

**BY NAVNEET DUBEY**

# **THE BEST EQUITY FUNDS**



**EQUITY MFs PROVIDE EASY  
AND 'DIVERSIFIED' ACCESS TO  
STOCK MARKET GROWTH.**

## LARGE-CAP



**FOR MOST INVESTORS**, large-cap funds are the comfort zone of equity investing—familiar names, proven business models and companies that are sturdy enough to withstand the market's sudden jolts. These funds, which must invest at least 80% of their assets in large-cap stocks under Sebi rules, offer stable, long-term growth without the turbulence often associated with mid- and small-cap themes.

Yet even in this seemingly safe space, success hinges on the rare ability to consistently outmaneuver the benchmark—a skill that defines fund managers such as Sailesh Raj Bhan, president and chief investment officer, equity investments, Nippon India Mutual Fund. For more than two decades, Bhan has built a reputation for reading market cycles with unusual clarity, and for blending discipline with opportunistic thinking. He is known for his ability to navigate shifts in leadership within sectors, and identifying phases where market breadth changes sharply.

Bhan explains that alpha generation (returns above the benchmark) in large-caps is neither accidental, nor instantaneous. "Across any category, alpha is ultimately the result of taking the right kind of risk compared with the benchmark over a three-to-five-year period," he says. Markets, he

**“Across any category, alpha is ultimately the result of taking the right kind of risk compared with the benchmark over a 3-5 year period.”**

**Sailesh Raj Bhan**, president and CIO, equity investments, Nippon India Mutual Fund

notes, move through a series of sub-cycles in that time—sometimes powered by just a few mega-caps, sometimes creating valuation gaps within the same sector, and often responding to broader economic cues such as interest rate shifts. These cycles, he believes, create pockets of opportunity for fund managers who are willing to look past the obvious.

Experts agree. "Some large-cap funds are still beating the Nifty100 TRI [total return index], and if the fund manager gets the allocation right and catches the pockets [with] stronger momentum, they can keep outperforming," says Navy Vijay Ramavat, MD, Indira Securities.

Beyond spotting trends, Bhan stresses the importance of qualitative strengths that go into sustained alpha creation—robust research teams, disciplined risk frameworks, and a commitment to avoid over-priced stocks or pure momentum trades.

Maintaining an optimal active share and relying on long-term track records across cycles can make a meaningful difference, says Bhan. While alpha potential varies across categories, he believes India still offers rich opportunities even in large-caps, particularly in emerging segments such as insurance and new-age business models that remain under-represented in major indices.

In short, large-cap funds may look steady on the surface, but the skill lies in reading the undercurrents—and that, as Bhan suggests, remains an active craft.

## THE RIGHT NUMBERS

**Winner: Nippon India Large Cap Gr**

**Fund managers: Sailesh Raj Bhan; Kinjal Desai; Bhavik Dave; Divya Dutt Sharma; Lokesh Maru**

**Inception date: Aug 8, 2007**

**1-Year rolling return (%): 21.50**

**3-Year rolling return (%): 22.30**

**Std. Dev. (5 years, %): 14.22**

**Std. Dev. (5 years, %): 14.18**

**Down capture ratio (5 years): 80.73**

**Fund size (12-month average, ₹ crore): 40,684**



**MID-CAP FUNDS** often sit in the middle of the investing world—neither as steady as large companies, nor as risky as the very small ones. They focus on firms ranked roughly between 101 and 250 by market value among the BSE 500 stocks. Mid-caps offer fast growth but remain vulnerable to global shifts, making them volatile for investors.

Niket Shah, chief investment officer, Motilal Oswal Mutual Fund, and fund manager, Motilal Oswal

## THE RIGHT NUMBERS

**Winner: Motilal Oswal Midcap Regular Gr**

**Fund managers: Niket Shah; Rakesh Shetty; Sunil Sawant; Ajay Khandolwal**

**Inception date: Feb 24, 2014**

**1-Year rolling return (%): 33.16**

**3-Year rolling return (%): 32.73**

**Std. Dev. (5 years, %): 16.88**

**Std. Dev. (5 years, %): 20.05**

**Down capture ratio (5 years): 64.22**

**Fund size (12-month average, ₹ crore): 29,618**

DATA AS ON OCT 31, 2025; SOURCE: MORNINGSTAR



**“Investors must have an allocation to this category over the long term.”**

**Niket Shah**, chief investment officer, Motilal Oswal Mutual Fund, and fund manager, Motilal Oswal Midcap Fund

Midcap Fund, has a different way of reading the numbers. “Back home, if we analyse the Q2FY26 results, mid-caps and small-caps delivered 27% and 37% YoY earnings growth, respectively, in spite of [macro and global] headwinds. Investors must have an allocation to this category, over the long term.”

Shah has built a reputation for patient, disciplined investing, on the back of a strong research-driven approach. “We have 365 days in a year and if you strip off holidays and weekends, technically we work for 260-270 days. Now, if a portfolio has 100 stocks, technically you have given 2.6 to 2.7 days per stock to do research.”

That’s why, claims Shah, Motilal Oswal chooses depth over breadth. The fund usually holds 25-30 stocks, staying true to its QGLP philosophy—buying high-quality businesses with strong growth and long-term potential at reasonable prices. “Every stock that is bought in the portfolio goes through a rigorous process before entering the portfolio. While concentration sometimes does have higher volatility, over the long run, if managed well with processes and risk frameworks in place, it can create magical returns,” says Shah, who believes for investors willing to stay the course, the mid-cap space still holds stories that are yet to unfold.

Industry experts offer a word of caution though. “Mid-caps are more focussed on their niche and don’t always have the balance-sheet strength to deal with sudden policy shifts, especially big ones like changes in U.S. trade rules or tighter global capital flows. Mid-caps react faster to global swings. Investors who aren’t comfortable with higher volatility should avoid going too heavy here,” advises Ramavat of Indra Securities.

## SMALL-CAP

**SMALL-CAP FUNDS** invest at least 65% of their assets in companies ranked 250 and below by market capitalisation within the BSE 500 index. Between FY21 and FY24, small-cap earnings grew at 25-35% CAGR, well above the long-term average of 12%.

But the pace is unlikely to continue, say experts. "As we enter FY25-27, we expect this to moderate to 12-15%, creating vulnerability in pockets where valuations have expanded 40-50% above pre-Covid levels," claims Nehal Mota, CEO and co-founder, Finnovate, a financial fitness planning platform.

Stronger balance sheets will be the need of the hour, adds Ramavat of Indira Securities. "In FY25-27, earnings quality will become crucial. Investors should look for holding firms with cleaner balance sheets, stable cash flows, and the ability to grow without constantly needing fresh capital."

Amid this growing emphasis on financial strength and disciplined growth, investors are increasingly turning to seasoned fund managers—such as Samir Rachh, senior fund manager, equity investments at Nippon India Mutual Fund—for direction. With over two decades of experience in equity research and fund management, Rachh has built a reputa-



**“Small-cap investing is not a sprint; it’s a marathon.”**

**Samir Rachh**, senior fund manager, equity investments, Nippon India Mutual Fund

tion for being calm, process-driven, and deeply research-focussed.

Rachh believes investors now have a choice. "Investors have two options. They can wait for valuations to decline. It can happen in two ways. Price corrects further and earnings outlook improves. But the problem is you are trying to time the market, and timing the market is one of the most difficult things." That is why, he says, the second option is far more realistic. "Continue to have faith in the long-term potential of India and invest in a systematic manner."

For Rachh, research, along with long-term thinking, are the defining factors in successful small-cap investing. "Small-cap investing is not a sprint; it's a marathon. You can do sprints up to a certain size of the fund, but thereafter impact costs are very high. Hence, long-term investment is the best way of investing in small-caps."

## THE RIGHT NUMBERS

**Winner: Nippon India Small Cap Gr**

**Fund managers: Samir Rachh; Kinjal Desai; Divya Dutt Sharma; Lokesh Maru**

**Inception date: Sept 16, 2010**

**1-Year rolling return (%): 29.90**

**3-Year rolling return (%): 30.13**

**Std. Dev. (5 years, %): 17.38**

**Std. Dev. (5 years, %): 19.77**

**Down capture ratio (5 years): 63.85**

**Fund size (12-month average, ₹ crore): 61,703**

DATA AS ON OCT 31, 2025. SOURCE: MORNINGSTAR



**THE HDFC FLEXI** Cap Gr fund has long been popular for its adaptability. Over the past year (FY25), it delivered roughly 8%, a modest yet steady outcome in a cycle marked by bouts of volatility. But a bigger story has been unfolding behind the scenes—leadership change.

For four years, Roshi Jain, a senior equities fund manager, steered the fund. She managed HDFC AMC's flagship products, including the Flexi Cap fund, before stepping down in December 2025.

With Jain's exit, Chirag Setalvad, one of the firm's

**“A robust process focusses on business fundamentals, governance quality, and long-term return potential.”**

**Chirag Setalvad**, head of equities, HDFC AMC

most experienced names, has taken over the reins, effective December 8. As head of equities at HDFC AMC, Setalvad is renowned for his disciplined, long-term approach while managing complex portfolios. “In a flexi-cap strategy, the ability to dynamically allocate across large-, mid-, and small-cap segments is a meaningful source of alpha, but it must be backed by a disciplined framework rather than short-term market signals,” he says.

For investors, the first step is to understand the fund's investment philosophy, he adds. “Equally important is the depth of the research team supporting the fund manager.” In today's environment, advisers consider a flexible allocation of 50-60% to large-caps for stability, 25-30% to mid-caps for growth, and 10-20% to small caps for long-term upside.

Mota of Finnovate, says, “When the large-cap vs small-cap value difference grows beyond 20-25% or when earnings visibility improves in particular segments, investors should investigate whether managers modify exposure.” Consistency in bottom-up research, risk management, and methodical rotation between market sizes, she adds, are essential traits.

Ramavat of Indira Securities offers a more investor-centric view. “Investors should check if the fund's allocation suits their comfort level, whether the manager adjusts exposure smartly with the cycle, and if stock picking remains disciplined across cap sizes. Multi-cap or even hybrid funds can also be considered.”

As it enters a new chapter amid a market shift, all eyes will be on how Setalvad shapes the next phase of HDFC Flexi Cap fund's story. **f**

## THE RIGHT NUMBERS

**Winner: HDFC Flexi Cap Gr**

**Fund manager: Chirag Setalvad; Dhruv Muchhal**

**Inception date: Jan 1, 1995**

**1-Year rolling return (%): 24.92**

**3-Year rolling return (%): 25.30**

**Std. Dev. (5 years, %): 14.33**

**Std. Dev. (5 years, %): 17.96**

**Down capture ratio (5 years): 57.69**

**Fund size (12-month average, ₹ crore): 75,086**

ALL-CAP INCLUDES FLEXI-CAP, MULTI-CAP, VALUE, ELSS, LARGE & MID-CAP AND FOCUS FUNDS. DATA AS ON OCT 31, 2025. SOURCE: MORNINGSTAR



**▶ INVESTORS VIEW** fixed income as the calmer part of the market—stable, predictable, and mostly uneventful. But for Manish Banthia, it has always been about decision-making, discipline, and long-term perspective. As the chief investment officer, fixed income at ICICI Prudential AMC, Banthia manages one of India's largest and most-scrutinised debt portfolios.

Banthia has spent two decades at ICICI Prudential AMC, joining the firm in October 2005. In the early years, he worked on product development before transitioning into fixed income investments, where he gradually established his reputation as a careful



## BEST DEBT FUND MANAGER

**AVOIDING DRAMATIC BETS  
HAS HELPED MANISH BANTHIA  
DELIVER IN A VOLATILE MARKET.**

**BY NAVNEET DUBEY**

# ₹5.8

**LAKH CRORE: Assets managed by Banthia  
across 47 schemes in ICICI Prudential AMC**

**“Caution is not a  
weakness.”**

**Manish Banthia**, chief investment officer,  
fixed income, ICICI Prudential AMC

yet decisive manager. Brief stints at Aditya Birla Nuvo and Aditya Birla Management Corp. early in his career helped ground him in corporate finance and strategy, but it was fixed income that became his long-term focus.

Over the years, Banthia has become one of the most influential figures in India's bond market. As of December 15, he manages assets worth over ₹5.8 lakh crore across 47 schemes, a scale that brings both responsibility and scrutiny. Despite this, those who follow his work say his approach has stayed consistent: prioritise protecting capital first, and then seek returns.

At a time when interest rate expectations are shifting and liquidity conditions are changing, Banthia believes “caution is not a weakness”. This view reflects his broader investment philosophy—one that avoids dramatic bets and focusses on preparing portfolios for what lies ahead. Credit quality is an area where he rarely compromises. He has consistently kept portfolios tilted towards high-rated instruments.

Market participants see this as a defining trait. In periods when bond markets have surged ahead of fundamentals, Banthia has been quick to reduce risks, even if it means underperforming temporarily. Throughout full cycles, this restraint has helped protect investors from sharp losses. ■

# BEST DEBT FUNDS

The background is a complex collage. It features a man in a dark suit with a white, featureless face, pointing upwards with his right hand. The collage includes torn paper edges, a large black upward-pointing triangle, and various red and orange abstract shapes. The overall aesthetic is bold and graphic.

BY NAVNET DUBEY

BY PRESERVING  
CAPITAL AND PROVIDING  
PREDICTABLE RETURNS,  
DEBT FUNDS HELP  
INVESTORS STABILISE  
PORTFOLIOS.

## LONG DURATION



**AT A TIME** when debt investors are wrestling with shifting interest rate expectations, one fund that has managed to hold its own is ICICI Prudential All Seasons Bond Gr. Behind that consistency is Manish Bantia, chief investment officer, fixed income at ICICI Prudential AMC.

A long-duration fund invests in bonds with long maturities, often seven years or more. These schemes tend to react sharply to interest rate moves. When rates fall, their net asset value usually jumps, rewarding patience. But here's the flip side: the longer the maturity, the greater the volatility.

Returns for such funds vary with economic cycles. The ICICI Prudential All Seasons Bond Gr fund, however, has given around 8.1% over the past year—a solid outcome in an uncertain bond-market environment. This stability is largely attributed to Bantia, who has led the fund since its early years. In the decade since, he has transformed it into a sizeable debt scheme, earning strong confidence from investors and advisers alike.

Bantia's investment style is grounded in active duration management. Rather than chasing market trends, he moves the portfolio based on how economic signals are shifting. The result is a balance between optimising yield and controlling volatility.

"The All Seasons Bond fund's strategy does not carry a high duration," says Bantia. "The portfolio is constructed around high-carry assets and long bonds that are hedged against OIS. We believe both segments offer reasonable carry trades, and in the next one year, securing carry is more critical than relying on mark-to-market gains. Our endeavour is to maintain a reasonable level of carry without taking excessive duration risk." OIS or open-ended investment schemes allow investment/withdrawal anytime.

A carry trade is any strategy where an investor borrows capital at a lower interest rate to invest in assets with potentially higher returns.

This preference for carry over aggressive duration calls has shaped the fund's measured path, feels Bantia. "We follow a framework-based approach, wherein duration is adjusted in line with how the economy is evolving, and markets are positioned." Earlier in 2025, when bond markets ran ahead of fundamentals, the fund cut duration sharply, avoiding unnecessary risk. That decision helped insulate

## THE RIGHT NUMBERS

**Winner: ICICI Pru All Seasons Bond Gr**

**Fund managers: Manish Bantia; Nikhil Kabra**

**Inception date: Jan 20, 2010**

**6-Month rolling returns (%): 3.99**

**1-Year rolling returns (%): 8.13**

**Std. Dev. (3 years, %): 1.38**

**Morningstar risk-adjusted return (3 years, %): 0.16**

**Fund size (12-month average, ₹ crore): 14,394**

DATA AS ON OCT 31, 2025; SOURCE: MORNINGSTAR

investors from the sudden swings that followed.

Industry watchers see this as the kind of discipline that separates prudent fixed-income strategies from bolder bets. "Investors can distinguish prudent funds from aggressive ones by evaluating portfolio construction—including effective duration, weighted-average credit quality, sector diversification—and how well the strategy adheres to its stated investment philosophy," says Aditya Agrawal, founder and chief investment officer, Avisa Wealth Creators.

Agrawal advises investors to "prioritise funds that focus on disciplined credit quality and strong liquidity buffers."

**“We follow a framework-based approach. Duration is adjusted in line with how the economy is evolving, and markets are positioned.”**

**Manish Bantia**, chief investment officer, fixed income, ICICI Prudential AMC

## CORPORATE BOND



**FOR MOST PEOPLE**, the world of bonds feels distant—a quiet corner of finance where numbers move slowly and risks seem tame. But for ICICI Prudential AMC's Manish Banthia, this quiet corner is where some of the most decisive calls of 2026 will be made. As India moves through the final stretch of the current rate cycle, Banthia finds himself steering one of the country's largest fixed-income franchises through shifting yields, changing liquidity conditions and renewed investor appetite for high-quality debt.

Corporate bonds sit at the heart of this story. They are essentially loans that companies take from investors, offering interest payments in return. Yields are usually higher than government securities, but so are the risks—the primary reason why fund managers tend to build portfolios with a fine balance of return, safety and liquidity. The ICICI Prudential Corporate Bond Gr fund, which largely invests in AA+ and above-rated instruments, has delivered between 8% and 8.2% over the last year, reflecting this philosophy.

Banthia believes the next phase will reward prudence. “We believe we are at the end of the rate cut cycle. Investors should lower their duration risk at this stage.” The fund has been deliberately positioned to become gradually safer, says Banthia. “For us, the focus is on making the fund safer for investors in terms of overall duration risk...our portfolio positioning is aligned with that thought process.”

He points to the shorter end of the yield curve—up to 1.5 years—as the most comfortable zone for the time being. In his view, this segment offers stability without compromising too much on returns. Beyond

**“We are at the end of the rate cut cycle. Investors should lower their duration risk at this stage.”**

**Manish Banthia**, chief investment officer, fixed income, ICICI Prudential AMC

## THE RIGHT NUMBERS

**Winner: ICICI Pru Corporate Bond Gr**

**Fund managers: Manish Banthia; Ritesh Lunawat**

**Inception date: Aug 11, 2009**

**6-Month rolling returns (%): 4.00**

**1-Year rolling returns (%): 8.05**

**Std. Dev. (3 years, %): 0.80**

**Morningstar risk-adjusted return (3 years, %): 0.28**

**Fund size (12-month average, ₹ crore): 31,469**

DATA AS ON OCT 31, 2025. SOURCE: MORNINGSTAR

this, selective exposure to state development loans (SDLs) and longer-tenure government securities makes sense, but only when paired with a hedged position. This allows the fund to participate in favourable rate movements without taking on outsized interest rate risk, says Banthia.

His advice—exercise caution in the three-five year segment because “as growth normalises, the curve flattening could impact investor returns.”

On the credit side, Banthia keeps the bar intentionally high. “The Corporate Bond Fund Gr invests largely in AAA assets, wherein our selection criterion has always been guided by a focus on investor safety,” he notes. Even within AAA-rated non-bank lenders, the team stays “selective and careful.”

Market observers say the macro backdrop is turning supportive. Puneet Singhania, director, Master Trust Group, a financial services firm points to fiscal consolidation, lower government borrowing and rising foreign interest in Indian debt. “Improved fiscal discipline reduces government borrowing, easing supply pressure and pulling G-Sec yields lower.”

For Banthia, the message to investors is simple: stay high-quality, measured, and aligned with the realities of a maturing cycle. In a year where every basis point will matter, his approach underscores one thing—caution, when paired with clarity, can be a strategy in itself.

## SHORT DURATION



**AT A TIME** when investors are trying to make sense of shifting interest rate signals and growing uncertainty in the debt market,

short-duration funds have emerged as a steady corner of fixed income. Behind one of the category's most consistent performers—HDFC Short Term Debt Gr fund—is Anil Bamboli, a senior fund manager known for his measured approach, sharp credit instincts and focus on risk control. With more than 29 years of experience in fund management and research, Bamboli oversees 12 schemes with a combined AUM of ₹1.90 lakh crore. HDFC Short Term Debt Gr fund has delivered around 8% annualised returns over the past year, roughly 7.8% over three years and about 6.1-6.6% over five years. Since inception, the fund has maintained an 8% CAGR, signalling long-term consistency in a category that can otherwise show wide variation.

A short-duration fund invests in bonds and money market instruments with a Macaulay duration (the time taken to reach profitability) of one to three years. This structure helps the fund offer steady returns without taking on excessive interest rate risks. "These funds carry lower volatility compared to long-duration funds, making them a stable choice within the debt category," says Swapnil Aggarwal, director at VSRK Capital, a financial advisory firm.

Bamboli notes the short-duration category itself is

**“Investors should look beyond returns and assess the sponsor’s strength, the rigour of credit processes and the historical track record.”**

**Anil Bamboli**, senior fund manager, fixed income, HDFC AMC

diverse. “Short-duration debt funds have regulatory limits in terms of duration, but not in terms of credit profile. There is bound to be divergence between credit profiles of different funds in this category.”

He emphasises investors should look beyond returns and assess the sponsor’s strength, the rigour of credit processes and the historical track record—factors that often determine how a fund behaves during market stress. The approach ensures the fund does not chase yield at the cost of long-term resilience.

For Bamboli, the mix of safety and steady returns is the core promise—and responsibility—of managing short-duration debt. And it is this disciplined mindset that continues to shape the fund’s performance in an evolving fixed-income environment.

## THE RIGHT NUMBERS

**Winner: HDFC Short Term Debt Gr**

**Fund managers: Anil Bamboli; Dhruv Muchhal**

**Inception date: June 25, 2010**

**6-Month rolling returns (%): 3.99**

**1-year rolling returns (%): 8.05**

**Std. Dev. (3 years, %): 0.90**

**Morningstar risk-adjusted return (3 years, %): 0.29**

**Fund size (12-month average, ₹ crore): 16,031**

DATA AS ON OCT. 31, 2025. SOURCE: MORNINGSTAR



## ULTRA-SHORT

### “Short-term debt allocations should be mapped with the horizon of investment to the maturity of the scheme.”

**Harshal Joshi**, senior vice president, fixed income, Bandhan AMC

**FOR MOST INVESTORS**, debt funds sit quietly in the background of a portfolio, delivering stability. But inside fund houses, navigating short-term debt markets is nothing smooth. It demands constant judgement, macro awareness and the discipline to preserve capital even when global jitters threaten to unsettle the calm. At Bandhan AMC, a bulk of this responsibility rests with Harshal Joshi, senior vice president, fixed income, Bandhan AMC, whose approach to short-duration investing blends pragmatism and economic insight.

Ultra-short duration funds operate in a tight corner of the debt universe. With maturities of just three to six months, they aim to deliver slightly

higher returns than liquid funds, while keeping risk and volatility in check. The Bandhan Ultra Short Duration Fund Regular Gr, launched in 2018, is built around this idea. It invests in high-quality debt and money-market securities. Over the past year, the scheme has delivered around 7.3%, while its annualised return since inception is around 6.5%.

Joshi's investment philosophy is based on a simple principle: align the fund's maturity profile with the investor's horizon. "Short-term debt allocations should ideally be mapped with the horizon of investment to the maturity of the scheme... the closer the horizon and the maturity of the fund, the smoother the investor experience," says Joshi. In practice, this means ensuring that the strategy never takes on more duration risk than necessary, especially in an environment where RBI's policy actions still depend on the delicate mix of inflation and growth.

Investors often misunderstand how to judge active management in different debt categories, says Joshi. "A low-duration fund should be evaluated with a 12-month horizon, while dynamic bond or gilt funds should be viewed over three-five years."

Industry watchers point out today's environment is far from straightforward. Global events—from U.S. elections to liquidity shocks—can quickly influence risk sentiment in funds with very short maturities, says Singhanian of Master Trust Group. A combination of diversification, strong liquidity buffers and tight duration control helps protect investor capital in risk-off phases, he adds. **f**

## THE RIGHT NUMBERS

**Winner:** Bandhan Ultra Short Duration Regular Gr

**Fund managers:** Harshal Joshi; Brijesh Shah

**Inception date:** July 18, 2018

**6-month rolling returns (%):** 3.59

**1-year rolling returns (%):** 7.29

**Std. dev. (3 years, %):** 0.23

**Morningstar risk-adjusted return (3 years, %):** 0.38

**Fund size (12-month average, ₹ crore):** 4,094

DATA AS ON OCT 31, 2025. SOURCE: MORNINGSTAR

# A Model of Policy-Led Growth, Expanding Infrastructure and Global Investment Readiness

Over the past eight years, Uttar Pradesh (UP), under the visionary leadership of Hon'ble Chief Minister, Yogi Adityanath, has demonstrated exceptional economic momentum driven by structural reforms, sectoral expansion and focused policy interventions. The state's Gross State Domestic Product has registered remarkable growth, supported by robust performance across export, agriculture, manufacturing and allied sectors.

Investments, vastly improved infrastructure and strengthened industrial capabilities have further accelerated the manufacturing ecosystem, while logistics, transport, electronics, defence manufacturing and warehousing have emerged as critical contributors to overall economic advancement. This broad-based progress has enhanced per capita income, reduced unemployment and significantly strengthened Uttar Pradesh's fiscal capacity through consistent revenue growth.

## ➤ Strengthening India's Most Comprehensive Connectivity Network

Uttar Pradesh has emerged as an "Expressway State," with seven operational expressways, six under construction and several more proposed, the highest for any state in India. Supported by the country's largest network of roadways, railways and expressways, along with five international and 16 domestic airports, Uttar Pradesh has positioned itself as a national connectivity leader. With upcoming Noida International Airport, one of the largest in India, UP is set to become a major aeropolis with a 50 million annual passenger capacity and a dedicated MRO and cargo hub.

With 27 integrated manufacturing and logistics clusters across 26 districts, the Ganga Expressway improving east-west connectivity and the Bundelkhand Industrial Development Authority developing over 56,000 acres and a readily available industrial land bank of 6000+ acres are reshaping the state's industrial geography.

Uttar Pradesh also hosts India's first operational inland waterway (NW-1), enhancing cargo movement efficiency and uniquely benefits from both freight corridors, covering a significant catchment of the Western Dedicated Freight Corridor and a dominant share of the Eastern Dedicated Freight Corridor, thereby strengthening its position as a national logistics powerhouse. The Uttar Pradesh Defence Industrial Corridor is positioning the state as a strategic hub for advanced defence manufacturing, innovation and indigenous production across key nodes viz. Lucknow, Kanpur, Jhansi, Agra, Aligarh and Chitrakoot, with Lucknow hosting a major BrahMos Integration and Testing Facility within the corridor.



**Shri Alok Kumar**  
Additional Chief Secretary,  
Infrastructure & Industrial  
Development Department, MSME &  
Export Promotion and NRI Affairs,  
Government of Uttar Pradesh

**INVEST IN UP. INVEST IN THE FUTURE.**

Aligned with the vision of Developed Uttar Pradesh@2047, the state is building a future-ready economy driven by world-class infrastructure, technology-led governance and industry-focused growth. With progressive policies, sectoral incentives, swift clearances and stable governance, Uttar Pradesh offers an enabling ecosystem for enterprises of all scales and stands out as a prime destination for long-term, high-value investments.

## ➤ Policy Frameworks Anchored in Investment and Industrial Growth

Uttar Pradesh has introduced 34 progressive policies that complement infrastructure expansion. The Uttar Pradesh Industrial Investment & Employment Promotion Policy 2022 and Foreign Direct Investment/Foreign Capital Investment & Fortune 500 Policy 2023 offers one of the most attractive incentive structures in India. Uttar Pradesh is also focusing on future-ready sectors. The state's policies for semiconductors, GCCs, bioplastics, green hydrogen, higher education, EV manufacturing, electronics manufacturing and aerospace & defence are designed to position UP as a hub for advanced manufacturing, decarbonisation, research and innovation.

## ➤ Digital Governance and Regulatory Transformation for Ease of Doing Business

Digital reforms such as Nivesh Mitra, India's largest single-window system and Nivesh Sarathi, integrating 45+ departments, have improved

transparency, accelerated clearances and strengthened investor confidence. Uttar Pradesh is a Top Achiever in Business Reform Action Plan implementation thereby enhancing Ease of Doing Business. The upcoming Nivesh Mitra 3.0 will introduce AP-led integration, combined forms, reduced timelines, land allotment modules and streamlined approval systems to create a seamless investment environment.

## ➤ Strengthened Engagement through Sectoral & Country Desks

To deepen investor outreach, the state has established five sectoral desks (Textile, Automobile and Electric Mobility, Chemicals, Electronics Manufacturing and GCC) and more than eight country desks (United Kingdom, Germany, France, UAE, Taiwan, Singapore, Japan, South Korea and more). Dedicated account managers and 125+ relationship managers (Udyami Mitras) provide hand-holding, ensuring faster resolution and effective on-ground facilitation. ■



## The Two Most Common Ways Financial Advice Can Misguide You

Contrary to popular advice, at retirement, you should be invested in equities and have substantial global exposure.

**DEVINA MEHRA**

**F**IRST THE background. Managing your investment portfolio can appear daunting at one level but is actually quite simple once you cut out the irrelevant stuff.

As much as 85-90% of your portfolio returns come from asset allocation rather than security selection. Again, not as complicated as it sounds. Asset categories are simply financial instruments that have similar characteristics. These can be both financial assets (like shares or bonds) or real assets (like land or gold).

Thus, equity will include direct stock holdings plus equity holdings via mutual funds or PMS schemes. Fixed income will include fixed deposits, bonds, fixed income mutual funds, etc. Then there are assets such as gold, silver (held directly or indirectly), other commodities, real estate, alternative assets that can range from crypto to art, and so on.

Getting this right is the most important thing you can do about your portfolio. Specific stock selection, which eats up most of your, or your adviser's, waking hours, contributes only 10-15% of the returns.

What this means is that the pro-



portion you invest in equities, fixed deposits/other debt, gold, etc., matters more than which specific stocks you pick.

Within equities, it matters more whether you are in bank and consumer stocks against, say, steel and industrial machinery, at any point in time—rather than which specific stocks you have picked in each sector.

Now, when planning for your future goals there are two major areas where the advice you are likely to get won't be right.

One is related to your asset allocation based on age. I hear all sorts of 'experts' saying that when you are young and in a good job you should invest entirely in equity because that gives the maximum return over time.

On the other hand, if you are say retiring at 60, from age 55 you start moving whatever is in equity towards fixed income, so that when you retire, you have almost everything in fixed income.

Why isn't this great advice?

Because equity returns are highly risky which means they are not predictable for two or sometimes even five years. For instance, over the nine years from 1994 to 2003, the Indian stock market gave zero returns. Then over the next five years it went up six times. The 12-15% annual compounding that is often spoken about is extremely uneven, to say the least.

Even a young person needs money for contingencies: they may lose a job, want to study further, pay downpayment on a house, have a medical emergency, etc. Money that can be possibly needed for any of these should not be invested in the stock markets directly or indirectly.

Conversely, when you are retiring at 58 or 62, given the rising life expectancy, you need to budget for a minimum of 30 more years. You definitely do not want to run out of money at 82 if you are going to live till 90.

Therefore, even when you retire, a significant portion of your investment

**The proportion you invest in equities, fixed deposits/other debt, gold and the like matters more than the specific stocks you pick. Specific stock selection contributes only 10-15% of the returns.**

should be in equity.

Of course, what you require to withdraw within the next few years should be in more predictable investments like fixed income. Otherwise, you will take a hit on your capital if in the first few years post-retirement, the equity markets go down. Nevertheless, you must still have a substantial portion in equity because it has to last you another 30 years. Else you will not be able to beat inflation and maintain your living costs.

Which brings me to the second big mistake, that is not having global diversification or not having enough global diversification.

When you are budgeting for financial goals 10 or 30 years hence, you cannot forget that the rupee depreciates.

When I started working in the 1980s, the dollar was at ₹12. Now it is at ₹90—there has been a 90% depreciation (in the ₹) in the course of less than a career. You cannot forget this when budgeting for the long term, besides the fact that you should not put all your eggs in one basket.

However, do not diversify globally as a reaction to events, say, since India didn't do well in the last one year, let me put something in the global markets. Put a proper plan in place where over a period of time, 30-40% of your portfolio is global. And global does not mean only the American market. You should look at investing beyond the U.S.

Remember, these are the two areas where you are likely to be advised incorrectly. One, having too much in equity when you are young and having too little in equity when you're around retirement age. And two, not having significant, truly global, diversification. ■

*(Mehra is founder, MD, and chairperson of First Global, and author of the bestselling Money, Myths and Mantras: The Ultimate Investment Guide. Views are personal.)*



## How India Found Financial Independence

The country has entered a self-sustaining phase of capital formation, no longer primarily dependent on foreign inflows.

**RAAMDEO AGRAWAL**

Chairman and co-founder, Motilal Oswal Financial Services Ltd

**T**WENTY-FIVE YEARS ago, ₹1 lakh crore of total profit across all listed companies was considered enormous. The reason was simple arithmetic: with price-to-earnings multiples of 15-20, the system needed roughly 5% of market capitalisation to show up as profit. A ₹200 lakh crore market cap required ₹10 lakh crore in profits for equilibrium, and that's before accounting for loss-making companies whose market caps don't correspond to any earnings at all.

Today's profit-to-GDP ratio stands at approximately 4.8%, a 17-year high, last seen in 2008. Corporate profits of around ₹16 lakh crore divided by GDP of ₹330 lakh crore puts India at an inflection point. And unlike previous peaks, this one appears structurally different. India has many more listed corporates, including a wave of internet and tech-driven businesses that will tend to be more monopolistic in nature. So, in the best of times, profit-to-GDP can very well move to 6-7%, even 8%, over the next 5-10 years.

### When money stays home

The fundamental shift isn't just in valuations. It's also in the source of capital. Earlier, India never had robust, assured domestic retail flows. Today, steady inflows of domestic money con-

tinue regardless of whether individual companies make profits or losses. This raises an obvious question: will permanent domestic bids keep markets perpetually elevated?

The answer is nuanced. While the market as a whole may remain elevated, individual stocks will still face brutal discipline. The market will always keep arbitraging between good businesses and bad businesses. A company trading at ₹3 lakh crore today can be marked down to ₹30,000 crore if it disappoints. Rotation is inevitable.

But here's the critical distinction: aggregate profit-to-GDP is a number spread across 4,000-5,000 companies. Even 30-50 internet companies don't materially move that denominator. Whether the ratio sits at 4.74% or 4.85% is almost beside the point. The

broader trend of corporate profit-to-GDP hovering around 5% has remained remarkably stable.

What will push it higher isn't individual company performance; it's the structural inflow of equity capital itself.

### The balance sheet revolution

Consider the transformation in capital structure. The traditional model was a 1:1 debt-to-equity ratio—₹50 lakh crore of equity and ₹50 lakh crore of debt on a ₹100 lakh crore balance sheet. The new model looks more like ₹75 lakh crore of equity and just ₹25 lakh crore of debt.

The implications are immediate and powerful. Reduced interest costs flow straight to the bottom line. One example: a company with ₹800 crore of equity and ₹850 crore of debt raised a fresh ₹1,200 crore. Post-transaction, effective debt cost approached zero. Profits naturally jumped.

This isn't financial engineering. It's a fundamental rewiring of how Indian businesses are capitalised. The equity flow coming in, ₹8-10 lakh crore, is a magical thing and it will transform the country, hopefully in a positive way.

### The venture capital gap

Yet for all this progress, a critical gap remains: domestic venture capital. The logic is straightforward but

# 4.8%

Current profit-to-GDP ratio, a 17-year high, last seen in 2008

uncomfortable. When ₹100 crore of American venture capital becomes ₹6,000 crore through a successful exit, that ₹6,000 crore leaves India. Had domestic venture capital provided the seed funding, the entire gain would recycle within the economy.

The problem is cultural. Venture capital requires accepting losses in nine out of 10 investments to score one 100x winner. Indian investors want 10 out of 10 successes. We want to earn in all 10. We don't want to say, 'I'll lose in nine places but make 100x in one.' But that is venture capital.

Venture capital only flows from abundance. It comes from America, not emerging markets, because there's so much capital that investors don't know where else to deploy it. They're willing to take asymmetric bets: lose small in many places for the possibility of massive returns in one.

India isn't there yet. But it will get there. Over the next 10 years, a massive flow of domestic money will go into venture investing. As the current generation of entrepreneurs realises ₹1 lakh crore exits, some portion will flow back into early-stage investing. The pay-it-forward model will emerge, creating serial entrepreneurs and angel investors.

America is the ultimate capitalist country. We are like a mini-America. A poorer America, but the trajectory is similar. In 1984, America was a \$4 trillion economy. After 40 years, we have become a \$4 trillion economy.

Of course, none of this happens in a frictionless environment. For all the talk of ease of doing business, the reality in older sectors remains stubbornly difficult. The difficulty of doing business in India is still very high, especially in old economy sectors. Financial services may have modernised, but traditional industries remain entangled in outdated regulations. Try opening a hotel, and half the promoters will go crazy dealing with the process. So, how do you build tourism? How do you even host large weddings? The ones



**Venture capital requires accepting losses in nine out of 10 investments to score one 100x winner. Indian investors want 10 out of 10 successes.**

that exist are exorbitant. As a result, people go to Thailand or Dubai. India exports business that should naturally accrue to it. Until India modernises its regulatory architecture for older sectors, friction will remain high.

India has now entered a self-sustaining capital formation cycle that no longer depends primarily on foreign flows. The tailwinds are real: expanding equity capital, improving balance sheets, rising profit-to-GDP, deepening markets, and an emerging class of scaled digital businesses. ■

*(As told to V. Keshavdev.  
Views are personal.)*

**BEST INSURERS**

**BY NAVNEET  
DUBEY**

**WHAT TOP  
INSURANCE ♀  
PLAYERS  
DID TO STAY 👍  
AHEAD 😊  
OF THE  
CURVE. 👁**

## LIFE



**INDIA'S LIFE** insurance sector is undergoing a shift, driven by better financial awareness, digital adoption and a deeper understanding of long-term security. At the centre of this transition is Vibha Padalkar, MD and CEO, HDFC Life Insurance Co. Ltd, who says the industry's real strength lies in discipline and trust—qualities that shape how customers plan for their future.

“Life insurance products are designed for the long term. They help build a disciplined approach when it comes to planning for long-term financial goals. For HDFC Life, H1FY26 persistency ratios for 13- and 61 months are at 86% and 62%, respectively.”

Padalkar explains that persistency, often seen as a sign of customer confidence, has risen across product categories. “These trends reflect the underlying product and tier mix. Improvement in persistency is driven by greater financial literacy and awareness of long-term planning. Proactive communication, simplified digital payment options, and personalised reminders have helped improve persistency.”

But, while digital tools redefine user experience, life insurance remains an emotional purchase tied to goals and financial protection. Hence, there needs to be a balance between automation and human touch.

Padalkar says at HDFC Life, the company uses technology for both efficiency and smoother service delivery. “We continue to simplify journeys across channels, offer personalised advisory, and leverage data ecosystems for faster decision-making and enabling policy servicing through automation.”

But then, certain touch points demand empathy, which machines cannot replace. “Sensitive touch points such as claims, servicing and grievance resolutions are handled by trained professionals who provide reassurance and guidance. This hybrid model delivers convenience without compromising care,” Padalkar says.

## THE RIGHT NUMBERS

**Winner: HDFC Life Insurance Co. Ltd**

**Death claims settlement rate (FY25): 99.71%**

**Claims settlement rate within 30 days (FY25): 99.98%**



**“Life insurance products help build a disciplined approach when it comes to planning for long-term financial goals.”**

**Vibha Padalkar**, MD & CEO, HDFC Life Insurance Co. Ltd

The shift in customer profiles is reshaping underwriting norms, claims Vivek Jain, chief business officer, life insurance, Policybazaar.com. “As insurance reaches smaller cities and rural areas, the opportunity is immense, but so is the responsibility. The profile of the insurance seeker is shifting rapidly.”

Padalkar agrees that education, trust-building and thoughtful product design will decide the future of the sector. “As we continue our journey towards the collective goal of ‘Insurance for all by 2047’, our focus remains clear—combine technology and human connection, provide long-term financial protection and sustain customer trust.”



**FOR MOST INDIANS**, term insurance is distant, misunderstood, and even unnecessary. Yet for Venky Iyer, the man leading Tata AIA Life Insurance, it sits at the heart of financial security. His work is shaped by a simple belief: life insurance should protect families when they are most vulnerable, not confuse them with complexity or false promises.

Term insurance, at its core, is straightforward. It pays a fixed sum to a family if the policyholder dies during the policy term. There are no savings, returns, or bonuses. The right term plan is one that matches a person's income, debts and family responsibilities, while remaining easy to understand and affordable

## THE RIGHT NUMBERS

**Winner:** Tata AIA Life Insurance Co. Ltd

**Plan Name:** Sampoorna Raksha Promise

**Age:** 30 years

**Sum insured:** ₹ 1 crore

**Policy term:** 35 years

**Yearly premium:** ₹9,426

DATA AS ON OCT 31, 2025



**“[Term insurance] products need to be simpler, communication clearer, and pricing more transparent.”**

**Venky Iyer**, MD & CEO, Tata AIA Life Insurance Co. Ltd

over the long term.

As the MD and CEO of Tata AIA Life Insurance Co. Ltd, Iyer has always been vocal about developing products that extend beyond just providing a payout. Discussing the company's flagship offering, he says, "Sampoorna Raksha Promise [plan] is designed to offer comprehensive protection by combining term insurance along with cover for critical illnesses."

Protection today cannot stop at life cover alone, says Iyer. Hence, Sampoorna Raksha Promise plan also includes health and wellness support through Tata AIA's Health Buddy and Vitality platforms.

The approach highlights the challenge facing the insurance industry in India: low penetration. Despite having one of the world's largest populations, adoption of term insurance remains limited. Many people still see insurance as an investment, rather than a safety net.

Iyer believes insurers must take responsibility for changing this mindset. Products need to be simpler, communication clearer, and pricing more transparent, he says.

However, insurers alone cannot ensure smooth outcomes. Consumers also play a crucial role, especially when it comes to claims. "One should make honest and complete disclosures... details such as pre-existing health conditions, lifestyle habits and existing policies must be declared clearly," says Jain of Policybazaar.com.

For Iyer, the future of term insurance lies in trust, simplicity, and relevance. As awareness grows and products become more aligned with real-life needs, term insurance may finally shift from being an ignored purchase to an essential one.

## HEALTH

**▶ IN THE CROWDED** world of health insurance, few leaders manage to combine scale with sincerity. Tapan Singhel, MD and CEO, Bajaj General Insurance Co. Ltd, has built his reputation on doing exactly that. The insurer extended health cover to over 20 million customers in FY25, and recorded a health claim settlement ratio of 97.2%.

For Singhel, however, the number only tells part of the story. “At Bajaj General Insurance, the real measure of our work is how we stand by you and your loved ones during a medical emergency,” he says.

He explains that in moments of crises, families rarely worry about policy wording. They care about timely treatment and financial security, and the insurer’s role is to remove barriers, the main reason why, he says, Bajaj General Insurance continues to push for stronger cashless networks, closer partnerships with hospitals and more transparent billing.

Singhel stresses that India’s healthcare needs vary across geographies, income groups and age brackets. The company’s health portfolio, now running into more than 100 products, reflects this diversity. “We bring state-specific health insurance to Tier II and III regions, so that coverage is aligned with local healthcare realities.”

Plans include women-centred ones such as HERIZON Care, which addresses often-ignored needs such as surrogacy support and holistic wellness, and the Respect Senior Care Rider, which helps older people access dependable services. Everyday care has also become a core focus area, with OPD benefits covering doctor visits, tests and basic treatments that most families rely on.

The industry is also changing fast. Zero-waiting-period plans have become a popular choice for customers seeking immediate coverage. But as Naval Goel, CEO of PolicyX.com, points out, the



**“In moments of crisis, families rarely worry about policy wording.”**

**Tapan Singhel, MD & CEO, Bajaj General Insurance Co. Ltd**

trend comes with challenges. Such products carry a higher risk, especially when customers with existing health issues seek instant claims. According to Goel, sustainability will depend on sharper digital checks—health data, e-medical records, past claims analysis, and fraud-monitoring tools—backed by careful premium design and early year limits.

For Bajaj General Insurance, expanding access remains a top priority. “Our strong distribution network of agents, partners, banks and teams on the ground allows us to reach customers across the country,” says Singhel. “We will continue to innovate and simplify our products and services so that health insurance becomes a natural and meaningful part of everyday life,” he adds.

## THE RIGHT NUMBERS

**Winner: Bajaj General Insurance Co. Ltd**

Claims settlement rate (FY25): **97.2%**

Claims settlement rate within 30 days: **99.53%**



**BAJAJ GENERAL** Insurance's rise to the top of the motor insurance category is the result of a two-decade push to simplify protection for Indians every day, a philosophy that MD and CEO Tapan Singhel says has shaped the company's identity as much as its products. In an industry often criticised for complexity, Singhel has positioned Bajaj General Insurance as a brand that filters decisions through a single question: what is the customer worried about at the moment when something goes wrong?

Bajaj has been an early mover in transforming the claims journey. With MOTs and AI-enabled assessment, claims today are settled with greater speed and clarity, cutting down the stress customers face during uncertain events. A MOT (Ministry of Transport) test is an annual check-up for vehicles to ensure they are legally roadworthy, safe, and meet emissions specifications.

"At Bajaj General Insurance, our endeavour is not just to create insurance products, but to build simple solutions around apprehensions faced by customers. When someone buys a motor insurance, they are not thinking of a policy document, they are thinking of their family, their vehicle and what will happen if something goes wrong," says Singhel.

The company, adds Singhel, approaches product-building by placing customer anxieties at the centre, rather than focussing on technical features first. Every possible concern a person encounters on the road—whether a midnight breakdown, a minor accident or the anxiety of being stranded—plays a role in shaping the company's offerings.

**“The real test is whether we can remove worries with empathy and settle claims at hyper-speed when people need us the most.”**

**Tapan Singhel**, MD & CEO, Bajaj General Insurance Co. Ltd

## THE RIGHT NUMBERS

**Winner: Bajaj General Insurance Co. Ltd**

**Claims settlement rate (FY25): 96.8%**

**Claims settlement rate within 30 days (FY25): 87.08%**

"Over the last 25 years, we have created around 250 motor insurance solutions that support different customer segments. From 24x7 Roadside Assistance, including dedicated support for women drivers, to V Pay—the all-in-one add-on that takes care of everything, from engine protection to everyday scratches, the idea is simple: when something happens, you should feel that your insurer is standing right next to you."

The company's motor insurance solutions continue to evolve in line with India's changing mobility habits, including the rise of electric vehicles. Eco Assure Repair Protection supports greener choices, while the company's EV for All cover offers comprehensive protection tailored for electric vehicle users.

Goel of PolicyX.com says digital tools have already made the claims process faster, though further innovation is still possible. Insurers can reduce the settlement time further by integrating AI tools that accurately read damage photos, partnering with carmakers for real-time parts pricing, and using automated repair cost calculators that can approve claims within minutes. "Pre-approved partner garages with fixed rates and mobile repair units can speed up repairs even more. By combining simple digital tools with a managed repair network, insurers can deliver fast claim decisions while keeping costs and fraud in control," says Goel.

"For us, being front-runners in the motor category is not about numbers or market share alone," claims Singhel. "The real test is whether we can remove worries with empathy and settle claims at hyper-speed when people need us the most. If we can do that well, we know we are making a meaningful difference to citizens across India," he adds. **■**



**ISHQA MULTANI,**  
President, Sagar Group of Hospitals,  
Advisor, Dayananda Sagar University

# THE NEW PATIENT: HOW INDIA'S EMERGING MIDDLE CLASS IS FORCING HOSPITALS TO REINVENT THEMSELVES

India's emerging middle class is not just changing healthcare consumption. They are rewriting the very definition of what it means to be a modern hospital in a modern nation. And in that cultural transformation lies the blueprint for the healthcare system India needs for the next decade.

Hospital design is being reimagined. Lighting, acoustics, waiting-room ergonomics, privacy considerations, intuitive wayfinding, F&B design, and cleanliness standards are no longer operational afterthoughts; they are strategic differentiators.

India's healthcare sector is standing at a cultural inflection point, one not driven by policy or technology alone, but by a new kind of patient who is quietly transforming the expectations placed on hospitals. This patient is urban, ambitious, better informed, digitally fluent, and increasingly unwilling to be a passive participant in their own care. They belong to India's rapidly expanding middle class, projected to touch nearly 800 million people by 2030. With rising incomes, rising awareness, and rising aspirations, this new demographic is reshaping the economics, experience, and ethics of healthcare in ways the industry can no longer ignore.

The most profound shift is philosophical. Historically, Indian patients came to hospitals only when something went wrong. Illness was episodic. Hospitals were for emergencies, surgeries, or chronic flare-ups. Today's middle-class patient behaves differently: their starting point is prevention, not treatment. The preventive-first mindset is no longer a niche urban trend, it is mainstream behaviour. Regular health checks, metabolic panels, hormone mapping, gut health assessments, and early screenings for cancers or cardiac risk are now routine decisions for families who, a decade ago, would have waited for symptoms.

This shift is not merely medical: it is cultural. A new generation of Indians, exposed to global wellness narratives and influenced by longevity science, now believes that health is an asset to be proactively built, not a crisis to be reactively managed. Hospitals that once focused on acute care must now build preventive programs, lifestyle clinics, patient education platforms, and wellness ecosystems because the middle-class consumer is demanding long-term partnership, not

The second transformation lies in digital behaviour. India's middle class, particularly millennials and Gen Z, is the most digitally empowered patient cohort in the country's history. They do not want to stand in physical queues. They expect online bookings, instant reports, mobile follow-ups, digital prescriptions, and seamless access to their health information. A hospital's digital interface has now become as important as its physical infrastructure.

This digital-savvy patient also arrives with research in hand. They compare hospitals. They verify treatment protocols online. They question recommendations. They seek second opinions, sometimes global ones. Far from being intimidated, today's patient wants transparency, evidence, clarity, and conversation. For hospitals, this is a dramatic cultural adaptation: clinicians must shift from authority-driven communication to collaborative decision-making, and administrators must view digital experience as a core pillar of patient satisfaction.

But perhaps the most significant shift is emotional: comfort and dignity are now non-negotiable. The new patient does not accept noisy waiting rooms, confusing signage, indifferent staff, or opaque billing. The middle

stores, organised airports, responsive digital apps, and courteous service industries, and they expect the same from hospitals. This expectation has powerful implications.

Hospital design is being reimagined. Lighting, acoustics, waiting-room ergonomics, privacy considerations, intuitive wayfinding, F&B design, and cleanliness standards are no longer operational afterthoughts; they are strategic differentiators. The patient wants calmness when they enter a hospital, not intimidation. They want to feel seen, not processed.

Billing transparency and financial dignity have also become urgent demands. Middle-class patients track costs, compare options, expect itemised clarity, and respond negatively to any hint of ambiguity. Hospitals must now invest in systems that simplify financial communication, deploy transparent pricing structures, and treat affordability as a foundational trust factor.

These behavioural shifts are reshaping revenue models as well. Preventive services, digital consultation platforms, chronic-disease programs, wellness packages, mental-health offerings, nutrition counselling, and long-term care pathways are emerging as major contributors to hospital revenue portfolios. The predictable, recurring nature of these services makes them attractive additions to a business model traditionally dominated by episodic, unpredictable illness care.

Moreover, the middle class is increasingly willing to pay for experience. Not luxury—experience. They are willing to pay for shorter waiting times, digital convenience, nurse responsiveness, better hygiene, and smooth administrative workflows. This means hospitals must invest in operational efficiency, technology-enabled patient flow, staff training, and hospitality-driven service frameworks.

Ultimately, the rise of the new Indian patient represents a quiet but decisive redistribution of power in healthcare. The patient is no longer a spectator. They are an informed stakeholder with agency, expectation, and voice. And their demands are forcing hospitals to evolve, from infrastructure to systems; from treatment to prevention; from authority to partnership; from opacity to transparency; from service to experience.

Hospitals that understand this shift will thrive.

# HOW WE DID IT



**WITH 2025** behind us, investors are looking out for investing strategies for the New Year. So, where should you invest in 2026? In equities, past performance is one of the safest criteria to select mutual funds to invest in. Consistently performing schemes, which cushion downsides, are some of the best bets. *Fortune India* devised a two-stage methodology of quantitative and qualitative assessment to identify the top investment options in 14 categories across mutual funds and insurance.

Morningstar India is our knowledge partner for mutual funds and SecureNow Insurance Broker for life-, health-, term- and motor insurance. For qualitative assessment, the data was placed before a jury to identify the Top 3 in each category.

The high-powered jury included Ashish Shanker, MD and CEO of Motilal Oswal Private Wealth; Ashutosh Singh, MD and CEO, BSE Index Services Pvt Ltd; Jignesh Desai, co-founder, NJ Group; Navneet Munot, MD and CEO, HDFC Asset Management Co. Ltd; Pranav Haldea, MD, PRIME Database Group, and Soumya Rajan, founder and CEO, Waterfield Advisors.

## THE PROCESS

We considered 10 categories in mutual funds and four in insurance. We used rolling returns instead of trailing returns in calculations to identify the schemes that have performed consistently, while avoiding any recency bias in performance of the funds. A rolling return is the average of a series of returns over a long period.

## MUTUAL FUNDS

Equity mutual funds include large-cap, mid-cap, small-cap and all-cap funds. All-cap funds comprise flexi-cap, multi-cap, ELSS or tax-saving, focussed equity and large- and mid-cap funds. In fixed income, we considered long duration funds (dynamic bond, medium-to-long duration, long duration & gilt funds), corporate bond funds, short duration funds (short duration, banking & PSU funds and medium-duration funds) and ultra-short duration funds (ultra-short duration, low duration and money market funds). We looked at the best fund managers in equity and fixed income too.

We considered funds with a minimum five-year vintage in equity categories and minimum three-year vintage in fixed income categories. Further, the schemes with average assets under management (AUM) for the last 12 months, in the top 95% of the cumulative AUM of the respective category, were considered.

For the best fund manager, those who have been managing two or more eligible funds within the asset class for at least three years were considered.

In equity funds, 70% weight was assigned to returns and 30% to risk.

In debt schemes, risk assumed a weight of 40-50% in line with the belief that investing in equity is to earn inflation-beating returns whereas investors in debt schemes demand safety of capital while earning decent returns.

A final score was reached for each eligible scheme in its respective category as per weights (*see table*).

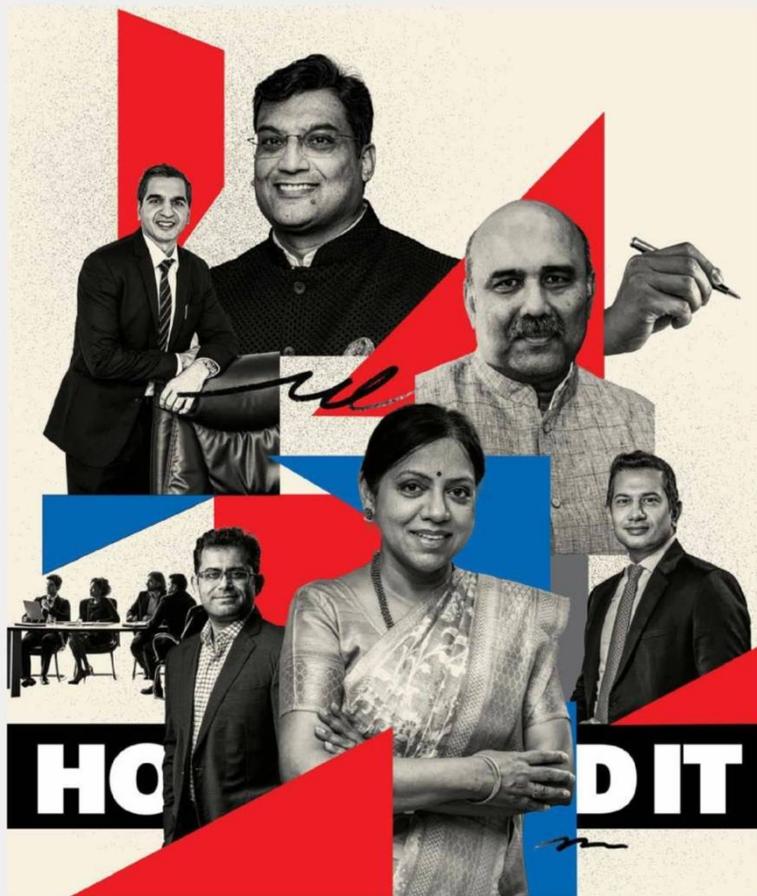


ILLUSTRATION BY ANIRBAN GHOSH

## Equity Funds

Category	Rolling returns		Risk		
	1-year rolling returns average	3-year rolling returns average	Std. dev. (5 years)	Morningstar risk adjusted return (5 years)	Downside capture ratio (5 years)
All equity categories	35%	35%	10%	10%	10%

RETURNS AS ON OCTOBER 31, 2025. ROLLING RETURNS ARE TAKEN OVER A PERIOD OF 5 YEARS, AND OBSERVATIONS ARE MONTHLY. MORNINGSTAR RISK-ADJUSTED RETURN (MRAR) USES THE EXPECTED UTILITY THEORY TO CALCULATE RISK-ADJUSTED RETURNS. DOWNSIDE CAPTURE RATIO MEASURES A MANAGER'S PERFORMANCE IN DOWN MARKETS RELATIVE TO THE MARKET BENCHMARK ITSELF. A DOWN MARKET IS DEFINED AS THOSE PERIODS (MONTHS OR QUARTERS) IN WHICH MARKET RETURN IS LESS THAN 0.

## Fixed Income Or Debt Funds

Category	Rolling Returns		Risk	
	6-month rolling returns average	1-year rolling returns average	Std. dev. (3 years)	Morningstar risk adjusted return (3 years)
Long duration	20%	40%	20%	20%
Corporate bond	20%	40%	20%	20%
Short duration	20%	40%	20%	20%
Ultra-short duration	25%	25%	25%	25%

RETURNS AS ON OCTOBER 31, 2025. ROLLING RETURNS ARE TAKEN OVER A PERIOD OF 3 YEARS AND OBSERVATIONS ARE MONTHLY.

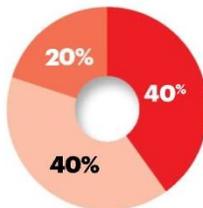
# 259

**MILLION: Mutual fund folios in India, as on Nov 30, 2025, according to Amfi**

Each individual parameter for the fund is rebased on a scale of 100. The fund with the best score for each parameter gets a rebased score of 100. The rebasing is done for each award category individually. After each individual parameter for the fund is rebased on a scale of 100, the rebased scores are multiplied by the respective weights to arrive at a final score for the fund. Each fund is then ranked based on the final score within its award category.

For top fund managers, a composite score was ascertained for each fund manager comprising weighted average of the final score by each scheme managed by them by the one-year average AUM of the fund. **■**

## LIFE INSURANCE



### Best life insurer

#### ■ Sales quality (40%)

- 13th-month persistency by count (15%).
- 61st-month persistency by count (15%).
- Policy complaints/10,000 policies (10%).

### Best term life plan

The plan was selected from the top 5 life insurers identified by overall scores. Term insurance rates at age 30 for a sum assured of ₹1 crore till the age of

65. The lowest-cost term plan across categories was picked as the winner.

#### ■ Claims performance (40%)

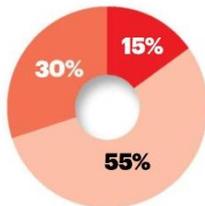
- Claims paid rate—death claims (10%).
- Maturity settlement rate within 30 days (10%).
- Death claim paid rate within 30 days (10%).
- Claim complaints/10,000 claims (10%).

#### ■ Returns performance (20%)

- Average of four years' annualised return—participating funds (10%).
- Average of four years' annualised returns—non-participating funds, non unit-linked (10%).

\* Insurers less than 5 year old were not included

### HEALTH INSURANCE



Best health insurer

#### ■ Sales quality (15%)

- Policy complaints/10,000 policies. This will be overall policy complaints (10%).
- Total health-specific ombudsman complaints per 10,000 health policies (5%).

#### ■ Claims performance (55%)

- Claims settlement rate—health only (35%).
- Claim settlement rate; within 30 days (10%).
- Claims complaints/10,000 claims (10%).

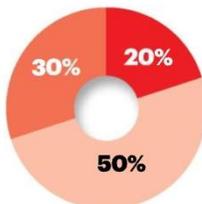
#### ■ Fair pricing and complaint handling (30%)

- Incurred loss ratio—health (5%).

- Combined ratio—health (10%).
- Health-specific ombudsman complaints favouring insurers/total ombudsman complaints (15%).

\* Only insurers selling individual health insurance for at least 5 years were considered.

### MOTOR INSURANCE



Best motor insurer

#### ■ Sales quality (20%)

- Policy complaints/10,000 policies. This will be overall policy complaints, not just motor (10%).
- Total general insurance ombudsman complaints per 10,000 general insurance policies (10%).

#### ■ Claims performance (50%)

- Claims settlement rate by count for motor own damage (30%).
- Claims ageing; per cent paid within 30 days for motor own damage (10%).
- Claims complaints/10,000 claims (10%).

#### ■ Fair pricing and complaint handling (30%)

- Incurred loss ratio for motor own damage (5%).
- Combined ratio—motor own damage (15%).
- General insurance ombudsman complaints favouring insurers/total general insurance ombudsman complaints (10%).

\* Only insurers selling motor insurance for at least 5 years were considered.  
No futuristic projections were made during the process in any of the categories.