



8 May 2023

# Business News Update

**“A diamond is merely a lump of coal that did well under pressure.”**

## Slowly but surely, mutual funds warm up to investment in REITs, InvITs

Mutual fund (MF) investments in real estate investment trusts (REITs) and infrastructure investment trusts (InvITs) have gone up significantly after the pandemic breakout, with many newer schemes maintaining some allocation to these new asset classes. Data compiled by PRIME Mutual Funds Database shows MF exposure to REITs and InvITs having surged many times over in the aftermath of the Covid-19 pandemic taking hold. The value of holdings, which was at Rs 734 crore at the end of March 2020, rose to Rs 5,200 crore by the end of March 2023. MF exposure to listed REITs and InvITs is set to rise to seven (from the present-day six), with the Rs 3,200-crore Nexus Select Trust REIT initial public offering scheduled to open this week for subscription.

Source: [Business Standard, May 7, 2023](#)

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## Paytm soars over 5% on narrowing losses in Q4; stock up 50% in six months

Shares of Paytm rallied 5.5 per cent to a high of Rs 726 on the BSE as the stock reacted positively to the company's Q4 performance. Paytm had sharply narrowed down its losses in Q4FY23 to Rs 168 crore as against a loss of Rs 763 crore in the corresponding quarter a year ago. At 09:35 AM, the stock had pared some gains but was still up over 3 per cent at Rs 712. The counter had seen trades of around 45,000 shares as against the two-week average volume of around 1.96 lakh shares on the BSE. Meanwhile, the S&P BSE Sensex was up 0.7 per cent at 61,498.

Source: [Business Standard, May 8, 2023](#)

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## Best of sovereign bond rally may be over with sales deluge coming

A rally in India's sovereign bonds may end soon, as traders shift their focus to upcoming heavy debt issuances from the positive impact of the central bank pausing its rate hikes. India's 10-year yield dropped below 7% on Thursday, the first time since April 2022 due to falling crude prices and the prospect of a Federal Reserve rate pause. But now, a potential increase in government debt supply in the coming months and a lack of rate cut expectations in the near term are threatening to stall the advance. "Markets have moved from 7.45% to 7% and with heavy supply in duration, I would not be very aggressive at this point on the benchmark note from a trading perspective,"

Source: [Business Standard, May 8, 2023](#)

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## The great banking rescue of a doomed realty project

In the last week of April, the Economic Offence Wing of the Mumbai Police arrested the promoters of Nirmal Lifestyle for allegedly failing to hand over flats to homebuyers invested in four projects in Mumbai's central suburb Mulund. Elsewhere, in Noida, Uttar Pradesh, Amrapali Stalled Projects Investments Reconstruction Establishment (ASPIRE) is busy completing 40,000-odd housing units sold by the erstwhile Amrapali Group, and handing them over to the homebuyers. ASPIRE is a not-for-profit company under Section 8 of the Companies Act, 2013, set up by the Supreme Court.

Source: [Business Standard, May 7, 2023](#)

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