



CHRIST
(DEEMED TO BE UNIVERSITY)
BANGALORE • INDIA

NOVEMBER 2021 | VOLUME 21 | ISSUE 21

CHAANAKYA

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

**Published by
THE FINANCE CLUB**

TABLE OF CONTENTS

Alumni Speak	4
Faculty Speak	7
Can the Derivates Market Impact the Countries Economy?	9
Automated Portolio Manager	10
Future of Cryptocurrencies in India	11
IPO Rush!	12
Initiatives for Financial Literacy in India	13
ESG - The New Yardstick	14
Paytm: What Went Wrong!	15
Financial Inclusion in India: Are We There?	16
The Predictor of Ultimate Success	17
Innovation and E-Commerce Entrepreneurship	18
How to Save Taxes in India	19
Airtel on the Rise	20
Financial Jargons	21
Movie Review: Rogue Trader	22
Fun Puzzle	23
Sidd's Gallery	25

EDITOR'S NOTE

Greetings readers!

It is our pleasure to bring you the MBA Finance Students' contributions for November 2021. This issue is presented by **Team Profit Ninjas**, which is a group of students under the mentorship of **Prof. Ramanatha HR** from the MBA Finance Specialisation. The writers have expressed their opinions on a range of finance-related topics. 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 summarises the entire article.

Team Chaanakya expresses sincere gratitude to our Dean Dr. Jain Mathew and the entire leadership team, Head of Department, Prof. Krishna M.C., Head of Specialisation, Dr. Mareena Mathew, Coordinator - Finance Specialisation, Dr. Srikanth P, Faculty Coordinator of Chaanakya, Dr. V. Harshitha Moulya, our specialisation mentor, 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

PROFIT NINJAS



Dr. Ramanatha HR



Akshit Jain



Amit Kumar



Manu Thomas



Jahanwi Kumari



Payal Jain



Nikhil NC



Praveeth Shetty



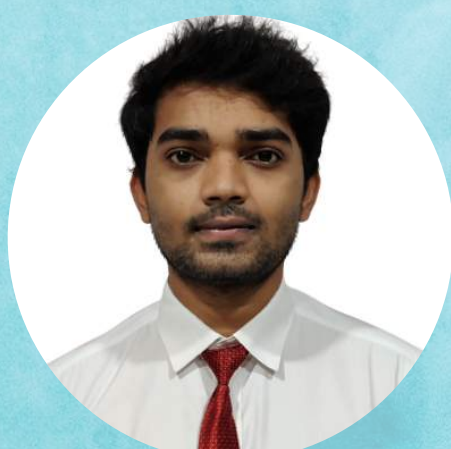
Ashhar Jamil



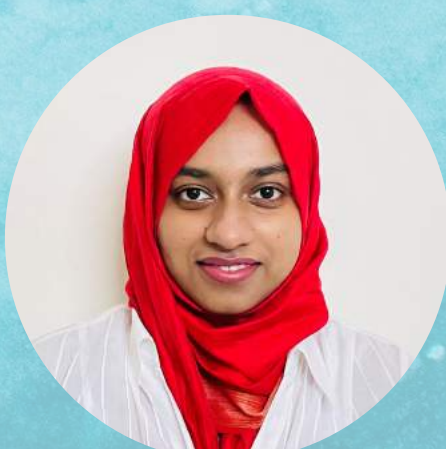
Shyamakanta Mishra



Siddarth Sanjay



Roshan Varma



Shaheera Jilani



Aditi



Divya Dutta

ALUMNI SPEAK



**SAMANTHA
BLACK**
sales director

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

HOBBIES
creating websites
swimming
photography
body building

POSITION TITLE for company tid

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

for company tid

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

	RESPONSIBILITIES	POSITION TITLE	for company tld
2012 - 2013	Short description of the position and responsibilities you had in this position. Lorem ipsum dolor sit amet lursit amet inusaniquispe volur new.		

POSITION TITLE for company/tid

2003 - 2010

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

REFERENCES

ELIOT BROWN
0028 01234 5678
eliot@mypage.com

ELIOT BROWN
0028 01234 5678
eliot@mypage.com

ELIOT BROWN
0028 01234 5678
eliot@mypage.com

COVER LETTER

OUR DISTINGUISHED SBM ALUMNI – MR. WASIF AHMAD

Mr. Wasif Ahmad, Alumni of SBMA CHRIST
(Deemed to be University) from 2013 - 2015. He
currently works as a Senior Manager in Standard
Chartered Bank



Mr. Wasif Ahmad

INTERVIEW WITH MR. WASIF AHMAD

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

I got placed in Societe Generale after completing my MBA and then worked with Bank of America and Standard Chartered.

At Societe Generale I got the opportunity to work as an analyst in the Market Risk and Product Control team. Here we aimed to monitor the daily movement in the Banks' trading books and attribute the movement to different factors, such as new deals or various factors that could cause a movement in an existing position such as movement in spot, volatility, repo, rate, theta, etc.

These were then tied back to the movement in Market Risk where we analysed the VaR, SVaR, Stress Test and other Greeks such as Delta, Vega, Theta, Gamma, Rho, etc.

The ultimate aim was to keep the bank within its risk limits and alert the Front Office/Traders in case of a limit breach so that they can alter their positions accordingly. My role at Bank of America was similar to what was at Societe Generale.

Also, as I gained experience, I got the opportunity to drive multiple transitions, transformation and automation projects under the Market Risk domain which helped me expand into the CTB (Change the Bank) roles. Currently, I am working with Standard Chartered as a Senior Manager where I worked on managing Stress Testing Change projects for Credit, Market, Liquidity, Operational Risk and recently also started working on Reputational and Sustainability Risk where we are developing a model to assess the Reputational and Sustainability risk for Standard Chartered investment banking clients.

Q2. In what manner does any company monitor any kind of anticipated reputational risks and what are some of the steps in which they mitigate them?

I can't comment on how any company assess the reputational risk but can say what banks usually do.

Being a non-financial risk and considering the proactive nature of the risk, the Reputational Risk check starts right from the time a client is being onboarded by the RM. The RM ensures that all due diligence is done where he checks the background of the client as per the bank's Rep Risk onboarding checklist which includes multiple aspects ranging from what is the business of the client to any adverse media coverage that the client has in the past ten years. There are different weights assigned to different aspects such as adverse media, connection to local industry that are subject to Rep Risk, handling of Defence goods, Government contracts so on and so forth.

This helps us arrive at a Rep Risk Score, which is further classified into different ranges of Low to High. And depending on where the score falls, it goes to the appropriate committee for approval.

Furthermore, checks are also in place to monitor all the trades for Rep Risk which is above the bank defined threshold. This ensures constant monitoring of all the major transactions from a Rep Risk perspective.

We are currently seeking the help of Vendors who specialise in providing Rep Risk data and also working simultaneously to develop an in-house Rep Risk model.

Q3. How different is investment banking from commercial banking?

Retail and Investment banking is very different. These differences can be elucidated when we talk about a particular aspect. To keep it simple let's just say, products on the retail banking side are simpler and on the investment banking side the products are complex, for example, the derivatives. However, each has its own nuances and complexities.

FACULTY SPEAK



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.

REFERENCES

ELIOT BROWN
0028 01234 5678
eliot@mypage.com

ELIOT BROWN
0028 01234 5678
eliot@mypage.com

ELIOT BROWN
0028 01234 5678
eliot@mypage.com

COVER LETTER

Lorem ipsum dolor sit amet, consectetur adipiscing elit. Ut vestibulum efficitur, nunc lorem interdum. Ut suscipit ornare orci. eleifend dolor ornare. Ut suscipit ornare orci. venenatis massa suscipit a. Morbi in metus. eleifend varius. Quisque et lacus fermentum. ac purus ut. vehicula. gestas, in luctus.

SAMANTHA BLACK
sales director

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

HOBBIES
creating websites
swimming
photography
body building

PROFES
Lorem ipsum
adipiscing
lectus.
lorem
non

AL
d

CRYPTOCURRENCY - PRASHANTH VELLANKI

Q1. How beneficial is the "Cryptocurrency and Regulation of official digital currency bill, 2021" for the Indian market?

It is extremely critical to have the bill enacted as various stakeholders face significant uncertainty. The Crypto industry is looking forward to positive regulation that allows investment and trading in crypto. While monitoring crypto transactions has been on top of the government's agenda for some time, the extent and form of regulation have not been evident. Amidst this, there has been a surge of crypto exchanges and currencies traded on those exchanges. This, coupled with aggressive advertisement campaigns by some of the crypto exchanges, resulted in the "FOMO" factor that has led to many Indians developing exposure to crypto-assets. With regulation, we can expect clarity on the following key questions:

- Is investment and trading in cryptocurrencies allowed?
- What are the regulations around crypto trading and crypto exchanges?
- Can crypto be used as a form of payment?
- What is the role of private cryptocurrencies in payments considering that the government is keen on Central bank digital currency (CBDC?)

Q2. How are cryptocurrencies being used in illegal activities?

The focus on anonymity in Darknet and crypto have made it a safe form of exchange of value (payment) in illegal transactions. It is estimated that over \$75 billion of illegal activity per year involve BitCoin and other cryptocurrencies. It is increasingly being used for ransomware, extortion, payment for smuggling prohibited items etc. Interestingly, some experts believe that uncertain regulations/prohibition by governments worldwide have led to its increased use in illegal activities. The cloak of anonymity it provides, along with the fact that law enforcement agencies aren't equipped with enough laws/regulations, makes cryptocurrencies a preferred mode for illegal activities



Q3. Crypto transactions are peer-to-peer transactions. How then can the government know or regulate such transactions?

If we look around at Countries that have implemented some form of regulations, most of these regulations focus on acquiring cryptocurrencies (conversion of legal tender into crypto.) Some countries have identified crypto assets as securities or commodities, and few others have classified the crypto exchanges as money service businesses. Accordingly, the regulations applicable to buying and selling securities/commodities and other money services (Know your customer, Anti-money laundering, combating the financing of terrorism, Bank secrecy) apply to buying/selling crypto assets. However, it is to be noted that these regulations are applicable at the time of conversion of Crypto assets from/to legal tender. But such acquired crypto-assets can then be converted into other crypto assets or transferred to other users. To what extent can these be mainly regulated remains to be seen.

Q4. What could be the future aspects of crypto in India?

A lot is contingent upon the regulations proposed under the Cryptocurrency bill. Considering that the RBI proposed the inclusion of CBDC into the definition of currency, it is improbable that private cryptocurrencies can be used as legal tender. Further, the government may regulate trading and invest in crypto assets. While an outright ban on private cryptocurrencies cannot be ruled out, it is more likely that the government allows trading and investing subject to specific regulations.

CAN THE DERIVATIVES MARKET IMPACT THE COUNTRY'S ECONOMY?

The significance of the derivatives market's improvement on numerous monetary frameworks has been the focal point of a ton of exploration.

Two essential components of the derivatives market are futures and options, which are widely traded worldwide. They are divided into ten groups: equity index, individual equity, interest rates, currency, energy, precious metals, non-precious metals, and agriculture. Three variables are liable for the derivatives market's ascent.

Volume, effectiveness, and risks are the three factors that should be considered. On account of the volume channel, the ascent of derivatives markets affects the monetary market and financial development by making the capital collection more straightforward and effective. It works on the portion of assets held in higher-yielding speculation exercises by permitting reserve funds to move around and expanding venture prospects in a wide assortment of less secure undertakings.

Second, the effectiveness channel is an amalgamation of different capacities, including proficient money market trade, asset mobility over the long run and area, and risk management and evaluating procedure data. It is advantageous for actors such as businesses, financial institutions, and the government to have a greater variety of low-cost funding sources.

The third channel, risk, is worried about the adverse consequences of derivatives market improvement on the monetary market and financial development. It might build speculation about basic resources, making financial market sectors more unstable and the economy more capricious. In any case, organizations and specialists might profit from adopting derivatives as hedging instruments.



It can also be said that an excessive increase in the development of the derivatives market can have unfavourable effects in the long run for India.

The futures and options market has grown in importance in the financial sector, functioning not just as an efficient hedging mechanism but as a useful source of real-time data, enhancing the efficiency of the financial market operations.

The impact of futures and options markets on the economy as a whole has recently piqued people's curiosity.

According to some studies, the derivatives market has a beneficial impact on economic growth by speeding capital accumulation, increasing investment efficiency by providing greater diversification in high-risk ventures, and lowering economic uncertainty as a risk-hedging instrument.

MANU THOMAS MATHAI
2027018



AUTOMATED PORTFOLIO MANAGER

Robo-advisor is an automated portfolio manager. We can think of it as an autopilot for investors.

Robo-advisor is a software product that helps us manage our investment without consulting a financial adviser or managing our own portfolio.

How does a Robo-advisor work?

New clients signing up for Robo-advisors usually start by providing basic information about their investment objectives in an online survey. These questions may be related to schedules, risk tolerance, and savings. The Robo-advisor performs these responses via an algorithm. This enables an asset allocation approach. It also helps us build a portfolio of diversified investments that meet our goals.

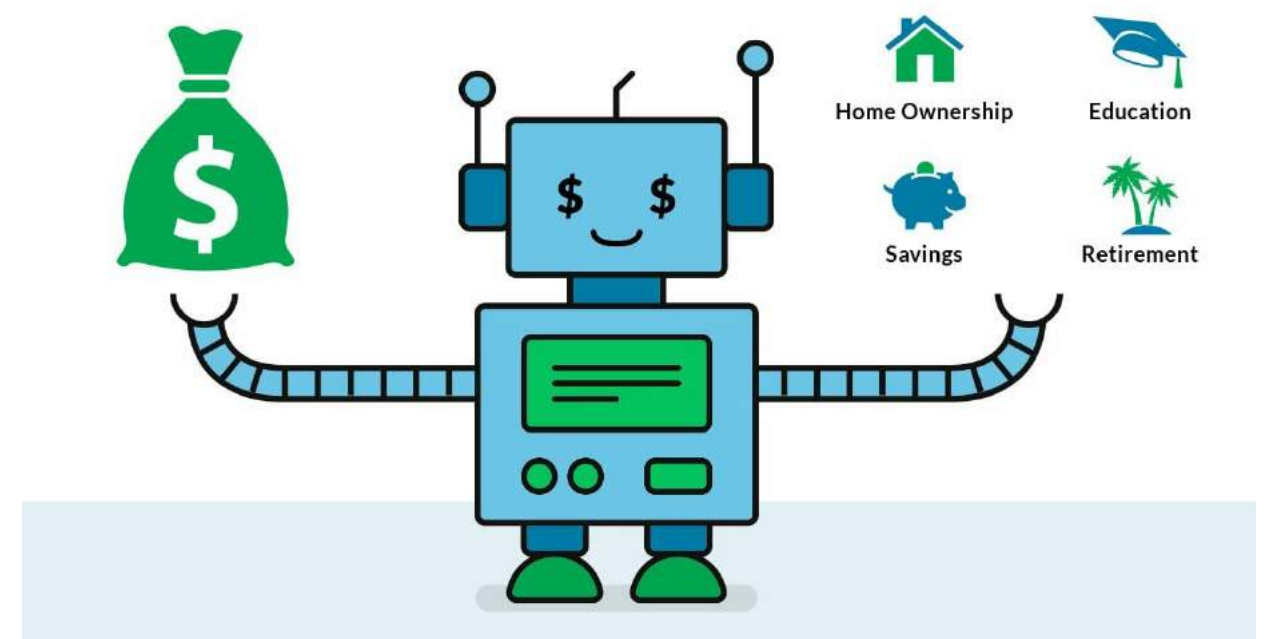
When money is invested, the software can automatically rebalance the portfolio. This ensures that we stay close to that target assignment. Many popular robo-advisors recommend funding our account regularly.

Most Robo-advisors use investment trusts or exchange-traded funds (ETFs) to build their portfolios rather than individual stocks.

They often employ index funds or other passive investment approaches based on research in modern portfolio theory. This underscores the importance of allocations to equities and bonds. Some Robo-advisors may also be able to further refine their investments based on social values and religious perspectives.

The tax structure of robo-advisor account as with any type of investment depends on the type of account that holds the asset.

Robo-advisor fees can be configured as fixed monthly fees, or as a percentage of assets. Percentage rates range from approximately 0.15% to 0.50%.



These robo-advisor fees are separate from facility-related fees. For example, investment trusts and ETFs may have their own cost ratios in their accounts. This type of fee is taken from the fund's assets before the income is distributed, so users choose accordingly.

Robo-advisor is an automated portfolio manager. The robo-advisor makes an ongoing decision on how we will invest our money.

Amit Kumar
2027103



FUTURE OF CRYPTOCURRENCIES IN INDIA

Cryptocurrency is a virtual or digital currency protected by encryption, making counterfeiting and double-spending practically impossible. Many cryptocurrencies use blockchain technology to create decentralized networks. They exist outside of the control of governments and central authorities because of their decentralized structure.



Cryptocurrencies have the potential of making it easier to move funds between two parties without the use of a trusted third party such as a bank or credit card provider. The main concern underlying these cryptocurrencies is the nature of semi-anonymous transactions, which makes them ideal for various illegal activities, including money laundering and tax evasion.

The Indian cryptocurrency market has grown rapidly since the Supreme Court overturned a previous ban last year.

Cryptocurrencies are owned by between 15 and 20 million people in India. The Indian government is preparing to ban private cryptocurrencies and allow the country's central bank to launch an official digital currency.

Although taxpayers must report gains from crypto investments, cryptocurrencies are not officially taxed in India. Long-term capital gains will be classified as gains generated from cryptocurrencies held for more than 36 months.

The tax rate on these gains will fluctuate based on various factors, including how popular cryptocurrency is becoming in India, its impact on the government's net value, and the impact on rupee exchange rates vs other international currencies. The laws and regulations governing cryptocurrency taxation are still in their development, and it will take some time before they can be implemented.

As the Indian government is preparing to ban private cryptocurrency, it also raises new questions on whether the government can effectively restrict the flow of the cryptocurrency as it is challenging to make the cryptos illegal because they're just pieces of code with no intrinsic value. It's similar to transferring a computer file when you transfer them from one virtual wallet to another.

Post the announcement of the ban on the private cryptocurrency the Indian Investors went into panic selling and the most valuable cryptocurrencies, such as Bitcoin and Ethereum, have seen their prices drop by as much as 15%. The Indian crypto exchanges were the centre of the panic. Most sellers were new investors who had entered the market due to the crypto hype and made a profit in the last few months.

The Indian government is preparing to ban private cryptocurrencies and allow the country's central bank to launch an official digital currency. Post the announcement of the ban on the private cryptocurrency, the Indian Investors went into panic selling, and the most valuable cryptocurrencies, such as Bitcoin and Ethereum, have seen their prices drop by as much as 15%.

NIKHIL N C
2027134



IPO RUSH !

Nykaa has evolved into India's #1 e-commerce site for beauty products, led by former investment banker Falguni Nayar, with smart endorsements from Bollywood stars and support among twenty-somethings. She created the company after assisting other entrepreneurs with going public with their businesses.

On the final day of bidding, the Rs 5,351.92-crore initial public offering of FSN E-Commerce Ventures, the operator of fashion and beauty e-commerce portal Nykaa, was subscribed 81.78 times. The issue got bids totalling Rs 4.38 lakh crore, making it the second-highest IPO ever.

The Rs 11,563-crore IPO of Reliance Power NSE 1.12 per cent in 2007 was oversubscribed 73 times, attracting bids totalling Rs 8.45 lakh crore. In July of this year, the Rs 9,375-crore IPO of Zomato NSE 4.57 per cent attracted Rs 3.59 lakh crore bids.

Nykaa's IPO received bids for 216.59 crore shares, out of a total of 2.64 crore equity shares. The high-net-worth person or non-institutional investor (HNI) component was 112 times subscribed, while qualified institutional investors bid 91 times the number of shares reserved for them. The retail investor part was 12.24 times oversubscribed.

According to the company, the funds from the IPO will be utilized for various corporate purposes, including investing in FSN Brands and opening new retail locations. It's also possible that the funds will be used for capital expenditures or debt payments.

On IPO price, Falguni Nayar stated that the market expects that e-commerce company penetration will decrease, which is why many platforms that appeal to customers from a purchasing standpoint have a high valuation.

Nykaa's IPO success, following Zomato's great performance, has paved the door for more Indian start-ups to enter the IPO market. The subscription period for PolicyBazaar's initial public offering has begun.

Despite the COVID-19 epidemic, 2021 was the best year for initial public offerings in the last two decades. Food aggregator Zomato, online insurance broker Policy Bazaar, online pharmacy PharmEasy, and fashion retail startup Nykaa have all declared IPOs for 2021. In the coming year, the industry expects a similar IPO frenzy. Furthermore, many initial public offerings (IPOs) are already planned for 2022. Companies raised roughly INR 1,19,882 through IPOs in 2021. Again, in 2022, the new-age tech, consumer, healthcare, and speciality chemicals industries are likely to dominate forthcoming IPOs. The perception of a significant desire for investing in India's tech enterprises among global institutional investors is one of the main reasons for Indian companies going public.

Jahanwi Kumari
2027237



INITIATIVES FOR FINANCIAL LITERACY IN INDIA

Financial literacy is the capacity to comprehend and utilize various financial abilities, such as personal financial management, budgeting, investing, etc. Since this aspect is lacking amongst most Indians, especially those from rural India, this article talks about various steps taken by regulatory bodies to improve financial literacy in India.

RBI's Initiatives:

RBI has started a scheme called "Project Financial Literacy" with an initiative to spread knowledge about the central bank and basic banking principles to a variety of target groups, including high school and college students, women, the rural and urban poor, military servicemen, and aged residents. The content is written in English and various regional languages. It is communicated to the target public through presentations, leaflets, brochures, videos, and the RBI's website.

SEBI's Initiatives:

SEBI has appointed resource persons across India to provide financial education to several target categories, including school and college students, working executives, the middle 12 income group, homemakers, and others. These SEBI Certified Resource persons host seminars for these target sectors on various topics such as savings, investment, financial planning, banking, among others.

SEBI runs investor education seminars via investor organizations around the nation. It organizes regional seminars in collaboration with various stakeholders, including stock exchanges, depositories, mutual funds associations, and associations of merchant bankers. SEBI offers a website dedicated to investor education, where study materials may be downloaded.

IRDA'S Initiatives:

IRDA has conducted awareness programs on television and radio. Simple messages about policyholder rights and responsibilities, dispute resolution channels, and other topics have been disseminated through television, radio, and print media through sustained campaigns in English, Hindi, and 11 different Indian languages. It has also published 'Policyholder Handbooks' and a series of insurance-related comic novels. A dedicated website for insurance consumer education is about to go live. The Integrated Grievance Management System of IRDA establishes a single repository of grievances. It allows for various analyses of data indicative of areas of concern to insurance policyholders.

PFRDA Initiatives:

The Pension Fund Regulatory and Development Authority has been educating the public about social security. PFRDA provides a FAQ on pension-related subjects on its website, and it has partnered with many non-government groups in India to bring pension services to the underserved. It has placed ads in print and electronic media such as radio and television.

The article talks about financial literacy and how it is lacking amongst Indians. It mainly focuses on various measures taken by the Reserve Bank of India, Insurance Regulatory and Development Authority, Pension Fund Regulatory and Development Authority to increase the awareness of this aspect across India through various schemes and that too in different languages.

PAYAL JAIN
2027047



ESG – THE NEW YARDSTICK

The blending of environmental, social, and governance (ESG) considerations into investment strategies and decision-making are commonly referred to as rational and responsible investing.

ESG variables span a wide range of concerns that aren't generally considered in financial analysis but may have financial implications. This could include how businesses react to climatic changes, how well they utilize water, how efficient their safety procedures are at accident prevention, how they handle their supply chain operations, how they treat their employees, and whether or not they have an organizational culture that fosters trust and innovative thinking.

Even though many firms strive toward long-term financing, there is still a long way to go. Creative solutions to a green economy are cropping up worldwide as technology progresses.

Every organization has its own set of ESG goals that it aspires to achieve. Going green covers a much broader range of interests, and there is a sizable industry where sustainable funding approaches are being used.

Organizations must monitor key performance indicators (KPIs) related to their financial sectors to determine whether their sustainability objectives are being accomplished. KPIs are a wonderful tool to see where your firm lags in its objectives. Team members can then collaborate on risk mitigation techniques and process improvements to guarantee that the standards of the International Markets Association are implemented.

The market for ESG investors is expanding at a rapid pace. As a result, corporations will be bound to conform with sustainability criteria in the future to satisfy investor demands and retain their market position.

Companies can work with S&P Global's sustainable finance and speciality credit experts to assess their progress and recommendations for how to enhance it. This allows the organization to clarify its plans and move to long-term sustainability easier in the long run.

Walmart has long been at the forefront of sustainable finance. Others are following the lead of such large-scale organizations participating in similar efforts. As a result, ESG issuances have increased, providing companies with opportunities and means to strive towards sustainable finance.

The emergence of ESG investing can also be regarded as a benchmark for how economies and communities are evolving and the developments in valuation principles.

For decades, corporations have discussed intertwined aims that promote people, the environment, and profits, but they have rarely found the opportunity or the will to put their words into action. When the Companies Act of 2013 made corporate social responsibility (CSR) a legal requirement, the needle shifted slightly but not nearly enough. Meanwhile, the ESG logic is unlikely to win over some powerful shareholders. If that's the case, statistics can help you make your point more effectively. By 2025, global ESG assets are expected to reach \$53 trillion, accounting for more than a third of the \$140.5 trillion in total assets under management. Meeting ESG targets isn't only plain sense; it's also sound business sense from a long-term value creation standpoint.

SIDDHARTH SANJAY
2027117



PAYTM: WHAT WENT WRONG?

India's biggest-ever IPO launch, Paytm, was something that was waited for months. But its launch turned out to be miserable as it didn't live up to the hype on the day of its listing.

The debut of the largest communication digital payment startup crashed to a low of 26% to Rs 1603 just in the morning, compared to its issue price of Rs 2150.

Even though it recovered from its fall later, it was still trading at a discount of 9%. However, that worst was yet to come as the stocks closed at a low of more than 27% at Rs 1564.

Paytm has the backing of several of the largest global investors. The startup led the race in the digital payment sector, mainly during and after the demonetization decision in 2016.

To what was said to be one of the biggest blockbuster IPOs in the Indian market, it was shocking to see that the shares had an oversubscription of just 1.89 times.

The analysts claimed that a few red flags have been visible since the beginning. For a company that hasn't made profits for the past eight years and which had shown no signs of reducing expenses, it was stated this was a sign of being '*highly overvalued*'. If not for the profit, the only signs of cost reduction were visible only in this fiscal year, and this, in turn, narrowed down the loss to Rs 1,596 Cr, which can be said as an improvement from the previous years.

In terms of the various businesses that it has expanded itself into, such as entertainment, fantasy sports, e-commerce etc., there haven't been many revenues from these diversification projects. Also, the challenges posed by the likes of Google pay and PhonePe have a significant impact on the future of Paytm.



On a long-term basis, analysts claim that Paytm won't sustain itself unless they inculcate 'lending' in their way of business.

There may be multiple reasons why the PAYTM IPO didn't live up to the hype. But there are a few reasons which were flagged from the beginning

PRAVEETH SHETTY
2027022



FINANCIAL INCLUSION IN INDIA: ARE WE THERE?



I would like to begin this article by quoting Nobel peace prize winner Mohammad Yunus who once said, "Poverty does not belong in civilized human society. Its proper place is in a museum" Sadly, we are nowhere near putting poverty in museums despite the government of India and RBI's best efforts to promote financial inclusion in India.

But what does financial inclusion mean?

Financial inclusion is a process that offers banking and financial services to individuals. Its primary objective is to include every person in society by providing them basic financial services regardless of their income or savings. It is critical to economic progress because it fosters a savings culture among a large chunk of the population and expands the financial system's resource base.

Financial inclusion also safeguards low-income groups' financial wealth and other resources in emergency situations by bringing them within the perimeter of the formal banking industry. By providing simple access to formal credit, financial inclusion also reduces the exploitation of disadvantaged groups by exorbitant money lenders.

The newly constructed composite Financial Inclusion Index (FI- Index) combines data on many dimensions of financial inclusion in a

single number ranging from 0 to 100, with 0 denoting complete financial exclusion and 100 denoting complete financial inclusion and right now India is at 53.9.

- India has the highest number of inactive bank accounts. 48% of the accounts in India are inactive, which is double the global average of 25%.
- According to a global index report, India has around 190 million adults without a bank account, making it the second-largest unbanked population behind China. Despite having a fairly high account ownership rate, India accounts for a sizable portion of the world's unbanked population due to its sheer size.

Despite several challenges, things are changing for the better thanks to the digitalisation of the economy and the arrival of fintech. According to RBI's FY 2021, around 44 billion digital payments took place. Among these, UPI (Unified payment interface) has been a game-changer, it has made transactions very simple, and it is easily accessible to anyone with a simple smartphone. The UPI transaction volume has gone from 17.9 million in 2016 to 2 billion per month in 2021.

With many more fintech companies coming in, such as insurance, brokerages, lenders, etc., things will hopefully improve in the coming years.

Financial inclusion is a process in which banking and financial services are provided to individuals, especially those from marginalised sections of society. India lacks behind in financial inclusion. It has the highest number of adults, i.e., 190 million without bank accounts. Although with the digital revolution and the arrival of fintech's things are changing for good.

ASHAR JAMIL
2027260



THE PREDICTOR OF ULTIMATE SUCCESS

Many of us were schooled as business leaders and entrepreneurs to separate emotional achievement from financial success. However, the days of "keeping your emotions out of business" are long gone. More than ever, we are learning that our prevailing sentiment at any one time dictates our level of success, both emotionally and financially.

Before we walk down the rabbit hole known as financial emotional intelligence, let me ask you, "What does financial, emotional intelligence mean to you?"

Each of us possesses a "minor" entity known as our ego-mind. Our ego-mind uses the dominant feeling we are experiencing to access the pool of beliefs and memories associated with that feeling. To put it another way, our ego-mind is continually justifying itself.

What were your thoughts about money at the time of your most recent financial transaction? Feel into the emotion and discover the precise belief/memory that arose for you. Be truthful to yourself. Do you see how your belief/memory supported your feeling now?

It is critical that you be self-aware of this since the money belief/memory you just said dictated the next thought you had, which eventually led to your next financial decision, whether that decision was successful or not.

This is why financial, emotional intelligence is a continuous feedback loop that drives us to experience precisely what we believe about money as we justify every single belief and memory to ourselves through our prevailing sensation at the time.

I understand. It might be frightening to know that we are the strong common denominator in all of our experiences since we are the final validator of our financial, emotional intelligence portrayed reality.

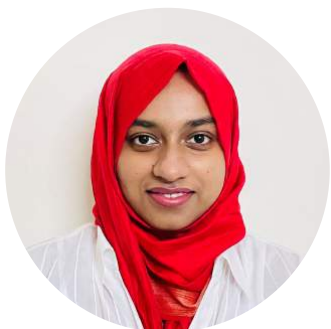


It focuses on what money means to us emotionally so that we may accept and appreciate more money in our lives. Take my word for it, but don't take my word for it. Let's undertake a team exercise. Consider the most recent financial choice you made before reading this article. Maybe you purchased yourself a cappuccino. Perhaps you paid a vendor or hired a new employee. Whatever your financial choice was, did you pause to consider how you felt when the financial transaction occurred?

I emphasise the necessity of observing our dominating sensation when money enters our hands in whatever form since we make decisions emotionally before cognitively rationalising them.

Because our prevailing emotions consistently decide the type of company leader and entrepreneur we are, financial and emotional intelligence is a predictor of eventual success. The most humanitarian thing we can do is be financially and emotionally competent.

SHAHEERA JILANI
2027161



INNOVATION & E-COMMERCE

ENTREPRENEURSHIP

More than 100 years ago, commerce was all about the barter system where in-person would take some goods from person B, and in return, he would give some Goods to person A.

Factors like value, price or the type of goods did not exist. Civilizations grew, and so did the technology coupled with innovation that gave rise to an economical setup we see today.

The discovery or invention of new ideas, products, or systems ultimately makes the user happy in the economic world. One such concept is that of e-commerce, whose growing popularity over the years has just completed the life of providers and users belonging to every section of the economy. The E-commerce concept has touched even the neighbourhood stores (kiranas) to the extent of massive brands having a global presence. The Midas touch of this industry can be observed everywhere.

Take this into consideration, you sit inside the comforts of your home, travel, or are in the office or just walking during a break in college, a few clicks through your cell phones and within the required delivery time, your package gets to you. Viola! One doesn't need to step out to buy things. Consumer life has become easy, right from groceries, home decor, books to apparel, you name it, and you will get it online.

Let's talk from the seller's perspective. Big brands and even SMEs are presented with a vast range of opportunities to collaborate with these e-commerce firms and sell their products through a platform that gives them exposure to lakhs of consumers.

Thirdly, the e-commerce sector each year is growing in terms of creating job opportunities. From people taking calls as customer support, warehouse workers, and top management (in the company) to delivery men, many people earn their bread & butter in this work. Thus, the e-commerce segment is emerging as one of the top employment creators in the world.

Lastly, if we consider the present scenario, then a lot has changed, and it would not be wrong to say that a lot would change in the coming years. The prevailing idea of 'New Normal' is just a glimpse of the paradigm shift the economic sector of the world would see in the coming future. With coronavirus safety concerns and a large section of citizens working from home, consumers' dependence on the online platform has increased significantly.

People need to follow social distancing in public places. E-commerce provides contactless deliveries that save their time and are comparatively safer. Individuals working from home and trying to balance their work and life find it convenient to order online with a few clicks on the mobile app. The increased internet penetration and boom of digital payment have acted as the added benefit in this case.

Factors like smart-shopping, convenience and hygiene concerns make e-commerce a preferable option for people. If things continue at this speed, then India & the world would see dependence of another level on this industry in coming years.

The E-commerce industry has massively grown and has taken space in society, being the new normal of buying and selling. The system is rooted through the barter system to be massively accessible, affordable, creating massive consumers and providers in the market.

DIVYA DUTTA
2027336



HOW TO SAVE TAXES IN INDIA?

Taxes are a mandatory obligation a person has to pay to the government. And being a taxpayer, one thought always comes to mind that, "How can I reduce my taxes?". People tend to ignore that even if some taxes cannot be avoided, some can be reduced. Here are some shots to minimize tax liability: -

Government Investments

Income Tax Act allows a deduction under 80C up to ₹1.5 lakhs on investments like Public Provident Fund (PPF), National Pension Scheme (NPS), Employees Provident Fund (EPF), Tax Saving Fixed Deposits, etc. These also will help people start saving for their retirement.

Buying Health Insurance

The rising cost of medical expenses can burn all those hard-earned income in one go, so it is necessary to avail health insurance that will help one avail treatment at premier hospitals. The government allows tax benefits like deduction under section 80D of income spent towards insurance premiums depending upon various ages.

Exemption on Rented Premises

Under Section 10(13A), a person getting a house rent allowance is exempted from including that amount in taxable income.

Tax saving Mutual Funds

Apart from investing in government schemes, one can also invest in Equity Linked Saving Scheme (ELSS) Fund. This is the only type of mutual fund eligible for tax deduction under section 80C, where a person can claim a tax rebate up to ₹1,50,000.

Savings Account

The easiest tax deduction can be interested in the savings account. Under Section 80TTA, interest on savings is tax-free up to ₹10,000 per year.



Availing a Home Loan

A home loan provides dual benefits, first is more accessible access to own a home and reduced tax liability. Under Section 80C, income spent towards loan repayment is eligible for a tax deduction and under Section 24(b), tax exemption on the interest section of the home loan.

In addition to the ways mentioned above, citizens can also go for avenues like a 5-year bank fixed deposit which provides a return of 6%-7%,

National Savings Certificate providing a return of 7%-8% with a lock-in period of 5 years,

Sukanya Samriddhi Yojana aims at parents with girl child providing 7.6% of return and most preferred Unit-Linked Insurance Plans which have a variety of returns and lock-in period.

Taxes are an obligation, but the government has made several reforms so that the public can avoid excessive tax and can file for returns. People need to have good financial literacy and need financial planners' help to plan well about their income, expenses, and payment obligations. Having good knowledge and regular practice of managing your finances will let people understand how to handle such matters and avoid financial problems.

SHYAMAKANTHA MISHRA
2027024



AIRTEL ON THE RISE

Bharti Airtel is a significant player in the Indian Telecom industry with 29% of total market revenue and a market cap of Rs. 4.92 lakh crores. Services offered by Bharti Airtel are wireless services, fixed-line service, mobile commerce DSL broadband, and Digital TV. From 23-oct-2021 to 23-nov-2021, Bharti Airtel rose from Rs.691 to Rs.758, which shows a hike of 9.6%.

Reasons for the increase in share price:

Better performance

Jio disrupted the whole telecom industry as Jio crashed the prices of mobile plans, which made the internet easily available but service providers like Idea, Vodafone, and Bharti Airtel went into losses. Since then, Bharti Airtel was into losses but from the last four quarters Airtel shows a profit, and with such performance, the company will be in overall profit.

Limited competition

After the Jio disruption, many small service providers left the market and now only Jio, Airtel, VI, and BSNL are left in the market. Jio with a market share of 35%, Airtel with 29%, VI with 20% and BSNL with 14% in wireless telecommunication. Airtel's major competition is with VI and JIO only as BSNL is government-owned.

Increasing Market share

Airtel is one of the oldest and the most trusted telecommunication, and they were the market leaders before Jio. For the past year, VI is continuously losing its customers, and Airtel is gaining, but Jio remained at 35%. This led to more customers and revenue for Airtel. Data usage per customer increased by 0.4% from the previous quarter and a 2.5% increase in the voice calls, which positive sign for the company.

CapEx

The company continues to add a new tower to improve the network and inclusion of



rural India. Airtel acquired a 355.45 Mhz band spectrum by spending 18,699crores which will help them improve in-building coverage.

The above graph shows the Bharti Airtel stock price movements over the past months. Blueline represents the short-term moving average, and the red line represents long term moving average. Blue Shaded region Bollinger bands represent the standard deviation to estimate the risk.

On 26-oct-2021 short-term moving average cut the long-term moving average from below, which is a sign of bullish, and the price was also within the Bollinger Band, which was a strong buy recommendation. But now, the trend is bullish as short term moving average is above the long-term moving average, but the price is very close to the upper limit of the Bollinger Bands, which makes it very risky to Buy.

AKSHIT JAIN
2027124



FINANCIAL JARGONS

Bottom-Up Investing

Bottom-up investing focuses on the fundamentals of a single firm rather than the macroeconomic environment as a whole. Its goal is to find firms with solid fundamentals that can perform well regardless of the sector they operate in or the stage of the market cycle. A strong balance sheet, diverse and steady earnings streams, effective debt, and risk management are all financial elements that might affect investors' decisions. Management structure, company strategy, and competing products or services are all considered operational and strategic issues.

Forbearance

The term refers to the temporary suspension of loan payments, usually for a mortgage or a student loan. Lenders and other creditors may provide forbearance instead of foreclosing on a property or allowing a borrower to fail on a debt. Because the losses incurred by foreclosures or defaults largely rest on the lenders and their insurers, they are often prepared to negotiate forbearance arrangements.

Garnishment

When money is legally deducted from one's salary and delivered to another party, this is known as garnishment. It is a legal process where a third party is instructed to deduct payments from a debtor's paycheck or bank account.

Escrow

An escrow is a legal arrangement where a third party holds vast amounts of funds or property for some time until a specific condition is satisfied. It's most commonly utilized in real estate transactions to safeguard both the buyer and the seller during the home-buying process. An escrow account will keep funds for taxes and homeowner's insurance during the length of the mortgage.



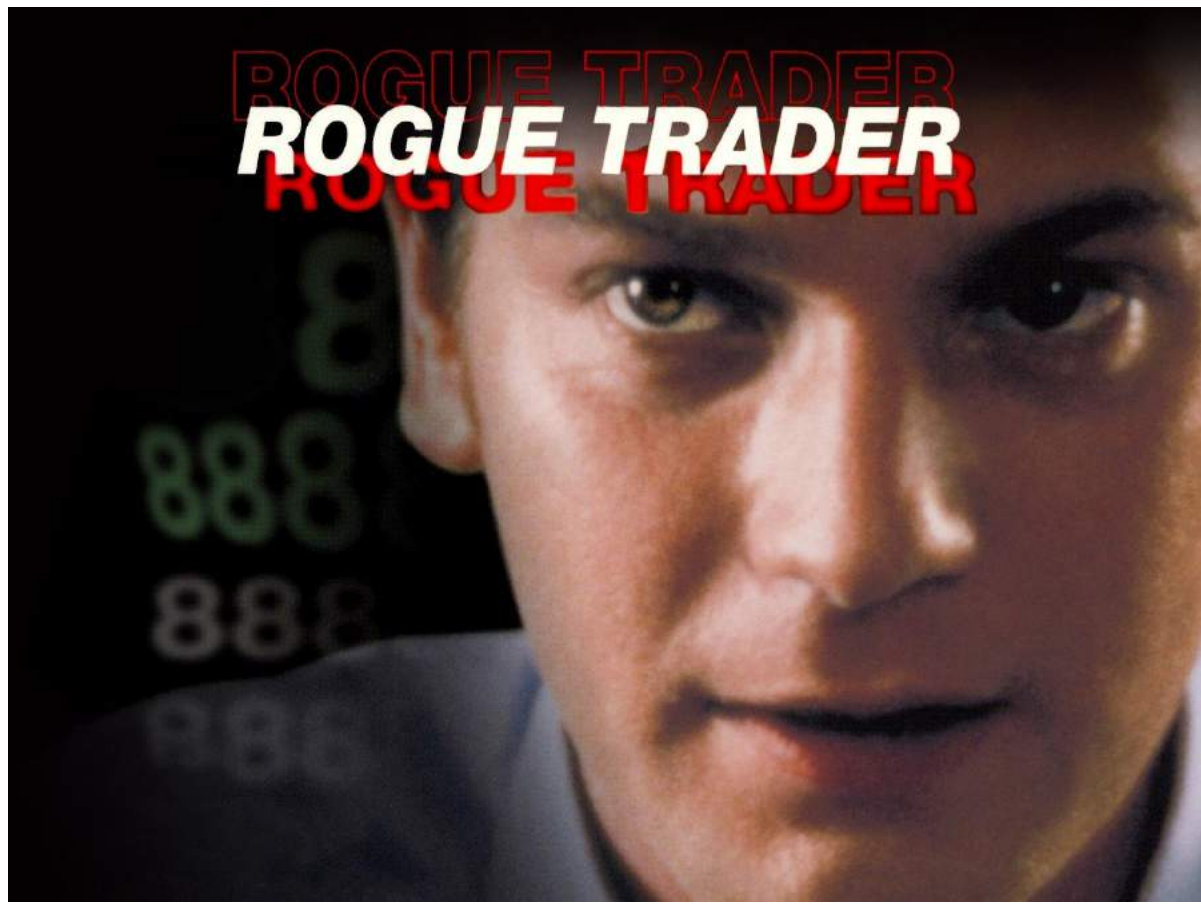
Bridging Loan

A bridging loan is a short-term loan used to cover the difference between purchasing one property and selling another. They usually are utilized when one observes a spot needed to buy before selling the present home. They are costly and are ought to possibly get one on the off chance that one can reimburse it within six months.

ADITI
2027440



MOVIE REVIEW: ROGUE TRADER



Rogue Trader (1999) is a British drama film about Nick Leeson, a former derivatives broker living in Singapore. The plot is based on true events that disrupted the global financial system and resulted in the collapse of Barings Bank, the world's second-oldest commercial bank, based in England. The film is based on Nick Leeson's book *Rogue Trader: How I Brought Down Barings Bank and Shook the World*, one of the best instances of why a trader should not try to beat the market.

The film begins with Nick Leeson, who begins his career as a futures trader for Barings Bank in Indonesia before being promoted to the bank's trading seat at Singapore International Monetary Exchange (SIMEX) in Singapore. By the end of the day, he was expected to take after the trades and the back-office tasks, including entering and settling those trades. His role is to trade Nikkei 225 futures contracts on behalf of Baring's clients, generating profits by arbitraging the minor price gap between SIMEX and Japan Stock Exchange. He assembles a team of floor traders and provides them with the necessary training to execute the orders. Everything seemed well until Nick suffered a little loss due to a trader's blunder. Nick begins trading futures under a newly established account numbered 88888, an unauthorised account prohibited under bank laws, to cover the trader's losses. His deals soon start to come apart, and he loses millions of pounds.

To keep the truth from his superiors, Nick secures an extensive client and earns enough commission on his trades to cover his losses.

But, because he wanted to play large, Nick begins to hold on to his positions in the hopes of higher future values rather than arbitraging his positions for profit.

When a massive earthquake struck Japan in 1995, his unhedged positions began to suffer significant losses, and the stock market began to fall. Nick, still desperate to make up for his losses, begins buying Nikkei futures in substantial volumes in an attempt to manipulate the market in his favour. Nick requests the main office in London to wire him extra money to enter larger deals to fulfil the margin calls. However, when the market continues to fall, the losses begin to reach hundreds of millions of pounds. The bank's management is entirely unaware of the losses in account number 88888, a client-owned account. Barings had a poor compliance system, and routine audits were not carried out properly, resulting in losses of £800 million, nearly double the amount of capital the bank had.

Nick feels that his game is coming to an end as the market continues to go against him. Nick and his wife plan to leave Singapore to protect him from legal action. Nick, however, is arrested at Frankfurt Airport and returned to Singapore, where he is sentenced to six years in prison.

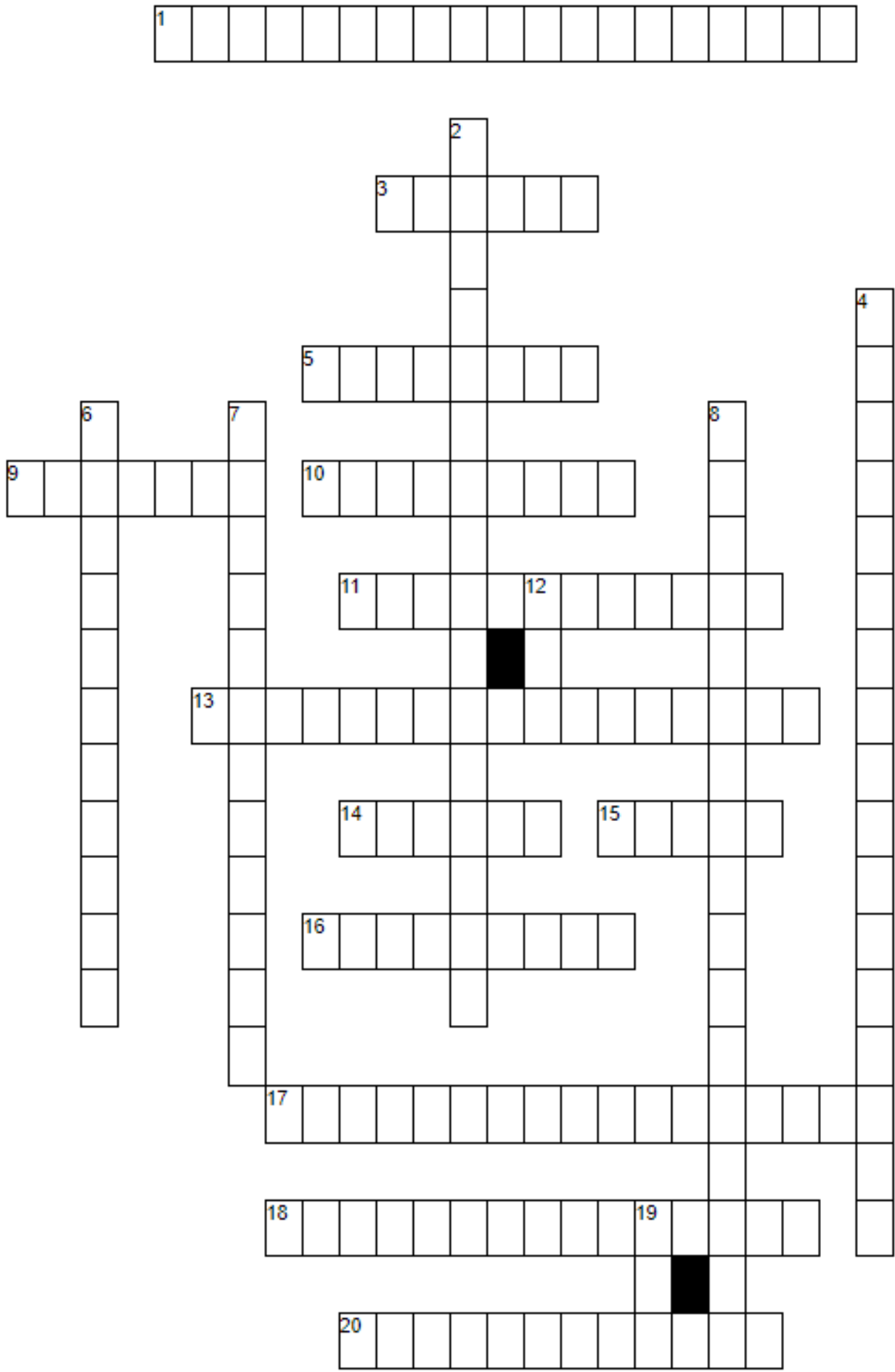
The lessons learnt from the movie *Rogue Trader*.

- The movie accurately reflects the importance of market news by Nick's amount to pay to counter the trend.
- The Martingale's method, or doubling the bets adopted by Nick to cover his losses, is a common mistake trader make in covering their previous losses. It almost always results in even bigger losses.
- A trader should never try to outwit the market, as it is often believed that markets are always correct, even when they are incorrect.

ROSHAN VARMA
2027160



FUN PUZZLE



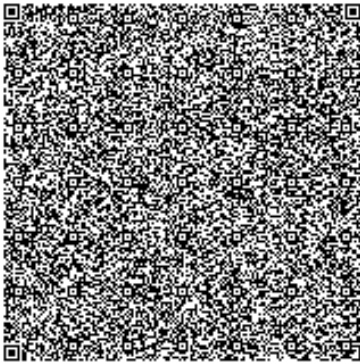
Across

1. Employer-sponsored retirement plans, such as pensions, in which the employer promises a specified retirement benefit based on a formula that may include an employee’s earnings history, length of employment and age.
3. Also called equities or shares.
5. The difference between your assets and liabilities.
9. The payments you make to an insurance company in return for protection from financial losses within the scope of your policy.
10. A financially dependent person on your income, typically a child or an adult relative you may support.
11. The increase in the value of an asset or investment — like a stock or real estate — above its original purchase price.
13. A mortgage that carries a fixed interest rate for the entire life of the loan.
14. An account held by an impartial third party on behalf of two parties in a transaction.
15. Commonly referred to as fixed-income securities.
16. Banks and other financial institutions use a number to measure a borrower’s creditworthiness.
17. A qualified expense that the IRS allows you to subtract from your adjusted gross income, further reducing your taxable income.
18. The process by which you choose what proportion of your portfolio you’d like to dedicate to various asset classes, based on your goals, personal risk tolerance and time horizon.
20. Companies often use these as management incentives.

Down

2. When you’re investing or saving, this is the interest that you earn on the amount you deposit, plus any interest you’ve accumulated over time.
4. A type of policy that provides additional liability coverage beyond what your home, auto or boat insurance may provide.
6. The process of buying or selling securities overtime to maintain your desired asset allocation.
7. This is the process of paying off your debt in regular instalments over a fixed period of time.
8. A standard amount that can be used to reduce your taxable income if you decide not to itemize your deductions.
12. A type of mortgage in which the interest you pay on your outstanding balance rises and falls based on a specific benchmark.
19. Used to determine your taxable income, minus any additional IRS-qualified deductions that you’re eligible to take.

SCAN TO SEE THE SOLUTION



SHYAMAKANTA MISHRA
2027024



CREATIVE CORNER



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.

REFERENCES

ELIOT BROWN
0028 01234 5678
eliot@mypage.com

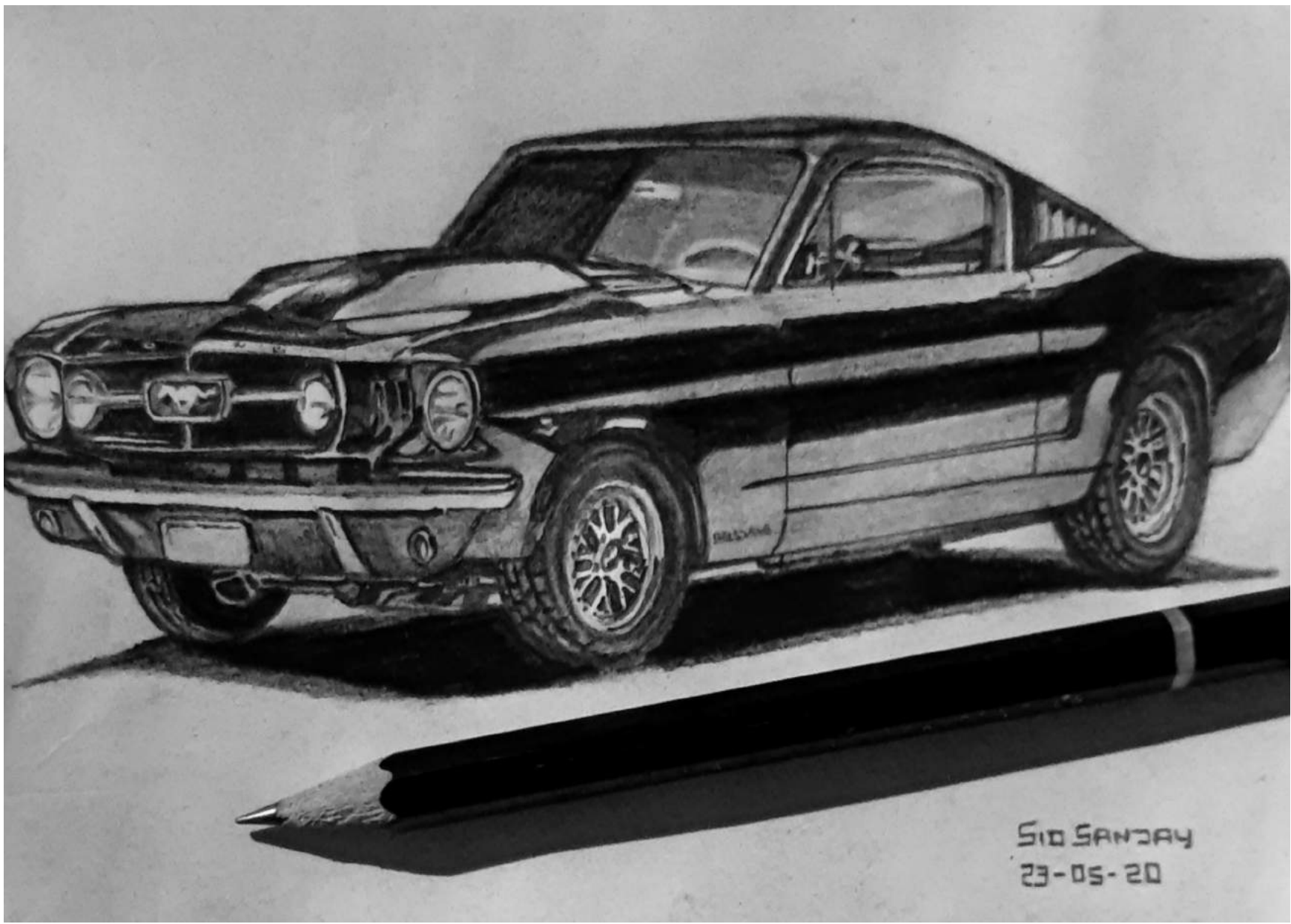
ELIOT BROWN
0028 01234 5678
eliot@mypage.com

ELIOT BROWN
0028 01234 5678
eliot@mypage.com

COVER LETTER

Lorem ipsum dolor sit amet, consectetur adipiscing elit, sed do eiusmod tempor incididunt ut labore et dolore magna aliqua. Ut enim ad minim veniam, quis nostrud exercitation ullamco laboris nisi ut aliquip ex ea commodo consequat. Duis aute irure dolor in reprehenderit in voluptate velit esse cillum dolore eu fugiat nulla pariatur. Excepteur sint occaecat cupidatat non proident, sunt in culpa qui officia deserunt mollit anim id est laborum.

SIDD'S GALLERY



"If everything seems to be in control, you're not going fast enough."
Mario Andretti



"Always train hard, work harder, never give up, never give in & believe in you."
Marcus Rashford MBE

SIDDARTH SANJAY
2027117



THE EDITORIAL TEAM



**Finance Specialization
Co-ordinator
Dr. Srikanth P**



**Faculty Co-ordinator
Dr. V. Harshitha
Moulya**



Akshitha Reddy



John Jacob



Siddharth Sivaraman