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THE ECONOMIC TIMES wealth

WHY PET INSURANCE ISN'T OPTIONAL ANYMORE P8

In chaos, a compass

Financial advisers: Your anchor when everything else was sinking. P2

CREATE CONSENSUS, CUT CONFLICTS P6

ACCREDITED INVESTORS: INDIA'S EMPTY ELITE CLUB P12

In chaos, a compass

How trusted financial advisers helped investors ride out the market mayhem—and come out stronger.

by **Kayezad E. Adajania & Yasmin Hussain**

In September last year, a 56-year-old retiree from Mumbai reached out to her financial planner, Santosh Joseph, CEO of Germinate Investor Services. The former public sector bank employee wanted to invest in equities for the first time. She had parked her money in fixed deposits (FD) for most part of her working life and now wanted to get a taste of equities.

When March 2025 lows came, she was distraught. Her portfolio had lost 15% in just three months. She regretted her decision, thinking that venturing into equities was akin to gambling and that she ought to have stayed away. However, a call from Joseph changed her mind—and her fortunes. Ten months later, she has not just recovered her losses, but made a smart profit as well.

One belief about money that has changed for you over the years...

The power of compounding actually works. Discipline in markets is one of the most underrated, yet powerful, tools for successful investing.

What's the most avoidable mistake investors have made this year?

Not having a financial adviser as a sounding board for irrational decision-making.

What do clients get most anxious about in a falling market?

Fall in portfolio values, uncertainty and lack of direction.

What did your gut say in March 2025?

We increased exposure to gold, bonds and equities, where we found gaps in asset allocation, or where monies were waiting on the sidelines for deployment in the markets.

Which asset has surprised you the most in this cycle—equity, gold or debt?

Equity.

Dilshad Billimoria

Managing Director & Chief Financial Planner, Dilzer Consultants

Even if your SIPs are on, some special situations may require deft handling, especially during market mayhem. Here's where a guiding hand is reassuring.

If you had ₹1 lakh to invest today, where would you put it?
40% in equity; 35% debt; 15% hybrid/multi-asset funds; 10% gold and silver.

What would be the one piece of advice you'd give for the next 12 months?
Continue with your monthly investments in spite of turbulence in the markets.

How has your own investment style evolved over the years?
I have always followed strategic asset allocation; never invested tactically to take advantage of the markets.

What's the smartest thing a client has done in the past year?
Took advice to invest in gold and silver.

Suresh Sadagopan
Founder, Ladder7 Financial Advisories

Stories like these aren't rare. As market volatility has tested investor nerves, financial planners have quietly played the role of steady navigators—booking profits, tweaking asset mixes and, most importantly, stopping panic in its tracks.

Between August 2024 and June 2025, the Sensex swung nearly 14,500 points. Bond yields seesawed (but largely fell), and mid-cap and small-cap stocks corrected. For the average investor, it was a nerve-wracking ride. However, those with experienced financial planners by their side found ways to not just survive, but thrive.

We spoke to several such advisers to understand how smart strategy and steady counsel had made all the difference.

Smart allocation

In 2023, when small-cap equity funds were all the rage with investors, with net inflows worth ₹41,035 crore, Gurugram-based financial adviser Ashish Chadha sent out a note to his investors to go slow on equities.

Chadha, Director of Chadha Investment Consultant, had stopped recommending them small-cap funds back then. He had even dissuaded them from fresh systematic investment plans (SIP) and, instead, channelled their savings to government securities and gold funds.

"The year 2023 was bad for business," says Chadha, referring to the contrarian call, when everyone wanted a piece of equities as the S&P BSE Sensex went up by 20% that year.

Having witnessed an impressive influx of more than ₹41,000 crore, small-cap funds posted more inflows than outflows that year.

At the time, Chadha's only recommendation in equity was large-cap funds and Nifty Next50 index passive funds. A year later, his investors not just recovered losses, but made a smart profit as well. "Typically, a 60% allocation in equities is ideal. Going slow in mid caps and equities in 2023 and much of 2024 helped our clients' allocation to equities come back to around 60%," says Chadha.

The ongoing SIPs aside, investors and advisers also look for opportune moments to step up their investments. This is not market timing, but the point where, after a persistent fall in the markets, it seems reasonably safe to put in a small lump sum. On 4

A contrarian call you made and were proven right...
Investing in a PSU fund in August 2020. My four-year SIP return: 56% (compounded).

Do you believe more investors need a Plan B mindset?
The problem is most investors don't even follow 'Plan A' properly. Brian Feroldi, a US-based wealth professional, once said, "The best investment plan for you isn't based on some formula. It's the one you'll actually stick with when markets are crashing."

What kind of client conversations do you enjoy most?
Goal-based investing discussions. Let's try and solve the real money problem of our investors. I'm not interested in market discussions.

How do you emotionally distance yourself from client panic?
I just show them my family's portfolio. We either swim together or sink together.

Gajendra Kothari
Managing Director & Chief Executive Officer, Etica Wealth

Market falls and recoveries

Investors often panic when the market falls. However, they need to remember that it recovers as well.

Peak date	Peak value	Trough date	Trough value	Fall from peak	Sensex recovery date	Sensex value	Time for fall	Time for recovery	Total time for fall & recovery
4 Jun 1986	659	28 Mar 1988	390	-41%	30 Sep 1988	663	1 year, 10 months	6 months	2 years, 4 months
9 Oct 1990	1,559	25 Jan 1991	956	-39%	26 Jul 1991	1,600	4 months	6 months	10 months
22 Apr 1992	4,467	26 Apr 1993	2,037	-54%	12 Aug 1994	4,508	12 months	1 year, 4 months	2 years, 4 months
12 Sep 1994	4,631	4 Dec 1996	2,745	-41%	14 Jul 1999	4,710	2 years, 3 months	2 years, 7 months	4 years, 10 months
21 Apr 1998	4,281	20 Oct 1998	2,764	-35%	5 Jul 1999	4,306	6 months	8 months	1 year, 2 months
11 Feb 2000	5,934	21 Sep 2001	2,600	-56%	2 Jan 2004	6,027	1 year, 7 months	2 years, 3 months	3 years, 10 months
8 Jan 2008	20,873	9 Mar 2009	8,160	-61%	4 Nov 2010	20,894	1 year, 2 months	1 year, 8 months	2 years, 10 months
14 Jan 2020	41,952	23 Mar 2020	25,981	-38%	9 Nov 2020	42,597	2 months	8 months	10 months
						Average	**1 year, 1 month**	**1 year, 3 months**	**2 years, 4 months**
						Maximum	**2 years, 3 months**	**2 years, 7 months**	**4 years, 10 months**
						Minimum	**2 months**	**6 months**	**8 months**

Source: ACE MF, FundsIndia Research

Looking for moments to step up investments is not market timing, but periods after a fall, when it's safe to put in a small lump sum.

One money habit you wish more investors followed...
Not watching social media and TV as it messes up your asset allocation.

How do you calm down a panicked client?
Listen.

A moment this year that tested you as an adviser...
Operation Sindoor and the Israel-Iran conflict.

What's your risk appetite—high, medium, or cautious?
Medium risk. If price is cheap, it turns high.

If you could ban one investor behaviour, what would it be?
Discussing portfolios over a third whiskey at a party.

Ashish Chadha
Director, Chadha Investment Consultant

What's your gut feeling about mid-caps and small-caps today?
These are extremely important and relevant. Just beware of the position sizing.

One financial mistake you made and what it taught you...
Not starting to invest early.

How do you define financial freedom—for yourself?
Being able to afford what you want to do with your time and yourself. Everything else transcends this.

When do you decide to go from SIP to lump-sum investing?
During a sharp correction, say, 10% or more, within a short period of time.

One client behaviour that always makes you nervous...
Over-confidence and over-expectation.

Santosh Joseph
CEO, Germinate Investor Services

March, when the Sensex hit a low of 72,989 points, smart advisers saw little downside from thereon and nudged investors to step up their equity investments.

Gajendra Kothari, Managing Director & Chief Executive Officer, Etica Wealth, a Mumbai-based distribution firm, advised his clients to resume lump-sum investments in equities that day and continued reinforcing his message throughout the week. "We invest a lot via SIPs. So most of my clients have been investing regularly, but many don't do it through SIPs. We dug into our database and found those who don't, and reached out to convince them that it was a good time to get back in," says Kothari.

He adds that his firm deployed nearly ₹10 crore that week between fresh inflows, additional lump-sum top-ups and switches from liquid funds. Of this, ₹2.26 crore came through fresh purchases and ₹5 crore via 234 additional purchase transactions.

Elsewhere, Dilshad Billimoria, Managing Director and Chief Financial Planner at Dilzer Consultants, a Sebi-registered investment advisory firm, increased the time period of her clients' systematic transfer plans (STP), in 2024, as equity markets were going up. The STP facility helps transfer money from liquid or short-term debt funds to equity mutual funds. It helps investors with a lump sum in hand to deploy money steadily into equities. "If somebody had an STP program of 12 weeks, we increased it to 20," she says. Billimoria's firm also dug deep into the clients' portfolios to identify non-performers and took advantage of the rising markets to consolidate.

Calming investors

Even if your SIPs are on, there are special situations that may require deft handling. If these come up amidst market mayhem and global uncertainty, it could cloud your judgement. Here's where a guiding hand is reassuring. Suresh Sadagopan, Founder of Ladder7 Financial Advisories, tells us about a client who was a senior executive in her company, but was constantly stretched financially on account of multiple loans and high cost of her children's education. In February, at the height of the US trade tariff uncertainty, Sadagopan realised that she had a lot of employee stock options from her US-based company that were lying in a US-based depository account. Sadagopan said that the company itself wasn't in a great shape. "We sold a small portion of her US shares to close some of her loans. We retired quite a few of her loans so that a larger portion of her regular salary here could be directed towards savings," says Sadagopan.

In another instance, according to Sadagopan, a client who retired in November 2024 got a large sum as retiral benefit, including the provident fund and gratuity. Equity markets had already started to fall by then; the Sensex had fallen by 8% between the peak of September and November-end. While regular income needs were to be met from debt investments, Sadagopan had to ensure longevity of the corpus by investing a chunk in equities. A large lump sum (part of retiral benefits) is usually invested through STPs. The question was by what time.

Here, he says, his firm initiated STPs of 20-24 weeks, instead of the usual 10-12 weeks. "It worked out quite well. The STPs were started when equity markets were at relatively lower points. We also put some money in gold and silver assets."

Tactical vs strategic

If you have invested wisely and are continuing with your SIPs, what does a financial adviser bring to the table?

Most advisers we spoke to said that they didn't need to do anything with a majority of their clients. Sadagopan adds that none of his clients asked him to stop the SIPs. He says that volatile periods like the one prevalent since September 2024 don't really call for significant action because "we generally build a high margin of safety when we make financial plans". Besides, it's a fact that what goes down, eventually comes up (*see table*).

"Knowing that their basics are covered helps clients stay invested with more confidence," says Rohit Shah, Founder & CEO, GYR Financial Planners. In the past 10 months, Shah says none of his clients have stopped their SIPs, even as volatility has surged. Sometimes, however, volatility provides tactical opportunities. Shah recollects a client for whom he had already planned, sometime last year, to deploy money in mid-cap funds once valuations became attractive, over six months. But when mid- and small-cap indices dropped sharply in late 2024, Shah reached out with a suggestion: "Let's prepone the next few instalments."

Money was already parked in liquid funds and an STP was on. "Based on our analysis, that segment was offering good value," he recalls. The client agreed, and they redeployed the capital at a lower NAV (net asset value).

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What kind of client behaviour signals long-term success?
Faith in the future, patience with results, and disciplined investing.

Do you see your role more as a strategist or a psychologist?
A behaviour firefighter, stepping in to manage emotions and guide decisions.

What does 'wealth' mean to you beyond numbers?
'Love' that a family holds for generations to come.

What's the most avoidable mistake investors have made this year?
Predicting a market correction that'll last throughout 2025 due to Operation Sindoor and US President Donald Trump's tariffs.

What would be the one piece of advice you would give for the next 12 months?
If you're in the accumulation phase, what happens in the next six months won't matter.

Rohit Shah
Founder & CEO, Getting You Rich Financial Planners

Gurus on the rise again

During the bull market, everyone becomes an expert, but Warren Buffett's farm analogy offers better lessons to investors, says **Dhirendra Kumar**.

DHIRENDRA KUMAR
CEO, VALUE RESEARCH

MONEY MYSTERIES

The farm analogy extends to understanding market cycles. Just as farms experience seasons of plenty and scarcity, markets move through periods of optimism and pessimism. Buffett's farm has tripled its earnings over the decades, but this success came from focusing on productive capacity rather than trying to time agricultural commodity cycles.

A peculiar phenomenon during bull markets should concern every serious investor. As stock prices climb and portfolios swell, a curious transformation takes place across social media and dinner tables. Suddenly, everyone discovers the secret to wealth creation. The investor, who had bought a few stocks last year, starts dispensing investment wisdom. The neighbour, who stumbled upon a stock that zoomed up, is holding court about market dynamics. The most troubling of all, people with barely two years of market experience are confidently educating others about the intricacies of investing.

This observation brings to mind Warren Buffett's brilliant analogy between stocks and farms, outlined in his 2013 letter to Berkshire Hathaway shareholders. Buffett's approach offers a stark contrast to the noise dominating the bull market discourse, and his 1986 farm purchase provides timeless lessons for navigating today's expert-saturated environment.

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Of stocks and farms

As he narrates in the letter, when Buffett bought the 400-acre Nebraska farm for $2,80,000, he knew nothing about farming. However, he understood something far more important: the fundamentals of productive assets. He calculated that the farm would yield about 10% annually based on corn and soybean production, with likely improvements in both productivity and crop prices over time. Crucially, he noted, "What the economy, interest rates, or the stock market might do in the years immediately following, was of no importance to me in making that investment."

Seven years later, Buffett made a similar investment when he joined a small group purchasing a retail property adjacent to New York University from the Resolution Trust Corporation. Once again, a real estate bubble had burst, creating opportunities for those focused on productive assets, rather than market sentiment.

This approach stands in sharp contrast to the learnings being dispensed by today's bull market gurus. While they focus on momentum, technical analysis, and market timing, Buffett concentrated on what the asset would produce. He wasn't trying to predict price movements or outsmart other investors; he was simply buying productive capacity at a reasonable price.

The problem with bull market expertise isn't that people are making money; it's wonderful when that happens. The issue lies in the dangerous confusion between getting lucky and being skilled. When markets are rising broadly, even poor decisions can yield positive returns. This creates, as Buffett describes, the danger of letting "the capricious and irrational behaviour of fellow owners to cause them to behave irrationally as well".

Consider Buffett's insight about his farm: "There is one major difference between my two small investments and an investment in stocks. Stocks provide minute-to-minute valuations for your holdings, whereas I am yet to see a quotation for either my farm or the New York real estate." This constant price feedback, rather than being helpful, often becomes an obstacle to sound investment thinking.

Bull & bear markets

The newly minted investment educators of social media are precisely the people Buffett warns against—those who focus on the scoreboard rather than the playing field. They teach followers to watch stock prices obsessively, react to daily market movements, and confuse activity with progress. They have never experienced what Buffett calls the "occasional bad crop" or learnt to distinguish between temporary setbacks and permanent capital destruction.

The mathematics of bull market expertise is particularly insidious. When Buffett bought his farm, he understood that "there would be some unusually good years as well, and I would never be under any pressure to sell the property". This long-term perspective is exactly what bull market education typically lacks. New investors learn to chase performance rather than preserve capital, developing an appetite for complexity rather than Buffett's elegant simplicity.

The farm analogy extends to understanding market cycles. Just as farms experience seasons of plenty and scarcity, markets move through periods of optimism and pessimism. Buffett's farm has tripled its earnings over the decades, but this success came from focusing on productive capacity rather than trying to time agricultural commodity cycles.

Bear markets reveal the flip side of this phenomenon. Those who have been predicting doom for years suddenly find validation, even though they are typically wrong 90% of the time. These perpetual pessimists make the opposite error of bull market optimists. Instead of recognising the cyclical nature of markets, they extrapolate the prevailing difficulties indefinitely into the future.

Buffett's New York real estate investment in 1993 illustrates this perfectly. While others saw a commercial real estate bubble burst, he saw an undervalued, productive asset near New York University. The analysis was straightforward: 10% unleveraged yield with substantial upside from lease renewals and improved management. As he noted, "NYU wasn't going anywhere."

This is precisely the kind of thinking that gets lost during both market extremes. Bull market gurus promote complexity and market timing, while bear market pessimists promote panic and permanent avoidance. Neither approach focuses on what Buffett calls the fundamental question: "The future productivity of the asset you are considering."

Buffett vs educators

The genuine wisdom in Buffett's approach lies not in his stock-picking prowess, but in his businessman mentality. He advises, "Investment is most intelligent when it is most businesslike." This means thinking about stocks as pieces of businesses rather than trading instruments, focusing on earning power rather than price movement, and maintaining patience that comes from understanding what you own.

Most importantly, perhaps, Buffett advocates what he calls the "know nothing" investor approach for those who cannot dedicate themselves to serious business analysis. This involves broad diversification through low-cost index funds, rather than attempting to pick individual winners. It's the opposite of what most bull market educators promote, but is based on decades of evidence rather than recent lucky streaks.

The tragedy is that both extremes—experienced bull market educators and vindicated bear market pessimists—influence investor behaviour at the wrong moments. They encourage excessive risk-taking near market peaks, and panic-selling near market bottoms. Buffett's farm teaches us something entirely different. Success comes from buying productive assets at reasonable prices, understanding what you own, and having the patience to let compounding work over long periods. It's not glamorous advice and it won't generate social media followers, but it works. The gurus are multiplying again, as they do in every bull market. However, it's better to be more like farmers and less like traders.

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Create consensus, cut conflicts

Institutions have the benefit of management and investment committees to take big calls on financial conflicts. For families, it helps to create a broad set of rules and principles, says **Uma Shashikant**.

UMA SHASHIKANT
CHAIRPERSON,
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EDUCATION AND LEARNING

There is no substitute for open communication. Talking about what matters to one, negotiating for one's needs, and being open about one's beliefs helps the other to be more empathetic. Being vulnerable about one's fears and suspicions, insecurities and doubts is critical to getting support from the other.

Conflicts about money are common. We all have unique money personalities. Our beliefs on earning, spending, saving, investing, sharing and giving are quite distinct. Institutions have the benefit of management and investment committees, and a set of rules that apply to these decisions. Can households that quibble about money benefit from some principles and rules too?

The father believed that saving early was important and wanted to manage his son's money. The son did not agree to give such control. They lived together with their spouses in one household and decided to discuss before making big decisions, which only made things worse. The differences became sharply visible and consensus was impossible. Resentment ensued. The father felt that the son must buy a house, but the son refused to buy immovable assets so early in his life. The father disliked stocks, while the son enjoyed day trading.

We have discussed stories where husband and wife find it tough to reach a consensus on money matters. One likes to spend, the other likes to save. One wants to focus on career and income, the other wants work-life balance with lesser income. One saves and lets it lie, the other wants to periodically use the savings. Such arguments usually don't end well.

I met an elderly woman and her daughter-in-law, who live with the latter's two young children. The daughter-in-law lost her husband, the only son of the widowed elderly woman, a few years ago. They were living together, with the elderly woman managing the house and the daughter-in-law going out to work. They disagreed on every aspect of managing money for the household and often quarrelled over it.

Are there rules for these situations? Instead of having to discuss every situation, it helps to invest time in creating a broad set of principles so that everyday actions can be referred to these. There is no substitute for open communication. Talking about what matters to one, negotiating for one's needs, and being open about one's beliefs helps the other to be more empathetic. Being vulnerable about one's fears and suspicions, insecurities and doubts is critical to getting support from the other. These are the toughest hurdles to cross in any close relationship.

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Set the ground rules

First, agree on the broad rules. If one member won't work to contribute to the household income, the other must accept it without holding a grudge. The household has set limits on its income willingly for the benefits brought to the family by its stay-at-home member. Every major aspect of personal finance must follow this. The financial personality of a household is an identity to be accepted by all members. It cannot be modified as per personal preferences.

Spending within means without borrowing; saving mandatorily before spending; choosing investments that enable growth and income as needed; allowing investments to grow over the long term; and capping charity to levels everyone is comfortable with, are some examples of broad rules. These principles are the touchstones that will test and confirm the financial decisions that the household members make from time to time.

Second, accept transparency as mandatory to building trust and smoothen the decision-making process. Many households suffer when money is used as a source of power. Earning members seek discretion with financial decisions, or actively bend the agreed upon rules according to their personal beliefs and whims. The daughter-in-law would not disclose the income to her mother-in-law. She would simply give the latter a monthly allowance. The mother-in-law would begrudge every decision because she suspected there was more money to spend. It would be better if both know that there is more money set aside by the younger woman for specific purposes.

Spending & saving

Third, budget and record common expenses, but provide allowance for personal expenses. No one likes being questioned about every decision. However, a household needs transparent transactions that show everyone how money is being spent. Having a common spending pool and setting aside funds as agreed upon, for individuals to spend as they wish, is both fair and convenient to execute. A wife or husband should be able to support their parents with a portion of their income, after contributing to the common pool. The mother-in-law needs a monthly allowance, allocated as she wishes, that won't be questioned.

Fourth, how money is saved and invested must be determined by financial goals, not individual whims and preferences. A child's education is a vital goal for the mother and the grandmother. It is easier to set up an SIP and agree to save first for that goal, before allocating to any other expense. Currently, both women quarrel over too little being left at the end of each month to save for the child. This causes insecurity in the mind of the young mother, who wants to secretly save without disclosing her increment and bonus.

Budgeting & technical decisions

Fifth, allocate money to spending decisions and agree to a limit. Exceptions make for the most arguments in a household. Annual holidays or birthday celebrations should have allocated budgets. Don't work with the assumption that such expenses will always run out of hand. They are just poorly estimated and budgeted, or manipulated to exceed budgets. Many of us use money to serve our need for attention, love, approval and authority. Letting go of the budget is a tactic to cover up for guilt, regret or shame. Identify and avoid these conflicts, and be prepared to become unpopular for sticking to the budget.

Sixth, if a financial decision is technical, spend time to understand how it will affect future financial goals and the household's ability to save, invest and use funds. In a home loan, the choices of fixed versus floating, 15-year versus 30-year term, prepayment versus keeping the loan, are all technical decisions. Ask an expert how it will impact the household. Don't waste time trying to take a call on the markets and macros. Put down the details of what may happen under each scenario. Hasty decisions end in regret.

It is not always easy to arrive at a consensus, but household finances need it. Building it with fair and equitable principles is not tough. It just needs work and discipline.

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For the love of fur

Why pet insurance isn't optional anymore

by **Yasmin Hussain**

Our pets are more than just animals—they're family. They shower us with unconditional love and, in return, we do everything we can to keep them happy and healthy. However, when illness strikes, the emotional toll on pet parents is immense; so is the financial one.

Caring for a pet means making sure their health needs are addressed without delay. Yet, many pet parents hesitate to visit a veterinarian, not because they don't care, but because they're worried about the cost.

"We did an internal survey and it revealed that many pet owners don't take their pets to the vet, hoping for self-recovery because they can't afford to get them treated," says Arti Mulik, Chief Technical Officer at Universal Sompo General Insurance (USGI).

Pet insurance, though still a niche product in India, can help bridge this gap, offering both financial support and peace of mind during emergencies. Take the case of Gurugram-based Meenakshi Goel, and Peanut and Butter, her two Indie (mixed breed native to India) dogs. After a visit to the vet for one of them left her with a ₹7,000 bill, she decided to get insurance for both from Bajaj Allianz General Insurance. "I haven't filed a claim yet, but I sleep better knowing that if something happens, I won't have to choose between treatment and affordability," she says.

Source of stress

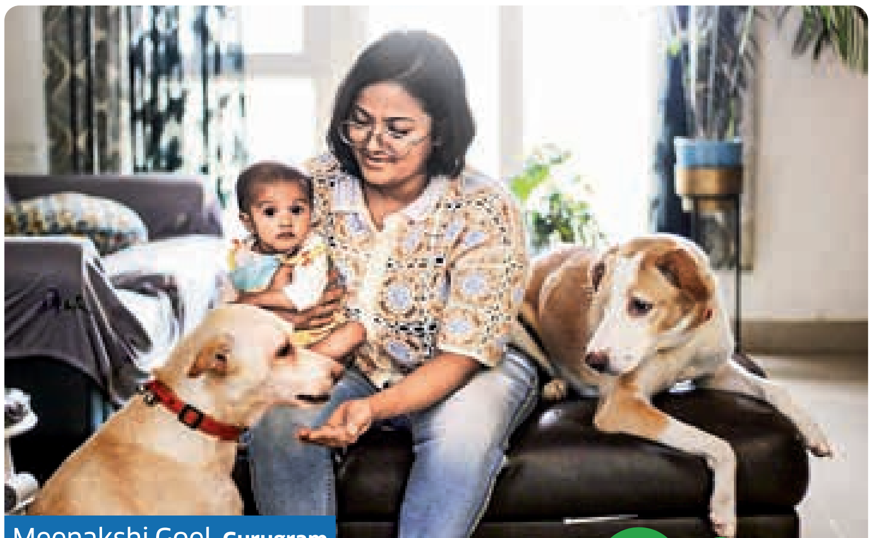
Her concern is widely shared. A USGI survey of 235 pet owners found that 90% considered veterinary costs a major burden, while 74% said it caused financial stress. Serious conditions like fractures, chronic illness, or cancer can easily rack up bills ranging from ₹10,000 to over ₹1 lakh—expense that could hit hard without a financial cushion.

Despite signs of need for insurance, awareness remains low. Only 26% of the surveyed pet parents had heard of pet insurance, and a mere 10% had purchased it. "Most of the clients who visit our clinic are unaware that such a product exists, even though it can be extremely useful and necessary," says Dr B.K. Chaudhary, a veterinarian at Dog and Cat Clinic in Delhi.

Mulik added that low agent interest is also to blame, explaining, "The ticket size and premium are small, so agents don't find it attractive from a commission standpoint."

Myths among pet parents

Even if people are aware, misconcep-



Meenakshi Goel, **Gurugram**

2 dogs: Peanut and Butter (both 5 years) | **Breed:** Indies | **Insurer:** Bajaj Allianz

Premium:
₹5,000 yearly for both

Covers include:
OPD, surgery, hospitalisation, mortality, terminal illness, third-party liability.

Reason for buying insurance

One visit to the veterinarian made her realise how costly procedures can be.

Pick & choose the covers you want

Pet insurers offer standalone covers, which can be customised as per one's need. The premium depends on the type and number of covers you opt for.

Cover type	Bajaj Allianz	HDFC Paws & Claws	Future Generali Dog Health Cover
	Sum insured (₹)		
Surgery	10,000-3 lakh	10,000-2 lakh	10,000-5 lakh
Hospitalisation	5,000-50,000	2 lakh	
Fracture	1,000-5,000		10% of sum insured up to 10,000
Terminal illness	5,000-50,000	2 lakh	10,000-5 lakh
Mortality	30,000	20,000	-
OPD	30,000	25,000	1 lakh
Long-term care	5,000-50,000	-	10,000-50,000
Third-party liability	10,000-1.5 crore	1 lakh-1 crore	Up to sum insured specified in schedule
Theft	Up to 30,000	-	25,000
Funeral cost	Included in Mortality cover	10% of sum insured	5,000

Source: *Policybazaar.com, hdfcergo.com, general.futuregenerali.com, bajajallianz.com.*
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tions often keep them from purchasing a policy. Chennai-based A. Thirumaal, a doctor who is a parent to two cats, explored pet insurance, but ultimately decided against it. "There are too many exclusions, and most plans are designed with dogs in mind. A cat-specific product would be more relevant for me," he says.

His main concern is that his cats often wander outdoors and have been seriously injured in fights with stray dogs, an issue that has already cost him two pets. "I couldn't find any insurance that covers such incidents," Dr Thirumaal adds. However, his assumption is misplaced. Most insurers offer 'accidental injury cover' that includes such scenarios. A deeper understanding of policy inclusions and exclusions could help pet owners like Dr Thirumaal clear their misunderstandings about what's not covered.

The belief that pet insurance comes with too many exclusions is largely unfounded. Some of the pet insurance plans (*see table*) available in the market cover most of the commonly occurring illnesses like fractures, cancer, or terminal diseases. "Diseases that are typically excluded from coverage are those rarely found in cats or dogs, except for gastrointestinal issues, which may be covered with extra premium," says Dr Chaudhary.

Insurers also maintain transparency. Exclusions are clearly listed in the policy brochure and are usually communicated during the purchase process. These could include age eligibility, which is a common concern among pet parents. Most insurers cover pets between the ages of three months and seven years, with renewals often allowed up to 11-12 years.

Dental treatments are another common exclusion, but it shouldn't be a concern. "Dogs usually develop dental issues at a much later stage, typically after 13-14 years of age," says Dr Chaudhary. Given that most policies cap coverage well before that age, excluding dental treatments can be seen as a reasonable limitation.

Hassle-free claim settlement

"There are no real downsides to buying pet insurance. Claim rejection issues are virtually unheard of," says Arpita Lal, Head of Pet Insurance at Policybazaar.

Dr Chaudhary echoed the sentiment, noting that none of his clients faced trouble while filing claims, unless their pet had a pre-existing condition. The problem, he said, usually lies in policyholders being ignorant about a specific visit or issue not being covered. This underscores the importance of reading the fine print and understanding exactly what illnesses and procedures are included. Pet insurance doesn't work like standard health insurance where there the sum insured covers hospitalisation, surgery, etc. Instead, you can choose from several specific covers offered by the insurer. Figuring out which one suits your pet's needs can often be confusing. "It's advisable to consult a vet to determine which options are best suited for you," adds Dr Chaudhary. A pet's breed, age, and gender can significantly influence its health needs—and consequently, the insurance premium. For instance, golden retrievers are more prone to cancer-related issues than other breeds. Hence, a terminal illness cover is a must while purchasing insurance for them.

No cashless option

For starters, a typical pet plan offering coverage of up to ₹2-3 lakh costs around ₹10,000 a year, which is adequate for most standard veterinary needs. If you find the premium too high, there is also the option of co-payment, where you agree to bear a fixed percentage of the bill, and the insurer covers the rest. The higher the co-pay option you choose, the lower your annual premium.

One important thing to note is that cashless claims are not currently offered by any insurer in India. Pet parents need to pay the veterinary costs up front and then file for reimbursement. This process can sometimes take 2-3 months, depending on the claim's complexity.

The pet insurance industry in India is still at a nascent stage and requires significant improvements before it can cater to a larger segment of customers. At present, most plans cover only cats and dogs. Other pets like birds or rabbits are left out. A survey conducted by pet website, Dogster, found that only a smaller niche of Indian pet parents, around 32,000, owns exotic animals, such as turtles, lemurs and snakes. Unfortunately, they currently have no access to insurance options for their pets.

If you fall in this category or feel pet insurance does not align with your needs, it's advisable to maintain an emergency fund dedicated to your pet. This will ensure that any unexpected medical expenses don't strain your budget.

yasmin.hussain@timesofindia.com

A. Thirumaal, **Chennai**

2 cats: Zoe (2.5 years) and Penny (1.5 years) | **Breed:** Indies

Reason for not buying insurance

Feels that products are not comprehensive enough to suit the unique needs of a cat, which is a misconception.

"Good opportunities are available in mid-cap space"

Sectors like power, NBFCs, defence, chemicals and tourism are likely to perform strongly in 2025-26, says Vikaas M. Sachdeva, Managing Director, Sundaram Alternate Assets, in an interview with **Sameer Bhardwaj.**

Vikaas M. Sachdeva
MD, Sundaram Alternate Assets

RAPID FIRE

Q What is the biggest lesson the market has taught you?
Market will always be dynamic, and, therefore, one must approach it with a consistent philosophy and mindset.

Q What is your personal asset allocation right now?
70% is in listed equity, 15% in real estate, and the rest is split between commodities and unlisted equity.

Q If you were to meet Warren Buffett, what would you ask him?
I would ask how he has managed to stay so sane and grounded throughout his career.

Q A good book you would recommend...
Start With Why by Simon Sinek.

Q If you were the Sebi chief for a day, what's the one policy change you would make?
Fast-track the process for resolving long-pending cases as prolonged regulatory proceedings erode investor confidence.

Q What investment tip would you give your younger self?
Stay the course. Don't worry so much. It always gets better.

The Nifty 50 index has bounced back by 15% since April 2025, after a 15% correction between September 2024 and March 2025. What is your assessment of the current market movement?
The domestic equity markets are discounting most of the positive triggers and are optimally priced at a broader level. Therefore, the investors who are looking to invest in a broader market should wait for the June 2025 quarter results to gain clarity on the reliability of India's corporate growth trajectory. However, they can take advantage of any spike in volatility or short-term corrections (due to the worsening of the geopolitical scenario) as such corrections will create tactical buying opportunities.

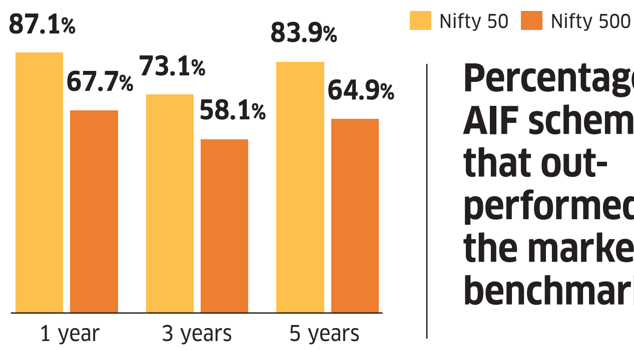
Large caps or most of the Nifty 50 stocks are growing in single digits or early double digits, but are valued at 15-20 times their estimated earnings. Though exciting opportunities are not available in the large-cap space, a lot of good opportunities are available in the mid-cap space, even at the current levels.

You seem bullish on mid caps, but their valuations appear stretched. The Nifty Midcap 150 index is currently trading at over 50% premium to the Nifty 50 in terms of price-to-earnings ratio (PE). What is your view on this?
There is a reason for the premium valuation. Most of the constituents of the Nifty Midcap 150 index are high-quality stocks and quality is never cheap. Investing in these companies is akin to betting on India's growth story. Despite trading at steep price-to-earnings multiples, a lot of companies in sectors such as cables and wires, power, and consumption in the mid-cap space are offering promising growth potential.

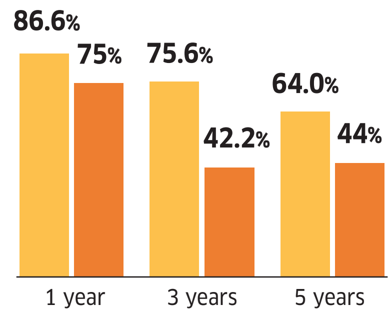
I wouldn't be too flustered by the index-level valuations. If one invests for the long term and the growth rate in these quality mid-cap names sustains at 15% or more, it still makes a lot of sense. In other words, investing in such high-growth companies even at the current valuations will deliver decent returns over time.

Besides, the valuation froth that was visible in July-August last year has moderated after the market correction. This provides a good enough reason to bet on high-growth and high-quality mid-cap stocks.

Percentage of PMS schemes that out-performed the market benchmarks



Percentage of AIF schemes that out-performed the market benchmarks



Based on returns calculated on 31 December 2024. **Source:** PMSBazaar.

The Nifty 50 earnings moderated significantly in 2024-25 compared to 2023-24. What are your expectations for 2025-26?

The earnings growth may not be very impressive at the broad index level (Nifty 50) because sectors like IT and banking, financial services and insurance, which have significant weightage, are expected to register moderate growth. However, compared to 2024-25, the performance of corporate India in 2025-26 will be better as it will be supported by rising government spending and a pick-up in private sector capex. Every fundamentally strong company is expected to report decent growth rates. The question is no longer whether they will grow, but rather how much they will grow.

Besides, analysing performance using the Nifty 50 index may not reflect an accurate picture of the overall earnings growth. This is because the Nifty 50 index doesn't adequately represent the full breadth of India's market, and the sectoral representation remains limited. Moreover, the high-growth mid-cap stocks are ignored if one considers the Nifty 50 as the only barometer for assessing performance. It is better to consider the Nifty 200 or the Nifty 500 indices, which are more diversified across sectors, for analysing performance or investment decisions.

With 2025-26 expected to outperform 2024-25, which sectors do you believe will drive growth and which ones are likely to lag behind?

Making a broader sectoral assessment, without limiting it to the Nifty 50 or Nifty Midcap indices, some of the sectors that are expected to deliver strong performance include power, NBFCs, defence, chemicals, and travel and tourism. The sugar sector also looks interesting due to supply shortage. On the other hand, the IT sector is expected to lag behind. It is a very different industry from what it was in the early 2000s. The earlier growth drivers have shifted and it's not yet clear what will drive the next leg of growth.

If you had to invest ₹10 lakh today for a horizon of, say, one to two years, where would you prefer to allocate the capital? Why?

I would prefer a diversified approach that combines growth and safety, and will invest across diversified equity schemes and high-quality private credit. In addition to this, a tactical exposure to silver ETFs, a segment where most investors have negligible exposure, can add meaningful diversification. Furthermore, defence ETFs provide a very interesting thematic opportunity.

Following the recent RBI rate cut in June 2025—50 basis point repo rate and 100 basis point CRR cut—which fixed income strategy do you think suits investors best in the current environment?

The duration strategies have performed well in the recent past and the investors who were positioned correctly in duration funds have seen strong mark-to-market gains. Though duration has largely played out after the rate cuts, those who would still like to position themselves here can consider five-year duration strategies. This is because five years is neither too short, nor too long, and it helps smooth out the impact of any short-term spikes. The general tendency of the interest rate trajectory will be downward, and will be supported by India's strong economic growth prospects, growing businesses and controlled inflation.

> "Despite trading at premium valuations to large caps, many mid-cap firms in sectors such as cables and wires, power, and consumption are offering promising growth potential."

Moreover, there's a strong case for investors to consider locking into high-quality private credit strategies. Such opportunities don't come very often and may not last forever as the rate environment evolves. However, investing in high-yield bonds or securities without professional help is not advisable for most investors as it requires a deep understanding and risk assessment. Instead, accessing credit through professionally managed vehicles, such as debt PMS or credit-focused AIFs (alternative investment funds), will prove more effective.

Can you provide some insights into the investment strategies employed by Sundaram Alternate for its equity and debt schemes?

For the debt PMS, we invest only in listed debt securities. This provides a significant comfort factor to investors as these instruments are publicly traded and more transparent than unlisted credit. Secondly, we consider financial companies and MFIs. These entities often benefit from credit rating upgrades, which enhance the portfolio's return beyond the fixed yield. Thirdly, we continue to strengthen our underwriting practices, which enable us to develop performance-oriented strategies.

On the equity side, we focus on four themes that act as our investment foundation. These include consumption, manufacturing, financial services, and 'phygital' (like Zomato). In these themes, we consider businesses that can grow faster than India's nominal GDP. We prefer stocks with a good return on capital and assess their governance, dividends, cash-flow consistency, and debt levels.

Which alternative assets are worth exploring at this juncture?

Private credit is worth exploring. We see investors with disproportionate exposure to equities, but there is a significant gap when it comes to credit, which includes real estate, infrastructure and structured credit. However, investors must look at the quality, conviction, governance and vintage of platforms that are offering private credit.

Commodity ETFs is another area worth exploring. I believe the commodity rally is just beginning and investors are significantly underinvested in this space, whether through ETFs or listed stocks. If the world moves into a high-inflation phase, particularly in the US, the commodities will perform well. In the commodity space, gold, silver, copper, zinc and aluminium are likely to do well. While a pick-up in industrial activity will support silver, supply shortage is expected to aid zinc prices. The ongoing geopolitical tensions will continue to support gold prices.

Private credit is risky. We've seen how Franklin Templeton India mutual fund was hit. Though private credit has shifted to PMS side and is only available to high and ultra-high net worth individuals, risk in the product remains high. Can you mitigate this risk?

PMS offers professionally curated, structured, well-researched, and actively managed exposure to private credit, something that individual investors would find difficult to replicate on their own. If accessed through well-managed platforms, such instruments offer a structured and risk-managed option to capture yield in a moderated rate environment.

You are very bullish on private credit, but have not mentioned private credit in your personal asset allocation. Is there any reason for not including it in your asset allocation?

I intend to invest in it shortly. I'm very convinced about the product.

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Accredited investors: India's empty elite club

Access to exclusive investment products, lower investing thresholds and regulatory concessions makes accreditation appealing. However, investors, asset managers and intermediaries are yet to embrace it.

GETTY IMAGES

by **Sanket Dhanorkar**

"Money, money, money,
Always sunny,
In the rich man's world."

Crooned by the iconic pop quartet, ABBA, once upon a time, this could well be the theme song for a small section of investors. The well-heeled suffer from a particular affliction: they find traditional investment boundaries insufferably pedestrian. While retail investors wade in the shallow end of mutual funds and fixed deposits, the truly affluent eye the deep end with its promise of uncharted returns.

The 'accredited investor' designation offers precisely this distinction—a velvet rope separating the financial cognoscenti from the merely comfortable. The capital market regulator, Securities and Exchange Board of India (Sebi), has created a two-tiered system: the masses fish in heavily patrolled waters, while the certified wealthy venture where both rewards and sharks are considerably larger.

This begs the question: does this badge of financial sophistication deliver on its promise of exclusivity—or is it merely an expensive regulatory theatre?

The exclusive club

Sebi had introduced the framework for accredited investors in 2021. The premise is simple: to carve out a less restrictive arena for a class of investors savvy and informed enough about the markets and having a bigger appetite for risk. It offers lighter regulations and relaxed investment norms that accord greater flexibility to investors to gain exposure to sophisticated financial instruments. It includes various regulatory concessions, such as access to exclusive investment opportunities, lower minimum investment thresholds, among other benefits.

At its core, the idea of an accredited investor recognises that not all investors are equal, says Sandeep Jethwani, Co-Founder, Dezerv. "Some investors possess the financial acumen and risk appetite to go beyond the standard investment requirements," he adds. The purpose of creating a separate framework for accredited investors is to provide lighter-touch regulation, asserts Shobhit Mathur, Co-founder, Ionic Wealth by AngelOne. "It serves an increasing tribe of high-value investors, who have a risk appetite and seek aspirational opportunities, not constrained by regulations."

To qualify as an accredited investor, individuals must meet one of the following financial criteria:

- Have an annual income higher than or equal to ₹2 crore.
- Have a net worth greater than or equal to ₹7.5 crore (with at least ₹3.75 crore in financial assets).
- Have an annual income higher than or equal to ₹1 crore, plus a net worth greater than or equal to ₹5 crore (with at least ₹2.5 crore in financial assets).

> "The purpose of creating a separate framework for accredited investors is to provide lighter-touch regulation."
>
> **SHOBHIT MATHUR**
> CO-FOUNDER, IONIC WEALTH BY ANGELONE

The value of primary residence is not included while calculating the net worth. "The net worth criterion allows considering the value of an unoccupied second house, providing some leeway to individuals," points out Mathur. The income and asset values are considered on the basis of latest income tax returns or net worth certificate.

If you fit the criteria, the accredited investor tag opens up a gamut of investment opportunities. "Accreditation enables investors to access curated, high-quality opportunities that are often restricted to sophisticated participants," says Sanat Mondal, Head of Private Markets from Sanctum Wealth.

To be sure, bigger investors have the option of investing in differentiated products in the form of Portfolio Management Services (PMS) and Alternate Investment Funds (AIF). As per regulations, the minimum ticket size is pegged at ₹1 crore for AIF and ₹50 lakh for PMS. Accredited investors can circumvent these limits. If accredited, an individual may get to invest in a PMS for as low as ₹10 lakh or an AIF for ₹25 lakh. This reduced investment threshold allows the investor to take diversified exposure to 3-4 different strategies, rather than invest the entire sum in a single avenue. Mathur remarks, "The accredited investor can start small and diversify across multiple strategies and scale up later."

Jethwani adds, "Previously, you would commit your entire corpus to one fund manager. Now, you can diversify across two-three exceptional managers with the same capital, accessing varied strategies and risk profiles."

Apart from customised AIF and PMS offerings, an accredited investor can avail of multiple other opportunities. They can tap into private placements, pre-IPO deals, venture capital, private equity, hedge funds, and other alternative investments that are not available to the general public. Even the upcoming SIF (specialised investment funds), which have a minimum outlay of ₹10 lakh, will be available to an accredited investor at a lower ticket size. This product combines the strategies of AIF and PMS with the favourable taxation of mutual funds. Accreditation also lowers the barriers to overseas investments housed in the GIFT City. While regular investors can access these AIF offerings for $1,50,000, an accredited investor can get in at $25,000. With the overseas liberalised remittance scheme (LRS) limits currently fixed at $2,50,000 per financial year, accreditation allows investors to put in smaller amounts in a single fund, leaving a sizeable chunk free for other pursuits. "Home country bias is very high among India's HNIs. The GIFT City AIF route offers a good way to diversify overseas," insists Mathur.

Besides, accredited investors get benefits beyond unique investment solutions. "They enjoy lower minimum investments, greater flexibility in exposure limits, and more tailored exit options," remarks Abhijit Bhave, a wealth management expert. For instance, in large value PMS (minimum investment of ₹10 crore), accredited investors get the benefit of placing 100% of their investment in unlisted securities, compared to the 25% limit for regular investors (₹50 lakh minimum ticket size). Similarly, in large value AIF (minimum commitment of ₹70 crore), accredited investors enjoy the privilege of allocating a higher percentage of their assets under management (AUM) to individual companies within the AIF category I & II (50%) and category III (20%), compared to regular investors, who must adhere to a 25% and 10% allocation, respectively.

Accredited investors are also allowed relaxations in fee structures. "Even as regular investors face a capped fee structure, limited to a maximum of 2.5% of assets under advice or ₹1.25 lakh when it comes to engaging with RIAs, accredited investors may negotiate a more flexible fee arrangement," points out Jethwani. This may include hybrid, performance-based fees. Further, the accredited investor can benefit from both advisory and distribution services via the same RIA. The strict rules barring advisers from offering products do not apply to this cohort of investors.

Experts reckon getting accredited puts power back in the hands of individual investors. "Reflecting on the accredited investor framework, it is clear that it isn't just about giving the wealthy a new set of privileges. It's an acknowledgement from regulators that you've earned the right to invest like a sophisticated professional," asserts Jethwani.

Limited appeal

Despite its many benefits, the accredited investor framework has not found many takers. After four years, India is home to only 650-odd accredited investors (including partnerships firms, family trusts and corporates), according to Sebi. Comparatively, the USA boasts 24 million accredited investors.

Mondal points to lack of awareness among HNIs and family offices about the accreditation process and its advantages. Reluctance of investors to disclose assets and income details is another impediment. Submitting proof of income, such as tax filings, audited financial statements, salary slips or income certificate, is a concern for some. "In the mass affluent segment, reluctance to disclose full net worth due to multiple adviser relationships poses an additional hurdle," points out Bhave. Apart from investors, the asset managers and financial advisers have also not warmed up to the concept yet. There may be some reservation among service providers to offer a lower ticket size and lose high-value business, suggests Mathur.

Some market participants point to a tedious, restrictive process of accreditation. Certification for accredited investors is provided by accreditation agencies, which currently include only subsidiaries of stock exchanges or depositories (CDSL Ventures Limited and NSDL Data Management Limited). In other countries, due diligence is typically conducted via the funds or service providers in which investors are putting their money. The need for third-party verification via dedicated accreditation agencies complicates matters. While the onboarding process is largely smooth, the 3-4 week wait for certification remains a bottleneck, says Bhave. "The process remains unnecessarily complex and lengthy, with just two operational accreditation agencies. The sequential nature is particularly problematic: investors must get accredited before fund managers can even begin formal discussions, creating delays in competitive deal environments," asserts Jethwani. Market participants indicate that wealth managers and platforms find it easier to operate under standard KYC norms.

Further, accreditation has a limited shelf life. When granted on the basis of fulfilling eligibility criteria for the preceding one year, accreditation is valid only for two years. The certificate is valid for a maximum of three years if the applicant meets the eligibility criteria for the preceding two financial years. At a cost of ₹10,000 (two years) or ₹14,500 (three years) for every accreditation certificate, this is a recurring expense. Experts feel there is not enough incentive to seek accreditation. "Unlike in developed markets, accreditation does not consistently unlock differentiated pricing, lower fees, or exclusive rights," says Mondal.

The general perception among industry participants is that the accredited investor framework is still in a formative stage and needs improvements. "Regulatory clarity and incentives around accreditation are still evolving, especially on how it materially changes investment eligibility or compliance burdens," says Mondal.

Changes on the anvil

Sebi has recognised the bottlenecks in the present machinery. It has recently floated a consultation paper, proposing some changes to the accreditation framework. First, eligibility criteria for accreditation agencies may be expanded, allowing all KRAs to function as accreditation agencies. With more accreditation agencies, the present capacity constraints should be eased while fostering more competition to facilitate cost-efficient servicing.

Further, AIFs may be allowed to provisionally onboard an investor as an accredited investor, based on his due diligence, pending certification from an accreditation agency. "The provisional onboarding proposal is particularly smart, allowing fund managers to conduct due diligence parallel to accreditation rather than sequentially. This should significantly reduce the time-to-investment without compromising verification standards," says Jethwani.

Further tweaks should give a shot in the arm to a fledgling, yet promising, concept. The adoption of accredited investor framework represents a natural evolution of a financial market growing in size and depth. It is a space to watch out for in the coming years.

sanket.dhanorkar@timesofindia.com

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Who can be an accredited investor?

To qualify as a Sebi-accredited investor, one must meet either of the below criteria:

For individuals, HUFs and family trusts

Annual income >=₹2 crore **OR** **Net worth** >=₹7.5 crore (with at least ₹3.75 cr in financial assets)

OR

Annual income >=₹1 crore **+** **Net worth** >=₹5 crore (with at least ₹2.5 cr in financial assets)

Note: Income tax return or net worth certificate must be submitted as proof. Value of the primary residence is excluded while calculating net worth.

Why become an accredited investor...

Access to differentiated investment opportunities Pre-IPO deals, private equity, private credit, GIFT City AIF, among others.

Regulatory concessions Greater flexibility in exposure limits, tailored exit options, relaxation in fee structures.

Reduced entry thresholds Option to invest in products like PMS with a lower ticket size (*see table below*).

Minimum entry threshold

	Regular investor	Accredited investor
PMS	₹50 lakh	₹10-25 lakh
AIF	₹1 crore	₹25-50 lakh
GIFT City AIF	$1,50,000	$25,000

*Offered by select asset managers.

Why there are very few takers...

Lack of awareness among HNIs and family offices about benefits.

Reluctance among investors to disclose financial details.

Service providers averse to lower-ing ticket size and lose high-value business.

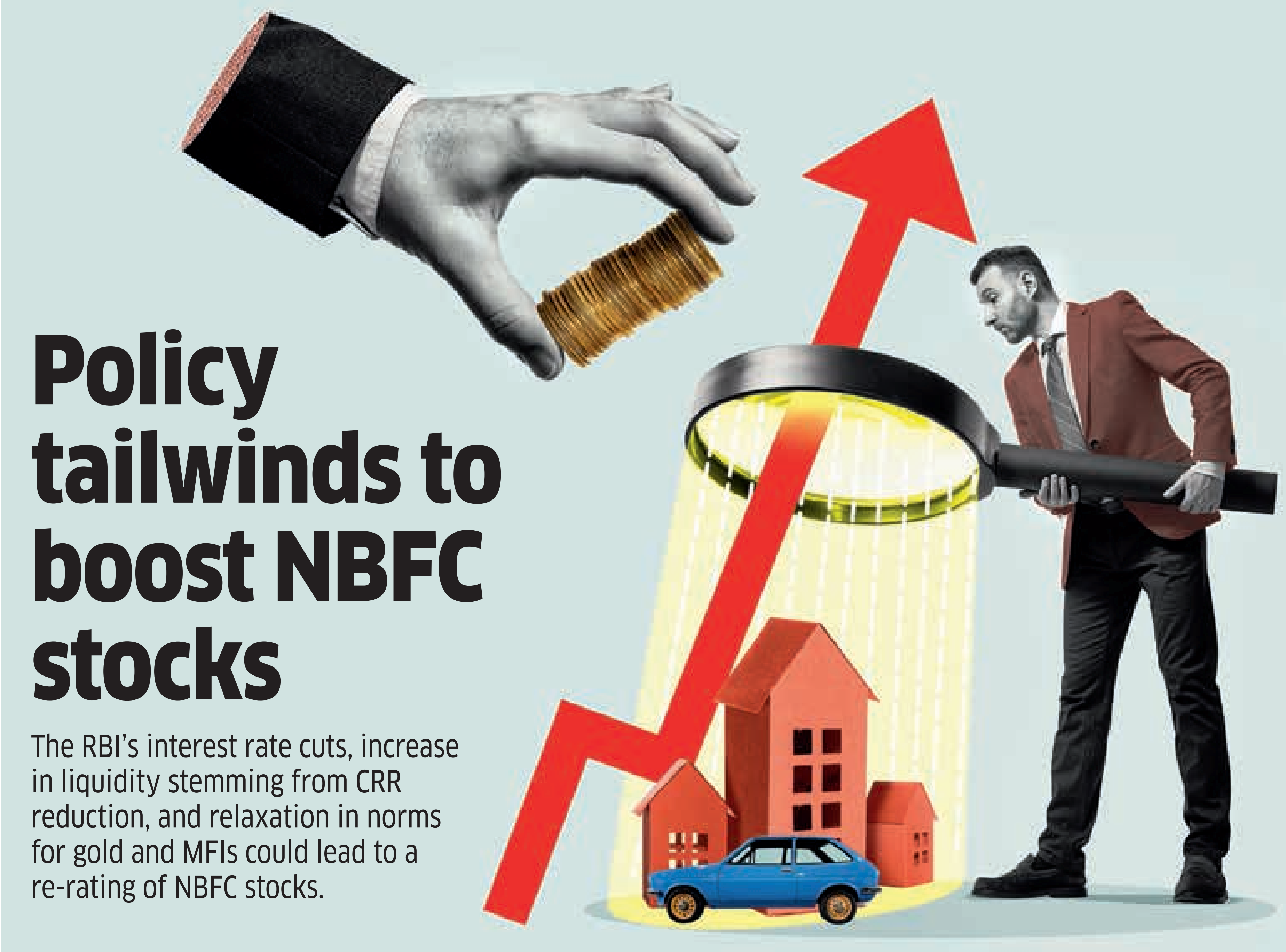
Tedious, restrictive process of accreditation.

Limited shelf life of accreditation.

There are only 649 accredited investors in India, compared to 24 million in the US.

"It's an acknowledgement from regulators that you've earned the right to invest like a sophisticated professional."

SANDEEP JETHWANI,
CO-FOUNDER,
DEZERV



Policy tailwinds to boost NBFC stocks

The RBI's interest rate cuts, increase in liquidity stemming from CRR reduction, and relaxation in norms for gold and MFIs could lead to a re-rating of NBFC stocks.

by **Sameer Bhardwaj**

Non-banking finance companies (NBFCs) have faced multiple challenges over the past few quarters amid delinquencies in unsecured loans, tight liquidity, and rigorous scrutiny by the Reserve Bank of India (RBI).

However, their performance is expected to improve after cuts in interest rates and phased reduction in the cash reserve ratio (CRR) that will lead to an increase in liquidity and boost credit growth. The relaxation of regulations for NBFCs focused on gold loans and microfinance institutions (MFIs) will also help.

Performance concerns were reflected in the share prices of NBFC companies in the first five months of 2025. The group of 104 listed companies in the financial services and consumer finance space, with a market cap of more than ₹100 crore, delivered an equal weighted average return of -4.5% between 1 January and 31 May 2025. In comparison, the Nifty 500 equal-weighted index delivered -1.5% during the same period.

Policy support

The repo rate has been cut by 1 percentage point this year—25 basis points each in February and April, and 50 basis points in June. The CRR is being lowered by 100 basis points in four steps between September and November, a move that will lead to an infusion of an estimated ₹2.5 lakh crore liquidity into the banking system. This, in turn, is expected to boost the net interest margins (NIMs) of NBFCs.

The increased liquidity and lower rates will support NIMs by reducing the cost of funds (CoF). The NIM is the difference between the interest income generated from lending activities and that paid on borrowed funds.

"While the policy action is positive for the entire NBFC space, the players with high fixed rate assets (vehicle loans, loans against property) stand to benefit the most," stated a recent ICICI Securities report. It expects the CoF to improve by 20-40 basis points in 2025-26 for most NBFCs.

Repo rate cuts spell bonanza for NBFC stocks

Lower cost of funds will improve NIMs.

Month	Repo rate (%)
Feb '25	6.50
Jun '25	5.50
Feb '19	6.50
Aug '19	5.40
Jan '15	8.0
Sep '15	6.75
Jan '13	8.0
May '13	7.25

Source: ICICI Securities report

The relaxation on new gold loans will be effective from April 2026. The loan-to-value (LTV) ceiling is being raised from 75% to 85% for loans with ticket sizes of less than ₹2.5 lakh. This means that the gold loan-focused NBFCs can lend more for every ₹100 worth of gold. This will make the borrowings attractive and support the loan book expansion.

In the second key relaxation, the central bank dropped the qualifying assets threshold from 85% to 60% for NBFC-MFIs. This is the minimum amount of eligible microfinance loans that NBFC-MFIs must hold on their books, allowing them to diversify into more profitable segments, such as affordable housing or consumer finance.

"With the qualifying asset threshold lowered, MFIs now have the flexibility to diversify their loan books, moving beyond traditional group lending to slightly larger ticket sizes. This will help stabilise the earnings across credit cycles," said Harshal Dasani, Business Head, INVasset, PMS.

An Emkay report has stated that the NBFCs are set for risk-calibrated, profitable growth, aided by the reduction in cost of funding and easing of stress in some segments. Though the report expects a lacklustre performance in the June quarter, meaningful gains are expected from the second half of the current financial year and in 2026-27.

The sentiment for the NBFC sector has improved since the policy measures were announced on 6 June. The group of 104 companies has generated an equal-weighted average return of 3.6% between 5 June and 1 July, compared with the Nifty 500 equal-weighted index's 2.1% return.

These measures could result in a re-rating of NBFC stocks over the next three to six months, led by an improved margin outlook, stronger balance sheets and higher loan growth visibility, said Manish Goel, Founder and Managing Director, Equentis Wealth Advisory Services.

Here are the four NBFC stocks with broad analyst coverage and a significant buy rating.

Aditya Birla Capital

- The firm reported a steady performance across business segments in the March 2025 quarter, with 6% year-on-year growth in net profit.
- It reported a strong loan growth in both NBFC lending and housing finance—20% and 69% year-on-year, respectively. While the former

What do the analysts say?

Aditya Birla Capital

Price (₹)	ANALYSTS' RECOMMENDATIONS		
	BUY	HOLD	SELL
281	9	0	0

PNB Housing Finance

Price (₹)	ANALYSTS' RECOMMENDATIONS		
	BUY	HOLD	SELL
1,104	10	0	0

Aptus Value Housing Fin.

Price (₹)	ANALYSTS' RECOMMENDATIONS		
	BUY	HOLD	SELL
320	11	1	2

Shriram Finance

Price (₹)	ANALYSTS' RECOMMENDATIONS		
	BUY	HOLD	SELL
696	28	3	2

Price as on 1 July 2025. **Source:** Reuters-Refinitiv

Stock price returns

Company	6-mth	1-yr	3-yr
Aditya Birla Capital	56.9%	16.9%	46.1%
Aptus Value HF	9.9%	-7.0%	3.1%
PNB Housing Finance	21.6%	38.0%	59.6%
Shriram Finance	19.3%	19.1%	40.1%
Nifty 500	5.0%	3.9%	20.8%

Returns based on 1 July 2025 closing values.
Returns greater than one year are CAGR returns.

was driven by SME and corporate loans, strong disbursements aided the latter.

- Health insurance, life insurance and asset management also performed well.
- The management expects margins to improve in the future, helped by a fall in the cost of funds and a gradual increase in the share of unsecured loans in its loan mix. The modifications in the strategy for customer selection in the unsecured segment will support disbursements in consumer and personal loans.
- A Motilal Oswal report estimated a consolidated return on equity (RoE) of 14% by 2026-27.

Aptus Value Housing Finance

- The company reported a strong performance in the March quarter, with 26% and 25% growth in net profit and AUM, respectively, on a year-on-year basis. While volume growth supported the AUM, the assignment transaction of ₹75 crore boosted the net profit.
- The company enjoys a strong capital adequacy ratio of 70%, which has helped it to report robust return ratios. Moreover, its steady cost-to-income ratio makes it a cost-efficient affordable housing finance lender.
- Strong asset quality, steady credit costs and likely revival in disbursements in 2025-26 are some of the key positives.
- Moreover, focus on increasing floating rate borrowings, to benefit from the rate-cycle reversal, and a high share of fixed rate loans will improve spreads and profitability in the future.
- The management expects the AUM to reach ₹25,000 crore by 2027-28, implying a 32% CAGR.
- An ICICI Securities report expects that the growth momentum will sustain due to the stringent credit monitoring, strong collection mechanism, focus on geographical diversification and controlled opex.

PNB Housing Finance

- The NBFC reported a steady performance in the March quarter, with 25.3% year-on-year growth in net profit. An uptick in high-yielding segments, provision write-backs and efficient asset liability management supported the performance.
- To enhance growth, the company's management is focusing on affordable housing and emerging market segments. On the other hand, the company is slowing down disbursements in the prime segment due to the increased competition from large banks.
- Affordable housing and emerging market segments currently constitute 24% of the loan book and the management plans to scale up such segments to 40% by 2026-27. The increase in scale will impart efficiency gains by reducing opex and will lead to an improvement in return on assets (RoA).
- With 70% of borrowings on floating rate, the rate cut will prove favourable by lowering the borrowing costs.
- A recent Nirmal Bang report remains positive on the company due to its improved growth prospects, with expansion in emerging markets and affordable segments, along with the improving return ratios due to the likely NIMs expansion and benign credit costs.

Shriram Finance

- It reported a subdued performance in the March quarter due to a spike in credit costs and contraction in NIMs.
- Tepid demand amid weak government capex and minor deterioration in asset quality weighed on its performance.
- Going forward, the margins are expected to improve, helped by an improved product mix, rate cut, and expectations of a higher government capex. Moreover, the asset quality is expected to stabilise in the second half of the current financial year.
- A recent Motilal Oswal report is bullish on Shriram Finance due to its market leadership, strategic diversification in high-growth, non-auto segments, potential for margin and operating efficiency improvements, attractive valuations and strong earnings visibility.

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US trading firm, Jane Street, facing heat in India

Sebi has barred the New York-headquartered company from the Indian securities market and impounded $567 million.

India has barred one of the world's largest quantitative trading firms, Jane Street Capital, from accessing its securities market after an investigation found it made 'unlawful gains', taking the most stringent action ever against a foreign trading firm.

The Securities and Exchange Board of India (Sebi), the markets regulator, also impounded $567 million from the US-based company, which said it disputed the findings. Here are facts about Jane Street and its India presence.

What is Jane Street?

Jane Street has more than 3,000 employees in five offices across the United States, Europe, and Asia.

The New York-headquartered company trades in stocks of 45 countries and is also rapidly increasing its presence in Hong Kong by purchasing more office space.

Jane Street was established in 2000 and its annual revenue last year was $20.5 billion. It describes itself on its website as a firm that uses 'sophisticated quantitative analysis and a deep understanding of market mechanics to keep prices consistent and reliable'. 'We're a firm of puzzle solvers on and off the clock,' according to the company.

How it operates in India

Jane Street operates in India through four group entities, two of which are based in India, with the other two in Hong Kong and Singapore.

The firm started its first India unit in December 2020. The other two Asian entities operate as foreign investors registered with India.

Scale of India operations

Between January 2023 and March 2025, the four entities cumulatively made a profit of $5 billion by trading in equity options in India, according to the Sebi order.

Jane Street's large India presence first gained prominence last year when the firm sued a rival hedge fund, Millennium Management, accusing it of stealing a valuable in-house trading strategy.

At a court hearing in the US, it was revealed that the strategy involved India options and had generated $1 billion in profits for Jane Street in 2023. The two firms settled the case in December.

Jane Street's India challenge

India's market regulator says Jane Street, as a group, first aggressively bought significant quantities of banking stocks and futures, temporarily pushing up the banking index.

Later, it aggressively sold large quantities of the same banking stocks and futures.

This large-scale buying influenced retail investors to invest, leading to market manipulation, Sebi said.

— Reuters

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.

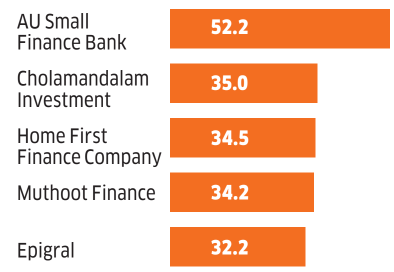
	RANK		PRICE ₹	GROWTH%*		VALUATION RATIOS				RATING	
	Current Rank	Previous Rank	Stock Price	Revenue	Net Profit	PE	PB	PEG (5-year)	Div Yield (%)	No. of funds	Value Research Stock Rating
Can Fin Homes	1	1	815	10	14	12.7	2.1	1.1	1.5	32	★★★★★
Muthoot Finance	2	3	2,635	34	23	19.9	3.6	1.8	1.0	69	★★★★★
HDFC Bank	3	4	1,987	19	3	21.5	2.9	1.4	1.1	304	★★★★★
Aavas Financiers	4	2	1,941	17	17	26.7	3.5	1.8	–	21	★★★★★
Petronet LNG	5	5	301	-3	9	11.4	2.3	1.3	3.3	32	★★★★★
Cholamandalam Investment	6	9	1,527	35	23	30.1	5.4	1.5	–	135	★★★★★
National Aluminium Company	7	6	192	28	165	6.7	2.0	0.1	4.2	36	★★★★★
LIC Housing Finance	8	7	609	3	14	6.2	0.9	0.7	1.6	44	★★★★★
AU Small Finance Bank	9	8	812	52	23	28.7	3.5	1.1	0.1	49	★★★★★
REC	10	11	393	19	12	6.5	1.3	0.5	4.6	88	★★★★
ICICI Bank	11	10	1,426	17	14	20.0	3.3	1.3	0.8	303	★★★★★
The Federal Bank	12	12	217	19	2	12.8	1.5	1.0	0.6	103	★★★★★
Bandhan Bank	13	14	184	16	23	10.8	1.2	1.4	0.8	22	★★★★★
DCB Bank	14	16	144	21	14	7.4	0.8	0.9	0.9	19	★★★★★
Repco Home Finance	15	17	432	11	12	5.8	0.8	1.2	0.9	11	★★★★★
Karur Vysya Bank	16	13	265	18	21	11.0	1.8	1.2	1.0	66	★★★★★
Chambal Fertilisers	17	19	565	-7	34	13.7	2.6	1.3	1.8	13	★★★★★
City Union Bank	18	15	217	11	11	14.3	1.7	2.9	0.9	41	★★★★★
Epigral	19	20	1,822	32	79	22.0	4.1	1.2	0.3	14	★★★★★
KPIT Technologies	20	18	1,262	20	41	41.2	11.9	1.3	0.7	61	★★★★
Mahindra & Mahindra	21	101	3,174	17	11	30.5	5.1	1.2	0.8	194	★★★★★
IndiaMART InterMESH	22	21	2,580	16	65	27.9	7.2	1.2	2.0	29	★★★★★
Hero MotoCorp	23	23	4,311	8	17	19.7	4.5	3.4	3.8	104	★★★★
Ashoka Buildcon	24	22	212	2	237	3.5	1.5	0.1	–	6	★★★★★
KFin Technologies	25	26	1,330	30	34	68.8	16.3	2.4	0.6	41	★★★★★
Gulf Oil Lubricants India	26	24	1,266	8	17	17.4	4.3	1.4	3.8	15	★★★★★
Coromandel International	27	40	2,234	9	26	31.9	5.9	2.2	0.7	68	★★★★★
Aadhar Housing Finance	28	29	464	20	12	22.0	3.1	1.4	–	31	★★★★★
Happy Forgings	29	99	982	4	7	34.2	5.0	2.4	0.3	18	★★★★
Just Dial	30	30	927	9	61	13.5	1.7	1.1	–	5	★★★★★
Dodla Dairy	31	25	1,442	19	54	33.5	6.2	2.2	0.3	6	★★★★★
Swaraj Engines	32	47	3,940	19	20	28.7	11.4	1.6	2.7	5	★★★★★
Eicher Motors	33	39	5,716	14	18	33.0	7.3	1.7	1.2	86	★★★★★
Sundaram Finance	34	33	5,140	17	31	30.3	4.3	2.9	0.7	23	★★★★★
Indegene	35	36	566	10	12	33.5	5.3	2.0	0.4	14	★★★★★
Indian Energy Exchange	36	27	198	19	21	41.0	15.5	2.8	1.5	31	★★★★★
APL Apollo Tubes	37	92	1,729	14	3	63.4	11.4	1.8	0.3	62	★★★★★
Aditya Birla Sun Life AMC	38	31	817	25	19	25.4	6.3	2.9	2.9	20	★★★★★
Castrol India	39	37	222	7	8	23.2	9.1	4.9	5.9	14	★★★★★
LG Balakrishnan & Bros	40	41	1,305	10	10	13.7	2.5	0.5	1.5	6	★★★★★
NMDC	41	44	69	12	17	9.3	2.0	0.7	4.8	45	★★★★★
Gujarat Pipavav Port	42	55	158	0	16	19.2	3.3	5.4	5.2	10	★★★★
Cipla	43	43	1,509	7	28	23.1	3.9	1.1	1.1	117	★★★★
Home First Finance Company	44	50	1,361	35	23	36.7	3.8	1.5	0.3	39	★★★★★
HCL Technologies	45	28	1,712	6	11	26.7	6.7	3.7	3.5	110	★★★★
Alivus Life Sciences	46	38	1,033	5	3	25.8	4.5	6.5	0.5	13	★★★★★
Power Finance Corporation	47	49	415	17	16	6.0	1.2	0.5	3.8	112	★★★★
Pfizer	48	77	5,783	4	39	34.7	6.3	12.1	2.8	31	★★★★★
Natco Pharma	49	46	974	11	36	9.2	2.3	0.4	0.6	5	★★★★
Emami	50	48	559	6	12	30.3	9.1	1.8	1.8	58	★★★★

*REVENUE AND EPS FIGURES BASED ON ONE-YEAR GROWTH. DATA AS ON 3 JUL 2025. PERCENTAGES & RATIOS ROUNDED TO ONE DECIMAL PLACE.

SOURCE: VALUE RESEARCH

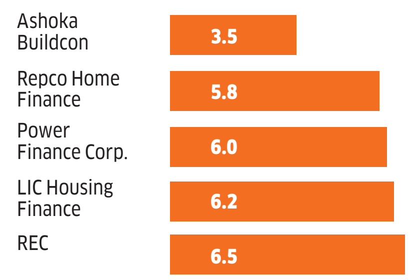
1 Fast growing stocks

Top 5 stocks with the highest revenue (1-year) growth (%)



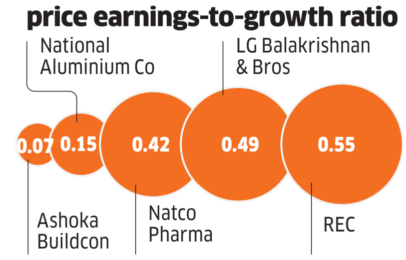
2 Least expensive stocks

Top 5 stocks with the lowest price-to-earnings ratio



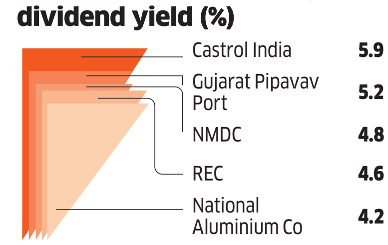
3 Best PEGs

Top 5 stocks with the lowest price earnings-to-growth ratio



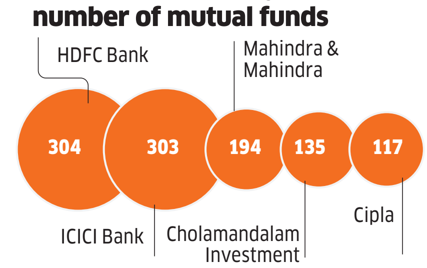
4 Income generators

Top 5 stocks with the highest dividend yield (%)



5 Most widely held

Top 5 stocks held by the most number of mutual funds



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

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 5 bank FDs

TENURE: 1 YEAR	Interest rate (%) compounded qtrly	What ₹10,000 will grow to
Bandhan Bank	7.3	**10,745.0**
RBL Bank	7.1	**10,729.1**
DCB Bank	7.0	**10,718.6**
J&K Bank	7.0	**10,718.6**
YES Bank	6.8	**10,692.3**
TENURE: 2 YEARS		
Bandhan Bank	7.4	**11,579.5**
RBL Bank	7.1	**11,511.4**
IndusInd Bank	7.0	**11,488.8**
J&K Bank	7.0	**11,488.8**
YES Bank	7.0	**11,488.8**
TENURE: 3 YEARS		
Bandhan Bank	7.3	**12,405.5**
RBL Bank	7.1	**12,350.8**
YES Bank	7.1	**12,350.8**
DCB Bank	7.0	**12,314.4**
IDFC First Bank	6.8	**12,223.9**
TENURE: 5 YEARS		
DCB Bank	7.0	**14,147.8**
RBL Bank	7.0	**14,147.8**
IDFC First Bank	6.8	**13,975.0**
YES Bank	6.8	**13,975.0**
IndusInd Bank	6.7	**13,906.4**

Top 5 senior citizen bank FDs

TENURE: 1 YEAR	Interest rate (%) compounded qtrly	What ₹10,000 will grow to
Bandhan Bank	7.8	**10,797.8**
RBL Bank	7.6	**10,781.9**
IndusInd Bank	7.5	**10,771.4**
J&K Bank	7.5	**10,771.4**
YES Bank	7.3	**10,745.0**
TENURE: 2 YEARS		
Bandhan Bank	7.9	**11,693.6**
IndusInd Bank	7.8	**11,659.3**
RBL Bank	7.6	**11,625.0**
J&K Bank	7.5	**11,602.2**
YES Bank	7.5	**11,602.2**
TENURE: 3 YEARS		
YES Bank	7.9	**12,626.6**
Bandhan Bank	7.8	**12,589.5**
RBL Bank	7.6	**12,534.0**
IndusInd Bank	7.5	**12,497.2**
DCB Bank	7.3	**12,405.5**
TENURE: 5 YEARS		
RBL Bank	7.5	**14,499.5**
YES Bank	7.5	**14,499.5**
IndusInd Bank	7.4	**14,428.5**
Punjab National Bank	7.3	**14,357.8**
Axis Bank	7.3	**14,322.6**

Top 5 tax-saving bank FDs

TENURE: 5 YEARS & ABOVE	Interest rate (%)	What ₹10,000 will grow to
Bandhan Bank	7.0	**14,147.8**
DCB Bank	7.0	**14,147.8**
RBL Bank	7.0	**14,147.8**
IDFC First Bank	6.8	**13,975.0**
YES Bank	6.8	**13,975.0**

DATA SOURCED FROM ECONOMIC TIMES INTELLIGENCE GROUP (ETIGDB@TIMESOFINDIA.COM). INTEREST RATES ROUNDED TO ONE DECIMAL PLACE.

HOME LOAN RATES

REPO RATE 5.5%

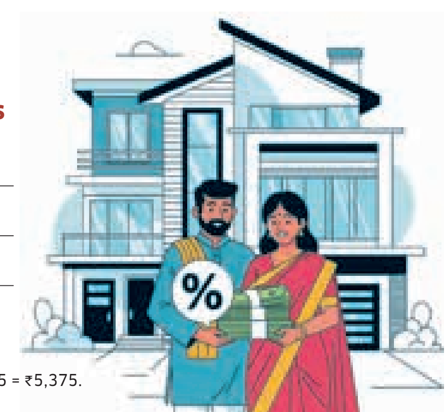
With effect from October 2019, all banks have made the transition to external benchmarks for pricing new home loans. Most banks have picked the RBI repo rate as the external benchmark.

BANK	RLLR (%)	FOR SALARIED		FOR SELF-EMPLOYED (%)		WEF
		FROM (%)	TO (%)	FROM (%)	TO (%)	
Indian Overseas Bank	8.4	7.4	8.4	7.5	8.5	12 June 2025
Bank of Maharashtra	8.3	7.4	9.4	7.5	9.9	10 June 2025
Union Bank of India	8.3	7.4	9.8	7.4	9.8	11 June 2025
Indian Bank	–	7.4	8.8	7.9	9.3	Not available
UCO Bank	8.3	7.4	9.0	7.4	9.0	9 June 2025
Canara Bank	8.3	7.4	10.3	7.4	10.3	12 June 2025
Bank of India	8.4	7.5	10.1	7.5	10.1	6 June 2025
SBI Term Loan	8.2	7.5	8.5	7.5	8.5	15 June 2025
Bank of Baroda	8.2	7.5	9.0	7.5	9.1	7 June 2025
Punjab National Bank	8.4	7.5	9.2	7.5	9.2	9 June 2025
Central Bank of India	8.5	7.7	8.9	7.7	8.9	10 June 2025
Punjab & Sind Bank	7.6	7.7	10.8	7.7	10.8	9 June 2025
J&K Bank	8.1	7.8	8.9	7.8	8.9	10 Feb 2025
IDBI Bank	8.5	7.8	10.4	8.1	11.9	12 June 2025
IndusInd Bank	–	8.3	10.0	8.3	10.0	Not available
South Indian Bank	9.8	8.3	10.6	8.3	10.6	Not available
HDFC Bank	–	8.5	9.3	8.5	9.3	Not available
Karur Vysya Bank	8.8	8.5	11.4	8.5	11.4	10 June 2025
Bandhan Bank	–	8.7	12.8	8.7	12.8	Not available
Karnataka Bank	–	8.7	10.9	8.7	10.9	1 June 2025
ICICI Bank	–	8.8	9.7	8.8	9.8	7 June 2025
Axis Bank	–	8.8	9.7	9.1	9.7	Not available
Federal Bank	–	9.2	10.0	9.2	10.0	Not available

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 Samriddhi Yojana	8.2	250	1.5 lakh	One account per girl child	80C
Senior Citizens' Savings Scheme	8.2	1,000	30 lakh	5-year tenure, minimum age 60 yrs	80C
Public Provident Fund	7.1	500	1.5 lakh p.a.	15-year tenure, tax-free returns	80C
Kisan Vikas Patra	7.5	1,000	No limit	Can be encashed after 2.5 years	Nil
5-year NSC VIII Issue	7.7	1,000	No limit	No TDS	80C
Time deposit	6.9 - 7.5	1,000	No limit	Available in 1, 2, 3, and 5 years	80C#
Post Office Monthly Income Scheme	7.4	1,000	9 lakh (single)	5-year tenure; monthly returns	Nil
			15 lakh (joint)		Nil
Recurring Deposits	6.7	100	No limit	5-year tenure	Nil
Savings Account	4.0	500	No limit	₹10,000 interest tax free	Nil

Data as on 3 July 2025

#Benefit available only for 5-year deposit

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.

Gold (995) (₹)

71,937 3 JUL 2024 — 96,947 3 JUL 2025

PRICE OF 10 GM GOLD

Silver (₹)

89,698 3 JUL 2024 — 1,07,620 3 JUL 2025

PRICE OF 1 KG SILVER

Platinum

997 3 JUL 2024 — 1,375.5 3 JUL 2025

($/TROY OUNCE)

WTI Crude

83.6 3 JUL 2024 — 67.4 3 JUL 2025

($/BARREL)

CHANGE	Gold (995)	Silver	Platinum	WTI Crude
1 WEEK	0.2%	0.4%	-2.9%	3.3%
1 YEAR	34.8%	20%	38%	-19.4%

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)
Onesource Industries	3.5	5.5	**118.4**	2.8	109.3	179.3
Bisil Plast	1.7	1.8	**86.0**	0.7	217.6	93.5
Sellwin Traders	6.6	10.5	**67.8**	32.4	75.5	149.0
Thirani Projects	6.2	20.1	**54.4**	0.6	900.7	12.5
Pro Fin Capital Services	8.2	10.0	**50.8**	8.6	-23.3	261.4
iStreet Network	7.6	27.2	**46.9**	0.1	-53.7	16.2
Tijaria Polypipes	9.5	15.2	**45.6**	0.2	340.1	27.2
Mishtann Foods	7.1	11.3	**42.8**	52	138.3	755.7
Glittek Granites	7.7	15.9	**41.5**	0.6	666.0	20.1
Sylph Technologies	1.2	-10.5	**39.5**	32.1	520.6	101.7

Top price losers

STOCK	MARKET PRICE (₹)	1-WEEK (%) CHANGE	1-MTH (%) CHANGE	1-MONTH AVG VOL (LAKH)	1-MONTH AVG VOL CHG (%)	MKT CAP (₹ CR)
Sadhana Nitrochem	7.8	-22.5	**-63.0**	3.0	740.2	255.9
Quasar (I)	0.5	-18.2	**-42.3**	9.0	-94.2	21.7
Pulsar International	3.9	7.7	**-34.6**	3.3	21.2	27.9
Yamini Investment	1.1	3.7	**-34.1**	22.1	52.2	103.0
Remedium Lifecare	1.1	18.7	**-31.2**	174.1	1131.9	96.7
Sharanam Infraproject	0.3	-8.1	**-30.6**	212.2	209.3	20.4
GACM Technologies DVR	0.7	-32.4	**-28.1**	18.7	661.5	13.2
Vantage Knowledge Academy	7.7	-0.5	**-26.9**	3.0	165.3	262.3
IGC Industries	3.9	-3.2	**-24.7**	2.2	36.7	13.7
ARC Finance	1.0	-8.3	**-22.7**	199.9	116.4	90.0

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)
Ajcon Global Services	9.5	-9.2	25.3	0.3	**5,002.9**	58.3
Shangar Decor	0.6	-4.6	-4.6	175.9	**3,161.8**	30.4
Gujarat Lease Financing	6.4	-3.9	10.0	–	**3,020.0**	17.3
Future Lifestyle Fashions	2.0	15.1	13.1	0.6	**1,823.1**	40.0
Remedium Lifecare	1.1	18.7	-31.2	174.1	**1,131.9**	96.7
Mohite Industries	2.5	-9.2	-18	3.3	**1,005.5**	49.5
Thirani Projects	6.2	20.1	54.4	0.6	**900.7**	12.5
Padam Cotton Yarns	5.1	23.3	24.8	2.9	**892.9**	66.4
SIRL Financial Services	10.0	13.3	6.3	1.0	**844.7**	11.3
Mena Mani Industries	7.1	–	24.2	0.5	**835.4**	71.0

Top volume losers

STOCK	MARKET PRICE (₹)	1-WEEK (%) CHANGE	1-MTH (%) CHANGE	1-MTH AVG VOL (LAKH)	1-MONTH AVG VOL CHANGE (%)	MKT CAP (₹ CR)
Quasar (I)	0.5	-18.2	-42.3	9.0	**-94.2**	21.7
Harshil Agrotech	1.5	-0.7	-13.0	42.6	**-79.2**	104.6
Teamo Prodyction HQ	0.7	-4.0	-4.0	3.7	**-74.9**	62.9
Growington Ventures India	1.8	-7.7	-15.1	2.0	**-74.4**	115.6
Dish TV (I)	5.0	1.6	-17.4	1.8	**-68.7**	920.7
GV Films	0.4	5.7	5.7	56.1	**-66.3**	33.8
AGS Transact Technologies	5.4	17.0	-3.4	1.2	**-64.8**	69.0
Quadrant Televentures	0.4	–	25.7	18.5	**-63.7**	26.9
Achyut Healthcare	3.8	7.3	10.1	1.8	**-62.8**	89.5
Vakrangee	9.9	1.2	-2.3	2.6	**-62.2**	1,074.5

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 3 JUL 2025. ALL FIGURES ROUNDED TO ONE DECIMAL PLACE. **SOURCE:** ETIG DATABASE AND REUTERS-REFINITIV

Banking gets monetary policy boost, IT still lags

Welcome to TrendMap, your quick, visual guide to the performance of different investment segments. In this edition, we present an 11-year performance tracker of various domestic market sectors. The annual returns are ranked for nine key NSE sectoral indices. The map shows that no single sector reigns supreme, which is why diversification helps, says **Sameer Bhardwaj.**

THE ECONOMIC TIMES wealth

Rank	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025*
1	Pharma 9.5%	Metals 44.9%	Real Estate 101.0%	IT 24.9%	Real Estate 25.7%	Pharma 60.5%	Metals 69.4%	Metals 19.5%	Real Estate 79.6%	Pharma 38.9%	Banks 12.5%
2	FMCG 0.7%	Energy 19.5%	Metals 45.6%	FMCG 14.4%	Banks 17.4%	IT 54.2%	IT 58.2%	Banks 18.0%	Auto 47.0%	Real Estate 33.8%	Infra 11.2%
3	IT -0.03%	Auto 9.8%	Banks 42.1%	Banks 7.3%	Energy 10.9%	Metals 16.4%	Real Estate 53.0%	FMCG 17.5%	Infra 38.0%	Auto 22.8%	Metals 10.7%
4	Energy -0.5%	Banks 6.7%	Energy 38.2%	Energy 1.4%	IT 8.3%	FMCG 13.0%	Infra 34.7%	Auto 13.5%	Pharma 34.1%	IT 21.4%	Energy 3.0%
5	Auto -0.8%	FMCG 2.8%	Infra 32.9%	Pharma -7.8%	Infra 2.0%	Auto 12.0%	Energy 33.3%	Energy 13.2%	FMCG 29.0%	Infra 15.9%	Auto 2.96%
6	Infra -9.6%	Infra -2.9%	FMCG 29.7%	Infra -12.7%	FMCG -0.9%	Infra 11.9%	Auto 17.9%	Infra 4.8%	Energy 28.6%	Metals 8.1%	FMCG -4.4%
7	Banks -9.8%	Real Estate -6.0%	Auto 28.8%	Metals -19.5%	Pharma -9.5%	Energy 5.8%	Banks 13.6%	Pharma -11.0%	IT 23.6%	Banks 5.4%	Real Estate -5.4%
8	Real Estate -15.0%	IT -6.9%	IT 12.5%	Auto -22.3%	Auto -10.2%	Real Estate 5.4%	Pharma 9.4%	Real Estate -11.8%	Metals 15.8%	Energy 4.9%	Pharma -6.0%
9	Metals -32.2%	Pharma -14.3%	Pharma -6.7%	Real Estate -33.2%	Metals -10.7%	Banks -2.6%	FMCG 9.3%	IT -26.8%	Banks 11.8%	FMCG -0.9%	IT -10.5%

Source: ACE MF. *2025 data is year-to-date based on 1 July 2025 closing values. Other years' returns are calculated between the first and last trading day closing values.
Indices considered: Auto: Nifty Auto; Banks: Nifty Bank; Energy: Nifty Energy; FMCG: Nifty FMCG; Infra: Nifty Infrastructure; IT: Nifty IT; Metals: Nifty Metal; Pharma: Nifty Pharma; Real Estate: Nifty Realty.

your feedback & more...

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, 'No child's play', made for an informative read. It highlights the importance of balancing dreams with reality, and the necessary investments required to excel as an A class player. The need for a back-up plan underscores the critical aspect of strategic thinking. Over the past three years, my son has been receiving tennis coaching, making this article timely and relevant for us. Thank you *ET Wealth*.
Darshan Godbole

Poor parents' dilemma

The cover story, 'No child's play', talks about financial planning for parents who can afford a sports career for their kids, but poor parents of talented children are in a dilemma whether to encourage them to pursue it as a career or take it up only as a hobby. The paradox is that only when these kids win at the national or international level do they get sponsorships, that too in select sports like cricket, badminton or chess. Sportspersons also have a short career span and, once they retire, sponsorships dry up.
Hemanth D. Pai

Apropos of the cover story, I feel there is no shortage of young, talented sportspersons in our country. The only problem is finding and honing them. Of course, paucity of funds to get them trained, particularly by the right coaches, is another deterrent. The government should create a pool of budding sportspersons in different games, provide world-class training, and bear all expenses to help them participate in international tournaments, not leave them to search for sponsors. The Tamil Nadu government deserves appreciation in this regard for providing coaching to sportspersons, meeting their travel costs and awarding huge cash prizes to winners of global tournaments. The world records set by young Tamil Nadu grandmasters in chess are a case in the point.
Tharcius S. Fernando

In her column, 'Financial freedom comes at a cost', Uma Shashikant has elucidated an important, though not a widely discussed, issue. For a retiree like me, financial freedom means having enough savings, reasonable investments, and a regular income in a way that the corpus is protected while maintaining liquidity. There is nothing like passive income because it too has to work, whether it is dividends, rental income, annuities or royalty. Being mortgage-free and debt-free, with minimal fixed expenses and sufficient medical cover, reduces stress, an essential ingredient for a happy retired life. If one has the freedom to travel, pursue hobbies, or volunteer without financial worries, it is a bonus.
Mani Bhushan

I truly appreciate the consistently insightful articles by Uma Shashikant. These are not just informative, but deeply educative and practical. 'Financial freedom comes at a cost' is yet another outstanding piece that highlights the reality faced by Indian retirees and the importance of making conscious, inflation-adjusted financial decisions. This article should be read by the young generation that has just started earning as early awareness about income protection, inflation-beating savings and disciplined retirement planning is the need of the hour. I hope that such impactful articles by the columnist will continue in the future.
Vivek G. Laghate

Please send your feedback to
etwealth@timesofindia.com

BACK TO BASICS

What's factor investing?

If you are confused by personal finance terms, jargon and calculations, here's a series to simplify and deconstruct these for you. In the 58th part of this series, **Riju Mehta** explains the working of factor-based investing strategy.

Factor-based investing

Investors use various strategies to maximise returns from stocks depending on the market performance and personal preferences or investing styles. One such strategy is factor-based investing.

In the 1960s, researchers introduced the capital asset pricing model, which defined the relationship between market risk and returns. This led to the evolution of a new investment strategy called 'factor investing', which took into account market risk, or beta, as an important factor impacting the returns of a security.

This strategy focuses on specific attributes or characteristics that drive the returns and risks of a security. Since the strategy is based on research and data, it removes emotional biases or guess work and leads to informed decision-making while picking stocks.

Types of factors

There are various types of factors that are considered while picking securities. These include the following:

Value: This involves discovering undervalued companies with potential to offer high returns. Stocks are evaluated on metrics like price-to-earnings, price-to-book value ratio, etc.

Size: This involves looking for smaller companies because they have the potential to offer higher returns than large-cap stocks.

Momentum: This strategy considers stocks that have displayed good performance and high returns, and are likely to continue doing so.

Quality: It focuses on picking companies with good financial health reflected in low debt and consistent, stable returns.

Volatility: Here, one looks at stocks that have the ability to weather market volatility and offer consistent returns.

Single- or multi-factor: Factor-based investing can be done with either a single factor or multiple factors, depending on the fund house's strategy.

Benefits

This strategy is geared to deliver higher returns, reduce risk, provide diversification, increase transparency and introduce objectivity while picking stocks as it helps eliminate emotional and personal prejudices.

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Policy tailwinds to boost NBFC stocks

P14

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Q&A

I'm a 37-year-old homemaker and my portfolio comprises mutual funds worth ₹10 lakh, government bonds worth ₹65 lakh maturing in phases till 2030, and ₹8 lakh invested via Paytm Money. My mother has invested in my name in a ₹10 lakh LIC single premium plan, an ₹8 lakh Jeevan Shanti policy, and a ₹20 lakh regular LIC policy. I also have two SIPs of ₹2,000 each. In June, I'll receive ₹5 lakh from a maturing government bond. Please suggest suitable investment options for generating a steady monthly income with this amount. I also plan to start working soon with a salary of ₹35,000-40,000 per month. How can I optimise my current investments and future income?

As a first step, check if you need so many traditional insurance policies. If you have paid the premium for a minimum period and can stop (in case of annual premiums) or surrender these plans, please do so now. For life insurance, you should have a pure protection term policy. Invest in mutual funds through simple equity index funds, such as the Nifty 50 and Nifty Midcap 150. Use RBI Floating Rate bonds and bank deposits for income needs. The other bonds are fine for a safe income flow.

Vidya Bala
Co-Founder, PrimeInvestor.in

I am 36 years old and live with my wife (36) and mother. We do not own any property. Our current net worth is ₹1 crore and the portfolio comprises the EPF, PPF and other investments. Our combined gross CTC is ₹26 lakh per year and annual expenses amount to ₹8.5 lakh. What should our net worth be by the age of 41 in order to achieve financial freedom?

Financial freedom means having enough income and savings to comfortably cover all living expenses without relying on the next pay cheque. It's commendable that you've been mindful of your household spending. The corpus required to achieve financial freedom depends on several variables, and any change, especially in expected returns, can significantly impact the target amount. Considering the future uncertainty around taxes, inflation and interest rates, it's prudent to assume both inflation and returns to be 6%.

Based on a life expectancy of 90 years, you would need to build a corpus of ₹5.5 crore by the age of 41 to sustain yourself financially for the following 49 years. The exact investment amount required to reach this goal will depend on your choice of financial products. Your current holdings, EPF and PPF, are good, low-risk instruments, but it's advisable to allocate a portion of your portfolio to equity mutual funds as well. Also maintain a separate emergency fund and secure a comprehensive health insurance policy.

Prableen Bajpai
Founder, FinFix Research and Analytics

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

My father is retiring in September this year with a retirement corpus of ₹50 lakh. We are looking to invest this amount to generate a steady monthly income for his routine expenses. While our target is an annual return of 15-20%, we are risk-averse and prefer low to moderate risk instruments. Could you suggest suitable options?

Given that your father is approaching retirement, and the fact that he is risk-averse, it is advisable to target a balanced strategy that protects capital, generates steady income, and takes controlled risks to optimally increase returns. Assuming there is no other income source (pension, rental, etc.), here's how you can address the blended requirement of safety, regular income, liquidity and growth.

- Invest ₹25 lakh in the Senior Citizens' Savings Scheme (SCSS). At 8.2% per anum, it will generate ₹2.05 lakh in annual interest income (paid quarterly).
- Put ₹10 lakh in the RBI Floating Rate bonds at 8.05%. This will generate about ₹81,000 annually (paid in parts half yearly).
- Invest ₹5 lakh in bank fixed deposits at around 7.25%. This will generate ₹36,000-37,000 annually. This can also act as a source of immediate liquidity and emergency fund when a large amount is needed unexpectedly. Alternatives might be higher return options like corporate fixed deposits (8-10%), but these carry credit risk and, hence, are not suited to your father's risk-averse profile.
- Invest ₹3-5 lakh in conservative hybrid (or debt funds). This can be used to start a systematic withdrawal plan (SWP) if additional regular income is needed in a tax-efficient manner.
- Put the remaining ₹5-7 lakh in flexi-cap/ aggressive hybrid funds. This is not for immediate consumption, but to beat inflation over time. Be willing to wait for 5-7 years to allow this to deliver decent returns and stagger the deployment over six months to average out. Have your father's portfolio reviewed by an investment adviser every 1-2 years to ensure the strategy's relevance over time.

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

I'm a 26-year-old government employee without any dependants. I can save ₹30,000 per month. Where should I invest to keep my money safe?

Since you are young, with nearly 34 years of working life left till you retire at 60, I suggest you take risk and invest in equity mutual funds in order to create wealth.

You can either consider investing in well-diversified equity funds or create a portfolio mix of large-cap, mid-cap and small-cap funds of different styles. If you are unable to pick the right funds, you can simply invest in the Nifty 500 Index Fund. To give you an estimate, assuming a 12% CAGR return in equity for 34 years, ₹30,000 invested per month via the SIP route shall help you build a pre-tax corpus of ₹17.25 crore.

As and when your salary increases, increasing your SIPs by 5% annually could help you accumulate around ₹26.36 crore (pre-tax). Equity as an asset class is volatile, but if you remain disciplined and invest in it for the long term, risk can be minimised. Equity is the only asset class that will help you beat inflation comfortably.

Rushabh Desai
Founder, Rupee With Rushabh Investment Services

Is it possible to file an income tax return (ITR) for a deceased family member (mother or father) and claim a refund for tax deducted at source (TDS) on income received in the same financial year? If yes, are there any specific procedures to follow or prior intimation to be submitted to the Income Tax Department?

Yes, it is possible to file an income tax return for a deceased family member and claim a refund for TDS on income received in the same financial year. Under Section 159 of the Income Tax Act, 1961, the legal heir is responsible for filing the return on behalf of the deceased. The legal heir must register as a representative assessee on the income tax e-filing portal.

This involves logging into their own e-filing account, navigating to 'My account', then 'Register as representative', go to 'New request', select 'Deceased (legal heir)', and provide the necessary information and documents. Once the Income Tax Department approves the registration, the ITR can be filed. Any eligible TDS refund will then be credited to the legal heir's bank account, which must be registered on the e-filing portal.

Amit Maheshwari
Tax Partner, AKM Global

Please send your feedback to
etwealth@timesofindia.com