



**CHRIST**  
(DEEMED TO BE UNIVERSITY)  
BANGALORE • INDIA

**JUNE 2021 | VOLUME 21 | ISSUE 11**

# **CHAANAKYA**

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

**Published by  
THE FINANCE CLUB**



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# EDITOR'S NOTE

Greetings readers!

It is our pleasure to bring to you the MBA Finance Students' contributions for June 2021. This issue is presented by **Team Big Bad Bookkeepers**, which is a group of students under the mentorship of **Dr. Hemalatha R** from the MBA 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**

# **BIG BAD BOOKKEEPERS**



**Dr. Hemalatha R**



**Abishek  
Karthick K**



**A Radheshyam  
Patro**



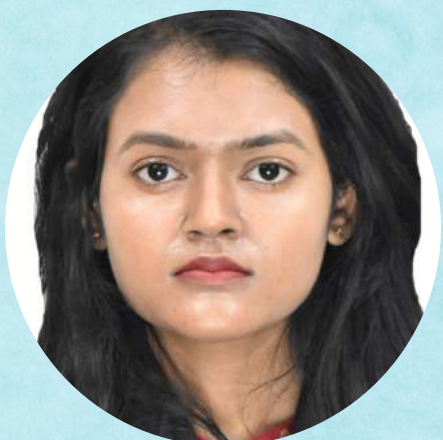
**Ashish Kumar  
Sahu**



**Binu Sharry**



**Devanshu Dhall**



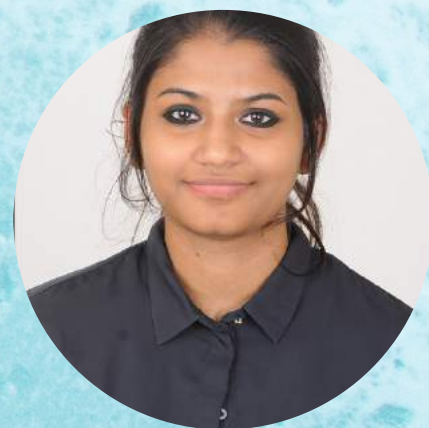
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Kumari**



**Sachin  
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**Sarathi Vasan**



**Smrithi  
Balakrishnan**



**Shana Johnson**



**Thamirabharani  
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# CLUB ACTIVITIES AT A GLANCE



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sales director

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State / Country,  
Postal / ZIP code

HOBBIES  
creating websites  
swimming  
photography  
body building

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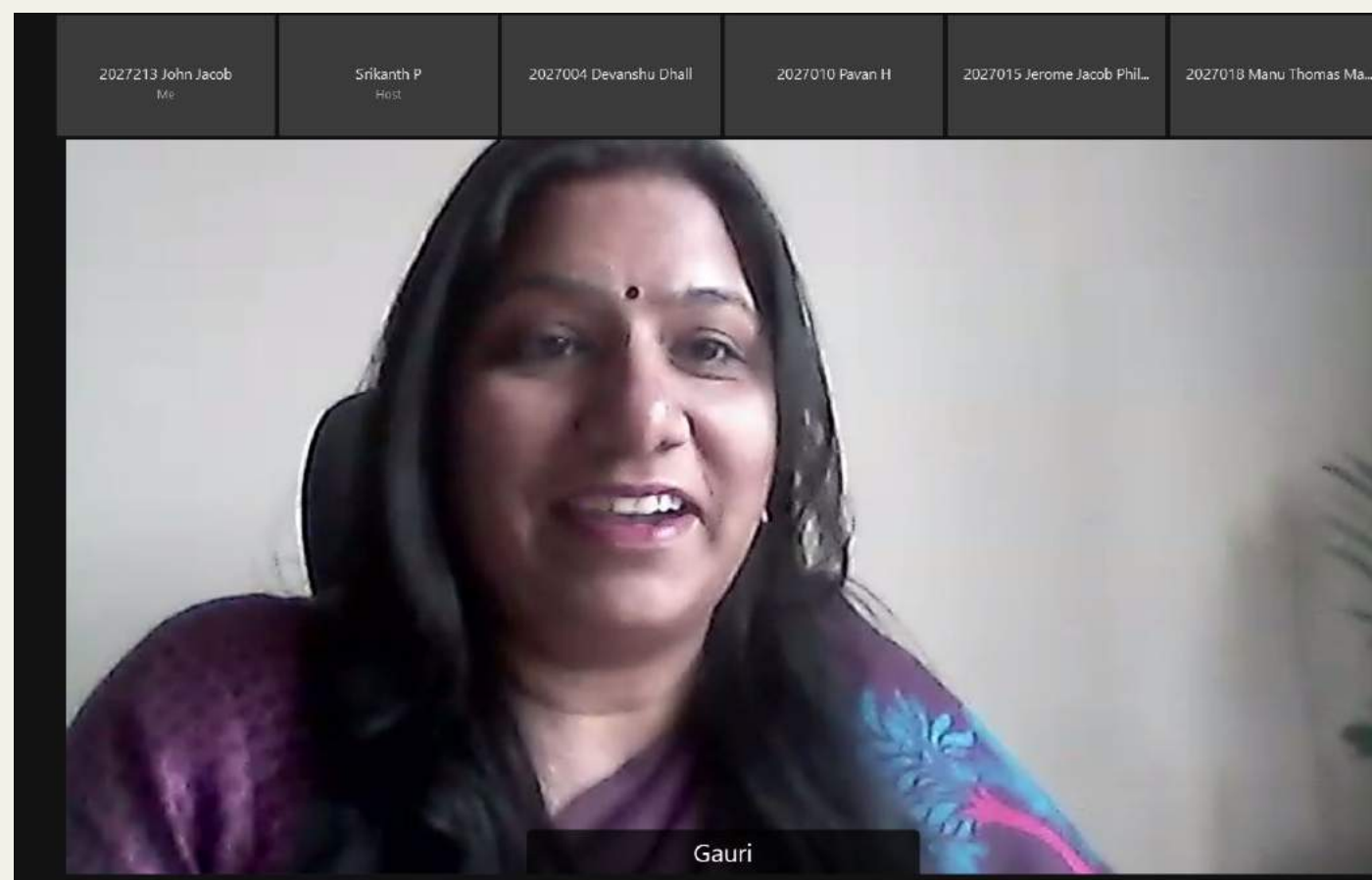
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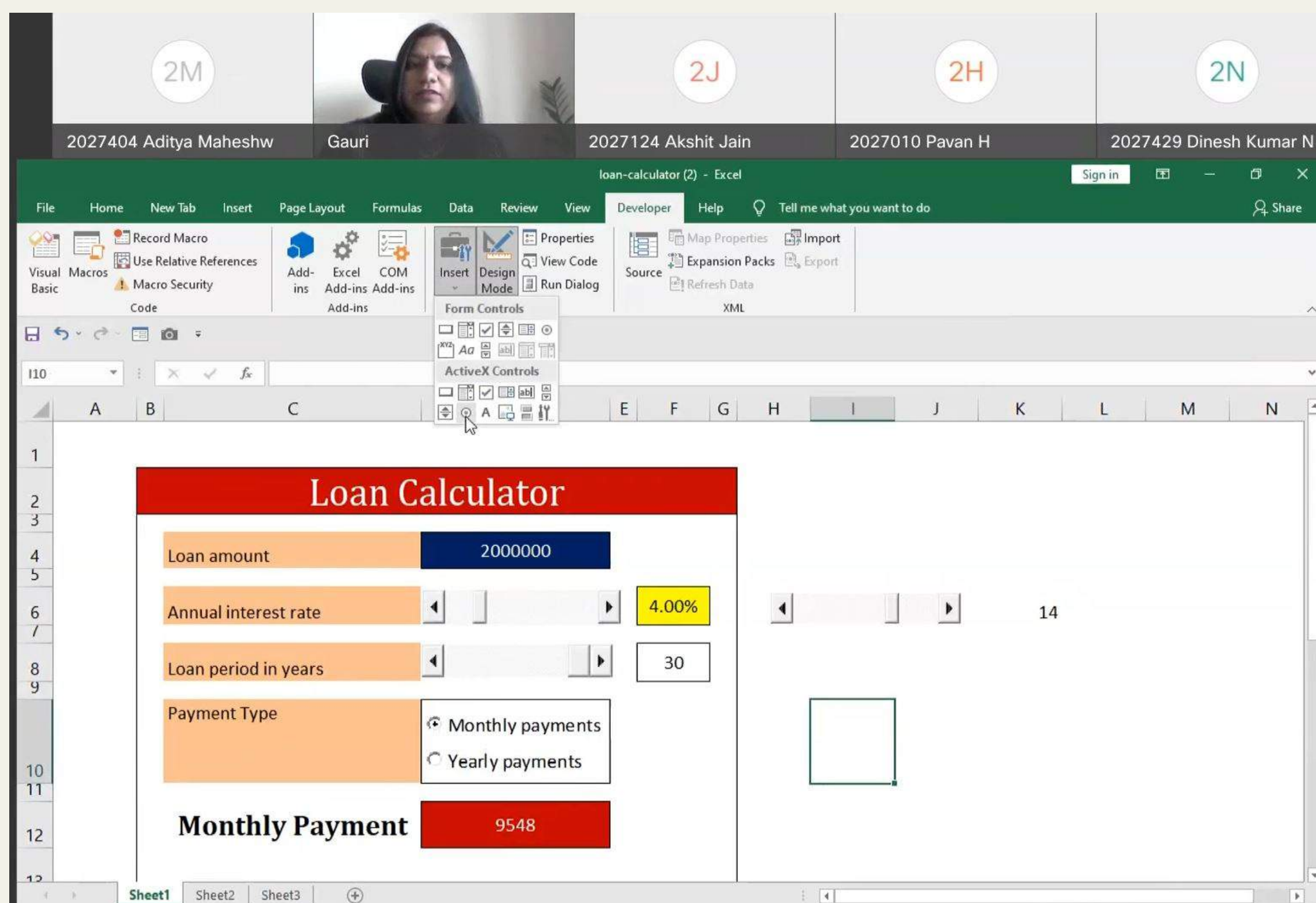
# CLUB ACTIVITIES - MAY TO JUNE 2021

## Workshop on VBA macros

VBA Macros, an online workshop, was organized by our professors from 15th May to 12th June. This was mandated to enhance and hone each MBA student's technical skills. The duration spanned over five sessions every Saturday for two hours. In the first session, of macros - basic terminology, enabling macros on excel and creation of simple macros was discussed. In the following sessions, the code generation was explained. Macros creation for loan calculators, sales calculator, sorting the sheets alphabetically, logical operators, loops, if-then statements were explained in the subsequent sessions.



Ms. S. Gauri, an operations management consultant and a certified MS excel trainer, was the assigned course instructor.





# CLUB ACTIVITIES - JUNE 2021

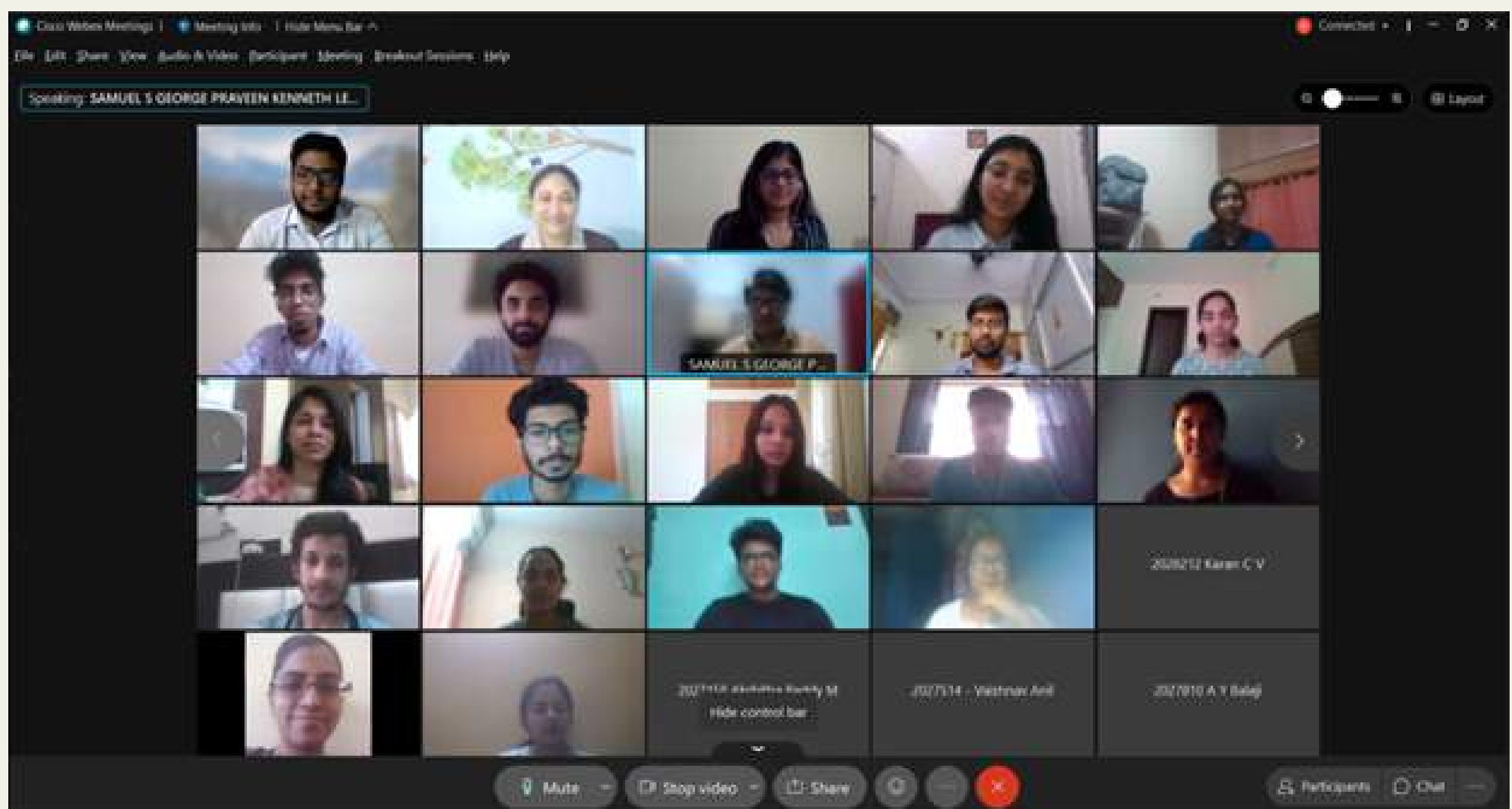
## MBA Leadership Training – Praveen Kenneth Chair

The event was organised by the Praveen Kenneth Chair of Leadership from Christ (Deemed to be University), on 02/June/2021 from 10:00 am to 11:00 am. Mr Samuel and Prof Rashi took part in conducting the event. The student moderators were Priya Dwivedi and Yogesh. L. This event was designed for the finance club POC and respective finance specialisation CR's. The training covered the major aspect of team building and motivation for the participants.

The session started with the moderators drawing in the participants to interact on the topic of leadership. They then asked the participants to share their thoughts on leadership by doing a word cloud. Post which, the participants were grouped into pairs and asked to play a game of X and O. The aim of this game was to build teamwork and collaboration.

A fair amount of time was spent on helping the participants refresh and build on their existing skills. The aim of this was to increase the functioning in a leadership capacity within their respective departments.

The session ended with Mr. Samuel S George delivering a vote of thanks.







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## **OUR DISTINGUISHED SBM ALUMNI – MR. AUBREY MAURICE KING-LEE**

An alumnus from the 2013 MBA batch, SBM, CHRIST (Deemed to be University). Mr Aubrey has started a private business venture located in the village named Khandwa in Madhya Pradesh. He is the founder, director at Kinglee Xperience is currently the CEO of the same.



**Mr. Aubrey Maurice King-Lee**



# INTERVIEW WITH MR. AUBREY MAURICE

**Q1.What was the inspiration for your start-up?**

While working with an NGO based in Pandhana, Madhya Pradesh, I recognised an opportunity and desired to contribute to rural India. From this arose the idea of making locally curated soaps.

**Q2.Can you describe your product and marketing strategy?**

We currently produce soap bars and shampoos. The raw materials needed for the products are goat milk, fresh fruit pulp, essential oils, and herbs, all locally procured. Concerning the marketing strategy, we follow inspirational marketing where the product name is dedicated to each unique story from the real lives that have inspired us in one way or the other.

**Q3.Why did you choose rural India for your start-up location?**

Rural India is a storehouse for immense opportunities. One must have a systematic approach to tapping those potentials and turning them into a profitable business. We need to have a micro-economic aspect when it comes to rural India. I wanted to contribute my bit to rural India by extracting the opportunities available and making the best of them.

**Q4. How did you fund the start-up?**

Concerning the funding, I took up a loan under the Prime Minister’s Employment Generation Programme plan for about Rs. 1.32 lakh and added the same with my personal saving.

**Q5.Do you have plans to diversify the business?**

Yes, we are thinking of diversifying our business into bamboo products and entering the food market. We have plans to collaborate with other NGOs in terms of expanding our business.

**Q6. How has covid-19 impacted your business?**

Our business primarily deals with selling our product through the offline bazaar. But with covid and its associated measures/precautions, our service has come to a complete halt.

**Q7. How do you think as students we can contribute our bit in promoting rural India.**

As students, assist in purchasing and supporting from the small and upcoming businesses. Reduce dependence on the already flourished business.

**Q8. What is your advice to those who aspire to have their start-ups?**

There are three pillars one needs to stand by - Consistency, Continuity, and Constant Monitoring. Set out out a goal and work hard to achieve it. Believe in yourself and your vision. Also, know that for any tree to bear fruit, give it time and patience.



# FACULTY SPEAK



## EXPERIENCE

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# ECONOMY AND BUSINESS BY PROF. S. G. RAJA SEKHARAN

**Q1. Do you think the economy and stock market are directly proportional?**

Yes, it is. Eventually, there will be ups and downs like a pendulum because if the economy does not do well, then the stock market will also not do well in the long run; it is directly proportional. There is always going to be some gyrations in the short run, but in the long run, it's 100% directly proportional.

**Q2. Should India face a similar situation where inflation rates are soaring which industry or company would be a safe bet?**

There is a lot of sector-wise rotation that happens. This is a good time for midcap and small-cap, though small-cap and mid-cap have not been doing well for the past three years up to 2020. We can see a sector-wise rotation, and these stocks would return a gain

**Q3. Do you believe Zomato is overvalued? Being a loss-making company is its valuation is justified?**

Zomato is completely overvalued. One should not doubt this at all. Its current shareholders are exiting their positions, and the one who is going to invest in this will lose money in the next two or three years, as the company is making a loss on every delivery, one can take this IPO opportunity for a short term only but not to consider it for a long-term investment

**Q4. As per you, which is the best asset class for building wealth by common people and why?**

Real estate should do well as the country is marching towards urbanization. In India, 30% of the entire population is in the urban area, and the remaining 70% is in rural areas.



The percentage of people who live in urban areas would likely move above 50%-60% in the next 20 years. So, buy real estate or invest in a real-estate conglomerate and wait for a larger time frame of 10-20 years so that the investment grows. In case people are not able to do equity, they can go for mutual funds. Someone ready to take a lot of risks can invest in a startup, which has the maximum potential to grow

**Q5. What is the magic formula for young guns like us to get rich and retire early?**

There is no such magic formula. It is always one formula, young people should earn a reasonable sum. They should lay down some budget guidelines for their spending and have a specific discipline to stick around it. Furthermore, with the remaining savings amount, they should start investing in a particular platform, which gains them a return of at least 7% more than the inflation rate even after the taxes. Adhering to these rules will help one to get well settled within 15 -20 years.



# STUDENTS CORNER



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**HOBBIES**  
creating websites  
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# SURGE IN SIP

## What is a SIP?

A Systematic Investment Plan, usually alluded to as a SIP, permits you to put a tiny amount consistently in your favoured mutual fund scheme. By enacting a SIP, a fixed sum is deducted from your financial balance each month, which gets invested into your preferred mutual fund.

## Recent trend

Cash kept on streaming into mutual funds in June 2021, however, at a slower speed. The all-out resources under the administration of the mutual fund industry leapt to Rs 33.66 lakh crore as of June 30 from Rs 33.05 lakh crore as of May 31.

Rising securities exchanges and light supposition with a wide-based assembly lifting the costs of mid and little covers stocks pulled investors to value funds.

The number of systematic investment plans (SIP) in different methods of mutual funds went up to 4.02 crore in June 2021, contrasted with 3.88 crores in May 2021. The commitment from SIP additionally went up to Rs 9,155 crore in June 2021 from Rs 8818 crore in May.

SIP is the favoured method for investments for some individual investors. Increasing financial exchanges and falling loan costs have drawn in numerous new investors looking for exceptional yields on their investments to mutual funds.



## Future of mutual fund

Mutual fund entrance in the Indian business sectors is low when contrasted with its worldwide companions. Notwithstanding, the drawn-out skyline offers potential to gain by monetary reserve funds. India currently has assets under management (AUM) to GDP proportion of 12%, and this is after China, which has an AUM to GDP proportion of 13%. The world's average asset under construction to GDP proportion is 63%, with markets like the US and Canada at 120% and 81%.

The primary objective of the funds in this category is to use valuation models and then dynamically rebalance the portfolio between equities and fixed income, ensuring better risk-adjusted returns for investors. This surge occurred due to a decrease in the interest rates and well performance of the stock market, which attracted many investors to diversify the source of their income for better returns.

ASHISH KUMAR SAHU  
2027424





# NEW MFI FRAMEWORK

## What are Micro-finance Institutions?

Micro-finance Institutions (MFI) are the organizations that provide essential financial services to the low-income population who do not have access to any banking facility. It includes services such as micro-loans, micro-saving, and micro-insurance.

The formation of the MFI is to promote financial inclusion to poor and low-income households.

Need for change in the existing framework

The major problem in the microfinance sector is the over-indebtedness of the borrowers due to the higher loans they lend out. The lenders are left exposed to high risk by this action and increase the borrower defaulting in the payment.

The objective of the current NBFC- MFI framework is to offer credit to all low-income households transparently, ensuring the borrower's protection.

However, this framework applies only to 30% of the micro-finance loan portfolio. The rest of the Regulated Entities (RE) do not come under this framework. A borrower can typically obtain loans from two NBFC-MFIs; however, other entities from whom the borrower can obtain loans are not regulated under this framework. This loophole exposes them to have access to more loans which is the main reason for the over-indebtedness problem. To fix this issue, the new regulatory framework proposed by RBI will apply to all REs of RBI operating in the microfinance sector.

## Newly Proposed Framework

RBI introduced a capping concept in the new framework - the payment of interest and repayment of principal for all outstanding loan obligations of the household as a percentage of the household income is limited to a maximum of 50%.

Secondly, to protect the customers, the right of prepayment without attracting any penalty has been provided to the borrowers. The microfinance borrowers of NBFC-MFIs are permitted to repay the debt weekly, fortnightly, or monthly instalments based on their choice. The other RE's need to have a Board approved policy for repayment flexibility.

Furthermore, a simplified factsheet was suggested by RBI to prevent the borrowers from falling into the trap of paying extra hidden charges. By this factsheet, the total payment towards the debt is made clear to the borrower at the beginning itself

The new regulations brought by the Reserve Bank of India (RBI) will positively impact the MFI's and the borrowers if the implementation of the proposed framework is effective. It will control the number of defaults by the borrowers and eradicate the high risk of over-indebtedness. The simplified fact sheet will help the borrowers in knowing the actual risk involved in borrowing the money. The changes made to the existing framework will indeed contribute to promoting financial inclusion in the country.

**ABISHEK KARTHICK**  
**2027329**





# BANNING BINANCE



## A Short History

In 2017, Changpeng Zhao founded a cryptocurrency exchange and named it Binance.

Binance initially originated in China, but due to difficulties in cryptocurrency norms of china, it moved its operations to Japan. Then, they transferred their headquarters to Malta due to a threat of expelling them since they have been operating in Japan without a license on the cryptocurrency exchange. But, after Malta presently, Binance have their headquarters in the Cayman Islands and Mahé, Seychelles.

## Binance

Binance stands for a combination of binary and finance. Binance holds 150 crypto coins (such as Bitcoin, Ethereum, Dogecoin, Litecoin, etc.) in its exchange along with its crypto coin, which is Binance coin. Binance has the largest cryptocurrency exchange in terms of the trading volume.

## Why did the UK debar Binance?

Binance created a new subsidiary company to deal with Binance's crypto exchange in the UK which is Binance Market Limited (BML).

It was banned recently by the Financial Conduct Authority (FCA) of the United Kingdom from June 6, 2021. The reason for the ban is, BML had no specific regulations issued under dealing crypto derivatives in the UK market by the Financial Conduct Authority of the UK.

In the past, there has been a considerable problem with the license regulations of Binance.

In the aftermath, the FCA has alerted the customers of Binance to be cautious, as the Binance group of companies did not acquire the proper statutory rights to run its businesses in the UK.

Barclays, which acted as a medium for fund transactions between the clients of UK and BML, has stopped its services to them after the news of unregulated business of BML mentioned by the FCA.

Nevertheless, this ban has had no impact on the parent companies (Binance.com) operations of the crypto exchange.

Binance is a cryptocurrency exchange that lost its trading rights in the UK due to missed out regulated norms.

**MADHU VENKATRAM**  
2027427



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# POST-PANDEMIC INFLATION

## What is inflation, and when is it good?

Inflation is generally the drop in the value of a currency. Controlled inflation promotes the consumption of goods and services, leading to productivity, ultimately boosting the economy. In India, the RBI mandates that a good inflation rate is 4% +- 2% [2% to 6%].

## Inflation after a large-scale global event (war/pandemic): A historical record

From [vorex.org], where the effects on inflation of 12 large scale global events from the black death to world war II are compared, a similar trend can be seen even though these events are unique and are affected by various factors.

Inflation typically rises during the war, whereas it remains stable during pandemics. It has remained weak during pandemics and declined in its aftermath. Thus, history shows that high inflation is not natural after effect of a pandemic.

## The present rate of inflation during covid 19

Unlike the data that history provides, the inflation curve has fluctuated a lot during the depth of the pandemic and is expected to reach a high post-pandemic. There are several reasons:

- The expansion of money supply has been extraordinary [ The USA witnessed the fastest growth rate in 150 years, i.e., higher than when the USA was preparing for WW2]. The reason for this massive expansion of money supply has been the record levels at which the governments and central banks executed policies in the wake of the pandemic to protect their respective economy.

Thus, the post covid 19 inflation rates do not follow the trend history has set. The inflation curve will see fluctuations for one or two financial years post-pandemic and will return to zero when the production meets the customers' demands.

## Impact on Business

- Due to excessive support from the government and an increase in savings of the consumers, the demand for goods and services will lead to a short-term boom in business until the demand settles down.
- Significant cash flow in the economy will provide an ample opportunity to expand businesses to new regions.
- Without the government protection from large scale industries, MSME (Micro, small and medium enterprises) may lose out; even with ample protection and support, they can flourish in the excess cash flow economy.

The post covid 19 inflation rates are expected to differ and go in the opposite direction from inflation rates portrayed throughout history due to government policies. Unlike other reasons for inflation where there is a shortage of goods or services, this inflation is caused by excessive cash flow. Businesses and industries can use this opportunity in the reopening economy and flourish since the purchasing power of consumers has risen significantly.

**THAMIRABHARANI SS**  
**2027456**





# ADOPTION OF AI IN FINANCE

In India, optimism about AI's ability to reduce costs and increase revenue has risen dramatically. 45% of businesses have increased their use of AI since the pandemic hit. AI is now widely considered a critical facilitator for businesses to emerge from the current crisis, plan for transformation, and make significant changes to their operating model to gain a long-term competitive edge.

As businesses reopen their industrial and office locations, AI-enabled tools are assisting them in enforcing health and safety best practices. Without sacrificing productivity, the remote workforce is increasingly relying on AI-enabled digital assistants to do their tasks.

As they explore new ways to communicate with customers, suppliers, and employees across a remote work environment, many Indian companies rely on AI automation to help decrease costs and get reliable data into the hands of their customers, partners, and employees. For example, Emerald Jewellery, one of India's largest jewellery manufacturers, has showcased its latest collection to over 200 dealers using their "Tej" mobile app. This first-of-its-kind AI-enabled mobile application allows them to quickly search through a growing catalogue of over 5 lakh jewellery designs and navigate the complex ordering process.

The financial services industry has not been up to the mark to deliver on its promise of using Artificial Intelligence (AI) to alter consumer experience at scale. Services in the financial sector, despite all claims made by businesses investing in Artificial Intelligence (AI) to improve customer experiences, customers' general expectations have not been reached. Consumers still believe that AI is more about banks improving efficiency than helping them increase their bank involvement.

Customer-facing AI has been widely adopted in the financial services business, and the pandemic environment will only accelerate this trend.

While AI has benefited businesses, people want and demand more. Adopting AI in banking and insurance is slower than in other industries; just about 10% of Indian banks and insurance companies have used AI at scale across all areas. Increased demand for contactless transactions has emerged from the pandemic, with changes in customer behaviour providing an opportunity for additional AI-enabled interactions in the sector. 75% of Indian customers want to use digital channels like mobile wallets and digital payment apps to make more payments. Financial services (banks and insurance companies) heavily invest in artificial intelligence (AI) to automate procedures. State Bank of India is expanding their technology footprint by implementing a Next-Gen Data Warehouse & Big Data Lake solution, as well as IBM Cloud Pak for data – an integrated data and AI platform, to revolutionize the collection, organizing, and analysis of data and infuse AI throughout their organization, hence transforming the customer banking experience.

The financial services industry has not been up to the mark to deliver on its promise of using Artificial Intelligence (AI) to alter consumer experience at scale. Customer-facing AI has been widely adopted in the financial services business, and the pandemic environment will only accelerate this trend. While AI has benefited businesses, people want and demand more. Financial services (banks and insurance companies) heavily invest in artificial intelligence (AI) to automate procedures, hence transforming the customer banking experience.

**SMRITHI BALAKRISHNAN**  
**2027155**



**N. KEERTHANA**  
**2027358**





# WHY ARE FOREIGN BANKS LEAVING INDIA?

In April 2020, Citibank officially announced that the Bank would be exiting its retail banking business from India and 12 other countries, while the bank continues to offer services under wealth management and institutional business.

Citibank stated the reason for ceasing their operations in the retail banking business was that profits from the consumer banking division was under stress and did not have enough capital to scale up their retail banking operations in India. The Bank also failed to quickly remodel its business to suit India's demanding local market. As a result, Citibank decided to channel its resources into wealth management and institutional business to earn higher returns.

Moreover, the market share of foreign banks in India stood at 6% in 2005. Since then, the market share had declined to 4.65% in 2010, then 4.41% in 2015 and further declined to 4.15% in 2020. Foreign banks like Deutsche Bank, Barclays, UBS, Morgan Stanley, Goldman Sachs, and Bank of America-Merrill Lynch have either exited partly or wholly by shutting down operations in retail banking, selling credit card business or wealth management business, or surrendering their banking license. So why is the fastest growing banking industry of India a huge pain for Foreign Banks?

## **Stringent rules and biased treatment between foreign banks and domestic banks of India**

Stringent rules have made it hard for foreign banks to operate smoothly and, at the same time forcing them to raise more capital because of rising regulatory costs due to the increasing number of regulatory guidelines in India.

The RBI sets such regulatory guidelines to ensure that our economy does not come into contact with the challenges faced by the parent companies of foreign banks.

## **Increasing competition**

Domestic players were able to beat their foreign banks due to their instant response to the changing landscape of India's banking sector and the adoption of digitization into their business model. But the response from foreign banks is slow due to time-consuming decisions made by their top overseas management.

## **Unstable banking industry of India**

Poor quality assets, rising defaults and frauds of IL&FS, Yes Bank, Lakshmi Vilas Bank and COVID-19, has made it less attractive for foreign banks to invest in India and in order to survive, these banks will have to cut down costs to make profits.

The landscape of India's banking industry has made it difficult for foreign banks to operate smoothly due to increasing regulations on foreign banks operations, deteriorating quality of assets due to events like the IL&FS crisis, increasing competition from domestic players and changing demand and preferences of customers. These reasons have reduced the risk appetite of foreign banks to play in India and forced some to either exit the Indian market wholly or partly or alter their business model to survive and recover their costs.

**BINU SHARRY**  
2027220





# SWARAJ ON A BULLISH RUN?



## SWARAJ

### About the company

Formerly known as Swaraj Tractors, the company was founded in 1974 and is in the business of manufacturing tractor engines.

The Mahindra Group acquired Swaraj Engines in 2007 and now sells tractors under the same name. This subsidiary manages to sell around 1,20,000 units each year.

### Technical Analysis

- The stock shows Cup and Handle pattern on the weekly chart, which is considered a very bullish pattern after the recent fall. The pattern has completed a breakout with a good volume, and this pattern usually have a success of more than 77%
- The Relative Strength Index is holding its value above 60, which tells the strength in the trend, which also tells that the breakout is a genuine one and can last.

- Since the price movement has completed this pattern, we can expect the stock to head toward 2550 in the coming weeks, being the measure implication of this pattern is 912 (1682-770) and adding the same difference to the price breakout range signalling upside toward 2550 levels.
- Head and Shoulder Pattern is usually observed after a correction in price. Similarly, we observe consolidation during the formation of this pattern and the same we can observe here as well.
- The Relative Strength Index is an oscillator that tells about the direction of the strength of the market, usually above 60 means bullish momentum and below 40 means bear momentum.

Swaraj Engines has formed a Cup and Handle pattern. After almost a correction of 40% from its previous high, it could see a potential target of 2550 within the next six months.

DEVANSHU DHALL  
2027004





# ANALYSIS ON SHREE RENUKA SUGARS



## About the company

Shree Renuka sugars Ltd., incorporated in 1995, is a small-cap company primarily operating in sugar manufacturing, sugar refining and, sugar trading. The company has its corporate office in Mumbai (Maharashtra, India) and head office in Belgaum (Karnataka, India). Shree Renuka Sugar operates 11 mills globally (four in centre-south Brazil and seven in India) and has two large port-based sugar refineries in India.

## Performance

In June, the stock has moved 116% from Rs. 15.75 to Rs. 34.05 with a high of Rs. 35. The massive rise in the stock is due to the announcement by prime minister Narendra Modi on the eve of world's environment day "achieving 20% blending with petrol has been advanced by five years to 2025 to cut pollution and reduce import dependence".

The company will invest Rs. 450 crore in expanding its ethanol capacity of 430 kilolitres per day to 1,400 kg litres per day to take advantage of government ruling.

The board of directors of Shree Renuka sugars has also announced that within a small timeframe, the company has become a Midcap company from a small-cap company.

Shree Renuka Sugar has been doing exceedingly well in sugar manufacture, sugar refining, and ethanol production.

The peer industries are Dalmia Bharat, Balrampur Chini, Dhampur Sugar, EID Pary. With the government announcement of the increase in ethanol usage, the demand for the sugar sector has risen as ethanol is the by-product of Sugar.

Keeping all the above factors in mind, Shree Renuka Sugar has much potential to become a multi-bagger in the next 5 to 10 years. Ethanol is used in petrol and petrol is always in high demand as per this perspective people who want to invest for a long-term then this stock should be in their portfolio.

VC investments have played a critical role in bolstering India's start-up ecosystem, which has generated more than 3 million jobs directly or indirectly, second only to the United States and China globally. With Covid-19's massive effect on India's economy and healthcare systems, the year 2020 was truly exceptional for India. Within the year, covid-19 was instrumental in significantly driving digital developments in several industries.

**A RADHESHYAM PATRO**  
**2027322**





# FINANCIAL JARGONS

## Guaranteed Income Contract

This notion is becoming increasingly popular as more individuals choose for annuities, which transform a lump sum payment into a regular income stream at a later date, perhaps for the rest of one's life. A GIC, for example, requires an insurance company to borrow a lump sum from us at a fixed interest rate in return for a certain amount of money pre-determined quantity of cash at a pre-determined future date.

## Forex pips

Currency values are often stated in pips or percentages in point because they change in such small increments. A pip is the fourth decimal point of a price, equivalent to 1/100th of one percent in most situations.

## Line of credit

A line of credit (LOC) is a set amount of money that may be borrowed at any time. In the case of an open line of credit, the borrower can take money out as needed until the maximum is reached, and when money is repaid, it can be borrowed again.

## Rebalancing

Any portfolio should rebalance regularly. It is the process of getting your stocks and bonds back to the percentages you want. You may rebalance your portfolio by selling some of your stocks and reinvesting the proceeds in bonds or by investing fresh funds in bonds to restore the portfolio's original balance.

## Non-disclosure agreement

A non-disclosure agreement is a legally enforceable agreement between two persons that creates a private connection. The signatory party or parties agree that any sensitive information they acquire will not be shared with anyone else. A confidentiality agreement is another name for an NDA.

## Prime Rate

The prime rate is the interest rate banks charge their most valuable customers, those with the best credit scores. Many short-term lending products utilize it to calculate borrowing expenses. Depending on the economic situation, the prime rate index might be volatile or stable for months at a time.

## Umbrella Insurance

Umbrella insurance extends your liability coverage beyond that of your house, car, or watercraft insurance. If you're in danger of being sued for property damage or other people's injuries, one should consider umbrella insurance. It also safeguards your assets if you are sued for slander or character defamation.

## FICO Score

Fair Isaac Corp., the firm that invented the process for calculating a credit score, is abbreviated as FICO. Your credit score is determined by a number of criteria, including payment history, credit history duration, and the total amount owing. FICO scores vary from 300 to 850, and the higher your score is, the better the terms on your next loan or credit card may be. People with credit scores below 620 may have a more difficult time obtaining credit at a reasonable interest rate.

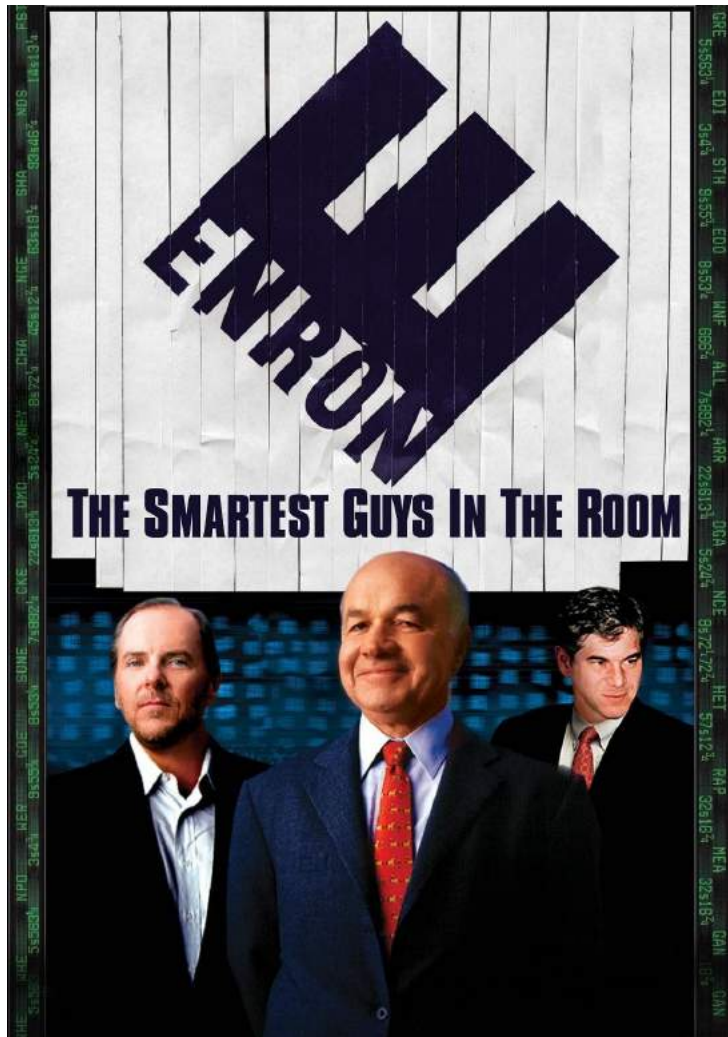
**RIMJHIM KUMARI**  
**2027040**



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# MOVIE REVIEW: ENRON THE SMARTEST GUYS IN THE ROOM



The Smartest Guys in the Room is a 2005 American documentary film based on the best-selling 2003 book of the same name by Fortune writers Bethany McLean and Peter Elkind.

It offers a look at one of America's worst economic disasters. Along with the director, Alex Gibney, McLean, and Elkind are listed as the authors.

The movie looks at the Enron Corporation's collapse in 2001, which led to criminal convictions for some of the company's senior executives during the Enron scandal that followed; it also reveals Enron traders' role in the California electricity crisis. McLean and Elkind and former Enron executives and workers, stock analysts, reporters, and the general public is interviewed in the film.

Alex Gibney, the writer/director, depicts the events leading up to Enron's demise with surgical precision, resulting in a frightening conspiracy thriller. He begins with the suicide of Enron executive Cliff Baxter, then moves backwards to show how Baxter was only the most apparent tragedy in a massive disaster.

Gibney also sheds light on the Bush family's nefarious ties to the Enron company. Bush says he will not intervene in California's energy crisis, adding that "the best way we can help California is to be good citizens."

When the proper checks and balances are not in place, the sharp portrayals of the major actors also serve as an analysis of how the greed inherent in the capitalist system allows problematic people to run uncontrolled.

Skilling is shown as a young overweight geek whose pride was based on his belief that he was more intelligent than his friends, but he got in shape, gained strength, and transformed into a monster when he grew up. The Worse thing was when he cashed in \$200 million in stocks and cheated coworkers out of money.

"Enron" is a powerful film on many levels, and it could not be more timely as we enter the filth of a second Bush administration - a period in which corporations were undoubtedly allowed even more license to steal the American public. We can only expect to detect the warning signs next time if we understand what went wrong.

**SACHIN SREEKUMAR**  
**2027118**





# QUIZZING!

1. India adopted the 2030 roadmap and held its inaugural meeting of Financial Markets Dialogue with which country?  
a) USA b) UK c) France d) Germany
2. Which of the following institutions issues the Special Drawing Rights?  
a) IMF b) World Bank c) RBI d) BIS
3. Which bank has launched the 'Green Deposit Programme' to finance green initiatives?  
a) ICICI Bank b) HDFC Bank c) HSBC Bank d) YES Bank
4. Which economic measure of India grew positively by 0.2% after a 6-month contraction?  
a) Index on industrial production b) Consumer price index c) Wholesale price index d) Producer
5. The economic report named "Ecowrap" is released by which organization?  
a) World bank b) Niti Aayog c) IMF d) State Bank of India
6. Which regulator has launched an asset restructuring web module for MSMEs named ARM-MSME?  
a) RBI b) NABARD c) NHB d) SIDBI
7. When there is an inflationary trend in the economy, what would be the trend in the pricing of the banking products?  
a) Increasing b) Decreasing c) Constant d) No change
8. What is the upper limit of RTGS transactions in India?  
a) Rs 5 Lakh b) Rs 10 Lakh c) Rs 15 Lakh d) No Limit
9. The portion of deposits that banks have to park with RBI is called \_\_\_\_?  
a) Statutory Reserve Ratio b) Capital Adequacy Ratio c) Cash Reserve Ratio d) CASA Ratio
10. National Stock Exchange has developed a Platform for Investor Education (PIE) along with which institution?  
a) IIT-Bombay b) IIM-Bangalore c) Xavier Labour Research Institute d) National Institute of Industrial Engineering



SCAN TO SEE THE SOLUTION

SHANA JOHNSON  
2027346





# CREATIVE CORNER



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

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.
	for company tld

**POSITION TITLE** for company tld

**2003 - 2010**

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

## REFERENCES

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## COVER LETTER



## FITNESS IS A PART OF LIFE!

We live in a world where only expectations exist. To succeed in life, we tend to focus on the balance of life. In our early ages, we all have come across some beautiful proverb: Health is wealth; you are what you eat. But have we ever tried to live by it? The answer will be a big “No.”

We all make resolutions in the new year, which we cannot keep up. The people who are all taking up the resolutions can be categorised into two categories. In the first category, they work for a few weeks until their spirits go down, and they wait for the next year to retake the exact fake resolution.

Category two, they expect the desired results quickly and get negatively influenced to aspire to the desired outcome through a shortcut, which could devastate them.

### What do we do now?

To bring change in your life, prepare yourself mentally. Figure out the physical activity which best matches your trait. Set a goal and make tiny targets, don't work on results; work on the process which would automatically lead you to the destination. Do not make excuses. Prepare a schedule and stand by it.

When we want to buy an electronic gadget, we research and get deep about the product specification and finally decide. If much attention is given to some objects, how well do we know what we feed our bodies? Have the right food, which will fuel your body.

A recent report of the World health organisation states top 10 diseases which cause human death in which 7 out of 10 illnesses are due to poor diet and unhealthy lifestyle (World health organisation, 2020). This emphasises how important the right choice of food is in life.



Get proper sleep; if you were not able to stick to the schedule any day, it is okay, do not pressure yourself; it will not harm you in any way. So, keep yourself mentally happy and appreciate every accomplishment that you make.

We all make resolutions in the new year, which we will not keep up. The people who are all taking up the resolutions can be categorised into two categories. In the first category, they work for a few weeks until their spirits go down, and they wait for the next year to retake the exact fake resolution.

Category two, they expect the desired results quickly and get negatively influenced to aspire to the desired outcome through a shortcut, which could devastate them.

### This is the cycle of a healthy person:

The above mentioned all four have to be appropriately maintained to stay healthy. If one goes imbalanced, then other factors will not create any good impact on your body. Finally, good things take time; do not rush, enjoy becoming a new version of yourself, and trust the process.

**SARATHI VASAN S**  
**2027431**





# IS LIFE A JIGSAW?



A jigsaw puzzle can be a challenging game. You have one too many pieces jumbled up, each making no sense of its own. It is beautiful how these solitary pieces can be assembled to eventually reveal a complete and coherent picture, something in which each picture has equal importance. But what is even more beautiful is that we find out how our endeavours have been rewarded in the best way possible. Despite being just a game, it could be used to mean a lot more, couldn't it?

"Life is not about finding the pieces of a puzzle. It is about creating and placing those exceptional pieces together".

But where do we start? Which piece do we pick up first? Where do we place it? Even though the first step is the hardest and leads to all the others, we find it surprisingly easy to continue. With that single step, we can take the following steps. Each tile joins with another to make harmony. There may be times when we realize we have misplaced the pieces and have to pull them apart and start over. There may be times when you cannot find the piece you want. We feel like giving up because we cannot find the answer despite trying really hard to reach this far. The funniest thing is that while it is so hard to persevere and continue, it is so easy to give up.

These are the times when we should keep in mind that the piece we are looking for exists, no matter what.

It is only when you are desperate that you notice it and realize it has always been there. Each piece of the puzzle necessitates time and patience – it is critical not to lose sight of what you are doing. It is up to you to assemble the tiles to create the final picture, to make harmony out of the disharmony.

With each piece we place, we are one step closer to finishing the puzzle. With each step we take, we are one step closer to our goal.

As a result, the end will undoubtedly provide you with satisfaction that is well worth all of your efforts. Others may only see the final piece of the puzzle, but there is more to life than meets the eye. There may come a time when you can look back and be grateful for the full picture. After all, what if you'd given up halfway through? You wouldn't not have what you have now.

This life's jigsaw is a hard puzzle, but you will make it as long as you know you can.

**K PARVATHY MENON**  
**2027248**



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SMRITHI'S ARCHIVE!

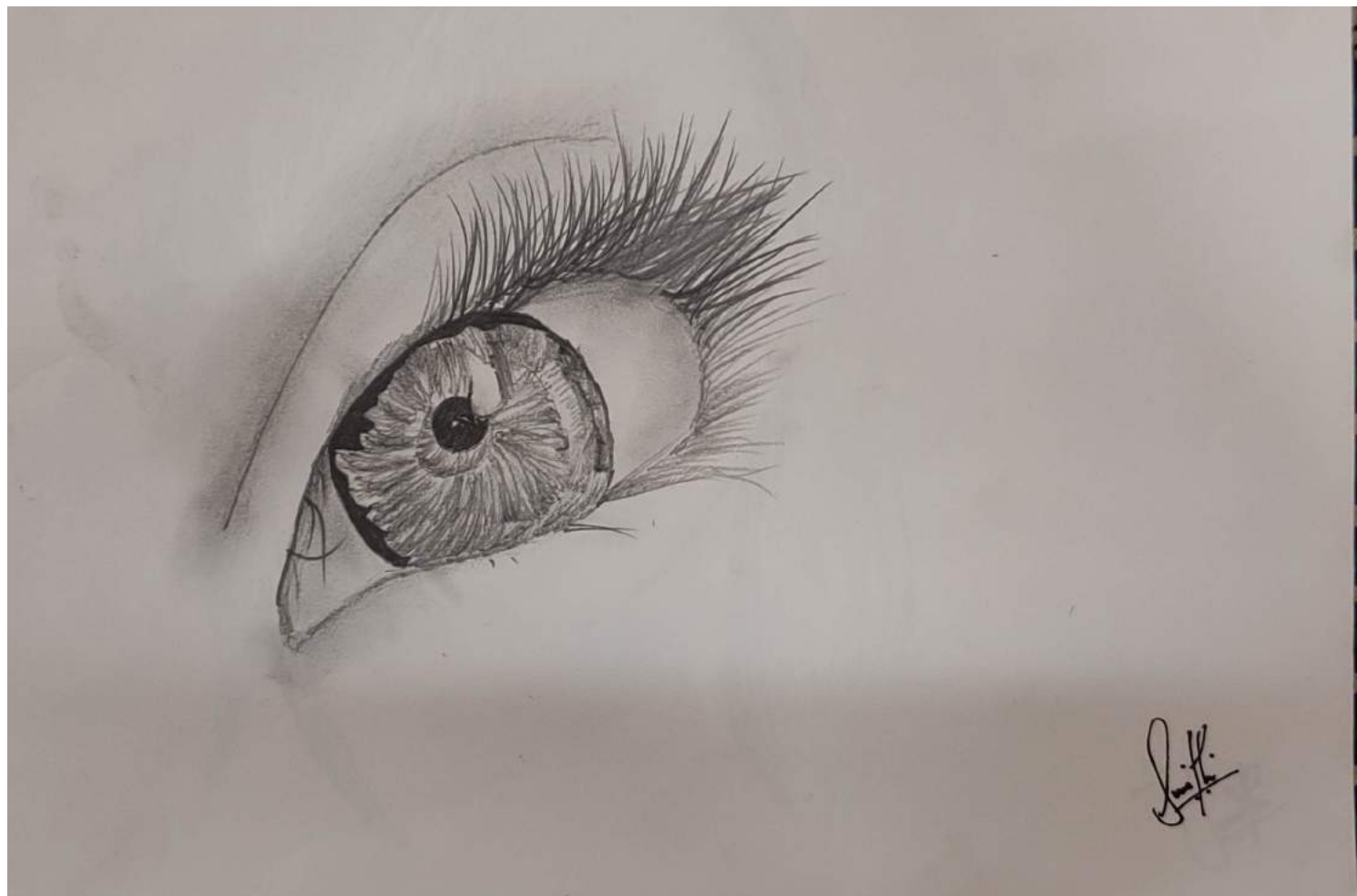
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A bird's eye view



"The beauty of light owes its existence to the dark" - Brene Brown



"Beauty lies in the eyes of the beholder" - Margaret Wolfe Hungerford



"Every flower is a soul blossoming in nature" - Gerard De Nerval



A splash of colours

SMRITHI BALAKRISHNAN  
2027155





# EVERY SUNSET HAS A NEW STORY!



Sunsets are the most surreal thing about nature. It tells us no matter how bad the situation is right now; there is a promise of a better tomorrow!

SHANA JOHNSON  
2027346



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