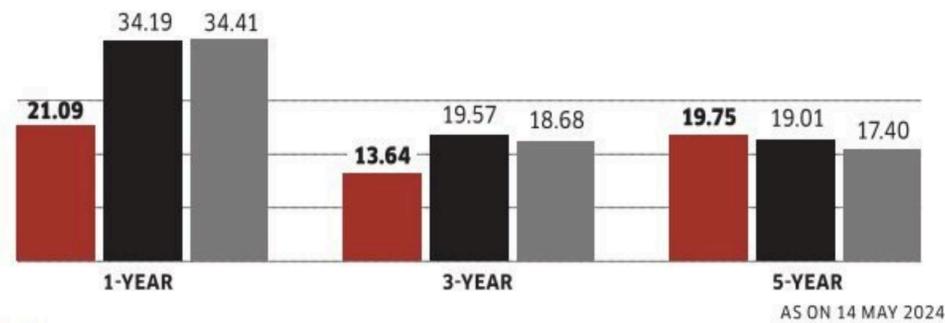
Sharp dip in return profile

ET Wealth collaborates with Value Research to analyse top mutual funds. We examine the key fundamentals of the fund, its portfolio and performance to help you make an informed investment decision.

HOW THE FUND HAS PERFORMED

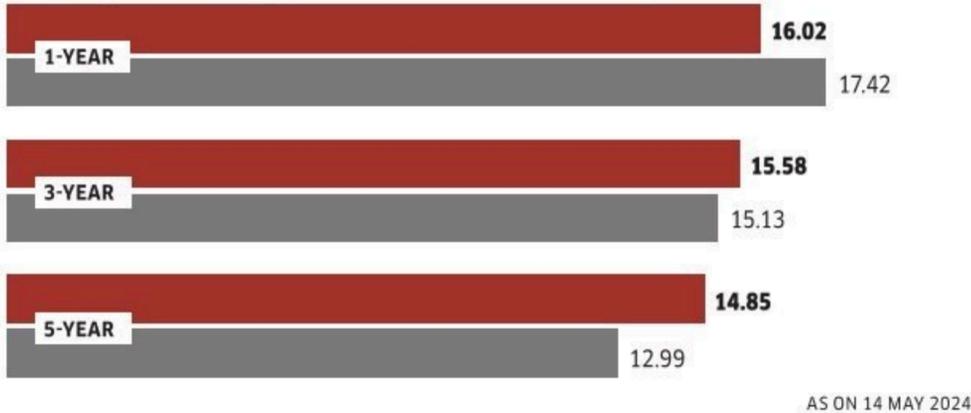
Point-to-point returns (%)

■ FUND ■ BENCHMARK ■ CATEGORY AVERAGE



The fund has sharply lagged behind the index and peers in the past three and five years.

Rolling returns (%)

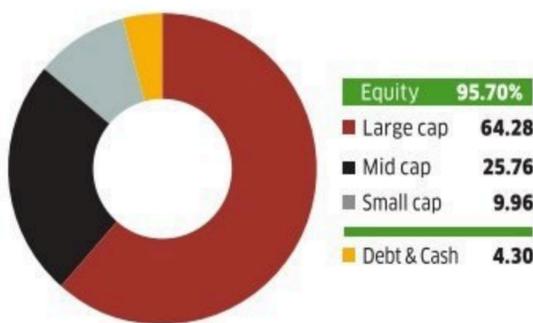


The fund's long-term track record indicates modest out-performance across three- and five-year time frames.

Note: Different benchmark (S&P BSE 500 TRI) has been used due to the non-availability of stated benchmark data. Returns have been rolled daily over the past decade for relevant time frames.

WHERE THE FUND INVESTS

Portfolio asset allocation



The fund retains a large-cap tilt, with a sizeable presence in mid caps.

Fund style box



BASIC FACTS

DATE OF LAUNCH
4 MAR 2015

CATEGORY
EQUITY

TYPE
FLEXI CAP

AUM*
₹6,095 crore

BENCHMARK
NIFTY 500 TOTAL RETURN INDEX

WHAT IT COSTS

NAV**

GROWTH OPTION
₹31.4

IDCW
₹18.38

MINIMUM INVESTMENT
₹5,000

MINIMUM SIP AMOUNT
₹1,000

EXPENSE RATIO* (%)
1.78

EXIT LOAD
0.5% for redemption within 90 days

*AS ON 30 APR 2024

**AS ON 14 MAY 2024

AS ON 31 MAR 2024



FUND MANAGER
VINAY PAHARIA

1 YEAR

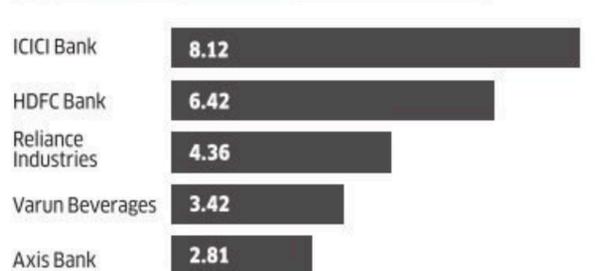
Top 5 sectors in portfolio (%)



The fund's biggest sector positions are in financials, services and healthcare.

AS ON 30 APR 2024

Top 5 stocks in portfolio (%)



The fund portfolio is well diversified, with modest positions in top bets, barring the top two holdings.

AS ON 30 APR 2024

Recent portfolio changes

New entrants

HDFC Life Insurance Company (March), Hindustan Aeronautics, Shriram Finance, Sun Pharmaceutical Industries, Tata Consultancy Services (April).

Complete exits

Bajaj Finance, SBI Cards & Payments Services (March), Divi's Laboratories, Infosys, Kotak Mahindra Bank, Page Industries (April).

How risky is it?

	Fund	Category	Index
Standard Deviation	12.77	12.76	13.21
Sharpe Ratio	0.74	1.06	1.09
Mean Return	14.74	18.72	19.60

BASED ON 3-YEAR PERFORMANCE.

The fund's risk-return profile has slipped in recent years.

AS ON 30 APR 2024

Source: Value Research

Should You Buy



This fund maintains faith in quality businesses with strong growth curve and good capital allocation track record. It filters companies with higher-than-peer average return on equity as well as earnings growth. The emphasis is

on building a portfolio with lower risk, yet comparable profitability with the benchmark. This implies a portfolio of stocks commanding a premium over the market. The fund retains a large-cap bias, supplemented with a sizeable presence in

mid caps. After a solid run between 2019 and 2021, the fund's return profile has dipped sharply in the past few years amid market shift towards value stocks. The new fund manager at its helm will need time to get the fund back on a firm footing again.

Cera Sanitaryware: Strategic growth

High-margin products, capacity boost, improved distribution and industry tailwinds to drive performance.

The home solutions provider faced a challenging demand environment in the March 2024 quarter due to elections and slowdown in real estate projects. It reported a 2.5% revenue and 19% PAT growth year-on-year. Despite challenges, lower advertising and other expenses boosted EBITDA and PAT, both surpassing Reuters-Refinitiv estimates by 19.9% and 21.6%, respectively.

Cera's portfolio includes high-end showers, steam cubicles, whirlpools, sanitaryware and faucets. The company benefits from strong sanitaryware industry tailwinds, driven by a growing real estate sector, rising urbanisation, improving disposable incomes, and increasing demand for feature-rich bathrooms and interior decoration (automated bathroom accessories like sensor taps, smart showers/mixers, automatic soap dispensers) in residential and commercial spaces.

Demand weakness is expected to continue in the first quarter of 2024-25 due to general elections, heat waves, and labour shortages. However, the management anticipates a demand revival after June 2024, driven by a pick-up in real estate projects. It aims for a 16% revenue CAGR from 2023-24 to 2026-27, supported by volumes and product mix.

The management has implemented several strategic steps to sustain growth, including enhancing the product mix, expanding distribution network, and increasing marketing efforts. Moreover, the company has commissioned additional capacity at the faucetware facility and made substantial progress towards land acquisition for a sanitaryware greenfield facility in Gujarat in 2023-24. It has guided a maintenance capex of ₹25.4 crore for 2024-25, which will be used for upgrad-

ing plant and machinery and IT-related developments. The capex will enhance operational efficiency and improve logistics. Its strong balance sheet and cash position will help fund the capex plans.

The company has maintained a strong focus on new and innovative products and introduced 218 products in 2023-24. The new products contributed 30-35% to its total sales during the year. It is also aiming to enhance its penetration in the luxury segment. Though the segment has not done well in

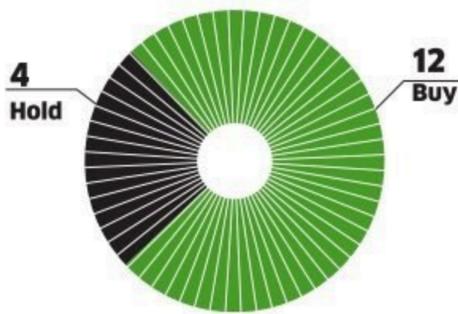
terms of volumes in the past, Cera anticipates healthy performance over the next 3-5 years with market share gains.

Such optimism is driven by increasing luxury projects in major cities and growing consumer preference towards high-value fittings in premium properties. The company has introduced the Lustre brand and relaunched the Senator brand in the luxury segment. The luxury products are priced 60-70% higher than the company's premium brand. The rising share of high-margin products and operational efficiencies are expected to support margin expansion in the future.

Selection methodology: We pick the stock that has shown the maximum increase in 'consensus analyst rating' during the past month. The consensus rating is arrived at by averaging all analyst recommendations after attributing weights to each of them (1 for strong buy, 2 for buy, 3 for hold, 4 for sell, 5 for strong sell). An improvement in consensus analyst rating indicates that the analysts are getting bullish on the stock. Only stocks with more than five analysts covering them are considered. You can see similar consensus analyst rating changes during the past week in ETW 50 table.

—Sameer Bhardwaj

Analysts' views



Cera Sanitaryware emphasises innovation, introducing 218 new products in 2023-24, which accounted for 30-35% of its total sales.

Fundamentals

	ACTUAL		CONSENSUS ESTIMATE	
	2022-23	2023-24	2024-25	2025-26
Revenue (₹ cr)	1,803.50	1,879.40	2,099.90	2,374.60
EBITDA (₹ cr)	293.00	303.30	342.00	393.30
Net profit/loss (₹ cr)	214.40	240.60	265.50	305.50
EPS (₹)	164.85	185.04	204.30	235.45

Valuations

	PBV	PE	DIVIDEND YIELD (%)
Cera Sanitaryware	7.81	38.33	0.71
Kajaria Ceramics	8.49	46.78	0.73
Somany Ceramics	5.63	45.69	0.29
Carysil	8.30	45.94	0.21
Asian Granito India	0.61	-	0.00

Brokerage calls

RECO DATE	RESEARCH HOUSE	ADVICE	TARGET PRICE (₹)
15 May '24	Antique Stock Broking	Buy	9,000
15 May '24	ICICI Securities	Add	7,827
14 May '24	AnandRathi	Buy	8,740
14 May '24	IDBI Capital	Buy	8,257
14 May '24	Asian Markets Securities	Accumulate	7,740

Relative performance



WHAT EXPERTS ADVISE

BUY

STOCK	RESEARCH HOUSE	ADVICE	STOCK PRICE (₹)	1-YEAR TARGET PRICE (₹)	POTENTIAL UPSIDE (%)	COMMENT
Aurum PropTech	Dolat Capital	Buy	145	250	72.4	Initiate with 'buy' due to its diverse revenue streams, strong market position, comprehensive product portfolio, and end-to-end consumer life-cycle mapping.
Bank of Baroda	YES Securities	Buy	255	350	37.3	Maintain 'buy' rating due to a sequential increase in NIMs driven by robust recoveries. Guidance for sustained control of slippages and reasonable loan growth for 2024-25, along with strong return ratios, healthy collection efficiency, and emphasis on non-interest income, are key positives.
State Bank of India	Axis Securities	Buy	820	1,010	23.2	Maintain 'buy' rating as improving fee income profile, controlled opex and declining credit costs will lead to a healthy RoA/RoE over the medium term. Also, healthy asset quality, strong growth in advances and stable margins are some of the key positives.
Union Bank of India	Motilal Oswal	Buy	134	165	23.1	Reiterate 'buy' rating due to expectations of healthy loan growth, steady margin outlook, robust asset quality, investments in technology, low cost-to-income ratio and controlled provisions.
HG Infra Engineering	ICICIDirect	Buy	1,192	1,445	21.2	Maintain 'buy' due to stable fourth quarter performance led by steady margins. Diversified order book, healthy revenue visibility, lean balance sheet, robust return ratios and strong working capital cycle are key positives.
Orient Electric	Centrum Broking	Buy	209	250	19.6	Upgrade to 'buy' rating due to expansion in southern India and opening of the Hyderabad plant, which will drive long-term growth. Additionally, strong R&D and after-sales service are key positives.

SELL

STOCK	RESEARCH HOUSE	ADVICE	STOCK PRICE (₹)	1-YEAR TARGET PRICE (₹)	POTENTIAL DOWNSIDE (%)	COMMENT
UPL	Nuvama	Reduce	534	461	-13.7	Retain 'reduce' rating due to bleak revenue guidance by the management and potential losses in 2024-25. High-cost inventory liquidation, elevated interest cost and lower operating leverage are other negatives.

Stay with old regime to save tax

Sudhir Kaushik of TaxSpanner.com tells readers how they can optimise their tax by rejigging their incomes and investments.

Pune-based IT professional Dipti Kulkarni pays low tax because her salary structure is fairly tax-friendly. However, there is scope to bring this down further. TaxSpanner estimates that Kulkarni can reduce her tax outgo by almost ₹34,000 if her salary structure is rejigged to include some tax-free perks, if she avails of the tax-friendly perks being offered by her company, and invests in the NPS on her own.

Kulkarni should start by asking her company for more tax-free allowances in her package, such as leave travel allowance (LTA). An LTA of ₹60,000 will cut her tax by almost ₹12,500. If she opts for the meal coupons offered by her company, her tax will be reduced by around ₹5,500. Another ₹10,400 can be saved if she invests ₹50,000 in the NPS under Section 80CCD(1b). At 33, Kulkarni should allocate the maximum 75% to equity funds.

Though Kulkarni has opted for the NPS benefit from her company, she is not planning to invest more in the scheme. "I haven't decided whether to opt for the new tax regime or stay with the old one," she says. Kulkarni wants to avoid the annual hassle of submitting rent receipts and proof of tax-saving investments for claiming exemptions and deductions under the old regime. "I missed the submission deadline this year and a very high tax was deducted from my pay in February," she says.

While she has a point, Kulkarni can save almost ₹25,000 in tax if she stays with the old regime and claims all the available deductions and exemptions. These include ₹1.5 lakh worth of investments under Section 80C, ₹50,000 contribution to the NPS and medical insurance premium of ₹25,000 for a health cover for her family.

Tax-saving investments

INVESTMENT OPTION	CURRENT (₹)	SUGGESTED (₹)
Provident Fund	41,986	41,986
ELSS funds	36,000	60,000
PPF	80,000	50,000
NPS under Sec 80CCD(1b)	0	50,000
TOTAL ADMISSIBLE	1,50,000	2,00,000

Contribute ₹50,000 to NPS to save more tax.

Other deductions

EXEMPTION OR DEDUCTION	CURRENT (₹)	SUGGESTED (₹)
HRA exemption	1,00,000	1,00,000
Medical insurance	0	25,000
TOTAL ADMISSIBLE	1,00,000	1,25,000

Buy health insurance for self and family.

INCOME FROM EMPLOYER

INCOME HEAD	CURRENT	SUGGESTED
Basic salary	3,49,800	3,49,800
House rent allowance	1,74,900	1,74,900
Special allowance	3,57,756	2,71,356
Conveyance reimbursements	39,996	39,996
Leave travel allowance	0	60,000
Telephone and internet	12,000	12,000
Food coupons	0	26,400
Performance bonus	90,000	90,000
Employer's contribution to Provident Fund	41,976	41,976
Contribution to NPS under Sec 80CCD(2)	34,890	34,890
TOTAL	11,01,318	11,01,318

This allowance is tax-free if claimed twice in a block of four years.

These are tax-free subject to reasonable limits and actual usage.

+ INCOME FROM OTHER SOURCES

Interest income	2,000	0
Capital gains	0	0
Rental income	0	0
TOTAL	2,000	0

Defer tax by switching from fixed deposits to debt funds.

All figures are in ₹

⬆ Denotes suggestion to increase ⬇ Denotes suggestion to reduce

<https://telegram.me/PaperMagzine>

Dipti Kulkarni's tax

TAX ON SALARY	TAX ON OTHER INCOME	TAX ON CAPITAL GAINS
CURRENT		
₹48,871	416	0
₹49,287		
SUGGESTED		
₹15,300	0	0
₹15,300		

TOTAL TAX SAVED

₹33,987
PER YEAR

TAX RATIO

(Total tax as % of annual income)

EXISTING	SUGGESTED
4.5%	1.4%

WRITE TO US FOR HELP

Paying too much tax? Write to us at etwealth@timesgroup.com with 'Optimise my tax' as the subject. Our experts will tell you how to reduce your tax by rejigging your pay and investments.

PORTFOLIO DOCTOR



Not many investors know whether they have invested in the right

funds and if their fund portfolio is on track. The Portfolio Doctor assesses the health of the fund portfolio, examines the schemes and their suitability with regard to the goals and, if required, recommends corrective measures. The advice given is based on the performance of the funds, the risk profile of the investor as well as his financial goals.

Reduce goal value, defer retirement by 3 years

Tanvi Sharma is saving for her child's education and retirement. Here's what the doctor has advised:

PORTFOLIO CHECK-UP

- Has been investing in a mix of equity funds and fixed-income options for more than 10 years.
- Early start and regular investments have helped build a sizeable corpus.
- Funds are largely good, except for a few underperformers.
- Goals are very ambitious and values need to be reduced to realistic levels.
- Monthly investments have to be increased by ₹27,000.
- SIPs also have to be increased by 5-10% every year to reach the goals.
- For child's higher education, take a loan if there is a shortfall.
- Retirement target of ₹1.2 lakh a month is very high. Reduced to ₹85,000.
- Retirement date also deferred by three years to build sufficient corpus.

Note from the doctor

- Don't invest in more funds. Just 7-8 funds are enough.
- Fund portfolio has mid-cap and small-cap skew. Be ready for high volatility.
- Go for balanced allocation in the NPS portfolio.
- Review investments and rebalance at least once in a year.
- Reduce risk when goal is near so that you don't miss the target.

INVESTMENT	AMOUNT INVESTED (₹)	EXISTING SIP (₹)	RECOMMENDED ACTION	NEW SIP (₹)
1 Fixed deposits	6,22,000	0	Start an SIP of ₹10,000 in a liquid scheme for 12 months. Shift fixed deposits to liquid fund after they mature.	10,000
Sukanya Samridhi Yojana	7,00,000	7,500	Increase contribution to ₹10,000 a month. Use maturity proceeds for education goal.	10,000
UTI Nifty Next 50 Index	6,50,000	6,000	Continue SIPs in this stable large-cap index fund. Hike by 5% every year.	6,000
2 Axis Small Cap	10,03,000	10,000	Continue SIPs in this outstanding small-cap fund. Keep close eye on performance. Hike amount by 5% every year.	10,000
PGIM India Midcap Opportunities	60,000	10,000	Continue SIPs in this stable mid-cap fund. Hike by 5% every year.	10,000
PPF	15,00,000	8,000	Increase contribution to maximum ₹12,500 a month. Use maturity proceeds for education goal.	12,500
Kotak Small Cap	1,50,000	10,000	Small-cap segment can be very volatile. Reduce SIP amount in this small-cap fund to ₹5,000, but hike by 5% every year.	5,000
3 Mirae Asset Large & Midcap	1,60,000	0	This large- & mid-cap fund has given stable returns. Continue holding it for the long term.	0
Axis Midcap	10,50,000	0	Fund has slipped in recent months. Gradually shift corpus to ICICI Prudential Bluechip for stable returns.	0
ICICI Pru Bluechip	2,50,000	0	Restart SIPs of ₹10,000 in this outstanding large-cap fund. Hike by 5% every year.	10,000
Zerodha Nifty Large Midcap 250 Index	20,000	4,000	Continue SIPs in this large- & mid-cap focused index fund. Hike by 10% every year.	4,000
SBI Magnum Midcap	75,000	10,000	Mid-cap segment can also be volatile. Continue SIPs but reduce amount to ₹5,000. Hike it by 10% every year.	5,000
Parag Parikh Flexicap	0	0	Start SIPs of ₹10,000 in this outstanding flexi-cap fund. Hike amount by 10% every year.	10,000
4 Stock options from company	22,00,000	16,000	Continue accumulating stock options to build your retirement corpus.	16,000
Direct investments in stocks	21,00,000	0	Direct investments in stocks can be volatile. Consider shifting to mutual funds instead for more stable returns.	0
NPS	15,00,000	14,500	Continue contributing to this low-cost scheme to build a retirement corpus. Hike amount by 10% every year.	14,500
Provident Fund	39,00,000	33,500	Keep contributing and do not withdraw before your retirement. Hike amount by 5% every year.	33,500
TOTAL	₹1,59,40,000	₹1,29,500	The goals can be reached using the mutual funds marked in the same colour.	₹1,56,500

GOALS	1	2	3	4
EMERGENCY FUND: IMMEDIATE	PRESENT COST: ₹7.2 lakh FUTURE COST: NA	CHILD'S GRADUATION: 7 years PRESENT COST: ₹50 lakh FUTURE COST: ₹97.43 lakh	CHILD'S POST-GRADUATION: 10 years PRESENT COST: ₹60 lakh FUTURE COST: ₹1.56 crore	RETIREMENT INCOME: 11 years CURRENT NEED: ₹2.65 crore (₹85,000 a month) CORPUS NEEDED: ₹5.58 cr

Assumptions used in the calculations

INFLATION	
Education expenses	For all other goals
10%	7%
RETURNS	
Equity funds	Debt options
12%	8%



PORTFOLIOS ANALYSED BY
RAJ KHOSLA,
Managing Director and Founder,
MyMoneyMantra



WRITE TO US FOR HELP

If you want your portfolio examined, write to etwealth@timesgroup.com with 'Portfolio Doctor' as the subject. Mention the following information:

- Names of the funds you hold.
- Current value of the investment.
- If you have SIPs running in any of them.
- The financial goals for which you invested.
- How much you need for each financial goal.
- How far away is each goal.

Readers' response, online and in print, to ET Wealth stories has been enlightening. We pick some that add information and perspective to our articles from previous issues.

The cover story '5 Eurasian Holidays for ₹1 lakh' made for an engaging read, with the suggested itineraries and detailed information presented exceptionally well. A similar feature covering prominent theme-based tourist destinations in India, such as spiritual circuits, historical sites and hill stations for budget holidays would be greatly appreciated.

Pradeep Rastogi

Uma Shashikant's column 'How to overcome financial loss' makes for an interesting reading. When someone incurs financial loss, the first thing they should avoid is panicking. It is crucial to have faith in one's capabilities, believing that recovery is possible. A quick assessment of where things went wrong can help in starting the rebuilding process without repeating past mistakes. It's wise to create a contingency fund that remains untouched under any circumstance, as it can serve as seed money for a new business venture or help in financial restructuring of outstanding debt. Once the situation improves, the first priority should

An affordable dream vacation

This is with reference to the cover story '5 Eurasian holidays for ₹1 lakh'. I am glad that the writer has explored ways to achieve a dream vacation without drilling a hole in our pockets. The Georgia option has caught my attention and I will probably try it out. At this time of uncertainty in the money markets and visa processing delays, it's definitely a well-researched suggestion to try other options. I hope to come across more such articles in the future.

Mangala K.

be to create a new contingency fund. In times of financial loss, assistance from friends and family often depends on how we treated them when our financial situation was strong.

Anna Mary Yvonne

The advice given in the article 'Can *streedhan* be used to repay husband's debt?' ap-



good. If not, she should try to make up for the shortfall by selling her gold ornaments. This is important as she has the moral responsibility to repay the outstanding debt incurred by her husband even as she inherits the valuable assets he leaves behind. Failing to do so could lead to legal proceedings initiated by the creditors, making her life more miserable. After all, what is the use of having jewellery in her locker at the expense of her mental peace and physical well-being?

Tharcus S. Fernando

Dhirendra Kumar's column 'Crypto hype continues' effectively critiques Bitcoin advertising. Such campaigns contrast with the complex reality of cryptocurrencies, including issues like volatility, regulatory gaps and cyber security threats. Kumar draws a compelling comparison with mutual fund disclaimers, underscoring the lack of consumer protection in crypto ads. While acknowledging the market's resilience after the FTX scandal, he urges readers to navigate the crypto landscape cautiously. The article is clear, balanced, and ends with a strong call to take responsibility in financial decisions.

C. Gautam

pears to be legally correct. Creditors cannot stake a claim to a widow's *streedhan* to cover her deceased husband's unpaid debt. However, it would be ideal for her to take stock of all liquid assets and even immovable ones, except her dwelling place, to assess the amount she can realise from these and compare it with the outstanding debt. If she can liquidate the debt with this money, well and

Beware of pig-butchering market scams

Scammers have been using fake websites and apps like Telegram, Instagram and WhatsApp to steal lakhs from investors.

When a 32-year-old woman joined a Telegram channel in January this year, she found the content impressive. The group members shared information about their 'daily returns' and a 'guru' provided stock tips, study material and booklets. This motivated her to start investing, or so she thought. Starting with a few hundred rupees, her 'portfolio' quickly grew to six figures and displayed healthy returns. When her deposits reached about ₹25 lakh, the 'investments' plummeted. In March, she sought help from authorities.

The woman was not alone; at least 200 other unsuspecting members were in the group. Most were looking to invest, but unfortunately became victims of the latest scams that have hit Delhi. Much like a pig is fattened before slaughtering, in pig-butchering scams, victims are gradually lured to make investments before being left high and dry. These scams are being carried out through Telegram, Instagram and WhatsApp. The scammers draw in potential targets with promises of returns, lift their hopes, and empty their accounts. Over the past year, Delhi Police has arrested over 100 scammers.

These well-organised scams involve fake websites, questionable groups, and a fraudulent stock investment app. The scammers appear to have significant technical resources, enabling them to create and main-

5 common tactics

- Get rich quick**
Companies promise unrealistic returns, ask for large investments and use high-pressure sales tactics.
- Free training**
Offer free training or education. Pressure investors into large investments or using their platform, give them false information.
- Account management**
Companies offer to manage accounts, promise high returns, but take all profits, leaving investors with significant losses.
- Broker scam**
Businesses act as brokers. Take customers' money without executing trades or generate losses and disappear with funds.



What's pig-butchering scam?

A long-term investment fraud in which the victim is gradually lured into making more and more contributions on different pretexts.

How to be safe

- Choose regulated brokers**
Only invest with brokers regulated by reputable financial authorities.
- Beware of unrealistic gains**
Be cautious of exaggerated claims or unrealistic returns on investment.
- Protect your identity**
Avoid sharing personal or financial information with unsolicited callers or e-mails to prevent identity theft.
- Verify withdrawal process**
Ensure the withdrawal process is straightforward; difficulties may indicate a scam.
- Avoid unsolicited offers**
Avoid unsolicited offers or promises of high returns.

tain spoofed websites and apps. They seem to have groups of individuals sending large volumes of messages to contact lists acquired from the Dark Web.

"The crooks, with the help of marketing tools, track people interested in the stock market, and contact them posing as representatives of reputed firms. First, they offer free stock recommendations and advice on

how to venture into the market for quick and high returns," said a senior police officer from the cyber cell.

Various strategies include providing complimentary training, promoting a seemingly flawless trading system, pressuring novice investors to commit larger sums, and guaranteeing unattainable profits. To gain the victim's trust, there is

often a reference to 'personal experience' with messages such as 'We observed stocks recommended by him reached 10-20% profit in a very short period', or 'I started making profit with every trade'. "Each gang member has a role, whether a 'fund adviser', 'technical expert' or 'stock manager'. In many cases, the agents impersonate as advisers of reputed banks like HDFC, SBI and ICICI," said an officer.

The investment requests typically occur in multiple stages. The reported returns on the 'investment' seem promising, and the perpetrators flaunt success stories within the group, publicly celebrating their 'huge profits'. However, when the victim attempts to withdraw funds, the scammers provide fabricated trading records or signals.

Some fraudulent entities use aggressive sales tactics to pressure investors into depositing more money or making bigger trades. They may create obstacles for investors looking to withdraw their funds, such as technical issues. These groups often operate on unregulated platforms, allowing them to manipulate trades and show false profits or losses before disappearing. Those most easily targeted are homemakers and retired individuals hoping to earn money quickly. The police advise against joining unverified channels and encourage people to rely on reputable sources rather than unknown entities.

—ET Online

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Mirae Asset Nifty MidSmallcap400 Momentum Quality 100 ETF Fund of Fund

(An open-ended fund of fund scheme investing in units of Mirae Asset Nifty MidSmallcap400 Momentum Quality 100 ETF)

New Fund Offer:

Opened: **10th May 2024** | Closes: **24th May 2024**

Scheme re-opens for continuous Sale and Repurchase: **31st May 2024**

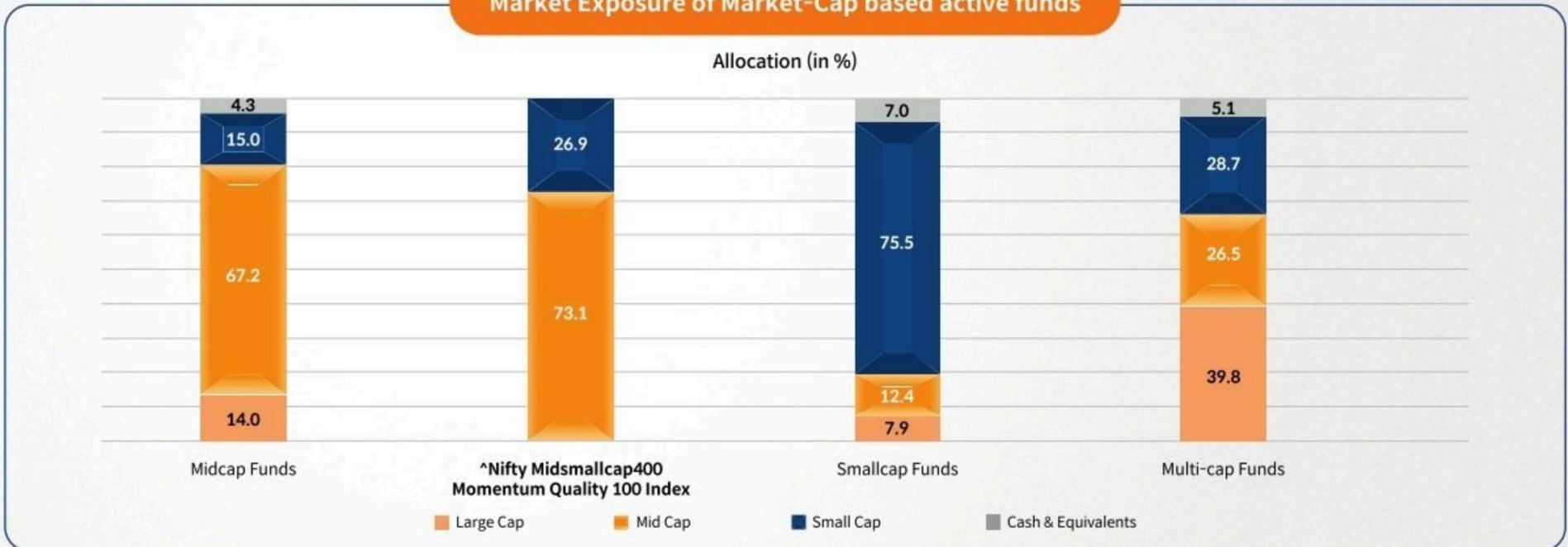
Note: Large Cap: 1st -100th company in terms of full market capitalization. Mid Cap: 101st -250th company in terms of full market capitalization. Small Cap: 251st company onwards in terms of full market capitalization. ^Top 100 stocks are selected from the Mid Cap & Small Cap Category.

NFO: New Fund Offer | ETF: Exchange Traded Funds

Mirae Asset Nifty MidSmallcap400 Momentum Quality 100 ETF Fund of Fund

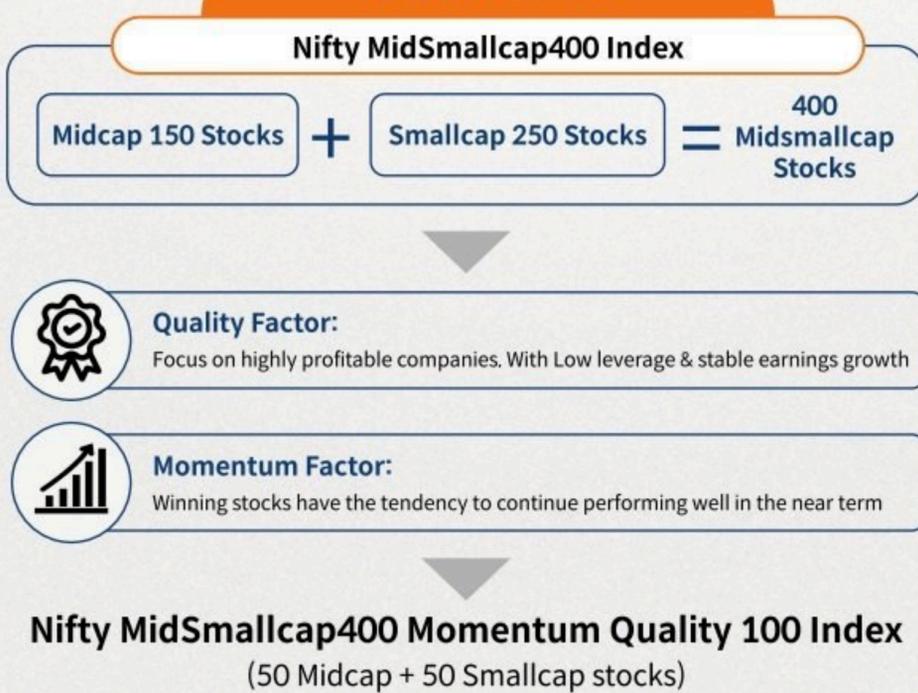
Top 50 Midcap Stocks + Top 50 Smallcap Stocks Selected based on different factors

Market Exposure of Market-Cap based active funds



Source: ACE MF; Data as on Apr 30, 2024; *Pursuant to Clause 2.7 of Part IV of SEBI Master Circular dated May 19, 2023, the universe of "Large Cap" shall consist of top 100 companies. "Mid Cap" shall consist of 101st to 250th company, "Small Cap" shall consist of 251st and onwards companies in terms of full market capitalization. *The above market exposure is based on NSE classification as on May 14, 2024, Midcap category reflects Nifty Midcap 150 Index and smallcap category reflect Nifty Smallcap250 Index constituents. The categories mentioned above are as defined under the clause categorisation and rationalization of mutual fund schemes of SEBI master circular dated May 19, 2023

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Source: Nifty Indices; Mirae Asset Internal Research Data as on April 30, 2024; For detailed index methodology. Please refer ://www.niftyindices.com/Methodology/Method_NIFTY_Equity_Indices.pdf;

Performance Comparison

Period	3 Years	5 Years	7 Years	10 Years
Nifty MidSmallcap400 Momentum Quality 100 Index	30.2%	27.6%	21.2%	24.5%
Nifty MidSmallcap400 Index	29.2%	25.7%	17.9%	21.4%
Nifty Midcap 150 Index	28.4%	25.7%	18.9%	22.0%
Nifty Smallcap 250 Index	30.7%	25.5%	15.9%	19.9%

Source: NSE Indices Limited, data as on April 30, 2024; Past performance may or may not sustain in future. The index return are in Total Return Variant. The data shown above pertains to the index and does not in manner indicate performance of any scheme of the Fund. Request you to consult your financial advisor or distributor before making investment. Historical portfolio of the index has been created and rebalanced periodically based on market data present on those concerned historical periods, which is captured by the index portfolio changes and performance metrics. No additional performance or portfolio assumptions have been made by the AMC. Nifty MidSmallcap400 Momentum Quality 100 Index launch date: February 8, 2024; Prior data is back-tested data developed and vetted by NSE Indices.

Returns are calculated on CAGR basis.

PRODUCT LABELLING

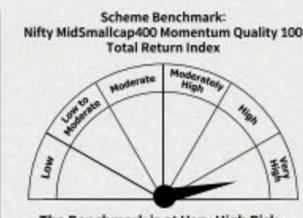
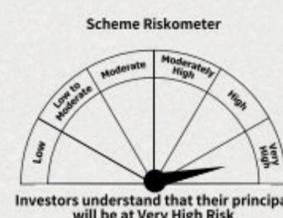
Mirae Asset Nifty MidSmallcap400 Momentum Quality 100 ETF Fund of Fund (An open-ended fund of fund scheme investing in units of Mirae Asset Nifty MidSmallcap400 Momentum Quality 100 ETF) is suitable for investors who are seeking*

- Investments predominantly in units of Mirae Asset Nifty Midsmallcap400 Momentum Quality 100 ETF
- To generate long - term capital appreciation/income

*Investors should consult their financial advisors if they are not clear about the suitability of the product.

The Product Labelling assigned during the NFO is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when actual investments are made.

Investors may note that they will be bearing the recurring expenses of the underlying Scheme in which the scheme makes investment in addition to the expenses of this scheme.



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