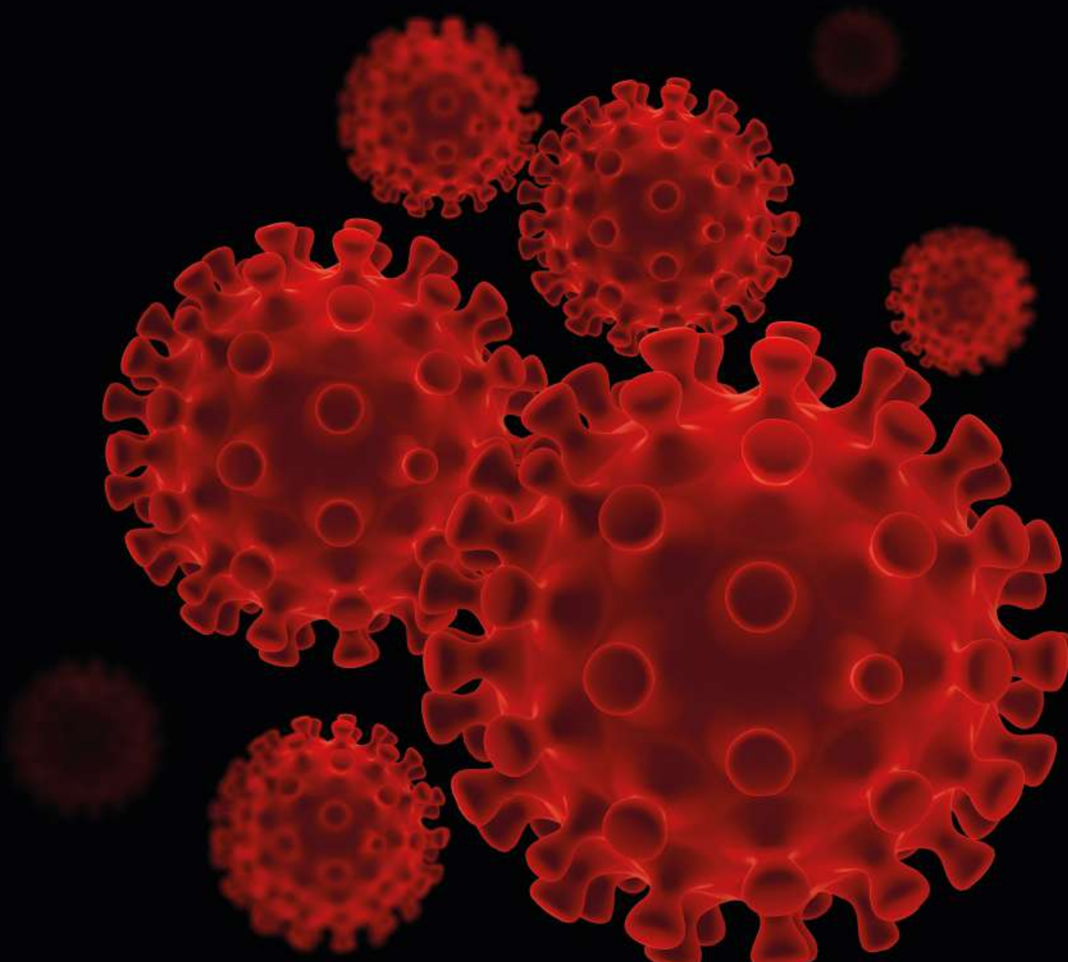
APRIL 2020

INVEST GUIDE

AN INVESTOR EDUCATION INITIATIVE



CORONAVIRUS

Gloom, Doom, Boom!

Should The Investor Be Scared? Page No. 7

CEO's Desk
Abhinav Angirish

Dear Investors,

Global equity markets have witnessed the significant down-slide in last few weeks due to concerns over the coronavirus pandemic. The pandemic spread of the Covid-19 and sharp fall in international crude oil prices both have hit market sentiments and contributed to the high volatility in the equity markets. The key benchmark indices viz. S&P BSE Sensex and CNX Nifty ended the financial year 2019-20 with annual losses of 24% and 26% respectively. The mid and small-cap indices, suffered higher losses than their larger peers with S&P BSE Mid-cap and S&P BSE Small-cap indices falling by 32% and 36% respectively during the financial year. Among sectoral indices BSE FMCG and BSE Healthcare were top performers while BSE Metal and BSE Auto were laggards during the financial year.

Retail inflation slowed to 6.58% in February 2020 from 7.59% in January 2020 mainly due to easing food prices. India's industrial output, measured in Index of Industrial Production (IIP), expanded 2% during January, the fastest in six months. The uptick in factory production came on the back of surge in mining and power generation sectors.

The Indian and world economy currently face stiff headwinds from the coronavirus outbreak. Global central banks along with respective governments are putting out both fiscal and monetary measures to aid in reviving the economy at the earliest. In a bid to counter the economic slowdown caused by the Covid-19 pandemic, RBI has recently reduced repo rate by 75 basis points to 4.4% and cash reserve ratio (CRR) by 100 bps to 3%.

As we navigate into new financial year, we feel that going forward the markets will be dictated mainly by the evolving situation on the Covid-19 crisis and its implications on the economy and corporate earnings. We think that Covid-19 outbreak and the subsequent lockdown to contain its spread will no doubt hit almost every sector of the Indian economy but it will not have a long-lasting impact. Current economic situation is expected to normalize after a few quarters. We are of the view that the companies that have robust and well-run businesses will surely survive and bounce back from this crisis.

In our view, investors should remain calm at such times and avoid knee-jerk reactions like selling out equities in panic. Exiting from equities in haste at such times will undesirably convert their notional loss into actual loss. Given the current circumstances, we feel that you should keep adequate emergency corpus ready at such times and consider overnight and liquid funds to hold a part of it, apart from the bank deposits. During pandemics, the chances of loss of income or emergency hospitalization increase significantly. In such a scenario, the emergency fund can provide you adequate back-up.

Post sharp correction, the equity markets have now fallen to attractive levels in terms of valuations. The trailing 12-month P/E multiple of S&P BSE Sensex has come down from the high of 27 times and is currently around 17 times.

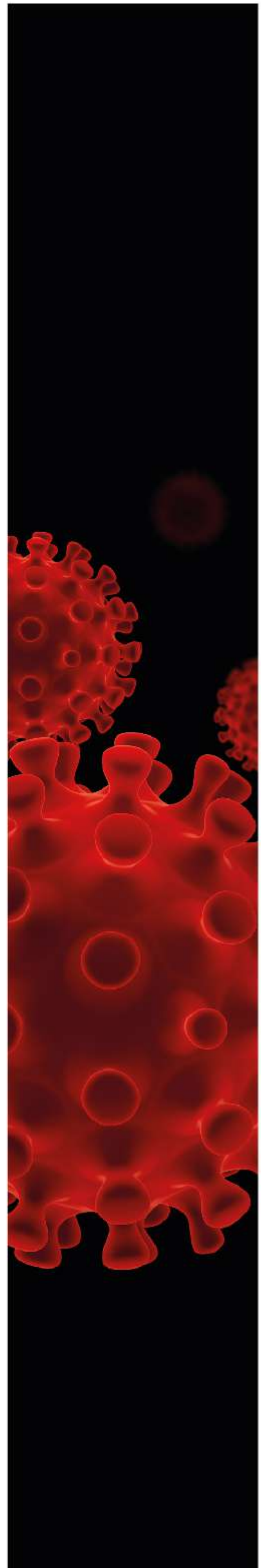
We think that it is right time for investors to re-align the portfolios and increase equity allocation (in line with their financial goals and asset allocation) in order to benefit from wealth creation potential of equities. As exact market bottom cannot be predicted and can be known only in hindsight, right approach will be to invest in equities in a staggered manner. Investors should keep some dry gunpowder ready and deploy it in tranches which will enable them to take advantage of lower prices whenever sharp corrections occur. SIP investors should continue with their SIPs and if possible try to add or Top-Up SIPs as they automatically help you average your cost through buying at lower levels.

Stay calm, Stay at home and spend time with family!

Abhinav Angirish

In This Issue

ON THE COVER



Wealthy Retirement is Healthy Retirement

Busting the myths of frail & inadequate retirement

Warren Buffet once rightly remarked, "nobody wants to get rich slowly." Retiring rich is more of a mindset. You don't have to earn extraordinary money to become rich. In fact, it is possible to lead a comfortable and fulfilling life with normal income.

Some people are able to live an enviable life because they make money work for them. They have the willingness to save and invest their money in the right assets. The beauty of investing early is that you have time working for you and not vice versa.

Making money is all about setting priorities right. Suppose you have just graduated from college and landed a good job. The desire to own fancy gadgets is natural. It brings happiness, but little do you realize that purchasing the latest gadget or buying a high-end car is funded by your retirement account. For example, you want to purchase the latest gadget costing Rs 50,000, and you plan to work for 40 years. By purchasing the gadget you just withdrew Rs 5.14 lakh from your retirement account. To elaborate, if you invested Rs 50,000 in a retirement fund, the money could grow to Rs 5.14 lakh in 40 years assuming just a 6% annual return. Similarly, the decision to purchase a car worth Rs 3 lakh today can cost you Rs 18 lakh from your retirement account if you plan to work for 30 years. The numbers might surprise you, but becoming rich requires patience and the right mindset.

The process of becoming rich starts with you. You have to begin investing in yourself. This means that you save a certain portion of your earnings for the future. This helps you to build a decent retirement corpus which can help you to maintain present lifestyle even when your income dries up. The consistent saving habit pays rich dividends later. Whatever the income, everybody should make efforts to save a part of their income. Remember starting small is better than not starting at all.

The rapid changes in lifestyle might make saving money like a daunting task. It will be much easier if savings are automated - meaning that every month a fixed amount is invested automatically. The Systematic Investment Plan (SIP) is an ideal way to accomplish this. Not only your money will work for you, but you will also become conscious of your spending habits.

Some people argue that their present lifestyle doesn't have any scope for savings. Some wait for year-end to meet their yearly saving targets, but if no money is set aside since the beginning, what is the likelihood to come up with money at the end of the year? Well, there is a negligible chance. Even if you manage to save a fraction of your income, it can add up over the years. The power of compounding can snowball your wealth.

If you invest just Rs 5,000 per month in equity mutual fund and earn an annual return of 10%, you would have Rs 1.13 crore after 30 years! Do you think you can save that much money with your salary alone? The answer is NO. Without investing, you need to save twice the amount of your salary to accumulate that kind of corpus.

If you are smart with your money even with a modest salary you could end up retiring rich. If you think that a big salary is a prerequisite for wealth, think again. The history is replete with examples of athletes, actors, and actresses who were rich but ended as poor. Hence even if you have a modest salary, with consistency it is possible to create wealth.

People wait for the big chance to become wealthy. They think one big hit can help them become financially free. Assuming they get sudden money from an inheritance or winning a lottery, they cannot remain financially free forever. The question is not how to get rich, it is how to stay rich. The first step to becoming rich is to cultivate the right mindset. No matter what, you will never quit investing a part of your income.

The next step is to have a plan. The haphazard investment is not going to take you anywhere. If you have limited income, you must learn to live below your means. Although it is easier said than done, but with little determination, it is possible to cut down impulsive spending. The more money you save, the more corpus you can build.

Finally, invest, invest and invest. The earlier you start, the better. If you are in your 40s then there is not much time to build wealth, though it is still possible if you are willing to take risks. The more time you lose, the fewer returns you will be able to generate. An aggressive investment plan can help you to beat inflation and lead a comfortable retired life. If you do not have the skills to pick up stocks or funds, seek the advice of a qualified financial planner.

CORONAVIRUS

GLOOM, DOOM, BOOM! SHOULD THE INVESTOR BE SCARED?

The Coronavirus scare has caused a global rout in the global markets in March 2020. Equity investors have become anxious as the turbulence in equity markets continues unabated. Coronavirus or COVID-19 spread rapidly in more than 32 countries. However, gauging by historic market performance during various infectious diseases like SARS, Ebola or Avian Flu, Dalal Street investors have little to fear that COVID-19 can sicken sentiment of Indian markets which witnessed historic highs in January 2020.

Investors have turned cautious due to the ability of the virus to halt travel and impact consumption. There is a growing debate on the virus's ability to affect the Indian economy. With the exponential growth of the stock markets, such events, often known as "Black Swan events," can affect the asset prices at a much faster pace.
In the age of social media and the interconnectedness of global supply chains, such events can trigger chain reaction making stock markets even more vulnerable.

Historically, Dalal Street's reaction to epidemics and fast-moving disease is very short-lived. For example, India's NIFTY 50 saw a historic run from the level of 941 to 2014 in eight months after the first occurrence of SARS in 2003. In June 2006, Avian Flu broke out. The markets recorded gains of around 20% in the following six months. Ebola broke out in March 2014. With the Ebola virus disease (EVD) outbreak in the Democratic Republic of the Congo in October 2018, the MSCI World index fell 7 percent and 3.5 percent respectively in one month and six months periods. However, SENSEX, which fell 5 percent in the first month, recovered nearly 7 percent within six months. Except in the case of a cholera outbreak in November 2010 and pneumonic plague in September 1994, the Indian market has bounced back strongly.

The History Of Market Crashes

The First Recorded Market Crash

Not exactly a stock market crash, but a market crash that sent the Dutch economy into depression. It dates back to the year 1634. The tulip, imported from Turkey, was considered as a status symbol. This created high demand among the elites. The price of the tulip skyrocketed. This attracted the attention of speculators and even the middle class who started frenzied buying of tulip. By 1637, the interest in the tulip began to wane thereby crashing the prices. Several speculators went bankrupt. This created a ripple effect and a depressionary wave took over the Dutch economy. It took a few years to recover.

The Great Crash Of 1929 Also Known as The Great Depression

The great crash of 1929 began on Thursday 24th October. It is famously known as "Black Thursday." In September 1929, the Dow Jones Industrial hit high of 381.2. On October 24, the Dow traded at 299.5 – a 21% decline from the high. The trading volume was three times the normal daily volume. On this day Dow fell by 9%. By November 13, 1929, the Dow fell to 199. This marked the great crash where stocks lost 90% of the value.

What Led To The Crash?

The period between 1924 and 1929 saw great expansion and a huge amount of margin buying. This fuelled the prices of public utility stocks. The investment trusts were highly leveraged. The October marked the arrival of bad news and stocks fell like a pack of cards which resulted in panic selling. It took 12 years for the US economy to recover.

The Crash Of 1987

The crash of 1987 once again took place in October. It is also marked as the single largest fall in a day, on the 19th also known as **"Black Monday"** and like the earlier crash, this too was caused by high leverage. New financial instruments like junk bonds propelled corporate buy-outs. In October 1987, The Dow fell by 39% before ending the month at 23% loss. The fall was so severe that for many it seemed like the end of the world.

What Led To The Crash?

The 1980s was the period when interest rates skyrocketed in the USA. The Federal Reserve targeted inflation. The discount rate in the USA was hovering at 14% in 1983. Such high rates caused huge inflows into debt securities. The international money too started chasing US securities anticipating higher returns. This caused a dollar rally. The rising dollar hit US exports. Eventually, the government intervened which led to the signing of the Plaza Accord in 1985. The US dollar had to be weakened, but overseas investors saw this as negative since the value of their investments would decline in their native currencies. Hence, they started selling their investments in US markets. As the liquidity began to get sucked out of the system it lead to a crash in equity prices. The volatility index hit an all-time high of 150 which meant full-blown panic.

The 1987 crash was historic in many ways the premium between futures and stocks was negative for the first time this lead to arbitrageurs buying futures and selling stocks resulting in further fall in the market. This was also the time when algorithm trading was born.

The dotcom Bubble Of 2000

After 1987 Technology once again took the center stage. This time causing the technology bubble, this led to the market collapse of 2000. In 1990 internet stocks witnessed unusual valuations as their share price rose substantially.

The listing of globe.com was sensational. Against the issue price of only $9 per share globe.com traded $87 per share on the first day of trading, this lead to the mad rush for internet stocks. The venture capitalists invested in any company with the suffix ".com" without even bothering to look at the business model of the company. Such was the rush that and The IPO of the .com company would quadruple within a week of its listing. The stock price of Netscape traded at $75 per share on the first day against the issue price of $28 per share. However, investors soon realized that the dotcoms which relied on banner ads would never be able to make profits and they began to dump the ".com" stocks eventually resulting in the market crash. Investor's wealth was destroyed in no time.

At one point pets.com commanded a valuation of 300 million dollars but after the crash, its valuation was reduced to zero within few weeks.

What caused the dotcom bubble?

From 1998 to 1999 the USA adopted a cheap money policy, this lead to the easy availability of money. The taxpayer Relief Act of 1997 reduced capital gains tax. These two factors encouraged the mindless investments in the dotcom stocks. The media added fuel to the fire with created Frenzy for .com stocks. People invested in Tech companies without understanding their business model. There was also a "get big fast" rush among the new companies which focused on abnormal publicity and rapid growth with non-existent products. It is estimated that the Tech bubble cost the loss of 5 trillion dollars in market value.

The great recession of 2008

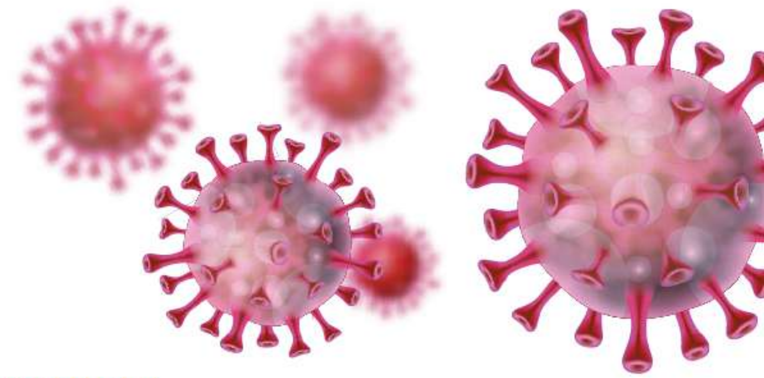
By 2007 the markets were booming again. October 9, 2007, Dow Jones Industrial closed at 14164 points. Within 6 months and lost more than 50% and fell to 6594 levels. This time the market crash was the result of high leverage in mortgage-backed securities. The major culprit was subprime housing loans that were offered to anyone, even those who did not have good credit. The banks later sold the loans in the form of stocks in the open market. These loans were backed by semi-government insurance companies like Fannie Mae and Freddie Mac. The situation became so volatile that Fannie Mae and Freddie Mac had to be bailed out by Federal Reserve.

To restore financial stability in the markets, the Federal Reserve entered into currency swaps with Central banks in Europe and Japan. The governments were forced to provide liquidity to the credit markets. China announced the massive $586 billion stimulus plan which accounted for roughly 7% of its GDP.

A brief history of previous epidemics

SARS

SARS broke out in April 2003. A total of 8437 cases were reported worldwide resulting in 813 deaths. The Dow Jones Industrials traded at 7778 levels. In the following six months the index traded at 9946 levels, a rise of 27%. Similarly, German DAX traded at 2533 levels. In the following six months German DAX surged 32% to trade at 3376 levels. Similarly, BSE SENSEX traded at 3167 levels in April 2003. A small correction of 6% ensued in May 2003, before the SENSEX surged to 4362 levels in the following six months, a rise of 37%.

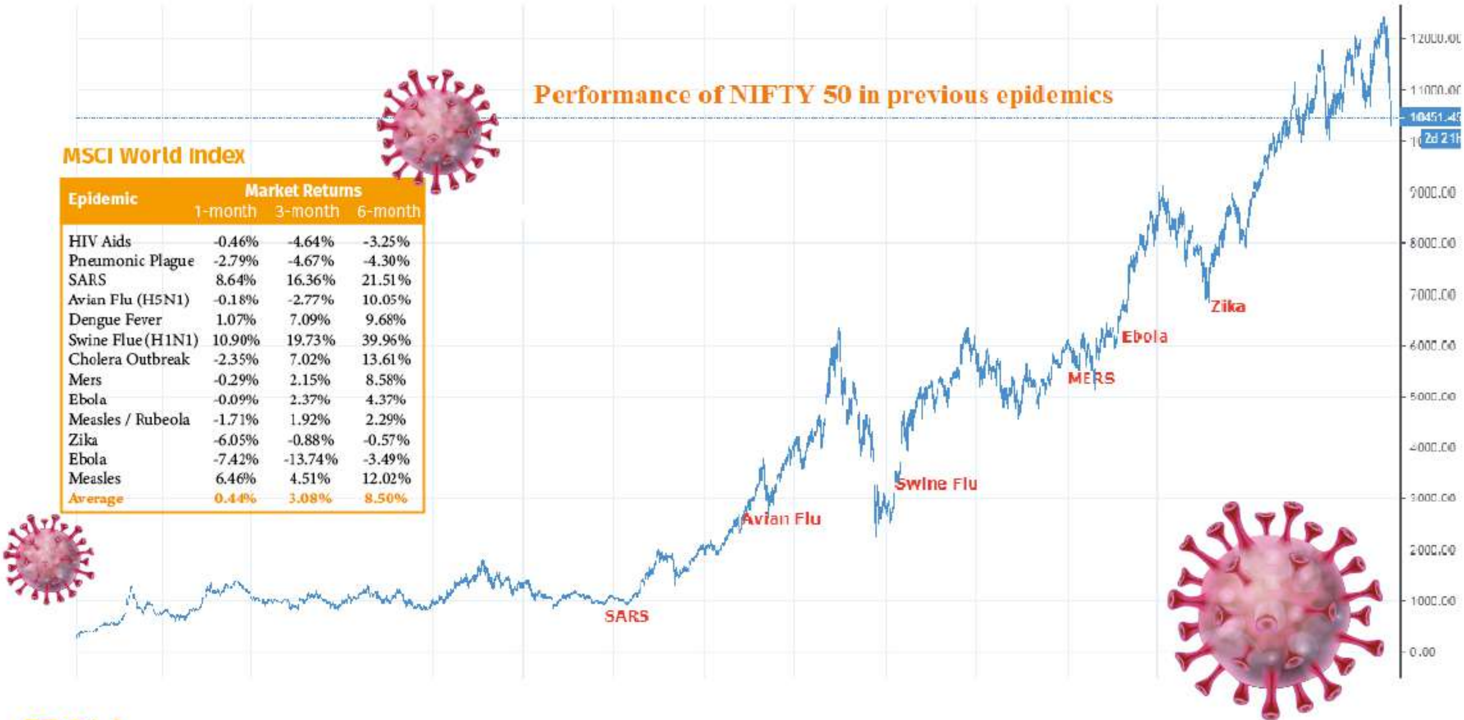


AVIAN FLU

Avian Flu broke out in September 2006. It spread to 53 countries. It had sickened 229 people in 10 countries, killing 131. The fatality rate was 57%. It led to the preventive slaughter of more than 200 million poultry. The Dow Jones Industrials traded at 12254 levels. In the following six months the index traded at 13343 levels, a rise of 8%. In Asia, Japan's NIKKEI traded at 16777 levels. In the following six months NIKKEI rose to 17455 levels, a rise of 4%. Similarly, BSE SENSEX traded at 11778 levels in September 2006. The SENSEX surged to 14362 levels in the following six months, a rise of 27%.

SWINE FLU

The world was hit by the Swine Flu outbreak in April 2009. It was probably the world's last pandemic before Coronavirus broke out. At the end of the swine-flu pandemic announced in 2010, the World Health Organization (WHO) reported the death toll was about 18,500. The markets too experienced sharp correction due to the housing bubble in 2008. The massive stimulus ensured that the markets were on the path of recovery. The Dow Jones Industrials traded at 7994 levels. In the following six months the index traded at 9997 levels, a rise of 25%. The story was the same in Europe too where economies were looking up. In Asia, Japan's NIKKEI traded at 8577 levels. In the following six months NIKKEI rose to 9636 levels, a rise of 12%. Similarly, BSE SENSEX traded at 10803 levels in April 2009. The SENSEX surged to 16120 levels in the following six months, a rise of 49%.

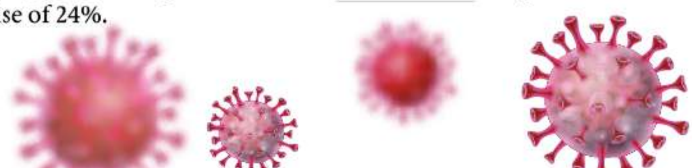


MSCI World Index

Epidemic	Market Returns 1-month	3-month	6-month
HIV Aids	-0.46%	-4.64%	-3.25%
Pneumonic Plague	-2.79%	-4.67%	-4.30%
SARS	8.64%	16.36%	21.51%
Avian Flu (H5N1)	-0.18%	-2.77%	10.05%
Dengue Fever	1.07%	7.09%	9.68%
Swine Flue(H1N1)	10.90%	19.73%	39.96%
Cholera Outbreak	-2.35%	7.02%	13.61%
Mers	-0.29%	2.15%	8.58%
Ebola	-0.09%	2.37%	4.37%
Measles / Rubeola	-1.71%	1.92%	2.29%
Zika	-6.05%	-0.88%	-0.57%
Ebola	-7.42%	-13.74%	-3.49%
Measles	6.46%	4.51%	12.02%
Average	0.44%	3.08%	8.50%

EBOLA

Ebola was mainly confined to Africa. The impact this epidemic had on the world, and particularly West Africa, is significant. A total of 28,616 cases of EVD and 11,310 deaths were reported in Guinea, Liberia, and Sierra Leone. There were an additional 36 cases and 15 deaths that occurred when the outbreak spread outside of these three countries. The Dow Jones Industrials traded at 16616 levels. In the following six months the index traded at 17797 levels, a rise of 7%. The story was the same in Europe too where economies were looking up. In Asia, Hang Seng rose from 6600 levels to 8561 levels, a rise of 29%. Similarly, BSE SENSEX traded at 22340 levels in April 2014 surged to 27865 levels in the following six months, a rise of 24%.



CORONAVIRUS

The coronavirus pandemic has blown into full-blown panic. The economies are shut-down citing public health emergencies. The present crisis is threatening to plunge the world into recession. The disruption in supply-chain has threatened the existence of already shaky manufacturing activity especially in a country like India.

How the present crisis can impact the global economy?

Well, for one the stability of the financial system is threatened. The companies having weak business models and excessive debt can be exposed to a fire sale of assets resulting in business closure. The economic revival won't be easy especially with manufacturing coming to a grinding halt. Though governments worldwide have announced their intentions to support the credit sector, the banks would be unwilling to lend the overly-leveraged borrowers. Already stress is visible. The US debt price has fallen. Treasuries are considered as a safe-haven investment. The fall in treasury prices means lenders are unwilling to part with cash. The fear of freezing credit lines is forcing corporates to borrow more from their credit lines.

The world markets experienced a fall in unison. The S&P 500 index has shaved off 30%, Germany's DAX is down 38%, and Japan's Nikkei was off 30%. India's BSE SENSEX shaved off nearly 35%.

How governments are responding?

The US announced a massive $2 trillion stimulus. Britain has announced "wartime" funding to boost its economy. Spain has announced a stimulus package worth 50% of its GDP. Australia announced a $65 billion stimulus package besides lowering interest rates to 0.25%. South Korea announced a $9.8 billion stimulus package. The U.K. responded by unveiling $379 billion in business loan guarantees along with a cut in interest rates. In the U.S. the Fed has cut its benchmark federal funds rate by 1.5 percentage points and pledged to buy $700 billion in Treasuries and mortgage-backed securities.

How India is responding?

India announced an economic stimulus package worth 1.7 trillion rupees ($22.5 billion). India has been in lock-down for 21 days. This could impact India's GDP by 0.5%. India's Central bank, the Reserve Bank of India cut repurchase rate to 4.4% from 5.15%. RBI also cut Cash Reserve Ratio (CRR) to 3% in a bid to boost liquidity. RBI has announced a stimulus worth 3.2% of India's GDP. The RBI has shored up liquidity by 50 billion. It also offered a three-month moratorium on loan repayments covering all banks and shadow lenders. RBI's steps might not spur growth immediately, but it has successfully averted the collapse in the financial system. The fact remains that the national lockdown will impact consumption and demand in India. Before the outbreak of Covid-19, the credit offtake in India was in a single digit. The situation will be exacerbated and will rise in defaults in retail loans.

In the case of COVID-19, the markets have reacted violently. NIFTY 50 shaved off nearly 20% off highs. The scene was similar in global markets with the S&P 500 hitting circuit breaker on March 9, 2020. The pandemic came at a time when China's economy is experiencing sluggishness as is evident from growth numbers. The Chinese economy slowed to a 6.1% rate of annual growth last year, the lowest reading in the past three decades.

Ebola still causes deaths around the world. During such outbreaks, it is common to see breathless headlines and market whipsaws. It is proved time and again that it is the best time to buy when markets behave irrationally. During such outbreaks, the impact is sector-specific.

What Should Investors Do?

The present crash created a catastrophe in the investor's portfolio. During such times the reaction of small investors is usually panic-stricken. Every time the investing world falls apart, it manages to surprise everyone with smart recovery. The panic-stricken investor fails to understand that severe falls have nothing to do with the company's fundamentals. During such times the level-headed corporate heads are buying their stock. Their decision to buy-back their stocks are driven by the vision. They know the worst times don't last long, and business will recover within a few quarters. The truth is investing is all about understanding business and who can understand better than the ones who manage it.

The successful fund managers view insider buying as one of the indicators of a market turnaround. When insiders are buying their stock, it is a clear message that the stock will out-perform indices in the future. Empirical evidence too confirms this fact. Usually, during the market panic, the company insiders buy stocks from the open market. Such buying indicates the potential of the company.

When the company management buys the stock, they intend to hold it for several years. Buying for the short-term is never in the shopping list of company management.

However, the insiders buying the stock doesn't mean the market bottom. It implies that the business of the company is undervalued by the market. A clear indicator of confidence they have in their business. In the present stock market crash, insider buying is at a record high. This should reassure investors who are withdrawing their investments in a frenzy. A careful analysis of data from stock exchanges reveals that many promoters have silently bought their stock from the open market.

This is not the first time markets have witnessed rout. The ride for markets has never been smooth. Every few years markets went through turmoil only to emerge stronger than ever. The BSE SENSEX which traded at a base value of 100 in 1979 surged to 42,000 odd levels in 39 years.

There were occasions where markets witnessed a drop of 50% or more. In March 1992, NIFTY hit high of 1275 when Harshad Mehta scam rattled markets. By April 1993, Nifty saw a 56% drop, probably the largest ever in Indian history. In less than one year i.e by 14th February 1994, Nifty not only recovered losses but hit the new high of 1327 level. It is not uncommon to find instances where markets have shed off 20-30% due to some domestic or global events. But it has also multiplied investor's wealth at a CAGR of 15% and will continue to do so.

This is not the first time markets have witnessed rout. The ride for markets has never been smooth. Every few years markets went through turmoil only to emerge stronger than ever.

There is a wave of pessimism on the street. The fear of losing money during the drawdowns is natural, but every investor must realize that the markets have eventually recovered and scaled new highs thereafter. Nobody likes drawdowns, recessions or bear markets. They hit the portfolio hard. But such drawdowns are happiest times for investors because stocks are available at a discount. The successful wealth creation depends upon how the investor reacts to such situations. If one panics and stops the SIP, he may be in for disappointment a few years later. Warren Buffet is successful not because he is rich, but because he has the stomach to digest market turmoils.

There is a strong reason to celebrate the present fall in the markets. The present fall is caused due to the virus and not some dotcom or housing bubble. Small corrections have happened from time to time. A 20-30% correction is termed as healthy for markets. Look at the attached chart. This is the data collected from BSE. How many times markets have lost 20% and recovered smartly? Ask yourself, has the business landscape changed fundamentally in a month or six months? While it is true that valuations have come down, but the business models remain robust. For soothsayers who are forecasting the end of the world, the markets have braced worse crises than the present one.

BIGGEST FALLS IN INDIAN EQUITY MARKET

START DATE	END DATE	PEAK	TROUGH	FALL FROM PEAK
06-NOV-92	10-AUG-93	1281	600	-53.20%
10-NOV-94	04-OCT-95	1385	909	-34.40%
20-OCT-95	07-FEB-96	1044	815	-21.90%
10-SEP-96	26-FEB-97	1196	788	-34.10%
30-OCT-97	17-MAR-98	1293	941	-27.20%
27-MAY-98	09-FEB-99	1213	809	-33.30%
17-APR-00	19-JAN-01	1756	1136	-35.30%
02-MAR-01	02-JAN-02	1417	854	-39.70%
21-MAY-02	05-DEC-02	1193	923	-22.60%
24-MAR-03	30-MAY-03	1100	924	-16%
14-MAY-04	28-SEP-04	1982	1389	-29.90%
03-JAN-08	28-APR-09	6288	2524	-59.90%
27-JAN-11	28-MAR-11	6312	5256	-16.70%
02-MAY-11	30-JAN-12	5912	4544	-23.10%
04-MAY-12	18-JUN-12	5607	4836	-13.80%
29-JUL-13	06-SEP-13	6187	5285	-14.60%
02-JUN-15	24-MAY-16	8996	6971	-22.50%
14-DEC-16	09-JAN-17	8952	7908	-11.70%

As the historical evidence points out such disease and outbreaks should be treated as a temporary bump in long-term investment journey. As has happened in the past, this whipsaw cycle too will tend to be brief, lasting from one to three months. This time too it won't be different. While it is difficult to predict the markets, NIFTY 50 has managed to rise at least 10% after various outbreaks in the past 30 years. Those include SARS, Avian flu, Swine flu, Ebola and Zika viruses.

Only time will tell whether the present crisis is severe than other outbreaks, but eventually, this too will ultimately pass. The markets may remain choppy for days, weeks or months. Investors should not cash out their positions. They should stay put and stay calm. In panic many rushes to sell stocks and purchase bonds as a safe-haven trade. Doing this is very risky as the investor can end up buying bonds at a higher rate.

The markets tend to correct 15 percent in any given year. This year coronavirus sparked a rapid correction. However NIFTY has managed to bounce back sharply after every correction. This has happened with earlier outbreaks as well. During the SARS outbreak in 2002-03, NIFTY lost 20% but within a year it was trading 80% higher. Similarly, during the Avian Flu outbreak in 2006, NIFTY managed to clock gains on a year to year basis. In 2009, the world was hit by the Swine Flu pandemic. The pandemic caused worldwide 1,50,000 deaths. It seriously disrupted the world economy. However, this also coincided with the beginning longest-running bull market in history.

In short, the current outbreak is not expected to have a lasting effect on markets. The coordinated action by central banks to lessen the impact is also expected to act as a booster for markets. As happened in previous instances, the markets might have an initial violent reaction. But it will soon regain its bullish momentum.

Q&A WITH ABHINAV ANGIRISH

Q. The most common question plaguing investors is whether switching from one mutual fund to another amounts to a sale?

A. Investment in each scheme is treated as a separate capital asset from Income Tax perspective. Thus, when the investor switches from one scheme to another, it will be treated as transfer under the I.T. Act 1961. Such transfers are liable to capital gains tax.

Q. How does switching between funds affect the investor?

A. If the investor switches between equity funds, the capital gains levied will depend upon the holding period. For equity funds, if the investor switches between two funds within one year from the date of investment, any gains realized will be treated as short term and taxed at 15% plus an applicable surcharge. If the switch between two funds occurs after one year from the date of investment, any gains realized will be treated as long term and taxed at 10% plus applicable surcharge without any indexation benefit. The long term gains up to Rs 1 lakh are exempt from tax.

Q. Does the same criteria apply to debt funds as well?

A. The tax treatment for debt funds is different from equity funds. If the switch from one debt fund to another is made within three years from the date of investment, any gains realized will be treated as short term and taxed at applicable slab rates. If the switch from one debt fund to another is made after three years from the date of investment, the realized gains will be treated as long term and taxed at 20% with indexation benefit.

"If the investor switches between equity funds, the capital gains levied will depend upon the holding period. For equity funds, if the investor switches between two funds within one year from the date of investment, any gains realized will be treated as short term and taxed at 15% plus an applicable surcharge."

Q. On purchase or selling of shares, the following charges are added to the purchase or sale price: (a) brokerage (b) STT (c) Toc NSC Exchange (d) GST (e) stamp duty (f) Sebi turnover fees. Of these, which can be added to the purchase price or deducted from the sale price?

A. Section 48 of the I. T. Act 1961 allows a deduction of expenditure while computing the income under capital gain. However, the proviso to Section 48 specifically excludes deduction for STT while computing capital gains. Barring STT, an investor is eligible for a deduction of all other charges.

Q. Can NRIs save tax through health insurance bought in India?

A. Health insurance offers twin benefits of medical coverage as well as tax benefits. Many non-resident Indian's (NRI) are not aware that they can claim a tax deduction for health insurance bought in India.

An NRI is allowed to purchase a health insurance policy in India for his family. However, the companies issuing such policies will provide treatments only within the boundaries of India. Thus, if you are an NRI living in the USA and seek medical treatment in the USA, the policy purchased in India will not cover those expenses. In the same way, if the NRI purchases health insurance policy abroad, then even if the policy covers treatment in India, the premium paid for such a policy will not be eligible for tax benefits in India.

The Indian Income Tax laws allow the NRI to claim a deduction for a premium of health insurance policy from his taxable income in India. As per section 80D of the Income-tax Act, 1961, an individual (resident and non-resident) can claim a deduction of up to Rs 25,000 for premiums paid for the health insurance of self, spouse, and dependent children, including the expenditure of up to Rs 5,000 on preventive health check-up. An additional deduction of Rs 25,000 is available on the premium paid for the health insurance of parents aged up to 60 years.

Q Which I-T sections allows the investor to save tax via life, health insurance using existing tax regime?

A. Section 80C allows a deduction of premium paid towards a life insurance policy for self, spouse, children or a member of the Hindu Undivided Family (HUF). However, this deduction is subject to a maximum of Rs 1.5 lakh per financial year.

Section 80CCC allows a deduction towards any annuity plan of a life insurance company for the purpose of receiving a pension. The investor can claim deduction up to Rs 1.5 lakh annually.

Section 80D allows the person to claim a deduction of up to Rs 25,000 for premiums paid for health insurance for self, spouse, and dependent children. An additional deduction of Rs 25,000 is available on the premium paid for the health insurance of parents aged up to 60 years.

However, it must be noted that the total deduction claimed under all three sections is Rs 1.5 lakh.

"An NRI is allowed to purchase a health insurance policy in India for his family. However, the companies issuing such policies will provide treatments only within the boundaries of India. Thus, if you are an NRI living in the USA and seek medical treatment in the USA, the policy purchased in India will not cover those expenses. In the same way, if the NRI purchases health insurance policy abroad, then even if the policy covers treatment in India, the premium paid for such a policy will not be eligible for tax benefits in India."

The Three P's Of Wealth Creation

Patience + Persistence = Protection

How many of you know that the value of Rs 10,000 in the 1980s is worth a mere Rs 680 today. If you carefully analyze the Cost Inflation Index published by the Government of India from 1980, you will realize that inflation is galloping at 7% per annum, and this does not include lifestyle changes. The official estimation of inflation is an underestimation. Actual inflation is a lot higher if we include medical inflation, education inflation, and other lifestyle changes. If one assumes modest inflation of 5%, the value of Rs 1 lakh today will be reduced to just Rs 20,000 three decades from now. What does this mean for the investor? It means that the investor must strive to achieve 8-10% post-tax returns if he wants to beat inflation in its own game.

A saving habit can help to accumulate money, but it won't help the money to grow. Investing is looked down like a curse. In times of economic crisis, savings might look attractive. A decade later they realize the cost of not investing when their capital is ruined by inflation. Consider the crisis of 2008 when there was a meltdown in global financial markets. People preferred to hoard cash or park it in a bank because at that time it did not appear a big deal to lose 1-2% to inflation. But a decade later they regretted not investing the money. The markets delivered 2x-3x returns while saving bank account hardly caught up. This is a precise reason many regret saving vs investing.

In the past decade or so the notion of saving has altered significantly. In a global economy, the saving is equated with investment. Investment has its own risk but compared to low returns provided by banks, it seems worth taking. The biggest risk with saving is of loss of value. The low-interest rates simply do not offer any protection against monstrous inflation. Bank accounts or certificates of deposits are unable to provide value anymore.

Many find the idea of investing uncomfortable. The fact is inflation is unavoidable. If stocks make you cringe, mutual funds answer. Historically mutual funds have delivered annual returns ranging from 15-21%. Even during an economic downturn or financial market turmoil, mutual funds have managed to outperform traditional investments. The choice between saving and investing is like a devil and the deep sea. One is guaranteed failure vs inflation while the other has a chance of success with little risk. If managed right, a little bit of risk provides enormous benefits.

German Mark is a classic example of how inflation can wreak havoc on the value of the currency. In 1923, when Germany battled hyperinflation, people used to carry bundles of German Mark in a cart. In December 1923, 1 US dollar was equal to 98,860,000 marks. Such was the situation that a cart carrying a bundle of Marks commanded more value than Marks. Inflation has the power to collapse the value of the currency.

The definition of inflation will make you think twice about saving. As inflation rises, every rupee you own buys a smaller percentage of a good or service. When prices rise, and alternatively when the value of money falls you have inflation." When it comes to protecting money, there is little option. Investments in equity funds can help you to beat inflation in the long term. Investments keep your purchasing power intact.

Let's look at this other way. Even with modest inflation, every rupee you save fetches you less value with time. The value of Rs 1 lakh is not going to be the same a decade later. In simple terms, it will buy fewer things. A cup of coffee costing Rs 20 today will cost Rs 40 a decade later. If you save Rs. 20 in the bank at 8% interest, after a decade you will get Rs. 44 whereas the inflation-adjusted value of Rs 20 will be a mere Rs 32!

This means you will have to 25% more to drink coffee after 10 years. The above example excludes tax. Thus, a person will need to generate a 11% return to maintain his current lifestyle.

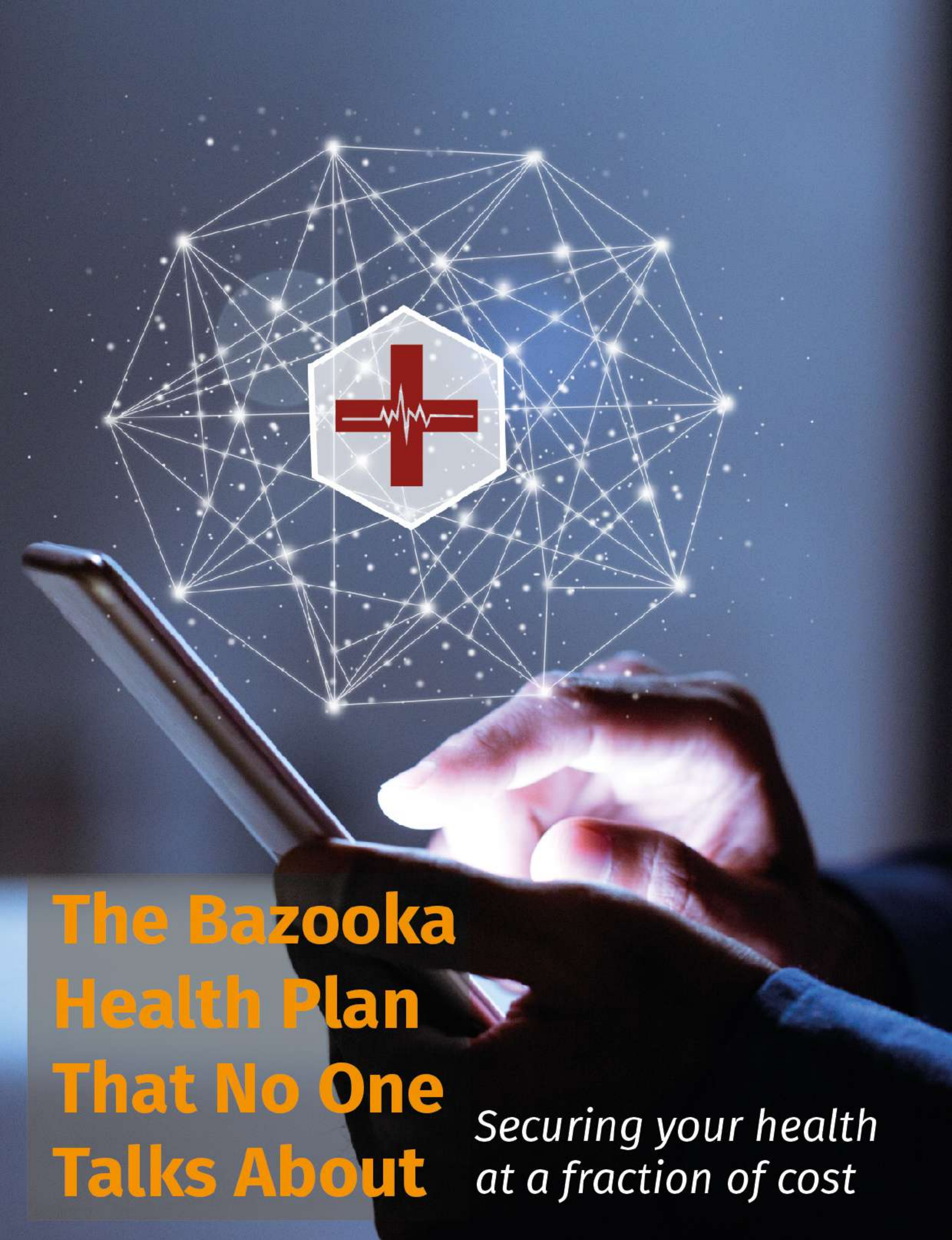
If a simple cup of coffee can make such a huge difference, imagine the impact of medical and education inflation. You need to save much more to maintain the present lifestyle.

What is the solution?

Instead of saving, focus on investing. There is no other option. Equity mutual funds have proved to be a blessing for those who want to avoid volatility. As an investor, about 65-70% of your portfolio should consist of equity mutual funds. Traditional saving routes will only end up reducing your purchasing power. This is extremely important for early retirees.

Contrary to popular perception, mutual funds are safe if investments are made for the long term. A mutual fund investing is different from trading or speculation. It is a known fact that long term investing in a mutual fund seldom results in a loss. Many argue about the safety of bank fixed deposits, but mutual funds are highly regulated too. No fund has ever gone bankrupt in four decades. Hence, barring market-related risk, the investment in a mutual fund is safe.

Mutual funds may not deliver exceptional returns like individual stocks. But they surely allow the investor to harness the power of compounding. They allow your money to work for you. More importantly, a mutual fund investment allows beating inflation. Mr. Ratan Tata, an illustrious industrialist rightly said "If you want to walk fast, walk alone. But if you want to walk far, walk together." This analogy can be applied to investments. If you want to make fast money, you can invest in stocks. But if you want to make money for life, you must invest in mutual funds. Mutual funds operate on collective principle and this is what makes them unique.



The Bazooka Health Plan That No One Talks About

Securing your health at a fraction of cost

Imagine you are traveling with your family and suddenly you have a flat tyre. To add to the woes, you realize that you deliberately avoided carrying a spare tyre to save on weight and mileage. Now you have two options; either to wait for a few hours for a tow truck to arrive or walk by yourself hoping to find some help nearby. This analogy applies to insurance as well. Many times people deliberately avoid health insurance to save money. The cost can be huge in the event some calamity strikes on you or your family.

Top-up health insurance plans are like a spare tyre. They help you to handle medical emergencies efficiently.

This becomes more important if you have a family history of diabetes or hypertension. They can come handy in critical emergencies after you exhaust the sum assured limit in your existing health insurance plan. Hyper medical inflation is another reason to buy a top-up health insurance plan. Often people underestimate the health insurance requirement. The ideal method to determine if you are adequately covered is to multiply annual medical expenses by 20. For example, if your annual medical expenditure is Rs 25,000, you require health insurance of Rs 5 lakh today. Assuming 10% medical inflation per year five years hence your medical expenses would be Rs 40,000. Thus, five years hence, you will require health insurance of Rs 8 lakh. While the costs increase, the cover remains the same. In such a scenario, a top-up plan can increase your existing cover and cover costs once a threshold is reached in the existing policy. A health policy top-up is an additional coverage for those having an existing health insurance plan. Even an individual having a group health insurance cover from employer can avail of this.

Why Top-up Health Policy?

As mentioned previously, the medical costs keep on increasing year after year. After a few years if one wants to upgrade his policy, either he has to purchase an additional policy or increase the limit of his existing policy. Both options are costly. Suppose an individual aged 40 has a health policy cover of Rs 3 lakh, and he wants to buy an additional cover of Rs 5 lakh. If he purchases a separate health policy with the cover of Rs 5 lakh, the premium will be approximately Rs 8,000. Alternately, if he opts for top-up health policy he will have to pay just Rs 2000. By purchasing a top-up health policy he saves Rs 6000 on premium. Hence, a top-up plan makes sense when the individual wants to increase the cover without paying a huge premium. Top-ups should not be confused with riders like personal accident cover. A personal accident cover is a definite-benefit plan. Top-ups offer protection against a loss or other financial burden.

They provide the same benefits as a regular plan. Top-ups have less premium because the base policy reduces the risk for the insurance company. In top-up policy, the insurance company might not even ask for a medical check-up if the individual is below 55 years of age.

A top-policy is more beneficial than buying additional riders. A separate rider may cover only a few critical illnesses. Moreover, riders are offered on particular policies which can be taken only with them. By comparison, a top-up plan is an independent cover which can be bought separately regardless of insurer. The top-up policy covers claims for all treatments where hospitalization is required.

How Does Top-up Plan Work?

The following scenarios explain how top-up plans work.
Suppose the person has health policy with the cover of Rs 5lakh. He purchases a top-up policy for Rs 3 lakh. If the person is hospitalized and incurs a bill of Rs 6 lakh then Rs 5 lakh will be settled by regular health insurance. The balance Rs 1 lakh will be settled by the top-up policy.

In another scenario, suppose the person has health policy with the cover of Rs 5lakh. The threshold limit is Rs 5 lakh. He is admitted twice in a year with bills of Rs 3 lakh and Rs 2 lakh respectively. In this case, the top-up plan will not be triggered. A top-up health insurance policy applies to only one claim in a year. Also since the first claim is within the threshold limit of Rs 5 lakh, the top-up plan will not be triggered.

What happens in case of a relapse?

If the relapse happens within 45 days of discharge, it is considered a single illness. But if a relapse happens after 45 days, it is considered as a fresh illness.

Deductibles matter

In Insurance, a deductible is an amount you have to pay before the insurance company starts to pay. Let's assume a person has a policy whose deductible is Rs 2 lakh. If the claim by the insured is Rs 3 lakh, the insurance company will only pay Rs 1 lakh. It is important to select a deductible before buying a top-up policy. one should examine the present and past medical conditions, lifestyle, and pre-existing illness. In the case of a floater policy, the deductible may be applied to individual claims.

What is the minimum age for top-up policy?

The minimum entry age is 18 years. Dependent children up to the age of three months are allowed. Typically the maximum age for entry is 80 years. It is recommended that one should check with the insurance company before buying a top-up policy. Even if you have comprehensive health insurance, it is advisable to purchase a top-up policy due to the various benefits it offers.

Mutual Fund Taxation

What You Need To Know

Capital in a broad sense refers to anything that can be used as an investment. In short, capital improves future value. The money lying in a bank is called capital. In the same way, the machinery held by the company can also be classified as capital. Asset refers to anything that has value. A physical item like a vehicle can be termed as an asset. Similarly, intangible items like intellectual property, a product brand can also be termed as an asset. A capital asset is an asset owned by an individual for investment purposes.

For taxation purposes, only financial assets are considered. These assets are tangible, for example, a share is a financial asset due to the monetary value attached to it. A mutual fund unit is also a financial asset. The value of shares and mutual fund units appreciate over the period of time. Hence, the gains arising from buying and selling of mutual fund units are referred to as capital gains. Capital gains can be short term or long term depending upon the holding period. The tax arising out of financial transactions can be classified as short term or long term capital gains tax.

The Budget 2020 abolished Dividend Distribution Tax (DDT) at the hands of companies. Effective April 2020 TDS will be levied on dividend income received from mutual fund units.

The average investor has several questions regarding the taxation of mutual funds. This article examines tax implications on mutual fund investments.

There are several factors that determine the tax status of a mutual fund. They are:

- **Residential Status** of the individual
- **Fund type** – The tax treatment of equity-oriented mutual fund is different from non-equity oriented funds
- **Holding period** – for determining whether gains are short term or long term

How Residential Status affects Mutual Fund Taxation

An investor can be a resident of India or Non-Resident Indian (NRI). The capital gains tax rates depend upon the residential status of the individual.

There are three types of residential status:

- **Resident & Ordinary Resident (ROR)**
- **Resident But Not Ordinary Resident (RNOR)**
- **Non –Resident (NRI)**

How to determine if a person is a resident or Non-Resident Indian

An individual is a resident of India (for tax purposes or otherwise) if:

· He/she has lived in India for at least 182 days during the financial year

Or

· He/she has lived in India for at least 60 days of a year, in the previous year, and at least 365 days in the preceding four years. Till now, a person who spent 182 days or more outside of India was considered an Indian. This has been changed. As per the changes in the Income Tax Act, Indian citizens who spend at least 245 days out of India will be considered as NRIs.

Under second condition where an Indian citizen leaves India in any year for the purpose of employment, or as a member of a crew of an Indian merchant ship, the period of '60 days' is to be replaced by '182 days'. Similarly, when an Indian citizen or a person of Indian Origin (PIO) who is abroad coming to visit India, the period of '60 days' is to be replaced by 182 days. The benefit of this relaxation is that such persons become 'residents' only if they stay in India for a longer period (at least 182 days instead of at least 60 days) in the financial year.

Mutual Fund taxation and Various Fund Types

Mutual Fund schemes that invest at least 65% of its corpus into equities or equity-related instruments are known as equity Funds. Equity Funds can be Large-cap, ELSS tax saving funds, Mid-cap, Balanced funds (equity-oriented), Sector funds, etc.

Non-equity funds hold less than 65% equity portfolio. Liquid mutual funds, money market funds, gold funds are examples of non-equity funds. Debt funds are also classified as a non-equity fund. Since mutual funds units are capital assets, any gains arising out of it are liable to tax. Any income which arises or accrue in India will be taxable in India

Every resident who satisfies the following conditions has to file an income tax return in India.

- **His taxable income is above the basic exemption limit of Rs 2.5 Lakh (OR)**
- **He has earned capital gains from the sale of any investments**
- **If he has claimed a tax refund**
  He has a home loan and wants to claim tax benefits
- **If he has deposited an amount exceeding Rs 1 crore in one or more current accounts maintained with a banking company or a co-operative bank.**
- **If he has incurred an expenditure of an amount exceeding Rs 2 lakh for himself for travel to a foreign country;**
- **If he has incurred an expenditure of an amount exceeding Rs 1 lakh towards the consumption of electricity.**

Accordingly, in case your taxable income is below the maximum amount not chargeable to tax in India (Rs 2.5 lakh) and you are not covered under the specified circumstances mentioned above, you are not required to file tax returns.

Understanding Short term and Long term capital gains

Capital gains can be short term or long term depends upon the period of holding. Suppose you invested in equity mutual fund on 1st January 2019. When you sell your units on 31st January 2020 with a gain of Rs. 1.50 lakh, you will be liable for long term capital gains tax. However, if you are a debt fund investor, the holding period is three years for any gains to be classified as long term gain.

Taxation rules tweaked in Budget 2020

Budget 2020 abolished Dividend Distribution Tax (DDT) in the hand of companies. Since companies are not required to pay DDT, according to new taxation rules, the dividend income will be paid by investors at applicable individual tax slab rates. According to budget 2020, if the dividend income exceeds Rs 5000, such income will be subject to TDS @ 10%.

"A new section 194K to provide that any person responsible for paying to a resident any income in respect of units of a Mutual Fund specified under clause (23D) of section 10 or units from the administrator of the specified by undertaking or units from the specified company shall at the time of credit of such income to the account of the payee or at the time of payment thereof by any mode, whichever is earlier, deduct income-tax thereon at the rate of ten percent. It may also be provided for a threshold limit of Rs 5,000/- so that income below this amount does not suffer tax deduction…" **(Source: The Finance Bill 2020)**

For example, if the person is in a 20% tax slab, and he receives Rs 15,000 as a dividend, the fund will deduct TDS @ 10% and the remaining tax has to be paid by the investor while filing his income tax return.

Mutual Funds Taxation Rules FY 2020-21 | Latest Mutual Funds Capital Gains Tax Rates AY 2021-22

Capital Gains Tax Rates on Mutual Fund Investments of a Resident Indian for FY 2020-21 are as below:

- The STCG (Short Term Capital Gains) tax rate on equity funds is 15%.
- The STCG tax rate on Non-Equity funds (or) Debt funds is as per the investor's income tax slab rate.
- The LTCG (Long Term Capital Gains) tax rate on equity funds is 10% on LTCG exceeding Rs 1 Lakh.
- The LTCG tax rate on non-equity funds is 20% (with Indexation benefit

Mutual funds - Capital Gains Tax Rates : FY 2020-21 (AY 2021-22)

Non Resident Indian (NRI)

Type of MF scheme	Short Term Capital Gain (STCG Tax Rate)	Long Term Capital Gain (LTCG Tax Rate)
Equity Funds (STCG - units held for 1 year or less, LTCG - units held for more than 1 year)	15%	10%*
Non-Equity Funds (STCG - units held for 3 years or less, LTCG - units held for more than 3 years)	As per individual income tax bracket	On listed funds - 20% (with indextion) Unlisted funds - 10% (without indextion)

*10% (without indexation benefit) on long-term capital gains exceeding Rs. 1 lakh

Mutual funds - Capital Gains Tax Rates : FY 2020-21 (AY 2021-22)

Resident Indian

Type of MF scheme	Short Term Capital Gain (STCG Tax Rate)	Long Term Capital Gain (LTCG Tax Rate)
Equity Funds (STCG - units held for less than 1 year, LTCG - units held for more than 1 year)	15%	10%*
Non-Equity Funds (STCG - units held for less than 3 years, LTCG - units held for more than 3 years)	As per individual's income tax bracket	20% (with indextion)

*10% (without indexation benefit) on long-term capital gains exceeding Rs. 1 lakh

TDS on dividend

With effective from 1st April 2020, the dividend income received by investors from mutual funds (Equity or Debt funds) will be subject to TDS @ 10%. This TDS is applicable if such income is in excess of Rs 5,000 u/s 194K. Also, such dividend income is a taxable income in the hands of the investor as per his/her income tax slab rate.

Why Arbitrage Funds Are Better During Volatile Times?

Click to find out more

01

The recent performance of Arbitrage funds have been noteworthy compared to liquid and overnight funds. They have been able to deliver annualized returns of 7-7.5% vs 6.5% generated by liquid funds. Tax-efficiency is the biggest strength of Arbitrage funds. They are ideal for high-tax bracket investors who want to park money for 6 months to one year.....

To become a successful investor, one needs to stand apart from the crowd. People are advised not to buy something they don't understand or buy just because others are doing so. In the same way, you should not sell stocks in times of panic or sell just because everybody is selling. In stock market, it pays to be a contrarian. As an investor you should aim to diversify your port......

Markets In Turmoil - A Rare Opportunity For Wealth Creators!

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02

How To Counter Fear Of Investing?

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03

Every investor has at some point in his life experienced the urge to quit investing. Every investor has experience a stock doesn't move for years, or the stock moving in the completely opposite direction when this happens, an investor has a strong urge to quit. He may not even consider trying again, he has already formed his opinion that stocks are not his lucky

Watch Mr Abhinav Angirish, founder of InvestOnline.in, to understand the state of the current market situation, why arbitrage funds are considered to be a good option in present times, how it works, taxation benefits, why investors should not panic, SIP top up, Rupee cost averaging, what happens to portfolio if NAV comes down to Zero, and answering live investors on Zee Business show " Mutual Fund Helpline" on 25th March 2020.

Mr Abhinav Angirish on Zee Business

Click to see the full video!

04

Mr Abhinav Angirish on Zee Business

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05

Watch Mr Abhinav Angirish, founder of InvestOnline.in, to understand the Portfolio re balancing process, how to adjust portfolio during volatile markets, building regular income after retirement, market cycles, where to park money post retirement, his favorite mid cap funds on Zee Business show " Mutual Fund Helpline" on 4th Feb 2020.

Fund Performance - Large Cap

Equity Diversified – Pure Large Cap	1yr	2yr	3yr	5yr	7yr	10yr
AXIS - BLUECHIP FUND (G)	-8.09	2.60	7.53	5.92	11.52	9.60
ICICI PRU - BLUECHIP FUND REG (G)	-24.60	-9.30	-2.54	1.52	8.77	8.39
MIRAE - ASSET LARGE CAP FUND REG (G)	-24.10	-6.90	-0.89	3.67	12.04	10.41
IDFC - LARGE CAP FUND REG (G)	-20.90	-7.00	-1.41	0.61	6.51	5.62

Fund Performance - Mid Cap

Equity Diversified - Mid Cap	1yr	2yr	3yr	5yr	7yr	10yr
AXIS - MIDCAP FUND (G)	-10.60	-1.24	5.40	5.37	15.04	-
CAN ROBECO - EMERGING EQUITIES REG (G)	-20.60	-8.84	-1.47	5.09	17.32	14.35
EDELWEISS - MID CAP FUND REG (G)	-24.60	-15.90	-4.51	0.73	13.45	11.38
KOTAK - EMERGING EQUITY (G)	-24.00	-12.90	-5.61	2.78	13.74	10.37

Fund Performance - Tax Saving

Equity Tax Saving	1yr	2yr	3yr	5yr	7yr	10yr
AXIS - LONG TERM EQUITY FUND (G)	-11.90	-2.23	3.74	4.41	15.38	13.52
CAN ROBECO - EQUITY TAXSAVER FUND REG (G)	-17.10	-2.96	2.12	2.73	10.01	8.83
MIRAE - ASSET TAX SAVER FUND REG (G)	-22.30	-6.43	0.55	-	-	-
BNP PARIBAS - LONG TERM EQUITY FUND (G)	-14.10	-5.05	-0.12	1.31	10.81	9.56
IDFC - TAX ADVANTAGE REG (G)	-34.10	-18.40	-6.65	-1.39	8.58	7.58

Net Inflows / Outflows Jan - March 2020

Mar-20	Equity Rs. in Crores		
	Gross Purchase	Gross Sale	Net Purchase / Sales
FII INVESTMENTS	377,608.41	461,468.92	-83,860.51
MUTUAL FUND INVESTMENTS	245,526.27	211,998.84	33,527.43

Mar-20	Debt Rs. in Crores		
	Gross Purchase	Gross Sale	Net Purchase / Sales
FII INVESTMENTS	343,061.79	269,460.09	73,601.70
MUTUAL FUND INVESTMENTS	525,880.43	483,394.70	42,485.73

BEST PERFORMERS OF Jan - March 2020

A' GROUP

Company Name	CMP 31-03-2020	Price On 01-01-2020	% Change
Ruchi Soya	172.05	17	912.06
HUL	2298.5	1936.55	18.69

B1' GROUP

Company Name	CMP 31-03-2020	Price On 01-01-2020	% Change
Provester	14	6.65	110.53
Nalin Leasing	23.75	15.75	50.79
Lead Financial	6.05	4.05	49.38
Avance Tech	0.19	0.15	26.67
Golden Crest Ed	22.00	19.80	11.11

WORST PERFORMERS OF Jan - March 2020

A' GROUP

Company Name	CMP 31-Mar-20	Price On 1-Jan-20	% Change
Aditya Birla F	42.15	101.5	-58.47
Bharat Forge	234.95	485.15	-51.57
Cholamandalam	152.85	302.85	-49.53
Dewan Housing	8.65	16.4	-47.26

B1' GROUP

Company Name	CMP 31-03-2020	Price On 01-01-2020	% Change
Adhunik Ind	12.3	49.15	-74.97
Mirc Electric	3.95	9.65	-59.07
Action Const	34.25	72.00	-52.43
Madhav Marvals	18.8	38.05	-50.59

Some Recently Announced Dividend

Company Name	-Dividend- %	Ex-Dividend
CRISIL	1300	31-Mar-2020
Nacl Industries	10	31-Mar-2020
Hexaware Tech	125	30-Mar-2020
ACC	140	27-Mar-2020
AGL	25	26-Mar-2020
Amber Enterpris	16	26-Mar-2020
AGI Infra	5	26-Mar-2020
BCPL Railway In	4	26-Mar-2020
City Union Bank	50	26-Mar-2020

Some Recently Announced Bonus

Company Name	Bonus Ratio	Year : 2020 Ex-Bonus
Junction Fabric	1:02	30-Mar-2020
Palm Jewels	36:100	26-Mar-2020
Aakash Explorat	1:02	26-Mar-2020
Karnataka Bank	1:10	17-Mar-2020

The Quarter That Was

Indices	31-Mar-20	1-Jan-20	Difference Points
Sensex	29468.49	41306.02	-11,837.53
Nifty	8597.75	12182.5	-3,584.75
Nifty-Junior	28293.35	21116.25	7,177.10
CNX_Midcap	4711.55	3180.6	1,530.95

IPO's in Jan - March 2020

Company Name	List Date	Offer Price	Last Price	Gain / Loss
SBI Card	16-Mar-20	755.00	618.65	-136.35

Some Recently Announced Split

Company Name	Old FV	New FV	Split Date
Bajaj Steel	10	5	24-Mar-2020
Arnold Holdings	2	10	18-Mar-2020