



# MDI

MURSHIDABAD

Management  
Development  
Institute

## FIN-DATE

THE FINANCIAL GAZETTE OF  
MDIM

Weekly financial magazine  
for the students of MDIM

FINODATE

# 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.



Issue -133

### TOP GAINERS

#### INDEX

<b>SENSEX</b>	<b>61,663.48</b>
<b>NIFTY 50</b>	<b>18,307.65</b>
<b>NASDAQ</b>	<b>11,113.08</b>
<b>DOW JONES</b>	<b>33,628.65</b>

Securities	Previous Closing	Closing Price	Percentage increase	High/Low
HCLTECH	1092.55	1105.00	1-14%	1106.00/1084.00
ASIANPAINT	3071.60	3100.00	0.92%	3114.85/3071.60
HINDULVR	2460.00	2481.00	0.85%	2488.55/2448.85
SBIN	599.05	602.05	0.50%	605.75/597.15
INFY	1587.40	1594.40	0.44%	1598.00/1575.00

### TOP LOSERS

#### CURRENCY

- USD/INR ₹ 81.54
- GBP/INR ₹ 97.26
- YEN/INR ₹ 00.58
- EURO/INR ₹ 84.50

Securities	Previous Closing	Closing Price	Percentage increase	High/Low
M&M	1259.35	1227.70	-2.51%	1255.95/1217.25
BAJAJ-AUTO	3694.15	3627.85	-1.79%	3706.85/3621.00
NTPC	168.30	165.50	-1.66%	169.05/165.10
BAJAJFINANCE	6895.05	6785.00	-1.60%	6928.00/6750.00
INDUSINDBANK	1146.50	1128.55	-1.57%	1151.35/1122.00

### TAKE-O-TRADE

SPOT	SIGNAL	TAKE AT	TARGET 1	STOP LOSS
HINDUNILVR	Buy	2400	2880	2160
TCS	Buy	3150	3780	2835
TATASTEEL	Buy	100	120	90

### Market Watch

- Infosys to roll out 65% variable pay for Q2FY23.
- Bharti telecom plans to tap band market to raise Rs 7000 Cr

Disclaimer: Futures, stocks and options trading involves substantial risk of loss and is not suitable for every investor. You are responsible for all the risks and financial resources you use and for the chosen trading system. You should not engage in trading unless you fully understand the nature of the transactions you are entering into.



## FINANCIAL NEWS -NATIONAL

### **Since August 2021, India's currency reserves have risen at the quickest rate.**

The Reserve Bank of India's (RBI) weekly statistical supplement revealed on Friday that India's foreign exchange reserves increased to \$544.72 billion in the week ending November 11, representing their largest weekly increase in more than a year. By November 4, the nation's reserves stood at \$529.99 billion. The RBI sold some of the reserves to prevent a significant decline in the rupee this year, so it is still less than the \$630 billion it was at the beginning of the year. On a net basis, the Reserve Bank of India (RBI) sold foreign currency in September valued \$10.36 billion. According to the central bank, it spent \$23.27 billion buying and \$33.62 billion selling on the spot market. According to data made public, sales in September were 144 percent higher than they were in August.

### **Indian GDP to expand by up to 6.3% in Q2 of FY23, according to RBI.**

According to projections made by the Reserve Bank of India (RBI), the Indian economy will increase by 6.1% to 6.3% in the second quarter of fiscal year FY23. According to the RBI's most recent monthly bulletin, if these growth projections materialize, the nation is on track for a growth rate of almost 7% in 2022–2023. "Based on high-frequency data, our nowcasting and full information models forecast real GDP growth in Q2 between 6.1% and 6.3%," the RBI bulletin stated in a statement about the prospects for economic growth. If this is realized, India is on track for a growth rate of roughly 7% in 2022–2023, the statement continued. In highlighting Q3 results, RBI's report also stated that "The economy's supply responses are becoming more robust. This year's collection of rice has already surpassed previous year's total during the kharif marketing season. The good news is that rabi sowing is up year over year, supported by strong northeast monsoon rainfall and reservoir water storage levels, even though wheat procurement has decreased very sharply."

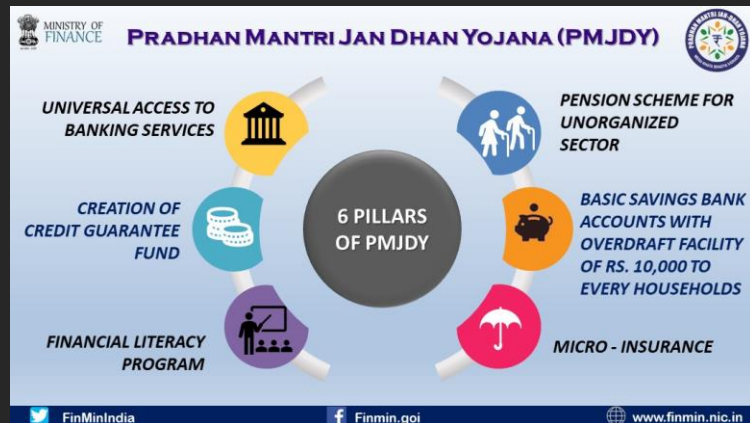
### **Tata wants to combine carriers under the Air India banner and drop the Vistara name.**

According to persons with knowledge of the situation, the huge Tata Group is mulling a plan to combine its four airline brands under Air India Ltd. as it gets ready to rebuild its ailing aviation empire. According to the people, who declined to be named because the conversations are private, India's largest conglomerate is also thinking about getting rid of the Vistara name, which represents Singapore Airlines Ltd.'s local subsidiary in the South Asian country. One of the persons said Singapore Airlines is deciding how much of the combined company it should own. Multiple efforts for response from the Tata Group, Air India, Singapore Airlines, and Vistara went unanswered. With Tata as its new owner, Air India is getting ready for a makeover. The full-service carrier is thinking about placing an order for up to 300 narrow-body aircraft, which would be one of the biggest orders in the annals of commercial aviation. Following a "substantial" expansion in both narrow-body and wide-body aircraft, Air India Chief Executive Campbell Wilson announced last month that the airline will quadruple its current fleet of 113 aircraft over the next five years.

## Pradhan Mantri Jan Dhan Yojana

Pradhan Mantri Jan Dhan Yojana (PMJDY) is the National Mission for Financial Inclusion. It guarantees affordable access to financial services such as banking, savings, and deposit accounts, remittance, credit, insurance, and pension. The foundation of people-centered economic efforts has been PMJDY. All of these programmes, including Direct Benefit Transfer (DBT), Covid-19 financial aid, PM-KISAN, increased wages under the Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGA), and life and health insurance coverage, begin with the provision of bank accounts for every adult, which PMJDY is almost completed with. The objectives of the scheme include ensuring access to financial products & services at an affordable cost and use of technology to lower cost & widen reach. The basic tenets of the scheme are opening of basic savings bank deposit (BSBD) account with minimal paperwork, relaxed KYC, e-KYC, account opening in camp mode, zero balance & zero charges. Issuance of Indigenous Debit cards for cash withdrawals & payments at merchant locations, with free accident insurance coverage of Rs. 2 lakhs. Other financial products like micro-insurance, overdraft for consumption, micro-pension & micro-credit.

The achievements of the scheme included approach towards Digital Banking, extension of PMJDY with New Features which are focus shift from 'Every Household' to Every Unbanked Adult', RuPay Card Insurance, Enabling Interoperability, Enhancement in overdraft facilities, Jan Dhan Darshak App, increased financial inclusion



which was seen by the results of PMJDY accounts that have grown by three-fold and deposits that have increased about 7.60 times. Formalisation of financial system was seen as it provides an avenue for the poor to bring their savings into the formal financial system, an avenue to remit money to their families in villages besides taking them out of the clutches of the usurious money lenders. The prevention of Leakage as DBTs via PM Jan Dhan accounts have ensured every rupee reaches its intended beneficiary and prevents systemic leakage. The Smooth DBT transactions include close monitoring to avoid DBT failures in consultation with DBT Mission, National Payments Corporation of India (NPCI), banks and various other Ministries ensures that the eligible beneficiaries receive their DBT in time. The total number of digital transactions have gone up from 978 crore in FY 2016-17 to 7,195 crore in FY 2021-22. The upcoming inclusions would be: an effort must be made to guarantee that PMJDY account holders are covered by microinsurance programmes. It will be attempted to cover eligible PMJDY account holders under PMJJBY and PMSBY. The same has already been stated to banks. Establishing acceptance infrastructure across India will encourage the use of digital payments, particularly RuPay debit card usage, among PMJDY account holders. Facilitating account holders' access to microcredit and microinvestments such as flexi-recurring deposits, etc.

Source of Image: <https://www.finmin.nic.in/>

## GLOBAL FINANCIAL AFFAIRS

China adjusts policy and releases directives to help the real estate business.

In the strongest evidence yet that President Xi Jinping is shifting his attention toward shoring up the world's second-largest economy, China issued sweeping directions to rescue its property sector, adding to a dramatic recalibration of its pandemic response.

According to persons familiar with the situation, financial authorities published a 16-point plan to strengthen the real estate market on Friday, with steps ranging from easing developers' liquidity issues to lowering down-payment requirements for consumers. The move coincides with the National Health Commission's publicly stated 20-point plan aimed at decreasing the economic and social burden of containing Covid.

Xi's government's key policy reforms are likely to boost China's economic prospects and fuel a market rally that began this month, albeit considerable challenges for the economy and the property sector are likely to persist.

On Monday morning, Chinese developer stocks and bonds jumped. A Bloomberg Intelligence index of homebuilder stocks rose as much as 15%, bringing the month's gain to 56%. Country Garden Holdings Co. increased by a whopping 52%. According to traders, high-yield dollar bonds climbed at least 5 cents on the dollar, led by developers such as Longfor Group Holdings Ltd.

It's a sharp contrast to the melancholy that descended on markets in late October, following Xi's elevation of close associates during the Communist Party Congress, which fueled fears that ideology would conquer pragmatism for China's most powerful leader since Mao Zedong. After suffering losses immediately following the meeting, the Hang Seng China Enterprises Index has since recovered, moving from one of the worst stock gauges in the world to one of the best.

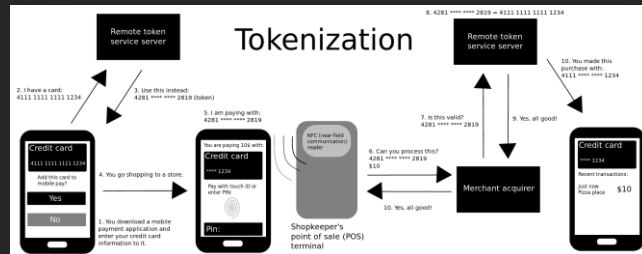
The adjustments come just before Xi is scheduled to see US President Joe Biden on Monday outside of a Group of 20 summits. This will be their first face-to-face encounter since the outbreak started. According to senior Treasury Department sources, Treasury Secretary Janet Yellen will question central bank governor Yi Gang about China's Covid lockdown policy and the problematic real estate market this week.

According to the people, who asked to remain anonymous because the matter is private, the People's Bank of China and the China Banking and Insurance Regulatory Commission jointly issued a notice to financial institutions on Friday outlining plans to ensure the "stable and healthy development" of the real estate sector.

The persons stated that as part of the rescue plan, developers' unpaid bank loans and trust borrowings that are due within the next six months may be postponed for a year and that their bond repayment may also be postponed or swapped through discussions.

## Tokenization & How it Benefit credit card Holders?

Paying through credit cards is all set to get safer in days to come, remember back in 2019 the Reserve Bank of India allowed card network companies to offer tokenization services. What it essentially means is that when we purchase a product using our credit card details our credit details will not be stored anywhere, now the central bank further enhances the guidelines on the tokenization of card transactions.



### What does Tokenization mean?

Tokenization of cards is a process by which our card details remain secure and do not get stored or revealed to the merchant. Tokenization features let customers make payments through a secure digital token without physically sharing their credit card details, with this our card details will be secure and not be revealed to the merchant. Currently, our card details are stored online or in a cloud storage system by the merchants with encryption to store our data with tokenization only our card network or the issuing bank will have access to our details. The 16-digit number on our card will be replaced by a unique code which is called a token. U.S, Europe, Australia, and several other countries have made the tokenization of cards for payment available to customers. The RBI has now made this feature available to all card networks but only for mobile phone or tablet purchases.

### How does Tokenization work?

When cardholders add their account numbers to their mobiles or tablets the card network visa or MasterCard generate a token, so when a cardholder initiates a transaction with their mobiles the token will be used to process.

### When can customers use the services?

Now since tokenization is not widespread in India only a handful of issuer wallets use it now, however after RBI even e-commerce platforms that otherwise store our credit card details will be slowed to offer token requests. However, experts believe that small e-commerce platforms might take some more time to adapt to this new feature. The RBI guidelines also allow customers to decide if they want to switch to tokenization or stick to the traditional method to complete their payment. The service, of course, will be provided free of cost.

### What are the Benefits of Tokenization?

The main benefit of tokenization is that our card details will be secure and not revealed to the merchants, as per the guidelines authorized card networks include Visa, Mastercard, Rupay, etc. this makes it a safe choice. If customers lose their cards, they must go through a lengthy process to get their cards reissued by banks. In case tokens are tied to lost or stolen phones, a token will be easily reissued without needing to change the cardholder's primary account number. Tokenization is particularly useful while shopping on e-commerce websites.

Image sources- [Tokenization](#)

# IPO WATCH : Keystone Realtors IPO



After the pandemic, real estate sales in Mumbai soared due to a combination of low-interest rates on loans and pent-up demand. Now, this momentum continues to grow with each passing quarter. Between July and September, real estate sales surged 80% on a year-on-year basis. Against this backdrop of booming real estate space, Keystone Realtors is looking to raise money through the IPO route.

The prominent real estate developer plans to raise ₹560 crore through a fresh issue of Keystone Realtors Ltd IPO. The money will be used to fund future real estate projects and repay debt.

Since its inception in 1995, the Mumbai-centric real estate player has developed 20.2 million square feet of high-value and affordable residential buildings, premium gated estates, townships, corporate parks, retail spaces, schools, iconic landmarks and various other real estate projects. The real estate player develops properties under the Rustomjee brand name.

It commanded a market share of 28% in Khar, 23% market in Juhu, 11% in Bandra East, 14% in Virar, 3% in Thane and 5% in Bhandup between 2017 and 2021. Also, it has a robust pipeline of 12 ongoing projects and 21 forthcoming projects across the Mumbai Metropolitan Region (MMR).

So, here's a look the key details about the Keystone Realtors IPO:

Company Name	Keystone Realtors Private Limited	Company Type	Private
Founder's Name	Boman Rustom Irani	Company Established On	1995
IPO Opening Date	14 November 2022	IPO Closing Date	16 November 2022
IPO Allotment Status	21 November 2022	Credit of Shares to	
IPO Listing Date	24 November 2022	the Demat Account	23 November 2022
IPO Face Value	₹ 10 per share	IPO Lot Size	27 shares
IPO Issue Size	₹ 635 crore	IPO Price band	₹ 514- ₹ 541 per share
IPO to be Listed on	NSE, BSE		

## Financial Snapshot

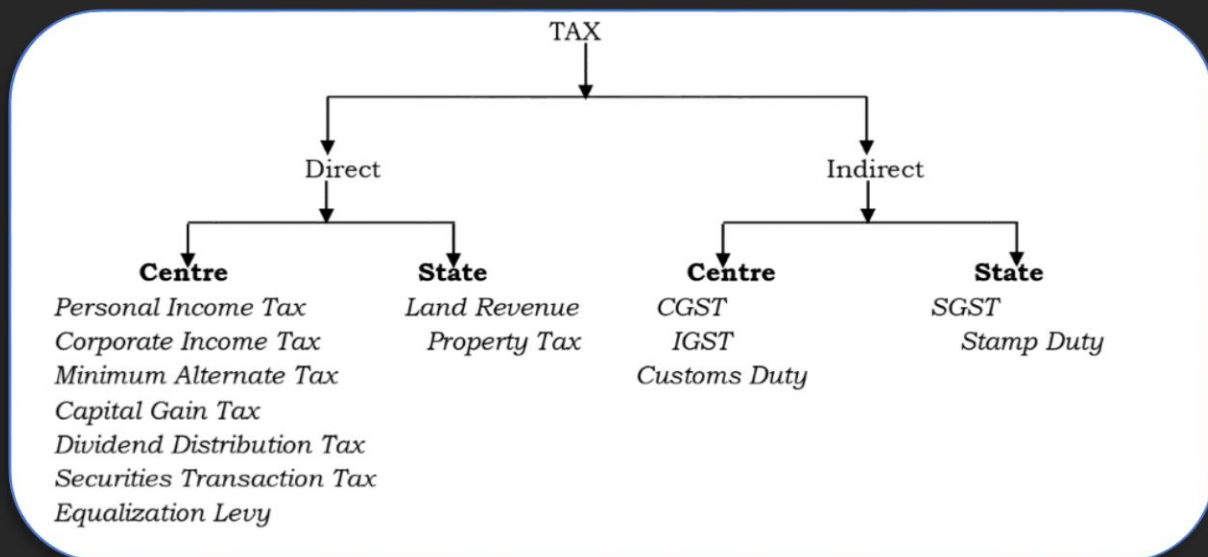
Particulars	FY 20	FY 21	FY 22
Revenue From Operations	₹ 1,211.4 crore	₹848.7crore	₹ 1,269.3 crore
Net Profit	₹ 14.4 crore	₹ 231.8 crore	₹ 135.8 crore

Source- Upstox & Google



## INDIA'S TAX SYSTEM

Taxes can be classified in many ways. One way is to classify them in progressive, proportional and regressive way. Progressive tax is the mechanism in which tax percentage increases with increase in income. Proportional tax refers to tax percentage remains the same irrespective of the income. Regressive tax is the tax structure in which tax percentage decreases with increase in income. Another way of classification is specific tax and ad-valorem tax. Specific tax is the tax which is fixed as per each unit of good and service rather than based on its value. Ad-valorem tax is levied as a percentage of value of the item it is imposed on, and not on the item's quantity, size, weight or such other factors. Still there is another way of classification which is direct and indirect tax. Direct taxes are those taxes which are paid directly by individual or organisation to the imposing entity that is to the government. For example, a tax payer pays direct taxes to the government for different purposes like income tax, property tax etc. An indirect tax is a tax collected by an intermediary ( such as a retail store ) from the person who bears the ultimate economic burden of the tax ( such as the consumer ). For example , taxes levied on goods and services.



Personal income tax is levied by combining all sources of the individual's income like salary, rental income, interest income etc. Corporate income tax is imposed on the profits of the corporates/ companies/ entities. All profit-making companies need to pay a flat rate of corporate income tax. Government of India in September, 2019 changed the corporate income tax for "domestic companies". A domestic company is a company registered in India or outside India but has made arrangements for the declaration and payment of Dividend in India under Income Tax Act, 1961. At time it may happen that a tax payer, being a company, may have generated income during the year, but by taking the advantage of various provision of exemptions under the Income tax law like depreciation etc, it may have reduced its tax liability or may not have paid any tax at all ( zero tax companies). Due to increases in the number of zero tax paying, MAT was introduced by the Finance act, 1987. The objective of introduction of MAT was to bring into the tax net "zero tax companies" which in spite of having earned substantial book profits and having paid handsome dividends, do not pay any tax due to various tax concessions and incentives provided under the Income Tax law. Capital gain tax is tax on capital gains i.e gain or profit realized on the sales of the assets. Dividend distribution tax is

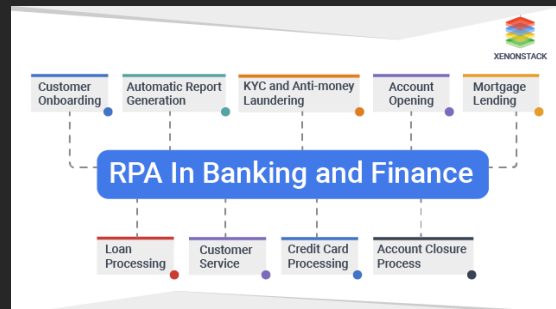


## ROLE OF RPA IN FINANCE

Finance departments must move beyond regular data crunching and begin to participate in high-value, long-term business decisions. Looking at robotic process automation, finance's unexpected ally in accomplishing this goal (RPA).

You might not think of finance as the first application that comes to mind when you think of RPA. However, more than 80% of finance executives, according to Gartner, have already deployed or intend to implement RPA. RPA in finance aids in gaining the most valuable resource of all: time. Everyone from the C-suite to sales needs structured financial data and insightful analysis to help them make timely business decisions, yet finance departments are understaffed in terms of both time and resources. In addition, a very crowded BFS industry struggles to remain relevant and competitive in a changing finance automation market. By automating manual activities and reducing errors with sophisticated RPA software, businesses may enhance operational effectiveness, cut costs, raise accuracy, and adhere to regulatory requirements.

The use of RPA in accounting and finance has several important advantages. Intelligent bots can accurately enter and re-enter financial data, automating repetitive activities. Rule-based processes that are prevalent in the insurance and mortgage industries are well-suited for automation. Without making costly errors, RPA bots can complete all the findings and comparisons. By facilitating the standardization of formal paperwork and the management of vital data and customer records, it can help streamline the finance and accounting sector. Process transformation results from the increase in automation in the finance sector. Therefore, effective corporate operations and processes result in gains.



92% of responders to a survey said RPA improved conformity to their expectations or fulfilled them. Additionally, they expressed pleasure with increased precision or quality (90%), increased productivity (86%), and decreased costs (59%). Standardized financial procedures, digital forms and workflows, and the appropriate software connections are required to ensure communication. RPA enables businesses to automate financial operations with little or no human involvement, such as account reconciliation and financial statements.

RPA operates according to a present set of rules, modernizing the responsibilities of collecting and allocating vendor invoices. A comprehensive examination of product orders, sales quotes, customer credits, bills, and payments can also be facilitated by smart automation. RPA makes it simple to monitor daily transactions while maintaining an extensive audit trail, reconcile finances, and write journal entries automatically. For the client onboarding and KYC procedure to be accurate and efficient, the bots use technologies like optical character recognition to collect all essential customer information. It may be configured to compile financial accounts, analyze historical data, and produce forecasts, freeing up professional employees to develop and implement initiatives. By automating all the manual operations, it may help control accounts receivables to maintain a solid financial position and small cash gaps.

Image credit: datafloq

# TEAM FINARTHA

## THE FINANCE CLUB OF MDIM

Issue-133 Date-19 November 2022

BATCH 2021-23 & 2022-2024



**SHREYAS TEWARI**



**MOHAMMAD TABISH**



**SHUBH TANEJA**



**SHIVANI TRIPATHI**



**ADARSHA NAMAN**



**CHIRAG SHARMA**



**ELIZABETH REJI**



**YADUKRISHNA MR**



**PRAGASH RUPAN**



**RAGHBENDRA JHA**



**ANUNAY CHOUDHARY**



**HARSHIT VIISHWAKARMA**