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FINANZA

DISSECTING FINANCE

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MAIN THEME: Code over Cash: Reimagining Finance in the Digital Age

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OTHER TOPICS

Digital Finance Decoded: Exploring the Clicks Behind Every Transaction

Have you ever wondered what happens when you click on "Pay Now" while shopping on your favorite shopping app? Within a second the money gets deducted from your account and is transferred to the seller's account, it's all because of digital finance. But have you ever thought that what exactly goes on behind scenes?

Now-a-days from the local tea stalls to the luxury stores everyone excepts digital payment. Whether you are buying groceries, recharging your phone or paying your electricity bill, digital finance everywhere. People now prefer digital payments because they are fast, safe and convenient, unlike carrying and using cash.

People use different types of Digital Payment Methods like:

- *UPI (Unified Payment Interface):* Through this you can send or receive money instantly using apps like Google Pay, PhonePe, or Paytm by just entering the mobile number or by scanning a QR code.
- *Internet Banking:* You can transfer money, pay bills, or manage your bank account using your bank's website or app. It works with secure login and OTPs.
- *Digital Wallets:* These are the apps like Amazon Pay, PhonePe, and Paytm that allow you to store money and use it to make quick payments.
- *Credit and Debit Cards:* You can just swipe or enter card details to pay for the things online or in stores. Many of these cards also support countless payments by tapping.
- *QR Code Payments:* You have to just scan the QR codes shown at the shops by using the mobile app, enter the amount, and pay directly.
- *Buy Now Pay Later (BNPL):* These services allow you to buy something now and pay later, either after few days or in installments.
- Aadhaar Enable Payment System (AEPS): People in rural areas can withdraw money or check balance just by using their Aadhaar number and fingerprint through a micro-ATM.

Have you ever thought that what happens when you click on "Pay"?

1. The payment request goes to your bank or a payment app.
2. Your identity is confirmed using a password, fingerprint, or OTP.
3. The bank checks if you have enough money in your account.
4. The money is transferred safely to the receiver.
5. You get a message or alert confirming the payment.

This all just happens in a few seconds.

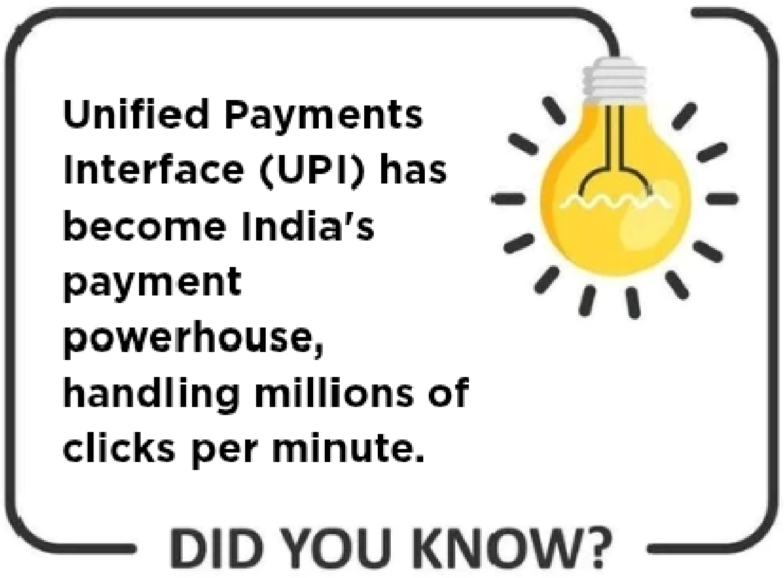
When ever you click on "Pay" you are trusting the system with all your money and your personal information, now that's where the security comes into picture. Digital finance uses multiple tools to protect the users from various frauds and theft. Now let's understand what are the key security features that work behind the scenes.

- *OTPs (One-Time Passwords):* These are the temporary codes sent to your mobile phones to confirm your payments adding extra protection and ensuring only the authorized user to complete the transactions
- *Two- Factor Authentication:* This means using two layers of security, that is your password plus an OTP or fingerprint, it makes harder for hackers to access your account.
- *Encryption:* It turns your data into the unreadable code while your data travels over the internet. So even if anyone tries to steal it, they can't understand it.
- *Smart Fraud Detection Systems:* These systems have an advanced software that can detect unusual or suspicious activity and block it immediately. These systems are used by the banks and payment apps to protect your financial transaction.

As mentioned earlier, even if your online transaction take palace in seconds, there is a powerful security system contently working in the background, to make sure your money reaches the right place safely.

Digital payments have made our life much easier and quicker. From UPI to wallets, cards to QR codes, we now have many options to make payments without using cash. But it's important to understand how it works, what happens in the background, and how to stay safe from fraud. Even though it takes just a second to pay, a strong security system is always working behind the scenes silently to keep your money and personal details safe. So next time you click "Pay," remember it's not just a click, it's a complete system working to protect and support your transaction.

- Lavanya Sawant (TYBFM)



UPI's New Wave: From NRI Inclusion to Domestic Reinvention

The Unified Payments Interface (UPI), launched in 2016 by NPCI, has revolutionized India's digital payments. It enables instant, secure, and user-friendly money transfers via smartphones, using VPAs, QR codes, or mobile numbers. Its 24/7 availability and low costs led to rapid widespread adoption, positioning UPI as a global leader in instant payments. This report summarizes UPI's recent advancements, focusing on NRI inclusion and domestic Innovations

NRI inclusion –

UPI has significantly expanded its reach to Non-Resident Indians (NRIs) by allowing them to use international mobile numbers with their NRE/NRO accounts. This crucial update, enabled by the RBI in January 2023 and implemented by banks like IDFC First Bank, allows NRIs from 12 countries (including USA, UK, Canada, UAE, Singapore) to link their international SIMs to UPI apps.

This offers NRIs seamless transactions in India without needing an Indian SIM, simplifies remote expense management, and provides cost-effective payments in INR, avoiding foreign exchange fees. UPI's robust security extends to these transactions, enhancing convenience and control for the global Indian diaspora. Additionally, the UPI One World wallet allows international tourists to make QR code payments in India using a dedicated app

Domestic Reinvention: Deepening UPI's Footprint in India

UPI has also undergone significant domestic innovations, broadening its utility within India:

- UPI Lite: An on-device wallet for small-value transactions (up to ₹1,000 per transaction, ₹5,000 max balance, ₹10,000 daily spend) without a UPI PIN. It reduces load on banking systems, offers cleaner bank statements, and promises future offline capabilities, enhancing accessibility for frequent, low-value payments.

- UPI Autopay: Enables automatic, recurring payments for subscriptions, bills, and EMIs. Users can customize frequencies and manage mandates up to ₹15,000 (or ₹1,00,000 for specific categories). It enhances convenience for users and ensures timely revenue for businesses.

- Credit on UPI: Allows access to pre-approved credit directly through UPI apps, facilitating instant payments for everyday needs. It integrates Ru Pay credit cards, enabling credit-based payments to any UPI merchant without a POS terminal, democratizing credit access and offering flexible financial management.

- UPI 123PAY: A real-time digital payment solution for feature phone users and those with limited internet access. Launched in 2022, it allows UPI transactions via IVR numbers, missed calls, or sound-based technology, ensuring financial inclusion in rural and remote areas.

Impact, Growth, and Future Outlook

UPI's journey is marked by its profound impact and remarkable growth:

- Driving Financial Inclusion: UPI has brought millions into the formal banking system, empowering small vendors, farmers, and daily wage earners. It reduces cash dependency, offers cost-effective transactions, and integrates with government schemes for direct benefit transfers. Challenges remain in digital literacy and security concerns, requiring continuous education and trust-building.

- Boosting MSMEs and Retail: UPI is the preferred mode for nearly half of polled MSMEs, enhancing their operational efficiency through faster settlements, reduced cash handling, and lower transaction costs. Its adoption formalizes the informal economy by providing digital transaction records, aiding credit access and economic growth.

- UPI's Global Ascent: UPI now processes over 650 million transactions daily, surpassing Visa in daily volume, making India a world leader in faster payments. NPCI International is expanding UPI globally through QR code acceptance in countries like France, Singapore, and UAE, and via direct payment system linkages (e.g., Singapore's Pay Now) and licensing agreements (e.g., Namibia). Discussions are underway for expansion into Malaysia, Qatar, and the UK.

- Key Performance Indicators: In May 2025, UPI recorded 18.68 billion transactions worth ₹25.14 lakh crores (approx. $294.21 billion). P2M transactions (63%) dominate over P2P (37%), indicating its strong role in daily commerce. Phone Pe, Google Pay, and Paytm collectively process 96% of all UPI payments. Projections anticipate 1 billion daily transactions by 2026-2027.

UPI's evolution, from NRI inclusion to domestic innovations, showcases its transformative power. Its rapid growth and global expansion highlight its success as an inclusive, efficient, and secure digital public infrastructure. While challenges in digital literacy and cybersecurity persist, ongoing feature development and strategic international partnerships position UPI as a potential blueprint for other nations seeking to modernize their financial landscapes and foster greater financial connectivity worldwide.

- Riddhi Kirange (TYBFM)

From June 25, 2025, NRIs in 12 countries (US, UK, UAE, Australia, etc.) can make seamless UPI payments using international phone numbers with IDFC FIRST Bank.

DID YOU KNOW?

Slice SFB: Fintech Innovation Meets Banking with UPI Credit

Banking in India has seen sweeping changes over the past decade, but every now and then, a disruptor comes along that truly rewrites the rules. Slice SFB (Small Finance Bank) is one such game-changer. Built for a generation that prefers speed, convenience, and minimal friction, Slice has stripped away the complexity of traditional banking. From ditching paperwork to simplifying access to credit, it caters to users who expect instant results and mobile-first solutions. With its smart, lean model, Slice is helping shape a financial ecosystem that works for people—not against them.

At the heart of this transformation is Slice's bold take on UPI. While most banks have treated UPI as just a payment method, Slice saw potential far beyond transfers. By integrating short-term credit directly into UPI transactions, Slice turned a familiar tool into a gateway to financial access. No swipes, no cards, no delays—just a tap and you're funded. This approach has opened the credit door for millions of Indians, particularly in smaller cities where access to traditional financial services is still limited.

Slice's product ecosystem further sets it apart. Its UPI-linked credit card offers pre-approved limits of ₹10,000 to ₹5 lakh, already being used by 4.5

million users—60% of whom are first-time borrowers. Meanwhile, its flagship UPI-native branch in Bengaluru is reshaping what a modern bank branch looks like, complete with one of India's few UPI-enabled ATMs. With onboarding that takes less than four minutes and operating costs reduced by 40%, Slice isn't just offering better service—it's doing it with more efficiency than most legacy banks can dream of.

Beyond urban fintech circles, Slice is addressing one of India's biggest economic gaps—the ₹25 lakh crore credit shortfall faced by over 63 million MSMEs. By offering fast, collateral-free loans and reaching deep into Tier 2 and Tier 3 cities, the bank is delivering where it's needed most. Its AI-powered risk systems reduce fraud, cut manual checks by 70%, and maintain strong repayment rates. From BNPL tools and micro-credit to instant overdrafts, Slice is building financial products that reflect the needs of everyday Indians—from students to small shop owners.

1

In the bigger picture, Slice SFB isn't just building a better bank—it's showing what the future of Indian finance can look like. Backed by favorable RBI policy changes and rising UPI adoption (expected to reach 75% by 2028), Slice is both leading and accelerating the shift toward fully digital credit infrastructure. With digital lending projected to exceed ₹15 lakh crore annually by FY2026, Slice isn't playing catch-up—it's already where the rest of the sector is heading. In a crowded fintech space, Slice stands out not by being loud, but by quietly and effectively redefining the rules.

- **Karan Malhotra (FYBFM)**

Firms like Navi, Groww, Cred, and MobiKwik are rapidly gaining traction, rising from 3 million UPI transactions ~30 million – a 10× surge.

DID YOU KNOW?

Flipkart Makes Lending Debut: Transforming India's NBFC Landscape

In addition to the diversification of the simple company, flip maps of RBI are recent acquisition of the NBFC license a significant turn in India's economic system. This calculated action allows e-commerce Beamoth to offer direct financial services, the way the credit is achieved by the huge customer base and the extensive seller network is fundamentally changed.

Flip maps are now able to create highly customized credit solutions by using their huge collection of user data, including purchasing history, surfer trends and payment patterns. It is simple and more convenient for customers, such as adapted to EMI scheme or immediate microlone, which is integrated into the buying experience. By avoiding traditional lenders often strict restrictions, it provides Challan financing on the basis of necessary working capital, warehousing and real -time sales data to many of their MSME suppliers. This provides significant help in controlling the cash flow and expanding businesses.

The arrival of flip maps has increased competition in the current NBFC market and stimulates innovation. Without a doubt, traditional NBFCs will be encouraged to increase their digital change initiatives, and emphasize better customer satisfaction, more efficiency and more advanced data analysis. Flip map's "owner of the book" capacity holds the existing CO-Provision Agreements for Testing, which can resume income streams and motivate other important e-commerce companies to follow the suits in relation to the rules.

In addition, this development represents a major trend: increasing convergence of finance and trade. E-commerce platforms are easily integrating financial services in a unique position due to direct access to transactions and direct access to data. It establishes a new environment where funding and procurement are unshakable, which provides unmatched efficiency and convenience for

In addition, this development represents a major trend: increasing convergence of finance and trade. E-commerce platforms are easily integrating financial services in a unique position due to direct access to transactions and direct access to data. It establishes a new environment where funding and procurement are unshakable, which provides unmatched efficiency and convenience for consumers, while platforms themselves provide themselves with income creation and new opportunities for customer interaction. In addition to increasing consumer loyalty, this integrated approach flip maps provide a better understanding of the economic health of the ecosystem.

Finally, by offering formal credits that are already unrest, especially in Tier -2 and Tier -3 cities, it represents an important compilation of development trade and finance, and promotes extensive economic inclusion. Flip maps direct lending approach provides more integrated, date -driven and available economic environment for millions of Indians, but it also has strict requirements for government supervision.

- Sheryl Abreo (TYBFM)

In May 2025, Flipkart UPI processed 3.47 million transactions worth ₹195 crore—a ready segue into embedding direct NBFC-led lending into its digital payments ecosystem.

DID YOU KNOW?

The Cost of Convenience: How BNPL Could Be Draining Your Wallet

Buy Now, Pay Later (BNPL) is a short-term financing option that allows consumers to make purchases and pay for them at a later date, often in installments. It is an alternative to traditional payment methods like cash or credit cards, offering flexibility and convenience for consumers.

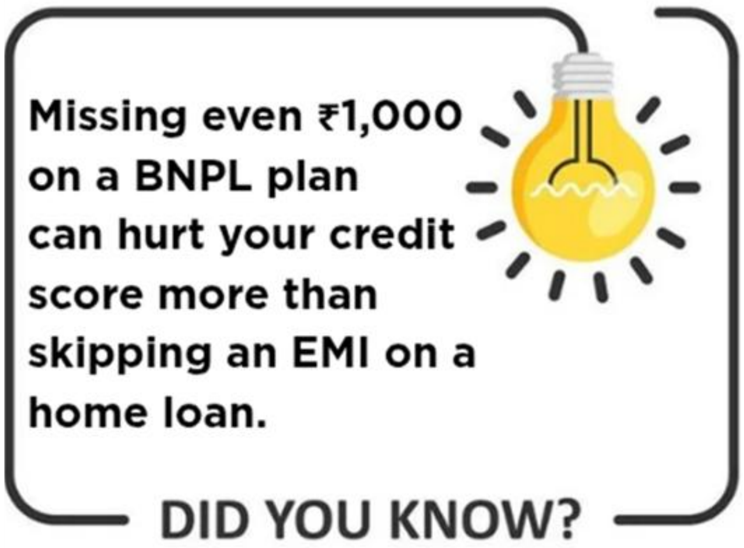
With the rise of online shopping and UPI payments, over the last few years the country has seen an emerging trend of BNPL with the support of apps like LazyPay, Amazon Pay Later, Flipkart Pay Later, who promise a world where shopping does not directly exhaust our wallets. For millennials and Gen Z, who value convenience and speed over paperwork, BNPL seems like a perfect bridge between affordability and desire. But behind this convenience lies a growing financial trap that most users fail to recognize which can be seen when this ease removes the immediate “pain” of paying, nudging people to spend on items that they might otherwise skip, like impulsive buys for festival outfits or gadgets which has been normalized the most among young professionals and students. Soon, multiple BNPL accounts across apps stack up, creating what experts call phantom debt that is a liability which users themselves forget they owe, until reminders and penalties hit.

Though BNPL is advertised as interest free, but it holds true only if payments are made on time, the moment any BNPL payment is delayed, the late fees add up in no time making it heavy for the wallets to bear. And while many assume BNPL won’t affect their credit history, that’s not true. Some platforms report delays to credit bureaus like CIBIL. This may have long-term consequences for anyone planning to apply for a home loan, car loan, or even a credit card in the future.

Adding to the problem is a rise in BNPL-related fraud in India. Fake apps, scams, and synthetic identity fraud have left the consumers vulnerable especially the youngsters, first time credit users though regulators are taking note and with these on going scenarios the Reserve Bank of India (RBI) has proposed stricter guidelines, including licensing norms for BNPL providers and greater accountability for fintech lenders. Several companies, including Paytm and MobiKwik, have scaled back to regulated EMI-based credit products to comply with new norms. Yet, regulation alone can’t fix behavioral issues. At last BNPL is debt disguised as convenience, and unless consumers approach it with caution, the cycle of overspending and penalties will persist.

Buy Now, Pay Later has transformed the way Indians shop by making credit more accessible and convenient. However, this ease often comes with hidden risks overspending, penalty charges, and even damage to credit scores. While BNPL can be a helpful tool for disciplined users, it is still a form of a responsibility and at the end convenience should never come at the cost of financial stability.

- **Tanishka Koli (TYBFM)**



Borrowers Beware: Cyber Fraud Tactics in the Age of Instant Lending

In a world where loans are approved in seconds, fraud takes even less time.
With just a tap on your phone, you can apply for a loan, get it disbursed, and repay all without visiting a bank. Sounds convenient, right? But this instant world of lending has become a hunting ground for cybercriminals. What appears to be a financial shortcut could become a personal nightmare, especially when it involves loan frauds, digital identity theft, and KYC breaches.

The Modern Faces of Cyber Fraud in Lending

- *Phone Call Loan Scams*
  - Fraudsters pose as loan agents and call users saying,
  - "Your loan is approved, just pay ₹500 to process it."
  - Once the money is paid, either more demands follow, or the scammer vanishes no loan, no refund.
- *Credited Amount Trap*
  - Victims receive an unexpected small loan, say ₹1,000 in their account. Soon after, they receive threatening calls demanding repayment at exorbitant interest rates, using abusive language and even contacting their phone contacts.
- *Gmail Loan Sanction Letters*
  - Users receive official-looking emails from fake Gmail addresses claiming they have a loan approved. They are asked to send their PAN, Aadhaar, bank details, or to pay "processing charges." The result? Their identity is stolen, and bank accounts may be misused.
  - According to RBI data, India recorded 13,530 loan fraud cases in FY2022–23, with losses around ₹30,252 crore loan-related frauds made up 95% of that sum. More recently, in FY2024–25, total bank fraud losses surged to ₹36,014 crore, with loan fraud alone accounting for ₹33,148 crore a 230% rise in value from the previous year.
  - Separately, over 63,315 digital payment fraud cases (₹1 lakh+) were reported from 2014–15 to Dec 2024, resulting in ₹733 crore in losses

Real-Life Cases That Shocked Many

- *Case 1:* A Pune-based gang created eight fake apps with over 10,000 complaints, blackmailing victims via morphed photos using Pakistani numbers
- *Case 2:* In Bihar, two men posed as bank agents via WhatsApp links, duped victims into sharing KYC and OTPs, and then withdrew crores from their accounts.
- *Case 3:* A Thiruvananthapuram man lost ₹10 lakh after a cyber fraudster posed as an SBI manager, claiming his KYC was incomplete. He was tricked into downloading a remote access app and sharing OTPs. Within minutes, the scammer accessed his bank account and emptied it.

How to Protect Yourself from Digital Lending Traps

- Only download RBI-registered digital lending apps from official app stores.
- Never share OTPs, KYC documents, or personal data via unknown links or calls.
- Avoid clicking on loan offers via Gmail/Yahoo emails authentic banks use official domains.
- Use two-factor authentication for email and payment apps.
- Regularly check if unauthorized loans are linked to your PAN card via credit report websites.

What to Do If You're Scammed

1. Immediately change your passwords for bank and

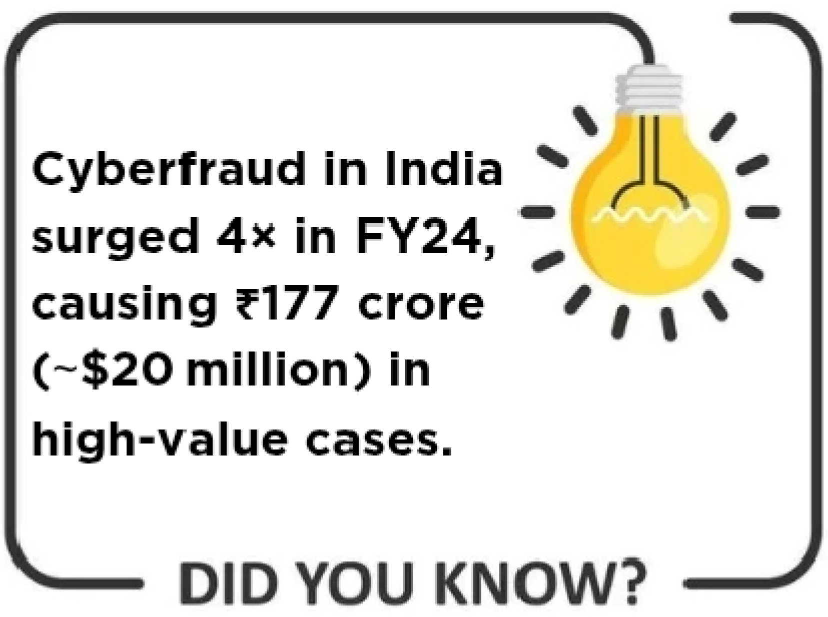
UPI apps.
2. Inform your bank and ask them to freeze/trace transactions.
3. Report the fraud at the National Cyber Crime Portal or visit your local cyber cell.
4. Collect evidence like screenshots of chats, apps, emails, and payment receipts.
5.Stop communication with the scammer to avoid further threats or extortion.

Why It Matters

India's rapid shift to digital lending has opened new doors for both opportunities and risks. Many users, especially first-time borrowers, fall prey due to a lack of awareness or urgency for quick funds. While the RBI and banks are strengthening fraud detection systems and launching initiatives like Digital Lending Guidelines and fraud registries, it's equally important for borrowers to stay alert.

Cyber frauds in lending are no longer isolated incidents; they're part of an alarming trend. In this age of instant financial decisions, caution must come before convenience. As a borrower, your best defense is awareness.

- Janhavi Palkar (TYBFM)



CBDC in Your Pocket: The Rise of India's E-Rupee Wallets

India has come a long way in going digital. From paying by scanning QR codes to sending money through UPI in seconds, we've seen a major change in how we handle money. Now, there's something new on the table: the E-Rupee, or India's Central Bank Digital Currency (CBDC).

Launched by the Reserve Bank of India (RBI), the e-Rupee is a digital version of cash. Just like the ₹100 note in your pocket, the e-Rupee has the same value the only difference is, you store it on your phone instead of in your wallet.

HOW DOES IT WORK?

The e-Rupee was first introduced to the public in December 2022. At first, only a few big banks like SBI and ICICI offered it. But now, even apps like CRED have joined in. You can download an app, complete a short KYC process, and start using e-Rupee for payments both online and offline.
You can send money to others, pay shops, and even use it without the internet (in some places).

WHY IS E- RUPEE IMPORTANT?

It Makes Money More Accessible
Not everyone in India has a bank account, but many people now use smartphones. The e-Rupee allows even those without bank access to store and use money digitally making financial services more inclusive.

- *It Makes Money More Accessible*
  Not everyone in India has a bank account, but many people now use smartphones. The e-Rupee allows even those without bank access to store and use money digitally making financial services more inclusive.
- *It's Like Cash, But Smarter*
  You don't need to carry physical notes anymore. Just like UPI, you can pay instantly but with the added trust of RBI backed digital cash.
- *Safe and Government-Backed*
  The e-Rupee is not like private wallets or cryptocurrencies. It's legal, stable, and issued by the RBI. So there's no risk of price ups and downs like Bitcoin or other coins.

WHAT ARE THE CHALLENGES?

Even though the idea is strong, the E-Rupee still has a few problems:

- People don't fully understand it yet. Many confuse it with UPI or don't see why they should switch.
- Fewer shops accept it compared to UPI or cash.
- Daily usage is low even though it crossed ₹1,000 crore in circulation by early 2025, regular users are still few.

WHAT'S NEXT FOR THE E- RUPEE?

The RBI is now trying to connect E-Rupee with UPI apps like Google Pay. This will make it easier for people to use. It's also testing offline payments, which can help in remote or low internet areas. In the future, India may even use E-Rupee for cross-border money transfers.

CONCLUSION

The E-Rupee is a fresh step toward a more digital and inclusive India. It's not meant to replace UPI or cash right away, but to give people another secure and easy way to pay. With time awareness and better integration the E-Rupee can become a trusted part of our everyday lives.

- **Kiran Anthwal (TYBFM)**

As of March 2025, 6 million Indian consumers (via 17 banks) hold e-Rupee wallets — marking impressive mainstream acceptance.

DID YOU KNOW?

Privacy Meets Proof: How ZKPs Are Transforming Financial Verification

In today's world, privacy is highly valued. Despite high usage of social media by users, they tend to keep some part of their life discreet from others. Similarly, Zero Knowledge Proofs (ZKPs) are fulfilling the privacy requirements of individuals when it comes to financial verification.

Zero Knowledge Proof is a cryptographic technique that allows one party to prove a statement to another without revealing the 1985 by Shafi Goldwasser, Silvio Micali, and Charles Rackoff in their paper "The Knowledge Complexity of Interactive Proof Systems", ZKPs have since evolved to enable secure identity verification, confidential smart contracts, and digital voting systems.

India's digital infrastructure can provide a platform for the development of privacy preserving technologies. As per a 2021 report, India has the highest fintech adoption rate which is 87% compared to the global average 64%. This signifies India's strong foundation for technology driven identity solutions like ZKPs. In May 2024, Posidex Technologies, a Hyderabad-based information insights and data analytics company launched India's first ZKP based blockchain platform. This shows India's growing demand for privacy enhancing verification tools. Furthermore, the market size for the decentralised identity market has reached 37.7 million USD as of 2024 and is expected to reach 2,331.1 million USD by 2033 with a Compound Annual Growth Rate (CAGR) of 58.1%. This rapid growth aligns with the enforcement of India's data protection laws and will be further accelerated by ongoing digital infrastructure initiatives across the country.

In recent years, ZKPs have had a significant impact on the Indian economy. India's Digital Personal Data Protection Act (DPDP), 2023 has made it mandatory to handle data responsibly. This can be easily done with the help of ZKPs since it allows data minimisation without exposing the full details. ZKPs have also reduced the cost and time of Know Your Customer (KYC) process by verifying identity details without the need to share the whole document.

As India progresses toward a digitally empowered economy, protecting individual privacy becomes essential. With supportive regulations like the DPDP Act, 2023 and a growing decentralised identity market, India has positioned itself to lead the global movement toward privacy-first technologies. Thus in the coming years, ZKPs will not be tools only built for the purpose of security, they will be able to define how trust is built in a digital era.

- **Aditi Khandkar (SYBFM)**

From Speculation to Stability: The Reserve-Worthy Rise of Crypto

The world of finance is undergoing a significant change. Digital currencies, once viewed as risky and unstable, are gaining acceptance in the mainstream financial sector. Some people even speculate that a digital currency might serve as a nation’s savings or reserve. This shift is driven by new financial regulations, strategic actions from important countries, and the growing maturity of the cryptocurrency market.

Mainstream Money Accepts Digital Assets
Central banks and finance ministries are now accepting decentralized digital currencies like Bitcoin, transforming the perception of Bitcoin as a legitimate asset. Investment products like Spot Bitcoin ETFs have been licensed in major markets, making it easier for large investment firms and institutions to buy Bitcoin. This shift in trust and perception is allowing public companies to hold Bitcoin in their treasury reserves.

Clearer Rules from Leading Powers
The US government has implemented clear regulations on cryptocurrencies, including the “GENIUS Act,” which regulates stablecoins, cryptocurrencies pegged to the US dollar. The law requires stablecoin issuers to hold enough real dollars in a bank to back each stablecoin, preventing collapses due to inadequate backing. It also enforces strict rules against money laundering for stablecoins. The US policy supports private companies issuing dollar-denominated digital currency, while holding back on government-issued digital currency for public use, aiming to maintain the US dollar’s dominance in the digital age.

India’s Considered and Calibrated Steps
The Reserve Bank of India (RBI) is cautiously managing cryptocurrencies, despite their legal ownership and trading. The RBI is concerned about the potential destabilization of the financial system and economic control. Despite a Supreme Court ruling, the RBI is focusing on creating a legal framework and developing its official Digital Rupee.

Bitcoin as a National Reserve: Is It a Future Reality?
Bitcoin’s potential to be part of a nation’s financial reserves is gaining attention due to its limited supply and independence from government. Its digital nature and ease of cross-border transactions may attract smaller countries. However, price swings, regulations, and energy consumption pose challenges, and nations need stable reserves.

The Clear Path: Integration, Not Just Innovation
Cryptocurrencies are moving beyond speculation, with major financial institutions’ interest, US regulations, and central bank discussions indicating greater stability and inclusion. While not replacing traditional reserve currencies, cryptocurrencies’ increasing role as a financial tool and national reserve is underway.

- **Suraj Panicker (TYBFM)**

Beyond Bricks: The Rise of REITs and the Wealth Shift Reshaping Indian Finance

The rapid change in India’s economy has benefitted a small privileged group for a long time. However, things have changed overtime. The Rise in Real Estate Investment Trusts (REITs) has increased investment possibilities in income generating commercial real estate to middle class. Now, even those with modest savings can take part in real estate investment without owning. This leads to an important question: What does REITs mean? Real Estate Investment trusts (REITs) are companies that own or manage income generating properties.

Like office buildings, shopping malls, and warehouses. REITs give individuals the opportunity to invest in commercial real estate and earn returns, without owning or managing properties themselves.

Due to rise of REITs, the public preference for the same has changed , many small investors are showing interest in REITs. Many global companies prefer renting office space managed by REITS. REITs offer better returns than traditional fixed deposits. Insurance firms are now increasing their investments in REITs.
This shift is not only helping investors but also has a huge impact on the economy.

The growth of REITs have brought many positive changes to the real estate sector. Following are impact of REITs on Real Estate economy, due to the rise in REITs, liquidity in the real estate market has increased due to which capital flow has become smoother and transactions have become faster. Institutional investors like pension funds and insurance companies can now invest in India's real estate market, this made financing for new projects possible. Portfolio diversification is the key benefit, this helps to reduce risks linked to property ownership REITs is also helping in wealth creation. Middle-class people now have access to real estate investments through REITs, this has become a popular way of building wealth. People are choosing real estate investment as sustainable option and moving away from fixed deposit and traditional method of savings. Just like REITs , Infrastructure Investment Trusts(INVITs) are a type of Investment vehicle that allows all kinds of investors to invest in infrastructural projects which were previously only available to large institutional investors. The key difference between REITs and INVITs is that REITs deal with real estate, while INVITs focus on infrastructure.

In conclusion, REITs and INVITs are giving more people a chance to invest and grow their money. They make real estate and big projects easier to access for middle class. This change is helping build a stronger and more equal financial future for everyone in India.

- **Ankitha Palan (SYBFM)**

Future-Proofing India's Payment Infrastructure: Markets Call for NPCI Alternative

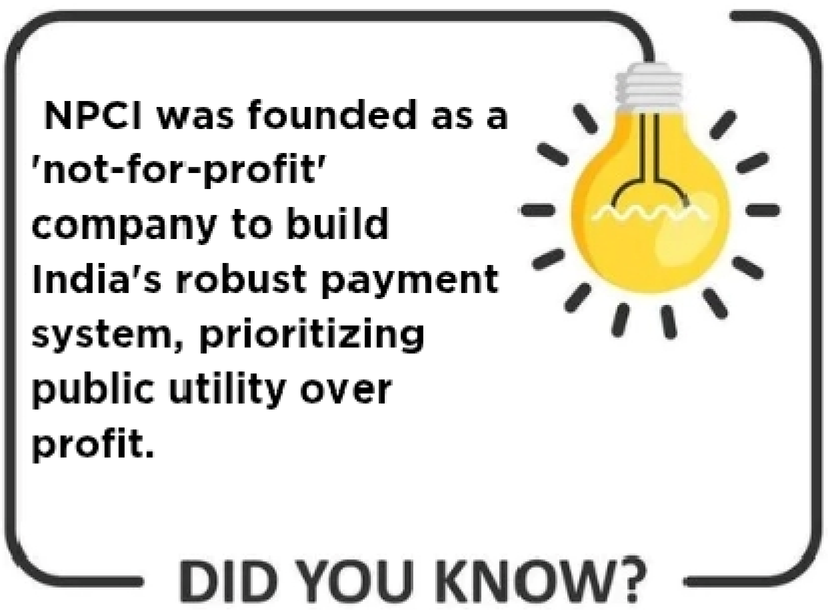
India's payment revolution through the digital mode has flourished to a great degree due to the National Payments Corporation of India (NPCI). RBI and the Indian Banks' Association formulated this not-for-profit entity. It developed UPI, RuPay, IMPS, and Bharat BillPay as an integrated digital backbone for the country's financial ecosystem. UPI, specifically, has evolved with processing almost 8 billion transactions monthly as of 2024. Its power is in interoperability through enabling instant payments from any app or bank at zero cost through open APIs via India Stack. UPI is now a pillar of public and private digital money in India, processing more than 50% of all electronic payments. Yet, this success is accompanied by a structural issue. NPCI is managed by 67 shareholders, including banks that often have competing interests. Ten promoter banks, such as SBI, ICICI, HDFC, Citibank, and HSBC, hold equal stakes, which gives them control of the board. These banks are involved in credit cards, wallets, and lending, and this puts them at odds with NPCI's innovations. For example, the launch of credit-on-UPI was delayed due to concerns about losing card revenue. Similarly, apps like Google Pay and PhonePe have faced delays in onboarding. Even NPCI's own product, RuPay, has been overlooked by banks that partner with Visa and Mastercard. The result is an environment where innovation is at risk from those who should support it.

To address this centralization, the RBI launched the New Umbrella Entity (NUE) framework in 2020. It called for new consortiums to build parallel infrastructure, aiming to encourage competition. However, the process slowed down in 2022 due to regulatory uncertainty, a lack of financial incentives, and NPCI's strong position. Most of the private players decided to be intermediaries on UPI rather than building core infrastructure, which demands long-term investment, trust, and coordination of regulators. .For the same reason, this is not an Indian problem. Turkey and

Kazakhstan had a Similar problem by expecting government payment in new systems, offering open API sandboxes, and establishing public-private partnerships. Kenya operated in collaboration with telecom-led mobile payments with public subsidies. These international examples indicate that strong mandates, regulatory clarity, and incentives are needed to develop alternatives to center-based systems.

India can follow the same route with modifications. Rather than depending solely on private NUEs, the government can enable state-sponsored players such as SBI, LIC, SIDBI, India Post, or NABARD to establish public NUEs. These can focus on under-served segments like rural banking, public distribution networks, and welfare payments. The second is for NPCI to adopt an SBI-type model, remaining the central infrastructure entity while spinning off subsidiaries such as BHIM or Bharat BillPay. These might be more attractive to private investment and be more flexible in operations while NPCI handles the core infrastructure.Notably, the RBI should ensure end-to-end interoperability of NUEs and NPCI to avoid fragmentation. With open APIs and agile innovation, India is capable of building competition, agility, and public accountability with the inclusive spirit which made NPCI a success in the first place. As quoted by Nandan Nilekani (Architect of India Stack) “We need to think of digital infrastructure like physical infrastructure — open, inclusive, and available to everyone.”.

- **Mihir Athavale (FYBFM)**



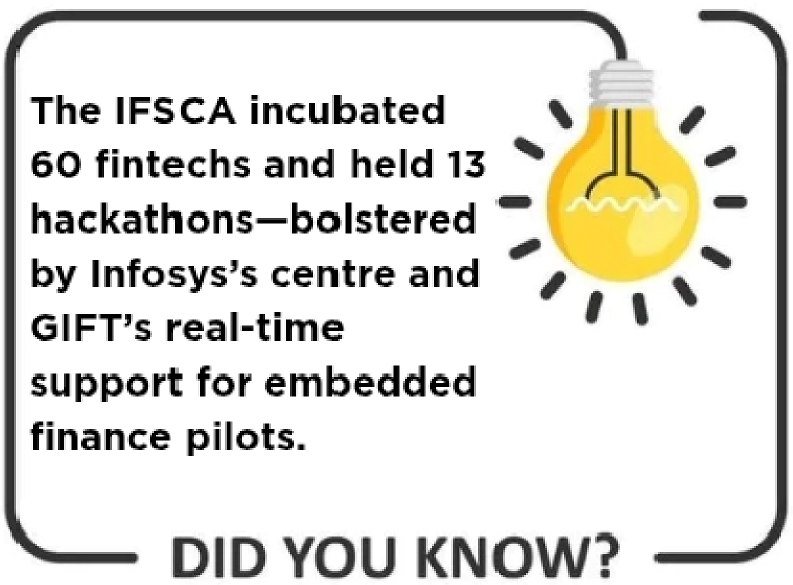
GIFT City & Infosys: Crafting India’s Next Financial Powerhouse

India’s economic ecosystem is being transformed on a scale unseen before. The heart of this transformation lies with the collaboration between Infosys, one of the nation’s most powerful tech companies and GIFT City (Gujarat International Finance Tech City), India’s first functional smart city and global financial services hub. Together, they are not just constructing infrastructure; they are building the foundation for the next world financial leadership. The GIFT City is split between a Domestic Tariff Area(DTA) and a Special Economic Zone(SEZ)allowing uninterrupted operations for domestic and international financial players, making the city an ideal place for global capital inflows. The announcement by Infosys to establish a significant development centre in GIFT City in Q1 2025 marks a significant milestone in this endeavour. The new campus is capable of hosting more than 1,000 professionals in a hybrid model it is not merely an office; it is a centre for Fin Tech innovation.

Infosys is using its extensive experience in digital transformation to provide cutting-edge solutions for digital banking, trade finance, capital markets, cards and payments, and regulatory compliance. Technologies such as AI, Generative AI, cloud computing, blockchain, and cybersecurity form the core of these initiatives, allowing Infosys to address global Banking, Financial Services, and Insurance (BFSI) customers with agility and accuracy. The Regulatory sandbox launched by the International Financial Services Centres Authority (IFSCA) is one of the most important initiatives within GIFT City. This framework allows financial institutions and start-ups to test innovative products and services in a live environment with real users, under relaxed regulatory conditions. It is open to both regulated and unregulated entities from India and the Financial Action Task Force (FATF), making it a global platform for fintech innovation. Beyond this, GIFT City is also redefining the ease of doing business in India, with a single-window clearance system, simplified compliance procedures, and access to global currencies. It offers an environment where financial institutions can operate with minimal friction. The city facilitates free movement of capital, supports foreign direct investment and provides a competitive tax regime that is designed to attract international players.

Infosys' presence in GIFT City undermines the importance of financial software and cloud computing in the global economy. The company's new centre is focused on building cloud native platforms. These platforms support everything from AI-powered risk management to block chain-based trade finance, enabling financial institutions to operate and deliver seamless digital experiences to customers worldwide. Infosys and GIFT City are on a mission to secure India's financial future, which is rooted in innovation, powered by technology, and open to the world. GIFT City will attract top talent and capital; meanwhile, Infosys will invest in digital finance, which will, in turn, redefine India's role in the global financial ecosystem. This is not just a partnership; it is a huge step to make India a financial powerhouse.

- Abhinav Bhattacharjee (FYBFM)



IRFC's Strategic Metro & Rapid Rail Drive: A New Catalyst for Indian Market Growth

The Indian Railway Finance Corporation (IRFC) is expanding beyond its traditional role as the key financier for Indian Railways, with plans to diversify into metro and rapid rail infrastructure projects to drive growth. More recent strategic shift toward metro and rapid rail financing, supported by targeted disbursements of ₹30,000 crore. It's a game changer for Indian market and mobility story.

IRFC, traditionally known as the funding backbone of Indian Railways, is now driving a major strategic shift in its lending portfolio. As a part of its diversification plan, IRFC has set its sights on metro and rapid rail projects with a bold target of ₹30,000 crore in disbursements for FY26 (2025-26). This is a part of a broader plan to sanction ₹60,000 crore in total, with half of that amount set aside for urban transit infrastructure.

In fiscal year 2024-25, IRFC's net margin stood at about 1.42%. But the company is now targeting margin beyond 2% by pursuing new high yield lending opportunities across the broader railway ecosystem. When financing non-Railways infrastructure such as metro, rapid transit systems, logistics parks and renewable energy project linked to railways, IRFC expects margins of 2% which is significantly higher than 0.35%- 0.5% margins from regular railway lending.

Despite this ambitious growth and diversification strategy, IRFC's share price fallen nearly 50% from its peak in 2024.

Share Price Movement (2024–2025)

Date	Price	Event
July 2024	₹229.05	All-time high on PSU and railway hype
March 2024	₹108.05	52-week low amid market correction
July 2025	₹119- ₹125	Stabilizing post-correction

The decline in IRFC's share price over the past year can be attributed to several key reasons. One of the primary factor was profit booking by investors after the stock witnessed a sharp rally. Secondly, analysts expressed concerns about IRFC's valuation because, given its steady but modest earnings growth, the company was trading at a high price-to-earnings (P/E) ratio of 30 to 35x. The technical indicators turned bearish, and the stock

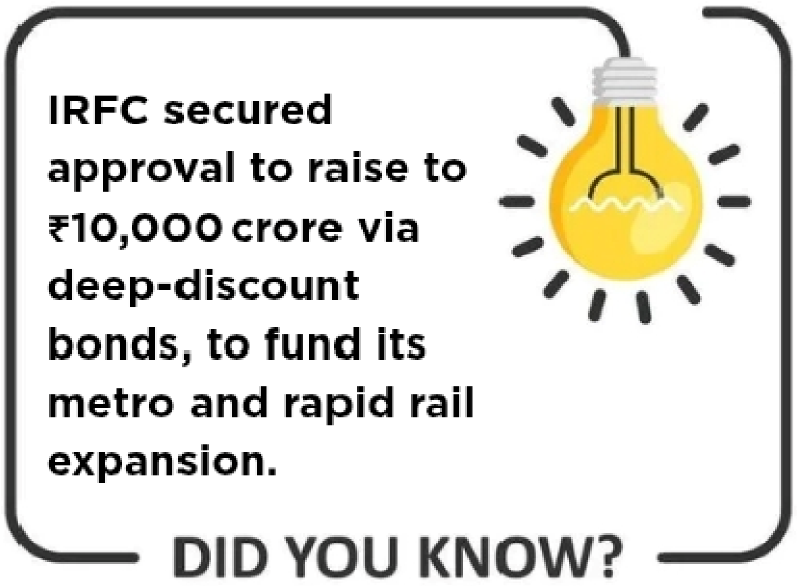
Broke important support, precipitating a wave of exits by short-term traders. A general shift occurred in investor sentiment, causing a rotation away from PSU stocks and into other themes across the markets. Meanwhile, when the announcement by IRFC of its ambitious diversification strategy into a high-margin business of metro and rapid rail financing offered some degree of uplift, the slow execution of these plans set expectations out of phase with immediate financial results, contributing to the stock's underperformance. On the other hand, the long-term fundamentals remain good, and several analysts expect the stock to gain in strength later once the new strategy reflects in the earnings.

IRFC's strategic shift into financing metro and rapid rail projects will undoubtedly energize a substantially higher level of growth in the Indian rail sector in the future. Diversifying away from the traditional financing of Indian Railways, IRFC is helping to fill a massive infrastructural funding gap estimated at ₹4–5 lakh crore annually by taking up the support of state-level metro systems and high-speed rapid rail corridors. For the first time, IRFC is funding rolling stock for metro systems directly, helping on to fast-track project execution in urban centers. Such diversification also results in rail modernization as well as improving the financial profile of IRFC by the increase of net interest margins from around 1.4% to over 2%. Some of the recent tenders amounting to ₹14,000 crore, including the port-rail connectivity and renewable energy for railways, are a testimony to IRFC's bigger footprint across the broader rail ecosystem. Furthermore, IRFC is supporting India's green energy aims through the channeling of funds toward sustainable rail-linked projects. Thus, in totality, this strategic thrust is making IRFC an important financial engine for the modernization of the Indian railways, thereby ensuring smooth urban transport, sustainable infrastructure, and long-term economic benefits.

Entry made under strategic into high-margin metro and rapid rail projects is a mixed bag to IRFC's stock performance. Initially, the stock appreciated around 3% in March, 2025, after the announcement, as investors saw higher margin possibilities and diversification beyond the traditional railway financing route. There has since been a substantial price erosion of around 20-25% in the last one year, mainly because of delay in execution of projects, lower disbursals of loans, and apprehensions by investors on the pace of returns from new business ventures. Falling profits during Q4 dragged the sentiments down even further, highlighting the short-term financial stress. Nevertheless, the recent elevation of the company to the status of "'Navratna'' has again revived investor confidence as this status would give IRFC a lot more flexibility in funding a wider gamut of rail ecosystem projects, thereby boding well for the long-term prospects.

IRFC's strategic focus on metro and rapid rail projects reflects a shift towards higher margin, diversified growth. This move caused short- term volatility in the markets and profit pressure, however, in the long-term, this will allow the company to play a much stronger role in Indian infrastructure.

- **Vidhi Narvekar (TYBFM))**



Indo-Pak Conflict: Operation Sindoor's Divergent Economic Outcomes

Economic Outcomes
"Enough is Enough"
India's Minister of External Affairs, Mr. Jaishankar, said the Pahalgam attack "was an act of economic warfare. It was meant to destroy tourism in Kashmir, which was the mainstay of the economy."

This stark statement frames the Pahalgam attack global not just as a security issue but a deliberate strike on the region's economic backbone.

The Pahalgam Attack and a Valley in Ruin

On April 22, 2025, a terror strike at Baisaran Valley in Pahalgam killed 25 tourists and a local pony operator. Kashmir's booming tourism industry collapsed under security fears and restrictions. Drone skirmishes between India and Pakistan in early May halted the already slowing inflow. Once at a 15-year high with rising local revenues, the Valley now sees key sites deemed unsafe and over 90% of bookings cancelled, turning a season of hope into sudden despair.

Trade Ties Severed and Shifting Routes

Beyond tourism, Operation Sindoor reshaped economic ties. India's termination of the 1960 Indus Waters Treaty will remain in abeyance until Pakistan ends cross-border terrorism. The Indus sustains 80% of Pakistan's farmland, 93% of its water needs, and a quarter of its GDP. In retaliation, Pakistan suspended the 1972 Shimla Agreement.

India also suspended all bilateral trade with Pakistan, closure of Attari-Wagah Border and disrupting trade worth ₹3,886 crore in 2023–24. This action severed the primary land-based trade route between the two nations, causing major disruption in economic ties. Logistics and insurance costs have increased due to the disruption. However, some traders believe the export business hasn't been severely affected.

Yet indirect trade endured. Indian imports from Pakistan touched USD 211.5 million through alternative routes, while unofficial exports via third countries are estimated near USD 10 billion annually, showing commerce's adaptability.

Airspace Strains and Defence Surge

While trade ties were adapting, tensions escalated in the skies too. Airspace restrictions extended until July 24, force around 1,600 flights weekly to reroute. Delhi's IGI Airport alone saw about 640 flights affected, with higher fuel, crew, and turnaround costs adding strain on carriers.

Meanwhile, India's defence sector surged. A DRDO-developed hypersonic missile with a 1,500 km range highlights rapid modernization. The government aims to cross Rs 50,000 crore in defence exports by 2029, backed by growing defence corridors in Uttar Pradesh and Tamil Nadu, positioning India as a global hub for defence production. The government Will be allocating more funds for R&D to achieve true self-reliance in defence and stay competitive in the global market.

Markets Hold Steady

Despite tensions, markets remained resilient. Foreign investors infused ₹19,860 crore into equities in May, signalling strong confidence despite geopolitical tensions. The Sensex dipped briefly but ended the week 2.3% higher, with bond yields and the rupee largely stable.

"The conflict… had a very, very limited, negligible impact on economic activity. It did have some impact for those days, especially in northern India, airports being closed, air passenger traffic did certainly decrease, but there was no major supply chain disruption, etc," – RBI Governor Sanjay Malhotra

Operation Sindoor marks a turning point, impacting tourism and trade while strengthening defence and market confidence. It will live through time, a stand against terror, honouring the 26 victims and soldiers whose spirit shall live on.

- **Anya Kale (FYBFM)**

Despite the conflict, foreign institutional investors poured in ₹7,062 crore into Indian equities in early May, offsetting geopolitical jitters.

DID YOU KNOW?

Income Growth or Illusion?: Inflation Adjustment in Tax Policy

Money comes in, but somehow it disappears faster than we expect. Most of us feel broke way before The month ends, even though our income is technically growing. It's frustrating because it feels like we're working harder, getting better packages, and still not feeling financially better. That's where the two biggest silent villains come in inflation and taxes. Prices are rising every year, from food to fuel to literally everything. And at the same time, taxes quietly take away a chunk of our income before we even touch it. We think we're moving ahead, but our bank balance says otherwise. There's also this lie we've all believed at some point—that "earning more will fix everything." But what really happens is that as soon as our income increases, our expenses increase with it. Our lifestyle upgrades automatically. Better phones, more online orders, impulsive shopping, spontaneous trips—it all feels normal because we think we can afford it now. But in reality, we're just spending more because we have more. The result? More income, more spending, and either the same savings or sometimes even less. So while we're trying to glow up financially, the math isn't mathing. Market confidence. It will live through time, a stand against terror, honouring the 26 victims and soldiers whose spirit shall live on.

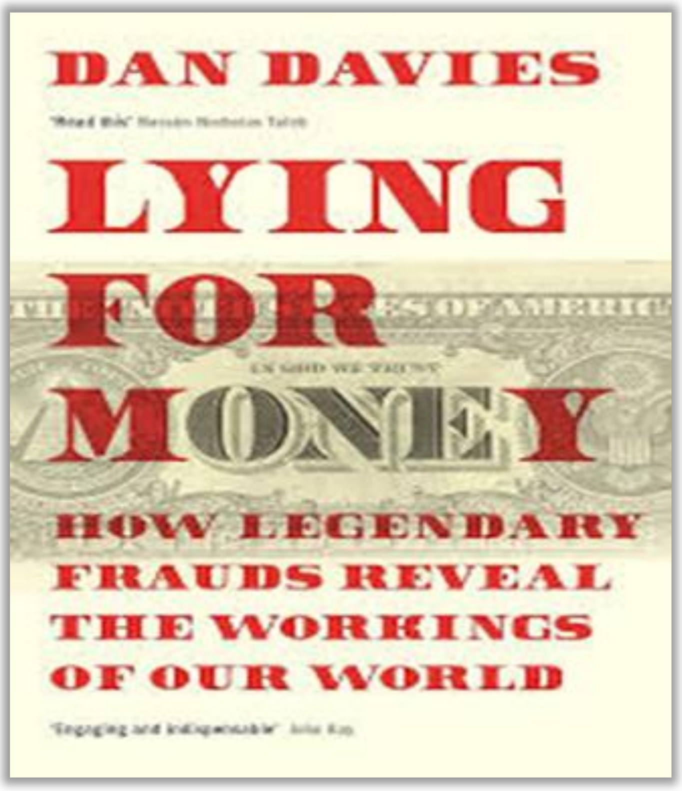
For a lot of us, saving has started to feel like a luxury. We're not bad with money—we're just living in a time where basic things cost more, and life moves fast. Between EMIs, subscriptions, weekend plans, sudden plans, and random guilt purchases, it's really hard to set something aside. Even when we want to save, we often push it to "next month." And then next month never comes. The scary part? You can be earning ₹50K and still have ₹143 in your account at the end of the month. That's when you realise it's not just about how much you earn—it's about how you handle what you earn. If we don't pause and start paying attention to where our money is going, we'll keep running in circles. This isn't about giving up fun or living small—it's about living smart. Earning big is great, but if it comes with stress and zero savings, what's the point? The real flex isn't your CTC. It's knowing your money lasts. It's being able to enjoy your life without panicking on the 25th. So to all future earners: earn well, but don't fall into the trap. Save smart, spend mindfully, and remember growth is not just about making more, it's about keeping more. This Is Where the Illusion Ends If your money doesn't last, does it even count? Real flex? Knowing where your money's going, saving without sacrificing, spending without stress.
We're done flexing CTCs and still feeling broke. Your salary's vibing at ₹50k and your bank balance is vibing at ₹143.75 something's off.
Dear future earners, earn big, flex small, save smart.

- Shreya Balaya (FYBFM)

Two-thirds of taxpayers fall in the zero or 5% bracket most vulnerable to bracket creep, losing disposable income even at low inflation levels .

DID YOU KNOW?

Book Recommendations



In In the world of finance, trust is everything. Every time we make a payment, open a bank account, or take a loan, we trust that the system works, and the other side is playing fair. But what if someone uses the same trust to cheat us? That's exactly what Lying for Money by Dan Davies is all about.

This book is smart, fascinating and sometimes even darkly funny, looking at the world of white-collar crimes, fraud committed by people in suits, sitting in air-conditioned offices, often inside respected banks
and institutions. Dan Davies, the author, isn't just a storyteller, he's a former banker and economist who understands how finance works from the inside. That's what makes this book so eye-opening. But what makes this book different is how simply he explains it. You don't need to be a finance expert to enjoy it. He tells real stories, uses clear examples, and even adds a bit of humour.

You're not just reading a book; you're going on a journey through the world of smart lies.

This hits hard in today's digital world. Think about how quickly money moves in India now, UPI payments, credit cards, instant approvals. Everything happens in seconds. But that same speed also creates space for fraudsters. Fake lending apps, phishing messages, false KYC calls, these are not rare anymore. We all know someone who's been a victim. As we move towards a cashless future, we're also facing new kinds of risks. People don't need to break into banks anymore. They just need your phone number, some clever code, and a system with weak checks. This book teaches us how to look deeper. It shows that fraud isn't just about greed, it's about opportunity. If someone sees a loophole, they'll use it. And if no one's checking properly, they'll keep going until it's too late.

Dan Davies doesn't just point out the problems, he also talks about the solutions. He explains how better rules, smart monitoring, and public awareness can help. The key finding is the right balance between speed and safety. We all love quick payments and easy loans but not at the cost of losing our hard-earned money.

Another thing we loved about the book? It doesn't talk down to reader. You won't find difficult words or boring theory. Instead you will find real stories, smart ideas, and simple truths. You will laugh at how silly some crimes were. You will feel shocked at how some frauds went on for years.

Reading Lying for Money makes you realize that fraud isn't something far away, it can happen around us, to people we know, or even to us if we are not careful. The book doesn't try to scare you, but it opens your eyes. It shows that being smart with money isn't just about saving or investing, it's also about knowing who and what to trust in a world that's moving faster every day.

What Dan Davies shows us is that even well-dressed professionals and fancy companies can be a part of the problem. Big offices and company logos makes everything looks trustworthy. But as this book shows, appearances can be very misleading. Just because something looks professional doesn't means it is honest. That's what makes financial fraud so dangerous.

Lying for Money isn't just a book about financial crime. It's a book about how trust can be both powerful and dangerous. So, if you're looking for a book that's fun, smart, and useful at once, this is the one for you. And most importantly, you will walk away smarter and more alert.

One of the best quotes from the book is:
"Fraud is only possible because of trust, and it only becomes common when the level of trust in society grows faster than the institutions that are supposed to police it."

- Dan Davies, Lying for Money

- Aliya Dalvi (SYBFM)

IPO: PhonePe

PhonePe, one of India's most popular digital payment apps, is planning to launch its IPO (Initial Public Offering) soon. This means the company will sell its shares to the public for the first time to raise money. PhonePe is planning to raise around ₹12,750 crore through this IPO, and the company's total value (valuation) is expected to be around ₹1.26 lakh crore.

The IPO is likely to come by end of 2025 or early 2026, and PhonePe may file its official papers (called DRHP) by August 2025. Big banks like Kotak Mahindra, JP Morgan, Citigroup, and Morgan Stanley are helping PhonePe with this process.
PhonePe was started in 2015, and today it has more than 60 crore users and is used by over 4 crore shopkeepers and businesses across India. It is the number one app for UPI payments, handling over 300 crore transactions every day.

In the financial year 2023–24, PhonePe earned around ₹5,064 crore in revenue, which is 74% more than the previous year. The company still had a loss of ₹1,996 crore, but if we remove the employee stock expenses, it actually made a profit of ₹197 crore.
Most of PhonePe's income (around 95%) still comes from payment services like UPI, which have very low profit margins. PhonePe is also trying to earn from other services like insurance, mutual funds, stock market investments, and loans, but these areas are still small.

PhonePe has now become an Indian company (it moved its base from Singapore in 2022), which makes it easier to list in India. However, exact details like IPO price, share lot size, and opening dates are not confirmed yet.

- Aryan Panchal (TYBFM)

PhonePe aims to raise $1.5 billion (≈₹12,750 crore) in its upcoming IPO, with a $15 billion valuation, making it one of India's largest fintech listings ever.

DID YOU KNOW?

Mutual Fund Recommendation

1. **SBI Bluechip Fund (Large Cap – Direct Growth)**

SBI MUTUAL FUND
A PARTNER FOR LIFE

The SBI Bluechip Fund (Large Cap, Direct Growth) was launched on February 14, 2006. SBI Mutual Fund is sponsored by the State Bank of India, which also oversees its administration. As of June 30, 2025, the fund managed assets worth ₹52,236 crore and had over 31 lakh investor accounts. It is therefore one of the most dependable equity funds in India. It invests mostly in large-cap companies, especially those in the top 100 by market capitalization. This approach gives investors consistent, long-term capital growth at a relatively lower risk than mid- or small-cap funds. This fund is perfect for investors who have a long-term outlook and prefer to invest.

- **FUND PERFORMANCE:**
  With a compound annual growth rate (CAGR) of 20–21% over the previous five years, it produced returns of 17–19% after three years. The CAGR has been 15.7% since launch (February 2006). In contrast to mid- and small-cap funds, it is renowned for its steady long-term performance and reduced volatility.

- **MINIMUM INVESTMENT AMOUNT:**
  The minimum investment is Lump Sum: ₹5,000, SIP (Systematic Investment Plan): ₹500 and there is no maximum investment limit.

- **INVESTMENT STRATEGY:**
  Large-cap companies, which are the top 100 listed by market capitalization, are the investments it makes. It focuses on reliable and generally solid businesses. The goal is to lower risk while achieving steady capital growth. Over the long term, this approach works well for building wealth.
- **RISK:**
  - Categorized as Very High Risk
  - Fully equity-oriented, sensitive to market fluctuations
  - Less volatile than mid- or small-cap funds, but not risk-free

- **FUND MANAGER:**
  Mr. Saurabh Pant
  - Experienced equity fund manager experience of 16–17 years (as of 2025) at SBI Mutual Fund.
  - Recognized for a focused and research-based investment strategy.

- **ASSET ALLOCATION:**
  95–97% in equities (mostly large-cap) , 2–5% in cash or cash equivalent and 0% in debt instruments.

- **WHO SHOULD INVEST?**
  1. Investors looking for long-term capital growth.
  2. Those with a moderate to high risk tolerance.
  3. Ideal for investors seeking exposure to blue-chip Indian companies.
  4. Recommended investment horizon: 5 years or more.

2. HDFC Mid Cap Opportunities Fund (Direct – Growth)

The HDFC Mid-Cap Opportunities Fund (Direct – Growth) was introduced to investors on February 25th 2007 and is managed by HDFC Mutual Fund, using Housing Development Finance Corporation Ltd (HDFC) as its investment sponsor. It is one of the largest mid-cap funds in India, and one of the most reliable. The fund's AUM as on June 30, 2025 is more than ₹83,000 crore. It does not need any introduction as it has a huge investor base of more than 20 lakh investor accounts which shows large participation and long-term trust of the investors. The fund concentrates on mid cap companies with high growth potential making it suitable for long term investors looking for aggressive wealth creation.

- **Fund Performance:**
- Launched on February 25, 2007.
- One of the largest and best-performing mid-cap funds in India.
- Known for high long-term returns with mid-cap exposure.

- **Minimum Investment Amount:**
- Lump Sum: ₹100.
- SIP (Systematic Investment Plan): ₹100.
- Very accessible for small and first-time investors.

- **Returns (Annualized CAGR):**
- 1-Year: 7.5% (as of mid-2025).
- 3-Year: 31–33% CAGR.
- 5-Year: 33% CAGR.
- Since Inception: 21–22% CAGR.

It might depend on market situations, but returns have stayed quite consistent over the long term.

- **Investment Strategy:**
- Primarily invests in mid-cap companies (101st to 250th by market cap).
- Focuses on high-growth potential businesses in emerging sectors.
- Bottom-up stock picking approach with an emphasis on fundamentals and value.
- Strategy aims to benefit from India's growing domestic economy and innovation-driven sectors.

- **Risk:**
- Categorized as Very High Risk.
- Mid-cap stocks tend to be more volatile than large-cap, especially in the short term.
- Suitable only for investors who can tolerate sharp market movements.

- **Fund Managers:**
- Mr. Chirag Setalvad
  - A well-known and highly respected equity fund manager with over 20 years of experience.
  - Renowned for his conservative yet high-performing mid-cap strategy.

- **Asset Allocation:**
- ~92–95% in equities, mainly mid-cap stocks.
- ~5–8% in cash or cash equivalents.
- Minimal or no debt exposure.
- Diversified across multiple sectors (industrials, finance, pharma, etc.)

- **Who Should Invest?**
- Ideal for investors seeking high long-term capital appreciation.
- Suitable for those with a high-risk appetite and a horizon of 5+ years.
- Not ideal for short-term or risk-averse investors.

Best for wealth creation through exposure to India's growth-focused mid-sized companies.

- Sabuj Kamal Kandar (SYBFM)

Stock Market Analysis

Nifty 50 & Sensex Trends (April–July 2025)

April

Initial Dip: A ~3% fall in Nifty 50 in early April was prompted by U.S. tariff worries—IT and metals hardest hit—other sectors remaining steadier.

Strong Bounce Back: There followed a sharp reversal as de-escalating trade tensions and strong Q4 earnings drove benchmarks to ~24,300 by April 23 Reuters.

May–June

Range-bound recovery: Markets kept within a 25,000–25,600 Nifty band, clinging to the 50-day moving average—a period of consolidation following April's volatility.

RBI Rate Cut Boost: June's RBI rate cut flash-added momentum, lifting Nifty from late June lows (~25,250) to ~25,600 Reuters.

July

Plateau with mild headwinds: As on July 22, Nifty closed ~25,166 and Sensex at ~82,527, both considerably sideways with minor intraday wavering.

Technical Alert: Chart pattern indicates Nifty testing its 50-day MA again—failure to cross above may result in a 1–2% pullback.

Key Drivers & Specific Reasoning

Global Trade Sentiment

• U.S.–China/U.S.–India tariff choices caused early April volatility. Markets first declined on tariff concerns, and then recovered on policy comfort.

Earnings Impact

• Strong Q4 numbers in April—led by financials and telecom—ushered benchmarks ahead, even as IT earnings were subdued.

Monetary Policy Tailwinds

• RBI's repo rate reduction in June communicated a positive tone to rate-sensitive industries such as real estate, banking, and NBFCs.

Technical Chart Patterns

Nifty: Solid April upsurge, mid-year consolidation near 50-day MA (~25,300–25,600), and recent flattening near resistance

Sensex: Stable in 82k–84k brackets, with daily fluctuations under±1%—indicating timid sentiment.

Sector Focus: Indian Banking

Banking index (Nifty Bank) jumped ~11.1% in Q2, beating Nifty 50 (~8.5%)

Macro tailwinds: RBI cut policy rates by 100 bps since Feb, increasing liquidity; Fitch cites ~10 bps NIM compression anticipated in FY26 Reuters

Credit growth eased to ~10% in May from ~16% year ago, showing a moderating lending landscape

Stock Analysis: HDFC Bank

Q1 (Apr–Jun 2025) results

Net profit increased 12.2–12.4% YoY to ₹18,155–18,183 cr, surpassing expectations.

Net interest income +5.4% YoY, however, NIM declined from 3.46% to 3.35%

Other income doubled (~₹21,729 cr), due to treasury gains.

Provisions fivefold higher (~₹14,400 cr), warning on asset quality

Valuation & metrics (as of July 22):

P/E ~21.8×; PB ~2.87×; EPS ₹92; dividend yield ~1.1%

Technical support ~₹1,933, resistance ~₹2,002; trading at ₹2,007 (+0.3%)

RSI strong; cup-with-handle breakout is extended, watch for pullbacks.

Positives: Synergies from merger under CEO Sashidhar Jagdishan, bonus issue (1:1), special dividend ₹5, strong treasury income.

Risks: Margin compression, increase in provisions, decelerated credit growth, and regulatory/trust-related headwinds.

- Piyush Bidgar (TYBFM)

BUY SELL HOLD

BUY

Mastek

CMP 2669 ,
TARGET - 3161 ,
SL - 2500

UNICHEM LAB

CMP 624 ,
TARGET - 825.31 ,
SL - 546.65

NESTLE INDIA
CMP 2472 ,
TARGET- 2699 ,
SL – 2398

SELL

Ujjivan Small Finance Bank
CMP 47.86,
TARGET = 36.21,
SL -52.43

TCS
3158.20,
TARGET - 2338.25,
SL - 3548.90

HOLD

VEDANTA

CMP- 453.85 ,
SL – 399,
TARGET - 538+

CDSL
1731.50 ,
SL 1644.20 ,
TARGET - 2005.95 +

DLF
852 ,
SL 785 ,
TARGET - 1075.55

- Swayam Anchan (TYBFM)

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BRAIN TEASERS

1) If the yield curve inverts, what economic event does it often precede?

A. Recession.
B.A stock market boom.
C.Increased inflation.
D.A period of strong economic growth.

2) What is the primary risk associated with investing in high-yield (junk) bonds?

A.Interest rate risk.
B.Inflation risk.
C.Credit/Default risk.
D.Liquidity risk

3) Which financial metric is most commonly used to assess a company's ability to meet its short-term obligations?
A.Return on Equity (ROE).
B.Current Ratio
C.Price-to-Sales Ratio.
D.Debt-to-Equity Ratio

4) Slice recently transitioned into a Small Finance Bank (SFB). What key financial power did this give it?

A.Ability to issue insurance
B. Ability to take customer deposits
C.Ability to launch UPI
D. Ability to list on the stock exchange

5) Flipkart now offers personal loans. What key advantage does it have over banks?

A. Higher interest income
B. Lower default risk
C. Access to deep consumer spending data
D. Government subsidies

6) What if a stock priced at ₹1,000 undergoes a 1:5 split? What happens to its price?

A. Becomes ₹5,000
B. Becomes ₹200
C. Becomes ₹250
D. Remains at ₹1,000

7) If inflation is 7% and your investment returns 5%, your real return is:

A) 12%
B) 2%
C) -2%
D) 0%

Answers:- 1- a, 2- c, 3- b, 4- b, 5- c, 6- b, 7- c

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THANK YOU!