THE BOTTOM LINE

ARYABHATTA COLLEGE, DEPARTMENT OF MANAGEMENT STUDIES, PRESENTS

An Initiative To Integrate And Bring Forth An Articulate Insight To The Spirit Of Department Of Management Studies.

VOL. 5
2023

PRINCIPAL'S DESK

At Aryabhatta, we strive to provide comprehensive development and opportunities to our students, enabling them to uncover their true potential and excel in all their endeavors. Our focus is on creating a welcoming environment that fosters personal growth and skills development so that our students can become thoughtful individuals who are eager to contribute to society and the nation. As future leaders, we encourage our students to give back to the community with the same passion they receive from it, making positive contributions to people and organizations alike by leveraging their leadership skills.

I am delighted to serve as a mentor as we launch the fifth issue of "The Bottom Line", an academically rich newsletter from the Department of Management Studies, produced by the Management Society- SANKALP. This newsletter showcases the vision, drive, hard work, and dedication of our students, who have successfully navigated the challenges of the pandemic by harnessing the power of technology and executing multiple innovative ideas. I am proud of the strides our department has made, and I wish them success in all their future endeavors.

ACKNOWLEDGEMENT

We would like to extend our sincerest gratitude and appreciation to everyone who contributed to The Bottom Line.

We would present our gratitude to our faculty members who provided their invaluable insights, expertise, and guidance throughout the production process.

We would also like to express our heartfelt thanks to our students who worked tirelessly to gather information, write articles, and design the layout. Their enthusiasm and creativity have truly brought the newsletter to life.

Our sincere appreciation goes out to all the guest speakers who graciously shared their expertise and insights with our students. Their valuable contributions have broadened our students' horizons and provided them with a glimpse of the latest technological advancements and industry developments. This, in turn, has enabled our students to connect the theoretical knowledge they gain in the classroom with real-world applications employed in organizations.

We would also like to thank our readers for their continued support and interest in the BMS Department Newsletter. We hope that you find it informative and engaging, and we look forward to bringing you more insightful content in the future.

TEAM'S MESSAGE

The ability to harness individual achievements toward the attainment of organizational objectives is the very essence of effective leadership. It is the driving force that empowers ordinary individuals to achieve extraordinary results. Throughout the annals of human history, it has been demonstrated time and again that the most successful individuals are those who have learned to work collaboratively and to improvise most effectively.

Under the guidance and tutelage of our esteemed faculty members, we, the students of BMS, are an enthusiastic and dynamic group of individuals who aspire to excellence in all facets of our academic and professional lives. We perceive a world full of opportunities that are ripe for the taking, and we work tirelessly to achieve our goals while also lending our support to our peers.

In this day and age, we are blessed to live in a world that is overflowing with endless possibilities, and every one of us possesses the capacity and the ability to rise to the occasion and lead the way for the rest of the world. Consistency and persistence are the hallmarks of a strong team, and we are grateful to be a part of a team that exhibits these qualities in abundance.

As we embark on our journey to establish a culture of professionalism and management, we are delighted to announce the launch of the 5th edition of our annual newsletter, 'The Bottom Line' 5th Edition.

CONTENT

IN - FOCUS

FEATURED

THE BOTTOM LINE

Department of Management Studies, Aryabhatta College has come up with its fifth edition of the newsletter- The Bottom Line (2023).

The Department aims academic progression, skill development, inculcating research value, and bringing out the hidden talent of students as well as faculty members through such activities. The newsletter provides readers with an insight into the potential and talents of the students by presenting a range of in-depth and engaging articles.

The publication also showcases the aesthetic and creative sensibility of the students. The newsletter comprises several sections, including the Bottom Line, which covers various aspects of the business world, placement records, adventure treks research paper abstracts, and a summary of events and webinars held throughout the year. By reading these pages, the stakeholders can gain a bird's eye view of the department's activities.

In summary, a newsletter is an excellent tool for showcasing the department's achievements and providing insight into the potential and talents of its students. It serves as a reflection of the hard work and dedication of the students and faculty and keeps the stakeholders informed and engaged.

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THE 1MDB FIASCO: A FINANCIAL DISASTER UNVEILED
- KARTIKAY SHARMA

About 1Malaysia Development Berhad

1MDB previously known as Terengganu investment authority (TIA) was formed by the former government official Ahmed Said in 2008. In 2008, TIA was a sovereign wealth fund with an initial investment of $3.25 billion. Royalty revenue and both domestic and overseas financial markets served as its foundation. Later the minister of finance 2009 took over TIA and named it 1Malaysia Development Berhad. Najib wants TIA to reach a broader range of Malaysians rather than just one resident state.

Transaction made by 1MDB

Every time 1MDB made an investment, money was stolen, and around $1.05 billion ended up in Malaysian Prime Minister Najib Razak's account. The funds were raised on three different occasions and followed three different paths, sometimes flowing directly and other times splitting and traveling in other directions before coming together in Mr. Najib's bank. When asked about all of the transfers, he only acknowledged that $681 million was a legal donation from the Prince of Saudi Arabia and that he had returned most of the money but the money went to an offshore company and was used by Jho Low.

Transaction 1 Saudi Arabian oil venture money

Petro Saudi Holdings 1MDB wants to form a joint venture (60:40) with Petro Saudi Holdings Limited and transferred $1 billion into two different accounts; the first $300 million went into a joint venture account and the remaining $700 million went into another company account that was good star limit a Petro Saudi subsidiary, but the Board of 1MDB did not approve it. The Saudi prince Turki Bin Abdullah, a co-founder of Petro, collected $24.5 million from the good celebrity and transferred $20 million to Mr. Najib through a middleman.

Transaction 2 power plant money

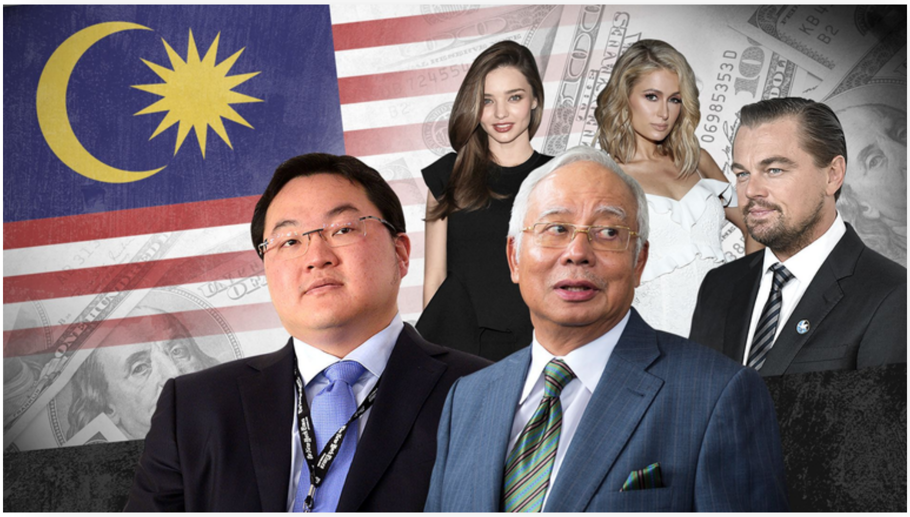
To finance the purchase of a power plant, Goldman Sachs assisted 1MDB in raising a total of 3.5 billion dollars in two Bonds. Aabar Investment PJS, a division of Abu Dhabi's international petroleum investment business, was to receive payment from 1MDB in exchange for a guarantee on the bond. Instead, they pay the money to a similarly named Aabar Investment PJs Limited British Virgin Island registered company. Around 1.37 billion dollars were transferred to this company and about dollars, 637 million went to a company Blackstone Asia real estate, and a total of dollars 170 million was transferred to Mr. Najib’s Bank account in 2012.

Transaction 3 the Abu Dhabi real estate money

Again, Goldman Sachs health 1MDB to raise $3 billion in bonds to support a real estate joint venture with Abu Dhabi after this much money was delivered as large fees to Goldman Sachs, and about half of the funds wound up in a British Virgin Islands business Tanore Financial Corp. Tanore transfer dollars 618 million to Mr. Najib account. The three bond sales were Project Magnolia, Project Maximus, and Project Catalyze.

1MDB wants to purchase a Malaysian energy company, Tanjong Energy Holdings Berhad. This financing transaction was known as "Project Magnolia," which ultimately closed in May 2012, earning approximately $193 million for Goldman Sachs. Near the closing of this project, Leissner with Low and Ng diverted some of the bond proceeds into the shell company owned by Low. Project Magnolia raise approximately $1.75 billion for 1MDB.
The second bond transaction was known as Project Maximus. It was designed, in part, to raise capital for 1MDB to purchase a second Malaysian power generation company, Genting Berhad. And raised approximately $1.75 billion for 1MDB and approximately $188 million for Goldman Sachs.

The third bond deal was Project Catalyze to raise an additional $3 billion through bond issuance. The stated purpose was to form a joint venture with the Middle Eastern investment firm. This earned Goldman approximately $186 million.



Key Players

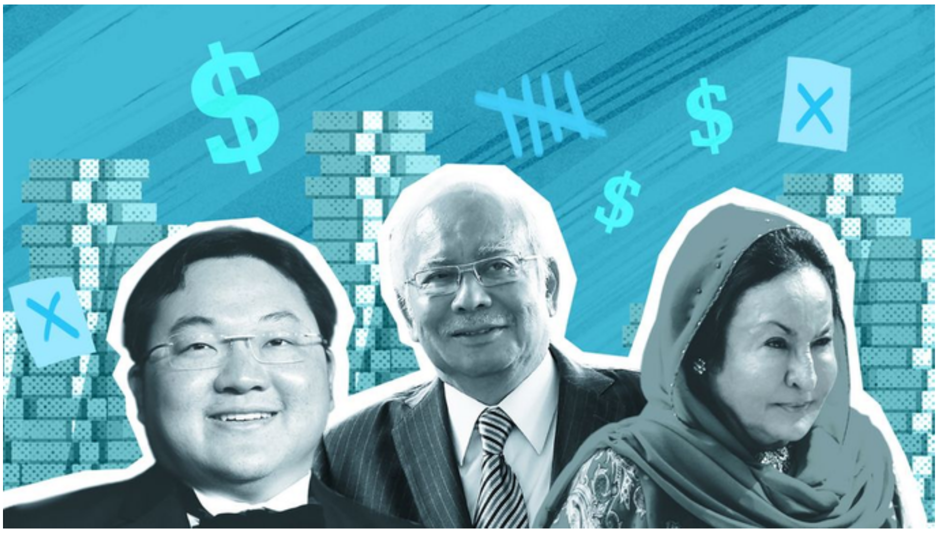
Najib Razak was the 6th Prime Minister of Malaysia. His tenure was marked by economic liberalization measures. In 2015, Najib was found involved in the 1MDB scandal. A member of his own party, Anina Saadudin, filed a civil suit against him alleging a breach of duties as trusty and that he defrauded party members by failing to disclose receipt of the donated fund and account for their use. This led many people to gather in the Malaysian capital Kuala Lumpur and led rallies chanting "Tangkap MO1, Tangkap" where MO1 means Malaysian official 1 they were indirectly pointing to Najib Razak.

On 13 July 2018, Najib was arrested by the Malaysian anti-corruption Commission investigating that dollars 10.6 million went from SRC International Company to 1MDB, into his account. After many trials finally, on 28 July 2020 he was found guilty on all 7 counts of abuse of power, money laundering, and criminal trust and became the first Prime Minister of Malaysia to be convicted of corruption with a sentence of imprisonment and a fine of 48 million dollars.

Jho Taek Low is a Malaysian businessman. Low was the mastermind behind the 1MDB and was involved in several transactions that led money to his and Najib's account. He uses offshore shell companies that resemble well-established companies such as Aabar Investment PJS Ltd and Blackstone Asia real estate named after Blackstone Inc.
On 1 November 2018, Low and along with the two ex-Goldman Sachs bankers, Tim Leissner and Roger Ng were charged with 13 money laundering and criminal breach of trust offenses involving the loss of funds totaling 1.7 billion dollars.

Tim Leissner, a German-born investment banker and a former MD at Goldman Sachs. He helped 1MDB in raising 6.5 billion dollars in 3 bond sales between 2012 and 2013. His work has earned the bank 600 million in fees and had a large bonus for himself. In 2018 he pled guilty to charges that he stole 200 million dollars from the 1MDB scandal and that he broke the foreigner corrupt practice act (FCPA) by paying bribes to corrupt Malaysian and Emirati officials to raise money for the scandal.

Roger Ng, a former executive at Goldman Sachs who was involved in the bank's dealings with 1MDB, Ng was responsible for managing Goldman Sachs' relationship with 1MDB and played a key role in arranging bond offerings that raised billions of dollars for the sovereign wealth fund. However, it was alleged that these bond offerings were used as a cover for a massive fraud that involved the diversion of funds from 1MDB to shell companies controlled by Jho Low and his associates.



How was the scandal uncovered?
The alleged embezzlement of 1MDB money between 2009 and 2012 went unchallenged until 2015. That year, British journalist Clare Rewcastle-Brown, who ran the website Sarawak Report, was handed 227,000 leaked documents detailing the depth of fraud.
The Malaysian anti-corruption agency (MACC) began investigating and was about to issue a warrant for the prime minister’s arrest when Najib acted. Najib fired the attorney general, Abdul Gani, who had been leading the investigation, dismiss deputy prime minister and 1MDB critic Muhyiddin Yassin, and four other ministers who had raised the scandal. The MACC offices were raided and four officials were arrested.

In August 2021, Ng pleaded guilty in the United States to one count of conspiracy to violate the FCPA. As part of his plea deal, he agreed to cooperate with ongoing investigations into the 1MDB scandal and forfeit $43.7 million in assets that were allegedly obtained through the fraud.

BRAND CONSUMPTION
- ANSHIKHA JAIN

2

Do I even have to define branding?

Reading hundreds of meanings of the same word has become tiring. Each person adds a new dimension to this word, giving it a new meaning. Although, at the heart of branding remains one thing: branding will always be about the right communication. No matter the thousand different widths and breadths it develops, this much is surely true. But for the sake of an introduction, this definition of branding by Mr. Amitava Chattopadhyay, a marketing professor from INSEAD comes barren without any glitter: "Branding is to communicate your key value proposition to the key customer segment, and do so in an integrated and consistent way." But this definition does not resonate with the branding of past decades when products did not influence people as much when choices were not in abundance.

A simple trademark was sufficient to make customers loyal. That the product was used by our grandparents was all the quality assurance we needed. Slowly but surely we have let branding consume us. Today, branding has become the backbone on which companies rely to differentiate themselves, to even survive. Conley asserts that companies utilizing branding techniques are "banking on illusion, not innovation, to stay alive". Besides small innovations, there are a few market-destructive innovations that are happening. However, one cannot blame companies for this. The world has been alive for approximately 4.5 billion years. This warrants an excuse for companies to not be able to come up with shattering inventions, such as the conveyor belt, every year. So in this global market of increasing competition, what should one do rather than take a rock, paint it, and call it a paperweight? For example, let us take a product as simple as a bandaid. When band-aids were introduced, they came as an alternative to the hassles that were created by cotton and tape for minute injuries. This is to say that they served a better functional purpose. Then came waterproof bandaids. One can say that this development followed a sound trajectory, although I do prefer the former. But now we see bandaids coming in so many designs that serve no other purpose than to make the customer look different and ask for reasonable attention. So essentially, the customer is paying a premium price to tattoo an injury, to feel different. Jonathan Bond and Richard Kirshenbaum of Kirshenbaum/Bond believe that "Consumers are like roaches. We spray them with marketing and for a time, it works. Then, inevitably, they develop immunity, a resistance." However, one strategy that we have yet to see fade is 'creating your individuality through different brands'. Consumers imagine themselves looking a certain way, and having a certain lifestyle. More often than not, such expectations arise from branded products, and not experiences. And companies are smart enough to keep pushing this strategy. Brands are trying to provide a lifestyle package to customers, while at the same time having these customers selling this lifestyle to others unknowingly.

So, an important question arises: Do people make the brand, or does the brand make the people? Is the branding used by companies the only way we as individuals start to see each other? Where does, in fact, branding end and we start?

3 ROLE OF STARTUPS IN INDIA'S ECONOMIC DEVELOPMENT - KARTIKEY GUPTA

The development of the Indian economy *is crucial for the advancement of the country because it is a growing one with a diversified economy. Agriculture provides a living for around half of the employees in India.*

A start-up technically refers to any business focused on the development, marketing, and production of novel goods, solutions, or processes that are powered by innovative technology or intellectual property.

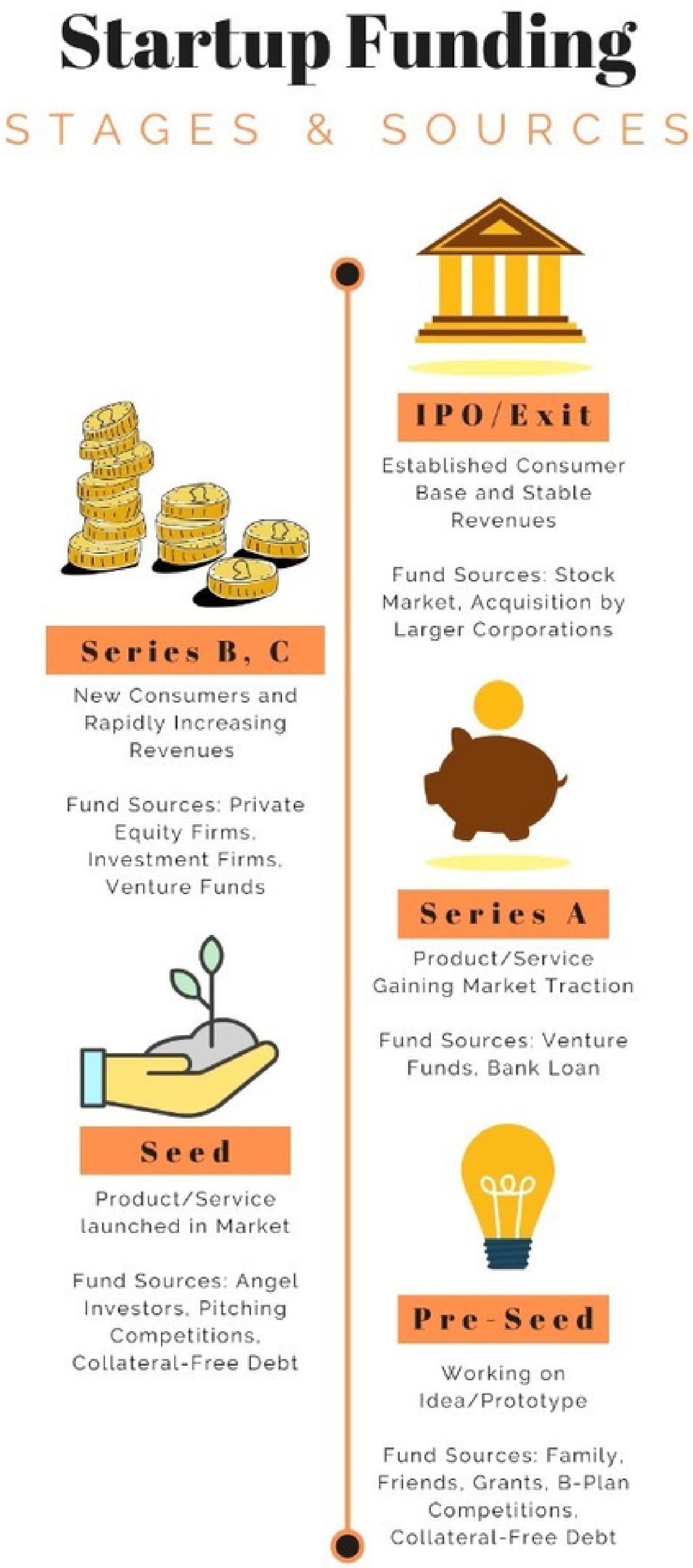
The Indian startup environment has expanded quickly over the past 20 years, and greater assistance is now accessible in all areas. Startups do not live in a vacuum; rather, they are part of a larger corporate ecosystem that is committed to developing solutions with a significant social and economic effect. The fact that start-ups are hubs for cutting-edge inventions means that they provide jobs, which indicates more career prospects; more employment leads to a stronger economy, and a stronger economy has a direct impact on the growth of cities where startups are located.

Hence, the Government of India has implemented several initiatives to support the start-up culture in India and develop the Indian economy. For instance, in August 2015, Prime Minister Narendra Modi unveiled the "Standup India" campaign. The overall objective is to assist new enterprises with bank funding, ignite the entrepreneurial spirit of young Indians, provide frameworks for fostering startups, and position India as the finest location for digital businesses.

According to a survey by StrideOne, the ecosystem in India, which includes more than 60,000 registered companies, has the potential to add 4-5% to the GDP of the nation over the next three to five years.

After the US and China, India has the third-largest startup ecosystem in the world, according to Economic Survey 2021–22, with about 61,400 registered startups.

This increase in companies has made India the third-largest startup ecosystem in the world and greatly influenced the Indian economy, demonstrating the capacity to contribute around 4-5% to India's GDP.



- ***Advantages of Democratizing Technology***

*Several firms show how their advantages may reach even the most distant clients while simultaneously advancing innovation and technology. With their solutions, fintech entrepreneurs are now going out to rural regions and making financial services simple to draw in tier 2 and tier 3 cities. One answer to all rural issues is Hesa, a Fintech and Agritech business that uses technology and labor to bridge the rural-urban gap. It successfully manages supply chains, facilitates financial transactions, and raises awareness of rural farmers' products. Similar to this, EV technology is used by e-commerce businesses like Zypp to make last-mile deliveries sustainable and emission-free. These creative b**usinesses have made it absolute for regional business owners operating in remote regions to promote and sell their goods.***

Conclusion

Indian regulations which posture the growth of startups do not inheritance and date substantial financial incentive or investments as a prerequisite. Yet, they do require support at all phases of development, including company planning, community building, and establishing connections with knowledgeable business mentors. This support comes from successful entrepreneurs and strategic angels. Creating the state ecosystem by developing startup policy startup sites and hotlines in every state is of utmost, particularly given India's sizeable and diverse population, including many skills for individuals seeking employment opportunities. It is even more critical to establish incubation facilities, co-working areas, and business cells, and to foster an entrepreneurial attitude in each student from an early age.

ALGO TRADING
- KARTIKEY GUPTA

4

Introduction

Algorithmic trading, often known as algo-trading or automated trading, is a trading method that uses advanced and complicated mathematical models and algorithms to make high-speed financial market judgments and transactions. Investment banks, pension funds, mutual funds, and other institutional traders frequently utilize algorithmic trading to break big bets into multiple smaller deals to manage market effect and risk. By allowing enormous numbers of orders to be executed with minimum market effect, algorithms have advanced market efficiency and liquidity.

Timing, pricing, quantity, or any mathematical model is used to define sets of instructions. Apart from profit prospects, algo-trading makes markets more liquid and trading more methodical by removing the influence of human emotions on trading activity.

How Does Algorithmic Trading Work?

Algorithmic trading allows investors to make more deals in a shorter period while avoiding the influence of human emotions and trading blunders. Use the following example to understand better what algo-trading is. For algorithmic trading, an investor can supply the following set of instructions:

Instruction 1:
Buy 100 shares of XYZ company if it exceeds Rs 450 before 2 PM.
If the share price rises over Rs 450, the algorithmic trading order will automatically place an order for 100 shares of XYZ business. The automated trading program, on the other hand, will only execute the order if the target price is reached before 2 PM. The instructions are null and invalid after 2 p.m.

Instruction 2:
If the 20-day moving average of QPR falls below the 200-day moving average before the market closes, sell 100 shares. In this scenario, the algorithmic trading program will sell 100 shares of The firm if its 20-day moving average goes below the 200-day moving average before the market closes. If not, the order is not carried out. The given instructions must be completed just once for algorithmic trading to execute orders.

In the instance of Instruction 1, for example, if the price rises over Rs 450 for even a few seconds, the algorithmic trading program will place a purchase order. It's possible that the price would go below Rs 450 again after those few seconds. Nevertheless, the order would have already been made at the market price or any price selected by the investor that was more than Rs 450.

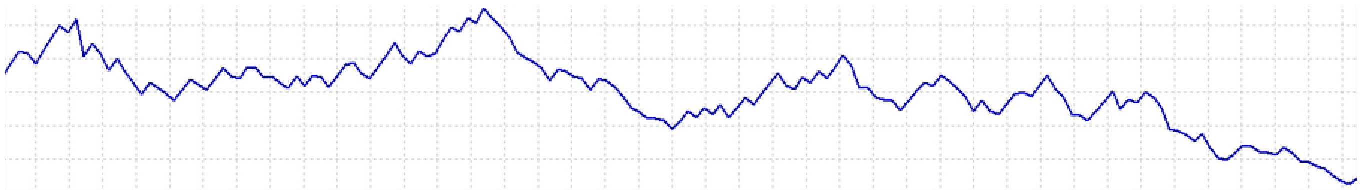
Strategies of Algo Trading

Index Fund Rebalancing: *Index funds rebalance their portfolios regularly to match the current market price of the underlying asset. In this approach, they provide opportunities for algo traders to capitalize on projected transactions and benefit from the 20-80 basis point differential. These trades prompted by index fund rebalancing are mostly executed via algorithmic trading.*

Trend Following: *The most prevalent kind of algorithmic trading among algo traders. They employ moving averages, price fluctuations, channel breakouts, and other indicators to create a set of instructions for the algorithmic trading program. When the desired trend is reached, the program executes the investor's order.*

Arbitrage: *Arbitrage is the practice of purchasing a lower-priced stock in one market and concurrently selling it in another market where the stock price is higher, profiting from the price difference. Investors utilize data to discover equities trading at different prices and then employ algorithmic trading to execute buy and sell orders in both markets.*

Mathematical Model: *Investors employ established mathematical models to trade on the same underlying asset's stock and derivative at the same time. They utilize algorithmic trading to discover such assets and execute orders among multiple asset classes depending on price movements because it might be a complex collection of operations.*



Mean Reversion: *This method encourages an asset's brief highs and lows, and if given enough time, the asset price will always revert to its mean value (average price). The investors utilize algo trading to establish the asset's price range and guarantee that the asset is bought/sold automatically if it moves within or outside of the preset range.*

Volume-Weighted Average Price: *Investors want their orders to be executed as close to the volume-weighted average price as feasible. Algorithmic trading enables investors to divide large order volumes into dynamically smaller parts while ensuring that closing price targets are met.*

Time Weighted Average Price: *This method also divides large order quantities into dynamically smaller parts. Investors, on the other hand, employ time windows between the start and finish times to implement the plan through algorithmic trading. The goal is to minimize the market effect by executing an order as near to the average price between the start and finish time as feasible.*

Implementation Shortfall: *The implementation deficit technique tries to reduce an order's execution cost by trading off the real-time market, saving money on the order, and profiting from the opportunity cost of delayed execution. The technique will raise the desired participation rate when the stock price rises and lower it when the stock price falls.*

In conclusion, algo trading is the technique of automatically executing transactions using pre-programmed computer algorithms. It has grown in popularity in recent years because it lets traders execute deals swiftly and effectively, as well as capitalize on chances that human traders may overlook. While it offers several benefits, it is critical to be aware of the dangers connected with algo trading and to proceed with prudence.

5

UPI: INDIA'S FINANCIAL REVOLUTION - HARSHITA DHAMIJA

UNIFIED PAYMENTS INTERFACE

Unified Payments Interface (UPI) *has become a major buzzword in the Indian fintech space since its inception in 2016. UPI is a real-time payment system that allows individuals to transfer funds between bank accounts instantly, without the need for sharing bank details or personal information. It has changed the way people in India transact, particularly in a country where a large percentage of the population is unbanked. In this article, we will look at the various aspects of UPI and its impact on the Indian economy.*

Demonetization

The Indian government's demonetization move in 2016 was a significant turning point in the Indian payment ecosystem. Overnight, the government declared the 500 and 1,000 rupee notes as illegal tender, causing chaos across the country. It was a move aimed at curbing black money and promoting digital transactions. UPI was launched shortly after demonetization, and it proved to be a game-changer in the Indian payments landscape. UPI made it easier for people to adopt digital transactions and played a significant role in reducing the country's dependence on cash.

COVID effect

The COVID-19 pandemic has accelerated the shift towards digital transactions in India. With social distancing becoming the new norm, people are avoiding cash transactions and opting for digital payment methods. This has resulted in a surge in UPI transactions, which saw a growth of 100% YoY in 2020, with a transaction volume of over $480 billion. The pandemic has also led to a rise in the number of small businesses that are accepting digital payments, which has boosted the country's digital economy.

UPI Goes Global

UPI's success in India has caught the attention of other countries, and there is growing interest in adopting the payment system in other parts of the world. The National Payment Corporation of India (NPCI) has been working on enabling UPI transactions abroad, which could have significant implications for India's growing e-commerce sector. With UPI, businesses in India can now sell their products and services to customers around the world without having to worry about currency conversion or other payment-related issues.

UPI123PAY

In December 2020, the NPCI introduced UPI123PAY, a new feature that allows users to create a Virtual Payment Address (VPA) using their mobile number. With UPI123PAY, users can make transactions using their mobile number instead of their UPI ID, making it easier to remember and share. The feature has been well received by users and is expected to further boost the adoption of UPI in India. India has about 118 crore mobile phone users. Of this, there are more than 40 crore feature phone mobile subscribers in the country and the Reserve Bank of India is hopeful that UPI123pay will materially improve the options for such users to access UPI.

UPI LITE

UPI LITE is a simplified version of UPI that is designed for feature phone users. The NPCI launched UPI LITE in 2020, to promote financial inclusion in India's rural areas, where feature phones are more common than smartphones. With UPI LITE, users can make transactions using a simple USSD-based interface, without the need for a smartphone or an internet connection. This has made it possible for people in remote areas to participate in the formal economy.

UPI with UPI

In August 2021, the Indian government launched eRUPI, a digital voucher system that allows users to make payments for specific services or products. UPI is integrated with eRUPI, which means that users can now make payments using UPI for services that are covered under eRUPI. This has made it easier for users to make payments for government schemes and other services, without the need for cash or bank transfers.

Future of UPI

UPI's growth trajectory has been impressive, and it is expected to continue in the coming years. The market share of UPI in the Indian payment market is expected to increase from the current 70% to over 80% in the next few. UPI has been a game-changer in the Indian payments landscape, but its potential is far from exhausted. The NPCI has been continuously adding new features and functionalities to UPI to make it even more versatile and user-friendly. For example, UPI 2.0 introduced the ability to make recurring payments, which has been particularly useful for paying utility bills and subscription fees. The NPCI is also working on enabling UPI transactions abroad, which could have significant implications for India's growing e-commerce sector.

In conclusion, UPI has revolutionized the way people in India transact, and it has played a crucial role in promoting financial inclusion in the country. UPI's success has also caught the attention of other countries, and there is growing interested in adopting the payment system in other parts of the world. With new features like UPI123PAY, UPI LITE, and integration with eRUPI, UPI is expected to continue its growth trajectory and capture an even larger market share in the Indian payment market. The COVID-19 pandemic has accelerated the shift toward digital transactions, and UPI's seamless and convenient payment system is well-positioned to take advantage of this trend. With the Indian government's focus on promoting a digital economy, UPI is poised to play a key role in shaping the future of the Indian payment ecosystem.

BANKING CRISIS IN THE UNITED STATES - SAJAL KHANDELWAL

6

The American banking sector is a vast and intricate ecosystem that is essential to the stability and growth of the economy of the nation. Banks are financial organizations that offer a variety of services, such as accepting deposits, lending money, managing investments, and more. In this article, we'll look in more detail at the history, makeup, and present trends of the US banking sector.

The U.S. banking industry's history

Colonial banks started issuing paper money in the early 1700s, which marks the beginning of banking in the United States. However, it wasn't until the first national bank was founded in 1863, that banking started to take on a more contemporary form.

The Federal Reserve System was established in 1913 to provide a flexible and stable monetary system, and it has since experienced numerous significant adjustments and revolutions. To stop the kind of financial speculation that caused the Great Depression, the Glass-Steagall Act, implemented in 1933, separated commercial banking from investment banking activity.

The American banking sector's organizational structure

Commercial banks and investment banks are the two primary divisions of the American banking sector. The most prevalent kind of bank in the United States is a commercial bank, which provides a wide range of financial services to people, businesses, and governments. Checking and savings accounts, loans, credit cards, and other financial services are among these products.

Crises

Following a succession of shocking bank failures in Europe and the US over two weeks at the beginning of March 2023, there has been instability in the global banking industry.

In the wake of Silicon Valley Bank's collapse on March 10, fears about the stability of the global financial system continue, despite several rescue plans for ailing lenders and the assurances of governments and banking regulators. (SVB).

The failure of Credit Suisse over the weekend rekindled concerns of financial sector contagion, despite efforts by US regulators earlier this month to restore trust by insuring deposits at SVB and crypto-focused Signature Bank.

Credit Suisse is a financial behemoth that ranks among the 30 banks thought to be of systemic importance to the world economy, unlike SVB, a mid-tier bank.

According to S&P Global, the Zurich-based bank had assets of around $1.1 trillion in 2021, ranking it as the 45th largest lender in the world. SVB, the 16th-largest bank in the US, had around $209 billion in assets last year as a comparison.

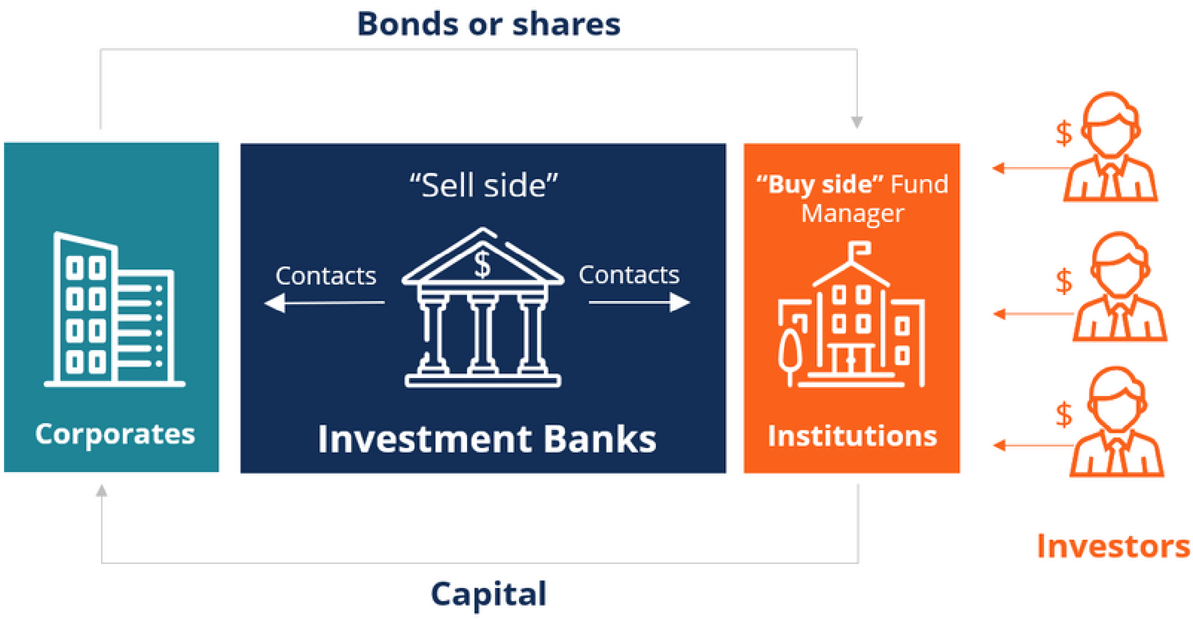
The bank's sale to UBS on Sunday dealt a blow to Switzerland's reputation as a sanctuary of financial stability and caused turbulence in the financial markets, even though Credit Suisse has been plagued by questions about its financial health for years as a result of several scandals.

One of several regional US banks under pressure recently, First Republic saw a nearly 50% decline in share price due to concerns that the San Francisco-based lender might require a second bailout just days after receiving a $30 billion lifeline from major US banks like JPMorgan Chase, Bank of America, and Wells Fargo.

The manner of Credit Suisse's takeover has also caused uneasiness, despite its intent to calm market jitters. "This means if a weak link is exposed, investors become paranoid about sniffing out other weak links to sell down assets or pull liabilities," Jason Chiu of AMTD Group told Al Jazeera. Thorsten Beck, director of the Florence School of Banking and Finance, described the takeover as a "terrible idea, creating an even bigger too-big-to-fail institution".

Although there may be unrest at more financial institutions, most economists consider that to be improbable. Authorities not only acted quickly to contain the effects, but since the previous global financial crisis, financial regulation has also been dramatically tightened. For instance, banks now need to keep a lot more cash on hand to handle a severe downturn than they did in 2007-2008.

7 INVESTMENT BANKING SECTOR IN INDIA - SAJAL KHANDELWAL



Over the past few decades, the investment banking sector in India has experienced tremendous growth as more businesses enter the market and broaden their scope of services. Investment banking plays a crucial role in the financial industry by helping businesses and governments raise funds and carry out mergers and acquisitions. This article will examine the development, difficulties, and prospects of the Indian investment banking sector.

Growth of Investment Banking in India: *Over the past few years, India's investment banking sector has experienced substantial growth. The Indian investment banking market grew at a CAGR of 9.5% from 2016 to 2020, according to a KPMG analysis. There are several reasons for this rise, including the opening up of the Indian economy, the expansion of the middle class, and the rise in the number of public company offerings.*

To entice foreign investment and promote economic growth, the Indian government has put many measures into place. Due to these policies, more international investors are now investing in the Indian market, which has increased the number of mergers and acquisitions and initial public offerings. (IPOs). The advice services, underwriting, and syndication of the securities provided by investment banks have been key in facilitating these transactions.

Challenges in the Investment Banking Industry:

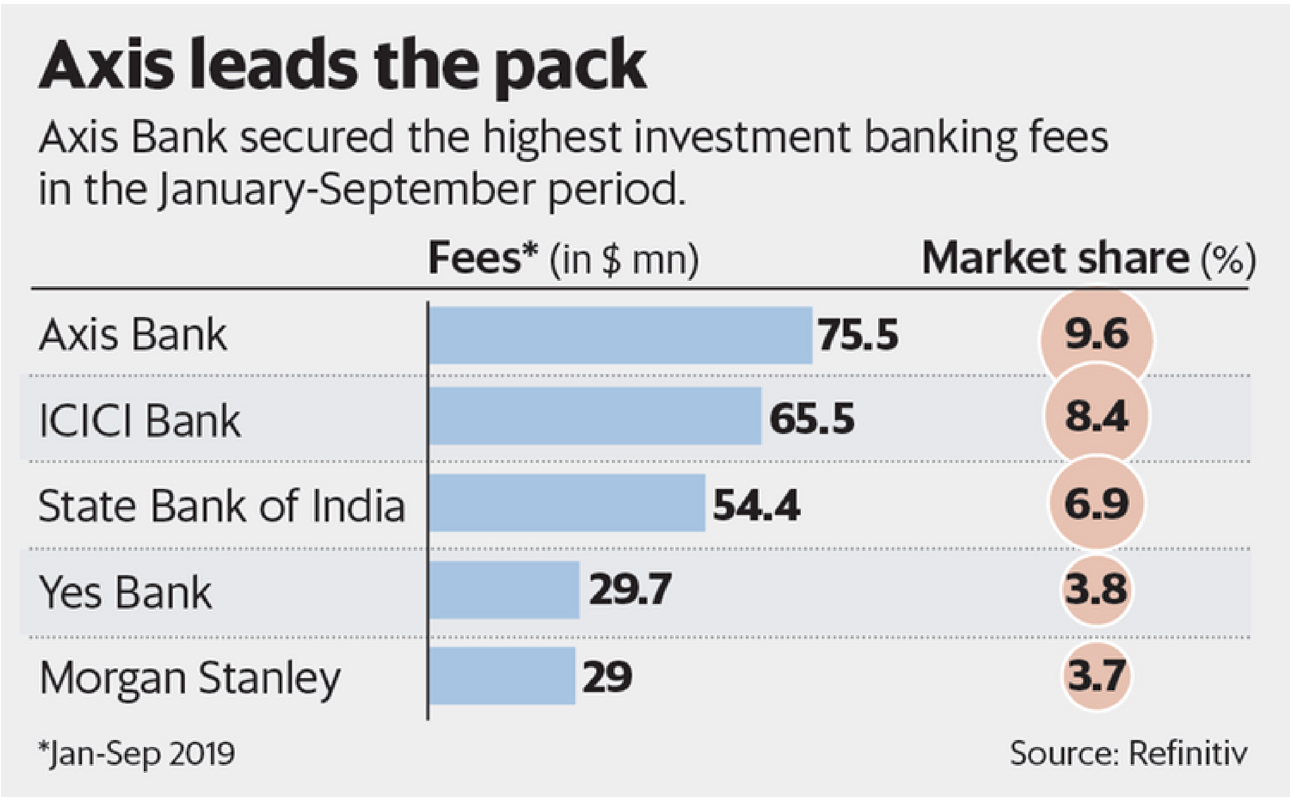
Despite the expansion, India's investment banking sector nevertheless confronts several difficulties. The lack of a developed bond market is one of the main issues. The Indian bond market is still in its infancy, with little liquidity and scant trading activity. This restricts investment banks' ability to lend money to businesses and governments through debt financing.

The lack of qualified workers in the sector is another issue. There is a dearth of qualified individuals in India who possess the specialized knowledge and abilities needed for investment banking. Investment banks now compete fiercely for talent, paying top salaries and providing generous benefits to do so.

Among the challenges facing investment banking are those related to risk management, administration, trading, and fulfillment. After evaluating the effectiveness of other regulations, banks should take these concerns into account and interpret the various rules.

India's main problem is a sharp increase in infrastructure costs. This can be avoided by strategically planning and launching all investment banking products to cover the costs.

Meeting regulatory deadlines is one of the main problems that banks are facing. They have technological challenges they must overcome, which is one of the key causes. There are numerous ways for banks to generate better rates of return. IB must modernize several operating systems and business models to accomplish this and prepare for the future.



PLACEMENTS

In recent years, Aryabhatta College has witnessed remarkable growth in the number of students securing placements at some of the most prestigious companies in the industry. Companies such as Ernst & Young, Punjab National Bank, and Climate Connect have all recognized the talent and potential of our students and have chosen to hire them for their exceptional skills and knowledge. This success is a testament to the quality of education and the commitment of the faculty at Aryabhatta College. We are proud of our students and their achievements, and we will continue to strive towards providing them with the best possible opportunities for their future careers.

CLIMATE CONNECT

EY

PORTRONICS

BAIN & COMPANY

Wingify

HDB FINANCIAL SERVICES

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INTERNSHIPS

We are proud to report the exciting growth in the number of students obtaining internships at some of the most renowned companies in the industry. In recent years, we have witnessed a surge in Arybhatta College students securing internships at Indiadotcom Digital Pvt. Ltd., Max Life, Krayonnz, etc. This is a testament to the hard work and dedication of our students and the exceptional education they have received at our institution. We are committed to providing our students with the resources and opportunities necessary to succeed in their careers and make a positive impact in the world. The Arybhatta College community looks forward to continuing to support and celebrate the achievements of our students in the years to come.

MAX LIFE

Blix

VAHDAM

Krayonnz

INDUSTRIAL VISIT

At Aryabhatta College, we understand the importance of bridging the gap between theoretical knowledge and practical application. That is why we organize industrial visits to big MNCs such as Coca-Cola and MSMEs such as Plastic Udyog. Industry visits allow students to interact with experts, observe the latest technologies, and understand manufacturing and production procedures, which enhances their knowledge, confidence, and competence.

These visits provide practical exposure for students to apply theoretical knowledge to real-world situations and understand the challenges faced by the industry in implementing these concepts, helping them develop a comprehensive understanding of industry operations.

Overall, these industrial visits are an essential part of our curriculum, and we believe they play a crucial role in preparing our students for the industry. We are proud to offer our students this unique opportunity to gain practical exposure to the industry and enhance their expertise and competence.

ADVENTURE TREK

As students of BMS Department of Arybhatta College, we had the incredible opportunity to go on an adventure trek as part of the college's official trip. The trek was an unforgettable experience, filled with stunning natural beauty and thrilling challenges. From hiking through dense forests to crossing raging rivers, every step of the journey was an adventure in itself. As a team, we supported and motivated each other to reach the summit, and the feeling of accomplishment upon reaching our destination was truly indescribable. This trek not only provided us with a break from our daily routine but also helped us develop valuable skills such as teamwork, perseverance, and resilience. Overall, the trip was an incredible experience that we will cherish for years to come.

SEMINARS

MR. Saurav Bhaik, Founder and CEO at TAGBIN, An IIT Roorkee graduate who co-founded Tagbin in '13 and later on became the founder and CEO. Saurav Bhaik's journey as an entrepreneur is truly inspiring. As a college student, he was already involved in various entrepreneurial activities and took the lead in organizing the biggest international robotics competition in the Asia-Pacific region. With continuous innovation and rethinking of concepts, Tagbin has evolved into a successful business, serving various brands, museums, and institutions. His story is a testament to the power of passion, perseverance, and innovation.

Dr. Shivani Khurana has a strong backing of educational qualifications – that is B. A (Hons), M.A, M.Phil.in Psychology (Gold Medalist), M.Ed. and Ph.D. in Organizational Behavior. She has earned the prestigious Diploma in behavioral skills, conferred by the University of Twente, The Netherlands. She has authored two books on the subjects of Research Methodology and Educational Administration: Motivating Academics. She has conducted training programs for Ph.D. chambers, Engineers India Limited, Corporates, and faculty members.

Dr. Harjit Singh [MFC (Gold Medalist), M.Phil, Ph.D.] is a Professor of Finance at Symbiosis International (Deemed University), Noida, India. He has written 3 textbooks and several Study Material Books for various Indian Universities and institutes of repute. His publications have appeared in ABDC and Scopus Journals. Studies told us about the opportunities in the current world for start-ups, the pros, and cons of businesses, and jobs.

FACULTY PROFILE

Dr. J.K. Singh (Course Coordinator) is presently employed as a Professor in the Department of Commerce at Aryabhatta College, Delhi University. He is a post-graduate in Master's in Finance and Control (MFC) from Delhi University and a fellow member of the Institute of Company Secretaries of India. After completing his post-graduation, he has more than 25 years of teaching and industry experience.

Mrs. Cherry Uppal is an Assistant Professor in the Department of Management Studies at Aryabhatta College, University of Delhi. Currently, she is pursuing Ph.D. at the Jindal School of Government and Public Policy (JSGP), O.P. Jindal Global University. She received a B.A. (H) degree in Economics from Hans Raj College, University of Delhi, and an M.A. in Economics from Punjab University, Chandigarh.

Ms. Kavita is presently employed as an Assistant Professor in the Department of Management Studies at Aryabhatta College. She has received her Bachelors and Masters degree in Commerce from Delhi University and has more than six years of experience in teaching B.Com(h) and BMS course students. Her area of specialisation is Finance and Corporate Law.

Dr. Priya Chaudhary is an Assistant Professor at Aryabhatta College, University of Delhi. She graduated with a Bachelor of Business Studies (B.B.S) from Shaheed Sukhdev College of Business Studies (SSCBS). She has done her M.com, MPhil, and Ph.D. from the Department of Commerce, Delhi School of Economics.

Dr. Shipra Agarwal is an Assistant Professor in the Department of Management Studies at Aryabhatta College, University of Delhi. She did Ph.D. and M.Phil. in Management from Dayalbagh Educational Institutes, Agra. She has a teaching experience of more than seven years and taught various subjects like Fundamentals of Accounting, Management Accounting, Advanced Accounting, and more.

Mrs. Nitu Yadav is an Assistant Professor in the Department of Management Studies at Aryrabhtta College, University of Delhi. She graduated with a Bachelor of Business Administration (BBA) from MDU, Rhotak, and an MBA from the University of Mysore. She is currently pursuing her Ph.D. from BMU, Rhotak. She has more than three and a half years of teaching experience and 3 years of corporate exposure with Cargill India Pvt. Ltd. and Honda Motor India.

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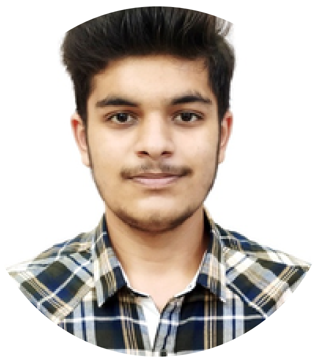

Vanshik Narula

Thank You

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