

MF investments in stocks hit 5-month high of Rs 10k cr in April

NEW DELHI: Mutual fund managers net purchased stocks worth close to Rs 10,000 crore in April, making it the highest investment in five months, on sustained participation by retail investors.

This comes on the top of over Rs 51,000 crore investment in stocks in the entire 2016-17 financial year.

Fund houses are upbeat over the industry's performance in the ongoing fiscal while expecting investment from new investors to fuel the growth of the sector.

As per data released by the Securities and Exchange Board of India (Sebi), mutual fund managers invested a net sum of Rs 9,918 crore in stock markets last month, much higher than the Rs 4,191 crore infused in March.

This was the highest infusion by fund managers since November 2016, when they had invested a net sum of Rs 13,775 crore in stock markets. Apart from equities, fund managers invested a staggering Rs 58,000 crore in debt markets in April.

According to market experts, the mutual fund industry is at a take-off stage in terms of growth and Indian investors are warming up to investments in equity as an asset class.

"The positive net inflow in equities can be credited to maturity of retail investors," Bajaj Capital Chief Executive Rahul Parikh said.

"Indian investors have now eventually assimilated mutual funds and the credit goes to awareness programs and endeavours by regulators and Asset Management Companies (AMCs)," he added.

Kaustubh Belapurkar, Director Fund Research at Morningstar, said



BSE to keep seven cos under enhanced surveillance

NEW DELHI: Leading exchange BSE will move seven firms to the restricted trading category and keep them under enhanced surveillance from today as part of efforts to safeguard interest of investors in the capital market.

Shares of these companies would be moved to the trade-to-trade segment under Stage 1 of the Graded Surveillance Measure (GSM). The firms being moved to Stage 1 of enhanced surveillance are Adinath Exim Resources, Dwitiya Trading, Narendra Investments (Delhi), Padmanabh Industries, Purple Entertainment, SS Organics and TPI India.

In the Stage 1, the scrip is moved to the "trade for trade" segment with the permitted price band of five per cent or lower as



applicable.

In a circular, BSE said the firms will be moved to Stage 1 of GSM with effect from May 8.

The exchange has asked trading members to take adequate precaution while trading in the shares of these seven firms, as the settlement would be done on trade-to-trade basis and no netting off would be allowed.

that flows into equity and balanced funds have been phenomenal since the market correction post demonetisation in November 2016.

"Fund managers over the last few

months are effectively deploying these fresh inflows and also looking to reduce their cash levels by investing greater amounts into the equity markets," he added.

Advance salary loans- a helping hand for professionals in India



SATYAM KUMAR
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Being self-employed or working as a freelancer is likely to expose an individual to the vagaries of an instable income, which makes most people opt for full-time jobs. However, it is also a well-known fact that even receiving a fixed salary at the end of every month does not guarantee financial security. Especially for young professionals, who have just begun their careers, making ends meet can get difficult

age, FinTech platforms are leveraging technology to deliver flexible loan products that enable salaried professionals to gain financial stability.

Latest innovations in the sector allow for online processing of advance salary requests, allowing customers to apply for the loan from the comfort of their homes. Only a single physical visit is required for verification, and the funds are also transferred directly to the borrower's account. Subsequently, one can also choose to allow the lender to electronically withdraw the loan repayment and/or finance charge on receipt of the next salary.

Advance salary loan amounts depend upon the individual's current salary, which helps the professional borrow within his or her repayment capacity, making sure that the loan does not lead to a further financial burden and a good credit history can be maintained.



Irdai issues new outsourcing guidelines for insurers

MUMBAI: The sectoral watchdog Irdai has issued new guidelines on outsourcing activities by insurers by clearly defining the areas of work that should be done in-house and those which can be handed out to third-parties.

The regulator said the regulations dated April 20 but put on the Gazettee of India on May 5, is aimed at ensuring that insurers follow prudent practises on management of risks arising out of outsourcing so as

to prevent negative systemic impact on one hand and to protect the interests of the policyholders on the other.

The move is also to ensure sound and responsive management practises for effective oversight and adequate due diligence while outsourcing activities by insurers, it added.

Accordingly, the new regulations ban insurers from outsourcing investments and related functions to

third parties, apart from not allowing fund management, including NAV calculations; compliance with AML and product design.

Insurers are also expected to do all actuarial functions and enterprise-wide risk management in house, apart from decision making on underwriting and claims functions excluding procedural activities related to payment of survival benefit claims in life insurance; policyholders grievances redressal; decision to appoint insurance agents, surveyors; loss assessors and finally approving advertisements.

Irdai said the new regulations called 'Outsourcing of activities by insurers Regulations of 2017, will come into force from the date of their publication in the Official Gazette and supersede the guidelines issued earlier.

However, these norms are not applicable to re-insurers but are applicable to all insurers registered with the Insurance Regulatory and Development Authority. If an insurer is engaged in both direct insurance as well as reinsurance business, these regulations are applicable only in respect of direct insurance business of such insurers, it added.

at times especially in view of the sky-rocketing costs in cities.

While lifestyle choices can be adjusted to fit a budget, fixed rents, emergencies and special occasions such as a marriage anniversary or the birthday of a loved one cannot be subject to compromises. Some do choose to borrow from a friend or family member, or take a long-term loan from a bank- but such solutions can be quite inconvenient. Instead, one can avail of an advance salary loan, which can simply be repaid out of the next pay cheque or over a specified time span. There are countless benefits of taking a salary advance, including no credit check, no upfront fees, easy application process, and quick processing and transfer.

An advance salary loan is fundamentally an inexpensive, quick loan until the next payday. This helps professionals tide over a short difficult period. Not only is the loan disbursement swift and easy, the documentation required is minimum. For an individual with a full-time employment, producing the relevant documents is a matter of a few minutes. In the current day and

Any salaried individual with a reasonable amount of job experience can avail of the loan, and post-dated cheques can be presented as collateral. Usually, the lender expects a quick repayment, with the loan duration ranging from ten to twenty days. This means that the borrower is faced with the debt for a rather short period of time, which is in stark contrast to the hassles of taking a long-term loan. Repayment can be completed in lump sum, making the entire process extremely convenient.

To conclude, or advance salary loans are very suitable for young and old salaried professionals, as they can be availed of through a simple process and can be repaid in less than a month. They essentially act like a small bridge that helps the borrower move a few steps further and continue to tread the path of financial independence.



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