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# INVESTMENT JOURNAL

# SURCOM

Sept 30, 2023 | [www.surcom.in](http://www.surcom.in)

**Editor - Nand Modi**

## COVER STORY

**Understanding  
MF Taxation**

## SPECIAL REPORT

**Winner's Rotate**



Disclaimer: This is for private circulation and only for information purpose. This is not any kind of recommendation . Mutual Fund investment is subject to market risk, read all scheme related documents carefully before investing.

## MARKET AT ALL NEW LEVELS

It's interesting to see the developments in the Indian stock market during the first half of the Financial Year (F.Y.) 2023-24. There was a significant bull run, with the market reaching an all-time high of 20,222 during Q2. However, it's not uncommon for markets to experience fluctuations, and it couldn't sustain that level and eventually closed at 19,638.

- In Q1 of F.Y. 2023-24, the Indian stock market achieved a milestone by reaching 19,000 level
- In Q2 of F.Y. 2023-24, the market continued its upward trend and reached an all-time high of 20,222 level.
- However, the market couldn't maintain that level and eventually closed at 19,638 indicating some volatility & corrections from the peak.
- During Q2 of F.Y. 2023-24, Nifty 50 & BSE Sensex the leading indicators of Indian stock market reportedly posted gains of 2.34% & 1.53%, respectively.

### Performance of other sectorial indices

Indices	Q1	Q2
Nifty Bank	10.19%	-0.36%
Nifty PSU Bank	10.60%	28%
Nifty IT	2.92%	7.51%
Nifty Auto	23.72%	6.84%
Nifty Commodities	8.64%	7.50%
Nifty Consumption	16.16%	1.70%
Nifty Energy	8.25%	10.63%
Nifty Financial Services	11.07%	-1.23%
Nifty FMCG	13.70%	-1.13%
Nifty Infrastructure	12.72%	8.79%
Nifty Metal	12.95%	10.15%
Nifty Pharma	14.57%	12.02%
Nifty Media	2.57%	30.07%

### Debt Market Snapshot

Items	Oct-23
Reverse repo	3.35%
Repo	6.5%
CRR	4.5%
SLR	18%
Mibor Overnight	7.19%
Call ON	6.77%
1 Yr TBILL	6.975%
10 Yr Gsec	7.210%
5 Yr AAA	7.247%
USD/INR	₹ 83.04

Source: CEIC, RBI

## Equity Market Valuations

	30th June 2023	30th Sept 2023	Difference
<b>Nifty 50</b>	19,189.05	19,638	↑ 2.34%
<b>P/E</b>	22.36	22.21	↓ 0.67%
<b>EPS</b>	858.19	884.21	↑ 3.03%

Source: trendlyne.com

- At the closing of Q1, the P/E of Nifty 50 was at 22.36 and if we compare with the closing of Q2, the current P/E of the index is at 22.21 which is almost 0.67% lower. Lower P/E indicates, that the market is CHEAPER compared to it's previous high.
- At the closing of Q1, the EPS of Nifty 50 was at 858.19 and if we compare with the closing of Q2, the current EPS of the index is at 884.21 which is almost 3.03% higher.


## Market Cap to GDP Ratio



This data is used to determine whether an overall market is undervalued or overvalued compared to a historical average

## DIVERSIFICATION

Is the key to Mitigating Investment Risks and Maximizing Returns

 <b>Why Diversify? Because Winner's Rotate.</b>								
Financial Year Return of Key Asset Class								
Best	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23	Q1 2023-24	Q2 2023-24
	Midcap 16.66%	Largecap 16.45%	Gold 35.53%	Smallcap 120.84%	Smallcap 34.38%	Gold 14.78%	Smallcap 20.09%	Smallcap 16.41%
	Smallcap 12.87%	Gold 3.54%	G-Sec -16.56%	Midcap 105.29%	Midcap 23.12%	G-Sec 5.24%	Midcap 18.22%	Midcap 13.28%
	Largecap 11.76%	G-Sec 0.18%	Largecap -25.32%	Largecap 79.73%	Largecap 18.83%	Midcap 1.48%	Largecap 11.06%	Largecap 2.67%
	G-Sec 11.07%	Midcap -0.65%	Midcap -30.29%	Gold 5.23%	Gold 16.15%	Largecap -0.58%	G-Sec 7.18%	G-Sec -0.39%
Worst	Gold 5.23%	Smallcap -12.44%	Smallcap -40.78%	G-Sec -1.75%	G-Sec 10.34%	Smallcap -7.78%	Gold -1.84%	Gold -0.95%

Do not put all your eggs in one basket - Warren Buffet.

- The famous investment quote suggests that one should never rely solely on a single asset class for investment. Instead, individuals should diversify their investments according to their needs and requirements.
- The data provided illustrates that in some fiscal years, Smallcap and Midcap funds have outperformed Largecap funds, while in other years, Largecap funds have provided stability to the portfolio by delivering returns. Putting all of your investments into the same category can increase your risk.
- Therefore, individuals should always allocate their investments based on their risk appetite among various asset classes to maximize returns.

6 Year Avg Return	
Midcap	19.27%
Smallcap	17.85%
Largecap	16.82%
Gold	13.41%
G-sec	1.42%

Scheme Name	AUM	YTD	3 Years	5 Years	10 Years	3 Yr Rolling Return	5 Yr Rolling Return	SD	Sharpe	Up/Down Capture Ratio
<b>Equity Large Cap</b>										
HDFC Top 100 Fund(G)	17260	14.96	26.43	13.56	15.30	22.64	12.08	4.38	0.41	1.27
Nippon India Large Cap Fund(G)	10413	19.12	29.80	15.17	17.14	24.89	12.74	4.49	0.45	1.32
WOC Large Cap Fund-Reg(G)	313	9.81						3.17	0.23	0.88
<b>Equity Large &amp; Midcap</b>										
Kotak Equity Opp Fund(G)	10277	18.09	24.78	17.64	17.51	23.73	14.25	3.99	0.43	1.08
HDFC Large and Mid Cap Fund-Reg(G)	7423	21.93	31.60	17.91	14.15	28.59	13.53	4.68	0.46	1.13
Mahindra Manulife Large & Mid Cap Fund-Reg(G)	1115	19.07	27.45			28.13	25.26	4.55	0.42	0.97
Mirae Asset Emerging Bluechip-Reg(G)	16083	16.63	24.41	18.87	24.38	25.65	17.66	4.24	0.40	0.96
Franklin India Opportunities Fund(G)	503	31.90	29.11	17.81	17.66	26.58	12.46	4.90	0.41	1.16
SBI Large & Midcap Fund-Reg(IDCW)	1215	14.70	27.80	17.04	18.12	26.81	14.28	4.28	0.45	1.18
<b>Equity Flexicap</b>										
Franklin India Flexi Cap Fund(G)	7094	16.16	29.06	15.80	17.17	26.88	12.65	4.65	0.43	1.16
Parag Parikh Flexi Cap Fund-Reg(G)	13159	21.72	22.52	19.12	19.00	27.12	18.42	3.69	0.43	1.50
Quant Flexi Cap Fund(G)	944	12.30	32.80	23.67	23.69	41.97	20.10	5.42	0.43	1.35
UTI Flexi Cap Fund-Reg(IDCW)	6035	10.49	17.47	13.78	15.13	21.54	14.97	4.79	0.26	0.80
ICICI Pru Thematic Advantage Fund(FOF)(G)	919	15.45	29.94	16.99	15.60	30.27	15.04	4.42	0.45	1.56
WOC Flexi Cap Fund-Reg(G)	1044	17.56				19.57		3.11	0.42	1.40
<b>Equity Multicap</b>										
Mahindra Manulife Multi Cap Fund-Reg(G)	1601	20.37	30.11	20.17		28.56	19.30	4.79	0.44	1.07
Mirae Asset Multicap Fund-Reg(G)								0.72	3.12	
Nippon India Multi Cap Fund(G)	13536	26.35	37.67	18.80	18.18	31.06	12.98	4.86	0.53	1.52
Quant Active Fund(G)	2111	11.06	31.35	23.71	23.34	39.13	21.53	5.32	0.42	1.13
<b>Equity Midcap</b>										
Kotak Emerging Equity Fund(G)	20550	20.05	30.45	21.04	23.69	30.90	16.18	4.40	0.48	1.13
Mirae Asset Midcap Fund-Reg(G)	6632	21.75	32.14			32.28	29.32	4.74	0.47	1.05
Nippon India Growth Fund(G)	12183	27.93	33.22	22.30	20.38	31.68	15.98	4.73	0.49	1.06
Quant Mid Cap Fund(G)	1030	20.07	37.65	24.13	17.88	39.22	18.90	5.35	0.48	1.23
WOC Mid Cap Fund-Reg(G)	534	26.01				29.10		3.59	0.51	1.04
<b>Equity Small Cap</b>										
Axis Small Cap Fund-Reg(G)	6253	21.93	32.54	24.98		33.16	19.57	4.16	0.54	1.61
Canara Rob Small Cap Fund-Reg(G)	3995	20.26	36.46			42.91	37.27	4.93	0.51	1.33
Franklin India Smaller Cos Fund(G)	5974	32.87	38.32	19.64	22.87	36.59	12.53	5.02	0.52	1.44
Kotak Small Cap Fund(G)	6627	22.62	35.44	24.04	23.38	41.23	18.68	4.79	0.51	1.47
Nippon India Small Cap Fund(G)	21227	32.48	42.80	25.59	29.66	44.24	19.55	5.23	0.56	1.52
Quant Small Cap Fund(G)	1743	26.98	45.12	29.60	17.79	62.52	22.32	6.10	0.52	1.35
<b>Equity Dividend Yield</b>										
Templeton India Equity Income Fund(G)	1015	15.14	28.76	17.27	16.13	30.30	14.78	3.49	0.57	2.40
<b>Equity ELSS</b>										
Kotak Tax Saver Fund(G)	2893	13.86	24.18	16.74	17.52	23.80	14.16	3.99	0.43	1.20
Mirae Asset Tax Saver Fund-Reg(G)	8104	14.36	23.21	17.28		25.09	17.52	4.16	0.39	1.03
Parag Parikh Tax Saver Fund-Reg(G)	616	15.77	22.65			26.86	25.27	3.28	0.49	1.71
WOC Tax Saver Fund-Reg(G)	55	17.58						3.20	0.40	1.13
<b>Equity Global</b>										
DSP Global Innovation Fof-Reg(G)	321	41.34				16.63		7.64	0.08	0.75
Edelweiss US Technology Equity FOF-Reg(G)	1131	53.55	6.63			8.79	11.09	8.45	0.08	0.57
<b>Hybrid Multi Asset</b>										
ICICI Pru Multi-Asset Fund(G)	13110	13.68	28.44	16.19	16.32	25.11	13.84	3.28	0.56	2.86
Quant Multi Asset Fund(G)	500	6.28	26.56	21.92	13.85	33.54	18.09	4.39	0.42	-30.20
WOC Multi Asset Allocation Fund-Reg(G)	35							0.76	0.92	0.34
<b>Hybrid Equity Oriented</b>										
HDFC Hybrid Equity Fund(G)	14204	10.87	21.72	13.69	14.58	20.83	10.69	3.33	0.43	1.35
ICICI Pru Equity & Debt Fund(G)	14909	16.32	30.38	17.02	17.40	26.40	14.26	3.79	0.53	1.92
Franklin India Equity Savings Fund(G)	125	6.51	11.39	7.54		10.44	9.26	1.77	0.35	1.45
<b>Hybrid Dynamic Asset</b>										
Franklin India Balanced Advantage Fund-Reg(G)	1068	11.39				15.35		1.61	0.51	2.53
Edelweiss Balanced Advantage Fund-Reg(G)	7334	9.60	14.65	12.26	11.84	15.77	11.48	2.48	0.37	1.24
ICICI Pru Asset Allocator Fund(FOF)(G)	17890	14.62	16.65	12.23	12.97	15.79	11.87	1.62	0.61	6.76
ICICI Pru Balanced Advantage Fund(G)	36713	9.06	14.76	11.62	12.61	14.69	10.52	1.74	0.51	2.45
WOC Balanced Advantage Fund-Reg(G)	378							1.49	0.91	2.77
<b>Hybrid Debt Oriented</b>										
Parag Parikh Conservative Hybrid Fund-Reg(G)	394	12.34				7.66		1.03	0.39	5.00

## RETIRE FINANCIALLY AT THE AGE OF 45

Financially retirement ≠ stop working

Financially retirement = second source of income

Let's assume Mr. Samir is 25 Years old.

He wants to get Rs. 1 Lakh of monthly income from the age of 45

With just ₹20,000 PM for 20 Years, at an assumption of 12% P.A

Age	Annual Investment
26	2,40,000
27	2,40,000
28	2,40,000
29	2,40,000
30	2,40,000
31	2,40,000
32	2,40,000
33	2,40,000
34	2,40,000
35	2,40,000
36	2,40,000
37	2,40,000
38	2,40,000
39	2,40,000
40	2,40,000
41	2,40,000
42	2,40,000
43	2,40,000
44	2,40,000
45	2,40,000

Age	Monthly Income	Fund Value at End of Year
46	100000	1,93,40,155
47	100000	2,03,96,324
48	100000	2,15,79,233
49	100000	2,29,04,091
50	100000	2,43,87,932
51	100000	2,60,49,834
52	100000	2,79,11,164
53	100000	2,99,95,854
54	100000	3,23,30,707
55	100000	3,49,45,742
56	100000	3,78,74,581
57	100000	4,11,54,881
58	100000	4,48,28,817
59	100000	4,89,43,625
60	100000	5,35,52,211
65	100000	8,63,43,166
70	100000	14,41,32,033
80	100000	42,54,59,212
90	100000	1,29,92,18,728
100	100000	4,01,29,83,156

The income & the future value in the above illustration is not guaranteed. It is shown on an average 12% P.A return

Samir will start receiving income of **Rs. 1 Lakh Per Month** from the age of 45.

Samir will also have a corpus of:

**Rs. 5 Crore** at the age of 60,

**Rs. 8 Crore** at the age of 65 &

**Rs. 14 Crore** at the age of 70.

Every individual will have different goal, need & requirement. Also, everyone will have different risk appetite.

To know your calculation, contact **SURCOM**

The income & the future value in the above illustration is not guaranteed. It is shown on an average 12% P.A return

## Fixed Deposits



	HDFC Ltd	Bajaj Finance Ltd	ICICI Home Finance	Mahindra Finance
Period	55 Months	44 Months	45 Months	48 Months
Public Deposit	7.45%	8.35%	7.60%	8.05%
Senior Citizen	7.95%	8.60%	7.85%	8.30%

For more details, contact SURCOM

# MF TAXATION FOR RESIDENTS / NON-RESIDENTS

## Capital Gain Taxation

*Applicable to both Resident Individuals & NRIs*

Category	Period for qualifying long-term	Tax Rates from FY 2023-24	
		STCG Tax Rate	LTCG Tax Rate
Equity Mutual Fund (Equity% > 65%)	12 Months.	15%	10%
Arbitrage Funds	12 Months.	15%	10%
Aggressive Hybrid Mutual Fund. (Equity% > 65%)	12 Months.	15%	10%
Balanced Hybrid. (Equity% < 65% > 35%)	36 Months.	As per tax slab.	20% with indexation
Conservative Hybrid. (Equity% < 35%)	Deemed to be short-term.	As per tax slab.	
Fund of Funds (FoF)	Deemed to be short-term.	As per tax slab.	
Debt Mutual Fund	Deemed to be short-term.	As per tax slab.	
Gold & Other Commodity Funds	Deemed to be short-term.	As per tax slab.	
International Funds	Deemed to be short-term.	As per tax slab.	
Any other Funds (Domestic Equity < 35%)	Deemed to be short-term.	As per tax slab.	







## WHITEOAK

CAPITAL MUTUAL FUND

THE ART AND SCIENCE OF INVESTING

Presenting

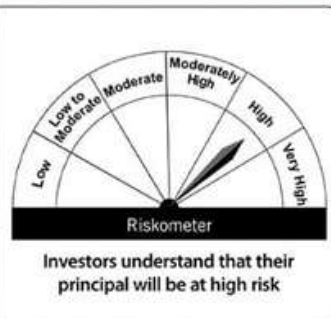
**WHITEOAK CAPITAL**  
**BALANCED HYBRID FUND**  
(An Open Ended Balanced Scheme Investing in Equity and Debt Instruments.)

**NFO Period:**  
**05<sup>th</sup> - 19<sup>th</sup> Oct 2023**

**This product is suitable for investors who are seeking\***

- Capital Appreciation and Income Generation over medium and long term.
- Investment in equity & equity related instruments and debt & money market securities.

**\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them**

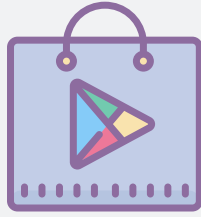


The product labelling assigned during the NFO is based on internal assessment of the Scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made. The AMC will evaluate the Risk-o-Meter on a monthly basis and shall disclose the same along with the portfolio disclosure.


C/305/9/23

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

## Download our App



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 SURCOMSURAT

### Services we offer:

- Financial Planning
- Mutual Funds
- Equity Broking
- PMS
- Advisory Service
- Fixed Deposits
- NPS
- Insurance
- Bonds
- LAS
- Unlisted Securities

## Branch Details

- **Adajan:**  
**Navnit Sunil Modi | Nand Modi**  
G-2-35, Samir Building, Muktanand nagar, Nr. Gujarat Gas Circle, Adajan, Surat, 395007
- **Balaji Road - Gopal Sunil Modi**  
1st Floor, Nr. Surat General Hospital, Balaji Road, Surat, 395009
- **Ghodod Road:**  
**Govind Sunil Modi | Vrunda Modi**  
M-18, Shiv Smruti Complex, Nr.L.B.Park, Ghod Dod Road, Surat, 395001

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GST: 24AAGCS7634F1ZC | CIN: U67120GJ2001PLC039889

