# MONTHLY NEWSLETTER - MAR 2023

## NEWS HIGHLIGHTS

**Finance minister tried to make New Tax Regime attractive for Taxpayers in the Budget 23**

The Finance Minister made various changes in the new income tax regime from FY 2023-24 by raising income slabs, enhanced rebate limit of Rs 7 lakh U/s 87A, newly introduced standard deduction limit of Rs 50000/- and lowering surcharge for HNIs to incentivise taxpayers.



**RBI increased the policy repo rate under the liquidity adjustment facility (LAF) by 25 basis points to 6.50**

The Reserve Bank of India's (RBI) Monetary Policy Committee (MPC) announced an increase in the repo rate by 25 basis points to 6.5% on 8th Feb '23.



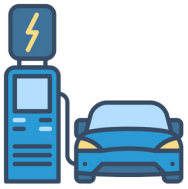
**India's services sector witnessed slower growth in January with PMI decline to 57.2.**

Softening orders and spurring caution in companies, made India's services activity slower in January after touching a six-month high in December.



**Cars, EVs and trucks industry expects demand to boost post budget.**

Industry expects that enhanced income tax rebate, reduction in the highest income tax surcharge, monetary allocation for vehicle scrappage policy, and import duty exemption on machines and capital goods for manufacture of lithium-ion cells announced in the budget to accelerate demand.



**RBI imposes restrictions on 5 co-operative banks**

As per restrictions imposed by RBI Customers of HCBL Co-operative Bank, Lucknow ; Adarsh Mahila Nagari Sahakari Bank Maryadit, Aurangabad ; and Shimsha Sahakara Bank Niyamitha, Maddur, cannot withdraw funds. Customers of Uravakonda Co-operative Town Bank, Uravakonda, and Shankarrao Mohite Patil Sahakari Bank, Akluj can withdraw up to Rs 5,000.




Source: Multiple News Portals

## MONTHLY MARKET DATA

| Particulars | Open | High | Low | Close | Change % |
|---|---|---|---|---|---|
| Sensex | 60,001.17 | 61,682.25 | 58,797.20 | 58,962.12 | -1.73% |
| Nifty | 17,811.60 | 18,134.75 | 17,255.20 | 17,303.95 | -2.85% |
| Nasdaq | 11,573.14 | 12,269.55 | 11,334.46 | 11,455.54 | -1.02% |
| Gold | 1,927.92 | 1,959.77 | 1,820.16 | 1,825.62 | -5.31% |
| Crude | 79 | 80.56 | 72.18 | 76.53 | -3.13% |

*Source : Investing.com | Market Data period 01/02/2023 to 28/02/2023

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## FINANCIAL QUOTE OF THE MONTH

**"Investing puts money to work.**
**The only reason to save money is to invest it"**
- Grant Cardone



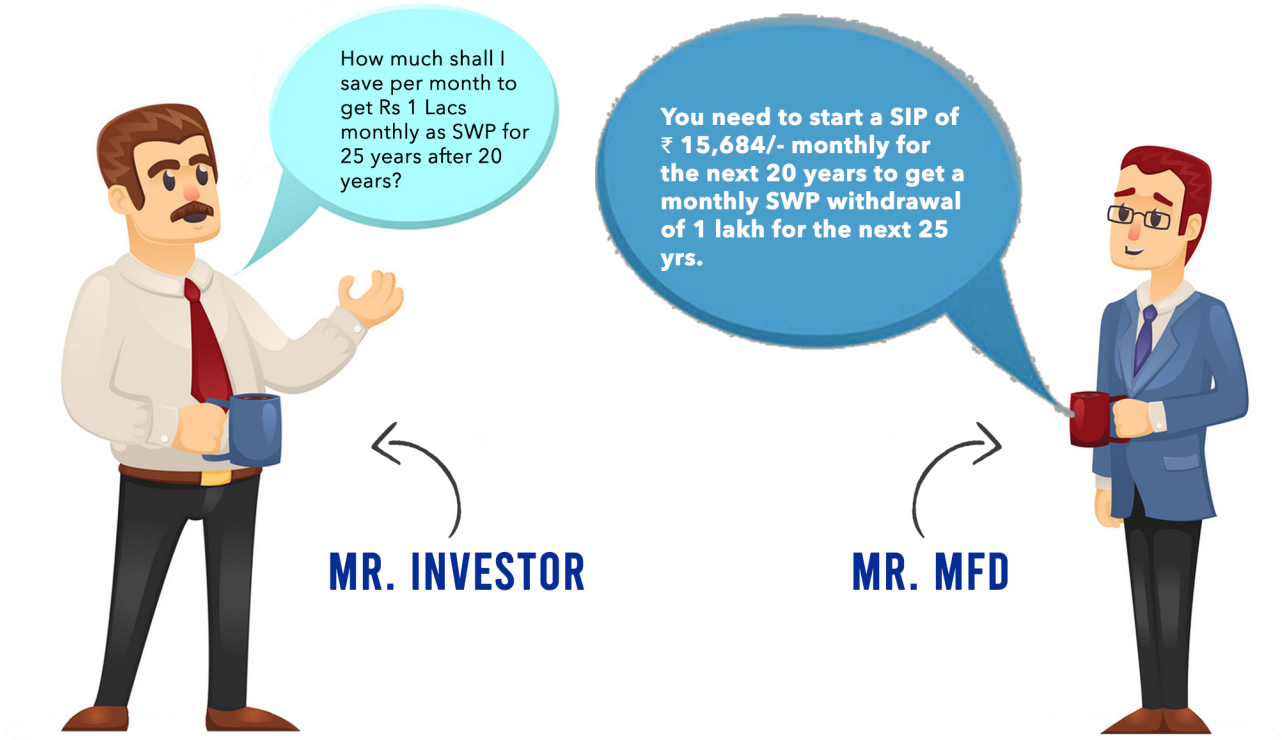
## TAX SAVING TIP OF THE MONTH

Invest in NPS Tier I A/c and get eligible for extra deductions for investment up to Rs 50000/- U/s 80CCD(1)B over and above your Rs 1.5 lakh limit U/s 80C in a FY.

* Your own investment in NPS is eligible for deduction maximum of Rs 1.5 Lacs(Up to 10% of salary in case of Salaried and 20% of earning of Self Employed) under 80CCD(1). Please note the overall deduction limit of 80C, 80CCC & 80CCD(1) is Rs 1.5 lacs.

**Your employer can also contribute in your A/c up to 10% of Salary(Basic + DA) which is eligible for deductions U/s 80CCD(2) capped at Rs 7.5 lacs per annum.

## ASK YOUR MFD




*Assumed return in accumulation phase (SIP Period) is 12% and in distribution phase (SWP Period) is 7%.

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## QUIZ

**What is Rule of 72?**

*Answer will be published in the next edition.*

## EDITORIAL

### ROAD TO BECOMING THE WORLD'S 3RD LARGEST ECONOMY

The Indian economy is showing some resilience amid global turmoil and recession fears. India's current GDP growth over 6% is the one of the highest in the world,surpassing major developing countries including China.

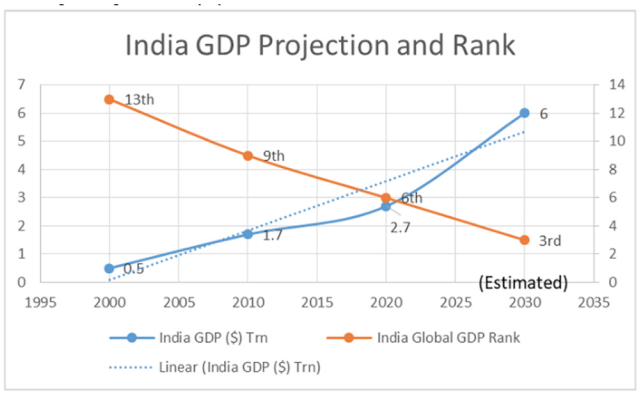
| Country | Last (%) | Previous (%) | Reference |
|---|---|---|---|
| India | 6.3 | 13.5 | Sep/22 |
| Argentina | 5.9 | 7.1 | Sep/22 |
| Australia | 5.9 | 3.4 | Sep/22 |
| Saudi Arabia | 5.4 | 8.7 | Dec/22 |
| Indonesia | 5.01 | 5.73 | Dec/22 |
| South Africa | 4.1 | 0.2 | Sep/22 |
| Canada | 3.9 | 4.7 | Sep/22 |
| Turkey | 3.9 | 7.7 | Sep/22 |
| Brazil | 3.6 | 3.7 | Sep/22 |
| Mexico | 3.5 | 4.3 | Dec/22 |
| Netherlands | 3 | 3.1 | Dec/22 |
| China | 2.9 | 3.9 | Dec/22 |
| Spain | 2.7 | 4.8 | Dec/22 |
| Singapore | 2.1 | 4 | Dec/22 |
| Euro Area | 1.9 | 2.3 | Dec/22 |
| Italy | 1.7 | 2.7 | Dec/22 |
| South Korea | 1.4 | 3.1 | Dec/22 |
| Germany | 1.1 | 1.4 | Dec/22 |
| United States | 1 | 1.9 | Dec/22 |
| Japan | 0.6 | 1.5 | Dec/22 |
| France | 0.5 | 1 | Dec/22 |
| Switzerland | 0.5 | 2.2 | Sep/22 |
| United Kingdom | 0.4 | 1.9 | Dec/22 |
| Russia | -3.7 | -4.1 | Sep/22 |



Table Source: tradingeconomics.com

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How long can India be able to keep its tag of fastest growing economy and achieve its dream of becoming 3rd largest economy by 2030? Let's find out the same.




Data Source: World Bank

**Strong Digital Adaptation**: Digital India campaign with cheap internet connectivity has pushed India's smartphone users to approximate 650 million. This has led to new demand for financial services, consumer goods, healthcare, and education. Our information technology exports crossed $150 bn in FY22 resulting in enormous new job opportunities. India also ranks 3rd in the world for the number of startups.

**Public Infrastructure:** Investments in airport infrastructure, ports, railways and highways are creating a world-class transportation network and providing deeper access to remote areas that will enable the creation of an efficient and integrated ecosystem for manufacturing, logistics and exports.

**Make In India Campaign:** The Indian government has introduced some new initiatives to introduce India as a global manufacturing hub like phased manufacturing program, production linked incentive scheme and by reducing and simplifying tax regimes as Government motive to increase the manufacturing sector's share of GDP from the current 15%.

**Renewable Energy:** India is continuously trying to reduce the import of fossil fuel which is draining a major portion of the forex reserve. The government has set a goal of 500 GW of renewable energy capacity by 2030 from present 166GW. Old car scrappage policy and tax incentives in electric cars are also aimed to reduce traditional fuel as energy which shall make the environment too pollution free.

Though continuous reforms and stable policy suggest India may be on track but lot needs to be done and achieved for completing its goal to become a $6trn economy by 2030.

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## MF CATEGORY WISE PERFORMANCE (%) AT A GLANCE

| Category | 6 Months | 1 year | 3 Years | 5 Years | 10 Years |
|---|---|---|---|---|---|
| Equity - Contra | 2.40 | 13.93 | 20.20 | 12.34 | 14.96 |
| Equity - Dividend Yield Fund | 2.44 | 11.48 | 19.04 | 10.51 | 12.77 |
| Equity - ELSS | -1.00 | 7.70 | 14.07 | 9.58 | 14.01 |
| Equity - Flexi Cap Fund | -1.81 | 5.84 | 13.92 | 10.40 | 13.83 |
| Equity - Focused Fund | -1.83 | 6.22 | 13.73 | 9.75 | 13.77 |
| Equity - Large & Mid Cap Fund | -1.30 | 8.54 | 15.29 | 10.48 | 14.77 |
| Equity - Large Cap Fund | -1.44 | 6.70 | 12.65 | 9.80 | 12.47 |
| Equity - Mid Cap Fund | -1.79 | 10.76 | 18.57 | 11.44 | 17.36 |
| Equity - Multi Cap Fund | -0.27 | 10.55 | 17.36 | 12.05 | 15.66 |
| Equity - Small Cap Fund | 0.56 | 12.10 | 25.37 | 12.43 | 18.96 |
| Equity - Value Fund | 1.76 | 11.72 | 17.55 | 9.05 | 14.84 |

* All Sectoral, Thematic, Index & ETF Funds excluded in the above list.
* Disclaimer: This report has been prepared on the basis of data available with us and we have taken all precautions so that there are no errors and lapses. However, we do not assume any liability for actions taken on the basis of this report. Past performance may or may not be sustained in future. Mutual fund investments are subject to market risks, read all scheme related documents carefully.
* Report as on 01/03/2023

## Question and Answer for the Quiz Last Edition:

Q: On which date S&P BSE Sensex was launched and what is base value and year?

Ans: On 2nd Jan, 1986, S&P BSE SENSEX , the country's first equity index launched. (Base Year:1978-79 =100)

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