



CHRIST
(DEEMED TO BE UNIVERSITY)
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CHAANAKYA

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

**Published by
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EDITOR'S NOTE

Greetings readers!

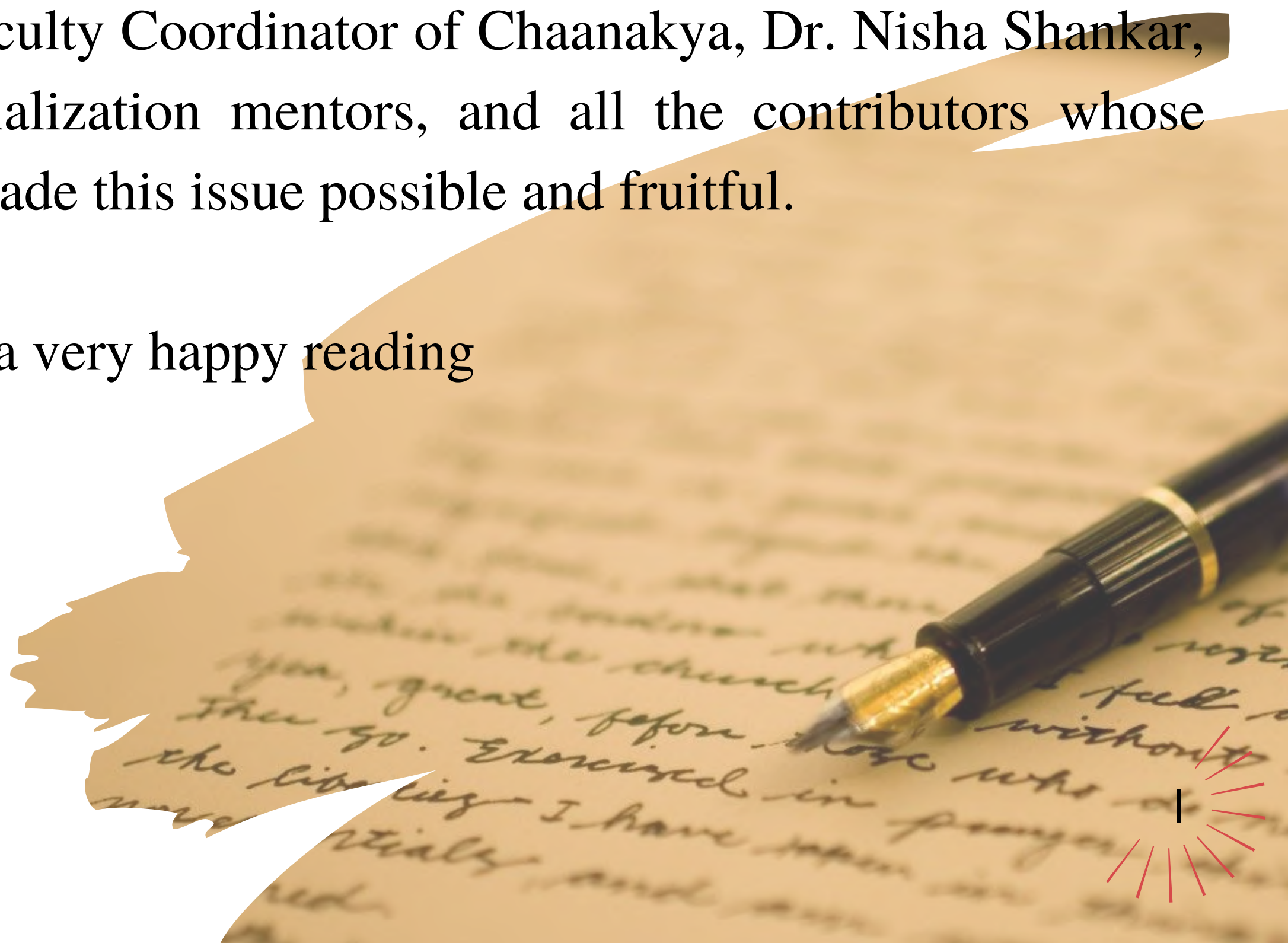
It is our pleasure to bring to you the contributions of the MBA Finance student writers for the month of February 2021.

This issue is presented by **Team Athena** which is a group of students under the mentorship of **Dr. Mareena Mathew** from the MBA Finance Specialization. The writers have put in their effort on different topics and put forth a variety of content ranging from topics like the accessibility of health care to the development of financial institutions. We believe that this Newsletter will provide you with a quick and balanced insight into the recent financial activity as well as a peek into the students' co-curricular activities held through the Finance Club. This issue also includes "Snapshot" at the end of every article covering a brief summary of the same.

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, and our expert specialization mentors, and all the contributors whose active co-operation made this issue possible and fruitful.

Wishing our readers, a very happy reading

Best wishes,
Team Chaanakya

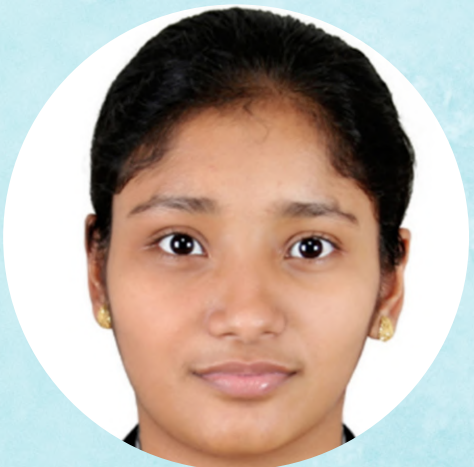


This issue is presented by team

ATHENA



Dr. Mareena Mathew



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Reddy**



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**Sonu M
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**Tinal
Jain**



**Vedika
Chokhani**

CLUB ACTIVITIES AT A GLANCE



CLUB ACTIVITIES - FEB 2020

FINANCE CLUB INAUGURATION

The Finance Club (2019-21) warmly welcomed the 2020-22 Finance students. The inauguration was held to give us a brief about the working of the Finance club. Previous years' accomplishments were discussed. The new team was also announced at the end of the event.

(January 30, 2021)



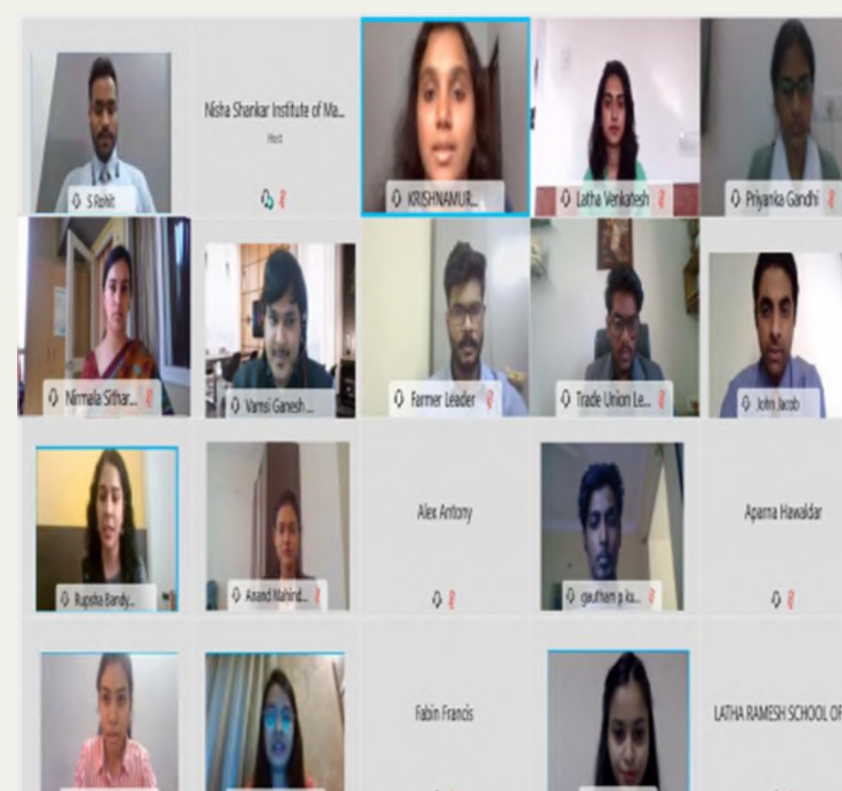
First Years of the Finance Club, with assistance from the seniors and the faculty, organized the Union Budget Analysis 2021-22. The guests for the day were Mr. Sandeep Jhunjunwala (Director of Tax and Regulatory Services- Nangia Advisors LLP) and Ms. Arshitha Khetan. (Manager at Nagia Andersen LLP). Mr. Sandeep gave an overview of the Union Budget for the year 2021, whereas Ms. Arshitha presented a detailed discussion on the topic "Key Tax and Regulatory Authority" (one of the Union Budget's essential aspects.)

(February 3, 2021)

VISHLESHAN 1.0

Organized by the Finance Club, the guests for the day were Dr. Suresha B, Associate Professor SBM, CHRIST (Deemed to be University), and Mr. Gotrala Vamsi Ganesh, EFA Analyst Deloitte Consulting (MBA Alumni 2016-18 Batch). The discussion was based on the Union Budget 2021-2022, roleplayed by various stakeholders that include Finance Minister Nirmala Sitharaman and others. The winner of Vishleshan 1.0 was Finance Minister Nirmala Sitharaman, and the runners up went to the Chief Economic Advisor, Dr. Krishnamurthy Subramanian.

(February 4, 2021)



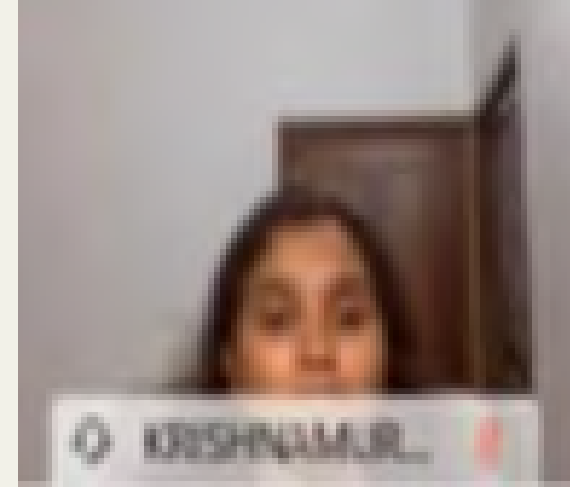
CLUB ACTIVITIES - FEB 2020

VISHLESHAN 1.0

WINNER- SIMRAN R ASRANI



RUNNER UP - HARITHA M

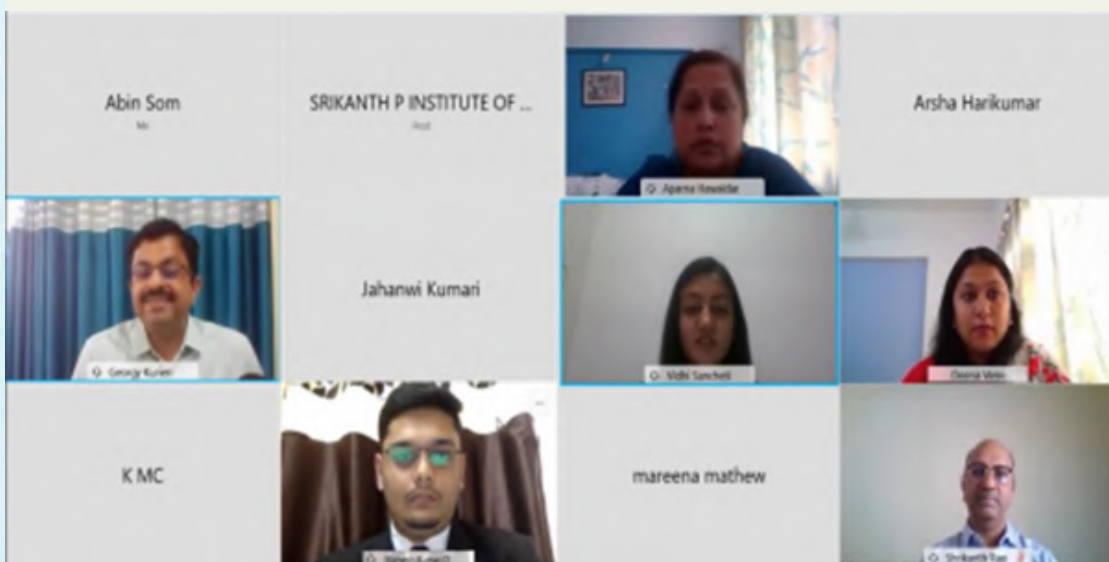


SYMPOSIUM (Session 1 of 5)

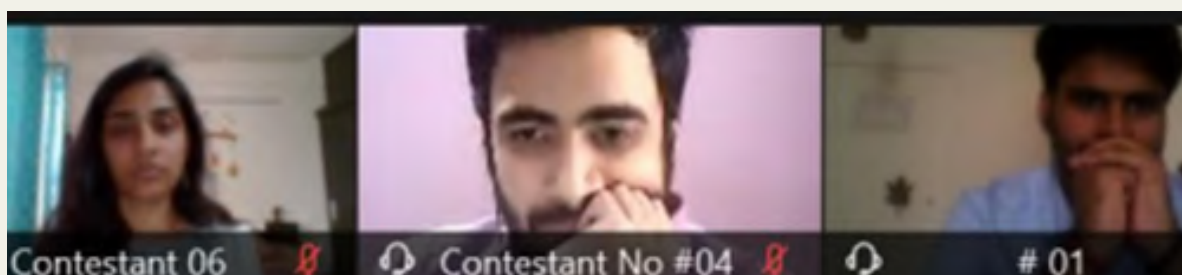
Indian Financial Systems- Challenges And Opportunities

Organized by the finance team, the topic covered was designed to cover all five units of the MFS course. The panelists were Prof. Sreekanth Rao, Associate Professor SBM, and Ms. Deena Venu, Deputy General Manager-Debt and Hybrid Securities Division, SEBI who spoke about the challenges and opportunities of the Indian Financial System. The faculty coordinator for the event was Prof Aparna Hawaldar.

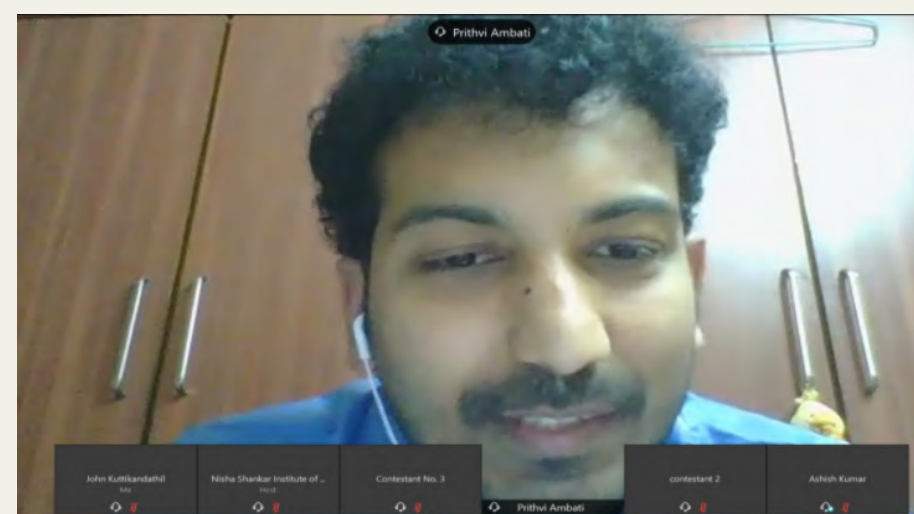
(February 6, 2021)



ATHARVA



CONTESTANTS



GUEST: MR. PRITHVI AMBATI

CLUB ACTIVITIES - FEB 2020

**WINNER :
PRIYANSH
DHIMAN**



**RUNNER UP :
SHAH PREYA
PANKAJ**



Atharva was a two-phase quiz competition conducted by the finance club. The event was primarily organized by the Finance club of the Kengeri campus along with central.

The external observer for the event was Mr. Prithvi Raj Ambati, Developer and Business Analyst at Wipro. The event was conducted in 4 rounds which are Yaksha Prashne, Arohan, Chakravyuha, and a Trump Card round in the respective order. The winner was Priyansh Dhiman with 82 points and Shah Preya Pankaj was the runner up with 78 points.

(February 19, 2021)

RISK RETURN OF ASSET CLASSES-AN ANALYSIS USING CURRENT DATA

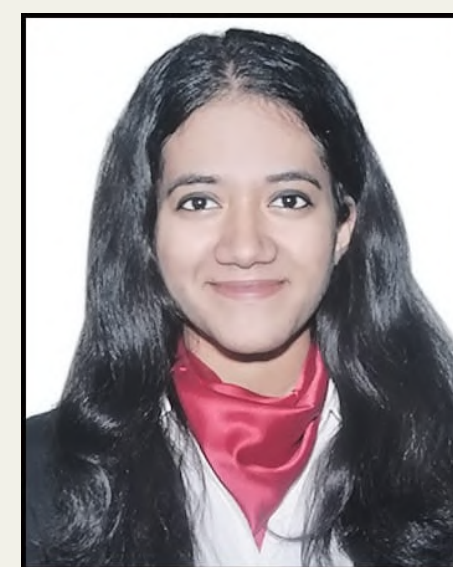
Organized by our Faculties, two seniors Sneha Cherukuri and Nimmi Shaji demonstrated their analysis of risk-return of multiple asset classes using current data which they had performed as a part of the curriculum. It was an enriching experience for all the students to witness the practical applicability of classroom learning.

(February 12, 2021)

SNEHA CHERUKURI



NIMMI SHAJI



STUDENT ACHIEVEMENT



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STUDENT ACHIEVEMENT

-EDWIN JIJI

Award: Best Research Paper in Economics and International Business

Conference: Valedictory Session - XV PIMR INTERNATIONAL CONFERENCE on Rethinking Business Strategies, Entrepreneurial Challenges and Societal Values in a Changed Global Scenario

Hosted By: Prestige Institute of Management and Research, Indore

Date: Jan 30-31st 2021

Paper Title: Testing for Speculative Bubbles in Cryptocurrency Market

Abstract:

There are many studies that are being conducted to understand the trading behaviours shown by cryptocurrencies. This study focuses on one such behaviour shown by the trading stocks and indices, i.e., bubble formation. This study is conducted with the purpose of checking for any presence of bubble formation in the daily prices of Bitcoin (BTC-USD) from 2017-2020 on the onset of 2017 being the explosive stage of bitcoin which gave huge returns to several investors and the more than 50% crash in prices due to the Covid pandemic. This study is based on the methodology followed by (Israel & Caspi, 2014) and (Ghosh, 2016), using the three versions of right-tailed Augmented Dicky Fuller tests (ADF, RADF, SADF) to check for presence of bubble formation in bitcoin prices.



EDWIN JIJI

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COVER LETTER

OUR DISTINGUISHED SBMA ALUMNI – MR. BADAL GOEL

Mr. Badal Goel is an alumnus from the School of Business and Management, CHRIST (Deemed to be University). He is from the 2018 batch of MBA Finance Specialization. Currently, he is working with Accenture as a General Accounting Ops Analyst.



Mr. BADAL GOEL

INTERVIEW WITH MR. BADAL GOEL

Q1. What motivates you in your job?

Motivation can be in multiple forms for each individual. A working environment where we can share our ideas and get recognition for our hard work is one of the factors for my motivation. Growth avenue within the organization also plays a vital role in the career.

Q2. How do you think budget 2021-22 will impact the growth of our economy?

I see this budget along with a sequence of other initiatives or packages that were announced during the pandemic. The Indian economy has been on up and downside in the last few years, and I think the current budget will give a sentimental boost to the market, which we are able to see in the stock market, where day and day out a new level is being created.

The most important factor would be the implementation of announcements made in the budget with high priority as well as to remove the blockages at a fast pace. Focusing on Atma Nirbhar Bharat, it looks as a good initiative to boost the in-house companies. The rise in capital expenditure will help in creating employment in the various sectors as demand will rise gradually. The challenge that I foresee is related to the privatization of PSUs like Banks, Air India, and others. The government was not able to meet its PY target related to the same. Let's hope for the best and for growth we definitely need our Private sectors to spend money.

The economy as predicted by many reputed organizations looks to bounce back in FY 21-22 and the current GST collection of over 1.2 Lakh Cr, shows a good recovery. I won't deny that next year will be a challenging year as we need to make roads for growth and implementation is key for the same.

Q3. It is said that finance jobs demand the ability to work well under pressure. Tell us about the recent high-stress situation you were in and how did you manage it?

Stress and pressure go alongside and mostly depend on how we think and how we want to take challenges that are coming for us. All challenges bring some opportunity in life, and one must remain positive at the workplace.

All jobs under the sun require the ability to work under pressure. Some have high targets, and some have deadlines, etc. Finance is a vast area from being in sales to audit, being in BPO to doing Project Management.

I work for a US client, and we had their year-end in the month of Jan 21, with a huge workload to clear all the financials and publish them to external as well as internal management. Our entire team had to slog over 15-18 hrs a day to match the US timing, and it somehow impacted our sleep patterns, and all got stressed. But the way I tried to handle it kept myself motivated to learn new processes, meeting external clients. The best way to get out of stress is to keep your mind under your control. A strong mind will help you fight all odds.

Q4. What are the biggest challenges and Opportunities that Finance Professionals face today?

Challenges:

- Automation is somehow reducing dependency on humans. Hence upskilling yourself is most important.

- Lack of soft skills

Opportunities:

- Learning New technology such as AI will help you to grow.

- Start-ups in the financial sector are one the best opportunities to learn and grow.

INTERVIEW WITH MR. BADAL GOEL

Q5. What has been your major achievement in your career?

The journey has just begun and hopes to achieve milestones in life.

Whereas in a shorter span of my professional life, I have been awarded or recognized by the client. In the second year of my career, I was given the responsibility to manage a few subordinates.

Q6. Finance is one of the very important aspects of business. How can finance professionals add value to any organization?

Upskilling is most important, hence keep learning new skills and techniques. As a finance professional, it is important for us to have integrity as we play with financial numbers.

Q7. What are key skills do you think that MBA finance students should develop to work efficiently in the finance industry?

Financial and Accounting basics should be known. Learning soft skills along with new technology such as AI, Bitcoins, data analytics, financial modeling, etc., and keep updating our knowledge.

One should develop skills to handle pressure with ease, and important is to learn how to handle clients and subordinates.

Q8. What do you feel about Christ MBA after entering into your professional career?

MBA overall as a course provides us basic knowledge on various finance topics and we do not gain any specific master learning in a particular area. Christ helps us to nurture ourselves by providing a lot of external opportunities to develop leadership skills, handling stress, and time management. MBA alone won't add stars to our professional careers. We all need to continuously learn and develop new skills.

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INTERVIEW WITH DR. SRIKANTH P

Q1. After witnessing the roller-coaster year of 2020 for the stock markets in India, what do you expect will be the market's performance in 2021?

I expect the stock market and economy to move upwards in 2021. Considering the amount of money being pumped into the economy by the central government and the enthusiasm with which foreign institutional investors have been investing, India is likely to pick up on growth. The interest being shown by domestic institutions and retail investors in the country currently, will also help support the better performance of the stock markets this year.

Q2. What business sectors do you think will perform particularly well this year in the market?

I majorly expect two business sectors to perform really well this year. One would be the pharmaceutical sector. They have been performing really well, and considering the current pandemic we are in, their contribution is invaluable. Another sector would be the Infrastructure sector. The government has been laying special emphasis on this sector and it is likely to exigence rapid growth in the coming days. This is evident through the new infrastructure projects being proposed by the government and the allocation of funds for the same in the recent budget.

Q3. There has been a sharp increase in the number of IPOs on the stock market lately. What are your views on this?

It is crucial to understand why the increase in IPOs is happening at this juncture. One of the major reasons contributing to this could be the current optimistic mood of the market. Often the shares of the listed company tend to be overvalued, and the companies wish to take complete advantage of the bullish nature of the market. Sensex



and Nifty numbers are reaching new heights and breaking their own past records, and the corporate sector wants to extract the maximum benefit out of it.

Q4. The concerns around several overvalued stocks have been on the rise in the global and domestic markets. How can an investor judge if a stock is being traded at an overvalued price?

The judgment of whether a stock is overvalued or undervalued is to a considerable extent, based upon the assumptions made by the evaluator or investor in their calculations. A stock is said to be overvalued when its market value is considered to be higher than its intrinsic value. An investor of a company will have certain assumptions on how it would perform in the coming 3-5 years. Through this, a set of projected financial statements could be prepared. Further, techniques like Discounted Cash Flow method could be used to understand the value of a share. This projected value could then be compared with the market value for analyzing the actual value of the stock. But it's vital to remember that the projected financials are based on many assumptions and expectations, and also influenced by the maker's own level of optimism. So while overvaluation of stocks could certainly be a matter of perception, the preparation of projected financial statements could help an investor gain a better understanding of the current stock valuation.

Q5. There have been various times of disconnect between the stock market performance and the Indian economy, where both tend to often move in opposite directions of each other. Knowing this, can the stock markets really be considered an appropriate barometer for the economy?

The disconnect between the stock market's splendid performance lately and the slowly recovering Indian economy does give rise to the question of how much weightage can the stock market indices really be given to measure the health of an economy. It is important to understand the difference in the fundamental approach in the measurement of the markets and the economy. Macro-Economic indicators such as GDP, have various pre-defined methods of calculations of outputs, consumption, savings, investments, funds, and assets to name a few. Whereas the stock market is not based on real values. It is difficult to evaluate the physiological perception of the investors that push or pull the stock market indices. Sometimes the reasons are identifiable, sometimes they are not. Hence, compared to macro-economic indicators that statistically measure the economic performance of a country with fewer chances of human bias, stock markets are not always an appropriate or perfect barometer for the economy.

Q6. How do Indian stock markets compare to the US stock markets? What factors make them distinct and what are the areas of improvement comparatively?

One major factor of distinction would be the extent of information available on the stock exchanges for the public or investors. The difference in the information available on public domains and the laws of the government bodies for the same is huge between India and the USA, with India having lesser data available comparatively. Secondly, there is a distinction in the rigidity of the rules and regulations governing the functioning of the stock exchanges in both countries. While SEBI and other important bodies are reactive to the markets and quick to bring in new laws after mishaps and unprecedented events take place, there is still a need for more preventive measures, to fill gaps in the loopholes that may exist. While we are getting there gradually, we still have a long way to go before we catch up with the international advanced markets.

STUDENTS CORNER



EXPERIENCE

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ACCESSIBILITY - STILL A QUESTION IN THE INDIAN HEALTH SECTOR



India's expenditure towards public health has been around 1.2% to 1.6% from 2008-09 to 2019-20, which is less when compared to other countries. The sector's allocation is increasing YoY, but the infrastructure facilities and accessibility are still a significant issue in the Indian health sector.

According to road transport and highways ministry report, 64.4% of total death in India is because of road accidents in 2018, and 55% of them are in rural areas. I am mentioning this because most rural areas or semi-urban areas have fewer government hospital facilities to respond to emergencies. The Public hospitals in such areas have significantly less infrastructural, technological, or professional support, which would help the public in any troubles.

The road accident is just an example. Most government hospitals in the small districts and taluks have limited facilities that would restrict the doctors from making decisions that may save a life or help a person from suffering. Sometimes the district hospitals would refer the patients to travel to the main branches to get proper treatments, tests, scanning's.

For example, a person in Hubli would sometimes be referred to Bangalores KC general or Bowring Hospital for further treatments, and that is where most of the patients would lose hope and refuse to travel to get treated.

The finance minister allocated Rs.2,23,846 Cr for Health and well-being for the year 2021-22. The Government should concentrate on improving these aspects—infrastructural development and modern technology adoption in Government hospitals. The Government should make sure that each and every district hospital should be well equipped, a different team of professionals should be working on holidays to attend emergencies on such days. Proper transportation facilities should also be provided, which would help the hospitals respond to emergencies quickly. This initiative would prevent people from losing their loved ones.

Indian Government's allocation towards healthcare is increasing every year, but the accessibility to better hospitals with good infrastructural, technological, and professional facilities is still not fulfilled. The Government should concentrate on such aspects which would increase the accessibility to fully equipped hospitals.

SONU M JADHAV
2028610



PRIVATIZATION OF BANKS: A CHECKMATE?

Announced by the Finance Minister Dr.Nirmala Sitaraman, the Union Budget consisted, “a proposal to privatize two Public Sector Undertaking (PSU) banks this year along with one general insurance company in the upcoming fiscal year.” There has also been an announcement of a sale/disinvestment policy. However, the information about which two banks are going to be privatized has not yet been divulged.

One of the reasons the government might have decided to privatize is that throughout the years, the repeated government reforms, policies, and capital injections haven’t affected what they were supposed to have. Many of them resulted in having more stressed assets than the private banks. Further problems include lack of profit, market capitalization, and dividend payment records. During the past years, through the recapitalization bonds, Rs 70,000 crores, Rs 80,000 crores, and Rs 1.06 lakh crore have been deposited by the government in September 2019, the financial year of 2018, and the financial year of 2019, respectively. The capital was allocated only for the government to merge ten PSU banks into four.

Further moving on to the discussion, whether ‘privatization is the right move?’

Private Banks were only nationalized in the first place for the banking sector to align with the socialistic approach of our former Prime Minister Indira Gandhi. SBI was privatized in 1955 and the Insurance sector in 1956. The competition has heated up since RBI has allowed more private banks since the ’90s. However, some of the private banks that have failed to adhere to RBI’s regulations had led to scams like the ICICI Bank MD and CEO Chanda Kochhar, who are

sacked for allegedly extending dubious loans. Another example includes agency-probing the Yes Bank CEO, Rana Kapoor. Simultaneously, RBI hasn’t given any extensions on the Nirav Modi and the Punjab national bank case. These cases create a cause for concern when we consider privatization.

Another reason is that there is a chance that private banks will fail to recognize the bigger picture. Lack of CSR activities like giving enough attention to the rural and semiurban areas like in the 1960s as their sole concern will only be making profits. Maybe from this, we can conclude that the Indian government believes in markets correcting themselves as solutions to challenges that they might face in the financial sector rather than the government stepping in to solve the problems. But is it right to trust private banks so much? Time will prove.

The government plans to see how the privatization of the two banks and the insurance company would go. After which, they might privatize two more banks. However, we can be sure that the government will not touch the top three public sector banks and will also carefully monitor the privatized banks.

**KAMALA GEETHIKA
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REPO RATE & REVERSE REPO RATE REMAINS UNCHANGED

The Central Bank of every country uses monetary policies to control its money supply and stimulate economic growth. In this regard, monetary policy's primary purpose is to promote economic development by stabilizing price, bank credit regulation, improving financial system efficiency, encouraging investment, and increasing financial market diversity.

Changes in the repo rates and reverse repo rates fall under the monetary policy's umbrella. An increase in investments is required to trigger economic growth. In this regard, the RBI often decreases the repo and reverse repo rates during periods of economic lull. The fall in interest rates discourages banks from parking too much funds with RBI as returns are less attractive, and it also benefits customers as credit is cheaper. The resulting increase in the money supply fosters investment and growth in the economy.

India's entry into technical recession and the dull business environment following the COVID-19 pandemic has forced RBI to maintain strict vigilance on these rates. The Repo rate dropped to 4 percent (a decrease of 115 basis points) on the 22nd of May last year to encourage investments and shift people's negative emotions due to the pandemic. The reverse repo rate was also decreased to 3.5 percent to prevent banks from increasing deposits with RBI. The six-member committee headed by RBI governor Shaktikanta Das maintained an accommodative stance and decided to keep these rates unchanged as of February 2021.

RBI has also decided to restore the Cash Reserve Ratio (CRR). The restoration will happen in two phases to prevent any solvency issues that may arise due to the sudden increase in CRR. The first phase of the proposed increase from 3 percent to 4 percent is set to take place on the 27th of March, 2021, when the rates would increase to 3.5 percent. The rate would further be increased to 4 percent by the 22nd of May, 2021. While the move may increase inflation in the economy, banks may provide higher interest rates on fixed deposits to counter this. This would encourage people to have a conservative mindset and reduce the high currency flow in the economy.

The introduction of Bad Banks is a step towards cleaner Balance Sheets of banks to invite investments from the market. With the increasing NPAs, Bad Banks will be a healthy way to clean them out of the system.

SUPRIYA V
2027751



ARE INDIA'S FINANCES GREEN?



Sustainable development aims at ensuring that development can meet the needs of the present generation without compromising the ability of the future generations of the same. The field of sustainable development stands on three foundational pillars: economic development, social development, and environmental protection. For developing these foundations, a sound financial system is required to support and build on the same. The first recorded stance of India towards sustainable development dates back to August 2002, when India signed the Kyoto Protocol to show its commitment to combating global warming.

For the further achievement of sustainable development, just the contribution of public sector institutions and the government is not enough as it requires extensive capital contribution. However, the legislative framework of The Companies Act 2013 has laid down the foundation for companies to also contribute to the developmental model by ensuring that at least 2% of their average net profits, on an annual basis, goes towards CSR activities. It includes a contribution towards promoting sanitation, preventive health care, provision of potable water, environmental sustainability, animal welfare, rural

development projects, and technology incubators of academic institutions. No development can occur without a sound financial system as its backbone. It is the responsibility of India's financial system to go green and align with sustainable development. In January 2015, India had started the issuance of green bonds worth \$1.1 billion from issuers such as EXIM Bank of India, IDBI, CLP Wind Farms, and Yes Bank, to name a few.

Moving onto the current budget of 2021-22 to look at where India stands on the matter. The Finance Minister has announced green policies and outlays, namely, the voluntary vehicle scrapping policy, which entails personal automobiles that are 20 years old and commercial vehicles that are 15 years old are to undergo 'fitness tests.' The decision was taken to decrease India's import of oil indirectly and to tackle air pollution. An outlay for 42 urban centers worth Rs. 2,217 crores will be released. Deep Ocean Mission would receive funds worth Rs 4,000 crores for a five-year deep-sea biodiversity conservation mission, and most notably, Indian Railways will be running 100% on electricity by 2023.

Now, what is the future of sustainable finance? Meaning the journey towards sustainable financing would require focusing on several areas; the main challenge for developing countries is mainstreaming green finance while focusing on social development and economic growth. To name a few: awareness about environmental risks needs to be ingrained as a value point among the

layman and stakeholders. A standard set of accepted definitions in the field of green finance needs to be developed for cross-market and cross-country comparison. Green financial products and services need to be identified, developed, and introduced in the market. Also, innovative solutions towards the financing of long gestation green projects need to be developed.

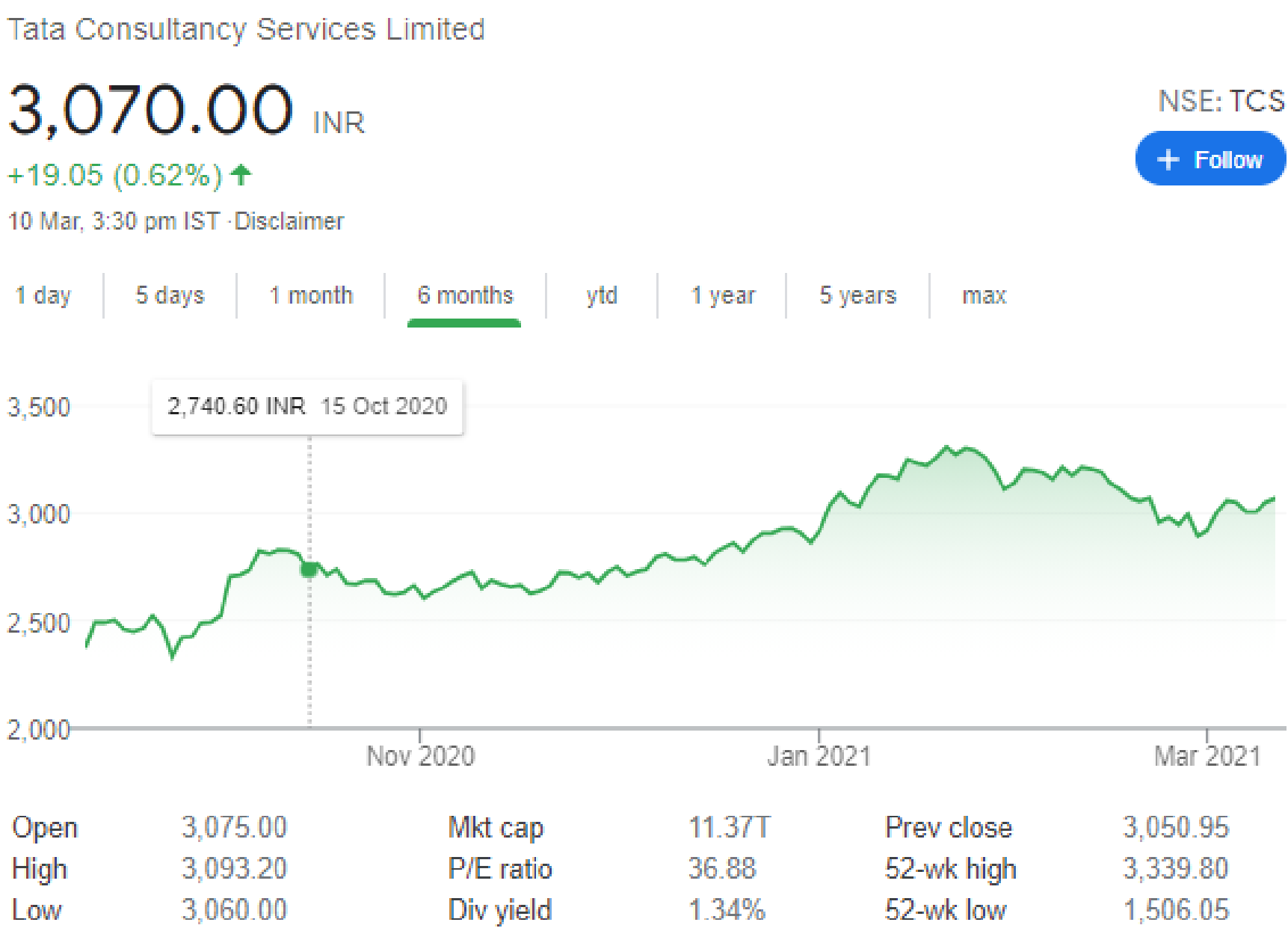
The barriers to financing green sectors altogether hint towards apparent regulatory and market failure. The existing initiatives are clearly not enough to address the aforesaid market failures. The road for a developing country like India towards sustainable financing is a long journey. However, incremental government and financial intervention is the key to developing a climate-resilient and sustainable economy.

The future of sustainable finance will come with the mainstreaming of green finance without neglecting social and economic growth and development. To ensure this happens the concept needs to be inculcated as a value point while setting a standard definition accepted cross-market and cross-country. The barriers to financing green sectors also point towards regulatory and market failure. Incremental government and financial intervention is the answer towards building a green economy.

**RUPSHA
BANDYOPADHYAY
2027934**



TCS ON THE BULL RUN



Being one of the leading IT service companies with a massive range of digital competencies, capabilities, stable management, and a robust platform, the company and, ergo, its stocks have a fundamentally strong base. TCS is also the preferred partner of several large corporates and is increasing its participation in several up-and-coming platforms such as AI and related fields with their large-scale digital advantage.

TCS has strong long-term fundamental strength with an average ROE of 35.56% as of February 2021. This stock has been selected as the stock of the month as there is a positive outlook on the sustainability of its revenue growth momentum in the medium term, given the acceleration in deal wins with increasing TCVs, broad-based service offerings, growing budgets with respect to their clients towards digital technologies and improving sales expertise.

The stock is performing in a bullish range with a high institutional holding at 23.92%. This particular stock has given a market-shattering performance in both the long and near term. Adding to these factors, it is estimated to deliver a 5Y CAGR of a minimum of 20%.

The company is always a safe bet to go with but a definite pick as the stock of the month due to their oncoming deals along with their ability to implement large, complex, and mission-critical projects and the statistics as mentioned earlier.

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TUG OF WAR: AMAZON VS. RELIANCE INDUSTRIES

Amazon.com Inc and Reliance Industries have always eyed for a key stake in India's second-largest retailer, Future Retail. With this in mind, the former had invested over \$100 million in Future Coupons, a loyalty card, gift card, and reward card business.

However, the Indian retailer faced a severe cash crunch when India went into a lockdown in March to control the COVID-19 flare-up. Things took an ugly turn when Future Group proposed to sell off its assets to Reliance Industries at the end of the previous year. This move was not welcomed by Amazon as the sale would help Reliance Industries gain the top spot in one of the fastest-growing grocery markets of the world, India.

In a bid to thwart the sale of assets worth \$3.4 billion, the US giant filed a case against Future Group for alleged violation of contracted terms. Amazon secured an interim stay on the deal from Singapore International Arbitration Centre (SIAC). However, having got approval from the stock exchanges and the country's market regulators, Future Group denied any wrongdoings. Initially, the Delhi High Court ruled against the decision and agreed with the argument made by Amazon but later changed its stance.

The battle is basically for the strength of India's assessed \$1 trillion purchasers' retail market. Future Group is trapped in this tussle between two organizations helmed by two of the world's most extravagant men, Jeff Benzos and Mukesh Ambani. All ears were on the Supreme Court's verdict, which would determine the ruler of the Indian retail sector.

On 22nd February, the Supreme Court stopped regulatory approval on the deal and directed Future Group to maintain the status quo. The verdict was yet another landmark victory in the history of Amazon. However, it has left the Indian retailer struggling with its debts and has warned of insolvency.



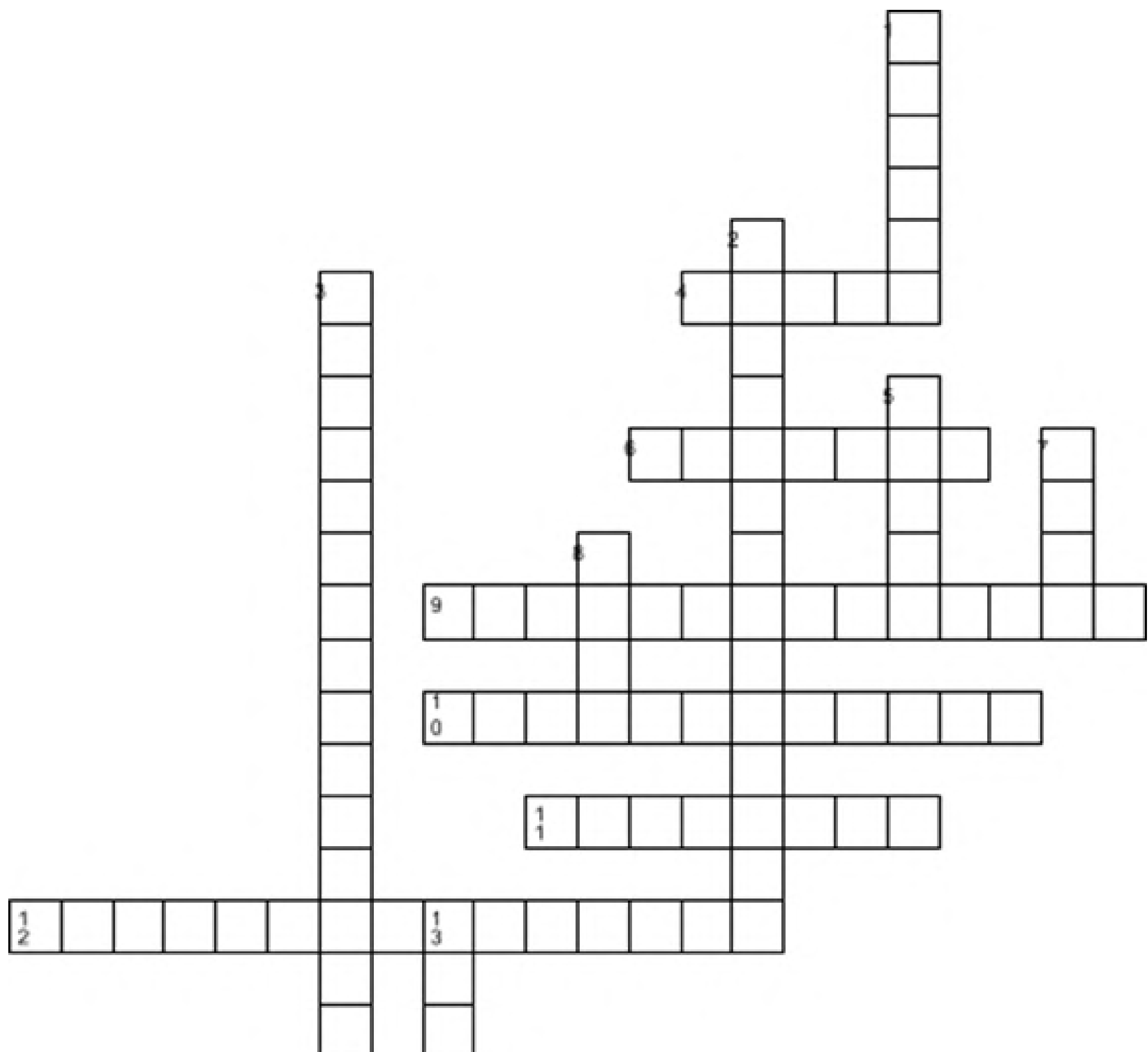
As we can see the real problem is not about the acquisition of the asset by the reliance. The real reason is that who is going to rule the future Indian market. Amazon had a clear picture that if they lose this fight their market dominance over the Indian market will be over soon. They want to regain the Indian market. But due this acquisition Amazon is in a tight position to fight against the Reliance and future group to acquire the market. But when we are looking form the side of Future group, the pandemic had hit them badly which forced them to sell their assets. Reliance took over their debt, liabilities retail stores to make things good for the future group. The deal made thing worse for future group. Amazon filed a case against the future group. The fight is between two of the richest people. The deal made the whole arena into a tug of war. As per the current scenario both sides are equally strong and the coming years of the Future group totally rely on the court order. If Reliance gets the share then amazon will lose the Indian and wise versa. Whatever is the outcome decide the future of both the Indian market and the future group.

Future Group is caught in a legal war between Amazon and Reliance Industries. The former has opposed the sale of Future Group's assets to Reliance Industries. The deal, if executed, would make Reliance the top player in India's retail market.

RAHUL ALEX JOSHY
2028017



CROSSWORD



Across:

4. Commonly referred to as fixed-income securities.
6. The payments you make to an insurance company in return for protection from financial losses within the scope of your policy.
9. A stock in a corporation that has a great reputation is reliable and operates well (plural, 3 words)
10. The increase in the value of an asset or investment — like a stock or real estate — above its original purchase price.
11. The difference between your assets and liabilities.
12. The strategy of pursuing an assortment of investments to minimize the effects of risk and volatility.

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CROSSWORD

Down:

- 1. Represents the ownership of a fraction of a corporation
- 2. A loan to a company to finance a wide array of business purposes—from short-term inventory financing to long-term investments in equipment.
- 3. 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.
- 5. An is an independent examination of an organization’s records and financial statements (report and accounts)
- 7. The chance that the rate of return on an investment will be different from what you expected.
- 8. Regulator of capital market
- 13. The first-time issuance of shares to be publicly traded in stock market is known as

ANSWERS



DEEKSHITA BOHRA
2028141



PRE BUDGET AND POST BUDGET SECTORAL PERFORMANCE

	From Week Before	On the day	To Week After
Nifty 50	2.87%	4.70%	3.15%
Auto	1.97%	4.23%	2.53%
Bank	9.84%	6.80%	5.22%
Fin Services	7.03%	7.60%	4.29%
FMCG	-1.31%	1.72%	1.48%
IT	-2.21%	0.87%	1.30%
Media	4.91%	1.70%	-3.16%
Metal	1.63%	4.87%	6.83%
Pharma	-3.10%	-0.55%	3.65%
Realty	6.09%	6.31%	2.54%
Relative to Nifty			
Auto	-0.91%	-0.47%	-0.62%
Bank	6.97%	2.10%	2.07%
Fin Services	4.16%	2.90%	1.14%
FMCG	-4.18%	-2.98%	-1.67%
IT	-5.08%	-3.83%	-1.85%
Media	2.04%	-3.00%	-6.31%
Metal	-1.24%	0.17%	3.68%
Pharma	-5.97%	-5.25%	0.50%
Realty	3.21%	1.61%	-0.62%

Pharma, Metal, IT & FMCG sector were the tensest sectors before the budget. The sectors seemed to breathe easy after the budget. However, the relative performance remained weak for pharma, IT, and FMCG even after the budget.

Media, which had next to no negative impulse before the budget drowned big after the budget day.

Banks Financial Services and Auto seemed to expect positive news which did turn out to be true however, Auto did not see the positives to the same extent and hence showed weak relative performance.

The realty sector remained another gainer on an absolute basis but very choppy performance on a relative basis.



NILOTPAL KARAN
2027708

DEVELOPMENT FINANCIAL INSTITUTIONS- A SOLUTION OR A HOAX?

A development finance institution is an agency that finances infrastructure projects that are of national importance but may or might not conform to commercial return standards. In most cases, these agencies are government-owned, and their borrowings enjoy the comfort of state guarantees, which help bring down the price of funding. A DFI differs from a commercial bank where it tries to keep balances positive development outcomes with profit maximization, often prioritizing the previous over the latter. While it provides necessary financing for activities within the public good realm, it is still not a lucrative investment from a risk-return standpoint like environmental projects, projects with long gestation periods, or even funding start-ups.

The announcement of the establishment of a Development Finance Institution called the National Bank for Financing Infrastructure and Development took everyone by surprise during the budget presentation of 2021 by the finance minister. The institution will be created on a capital base of Rs 20,000 crore with targeted lending of INR 5 lakh crores in 3 years. Debt financing through the infrastructure investment company (InvIT) and real estate investment company (REIT) routes will be enabled through necessary amendments within the rules.

The creation and necessity for such an institution are much needed in the post-COVID-19 – 19 situations where the economy needs infrastructure investments more than ever to help recover from the dent left behind by the pandemic. The last



commercial cycle has led to a reduction in commercial lenders' risk appetite, which further deepens the need for a development financial institution.

A DFI is not significantly different from a commercial bank on the grounds of risk management. The capital levels of DFIs are affected by economic cycles and tighten during economic cycles, as in the case of commercial banks. Parallels can be drawn to All India Financial Institutions (AIFIs), like EXIM Bank, NABARD, NHB, and SIDBI, owing to the similarity in its mandate, ownership structure, and risk profile.

The fixing of DFIs is neither necessary nor desirable to unravel our problem of project finance. It will effectively put the onus of financing on the government. However, the finance sector's real problem pertaining to the funding of projects is existent both at micro and macro levels. The government must strengthen the motivation framework, and again, the lenders need to improve on their risk management capabilities to ensure sustainable benefits.

DEVELOPMENT FINANCIAL INSTITUTIONS- A SOLUTION OR A HOAX?

In short, the establishment of a DFI can be justified by the dual existence of massive infrastructure needs and the availability of bankable projects. Practically though, this raises a variety of questions on how the DFI will fund itself in terms of equity and debt and whether it should be brought under the ambit of the Reserve Bank of India's regulatory prescriptions. These considerations will have an immediate impact on the number of infrastructure investments that the DFI could potentially finance within the country.

In 2021 budget Union finance minister has announced the plan for the establishment of a development finance institution. FDI are going to be found out on a capital base of Rs 20,000 crore and can have a lending target of Rs 5 lakh crore in three years. Debt financing through the infrastructure investment trust (InvIT) and real estate investment trust (REIT) routes will be enabled through necessary amendments in the concerned rules.

JOHN SUNNY P
2028615



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PODCAST REVIEW: EVERYONE LISTENS, BUT ONLY A FEW GETS INSPIRED



Listening to podcasts helps one in improving their knowledge about specific finance-oriented topics. The easiest part about listening to a podcast is its ease of access. One can listen to it whenever they are free, be it while walking, while in the gym, on the way to college, or at work. Most of the podcasts are free of cost, letting listeners absorb a multitude of information without having to expend any additional resources other than time.

Given below are a few of many top finance podcasts (in no particular order) that can help readers enrich themselves in financial and economic topics. All the podcasts mentioned are available on Spotify for easy perusal.

The College Investor- For Students and New Grads:

The College Investor podcast is a daily audio show that's dedicated to bringing you the best of TheCollegeInvestor.com. Here they discuss a variety of topics, all relating to money.

Robert Farrington, the founder of The College Investor and a Millennial Money Expert, shares how to get out of student loan debt so that one can start investing and building wealth for the future at an early age.

Instead of cutting expenses and living a tough life, he advises entrepreneurship to earn extra money to achieve their financial goals. If you are a college student and want to invest and earn money, this is a recommended listen.

The Dave Ramsey Show- For Advice On How To Use Money:

Dave Ramsey gives advice on money and investment related activities. Callers are answered on air and advised on how to get out of debt and start building a secure future. Ramsey provides tips for managing money and related activities. The main goal of the podcast is to provide tips and give financial direction and literacy to all. If you are struggling to manage your money and maintain budgets, be on a strong lookout for this one.

BiggerPockets Real Estate Podcast- For investing and wealth building:

The BiggerPockets has a large group of guests who come to their show. They have had several top-notch business people, writers, actors on the show who shelled out tips and suggestions on investment fundamentals and how to start and run an online business. The BiggerPockets Podcast is hosted by Brandon Turner and David Greene that features off-the-cuff interviews with investors of various backgrounds, niches, and experience levels. The subject matters also revolve around topics on how to earn more, keep more, spend smarter, and grow wealth. Through these conversations, BiggerPockets Money provides listeners with tips and actionable advice about how to get their “financial house” in order.

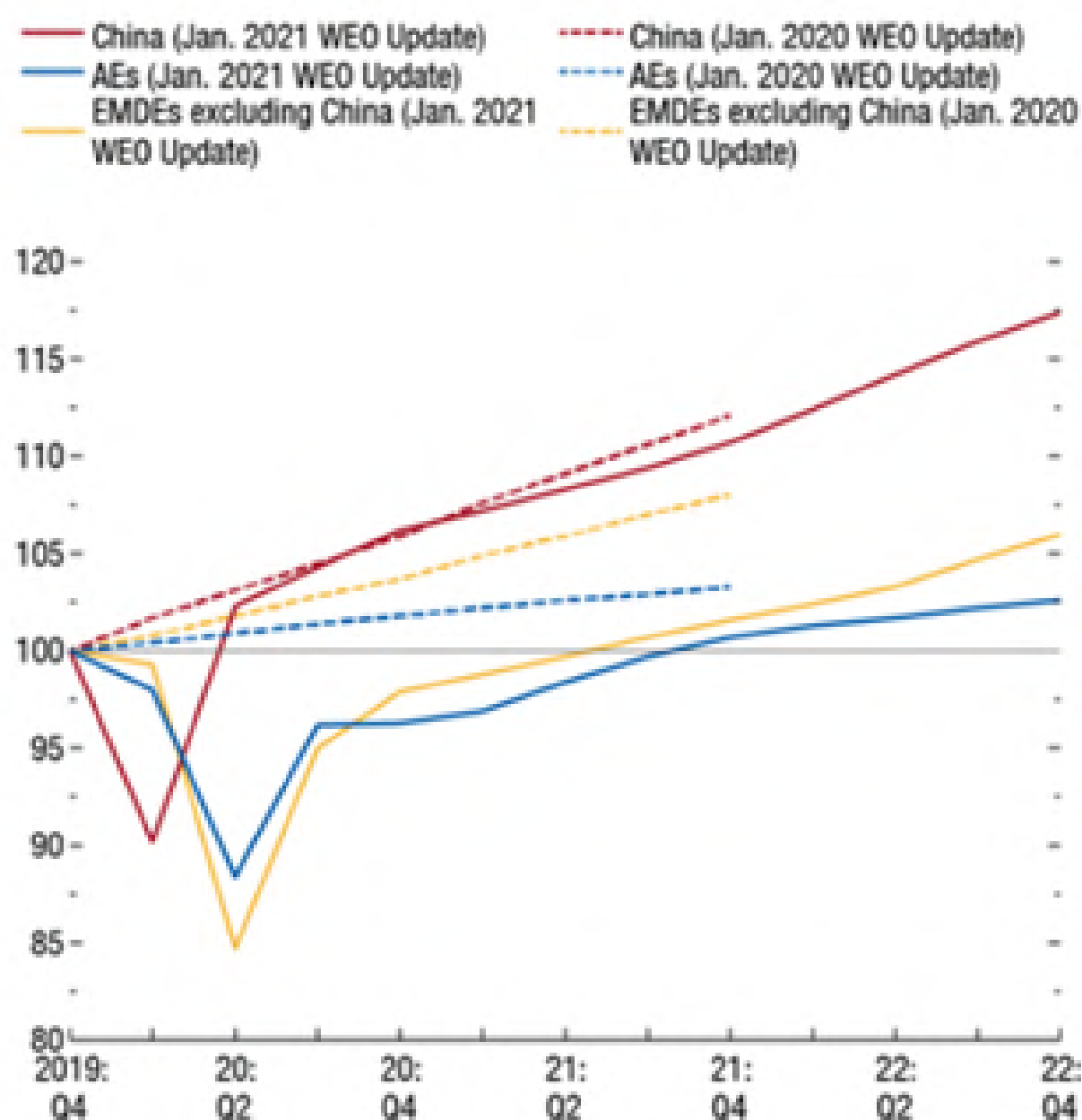
DIVAKAR R REDDY |
2028637



INDIA'S GDP- THE ROAD AHEAD

The Covid-19 Pandemic has extensively impacted the world economy. Many countries worldwide had imposed nationwide lockdown, which affected major industries like banking, manufacturing, service, medical, and the education sector. Such a crisis led many countries to dwindle down in the list of developing economies. With the reducing number of COVID-19 patients and easing lockdown restrictions, the production in all industries is almost back to normal. China was the only major economy with a positive GDP of 2.3% in FY2020, whereas India had a decline of GDP at -10.29%. “The world economy will grow to 5.5% in FY 2021 compared with 3.5% contraction in FY2020, and India is estimated to have a GDP of 11.5% in FY2021”, says International Monetary Fund (IMF) in the latest World Economic Outlook Report.

Figure 1. Divergent Recoveries: WEO Forecast for Advanced Economies and Emerging Market and Developing Economies
(Index, 2019:Q4 = 100)



By increasing the Foreign Development Index limits from 49% to 74% and infrastructure development, the government looks to increase India's GDP. The new scheme, ‘Prime Minister’s Atma Nirbhar Swasthya Bharat Yojana,’ will be launched in order to develop the healthcare sector in the primary, secondary and tertiary sectors. A National Monetizing Pipeline to monitor Asset Monetization Process will be launched for unlocking new sources of revenue. By providing more employment opportunities in the education, IT, and Health industry, the economy is expected to revert to its pre-pandemic level of output.

Compared to other nations Indian economy will have the highest growth in GDP rate than china. One reason is because of the strict measures taken during the different phases of lockdown and another due to the severe contraction which had been estimated for the previous year, says IMF Chief Economist.

India is estimated to have a GDP of 11.5% in FY2021 says IMF. This goal will be achieved through more FDI flowing into the country, infrastructure, and healthcare development, and through more employment opportunities in the economy.

ANITA SIBBI
2027853



THE PLACE WITH THE HIGHEST DENSITY OF ENTREPRENEURS

Early in the morning at 1, when most people are asleep, the noise of many fuming gas stoves are heard from a poorly lit neighbourhood. On closer inspection of one house, a man in his late 20’s is seen sitting by a stove, serving up hot idly’s. He’s one among the 7,00,000 residents of Asia’s largest slum, Dharavi. The place that boasts of the highest density of entrepreneurs, has an annual turnover of more than \$1 Billion, and also has IOT enabled shops.

Most people here work for 14-16 hours every day, 7 days a week, they believe that this is the only way they can survive, in a world of ever-increasing costs. There are many things that budding entrepreneurs can learn from them. The most important lesson being, quality. There is absolutely no compromise on quality. A vendor in an interview said, “I only give my customers what I would eat”. Even though this means lower profits, he still sources the best ingredients but has to keep the price of his food as low as possible. They spend a lot of time, working out the optimal price. There are many people here who are into the money lending business, most small-time businessmen shy away from them because of the dangers associated with not being able to repay on time. So, how do they fund their business? They convince their family members to jointly run this business and pool in money or they convince their friends to invest and take back small profits, which would transcribe to ‘equity’ in finance terms.

There are many successful businesses here; Textiles, Leather, etc. The primary driving force behind these businessmen is independence, the sense of ownership motivates them to work such long hours every day.

The first thing that comes to our mind when we think about entrepreneurs would be people like Dhirubhai Ambani and Ritesh Agarwal. We look to them for inspiration, but there are many other small success stories that we overlook. The decisions they take and the sacrifices they make are lessons for a lifetime.

Dharavi, the slum which is the home to over 7 lakh dwellers is also the place that has the highest density of entrepreneurs in the world. The slum alone accounts for a turnover of \$1 billion annually with several IoT-enabled shops. The turnover comes from several successful businesses, mostly being in the textiles and leather industry.

JAMES NEDUMATTAM
2027814



MOVIE REVIEW: BARBARIANS AT THE GATE

Barbarians at the Gate is an exceptional movie following the journey of F. Ross Johnson towards the takeover and subsequent merger of America’s biggest companies at the time, RJR Tobacco and Nabisco. The movie is a definite must-watch for anyone who is interested in the field of finance.

The movie starts off with heavy discussions about the merger of RJR Tobacco one of the biggest firms at the time along with Nabisco, America's best-known snack company. The deal received its green signal in late 1985 with one of the biggest purchases of \$4.9 billion putting the protagonist of the movie Johnson at the top of the game.

F. Ross Johnson grew up in a middle-class family from Winipeg Canada where he did odd jobs to becoming the CEO of one of the biggest American tobacco companies. Learning several lessons from one of his odd jobs of being a newspaper delivery boy he was able to become an industrious salesman who eventually climbed the corporate ladder and got his own corner office.

One of the plot points which leads us to the climax of the movie is when he learns that the company’s R&D failed to yield an improved brand of ‘tobacoleess’ cigarettes and were not complying with the visions he saw about where the company was headed. These conflicts lead us to the main device of the movie where Johnson decides to take over the company’s control through a leveraged buyout. This move was not seen in a positive light as the people working around him saw this as a cash grab and ego trip for Johnson. His colleagues did not see him as a CEO who wanted to take over this underperforming company which could not create any value for his stakeholders and completely flip the situation around.

The buyout however was a massive failure. Despite being the top bidder, a plot twist revealed that the CEO could not win control

because the board did not trust him with the company. The board picked the next highest bidder KKR (Kohlberg Kravis Roberts, a private equity firm to take over. Making them the barbarians in the movie.

Now where the buyout went wrong was the company was not handled with the same visions held by Johnson, eventually leaving the company \$30 billion in debt leading to the ultimate split of the company back to tobacco and snack companies. In the long run neither RJR nor Nabisco survived the effect of the leveraged buyout. The company was never the same and finally met its demise as time went by.

The movie is a great watch for anyone who wants to learn about the intricacies of what goes on within companies and how buyouts work and the subsequent decisions that are needed to be made.



**RUPSHA
BANDYOPADHYAY
2027934**



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.
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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

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ART AS A THERAPY

Art can be energizing, engaging, and an outflow of adoration. Art has consistently had a vital influence on my life. Drawing is something that lets me de-stress and clears my head. On occasions when I experience tension and misery, art allows me to comprehend myself more. Art as a side interest encourages me to create focus. It has helped me increase my concentration level as dealing with any of my craft, I tend to focus my mind only on the drawing and thus it helps in increase the concentration power. It generally gives me a feeling of achievement when I complete a specific drawing. I can do shading, mandala art, and simple sketches. I usually use drawings made by others as my reference to improve my abilities.

Gautama was born around 566 BC, where he started his life as a prince of Kshatriya. Gautama was born in the Kshatriya Sakya clan of the state of Kapilavastu, located in the Tarain district of modern Nepal. He led a more sheltered life when he was young; he did not see the sickness and suffering that engulfed him beyond the realm. One day, as his charioteer drove him around, he saw sickness, old age, and death for the first time. Siddhartha was eager to figure out why these people were struggling and how it could be prevented. He's been searching for the truth for seven years, but he didn't discover it. He then sat down in yogic meditation under the bodhi tree until he had attained enlightenment.



From here on he was known as the Buddha, or the "Enlightened One." There are few lessons from Buddha that always help me grow. They are:

- It's Okay to Start Small
- It's Your Actions That Count
- Conquer Yourself
- Be Thankful
- Be True to What You Know
- Your thoughts create your reality

VEDIKA CHOKHANI

2027660



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