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23 YEARS UP. 7 YEARS DOWN. SO WHY DO WE FEAR CORRECTIONS?

30 years of Nifty 50 history offer a powerful lesson in patience, discipline and long-term investing.

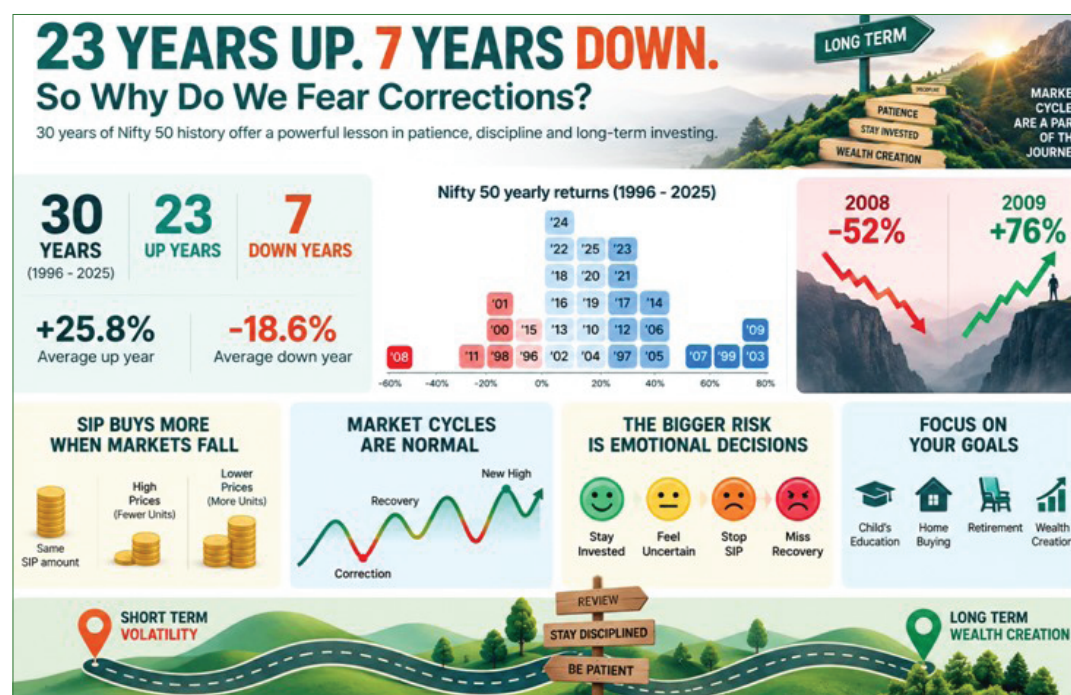
There is an interesting contradiction in the way we approach equity investing. We enter the market with a long-term objective of creating wealth, but the moment markets correct, that long-term perspective can quickly disappear. The questions begin: *Should I stop my SIP? Should I move my investments to safer options? Should I wait for the market to stabilise?* These reactions are natural, but history offers investors a different perspective.

Looking at the Nifty 50's calendar-year performance from 1996 to 2025, the index delivered positive returns in 23 years and negative returns in only 7 years. The average return during the positive years was around 25.8%, while the average decline during the negative years was around 18.6%. These figures are based on the Nifty 50 Price Index and therefore do not include dividends.

The seven negative years were 1996, 1998, 2000, 2001, 2008, 2011 and 2015. Some declines were relatively moderate, while others were extremely painful. The most dramatic example was 2008, when the Nifty 50 fell by more than 50% during the global financial crisis. Yet, the following year brought a powerful recovery, with the index gaining roughly 76%. The lesson is not that every market fall will be followed by such a sharp rebound. Rather, it is that **the beginning of a recovery cannot be predicted with certainty.**

This is particularly important for investors who attempt to time the market. When prices are falling, waiting for clarity feels sensible. But by the time economic conditions improve, headlines become positive and investor confidence returns, markets may already have recovered significantly. The market does not ring a bell at the bottom.

For SIP investors, market corrections can have another dimension. A fixed monthly investment buys fewer units when prices are high and more units when prices fall. Therefore, continuing an SIP through market volatility allows the investor



to accumulate units at different price levels. The objective of an SIP is not to avoid every correction or identify the perfect entry point. It is to **invest consistently through different market cycles.**

However, staying invested does not mean ignoring risk. A correction should be a time to **review rather than panic.** Investors should ask whether their asset allocation remains appropriate, whether the portfolio is adequately diversified, and whether the investments still match their goals, risk tolerance and time horizon. A market correction may highlight a portfolio problem, but it should not automatically be treated as the problem itself.

The bigger challenge in equity investing is often **investor behaviour.** Selling in fear after a fall and returning only after markets recover can convert temporary volatility into a permanent investment mistake. Successful investing is therefore not about predicting every market movement; it is about having a sound strategy and the discipline to follow it.

Thirty years of Nifty 50 history do not guarantee future returns. Markets will continue to experience corrections, crashes, recoveries and periods of uncertainty. But the historical record reminds us that **negative years have been the minority, while positive years have been the majority.**

So, perhaps the better question during a market correction is not, "When will the market recover?" but rather, "Am I still on the right path towards my financial goals?"

Because a correction may test your patience, but it does not necessarily change your destination.

Stay invested. Stay disciplined. Let time and compounding do the heavy lifting.

Source: NSE Indices – Nifty 50 historical data, 1996–2025.

Investor education reference: SEBI Investor.

Mutual fund investments are subject to market risks. Read all scheme-related documents carefully. Past performance is not indicative of future returns. This article is for investor education and general awareness and should not be construed as investment advice.

INSURANCE IS A SUBJECT MATTER OF SOLICITATION.



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MARKETS MAY FALL, BUT SIPS KEEP RISING

What the ₹32,297 crore monthly SIP contribution tells us about the changing Indian investor



When markets become volatile, one would expect investors to become cautious. Yet, the latest mutual fund data from India tells a surprisingly different story. While equity markets have gone through periods of uncertainty and correction, Indian investors have continued to put money to work through Systematic Investment Plans, or SIPs. According to the latest AMFI data available for August 2026, SIP contributions touched a record ₹32,297 crore in a single month, compared with ₹31,961 crore in July. The number of outstanding SIP accounts reached about 10.75 crore, while more than 10 crore accounts actually contributed during the month. SIP assets stood at approximately ₹18.62 lakh crore. AMFI

What makes the numbers even more interesting is that this growth is happening despite market volatility. Equity mutual funds attracted approximately ₹29,329 crore of net inflows in August, up from ₹24,697 crore in July. In other words, investors are not simply waiting for markets to become comfortable again; many are continuing their investment programmes through the uncertainty. The Indian Express

This reflects a significant change in the behaviour of the Indian investor. Investment is increasingly becoming a habit rather than a one-time decision. Instead of waiting to accumulate a large amount and then deciding when to invest, more investors are choosing to invest smaller amounts regularly. An SIP creates a structured process that can reduce

the temptation to constantly predict market highs and lows. SEBI's investor education material also highlights regular investing as a way to build discipline, participate over a longer horizon and ride out short-term market fluctuations. SEBI Investor

The mathematics behind an SIP is equally important. When markets rise, a fixed monthly investment purchases fewer units. When markets fall, the same amount purchases more units. Over a period of time, this creates an average purchase cost across different market levels. It does not eliminate market risk, nor does it guarantee returns, but it can help investors remain systematic instead of making decisions based entirely on market sentiment. Securities and Exchange Board of India

The August numbers also reveal another encouraging trend. The industry registered approximately 66.4 lakh new SIPs during the month, while around 53.8 lakh SIPs were discontinued or completed. This meant new registrations exceeded closures for the fourth consecutive month. AMFI That is a useful indicator of growing acceptance of disciplined investing among Indian households.

But SIP growth should not be misunderstood. More SIPs do not automatically mean better investing. The right investment still depends on an individual's goals, time horizon, risk tolerance and asset allocation. An SIP is a method of investing; it is not a substitute for choosing an appropriate portfolio.

Perhaps the most important message in these numbers is behavioural. Markets may change every day, but an increasing number of Indian investors are learning to separate market noise from investment discipline. They are continuing to invest when headlines are positive, and increasingly, when they are not.

The changing Indian investor is therefore not necessarily looking for the perfect time to invest. Increasingly, the focus appears to be on starting, continuing and staying disciplined.

Markets may fall. Sentiment may change. But the habit of investing is becoming stronger.

And that may be one of the most important transformations taking place in India's investment landscape.

"You don't need to predict every market move. You need the discipline to keep moving towards your goal."

Source: Association of Mutual Funds in India (AMFI), August 2026 Mutual Fund Industry Data.

Investor education reference: Securities and Exchange Board of India (SEBI).

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INSURANCE IS CHANGING: WILL LOWER COMMISSIONS MEAN BETTER INSURANCE FOR CUSTOMERS?

IRDAI's proposed distribution reforms could reshape how insurance is sold, priced and serviced in India.

India's insurance industry may be entering an important new phase. On **23 September 2026**, the **Insurance Regulatory and Development Authority of India (IRDAI)** released a two-part consultation paper titled "Recalibrating Economics of Insurance Distribution". The proposals seek to change the way insurance is distributed, how insurers and intermediaries are compensated, and how customers are protected from mis-selling. The consultation is currently open for stakeholder comments, with the deadline set at 25 October 2026. Moneycontrol

At the centre of the proposal is a simple customer-focused question: **Can lower distribution costs ultimately deliver better value to policyholders?**

IRDAI has proposed a new framework in which commissions would be linked more closely to the type of product, distribution channel, policy size, complexity and effort involved in selling and servicing it. The regulator has also proposed a phased reduction in insurers' Expense of Management (EoM) limits. For life insurers, the proposed framework would bring company-level EoM down to 15% of Gross Direct Premium Income within two years and 12.5% within five years. For general insurers, the proposed limit would move towards 20% of domestic GDPI over five years. Business Standard

For customers, the intention is encouraging. Lower distribution costs could, over time, create room for insurers to offer more competitive pricing, improve product value and reduce incentives that encourage aggressive

selling. IRDAI is also proposing stronger safeguards against mis-selling, including clawback of commissions in cases of mis-selling, greater accountability for individual sales personnel and better disclosure of commission structures. The Economic Times

Another significant proposal is to prevent insurance from being unnecessarily bundled with lending. The consultation paper proposes restrictions on compulsory insurance tied to loans, strengthening customer choice and transparency at the point of purchase. Business Standard

But will lower commissions automatically mean better insurance?

Not necessarily.

Insurance is different from many other financial products. The value of an insurance intermediary does not end when a policy is issued. Customers may need help understanding exclusions, maintaining the policy, making changes and, most importantly, navigating the claims process. Industry representatives have therefore raised concerns that sharply lower remuneration could reduce the viability of distribution networks and potentially affect service quality, particularly in smaller cities and underserved markets. The Indian Express

This is where the reform debate becomes important. The objective should not simply be lower commissions; it should be better customer value. A sustainable insurance ecosystem needs to balance affordability with accessibility, transparency and quality service. A well-designed remuneration structure should

reward appropriate product selection, persistency, servicing and customer outcomes—not merely the number of policies sold.

For customers, this may ultimately be a positive development, but the real benefits will depend on how the proposals are refined and implemented. Lower costs should translate into meaningful value for policyholders, while professional distribution and after-sales service must remain viable.

Perhaps the most important change is behavioural. The insurance industry has traditionally been viewed as a business of selling policies. The direction of these reforms suggests a stronger emphasis on helping customers buy the right protection and ensuring that the relationship continues beyond the sale.

The real question is not, "How much does the distributor earn?"

It is, "How much value does the customer receive for the premium paid?"

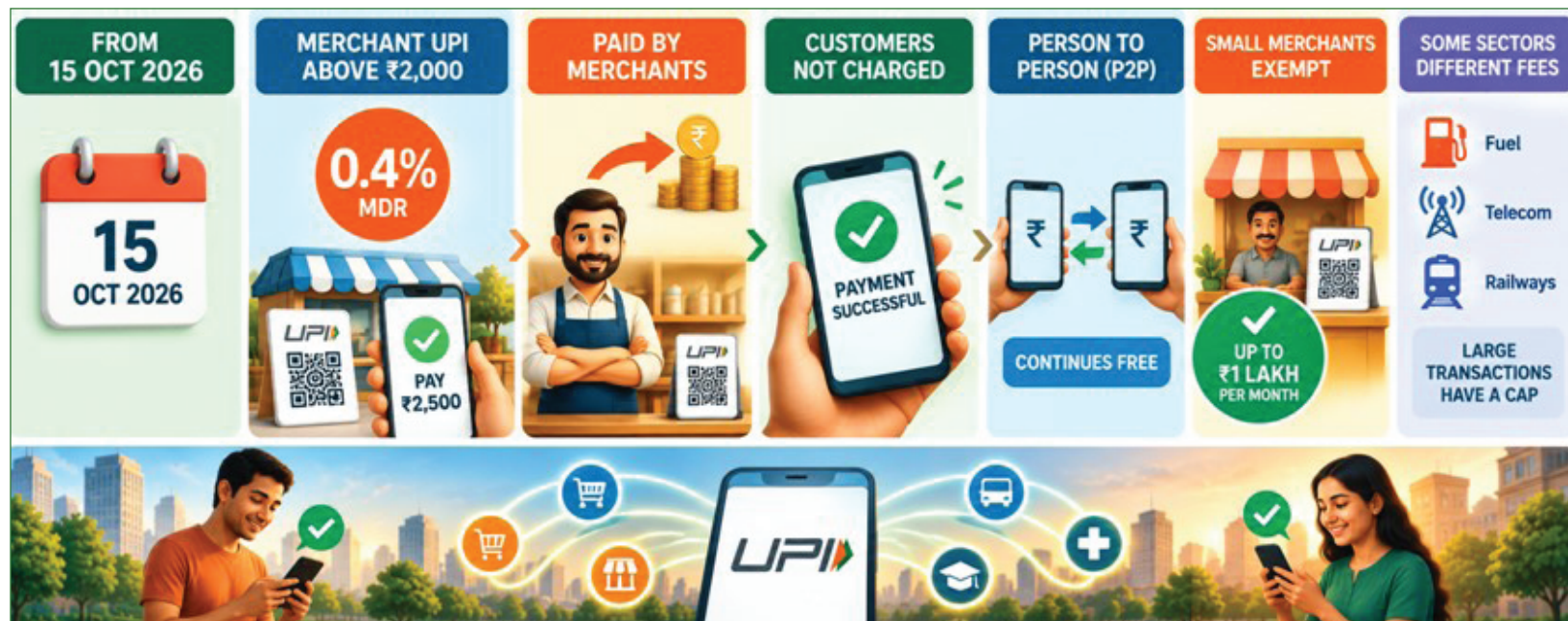
That is the standard by which these reforms should ultimately be judged.

Source: IRDAI, *Recalibrating Economics of Insurance Distribution, Public Consultation Paper*, 23 September 2026; supported by industry and financial-media reporting. Moneycontrol

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UPI IS NO LONGER ENTIRELY FREE: WHAT CHANGES FOR THE COMMON CUSTOMER?



For millions of Indians, UPI has become almost synonymous with free, instant digital payments. From buying groceries to paying school fees and settling restaurant bills, scanning a QR code has become a daily habit. That is why the announcement of a new UPI fee structure has attracted so much attention.

From 15 October 2026, a 0.4% Merchant Discount Rate (MDR) will apply to certain merchant UPI transactions above ₹2,000. The important point for the common customer is that this is a merchant-side charge. Banks and UPI providers have been directed not to pass the MDR directly on to customers. Person-to-person UPI payments will continue to remain free. Reuters

There are also safeguards for smaller businesses. Eligible small merchants earning up to **₹1 lakh a month through QR-based UPI payments** will be exempt. Certain sectors, including fuel, telecom and railway transactions, will have a different flat-fee structure, while large transactions will be subject to a maximum cap. Reuters

So, should customers be worried?

Not immediately. A customer paying ₹5,000 to a merchant through UPI should not suddenly see a ₹20 fee added to the bill merely because of MDR. However, the indirect impact will depend on how merchants respond. Some businesses may absorb the cost, while others could adjust pricing or encourage alternative payment methods.

The bigger question is whether this change can make India's enormous digital-payment ecosystem **more financially sustainable** without reducing the convenience that made UPI so successful.

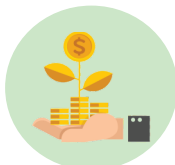
UPI processed more than 24.5 billion transactions worth nearly ₹29.82 lakh crore in August 2026, showing just how deeply it is embedded in India's economy. NPCI

For customers, the message is simple: UPI is changing—but it is not becoming a paid service for everyday users.

Source: NPCI; RBI; recent industry reporting.

This article is for general awareness and educational purposes only. The information presented is based on the regulatory framework available at the time of publication and may be subject to further changes or clarifications.

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