



CHRIST
(DEEMED TO BE UNIVERSITY)
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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 September 2021. This issue is presented by **Team Hermes**, which is a group of students under the mentorship of **Prof. Soumik Bhusan** from the MBA Finance Specialization. In this issue, the writers have explored a wide range of contemporary developments in the world of finance. The section titled “Creative Corner” showcases the passion students have for art and poetry. 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

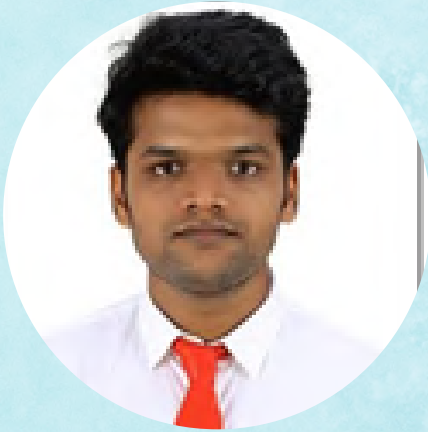


This issue is presented by team

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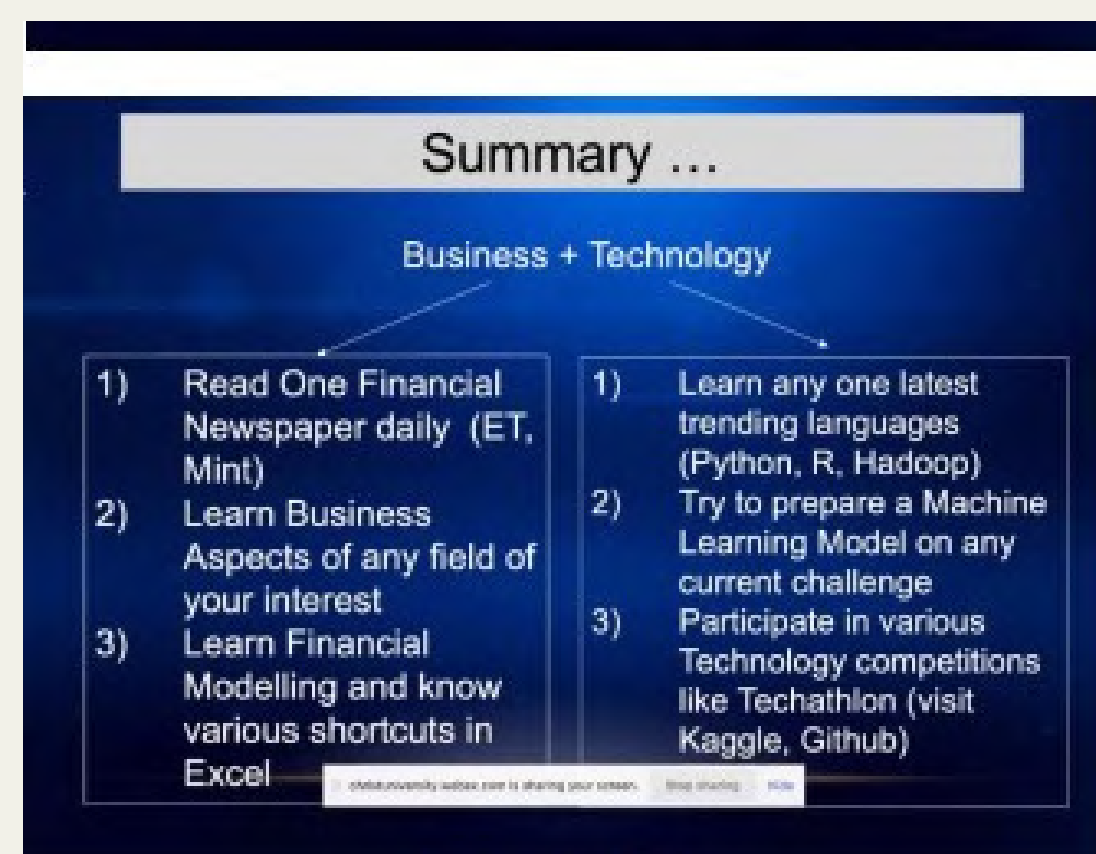
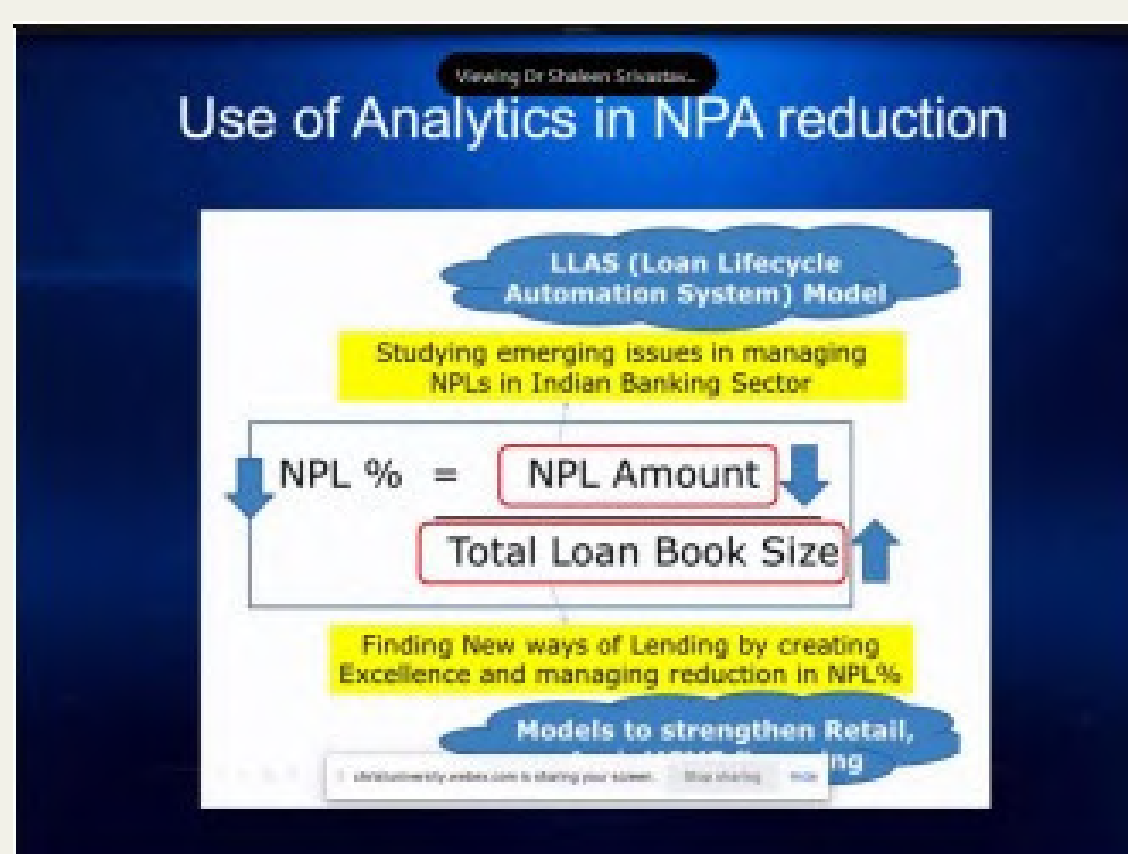
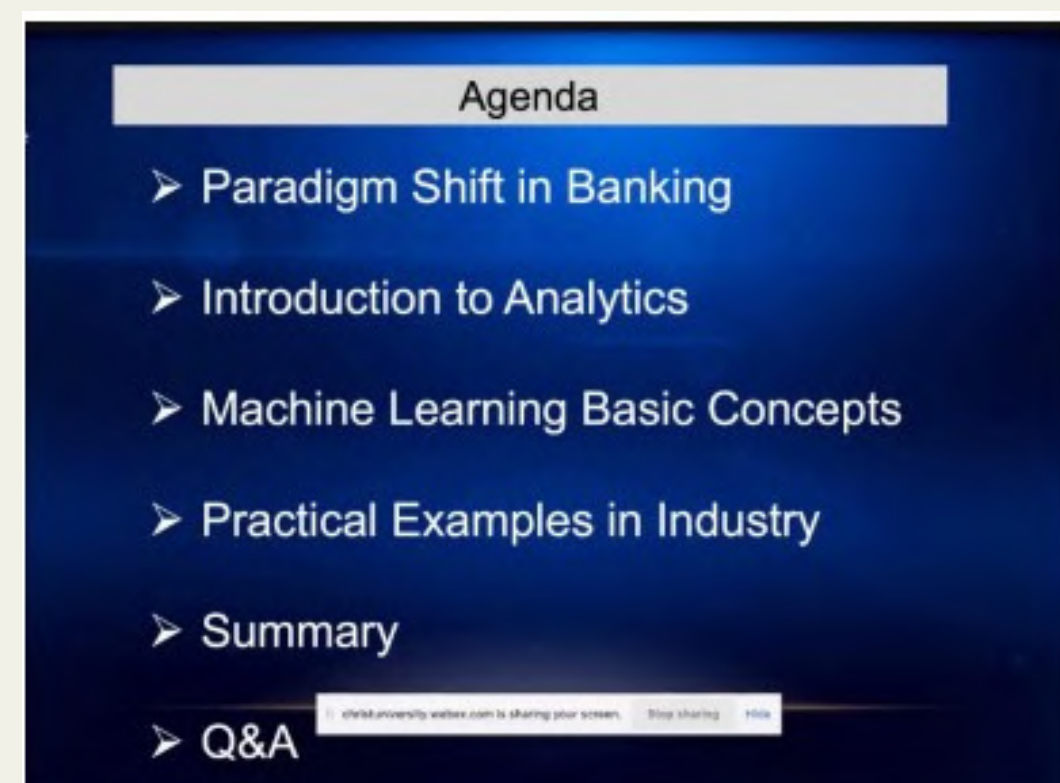
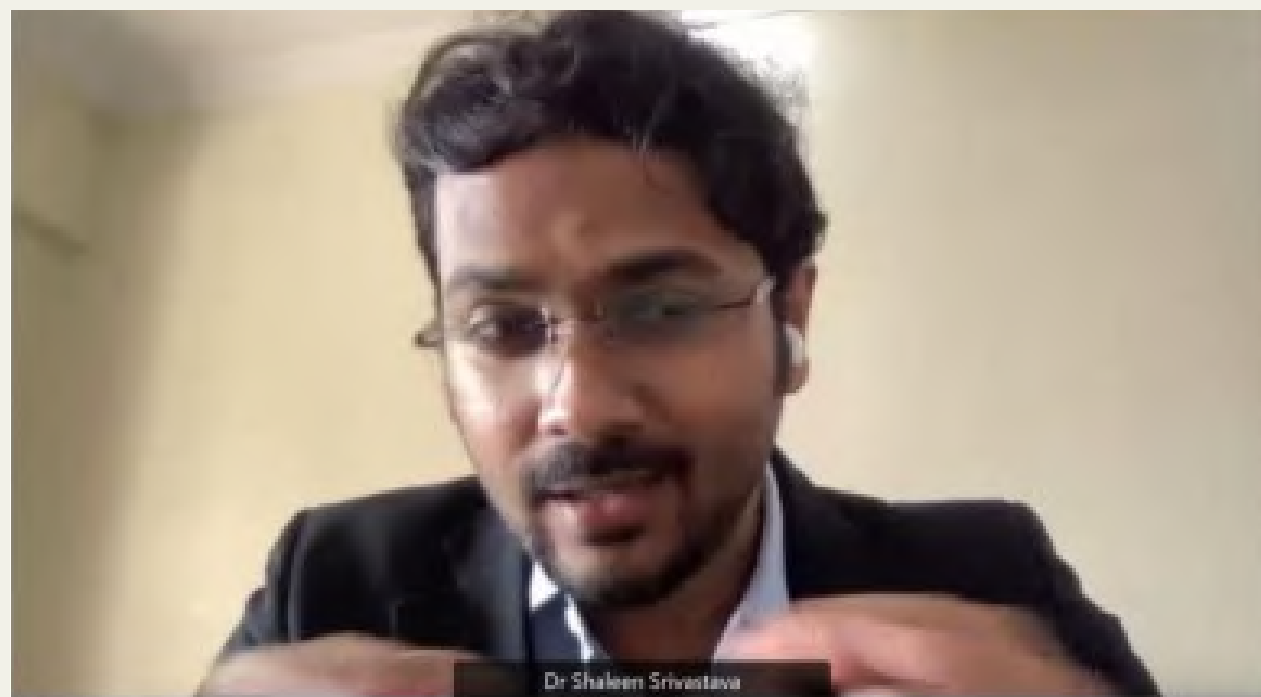
CLUB ACTIVITIES AT A GLANCE



CLUB ACTIVITIES - SEPTEMBER 2021

Industry expert lecture - Future of Analytics in Banking and Finance

The session was facilitated by Dr. Shaleen Srivastava, Chief Manager at the Central Bank of India, Mumbai. He emphasized the importance of financial modeling and decision making, which has now taken a shift from being intuition-based to data-driven. Further, he spoke about the Special Mention Account (SMA), risk profiling of customers, paradigm shifts in banking, and the basic data models that are relevant to the banking industry. The session concluded with the Q&A session and the vote of thanks.



CLUB ACTIVITIES - SEPTEMBER 2021

External Input Session - Relative Valuation

The session was facilitated by Mr. Peeyush Chitlangia, Founder and Director, FinShiksha. He explained the importance of relative valuation and how it compliments absolute valuation, practical difficulties in performing relative valuation i.e., finding firms that are truly similar to each other in terms of risk, size and business model. Various valuation ratios like Price to Earnings (P/E) ratio, Price to Book (P/B) ratio, and other value multiples were also discussed. The session concluded with a Q&A session and the vote of thanks proposed by Dr. Latha Ramesh.

What drives Valuations?

FinShiksha

BSE Sectoral Indices

Volatility, Size, Return, Capital

Year	Pharma	Telecom	Real Estate	Metals	IT	FMCG	Consumer Durables	Auto	Bank	Cap Goods
2000										
2001										
2002										
2003										
2004										
2005	18%			38%	7%	10%	30%	43%		51%
2006	25%			53%	27%	16%	42%	49%		73%
2007	28%			63%	22%	23%	57%	61%	53%	87%
2008	-4%			-1%	3%	12%	0%	-1%	14%	24%
2009	10%			23%	15%	21%	20%	21%	22%	36%
2010	17%	7%		22%	13%	17%	14%	19%	21%	22%
2011	9%	-6%	-29%	1%	2%	16%	8%	8%	5%	-2%
2012	13%	-17%	-30%	-11%	5%	21%	2%	15%	5%	-11%
2013	27%	-2%	-9%	14%	32%	27%	25%	38%	19%	8%
2014	24%	1%	-17%	-9%	15%	23%	23%	29%	16%	2%
2015	20%	2%	-14%	-10%	10%	16%	14%	13%	8%	-1%
2016	20%	0%	-2%	7%	12%	15%	16%	20%	18%	11%
2017	13%	9%	-4%	8%	15%	13%	14%	19%	15%	12%

*> 20% green
< 8% red*

Query Results

23 results found Showing page 1 of 1

S.No.	Name	Capex	Max Capex	Capex P/B	Capex %	Price to High	Price to Low	Capex/EBV
1.	ONGC	126.78	161900.20	406211.08	1.94	0.90	131.20	0.79
2.	ONGC	126.78	130398.86	110224.45	1.98	0.90	126.70	0.90
3.	ONGC	126.78	130398.86	110224.45	1.98	0.90	126.70	0.90
4.	ONGC	126.78	130398.86	110224.45	1.98	0.90	126.70	0.90
5.	ONGC	126.78	130398.86	110224.45	1.98	0.90	126.70	0.90
6.	ONGC	126.78	130398.86	110224.45	1.98	0.90	126.70	0.90
7.	ONGC	126.78	130398.86	110224.45	1.98	0.90	126.70	0.90
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9.	ONGC	126.78	130398.86	110224.45	1.98	0.90	126.70	0.90
10.	ONGC	126.78	130398.86	110224.45	1.98	0.90	126.70	0.90
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16.	ONGC	126.78	130398.86	110224.45	1.98	0.90	126.70	0.90
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18.	ONGC	126.78	130398.86	110224.45	1.98	0.90	126.70	0.90
19.	ONGC	126.78	130398.86	110224.45	1.98	0.90	126.70	0.90
20.	ONGC	126.78	130398.86	110224.45	1.98	0.90	126.70	0.90
21.	ONGC	126.78	130398.86	110224.45	1.98	0.90	126.70	0.90
22.	ONGC	126.78	130398.86	110224.45	1.98	0.90	126.70	0.90
23.	ONGC	126.78	130398.86	110224.45	1.98	0.90	126.70	0.90

Relative Valuations – Value Multiples

Mcaps	EV	EV	EV
Bike	Subscriber	MW	tonne

CLUB ACTIVITIES - SEPTEMBER 2021

External Input Session - CA&MCS

The session was facilitated by Mr. Manish Bajoria, Director Finance, Amazon Pay. He gave us a presentation on a range of topics - how cost planning helps, how cost-based decision-making happens, inventory planning, machine learning vs traditional programming techniques in making use of data gathered by giving us an example of Amazon. Upon conclusion, a Q &A session was held where the queries from both the students and the professors were addressed by Mr. Manish.

How does cost based decision making happen ?

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graph TD; 1[1. Identify the problem] --> 2[2. Establish decision criteria]; 2 --> 3[3. Weigh decision criteria]; 3 --> 4[4. Generate alternatives]; 4 --> 5[5. Evaluate the alternatives]; 5 --> 6[6. Choose the best alternatives]; 6 --> 7[7. Implement the decision]; 7 --> 8[8. Evaluate the decision]; 8 --> 1;
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Decision to give cashback to customer – basis what I earn?

Most rational- decision – no earning no cashback

manish bajoria

<p>2027158 Akshitha Reddy M</p>	<p>2027010 Pavan H</p>	<p>CHRIST School of Business Management Krishna M C ... (Cohost)</p>	<p>Mareena Math... (Host)</p>
<p>manish bajoria</p>	<p>2027048 Anjana P Rao</p>	<p>2027119Jijo Varghese</p>	<p>2027155 Smrithi Bala...</p>
<p>2027252 Gowri Mohan</p>	<p>2027438 Ushma Shar...</p>	<p>CHRIST School of Business Management ANIRUDDHA OAK</p>	<p>LATHA RAMESH</p>
<p>Nisha Shankar School ...</p>	<p>SOUMIK BHUSAN SBM</p>		

CLUB ACTIVITIES - SEPTEMBER 2021

External Input Session - Applications of Quantitative Analysis in the Financial Services Industry

The session was facilitated by Mr. Karthik Prabhu (AVP at Deutsche Bank, London office). He emphasized on the practical considerations in Econometric Modelling. He spoke about how to conceptualize a model, by answering what to model, whether we have the right data and where to get the same. He provided examples, both financial and non-financial, to convey his thoughts. Practical issues of modeling were also discussed. He then spoke about the process of modeling, starting from identifying the drivers all the way to forecasting. With this, he came to a conclusion to his presentation. Q&A, followed by the vote of thanks by Dr. Nisha Prakash



ALUMNI SPEAK



**SAMANTHA
BLACK**
sales director

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Town / City,
State / Country,
Postal / ZIP code

HOBBIES
creating websites
swimming
photography
body building

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

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

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 tur dis onomu inusan qui spe volur new.
	for company tld

POSITION TITLE for company tld

2003 - 2010

Short description of the position and the responsibilities you had in this position.

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COVER LETTER

OUR DISTINGUISHED SBM ALUMNI – ANUMOY KAR



Anumoy Kar started his career as a Credit Manager responsible for credit underwriting and assessment in the SME Vertical of ICICI bank for exposures up to Rs. 150 Million. In his current role as co-founder provides Debt advisory to SME and Mid Corporates on debt raising and structuring of funding requirements to suit as per client's business model

INTERVIEW WITH ANUMOY KAR

Q1. Briefly explain about your professional career after completing your MBA.

Post my MBA, I was employed with ICICI Bank Ltd wherein I was a Credit Analyst in SME Group until Dec 2019. I was responsible for credit underwriting and assessment in SME Vertical of bank for exposures up to Rs. 150 million for Tamil Nadu Region. Being a credit analyst, my role pertained to thorough due diligence of the borrower including but not limited to business of borrower, financial assessment and risk assessment among others.

Q2. What are the challenges you have faced at the initial stage of your professional career and how did you encounter them?

Transition from college to a formal corporate environment comes up with challenges for everyone. Myself also faced challenges such as the role being more of analytical and multi-tasking with tight schedules. Analytical per se was more challenging considering unlike college where an overview of financial statements is only taught with not much indepth focus on details and rationale, but in bank in-depth financial due diligence (balance sheet & profit loss analysis) is carried out for each borrower irrespective of quantum of borrowings and the rigour of such assessment is comparable to what a chartered account is trained to do. But, due to constant learning and mentoring support of senior colleagues, could catch up the pace and in a short period was able to execute independently. The degree of challenges will vary from field to field but once one understands the expectations of the job role demands such challenges can be overcome easily.

Q3. Why did you choose this career?

Banking is an integral part of Indian economy or per se for any economy in world.

Banks are the biggest and largest source of credit flow to business across sectors in economy right from a micro industry to a large conglomerate. Banking was my passion and more so being closely being mentored during my college days (MBA) by an ex-banker, developed keen interest in the sector and was keen to join the lending vertical of bank. And to god's grace, the second bank which visited the campus, I got selected and also got the desired role as well. To summarize, choosing a career in banking gave me an opportunity to contribute to the economic development of India and also get a 360-degree perspective on operating environment of different business and interacting with key stakeholders.

Q4. What development on the horizon could affect future opportunities business wise?

World is changing at rapid pace and in finance sector there has been rapid changes and as a consequence new opportunity have cropped up in financial space as well. Data Science, AI, ML, fintech etc are some of the areas where there are enhanced opportunities for persons possessing right skill sets. Having said that, conventional areas in finance will continue to see opportunities and overall, the sector will continue to hire fresh brains in near term.

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INTERVIEW WITH ANUMOY KAR

Q5. RBI ends bond purchase plan maintains state quo on rates. What's your take on this?

Reserve Bank of India in its latest bi-monthly policy review in October 2021, has decided to keep the repo rate at 4.00% unchanged and stance accommodative. If one reads the monetary policy statement each time post the meeting of the committee since the onset of the pandemic, one would observe that RBI has been very proactive and has not hesitated to take the path of unconventional measures such as TLTRO, GSAP 1.0 and GSAP 2.0 in large quantum to ensure there is sufficient liquidity in the financial system and also ensuring stability. As the situation tends to normalcy as been indicated by high frequency indicators and inflation moderating, RBI ending bond purchase plan is a right move as there is sufficient liquidity available now and even banks are flush with liquidity which they have been parking with RBI under reverse repo window. By ending the bond purchase plan, RBI has signalled the market that economic activity, GST collections being robust for straight 8 months, spending by government exchequer in infra sectors are all on upward trajectory (Govt of India has also not deviated from its projected borrowings from market in H2-2021-22 thereby also indicating govt. also factors the increased direct and indirect tax collections)

Q6. What are some of the skills that you think as a student with finance as specialization should possess to get placed in better job role.

This question is specific to the job role which one desires to join and since I am not well averse with specificity of the different job roles considering finance is a vast domain but I can give few pointers if someone is desirous to join banking. Few of the skills are

- Habit of Reading at least one business newspaper daily

- Analytical Thinking – Grasp of Balance Sheet, P&L etc and relate it to borrower's business.
- Solution Oriented Approach
- Ability to work in teams and in tight schedules
- Good writing skills – Must for someone looking roles as credit analyst where content should be precise and yet capture all relevant aspects of borrower.
- Negotiation Skills

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FACULTY SPEAK



EXPERIENCE

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Short description of the position and responsibilities you had in this position.

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COVER LETTER

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LESSONS IN PEOPLE MANAGEMENT FROM FUNDAMENTALS OF ACCOUNTING BY PROF. MARY THOMAS

Managing the financial resources of an organization is a challenging task. With the multiple demands, concerns of ROI, and opportunity costs to be factored in, making decisions on how much money to allocate for each business requirement is an unenviable responsibility. One of the major ‘demands’ that will arise on the coffers of the organization are those related to the Human Resources in the organization.

An interesting paradox observed in organizations is that though the employees are called human ‘resources’ (akin to assets of the organization), the mindset remains that HR costs are ‘sunk costs,’ or expenses that have to be incurred. Fundamentals of accounting will tell you that we ‘invest’ in assets – yet this wisdom goes out of the window when we look at the ‘human resources.’ There is a precious lesson in people management that one can learn from the books of accounting.

We incur expenses in return for the value that is enjoyed immediately; for example - overheads like electricity – use it and pay for it. We invest in assets – things that will help generate revenue for us for a prolonged period of time; for example – machinery – that will help produce goods that can be sold. The key question to ask is, are we treating our employees as those that give us their effort and hence, we pay for that effort, or are we treating them like assets that we know as we invest in them, they will give more and more to the organization?

Just like we would not think twice about expenses related to ensuring proper upkeep and maintenance of our machinery, shouldn’t we also think of the ‘engagement, growth and development’ of our people? HR budgets are critical to the business readiness of any organization – yet these are the very budgets that are slashed at the onset of a downturn. Training is an



investment that will see your workforce getting upskilled to meet the changing demands of your customers – yet training budgets are cut without a second thought when business is low.

We don’t sell our land and machinery when the going gets tough (and we know it’s only a phase). We might offer deep discounts on our inventory to move stock and recover precious working capital – that is how we would manage ‘liquid assets’. Human resources are the ‘long-term assets’ of the company and need to be respected and treated in that manner – not as expenses to be curbed or inventory to be liquidated to manage the tightening leash of working capital. After all managing machinery will help you utilise 100% of the machine capacity (you get what you paid for). On the other hand, take care of your people and they will surprise you with their potential and give you far more than what you bargained for!

As future finance managers, the question we need to ask is what kind of organizations are we going to be a part of – one where people are viewed as ‘expenses’ or one where they are truly valued and treated as ‘assets.’

STUDENTS CORNER



EXPERIENCE

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

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PROFESSIONAL STATEMENT

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UNDERSTANDING THE PANDORA PAPER

What is Pandora Papers?

The Pandora Papers discuss beneficial owners who have assets placed in an offshore trust, which, in collaboration with foreign corporations, holds a variety of investments, cash, properties, and shareholdings on their behalf. These are 11.9 million stolen/leaked data/files from 14 worldwide corporate services businesses that set up around 29,000 off-the-shelf corporations and private trusts for customers worldwide is not just for obscure tax jurisdictions but also nations like Singapore, New Zealand, and the United States. These agreements deal with the ultimate ownership of assets 'settled' (or placed) in private offshore trusts, in addition to the investments made by offshore businesses, such as cash, stock, and real estate. In the Pandora Papers, there are at least 380 people of Indian descent. This inquiry is still underway.

Beginning on October 3, 2021, the International Consortium of Investigative Journalists (ICIJ) disseminated 11.9 million leaked documents containing 2.9 gigabytes of data. The leak revealed 35 world leaders' secret offshore accounts, including prime ministers, and heads of state, current and former presidents, as well as more than 100 billionaires, celebrities, and business executives.

The ICIJ's news organizations described the document leak as their most comprehensive expose of financial secrecy to date, with documents, emails, images, and spreadsheets from 14 financial service companies in countries such as Switzerland, Panama, and the United Arab Emirates, surpassing its 2016 publication of the Panama Papers, which contained 11.5 million private records (2.6 terabytes). The ICIJ stated at the time of the papers' release that it would not reveal its source for the documents.

The ICIJ estimates that money kept offshore (outside the nation of origin) is worth between US\$5.6 trillion and US\$32 trillion.



The Indian Ministry of Finance ensured that the disclosures in the leak would be investigated and that if required, legal action would be taken.

Key findings -

1. The offshore system is used by the leaders of five continents.
2. Governments only launch investigations after secret documents reveal how the wealthy protect their wealth.
3. The global offshore system has centred on a few American states.
4. Billionaires rely heavily on offshore finance.
5. A global search for treasure leads to an indicted art dealer's offshore trusts — and the Metropolitan Museum of Art.
6. Sanctions imposed by the United States on Russian oligarchs were effective.

Pandora Papers - important to India?

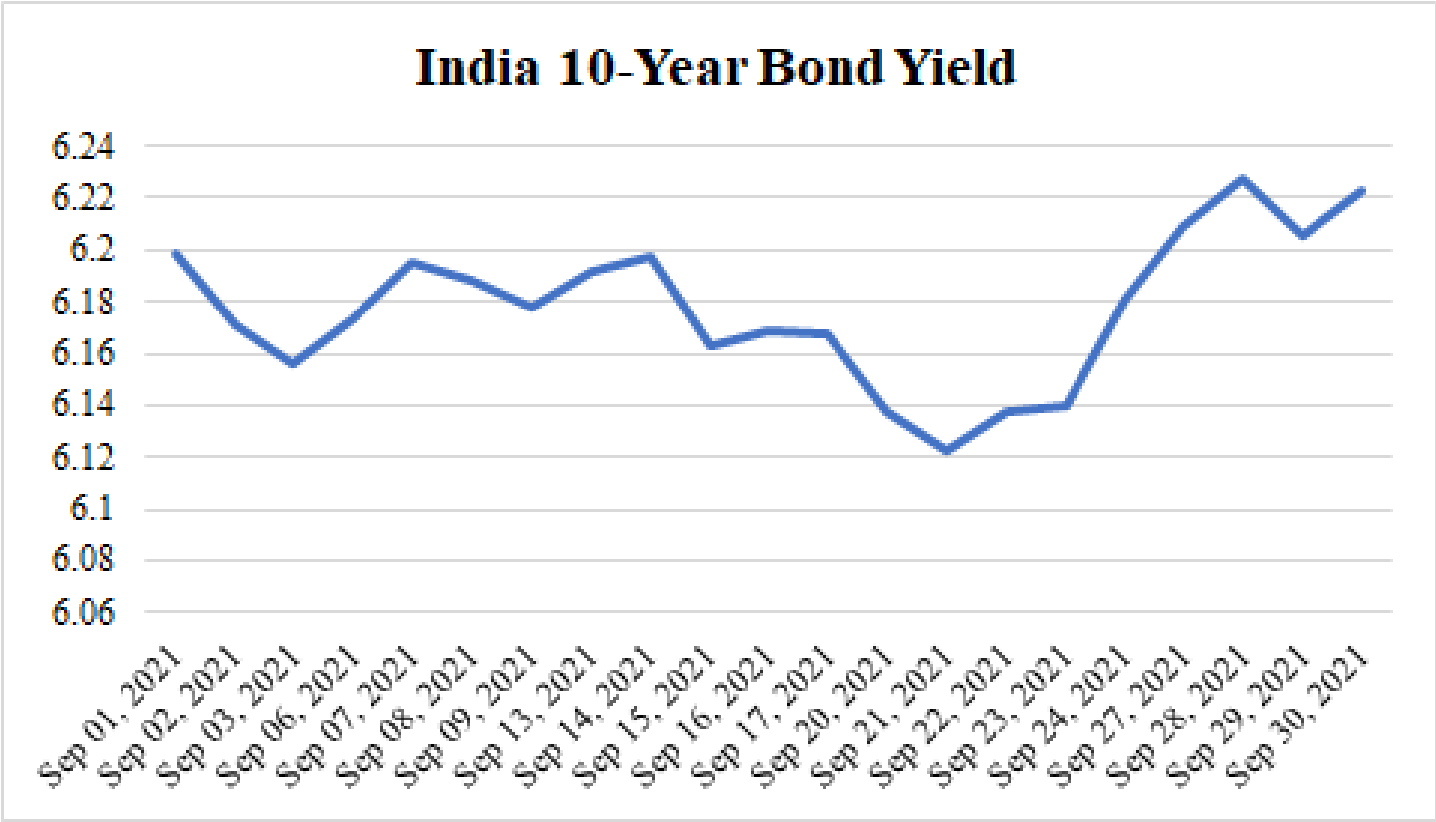
Around 12 million papers from worldwide service firms have been leaked, with about 350 Indians among them, including Anil Ambani, Vinod Adani, Kiran Mazumdar-Shaw, Niira Radia, Sachin Tendulkar, Jackie Shroff, and Satish Sharma. Many of the individuals identified have denied involvement, and some have previously been investigated by Indian authorities.

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GLOBAL ECONOMIC INDICATORS AT A GLANCE



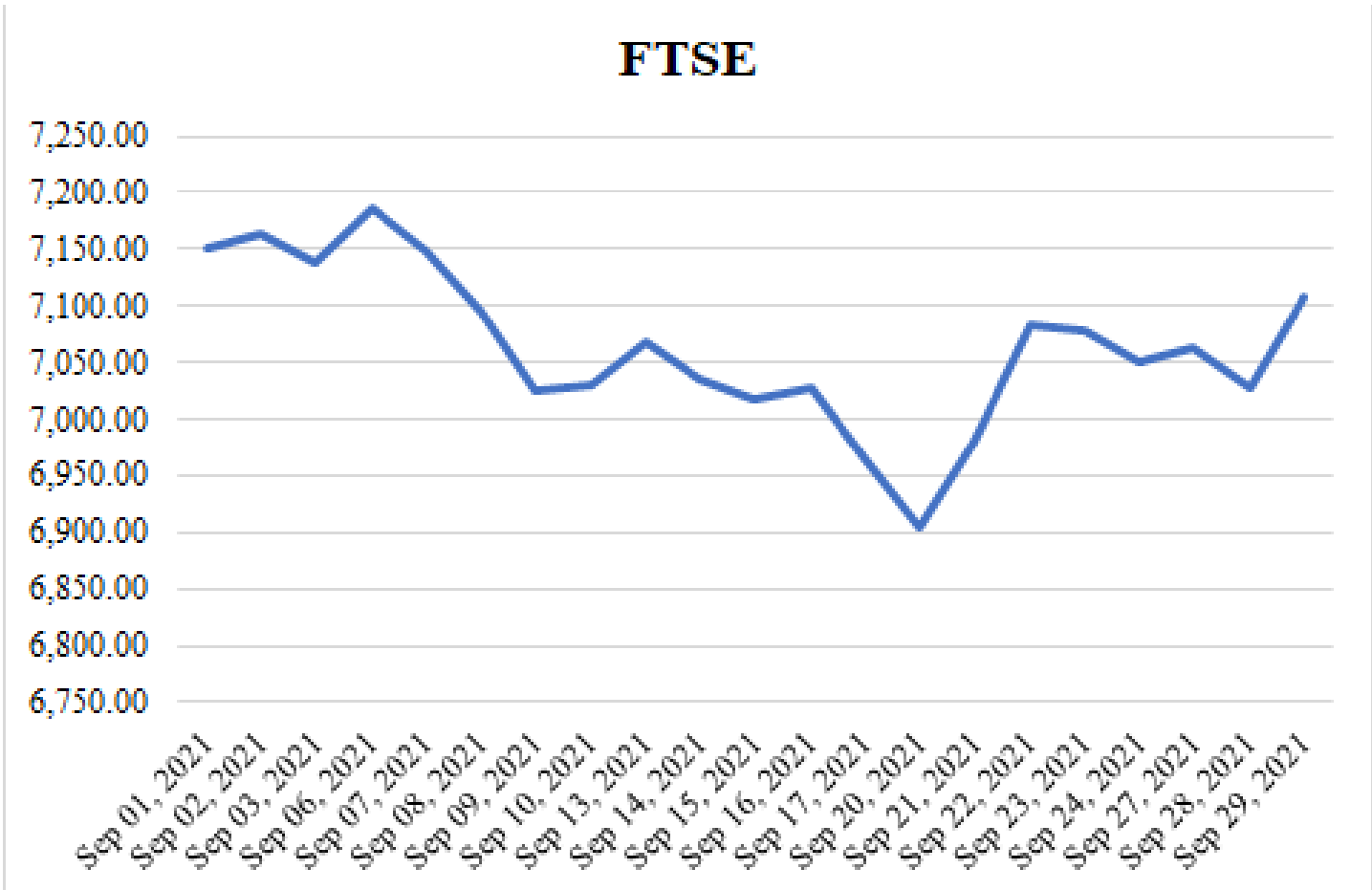
Rise in 10-year Bond yield:

- With Xi Jinping’s common prosperity campaign drawing closer demand for India’s 10-year bonds have seen an increase.
- Increase in the benchmark bond yield is up with Oil and US yields and RBI’s discussions regarding normalization.
- Gold has also edged down on firmer dollars leading to rise in said bond yields.



Fall in Gold Prices:

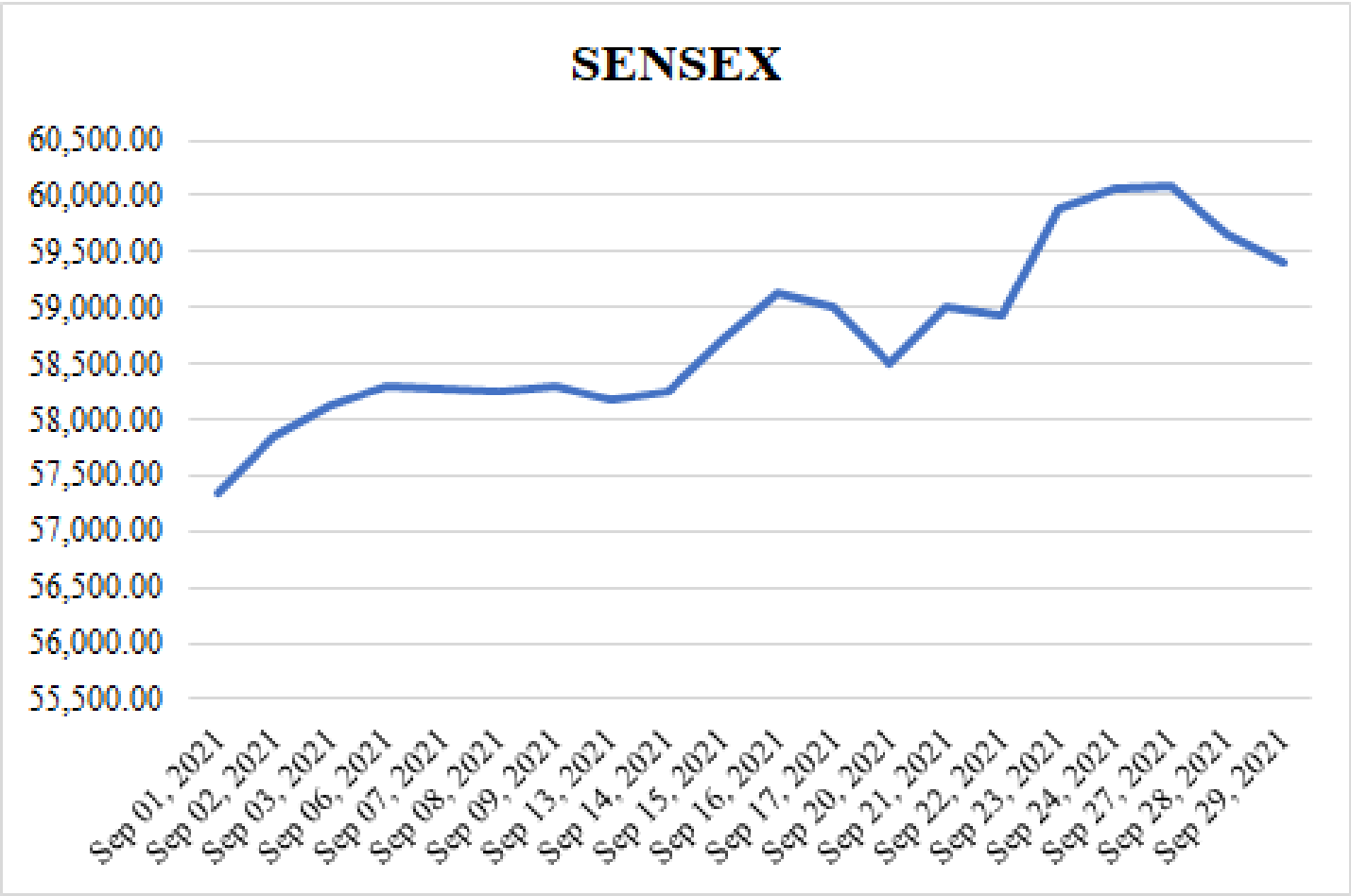
- Due to indication on the US Federal Reserves end of the easing of monthly bond purchases leading to MCX slumps and ultimate price drop of Gold in India
- Investors seem to have an increased appetite for risk and are opting for other precious metals over gold.



GLOBAL ECONOMIC INDICATORS AT A GLANCE

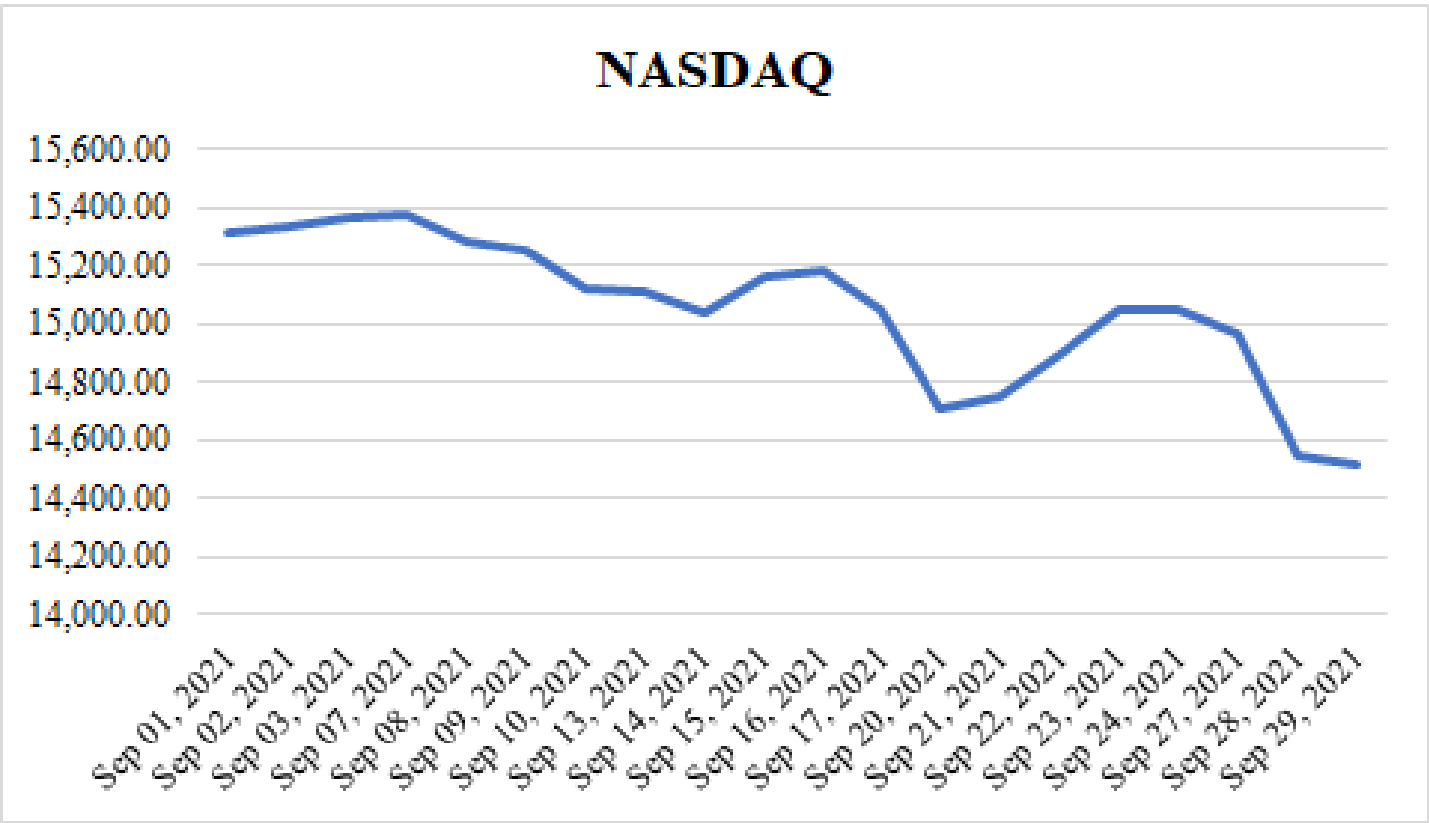
Fall in FTSE

- Fall in FTSE prices has mainly been due to drop in NIKE’s earnings leading to a vicious cycle and pulling down other sports stocks such as Puma, JD Sports, Adidas etc.
- FTSE was also dragged down by banking and heavyweight mining stocks accompanied with rise in inflation.



Sensex Rise

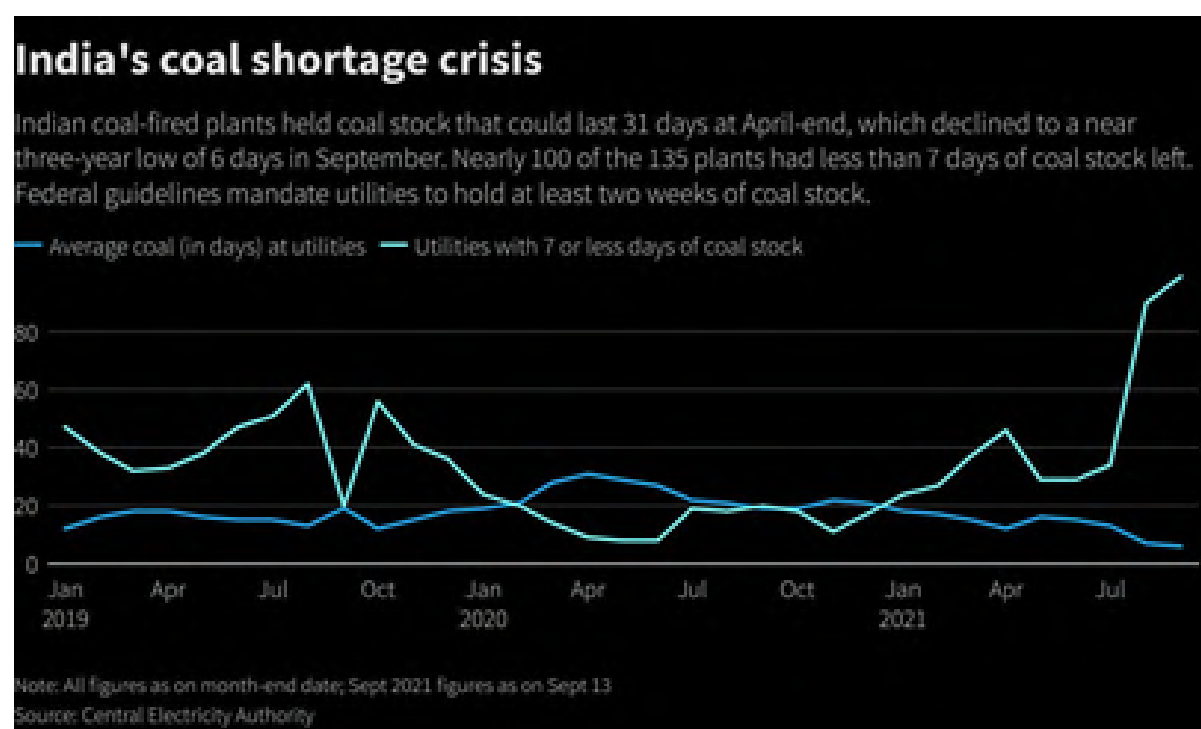
- Sensex performance can be attributed to the tracking gains of IT stocks and a well sustained foreign fund inflow.



NASDAQ downward trajectory

- NASDAQ’s poor September performance has been attributed to the emergence of the Delta variant, persistent inflation and the problems in relation to the backed-up supply chain.
- Concerns about political gridlocks have also been a contributing factor along with US’ debt defaults.
- A lot of NASDAQ’s weightage is on the shoulders of technology stocks, due to higher appeal in bonds, these stocks recorded drops in the double digits further leading to the fall.

INDIA ON THE BRINK OF AN UNPRECEDENTED POWER CRISIS



Source: India coal crisis brews as power demand surges, record global prices bite

India's coal inventories are at an all-time low. Low coal inventories have been recorded in well over half of the 135 coal-fired power facilities in the nation. Reports suggest that this incident was caused by a rise in energy requirements from industries as well as slow imports owing to record high global costs.

What led to the power crisis?

The demand for power increased significantly as the Indian economy recovered from a devastating second wave of Covid-19. Compared to the same period in 2019, power usage has increased by over 17 percent in the last two months alone. Simultaneously, worldwide coal prices soared by 40%, while India's imports shot down to a two-year low. The most recent week's import total was less than 1.5 million tons, the lowest in the last two years.

Despite having the world's fourth-largest coal reserves, India is the world's second-largest importer of coal. The higher international coal costs and transport costs have forced the operators that rely on imported coal to reduce the generation of power, resulting in a greater reliance on local coal-fired facilities. And so, the power facilities which were previously reliant on imports are now largely reliant on the Indian coal supplies, adding further strain on the already overstressed domestic resources.

India is also contending with other consumers such as China, the world's top coal user, which is under pressure to increase imports in the face of a chronic power shortage.

Impact on the economy

Such shortages have occurred in the past, but what is unique this time is that coal is extremely expensive. When coal imports for power generation are at such high prices, companies would ultimately pass these costs to the final consumer, resulting in an inflationary consequence - both intended and unintended.

Energy is similar to oxygen needed for your survival. It is just as important for economic progress. Electricity drives everything; the whole manufacturing sector, be it cement, construction, or steel, is hit when coal is scarce. The economy cannot function properly if there is a lack of energy.

India's output has slowed as the country attempts to reduce its reliance on coal to achieve climate objectives. It is high time for India to make serious attempts to lessen its reliance on coal and adopt a more ambitious renewable energy plan.

According to the government, it has been growing its electricity generating capacity at an unprecedented rate. However, due to a scarcity of coal, it has not operated at maximum capacity. While power generation has grown, the growth in demand has been considerably larger, and the country has had a tough time catching up.

Government's aid during such a crisis

Successfully achieving a balance between serving the needs of its huge population and reducing its reliance on environmentally polluting coal-fired power facilities has been a significant issue for the government in recent years.

The transition cannot happen quickly, and fallbacks are ought to occur.

A complete switch to renewable energy isn't possible in the near future. Currently, non-renewable energy sources account for more than half of India's total power generation. Reports from experts and analysts suggest that for India to fulfill its rising demand, it must seriously consider alternative energy sources such as solar power.

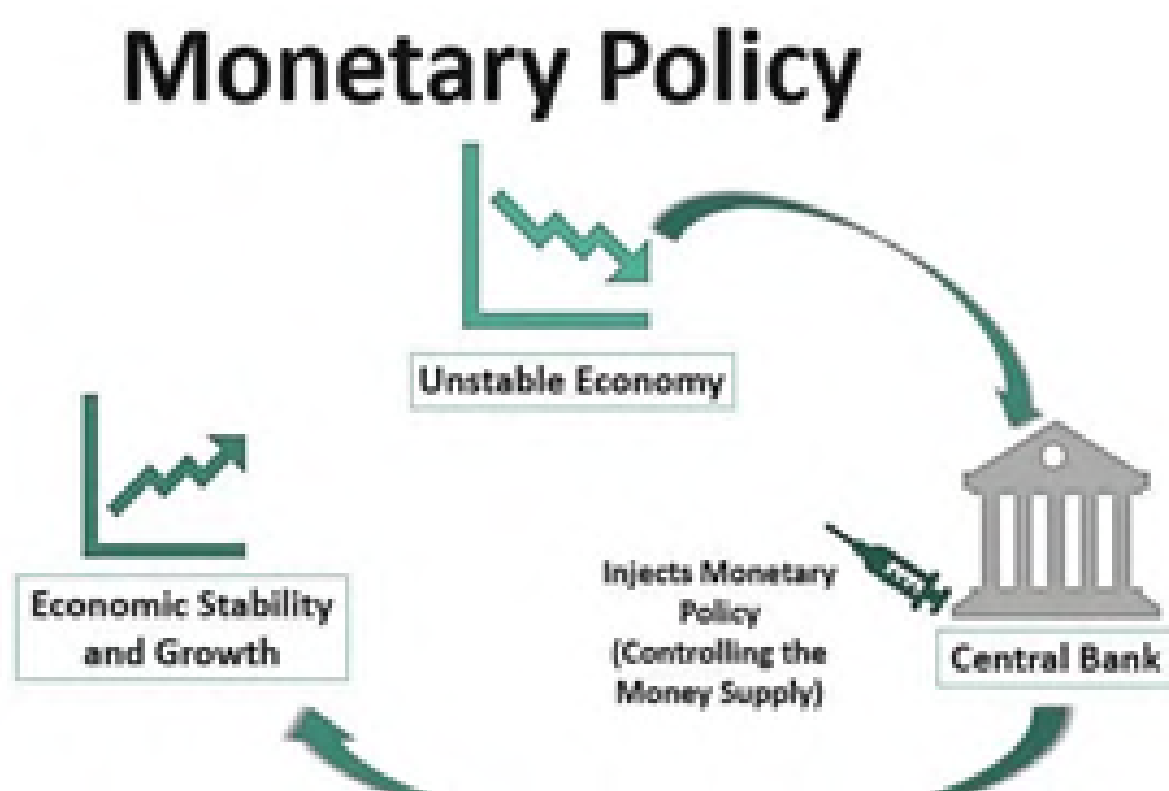
Operations such as distribution and transmission in the power generation sector also need serious reforms. But with the monsoon almost over, the consumption of power might lessen, leading to lesser demand.

The article probes into India's impending power crisis. With the revival of economic activity post the devastating second wave, the demand for power has risen significantly while imports have dropped to two-year lows. As oxygen is to the human body, so is power for industries. The government must seriously consider alternative source of energy to ensure that supply matches demand.

SHERLY MATHEWS
2027735



RBI BEGINS GRADUAL WITHDRAWAL OF LIQUIDITY SUPPORT



Introduction

Monetary policy is the policy adopted by the central banks of the country. The primary purpose of this policy is to control inflation. To control inflation, Central banks usually alter interest rates payable for very short-term borrowing (borrowing by banks from each other to meet their short-term needs) or the money supply.

Heart of the matter

During the meetings held in the first few days of October, the monetary policy committee (MPC) decided to keep the repo rates unchanged, keeping in mind the country's economic growth and macroeconomic outlook. Gradually, RBI is starting to move towards policy normalization. As the first step towards this, RBI seeks to suck out excess liquidity from the economy by hiking the reverse repo rate. However, the MPC will be more patient about any hikes, as it is cautious about its current situation and the constantly evolving coronavirus. The RBI message consistently emphasized nuanced and data-dependent policy moves rather than rocking the boat.

Currently, cases are starting to rise even with the high level of vaccination. This poses a significant risk for the long-term and short-term growth of economies. As Central banks worldwide, especially those in developed countries such as the US, begin to normalize their monetary policy and reduce liquidity in the economy, bond yields have risen, and emerging market currencies have weakened.

Despite the market's overall situation, RBI has started to move towards policy normalization and withdrawal of excess liquidity from the banking system, which can be justified by their actions of lowering the quantum of government securities acquisition program (G-SAP). On Friday, RBI's announcement of refraining from G-SAP came as a surprise. The variable rate reverse repo (VRRR) auction also resulted in a high cut-off yield, which is again an important signal. In this light, a gradual rise in bond yields to the 6.50 percent level in the coming months cannot be ruled out. In the short term, the actions taken by the RBI on the liquidity front may outweigh the status quo on policy rates. Possible relief, if any, on this front could come from either a material reduction in inflation risks or concrete developments regarding the inclusion of Indian bonds in global indices, both of which the central bank expressed optimism about.

With the dip in coronavirus cases, central banks across the globe have begun to normalize monetary policy to suck out excess liquidity in the economy. RBI too is planning to follow the same. However, the bank is currently cautious as the country is witnessing a rise in cases despite high vaccination rates.

VAJAS SUNNY
2028116



GOLD ETFS



An exchange-traded fund (ETF) that primarily tracks domestic physical gold price is known as a Gold ETF. They are gold-based passive investment products that invest in gold bullion and that are purely based on gold prices. In other words, a gold ETF is a commodity-based open-end fund that invests in gold. These exchange-traded funds behave similarly to individual stocks that can be exchanged on the stock market

Although being a commodity-based traded fund, Gold ETF funds are frequently employed as an industry exchange-traded fund. It's a perfect investment strategy to broaden one's financial portfolio and urges exposure to certain sectors like gold mining, manufacturing, transport, etc. These traded funds are relatively simpler to get.

Gold ETFs are ideal for investors who want to trace and reflect the particular price of gold in real-time. Individuals who don't want to have the particular commodity but want to spice up their income by trading on the valuable metal should invest in these sorts of exchange-traded funds.

Gold-based traded funds have outperformed benchmark stock indices several times in the past few years, making them an attractive investment option for conservative borrowers.

However, it's advisable to keep the investment in gold within 5% to 10% of one's total investment portfolio. It'll help build a strong investment outline and maintain a stable return.

As of October 2021, the top 5 gold ETFs in terms of market capitalization are UTI Gold Share, Birla Gold ETF, SBI Gold ETF, HDFC Gold ETF and Nippon ETF Gold.

Net Asset Value (NAV) of the gold ETF is highest for the SBI Gold ETF and the Birla Gold ETF. Compared to the two, SBI Gold ETF is relatively better as its market capitalization exceeds Rs. 3 crores.

Gold ETFs have gained prominence due to their performance. Moreover, such funds are also an excellent way of diversifying one's portfolio. Experts suggest that it is ideal to limit one's investment in such funds to 5-10% of the total investment portfolio.

SARTHAK KHURANA
2027803



MATCH IT!

Match the following:

Here are taglines of various companies match them with their respective company.

- | | |
|-----------------------------|----------------------------------|
| a. Accenture | 1) We Understand Your world |
| b. Bank of Baroda | 2) Build a better Life around us |
| c. Central Bank of India | 3) Don't leave home without it |
| d. Dr. Reddy's Laboratories | 4) We make you feel richer |
| e. HDFC Bank | 5) India's International Bank |
| f. Visa | 6) Good health can't wait |
| g. IndusInd Bank | 7) Everywhere you want to be |
| h. American Express | 8) High Performance Delivered |



SCAN TO VIEW
THE ANSWERS

M ROHIT
2027532



A BRIGHT ROAD AHEAD FOR BRIGHTCOM GROUP

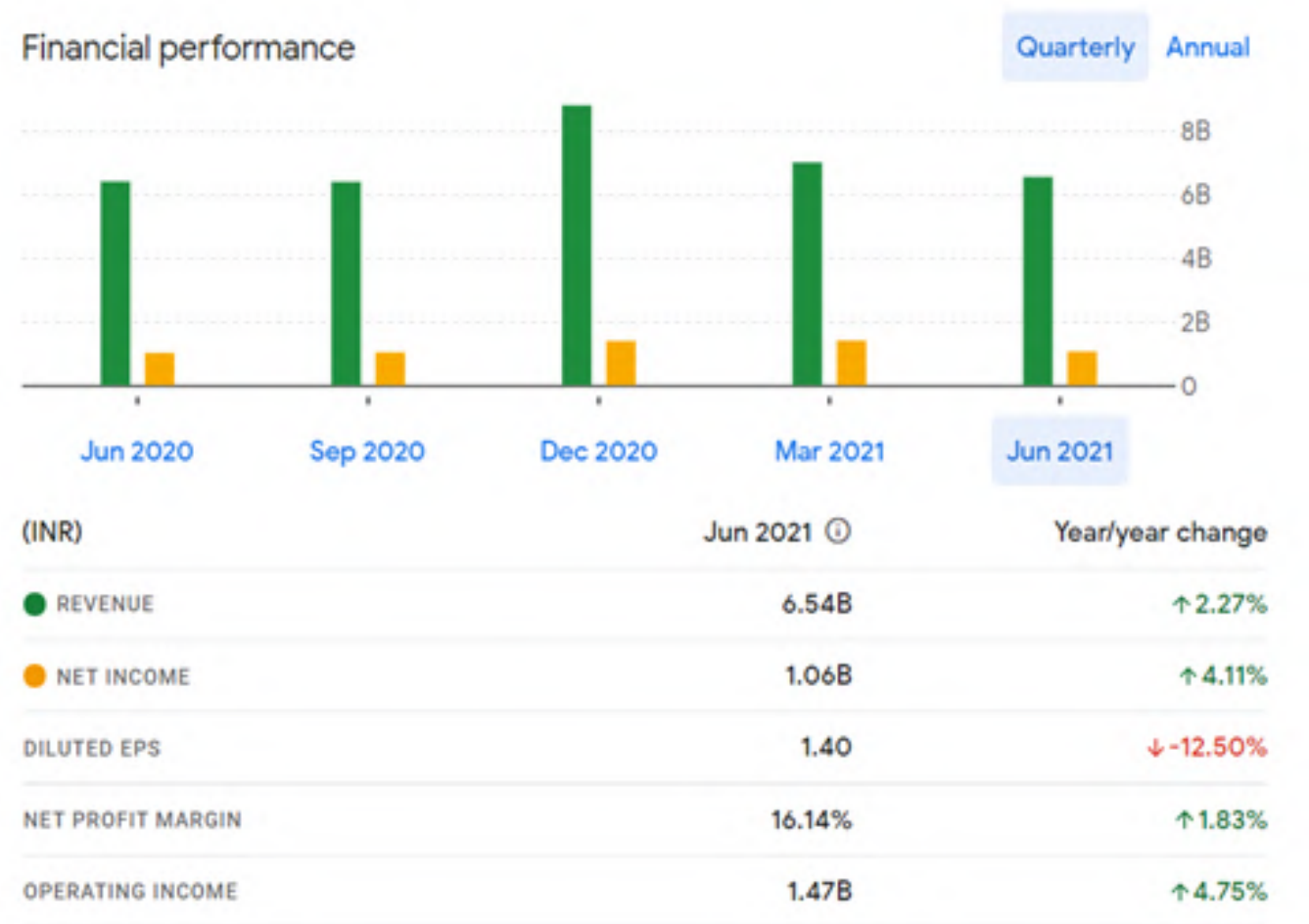


Brightcom Group Ltd is a service business located in India. The company is divided into two segments: digital marketing and software development and offers digital marketing services as well as computer software and service development. In addition, the firm provides information technology installation and outsourcing services. It serves businesses, agencies, and web publications all around the world with digital marketing solutions. It specializes in enterprise resource planning (ERP) solutions, Microsoft, and open-source systems development and delivers corporate solution options. The Digital Marketing Segment generates the majority of the company's income.

Moneyworks4me's research of Brightcom Group Ltd.'s financial performance over the last ten years suggests that it is a below-average long-term investment. However, to make a profit, you must make sure you buy at the right price.

On the BSE, shares of Brightcom Group (previously Lycos Internet) remained trapped in the 5% upper circuit for the sixth trading day, closing at Rs 64.45. In the last month, the shares of the information technology (IT) software products firm have increased by 81 percent.

The business announced the preferential allocation of 140.15 million equity shares to foreign portfolio investors (FPIs) and other investors on September 16, 2021, at a price of Rs 37.77 per share. Shankar Sharma was also given 15 million warrants at a price of Rs 37.77 per share, convertible into an equivalent number of equity shares on a preferential basis.



On January 15, 2015, a SEBI committee was formed under Judge NK Sodhi's chairmanship, who made a great attempt in this direction and notified SEBI by replacing India's two decades older insider trading standards. One of the recent examples of interference by SEBI on this grounds is the Infosys case, where two employees who were involved in insider trading made Rs.3 Crores were suspended from the capital market.

Brightcom Group stock has lately been in high demand after the firm announced on September 17, 2021, that its board of directors had approved the allocation of warrants and equity shares to Sebi registered FPIs and other investors.

Brightcom Group's board of directors approved granting 1,50,00,000 warrants at Rs 37.77 each (face value of Rs 2), convertible into an equivalent number of equity shares, to Shankar Sharma on a preferential basis on September 16, 2021.

Sharma is the vice chairman and joint managing director of investment management business First Global.

The board also authorized issuing 14,01,50,000 equity shares through a preferential allocation at Rs 37.77 to 29 Sebi registered FPIs and other investors, for a total of Rs 529.34 crore.

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A BRIGHT ROAD AHEAD FOR BRIGHTCOM GROUP



Citrus Global Arbitrage Fund, Calypso Global Investment Fund, Navigator Emerging Market Fund, Connecor Investment Enterprises, and LGOF Global Opportunities, among others, are among the investors.

The business said it would ask shareholders to approve the proposed offering and allotment of equity shares and warrants on a preferential basis via a postal vote procedure.

Brightcom's board authorized the preferential allocation of 11,96,25,000 equity shares to 15 non-promoter allottees at a previous board meeting on July 13, 2021. Following that, the company's general body accepted it in an EGM on August 5, 2021.

The proposal was made prior to executing another corporate action for a bonus issue, with the record date set for August 20, 2021, and the pre-bonus share capital pricing set at Rs 31.17 per share.

However, said allocation could not be completed in time for the bonus deadline. To prevent any legal issues arising from this scenario, the business has decided to withdraw the proposed preferential issue that was announced on July 13, 2021, and instead proceed with a new allocation of equity shares at a revised price.

Brightcom Group's consolidated net profit increased 4.11 percent to Rs 105.55 crore in Q1 June 2021 over Q1 June 2020, thanks to a 2.27 percent increase in net sales to Rs 654.05 crore.

Brightcom Group is a global conglomerate that focuses on ad-tech, new media, and Internet of Things (IoT)-based enterprises, particularly in the digital ecosystem. The company serves 40 billion impressions each month, enabling businesses, agencies, and web publishers throughout the world to satisfy their digital marketing demands.

PIUS PINTO
2027624



MOVIE REVIEW- THE PURSUIT OF HAPPYNESS



"If you like it, go ahead and get it. Regardless of what I say or what everyone else says." This is the story of a man who lives in mediocrity, works as a salesman, and dares despite facing numerous problems on every front of his life. Dares to have big dreams. This is an admirably unsentimental biopic with an outstanding performance. It's an excellent film that demonstrates that if you work hard for something, you will achieve success. Will Smith and his son, Jaden, bring to life the true story of a father-son family struggling to climb the ladder from the bottom. I believe that children should watch this film so that they will realize how fortunate they are in their lives, and that it is not easy for parents to struggle all of the time. This is a film that is based on a true story. The film addresses a specific viewpoint, focusing, as the title suggests, on the constitutional right to "pursue" happiness rather than the right to be happy.

In this way, the film can avoid focusing on racism and how it affects achieving the American Dream. Instead, the relationship between father and son takes center stage, despite the ups and downs of family and economic instability, with stunning results. "The Pursuit of Happiness" follows Chris as he loses his apartment due to bad luck, a few stupid moves, and a shrew for a wife, Linda, and joins the ranks of the homeless, if not the hopeless, with his 5-year-old son,

Christopher. Chris, evicted from society and bounced from shelter to shelter, maintains his dignity, resolve faith, love, and independence.

Money is important in "The Pursuit of Happiness," as it is in real life. But it matters more openly in this film than it does in most Hollywood stories about the poor, owing to the fact that Chris's pursuit of happiness eventually becomes interchangeable with his pursuit of money. He doesn't just want a better, more secure life for himself and his child. The ending (I won't give too much away) had me in tears, happy tears. I recommend this film to anyone who enjoys films that have a genuine storyline and leave you with a positive feeling. This film is well worth seeing. Will Smith is a fantastic actor, and the real-life person who inspired this film should be very proud of him. This film will play with your emotions. You'll cry and laugh along with the characters. "You have earned the right to be happy."

VAJAS SUNNY
2028116



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ARTIFICIAL INTELLIGENCE V/S HUMAN INTELLIGENCE IN FINANCE

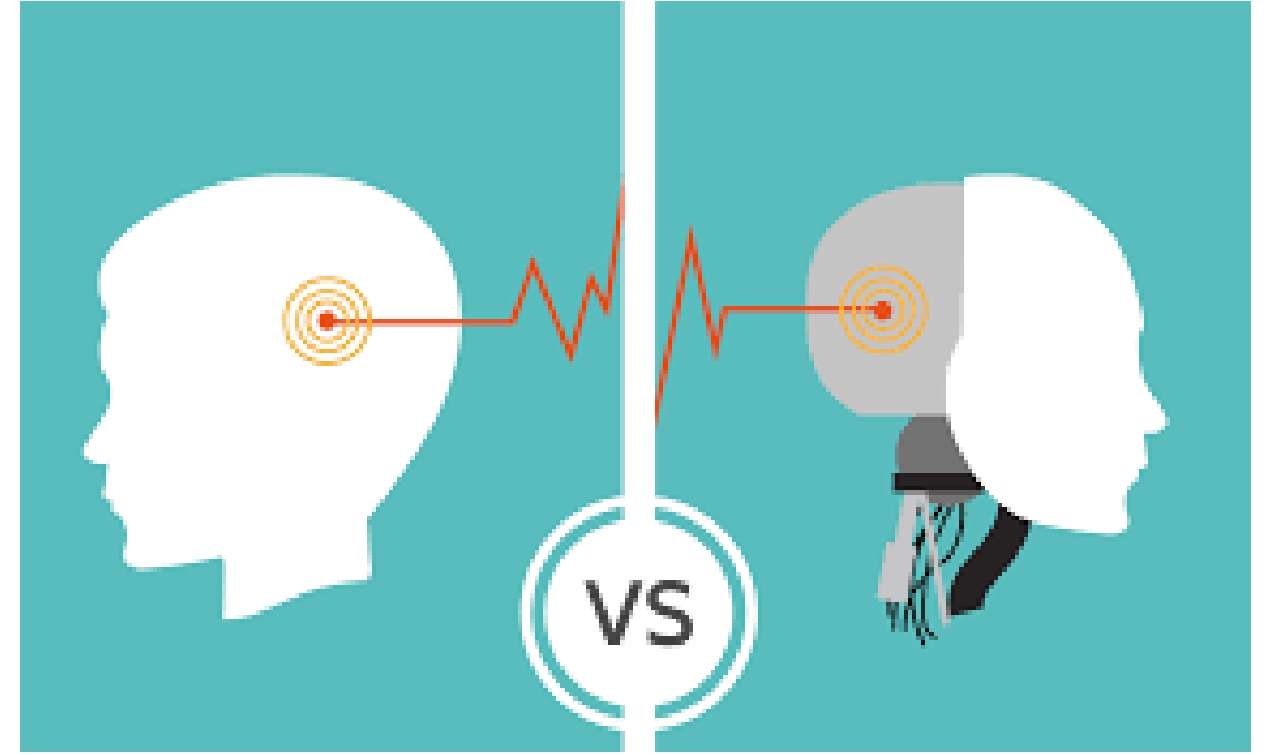
Artificial intelligence or AI is a vital creation that includes inventing machines, robots, software, etc. Artificial intelligence has various advantages. It can perform tasks faster and quicker than a human brain. AI creates a way for in-depth learning and hence it would be less faulty. Difficult tasks can be done very efficiently using an AI system. This technology is made use of in many business sectors, mainly, the health care sector.

AI forms the root for machine learning, artificial neural networking, and various other technologies. Many such innovations are introduced to substitute for human intelligence.

Human intelligence, on the other hand, is irreplaceable by itself. A person can absorb, reflect, understand, adapt to circumstances, and make appropriate decisions. Artificial intelligence is a supplement to, not a replacement for, human intelligence. Though AI has contributed to many extraordinary inventions, they are still far beyond what human brains are capable of.

In the field of finance, both human and artificial intelligence are essential. Because finance is an organization's lifeblood, it's critical to keep track of all financial transactions. There will be countless transactions for a large corporation. As a result, if we apply artificial intelligence, it will be simple. They can track and record all transactions in one go.

There will be situations wherein we have to make balanced decisions. In such scenarios, AI might not be of much help. Even though many such inventions can perform tasks similar to a human brain, they lack common sense - one of the key factors that makes a decision relevant to the circumstance. For example,



AI cannot fully assist with numerous financial regulatory issues; human intelligence is sometimes preferable. As a result, they are both equally vital.

They cannot think and analyze the pros and cons despite being fed with information. Such an analysis is very crucial to make an apt decision. Another specialty about humans is that each one of us has different EQ and IQ levels and can learn and process information in a unique manner. Humans can learn gradually from their experiences whereas machines cannot. But modern inventions lack emotions and hence may create problems. Human capital is very important because it has the capabilities to think rationally, make suitable decisions, and then respond.

Therefore, it is very evident that human capital cannot be completely replaced. Hence, it is safe to conclude that they contribute equally to the upliftment of any organization or the technology world in general. If both of these elements learn how to coexist, the world around us will witness greater progress and developments in finance as well as all industries. This will lead to improved accuracy and integrity in the work environment.

EMI ROSE
2027952



DEEP DIVING INTO BAD BANKS

INTRODUCTION

A bad bank (also known as an asset reconstruction company) is a corporate structure that separates illiquid and high-risk assets owned by a bank or financial institution, or maybe a consortium of banks or financial institutions (usually non-performing loans).

HOW BAD BANKS AFFECT THE INDIAN ECONOMY

A bad bank is a financial organization that takes up non-performing assets (NPAs) on other banks' books to clean up their balance sheets and restore normal operations. Bad banks will "take over existing debt, manage it, and sell it to buyers to realize the value of stressed assets," as Union Finance Minister Nirmala Sitharaman put it.

The idea of establishing a bad bank was proposed as a way to clean up the balance books of banks that were burdened by non-performing assets (NPAs). According to RBI data, SCBs' gross non-performing assets (NPAs) increased from Rs 3.23 lakh crore at the end of March 2015 to Rs 10.36 lakh crore at the end of March 2018. This rise was primarily due to the transparent recognition of stressed assets as non-performing assets (NPAs). NPAs have decreased to Rs 8.34 lakh crore (according to provisional statistics) as of end-March 2021, thanks to the government's recognition, resolution, recapitalization, and reform policy.

WHAT IS GOOD ABOUT A BAD BANK

Any bank can take a few blows, but what if the number of "bad loans" (or loans that will not be repaid) increases dramatically? In this circumstance, the bank may be forced to close. Two things happen in regular functioning as the proportion of problematic loans rises — they are commonly calculated as a percentage of total advances (loans). One, the bank in question becomes less profitable due to having to utilize some of its revenues from other loans to compensate for the poor loans.

Two, it grows increasingly hesitant to take risks. In other words, it's officials that are hesitant to lend to businesses that look to be hazardous for fear of exacerbating an already high proportion of non-performing assets (NPAs). The situation is a little more complex from the government's and taxpayer's perspectives. After all, whether it's recapitalizing PSBs with problematic loans or providing security receipt guarantees, the money comes from taxpayers' pockets. While recapitalization and similar promises are sometimes referred to as "reforms," they are only band-aid solutions. The only long-term option is for PSBs to enhance their lending operations.

THE INITIATIVE

The projected Bad Bank is crucial for several reasons. For starters, it removes a fundamental stumbling block to India's progress in recent years: increased risk aversion in the banking industry. This risk aversion stemmed mainly from the accumulation of non-performing assets in the system due to excessive lending from 2008 to 2012. The volume of bad loans, on the other hand, had a negative impact on the flow. As a result, a one-time transfer of assets outside of the bank's balance sheets is critical, allowing the banks to focus entirely on lending. In contrast, the bad bank works with recovering dues through liquidation, asset restructuring, or other measures.

It's also crucial to note that the removal of assets from bank balance sheets does not imply that the money owed will not be collected - the mechanism is set up such that the bad bank will pay the banks and buy these NPAs while working to recover the money owing to them.

RAMESH D
2028124



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THE EVERGRANDE CRISIS



Evergrande is the second largest property developer company in China. It was founded by Hui Ka Yan in 1996. It sells apartments to most of the upper- and middle-income people. It has also spread its business range from wealth management, electric cars, food manufacturing and owns a football team – Guangzhou FC.

About the crisis:

Evergrande group was borrowing money from banks to work on its real estate projects – houses and residential apartments. It decided to expand aggressively to become one of the China's biggest companies borrowing more than \$300 billion. In recent, it failed to make interest payments and resulted in halting of project work due to the inability to payback the suppliers. This also affected the suppliers as they may also miss their interest payments to the banks on the loans borrowed by them. Many people have paid advance to buy the houses built by the group and some of them have taken loan from banks. This has made difficult for banks to lend further loans and has held back loans to other property development companies to prevent more bad loan creation.

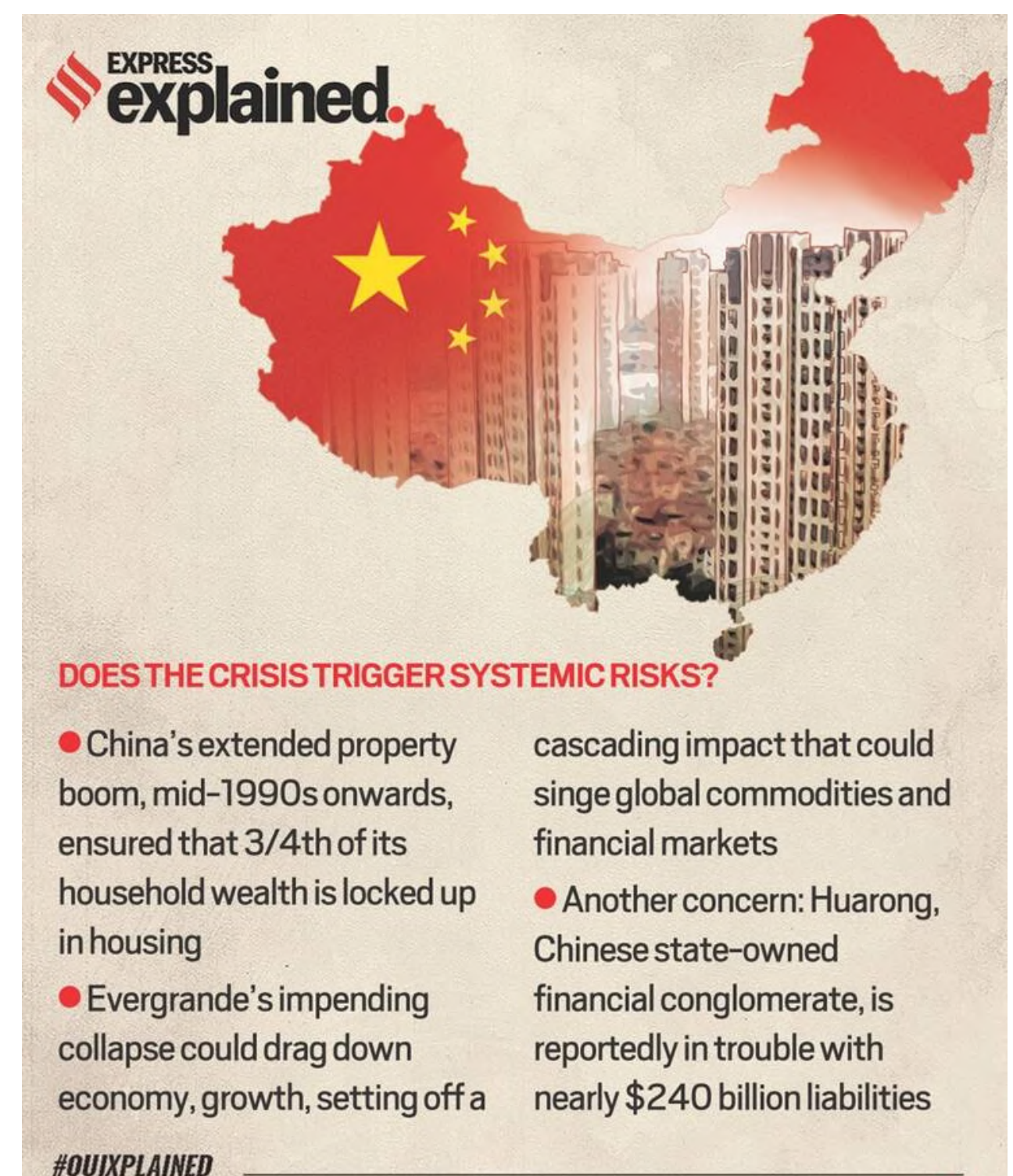
Cause of the crisis:

The boom in real estate business started in the late 1990. The companies took the chance of this opportunity and started to build houses for the middle-class people. The government also started to earn revenue selling lands to the real estate companies. This led to intense growth of the land and property prices. This is the situation which Evergrande thought to make use of

it to expand high and took debts continuously. This gave rise to the debt growth model of China. Thus, China came up with Three red line Policy to control the amount owed by the big real estate developers. This induced Evergrande to sell its properties at discount to incur as much money to keep the business live but failed to meet its target and interest payments.

Consequences:

The Chinese Government has pushed \$14 billion cash into the banking sector to keep the economy stabilized. As, most of the construction projects are halted, the demand for the building materials may decrease and this will impact the countries that export such kind of materials to China posing an economic slowdown. To prevent these happenings in the future, the government should focus on developing all regions in equal and encourage people to invest money in alternative investments.



MADANKUMAR RA

2028030



CREATIVE CORNER



UNSAID

A Mind with a thousand thoughts,
With a voice in the head,
And the words that are left unsaid;
Stuck in a deep hole of silence
Not realising that there was another world
Behind the silent doors, where the wind was
heard
And seas hit the shores.
I can see two roads behind the door
Two roads that are diverged, and I
I took the one less travelled by,
To leave all behind, to speak the unsaid
To overcome this silence, to step into a sky
I took a step to the road not taken
To feel like a bird, and learn to fly;
I tried to be stronger,
A bit more than I was yesterday;
Trying to sharpen the new found wings
Leaving behind the things that weren't meant
to be
Now, the mornings aren't the same,
I am finding the lost words in form of sanity
Realised unsaid things are like a sunset
Because,
Every sunset is an opportunity to reset.

M KEERTHANA
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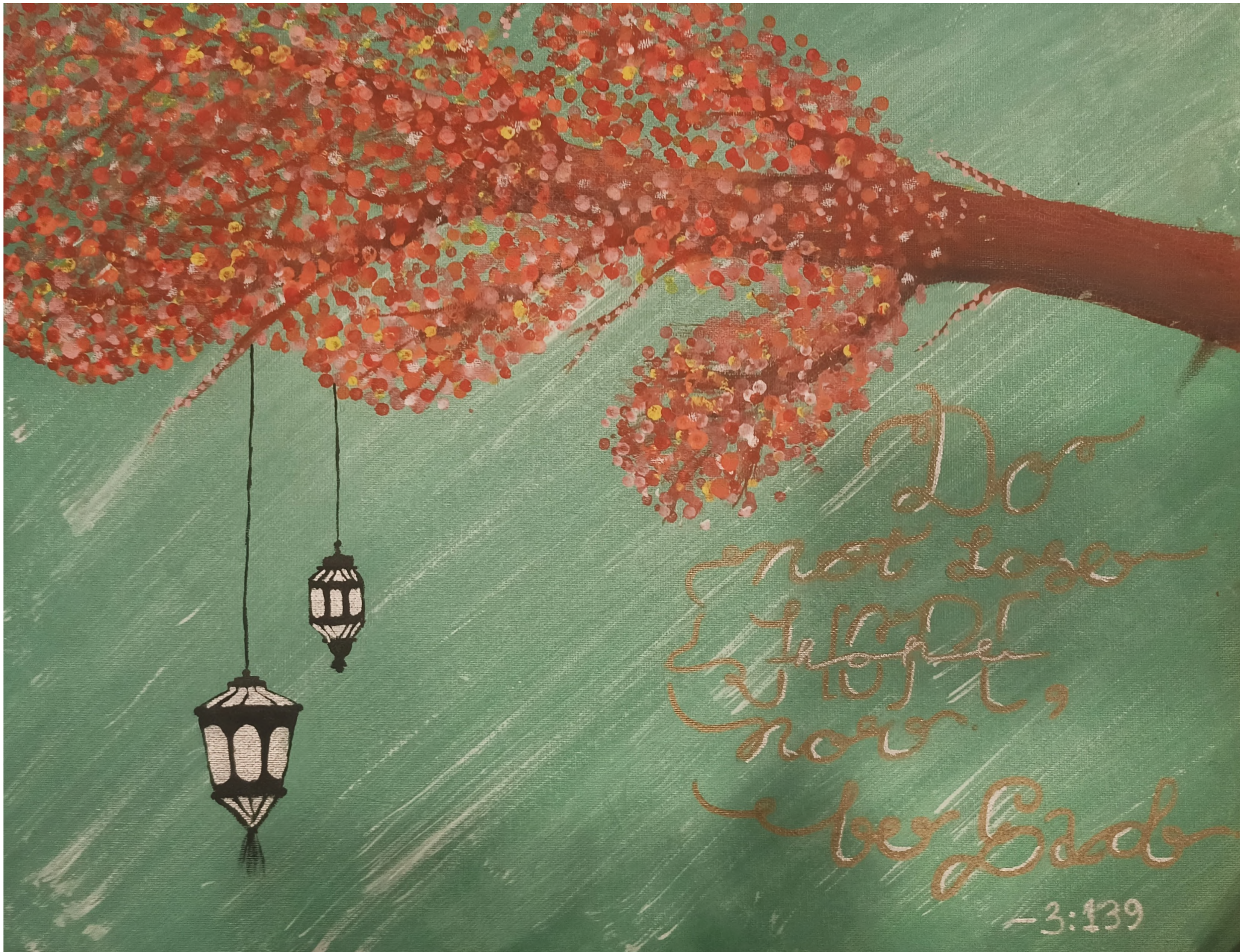
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THE TREE OF HAPPINESS



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