

# FIN-O-DATE

THE FINANCIAL GAZETTE OF MDIM



**MDI**  
MURSHIDABAD

Management  
Development  
Institute



**FINARATHA**

THE FINANCE CLUB OF MDIM

WEEKLY  
FINANCIAL  
MAGAZINE  
FOR THE  
STUDENTS  
OF  
MDIM



**LET BUSINESSES OWN THE WORLD  
YOU BE THE RULER**

# ABOUT US



Finartha, the finance club of Management Development Institute Murshidabad formed with the ambitions of bridging the gap between the academic and professional worlds. As a student—run organization, the club brings together students with a shared interest in Finance to enjoy presentations from industry professionals, competitions, quizzes, finance-related discussions, casual and formal networking events as well as a variety of social events. It provides the platform for interactive discussions and orients oneself towards the world of business and commerce. The club plans to get into media through social as well as print media to update the students, academic professionals and industry veterans about its various activities. It thrives on providing the students with additional resources needed to develop themselves into strong candidates for the prospective job market. If one is zealous enough for the activities which go into finance and its substrates then 'Finartha' is the platform to quench that zeal.



# FINAR̥THA

SEPTEMBER 12, 2020  
ISSUE- 62

## TOP GAINERS

### INDEX

- BSE 38854.55
- NSE 11464.45
- NASDAQ 10853.54
- DOWJONES 27665.64

### CURRENCY

- USD/INR ₹ 73.48
- GBP/INR ₹ 94.01
- YEN/INR ₹ 0.69
- EURO/INR ₹ 87.02

Latest By Sept 12th, 2020

| Securities    | Prev closing | Closing Price | Percentage increase | High/Low        |
|---------------|--------------|---------------|---------------------|-----------------|
| Wipro         | 284.95       | 293.30        | 3.08%               | 298.30/282.65   |
| SBI           | 198.15       | 202.70        | 2.30%               | 203.80/197.00   |
| Tech Mahindra | 750.10       | 765.15        | 2.02%               | 770.20/745.00   |
| TCS           | 2331.60      | 2374.10       | 1.84%               | 2382.65/2331.00 |
| UPL           | 491.00       | 499.00        | 1.63%               | 501.00/488.15   |

## TOP LOSERS

| Securities        | Prev closing | Closing price | Percentage decrease | High/Low      |
|-------------------|--------------|---------------|---------------------|---------------|
| Zee Entertainment | 222.90       | 218.10        | 2.26%               | 224.70/216.20 |
| IndusInd Bank     | 620.65       | 610.35        | 1.63%               | 637.30/603.40 |
| Power Grid        | 177.70       | 175.15        | 1.38%               | 178.85/174.20 |
| Coal India        | 126.65       | 125.10        | 1.22%               | 127.25/124.70 |
| Bharti Airtel     | 497.55       | 491.65        | 1.15%               | 502.55/488.75 |

### Top market news

- Vodafone Idea share price fell about 3 percent in morning trade on BSE because as per CNBC-TV18 report, Vodafone Idea is looking to raise Rs10000cr via sale of fiber business and data center.
- Share price of state owned telecom equipment maker ITI gained 4.7 percent intraday after the company bagged ASCON phase IV project from Army.
- IRCTC, which operates in four business segments internet ticketing, catering, packaged drinking water under the "Rail Neer" brand, and travel and tourism has suffered a serious blow due to COVID-19. Its shares fall over 1percent ahead of June quarter earnings.
- Shares of KEI Industries climbed over 2 percent in morning trade on BSE after CARE Ratings upgraded the company's long-term facilities and fixed deposits to 'CARE A+' with outlook remaining stable.
- Hindustan Copper share price jumped over 6 percent in the morning trade a day after the company declared its Q1 earnings. The company reported a consolidated net profit at Rs 29.69 crore, up 40.11 percent from Rs 21.19 crore in Q1FY20.

# Automobile Endgame? : Once upon a time in COVID-19



Lately there has been a lot of tittle - tattle about the slow recovery in the automobile sector. The headline for the same read -

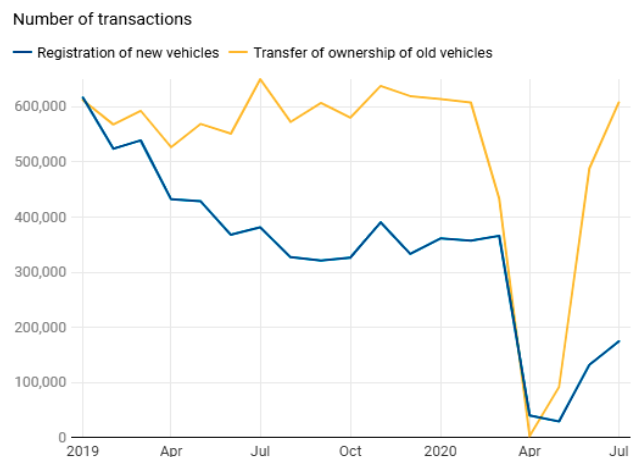
**“ Passenger vehicle sales in India rise 14% in August**

**“Maruti records 17% jump**

and the likes of it.

In many ways, the automobile industry is a mirror for the whole of the Indian industry. The sector accommodates the major chunks to GDP and growth of economy. Nevertheless, it the the sector that gives large amount of employment and jobs. The grip of the auto industry has loosened and so as the economy as we fell in the vicious paws of coronavirus for the last few months.

However, there has been the recording of some rise in the demand it is important to note that this is due to the subdued demand from the past few months, also known as Pent Up Demand. If we bifurcate the sales stats it can be seen that the rise in the demand for the second hand vehicle has increase rather than the will to buy new ones.



Source: Vahan dashboard • Get the data • Created with Datarapper

## **Sales of second-hand vehicles have rebounded much better than new vehicles**

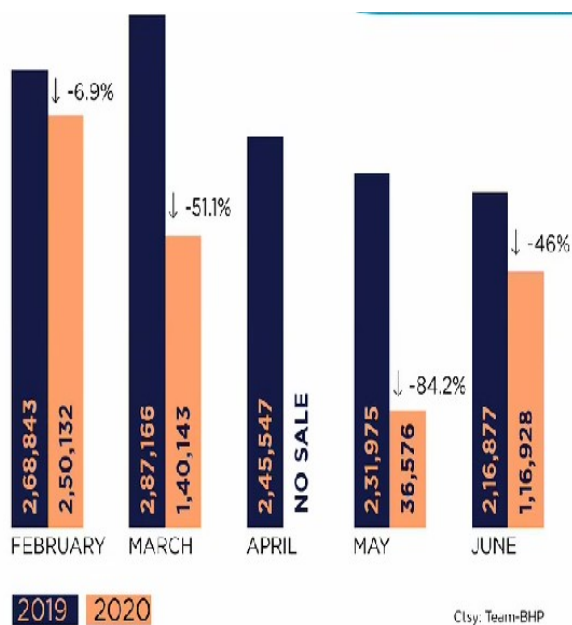
Only couple of auto segments have seen genuine increase and those include tractors and trailers .



The reason being reverse migration due to which the volume of labour increased in the rural areas . According to the research the labours who migrated back to their pavilion do not seek to return any time soon.

According to a recent survey by consulting firm Deloitte, 77 percent of consumers want to limit the use of public transport, 70 percent would want to avoid ride-hailing options altogether, and 79 percent have an intention to own a vehicle.

Four wheeler sales YOY:

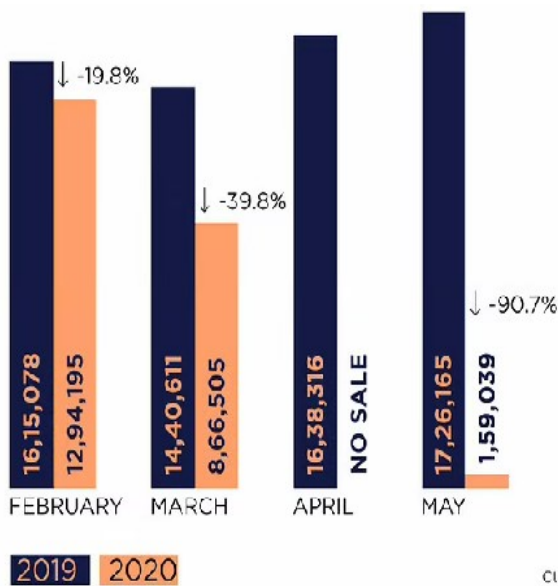


There is scepticism among the consumer to travel in the public transport due to virus still in place. This is the only knight in the shining armour for automobile industry as of now. However it will only reap fruits if this demand stays for few months.

A lot depends on the Purchasing power of the consumer but with the stats of increased second hand cars it is apparent that consumers are selling their old vehicles for the bargain of income. So technically if income is in decline the structural improvement of automobile sector looks like a far fetched dream.

For now its neither the thumbs up nor the thumbs down.

Two wheeler sales YOY:



### News of the day

The Federation of Indian Chambers of Commerce & Industry (FICCI) has submitted its recommendation to the government, to seek immediate support from policymakers to enhance attractiveness for EVs in the short term and to encourage continued investments in the sector.

## Inside Edge - RIL

Reliance Retail has also proposed to invest Rs 1,200 crore in FEL preferential equity (6.09% of post-merger equity of FEL) and Rs 1,600 cr in preferential warrants (option to acquire further 7.05%). The deal increases the retail store footprint of Reliance Retail Ltd, a unit of RIL, from current 28.7 million square feet to 52.5 million sq ft, consolidating its pole .

Reliance Industries NSE 7.06 % Ltd's procurement of obligation lashed Future Group will practically twofold the impression of its retail business, which presently is esteemed at up to USD 68 billion, investigators said. The oil-to-telecom combination on Saturday declared the securing of Future's retail, discount, coordination and warehousing units for Rs 24,713 crore. The arrangement terms involve a merger of five recorded units of Future Group into Future Enterprises Ltd (FEL). The arrangement will permit Reliance Retail to practically twofold its retail zone under activity and increment the store check by 15 %.

Goldman Sachs said the proposed exchange could harden Reliance Retail's market head situating in sorted out retail across classifications, reinforce warehousing and coordination empowering quicker development for its web based contribution JioMart and improve serious situating versus unfamiliar retailers like Walmart and Amazon.

Inside 2 years, Mukesh Ambani through RIL in numerous organizations. The organizations obtained by Reliance, are chipping away at different advancements; be it man-made brainpower (AI), web of things (IoT), block-chain, online multiplayer gaming, multi-party videoconferencing, increased reality (AR), computer generated reality (VR) and blended reality (MR). So the acquisitions are just an augmentation of RIL's desire.

Inside 2 years, Reliance obtained organizations like Balaji Telefilms (TV content), Ed-Cast (learning empowering influence), Embibe (edtech content), Saavn (music content), Radsys (5G design), Eros (TV content), Hathway (broadband), DEN (link), Haptik (client commitment), Reverie (language preparing), Fynd (web based shopping), Tesseract (AR/VR) and Grab (coordination).

Reliance Industries Ltd (RIL) has made a few acquisitions in the previous three years to support item contributions of its auxiliaries - Reliance Jio Infocomm Ltd and Reliance Retail Ltd, among others. RIL has placed in \$566 million in media and training, \$194 million in retail, \$1.2 billion in telecom and web firms, \$100 million in computerized and \$391 in the synthetics and vitality space.

### Financial Facts

- Pink Sheets Stocks - Pink sheets refer to a listing service for stocks that trade via OTC. Pink sheet listings are companies that are not listed on a major exchange like NYSE or Nasdaq. Stocks listed on the pink sheet are usually small penny stocks that trade for less than \$5
- NASDAQ was initially an acronym

for the “National Association of Securities Dealers Automated Quotations”. It was founded in 1971 by the National Association of Securities Dealers.

• Amsterdam Stock Exchange is the world oldest stock exchange in the world. It was established in 1602 by the Dutch East India Company which issued the first shares on the Amsterdam Stock Exchange



# Public sector banks launches doorstep banking services

Finance Minister Nirmala Sitharaman on Wednesday launched doorstep banking services for public sector banks in order to facilitate hassle-free and convenient banking.

"At this stage, the catalysts for economic revival, the catalysts who have the pulse of every one of their customers, are banks," the finance minister said.

She was speaking after launching PSB Alliance-Doorstep Banking Services. "Banks need to introspect on their core businesses," she added.

Sitharaman also added that banks must reach out to those areas where banking has not reached yet. She said all bank staffers should know the details of government schemes which are to be implemented through the lenders.

The services shall be rendered by the Doorstep Banking Agents deployed by the selected Service Providers at 100 centers across the country.

The services can be availed by customers of Public Sector Banks at nominal charges. The services shall benefit all customers, particularly Senior Citizens and Divyangs who would find it at ease to avail these services.

## Here are the highlights of doorstep banking:

- As part of the EASE Reforms, Doorstep Banking Services is envisaged to provide convenience of banking services to the customers at their door step through the universal touch points of Call Centre, Web Portal or Mobile App. Customers can also track their service request through these channels.
- At present only non-financial services vis-a-vis pick up of negotiable instruments (cheque / demand draft / pay order, etc.), pick up new cheque book requisition slip, request for account statement, delivery of non-personalized cheque book, delivery of pre-paid instrument / gift card and others are available to customers. Financial services shall be made available from October 2020.
- While doorstep banking was prescribed by Reserve Bank of India a few years ago, the public sector lenders had earlier come together to appoint a common service provider to handle this for all their customers.
- Initially, the doorstep banking facility were decided to be available to senior citizens and the disabled, who found it difficult to visit branches.
- Now, amid the pandemic, senior citizens aged 70 or more and differently-abled can avail doorstep banking all over India despite the lockdown, RBI notified earlier. According to guidelines from the central bank, banks should offer picking of cash and instruments and dropping of demand drafts.



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BATCH 2019-21

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