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CHRIST UNIVERSITY
BENGALURU, INDIA
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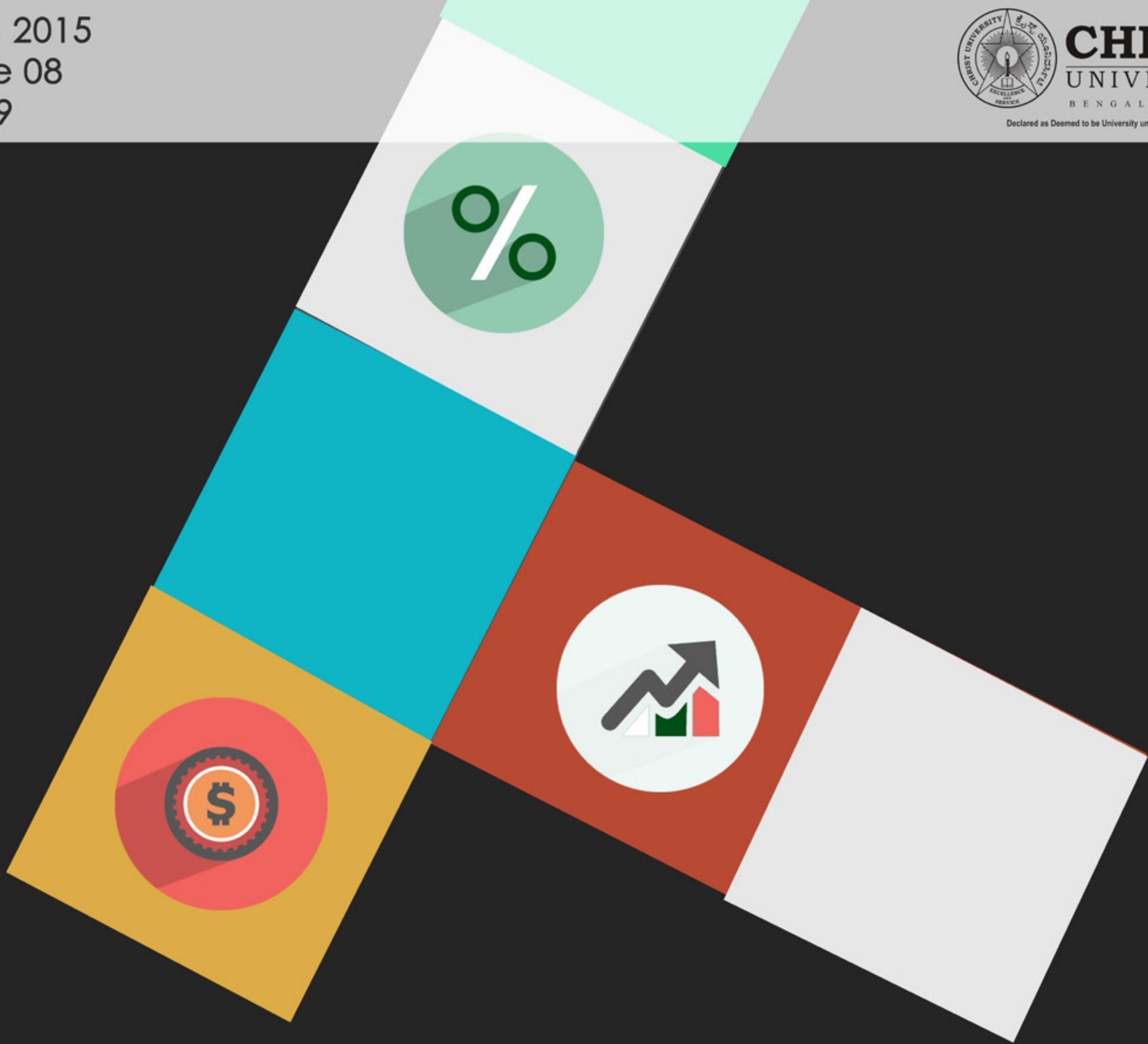


Institute Of Management

chaanakya

tracking the economy

FIRST TIME ADOPTION OF IFRS IN INDIA

- Ranjani K
(1421252)

IFRS are the standards prescribed by IASB and FASB which can be adopted by countries to adhere to the global standards. India, being one of the emerging market economies has decided to converge to International Financial Reporting Standards (IFRS) with a revised roadmap issued by the Ministry of Corporate Affairs (MCA). On mandatory basis:

Phase 1 - For accounting period beginning on or after 1 April 2016, with comparatives for the periods ending 31 March 2016 and prior, for all listed/ unlisted companies having net worth greater than or equal to INR 500 crores. It is also applicable for group companies including subsidiaries.

Phase 2 - For the accounting period beginning on or after 1 April 2017, with comparatives for the periods ending 31 March 2017 or prior, for companies whose equity and/or debt securities are listed or are in the process of being listed and unlisted companies having net worth of greater than or equal to INR 250 crores.

Voluntary adoption is covered for the accounting period beginning on or after 1 April, 2015 with comparatives for the periods ending 31 March 2014 or prior. Exceptions are given to Companies whose securities are listed or in the process of listing in SMEs as they can continue to report with the existing accounting standards.

IFRS 1 deals with First time adoption of IFRS, which provides assistance that is useful when companies converge from preparation of financial statements from IGAAP to IFRS for the first time. Regulatory norms are issued by ICAI for providing guidance on accounting issues to the new companies.

The key principle under IFRS 1 is the retrospective application of all standards that are effective as of the financial year end or the reporting date. The steps to be followed in the process are as follows:

1. Assess International Accounting Standards (IAS) – IFRS Impact – The impact of IFRS adoption on the financial statements, on accounting and reporting issues, on business and processes of the company. It is equally important to identify key IAS that will be applicable and the differences between the IGAAP and IFRS for that particular standard.
2. Identify Optional Exceptions – Companies can make a cost-benefit analysis and retrospectively apply IFRS as prior year financial information must be provided to ease comparison for the users such as IAS 39 – De recognition of financial instruments and Hedge accounting. Similarly there are many individual optional exceptions provided for first time adopters.
3. Implementation of IFRS - The opening IFRS Balance Sheet – This must include all the assets and liabilities that are allowed by the IAS and exclude all assets and liabilities that are not permitted. Measure in accordance with the standards (Ex: IAS 11 - Construction contracts permits percentage completion method) and present the balance sheet as per IFRS.

Reference
"First-time Adoption: IFRS 1 vs. Indian IFRS 1 Convergence Made Easy."www.iasplus.com. Deloitte. Web. 21 July 2015.

Quantitative Easing (QE)

An unconventional endeavour

- Manantha Bordoloi
(1421244)

QE is a monetary policy which is unconventional in nature and by dint of which the central bank of the nations tend to increase the money supply in the economy thus lowering interest rates by buying back government securities. Financial institutions are deluged by the capital and this promotes lending and liquidity.

Few economies in the present scenario have resorted to using QE as a pragmatic approach to revive from the catastrophic stance which they are witnessing on account of their declining balance sheets thus lending necessary credence to the efficacy of QE. However, few governments have expressed their strong disapproval towards QE despite of the dismal economy and balance sheets which appeared lugubrious than ever. This article will draw the necessary light towards such economies.

Europe

The nineteen nation euro area is heading towards a full bloom QE from March 9th 2015 to September 2016 as its fragile economy was in dire need of a recovery to ensure its existence in future. The ECB proposed an asset purchase worth 1.1 trillion Euros with a purchase of 60 billion Euros per month. Last year ECB reduced some of its major interest rates below zero, which is a prolific initiative ever taken by any central bank and engrossed itself in a rigorous bond buying activity. This stimulus resulted in the tumbling down of euro to its lowest levels as against the US dollar. A debate that hovered overhead this decision is the effectiveness of the QE and the prognostication of asset bubble due to the money flow into the stocks and assets in place of companies and households.

The rate of purchase of bonds as per the ECB is a function of the GDP contribution of each nation thus failing to revivify an equitable benefit across all nations. High debt nations like Portugal, Italy, Ireland and Spain are the major beneficiaries as they could issue bonds at a lower interest rates and a substantial decline in their interest payments. Whereas, Greece and Germany have failed in acquiring a gaining stand out of this policy. Greece has been exempted from this program until the loans taken by Greece banks mature this summer. This move was gainsaid by Germany since its inception because if the high debt nations default than Germany would be burdened to restore the ECB balance. However they will gain substantially on account of increasing exports due to depreciating currency.

Inflation of Europe in May was 0.3%, a move towards achieving the expected rate of 2% and consumer purchases have also increased on account of declining energy prices. Industrial production figures portrayed a decline on March, 2015. However QE alone is inadequate in the absence of necessary reforms to revive Euro Zone.

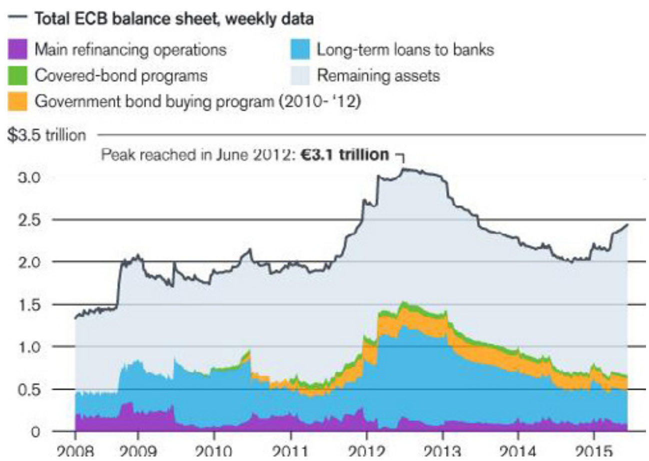


Fig: ECB's expanding balance sheet

China

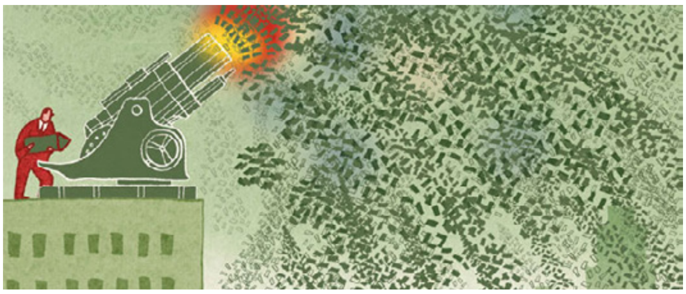
Peoples Bank of China (PBOC) has instilled a 50 basis points reduction in its lenders reserve ratio resulting in injection of 600 billion yuans into the economy. However the biggest banks of the country still have to hold 19.5% of the deposits locked up. Their lending rate is 5.6% which far exceeds the rate that most of the nations practicing quantitative easing has resort to. The main reasons underlying these reductions were the depreciating Yuan, capital outflows, deflation risk and also the economic slowdown which the nation is witnessing.

These steps adopted by China have laid the cornerstone for improving the economy which demands a strong backing by a stalwart fiscal policy.

However there lies a fallacy that superficially parallels this to the QE approaches adopted by USA, Japan and Europe. The main reasons behind these could be stated as follows:

- Firstly the monetary policy adopted by the nation was quantitative and regulatory in nature by agency of which they decide the amount of money supply in the nation. The unconventional gambit adopted by PBOC was their pledged supplementary lending, which however is not a potent deviation from the tools adopted by them to relend over the past two years.
- Secondly, it exaggerates the monetary stimulus of the nation. The loosening process of the PBOC is to replace the cash that has paved its way out of China and not majorly to infuse new capital into the economy.

The need for QE in China has not reached its zenith mainly because conventional monetary policies still hold a firm base in the nation unlike nations who have resorted to QE. PBOC deter the use of unconventional tools for easing as the relending process espouses the notion of avoiding money slash over the economy and certitude could not be laid on the ability of the financial markets to allocate credit to the segments as desired by the policy makers. Their main aim is to prevent credit boom by lowering the credit cost of the firms needing it and thus striking a balance between outright easing and targeted easing.



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Canada

Quantitative Easing a term which never held a stance in the financial history of Canada might come into existence in the face of hovering recession.

Canada is hobbled by indebted consumers, a currency feeble enough to not being able to magnetize new investments and weak oil prices. It has resorted to buying over $30 billion in the form of securities over a period of six months.

However the low interest rate of Canada of 0.25% and an anticipated further reduction in conjunction with falling crude oil prices and weak exports lays the necessary credence to the firm grip of recession over the nation.

Despite the fear of the increasing grip of recession over Canada the Finance minister portrays his strong disapproval of introducing QE as they expect to introduce more jobs this year. However the main say regarding the QE rests with the Bank of Canada and not the finance minister. There lies a strong anarchy and disagreement between the Central bank and government regarding the implementation of QE. The credit markets of Canada suffer a halt due to this anomaly in the political state of the nation.

However a main concern is the valiancy of the central bank to shovel out the excess monetary stimulus created by QE and to inoculate growth in the face of high inflation. Thus QE of Canada, which has not received a firm assent, depends on the monetary statements of the Bank of Canada.

RATES AND GRAPHS

- Janani C
(1421439)

Rate Repo

7.25 per cent
(reduced from 7.50 percent on June)

Reverse Repo

6.25 Percent

Call rate

5.70 to 7.50 Percent
(27th July 2015)

Marginal standing facility

8.25 Percent

Forex Reserve

$ 353.33 Billion
as on
7th July 2015

Inflation

5.40 Percent for June 2015

90 GS 2020

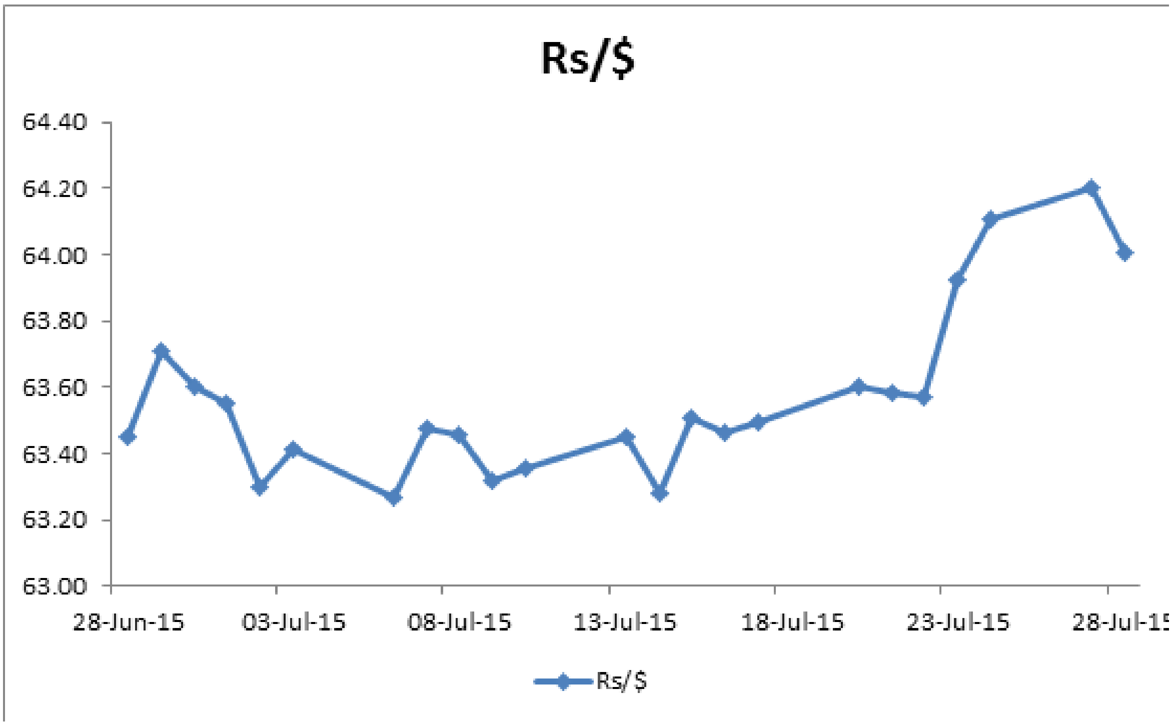
7.943 Percent
(indicative YTM)

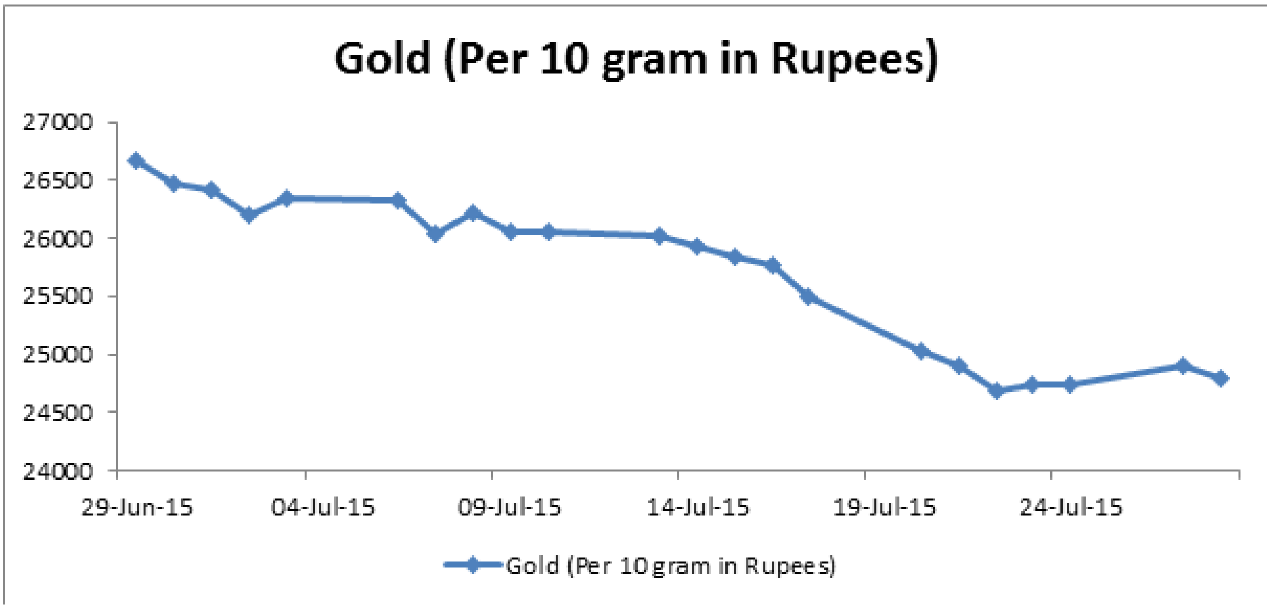
91day T-Bill

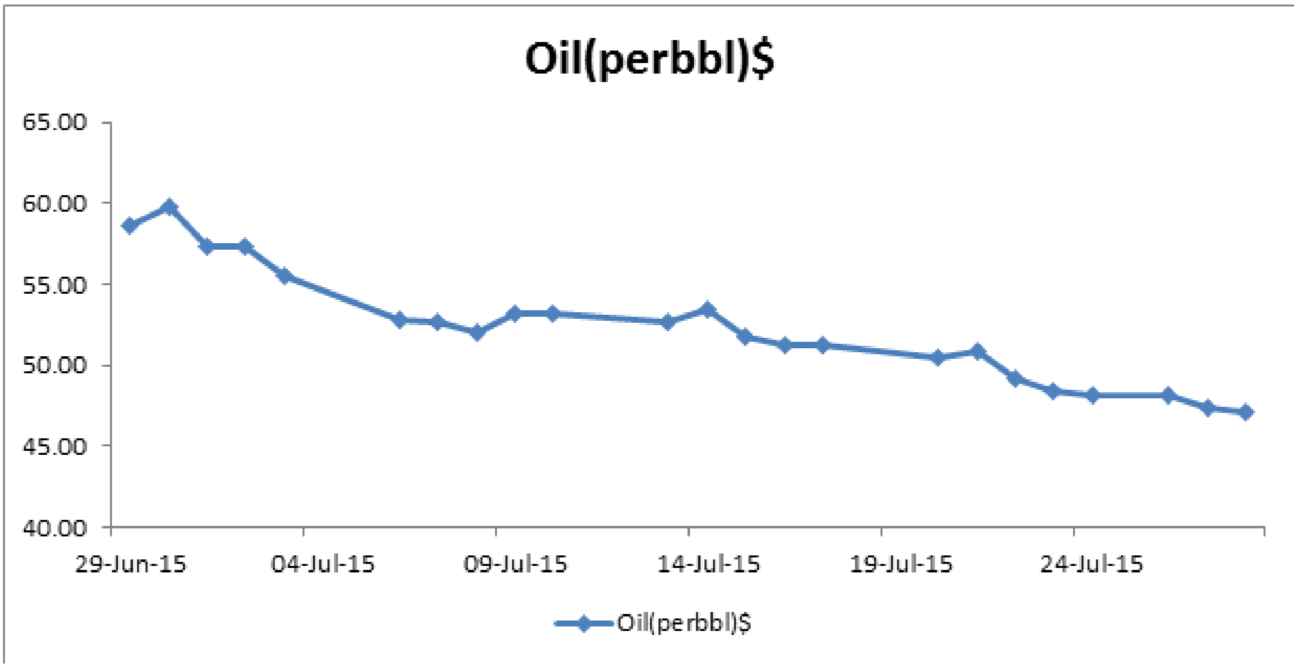
7.47 Percent
on
28th July 2015

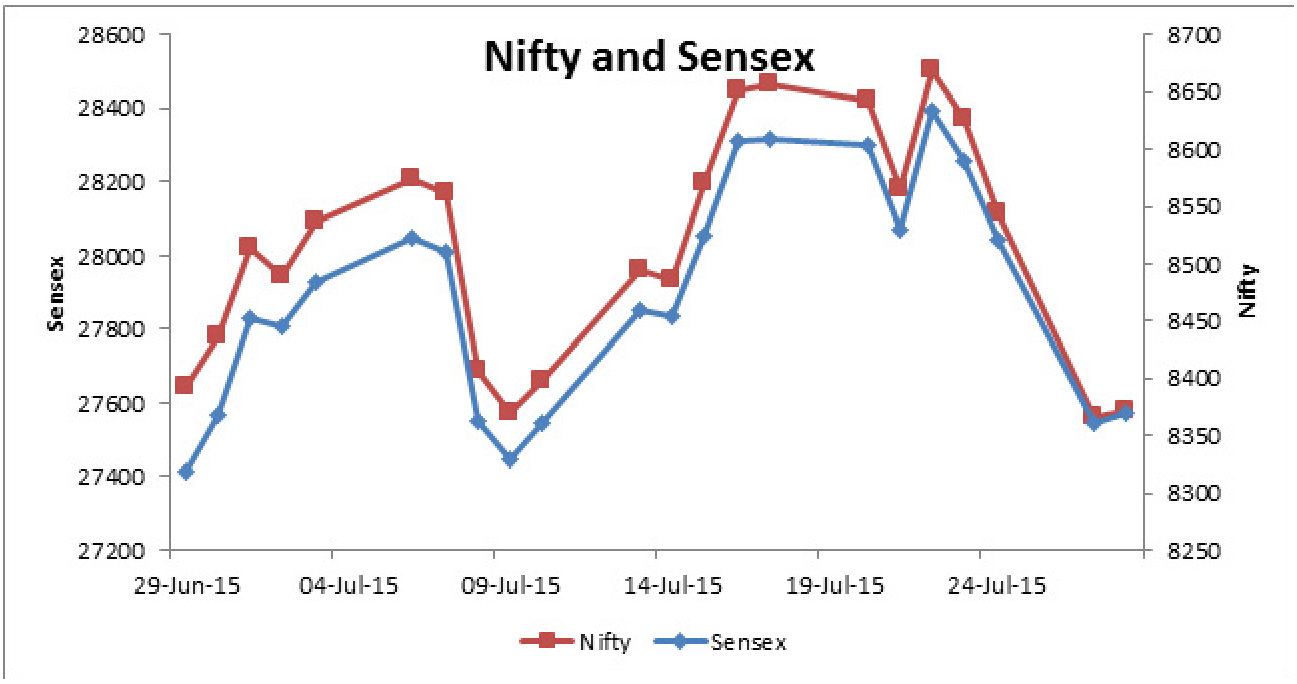
IIP

2.7 Percent (decrease)
for
May 2015


Rs/$
64.40
64.20
64.00
63.80
63.60
63.40
63.20
63.00
28-Jun-15
03-Jul-15
08-Jul-15
13-Jul-15
18-Jul-15
23-Jul-15
Rs/$


Gold (Per 10 gram in Rupees)
27000
26500
26000
25500
25000
24500
24000
29-Jun-15
04-Jul-15
09-Jul-15
14-Jul-15
19-Jul-15
24-Jul-15
Gold (Per 10 gram in Rupees)





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Will India get affected by Greek?

- Ashutosh HR
(1421208)

Well, this is most talked off topic in the market since the Greek crisis started. The whole scenario will have an indirect impact on India. Since India is not directly exposed to Greece in terms of trade ties, it is less likely to affect India. However, if the Eurozone is hit by the crisis then probably India will have to bear the consequences as well.

1. Exports

Europe is India's largest trading partner with USD 129 billion of merchandise engagement in 2014-15. India's exports has not been in prime health this year and the crisis in Europe will only deteriorate the prospects.

India's software and engineering exports may take a hit and the country may also face larger capital outflows due to a weaker euro.Engineering exporters' body EEPC India said the economic crisis in Greece will impact engineering exports from India as European Union is the largest destination for such shipments. The industry body said it sees indirect impact from the UK, Italy, Turkey and France.

Share of exports from India to Greece is around 0.1% only, therefore direct impact on Indian exports due to economic crisis in Greece is likely to be marginal. The Indirect impact on the exports is a concern which will be known only looking into the repercussions of Greece crisis on the European unions.

Exports are already falling due to overvaluation of the Rupee which is calculated taking Relative purchasing power parity theory using REER. It might affect exports where India is looking for more exports to the other countries.

2. Capital Movement

Capital Movement: If Greece misses its deadline, the interest rates will rise all across Europe because the economic health of countries like Spain and Italy is also not very good (so financial institutions will not lend easily).

All this will eventually affect the Euro also at this moment even experts are unsure about how the foreign investors will relocate their portfolios. This will result in capital inflow and outflow in and out of India.

But looking into the India's macro condition compared to other emerging markets, it is favour of India and most of the FII's would prefer to hold until the interest rate hike is made by the Federal Reserve which is most crucial right at this point of time. The capital movement in India is mainly impacted by the domestic parameters like monsoon, monetary policy, reform measures and Fed interest rate hike and also China's stock market reactions.

3. Global condition favouring India

One indirect benefit of Greece crisis is fall in crude oil prices, and second, as the dollar has strengthened, the possibility of US delaying its interest rate hike is increasing. Both these are beneficial towards India. Oil prices fell sharply after Greece rejected austerity measures demanded in return for bailout money, while China rolled out an unprecedented series of steps to prevent a full-blown stock market crash.

India from economic point of view should not have any impact at all from Greece. If the monsoons are okay, oil prices lower and we can see a rate cut by RBI in August by another 25 to 50 basis points.

With over USD 355 billion foreign exchange reserves and the country promising to grow at the fastest rate in the world, India can withstand any pressure from Greek crisis.

What if Greece crisis impact global markets and will it affects India?

If the Greece crisis impact global markets, inflows into Indian stock markets could suffer. In that case, Indian stock markets could get hit because foreign investors have close to 25 per cent holding in Sensex companies. But India's growth prospects and the volatility in Chinese markets could limit outflows. The Greece impact could mean Reserve Bank of India (RBI) delaying a rate cut.

The rupee also may get impacted due to the Greece crisis, though it has held steady against the US dollar. If the dollar gains against the backdrop of a European crisis and outflow surge from Indian markets, the rupee could come under pressure. The central bank could sell $15 billion in the forex market to defend that level.

India attracts big inflows due to its economy's "negligible exposure to Greece" and better growth prospects as compared to other emerging countries. The domestic factors as a bigger risk to Indian stock markets. The Rupee and Indian stock markets are currently pricing in the Greece situation but earnings of Indian corporates remain a worry.

Effects on BitCoins due to Greece Crisis

Due to the capital controls implemented by Greece in terms of the withdrawal limitations, people's interests were pulled towards bitcoins. Average transactions happened before crisis was around 10000 – 12000 per day. This value reached 120000 transactions per day in the month of June – July. Consequently, price rose from $220 to $285 per bitcoin. Due to heavy and unexpected traffic block chain processing delayed by almost 5 hours per transaction.

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Buzz Words

BUTTERFLY STRATEGY

In trading context, Option strategies are simultaneously buying or selling multiple options which differ by multiple variables just to test an opportunity or risk by eliminating other strategies. When the rise or fall in stock price cannot be anticipated, neutral strategies in options trading are opted. One of the options strategies is BUTTERFLY STRATEGY. It is a non-directional options strategy as it can lead to profit independent of the rise in value of the stock and only depends on expected volatility of the stock price in consideration. Hence, it has a large probability of earning a limited profit.

Public Private Partnership

Encouraging PPP will enable infrastructure solutions

-Swati Mishra
(1421358)

There has been a growing interest in PPPs worldwide in recent years and private sector financing has become popular as a way of procuring public sector infrastructure. Now, what is PPP? In simple terms it is the contract between public and private firms or in more explicit terms contract between government rights over national assets with private sectors' capital and managerial strength. Societies need both a strong government and a strong business sector – the question is how public and private efforts can be best combined for citizen benefit.

There are certain drawbacks which arise when government funds an infrastructure project. The major limitations being restrictions on public project, quality of the service provided as well as lack of innovations and technological uptakes. These limitations are severe when in case of developing economies. Hence, PPPs free up the public sector to act as a regulator and thus focus on service planning and performance monitoring. "Communities benefit from PPPs as they enable the public sector to provide much-needed infrastructure that might not otherwise be forthcoming due to budgetary constraints or lack of expertise" Abdul Mohsin Younes, CEO of Strategy and Corporate Governance at Dubai's Roads and Transport Authority (RTA).

The question arises that what motivates the private giants to take up such public sector responsibilities. The answer is acceptable return or in other words the return on investment which takes into account the risk assumed by the private sectors. The PPPs give a higher return when compared to traditional methods, due to innovative design and financing approaches used by private firms. At the end of the day development of public-sector infrastructure lead to an enhancement of citizen's life as well as increased economic activity.

One element that plays an important role in a PPP's success is the burden of the demand risk. In the current economic scenario, the demand risk is borne by the public sector, where it is not easy to arrange for private sector funding. For a PPP to work, it is desirable that the expectations of both the public and the private sector converge to create desirable outcomes for both parties. In other words it a win- win situation for both the Ps, where the public P can give a quality product to consumers and the private P can earn higher returns out of the risk.

However, PPP can be a success in Indian economy if both the parties work fairly. There are examples of successful PPP in the world as well as in India (Yeshasvini Health scheme in Karnataka, Arogya Raksha Scheme in Andhra Pradesh, Contracting in Sawai Man Singh Hospital, Jaipur, etc.), but there are failures too. For example, Gurgaon is a good example of large-scale public-private participation in urban development in India. But what were the flaws in the urban development project which led to a failure? The main reason being, detailing of the development plan to the private contractors was not done properly or explicitly, who went ahead and bought land of irregular shapes. Hence, the combination of public and private partnership can be like blockbuster show because the public sector has the natural resources and the private sector has expertise and technology to manage those resources.

Reference

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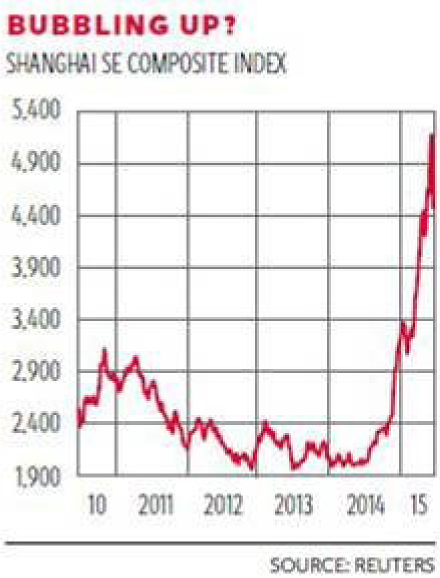
ONCE AT PEAK, NOW AT FALL

- Sowmya Raju (1421453)

The unexpected slump in China's stocks created a huge havoc among the investors leaving them wondering how an economy's growth which lead the global economy out of a recession four years back has taken a fall.



Chinese stock markets are experiencing worst days since global financial crisis. The Shanghai index ended the week down 13.3 percent, its worst since the global financial crisis.

Many analysts had warned that Chinese bourses had become too frothy with some companies trading at 200 or 300 times earnings amid incredible volatility. The doubling in primary indexes in Shanghai and Shenzhen since last year has made Chinese markets the world's best performing major market with net market capitalisation of the equity markets at $10.7 trillion.

Between 2010 and early 2014, when China boasted the world's fastest-growing economy, its stock market was consistently among the world's worst performers. Since July last year, this relationship has flipped. Whereas China's growth has drifted steadily lower, its share indices have doubled in value.

Some facts could be associated with China's stock market bubble that helps explain why it arose:

- ChiNext, China's small-cap board has a trailing price-earnings (PE) ratio of 90.
- Outstanding loans to stock investors reached a record 1.67 trillion yuan ($269 billion) as of April 13th, up by 300% from a year earlier.
- Chinese investors opened nearly 5 million trading accounts in March.
- A survey by China's South Western University of Finance and Economics found that two-thirds of new investors last year did not complete high school.
- In just 12 months, Chinese markets have created enough value to give every person on Earth almost $900,
- China now has the world's most volatile stock market outside Greece,
- A disconnect between Chinese stocks and the real economy,
- China's huge expansion in lending.

However, analysts are confirming it as a bull market and it's possible that Chinese stocks are undergoing a slight correction, which will calm down and lead to more sustainable growth, rather than a crash. But it's also possible that a correction will trigger a stampede for the exits. That could weigh on China's broader economy, with negative consequences for the rest of the world.

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Alumini Interview

-Sai Madhuri
(1421262)

Name
Pavan S

Year Passed Out
2014

Currently Working As
Associate Consultant

Organization
Ernst & Young

Spill the beans: Your professional journey till now......

The journey at Ernst & Young (EY) has been revolving around 'Building a better working world'. Continuous learning is integrated in the role I perform at EY. To summarize my role includes

- Interacting with business process owners to understand business process
- Data analytics and logical thinking to establish potential risks
- Concluding and presenting the observation to EY seniors/ managers for presenting it to business owners

Correlation between you and your work .....

- Inquisitiveness
- Attention to detail
- Analytical

Leadership according to you.......

Leadership (according to me) is the ability to lead people towards failure or success, in a way that they are inspired to go on the journey irrespective of the final outcome. I say failure before success since there will be several uninvited followers for success but the same does not hold good for failure

How important is it to take initiative in corporate world? Have you taken any such initiative? Please throw some light.

You can't do a good job, if your job is all you do. Take Initiative and

- Your employer will recognizes your efforts (Marketing mantra: Out of sight, Out of mind)
- You will learn and build your network

My initiative: I have done a benchmarking activity for textile industry, providing comparison of the critical factors that shapes the way company performance is measured. As part of self-learning, I have downloaded online content and started to understand the functionalities of ERP system (this supports the skills required at my workplace).

How can MBA be made more practical oriented?

Develop essential skills such as:

- SAP modules (learn atleast one SAP module)
- Writing skills (write short and still convey the message)
- Microsoft excel skills

What are you doing to ensure that you continue to grow and develop in the industry or your organization?

- Reading newspaper and building skills of writing
- Interacting and networking with people
- Attending training courses provided by employer

Additional courses that you will suggest to our young MBAs?

- SAP module
- Data analytics
- CFA

What is the best thing that happened to you or you did in Christ??

Top 3 best things that happened/ I did at Christ are:

1. Monarchs (Section M) was the best thing at Christ, followed by my close friends – SaharshBhushan, KarthikEswaran, Nikita Perinchery,ChetanDagaand Gaurav Tiwari.
2. During the happy moments as well as during the trying times, Christites always kept me going.
3. Taking up responsibilities/initiatives was the best thing I did at Christ.
4. The third best thing was to plan the year ahead. This enabled me to plan my bandwidth for taking initiatives/ responsibilities. For instance, in the fourth trimester my priority was to concentrate on the placement and I consciously planned and picked initiatives/ responsibilities accordingly.

How is the professional world different from the life in MBA?

Prof Dikshit said and I quote "for companies, MBA graduates are like ready to eat food", back then I did not realize the importance of what was said. I now get the essence of the statement. I urge you to think about it.

In college you learn lessons and then write exam, in corporate world you write exam and then learn the lessons. Nobody wants to hear excuses. Get the work completed with the allocated resources is the motto of a firm. An exam may not give you a sleepless night but pending work can definitely keep your eyes wide open till 4 in the morning.

DILEMMA: Many of us still have confusion about our interest areas or say we have many interest areas. How should our young Christite deal with this?

Pre-requisite: Decide to dedicate a significant amount of time to get rid of this confusion. This is the first step in shaping the direction of your career.

Try if this helps: Play a Rapid fire game with your friend over a casual dinner. In the midst of the game ask your friend on what specialization interests him/her the most (the answer has to be quick). The first thing on your mind is the most likely and unbiased indicator of your true interest area. Take turns to do this and help your confused friends/Christites to spark a thought process.

Once the thought process has started and you have a vague idea of your true unbiased interest area, think about pros and cons of that specialization (to do this speak to people who advocate for your respective interest area and otherwise)
You are your best judge and all others can only facilitate in your decision making.

At the end of the day, do remember if you specialize in Finance, it does not mean you will be in Finance throughout your career. A specialization is only a doorway for the recruiter to judge, what you might know better than the rest. You might as well complete your Masters in Finance but end up only marketing yourself for a job.

What are some of the challenges you faced during the initial days of Corporate?

- Day one you are on the field executing work, without any classroom format training. I was to learn on the job and I was used to a classroom form of training in MBA and my previous role.
- Meeting high expectations – when I was studying my family had limited expectations from me and I could easily meet them, but it's a very competitive work world.The general expectation at work is always higher than the best previous known performer

A message for Christites:

We are part of one of the most competitive generations. To be able to live a life of luxury one needs to differentiate himself/herself. To be able to do that in the short run, use the platform that professors at Christ University are willing to provide. Take initiative to identify and arrange for useful courses, guest lectures and study material. All that you need to do is approach professors and tell them what you need to stay competitive and I believe the university will equip you to stay competitive.

In the longer run, knowledge and network is the key to success. Knowledge of specific specialization will restrict your growth, learn from varied fields, it's an integrated world.

For Finance graduates interested in the specific industry you are in-

Following, I personally believe are key to grow in the industry I'm in:

1. Common sense and logical thinking
2. Excel and PowerPoint skills
3. Attention to detail
4. Asking the right questions to the right persons
5. Taking ownership for the work assigned to you or performed by you
6. Honesty

"You can't do today's job with yesterday's methods and be in business tomorrow." – George W Bush

You can write to me on pavan.bohra@gmail.com or on https://www.facebook.com/pavan.raj

Buzz Words

AIR POCKET STOCK

A stock that experiences a sudden drop, similar to a plane hitting an air pocket. Air pocket stocks are usually the result of investors reacting to negative news. This is almost always caused by shareholders selling because of unexpected bad news

.

DID YOU KNOW ?

- Kannammai
(1421241)

- RBI recently formed a committee with 14 members headed by RBI executive director Deepak Mohanty. The main aim of this committee is to make a five year work out plan for financial inclusion including customer protection plan and supportive payment system.
- India's exports reached USD 22.3 billion, a drop by 15% due to global slowdown. India's imports reached USD 33.1 billion, a drop by 13% due to fall in oil and gold shipments.
- Trade deficit narrowed to USD 10.8 billion dollars from USD 11.8 billion dollars in the same month last year.
- European Union (EU) has accepted to provide a short term loan of 7.16 billion Euros to Greece to manage its debt.
- India and Russia have signed an agreement to boost trade between both the countries, which will help in rapid clearances of imported goods at the land and sea ports and addresses the issues related to the non-tariff barriers. Both countries also have fixed a target of US 30 billion dollars to be achieved by 2025.
- Union Finance Minister Arun Jaitley inaugurated the new Bank Note Paper Line unit of 6000 metric tonne capacity at Security Paper Mill in Hoshangabad, Madhya Pradesh.
- India and World Bank on 16 July 2015 signed Financing Agreement for assistance of 250 million US dollars for Andhra Pradesh Disaster Recovery Project.
- Russian Direct Investment Fund (RDIF) on 8 July 2015 signed framework agreements for equity investments in infrastructure projects in BRICS countries. The parties will work together to identify and finance infrastructure projects that will improve trade, economic and investment cooperation between BRICS countries.
- RBI on 1 June 2015 allowed cross holding in long-term infrastructure bonds. With this, now banks would be able to cross hold these bonds among themselves for financing infrastructure and affordable housing loans.
- RBI announced that soon the currency notes of one rupees denomination will be in circulation. The notes will be printed by the Government of India
- In March -April 2015, about 80 per cent of bitcoin transactions were yuan-denominated (CNY). Several Chinese banks have blocked bitcoin transactions from accounts held in them.
- The net foreign direct investment (FDI) inflows have touched a record high of US$ 34.9 billion in FY 2015, which contributes to about 1.7% of GDP in FY15 against 1.1% in FY14.
- Mutual Funds have invested over Rs 20,660 crore in equities and Equity Linked Savings Scheme (ELSS) during the months of April and May in 2015. This increased the asset base of equity funds to Rs 3.65 trillion- indicating a growth rate of 5.8%
- The New Development Bank (NDB) – BRICKS bank has planned to start lending in local currency.
- India remained at the top of Nielsen's global consumer confidence index for the fourth quarter in a row. The country's confidence score rose 1 point from the previous quarter and 9 points from a year ago to 130 in the three months ended March 2015.
- India enjoyed 350 Private Equity (PE) transactions worth US$ 12.7 billion in less than past six months, much higher than the previous high of US$ 10.9 billion in 2008 with 195 transactions. This spurt in PE activity could be credited large Venture Capitalists (VCs) and their funding to E-commerce platforms.

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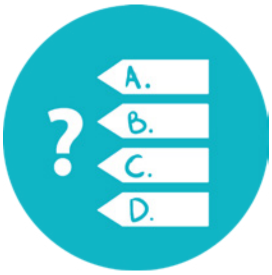

Quiz

- Aamitoj Monga (1421433)

1. Which is the world's second Trade Finance currency?
Ans. China's renminbi (RMB) also known as yuan. RMB is also fifth payment currency, and sixth foreign-exchange currency. RMB may become the world's fourth most-used international currency.

2. Many of countries are using the bond buyback programme to revive the economic growth and improve the demand in the economy. What is it called?
Ans. Quantitative easing.

3. According to World Economic Outlook Update release of IMF, Which country is the fastest growing country in terms of GDP?
Ans. India

4. What is India's debt to GDP ratio according to the survey published by the government of India?
Ans. 23.2%

5. Which organization has set a target of providing 30,000 crore rupees as credit to farmers for irrigation over the next three years?
Ans. NABARD. This funding will be in addition to the government's recent announcement of providing 50,000 crore rupees of loans to farmers over the next five years under the Pradhan Mantri Krishi Sinchai Yojana.

6. Rosneft signed a deal to take 49% of stake in an India-based company engaged in the exploration and production of oil and natural gas, refining of crude oil, and marketing of petroleum products. Which Indian company and what was the contract all about?
Ans. Essar Oil, the preliminary contract was to supply 10 million tonnes of oil a year for 10 years.

7. Flipkart on 12th July 2015 announced an allowance of Rs.50000 to employees. What was the allowance named as and which category of employees can claim it?
Ans. "Adoption allowance", Allowance will be offered to employees looking to adopt children.

8. With which Central Asian Nation has India signed a contract for a supply of 2000 metric tons of Uranium.
Ans.Uzbekistan

9. India and United States have signed inter-governmental agreement to implement which Act?
Ans. Foreign Account Tax Compliance Act (FACTA).
The agreement will promote transparency on tax matters and absorb offshore tax evasion by exchange of information between the two countries.

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About Us

Chaanakya is the official Finance Magazine of Wealth Incorporation, the Finance Club. It is released quarterly. Its objective is to keep each & everyone abreast with the activities and events of the world of finance.

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