



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 -137

TOP GAINERS

INDEX		<i>Securities</i>	<i>Previous Closing</i>	<i>Closing Price</i>	<i>Percentage increase</i>	<i>High/Low</i>
SENSEX	59,900.37	BRITANNIA	4,313.20	4,365.00	1.20%	4,369.00/4,310.0
NIFTY 50	17,859.45	RELIANCE	2,514.05	2,537.00	0.91%	2,547.95/2,518.3
NASDAQ	10,569.29	M&M	1,252.65	1,263.40	0.86%	1,274.95/1,248.15
DOW JONES	33,630.61	BPCL	342.35	345.00	0.77%	346.55/340.25
		ONGC	146.50	147.50	0.68%	148.10/146.30

TOP LOSERS

CURRENCY		<i>Securities</i>	<i>Previous Closing</i>	<i>Closing Price</i>	<i>Percentage increase</i>	<i>High/Low</i>
• USD/INR	₹ 82.27	JSWSTEEL	750.70	728.00	-3.02%	754.40/725.95
• GBP/INR	₹ 99.49	TCS	3,311.10	3,213.90	-2.94%	3,301.55/3,200.00
• YEN/INR	₹ 00.62	INDUSINDBK	1,215.85	1,182.00	-2.78%	1,217.70/1,176.10
• EURO/INR	₹ 87.73	BAJAJFINSV	1,468.85	1,430.00	-2.64%	1,473.55/1,423.00
		TECHM	1,011.65	986.00	-2.54%	1,011.65/985.00

TAKE-O-TRADE

<i>SPOT</i>	<i>SIGNAL</i>	<i>TAKE AT</i>	<i>TARGET 1</i>	<i>STOP LOSS</i>
ITC	Buy	330	396	300
HINDUNILVR	Buy	2520	3000	2268
ADANIPTS	Buy	860	1030	770

Market Watch

- Electric two-wheelers sales surge 300% breach 6,00,000 mark in 2022.
- Swiggy losses widen 2 times to Rs 3600 Crore.

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

India's stock market will outperform all others in 2022 thanks to the Adani effect.

India is expected to be among the world's top-performing major stock markets this year after overcoming worries about rising interest rates and a slowing economy that have plagued peers. The S&P BSE Sensex Index has increased by 3% so far in 2022, the largest increase globally after Singaporean and Indonesian policies. Key Indian benchmarks reached record highs after a strong run of results, expanding the market to surpass that of the UK. The MSCI All Country World Index has decreased by 20% in the meantime. Winners this year include banks backed by a fast increase in credit demand and shares connected to billionaire Gautam Adani. Shares of technology companies that fell after going public and software outsourcing companies that were worried about a possible drop in demand from abroad were some of the largest losers.

For its operations in water and wastewater treatment, L&T receives "substantial" orders.

On Monday, Larsen and Toubro Construction stated that the Tumakuru Industrial Township Limited (TITL) within the Chennai Bengaluru Industrial Corridor has placed a sizable order with its water and effluent treatment division (CBIC). Additionally, it received repeat orders from the Asian Development Bank-funded Tamil Nadu Water Supply and Drainage Board (ADB). Orders from Rs 1,000 crore to Rs 2,500 crore are considered substantial by L&T. The company stated in a news statement that it has received an order from TITL to design, build, test, commission, operate, and maintain infrastructure works at the Tumakuru Node in Karnataka on an EPC basis. The project's scope includes the design and construction of 38 km of roads, as well as the installation of storm water drains, cross drainage structures, potable and recycled water supply systems, sewerage and effluent collection networks, power distribution systems, street lighting, a 7 MLD water treatment plant, a 3 MLD sewerage treatment plant, a 2.5 MLD common effluent treatment plant, service reservoirs, and an Integrated Command & Control Centre (ICCC) building.

By 2037, India is expected to move up to third place in the World Economic League Table.

According to Cebr, India's growth trajectory will take it from its current position of fifth on the World Economic League Table to the third slot by 2037. According to the Centre for Economics and Business Research, India's annual GDP growth rate is anticipated to average 6.4% over the next five years before increasing to an average of 6.5% during the next nine years.

The Relevance of Private Equity

Private equity (PE) is the term for capital investments made in privately held businesses. Successful PE managers may make millions of dollars a year, and the majority of PE companies accept certified investors and those who are regarded as high-net-worth individuals. Venture capital (VC) investments and leveraged buyouts (LBOs) are two important PE investing sub-fields. Institutional investors, such as pension funds, and major private equity (PE) companies supported by accredited investors make up the private equity (PE) sector. Due to the direct investment needed by private equity (PE), which is frequently done to obtain control or influence over a company's activities, the industry is dominated by funds with large financial reserves. Depending on the company and fund, accredited investors may be required to have a lower minimum capital requirement. Some funds have an admission threshold of \$250,000, while others might demand millions more. The goal of getting a good return on investment serves as the driving force behind such agreements (ROI). Private equity (PE) partners generally have an investment horizon of between four and seven years. They raise capital and manage it to provide positive returns for shareholders. Private equity (PE) companies' fee structures vary, although they commonly include management and performance fees. Although incentive structures can vary greatly, it is typical to charge a management fee of 2% of assets annually and 20% of gross profits upon firm sale. Private equity (PE) companies have several investing philosophies. Some investors rely only on management to expand the business and provide profits, such as strict financiers or passive investors. Other private equity (PE) companies consider themselves active investors since sellers often view this as a commoditized strategy. In other words, they serve management's operational needs in order to help the business develop and prosper. Private equity (PE) firms have a range of investment preferences. Some are strict financiers or passive investors wholly dependent on management to grow the company and generate returns. Because sellers typically see this as a commoditized approach, other private equity (PE) firms consider themselves active investors. That is, they provide operational support to management to help build and grow a better company. Active private equity (PE) companies may have a broad network of contacts and C-level connections with CEOs and CFOs in a particular industry, which can aid in boosting revenue. They could also be adept in realising synergies and operational efficiency. Sellers are more likely to regard an investor positively if they can provide something unique to a sale that will raise the company's worth over time. Investment banks compete with private equity (PE) corporations, usually referred to as private equity funds, to acquire successful businesses and provide funding for emerging ones. Naturally, the biggest deals are frequently facilitated by the biggest investment banks, like Goldman Sachs (GS), JPMorgan Chase (JPM), and Citigroup (C). Private equity (PE) firms typically take a sizable ownership position in the company, and the funds they offer are typically only available to authorised investors and may only accept a small number of investors. Nevertheless, some of the biggest and most renowned private equity (PE) funds have public stock exchanges where their shares may be traded. To secure both high-quantity and high-quality deal flow, deal origination entails building, maintaining, and developing relationships with mergers and acquisitions (M&A) intermediaries, investment banks, and similar transaction professionals: potential acquisition candidates are referred to private equity (PE) professionals for investment review. Some businesses employ internal personnel to aggressively find and contact business owners in order to create transaction leads. In a cutthroat M&A environment, finding exclusive transactions may help guarantee that generated funds are effectively spent and utilised.

GLOBAL FINANCIAL AFFAIRS

US wholesale inflation eases to 7.4% in Nov; 5th straight slowdown

Wholesale prices in the United States rose 7.4 per cent in November from a year earlier, a fifth straight slowdown and a hopeful sign that inflation pressures across the economy are continuing to cool.

The latest year-over-year figure was down from 8 per cent in October and from a recent peak of 11.7 per cent in March. On a monthly basis, the government said Friday that its producer price index, which measures costs before they reach consumers, rose 0.3 per cent from October to November for the third straight month.

Rising prices are still straining Americans' finances, particularly for food, rent and services such as haircuts, medical care and restaurant meals. Yet several emerging trends have combined to slow inflation from the four-decade peak it reached during the summer.

Gas prices have tumbled after topping out at USD 5 a gallon in June. Nationally, they averaged USD 3.33 a gallon Thursday, according to AAA, just below their average a year ago.

And the supply chain snarls that caused chronic transportation delays and shortages of many goods, from patio furniture to curtains, are unravelling. US ports have cleared the backlog of ships that earlier this year took weeks to unload. And the cost of shipping a cargo container from Asia has fallen sharply back to pre-pandemic levels.

As a result, the prices of long-lasting goods, from used cars and furniture to appliances and certain electronics, are easing.

Friday's producer price data captures inflation at an early stage of production and can often signal where consumer prices are headed. Next week, the government will report its highest-profile inflation figure, the consumer price index.

The most recent CPI report, for October, showed a moderation in inflation, with prices up 7.7 per cent from a year earlier. Though still high, that was lowest year-over-year figure since January.

Federal Reserve Chair Jerome Powell, in a speech last week, pointed to the decline in goods prices as an encouraging sign. Powell suggested that housing costs, including rent, which have been a major driver of inflation, should also start to slow next year.

The Fed chair also signalled that the central bank will likely raise its benchmark interest rate by a smaller increment when it meets next week. Investors foresee a half-point Fed hike, after four straight three-quarter-point increases.

Yet Powell noted that services prices, which reflect the largest sector of the US economy, are still increasing at a historically fast pace. Rapidly rising wages are a key driver of services inflation, he noted. That's because as wages rise, many businesses pass on their higher labour costs to their customers through higher prices, which drives up inflation.

Mind-Blowing Uses of AI in Finance

According to statistics more than 38% of the banks are already using AI.

How is AI applied in Finance:

1. Automation

In every organization to boost productivity and cut operation cost, statistics say that AI help companies save up to 70% of Operational cost reduction.

2. Credit Decisions

We want to develop AI software that helps banks to make potential borrowers that they immediately assess the factors thus tracking and making the process, much faster.

3. Trading

A well-known trading system analyses the massive amounts of, Data Quicker. We should believe that AI algorithms are much more accurate because they can analyze lots of historical data, more over AI can analyze a specific investor's long-term and short-term goals to provide recommendations on the strongest portfolio.

4. Risk Management:

AI can handle risk management quickly and much more efficiently and analyses various financial activities in real time.

5. Fraud Prevention:

AI-driven Fraud detection tools to analyze the behavior, track the locations, and determine the purchasing habits. Therefore, they can quickly detect any unusual activities.

6. Personalized Banking:

AI-Powered Chatbots minimize the workload of call centers, and also they offer many apps for personalized Financial Advice so that users can easily achieve their financial goals, like tracking regular expenses – Income, and purchasing habits.

Well-known Banks including Banks of America, Wells Fargo, and Chases are already tracking the customers by the convenience of bills with timely and effective communications. So as per the AI user experience, the most common application is ROBO-Advice and Customer recommendations apps, AML and fraud detection, chatbots, and Algorithmic trading.

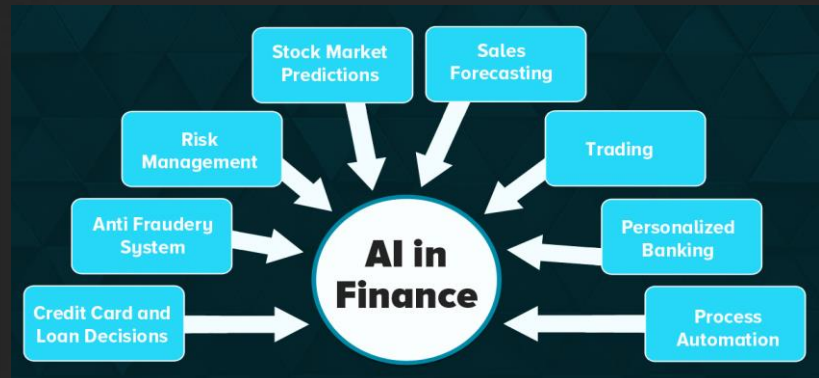


Image sources- [image](#)

IPO WATCH : Sah Polymers

About Sah Polymers IPO

Sah Polymers IPO date is fixed, the IPO is to **hit the market on December 30** and will close on January 4. Sah Polymers IPO to raise around **₹66.30 crores via IPO** that comprises fresh issue of ₹66.30 crores of ₹10 each. The **retail quota is 10%**, QIB is 75%, and HNI is 15%.

Sah Polymers Limited is a leading PP Woven Bags Manufacturer in India. They are in the business for the last 25 years. They primarily manufacture and export PP Woven Bags and HDPE Box Bags, Flexible Intermediate Bulk Containers (FIBCs), and BOPP Laminated Bags. They offer customized bulk packaging solutions to B2B manufacturers.

Sah Polymers cater to the industries like Agro Pesticides Industry, Basic Drug Industry, Cement Industry, Chemical Industry, Fertilizer Industry, Food Products Industry, Textile Industry Ceramic Industry, and Steel Industry. They export their products to Europe, Africa, the Middle East, Australia, South–East Asia, Caribbean Island, Latin & Central America, and the USA.

Important Details

- One of the leading PP Woven Bags Manufacturer in India.
- Having good presence in India as well as overseas.
- Known as the top exporters of PP woven bags, fabric and box bags.
- Experience in the industry for last 25 years with good management team.

Now, Sah Polymers is all set to launch the IPO & will be on offer for sale.

Here are key details about the , Sah Polymers IPO:

CEO Name	Murtaza Ali Moti	Company Established on:	20 April 1992
Opening Date	30 Dec 2022	Closing Date	4 Jan 2023
Allotment Status	9 Jan 2023	Credit of Shares to the	
Listing Date	12 Jan 2023	Demat Account	11 Jan 2023
Lot Size	230 Shares	Issue Size	Rs. 2 per size
Listed On:	NSE, BSE	Price Band	61-65 per share

Financial Snapshot

Particulars	FY20	FY21	FY22
Revenue	₹ 49.91 crore	₹ 55.34 crore	₹ 81.23 crore
Profit/Loss	₹ 0.30 crore	₹ 1.27 crore	₹ 4.38 crore

Ricardo on Ricardian equivalence

David Ricardo was a millionaire stockbroker and one of the greatest economists of all time. His most important contribution to the field was his 1817 book *Principles of Political Economy and Taxation*, in which he developed the theory of comparative advantage, which economists still use to explain the gains from international trade. Ricardo was also a member of the British Parliament, where he put his own theories to work and opposed the corn laws, which restricted international trade in grain. Ricardo was interested in the alternative ways in which a government might pay for its expenditure. In an 1820 article called "Essay on the Funding System," he considered an example of a war that cost 20 million pounds. He noted that if the interest rate was 5 percent, this expense could be financed with a one-time tax of 20 million pounds, a perpetual tax of 1 million pounds, or a tax of 1.2 million pounds for 45 years. He wrote: In point of economy, there is no real difference in either of the modes; for twenty million in one payment, one million per annum for ever, or 1,200,000 pounds for 45 years, are precisely of the same value. Ricardo was aware that the issue involved the linkages among generations. It would be difficult to convince a man possessed of 20,000 pounds, or any other sum, that a perpetual payment of 50 pounds per annum was equally burdensome with a single tax of 1000 pounds. He would have some vague notion that the 50 pounds per annum would be paid by posterity, and would not be paid by him; but if he leaves his fortune to his son, and leaves it charged with this perpetual tax, where is the difference whether he leaves him 20,000 pounds with the tax, or 19,000 pounds without it? Although Ricardo viewed these alternative methods of government finance as equivalent, he did not think other people would view them as such: The people who pay taxes . . . do not manage their private affairs accordingly. We are apt to think that the war is burdensome only in proportion to what we are at the moment called to pay for it in taxes, without reflecting on the probable duration of such taxes. Thus, Ricardo doubted that people were rational and farsighted enough to look ahead fully to their future tax liabilities. As a policymaker, Ricardo took the government debt seriously. Before the British Parliament, he once declared: This would be the happiest country in the world, and its progress in prosperity would go beyond the powers of imagination to conceive, if we got rid of two great evils—the national debt and the corn laws. It is one of the great ironies in the history of economic thought that Ricardo rejected the theory that now bears his name!



CSR IN THE BANKING SECTOR

The concept of corporate social responsibility (CSR) highlights how important it is for corporations to internalize the impacts of their operations on society and the environment. Other stakeholder groups, including employees, customers, regulators, and the community, in addition to the interests of the company's owners, are included in this role. There will undoubtedly be an increase in the significance of CSR for almost every organization. This is especially true for the banking sector, which suffered severe reputational and public trust losses in the wake of the global financial crisis. It follows that banks all across the world have notably increased their CSR initiatives.

The size of banks' social effect is undeniably significant given their position as top financial intermediaries and their global linkages. Through involvement in the processes of capital accumulation and allocation and the effects of the banking sector's financial soundness and stability on the entire economy, the outcomes of their activities have an impact not only on the well-being of their owners, employees, and clients but also on society as a whole. Banks' social responsibilities include not just their collective responsibility for the stability of the financial system and the economy, but also their individual obligation for the protection of funds entrusted to them. Furthermore, because many bank products and services are long-term in nature, a complex structure of generally long-lasting interactions between banks and their external stakeholders emerges. Therefore, the objectives of banks should not be limited to maximizing the profits of their owners but also take into account the demands of other stakeholders and society at large. Given the aforementioned, banks should be more driven to consider social responsibility when making commercial decisions and to be transparent about the scope and results of the efforts they take. Participating in socially responsible initiatives gives banks more chances to stand out from rivals and raise public perceptions of the caliber of their services.

The caliber and transparency of the provided information are one of the main focuses of CSR. Generally speaking, socially conscious businesses are expected to offer the most thorough and trustworthy data to the general public, especially equity investors. Given that banks typically have extremely complicated and opaque business models, this issue seems to be especially crucial in their situation.

Improved access to trustworthy and useful information should help to reduce the required risk premia and lessen investors' uncertainty about the anticipated economic performance of socially responsible banks. *Ceteris paribus*, this would therefore result in an increase in the perceived market prices of such banks. The inherent worth of responsible banks should also be more precisely estimated by knowledgeable equity investors and stock market experts, increasing the overall efficiency of the capital market in that sector. According to this viewpoint, adhering to CSR principles may become a crucial component of listed banks' business strategy aimed at a sustained increase in their market values.

Banks all over the world have increased their involvement in CSR and its reporting in an effort to repair the sector's reputation, which has been significantly tarnished by unethical and careless business practices that eventually caused the GFC.

TEAM FINARTHA

THE FINANCE CLUB OF MDIM



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BATCH 2021-23 & 2022-2024



SHREYAS TEWARI



MOHAMMAD TABISH



SHIVANI TRIPATHI



ADARSHA NAMAN



SANSKAR SHUKLA



ELIZABETH REJI



YADUKRISHNA MR



PRAGASH RUPAN



RAGHBENDRA JHA



ANUNAY CHOUDHARY



HARSHIT VIISHWAKARMA