

THE COMSOC GAZETTE



MARCH 2024

Issued on: 31st March 2024



FINANCE AND INVESTMENT

STOCK MARKET

STARTUPS

ECONOMY

GEO POLITICS

SCIENCE AND TECH

COMSOG GENIE



CONTENTS

TABLE OF



Financial Foresights

01

Market Spotlight

02

Corporate Odyssey

03

The Economic Lens

04

The Global Chessboard

05

Scientific Spectra

06

ComSoc Genie

07

FINANCIAL FORESIGHTS

01 **HDFC BANK, JIO FINANCIAL, ADANI POWER TO BE IN FOCUS AHEAD OF NIFTY REJIG ON THURSDAY**

Nifty heavyweights HDFC Bank, Jio Financial Services and Adani Power will be in focus ahead of the Thursday rejig in Nifty indices. These stocks are expected to be among the biggest beneficiaries of the latest semi-annual adjustment exercise that could trigger cumulative inflows of over \$650 million, according to estimates by Nuvama. HDFC Bank will likely be the second biggest gainer in the pack with inflows of \$94 million and will be only behind Shriram Finance (\$260 million) which makes its Nifty debut on Thursday replacing UPL. Meanwhile, Jio Financial Services will likely see inflows of \$80 million and Adani Power inflows of \$45 million, the Nuvama note said. The rejig exercise will also see significant inflows in six other stocks viz. NTPC (\$66 million), Power Finance Corporation (PFC, \$45 million), REC (\$43 million), Mahindra & Mahindra (M&M, \$42 million) Bharti Airtel (\$26 million) and Indian Railway Finance Corporation (IRFC \$23 million).

02 **T+0 TRADE SETTLEMENT SCRIP LIST RELEASED: BAJAJ AUTO, SBI, AND 3 TATA GROUP STOCKS PART OF THE LIST**

The BSE has released the 25 scrips where the T+0 trade settlement cycle will be introduced from Thursday. The list includes heavyweights such as Bajaj Auto, Cipla, Hindalco Industries, JSW Steel, and State Bank of India. Stock exchanges will introduce the beta version of T+0 or same-day trade settlement in the 25 scrips in

the cash segment from Thursday. Three Tata Group stocks are part of the list, and these are Indian Hotels, Tata Communications, and Trent Ltd. The others are Ambuja Cements, Ashok Leyland, Bank of Baroda, Bharat Petroleum Corporation, Birlasoft, Coforge, Divi's Laboratories, LIC Housing Finance, LTIMindtree, MRF, Nestle India, NMDC, Oil and Natural Gas Corp, Petronet LNG, Samvardhana Motherson International, Union Bank of India, and Vedanta.

03 **MOST INVIT, REIT INFLOWS TO GO TO ROADS IN FY25**

The assets under management (AUMs) of infrastructure investment trusts (InvITs) and real estate investment trusts (REITs) are expected to grow 15-20% on year in the next financial year to Rs. 7.5-8 trillion with the roads sector expected to corner 75% of the fresh inflows in these instruments, according to a report. "The roads sector will continue to dominate, accounting for almost three-fourths of the 1-1.5-trillion additional AUM expected in FY25. This is due to the strong availability of road assets, driven by the healthy pace of infrastructure creation and many assets being ripe for monetisation," said Manish Gupta, senior director, Crisil Ratings. The momentum has continued this fiscal with Rs. 1.3 trillion added to AUM and half of it has gone to the roads sector. Of the total FY24 inflows, 55% was from six new trusts and the rest via asset acquisitions in the existing ones. The year also saw the launch of the first InvIT — Bharat Highways InvIT. The initial public offering of the InvIT was oversubscribed 8 times.

01 IS A STOCK MARKET CRASH COMING? SEBI CHIEF RAISES CONCERNS ABOUT VALUATIONS

The Indian stock market regulator, SEBI, is raising red flags about a potential bubble in the small and mid-cap sectors. SEBI chief, Madhabi Puri Buch, expressed concerns that inflated valuations pose a threat to investors and urged mutual funds to take steps to mitigate this risk. Buch proposed a collaborative approach, suggesting that mutual funds develop a common policy to address the bubble. To further safeguard investors, SEBI will mandate stress tests for these funds. These tests will assess how quickly funds could sell assets if investors pull out their money en masse. Additionally, SEBI is requiring companies planning to go public to provide more detailed risk disclosures to potential investors. This initiative aims to ensure investors fully understand the inherent risks associated with the small and mid-cap space, which often differs from the larger, more established companies. Finally, SEBI announced an expansion of its qualified stock broker program. This program includes stricter requirements for brokers, aiming to bolster trust in the market and promote a stronger compliance culture within the brokerage industry.



02 BSE IMPLEMENTS T+0 SETTLEMENT FOR SELECT STOCKS: STREAMLINED TRADING BEGINS THURSDAY

The Bombay Stock Exchange (BSE) is introducing a faster settlement option for 25 stocks starting March 28th. Under this new T+0 cycle, trades will settle on the same day, unlike the standard T+1 where settlement takes one business day. This is a pilot program with limited brokers and aims to improve market liquidity and reduce risk. Stocks like Ambuja Cements, SBI, and Cipla are among those included. T+0 trading will only be available during a specific window (9:15 am - 1:30 pm) and trades must fall within a 100 basis point price band compared to the T+1 cycle. Market analysts believe this will free up capital for brokers and could ultimately reduce trading costs.

03 STANCHART EXITS CDSL WITH \$151 MILLION BLOCK DEAL

CDSL shares plunged over 6% after news emerged of Standard Chartered Bank exiting its investment. The bank intends to sell its entire 7.18% stake (roughly 7.5 million shares) in CDSL through block deals. This fire sale, managed by JP Morgan India, aims to raise \$151 million. Standard Chartered is offering a discount of 6.5% on the shares, setting a floor price of ₹1,672 per share, which is lower than CDSL's closing price of ₹1,788.90 on March 26th on the NSE. Analysts at JM Financial believe CDSL benefits from India's robust economy and stable political climate. They also believe the stock's current valuation of 44x/40x FY25/26E P/E is fair.

01 GROW WITH NEOGROWTH

With a mission to have a positive social impact on the financial lives of small and medium-sized business (SMB) merchants across India, the brother duo Dhruv Khaitan and Piyush Khaitan founded NeoGrowth to process unsecured loans to merchants who accept card or other digital payments from customers using its proprietary technology platform.

With its signature product 'NeoCash', the company aims to help various merchants across India grow their business by providing them with much-needed financial help without any hassles. The company caters to the underserved SME market by adopting an innovative approach and validating the creditworthiness of the business by looking at current business performance and stability. Right now, NeoGrowth offers loans ranging from Rs 5 lakhs to 1.5 crores. These loans are given based on the payment card swipes happening at the merchant's outlet. With a team strength of 400, NeoGrowth now operates in 21 different cities of India.

Set up in 2012, NeoGrowth has disbursed more than 12,000 loans to date across India and has a renewal rate of more than 65 percent. The customer segment varies from restaurant owners, petrol pump owners, and automobile dealers to mom & pop grocery stores and pharmacies.

02 LENDINGKART - LEADING FINTECH COMPANY

LendingKart is a leading financial technology company dedicated to providing accessible and innovative credit solutions for small and medium-sized businesses (SMEs) in India. LendingKart is committed to facilitating financial empowerment, growth, and prosperity for businesses by leveraging technology and data analytics.

LendingKart was founded in 2014 by Harshvardhan Luni and ex-ISRO scientist Mukul Sachan with a vision to bridge the credit gap faced by SMEs in India. It emerged as a response to the challenges that businesses encountered when seeking financing. Their mission was to simplify access to credit for small businesses and entrepreneurs who often faced difficulties obtaining credit from the traditional banking system. Over the years, LendingKart has become a trusted name in the SME lending sector, helping businesses thrive and grow.

Since their inception, the company has disbursed more than 1 Lakh + loans to nearly 90000 MSMEs in 1300+ cities across 29 states and union territories of India.

LENDINGKART
HAI TOH
BUSINESS IS GOOD

01 MUMBAI IS NOW THE BILLIONAIRE CAPITAL OF ASIA, SURPASSES BEIJING: HURUN REPORT

In a glorious turn of events, Mumbai has surpassed Beijing to become Asia's billionaire capital for the first time as per the latest Hurun Research Institute Global Rich List. Representing a prominent milestone for India, Mumbai is now poised at the forefront of wealth creation in Asia. New York leads the list boasting 119 billionaires, followed closely by London with 97. Astonishingly, India's financial hub, Mumbai, has surged ahead with 92 billionaires, surpassing both Beijing(91) and Shanghai(87) in the Asian rankings. Globally, an impressive 5% increase to 3,279 billionaires has been noted from the previous year. China leads the country rankings with 814 billionaires, followed closely behind by The USA with 800 billionaires with India securing the third position with 271 billionaires. Interestingly, there has been a significant decline of 155 billionaires in China as compared to the previous year. Undoubtedly, artificial intelligence played a pivotal role in the increase in billionaires in the USA. The report highlighted that billionaires behind companies such as Microsoft, Google, Amazon, Oracle, and Meta have seen substantial wealth surges as investors bet on the value generated by AI

02 MORGAN STANLEY LIFTS INDIA'S GDP GROWTH FORECAST FOR FY25 TO 6.8%, EXPECTS FAVOURABLE INFLATION TRAJECTORY

Morgan Stanley has raised its GDP growth forecast for the fiscal year 2024-25 to 6.8 per cent from its previous estimate of 6.5 per cent. It also revised its growth forecast for the current financial year (FY24) to 7.9 per cent. A shallow easing cycle in monetary policy, driven by continued traction in industrial and capital expenditure activities is anticipated. Notably, this growth momentum is expected to be broad-based and the disparity between rural-urban consumption and public-private capital expenditure is expected to narrow in FY25. Morgan Stanley stated that it foresees a favourable inflation trajectory since recent trends point towards a softening headline inflation. Core Inflation is expected to remain at 4.1% whereas in FY25 the headline inflation can fall to 4.5% from 5.4% in FY24.

03 CENTRE TO BORROW ₹7.5 TRILLION IN APRIL-SEPTEMBER FY25

A statement by the finance ministry asserted that the government has finalised its borrowing programme for the first half of FY25 after due consultation with the Reserve Bank of India. The Centre will borrow ₹ 7.5 trillion in the first half of the upcoming fiscal year. This borrowing will be accomplished by issuing dated government securities along with ₹ 12,000 crore worth off sovereign green bonds. Within the interim budget of FY25, the government pegged its borrowing from the market at ₹14.13 trillion. In order to take care of the temporary mismatches in government accounts, the RBI has fixed the Ways and Mean Advances limit for H1 of FY 2024-25 at ₹1.50 lakh crore.

THE GLOBAL CHESSBOARD

01 OIL TITANS TUSSELE: US SHALE BOOM MEETS OPEC MUSCLE

The global oil market is heating up as US shale producers ramp up production, potentially challenging OPEC's control over prices. US shale production is expected to reach record highs in 2024, driven by innovative technologies and high energy costs. This surge could put pressure on OPEC, a cartel of major oil-producing nations, to adjust production quotas to avoid a price slump. However, OPEC may choose to maintain output to protect market share, leading to a potential price war. This clash between American energy independence and OPEC's dominance will have significant implications for global energy prices and economies heavily reliant on oil exports.



03 INTERNAL TENSIONS EMERGE IN CHINA OVER HUKOU REFORM

The European Union has unveiled an ambitious plan dubbed "Green Deal 2.0" to accelerate the transition towards a carbon-neutral economy. The plan outlines significant investments in renewable energy infrastructure, energy efficiency upgrades, and sustainable manufacturing practices. This initiative aims to create new green jobs, boost European competitiveness in clean technologies, and solidify the EU's leadership in the fight against climate change. Green Deal 2.0 represents a major opportunity for businesses involved in renewable energy, clean technology development, and sustainable infrastructure projects.

02 GREEN GIANT EMERGES: INDIA TO INVEST \$50 BILLION IN RENEWABLE ENERGY

India is making a bold move towards clean energy independence with a planned \$50 billion investment in renewable energy sources over the next five years. This ambitious plan aims to increase India's renewable energy capacity by a staggering 500%, significantly reducing its reliance on fossil fuels and combating climate change. The initiative will create millions of green jobs in solar panel manufacturing, wind turbine installation, and renewable energy infrastructure development. This investment could position India as a global leader in the clean energy transition, attracting further foreign investment and expertise in the sector.



01 INTUITIVE MACHINES' ODYSSEUS MISSION ENDS AFTER HISTORIC LUNAR LANDING

Intuitive Machines, a Houston-based company, achieved a historic milestone by landing its Odysseus spacecraft on the Moon on February 22, marking the first privately-led lunar mission. After operating on the lunar surface for seven days, Odysseus entered standby mode during the lunar night. Despite hopes of revival during lunar daybreak, engineers received no signal. On March 26, Intuitive Machines announced Odysseus as permanently silent, concluding its mission under NASA's CLPS initiative. This event underscores a shift towards establishing a sustained human presence on the Moon, fostering a "lunar economy" with initiatives like CLPS and Luna10, aiming to utilize lunar resources for space exploration and economic development, including serving as a launchpad for missions across the solar system.

02 CANVA'S STRATEGIC ACQUISITION OF AFFINITY SUITE MARKS EXPANSION IN CREATIVE SOFTWARE REALM

Canva, an Australian design company valued at \$26 billion, recently acquired Serif's Affinity suite of creative apps for "several hundred million British pounds." This includes Affinity Designer, Photo, and Publisher, known for vector graphics editing, photo editing, and page layout design.

The move enhances Canva's AI-powered tools, strengthening its competitive position against Adobe. It aligns with Canva's European expansion strategy, which includes acquiring visual AI startup Kaleido.ai and image providers Pexels and Pixabay. This acquisition signifies a milestone in Canva's journey to dominate the creative software realm, potentially leading to an IPO.

03 NEURALINK'S BREAKTHROUGH: PATIENT WITH IMPLANT PLAYS CHESS, MUSK REVEALS "TELEPATHY" AS FIRST PRODUCT

Neuralink, led by Elon Musk, showcased a video of a 29-year-old quadriplegic patient named Noland Arbaugh using their brain implant to play chess on a computer. The implant, designed to interpret neural signals, allowed Arbaugh to control a mouse and pause music, marking a significant advancement in brain-computer interface technology. Arbaugh, who suffered a spinal injury, emphasized the life-changing impact of the implant despite acknowledging its imperfections. Musk announced on X (formerly Twitter) that Neuralink's debut product would be named "Telepathy." The FDA had previously approved Neuralink's human trial, with successful results reported earlier in moving a cursor via brain signals. However, Neuralink faced challenges during animal trials, with reports of complications, raising concerns despite the recent success with human patients.

MOVIE RECOMMENDATION

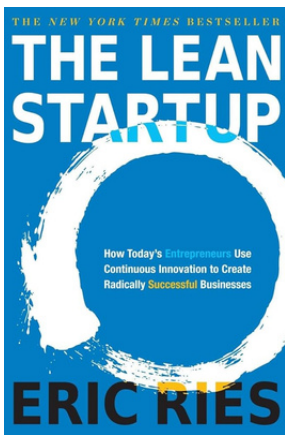
THE BIG SHORT(2015)

This movie is based on the true story of a group of investors who predicted the financial crisis of 2008. It's a complex and thought-provoking film that will make you think about the risks and rewards of investing. The Big Short is a great reminder of the importance of understanding the risks involved in any financial decision. It's also a fascinating look at the inner workings of the financial system.



BOOK RECOMMENDATION

LEAN STARTUP BY ERIC RIES

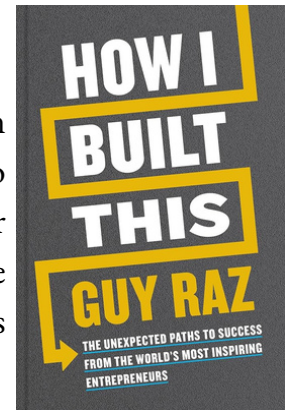


This book is a must-read for any entrepreneur or business leader. It outlines the Lean Startup methodology, which is a process for developing businesses and products quickly and efficiently. The book is full of practical advice on how to validate your ideas, build a minimum viable product (MVP), and iterate based on customer feedback. Whether you're launching a new business or trying to improve an existing one, The Lean Startup will give you the tools you need to succeed. It's a great resource for anyone who wants to learn how to be more agile and innovative in their business.

PODCAST RECOMMENDATION

HOW I BUILT THIS WITH GUY RAZ

This podcast features interviews with some of the most successful entrepreneurs in the world. Each episode tells the story of how a company was founded and grew to be successful. How I Built This is a great source of inspiration and motivation for anyone who's thinking about starting their own business. You'll learn from the successes and failures of others, and you'll get a better understanding of what it takes to build a successful company.

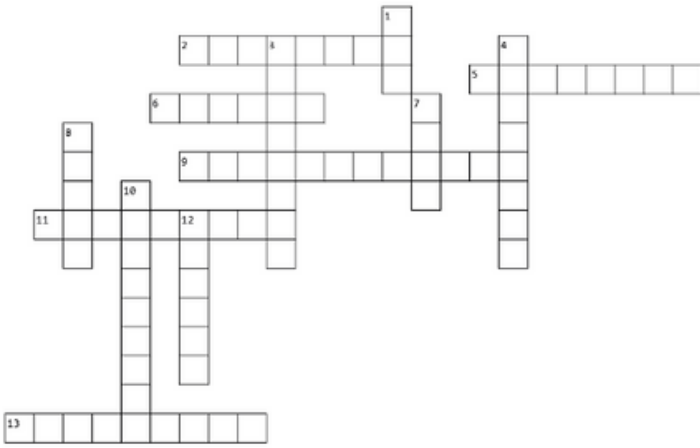


STOCK PICKS

HINDUSTAN UNILEVER LIMITED

Hindustan Unilever is India's largest fast-moving consumer goods (FMCG) company, with a diverse portfolio of products including personal care, home care, foods, and refreshments. Its strong brands, distribution network, and focus on innovation make it a market leader in several categories. Hindustan Unilever's diverse product portfolio, catering to different consumer needs across various price points, makes it less susceptible to economic downturns. Even during periods of economic slowdown, demand for FMCG products tends to remain relatively stable, providing a steady revenue stream for the company.

CROSSWORD



DOWN

1. The total value of goods and services produced in an economy
3. Money paid for the use of borrowed money
4. A formal agreement between a buyer and seller
7. A financial institution that accepts deposits and makes loans
8. _____ MARKET: A financial market where stocks and bonds are traded
10. A general increase in prices and fall in purchasing power
12. _____ SYSTEM: A system where prices are determined by supply and demand



ACROSS

2. Money paid regularly by a company to its shareholders
5. A person who buys goods and services
6. Money and resources owned by a person or business
9. A person who takes financial risks to start a business
11. The study of how people make decisions and manage scarce resources
13. Unsold stock of goods

ANSWERS IN THE NEXT EDITION

Answers of the previous edition

Across	Down
3. B2B	1. FOB
6. COD	2. SEO
8. SSL	4. Brick and Mortar
9. Paypal	5. Market Research
12. Marketing Manager	7. Deliverer
14. Returns	10. Reviews
15. Carrier	11. Discount
	13. Escrow

VOCABULARY

1. **Cohere**- cause to form a united, orderly, and consistent whole
2. **Recumbent**- lying down; in a position of comfort or rest
3. **Engender**- call forth
4. **Expiate**- make amends for
5. **Declaim**- recite in a skilled and formal way
6. **Insurrection**- organized opposition to authority
7. **Emend**- make corrections to
8. **Emeritus**- a professor or minister who is retired from assigned duties
9. **Gruff**- blunt and unfriendly or stern
10. **Scourge**- something causing misery or death

JARGONS DECODED

Predictive Analytics

Predictive analytics involves using statistical algorithms and machine learning techniques to analyze current and historical data to make predictions about future events or behaviors. Businesses leverage predictive analytics to forecast trends, identify potential risks and opportunities, optimize marketing campaigns, and enhance decision-making processes.

Internet of Things Integration

The Internet of Things refers to interconnected devices embedded with sensors, software, and connectivity capabilities to exchange data and perform tasks autonomously. IoT integration involves incorporating IoT devices and data streams into business operations, enabling enhanced automation, efficiency, and insights. Understanding IoT integration is essential for businesses looking to harness the power of connected devices to optimize processes, improve customer experiences, and innovate products and services.

Cross-Channel Marketing

Cross-channel marketing refers to the strategic integration of multiple marketing channels to deliver cohesive and synchronized messaging to consumers across various touchpoints. Understanding cross-channel marketing is crucial for businesses seeking to maximize their reach, effectiveness, and ROI in today's omnichannel landscape.

MYTH BUSTERS

Constantly updating social media guarantees business success

While maintaining an active presence on social media platforms is crucial for engaging with customers and building brand awareness, it does not guarantee automatic business success. Simply bombarding social media with updates does not necessarily translate to increased sales or brand loyalty. Quality content, meaningful interactions, and strategic targeting are essential elements of a successful social media strategy. Businesses should focus on creating valuable and relevant content that resonates with their target audience, rather than just aiming for a high frequency of posts.

Discounts and promotions drive long-term customer loyalty.

While discounts and promotions can attract customers in the short term and boost sales, they do not necessarily foster long-term loyalty. Relying solely on discounts to retain customers can create a price-sensitive customer base that constantly seeks the best deal, leading to decreased profitability over time. Moreover, excessive discounting may undermine the perceived value of products or services, making it challenging to maintain regular pricing in the future. Instead of relying solely on discounts, businesses should focus on building genuine relationships with customers through personalized experiences, exceptional customer service, and consistent product quality, which are more sustainable drivers of loyalty.

FORTUNE'S FABLES

BLOOMSYBOX

BloomsyBox, founded by Juan Palacio, has emerged as a trailblazer in the floral industry, transforming the way people experience and enjoy flowers. With a mission to connect consumers directly to farm-fresh blooms, it has redefined the online flower delivery service. Despite facing initial setbacks, including a rejection on the entrepreneurial platform Shark Tank, the company's resilience and dedication propelled it to remarkable success. BloomsyBox's emphasis on transparency and fair trade resonates with consumers, who appreciate knowing the origins of their floral arrangements. The company's rise to fame is not only a testament to its innovative business model but also to its unwavering commitment to delivering beauty and joy while prioritizing ethical and sustainable practices in every bouquet.

**“Believe you can and you are
halfway there”-Theodore
Roosevelt**

Thank you for reading!

**Hope you enjoyed the content.
Stay tuned for the next edition!**

