

Poornaprajna Institute of Management, Udupi

Volume 13, Issue 3
Date: 30-12-2021

ARTHAPRAJNA



"When prosperity comes, do not use all of it."

Fin-Glory

Editor's desk....

HELLO everyone...!

We, the “Fin-Glory” team members are happy to put forth the 3rd issue of “Arthaprajna” volume-13. This issue has a different variety of articles that gives a glimpse of knowledge and facts to our readers.

The first article talks about the one of the leading steel manufacturing companies of India, yes! That is about Tata steel Company. From the vehicle you drive, to the house you live in; from the bridges you cross, to the hand tools that you use, Tata steel company strive to deliver unparalleled quality through their customized value-added solutions which makes our life easier. So, you will surely enjoy reading this write-up about Tata Steel Company.

You can find a brief description of Dalal street in Fin-unit section. ‘Potholes in the Education express way’ is a new attempt under Fin-wings section.

The column Fin-personality speaks about one of the billionaire investors, businessman and the Founder of Dmart and He is Mr. Radhakrishna S. Damani. you can also expect as usual columns like Fin-toon, Fin-term, Fin-stocks and Fin-quiz

We believe that feedback helps us to grow and improve ourselves in what we are working for. Hence, we wait for your beneficial feedback, queries and replies at arthaprajna@pim.ac.in

-Warm Regards,

Naveen R. Bhat

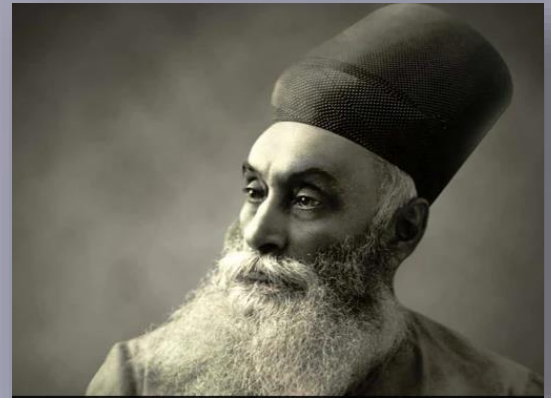
Chief Editor

Arthaprajna-2021

FIN-FACT

Tata Steel Company

Tata steel is one of the major companies in the history of India. The major pillar of India's economy for 114 years having withstood the two world wars, the great depression, four national wars to become the dominant force in the world steel industry.



The story of foundation of this great company dates back to 1880 when the founder Jamshedji Tata was travelling around the world to understand the different advancements of the textile industry, he was highly motivated by the lecture given by Thomas Carlyle who had stated "A nation that understood the value of iron would reap its weight in gold", Jamshedji Tata was so inspired by this lecture that worked tirelessly to establish Iron and Steel plant.

Jamshedji Tata had established iconic express mill in Nagpur, a pioneer and market leader in textile industry. But Jamshedji Tata was keen to establish a solid economic foundation in India. As soon as he came to India, he and team his spent 17 years finding and collecting iron ore samples alongside managing his textile business. Finally, his hard work paid off in 1899, when his geologist parent found 3 billion tons of iron ore which was located just 40 miles away from the railway station making it even more profitable. India thus embarked on her journey to participate in steel revolution of the world.

Sadly, Jamshedji Tata passed away in 1904 before his dream was established. But his son Dorabji Tata and R.D Tata took his dream forward and TATA Iron and steel company limited was incorporated in the year 1907.



In 1920 post war recession was faced by the world affecting even America. The economy crisis declined rapidly and India too faced the aftermath effects as a lot of Indian industries were affected including Tata Steel Company only regular customer Japan faced earthquake further reducing the steel demand and the SBI previously known as (The Imperial Bank of

India) refused to provide loans to the Tatas. On 29th October 1929 the New York stock exchange collapsed and the world faced the worst economic crisis in history. During the Great Depression (1928-1938), Industrialists faced several workers strikes and thus fired all their workers and sold away their companies and enjoyed their accumulated wealth. But the Tatas did not face any worker strikes because they did not see their ventures as money making machines but as engines of India's economy.

Tata Steel now has its presence in over 50 countries with manufacturing operating in 26 countries. It primarily serves customers in automotive, steel, construction, packaging, lifting and excavating, building, engineering, aerospace, shipbuilding, rail and defence and security sectors.

Source: Investopedia

By:



Rini P J
2nd MBA

FIN-UNIT

DALAL STREET

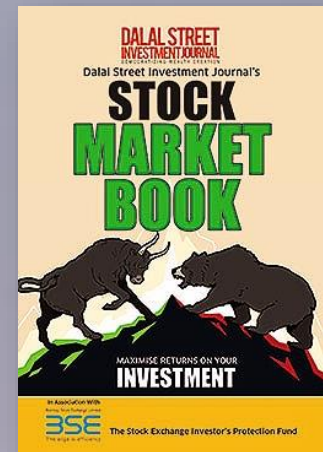
Dalal street is a street in downtown Mumbai, India that houses Bombay Stock Exchange, The largest stock exchange in India and other reputable financial institutions. It received the name Dalal street after Bombay Stock Exchange moved there in 1874 and became first stock exchange recognized by government of India.



Dalal street has become metonym for the entire Indian financial sector. The Bombay Stock Exchange (BSE) has facilitated the financial growth of Dalal street by creating an efficient marketplace in which to raise capital.

Dalal street investment journal:

Dalal street investment journal is India 's equity research and capital investment magazine is published every fortnight to cater to the needs of its readers (Investors). Armed with a set of chosen experts on market and corporate India, the magazine has its focus on stock market research and recommendations, Capital market analysis, personal finance investment advice and economic analysis and its impact on Indian share market.

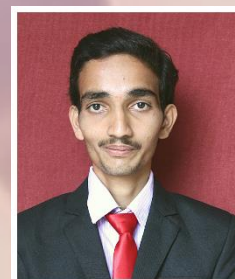


Latest Journal:

- Dalal street investment journal: Relevance of value investing.
- Dalal street investment journal: Auto stocks.
- Dalal street investment journal: ways to identify market peak.
- Dalal street investment journal: Special feature on banking sector.
- Dalal street investment journal: contrarian investing is for all seasons.

Source: James Chen

By:



Sanjay Shetty
2nd MBA

INDEX	COMMODITIES	CURRENCIES
BSE SENSEX:57806.49	GOLD: 47855	1 USD: 74.74₹
NSE NIFTY: 17213.6	CRUDE OIL: 5715	1EUR: 84.64₹

(Market price as on 29th December 2021)

FIN-WINGS

POTHoles IN THE EDUCATION EXPRESS WAY

Education is one of the major and valued tools used in the economy for its growth and expansion to any country in the world. Today we are at this position to write an article on education is basically through education itself.

All the above are true and applicable universally throughout the world. But we are keen concerned about an issue which is raised from the development and promotion of education and it is turned into a headache today. That is about the rising tide of education loans and they are turning into a bad or non-payable debt.



Today in this modern world students/a person who wants to learn can be able to get the loans easily with minimum documentation required. But this is the difficult criteria that is being acted in order to create a huge NPA in education loans. With minimum hurdles and with no collaterals (sometimes) banks lend money for the purpose of education.

Practically NPA by education wouldn't be e an intentional contribution by any students also is not that they are wishing for. But there is a situation that is been raised by the practical circumstances like weak job market.

It is agreeable that week job mark market is not in hands of student nor in the hands of employer. It takes the reasons to its root of the system problem. It is also that the education sector system is also at its stake.

But we can't blame them completely for the cause NPA can be raised through different circumstances such as a person one who has educational qualification with the same scenario of weak job market the person fails to grab the appropriate job in the job market. In the same scenario now a days education is also being commercialized and maintained as a business. If education becomes the business it might turn into a profit intention organization where quality will be at stake. It leads to poor quality institution or second rated institution.

If these institutions enter into a job market as an employer, they will look at only a person with educational qualification but not the teaching qualification here in the job market sometimes employer fails to find/forced to not to find real potential to meet his requirements. Since it comes at the cost.

It is a situation that functional illiterates are entered into the job market with certified and valued educational degrees. The students who are taught under these teachers again find it difficult to attain a secured job or enter into a job market due to lack of knowledge transfer, quality of teaching, level of understanding and with the proper certified certificate with only marks mentioning in it would result the NPA cycle to roll again and again and again.

So, to conclude educational sector NPA is not just a financial problem but instead it is a problem of better society tomorrow. It not only represents just the financial crisis that is related to education sector, but if we relate it to different future aspects then it might influence the same in a significant way.

By:

Source: Business line



FIN-PERSONALITY

RADHAKISHAN S. DAMANI



Radhakishan Damani, who grew up in a humble background is now ranked 98 on the Bloomberg Billionaires Index with a Net worth of \$19.2 Billion. He was raised in a Marwari family in a single room apartment in Mumbai and studied commerce at the University of Mumbai but later dropped out after 1 year.

He took formal entry in stock market before this he used to sell ball bearing because his father also had a bit interest in this later his father worked in Dalal Street, unfortunately when he was of 32 his father died and because of this he was forced to come into stock market.

This will be a luck or was written in his destiny to come here so because of his father was working with his big brother, who himself was a broker he realized that after so much of issues now I need my small brother who can actually help to grow the broking business and this is why Radhakishan Damani joined with his brother managing broker work he understood one thing that there is good money in the business of broking but not that much, that a speculator can earn now much like an investor or trader can earn with this he was inclining and he got interested towards speculation. After reaching such a great height, in 2001, suddenly he quite the stock market and decide to enter the retail industry. He built Dmart.



Dmart (Avenue Supermarts Ltd) has been one of the most disruptive companies in the food retail industry of India. Ever since it went IPO in 2017, in just four-year, demand share price shot up by 580% going from just 616 rupees to more than 4200 rupees in 2021. And the most astonishing thing about Dmart is that in its 19 years of existing, it had not closed a single store until the pandemic

hit. And in spite of having giant competitors like future retail and reliance retail, its profits have skyrocketed by 1700% going from just 60 crores in 2021 to more than 1000 crores in 2021.

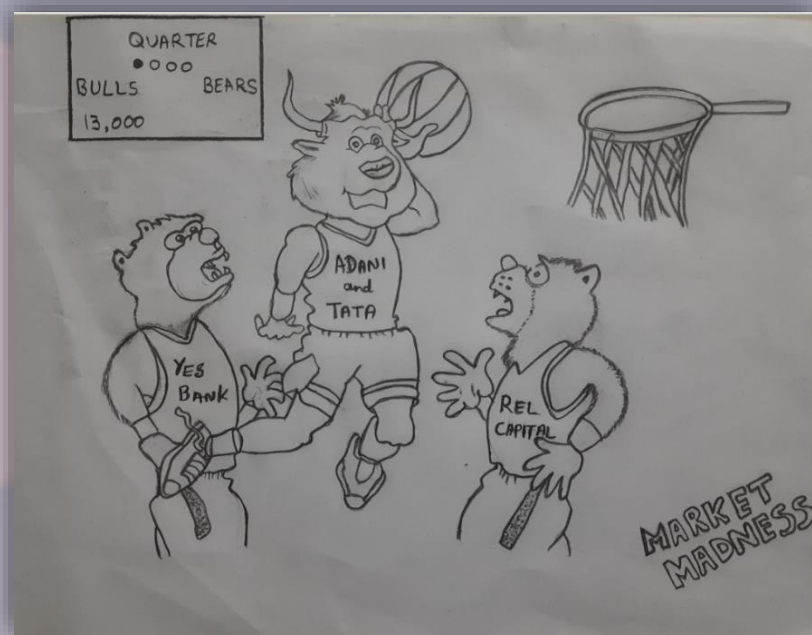
By:

Source: Wikipedia



Anusha A Shetty
2nd MBA

FIN-TOON



“If the market’s going wild and you want to in it, you either have to lower your standards to stay in the game or you buy stuff which may not participate because it’s not part of the game at that time.”

By, **Walter Schloss**

By:



Srilekha Bhat
2nd MBA

FIN-TERM

Price To Earning Ratio

The price earnings ratio indicates the expectation of equity investors about the earnings of the firm. It relates to market price and is generally taken as a summary measure of growth potential of an investment risk characteristics shareholders orientation corporate image & degree of liquidity.

Formula: P/E ratio = Market Price Per Share/Earning Per Share

Example: A book store and this book store earn 5lakh profit in India and if B offer 40lakh to buy a book store then P/E ratio = Market Price/ Earning share so $40\text{lakh}/5\text{lakh} = 8$ So B offering 8Rs for 1 rupee of profit.



Benefits of Price to Earning Ratio:

- In essence, Where Investor are expected to invest in a company like indicates the dollar amount in order to receive company earnings of \$1. This is why the P/E sometimes referred to as the price multiple because it shows how much investors are willing to pay per dollar of earnings.
- It aids investors in determining a stocks market value in relation to the company's earnings. The profit earnings ratio reveals how much the market is ready to pay for a stock now based on its previous or projected earnings. A high profit margin could indicate that a stock's price is excessive in relation to earnings.
- P/E Ratio helps to a company to determine whether a stock is overvalued or undervalued. A company P/E can also be benchmarked against other stocks in the same industry or against the broader market such as the S& P 500 Index.

Source: Wikipedia

By:



Nidhitha Shetty
2nd MBA

FIN-STOCKS

Post Market Report

On 29th December 2021, the global Indices were positive and some are negative. Nifty 50 was down by 20 points and Sensex down by 90 points. As per today market is stable as because FII were Net buyers. Bank Nifty was doing good, but at 3:00pm it fell around 200 points. As the end of calendar year; volume is very of crores.

Today FII have sold for 925 crores and domestic institution have bought for 4007 crores. So far in the month of December alone FII have sold for 35000 crores and in fact the record has been created October, November, December so the 3 months block and today the selling crossed 1 lakh crores because in the month of October it was 25000 crore, November 40000 crores and in December till today they have sold more than 35000 crores.



In fact, today almost all sector were down. Bajaj auto has declared that in few months they are coming with electric vehicles and because of that they were some short coverings in auto stocks (particularly 2-wheeler stocks) that's why Nifty Auto was positive by 45 points, Nifty Pharma by 236 points, Nifty Healthcare by 270 points, Nifty consumer Durable by 123 points and other than that all sectors were down.

FII are selling mostly on large cap stocks, so as a large cap index nifty has fallen but Mid cap and small cap have managed to end in positive.

*Source: Economic Times
Business Line*

By:



**Mayura Shetty
2nd MBA**

FIN-QUIZ

**CLICK HERE TO
ANSWER**

ANSWER FOR THE PREVIOUS QUIZ

- 1) Rs71crs
- 2) Treasury bills
- 3) Mutual funds
- 4) Money market
- 5) Market interest rate
- 6) Dividend yield
- 7) Hedge funds
- 8) Selling at premium
- 9) New issue market
- 10) Distribution of new issue
- 11) Dilip Shanghvi
- 12) Mixed
- 13) ASHA
- 14) IMF
- 15) Bank of Baroda

WINNER

PAWAN

2nd MBA

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