



THE MONEY CHRONICLES

NOV/Volume -2/2024

Highlights

BULLETINS

- Private banks leading AI adoption in banking services, says RBI study.
- Kotak Mahindra Bank Q2 results: Consolidated PAT up 13% to Rs 5,044 crore.
- Godrej Industries Q1 results: Profit up 81% at Rs 322 cr on higher income.
- RBI may act against more NBFCs to check obscure lending practices: Morgan Stanley
- IFC to invest Rs 600 cr in Mahindra & Mahindra's new last-mile EV firm.

FUN FACT!

Some gold loans offer a loan-to-value ratio as high as 90%, allowing you to borrow ₹90,000 for every ₹100,000 of gold!

The Scam Scanner

-Safe guard your Finance

In August 2024, the ED exposed a Ponzi scheme in Kolkata, masquerading as a stock trading investment platform. The fraudsters promised returns of up to 40%, luring thousands of investors. However, none of the funds were invested in the stock market; the money was merely circulated to pay earlier investors, while the organisers kept the rest.

The ED, with the help of forensic accountants, traced the money through a network of shell companies set up to hide their activities. The scam resulted in several arrests, and assets worth Rs 75 crore were seized.

Top Gainers Of The Month

Banking Sector

- Bandhan bank up by 5.46%
- Axix bank up by 5.07 %
- Indusind bank up by 3.8 8%

Insurance Sector

- Star health insurance up by 0.68%
- Go digit general insurance up by 0.40%
- Lic of India up by 0.2 5%

Top Losers Of The Month

Banking Sector

- idfc first bank down by 0.33%

Insurance Sector

- Medi assist healthcare down by 1.80%
- Sbi life insurance down by 1.57%





Case Study

Navigating Change: The Raymond Company

Overview:

Established in 1925, Raymond Ltd. is a top Indian textile and apparel company known for its quality wool and cotton products, facing challenges from shifting market trends and growing competition.

Cause & Effect:

The rise of casual wear has decreased demand for traditional suits, while fast fashion intensifies competition and squeezes margins. Pandemic disruptions and economic fluctuations further complicate production and costs.

Company's Action:

The company now offers casual and formal wear, boosts e-commerce efforts, and adopts eco-friendly practices to drive growth and sustainability.

Key Takeaway:

Adaptability is vital for success. Raymond's focus on business model pivoting, digital transformation, and sustainability helped it navigate challenges and stay competitive.

Financial concept

1) Credit Rating

An assessment of a borrower's creditworthiness, issued by credit rating agencies. It influences the interest rate a company or individual will pay on loans.

Eg: A high credit rating leads to lower loan interest rates, while a low rating results in higher rates

2) Margin Trading:

The practice of borrowing money from a broker to trade financial assets. It increases both the potential for profit and risk.

Eg: With Rs. 10,000, an investor can buy Rs. 20,000 worth of stock by borrowing Rs. 10,000.



Storytime

RBI Cracks Down on Risky Gold Loan Practices

The RBI is cracking down on gold loan practices due to significant irregularities, particularly following instances of fraud at Bank of Baroda and IIFL Finance, where loans were disbursed without proper collateral. Issues like inflated loan amounts, improper valuation of gold, and lack of transparency in auction processes have emerged. The increase in the loan-to-value (LTV) ratio and the trend of evergreening loans have also contributed to heightened risks for lenders, leading to a situation where borrowers could owe more than the collateral's value.

This scrutiny comes as the gold loan market has expanded rapidly, reaching a value of ₹6 lakh crore, with a substantial annual growth rate. The intense competition among banks and non-banking financial companies (NBFCs) for market share has





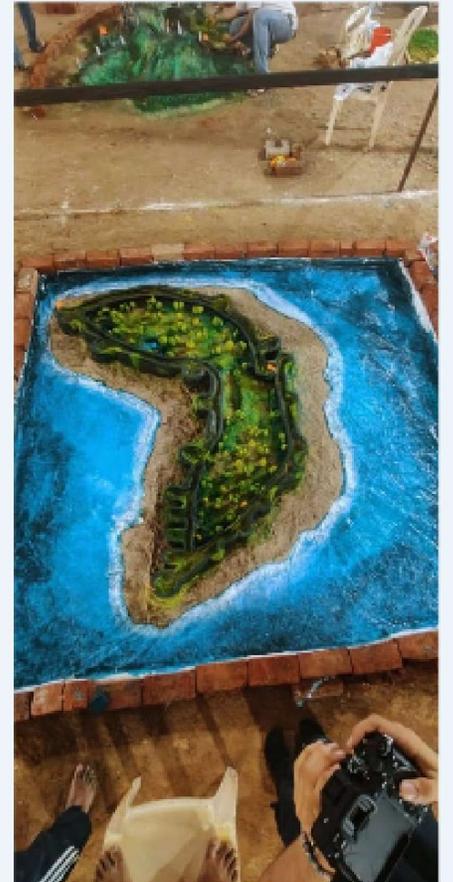
SPOTLIGHT!!

Fortifying Festivities: MLDC's Artistic Touch to Diwali Celebrations

On October 24-25, 2024, Parle Tilak Vidyalaya Association hosted a "Fort and Lantern Exhibition at the Parle Tilak English School premises to celebrate Diwali. ML Dahanukar College of Commerce actively participated, impressing visitors with a beautiful replica of the historic "Suvarnadurg" sea fort. Adding to the festive charm, our students also crafted a vibrant Diwali lantern.

This creative endeavor showcased the perfect blend of talent, tradition, and teamwork, reflecting MLDC's commitment to holistic growth beyond academics.

A diverse team of students from TYBAMMC, SYABAMMC, TYBMM, SYBBI, and SYBCOM participated enthusiastically, with support from our dedicated faculty -Mr. Narayan Pagar, Mr. Rakesh Pise, Mr. Suraj Chavan, Mrs. Pallavi Sawant, Mrs. Priya Gupta, and Mr. Prashant More



Quiz

1. OLVIATYITIL
2. ITIQULDTY
3. GROGAORM
4. IABTIELSILI
5. SEVTNITMNE

