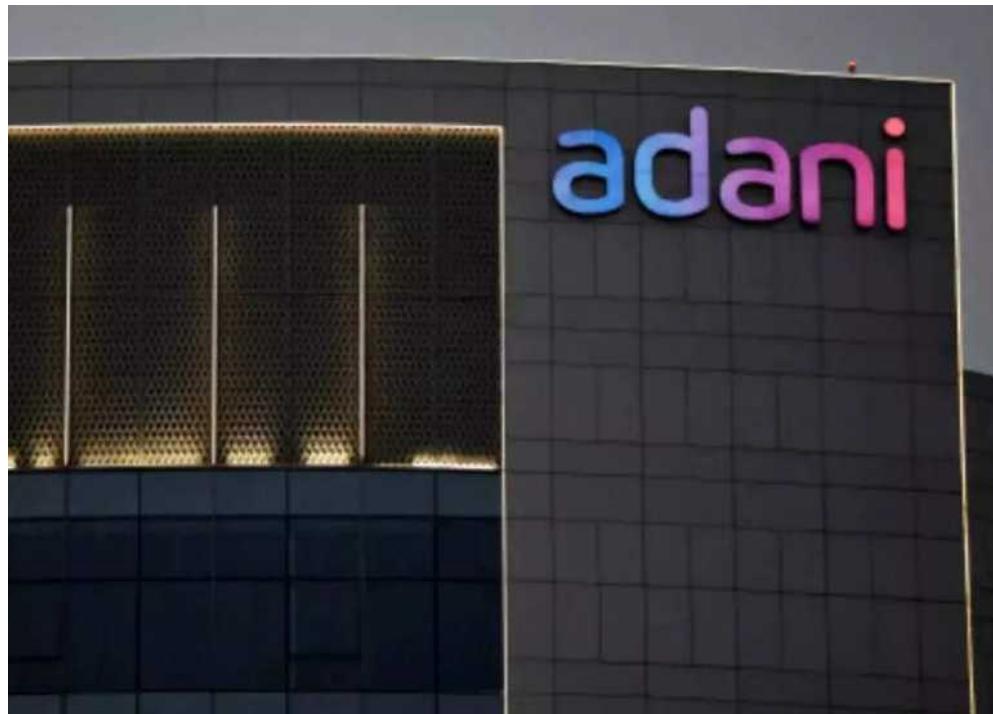


THE FINSIGHT

FINJAN FIC Ramanujan | January 31, 2023 | January Edition



Adani share sale fully subscribed after last-minute jump in bids

The record \$2.5 billion share sale by Adani's flagship firm was fully subscribed on the final day i.e. 31st January 2023, offering Asia's richest man a reprieve after his empire was rocked by allegations of fraud by short seller Hindenburg Research.

PE Inflows into Realty increased 20%

Private equity investment in the Indian real estate market reached \$4.9 billion in 2022, showing a 20% increase year-over-year, despite facing challenges such as high-interest rates, inflation, and economic concerns.

Cabinet approves Rs.17,490-Cr Incentive plan for national green hydrogen mission

The mission seeks to promote the development of green hydrogen production capacity of at least 5 MMT per annum with an associated renewable energy capacity addition of about 125 GW in the country by 2030.



Tesla Cuts Prices Up to 20% in Bid to Boost Sales

Tesla Inc. cut prices across its lineup in the US and major European markets in the latest effort to stoke demand after several quarters of disappointing deliveries.

Winter may just get colder for Nifty bulls

Past records of the last 20 years show that the headline equity index has ended 13 times in the red during the month of January. The average monthly return from Nifty in the last 20 years has been a negative 0.9%.

What lies ahead ?



FJ Industries
Pharma Industry Analysis



Fin-Track
Track Market Movements



String of Pearls
Geopolitics



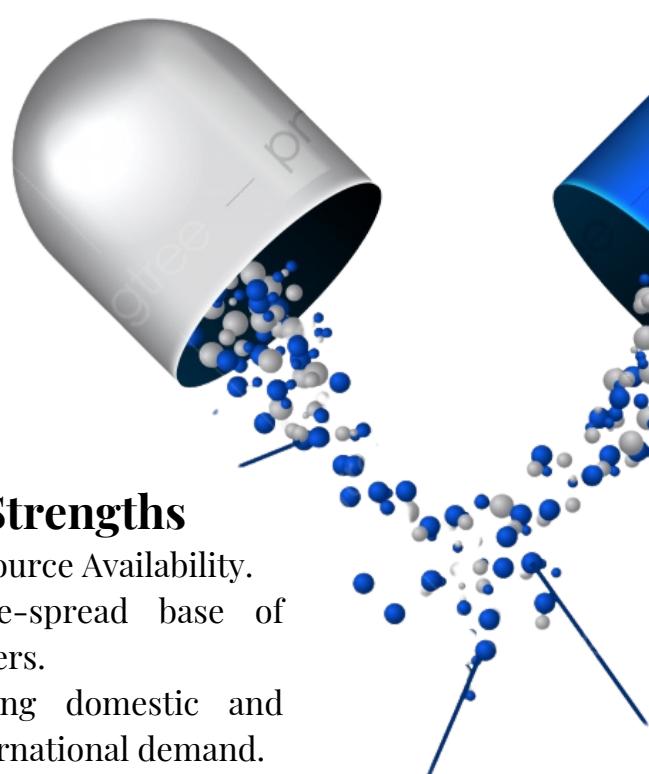
FJ Editorial
Opinions & more



Industries

PHARMACEUTICAL INDUSTRY ANALYSIS

Pharmaceutical industry is a sector of collective industry which discovers, develops, produces and markets drugs to be used as a medicine. India is the largest producer of generic drugs globally; ranked 3rd in pharmaceutical production by volume and 14th largest by terms of value according to the Annual Report 2021-22 by department of pharmaceutical. It is one of the biggest suppliers of low-cost and high quality vaccines and generic medication and preferred worldwide. This industry is tagged as the “Pharma of world” contributing around 1.72 percent to the GDP and is a major component of foreign trade.



Strengths

- Resource Availability.
- Wide-spread base of buyers.
- Strong domestic and international demand.
- Skilled staff.

Weakness

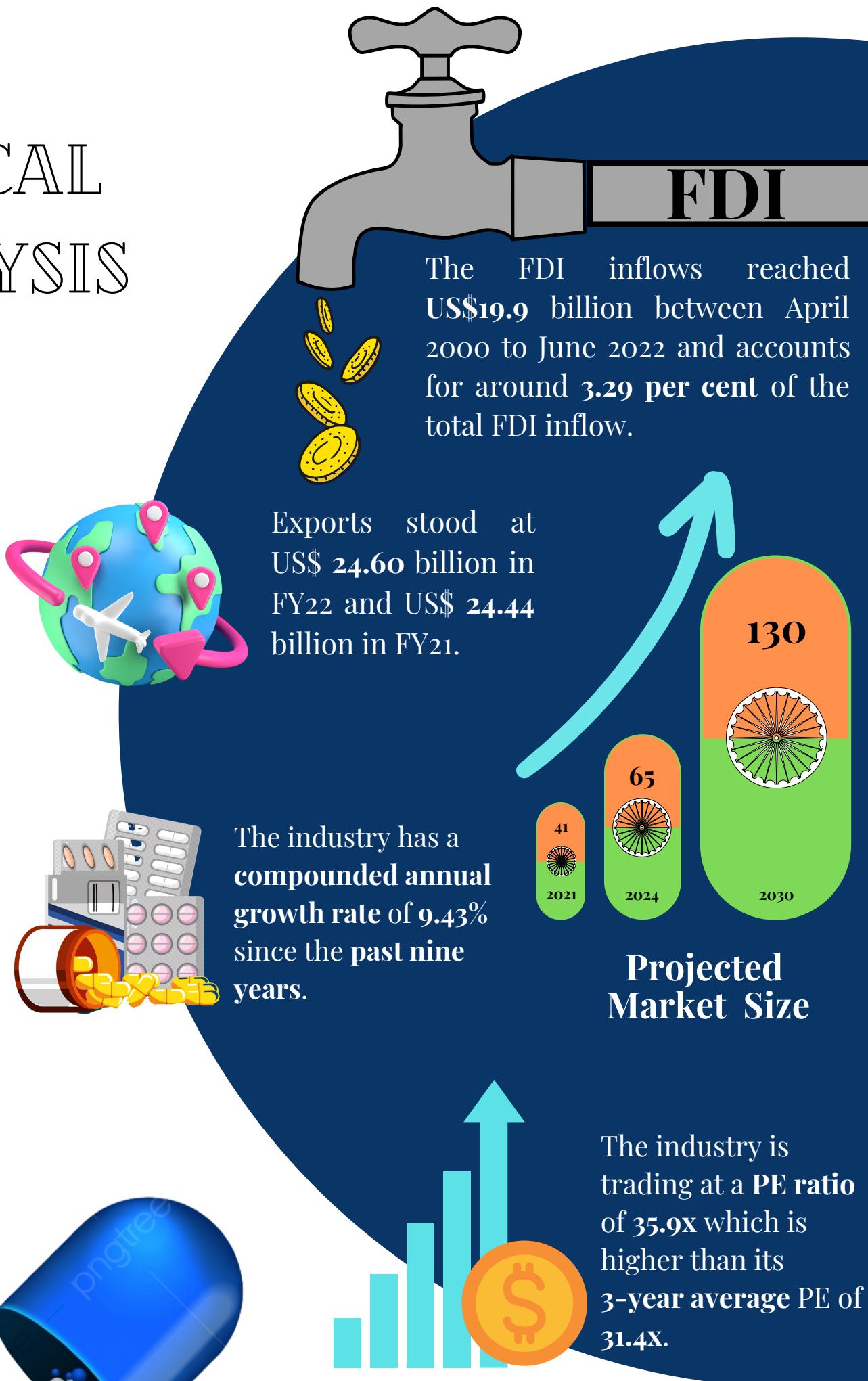
- Lack of modern technology.
- Low profit margins.

Threats

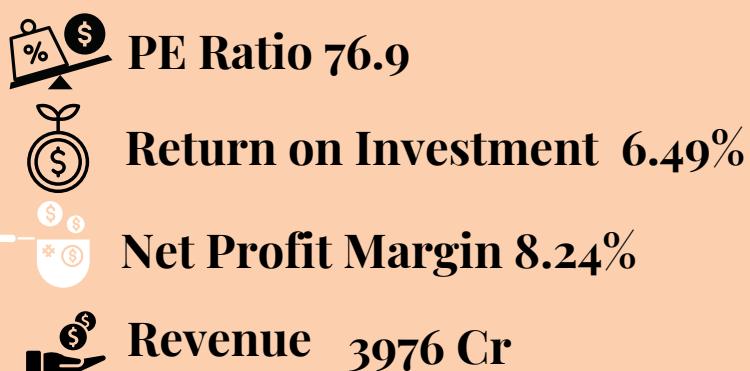
- Currency devaluation & inflation.
- New Competitors.
- Insufficient Power Supply.
- Severely affected by Minor interruption.

Opportunities

- Government and financial support.
- Infrastructure development.
- Large spread Global market.
- Strong drug manufacturing.

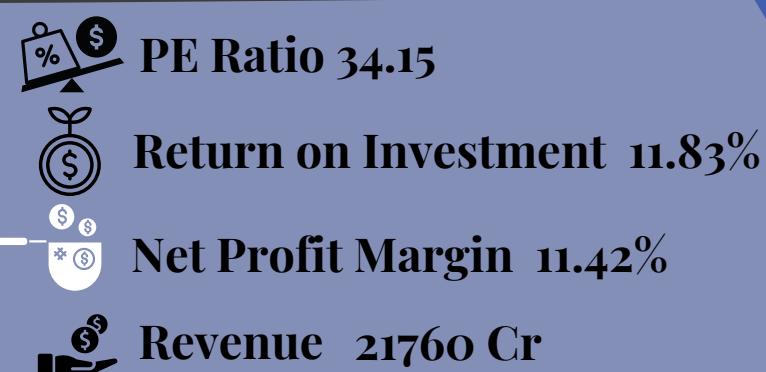
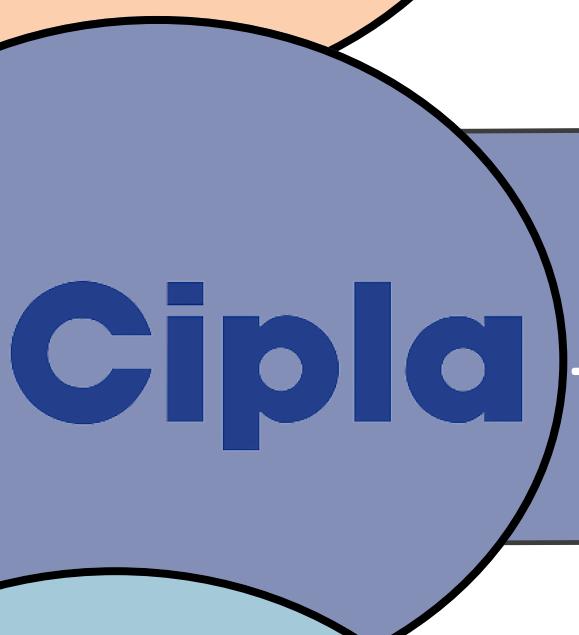


TOP 5 COMPANY COMPARISON



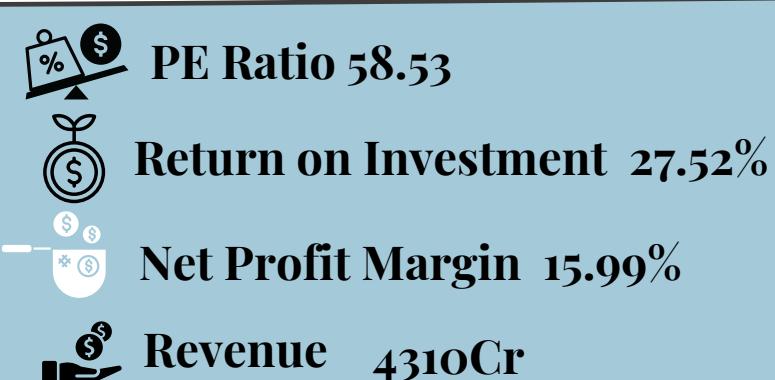
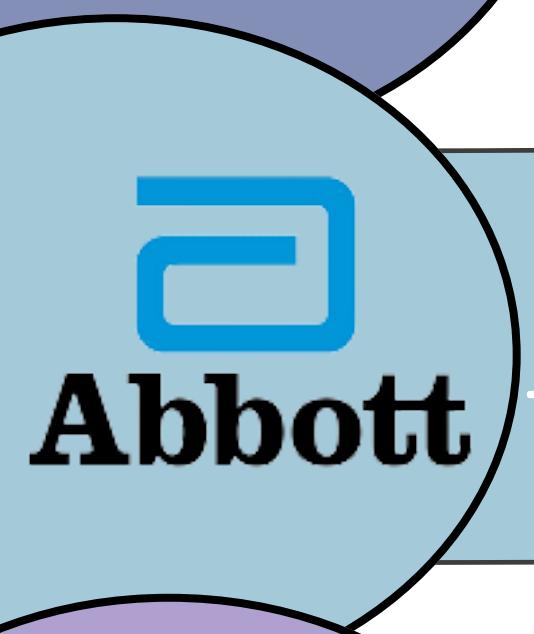
News in Action

- US FDA warning letter to Sun Pharmaceutical questions manufacturing practices at Halol facility.
- Sun Pharmaceutical launches phenobarbital sodium injection in the US.



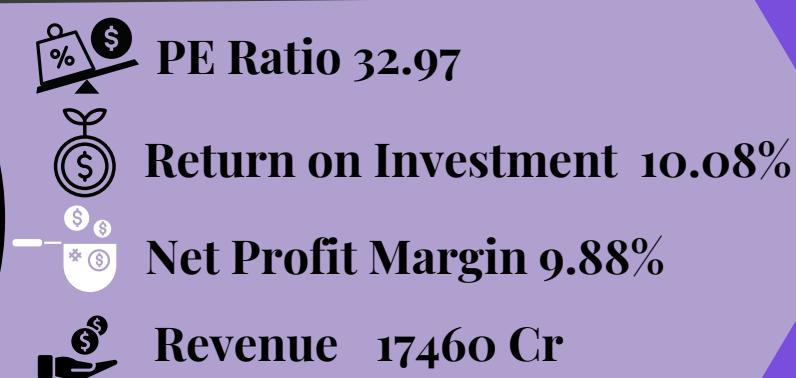
News in Action

- Cipla Consolidated December 2022 Net Sales at Rs 5,810.09 crore, up 6.05% Y-o-Y.
- Cipla expects elevated capital expenditure on automation to continue for three more years said CTO Geena Malhotra.



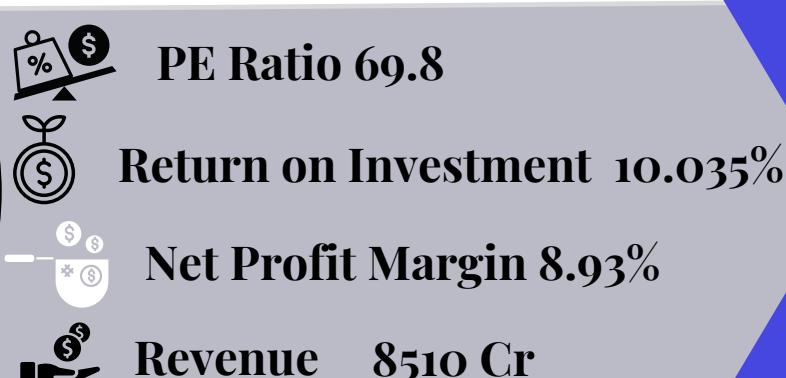
News in Action

- Abbott Laboratories reported lower-than-expected medical device sales for the fourth quarter as COVID-19 curbs in China and supply-chain issues hit its international operation.



News in Action

- Dr Reddy's Labs Standalone December 2022 Net Sales at Rs 3,897.60 crore, up 12.01% Y-o-Y.
- Dr Reddy's acquires trademark rights for Pfizer's breast cancer drug.



News in Action

- Torrent Pharma Standalone December 2022 Net Sales at Rs 1,857.00 crore, up 16.94% Y-o-Y.

FIN-TRACK

NIFTY 50 : 17,662.15

SENSEX : 59549.90

MARKETS

NIFTY 50- 17,662.15

SENSEX- 59,549.90

NIKKEI - 27,327.11

DJ30- 33764.3

SPX - 4016.21

COMMODITIES

CRUDE OIL

6326

GOLD

56699

SILVER

67864

COPPER

776.25

CURRENCY

USD/INR

81.9200

EUR/INR

88.75

GBP/INR

100.66

YEN/INR

0.63

Stock Name	Opening Price	Closing Price	% Change	Volume
Tata Motors	395.20	452.10	+16.54%	416.341M
M&M	1251.00	1378.75	+10.37%	45.269M
HCL Tech	1039.10	1122.20	+7.98%	76.099M
ITC	330.90	352.25	+6.27%	218.461M
Tata Steel	114.40	119.70	+6.26%	1.118B

Stock Name	Opening Price	Closing Price	% Change	Volume
Adani Ent.	3870.00	2973.95	-22.92%	79.652M
Adani Ports	823.00	612.65	-25.11%	231.07M
Bajaj Finserv	1550.00	1342.45	-13.27%	58.162M
Indusind bank	1220.10	1082.95	-11.24%	76.667M
Asian Paints	3087.90	2725.85	-11.72%	26.564M

Adani vs Hindenburg

- By Rounak Raj

- A seasoned short seller takes on one of the mightiest Indian corporations ,wiping off 66 billion worth of market capitalization of various Adani stocks since the report release. Adani Group Stocks settled at Lower Circuits. Adani Enterprises FPO of ₹20,000 crores is also likely to get hit by this Hindenburg report.
- Going by history, This tug of war will likely play out over months or years as it has in many such past battles.
What's the report all about?
- Adani empire was the “biggest con in corporate history” engaged in a “brazen. stock manipulation and accounting fraud scheme” the report stated . It also. accused Adani of loading companies with debt that has put the entire group on a “precarious financial footing”.The report contained details of Adani family. controlled offshore shell entities in tax havens, which has caused the group. substantial loss since its release. It claims these were used to facilitate corruption, money laundering and taxpayer theft while syphoning money from the group’s. listed companies.
- Will the forensic short seller be able to prove Adani Group Fraud or will the Adani's maintain a clean book of records, time will tell. Gullible investors and regulators are usually the last to wake up and this usually happens once the scam has already imploded or is on the verge of imploding.

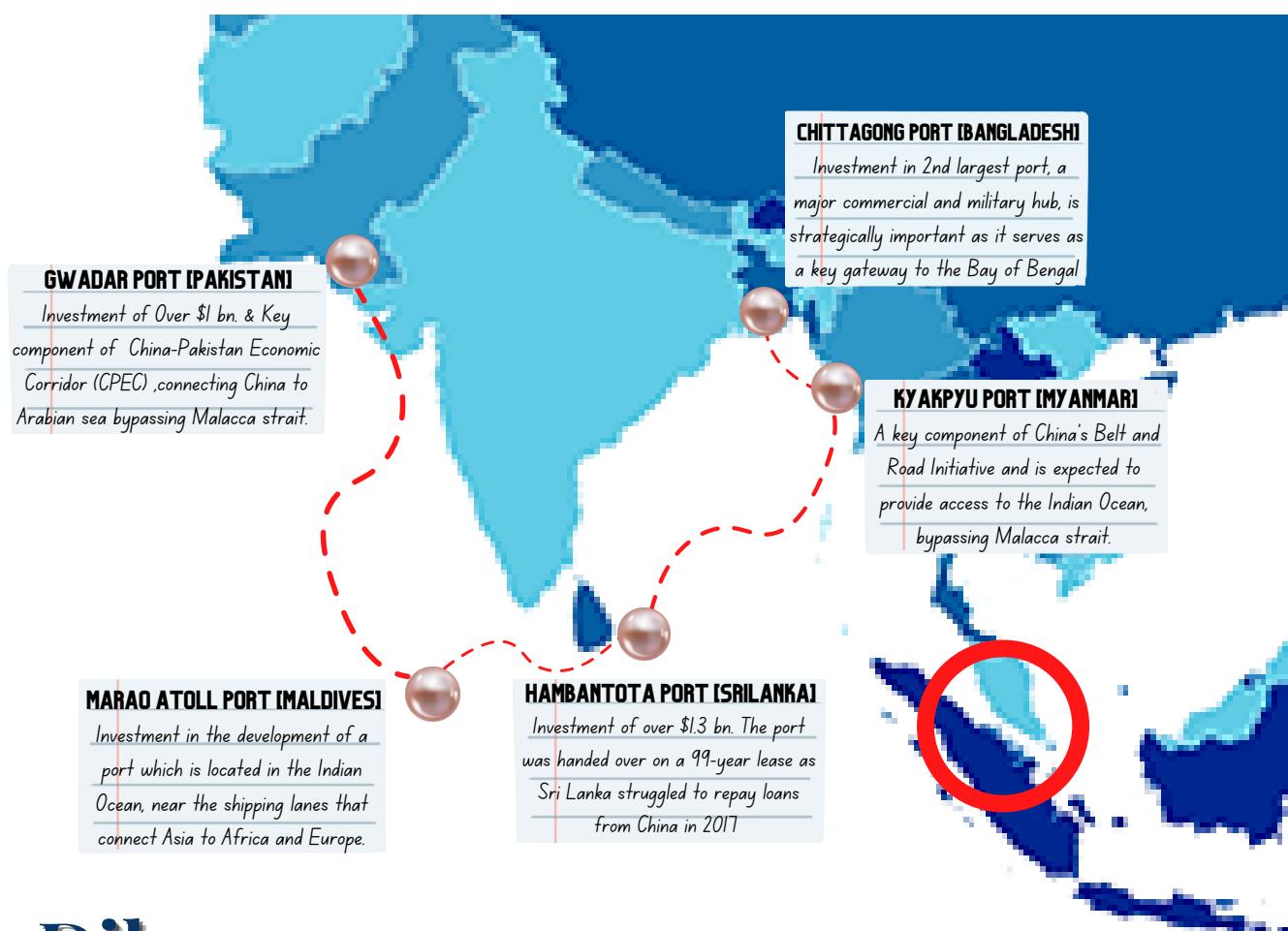
Disclaimer : All the Information presented as per 31st January 2023

STRING OF PEARLS

China's Plan to Counter India's Rise?

Brief Intro

According to String of Pearls theory, China uses "pearls" or "nodal points" strategy to gain access and influence in the Indian Ocean region. This theory gained attention in the early 2000s when China began investing in and building ports in countries surrounding the Indian Ocean. It aims to provide China with alternative trade routes and enhance its naval presence .Experts believe that it is part of a larger strategy to contain India's rise as a global power by strategically investing in locations that encircle India.



Malacca Dilemma

In 2003, Chinese leaders became aware of a potential security issue known as the Malacca Dilemma. It refers to China's dependence on the Strait of Malacca for the around 80% of China's oil imports and a significant portion of its manufactured goods pass through the Strait. The strait is a narrow and important waterway because it is under the influence of several Southeast Asian countries. Due to its dependence on this vital shipping route, China is concerned about a potential disruption or blockage of the strait.

China is concerned about India's military base in the Nicobar Islands, as it is located near the Strait of Malacca, a crucial shipping lane. India's presence near the strait could potentially give it the ability to block or restrict access, which could have a significant impact on China's economy and energy security. To counteract this, China is working to develop alternative routes, such as the Arctic Silk Route and the One Belt, One Road initiative, as well as constructing pipelines to transport oil and natural gas from Central Asia. Additionally, China is also concerned about India's efforts to strengthen its alliances with countries that also control the strait, such as Indonesia and Singapore.

Reasons

China is implementing this strategy to not only address the issue of Malacca dilemma and India's growth as a world power but also to counter the increasing presence of USA in the Asia-Pacific region by building its own military and commercial facilities to impose regional influence.



Editorial

The F story

By Arpit Maheshwari

Calling out all Gen-Z and millennials for a tale of their life!

We want everything to be swift and today we have successfully transitioned from what was earlier fashion to now what is Fast Fashion. Won't we all agree to the fact that we now have apparel not according to the conventional 4 seasons? All these big brands, to push their products and scale their organisation have now shifted to the system of 52 micro seasons whereas we're all aware new collections drop every week. The consumer is king but the king going on a shopping spree just because the new collection from ZARA just dropped doesn't actually make him the king, rather makes him a slave to these fast-growing conglomerates. According to some statistics a typical Gen-Z spends 75% more than a millennial on a commodity that ranks very low in the need hierarchy. That burn in the pocket now caters to an average of 15% of a person's total earnings, ideally at a mere 5%. Not to mention the ecological torment that is caused via the production of these apparels also hampers the sustainable development goal of numerous nations. So would you rather be the king who spends according to needs or a mere slave who buys to upkeep with the fashion trends?



THE SHARK TANK EFFECT

By Aarya

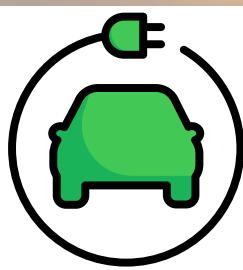


Millions of people around the world tune in to watch Shark Tank, a program that envisages the rise of an entrepreneurial era. "The Shark Tank Effect" as quoted by many, refers to the perks enjoyed by contestants after making an appearance on the show, irrespective of whether they get the deal or not. Though the sharks don't spoon-feed the company they invest in, their affiliation with the company improves its brand visibility and credibility. The sharks provide contestants with valuable market knowledge and expertise, as well as connections to suppliers and retailers, and networking opportunities. Making a pitch on national television in itself is equivalent to having a nationwide ad campaign being watched by millions of potential consumers! One huge example of a shark tank failure that turned out to be a massive success includes "DoorBot". In 2013, Jamie Siminoff pitched the idea but 'fortunately' left empty-handed as after the show was aired, the product gained colossal recognition and not only did the sales jump to \$5 million, the company raised a whopping \$109 million from VCs proving that the mere association with the shark tank brand gives the startups a push and that the Sharks may not always be the best judge. Indian shark tank effect was observed when many featured startups like Skippi Ice Pops, The Sass Bar, Brain Wired etc. witnessed skyrocketing sales and tremendous growth. In the business world, a clear vision for survival and profitability is a must but the impetus provided by forces such as this show acts as a multiplier in their growth journey.

CAPITALIZING ON CRISIS: INDIA'S OPPORTUNITY TO EXPAND IN GLOBAL TRADE AND OUTMANEUVER CHINA

By Vaani Verma

India is in quite an ambiguous situation due to the economic downturn and crisis in its three neighbouring countries Pakistan, China and Sri Lanka. Though India has always stood by its "neighbourhood first" policy, which it ascertained by coming forward with assistance worth USD 4 billion for Sri Lanka, and extending financing assurances to the IMF to clear the way for Sri Lanka to move forward, the extensive visits and talks of our EAM S. Jaishankar with Sri Lanka, can be used to break the hold of China over Sri Lanka, which would have been extremely detrimental to our strategic situation. This situation can also be used by us to make a mark on the global economy. India can take up the opportunity and expand to acquire a share of trade held by these countries in the global market with our best quality products. Sri Lanka, the leading exporter of mostly textiles, garments and tea, cannot cater to its demands, so India's tea-producing states, like Assam, west Bengal etc., can step up to the game. On the political front, the China plus one policy coined in 2013, has gained momentum with the surge of COVID-19, and the govt launching schemes such as the PLI policy is a well thought initiative to boost manufacturing in India. Along with helping our neighbours, the focus of the govt. should also be to utilise the opportunities available and help its manufacturing and MSME sector gain an edge in global trade.



Revving Up for ELECTRIC : Navigating India's Infrastructure Hurdles for a Greener Future

By Kinjal Kohli

As the demand for electric vehicles in India grows, the country faces challenges in developing the necessary infrastructure to support them. The infrastructure includes several components such as different types of EVSE ports, connectors, PCS infrastructure, battery swapping technology, etc. Though the Indian government has taken initial steps, such as developing a national EV policy and the FAME II scheme, the vast size and population of India necessitate a more extensive infrastructure. Additionally, there is a need to train and develop human resources to properly operate and maintain this technology. To meet the scale of capital required for establishing this and aid in human resource development, it is imperative that public funds are used efficiently and a private investment market is created. Mobilizing finance is critical if India intends to increase the use of EVs by 30% by 2030.



India's Journey Through the Supply Chain Shenanigans

By Savijya

The year 2022 was imagined to be the year of recovery from the pandemic disruptions with the threat of inflation still lingering around. The world soon underwent a significant change as a full-scale war erupted between Russia and Ukraine, and tensions between China and the US regarding the Taiwan issue escalated, turning inflation threats into a harsh reality. India, as a major importer globally, relies on a steady supply of resources for its production and investment activities. However, the availability of resources such as semiconductor chips, cooking and vegetable oil, and crude oil has been severely impacted. To solve this scenario two concepts are being thought upon: Reshoring which is a term used to explain the process of returning domestic product manufacturing from a foreign country back to the home country and Nearshoring (Regionalisation) happens when a company transfers work to another organisation that's within its region. After withstanding such erratic supplies, GOI is increasingly focusing on Self-Reliance and encouraging MNCs which are thinking along the lines of reshoring to set up their plants in India. SAP's CEO termed these changes as the "Next Phase of Globalization" and believes that to build resilient supply chains Technology is the best tool.

OUR TEAM



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STAY TUNED FOR
MORE UPDATES!



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