

VOLUME 9, NOVEMBER 2020

STRICTLY STREET

The Official Newsletter of AAMDANI

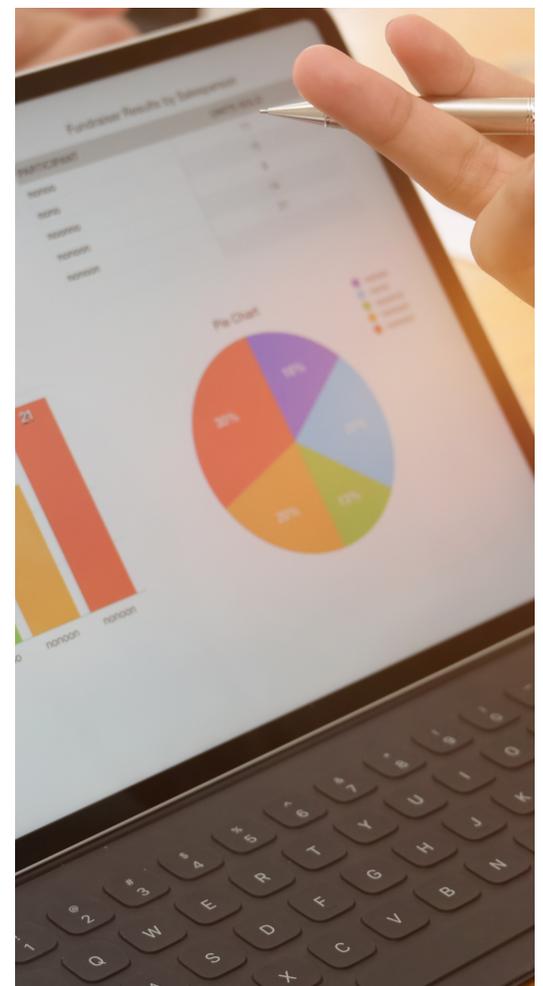


TAKEAWAYS

- News Highlights
- Increment in UPI Transactions
- Female Business Tycoon

NEWS HIGHLIGHTS

- Pidilite Industries, the manufacturers of the popular Fevicol brand of adhesives, completed acquisition of the US-based Huntsman Group's Indian subsidiary for Rs 2,100 crore on November 3, 2020. Huntsman Advanced Materials Solutions manufactures and sells adhesives, sealants and other products under brands such as Araldite in the country. The deal also includes the company's Indian subcontinent business, apart from a trademark licence for the Middle East, Africa and ASEAN countries.
- Private sector lender ICICI Bank has raised Rs 15,000 crore (about \$ 2 billion) through Qualified Institutions Placement (QIP) of equity shares (418.99 million) at issue price of Rs 358 per share.

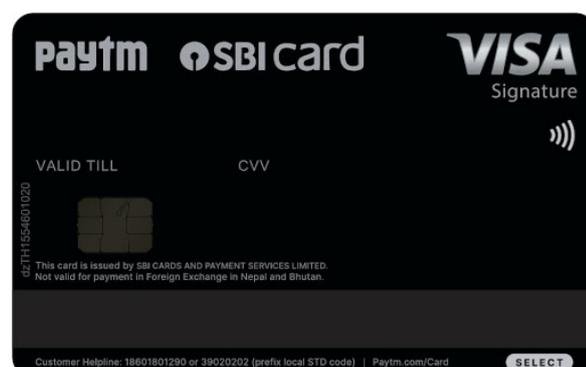


The issue price represents a 1.9 per cent premium to the floor price determined based on the pricing formula as prescribed under SEBI Regulations. The bank would primarily use the proceeds of the issue to strengthen the capital adequacy ratio, improve its competitive positioning and/or general corporate requirements.

- Inspire Brands Inc will buy Dunkin' Brands Group Inc for \$8.76 billion. Inspire Brands, which owns Arby's, Buffalo Wild Wings and Sonic Drive-In, said its all-cash deal to take the ownership of Dunkin' Donuts and Baskin-Robbins chains private would value it at \$106.50 a share. Including debt, the deal is valued at about \$11.3 billion.

- SBI Card and Paytm will launch India's next generation credit cards around Diwali. The credit card will be available in two variants, Paytm SBI Card and Paytm SBI Card SELECT. The product has been launched on the Visa platform.

Paytm SBI Cards will be equipped with instant one-touch services such as blocking/ unblocking the card for online transactions, blocking the card in case of loss, issuance of a duplicate card and viewing outstanding credit-limit. It will also offer the option to safeguard users against fraud by switching off the card for contactless payments or international transactions when not required. The service will also come with a personalized spend analyzer helping in assessing expenses and planning future spends smartly. Paytm users can register for the card from the app in less than 1 minute.



INCREMENT IN UPI TRANSACTIONS

In a first, UPI transactions hit 200cr monthly mark.

The number of Unified Payments Interface (UPI)-based payments crossed the 200 crore mark in monthly transactions for the first time in October, 2020. The 207 crore transactions in the month of October, were worth ₹3.3 lakh crore.

On the other hand, the convenience of these transactions has also helped to change the habits of the users and to increase the use of this mode of transaction.



Simple, easy and quick payment transaction channel

Reasons for the increase in transactions:

- The incremental demand for contactless payments due to the pandemic as well as spending during the ongoing festive season has helped this growth.
- The RBI has advised to use digital payments due to the threat of coronavirus spreading through physical exchange of currency.
- This resulted in businesses accepting mostly prepaid orders and in turn an increase in digital transactions.

FEMALE BUSINESS TYCOON

Ellen Kullman
Chairman and CEO of E.I. du Pont de
Nemours and Company

- Industry: Chemical
- Annual Compensation: \$14.8 million



DuPont (NYSE: DD) is the largest food ingredient maker in the world, and the third biggest chemical company in the U.S. After beginning her business career with General Electric, Kullman joined DuPont in 1988 as a marketing manager.

She was elected president in 2008 and CEO in 2009 by the board of directors, and quickly revolutionized the company, shifting the focus from oil-based chemicals to more high-tech areas such as green energy and biotech.

Kullman has invested billions of dollars into developing new biofuels and high-yielding seeds, and has seen huge returns on agriculture and solar cells.

Under her leadership, DuPont posted a \$1.75 billion profit on \$26 billion of revenue, and has begun to hire workers after citing higher consumer demand. Kullman also serves as a member of the Board of Trustees for Tufts University.

DUPONT™

Add to your Vocab !

Dead Cat Bounce

A dead cat bounce is a temporary recovery of asset prices from a prolonged decline or a bear market that is followed by a continuation of the downward trend.

Average True Range

The average true range (ATR) is a technical analysis indicator that measures market volatility by decomposing the entire range of an asset price for that period.

Test Your Awareness

Q1) India signed a Basic exchange and corporation agreement with which country, on infrastructure, financial services and sustainable finance?

Q2) Which day is observed as World Thrift Day for promoting saving and financial security of individuals and the nation as a whole?

Q3) Which Union Ministry has released the next edition of foreign direct investment (FDI) policy document?

Q4) Union government has extended the Emergency Credit Line Guarantee Scheme (ECLGS) till which month?

Q5) Who has been appointed as the new CEO of State Bank of India?

Q6) To what percentage the credit demand from priority sectors dropped in the June quarter according to the Reserve Bank of India's report?

Q7) By how many months the Central government has extended the suspension of the Insolvency and Bankruptcy Code (IBC) recently?

Q8) On which date did Rajya Sabha pass the Banking Regulation Amendment Bill,2020?



FINANCE FUN FACTS



- Before the Federal Reserve in 1913, each bank printed its own money.
- It costs the RBI more to print the Rs. 20 note than Rs. 50 note.
- India has Rs 5000 and Rs 10,000 notes in circulation between 1954 and 1978.
- With the advent of digital banking, only 8% of the world's currency is floating about in cash.
- The life span of the average Indian currency note is less than 12 months.

Wise Sayings

"Not he who has much is rich, but he who gives much."

- Erich Fromm

"Beware of little expenses; a small leak will sink a great ship."

~Benjamin Franklin

SOURCES

1. The Economic Times
2. Business Standard
3. Mint

ANSWERS TO "TEST YOUR AWARENESS"

1. United Kingdom
2. October 30
3. Ministry of Commerce and Industry
4. 30 November 2020
5. Vladimir Obyedkov
6. 3.2%
7. 6 months
8. 22 September 2020