



CHRIST
(DEEMED TO BE UNIVERSITY)
BANGALORE · INDIA

APRIL 2021 | VOLUME 21 | ISSUE 7

CHAANAKYA

**SCHOOL OF BUSINESS
AND MANAGEMENT**
MBA - FINANCE SPECIALIZATION

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EDITOR'S NOTE

Greetings readers!

It is our pleasure to bring to you the MBA Finance Students' contributions for April 2021. This issue is presented by **Team Teutates**, which is a group of students under the mentorship of **Dr. Aparna Hawaldar** from the MBA Finance Specialization. The writers have expressed their opinions on topics ranging from the advent of AI in Finance to Sun Pharma's phenomenal run in the market. A section on leading economic indicators of the world economy has been included to provide an understanding of their movements and impact. The section titled "Creative Corner" showcases the passion students have for photography and art.

We hope that the Newsletter will help the readers get an overview of the recent financial news. Along with every article, a "Snapshot" has been provided, which summarizes the entire article.

Team Chaanakya expresses sincere gratitude to our Dean. Dr. Jain Mathew and the entire leadership team, Head of Specialization, Dr. Mareena Mathew, Faculty Coordinator of Chaanakya, Dr. Nisha Shankar, our expert specialization mentors, and all the contributors for their cooperation and active participation.

Wishing our readers, A happy reading

Best wishes,
Team Chaanakya



This issue is presented by team

TEUTATES



Dr. Aparna Hawaldar



Neelam V



Vidhi Sancheti



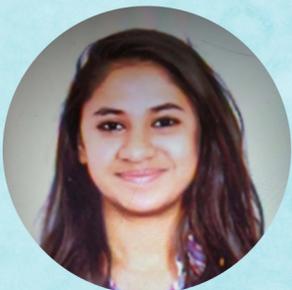
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Rajesh**



**Richa Jain
Porwal**



**Prince Kumar
Soni**



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**M N K
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CLUB ACTIVITIES AT A GLANCE



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HOBBIES
creating websites
swimming
photography
body building

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CLUB ACTIVITIES - APRIL 2021

Technical Analysis using Tradingview

The session was facilitated by Mr. Kumar Saurabh, the founder of Scientific Investing. He explained the fundamentals of technical analysis and how historical data aids the process. The session flowed into chart formations and what they indicate to investors. The importance and implications of trend lines were also touch based on. A total of 5 cases were discussed during the session using the tools available on tradingview.com to give students a hands on experience on how technical analysis is conducted.

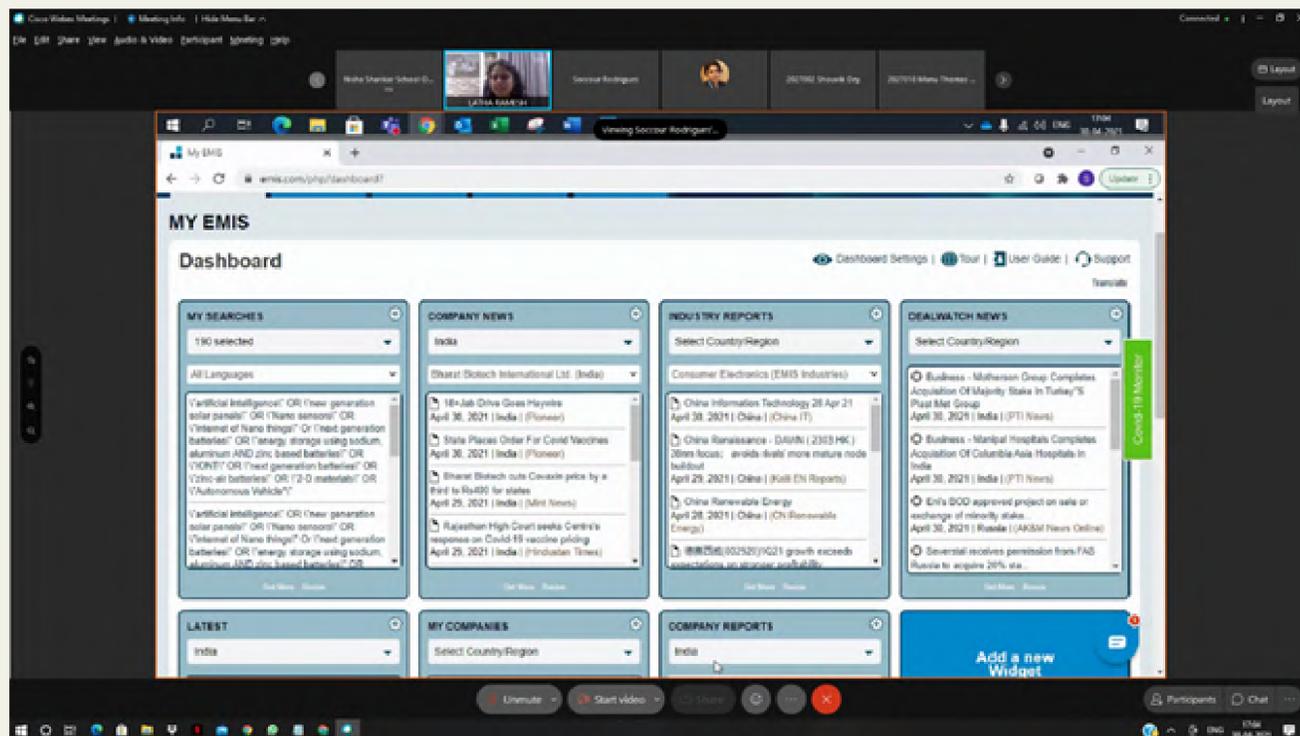
The screenshot shows a Zoom meeting interface. The main window displays a presentation slide with the following text: "Workshop on Technical Analysis Using Tradingview", "Christ College, MBA, Finance", and "Kumar Saurabh 03 April 2021". The slide also features a candlestick chart and the "Scientific Investing" logo. The Zoom control bar at the bottom shows "Speaking: SAURABH" and a "Layout" button. The participant list on the right includes: 2028121 Abhin Som, Nisha Shankar Institute of M., 2027746 Merlin George, 2028242 Salehi Sakoma, SAURABH, 2027802 Shouvik Dey, 2027803 Kailash, and 2027804 Divanshu Dhali.

The screenshot shows a Zoom meeting interface. The main window displays a presentation slide titled "Understanding Charts". The slide includes a diagram of a candlestick with labels for "Shadow or Wick" and "Real Body". It also shows two candlesticks: a green one labeled "Green Candles - Closing price higher than open price" and a red one labeled "Red Candles - Closing price lower than open price". A larger candlestick chart is shown below. The Zoom control bar at the bottom shows "Speaking: SAURABH" and a "Layout" button. The participant list on the right includes: 2028121 Abhin Som, Nisha Shankar Institute of M., 2027746 Merlin George, 2027802 Shouvik Dey, SAURABH, 2027803 Kailash, 2027804 Divanshu Dhali, and 2027810 Ravan H.

CLUB ACTIVITIES - APRIL 2021

EMIS Value Added Workshop

The workshop was facilitated by Mr. Rodrigues Soccour to provide a hands on knowledge about the database named EMIS. Mr. Rodrigues gave a detailed explanation with regard to Registration to EMIS through Knimbus, databases available on the EMIS platform, and the process to browse through the database to gain access to the right information.



ALUMNI SPEAK



SAMANTHA BLACK
sales director

EXPERIENCE

POSITION TITLE for company tld
Present
Short description of the position and the responsibilities you had in this position.

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HOBBIES
creating websites
swimming
photography
body building

REFERENCES

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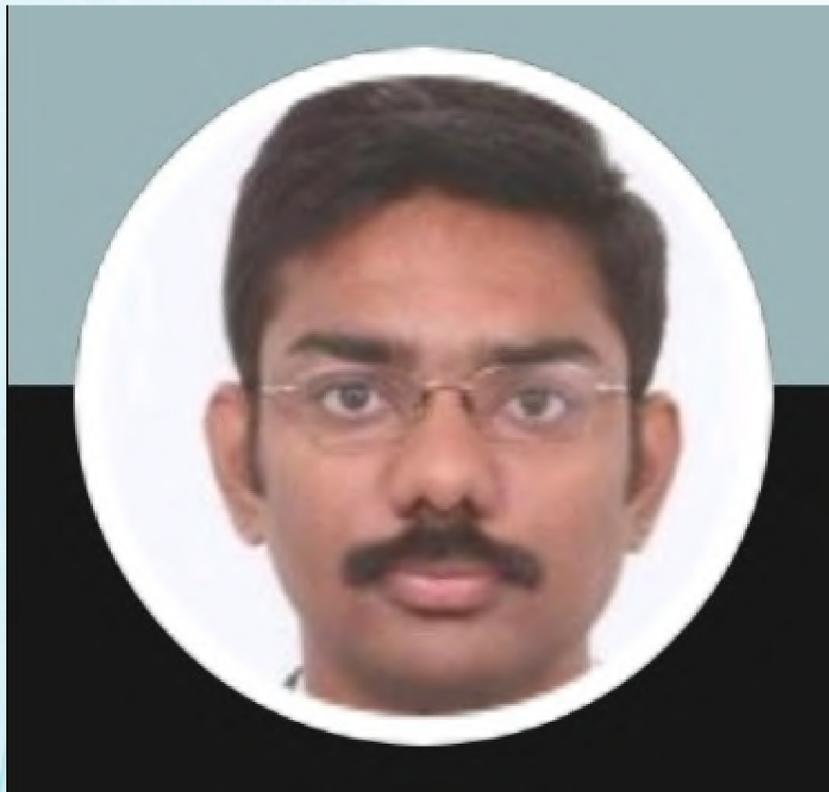
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COVER LETTER

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**OUR DISTINGUISHED SBMA ALUMNI –
MR. VEERAPPAN AIYAPPAN**



Mr. Veerappan Aiyappan
Investment Consultant, CFA Institute US, Kuwait

INTERVIEW WITH MR. VEERAPPAN AIYAPPAN

Q1. Points to think about when investing in this highly unpredictable pandemic situation.

According to me, valuation is the most important thing to be considered before investing. Investors should go slow before entering the market whether it's for long-term or short-term investment. The market is driven by multiple factors but factors which I feel most important are: valuation and sentiments, in the long run, what matters to the market is the valuation of the company and in the short run the sentiments can take the market up and down. Also, short term attracts liquidity. So before investing but trading, valuation is a must

Q2. What according to you is the most preferred financial asset?

Equity is what I'll suggest keeping in mind long-term investment. Bonds give lesser return though low risk but returns even further reduce post-tax. Real estate is in a very fragile state, right now (due to pandemic) when the future is full of uncertainties now I would like to make 10-15 months commitments towards real estate. And gold attracts global inflation so risk and reward aren't balanced.

Q3. What's your call on the pharmaceutical sector in the market?

If u see their returns from 2014 to 2019, they were very low and even negative, but now from the last 1 and half years almost they picked up pace significantly by almost giving 100% return. But this is driven majorly by sentiments then valuation and may be short-lived if the covid crisis ends in a few months and never repeats. But it's about assumptions so we can very practically assume that even after the crisis ends, people will be very particular about their health and the market of sanitizers, face masks, multivitamins, booster injections, etc will survive for long.

Researchers even state that India will get hit by 3rd wave as well and this crisis will remain for the next 4 years at least. So before investing, proper research and assumptions backed with logical reasoning should be considered

Q4. Which sector will make a long jump even after the end of the covid crisis?

Its IT sector. Unlike pharma, it isn't dependent on covid anymore. Pandemic and especially the lockdown has changed our views on ways of working. People are permanently switching to work from home claiming they were more productive that way and even saved their other costs on a net basis. The upcoming world is of IT.

Q5. How can you summarize the current market situation?

It's being driven more by sentiments than valuation which isn't good for in the long run. Investors are majorly focused on short-term investments as the future is very uncertain. We never know, a AAA-graded company can shut any time. Be very attentive and alert before investing. The market may lead to a bubble with no logical reasoning.



FACULTY SPEAK



SAMANTHA BLACK
sales director

EXPERIENCE

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EFFECTIVENESS OF STRATEGY AND BUDGETING IN AN ORGANIZATION BY PROF. DIVAKAR G M

1. What important factors do you consider when building a strategic plan?

- Purpose
- Stakeholders

Before building a strategic plan, we need to understand what is the business's motive and if it is going to benefit the stakeholders or not. You know stakeholders are internal as well as externals. We need to ensure that the strategy is executable and comfortable for all the stakeholders. Every objective calls for a different strategy. For instance, for an exam, we have a different strategic plan. If it is for the fee that we need to fix for a workshop, then we have a different plan by looking at the target audience. So, it's all about the stakeholders and purpose.

2. How do you measure whether a strategy is effective or not?

We can measure if the strategy is effective or not through past experiences. We can call past experiences as lessons learnt with a contemporary touch. Example: - What was working five years ago may not work today or may not work next year.

It actually depends on whether it is related to academics or an event that we do in collaboration with any other university or vendor. So, we see what is best in our store as of today keeping our brand name in the market, looking at the major stakeholders, etc. We know how to keep our strategic focus towards student progress and their initiative. We also look at our mission and vision which is Excellence and Service. So, we always think at higher levels. What best can we provide to ensure that there is excellence in our service.

3. How have you contributed in the past year beyond the capacity of a faculty member?

The last year was a big challenge for all of us. I was in the industry for the past 12 years,



associated with Reliance and Accenture and then with a third-party logistics company. After that, I shifted to academics where I learnt the art of articulation and presentation in the class. In the physical classroom setup, I used to keep the class active by making use of the best body language and humor. However, last year was a challenge. The pandemic called for an unexpected shift from on-campus classes to online classes. I had to imagine that I am looking at 50-60 students on my screen. The past year required a lot of adjustments to adapt to the online mode of teaching. The management of Christ University provided us with many training sessions and other platforms through which we learnt to conduct meetings online and keep the class engaged. This helped us to provide the best to all our stakeholders.

4. If it were up to you, what would your organization's budgeting process look like?

We have a very well-planned proactive budgeting strategy. The budgeting process that that was followed when I was the warehouse head is completely different from the one that Christ University follows. In the corporate setup, we handle different clients and our focus is on ensuring that customers are happy, products are moving, establishing sustainable service models, budgeting, etc.

So, keeping these factors in mind, we allocate resources to improve quality. Budgeting always gives importance to quality whether it is for a workshop or for buying a new software, It needs to be contemporary and in lines with what the industry is looking for. So, different department works on different types of budgets.

For each activity, we look at the allocation in the previous budget while incorporating the emerging trends. Post discussions and deliberations, the budget is sent across for the senior leadership's approval.

5. If you could use only one statement to review the overall health of an organization, which statement would you use, and why?

Mission and Vision statement of the organization.

Our vision is Excellence and Service. We strive to be excellent in everything that we do without compromising on the service aspect. Our first and foremost focus is on the student community, secondly on the service provider such as faculties, the University, the teaching or non-teaching staff, etc who form the backbone of the University. So, keeping all these infrastructures, people, networks, and the students our mission statement aims for the holistic development of an individual. Every individual works towards the University's mission statement. It is that one statement that drives every activity conducted at the University, be it five-yearly, two-yearly, yearly, or even faculty development programs. It ensures that every Christite inculcates a certain culture.

STUDENTS CORNER



EXPERIENCE

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TRANSFORMING FINANCE WITH AI



Artificial intelligence has been embedded drastically in our day-to-day life. Starting from using the most advanced technologies to getting everything automated, AI is one technology that has constantly been paying dividends. Artificial intelligence has made life easier for consumers in the banking and financial industries who spend their money more efficiently. We have evolved from using television to the internet, and now we are smoothly and gradually adopting Artificial Intelligence. John McCarthy first introduced the term AI in 1956. It involves many things ranging from the process automation of robotics to the actual process of robotics.

The following article is on how Artificial Intelligence is being used in the finance world:

Credit Decisions

Banks and credit lenders use AI technologies in their underwriting decisions by utilizing various factors that help them increase their accurateness and reduce errors in their credit decision-making process. ZestFinance is the inventor of the Zest Automated Machine Learning (ZAML) platform. It is an AI-powered underwriting solution that helps companies assess borrowers with little to no credit information or history.

Thousands of data points are included in the platform, which offers clarity that most underwriting schemes cannot, helping lenders correctly identify communities that are typically considered "at risk."

ZAML is an end-to-end framework that organizations can quickly adapt and scale.

Managing Risks

Machine learning, a branch of artificial intelligence, is rapidly being used in financial markets to construct more accurate, nimble models. These projections assist financial experts in detecting developments, identifying risks, conserving the workforce, and ensuring better data for future planning.

Kensho, a company specializing in providing machine intelligence and data analytics solutions to top companies like Bank of America, S&P Global, J.P. Morgan, and Morgan Stanley. Kensho's software offers analytical solutions using a combination of natural language processing (NLP) and cloud computing. The company's systems can provide solutions to complex and technical financial problems in plain and understandable text.

Quantitative Trading

Big, complex data sets can be processed faster and more effectively by AI-powered computers than by humans. The algorithmic trading processes automate trades and save time.

AlphaSense is a finance-focused AI-powered search engine that supports clients such as banks, investment firms, and Fortune 500 companies.

The motive is to uncover developments and patterns in financial markets. The platform uses natural language processing which analyses keyword queries inside filings, transcripts, research, and news.

Personalized Banking

According to an Accenture survey of 33,000 banking clients, 54 percent want software to help them monitor their expenses and make real-time changes. In addition, 41% are "very likely" to use computer-generated financial advice.

Artificial intelligence (AI) helpers, such as chatbots, use natural language processing and artificial intelligence to produce customized financial advice and deliver instant, self-help customer support.

Kasisto is the founder of KAI, a conversational AI application used in the financial industry to enhance consumer interactions. KAI assists banks in reducing call center volume by offering self-service services and alternatives to consumers. The AI-powered chatbots provide users with calculated recommendations and help with other daily financial decisions.

Artificial Intelligence in the financial world is completely changing how we transact in our day-to-day life. AI helps in credit decisions, managing risk, quantitative trading, personalized banking, and many more. The expansion is at a medium pace, it can be expected that the improvements are going to lead to an increase in profit maximization along with improved customer experience.

ABHIJIT DEB
2027701



C H A A N A K Y A

SAVING TO INVESTING - GROWTH OF INDIAN MILLENNIALS



India being a developing country, society has always been very conservative when it comes to financial matters. People believe in savings as a safe bet rather than investing in catering to their future needs. The colonialism in India for over 200 years is the main reason for the people to indulge in savings. The less finance knowledge and increasing frauds in the stock market in those days has made people stay from investing over many decades. However, there has been a shift in savings to investing in the 21st century. Young investors are investing at an early age than their parents. The awareness about investment opportunities among the Millennials is changing the phase of the economy.

The investment rate by the Millennials has been gradually increasing to gain better returns. They are willing to take some risks rather than traditional methods. The growth of the Internet and trading apps has been impacted mainly in spreading financial literacy. People are investing in stocks, mutual funds, commodities, cryptocurrencies, and bonds. The number of traders and Demat accounts have seen an enormous surge, up to 10.4 million active accounts majority from small towns and villages during the pandemic.

The recent IPOs have been seeing maximum subscriptions indicating the investment demand. Experts believe India can equal the market cap of China in 5-10 years due to India's growth. The growth of young investors is a positive sign for economic development.

The awareness regarding inflation, present, and future cash value is encouraging young investors to grow their investments. The stereotype of savings in Indian society is slightly shifting towards investing. The government's strict rules and regulations regarding investor's protection and safeguarding their interests and the companies' availability of financial data are encouraging young people to learn about the finance field. A total of 3.17% of the Indian population are aware of the investing avenues and stock market compared to 12.5 % of China and 55% of the USA who invest. Therefore it is predicted that the Millennials will be driving the Indian economy to more considerable heights shortly, making it a superpower economy.

Increased financial awareness has caused the Indian mindset to shift from savings to investing in the 21st century. Millennials are focused on investing rather than saving and they have started off at a much earlier age than their parents. Although there is a higher financial risk involved in investing, yet it has the ability to beat inflation and is a great means to increase net worth in the long run.

ADHARSH S S
2027512



WHY HAS RBI INCREASED THE CRR?

RBI to restore the cash reserve ratio in two phases to 4%

Our Bureau | Mumbai | Updated on February 05, 2021



CRR will go up from 3 per cent to 3.5 per cent effective from March 27, and to 4 per cent effective from May 22

Quality lending, if undertaken, may enhance profitability for banks - *istock/Denis Vorstlav*

The Reserve Bank of India (RBI) has decided to gradually restore the cash reserve ratio (CRR) in two phases in a non-disruptive manner. This move is based on a review of monetary and liquidity conditions.

On 5th February 2021, the RBI decided to normalize the CRR rate from 3% to 4% in two phases- from 3 to 3.5%, with effect from March 27th, 2021, and from 3.5% to 4% starting May 22nd, 2021.

What is CRR?

The portion of the deposits that commercial banks have to keep with the RBI as a part of the liquidity measure is known as CRR. Due to the economic slowdown witnessed as a result of the COVID 19 pandemic, RBI had to cut the CRR from 4% to 3% for a year that had ended on March 26th, 2021. An increase in the CRR indicates that the amount available with the banks to give out as loans will come down, hampering credit creation in the economy.

What are the reasons for the CRR hike?

The first reason is due to the emerging signs of economic revival. RBI has forecasted that the real GDP is expected to grow by 10.5% in 2021-22. Slowly, more sectors are joining the list of normalizing sectors. Capacity utilization in the manufacturing sector improved to 63.3% in Q2 of 2021-21 from 47.3% in the previous quarter. Consumer confidence is gaining, and business expectations of services, manufacturing, and infrastructure are on the climb. Secondly, there has been surplus liquidity in the economy, and RBI expects inflation to go up in the coming months. Therefore, in order to tackle this, RBI hiked CRR to reduce the money supply in the economy.

What will happen to FD and loan interest rates?

The lower interest rate was a problem faced by investors, especially senior citizens with no other sources of income. However, with a hike in the requirement of CRR from 3% to 4% in the next two months, RBI has given a positive signal to the investors that the interest rate on FD might go up in the future. Conceptually this can be explained as, with the increase in CRR, the amount available with the banks to lend out as loans will decrease. Therefore, in order to incentivize people to deposit more, interest rates on FDs will be increased. As the cost of raising funds increases, interest rates on loans will go up if they find increased demand for loans.



SOURCE: TRADINGECONOMICS.COM | RESERVE BANK OF INDIA

Trend of CRR from 2012 to 2020
Source: Tradingeconomics.com

CRR was increased due to the emerging signs of economic revival and an expectation of inflation to rise in the coming months. An increase in CRR has a positive impact on FD rates while increasing the cost of funds too.

ASHWATHY B NAIR
2027548



PINK TAX: IS IT FAIR?



The pink tax refers to the general trend for goods sold exclusively to women to be more costly than those marketed to men, regardless of whether either gender chooses to buy either product. People often get confused that the pink tax is a benefit given to women; instead, it is an added 7% tax for women on all the products. It has been observed that all the products that are meant for women are significantly more expensive than those for men.

Example: A regular razor meant for men (colored as black, blue, or silver) costs Rs 80/- Whereas the same quality of razor for women costs Rs. 250/.

This applies to salon services too, for a woman, a half-inch trim costs 600/- Whereas, for men, haircut+styling+shave costs only 150/-

Not to forget, all the products related to menstruation are already an extra add-on for women as compared to men.

A report published by the Department of Consumer Affairs suggests products marketed for women generally cost more (on average, 7% more). Be it clothes, makeup, salon, personal care products, footwear, or even toys, everything that is meant for "women" is expensive.

Why Pink Tax?

People think that women are more likely to pay extra for their products than men. This is because of the societal pressure that tends women to go to lengths to look better.

How does it affect women?

This problem is two-fold. Women are already paid less for the same job and are expected to pay more due to unfair tax pricing, draining their bank accounts (it is like a candle that is burning from both ends).

What can be done?

- Men and women together can educate people about the extra added taxes to demotivate the brands to continue this practice.
- This practice can be exposed on social media to be brought to light.

Let us make this world a little easier for women! Educate people about the "pink" tax, and let us kick it out of our system.

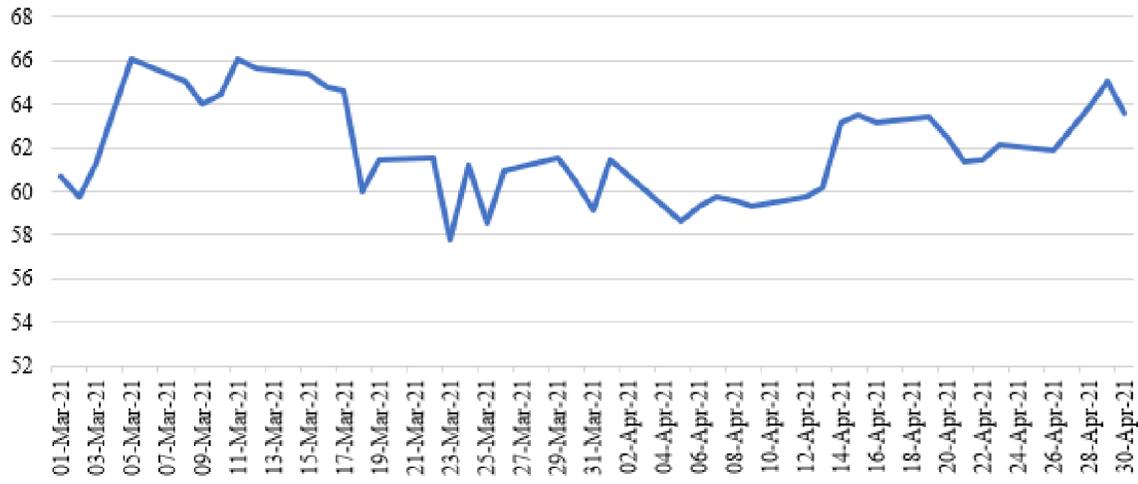
Pink tax is not a rebate for women; instead, it is the practice of charging extra for those goods that are sold exclusively to women. This makes products meant for women more expensive than those meant for men. Such practices can take a hit on financial health of women who already earn lesser than their male counterparts

MEDHA SINGH
2027640

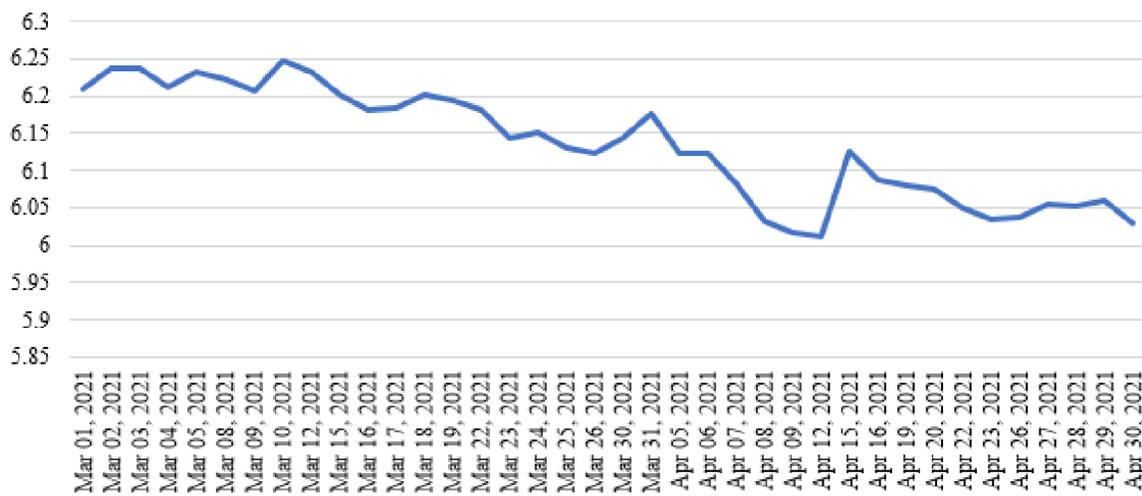


GAUGING THE ECONOMY-APRIL 2021

CRUDE OIL PRICES

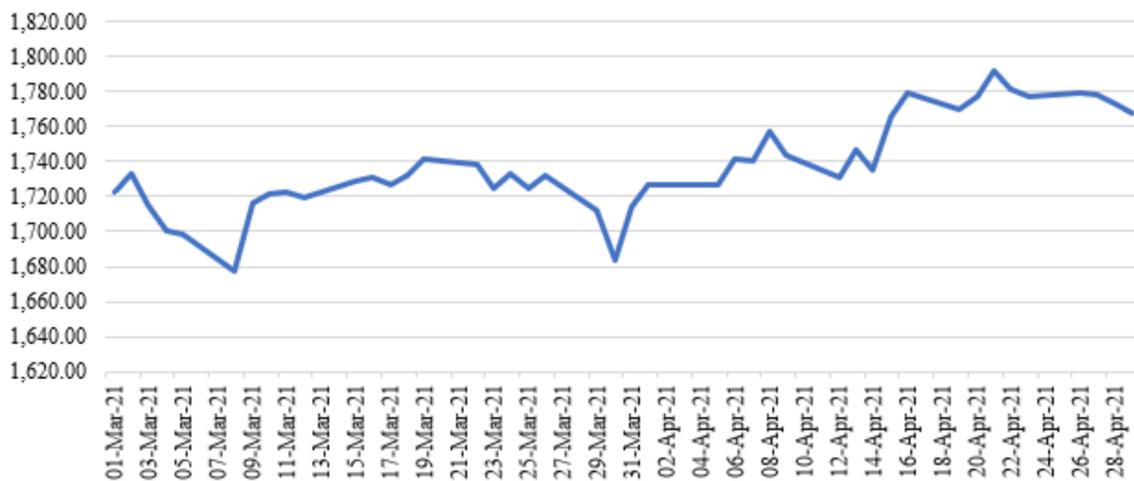


10-YEAR G-SEC BOND YIELD

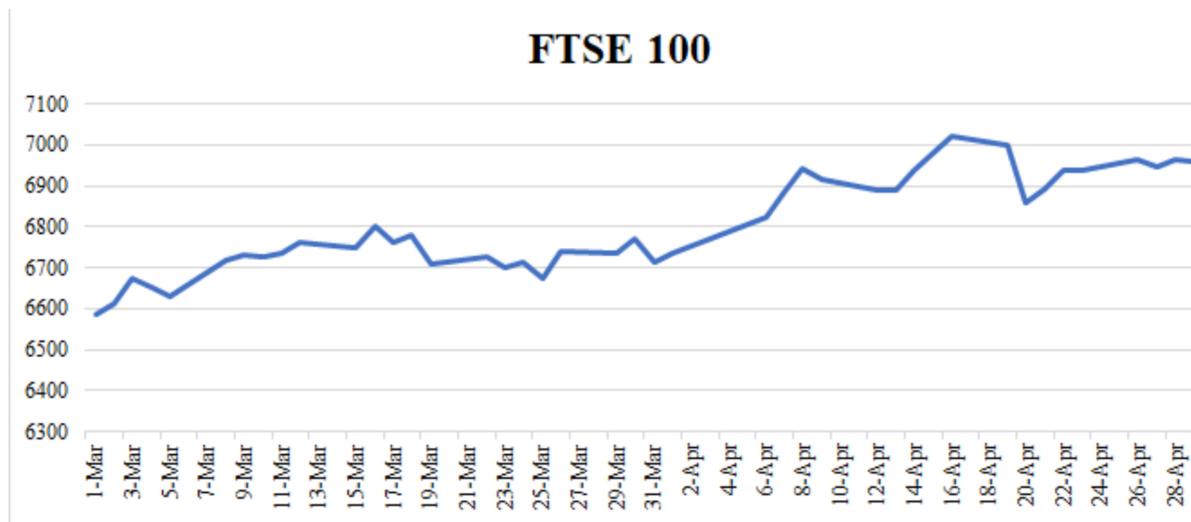


A fall in the G-Sec Bond Yield was observed primarily due to concerns over financial slippage, RBI's announcement of an OMO, and sell off on announcement of additional borrowing of INR 4.2 trillion by the Government of India.

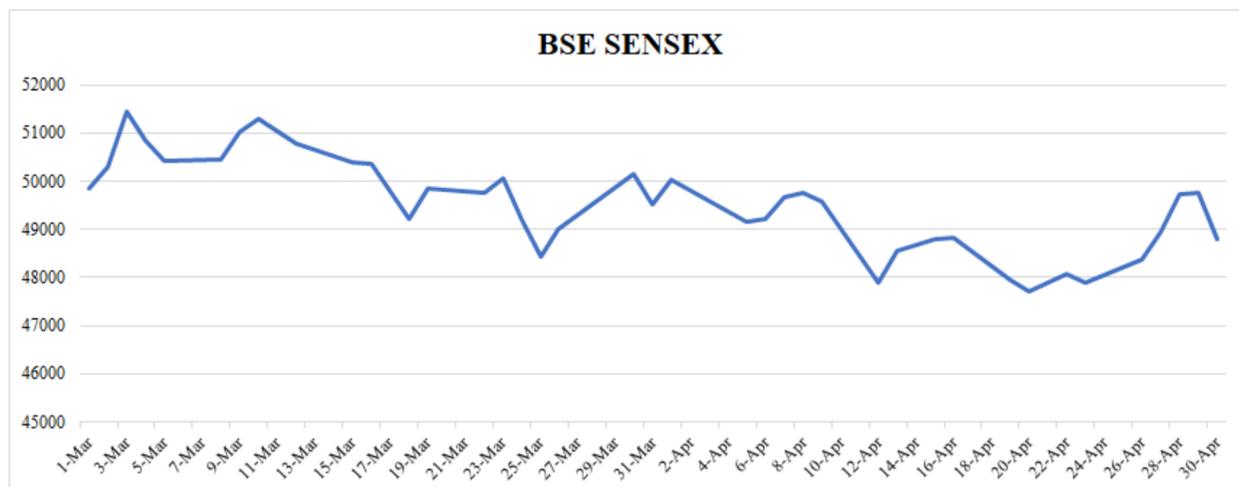
GOLD



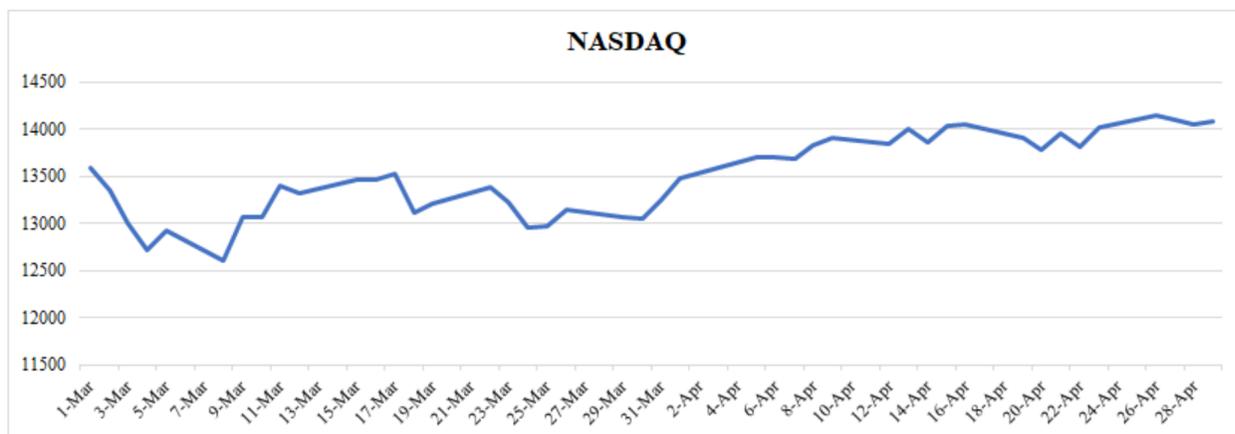
The rise in Gold prices in the month can be attributed to the appreciation in the value of Rupee coupled with MCX Gold forming a head and shoulder pattern leading to higher highs.



We observed an increase in FTSE 100 due to China's rally and recording fastest y-o-y growth, Ocado's investment in self-driving vehicles, and Music Magpie's IPO valued at 200 million pound.



Sensex stumbled down due to the second wave of COVID 19 hitting the nation along with a drop in corporate credit growth.



The upward trajectory of NASDAQ can be attributed to the positive impact of the COVID 19 vaccine roll out, reopening of the economy, and rolling out of new federal stimulus package.

HOW MUCH FINANCIAL DATA IS SAFE IN CLOUD COMPUTING



It is characteristic to contemplate whether your information is protected when put away in the cloud framework. Your records, photographs, and recordings are being put away on servers that you do not heavily influence. You may think about how weak these servers are to cyberthieves.

Here is the reality: The information that you save with cloud specialist organizations may probably be more secure than the data you have put away in your PC's hard drive. Keep in mind. Programmers can utilize malware and phishing messages to get the data put away on their gadgets. They may freeze your PC, requesting a payoff before delivering the records and information they have frozen.

Financial service associations have an opportunity to change their industry from where it presently stands. For the banking sector, they know that the suggestion of putting away their most sensitive information in innovation that they do not yet comprehend entirely could take steps to be impeding. In a recent cloud computing survey, respondents displayed hesitance towards facilitating profoundly delicate information in the cloud, with client data (53%) and financial, monetary information (55%) covering the file of concern.

The reason for their doubt? More than half of respondents (56%) admitted that they had questions about how agreeable their cloud setup was. 47% highlighted the continuous online protection abilities deficiency and

absence of permeability inside the cloud was a concern for 42%. Financial service help associations, like never before, endeavor to see how to complete work in the cloud and perceive the potential security challenges distributed computing can introduce.

In tuning in to client concerns, financial service associations can more readily comprehend the significance of using the cloud without worrying about allocating security resources across the globe. For instance, Barracuda security arrangements are designed for cloud, offering dynamic scaling, API-based setups, a combination with Azure Active Directory, and Azure App Service, implying that clients can scale their answers to their particular necessities and influence the cloud to ensure their clients' information.

The Accountability Challenge

Current laws give rules to organizations that keep up persona data. The laws address how persona data should be ensured, utilized, and eventually annihilated, just as punishments for the inability to secure that data. Those laws incorporate arrangements for guaranteeing any outsider that an organization offers data to ensure it as the organization would itself.

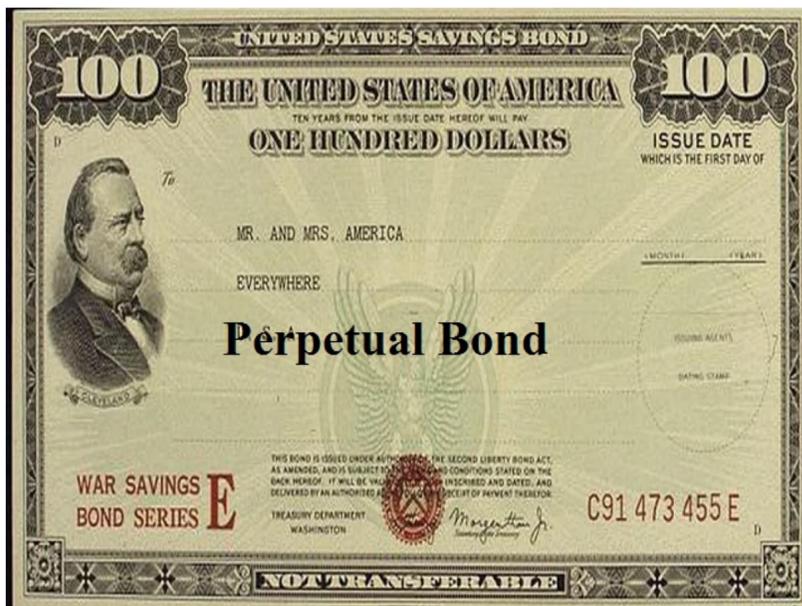
However, when individual data is put away in the cloud, it can turn out to be practically incomprehensible for a buyer to realize who undermined their data.

Data stored on cloud specialist organizations are probably more secure than the data that is stored in the hard drive of our PCs. Nevertheless, users of cloud computing too have their apprehensions

PRINCE KUMAR SONI
2028002



PERPETUAL BONDS: NOTE THE CHANGES!



Perpetual bonds, commonly known as AT-1 bonds, are issued by banks to absorb losses in case of erosion of their capital due to high provisions. Hence AT-1 securities are a type of contingent convertible bonds designed to ensure that investors would be on the hook if the bank runs into financial stress. These bonds are given to retail investors as an attractive return option that offers higher returns as compared to ordinary bondholders. This would also mean that if the bank has higher Non Performing assets (NPA), the higher will be the losses born by the AT-1 bondholders.

The market regulator SEBI has tightened the investment norms for the debt instrument. SEBI suggested that AT-1 bonds will be treated as bonds having 100-year maturity along with the capping of the mutual fund exposure to a single issuer to 5% with respect to fresh issuance. Besides, it also said that at the scheme level, no fund should hold more than 10% Net asset value of the debt portfolio in such instruments. This tightened rule has into effect due to Yes Bank's non-repayment to ATI bonds. The Market for AT-1 bonds took a hit after the Rs 8415 crore AT-1 bond write off by Yes Bank as part of the State Bank of India led bailout in March 2020 SEBI has also stipulated

that a minimum trading lot size of Rs 1 crore for such bonds and is only permitted to qualified institutional buyers (QIB's) to buy from banks. Retail investors are suggested not to buy these bonds due to high risk.

The following are the concerns relating to the AT-1 circular from SEBI:

- Due to Yes bank's non-repayment to AT-1 bondholders, an increased number of investors is less interested in these bonds. Added to it, the longest tenure of 100 years and high-interest rates will result in withdrawals on the part of retail investors. NAV will trigger a flood of redemptions.
- The new rules will also increase the sensitivity to interest rate changes, and revaluation could also lower the value and hence reduce the price
- The new rules will also bring uncertainty for banks- smaller and weaker banks who look to raise capital issuing perpetual bonds. Out of a total market of Rs 90,000 crore, exposures to mutual funds to AT-1 bonds amount to 3500 crores. SBI alone has 11000 crores worth call option due in FY22 out of the said Rs 3500 crores. Hence Banks have significant exposure to these instruments.

The article explores the several changes in Perpetual Bonds and their implications on the economic environment.

SHIVANI SINGH
2027843



FINANCIAL JARGONS

90 DAYS EQUITY WASH RESTRICTION

This rule states that assets transferred out of an investment contract fund must be transferred to a stock fund or a bond fund with a three-year average maturity or greater. Before the assets get assigned to a competing stable value fund, they must remain in the stock fund for 90 days before becoming eligible for transfer. The issuers of the investment contracts impose this restriction to prevent investors from moving out of an investment contract fund and into a competing fund to obtain a higher interest rate.

NINJA LOAN

NINJA loan stands for “NO INCOME, NO JOB & NO ASSETS loan.” It is a loan where the lender doesn’t bother with verifying the borrower’s ability to repay, unlike how regular loans require evidence for stable income or collateral. These loans were prevalent before the 2008 housing market crash.

BALLOON LOAN

This type of loan is structured to help the small business owner so that he can make regular repayments on a predetermined schedule and one larger payment, or balloon payment, at the end. These can be attractive and convenient to new businesses because the payments are smaller initially as they are more likely to face strict financial constraints.

BOOTSTRAPPING

It refers to using one’s own money to finance the start-up and growth of their small business, i.e., being one’s investor. Once the company is up and running successfully, bootstrapping refers to using profits earned to reinvest in the business

FICO SCORE

It is a type of credit score used by potential lenders for evaluating their decision of entering into a contract with a business. To determine credit risk, lenders use credit reports of which the FICO score has a significant part. The Fair Isaac Corporation created it, hence the name FICO.

LIEN

A lien is a creditor’s legal claim to the collateral pledged as security for a loan.

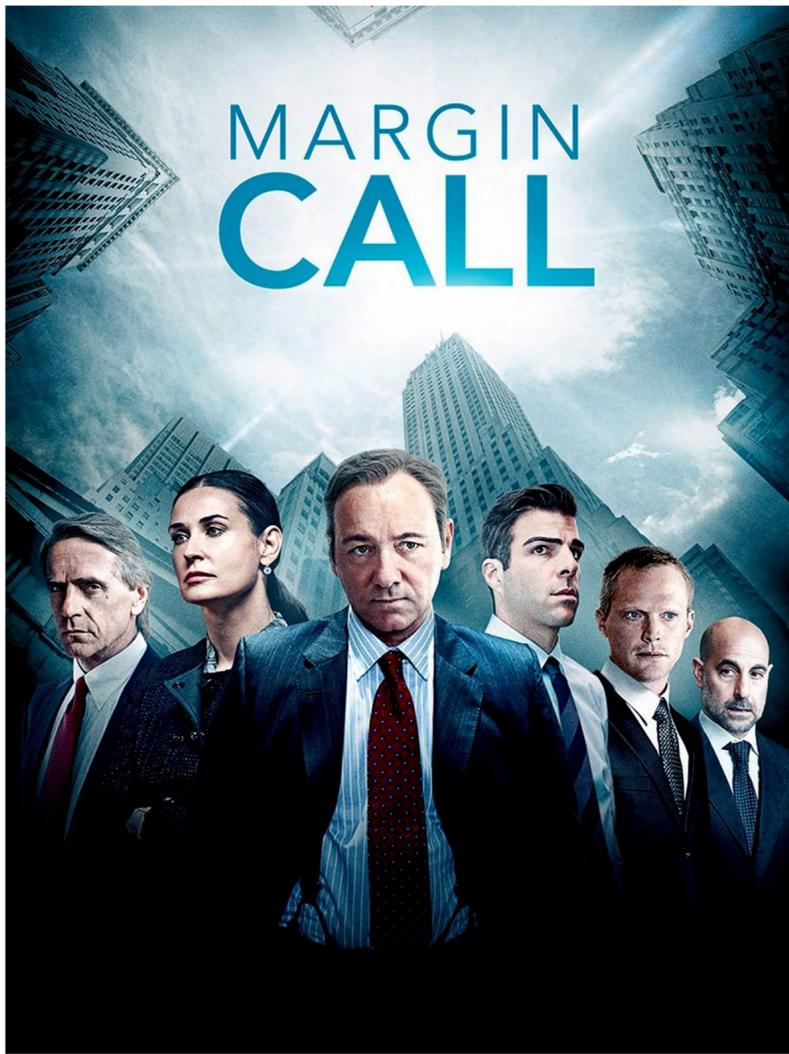
MEZZANINE FINANCING

It is hybrid financing that comprises both debt and equity financing that allows the lender to convert loan value to equity in the company in case of default generally, after the payment is made to senior lenders such as private equity companies, venture capital companies, etc.

NEELAM V
2028256



MOVIE REVIEW: MARGIN CALL



Running time: 1 hour 49 minutes

Directed by: J. C. Chandor

It's rare to come across a finance movie that depicts the industry in its harsh light of reality and resists its Hollywood flashiness.

The film's backdrop is the 2008 financial meltdown, and it starts with laying off employees. One of the victims is a middle-aged analyst who was a Risk Management Analyst and was working upon the projection of the volatility market played by Stanley Tucci. The acting chops of the latter set the tone for the dire circumstances navigated throughout the film. Upon his departure, he hands out insider tips to young associate Zachary Quinto. He probably spells doom for the firm shortly as he figured out the linkage that his boss missed, that the historical volatility index limits were depending on their VAR model.

The limits levered up, and if the limits get outside the range, the situation gets doomed. It was happening for two weeks, and none of them could figure it out and be unaware. The Junior associate Peter projected the model that states that if those assets decrease by just 25% and remain on their books, that loss would be greater than the company's current market capitalization. These all happened the very night when the layoff occurred. Even the Chief Risk Management officer couldn't figure out the findings of the fallacy of their value. So they concluded and decided to liquidate all of their assets which were the riskiest to the firm because these assets had no value in the future to which Sam Rogers, his boss, was not ready to liquidate. Still, he gets convinced by Tuld's strategy.

The movie's highlight is the all-night crisis meeting that showcases the shrewd psychology used by John Tuld, CEO of the company. We could also see how it ended with guilt and a stated fact that these economic crises happened and kept their interest above everything.

Margin Call ends with a long night's journey where the firm decides heavily to sell all of their assets with other layoffs too on the trading day, which experiences one of the darkest days in the financial industry.

RICHA JAIN

2027943



SUN PHARMA ON THE BULL RUN



Sun Pharmaceutical Industries Ltd., Which is operating in the Pharmaceuticals Sector having a market cap of Rs. 1,63,190.77 Cr. It is the best performing Stock this Month. The real credit goes to the pandemic, which has tons of negative impacts on society, but one of its good impacts can be seen in the rise in investor's interest in the pharmaceutical sector. Pharma companies have been on a roll since the first quarter, and Sun Pharmaceutical Industries Ltd.'s Q2 results show that the trend continues.

The fourth-biggest global specialty generic company in India, Sun Pharmaceutical Industries Limited, is the No. 1 and No. 8 in the US. It is the world's most prominent Indian pharmaceutical firm in the United States and one of the top Indian pharma companies in developing markets.

Looking at the company's financial performance for Q4 of FY 2020-2021, A 37.12 % YoY fall in Net Profit at Rs. 399.84 Crore. Although the company experienced a huge dip in Net profit, the consolidated Revenue increased 14.67% YoY to Rs. 8078.03 Crore for Q4. After the Q4 result announcement, stock jumps by 3.5% due to the improvement in margin driven by the specialty products business.

The stock is in Bullish Momentum - Above Short-, Medium- and Long-Term Moving Averages. On 05th May 2021, the stock touched a 52 week high of 687.90. SUN PHARMA's last traded price was down 0.8% to Rs 678.0 on the BSE.

Talking about some of the tips related to the stock, as Sun pharma has formed a bearish engulfing pattern, it might go a little down, so selling it below Rs. 668 for a target of 640 will be beneficial. The stock currently has high PE, which means investors are willing to pay more considering more future returns from the company. One more aspect is that considering the situation, the stock can be overvalued.

- The stock is currently Outperforming as Sun Pharmaceutical Industries up by 9.5% v/s NIFTY 50 up by 0.28% in the last month.
- After Crossing the Rs 650-655, which was a resistance point for the stock. Sun pharma's previous day close is at 683.40. It looks attractive with a good risk-reward and a shorter-term view as well as a longer-term view. The stock could even touch the 750 mark in the coming week.

According to the Trendlyne Momentum Score, which is 69.0, the stock is technically strong as Trendlyne Momentum Score combines over 20 vital technical indicators to calculate the stock's technical strength in the market.

SWOT Analysis of the Company

STRENGTHS (+)

- Improvement in ROE since last 2 years.
- Low debt company
- Revenue is increasing for the past 2 quarters.
- High trendline momentum score which tells about the stock technical strength in the market.

WEAKNESSES (-)

- Huge fall in net profit.
- Declining net cash flow
- Promoter pledging their stock

OPPORTUNITIES (+)

- 8.4% returns for Nifty 500 over 0.3 years
- Price strength due to ongoing pandemic
- Stock touched 52-week high of 687.90.

THREATS (-)

- Ongoing internal matter or legal case
- Increasing trend in non-core income.
- High PE stock which indicates that stock is overvalued

Published on TradingView.com, May 06, 2021 18:12:01 IST
 NSE:SUNPHARMA, D Q:689.85 H:696.70 L:673.35 C:679.40



Source: Tradingview

ANKIT YADAV
 2028108



7 LITTLE WORDS

Find the 7 Financial jargons to match the 7 clues. The numbers in the parentheses represent the number of letters in each solution. Each of the combinations must be used only once, and remember, all the letter combinations will be necessary to complete the puzzle.

GOOD LUCK!!!!

	CLUES	SOLUTIONS
1.	A Resource with economic value (6)	
2.	Normal balance of an Asset Account (5)	
3.	Top line item (7)	
4.	A financial obligation (9)	
5.	Shareholders Rewards (8)	
6.	Financial gain of a company (7)	
7.	Right hand side of a Ledger (6)	

AS	CR	VI	NUE	IL
LI	PRO	DE	IT	DEB
VE	ND	RE	DI	AB
ED	SET	ITY	FIT	IT

SCAN TO SEE THE SOLUTION



SHRAVANI C
2027757



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Y

K

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N

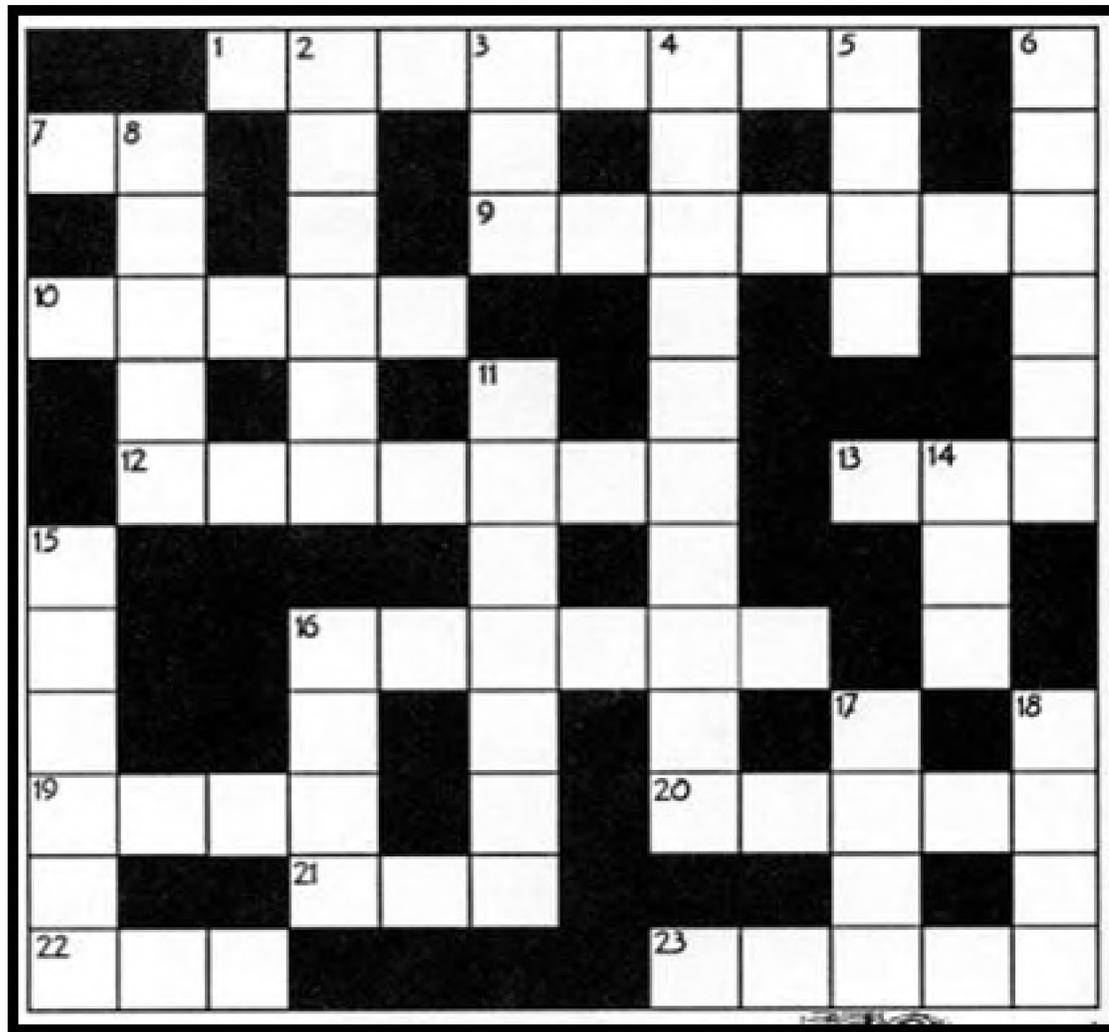
A

A

H

C

FINANCE CROSSWORD



HINTS

ACROSS:

1. The name of the British currency.
3. Direction in which prices always seem to go.
9. Act to reduce the international value of a currency.
10. Verification of a company's accounts.
12. A negative balance of money
13. Take action.
16. A man (or woman) who works in a bank.
19. Money which is lent.
20. Commerce.
21. Twenty-four hours.
22. Bandits may want to _____ a bank.
23. American word for banknotes

DOWN:

2. List of prices.
3. If you are "in the _____" you have a negative amount of money in your bank account..
4. Money placed in order to earn interest.
5. A valuable metal .
6. Money that you can use though you may not actually have it.
8. Unit of British currency.
11. The national "_____ " the financial system of a country, and its operation.
14. Reduce
15. It carries a portrait of George Washington.
16. A type of financial holding - but nothing to do with 007.
17. Street in which the US stock exchange is situated.
18. Money charged by lawyers or other professionals, for service or advice.

SATHYANARAYANAN RAJESH
2027923



CREATIVE CORNER



SAMANTHA BLACK
sales director

EXPERIENCE

POSITION TITLE for company tld
Present
Short description of the position and the responsibilities you had in this position.

POSITION TITLE for company tld
2013 - 2016
Short description of the position and the responsibilities you had in this position.

POSITION TITLE for company tld
2012 - 2013
Short description of the position and the responsibilities you had in this position.
Lorem ipsum dolor sit amet lur dis onomu inusani qui spe volur new.

POSITION TITLE for company tld
2003 - 2010
Short description of the position and the responsibilities you had in this position.

ADDRESS
125 Name Street,
Town / City,
State / Country,
Postal / ZIP code

HOBBIES
creating websites
swimming
photography
body building

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COVER LETTER

28

IN A HEARTBEAT!

At that moment, in a heartbeat, with a look in those eyes, I fell in love!

I always wanted to have a dog, but somehow, the desire would fade as I couldn't find one. But this time, I was adamant about finding one, and that's when I saw this stud puppy with those adorable eyes, walking around with his tiny paws and making cute sounds as he couldn't bark.

As I held him, the journey back home was full of emotional turmoil, and my life changed completely.

Dear Royce,

Right from choosing your perfect name to

Your endless naps on my laps to

Your first bark to

Your first head tilt to

Your first vaccine wherein

You didn't even glitch, yet I was teary-eyed to

Your first celebration to

Your early morning barks to wake me up to

Your wagging tail, puppy bites and jumps the moment I'm home to

You snuggling like a baby to

You protecting me like a warrior to

Looking at you swim,

Where I lost a heartbeat only to see you swim like a pro to

Calling your doctor endlessly to make sure you are okay and I'm better-informed to

Carrying you around to

You making me forget my worries to

Our walks, games, secrets, trips, escapades, and exploration of the world,

For no one knew I existed till you did!

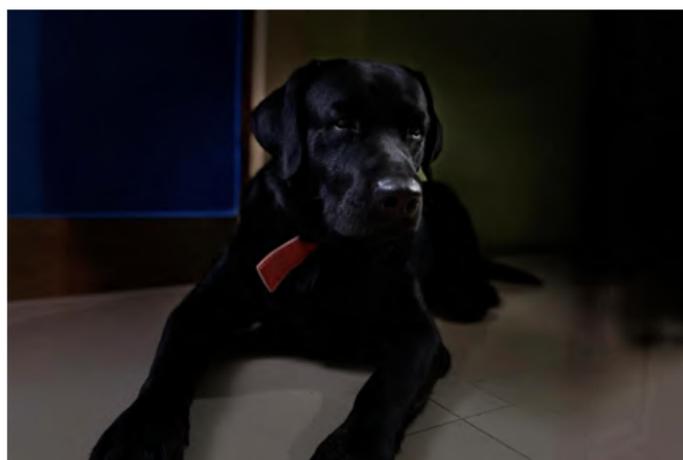
I fell in love with everything about you

As you make my LIFE pawfully perfect

With those instant adrenaline rush shots!

You will always be my baby boy now and forever, with those puppy eyes sparkling my life!

If you would ask me for the synonym of “unconditional love”, I would tell “Royce” while you ought to be saying “Dogs”.



M N K KHAJUKATHARA
2028043



PAINTING



The night sky, what about it? As the sunlight fades into the horizon, darkness emerges and conquers the sky; it vanquishes the light from the sun and helps us to see bright the stars and our beautiful moon.

What about the night sky? It helps us to experience half death every day (sleep), without it we will be living in an eternal circle of tiring days.

Somewhere deep down darkness helps us to see beyond light, beyond ordinary.

As the night sky showcases its beauty of stars, constellations, and maybe if you're lucky even galaxies, it mesmerizes us and hypnotizes us.

For long back people were indirectly reliant on the night sky for finding locations. It's also a natural compass for some and a storyteller for telling tales from billions of years ago. The starlight from the night sky just rejoices us by reminding us of our childhood; of how we actually used to enjoy outside. A gaze at the night sky will surely bring some peace to your soul.

ANKIT YADAV
2028108



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