



AAMDANI - THE FINANCE AND INVESTMENT CELL

STRICTLY STREET

**OCTOBER
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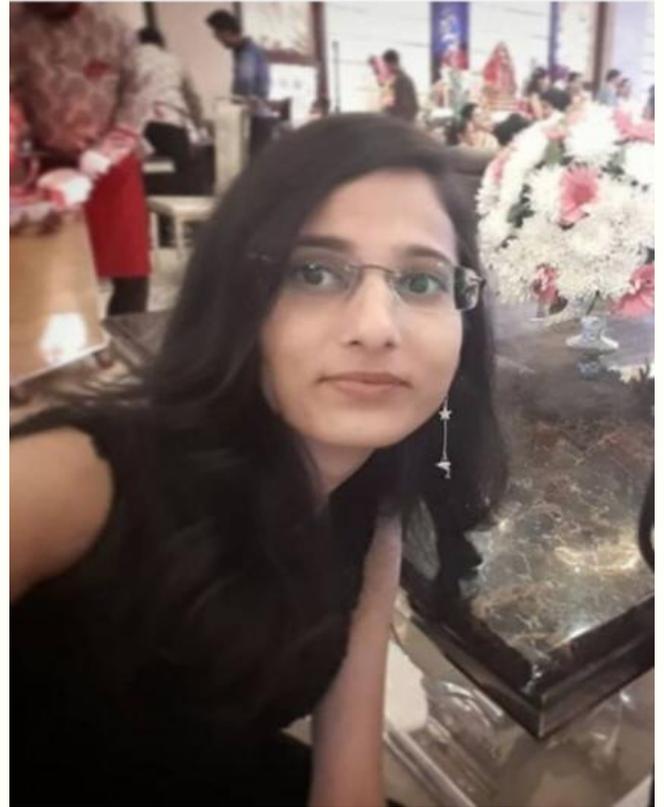
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MESSAGE FROM THE FOUNDERS

"The value of an idea lies in the using of it." – Thomas Edison
5 years back a group of young minds started with a vision. A vision of bringing up something that could educate the students about finance, business and economic world. With constant brainstorming and hardwork, we were able to convert the idea into reality thus bringing up one of it's kind- AAMDANI, The Finance and Investment Cell.



STUTI
FOUNDER - AAMDANI

The journey of AAMDANI has varied across a plethora of experiences ranging from a single roomed seminar to inter-university events. The society has given its members exposure of group discussions, paper presentations, virtual stock trading, business news, event management etc. The society has immensely contributed towards the knowledge base and boosted the confidence of the members.

I have always felt proud and fortunate to have been a part of this society and see it grow by leaps and bounds.

With the launch of the new edition of AAMDANI's newsletter- STRICTLY STREET, I congratulate the members of the society and welcome the readers to enhance their knowledge and understanding of the business and economic world.

Happy reading!



MESSAGE FROM THE FOUNDERS

Do what you love, Love what you do!

This statement correctly describes the reason and motivation behind founding AAMDANI! Being a commerce student, terms like stock market, equity investments, financial system, etc have always excited me. I realised at a very early stage that investing for youth is really crucial and leads to higher value of money. Therefore, many of us want to invest in different avenues like stock market, debt, money market, etc but lack the relevant knowledge required and hence, leads to fear of losing our money which holds us back from independently investing. This mostly happens because our generation is not financially literate. Therefore, with an aim to educate today's youth with the financial world, Aamdani was formed! It is a community of like-minded youth who want to learn, share ideas and thoughts and also spread awareness on the importance of being financially literate!

ANANYA FOUNDER - AAMDANI

Talking about my journey at AAMDANI, it has been a memorable one with lots of ups and down! Today, when I look back at how I and my fellow co-founders founded the cell, I feel proud and cherish those days of hardwork, fun and knowledgeable sessions. It gives me immense happiness to see how AAMDANI has been growing and successfully educating so many students since 5 years.

Driven by highly enthusiastic members, AAMDANI has always been the most talked cell of the college and has been conducting various inter-college fun and knowledgeable events with students from different colleges!

Lastly, I take this opportunity to congratulate each and every member who has been a part of this exciting journey of building a student-driven community and thank each of them for their valuable contribution. Wishing the best to all the members always!

WOMEN IN FINANCE

RADHIKA GUPTA

From being born in an ordinary middle-class family of government employees to the CEO of Edelweiss, a Fortune 500 company, Radhika Gupta has emerged as a powerful corporate leader! Widely regarded as the Girl with a Broken Neck over the internet, she fought many odds and proved herself in the ever-competitive corporate world. At 36, she has already set up India's first domestic hedge fund and become the country's only female head of a major asset manager.



GITA GOPINATH

Gita Gopinath, IMF chief economist is on the list of 34 immigrants honored by Carnegie Corporation of New York in recognition of having 'enriched and strengthened' the US society and democracy. She was merely 38 years old when she became the fourth woman ever and the first Indian-university educated faculty after Nobel laureate Amartya Sen to receive this honor. She has been elected as a fellow of the American Academy of Arts and Sciences, and Pravasi Bharatiya Samman -- the highest honor the Indian government gives to overseas Indians and persons of Indian origin.



KALPANA MORPARIA

Morparia is an Indian banker, entitled as one of the "50 Most Powerful Women in International Business" by Fortune magazine in 2008. In 1975, she joined ICICI to work at their legal department and was held responsible for its birth as it got listed with the New York Stock Exchange in 1999. She also facilitated the merger of ICICI bank with ICICI in 2002. Morparia holds the position of Chief Executive Officer (CEO) of J.P. Morgan India since 2008. In 2016, her role was extended to cover Indonesia, Singapore, Philippines, Malaysia in addition to Sri Lanka, Bangladesh, and India.



WOMEN IN FINANCE

NAINA LAL KIDWAI

Naina Lal Kidwai is a Chairman of Max Financial Services and Senior Advisor of Advent Private Equity. She is also a Non-Executive Director on the boards of Nestle SA and CIPLA Ltd and has been Past President of FICCI (Federation of Indian Chambers of Commerce & Industry). Being the Chairman of the Harvard Business School and her praiseworthy work, she secured many accolades such as the distinguished Padma Shri award for her contributions in the areas of trade and industry ALL Ladies League's Delhi Women of the Decade Achievers Award 2013 for Excellence in Banking.



RICHA KAR

Richa Kar is the Co-founder of Zivame who served as a retail specialist with SAP in Bangalore when she witnessed an astonishing 60% spike in Victoria's Secret sales during 2011 Valentine season. Zivame is a Bangalore based startup for women apparels which got her first client from Indore who was trying to buy materials from Richa of worth Rs7000. Gradually, Zivame claims growth of 300% year and therefore Investors got impressed from the dedication and hard work of Richa Kar and she received her first funding of \$3Mn in May 2012, then another funding of \$6Mn in Dec 2013 and \$40Mn in 2015. Today her company valuation is for more than Rs. 681 Crores.



PABIBEN RABARI

Eldest among three daughters, Pabiben has come a long way from being a 'ben' to her two sisters, to now the world recognizing her by the very name. Hailing from Bhadroi Village in Anjar Taluka of Kutch, she is the millionaire face of the "Rabari Artisans", a community known for their beautiful embroidery designs. She became the first woman from her community to launch the online e-commerce platform, Pabiben.com.





TATA'S WIN BID OVER AIR INDIA

MAHARAJA'S HOMECOMING

After 68 years Maharajah is back where it started. The Tata Group got the ownership of iconic brands like Air India, Indian Airlines and the Maharajah by winning the bid of ₹18,000 crore as the Enterprise Value of Air India. Talace Pvt Ltd, the wholly-owned subsidiary of Tata Sons, beat SpiceJet's promoter Ajay Singh who had bid ₹15,100 crore and acquired the entire company including the wholly-owned subsidiary Air India Express and 50% stake in Air India SATS.

TIMELINE OF AIR INDIA

- 1932- JRD Tata pilots Tata Airlines' inaugural flight from Karachi to Bombay
- 1946- Tata Airlines becomes public company, renamed Air India Ltd
- 1948- Government of India acquires a 49% stake in the carrier
- 1953- Government nationalises Air India
- 2007- Air India merges with Indian Airlines, that operates only domestic routes
- 2012- Government approves ₹30,000 crore bail out for Air India, which has over ₹67,000 crore in debt
- 2018- Government attempts to sell 76% stake in Air India, attracts no bidders
- 2020- Government launches offer of 100% stake in Air India, Tata wins

TATA'S INTEREST

Tata is getting a pretty decent deal in return. There's the presence that Air India has built over the years—the brand equity and all the airport slots. They will now control 4,400 domestic and 1,800 international landing and parking slots at domestic airports. As well as 900 slots at overseas airports. And since the Tata Group already operates 2 other airlines—Vistara, a joint venture (JV) with Singapore Airlines, and Air Asia India, a JV with AirAsia Investment Ltd—the new acquisition should bolster their aviation ambitions and give them a commanding market share.

CHALLENGES

As we have seen TATA'S have won the bid in October 2021 which falls under the pandemic times hence TATA'S will be flying into aviation during the time which has already left the airline industry bleeding heavily with losses. Air India has also been making operational losses and the new management team of TATA'S will have to bring day and night together to cut these losses sharply. For the purchase of Air India TATA'S are ordered to pay Rs 18000 crore out of which Rs 15300 crore is meant to go for the repayments of Air India's debts history. Also, TATAs would have to spend heavily to modernize Air India's fleet as it is quite old now. Hence the conclusion is though TATA'S have emerged as the successful bidders of Air India, the path to run it involves a lot of challenges.

E-RUPI

Digital payments have become a major tool to promote financial inclusion



Prime Minister Narendra Modi launched e-RUPI on 2nd August 2021. It is a cashless and contactless payment digital solution.

It's a prepaid e-Voucher, which users can use for digital transactions. It will ensure that payment reaches its beneficiaries in the most leak-proof manner.

With E-Rupi App launching they will make payment solutions simplified and smooth. It is an initiative that can bring revolution in Digital payment platforms.

The idea of e-RUPI is identical to UPI, which lets consumers transact safely on a sender-to-receiver approach exclusively. NPCI (National Payments Corporation of India) has advanced this platform in affiliation with the Department of Financial Services (DFS), Ministry of Health and Family Welfare (MoHFW) and National Health Authority (NHA).

Through e-RUPI, the Indian government has tried to bring a digital e-voucher system in India.

HOW IT WORKS



It is a QR code or SMS string-based e-Voucher, that is brought to the mobile of the beneficiaries. The consumer should display this code or string at the service provider (like a hospital or PHC) where it will be scanned through the merchant. Then, a verification code will be sent to the beneficiary's mobile which would need to be shared with the merchant, and the payment would be successful. The customers of this one-time payment mechanism will be capable of redeeming the voucher without a card, digital payments app or net banking access, at the service provider. e-RUPI connects the sponsors of the services with the beneficiaries and service providers in a virtual manner without any physical interface. Being pre-paid in nature, it guarantees timely payment to the service provider without the involvement of any intermediary. It can also be used for delivering services under schemes supposed for providing drugs and nutritional support under Mother and Child welfare scheme, drugs and diagnostics under schemes like Ayushman Bharat Pradhan Mantri Jan Arogya Yojana, TB eradication programmes, fertilizer subsidies etc.

Currently, the government is using this facility for services related to health. Later on, it may be used for diverse services. Corporates may also use this for giving advantages to their employees and additionally for CSR programmes.

BENEFITS

- The private sector can leverage these digital vouchers as part of employee welfare and corporate social responsibility programmes.
- No need to Register and share personal details while redemption, hence privacy is maintained. No need of internet banking access, a smartphone, a card or even a bank account to avail of this service.
- The beneficiary needs not to be banked. This would translate into higher adoption rates in villages and among economically backward sections of the population. Also it has the potential to support small businesses in taking direct benefit from a multitude of government schemes.
- The government can plug gaps in its digital payment's infrastructure which will help in developing the Central Bank Digital Currency.
- Employees can avail Medical and CSR services. Also, the issuer can track the voucher redemption anytime the employees use it.
- helpful for women, children and farmers too. This platform is a safe and secure way to receive subsidies and avoids misusing government funds as private and public organizations can track how employees use the funds.

LIMITATIONS

- Associated with 11 Banks of India, therefore other regional banks would have to wait until the platform succeeds nationwide. Also, hospitals and medical institutions may face the same problem.
- Many government schemes are meant for underprivileged and economically weaker segments. Many don't have access to mobile phones so they won't be able to redeem e-vouchers as it requires QR code.
- Provided that e-RUPI is a prepaid service, if a user doesn't redeem it within a specific period, the e-Voucher will expire
- The government still doesn't have provisions to check if the customer with a registered mobile number exists. In this case, anyone in possession of a consumer's mobile can go to the service providers to redeem the e-Voucher.
- Technological issues are uncertain and may occur at a point of time. Also, some parts of India don't have cellular networks and in that case SMS and OTP doesn't work.
- If the phone is damaged or misplaced or the message gets removed, there has been no clearance whether the voucher can be requested once more or it is a gone case once you lose it.

Conclusion on Pros and Cons of eRUPI

It's a praiseworthy initiative of the government towards user's privacy and providing services to deserving consumers only. But, the pros and cons of e-RUPI platform undoubtedly pinpoint the areas where modification is required. Given that the system is in its infancy, e-RUPI is expected to bring more security features. The end result totally lies on the government in how they implement the infrastructure across the centres that will help facilitate the e-voucher system. E-RUPI has the potential to be a state-of-the-art technology that the world will wonder about.

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“Founders never leave our memories for they leave indelible footprints on our minds. They give us the reasons to look back and ponder. They give us the reasons to look forward with the hope and aspirations to beating their footprints of distinctiveness. Their mistakes are our lessons and the reasons to reason.”

— Ernest Agyemang Yeboah

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MEMBERS OF THE MONTH



Mitali Bag
Sponsorship Team



Ashima Ahlawat
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NEWS BUZZ

1. RBI's fourth regulatory sandbox cohort is on prevention of financial frauds.
 2. Existing Parliament building is now in Seismic Zone IV (High damage risk zone)
 3. EPFO may soon credit interest for 2020-21 in accounts of 60 million subscribers.
 4. More upside seen in RIL shares as Ambani accelerates push into green energy.
 5. Forex reserves down by USD 1.169 billion to USD 637.477 billion.
 6. India agrees to USD 200 million line of credit to support development projects in Kyrgyzstan.
 7. India Inc raises \$9.7 billion via IPOs in 9M2021, highest in last 20 years.
 8. Air india goes to tata group for 18,000 crore.
 9. Tatas may take 15,000 Crore Loan for Air India buy. State Bank Of India expected to be the lead banker; syndicated loan maybe raised with a 3-Year maturity offering 7%.
 10. Ashwini Vaishnaw tests call on BSNL 4G: Aatmanirbhar vision taking shape.
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SOURCES

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TATA'S WIN

- <https://www.indiatvnews.com/news/india/tata-group-wins-air-india-bid-737767>
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