



RESILIENT AND RISING

India stays
resilient amid
global turmoil,
poised for 6%+
GDP growth in
FY26

Beyond Market

it's simplified...

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A Surprisingly Bold Move

In a game-changing move, the MPC slashed the repo rate by 50 bps to boost consumption and investment, giving a fresh push to GDP growth - Page 9

The Big Moo-ve

The dairy industry is reinventing itself – milking consumer cravings and tech waves for richer returns - Page 19

The Tipping Point

The Supreme Court's C verdict quashing BPSL sale to JSW Steel exposes glaring gaps, but proposed reforms show government's attempts at a reboot - Page 22

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HOLDING GROUND

Tushita Nigam
Editor

Of late, almost every news item seems to carry negative and disturbing updates – whether it is nature’s wrath, the fury of mankind, or the shadow of ongoing wars across the globe. While the world grapples with a host of challenges, India is not entirely immune. Yet, it is holding strong. Read the cover story to understand how a resilient Indian economy is standing the test of time while continuing to grow.

To reinforce the insights shared in the cover story, we recommend reading the two accompanying articles. One focuses on the recent announcements by the RBI’s Monetary Policy Committee, while the other highlights India’s steady progress towards becoming the world’s third-largest economy by GDP growth in the coming years, as projected by the IMF and other international agencies.

Moving on, you will also find articles covering a range of topics: the rise in capital expenditure across public and private sectors; reinventions and upgrades in the dairy industry; the government’s attempt to reboot the Insolvency and Bankruptcy Code (IBC); and the mandated Business Responsibility and Sustainability Reporting (BRSR) by listed companies, reaffirming their commitment to environmental, social, and governance (ESG) values. We have also explored the evolving fitness industry and examined how YouTube is emerging as a preferred platform for film releases.

Be sure to read about Index funds - an often overlooked but potentially valuable addition to your investment portfolio - in the Beyond Basics section.

Finally, take a deep dive into ‘100 to 1 in the Stock Market’ by renowned investor, analyst, and financial advisor Thomas W. Phelps to discover how time, patience, and the right investments can transform pennies into fortunes.

“In the coming days, Nifty Futures is likely to touch 26,450 level.”

Nifty Futures: 25,550

(Last Traded Price As On 26th Jun '25)



The Reserve Bank of India (RBI) recently reduced interest rates by 50 basis points and the Cash Reserve Ratio (CRR) by 100 basis points at its policy meeting. These measures are expected to lower borrowing costs for both corporates and consumers, while also improving overall liquidity in the financial system.

Meanwhile, the ceasefire announced between Iran and Iraq is likely to ease geopolitical tensions in the Middle East.

In the coming days, Nifty Futures has support at 25,300 and 25,100 levels. On the upper side, it is likely to touch 26,450 level.

Investors should also monitor ongoing tariff negotiations between the United States and other countries. In addition to this, keep an eye on the Q1 FY26 earnings results of Indian companies, which could offer key insights into market trends.

Dhruv Bhat

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ars seem to be erupting globally, and once they begin, they show little sign of abating, let alone ending. Two prime examples of this are the Russia-Ukraine war, which began in February '22 and is still ongoing, and the Israeli military action against Hamas terrorists in Gaza since 7th Oct '23.

In early May, another bloody clash occurred on the Asian subcontinent. Old foes India and Pakistan locked horns, though fortunately it was a short-lived, three-day war before a 'pause' came into effect. According to India, there is no ceasefire in place, which means India reserves the right to attack and destroy Pakistani-built terrorist infrastructure at a time of its choosing.

Now, a month later in mid-June, another war - perhaps the most dangerous of all - has broken out and, at the time of writing, threatens to engulf the entire Middle East in a deadly conflagration. Israel has struck Iran's nuclear assets, and so has the United States. In retaliation, Iran has bombarded Israel with ballistic missiles as well as US military bases in Qatar, UAE and Iraq. It has also threatened to drag other countries into the conflict.

The global economy, already weak, has suffered further due to these wars. Supply lines are beginning to choke, and shortages of many products, along with price rises, are increasingly beginning to scar several countries.

The Israel-Iran conflict could spiral uncontrollably into something the world deeply wishes to avoid. Iran could shut down the Gulf of Hormuz, while the Houthis may attack shipping in the Red Sea. In the worst-case scenario, Iran could disrupt oil assets in Saudi, Oman, and the UAE.

There is already fear of oil prices spiking. Some analysts predict prices could reach US \$120 per barrel over the next few weeks if the geopolitical situation worsens. If the Houthis succeed in paralyzing the Suez Canal route, the global economy could face a serious downturn.

Russia and Israel appear to have gained the upper hand in their respective conflicts - Russia against Ukraine, and Israel against Hamas. Israel has also inflicted tremendous damage on Iran.

However, all these wars are far from over, which spells bad news for the global economy.

On the subcontinent, the brief war between India and Pakistan ended in just three days. While Pakistan suffered devastating blows, India largely escaped unscathed. The Indian economy has exhibited admirable resilience and is expected to clock over 6% GDP growth in the current fiscal year (FY26).

Currently the world's fifth-largest economy, India is well on its way to becoming the fourth largest. Pakistan's economy, on the other hand, is in disarray, and its political leadership lacks strategic foresight. India, aiming for rapid economic growth, seeks cordial relations with all its neighbours. Persistent tensions between India and Pakistan could cast a shadow over both economies - something India would prefer to avoid.

While geopolitics and global developments will undoubtedly impact domestic economies worldwide, several positive developments in India are worth noting. Though not directly connected to each other, they highlight various aspects of India's expanding economy and are therefore worth focusing on.

Despite global instability, India is still projected to achieve GDP growth exceeding 6% in FY26. Reputed international and domestic agencies, including the Reserve Bank of India (RBI), have forecasted GDP growth in the range of 6.2% to 6.5%. Even if growth remains at the lower end

(6.2%), it would still be a heartening performance. Inflation is currently under control, and if oil prices do not spiral, this will be a further boon for the Indian economy. Headline inflation could average around 3.5% in the second half of 2025, with specific quarterly estimates at 3.4% and 3.6%.

Food inflation, a particularly sensitive issue in India, is also under control. With a normal monsoon forecasted, there is little cause for concern in this regard.

Importantly, as food inflation trends downward, the spending power of rural and lower-income groups is likely to increase. These groups will also benefit from fiscal transfers at the state level. Their higher spending could perk up consumption.

This rise in rural spending may positively impact segments such as two-wheelers, tractors, electronics (TVs, microwaves, air-conditioners, washing machines), textiles, and gold and jewellery, among others, enabling them to post healthy financials.

However, much depends on geopolitical developments and the ongoing wars in different parts of the world, especially the unfolding Israel-Iran war, which could push up oil prices quite steeply. India must, therefore, remain vigilant and closely monitor global events and geopolitical developments.

Amidst this international gloom, India has made impressive progress in poverty

alleviation. According to recent World Bank data, the country's extreme poverty rate slid southward to just 5.3% in 2022-23, down from 27.1% in 2011-12.

Since 2014, Prime Minister Narendra Modi has led the country, winning three consecutive elections (2014, 2019, and 2024). During the period from 2011-12 to 2022-23, the number of people living in extreme poverty plummeted from 344.47 million to about 75.24 million, a decline of 269 million individuals.

Five states - Uttar Pradesh, Maharashtra, Bihar, West Bengal, and Madhya Pradesh - which accounted for 65% of India's extreme poor in 2011-12, contributed to two-thirds of the overall reduction by 2022-23.

This reduction is based on the international poverty line of USD 3/day (2021 prices) and reflects a broad-based improvement across both rural and urban areas.

India has also seen a sharp drop in multi-dimensional poverty. The Multi-dimensional Poverty Index (MPI) fell from 53.8% in 2005-06 to 16.4% in 2019-21, and further slid to 15.5% in 2022-23, according to the World Bank data.

Another promising development was recently announced by Union Minister of Petroleum and Natural Gas, Hardeep Puri. He revealed that India might possess oil reserves in the Andaman region in the Bay of Bengal comparable to those of

Guyana, a major oil-rich nation in South America. Puri noted that while India has 3.5 million sq km of sedimentary basin, only 8% has been explored so far. The government has now made one million sq km available for exploration and production (E&P), intensifying efforts to boost domestic fossil-based energy production.

India currently imports 80% of its oil and 50% of its natural gas requirements. A discovery of even 5 billion barrels of oil could be a game-changer. Puri optimistically estimated that India's sedimentary basins could hold up to 42 billion tonnes of oil and gas.

However, it must be noted that deep-sea extraction is capital-intensive and time-consuming. Even in a best-case scenario, it could take close to a decade to begin production. Nevertheless, the potential is a highly encouraging sign for India's energy future.

Further good news includes robust GST collections in the last few months, strong foreign exchange reserves, and a stable government committed to focused policy-making - all of which augur well for India.

India is poised for healthy economic growth this fiscal, driven by strong fundamentals and business-friendly policies. For now, India remains relatively insulated from the adverse effects of global geopolitical turmoil. Barring unforeseen shocks, the anticipated GDP growth of over 6% appears eminently achievable for India in FY26.

A SURPRISINGLY BOLD MOVE

In a game-changing move, the MPC slashed the repo rate by 50 bps to boost consumption and investment, giving a fresh push to GDP growth





The six-member Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) cut the policy repurchase rate (repo rate) by 50 basis points in its June review. While a rate cut was largely expected, the quantum of the rate cut came as a surprise. All financial markets cheered the larger-than-expected repo rate cut by the MPC.

The repo rate now stands at 5.5%. Cumulatively, the MPC has reduced the policy repo rate by 100 basis points in quick succession since February '25.

The repo rate is the interest rate at which banks borrow from the RBI during times of liquidity crunch in exchange for government securities as collateral. This repo rate acts as a benchmark and influences other interest rates in the economy like banks' lending and deposit rates, corporate bonds, government bonds, etc.

Following the repo rate cut, commercial banks in the country are expected to lower interest rates, both on deposits and lending. Lower lending rates will eventually lead to credit growth in the economy. However, the rate transmission happens with a lag. To save margins, banks typically cut deposit rates ahead of lowering their lending rates.

This time around, leading banks like the State Bank of India (SBI), HDFC Bank and ICICI Bank have already announced cuts in interest rates on their deposits. Other banks are expected to follow suit.

What about the transmission of rates from the previous rate cuts? In a note, ratings agency Crisil has said, since the rate cut in February '25, deposit rates have decreased by 15 basis points on average till May; home loan rates by 30 basis points and automobile loan rates by 20 basis points.

So, complete rate transmission is yet to happen. Significantly, what enables a quicker transmission of rates is the level of surplus liquidity in the system.

CRR CUT IN ADVANCE

It is here that the RBI has thrown one more surprise in its

monetary policy. The RBI has also announced a phased 100 basis points cut in the Cash Reserve Ratio (CRR) from the current 4%. CRR cuts will take place in four tranches of 25 basis points each on 6th September, 4th October, 1st November, and 29th November this year.

The Cash Reserve Ratio cut will add liquidity to the banking system. This should ensure smoother monetary policy transmission, supporting credit growth.

CRR is an interesting tool with the RBI to ensure rate transmission by banks. CRR is the percentage of cash that banks are required to keep in reserves with the RBI as against the bank's total deposits.

CRR ensures security for deposits in case of any emergencies. Banks, however, don't earn any interest on that money.

During times of low inflation and low economic growth, the RBI lowers the CRR rate, thereby leaving banks with more surplus, which, in turn, can be used for more lending. This helps pump funds into the system and boost economic activities.

On the other hand, if the RBI is worried about high inflation, it raises CRR thereby absorbing the surplus from the system. As a result, economic activities take a hit.

This time around, a phased 100 basis cut in the CRR is expected to inject about ₹2.5 lakh crore of liquidity into the

system by December '25.

To inform, banking liquidity, after remaining in deficit mode since mid-December, had turned into surplus by late March.

Since January, the central bank has injected ₹9.5 lakh crore of liquidity into the banking system mostly by buying bonds from the open market.

What would also help system liquidity is the RBI's record dividend transfer of ₹2.7 lakh crore to the government.

As of 5th June, the liquidity surplus stood at a comfortable ₹3 lakh crore. In short, the sharp increase in liquidity post the CRR cut in phases will further facilitate easing of interest rates.

But why did the RBI announce CRR cuts in advance? To point out, the six-member MPC has no say in CRR. It is a liquidity management tool with the RBI.

In the past, many announcements towards CRR were made alongside tweaking in repo rates.

But, this time around measures towards CRR were made separately under its liquidity management branch.

By announcing CRR cuts well in advance, the RBI has sent across a message that it firmly expects inflation to fall in the near term.

Consequently, the central bank wants to support economic growth. The messaging is for the commercial banks to lower

lending rates sooner than later.

THE OUTLOOK

One key takeaway from the June monetary policy is that the MPC expects CPI inflation to be comfortably below 4%.

And in a way this expectation is validated by the latest CPI print. It is the mandate given to the MPC to achieve the medium-term target for consumer price index (CPI) inflation of 4% within a band of +/- 2%, while at the same time support economic growth.

The CPI inflation has eased to 2.8% in May (the data came after the announcement). This is the lowest reading since February '19. CPI inflation eased to 3.2% in April.

In May, it was the fourth consecutive month when inflation has remained below the 4% mark.

The RBI has revised its CPI inflation forecast for fiscal year 2025-26 down to 3.7% from 4.0%, reflecting growing confidence that inflation is under control.

On the GDP growth front, the RBI has kept its fiscal year 2025-26 GDP growth projection unchanged at 6.5%.

So, what will transpire in subsequent policy meetings? It is widely expected that there could be some pause in rate cuts.

The MPC has changed the policy stance to 'neutral' from 'accommodative,' signalling limited room for further

easing.

The MPC has a practice of announcing what it calls as policy stance. This comes along with the main decision on repo rate.

Neutral, accommodative or tightening are some of the stances that the central bank takes. It shows the direction of the upcoming MPC reviews.

MPC's neutral stance indicates a pause, while it carefully assesses the incoming data and the evolving outlook on inflation and growth.

With CPI inflation well below the 4% mark and hopes of good monsoons and harvest, some experts think that CPI inflation could undershoot the RBI's estimate, leaving scope for a further 25 or 50 basis points cut in repo rate in the ongoing fiscal year.

The rate cuts could be higher if geopolitical or crude oil risks emerge for economic growth.

IN A NUTSHELL

In summary, the MPC seems to have front loaded its rate cuts in June to support economic growth, signalling that there could be some pause in the near term.

The Monetary Policy Committee's recent rate cuts are expected to stimulate consumption and investment in the economy.

The central bank would closely watch data on inflation and growth in the future. The next meeting of the MPC is due for August this year.



THE PUSH AND PULL OF INDIA'S ECONOMIC RISE

Led by reform, demographics, and digital ambition, India edges towards global prominence - challenged by the need for inclusive, sustainable growth

India is poised to become the third-largest economy in the world by 2027–28, surpassing Japan and Germany in nominal GDP. This milestone is symbolic and reflects a structural shift in the global economic order. With its expanding population, rapidly growing domestic market, strong digital infrastructure, and economic reforms, India stands at a critical inflexion point. According to the IMF and other institutions, its GDP is projected to reach \$5.2 trillion by FY27–28, up from \$4.27 trillion in 2025.

Strong fundamentals underpin this projected growth. In FY23–24, India posted a real GDP growth rate of 8.2%, one of the highest among major economies. Although this is expected to moderate to 6.5% in FY24–25, quarterly indicators remain strong - Q4 FY24 alone saw a 7.4% jump, driven primarily by rural demand and a resilient farm sector.

The World Bank and IMF project India's growth to stabilize at around 6.2%–6.3% through 2026. These figures make India a regional powerhouse and a vital contributor to global growth, accounting for nearly 16% of global economic expansion in 2023.

India's economic ascent can be traced to a blend of policy reform, domestic demand, and external tailwinds. The economic liberalization of the 1990s set the stage. Still, it is the reforms of the last decade - such as the Goods and Services Tax (GST), digital identification (Aadhaar), the Unified Payments Interface (UPI), and the Make in India initiative - that have accelerated the country's progress. These policy instruments have expanded the tax base, improved governance, enhanced ease of doing business, and empowered millions through financial inclusion.

One of India's standout advantages is its demographic dividend. With a median age of under 29 (years) and over 900 million people in the working-age bracket, India has the potential to power global labour markets for decades. Unlike ageing societies in the West and East Asia, India's population is still expanding and urbanizing. This opens up opportunities for increased consumption, a rising middle class, and a burgeoning services sector. India has overtaken China as the most populous country in the world - a title that brings not just size but also enormous economic potential.

Digital transformation has also played a transformative role. India's tech sector, especially IT-BPM services, now exports over \$254 billion annually, and domestic revenue has reached \$51 billion. The government-backed digital public infrastructure - like UPI, DigiLocker, and ONDC - is revolutionizing payments, retail, and access to welfare schemes. India is also fast emerging as a hub for AI, with the sector expected to be worth \$17 billion by 2027.

The government's push on infrastructure development has been equally ambitious. Under the PM-Gati Shakti National Master Plan, over \$1.2 trillion is invested in roads, railways, industrial corridors, ports, and digital infrastructure. These investments reduce logistical costs, boost connectivity, and spur manufacturing.

The goal is to transform India from a consumption-led economy into one that's also export- and production-driven. Industrial corridors like Delhi-Mumbai and Bengaluru-Chennai are expected to become key nodes of global value chains.

India's geographic and geopolitical position is another strategic asset. As global firms look to diversify away from China, a trend often referred to as "China +1" - India is becoming a preferred alternative, particularly for electronics, pharmaceuticals, and textiles. Apple, for instance, is ramping up iPhone manufacturing in India. Trade agreements with countries like Australia, the UAE, and the UK are being negotiated to

increase market access and deepen global integration.

Yet, alongside these impressive strides, India faces formidable challenges. Unemployment and underemployment remain persistent problems. The country's youth unemployment rate is in double digits, and the informal sector still dominates employment. This raises questions about the quality and inclusiveness of growth. A graduate degree no longer guarantees a job, and regional disparities in job creation are stark. States like Maharashtra and Gujarat fare better than others like Bihar and Jharkhand.

Despite high macro-level investment, private sector participation remains lukewarm in some areas. While public investment has surged, private capital expenditure is lagging, partly due to concerns over bureaucratic delays, regulatory inconsistencies, and land acquisition hurdles.

Although India has improved its ranking in the World Bank's Ease of Doing Business index, a lot needs to be done to make business operations smoother, faster, and more transparent.

India's per capita income tells a more nuanced story. In nominal terms, it is projected at just \$2,936 in 2025, compared to \$13,000 in China and over \$85,000 in the United States. Even in PPP terms, India's per capita income is \$11,938, highlighting the gap in individual prosperity. This is a key challenge: ensuring that

macroeconomic growth translates into higher living standards for ordinary Indians.

Climate and environmental sustainability also pose major risks. India is among the countries that are most vulnerable to climate change. The impact is already visible, from heatwaves in Delhi to floods in Chennai and landslides in Himachal Pradesh.

As the country pushes for industrial growth, it must balance this with a transition to clean energy. The government has set a target of 450 GW of non-fossil fuel capacity by 2030, but achieving this requires heavy investment, technology transfer, and regulatory clarity.

Global economic headwinds could also affect India's momentum. A potential slowdown in the US or Euro zone, rising oil prices, supply chain disruptions, or heightened geopolitical tensions could impact exports, currency stability, and capital flows.

Recently, the Reserve Bank of India took a precautionary step by cutting the repo rate by 50 basis points and reducing the cash reserve ratio (CRR) by 100 basis points, injecting liquidity worth ₹2.5 trillion into the economy. These moves signal cautious optimism amid an unpredictable global environment.

To sustain its upward trajectory, India must act on several fronts. First, it must expand formal sector jobs

through labour-intensive manufacturing, MSME support, and targeted skilling programmes. Second, it should deepen structural reforms, particularly in land, labour, and judicial efficiency. Third, education and healthcare must be improved to unlock long-term productivity. Fourth, sustainability must be embedded into every growth model - from green cities to electric mobility to climate-resilient agriculture.

India's federal structure also means states must become co-architects of national growth. Progressive states like Tamil Nadu, Karnataka, and Telangana are already attracting FDI and fostering innovation. However, a more even industrial and social development spread across eastern and northern states is vital for truly inclusive growth.

India's march toward becoming the world's third-largest economy is credible and commendable. The country has weathered multiple global storms - financial crises, pandemics, geopolitical shifts - and emerged stronger.

The fundamentals are strong, the ambition is clear, and the opportunity is real. But sustaining this momentum requires visionary policymaking, efficient governance, inclusive growth, and responsible innovation. If these pieces fall into place, India's rise will not just reshape global rankings. It will redefine what a modern, resilient, and equitable economy can look like.



A CAPEX RESURGENCE

Record capex, strategic alignment, and private sector momentum are redefining the growth trajectory as a structural upcycle

India's growth story is entering a transformative phase, fuelled by a sharp resurgence in capital expenditure (capex) from both the public and private sectors. Recent data for the March '25 quarter and full fiscal year FY25 reveals a historic surge in investment activity - ₹19.8 lakh crore in new projects were announced in Q4 FY25 alone, the highest in at least six years. Not only has central government capital expenditure reached unprecedented levels, but private sector spending has also quietly built up a robust base.

Central Government's Capex Surge: Intent Meets Execution

The government's capex trajectory between FY21 and FY25 has been exceptional, with spending growing at a compound annual growth rate (CAGR) of 24.3%. In absolute terms, capital spending rose from ₹4.26 lakh crore in FY21 to ₹10.5 lakh crore in FY25 - a remarkable scale-up in just five years.

What's critical here is not just the quantum but also the timing and distribution. FY25's capex significantly accelerated in the second half (2HFY25), with spending up 39% year-on-year (y-o-y) to ₹6.4 lakh crore. This reflects a focused fiscal push as election-related uncertainty faded and economic signals turned more favourable. Notably, in March '25 alone, the central government's capital outlay soared to ₹2.4 lakh crore - its highest ever for a single month.

The major contributors - Ministry of Road Transport and Highways (27.1%), Railways (23.9%), and Defence (16.2%) - reflect a strategic prioritization of infrastructure, logistics, and national security. Although their share in total spending fell slightly (from 70.7% in FY24 to 67.3% in FY25), the absolute increase reflects a diversification of capex into new sectors.

The budget estimate for FY26 stands at ₹11.2 lakh crore, a modest 6.6% y-o-y increase. Though this indicates a potential slowdown in growth momentum, front-loaded spending in April '25 (₹1.6 lakh crore, up 61% y-o-y) suggests the government is aiming for early execution, minimizing the usual year-end rush.

The policy commitment to infrastructure-led growth is clear, supported by the National Infrastructure Pipeline (NIP), Gati Shakti platform, and budgetary prioritization. Moreover, the

fiscal discipline goal - reducing the deficit to 4.4% of GDP - signals confidence in balancing growth and sustainability, which could keep borrowing costs in check.

State Capex: The Awakening Giants

Historically, state capex has been perceived as a laggard compared to central government spending, growing at a modest CAGR of 11.9% during FY21-FY25E. However, recent data points to a significant positive shift. Based on provisional data from 20 states, total capital spending by all states witnessed a three-year high growth rate of 22% y-o-y in FY25, accelerating from 21.2% in FY24 and 16.6% in FY23.

This impressive acceleration resulted in total state capital spending reaching ₹9.9 trillion in FY25, up from ₹8.1 trillion in FY24. For FY26, this momentum is projected to continue, with a budgeted ₹11.4 trillion (14.9% y-o-y increase).

The significance of this increased state participation cannot be overstated. As a percentage of GDP, total capital spending by all states stood at 3% in FY25 (up from 2.7% in FY24), marking the highest level in eight years, and is budgeted to further increase to 3.1% of GDP in FY26. This upward trend suggests a greater fiscal devolution and an enhanced capacity among states to undertake their own development projects.

States such as Uttar Pradesh,

Maharashtra, Madhya Pradesh, Tamil Nadu, Gujarat, and Odisha have been notable contributors to this growth, indicating a geographical broadening of the investment push.

Private Sector: A Resilient And Broad-Based Contribution

Contrary to a widespread belief that private capex has been subdued, the data reveals a surprisingly robust growth trajectory. Private capex has reported a healthy CAGR of 19.8% from FY21 to FY25E. A key insight from this period is that this robust private investment was largely financed by strong internal cash flows from operations, thereby limiting the need for traditional bank credit. This self-financing capability reflects the improved profitability and financial health of India Inc. in the post-Covid era.

An analysis of the capex of top 250 listed private companies further substantiates this trend. Their capital expenditure grew from ₹4,833 billion in FY21 to ₹8,426 billion in FY24, and is estimated to rise further to ₹9,951 billion in FY25E, maintaining a strong CAGR of 19.8%. The sectors driving this growth are diverse, including Oil & Gas, Power, Auto, and Commodities. This indicates a broad-based investment across foundational and manufacturing sectors.

Furthermore, the private capex cycle is being supported by targeted government incentives such as the Production-Linked Incentive

(PLI) schemes, which have spurred manufacturing investments across industries.

The booming residential real estate sector also contributes significantly to private investment. A notable trend in FY25 is the substantial commitment to the Chemicals sector, including green hydrogen and green ammonia projects, which accounted for 9% of private sector project announcements, signaling a clear shift towards green and sustainable industrial growth.

The reason behind this private sector buoyancy is manifold: companies are utilizing cash reserves accumulated during the Covid years, buoyed by improving economic indicators and a positive outlook.

Global investor summits have also played a role in attracting new projects, as seen in the March '25 quarter's record announcements, many of which were from the private sector. The portion of new announcements (almost ₹9 lakh crore) mainly in the electricity sector, particularly renewables, highlights both the investment potential and the alignment with global sustainability goals.

Key Sectors Driving Private Capex

Oil & Gas and Power: Structural energy transition goals and energy security imperatives.

Automobiles: Shift to electric mobility and product innovation.

Commodities: Rising global

demand and capacity expansions.

Chemicals And Green

Hydrogen: Beneficiaries of the Production Linked Incentive (PLI) scheme.

The ₹9 lakh crore in announcements for the electricity sector, particularly renewable energy, signals alignment with India's 2070 net-zero target. Corporate India is embracing the green transition, not just due to global pressure, but because it is increasingly profitable.

Policy Support: The Engine Behind The Momentum

Fiscal Policy: The central government's medium-term fiscal consolidation roadmap has allowed for sustained capex growth without market disruption. Additionally, capital expenditure by the Centre has been prioritized over revenue expenditure in successive budgets.

Monetary Policy: The RBI's recent 50-bps repo rate cut and a 100-bps CRR reduction signal accommodative intent. This boosts liquidity and lowers the cost of capital, creating a supportive environment for capex-intensive projects.

Incentive Schemes: The PLI scheme has emerged as a major driver of private manufacturing capex. From electronics to specialty steel, it provides targeted support in sectors with potential for global competitiveness.

Ease Of Doing Business: Digitalization of government approvals, improved land

records, and simplified labour codes have incrementally reduced the cost and risk of investing in India.

Why This Investment Boom Matters Now

India is at a demographic and developmental crossroads. With a median age of 29 and urbanization rising, capex-driven growth can:

- Create high-quality jobs across construction, engineering, manufacturing, and logistics
- Lift productivity by reducing infrastructure bottlenecks and enabling faster, cheaper movement of goods
- Accelerate the energy transition, especially through renewable energy capex

• Crowd in FDI and global supply chains, particularly in sectors like electronics, EVs, and semiconductors

Moreover, capex multipliers are higher than revenue expenditure. Estimates suggest ₹1 of capex can generate ₹2.5-₹3.5 in economic output over time. This creates a virtuous cycle of income, demand, and tax revenue.

Unlike consumption-led booms which are often inflationary and debt-fueled, capex-led booms lay the foundation for long-term economic transformation. This is critical for India to break into the \$5 trillion economy club with sustainable growth.

IN A NUTSHELL

India's capital investment

momentum in FY25 and beyond represents not a fleeting uptick but an inflection point in its developmental journey.

With central and state governments amplifying their infrastructure push, and private enterprises joining the bandwagon through self-funded capex, the ingredients for a structural growth breakout are finally converging.

Moreover, this could be the beginning of a new era in India's aspirations to emerge as a strong economy when the world is facing challenges. It would support overall consumption, job markets and healthy growth for the Indian corporates, which is essential for sustaining stock markets in the long ruN.





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THE BIG MOO-VE

The dairy industry is reinventing itself - milking consumer cravings and tech waves for richer returns



The Indian dairy sector, which accounts for nearly one-fourth of global milk production, is at the cusp of a major transition. India has been the number one milk producer in the world since 1998. With changing demand-supply dynamics in recent years, the Indian dairy sector is now aggressively shifting toward the value-added products (VAP) market.

The growth in milk production has been remarkable, especially in the last decade. Between 2014–15 and 2023–24, milk production rose by 63.56%, from 146.3 million tonnes to 239.2 million tonnes. In value terms, the milk produced is worth around ₹11 lakh crore. With higher supply, per capita milk consumption in India stands at 480 grams per day, far above the global average of around 370 grams.

Indeed, India's dairy sector has made huge strides, considering the country produced less than 21 million tonnes of milk with per capita availability of only 124 grams per day in 1950–51. Thanks to Operation Flood - the period from 1970 to 1996 - India not only became self-sufficient in milk but also started exporting milk products.

The Indian dairy sector plays a crucial role in ensuring the livelihood of around 8 crore farmers. Around 12%–14% of agricultural income comes from dairying, significantly supporting the rural economy. India has the world's largest livestock population, with 536.76 million animals, including 303.76 million bovines and 148.8 million goats. The dairy industry contributes over 6% to the country's GDP.

India's milk production is supported by a robust dairy cooperative system. The industry is divided into organized and unorganized segments. The unorganized segment, with a 70% market share, consists of traditional milkmen. The organized segment - comprising cooperatives (around 15% share in value terms) and private dairies (another 15%) - dominates the VAP market.

Over the years, the sector has seen consistent consumption of commodity dairy products and traditional VAPs like liquid milk, skimmed milk powder, ghee, butter, curd, buttermilk, lassi, paneer, ice cream, and dairy sweets. Recently, however, there's been a notable rise in demand for emerging VAPs such as

cheese, yoghurt, probiotic dairy products, UHT (ultra-heat treatment) milk, flavoured milk, and whey.

The opportunity for the organized dairy sector is immense. Several factors are driving its rapid evolution:

On The Supply Front:

Organized retail and e-commerce platforms have improved the accessibility of dairy products to consumers.

On The Demand Front:

Demand for VAPs is being driven by urbanization, increased per capita income, and the rise of nuclear families. Health-conscious consumers are also seeking specialized dairy products, especially post-Covid. There has also been a surge in demand from the HoReCa (Hotels, Restaurants & Cafés) segment.

On The Sector's Structure:

A key driver of private sector participation has been the shift from unorganized to organized operations. The organized sector's current 30% share in value terms is expected to rise in the medium term.

On The Product Mix:

The VAP market is still under-penetrated, and average margins on VAPs are higher than those on traditional dairy products - offering strong medium-to-long-term growth potential.

According to ratings agency Crisil, VAPs' share in the organized sector's product mix will rise to 45% from 40% a few years ago.

On Capital Expenditure:

Given the opportunity size, the organized sector is set to undertake capital expenditure exceeding ₹4,000 crore in the near term, with a significant portion allocated to enhancing VAP capacity. Crisil notes that the organized dairy sector spent about ₹3,400 crore annually on capex over the past three years, 60% of which went toward VAPs.

With these drivers, India's dairy sector - part of the broader fast-moving consumer goods (FMCG) segment - is expected to grow at an accelerated pace, driven by rising disposable incomes, changing consumer preferences, and health awareness.

Beyond the domestic market, exports are also growing. The global dairy market, valued at

US \$991.5 billion in 2024, is projected to reach US \$1,505.8 billion by 2033. Despite being the world's largest milk producer, India's share in global dairy exports is just 0.25%. India currently exports products such as butter, ghee, yogurt, and milk powder - mainly to the UAE, Saudi Arabia, Singapore, Nepal, the US, and Bhutan - amounting to US \$270 million.

Given the sector's prospects, the private sector, especially start-ups, is playing a key role in modernizing traditional dairy practices, making them more tech-driven and sustainable. This trend is particularly visible in urban areas, where packaged and processed dairy products are gaining popularity.

Leading players are expanding their operations. From a stock

market perspective, VAPs represent a high-margin segment within the dairy industry. Due to the high growth potential, many companies have gone public in recent years.

Listed dairy companies include Dodla Dairy Limited, Hatsun Agro Products Limited, Heritage Foods Limited, Parag Milk Foods Limited, and Vadilal Industries Limited, all of which have delivered strong returns. In addition to these, large FMCG firms like Nestlé and Britannia have a modest direct presence in dairy production.

The shift from unorganized to organized operations, along with the rising demand for value-added products, offers strong long-term growth visibility for India's organized dairy sector.

What Was Operation Flood?

Given the importance of milk to citizens, India initiated a landmark rural development programme called Operation Flood in the 1970's by setting up dairy co-operatives to connect small rural producers with urban consumers. In a way a milk grid was formed all across the country. Over 72,000 dairy co-operatives were set up in the country. The programme, which was implemented in various stages, led to enhanced milk procurement, processing, and marketing, making India self-sufficient in milk production and empowering farmers at the same time. The programme was overseen by Dr. Verghese Kurien, often called the Father of the white revolution in India.

Which Are Some Of The Important Milk Co-Operatives In The Country?

Some of the major players in the dairy industry in India market include dairy cooperatives such as: Gujarat Co-operative Milk Marketing Federation Ltd (Amul brand), Mother Dairy Fruits & Vegetables Pvt Ltd, Karnataka Co-operative Milk Producers Federation Ltd, Rajasthan Cooperative Dairy Federation Ltd (RCDF), Tamil Nadu Cooperative Milk Producers Federation Ltd (TCMPF), Punjab State Cooperative Milk Producers Federation Ltd (MILKFED), among other cooperatives.

What Are Some Of The Current Challenges Faced By The Sector?

Smaller herd sizes, rising cattle feed costs, water availability, low milk yield per animal, milk quality, environmental sustainability, lack of cold chain infrastructure and seasonality in milk production are some of the challenges faced by the dairy sector.



THE TIPPING POINT

The Supreme Court's C verdict quashing
BPSL sale to JSW Steel exposes glaring
gaps, but proposed reforms show
government's attempts at a reboot

India's Insolvency and Bankruptcy Code (IBC), 2016, once celebrated as a revolutionary step toward expeditious debt resolution, now stands at a crossroads. The Supreme Court's rejection on 2nd May '25, of the resolution plan submitted by JSW Steel for Bhushan Power and Steel Ltd (BPSL) - an eight-year-long case - has exposed deep-rooted flaws in the resolution process. The verdict, citing serious lapses by the Resolution Professional (RP), Committee of Creditors (CoC), and judicial forums, not only mandates liquidation but also signals a larger structural malaise.

Though the apex court has stayed the liquidation order pending review, the judgment has opened a Pandora's Box of questions about stakeholder accountability, judicial overreach, compliance mechanisms, and the commercial viability of the insolvency framework.

In the wake of this case, policymakers are preparing amendments aimed at transforming the process into a more creditor-driven, time-bound, and transparent mechanism. Yet, while procedural reforms are essential, systemic challenges - delays, poor enforcement, judicial inconsistencies - continue to stifle IBC's potential.

INSTITUTIONAL FAILURES

At the heart of the BPSL case lies an extraordinary institutional failure. The Supreme Court flagged egregious procedural violations, including the RP's failure to submit Form H, seek timeline extensions under Section 12, and assess the eligibility of JSW Steel under Section 29A.

Operational creditors were sidelined, as their payments were grossly delayed beyond the 30-day deadline prescribed in the resolution plan. Instead of implementing the plan, JSW appealed against it in the NCLAT, which surprisingly entertained the plea despite JSW not being an aggrieved party. Both the National Company Law Tribunal (NCLT) and the appellate body failed in their oversight roles.

The verdict marks a significant departure from earlier Supreme Court rulings such as Vidarbha Industries and Rainbow Papers, where the judiciary was seen to dilute the commercial wisdom of

creditors. In contrast, the BPSL decision reasserts the need for strict adherence to statutory provisions and proper verification mechanisms. This not only strengthens the rule of law within the IBC framework but also signals to future resolution applicants, Resolution Professionals (RPs), and creditors that procedural compliance cannot be treated as optional.

JUDICIAL DELAYS AND RETROSPECTIVE UNCERTAINTY

Despite the Code mandating a 270-day window for Corporate Insolvency Resolution Process (CIRP) completion, systemic bottlenecks have led to protracted proceedings. As of March '25, around 78% of the nearly 1,900 ongoing cases had breached this timeline. In contrast to the intended swift revival of distressed firms, the judicial backlog has effectively undermined the Code's primary objective.

THE REAL STATE OF RESOLUTIONS

Despite incremental gains in recovery rates, the Insolvency and Bankruptcy Code (IBC) continues to face systemic challenges that undercut its effectiveness, with delays in resolution, rising liquidations, and judicial uncertainties hampering outcomes.

The overall recovery rate under the IBC improved modestly to 32.76% in Q4 FY25 from 31.39% in the previous quarter. However, the aggregate recovery continues to hover near the 30% mark,

indicating that creditors face an average haircut of around 70% on admitted claims.

Since the Code's implementation in 2016, over 8,300 Corporate Insolvency Resolution Processes (CIRPs) have been admitted. As of March '25, just 14.4% of these have resulted in approved resolution plans, while 33.2% have ended in liquidation - most of them involving either defunct or BIFR-referred companies. Around 15.4% of cases have been closed through appeal, review or settlement, and nearly 14% were withdrawn under Section 12A, largely due to out-of-court settlements.

Importantly, the liquidation-to-resolution ratio has improved significantly. From five companies liquidated for every one resolved in FY18, the ratio now stands at five liquidations for every ten resolutions, as of Q4 FY25. This indicates a shift toward better outcomes, though absolute recovery volumes remain under pressure.

CASE ADMITTANCE AND SECTORAL TRENDS

In Q4 FY25, CIRP admissions rose ~10% y-o-y. Yet, overall case volumes for FY25 remained below 1,000 - lower than quarterly levels in FY20. The number of ongoing CIRPs has held steady at ~1,900, with manufacturing continuing to dominate the sectoral distribution at 37%, followed by real estate (22%), trade (10%), and construction (12%).

The majority of CIRP initiations

historically have come from financial and operational creditors - accounting for 3,893 and 3,899 cases, respectively - while corporate debtors represent a small portion.

TIMELINES STRETCH ON

Resolution delays remain a major concern. As of March '25, nearly 78% of ongoing CIRPs have exceeded the 270-day timeline prescribed under the Code - up from 68% in March '24 and 64% in March '23. The number of cases resolved in under 90 days remains minimal, and mid-range timelines (between 90 and 270 days) have declined.

While financial creditors and operational creditors face growing delays, cases initiated by corporate debtors are marginally quicker to resolve. Nonetheless, the overall trend indicates increasing resolution timeframes across the board, often compounded by prolonged litigation in the National Company Law Tribunal (NCLT) and appellate bodies.

AVOIDANCE TRANSACTIONS

One of the lesser discussed but critical tools in the IBC framework is the avoidance transaction mechanism. These provisions allow RPs to reverse transactions that divert company assets before the initiation of CIRP.

As of March '25, RPs had filed 1,438 such applications worth ₹3.85 lakh crore. However, only 368 involving ₹65,650 crore had been disposed off

and just ₹7,930.8 crore - about 12% - was actually recovered. This suggests that while the legal framework exists, enforcement and adjudication remain weak links.

One glaring example involves a transaction where 758 acres of land - valued at over ₹5,500 crore - was transferred under avoidance proceedings. While some progress is visible, the low disposal and recovery rates raise questions about the efficiency of judicial processes and the capability of RPs to pursue complex forensic tasks.

CAPACITY GAPS

Despite multiple rounds of legislative amendments, institutional capacity remains a critical bottleneck. The National Company Law Tribunals (NCLTs), responsible for adjudicating IBC cases, are chronically understaffed and lack domain expertise.

Even the Supreme Court, in its recent rulings, has acknowledged this gap and called for urgent reforms. Unless adjudicating authorities are adequately equipped, even the best legal provisions will falter in execution.

Further complicating the landscape is the conduct of revenue authorities. In many cases, tax departments continue to litigate claims even after resolution plans are approved, challenging the finality and enforceability of the process. These parallel proceedings not only delay asset transfers but also create legal uncertainty, disincentivizing bidder interest.

THE PLANNED REFORMS

The Centre is set to introduce sweeping amendments to the Insolvency and Bankruptcy Code (IBC), 2016, aiming to reduce the powers of RPs and promote a more creditor-driven insolvency process. An amended Bill is likely to be tabled in the Monsoon Session of the Parliament.

The reforms seek to enhance transparency, reduce judicial intervention, and speed up resolutions, bringing the process closer to its original intent of time-bound asset revival.

A key element of the reform is the proposed Creditor-Led Resolution Process (CLRP), which shifts the primary decision-making authority to financial creditors. Unlike the current RP - and tribunal-heavy framework, the CLRP is designed to allow stakeholders to directly negotiate and finalize resolution plans with minimal NCLT oversight. "The CLRP will make the process more collaborative and efficient, enabling creditors to leverage their commercial expertise," a senior Finance Ministry official said.

To support this shift, the government is looking to cut the resolution timeline by half - from 330 days to a proposed 165-day window. The aim is to improve recovery rates and reduce value erosion caused by protracted proceedings. Under the proposed changes, RPs will see their roles limited to process facilitation rather than active decision-making. Functions such as claim verification and asset

management will be increasingly handled through automated systems and creditor coordination, overseen by the Insolvency and Bankruptcy Board of India (IBBI). The IBBI will further back this transition through digital tools like Information Utilities to support data collation and enhance transparency.

Another major reform on the table is the expansion of the pre-packaged insolvency framework - currently applicable only to Micro, Small, and Medium Enterprises (MSMEs) - to larger corporates. This allows distressed companies to work out resolution terms with creditors before entering formal proceedings, potentially cutting down both costs and time.

The amendments also propose a group insolvency mechanism, which would allow companies under the same corporate group to undergo resolution together. This reform aims to fix inefficiencies in the current system where each entity must be resolved separately, often delaying outcomes and reducing asset value.

The restructured framework will place greater responsibility on CoCs and Authorized Representatives (ARs) for specific creditor classes such as homebuyers, and the IBBI. CoCs will take a more active role in engaging with resolution applicants and approving plans, while ARs will ensure the interests of diverse creditor groups are properly represented.

Taken together, the proposed amendments are expected to reset India's insolvency regime toward faster, more accountable, and commercially viable outcomes.

REINFORCEMENT, NOT REPLACEMENT

Nearly a decade since its launch, the IBC has evolved into a foundational pillar of India's financial system. It has helped shift the balance from debtor control to creditor empowerment, enhanced recovery rates relative to earlier regimes, and instilled a greater sense of urgency in resolving stressed assets. Yet, its future depends on confronting three fundamental issues: procedural rigidity, institutional inefficiency, and judicial inconsistency.

The BPSL verdict, while harsh, has been a necessary intervention to reassert compliance and integrity in insolvency proceedings. However, the retrospective nature of the ruling also highlights the urgent need for time-bound adjudication and predictability in outcomes. Without these, the Code's deterrent value and investor appeal could erode.

Experts say with proposed reforms like CLRP, expanded pre-pack frameworks, and group insolvency mechanisms, the government is on track to reboot the system.

But success will hinge on simultaneous judicial reforms, capacity building in NCLTs, and aligning regulatory agencies with IBC's commercial objectives.

MAKING SUSTAINABILITY ACCOUNTABLE



India's BRSR just turned ESG from a corporate buzzword into a boardroom reality—because saving the planet now comes with a spreadsheet



In a decisive move that signals India's commitment to environmental, social, and governance (ESG) values, the Securities and Exchange Board of India (SEBI) mandated the Business Responsibility and Sustainability Reporting (BRSR) framework for the top 1,000 listed companies starting FY23.

This structured regulatory shift has placed India at the forefront of ESG disclosure among emerging markets and is redefining how companies operate, how investors allocate capital, and how risks and opportunities are assessed in India's capital markets.

By replacing the older Business Responsibility Report (BRR) with the more comprehensive and globally aligned BRSR, SEBI has ushered in a new era of transparency, accountability, and sustainability.

The BRSR comprises 140 parameters - 98 mandatory and 42 voluntary - covering wide-ranging topics from carbon emissions and energy usage to labour rights, executive pay, and supply chain ethics. This article explores the transformative impact of BRSR across corporate governance, investor behaviour, capital flows, and sectoral dynamics.

A STRUCTURED ESG MANDATE ANCHORED IN GLOBAL BEST PRACTICES

India's BRSR initiative is one of the most robust ESG reporting

mandates in the developing world.

It establishes a unified, standardized format for non-financial disclosures that aligns with globally respected frameworks such as the Global Reporting Initiative (GRI), the Task Force on Climate-related Financial Disclosures (TCFD), and the United Nations Sustainable Development Goals (UN SDGs).

Unlike the earlier BRR, which was narrower in scope, BRSR provides a comprehensive dashboard on a company's ESG performance.

The framework encompasses disclosures on energy efficiency, greenhouse gas emissions, biodiversity impact, board composition, gender diversity, workplace conditions, and human rights policies.

By enforcing a high degree of comparability and consistency in ESG reporting, the BRSR framework gives investors a reliable basis to evaluate corporate sustainability.

This structure not only enhances India's domestic ESG landscape but also equips Indian corporates to compete globally for capital and partnerships. With international investors increasingly relying on sustainability data to drive portfolio decisions, BRSR gives Indian firms a vital strategic advantage.

INVESTOR TRANSPARENCY AND RISK ASSESSMENT: A NEW LENS FOR VALUATION

The BRSR framework plays an

important role in improving transparency and offering investors deeper insights into companies' non-financial risks - an area of growing importance in a volatile and complex world.

With disclosures around environmental liabilities, board diversity, governance practices, and community relations now mandatory, investors can better assess the full risk spectrum impacting corporate performance.

Historically, financial metrics such as earnings, margins, and growth projections dominated equity analysis.

However, as sustainability risks such as climate change, regulatory sanctions, and reputational crises become material, investors need data beyond balance sheets.

BRSR addresses this need by mandating detailed ESG metrics that help flag red flags early - be it governance lapses, ethical controversies, or unsustainable practices.

This depth of disclosure enables fund managers, especially those with ESG mandates, to make more informed capital allocation decisions.

Companies that follow high-quality ESG practices and maintain BRSR scores are now better positioned to attract healthy institutional inflows, both from domestic institutional investors (DIIs) and foreign institutional investors (FIIs), leading to better pricing and greater liquidity in the market.

GLOBAL ALIGNMENT AND INSTITUTIONAL RELEVANCE

With ESG assets globally expected to surpass \$40 trillion, India's BRSR regulation arrives at a critical juncture.

Its alignment with international benchmarks such as GRI, TCFD, and UN SDGs makes Indian ESG disclosures internationally recognizable and investment-grade.

For Indian corporates, this means increased visibility in global ESG indices and better access to foreign capital. The BRSR framework creates a bridge between Indian markets and global investment pools by translating sustainability metrics into a language that international asset managers understand and trust.

This alignment also enables Indian companies to benchmark themselves against global peers, adopt best practices, and continuously evolve their ESG strategies.

It fosters accountability not just domestically, but also in the eyes of global stakeholders - from customers and partners to shareholders and regulators.

ESG FUNDS AND THE FLOW OF CAPITAL

Between 2020 and 2023, ESG-focused funds in India saw cumulative inflows of \$3.1 billion - a remarkable figure that underscores the rising importance of sustainability in the capital markets.

This shift reflects a broader

global trend where investors are demanding that their money align not only with financial returns but also with ethical and environmental values.

The role of BRSR in enabling this trend cannot be overstated. With structured and comparable ESG data, fund managers are better able to evaluate which companies meet sustainability thresholds.

As a result, companies that demonstrate a commitment to transparency, social responsibility, and long-term value creation are being rewarded with greater investor interest and capital support.

This change in capital flows is not just a financial phenomenon; it is also a signalling mechanism. It sends a clear message to the market that sustainability is not a niche concern - it is a mainstream investment criterion that directly influences access to funds, stock performance, and valuation premiums.

GOVERNANCE METRICS AS A PILLAR OF PERFORMANCE

One of the most impactful features of BRSR is its detailed focus on corporate governance.

Disclosures on board composition, gender diversity, executive compensation, and stakeholder engagement offer investors critical insights into how companies are run.

Good governance is closely correlated with corporate performance, risk mitigation,

and shareholder trust. BRSR makes it easier for investors to identify companies that maintain transparent, equitable, and inclusive leadership practices.

For instance, transparency on executive pay helps evaluate whether incentives are aligned with long-term performance, while board diversity data indicates the robustness of decision-making and risk oversight.

These governance metrics provide the granularity investors need to separate genuine long-term value creators from companies that might pose reputational or regulatory risks.

As ESG investing becomes more data-driven, governance quality will remain a cornerstone of sustainable alpha generation.

OPERATIONAL EFFICIENCY AS A SOURCE OF ALPHA

BRSR also encourages companies to integrate ESG into their core business operations, not just as a reporting requirement but as a strategic driver.

Firms that adopt sustainable practices - be it energy efficiency, water management, or employee safety - often see tangible gains in cost reduction, resource optimization, and risk mitigation.

This operational excellence leads to stronger margins, fewer disruptions, and higher resilience, all of which contribute to stable earnings

and improved shareholder value.

Investors increasingly recognise these traits as drivers of alpha - returns generated above market benchmarks.

As such, companies that leverage BRSR to embed sustainability into their operations are more likely to attract long-term, high-quality capital.

Moreover, integrating ESG into operations also reduces exposure to fines, litigation, and environmental penalties, further strengthening the financial case for sustainability of companies.

SECTORAL REPRICING AND LONG-TERM MARKET TRANSFORMATION

One of the most profound implications of BRSR is its potential to trigger sectoral repricing.

As ESG data becomes standardized and transparent, sectors that have historically lagged on sustainability - such as fossil fuels, polluting manufacturing, or industries with poor labour practices - could face valuation headwinds.

These sectors may see a higher cost of capital, increased regulatory scrutiny, and shrinking investor interest.

On the other hand, companies that lead on ESG performance could enjoy valuation premiums, easier access to capital, and stronger brand loyalty.

This repricing dynamic will reshape how markets value risk and growth in general. It will direct capital toward cleaner, inclusive, and forward-looking businesses while penalizing those unwilling to evolve.

Over a period of time, this shift will catalyze a greener and more equitable economy - aligning financial markets with India's broader development goals.

CONCLUSION: A DEFINING MOMENT FOR CORPORATE INDIA

India's BRSR framework is more than a compliance tool for companies. In fact, it is a transformational lever for sustainable capitalism.

By institutionalizing ESG disclosures and aligning them with global standards, BRSR is unlocking a new era of transparency, investor confidence, and corporate responsibility.

For investors, it provides the clarity and data needed to make informed, long-term decisions.

For companies in the country, BRSR offers both a challenge and an opportunity, which is to embrace sustainability not just as a regulatory checkbox but as a strategic imperative.

As the BRSR framework matures and adoption deepens, India is poised to emerge as a global leader in responsible business practices - where ESG is not an add-on, but the foundation of value creation.



FLEXING FOR THE FUTURE

From hybrid workouts to AI trainers and biodegradable yoga mats, fitness has officially stretched itself - pun intended - into a full-blown lifestyle in India

E

ver since the pandemic, fitness has gone mainstream in India. From conversations in living rooms to trends on social media, health and wellness are now central to how people think about their lives. A whole universe of fitness influencers has emerged on platforms like Instagram, YouTube, and X (formerly Twitter), offering advice and quick fixes for just about every health issue.

Alongside this, diagnostic centres are mushrooming across the country, reinforcing the importance of preventive care. Another major push? Rising healthcare costs. The fear of hefty medical bills is pushing Indians to take their health seriously.

All these factors have combined to fuel the rapid growth of India's fitness industry - and the shift is bringing with it a wave of new trends that show just how much fitness is now a priority for Indians.

HYBRID WORKOUTS: ONLINE MEETS OFFLINE

Fitness is no longer limited to in-person gym sessions. A growing number of fitness seekers are embracing hybrid training - a blend of digital and offline workouts. Studies show that over 40% of fitness enthusiasts now prefer this model. It makes perfect sense given today's hectic urban lifestyle.

To meet this demand, gyms are rolling out hybrid memberships that allow members to work out both at home and in person. This model has proven profitable, with high user retention thanks to its flexibility. Fitness companies are seeing a steady stream of revenue from these memberships, making it a win-win for both businesses and customers.

FUNCTIONAL FITNESS: TRAINING FOR REAL LIFE

Functional training is gaining ground in India. According to Nike, it focuses on mimicking real-life movements - like lifting groceries or picking up a child - rather than isolated gym exercises. The goal? To improve strength, posture, and mobility in ways that help people in their day-to-day lives.

Roughly 20%–25% of fitness centres in India now offer functional training, with the approach especially popular among older adults and working professionals. These are people who care

more about maintaining everyday fitness than building six-pack abs.

WEARABLE TECHNOLOGY: FITNESS ON YOUR WRIST

Apart from new training methods, a clear trend emerging in India's fitness industry is the rise of wearable technology. As per reports, India's wearable tech market grew by more than 50% between 2023 and 2024. This growth is expected to continue, thanks to increasing consumer acceptance.

Experts note that the next generation of devices will offer far more than just step counts - they'll track sleep patterns, stress levels, and recovery data, providing a comprehensive health profile. This information will help fitness coaches and trainers design personalized workout plans for their clients.

Analysts estimate that India will have at least 10 crore wearable users by the end of 2025. This surge in adoption is expected to create new opportunities for fitness start-ups to develop data-driven solutions.

Globally, the fitness app market is projected to reach \$23.21 billion by 2030, growing at a compound annual growth rate of nearly 14% from 2024.

HOLISTIC WELLNESS: BEYOND THE GYM FLOOR

Today, the quest of fitness seekers doesn't end with just physical training. They're looking for holistic solutions.

To meet this demand, companies are offering services like nutrition counselling, mental wellness programmes, and recovery support. Analysts note that businesses providing these comprehensive services are seeing 30%–40% higher client engagement.

This is largely because urban life impacts not just physical health, but overall well-being. As a result, a growing number of fitness start-ups are partnering with wellness service providers to offer integrated solutions.

AI-DRIVEN FITNESS: SMART, PERSONALIZED TRAINING

Artificial intelligence marks a massive shift in India's fitness industry. A growing number of companies and start-ups are investing in AI-driven personalized fitness training programmes for individuals.

These programmes include diet recommendations, workout plans, and progress tracking throughout a user's fitness journey.

According to industry reports, AI-driven training has been well-received by users. Companies estimate this has helped them retain 20%–25% of their clients.

RECOVERY TRAINING: THE NEW ESSENTIAL

Recovery is a critical aspect of fitness training, and there's an entire business built around it. Companies now offer recovery zones, foam rollers, massage guns, and specialized recovery programmes to their clients.

These services are in high demand among users.

COMMUNITY TRAINING: STRENGTH IN NUMBERS

Humans are social beings, and fitness is no exception. Many people find they're more consistent and motivated when they're part of a fitness community rather than working out solo.

These communities - both online and offline - often engage in shared fitness activities like marathons, challenges, and workshops. They also serve as spaces where people share experiences and find emotional support. For many, the sense of belonging they get from these communities is a big boost to both mental and physical health.

ECO-FRIENDLY FITNESS: GREEN IS THE NEW FIT

Sustainability is now part of the fitness conversation, especially among millennials. Around 60% of millennial users actively look for sustainable options.

So, many fitness companies are embracing green practices - cutting out single-use plastics, switching to biodegradable yoga mats, and designing energy-efficient studios. These brands often cater to a niche, premium segment that's willing to pay extra for eco-conscious services.

A FAST-GROWING SECTOR WITH IMMENSE POTENTIAL

These new trends are

reshaping how Indians approach fitness - and the industry is seeing rapid growth as a result. It is estimated that India's fitness and wellness market is set to touch ₹8 lakh crore by 2025. That's a massive figure, and it shows just how central fitness is becoming in India's preventive healthcare market and Indian lives.

WHY INDIA'S DEMOGRAPHICS SUPPORT FITNESS GROWTH

- Urban population is expected to grow from 51.7 crore in 2020 to 70 crore by 2050, creating greater demand for urban wellness solutions.
- India faces a rising tide of lifestyle diseases, with 7.4 crore diabetic and 2.5 crore cardiovascular patients.
- A young population drives the industry: 65% of Indians are under 35, a demographic keen on fitness, appearance, and mental well-being.
- FDI in the fitness sector is also increasing, signaling global confidence in India's fitness market.

IN A NUTSHELL

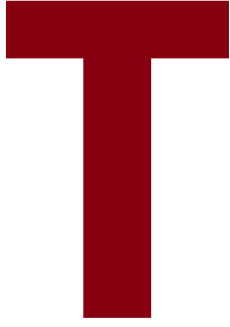
From AI trainers and wearable tech to community runs and eco-friendly gyms, India's fitness industry is no longer a niche - it's a full-blown movement.

With urbanization, health awareness, and tech adoption all on the rise, the sector is only going to get bigger, smarter, and more inclusive.

YouTube might be the new stage for films, but without deep pockets and star power, most producers may struggle to find their spotlight

LIGHTS, CAMERA, YOUTUBE





he idea of YouTube becoming an alternative platform for film distribution after theatrical releases has been gaining traction lately. A big part of this buzz comes from reports suggesting that actor Aamir Khan might release his upcoming film *Sitaare Zameen Par* on YouTube after its run in theatres. If true, this would be a bold move, especially considering how dominant streaming platforms have become in recent years, offering producers a solid and structured distribution model.

But the big question is: Will the YouTube model actually work? Or is it something that only benefits A-list stars and well-funded producers who already have the clout to pull in massive viewership and ad revenue? One important aspect to consider is the role that streaming platforms - or streamers - have played in the film industry over the past few years. Once we understand that, it becomes easier to assess whether YouTube can step in and play a similar role in the current filmmaking ecosystem.

Post-pandemic, the economics of filmmaking has changed drastically. With a string of box-office failures in the Hindi film industry, traditional avenues of film funding started to dry up. Many producers were forced to sell stakes in their companies just to stay afloat and recover losses. A striking example of this is Karan Johar's Dharma Productions selling a 50% stake to Adar Poonawalla's Serene Productions. This was a major development and a clear sign that the industry had hit a critical point, where even long-standing, family-run production houses had to give up equity to pay off debt and keep operations running.

In this context, streaming platforms became an important source of funding for producers. Many of them sold the digital rights to their films in advance, securing money upfront to kickstart production. This practice is known as pre-selling digital rights. On the other hand, some producers who managed to fund their films through other means opted to sell the digital rights after the theatrical release. This allowed them to recover a portion of their investment in a much shorter time frame.

So, in a broader sense, streaming platforms have played a key role in supporting producers, both before and after a film's release. And there are several data points to back this up. According to FICCI-EY's 2025 Media and Entertainment report, there was a 20% growth in the number of films released on

streaming platforms between 2023 and 2024. In 2024, over 27% of films made in Hindi and other Indian languages were released directly on streaming platforms.

It's also important to note that the value of digital rights is projected to become the second-largest revenue stream for films after theatrical earnings over the next few years. As per the same report, the sale of digital rights could generate revenues of around ₹3,600 crore by 2027, up from ₹3,100 crore in 2024. This would surpass the revenue earned from the sale of overseas and television rights during the same period.

Media reports also suggest that producers are now able to recover about 50%–55% of their investment just by selling digital rights to streaming platforms. TV or satellite rights bring in roughly 10%, while music rights can generate anywhere between 10% and 20% of a film's total revenue.

All of this highlights a key trend: streaming platforms have become one of the main revenue sources for producers, especially at a time when the Hindi film industry is grappling with a serious funding crunch.

Now, the big question is: Can YouTube really play such a huge role in the film distribution system? *Prima facie*, there are certainly some promising indicators.

According to the FICCI-EY report, a massive 92% of online video consumption in India happens through YouTube. The platform has an

estimated 47.6 crore users (as of 2024) in the country, and that number is expected to grow to 80 crore by 2029.

Even on the global stage, YouTube is a tech giant. It's estimated to have 249 crore monthly active users worldwide. And last year, YouTube revealed that its premium offerings - YouTube Premium and YouTube Music - have a combined paid subscriber base of 10 crore.

So, clearly, YouTube already has an enormous reach both in India and globally. But the real question is whether it can evolve from just a content-sharing platform into a serious player in the business of film distribution - on par with established streaming services.

Now, let's take a look at how much revenue YouTube has actually shared with its top creators in India. Neal Mohan, YouTube's CEO, recently revealed some key statistics. He said that over the past three years, YouTube has paid more than ₹21,000 crore to creators, artists, and media companies across India. He also announced that YouTube plans to invest an additional ₹850 crore over the next two years to further support the growth of Indian creators, artists, and media businesses.

These numbers show the immense potential YouTube holds, not just in terms of reach, but also as a viable revenue source if a producer is considering releasing a film on the platform. However, there's one key factor that sets YouTube apart

from traditional streaming platforms: the time it takes to generate revenue. According to many filmmakers and distributors, monetizing a film on YouTube tends to be a long-term game. On average, it can take up to a year for a film to earn decent returns through ad revenue and other monetization options.

Plus, it's not as simple as just uploading a film and waiting for the money to roll in. There are real costs involved.

YouTube is a vast, competitive ecosystem filled with a constant stream of diverse content. To stand out and draw audience attention, producers need to invest in marketing, just like they would for a theatrical or OTT release.

It's been observed that content categories like gaming, how-to videos, music, comedy, and vlogs tend to attract far more viewership on YouTube compared to films. That's largely because YouTube is a creator-driven platform, a highly competitive space where countless creators are vying for audience attention.

In this crowded environment, a film producer actually faces stiffer competition than in a theatrical release. In theatres, a film typically competes with other films. On YouTube, however, it's competing with everything - from gaming content to tutorials and trending videos.

Given these realities, the YouTube business model seems more suited for producers who can afford to wait a long time to recover their investment. But that

raises a critical question: how many producers can actually afford to wait? Time isn't free - there's a cost of capital involved. As time passes, interest on capital grows, which can be a serious burden for producers, especially in the Hindi film industry where many rely on loans to finance their projects. Also, there's no guarantee that a film released on YouTube will earn enough revenue to break even.

That's why many industry experts believe that the business model of streaming platforms is more favorable for film producers. These platforms are focused solely on films and film-related content. Audiences come to them specifically to watch movies. Plus, streamers need a steady supply of fresh film content to keep their subscribers engaged, which puts producers in a better bargaining position.

In fact, over the past 3-4 years, the impact of streaming platforms has been so huge that even theatre owners have started to feel the pressure. Audiences now prefer to watch big-budget spectacles in theatres and save mid-budget or artistic films for streaming platforms. Given the high cost of a single theatre outing, this shift in audience behaviour makes practical sense.

So, under current conditions, the YouTube model seems to benefit mostly well-funded producers and films with established stars. It's far less viable for mid-budget or independent films, which, in terms of volume, make up a large portion of the industry.

MIRRORING THE MARKET

Index funds are a smart,
low-cost way to ride the
market without the
guesswork



W

hen assessing an asset class's performance, investors often compare the returns with those of a well-known market index. In the context of India's broad equity market, the Nifty 50 and the Sensex are among the most widely followed indices. These indices comprise a diversified mix of stocks across multiple sectors, selected based on specific criteria such as trading volume and liquidity.

Notably, for a stock to be included in the Nifty 50, it must be part of the Futures and Options (F&O) segment. The Nifty 50 represents India's top 50 large-cap companies, many of which are market leaders in their respective industries, making it a strong indicator of the overall market's performance.

For individual investors, directly replicating the Nifty 50 or Sensex by purchasing all constituent stocks can be both complex and time-intensive. Index compositions may change, and corporate actions such as dividends, bonus issues, or stock splits require ongoing tracking and portfolio rebalancing. To simplify this process, investors can opt for passive investment vehicles like exchange-traded funds (ETFs) or index mutual funds.

In this article, we focus specifically on index mutual funds and explore how they offer a convenient and cost-effective way to mirror the performance of market indices.

WHAT IS AN INDEX FUND?

An index fund is a type of mutual fund that aims to replicate the performance of a specific market index by investing in the same securities and in the same proportion as the index it tracks. These funds are designed to mirror the returns of their benchmark index rather than to outperform it.

Index funds can track a wide range of indices, including broad-based indices like the Nifty 50 or the Nifty Total Market Index (which includes approximately 750 stocks), sectoral indices like the Nifty Bank Index, or thematic indices focusing on specific investment trends.

Unlike actively managed funds, where fund managers make discretionary decisions on stock selection, index funds are passively managed. The fund manager's role is to ensure that

the portfolio composition closely aligns with the index, making only minimal changes to accommodate corporate actions, index rebalancing, or fund inflows and outflows.

This passive approach significantly reduces fund management costs, making index funds a low-cost investment option - particularly attractive for long-term investors seeking market exposure with minimal effort.

Numerous mutual fund houses in India offer index funds based on various indices. Some popular examples include the Motilal Oswal Nifty Midcap 150 Index Fund, the HDFC BSE Sensex Index Fund, and the Motilal Oswal Nifty Bank Index Fund, among others. While the fundamental objective across all index funds remains the same - to track the index - their efficiency in doing so can vary.

A key metric to evaluate an index fund's performance is tracking error, which measures the deviation between the fund's returns and those of its underlying index.

A lower tracking error indicates that the fund has successfully mirrored the index with minimal deviation, signalling effective portfolio management and operational efficiency.

Factors such as fund size, liquidity of underlying securities, rebalancing frequency, and expense ratio can all impact tracking error.

TYPES OF INDEX MUTUAL

FUNDS

Index mutual funds in India can be categorized based on the type of index they aim to track, with each type serving different investment objectives and risk profiles.

Broad-based Index Funds

Broad-based index funds are designed to replicate the performance of diversified indices that largely represent the overall market.

These funds provide investors with broad market exposure. Popular examples include funds that track the Nifty 50, Nifty Next 50, Nifty 100, Sensex, or the more comprehensive Nifty Total Market Index.

Sectoral Index Funds

Sectoral index funds, on the other hand, focus on specific sectors of the economy, such as information technology, banking, pharmaceuticals, or consumer goods. These funds are more concentrated and are typically chosen by investors who have a strong conviction about the future performance of a particular sector.

Some examples include the Nifty IT Index Fund, Nifty FMCG Index Fund, Nifty Pharma Index Fund and Nifty Bank Index Fund, among others.

Thematic Index Funds

Thematic index funds are built around investment themes, which can span multiple sectors. For example, a

consumption-based theme may include companies from the retail, FMCG, and auto sectors, while an infrastructure theme could span construction, power, and capital goods. Funds tracking the Nifty India Consumption Index or the Nifty Infrastructure Index fall into this category.

Small & Mid-cap Index Funds

Mid-cap and small-cap index funds allow investors to participate in the growth potential of emerging and relatively smaller companies.

These funds - such as those tracking the Nifty Midcap 150 or Nifty Smallcap 250 - offer higher return potential but also come with increased risk and volatility, making them suitable for more aggressive investors with a longer investment horizon.

International Index Funds

International index funds provide exposure to global markets by investing in foreign indices, usually through a fund-of-funds structure. These funds, such as the Motilal Oswal S&P 500 Index Fund, allow Indian investors to diversify beyond domestic equities and gain access to international giants, particularly in sectors like technology and healthcare that may be underrepresented in Indian markets.

ADVANTAGES

Low Expense Ratio

One of the most compelling advantages of index mutual

funds is their low expense ratio compared to actively managed funds. In an index fund, the fund manager's primary role is to replicate the portfolio of the chosen benchmark index by purchasing all its constituent stocks in the same proportion.

Since there is no active stock selection, there is no need for a dedicated research team to analyze individual companies or closely monitor performance, thus reducing operational costs. This passive management approach translates into a much lower expense ratio, which directly benefits investors by enhancing the net returns of the fund.

In contrast, actively managed funds involve higher costs due to active decision-making, extensive research, and continuous portfolio rebalancing aimed at outperforming the market.

For instance, if an index fund has an expense ratio of 0.2% and an actively managed fund charges 1.5%, the active fund must generate returns above 1.3% (1.5% - 0.2%) of the index fund to deliver alpha, which is the primary goal.

Diversification

Index funds enable diversification - a fundamental principle of sound investing that helps mitigate risk. By design, index funds invest in a broad basket of securities, spreading exposure across sectors and companies.

Even in sector-specific index funds, where the focus is still narrower, investments are still

diversified across multiple stocks within that sector. This reduces the risk associated with single-stock investing or even actively managed funds.

Active fund managers, in their pursuit of outperformance, often take overweight or underweight positions in specific stocks based on outlooks or research views.

While this can potentially enhance returns, it also introduces unsystematic (controllable) risk, which may lead to underperformance if those positions do not play out as expected. In contrast, index funds eliminate unsystematic risk by mirroring the index exactly, offering a more stable and predictable risk profile.

That said, this does not imply that actively managed funds have no place in an investor's portfolio. Their potential to outperform benchmarks through skillful management can be valuable, in less efficient market segments.

The ideal approach for most investors is to have a balanced blend of both index and actively managed funds, guided by individual risk tolerance, investment horizon, and financial goals.

DRAWBACKS

While index funds offer several advantages - such as low costs, diversification, and transparency - they also come with certain limitations that investors should be aware of.

Lack Of Flexibility

Since index funds are designed

to passively track a benchmark, they cannot respond to market events, company-specific issues, or economic downturns by exiting poor-performing stocks. If a particular stock within the index performs poorly, the fund must continue to hold it as long as it remains part of the index.

Additionally, the objective of index funds is merely to replicate the index's returns. This means that in periods when active managers can generate superior returns through timely decisions and tactical asset allocation, index fund investors may miss out on potential gains.

Tracking Error

A deviation from the returns provided by the benchmark index is possible - albeit usually small - due to fund management inefficiencies, expenses, or rebalancing delays. This can reduce the actual returns delivered to the investor.

WHO SHOULD INVEST IN AN INDEX FUND?

An investor who is content with market-linked returns and prefers a low-cost, low-maintenance investment approach is well-suited for index funds. These funds are designed to mirror the performance of a specific benchmark index, offering returns that closely track the index with minimal deviation.

While shortlisting index funds, investors should look for schemes from fund houses that maintain a low tracking

error, as that is a key differentiating factor.

Unlike actively managed funds, where fund managers have the discretion to select stocks and make tactical bets, index funds follow a rules-based strategy with no subjective decision-making. This eliminates the risks associated with managerial judgment and reduces underperformance due to stock selection errors.

IN A NUTSHELL

Index mutual funds have emerged as a reliable and efficient investment option for those seeking a stable, cost-effective, and transparent approach. The Indian market offers a growing variety of index mutual funds tailored to different investment goals, risk appetites, and sectoral or thematic preferences. Investors should evaluate their financial objectives, risk tolerance, and investment horizon before choosing the appropriate type of index fund.

That said, index funds are not a one-size-fits-all solution. Investors with higher risk tolerance, market insight, or specific return expectations may still find value in complementing them with actively managed strategies.

Ultimately, the decision to invest in index funds should align with one's broader financial goals, investment horizon, and risk appetite. For many, a thoughtful blend of passive and active investments offers the optimal path to building a resilient, growth-oriented portfolio.

MUTUAL FUND BLACKBOARD

Large Cap Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Aditya Birla Sun Life Frontline Equity Fund -	524.2	6.2	20.2	21.1	13.4	12.4	29,859
Baroda BNP Paribas Large Cap Fund - Growth	219.5	2.4	20.5	20.0	14.7	12.4	2,614
Canara Robeco Bluechip Equity Fund - Growth	62.8	7.73	19.83	19.9	15.2	13.6	16,028
Kotak Bluechip Fund - Reg - Growth	567.5	5.2	19.5	20.8	14.2	12.6	10,138
Nippon India Large Cap Fund - Reg - Growth	89.6	5.7	24.9	25.5	15.7	14.1	41,750
Nifty 100 TRI	34883.6	4.7	18.8	20.4	13.9	13.0	--

Mid Cap Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Edelweiss Mid Cap Fund - Growth	100.7	9.5	31.8	32.9	20.2	17.9	10,028
Kotak Emerging Equity Fund - Reg - Growth	132.9	5.0	27.4	29.8	19.2	17.7	53,464
Mahindra Manulife Mid Cap Fund - Reg - Growth	32.6	1.0	29.4	29.1	19.1	--	3,776
Nippon India Growth Fund - Reg - Growth	4105.9	6.4	31.1	32.1	20.9	17.8	36,836
Tata Mid Cap Growth Fund - Reg - Growth	422.2	2.6	25.7	26.3	18.3	15.3	4,701
Nifty Midcap 150 TRI	27088.8	3.4	30.3	31.1	19.3	18.4	--

Small Cap Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Bandhan Small Cap Fund - Reg - Growth	45.8	12.5	35.2	35.2	--	--	11,744
Edelweiss Small Cap Fund - Reg - Growth	43.4	2.3	26.9	33.3	--	--	4,580
HDFC Small Cap Fund - Growth	135.6	2.2	29.2	33.1	17.2	18.0	34,032
ITI Small Cap Fund - Reg - Growth	28.2	2.6	33.1	27.7	--	--	2,504
Tata Small Cap Fund - Reg - Growth	39.7	1.0	28.0	32.8	--	--	10,529
TRUSTMF Small Cap Fund - Reg - Growth	10.1	--	--	--	--	--	970
Nifty Smallcap 250 TRI	21589.1	0.6	30.1	33.5	17.2	16.0	--

Large & Mid Cap Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Bandhan Core Equity Fund - Reg - Growth	131.4	6.1	29.1	27.7	16.6	15.2	9,106
DSP Equity Opportunities Fund - Reg - Growth	612.2	4.8	25.5	24.1	16.3	15.3	15,013
Edelweiss Large & Mid Cap Fund - Growth	86.2	5.0	23.4	24.4	16.0	14.3	3,914
Kotak Equity Opportunities Fund - Reg - Growth	335.6	1.1	24.2	24.0	16.8	15.1	27,046
Tata Large & Mid Cap Fund - Reg - Growth	522.7	1.5	21.2	22.0	15.6	13.4	8,546
UTI Large & Mid Cap Fund - Growth	177.9	7.0	26.6	27.4	16.1	13.8	4,544
NIFTY Large Midcap 250 TRI	20850.2	4.2	24.6	25.8	16.7	15.8	--

Multicap Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Groww Multicap Fund - Reg - Growth	10.0	--	--	--	--	--	105
HDFC Multi Cap Fund - Reg - Growth	18.7	1.5	27.5	--	--	--	17,620
ICICI Prudential Multicap Fund - Growth	785.7	5.6	25.7	25.5	16.1	14.5	15,095
Mahindra Manulife Multi Cap Fund - Reg - Growth	35.1	4.1	25.4	27.0	18.7	--	5,408
Nippon India Multi Cap Fund - Reg - Growth	295.3	3.6	29.9	31.4	18.5	14.8	43,483
NIFTY 500 Multicap 50:25:25 TRI	20833.5	3.5	24.6	26.5	16.2	15.3	--

FlexiCap Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Bajaj Finserv Flexi Cap Fund - Reg - Growth	14.4	5.7	--	--	--	--	4,494
Helios Flexi Cap Fund - Reg - Growth	14.0	4.5	--	--	--	--	2,971
Mirae Asset Flexi Cap Fund - Reg - Growth	15.5	5.3	--	--	--	--	2,658
Parag Parikh Flexi Cap Fund - Reg - Growth	83.9	11.6	24.7	25.4	19.3	17.5	98,541
WhiteOak Capital Flexi Cap Fund - Reg - Growth	17.1	9.2	--	--	--	--	4,684
BSE 500 TRI	46178.2	3.6	21.2	22.9	15.0	14.1	--

Focused Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
HDFC Focused 30 Fund - Growth	227.2	9.5	27.4	28.6	16.6	14.5	19,578
Nippon India Focused Equity Fund - Reg - Growth	120.6	3.8	19.8	24.1	14.6	14	8,553
BSE 500 TRI	46178.2	3.6	21.2	22.9	15.0	14.1	--

Dividend Yield Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
ICICI Prudential Dividend Yield Equity Fund	51.9	7.2	28.2	30.5	17.3	15.8	5,401
UTI Dividend Yield Fund - Growth	174.6	4.5	23.7	23.6	15.7	13.8	4,010
Nifty 500 TRI	36507.7	4.1	21.5	22.9	15.0	14.0	--

Contra/Value Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Bandhan Sterling Value Fund - Reg - Growth	146.5	0.6	23.2	30.7	15.2	14.9	9961.0
SBI Contra Fund - Growth	379.5	1.8	26.1	32.5	19.1	16.0	45,496
BSE 500 TRI	46178.2	3.6	21.2	22.9	15.0	14.1	--

ELSS Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Bajaj Finserv ELSS Tax Saver Fund - Reg - Growth	11.1	--	--	--	--	--	56
Bandhan ELSS Tax saver Fund - Reg - Growth	150.5	1.5	20.5	25.8	14.9	14.0	6,955
Groww ELSS Tax Savings Fund - Reg - Growth	19.7	0.4	18.3	17.8	11.1	--	51
Parag Parikh ELSS Tax Saver Fund - Reg - Growth	31.7	11.3	22.5	25.1	--	--	5,294
Nifty 500 TRI	36507.7	4.1	21.5	22.9	15.0	14.0	--

Thematic / Sector Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Canara Robeco Consumer Trends Fund - Reg - Growth	109.1	4.5	22.3	23.1	16.4	15.5	1,848
ICICI Prudential Business Cycle Fund - Reg - Growth	24.1	9.1	26.4	--	--	--	12,972
Mirae Asset Great Consumer Fund - Growth	90.9	2.4	22.0	22.8	15.5	15.1	4,224
Nippon India Pharma Fund - Reg - Growth	505.5	14.0	24.8	20.9	19.4	14.4	8,352
Tata Digital India Fund - Reg - Growth	48.3	9.3	16.9	27.9	19.3	--	11,688
Nifty 500 TRI	36507.7	4.1	21.5	22.9	15.0	14.0	--

Arbitrage Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	2 Years	3 Years	
Bandhan Arbitrage Fund - Reg - Growth	32.4	6.8	6.7	6.8	7.2	6.8	9,042
Edelweiss Arbitrage Fund - Reg - Growth	19.4	6.8	6.8	6.9	7.4	6.9	15,137
Invesco India Arbitrage Fund - Growth	31.9	6.8	6.8	6.9	7.3	7.0	22,341
Kotak Equity Arbitrage Fund - Reg - Growth	37.4	6.9	6.9	7.0	7.5	7.1	67,362
Tata Arbitrage Fund - Reg - Growth	14.3	7.0	6.8	6.8	7.2	6.8	14,982
Nifty 50 Arbitrage Index	2489.6	1.9	3.9	7.3	7.9	7.2	--

Equity Savings Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
DSP Equity Savings Fund - Reg - Growth	21.7	9.0	11.5	11.9	8.5	--	2,995
HDFC Equity Savings Fund - Growth	65.5	5.8	12.0	12.8	9.4	9.6	5,546
Kotak Equity Savings Fund - Reg - Growth	25.9	5.7	12.5	11.9	9.7	9.2	8,254
NIFTY 50 Hybrid Composite Debt 65:35 Index	20461.9	8.2	15.0	15.5	12.3	11.4	--

Fund Of Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
HDFC Asset Allocator Fund Of Funds	18.1	10.5	18.4	--	--	--	4,046
ICICI Prudential Asset Allocator Fund (FOF)	120.0	10.5	15.8	16.3	13.1	12.3	26,071
ICICI Prudential Thematic Advantage Fund (FOF)	224.0	15.6	23.8	26.5	17.9	16.1	3,470
Kotak Income Plus Arbitrage FOF - Reg - Growth	12.3	8.5	--	--	--	--	2,260
Nippon India Asset Allocator FoF - Reg - Growth	21.4	11.7	22.5	--	--	--	598
Nifty 500 TRI	36507.7	4.1	21.5	22.9	15.0	14.0	--

Balanced Advantage Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Edelweiss Balanced Advantage Fund - Growth	50.3	4.0	14.8	14.9	11.9	10.2	12,696
Mirae Asset Balanced Advantage Fund - Reg	14.0	7.0	--	--	--	--	1,854
Nippon India Balanced Advantage Fund - Reg	174.7	6.1	14.6	14.6	10.7	9.9	9,190
Tata Balanced Advantage Fund - Reg - Growth	20.3	3.7	13.4	13.6	--	--	10,227
NIFTY 50 Hybrid Composite Debt 65:35 Index	20632.2	8.2	15.0	15.5	12.3	11.4	--

Hybrid Aggressive Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Baroda BNP Paribas Aggressive Hybrid Fund	27.8	4.6	18.2	17.8	14.2	--	1,224
Edelweiss Aggressive Hybrid Fund - Growth	63.2	8.5	21.2	20.9	14.5	12.5	2,749
Kotak Equity Hybrid Fund - Growth	61.4	5.8	18.6	20.8	14.4	12.7	7,413
UTI Aggressive Hybrid Fund - Growth	401.9	6.8	20.3	21.4	13.2	12.3	6,254
NIFTY 50 Hybrid Composite Debt 65:35 Index	20461.9	8.2	15.0	15.5	12.3	11.4	--

Multi Asset Allocation Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
Nippon India Multi Asset Allocation Fund	21.0	11.5	18.9	--	--	--	5,623
Tata Multi Asset Opportunities Fund - Reg - Growth	23.0	8.4	15.5	19.5	--	--	3,679
UTI Multi Asset Allocation Fund - Growth	72.7	8.1	20.3	19.0	11.9	9.8	5,517
WhiteOak Capital Multi Asset Allocation Fund	13.9	15.8	--	--	--	--	1,923
NIFTY 50 Hybrid Composite Debt 65:35 Index	20461.9	8.2	15.0	15.5	12.3	11.4	--

Gold Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		1 Year	3 Years	5 Years	7 Years	10 Years	
HDFC Gold ETF Fund of Fund - Growth	29.8	35.7	23.2	14.0	16.7	12.6	4,088
Kotak Gold Fund - Reg - Growth	38.4	35.9	23.0	13.8	17.1	12.7	3,099
Nippon India Gold Savings Fund - Reg - Growth	38.2	36.0	23.2	14.0	16.7	12.4	3,045
Prices of Gold	--	38.3	24.8	15.5	18.3	14.0	--

Overnight Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		2 Weeks	1 Month	3 Months	1 Year	YTM	
Kotak Overnight Fund - Reg - Growth	1371.9	5.1	5.4	5.7	6.4	5.9	6,261
Tata Overnight Fund - Reg - Growth	1355.8	5.1	5.3	5.7	6.3	5.9	2,724

Liquid Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		2 Weeks	1 Month	3 Months	1 Year	YTM	
ICICI Prudential Liquid Fund - Reg - Growth	386.1	5.3	6.2	7.1	7.2	7.2	50,000
Mahindra Manulife Liquid Fund - Reg - Growth	1697.2	5.5	6.3	7.0	7.2	7.2	1,198
Nippon India Liquid Fund - Reg - Growth	6366.1	5.4	6.4	7.2	7.2	7.2	36,125

Ultra Short Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
Aditya Birla Sun Life Savings Fund - Reg - Growth	548.2	9.3	8.3	8.1	7.3	6.9	18,981
Kotak Savings Fund - Reg - Growth	42.9	8.6	7.7	7.4	6.9	6.6	15,401

Money Market Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
Aditya Birla Sun Life Money Manager Fund	370.4	9.5	8.6	8.1	7.5	6.7	26,590
UTI Money Market Fund - Reg - Growth	3087.7	9.6	8.7	8.2	7.5	6.5	18,385

Low Duration Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
Bandhan Low Duration Fund - Reg - Growth	38.6	9.6	8.5	7.9	7.1	6.5	6,506
ICICI Prudential Savings Fund - Reg - Growth	544.2	10.2	8.9	8.4	8.0	7.0	22,934
UTI Low Duration Fund - Reg - Growth	3550.5	10.0	8.9	8.3	7.3	6.7	3,141

Short Term Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
HDFC Short Term Debt Fund - Growth	32.1	12.0	10.0	9.3	7.9	6.9	15,486
ICICI Prudential Short Term Fund - Growth	60.3	11.6	9.9	9.0	8.1	7.1	21,284
Nippon India Short Term Fund - Reg - Growth	52.9	12.3	10.3	9.4	7.6	6.9	7,058

Corporate Bond Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
Aditya Birla Sun Life Corporate Bond Fund	113.1	11.2	9.7	9.3	8.1	6.8	28,436
HDFC Corporate Bond Fund - Growth	32.6	11.8	9.8	9.3	8.1	6.8	34,775

Dynamic Bond Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
ICICI Prudential All Seasons Bond Fund - Growth	37.0	11.0	10.1	9.3	8.5	7.2	14,981
Nippon India Dynamic Bond Fund - Reg - Growth	37.6	13.7	11.3	10.3	8.6	6.3	4,613

Medium Duration Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
Axis Strategic Bond Fund - Growth	28.1	12.1	10.3	9.6	8.2	7.4	1,945
ICICI Prudential Medium Term Bond Fund - Growth	44.9	11.4	10.4	9.4	8.0	7.6	5,733
SBI Magnum Medium Duration Fund - Growth	51.2	10.6	9.4	8.9	7.8	7.2	6,580

Gilt Funds

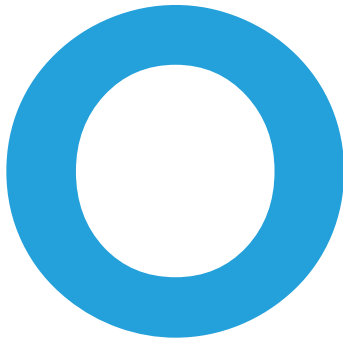
SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
Bandhan Government Securities Fund Investment Plan	35.0	2.7	5.9	5.9	7.6	6.9	3,432
ICICI Prudential Constant Maturity Gilt Fund	24.8	13.7	12.4	10.9	9.0	6.4	2,551
Kotak Gilt Fund - Growth	95.7	3.1	5.9	6.3	7.5	6.9	3,868
Nippon India Nivesh Lakshya Fund - Reg - Growth	17.9	7.0	8.1	8.3	9.6	6.8	10,269

Credit Risk Funds

SCHEME NAME	NAV	Historic Return (%)					AUM (Cr)
		3 Months	6 Months	1 Year	3 Years	YTM	
ICICI Prudential Credit Risk Fund - Growth	31.8	12.3	10.3	9.5	8.1	7.9	6,135
Nippon India Credit Risk Fund - Reg - Growth	35.0	11.8	10.3	9.5	8.2	8.2	1,017

Disclaimer : Mutual Fund Investments are subject to market risks. Please read the offer document carefully before investing. Past performance is no guarantee of future performance. Returns are of Growth option of Regular plans. Returns which are below 1 year period are Annualized Returns. Source: - ICRA MFI, NAV as on 23rd June 2025.

TECHNICAL OUTLOOK



In the weekly chart, Nifty exhibits a strong recovery from a prior downtrend. Currently, the index is trending within a rising channel, indicating sustained upward momentum.

The green 50-day Simple Moving Average (SMA) has acted as dynamic support and is sloping upwards, confirming the short- to medium-term trend strength. Meanwhile, the blue 200-day SMA remains well below the price action, reinforcing the long-term bullish structure.

Furthermore, the momentum indicator RSI (14) traded higher and is approaching the overbought zone, suggesting strong buying interest. However, it also calls for carefulness as the index nears short-term exhaustion.

On the upside, the resistance zone lies at 25,340. A significant breakout above 25,340 on a closing basis could signal a continuation of the rally, potentially leading towards the 25,900–26,200 mark.

On the downside, major support is placed at 24,540 and 24,270, aligning with

previous consolidation zones. A move below these levels may trigger a short-term decline towards 23,900.

However, a bounce from this range could validate the long-term bullish structure. Overall, the technical set-up for Nifty remains positive as long as it sustains above key support levels.

On the other hand, Bank Nifty is trading in a steady rising consolidation formation. Immediate resistance is seen near 57,100, and a breakout above this level may resume the upward momentum towards the 58,700–61,700 levels.

Support for Bank Nifty is placed at 54,700; a close below this level may trigger a sell-off towards the 53,000–51,800 zone.

In Nifty Options for the June series, the highest Open Interest (OI) build-up is seen near the 25,500 and 26,000 Call strikes, while on the Put side, it is observed at the 25,000 and 24,500 levels.

The upward trend continued in the June series; however, the series was marred by an increase in volatility, with global cues taking centre stage.

With a day to go before the June expiry, the OI remains high. If it stays at elevated levels, there is a likelihood that the index may take a breather in its upside move.

India VIX, which measures the immediate 30-day volatility in the stock market, has remained in the 13–18 range and is expected to stay between 12 and 18 during the July series.

The Put-Call Ratio - Open Interest (PCR-OI) for Nifty Options ranged between 0.8 and 1.4 in June and is likely to remain within this range in July.

Markets are expected to witness consolidation, with support placed at the 25,000 and 24,500 levels. Resistance is likely to be around 25,500 and 26,000.

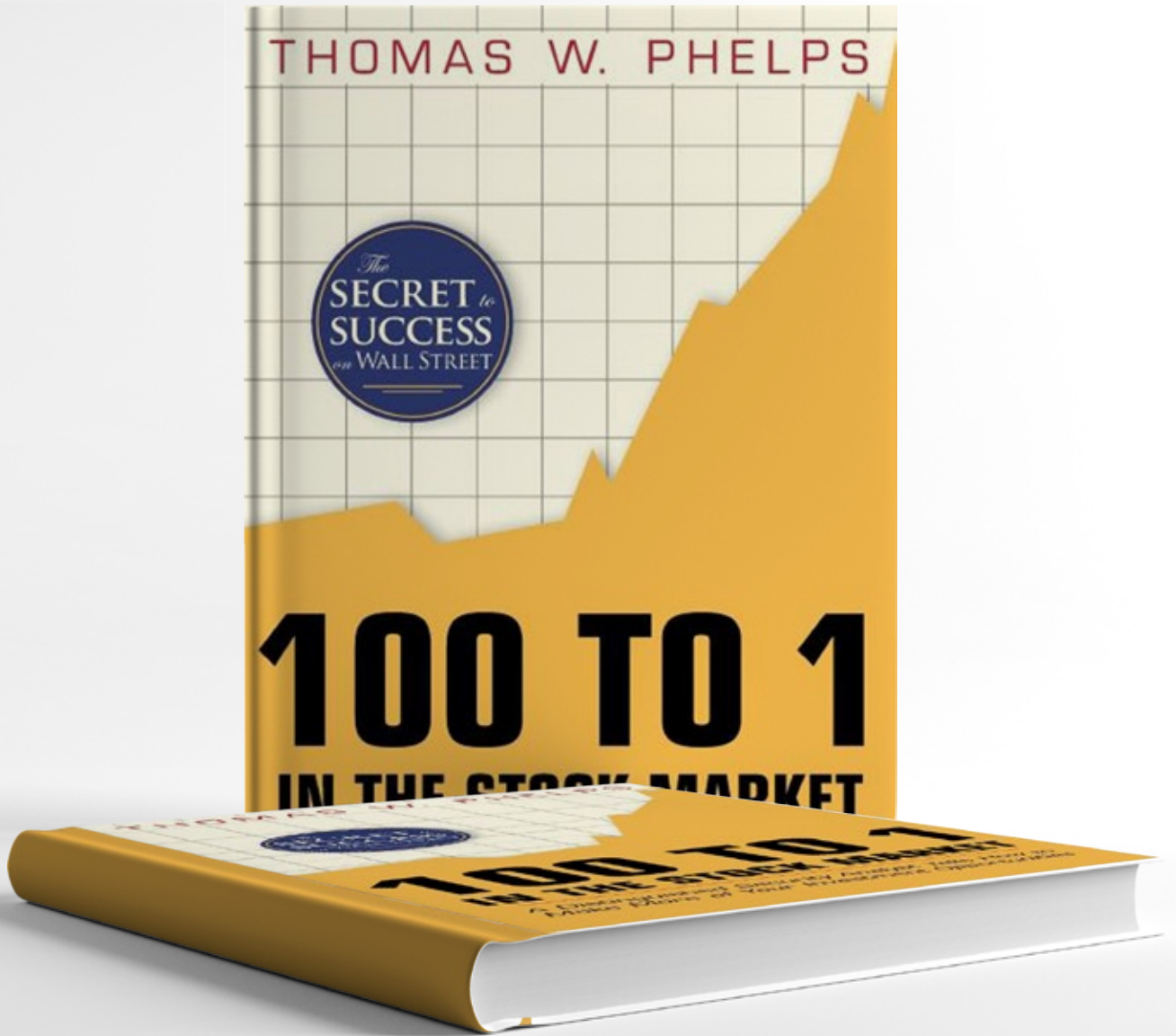
OPTIONS STRATEGY

Long Straddle

A Long Straddle can be initiated by buying 1 lot of 31JUL 25200 CE (₹475) and buying 1 lot of 31JUL 25200 PE (₹320). The total outflow of premium comes to around 795 points, which also marks the maximum loss in this strategy.

A stop-loss can be set at 650 points (that is, a 145-point loss from the total premium). The maximum gain is unlimited.

Market participants can set a Target of 1055 points (that is, a 260-point gain from the total premium). With the current OI positions in Nifty Options, momentum is expected to continue, making this strategy potentially profitable.



UNEARTHING CENTURIONS

Spot the one, stay the course — let time turn pennies into fortunes, says Thomas Phelps

n the unpredictable world of stock market investing, where fortunes can change in an instant, Thomas W. Phelps' "100 to 1 in the Stock Market" remains a timeless guide to building lasting wealth. First published in 1972, this classic goes beyond short-term speculation, offering a proven strategy for identifying "100-bagger" stocks - those that can deliver a 100-fold return over time.

Phelps, an experienced financial journalist and market researcher, challenged the notion that investing is a quick-profit game. Instead, he promoted a disciplined approach rooted in patience and quality. His philosophy: invest in exceptional businesses and hold them through years of growth. This is the key to achieving extraordinary returns, making his insights as valuable for modern investors as they were over 50 years ago.

The Power Of Perpetual Ownership: The Buy-And-Hold Doctrine

Thomas Phelps' investment philosophy, as outlined in "100 to 1 in the Stock Market," centres on the "power of buy and hold." He argues that lasting wealth isn't built on frequent trading, but on selecting exceptional companies and holding them for decades. This approach directly challenges the common focus on short-term profits. Phelps highlights that "most investors miss out on enormous gains simply because they sell too soon," often after minimal gains.

He uses case studies to demonstrate the significant losses incurred by prematurely exiting strong investments. He emphasizes that "successful investors need the vision to see opportunities, the courage to invest in them, and, most importantly, the patience to hold onto them." Patience, according to Phelps, is the most crucial, yet rarest, trait for achieving substantial returns. It's the ability to ignore short-term market noise and maintain unwavering belief in the long-term potential of chosen investments. This steadfastness allows the power of compounding to work its magic over extended periods.

Navigating The Cyclical Seas: Deciphering Market Timing

In "100 to 1 in the Stock Market," Thomas Phelps illuminates the crucial distinction between short-term market speculation and

the strategic understanding of broader market cycles. While he acknowledges the allure of predicting immediate market swings, Phelps firmly cautions against it, emphasizing the inherent futility of attempting to time the market's minute-to-minute fluctuations.

Instead, he directs investors towards a more profound understanding of cyclical patterns, particularly the value of bear markets. He asserts that "bear markets create the best buying opportunities," a principle that runs counter to the prevailing sentiment during such periods. These downturns, characterized by widespread fear and panic, often result in the irrational undervaluation of fundamentally robust firms.

This creates a unique window for astute investors to acquire high-quality assets at significantly reduced prices. He powerfully states, "Those who have the courage to invest during these periods can secure stocks at historically low prices and benefit when the market recovers."

Conversely, he warns against the pursuit of "trying to time the market," a practice he deems counterproductive and ultimately detrimental to long-term wealth creation. Instead, he advocates for a disciplined approach: "focus on buying right and holding on, rather than obsessing over market timing."

Phelps vividly illustrates the inherent risk of market timing, comparing it to an investor who "waits for the perfect moment to buy but ends up

missing the best opportunities altogether," a common pitfall driven by indecision and fear.

To reinforce his argument, Phelps provides compelling historical evidence, highlighting numerous examples of stocks that were once available at "dirt-cheap prices during downturns but later went on to become enormous wealth generators."

This perspective serves as a key reminder that market volatility, while unsettling, presents invaluable opportunities for patient investors. The overarching message is clear: "maintain a long-term perspective and view market declines as opportunities rather than threats, transforming potential market anxieties into strategic advantages for building lasting wealth."

Identifying The Centurions: The Quest For 100-Bagger Stocks

In "100 to 1 in the Stock Market," Thomas Phelps dedicates significant attention to the pivotal task of identifying "centurions," those rare stocks capable of delivering 100-fold returns. This quest for "100-bagger" stocks involves discerning specific characteristics that historically correlate with exceptional growth. He outlines these traits, providing a framework for investors to evaluate potential candidates.

He highlights "Revolutionary Inventions," companies introducing transformative products or services, as a key indicator. Similarly, "Enhanced

Efficiency and Cost Reduction" signifies businesses optimizing processes and driving productivity. The presence of "Sustainable Competitive Advantages (Moats)," such as patents or brand dominance, ensures long-term resilience.

He stresses on "Long-Term Growth Potential," seeking companies with expanding, vast markets. Also, he favours "Owner-Operated Companies," led by leaders with vested interests, and "Early-Stage Companies with Room to Grow," possessing substantial scalability. Finally, "Strong Earnings Growth and High Returns on Capital" reflects sound financial management and reinvestment.

Phelps clarifies that "not every company will have all these attributes, but the best long-term investments usually show multiple characteristics." He guides investors to prioritize companies "disrupting industries," demonstrating "a clear path to scalability," and led by "visionary leaders who think in decades rather than quarters." This long-term focus, coupled with a rigorous evaluation of fundamental business strengths, is key for identifying those exceptional companies poised for extraordinary growth.

The Coffee-Can Paradigm: A Testament To Conviction

Thomas Phelps, in his pursuit of identifying strategies for achieving monumental investment returns, introduces the "Coffee-Can Portfolio Strategy," a concept that epitomizes the unwavering

conviction required for long-term success. This paradigm shifts the focus from active trading to passive accumulation, embodying the essence of patient investing.

The strategy entails "selecting high-potential stocks and 'locking them away' for decades, just like storing valuables in a coffee can," effectively removing the temptation to engage in impulsive trading. The core principle behind this approach is to "eliminate the temptation to sell too early and allow compounding to work its magic over time."

By adopting this strategy, investors resist the urge to react to short-term market fluctuations, enabling their investments to benefit from the exponential growth inherent in long-term compounding. This philosophy resonates strongly with Warren Buffett's adage that "the best holding period for a great stock is forever."

Phelps emphasizes that companies possessing "durable moats and high growth potential should be held indefinitely, as their best years may still be ahead." This underscores the importance of identifying businesses with sustainable competitive advantages and the capacity for sustained growth.

Also, the "Coffee-Can Portfolio Strategy" significantly "removes the risk of overtrading," a common pitfall that plagues many investors. By minimizing transaction frequency, investors reduce the impact of trading costs and taxes, maximizing their

potential returns. This fosters a disciplined, long-term perspective, allowing investors to focus on the fundamental strength of their investments instead of the noise of short-term market volatility.

The Psychology Of Endurance: Overcoming Investment Biases

Thomas Phelps, in his exploration of achieving extraordinary investment returns, doesn't shy away from addressing the formidable psychological obstacles that confront long-term investors.

He recognizes that "the psychology of endurance" is as critical as any analytical skill, acknowledging the profound impact of human emotions on investment decisions. He delves into the cognitive biases that often derail investors, particularly highlighting the detrimental effects of "fear, greed, impatience, and the pressure to act."

He vividly describes how "investors often panic during market downturns and sell their holdings at a loss," a self-defeating behaviour driven by fear and short-sightedness. This impulsive reaction frequently results in investors missing out on the subsequent recovery and the substantial gains that follow. Phelps notes the irony of this pattern, where investors witness "those same stocks recover and soar in value later," a painful reminder of their emotional misstep.

Also, he points out the common tendency among investors to "sell too soon after

a modest gain," a behaviour driven by a fear of losing profits or a desire for immediate gratification. This premature exit prevents them from participating in the "exponential growth" that characterizes true long-term winners. Phelps emphasizes that the ability to "resist emotional decision-making and stay the course is what separates the most successful investors from the rest."

This requires a conscious effort to overcome inherent biases and cultivate a disciplined, rational approach to investing. Phelps' insights underscore the importance of emotional intelligence and mental fortitude in navigating a volatile stock market.

The Alchemy of Compounding: The Engine of Exponential Growth

In Thomas Phelps' "100 to 1 in the Stock Market," the concept of compounding is not merely a financial principle; it's the very "alchemy" that transforms modest investments into extraordinary wealth.

Phelps repeatedly underscores the importance of compounding, asserting "the key to achieving 100-bagger stocks lies in the exponential growth of earnings over time." This isn't about fleeting gains; it's about the sustained, accelerating growth that occurs when earnings are consistently reinvested.

Compounding, as Phelps explains, enables investments to "grow at an accelerating rate, provided that an investor remains patient and is

committed to the process."

This element of patience is what separates those who achieve remarkable returns from those who settle for mediocrity. It requires a long-term perspective, a strong belief in the power of time to amplify returns.

"Fortunes are made by buying right and holding on," Phelps famously writes, encapsulating the essence of compounding. This simple yet powerful statement highlights the importance of selecting quality investments and allowing the magic of compounding to work its wonders. He reinforces his view by providing tangible examples, citing companies like "Coca-Cola and IBM," which achieved 100-bagger status through the patient application of long-term compounding.

These real-world illustrations serve as compelling evidence of the transformative power of compounding. They show that by resisting the urge to chase short-term gains and instead embracing a long-term, patient approach, investors can unlock the potential for exponential growth and achieve remarkable returns.

Avoiding The Investment Minefield: Common Pitfalls

Thomas Phelps, in his endeavour to guide investors towards achieving extraordinary returns, meticulously outlines the "investment minefield," highlighting common pitfalls that can derail even the most well-intentioned strategies. He identifies several critical

mistakes that consistently hinder investors' ability to realize substantial gains, emphasizing that avoiding these errors is as crucial as selecting promising investments.

Among the key pitfalls, Phelps points to "Selling Too Soon," a prevalent error that prevents investors from capitalizing on the long-term growth potential of their holdings. He also cautions against "Focusing on Short-Term Gains," which often leads to impulsive decisions driven by market noise rather than fundamental analysis.

"Overtrading," another common mistake, results in excessive transaction costs and diminished returns, while "Ignoring Business Fundamentals" leads to investments based on speculation rather than solid research. Lastly, "Failing to Reinvest Earnings" stops the compounding effect from fully maximizing potential growth.

To illustrate the profound impact of these principles, Phelps cites the compelling example of "Philip Morris." He shows the company's consistent practice of reinvesting profits into marketing and expansion, a strategy that fuelled its long-term growth. "If you had invested in Philip Morris in 1957 and held on, you would have turned \$1,000 into over \$4.6 million by 2007."

This transformation serves as a powerful testament to the benefits of patient, long-term investing and the crucial role of reinvesting earnings. Phelps' insights underscore the

importance of disciplined decision-making and a steadfast focus on fundamental business principles to navigate the stock market successfully.

The Role of Chance and Timing: Embracing Uncertainty

In his book, Phelps provides a balanced perspective on the often-overlooked role of chance and timing in investment success. While emphasizing the importance of strict analysis and disciplined strategy, he acknowledges that "luck also factors into investment success." But he quickly states "preparation and strategy are far more crucial," indicating the necessity of a solid foundation built on knowledge and principles.

Phelps also highlights the undeniable influence of timing, noting that "many of the biggest stock market winners were once available at bargain prices during major downturns." This observation emphasizes the significance of recognizing and capitalizing on opportunities that arise during periods of market distress. He suggests that these moments, often characterized by widespread fear and panic, present unique entry points for astute investors.

Crucially, Phelps stresses that "successful investors recognize that market cycles are inevitable, and downturns should be viewed as opportunities rather than threats." This mindset shift is key for navigating the inherent volatility of the stock market.

By embracing uncertainty and viewing market fluctuations as a natural part of the investment landscape, investors can avoid emotional decision-making and focus on long-term value creation.

He advocates for a proactive approach, encouraging investors to prepare for market downturns by identifying fundamentally strong companies that are likely to weather economic storms. This preparedness, combined with a disciplined strategy and a willingness to seize opportunities when they arise, significantly increases the probability of achieving long-term investment success.

Phelps' insights provide a realistic and pragmatic perspective on the interplay between chance, timing, and skill in the pursuit of investment goals.

The 100-Bagger Mindset: A Philosophy of Enduring Success

Ultimately, "100 to 1 in the Stock Market" imparts a mindset that transcends the fleeting trends of market speculation. It cultivates "patience, conviction, and a deep understanding of the businesses they invest in."

"To make money in stocks, you must have vision to see them, courage to buy them, and patience to hold them," Phelps writes, summarizing the essence of his investment philosophy. For the discerning investor, seeking to achieve extraordinary wealth, these words serve as a timeless guide.



IMPORTANT JARGON

GOVERNMENT CUTS IMPORT DUTY ON CRUDE EDIBLE OIL

The government has slashed basic customs duty on crude edible oils like palm, soybean, and sunflower. The move aims to address escalating edible oil prices in the country. It will also benefit the domestic edible oil refining industry.

Q. What Is The Aim Behind The Tweaking Of Import Duty?

Import duty refers to the tax imposed by the Indian government on imports. It is goods-specific. The aim behind tweaking any of the components of the import duty by the government is to keep a check on the country's trade balance, protect local industries and generate revenue.

Q. What Changes Have Been Made To The Import Duty On Crude Edible Oils?

The government of India on 30th May '25 slashed the basic customs duty on crude edible oils namely palm, soybean, and sunflower from 20% to 10%. This effectively reduces the total import duty from 27.5% to 16.5%. The government has not tweaked the import duty on refined edible oil, which currently attracts a 35.75% import tax.

Q. What Is The Rationale Behind This Import Duty Cut?

There has been double-digit inflation in edible oils in India at around 18% year-on-year. The rise in price of edible oil has been on the back of contraction in oilseed sowing and rising global prices. This has been a concern as it puts a burden on end consumers. Thus, the reduction in basic customs duty on imported crude edible oils will help higher imports thereby increasing supply.

Q. How Will The Move Benefit The Edible Oil Refining Industry?

Duty differential between refined edible oil and crude edible oil before 30th May '25 was 8.25%. Now, duty differential after

30th May '25 is 19.25%.

Higher duty differential will encourage refiners to favour crude imports over refined oil imports. This will lead to improved capacity utilization and enhanced refining margins for refiners, thereby helping the domestic edible oil refining industry. The move will enhance the competitive advantage for domestic refiners. In a way the move will strengthen and revitalize the domestic refining sector.

Q. Will Price Transmission Happen?

Put another way, domestic edible oil refiners that import crude edible oil will save costs as landed cost will now be lower than earlier. This will help refiners' margins. But, refiners will have to transmit the benefit to the end customers as well. The government has issued an advisory (it is an indirect pressure) to industry stakeholders to ensure that the benefit of the reduced duty is passed on to consumers.

Q. What Is The Current State Of The Edible Oil Industry?

India remains the world's leading importer of edible oils. India meets more than 70% of its vegetable oil demand through imports. It buys palm oil mainly from Indonesia, Malaysia and Thailand. India imports soy oil and sunflower oil mainly from Argentina, Brazil, Russia and Ukraine.

Q. How Have Imports Fared In The Current Year?

Imports have been lower this year on weak demand and higher prices. However, imports are likely to surge ahead in the year.

As per data from the Solvent Extractors' Association (SEA) of India, palm oil imports rose by 84% month-on-month in May '25 to reach 0.59 million tonnes (MT) - the highest monthly volume recorded since November '24. Imports of soy oil increased 10.4% to 0.4 MT, the highest since January, and sunflower oil imports rose 1.9% to 0.18 MT.

ISRAEL-IRAN CONFLICT & POTENTIAL CLOSURE OF STRAIT OF HORMUZ

In the Israel-Iran conflict, Iran has repeatedly warned of blocking the Strait of Hormuz. A large volume of crude oil moves through this strait. Any disruption here could lead to spiking of crude oil prices. Potentially, any increase in crude oil prices will have a direct and indirect impact on India too.

Q. Why Is The Strait Of Hormuz Important?

The Strait of Hormuz falls within the territorial waters of three nations - the UAE, Oman, and Iran. The strait

supports movement of around 20% of the world's oil consumption and liquefied natural gas (LNG), largely emanating from Saudi Arabia, UAE and Qatar. Of the oil that passes through this Strait, more than 80% is consumed in Asia, mostly by China, India, Japan and South Korea.

Q. What Is The Current Situation At The Strait?

Despite conflicts in the past, Iran has never acted on its threat to close the Strait of Hormuz because Iran, and its allies like China, also stand to lose significantly if the flow through the Strait is affected. Besides, the US, a key ally of Israel, maintains a military presence in the region. Nevertheless, the Strait remains a key energy choke point for the world.

Q. How Has Crude Reacted To Geopolitical Tensions?

Just warnings by Iran of the shutting the Strait of Hormuz has led to a spike in crude oil prices. Crude prices have surged to US \$80 per barrel and have since settled to around US \$75 per barrel from around US \$65 per barrel before the conflict. According to one research, crude oil could spike to US \$90 per barrel if the Strait of Hormuz shuts.

Q. How Will India Be Impacted By A Potential Closure Of The Strait?

According to ratings agency ICRA, crude oil imports from Iraq, Saudi Arabia, Kuwait and the UAE that pass through the Strait of Hormuz account for around 45%-50% of total crude imports by India. About 60% of natural gas imports by

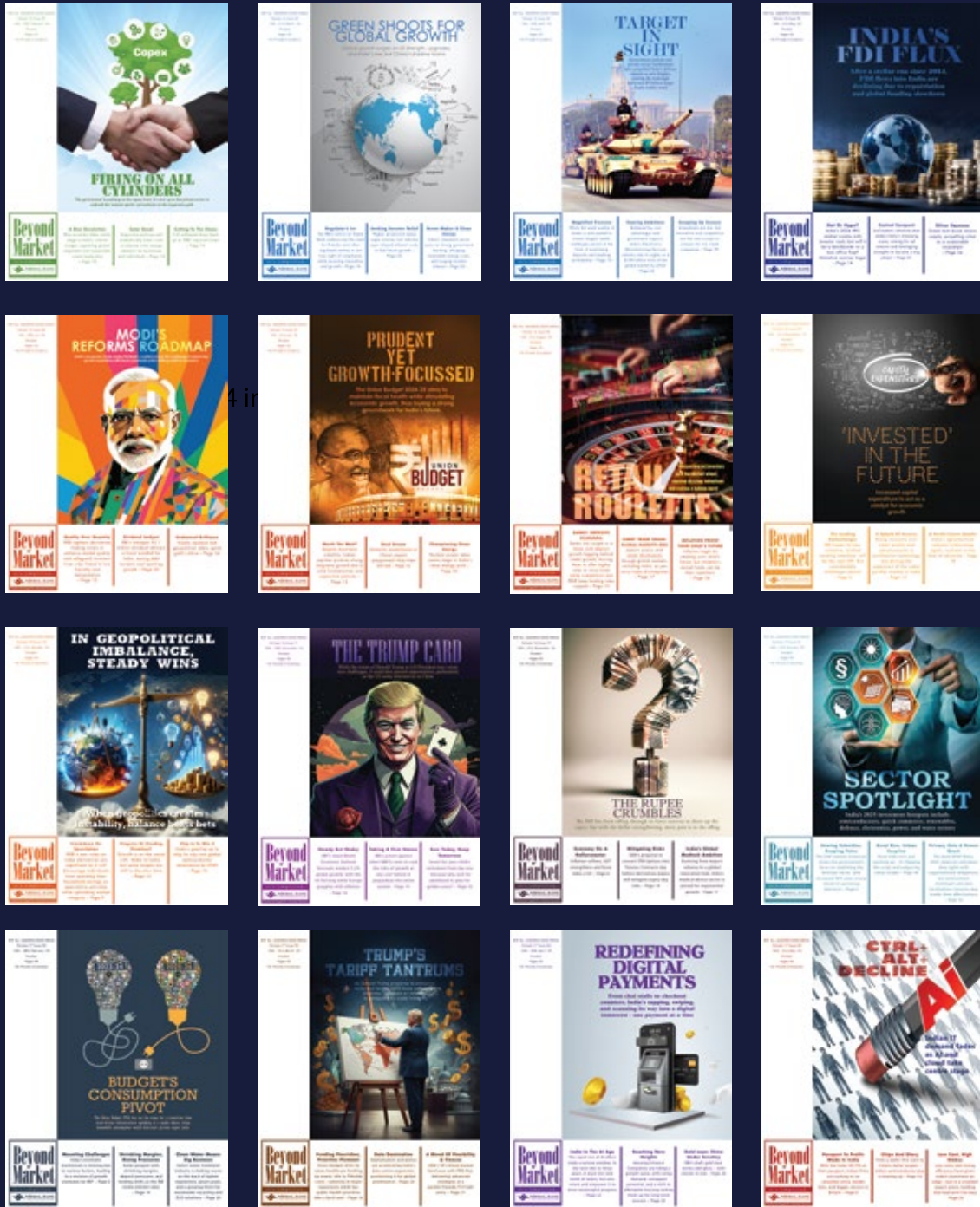
India pass through the Strait of Hormuz. Clearly, India will get significantly impacted if the Strait shuts. To point out, India depends on imports for over 80% of its energy needs.

Q. What Will Be The Impact On India's Macroeconomy?

According to an estimate by ICRA, a \$10 per barrel increase in the average price of crude oil for the fiscal typically pushes up net oil imports by around US \$13 billion to \$14 billion during the year, enlarging the current account deficit (CAD) by 0.3% of gross domestic product (GDP). Also, any significant rise in the Indian basket of crude oil will lead to imported inflation, corresponding impact on Indian Rupee, withdrawal of funds by foreign investors and challenges to India's fiscal management. Any spike in inflation will have a bearing on the monetary policy as well.

Q. What Is India Doing To Mitigate Potential Risks?

Most analysts think, although India remains susceptible to a surge in oil prices, given India's current strong fundamentals, the capacity to fiscally bear higher prices is substantially higher. Irrespective of that, India plans to source crude oil from outside the Middle-East. It also plans to cut its exports of refined petroleum products. India is a net exporter of petroleum goods, with refiners shipping to countries such as the United Arab Emirates, Singapore, the US and Australia. A crisis back home could reduce those shipments to ensure sufficient stockpiles back home.



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