

SIPNA

BUSINESS INSIGHT

Quarterly Newsletter
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SIPNA: BUSINESS INSIGHT

Quarterly Newsletter

SEPT 2021



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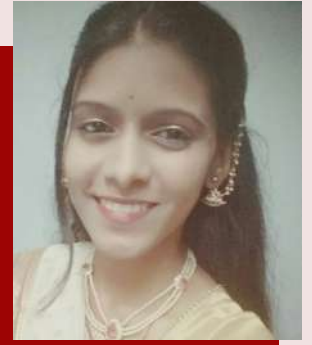
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TATA EV PLAN-CHARGED

– BY RASIKA N. CHAPORKAR



In a boost to its electric vehicle (EV) push, Tata Motors on Tuesday closed a deal to raise Rs 7,500 crore from TPG Rise Climate and Abu Dhabi's ADQ. This is the first major fundraising by an Indian carmaker to push clean mobility. The investment will be in a newly formed subsidiary Tata Motors has formed for the EV business. The Rs 7,500 crore deal (close to \$1 billion) will give a stake of 11-15 percent to the TPG-ADQ combined in this subsidiary.

Chief Financial Officer P B Balaji said the company would invest more than Rs 16,000 crore over the next five years. The investors will be issued compulsorily convertible instruments over an 18-month period. The investment will be made in tranches. N Chandrasekaran, chairman of Tata Sons, said over the next five years, this company would create a portfolio of 10 EVs and, in association with Tata Power, catalyze the creation of charging infrastructure to facilitate rapid EV adoption in India. "We are committed to playing a leading role in the government's vision to have a 30 percent electric vehicles penetration rate by 2030." According to consulting firm AlixPartners, EV sales may jump to about a quarter of total global vehicle sales by 2030 from about 2% now. Currently, the TATA has two EV's in their portfolio Tigor EV and Nexon EV.

TATA's Electric car strategy:

On December the 6th Tata completed the first phase as the winner of the historic tender to deliver 10,000 EVs to the Indian Government. As per the requirement of the tender Tata delivered 250 Tigor EVs which will be followed by a further 100 units shortly. Tata Chairman, Mr. N. Chandrasekaran waved off the first Tigor EV from the production line at the plant in Sanand. Recently released specs of the Tata Tigor indicate that the EV will have a range of around 100km at a price of Rs 11.2 lakh. The Indian Government is expected to list a second tender in 2018 opening up the possibility for foreign automakers to compete in the Indian market. The source of information is Hindustan Times, Economic Times and ev.tatamotors.com.



Breaking the Ground and Wearing the Crown - “CHAI”

PART - 1

- BY MANISHA SINGRE



In the past few years, there has been a massive development in Tea (Chai) industry. There are a handful of startups that made an earth-shattering impact due to the effect of a simple spot of having tea which they have. As a known fact that tea (chai) is one of the most heavily consumed beverages in India, our country was missing a place where this tea could be served.

Therefore many out of box thinkers bagged the opportunity and began the massive chai startup. As mentioned in BBC news, India per day consumes a staggering 8,35,000 tons of tea in a year. Although there is an abundance of coffee shops around “The Chai” has got no replacement at all. So here we are going to jot down the best chai startups of India.

Chai Point: Known to be the first chai startup in India. This was brought to reality by an ex-student of Harvard University Amuleek Singh Bijral, who dreams of taking chai to next level, started “Chai Point”. Now serves at 100+ locations in India. Chai point’s motto “India Runs on Chai” is apt for Indians love for tea founded in 2010 Bengaluru by Amuleek Singh Bijral. Chai has always been a massive part of his life. From the age of 10, he was known as the “chaiwala” of his family. But when he shared his thought of entering into chai hub the typical stereotype family was not in support of him. But today he is India’s Largest Organized chai retailer. “Chai Point” brings you the perfect blend of chai made with fresh ingredients to refresh the working professionals throughout the country. It has become the most loved brand of chai lovers over 300,000 cups sold every day. Currently, it has its outlet with over 100+ services hubs located in retail locations including airports and business parks. They also provide online delivery services which are popularly known as “CHAI ON CALL” and a vending kiosk based solution called BoxC.in. He also made it environment-friendly by using bio-degradable cups and providing electric scooters for delivery. Chai point clock has an annual turnover of around 1.30 billion Indian Rupees and continues casting a spell over people.

There are some other too TEA BOX which is believed to be the second runner up in stupendous revenue generation in India. Roughly about 90% of total income is generated from outside the country. Then CHAAYOS, MBA CHAI WALA, CHAIPATTY CAFE, CHAI THELA, CHAI BREAK, etc. are leading (CHAI) tea-based startups.

In today’s world where the rising number of startups breaking the ground, chai was something that could not be missed at all.

COP26

The world's last best chance

PART - 1

- BY SAHIL PAMPANI



The UN Climate Change Conference (the official name for climate Conference of the Parties (COPs)) has happened every year since 1995. The two-week summits are an important space for stakeholders to discuss the climate crisis on a global level. These annual conferences bring together those that have signed the United Nations Framework Convention on Climate Change (UNFCCC), an international environmental treaty addressing climate change. Every UN member state is a signatory for the UNFCCC, as well Palestine, the Cook Islands, and Niue, while the Holy See is an observer to the treaty. Effectively every nation, country, or state in the world is involved, giving a total of 197 signatory parties. Each year representatives from every party come together to discuss action on climate change in what is known as a COP. The 26th COP was meant to take place in Glasgow, UK last November, but it was postponed due to the COVID-19 pandemic. It is now scheduled for the 1st to the 12th of November 2021. Despite the disruption, COP26 is already keenly anticipated - with many leaders, activists, and scientists having high expectations for this year's conference. Government officials are expected to discuss technical issues including carbon credits, funding for countries vulnerable to climate change, and nature-based solutions in the first week of the summit. In the second week, heads of state are expected to meet to negotiate and make agreements. For the first time in history, the UN Climate Change Conference is being held in the UK. Scotland's largest city, Glasgow, serves as host.

COP1 to COP25: COP members have been meeting every year since 1995. The UNFCCC has 198 parties including India, China and the USA. The first conference (COP1) was held in 1995 in Berlin. At COP3 held in Kyoto, Japan, in 1997, the famous Kyoto Protocol was adopted. It commits the member states to pursue limitation or reduction of greenhouse gas emissions. It entered into force on 16 February 2005 and there are 192 Parties in the Kyoto Protocol. India hosted the eighth COP from October 23 to November 1, 2002, in New Delhi. The conference laid out seven measures including, 'strengthening of technology transfer... in all relevant sectors, including energy, transport...and the promotion of technological advances through research and development...and the strengthening of institutions for sustainable development.'

One of the most important conferences, COP21 took place from November 30 to December 11, 2015, in Paris, France. Member countries agreed to work together to 'limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels.'

COP26

The world's last best chance

PART - 1

- BY SAHIL PAMPANI



The Paris Agreement: To tackle climate change and its negative impacts, world leaders at the UN Climate Change Conference (COP21) in Paris reached a breakthrough on 12 December 2015: the historic Paris Agreement.

The Agreement sets long-term goals to guide all nations: substantially reduce global greenhouse gas emissions to limit the global temperature increase in this century to 2 degrees Celsius while pursuing efforts to limit the increase even further to 1.5 degrees; review countries' commitments every five years; provide financing to developing countries to mitigate climate change, strengthen resilience and enhance abilities to adapt to climate impacts. The Agreement is a legally binding international treaty. It entered into force on 4 November 2016. Today, 192 Parties (191 countries plus the European Union) have joined the Paris Agreement. The Agreement includes commitments from all countries to reduce their emissions and work together to adapt to the impacts of climate change and calls on countries to strengthen their commitments over time. The Agreement provides a pathway for developed nations to assist developing nations in their climate mitigation and adaptation efforts while creating a framework for the transparent monitoring and reporting of countries' climate goals. The Paris Agreement provides a durable framework guiding the global effort for decades to come. It marks the beginning of a shift towards a net-zero emissions world. Implementation of the Agreement is also essential for the achievement of the Sustainable Development Goals.

How does it work? The Paris Agreement works on a five-year cycle of increasingly ambitious climate action carried out by countries. Every five years, each country is expected to submit an updated national climate action plan - known as Nationally Determined Contribution, or NDC. In their NDCs, countries communicate actions they will take to reduce their greenhouse gas emissions in order to reach the goals of the Paris Agreement. Countries also communicate in the NDCs actions they will take to build resilience to adapt to the impacts of rising temperatures. To better frame the efforts towards the long-term goal, the Paris Agreement invites countries to formulate and submit long-term strategies. Unlike NDCs, they are not mandatory. The operational details for the practical implementation of the Paris Agreement were agreed on at the UN Climate Change Conference (COP24) in Katowice, Poland, in December 2018, in what is colloquially called the Paris Rulebook, with a few unresolved issues.

TCS SMART HIRING

India's largest software exporter has announced that it will hire freshers under its 'Smart Hiring Program'.

– BY AARTHI GATHA



Tata Consultancy Services announced its 'Smart Hiring Program' to hire freshers in different roles from this year onward. The company will stop its campus placements and adopt the inhouse 'smart hiring program' to hire job seekers. The job seekers who meet the eligibility criteria can register before November 2. TCS said it will conduct a test for selection from November 19 onwards, and the interview dates will be announced after the test. TCS Smart Hiring is exclusively for BCA, B. Sc (Maths, Statistics, Physics, Chemistry, Electronics, Biochemistry, Computer Science, IT), B. Voc in CS / IT from the year of passing 2020, 2021 & 2022. "Students who perform exceptionally during our TCS Smart Hiring selection process will get an opportunity to join TCS Ignite, TCS' unique 'Science to Software' program. This program trains the freshers on trending technologies and will open the doorway to a holistic and global IT career, said TCS. "If they can get through the test, it doesn't matter where they came from," Rajesh Gopinathan, CEO of TCS had earlier said.

TCS Smart Hiring Eligibility Criteria:

- Candidates should have completed BCA or B.Sc (Maths, Statistics, Physics, Chemistry, Electronics, Biochemistry, Computer Science, IT)
- Candidates should complete full-time graduation.
- Applicant should secure a minimum of 50% of marks in 10th, 12th, and in Graduation.

How Test Will Conduct?

- TCS Will Hire Employees All Year Round; 11 Lakh Freshers Will Be Hired This Year!
- The TCS recruitment process consists of four rounds of selection and includes a Written exam, Technical interview, Managerial interview, and HR Interview.
- Salary for freshers for 2 LPA.
- It also conducts smart hiring for engineers and for MBA fresh graduates.

IRCTC OFF THE TRACK

- BY PANKAJ MESHRAM



The IRCTC stock is under tremendous selling pressure from the last few trading sessions. It declined 18 percent to hit an intraday high of 4999 to a low of Rs 4371.25 on (20-oct-2021) on the Bombay Stock Exchange.

Traders have attributed the huge volatility to speculation that it has entered into an F&O ban. On this speculation, investors started squaring up their positions and booked profits in the stock. The up move in IRCTC was momentarily and the profit booking after the speculation has pushed down the stock substantially. IRCTC may fall further, having support at Rs 4,200 and Rs 3,800 and resistance at Rs 4,800 and Rs 5,200.

However, institutional investors have decreased their stake by -3.07% over the previous quarter and collectively hold 16.29 per cent of the company. FIIs (Foreign institutional investor) 8.07 to 7.81 and DII (Domestic institutional investor) 11.29 to 8.48 the stock is trading at a premium compared to its average historical valuations and it has a Very Expensive valuation.

On October 19, the PSU stock rose 9 percent to hit an all-time high of Rs 6,393 and became the ninth public sector entity to join the club of Rs 1 lakh crore market capitalization (m-cap). However, the stock witnessed a sudden correction of more than Rs 1000 amid profit booking and ended 8.75 percent lower at Rs 5,363 on the BSE.

On August 12 this year, the IRCTC board cleared a stock split in the ratio of 1:5 to increase liquidity in the capital market, widen the shareholder base and make the shares affordable for small investors. Since then, the stock has risen 138 percent. The stock is likely to be under pressure in the upcoming weeks due to a strong run-up and this will be an opportunity for investors to accumulate the stock for the long term.

IPO - NYKAA

- BY RAGINEE YEODEKAR



Incorporated in 2012, Nykaa is a consumer technology platform, delivering a content-led, lifestyle retail experience to consumers. Falguni Nayar, a former managing director at Kotak Mahindra Capital Company, founded Nykaa in 2012. It was launched as an eCommerce portal curating a range of beauty and wellness products. The brand name Nykaa is derived from the Sanskrit word nayaka, meaning 'one in the spotlight'. In 2015, the company expanded from online-only to an omnichannel model and began selling fashion products. In 2018, the company launched Nykaa man, India's first multi-brand eCommerce store for men's grooming. The company expanded into fashion by launching Nykaa Design Studio, which was renamed Nykaa Fashion. The company has a diverse portfolio of beauty. The company operates under 2 major verticals: Nykaa: Beauty and personal care and Nykaa Fashion: Apparel and accessories

Under the Beauty and Personal Care Offering, the company has 197,195 SKUs from 2,476 brands primarily across make-up, skincare, haircare, bath and body, fragrance, grooming appliances, personal care, and health and wellness categories as of March 31, 2021. For beauty and personal care offerings, Nykaa's business is mainly inventory-led. The company manufactures its owned brand beauty and personal care products through third-party manufacturers and are sold under their brand name such as "Nykaa Cosmetics", "Nykaa Naturals" and "Kay Beauty".

Apparel and accessories verticals consist of 1,350 brands and over 1.8 million SKUs with fashion products across four consumer divisions: women, men, kids, and home. Nykaa Fashion also has six owned brands.

The company provides an online channel shopping experience to its customers by providing both online and offline shopping channels. Online channels include mobile apps, websites, and mobile sites while offline channel consists of 73 physical stores spread across 38 cities in India.





Competitive Strengths:

- One of India's leading specialty beauty and personal care companies.
- Major brands offering their products on Nykaa's platform for sale
- Capital efficient business with strong growth and profitability
- Company's advanced technology platform
- Founder-led company with an experienced management team

Funding:

Since 2012, Nykaa has raised money through multiple rounds of funding. In March 2020, it raised ₹100 crores from Steadview Capital, thus making it a unicorn startup valued at ₹85 billion. This was followed by another tranche of ₹67 crores funding by Steadview in May 2020. In October 2020, Bollywood actresses Alia Bhatt and Katrina Kaif invested undisclosed amounts in the company through secondary funding. In November later that year, global asset management firm Fidelity invested in the company through a secondary sale of shares from an existing equity investor.

Objects of the Issue:

- Investment of ₹ 420 million in certain of their subsidiaries, namely, FSN Brands and/or Nykaa Fashion for funding the set-up of new retail stores;
- ₹ 420 million towards capital expenditure to be incurred by the company and investment in certain of their subsidiaries, namely, Nykaa E-Retail, Nykaa Fashion, and FSN Brands for funding the set-up of new warehouses;
- ₹ 1,560 million towards repayment or prepayment, of outstanding borrowings availed by the company and one of their subsidiaries, namely, Nykaa E-Retail;
- Expenditure of ₹ 2,340 million to acquire and retain customers by enhancing the visibility and awareness of the brands; and
- General corporate purposes.

IPO OPENING DATE:
OCT 28, 2021

IPO CLOSING DATE:
NOV 1, 2021

FACE VALUE:
₹1 PER EQUITY SHARE

IPO PRICE:
₹1085 TO ₹1125

LISTING AT:
BSE, NSE

EMPLOYEE DISCOUNT:
₹ 100

NYKAA IPO LOT SIZE:

MINIMUM LOT - 1
SHARE - 12
AMOUNT - ₹13,500

MAXIMUM LOT- 14
SHARE - 168
AMLUNT - ₹189,000

GOLDEN BOY OF ADVERTISING

– BY RASIKA JAWARKAR



7th August 2021 is forever etched in the history of Indian sports with its first-ever gold in athletics by Neeraj Chopra. Chopra, who has 4 million followers on Instagram and more than 596,300 on Twitter, used to charge an annual Rs 15-20 lakh per endorsement now has been tipped to earn Rs. 2.5 crore/year per DNA. His Instagram following shot up by more than 1.1 million a day after he won the gold. Along with his first advertorial campaign with Cred – which has been making mind-blowing ad campaigns – came the news of his endorsement fees rising by 1000 Percent. Brands that have awarded Chopra for his win include IndiGo offering free flights for a year, Mahindra Group gifting him an XUV 700, and cash awards from the Indian Premier League (IPL) team Chennai Super Kings (CSK).

“These are multi-year deals which will run-up to the Paris Olympics,” said Mustafa Ghouse, chief executive of JSW Sports. “Unsurprisingly, Neeraj Chopra has been receiving plenty of branding and endorsements proposals. Ghouse further added, “While we have requested from close to 80 brands, Neeraj has a limited number of free days between training camps in India and abroad over the next 12-14 months, so we have to be selective about signing on brands.” Chopra will desist from endorsing alcohol or tobacco brands, he said. The athlete became an overnight sensation after clinching gold in the men's javelin throw last month, only the second Indian to win an individual Olympic gold.

According to Business Line, Neeraj Chopra has already signed a multi-year deal with TATA AIA Life. About the partnership, he said, “Joining the Tata AIA family was a logical step for me. I firmly believe that there is a need to educate Indians, especially the youth, about the need for life insurance and to help them plan for their financial goals, at the right time.” There have been multiple reports of Chopra signing for Byju's as well, but there have been no confirmations yet.



TIME TO TRAVEL AGAIN...

- BY HARSHAD L. GUPTA



The Tourism industry has been one of the largest contributors to India's GDP. In the year 2019, the contribution was USD 191.3 billion. The Covid-19 pandemic has severely impacted the tourism industry across the globe covering sectors like hospitality, tour operators, travel agents, air, land, and sea transportation industry, hotel industries, and others. As per World Travel & Tourism Council (WTTC), the Covid-19 pandemic has reportedly cost the tourism industry at least USD 22 billion resulting in a loss of 50 million jobs globally. India is no exception tourism has witnessed a significant decline during 2020. The total GDP contribution has fallen from USD 191.3 billion to USD 121.9 billion from the year 2019 to 2020 respectively. There has been a major fall in foreign tourists traveling to India from 10.9 million to 2.7 million from 2019 to 2020 respectively.

Since March 2020 due to the pandemic, there has been a restriction for visas and international travel in India but recently on October 7th, 2021, the home ministry announced the easing of restriction of visas and international travel, and the country will issue fresh tourist visas to a foreigner coming to the country in chartered flights from October 15th, 2021 with fully vaccinated and negative RT-PCR report and other covid-19 norms.

India for tourism:

Robust Demand: By 2029, the Indian tourism sector is expected to grow 6.7 % to reach Rs 35 trillion and account for 9.2 % of the total economy. International tourist arrival in India is expected to reach 30.5 million by 2028. However, domestic tourism is expected to drive the growth post the pandemic.

Attractive Opportunities: The government is providing free loans to MSMEs to help them deal with the crisis and revive the economy, including the tourism sector. Post the pandemic crisis, the government plans to tap into regional tourism by opening doors for South Asian country tourists. While an air bubble agreement is made with Sri Lanka, talks with Thailand are also in progress.

Policy support: Campaigns such as Swadesh Darshan, a theme-based tourist circuit was launched to harness tourism. industry's potential. The government introduced a scheme to boost the tourism sector by providing a one-month free tourist visa to 5 lakh tourists until March 31, 2022.

Diverse attraction: India offers geographical diversity like attractive beaches, 37 World Heritage sites, 10 bio-geographic zones, 80 national parks, and 441 sanctuaries. The country's big coastline is dotted with several attractive beaches. The tourism industry is probably the worst-hit sector due to the pandemic and the consequent restrictions imposed during the lockdown period and beyond. The revival of this industry should be a prime concern for GOI. The tourism industry in India requires a push for its revival and immediate reliefs under GST laws will bring an impetus to this sector to survive from this never-seen-before global economic crisis.

RESULT ANALYSIS - ICICI BANK

- BY CHANCHAL S. GONNALE



ICICI Bank's September quarter numbers beat Street estimates on all key metrics.

Asset quality for the bank improved and fresh provisions also fell.

PAT, NII beat Street estimates: ICICI Bank's 30 percent year-on-year (YoY) jump in September quarter net profit. An ET NOW poll of analysts had anticipated profit to grow 20 percent at Rs 5,100 crore. In the corresponding quarter last year, the bank posted a net profit of Rs 4,251 crore. The profit before tax grew by 37 percent year-on-year to Rs 7,201 crore in Q2-2022 from Rs 5,266 crore in Q2-2021. The core operating profit (profit before provisions and tax, excluding treasury income) grew by 23 percent year-on-year to Rs 9,518 crore in the quarter ended September 30, 2021.

The net interest income (NII), the difference between interest earned and interest expended, increased by 25 percent year-on-year to Rs.11,690 crore in Q2-2022 from Rs.9,366 crore in Q2-2021. The net interest margin increased to 4.00 percent in Q2-2022 from 3.89 percent in the quarter ended June 30, 2021 (Q1-2022) and 3.57 percent in Q2-2021.

The non-interest income, excluding treasury income, increased by 26 percent year-on-year to Rs 4,400 crore in Q2-2022 from Rs 3,486 crore in Q2-2021. Fee income grew by 21 percent year-on-year to Rs 3,811 crore in Q2-2022 from Rs 3,139 crore in Q2-2021. Fees from retail, business banking and SME customers increased by 25 percent year-on-year and constituted about 78 percent of total fees in Q2-2022.

Asset Quality: The net non-performing assets declined by 12 percent sequentially to Rs 8,161 crore on September 30, 2021, from Rs 9,306 crore on June 30, 2021. The net NPA ratio declined to 0.99 percent on September 30, 2021, from 1.16 percent on June 30, 2021. The net addition to gross NPAs declined to Rs 96 crore during Q2-2022 from Rs 3,604 crore in Q1-2022. Recoveries and upgrades of NPAs, excluding write-offs and sales, increased to Rs 5,482 crore in Q2-2022 from Rs 3,627 crore in Q1-2022. The gross NPAs written off were Rs 1,717 crore in Q2-2022.

Excluding NPAs, the total fund-based outstanding to all borrowers under resolution as per the various extant regulations/guidelines was Rs 9,684 crore or 1.3 percent of total advances on September 30, 2021, compared to Rs 4,864 crore on June 30, 2021. The Bank holds provisions amounting to Rs 1,950 crore against borrowers under resolution as of September 30, 2021. In addition, the bank continues to hold COVID-19 provisions of Rs 6,425 crore as of September 30, 2021, the same level as of June 30, 2021. The loan and non-fund-based outstanding to performing borrowers rated BB and below were reduced to Rs 12,714 crore on September 30, 2021, from Rs 13,975 crore on June 30, 2021.

NATIONAL PENSION SYSTEM (NPS)

- BY CHANCHAL V. PATIL



The Central Government has introduced the National Pension System (NPS) with effect from January 01, 2004 (except for armed forces). NPS was made available to All Citizens of India from May 01, 2009. Starting from 2016, an additional tax benefit of Rs 50,000 under Section 80CCD(1b) is provided under NPS, which is over the Rs 1.5 lakh exemption of Section 80C. On 10 December 2018, the Government of India made NPS an entirely tax-free instrument in India where the entire corpus escapes tax at maturity; the 40% annuity also became tax-free. Contributions to NPS receive tax exemptions under Section 80C, Section 80CCC and Section 80CCD(1) of Income Tax Act. On August 26, 2021, PFRDA increased the entry age for the National Pension System (NPS) from 65 years to 70 years. As per the revised norms, any Indian Citizen, resident or non-resident and Overseas Citizen of India (OCI) between the age of 65-70 years can join NPS and continue or defer their NPS Account up to the age of 75 years. It is administered and regulated by the Pension Fund Regulatory and Development Authority (PFRDA). Pension Fund Regulatory and Development Authority (PFRDA), the regulatory body for NPS, has appointed NSDL as Central Recordkeeping Agency (CRA) for National Pension System. CRA is the first of its kind venture in India which will carry out the functions of Record Keeping, Administration, and Customer Service for all subscribers under NPS. CRA shall issue a Permanent Retirement Account Number (PRAN) to each subscriber and maintain a database of each Permanent Retirement account along with recording transactions relating to each PRAN.

National Pension System Trust (NPS Trust) is a specialized division of the Pension Fund Regulatory and Development Authority which is under the jurisdiction of the Ministry of Finance of the Government of India. The National Pension System (NPS) is a voluntary defined contribution pension system in India. National Pension System, like PPF and EPF, is an EEE (Exempt-Exempt-Exempt) instrument in India where the entire corpus escapes tax at maturity and the entire pension withdrawal amount is tax-free. National Pension System (NPS), Regulated By PFRDA, is an important milestone in the development of a sustainable and efficient voluntary defined contribution pension system in India.

HDFC NIFTY 50 INDEX FUND

- BY NIKITA JAIN



HDFC NIFTY Next 50 Index Fund is an open-ended scheme replicating/ tracking NIFTY Next 50 Index (TRI). HDFC Asset Management Company has announced the launch of a New Fund Offer – HDFC NIFTY Next 50 Index Fund — for investors looking for returns that are commensurate with the performance of NIFTY Next 50 Index, subject to tracking error. NIFTY Next 50 Index represents 50 companies from NIFTY 100 after excluding the constituents of the NIFTY 50 Index. As per the company, HDFC NIFTY Next 50 Index Fund aims to offer an opportunity to benefit from the growth of a basket of ‘tomorrow’s potential NIFTY 50 companies’ in a disciplined manner. The New Fund Offer (NFO) will open for subscription from October 22, 2021, till October 29th, 2021.

NFO Snapshot

Fund name	HDFC NIFTY Next 50 Index Fund
SEBI category	Other: Index Funds / ETFs
NFO period	October 22-29, 2021
Investment objective	To generate returns that are commensurate (before fees and expenses) with the performance of the NIFTY Next 50 TRI (underlying Index), subject to tracking errors.
Benchmark	NIFTY Next 50 TRI
Fund manager	Krishan Kumar Daga
Exit load	Nil
Tax treatment	Same as any other equity fund If units are sold after 1 year: 10% (However, gains upto ₹1 lakh in a financial year are tax-exempt) If units are sold within 1 year: 15%

Minimum Investment Amount:

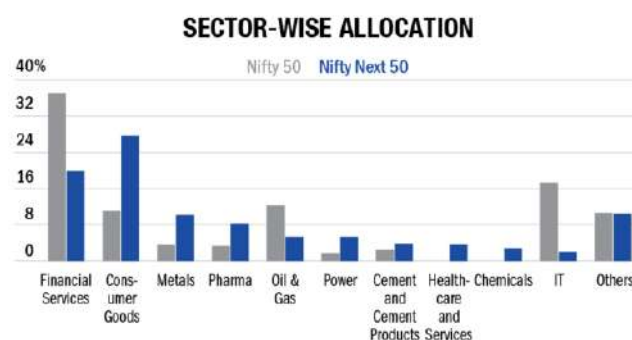
- Minimum for 1st Investment - **Rs.5000**
- Minimum for 2nd Investment Onwards - **Rs.5000**
- Minimum for SIP - **Rs.500**

About Nifty Next 50 Index

- 1) Represents 50 companies from Nifty 100 after excluding the constituents of Nifty 50
- 2) Weightages of non F&O stocks in the index are individually capped at 4.5% on quarterly rebalance dates
- 3) Cumulative weight of index constituents that are not traded in F&O segment is capped at 15% on quarterly rebalance dates
- 4) Index is re-balanced on semi-annual basis by January 31 and July 31 of each year

Source: HDFC Nifty Next 50 Index Fund NFO investor presentation
Data as of 30-Sep-2021

Nifty Next 50 vs Nifty 50



Source: HDFC Nifty Next 50 Index Fund NFO investor presentation
Data as of 30-Sep-2021

INTERNATIONAL COFFEE DAY:

Coffee cultivation transforming tribal lives in Odisha's Koraput

- BY ANURAG SHRIVAS



Many Adivasis in Odisha's Koraput have prospered in recent years after turning to coffee farming. From shifting cultivation coffee farming is transforming the hilly tribal-dominated villages of Odisha's Koraput district. It is bringing about a qualitative change in the lives of around 5,000 tribal families. Koraput district, located at a height of 3,000 feet above sea level, is ideal for coffee cultivation due to its cool climate and rainfall.

Upendra Kumar, the senior liaison officer of the Coffee Board of India under the Union Ministry of Commerce and Industry at Koraput, said: Coffee cultivation is a viable alternative to podu or shifting cultivation for the tribals. Tribals in Koraput had a number of reasons to prefer coffee over podu, according to Saha. Coffee growers had a large scope for profit as they harvested 160 kilograms of clean coffee per hectare. The rate of a kilogram of coffee fruit was Rs 35, whereas the price of a kilo of clean coffee was Rs 210. The best thing about coffee farming was its low maintenance and low-cost factors, Saha noted. Coffee was cultivated on 2,000 hectares of land seven years ago. This had now increased to 5,000 hectares. Roshan Karthik, chief executive officer of Odisha Rural Development and Marketing Society Koraput, said "This area was infamous for migration. But now, we have managed to halt migration to a great extent in this region as people earn a good amount by raising coffee plants."

A number of farmers said their experience with cultivating coffee had been a positive one. Nira Gomanga, who grows coffee on a hectare of land in Dasbantapur village, said: My interest was ignited in 2016 when officials urged me to start coffee farming. Gomanga was convinced tried his hand after getting financial support from the Tribal Development Cooperative Corporation of Odisha Ltd (TDCCOL). Babaji Sagaria, 45, of Patangi village now, earns around Rs 150,000 per year by farming coffee on his two hectares of land.

Chief Minister Naveen Patnaik inaugurated the Koraput Coffee Cafe on International Coffee Day October 1, 2021. He also dedicated an e-commerce platform (Koraputcoffee.org) to promote Koraput coffee across the globe. Patnaik said the state government was planning to set up a number of such cafes across the country to establish the brand and transform the lives of local cultivators. He noted that the TDCCOL now marketed Koraput coffee. This year, the Coffee Development Trust at Koraput had also taken over 300 hectares of new and old coffee plantations. "Tata Coffee has recently agreed to market coffee grown in the Koraput district in national and international markets," Mansi Nimbhal, managing director of TDCCOL, said.





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