

PROMETHEUS FINSIGHTS

Fortnightly Newsletter of the Prometheus Finance Club, Alliance University

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Quotes For The Month

- "An investment in knowledge pays the best interest".
- Benjamin Franklin
- "Capital is that part of wealth which is devoted to obtaining further wealth".
- Alfred Marshall
- "It's better to look ahead and prepare than to look back and regret".
- Jackie Joyner-Kersey

RBI Insights as on 15th April 2021

POLICY RATES:

Policy repo rate: 4.00%

Reverse repo rate: 3.35%

Marginal standing facility rate: 4.25%

Bank Rate: 4.25%

RESERVE RATIOS:

Cash reserve Ratio: 3%

Statutory liquidity ratio: 18.00%

LENDING / DEPOSIT RATES:

Base rate: 7.96%

MCLR (overnight): 6.95% - 7.55%

Savings Deposit Rate: 2.70% - 3.50%

Term Deposit rate >1 year: 4.90%-5.50%

Source: <https://www.rbi.org.in/home.aspx>

Exchange Rates

AS ON APRIL 15, 2021

Indian Rupee	1.00 INR
INR / 1 USD	75.26
INR / 1 GBP	103.65
INR / 1 EUR	90.11
INR / 100 JPY	69.12

Source: <https://www.x-rates.com/>

Indices of Stock Market

PRICES AS ON APRIL 15, 2021

Name	Current Value	Change	% Change
Sensex	48351.25	-1157.9	-2.39
Nifty 50	14440.3	-250.4	-1.73
Nifty Banks	31767.40	-1536.5	-4.84
Nifty Mid-cap 100	23416.80	-276.35	-1.18
WPI (Feb 2021)	3.31	3.05	92.14

Source: <https://www.moneycontrol.com/>

Sector News

WHATS TRENDING

GST COLLECTIONS AT RECORD HIGH OF RS 1.23 LAKH CRORE IN MARCH

NEW DELHI: The goods and services tax (GST) collection in March this year stood at a record high of Rs 1.23 lakh crore, according to the data released by the finance ministry on Thursday.

Read more at: <https://cutt.ly/EvhHj39>

FPIS INVEST RS 2.74 LAKH CRORE IN EQUITY MARKETS DURING FY'21

The finance ministry on Tuesday said India witnessed strong foreign portfolio investment (FPI) inflows into the equity markets to the tune of Rs 2,74,034 crore during 2020 -21 despite the outbreak of COVID -19.

Source: <https://cutt.ly/0vhHRTJ>

SHARE MARKET

INVESTORS' WEALTH TUMBLES OVER RS 2.16 LAKH CRORE AS MARKETS CRASH

NEW DELHI: Investors' wealth tumbled over Rs 2.16 lakh crore at the close of trade on Monday as markets crashed amid a sharp spike in coronavirus cases in the country.

The 30-share BSE benchmark Sensex plummeted 1,449.03 points to 48,580.80 intra-day. It finally closed 870.51 points or 1.74 percent lower at 49,159.32.

Following this, the market capitalization of BSE-listed companies dived Rs 2,16,566.52 crore to reach Rs 2,05,09,835.27 crore at the close of trade.

Source: <https://cutt.ly/YvhHJVh>

NSE-BSE BULK DEALS: SMALLCAP WORLD FUND BUYS STAKE IN STRIDES PHARMA

Smallcap World Fund bought 1.5 million shares of Strides Pharma Science NSE 0.21 % today at Rs 849.9 per share through a bulk deal on the National Stock Exchange. In another transaction, HDFC Mutual Fund sold 700,000 shares of Strides Pharma at Rs 850 apiece through a bulk deal.

Read more at: <https://cutt.ly/YvhHNE9>

ELECTRONICS

MOBILE MAKERS INVEST RS 1,300 CRORE UNDER PLI SCHEME IN 2020 DEC QTR: GOVERNMENT

Mobile manufacturers shortlisted under a production-linked incentive scheme invested Rs 1,300 crore and produced goods worth around Rs 35,000 crore in the 2020 December quarter, the ministry of commerce and industries said on Wednesday. The Production Linked Incentive (PLI) Scheme for large-scale electronics manufacturing was notified on April 1, 2020, under which there will be an incentive of 4 to 6 percent on incremental sales for a period of five years subsequent to the base year.

Read more at: <https://cutt.ly/JvhJtDb>

LG CLOSES THE CURTAINS ON ITS SMARTPHONE BUSINESS. WHAT DOES IT MEAN FOR INDIA?

Korean electronics maker LG's decision to exit from the mobile phone business will not lead to any major disruption in the Indian market as the company had failed to gain many shares and its revenue from the business was minuscule, analysts and industry executives said. LG Electronics INC. announced that it is closing its mobile business unit globally which was approved by its board of directors on Monday.

Read more at: <https://cutt.ly/gvhJFNK>

TELECOMMUNICATION

BSNL, MTNL YET TO CLEAR AGR DUES OF OVER RS 10,000 CRORE

BSNL, MTNL yet to clear AGR dues of over Rs 10,000 crore State-run telecom firms BSNL and MTNL NSE 0.00 % have not cleared their adjusted gross revenue (AGR) dues of over Rs 10,000 crore as calculated by the Department of Telecom, according to an official source.

Read more at: <https://cutt.ly/jvhJX2N>

DOT'S SHOW-CAUSE NOTICE TO VIL OVER NON-PAYMENT OF LICENSE FEE IN 7 CIRCLES FOR Q4 FY21

The telecom department has issued a show-cause notice to Vodafone Idea NSE 1.14 % Ltd (VIL) over non-payment of the license fee for the fourth quarter of FY2020-21, with regard to some circles, sources said. The show-cause notice dated April 7, 2021 states that the company has not paid the Q4 FY21 license fee (by March 25) for circles of Bihar, Gujarat, Jammu and Kashmir, Kerala, Maharashtra, Uttar Pradesh (East), Orissa, as well as national long distance.

Read more at: <https://cutt.ly/1vhJOVW>

TRANSPORTATION

TRANSPORTERS STARE AT \$2.4 BILLION LOSS IN APRIL ON ACCOUNT OF LOCKDOWNS

The fresh wave of Covid-19 cases sweeping the country and the resultant lockdown measures implemented by several states have already started hurting transporters. The trade is estimated to suffer \$2.4 billion (Rs 17,800 crore) of revenue loss in April alone, according to leading transporters. This could also affect GDP growth, which is projected at 10.5% by the central bank for this fiscal year.

Read more at: <https://cutt.ly/6vhJ5KM>

GOVT APPROVES OVER RS 6,100 CRORE-WORTH HIGHWAY PROJECTS

The government on Thursday approved highway projects worth more than Rs 6,176 crore. These projects pertain to seven states and union territories, including Maharashtra, Assam, and Ladakh.

Read more at: <https://cutt.ly/HvhKy5u>

REAL ESTATE AND CONSTRUCTION

RECORD ROAD CONSTRUCTION DRIVES CONSTRUCTION EQUIPMENT MARKET INTO THE GREEN, INDUSTRY EYES RECORD OUTPUT IN FY-22

Led by record road construction in FY-21, the construction equipment market bounced back in a V-shaped recovery posting 7% growth over the previous year. With the center's sustained investment in infrastructure, the industry is anticipating record output in FY-22 and could breach the 1 lakh unit sales mark.

Read more at: <https://cutt.ly/vvhKkFB>

FRACTIONAL REAL ESTATE INVESTMENT PLATFORM HBITS TO RAISE RS 500 CRORE BY DEC

Fractional real estate investment platform hBits has exited from its first asset giving its 21 investors an IRR of 17.54 percent, Shiv Parekh, founder of hBits told ET.

The company has sold the 5,900 sq. ft. of prime office space in Mumbai at Rs 8 crore. The company is in talks to acquire another 35,000 sq. ft. in Mumbai with an investment of Rs 45 crore.

Read more at: <https://cutt.ly/cvhKY2r>

AUTOMOBILE SECTOR

HERO ELECTRIC TO INVEST RS 700 CRORE IN PLANT CAPACITY

KOLKATA: Anticipating exponential growth in electric two-wheeler is poised to infuse Rs 700 crore over the next three-four years to increase its plant capacity from 75000 units to 10 lakhs units .in the first phase the capacity will be hiked to 3 lakh units.

Read more at: <https://cutt.ly/nvhKDbT>

AUTO SALES DECLINE ACROSS CATEGORIES IN FY21

Agencies Sales of cars, utility vehicles, and vans in the local market declined by around two percent the last fiscal with the covid induced nationwide lockdown impacting adversely a sector, which has already been seeing a structural slowdown the past few years.

Read more at: <https://cutt.ly/7vhKJV9>

BANKING SECTOR

SBI CARD SEES OVER 50% TRANSACTION FROM ONLINE PAYMENTS: CEO

SBI Card sees over 50% of the transaction from online payments: CEO SBI Cards and Payment Services (SBI Card) has been seeing over 50 percent of its transactions via online payments such as on groceries, utility bills, insurance premium, and hopes the trend to go up further as point of sale purchases are yet to pick up, a top company executive said.

Read more at: <https://cutt.ly/evhKBCK>

SYSTEMIC RISK IN INDIAN BANKS TO REMAIN HIGH: S&P

S&P Global Ratings on Monday said systemic risk in Indian banks is likely to remain high in the wake of the second wave of COVID-19 and a high proportion of weak loans. S&P estimates the weak loans in banks at 11-12 percent of gross loans.

Read more at: <https://cutt.ly/FvhK9TW>

HEALTHCARE SECTOR

NIIF INVESTS RS 2,100 CRORE IN MANIPAL HOSPITALS

India's quasi-sovereign wealth fund -National Investment and Infrastructure Fund Limited (NIIFL) has invested Rs 2,100 crore in Manipal hospitals, one of India's largest multi-specialty healthcare providers.

Read more at: <https://cutt.ly/fvhK5WG>

THE HEALTHCARE SECTOR URGENTLY NEEDS A GST FIX

The GST was one of the most audacious tax reforms that were launched at midnight of July 1st, 2017 from the central hall of the Parliament. It subsumed a plethora of indirect taxes including excise duty, sales tax, luxury tax, octroi, and myriad other taxes and duties levied by various states into a single levy, thereby simplifying the tax structure and removing the cascading effect of 'tax on tax'.

Read more at: <https://cutt.ly/avhLtXR>

MULTINATIONAL CORPORATION

LIC SHUNS MNC BANKS AS CUSTODIANS

MUMBAI: India's largest insurer, the state-owned Life Insurance Corporation of India (LIC), has virtually shut the doors to MNC banks as it prepares to move its huge holding of equity and corporate bonds to a new custodian.

Read more at: <https://cutt.ly/nvhLaHE>

HIGH TAX TAKES SHEEN OFF GENEROUS MNC DIVIDENDS

Mumbai: Since Chandrakant Sampat began buying into top MNCs five decades ago after they had begun to list locally, the rich and the astute in Mumbai followed the late value-investing pioneer to multiply their wealth, helping these stocks establish their credentials as all-weather wealth creators.

Read more at: <https://cutt.ly/KvhLh4x>

Industry Analysis of Healthcare Sector in India

WORKING TOWARDS BUILDING A HEALTHIER INDIA

The Healthcare industry in India comprises of hospitals, medical devices, clinical trials, outsourcing, telemedicine, medical tourism, health insurance and medical equipment. The industry is growing at a tremendous pace owing to its strengthening coverage, services and increasing expenditure by public as well as private players. Growing incidence of lifestyle diseases, rising demand for affordable healthcare delivery systems due to the increasing healthcare costs, technological advancements, the emergence of telemedicine, rapid health insurance penetration and government initiatives like e-health together with tax benefits and incentives are driving healthcare market in India.

India is among the countries with the lowest public healthcare budget in the world. The public healthcare system in the country, including that of the state and central government is close to 1.3% of GDP compared with the OECD countries average of 7.6% and other BRICS countries' average of 3.6%. While the total per capita government spending on healthcare has nearly doubled from Rs 1,008 per person in FY15 to Rs 1,944 in FY20, which comes to 15% CAGR, it is still considered low.

HERE ARE SOME OF THE HITS AND MISSES FROM THE BUDGET 2021 ON THE HEALTHCARE SECTOR

THE MISSES

- 1.The reduction in GST on active pharmaceutical ingredients (API) from 18% to 12% , to reverse the inverted duty structure, was expected. It was surely one of the misses.
- 2.The reduction of import duty on medical devices would have reduced the cost of healthcare services for citizens. However, there was no announcement on the same.
- 3.This budget could have brought much-needed relief to the citizens by providing rebates on medical insurance premiums and boosted pharma companies by incentivizing research and development (R&D) spends However, there were again no measures there.

THE HITS

1. This budget 2021 increased the spending on healthcare by 137 %. The increased spends on the healthcare sector through PM Atmanirbhar Swasth Bharat Yojana will improve infrastructure, and is in line with industry expectations of 2.5%-3% of the GDP, and also the GDP National Health Policy 2017 target of 2.5% by 2025.
2. India will spend Rs 2.23 lakh crore on healthcare. An amount of Rs 35,000 crore will be spent on Covid-19 vaccines as part of the Rs 2.23 lakh crore spending. The finance minister also hinted on two new vaccines arriving soon. The new scheme called Pradhan Mantri Atmanirbhar Swasth Bharat Yojana with an outlay of INR 64,180 crore will be running alongside the National Health Mission. Over the next six years, the new scheme will develop primary, secondary and tertiary healthcare system, strengthen the national institution and create new institutions for new emerging diseases. The commitment to increase healthcare outlay beyond Covid vaccine spends and no cess or additional taxes to fund the vaccine drive is an extremely positive one for the public healthcare and the economy. This will improve access to better healthcare facilities in the long run.
3. To boost the primary healthcare system, around 17,000 rural and 11,000 urban health and wellness centers will be set up. Integrated public health laboratories will be set up in districts, apart from 3,382 block public health units in 11 states.

There have also been suggestions around setting bio-safety laboratories and mobile hospitals locally. Further, increasing allocation for the PLI scheme would attract more capital investment in the pharma sector, which is in line with the Atmanirbhar Bharat campaign to be self-reliant as an economy.

1. RAPID CHANGE THROUGH TELEHEALTH

Telehealth has been evolving over the past few years and rightly so as it can aid urgent care facilities to a great extent. At a time of emergency, telehealth can follow up and treat a number of patients at a distance. Telehealth is extremely efficient in saving the time and stress of both the physician and the patients.

2. DIGITAL HEALTH TO THE RESCUE

Digital health is gradually occupying a significant position in our daily lives, making it a worthy tool in medical device and healthcare technology trends for 2021.

3. IMPROVEMENT IN DATA SCIENCE AND PREDICTIVE ANALYTICS

Compressing all the data generated from patients suffering from chronic ailments can be challenging.

4. IMPACT OF ARTIFICIAL INTELLIGENCE

Healthcare is significantly impacted by this revolution. There is no doubt that AI will rule future trends in healthcare since it has improved diagnostic precision through automatic assistance in the workforce, clinical operation optimization, quantitative imaging, etc.

5. 5G NETWORK

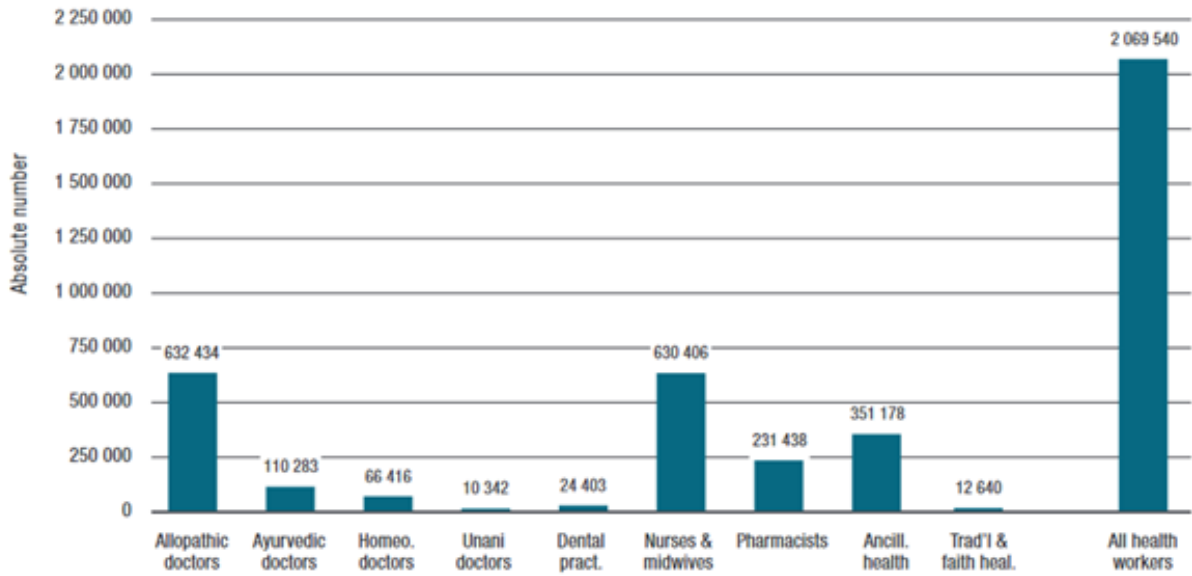
The quality and speed of the network are imperative for health care centers to provide facilities in remote areas through telehealth.

6. AUGMENTED, AND MIXED REALITY

Virtual reality and Augmented reality have advanced healthcare technologies significantly. AR and VR have a lot of potentials to offer in the healthcare industry.

Source: <https://www.cognihab.com/blog/healthcare-technology-trends/>

Figure 2.1.1. Health workers by category: absolute number



Invest in IPOs

LODHA DEVELOPERS (APRIL 7-9, 2021)

Price Range	Minimum Quantity	Minimum Investment
₹483-486	30	₹14,580.00

Stock Market – Gainers & Losers

TOP GAINERS / LOSERS AS ON APRIL 14, 2021

TOP GAINERS

Company Name	Last Price	% Change
TCS	3218.95	3.67
VEDANTA	225.40	3.25
ONGC	105.00	2.89
ICICI BANK	575.50	2.69
TATA STEEL	897.85	2.15
HDFC BANK	14330.15	2.13
HDFC	2543	1.22
AXIS BANK	668	1.14
HCL TECH	991.40	0.97
SUN PHARMA INDS	632.95	0.88

TOP LOSERS

Company Name	Last Price	% Change
THE RAMCO CEMENTS	1005.85	-4.84
INDIAN CEMENTS	103.05	-4.54
INDIAN HOTEL	100.25	-4.43
INDIABULLS HOUSING	164.90	-3.99
GRASIM INDUSTRIES	1340.35	-3.73
CENTRAL BANK OF INDIA	17.40	-3.60
RELIANCE CAPITAL	9.95	-3.49
BANK OF INDIA	69.10	-3.42
APOLLO TYRES	69.10	-3.34
EICHER MOTORS	2411.65	-3.32

About Prometheus Finance Club

Prometheus - Finance Club of Alliance University is a student-driven initiative collaborating both academia and inputs from experts from various corporate sectors to impart financial knowledge, enable students to improve their analytical skills, and engage in activities that add value. Students are encouraged to plan and organize events on various topics like wealth creation through investments, virtual trading, financial modeling, career opportunities in finance sectors, current economic scenarios, etc. The club organizes workshops, guest lectures, quizzes, training programs for students to understand the nuances of finance. To add more value, few initiatives are proposed like publishing newsletters, a glossary of financial jargons to equip the student community to the finance world.

About Prometheus Finsights Newsletter

Prometheus Finsights is a fortnightly Newsletter issued by the Prometheus Finance Club during the first and third week of every month. The Newsletter will cover the current issues and news in Finance which includes RBI insights, SEBI notifications, Stock market movements, Bank rates & exchange rates, Industry analysis, and a lot more. Do read our Newsletter for all finance updates.

Disclaimer: This Newsletter is for internal circulation among Alliance University Community ONLY.

Design & Creative: Department of Student Services, Alliance University