Set objective rules for equity market re-entry



GROUND REALITY

DEEPESH RAGHAW

Buy low and sell high — isn't that the mantra for making money in the equity market? The market is near all-time highs, so should you sell? As an investment advisor, I frequently encounter this question.

When a significant portion of your life savings is at stake, the question does not seem unfair either. The possibility that the current notional gains might vanish in a market correction keeps many investors on the edge.

My usual advice is to resist the temptation to sell unless your asset allocation necessitates it. A rising equity market can quickly push your equity exposure beyond allocation thresholds. In such cases, there is merit in selling equities and reallocating the proceeds to the fixed-income portfolio. Otherwise, it's often best to sit back and relax.

However, investors often expect more cogent answers, so let's explore some of the other reasons as well.

Firstly, all-time highs are not uncommon. The Sensex didn't rise from 4,000 to 72,000 over the past 20 years without reaching new highs regularly. In fact, between 2004 and 2023, the Nifty 50 touched new highs in 15 out of 20 years. The only exceptions were 2008, 2009, 2011, 2012, and 2016. Therefore, the market hitting all-time highs alone shouldn't be a trigger to sell. Long-term investors would miss out on further gains by selling prematurely.

Secondly, the challenge isn't in selling — it's easy to sell when the market peaks. The real challenge is in buying back. Assuming the Indian economy and its stocks perform well over the next decade, you would want to maintain a diversified equity portfolio, provided your risk profile and financial goals allow it. When you sell stocks, you do the exact opposite.

Having sold, the challenge lies in buying back. If the market rises after you sell, you are unlikely to buy at higher prices. Conversely, if the market falls, negative market commentary may discourage you from reinvesting until 'normalcy' returns. Meanwhile, the market could suddenly rebound. You would be left behind, anchored to the lower levels you let pass. Not reinvesting is a big risk for long-term wealth creation.

Before selling, outline a clear, objective reinvestment strategy. Set specific triggers for buying back, such as a particular market level or a 5–10% correction

This dilemma is akin to Abhimanyu's in the *Chakravyuh* — he knew how to enter but not how to exit. In investing, we know when to sell but struggle with re-entry.

No investor is completely rational. Emotions play a role and must be managed. If the rising market causes both joy and concern, it is acceptable to sell a small portion of your equity portfolio, even if your asset allocation does not strictly require it. The sale should be minimal — enough to provide a sense of action and enable you to maintain your sanity without disrupting your long-term investment plan.

Now, the question is, what percentage of your equity portfolio should you sell? Five per cent seems a healthy compromise.

Before you sell, write down your reinvestment plan. Make this plan as mechanical and objective as possible. The trigger to buy back could be a specific market level or a correction of 5 to 10 per cent from the current levels. Even if the trigger is complex, it should be objective. Don't second guess when the buyback trigger goes off. Also, have a contingency plan if the trigger does not go off within a set timeframe.

Investing in the stock market involves battling with your emotions and biases. While you can't control the market's trajectory, you can control your actions. Implementing rule-based decisions, like adhering to asset allocation targets and systematic investments, helps maintain discipline. Remember, you are not competing with anyone. Contentment with your investments doesn't always require buying exactly at the lowest level and selling at the peak.

The writer is a Sebi-registered investment advisor

SMART MONEY MOVES FOR 2024

Book profits in equities, lock into current FD rates

Take some allocation to long-duration debt funds given the likelihood of rate cuts this year

BINDISHA SARANG

The start of a new year is a good time to assess and recalibrate your financial strategy. Here are a few critical steps you need to take to align your portfolio with evolving market conditions and changes in your life circumstances.

Equities

Equity markets have witnessed a sharp run-up over the past year, with the Nifty 50 up 22.6 per cent. This would have made many investors' portfolios overweight on equities. They should move a part of their portfolio from equities to fixed income to bring their asset allocation back to the original level.

Investors also need to rebalance at the sub-category level. Mid- and small-cap indexes have run up more than the large-cap index. While the Nifty Midcap 150 index is up 48.4 per cent, the Nifty Small-cap index is up 54.7 per cent over the past year. Therefore, investors should sell a part of their small- and mid-cap holdings and move the money to the large-cap category.

Purchasing active funds within the large-cap category is not advisable. Says Feroze Azeez, deputy chief executive officer, Anand Rathi Wealth: "This category has the least alpha generation potential. In 2023, 84 per cent of large-cap funds beat the Nifty 50, which is less compared to the other diversified equity categories." One may opt for passive funds within this category.

Next, check the style diversity within your equity portfolio. Says Azeez: "The performance of the two styles—growth and value—is usually inversely related." It is prudent to allocate to both styles instead of being influenced by past performance and tilting heavily towards one over the other.

Fixed income

The Reserve Bank of India (RBI) is expected to start cutting the repo rate in the latter half of 2024. Says Ajinkya Kulkarni, co-founder and chief executive officer, Wint Wealth: "Once the rate cuts start, all the banks and non-banking financial companies (NBFCs) will cut the rates on their fixed-income instruments." According to him, now is the best time to lock your money into high-return fixed deposits (FDs).

Some allocation may be made to FDs of small finance banks (SFBs). Says Kulkarni: "SFBs offer approximately one to two percentage points extra interest per annum compared to most established banks. They also come under the Deposit Insurance and Credit Guarantee Corporation's deposit insurance of ₹5 lakh per account per account holder." He suggests avoiding floating-rate FDs at this juncture.

Investors should also have an allocation to debt mutual funds (MFs). Says Jigar Patel, member, Association of Registered Investment Advisors (ARIA): "While bank FDs will only give the stated interest rate, debt MFs can also offer capital gains in a declining interest-rate scenario." He advises investors to avoid taking credit risk and stick to funds that invest in sovereign or AAA-rated bonds.

The bulk of an investor's portfolio should be in shorter-duration funds of up to one year portfolio duration. Some allocation may be made to long-duration funds or dynamic bond funds for possible capital gains. Try to match your investment horizon with the portfolio duration of the fund category you invest in.

Gold

Gold exchange-traded funds, which reflect the performance of the yellow metal, have given a return of around 9 per cent over the past year. Investors should maintain a 10-15 per cent allocation to this commodity as a hedge against equity market volatility.

Insurance: Life and health

Most people in India do not have adequate life cover, as numerous surveys have highlighted. Says Mrin Agarwal, founder and director, Finsafe India: "While people have a few endowment plans and unit-linked insurance plans (ULIPs), and some health cover, the sum insured is usually inadequate. Individuals need to assess the cover they require and acquire it."

As for how much coverage one should buy, M. Barve, director, MB Wealth Financial Solutions, says: "Buy a life cover of 15 times your annual income if you are aged 35 to 40. Beyond 40 years, a cover of 10 to 12 times your income is good enough."

People whose life circumstances have changed need to reassess their coverage. Those who have gotten married, had a child, or taken a home loan should increase their coverage by purchasing an additional term plan.

Having an adequate sum insured on the health insurance policy is equally important. Says Agarwal: "Individuals with dependants should have health cover worth at least ₹10 to 15 lakh." She adds that one should not go for the cheapest cover as it may have many exclusions and sub-limits.

Tax

It would be prudent to book profits in equities after the run-up over the past year. Says Naveen Wadhwa, deputy general manager, Taxmann: "Investors who are contemplating profit booking should try to convert their short-term capital gains to long-term."

This is pivotal due to the different tax rates. Long-term capital gains from equity shares held for over 12 months are taxed at 10 per cent if they exceed ₹1 lakh in a financial year, while short-term gains incur a 15 per cent tax without any threshold.

Says Wadhwa: "Check the date of purchase before selling shares, as long-term capital gains will help you reduce the tax burden. You will also qualify for exemption under Section 54F, provided the consideration is invested in purchasing or constructing a house property."

A FEW NIFTY TAX MOVES

Loss harvesting

- This strategy involves selling investments at a loss to offset capital gains, thereby reducing taxable income
- Remember, long-term capital losses can only be offset against long-term gains; short-term losses can be offset against both short and long-term gains

Claim accurate HRA exemption

- When claiming House Rent Allowance (HRA) for rent paid to relatives, ensure genuine rent, utility, and maintenance payments are made, and the landlord reports this income in their tax return

Compare tax regimes

- The new tax regime offers lower rates, while the old one provides more deductions and exemptions
- For those utilising deductions under Section 80C (up to ₹1,50,000) and Section 80D (up to ₹50,000), the breakeven point is ₹8,25,000
- Beyond this income level, the new tax regime is more advantageous

Source: Taxmann



POSSESSION NOTICE

Whereas, the authorized officer of **Jana Small Finance Bank Limited** (Formerly known as Jana Lakshmi Financial Services Limited)., under the Securitization And Reconstruction Of Financial Assets And Enforcement Of Security Interest Act,2002 and in exercise of powers conferred under section 13(2) read with rule 3 of the Security Interest (Enforcement) Rules 2002 issued **demand notices** to the borrower(s)/ Co-borrower(s) calling upon the borrowers to repay the amount mentioned against the respective names together with interest thereon at the applicable rates as mentioned in the said notices within **60 days** from the date of receipt of the said notices, along with future interest as applicable, incidental expenses, costs, charges etc., incurred till the date of payment and/ or realisation.

Sr. No.	Loan No.	Borrower/ Co-Borrower/ Guarantor/ Mortgagor	13(2) Notice Date/ Outstanding Due (in Rs.) as on	Date/ Time & Type of Possession
1	45629630000221 45629440000180 & 45629410000030	1) Sashikant Maharana, 2) Gadadhar Maharana, 3) Anita Maharana	21-08-2023 Rs.33,06,377.03 (Rupees Thirty Three Lakh Six Thousand Three Hundred Seventy Seven and Three Paisa Only) as on 17-08-2023	Date: 10-01-2024 Time: 01:45 PM Symbolic Possession
	Schedule of the Property: All that piece and parcel of the immovable property bearing Khata No.34, Plot No.417, Mouza Champagadi, Tahasil Gopabandhu Nagar, Mayurbhanj, Odisha. **Bounded on: East:** Road, **West:** Gadadhar Maharana, **North:** Ratikanta Maharna, **South:** Ratikanta Maharana and Gadadhar Maharana.			
2	46549440000207	1) Hemanta Kumar Behera, 2) Sunanda Behera	15-07-2023 Rs.7,50,912.00 (Rupees Seven Lakh Fifty Thousand Nine Hundred Twelve Only) as on 06-07-2023	Date: 10-01-2024 Time: 03:30 PM Symbolic Possession
	Schedule of the Property: All that piece and parcel of the immovable property bearing Khata No.346/473, Plot No.1160/3562, Mauza Sibatala, Tah./ Dist. Balangir. **Bounded on: East:** Jagadish Sahoo, **West:** Road, **North:** Nepl Behera, **South:** Sanjay Behera.			

Whereas the Borrower's/ Co-Borrower's/ Guarantor's/ Mortgagors, mentioned herein above have failed to repay the amounts due, notice is hereby given to the Borrower's mentioned herein above in particular and to the Public in general that the authorised officer of **Jana Small Finance Bank Limited** has **taken symbolic possession** of the properties/ secured assets described herein above in exercise of powers conferred on him under Section 13(4) of the said act read with Rule 8 of the said rules on the dates mentioned above. The Borrower's/ Co-Borrower's/ Guarantor's/ Mortgagors mentioned herein above in particular and the Public in general are hereby cautioned not to deal with the aforesaid properties/ Secured Assets and any dealings with the said properties/ Secured assets will be subject to the charge of **Jana Small Finance Bank Limited.**

Place: Balasore & Balangir
Date: 15.01.2024

Sd/- Authorised Officer,
Jana Small Finance Bank Limited

JANA SMALL FINANCE BANK
(A scheduled commercial bank)

Registered Office: The Fairway, Ground & First Floor, Survey No.10/1, 11/2 & 12/2B, Off Domlur, Koramangla Inner Ring Road, Next to EGL Business Park, Challaghatta, Bangalore-560071. Branch Office: Ground Floor, Padmalaya Complex, Sahadebkhunta, Balasore, Odisha. Branch Office: Ground Floor, K-Mart, Plot No.926/1054, Khadalpada, Balangir-767021.

HDFC ERGO General Insurance Company Limited

CIN: U66030MH2007PLC177117
IRDAI Registration No.: 146
Date of Registration with the IRDAI: July 09, 2010

HDFC ERGO

Financial Results

(₹ in '000)

Sr No.	Particulars	Three months ended		Nine months ended		Year ended
		Dec 31, 2023	Dec 31, 2022	Dec 31, 2023	Dec 31, 2022	Mar 31, 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Total Income from Operations (Note 1)	47,173,788	39,762,994	135,941,660	121,230,557	168,731,374
2	Net Profit / (loss) for the period (before Tax, Exceptional and / or Extraordinary Item)	1,743,612	1,668,395	7,545,983	5,952,101	8,684,454
3	Net Profit / (loss) for the period before tax (after Exceptional and / or Extraordinary Item)	1,743,612	1,668,395	7,545,983	5,952,101	8,684,454
4	Net Profit / (loss) for the period after tax (after Exceptional and / or Extraordinary Item)	1,339,929	1,261,515	5,701,973	4,473,646	6,526,595
5	Total Comprehensive Income for the period [Comprising Profit / (loss) for the period (after tax) and Other Comprehensive Income (after tax)] (Note 2)	NA	NA	NA	NA	NA
6	Paid up Equity Share Capital	7,149,683	7,127,800	7,149,683	7,127,800	7,127,800
7	Reserves (exclude Revaluation Reserves)(Note 3)	20,704,064	17,945,374	20,704,064	17,945,374	17,503,593
8	Securities Premium Account	14,638,232	14,165,941	14,638,232	14,165,941	14,165,941
9	Net Worth	39,845,434	36,592,570	39,845,434	36,592,570	36,159,558
10	Paid up Outstanding Debt	10,750,000	5,290,000	10,750,000	5,290,000	8,290,000
11	Outstanding Redeemable Preference Shares	NA	NA	NA	NA	NA
12	Debt Equity Ratio (No. of times)	0.27	0.14	0.27	0.14	0.23
13	Earnings Per share (of ₹ 10/- each) (for continuing and discontinued operations)					
	1. Basic:	1.87	1.77	7.98	6.28	9.16
	2. Diluted:	1.87	1.77	7.96	6.26	9.13
14	Capital Redemption Reserves	NA	NA	NA	NA	NA
15	Debenture Redemption Reserves	356,468	356,468	356,468	356,468	356,468
16	Debt Service Coverage Ratio (No. of times)	9.30	17.39	15.08	20.40	21.05
17	Interest Service Coverage Ratio (No. of times)	9.30	17.39	15.08	20.40	21.05

Notes:

1. Total Income from operations represents Gross Written Premium (GWP).
2. The Indian Accounting Standards (Ind AS) are currently not applicable to Insurance Companies in India.
3. Includes Reserve on Amalgamation created on the merger of erstwhile HDFC ERGO Health Insurance Limited (formerly Apollo Munich Health Insurance Company Limited) with the Company.
4. The above is an extract of the detailed format of quarterly and year to date Financial Results filed with the Stock Exchange under Regulation 52 of SEBI (Listing Obligations and Disclsoures Requirement) Regulations, 2015. The full format of quarterly and year to date Financial Results are available on the website of Stock Exchange (www.bseindia.com) and the Company (www.hdfcergo.com).
5. For the other line items referred in Regulation 52(4) of of SEBI (Listing Obligations and Disclsoures Requirement) Regulatons, 2015, pertinent disclosures have been made to Stock Exchange (BSE) and can be accessed on www.bseindia.com.

For and on the behalf of Board of Directors

Sd/-
Ritesh Kumar
Managing Director & CEO
DIN: 02213019

Place: Mumbai
Date: January 13, 2024

Registered & Corporate Office: 1st Floor, HDFC House, 165-166 Backbay Reclamation, H. T. Parekh Marg, Churchgate, Mumbai – 400 020.
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SALE OF RICE MILL WITH CO-GENERATION POWER PLANT IN ODISHA

SALE NOTICE UNDER IBC, 2016
M/S SABITRI INDUSTRIES PRIVATE LIMITED (in Liquidation)
Liquidator's Address -2nd Floor, Kolkata Bazar Building, Nayapada, Sambalpur, Odisha-768001

The following Assets & Properties of M/s Sabitri industries Pvt. Ltd. (in Liquidation) having CIN U63020OR2009PTC011303 forming part of liquidation estate is for sale by the liquidator through e-auction on "AS IS WHERE IS," "AS IS WHAT IS" and "WHATEVER THERE IS BASIS" AND NO RE COURSE BASIS" as per details mentioned below:

Lot No.	Asset Description	Reserved price (In Rs.)	EMD Amount (In Rs.)	E Auction timing on 20th Feb,2024
A	All assets Rice milling unit having 37 tpd of paddy processing capacity along with 2.5 M.W co-generation power plant established over 21. 01 acres of land (A 9.97 dec of free hold + 11. 14 Acres of lease hold land) with civil construction, plant & Machinery and other auxiliary and movable assets. **Located at Village – Olara, P.O - Bantala Vide - Badachana, Dist. - Jajpur (Odisha).** (Lot A1+A2)	21,45,88,900	2,14,58,890	11.00 a.m. to 12 p.m.
Lot A1	**Land & Building** Land comprising 9.97 acres freehold land and 11.14 acres of lease hold land along with all civil construction including milling shed, paddy godowns shed, husk shed, power plant room, ETP tank, water storage tank, RCC chimney etc.	12,17,62,500	1,21,76,250	12.30 p.m. to 1.30 p.m.
Lot A2	**Plant & Machinery** The plant & machineries and auxiliary equipment for processing paddy into rice and cogeneration powerplant including paddy cleaning section, parboiling section, mechanical drier, milling section, consisting of sifter, boiler & turbine and husk discharging, weighing machine, D.G sets etc.	9,28,26,400.00	92,82,640	2.00 p.m. to 3 P.m.
	Last date for submission of Eligibility Documents		**31.01.2024**	
	Date of intimation of Qualified Bidders		03.02.2024	
	Last date for Inspection		15.02.2024	
	Last date for EMD		18.02.2024	
	E- Auction Date		20.02.2024	

TERMS AND CONDITIONS OF THE E-AUCTION ARE AS UNDER:

1.E-auction will be conducted on "AS IS WHERE IS ", "AS IS WHAT IS" and "WHAT EVER THERE IS BASIS" AND NO RE COURSE BASIS" through approved service provider M/S- e procurement Technological Limited (Auction Tiger)
2.The Complete e-auction process document containing details of the Assets, Online e-auction Bid Form, Declaration and undertaking form, General Terms and conditions of the online auction sale are available on website http://nctlaction.auctiontiger.net Contact No: 919722778828 E mail: praveen.thevar@auctiontiger.net & nclt@auctiontiger.net. The prospective bidder can also obtain it from the liquidator. contact No: 9437052510 E mail: - sambhuandassociates@gmail.com/liqsabitri@gmail.com
3.The liquidator/SCC has the right to accept or cancel or extend or modify, etc. any terms and conditions of E-auction of any time.

CA SAMBHU LAL AGARWAL
Liquidator of Sabitri Industries Private Limited
IBBI Reg. No.: IBBI/IPA-IP-P00387/2017-18/10698
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15/01/2024

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