



SIPNA BUSINESS INSIGHT

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VISION OF INSTITUTE

To provide quality professional education and conducive environment to students to emerge as a model proficient institute.

VISION OF DEPARTMENT

To be a prominent management department in the region by imparting quality professional education for creating reputed managers and entrepreneurs.

MISSION OF INSTITUTE

- To create scholarly and vibrant environment for professional excellence
- To contribute to advancement of knowledge in basic and applied areas of engineering and technology.
- To be an institute of choice in the region by developing, managing and transferring contemporary technologies.
- To build mutually valuable terms with industry, society and alumni.

MISSION OF DEPARTMENT

- To deliver quality education towards professional excellence.
- To expand the fundamental concepts, analytical and problem-solving competency of students.
- To provide contemporary learning environment that emphasizes managerial expertise in communication, teamwork, leadership, employability, and entrepreneurial skills.
- To prepare students with positive professional attitude and ethical values with spirit of social commitment.

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Sensex rallies 327 points post RBI policy outcome; extends gains for 7th day: - Soma Kathua

PTI reports: "Equity benchmark index Sensex rallied 327 points on Friday, extending gains for the seventh straight session on the back of financial stocks after the RBI left benchmark rate unchanged but decided to maintain an accommodative stance.

RBI Governor Shaktikanta Das' comments on expectation of GDP turning positive in the January-March quarter of the current financial year also fuelled the market rally, traders said.

The 30-share BSE index ended 326.82 points or 0.81 per cent higher at 40,509.49 while the broader NSE Nifty rose by 79.60 points or 0.67 per cent to 11,914.20.

ICICI Bank was the top gainer in the Sensex pack, rising around 3 per cent, followed by Axis Bank, HDFC twins, SBI, L&T, ONGC and Infosys.

On the other hand, Sun Pharma, Asian Paints, Nestle India, UltraTech Cement and HUL declined.

Rate-sensitive banking and financial stocks ended on a positive note, with BSE bankex and finance rising up to 2.64 per cent, while realty and auto indices closed in the red.

While announcing the MPC decisions, RBI Governor Shaktikanta Das said the benchmark repurchase (repo) rate has been left unchanged at 4 per cent.

Consequently, the reverse repo rate will also continue to earn 3.35 per cent for banks for their deposits kept with RBI.

Das said the Indian economy is entering into a decisive phase in the fight against coronavirus.

He also stated that the contraction in economic growth witnessed in the April-June quarter of the fiscal is "behind us", adding that the GDP was likely to turn positive at 0.5 per cent in the January-March quarter of the current financial year.

Meanwhile, bourses in Shanghai ended on a positive note while Hong Kong and Tokyo ended in the red.

Stock exchanges in Europe were largely trading higher in early deals.

International oil benchmark Brent crude was trading 0.85 per cent higher at USD 42.97 per barrel. In the forex market, the rupee rose by 8 paise to 73.15 against the US dollar."

Amazon expands network in northeast ahead of festive sale: - Pawan Harwani

PTI reports: "E-commerce major Amazon India on Friday announced the expansion of its delivery network in the eight states of North East India ahead of its annual mega festive sale.

With close to 60 Amazon-owned and delivery service partner stations in the region, the company has added several new pin codes to its delivery footprint ahead of the festive season this year, including remote towns such as Champhai, Kolasib, Lumding, Pasighat and Mokochung, the company said in a statement.

"Amazon has partnered with local entrepreneurs as part of the Delivery Service Partner program, enabling these small businesses with growth opportunities and helping Amazon India to penetrate into tier 3 and tier 4 locations in the North East with its own delivery services," the e-tailer said.

"In line with our vision of making e-commerce a part of everyday life, we have strengthened our delivery network in North East India. With the festive season right around the corner, we look forward to strengthening our presence in the region to reach a wider customer base and creating more work opportunities," Amazon India director, of last mile operations, Prakash Rochlani said.

Last month, the company announced the addition of close to 200 Amazon-operated and delivery service partner stations, with a delivery network of 1,700 stations across the country this festive season.

The company has touched more than 28,000 neighborhoods and Kirana in close to 350 cities, it added."



DC Edit | India's economic recovery is contingent on curbing COVID-19 - Shreyas Bind

After a six-month-long flow of negative news, the Reserve Bank of India's economic forecast has offered a glimmer of hope. While the annual economic growth rate would continue to be in the negative territory with an expected contraction of 9.5 percent, RBI governor Shaktikanta Das said that the Indian economy will post a positive growth of 0.5 percent in January-March quarter, unless the country witnesses the second wave of Covid-19 cases.

Though a half percentage growth is negligible, it shows that the economy has passed its worst phase. This optimism was also reflected in the manufacturing purchasing managers' index (PMI) for September 2020, which rose to 56.8 — its highest mark since January 2012 — supported by an acceleration in new orders and production. The services PMI to has almost reached the positive territory in September with 49.8, which is shy of 0.2 points. Since PMI records business expectations, it needs to be seen as to which sector would contribute to this growth.

Another data point that was not highlighted by the RBI governor is the rise in bank deposits. According to RBI data, banks have seven percent more deposits in September compared to February. The loan books of the banks have risen merely by two per cent. When seen together, these metrics indicate that people who have surplus money are not confident enough to spend. Job losses and reductions in salary have reduced the disposable incomes of lakhs of people and, as a result, taken a toll on consumption.

The central bank's optimism also betrays the fact that consumer confidence is at an all-time low. According to RBI's consumer confidence survey, people have curtailed spending and discretionary spending would continue to remain low in the near future. A subdued demand would make businessmen hesitant in expanding their operations.

Exports, another key component of the Indian economy, are also languishing at low levels. Given the global economic outlook, Indian exports may not see a major revival unless the country can attract some companies de-risking their operations from Chinese dependence. This, however, may not happen in the short term, as infrastructure in India remains woefully inadequate.

Public investment, therefore, remains the only way to kick-start the economy. However, the subdued tax collections would make it difficult to shoulder this responsibility. According to RBI, there has been a 23.7 percent contraction in gross tax collections and a 14.7 percent plunge in the transfer of taxes to states and Union Territories.

A full recovery in the economy, therefore, would be incumbent on how fast the world defeats the coronavirus. Until then, the economic activity will not reach the pre-pandemic levels and the bullishness of stock markets would not reflect the real state of the economy.



IRDAI proposes lower capital, liberal norms to float micro-insurance companies - Nikita Agrawal

Mumbai: At a time when millions of Indians, especially in the informal sector have lost their livelihoods to Covid 19 pandemic, a panel set up by the insurance regulator has recommended reducing the entry level capital requirement for floating a standalone microinsurance company to Rs 20 crore from the current requirement of Rs 100 crore to help accelerate the expansion of the microinsurance market.

Stating that India too would need to improve access for multiple players (like other countries) if it wants to substantially increase insurance penetration, the panel has suggested that microinsurance companies (as well as cooperatives and mutuals) should be allowed to act as composite insurers to transact both life and non-life business through a single entity. “Their portfolios should have a balance of both life and non-life business,” said the panel.

However, the changes would require amendments to the Insurance Act, 1938 to bring the standalone microinsurance business under its purview. This will include defining microinsurance, and microinsurers, reducing the capital requirement and/or giving powers to insurance regulators to decide on capital requirements for standalone microinsurance companies. However, amending the Insurance Act, 1938 may require time.

In the immediate term, the central government may be approached to issue rules under Section 24(2)(c) read with Section 14(2)(q) of IRDA Act, 1999 giving the IRDAI powers to put in place a regulatory framework for floating micro insurers. Such an approach was adopted by the government to allow insurers in special economic zones (SEZs) when there was no specific power with the IRDAI for regulating entities in SEZs said the Committee in its report.

“India too will need to improve access for multiple players if it wants to substantially increase insurance penetration. This is all the more urgent in the current context of the COVID-19 pandemic when millions of Indians, especially in the informal sector, have lost their livelihoods, are now leading more insecure lives and are falling back into poverty,” said the report.

The committee has also suggested that a Risk-based capital (RBC) approach should be adopted to enable the progressive growth of the microinsurance business while maintaining the highest prudential standards. Referring to the low insurance penetration, the report said, “Dedicated standalone microinsurance institutions can close this gap by making insurance affordable and available to low-income families, thereby providing a measure of risk mitigation and security. The committee, therefore, recommends that the government and the Insurance Regulatory and Development Authority of India (IRDAI) license such businesses which can cater to the low-income segment.”

IRDAI had constituted the committee in February 2020 consisting of members from NGOs, independent consultants and experts working in financial inclusion and regulatory fields, to study the concept of standalone micro-insurance companies.



How to Get Regular Income Post Retirement - Shubham Pande

Retirement funding is an important goal for everyone. But it is nowhere on the radar for most people till they are into their forties. It is then that realization dawns and they start putting away some money for retirement.

Of all the goals one has, retirement is the least glamorous. Buying a home, children's education and marriage, buying a vehicle, vacations, have a positive, feel-good aspect to them. Retirement, on the contrary, denotes ceasing work, which for some people means loss of prestige and descent into irrelevance. No wonder, it does not get much attention.

For most goals, one can take a loan and get by - except retirement.

Retirement Funding

For those in salaried jobs, a significant portion of the retirement fund comes from retiral benefits. But again, the retirement fund is greatly depleted in many cases, as provident fund amount is withdrawn for various goals during the working life. Hence, the fund corpus can be vastly different for different people. Most people have other investments too.

However, the quantum of the corpus is not really the problem. A lot depends on expenses and goals as well as commitments during retirement years.

We need to assess whether assets they have are enough to take care of their requirements during their lifetime. This can vary a lot. Hence, the way regular income is set up, as well as investing the balance funds, need to be tailored keeping individual requirements in mind.

Income Needs

It is important to set up regular income during retirement. Some people have pension, rental income, etc. The additional regular income needed in such a case may be modest. There are others who may not have such income sources and for whom regular income needs to be ensured from scratch.

While investing to earn regular income during retirement, expenses must be assessed carefully. Normally, expenses come down after retirement due to lesser spending on the commute and work-related incidentals as well as lifestyle expenses. Again, expenses stabilise a year or so into retirement.

Hence, it is good to set up income that meets 60-75 per cent of the needs, at the start. The balance can be met from a pool kept for funding the shortfall, month on month. After a year or so, if there is still a need to set up additional income, it can be done then.

Setting up an Income Stream

There are multiple options to earn income during the retirement phase. It is important to invest in low-risk vehicles. Preservation of capital is a very important objective in retirement and we need to be mindful of that.

Senior Citizens Savings Scheme & Pradhan Mantri Vaya Vandana Yojana are two government schemes which offer 7.4 per cent per annum. One can invest Rs 15 lakh in each of them (and an equivalent amount for the spouse). One may also consider Post Office Monthly Income Scheme for regular income.

At retirement, one's lifetime wealth is involved. It needs to be deployed properly for the next important phase of life, spanning decades. There is no margin for error here and, hence, seeking professional help may be of immense value



UltraTech Cement's Q2 net profit falls 42% to Rs 759 cr; net sales rise 16%: - Shriya Heda

Aditya Birla group firm UltraTech Cement Ltd on Wednesday reported a decline of 42.09 per cent in its consolidated net profit at Rs 758.70 crore for the second quarter ended on September 30, 2022.

The company had posted a net profit of Rs 1,310.34 crore in the July-September period a year ago, UltraTech Cement said in a BSE filing.

Its revenue from operations rose 15.61 per cent to Rs 13,892.69 crore during the quarter under review as against Rs 12,016.78 crore in the corresponding period of the last fiscal.

According to UltraTech, the second quarter is traditionally a weak one for the cement sector, with lower demand as construction activity slows down during monsoons.

"Demand was low during July and August 2022, showing some sign of revival in September 2022," said UltraTech in its earnings statement.

UltraTech's total expenses were at Rs 12,934.27 crore, up 26.68 per cent in Q2/ FY23, as against Rs 10,209.43 crore a year ago.

Shares of UltraTech Cement Ltd were trading at Rs 6,369.20 on BSE on Wednesday, up 0.44 per cent from the previous close.

DefExpo 2022: PM Modi inaugurates defence expo, lays the foundation of Deesa airfield - Yugandhara Bobade - Shruti Gupta

Prime Minister Narendra Modi inaugurated the defence expo, DefExpo 2022, at the Mahatma Mandir Convention and Exhibition Centre in Gujarat's Gandhinagar. Apart from launching the Mission DefSpace, and laying foundation of the Deesa airfield, PM Modi also unveiled the HTT-40 indigenous trainer aircraft designed by Hindustan Aeronautics Limited. He said that the defence expo is a symbol of the global trust in India.

"This is the first defence expo where only Indian companies are participating and it features only Made in India equipment," he added. PM Modi said that DefExpo 2022 paints a picture of "New India" and its capabilities.

The expo has more than 1,300 exhibitors, including India Defence Industry, joint ventures associated with Indian Defence Industry, MSMEs and more than 100 startups. PM Modi added that more than 400 MoUs are being signed at the expo.

The expo is being attended by 53 friendly countries from Africa. The second India-Africa Defence Dialogue, and the 2nd Indian Ocean Region+ (IOR+) Conclave. The Indian Ocean Region conclave will provide a stage to promote defence cooperation between these nations and foster peace, growth, stability and prosperity.

Apart from PM Modi, Chief Minister of Gujarat Bhupendra Patel, Governor of Gujara, Acharya Devvrat, Union Minister of Defence Rajnath Singh, Chief of Defence Staff General Anil Chauhan, Chief of Army Staff, General Manoj Pande, Chief of Air Staff Air Chief Marshal V R Chaudhari, Chief of Naval Staff, Admiral R Hari Kumar, and Defence Secretary to Government of India, Dr Ajay Kumar were those present at the event.