



KESHAV MAHAVIDYALAYA
NAAC ACCREDITED 'A' GRADE INSTITUTION - CYCLE 2
(UNIVERSITY OF DELHI)



NIVESH EXPRESS

2025

VOLUME VII

ARTHVYAWASTHA'25

FUNDING THE FUTURE:

**TRANSFORMING BUSINESSES WITH
CAPITAL AND STRATEGIC SYNERGIES**





VISION

We uphold the belief of 'Investing minds today for a prudent tomorrow.'
Nivesh has always aimed to create a platform that promotes cohesive learning and enables its members to discover their best selves.



MISSION

- To impart financial knowledge to members.
- To enhance awareness of recent financial and economic developments.
- To facilitate knowledge sharing through the organization of interactive discussions, seminars, and related activities.
- To equip members with an understanding of the challenges in a competitive landscape.
- To provide a platform for members to articulate their perspectives on financial matters with logical reasoning.

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PRINCIPAL'S MESSAGE



**Prof. Madhu
Pruthi**
Principal,
Keshav
Mahavidyalaya

Education lays the foundation for success, but its true value lies in its application. At Keshav Mahavidyalaya, we strive to provide not just academic excellence but also opportunities for students to cultivate leadership, strategic thinking, and problem-solving abilities. By actively engaging in various societies and cells, students gain practical exposure that extends far beyond the classroom teaching.

Among these, since its inception in 2017, Nivesh – The Finance and Investment Cell stands out as a dynamic platform for students to develop and showcase their financial acumen. It is truly inspiring to witness the dedication and enthusiasm of our students as they organize a diverse range of events, fostering a deeper understanding of finance and investment.

Arthvyawastha, the flagship finance fest of Nivesh, has established itself as a hub of insightful discussions and competitive excellence, bringing together industry experts and aspiring finance professionals. The cell's achievements continue to grow, with members excelling in competitions across the University of Delhi and other prestigious institutions, further enhancing the college's legacy of excellence.

I wholeheartedly commend the students and faculty of Nivesh for their relentless efforts in organizing impactful seminars, hosting esteemed speakers, and designing thought-provoking competitions. These initiatives not only enhance financial literacy but also equip students with the skills to navigate real-world economic challenges with confidence.

A special appreciation goes to the team behind the seventh edition of "Nivesh Express", the cell's annual newsletter. This publication serves as a testament to the students' analytical prowess, featuring insightful discussions on contemporary financial trends and economic developments. I am certain that readers will find it both informative and inspiring.

Wishing Team Nivesh great success in their endeavors!

- Prof. Madhu Pruthi

FACULTY CO-ORDINATORS

Nivesh – The Finance and Investment Cell of Keshav Mahavidyalaya has been instrumental in promoting financial knowledge and awareness since its inception in 2018. Through various initiatives, the cell has consistently provided students with opportunities to deepen their understanding of finance and investment.

The annual newsletter, Nivesh Express, serves as a valuable platform, featuring insights on recent economic events, financial studies, and detailed accounts of group discussions, interactive sessions, and presentations held throughout the year. This initiative plays a crucial role in enhancing students' financial acumen and analytical skills.

It is commendable that the cell actively organizes corporate seminars and academic competitions, offering students meaningful exposure to the world of finance. I feel honored for the achievements of its members, who have represented the college in various competitions and earned numerous accolades.

I look forward to Arthvyawastha, the annual finance fest, and hope it continues to serve as a valuable learning experience for all participants. I extend my heartfelt gratitude to our esteemed Principal, Prof. Madhu Pruthi, for her constant guidance and support. I also appreciate the efforts of my colleagues Ms. Astha Kanjlia and Mr. Hemant Kumar Yadav and student members of Nivesh, whose dedication has contributed to the growth of the cell. My thanks and best wishes to all.

- Ms. Sonu Mehta

Nivesh – The Finance & Investment Cell of Keshav Mahavidyalaya serves as a platform for knowledge sharing, making the complexities of business and finance more accessible to students. With a dedicated team and a wealth of opportunities, the cell fosters an environment of collaborative learning and growth.

This year too, I am honored to continue as a part of Nivesh and commend its student members for their outstanding performance during the academic year 2024-25. Their dedication and enthusiasm continue to drive the cell's success and impact.

-Ms. Astha Kanjlia

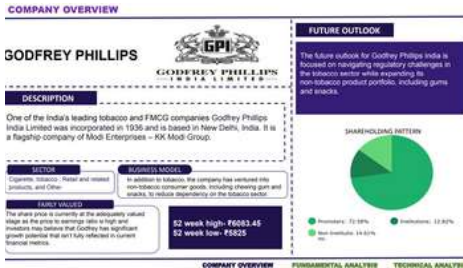
Nivesh has provided its members with countless opportunities to develop their perspectives through a hands-on, "learning by doing" approach in all its initiatives and activities.

It is truly commendable that the cell organizes Arthvyawastha, featuring thoughtfully curated events that integrate key aspects of finance and economics, along with insightful speaker sessions by distinguished industry professionals. I extend my best wishes to the entire Nivesh team for their future endeavors and continued success.

-Mr. Hemant Yadav

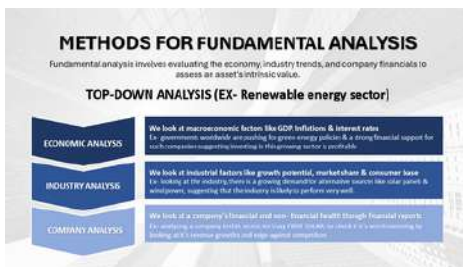
ROUND THE YEAR

PAPER TRADING



Nivesh continued to hold the In-house Paper Trading activity wherein the teams compete with each other, to maximize their portfolios. Each team was supposed to invest in various stocks using the fixed virtual cash corpus provided to them. This is followed by a group presentation wherein they have to explain their rationale behind choosing the stocks. The results are declared based on anonymous polling by the society members, except for the competitors.

PRESENTATIONS



Members at Nivesh gave presentations on topics such as "Fundamental Analysis", "Technical Analysis", "Mutual Funds", "Portfolio Management" etc. The presentations were attended by the members of the society and contributed significantly to improving their financial acumen.

EQUITY RESEARCH REPORTS



Nivesh members focused on preparing equity research reports for two major companies, Pidilite and Varun Beverages Ltd. This helped the members get valuable insights into the market conditions of chemical and FMCG sector, the financial health of the companies and the valuation of these companies. It offered a practical and comprehensive learning experience in investment analysis.

ROUND THE YEAR

GROUP DISCUSSIONS



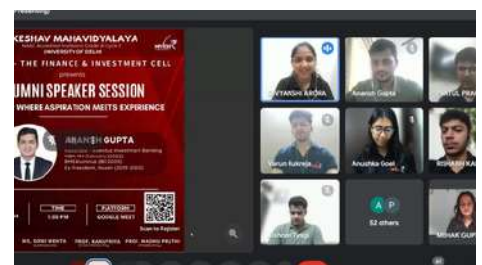
Group discussion (GD), by the term, means the exchange of views by participants on a given subject. The whole idea is to bring together a set of members on a common platform to share their ideas, thereby giving an opportunity to exhibit not only their knowledge but also to understand and enhance their learning by absorbing the thoughts of other people.

IN HOUSE EVENT



Nivesh held another In-house competition "Rapid Returns" for this tenure. Members of Nivesh were divided into team where they asked each other there questions relating to macro-economics and finance. The competition followed a buzzer-based format, where the first team to respond correctly earned the maximum points, adding a thrilling element of speed and strategy.

ALUMNI SPEAKER SESSION



Nivesh organised an alumni speaker session. Mr. Anansh Gupta, ex-president at Nivesh was called upon as the guest speaker who helped the students deep dive into the world of investment banking and gave his insights about professional courses and post graduation competitive exams to all attendees.

ARTHVYAWASTHA'25

Funding the Future: Transforming Businesses with Capital and Strategic Synergies

India's corporate landscape is transforming and is driven by mergers and acquisitions (M&A), private equity (PE) and venture capital (VC) investments. The large economy and supportive regulations create a favorable environment for strategic deals, reshaping industries, fostering innovation, and unlocking new growth opportunities in India's dynamic market.

India's Private Market Boom: A Surge in Investments

After two consecutive years of decline, PE & VC investment value increased by 5% year-on-year to \$56.0 billion. This growth was primarily driven by buyout investments in infrastructure, technology, and financial services, which saw cumulative investments of \$9.4 billion compared to \$3.5 billion in 2023. Government initiatives have further boosted private capital inflows by removing the angel tax, relaxing FDI norms, and introducing incentives. The 2025-26 Union Budget also launched a new ₹10,000 crore Fund of Funds for startups, strengthening the ecosystem and driving innovation.

The success of companies like Boat, Zomato, Swiggy, Oyo, and Zepto highlights the crucial role of venture capital and private equity firms. Startups often follow a J-shaped growth curve, incurring early losses while relying on external funding. This capital extends their runway, helping them refine market positioning and reach the critical inflection point, where hockey-stick growth occurs.

India's M&A Deal Landscape in 2024

In 2024, India's M&A deals' value dropped to a four-year low of \$80.5 billion, an 11.4% decline from the previous year. However, the total number of deals hit a record 2,756 transactions, marking a 3.3% year-over-year increase, driven by small-to mid-market transactions.

Cross-border M&A continues to be a major driver of FDI, as multinational corporations expand in India. The \$8.5 billion Reliance-Disney merger was a landmark deal, forming JioHotstar by integrating JioCinema and Disney+ Hotstar. This move consolidates top sports streaming rights and premium content, positioning JioHotstar as a leader in India's digital streaming market.

Looking ahead, potential policy shifts in the US could impact global trade, exports, and currency markets, influencing India's macroeconomic outlook. However, a recent market correction may help bridge valuation gaps, fueling a resurgence in PE & VC activity. With significant dry powder available and evolving deal structures both in size and nature, resembling those seen in some developed markets, India could witness over \$40 billion in PE investments in 2025.

Strategic capital deployment will continue to drive business transformation, with PE & VC firms playing a vital role in fostering innovation, scaling businesses, and creating long-term value.



GUEST SPEAKERS



MR. SAHIL KUKREJA

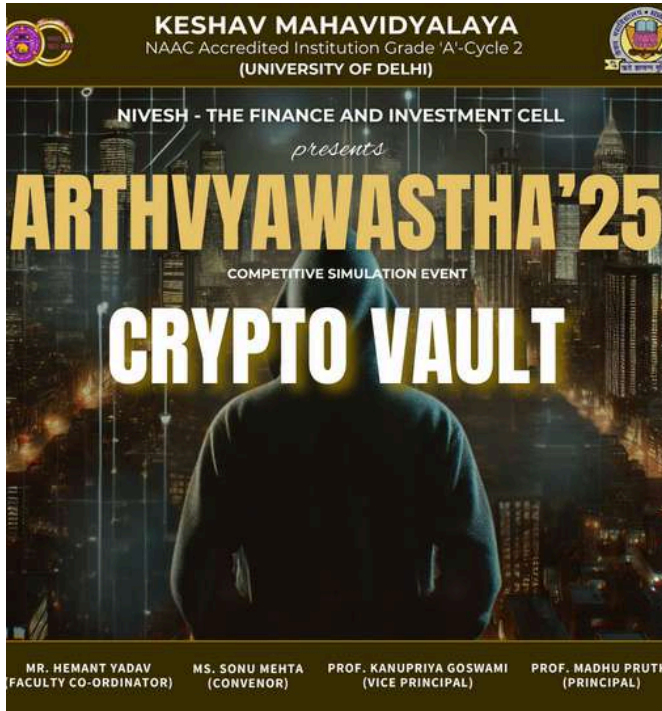
Mr. Sahil Kukreja has over eight years of diverse experience across venture capital, venture debt, commercial real estate, and consulting. He has led multiple transactions and successful exits across asset classes and played a key role in launching the **"Managed Offices" vertical at Max Ventures**. A strong believer in India's growing startup ecosystem, Sahil has built and managed portfolio relationships with leading companies such as Cars24, Cashify, ixigo, PaperBoat, Turtlemint, CarDekho, Zepto, BluSmart, and more. His previous experience includes roles at **EXL Consulting and Fractal Analytics**, where he consulted for technology, telecommunications, and information services companies across the US and India. Passionate about investing, personal finance, and cricket, Sahil brings strategic insights and a deep understanding of India's evolving startup landscape to the Trifecta Capital team.



MR. SHIVANSHU BIRLA

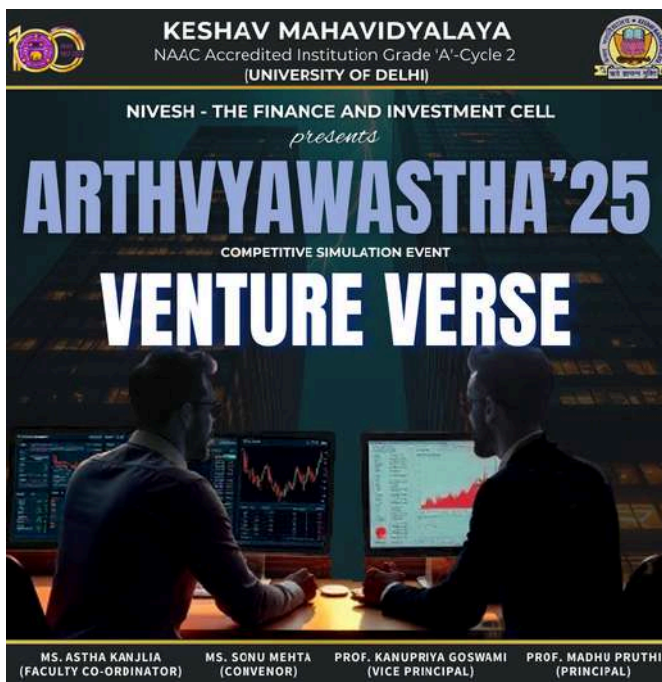
Mr. Shivanshu Birla has over eight years of experience in investment banking and fund management, having worked with boutique investment banks and serving as the youngest member of the investing team for a CAT II Fund. He has led multiple transactions across sectors and played a key role in fund strategy and portfolio management. A CFA Charterholder, he holds an MBA in Finance & Strategy from the Indian School of Business, a Diploma in Capital Markets from the London School of Economics, and a Bachelor's in Economics (Hons.) from Delhi University. His expertise spans **valuation, deal structuring, and investment strategy, with a strong focus on capital markets and alternative investments**. Passionate about finance, macroeconomics, and market trends, he brings strategic insights and a deep understanding of India's evolving investment landscape. His analytical approach and experience in managing high-growth investments make him a valuable asset to the team.

COMPETITIVE EVENTS



Crypto Vault is an exciting event where teams will step into the dynamic world of cryptocurrency markets, aiming to build and trade their digital asset portfolios strategically. Participants will engage in auctions, market trades, and risk-based decision-making to maximize their holdings. The first phase will test teams with investment challenges and strategic decision-making, while the final rounds will introduce market fluctuations, rumors, and high-stakes trading opportunities. Teams must outmaneuver competitors and adapt to an ever-changing financial landscape to emerge as the ultimate crypto tycoons.

Event Heads - Atharv Garg & Tanish Garg



Venture Verse is a high-stakes battleground where teams step into the shoes of venture capitalists, racing to investment dominance. Each team will raise funds from Limited Partners (LPs), identify high-potential startups, analyze portfolios, track returns, and execute strategic exits to maximize profits. Round 1 is an online quiz testing financial acumen and investment strategies. In the final round, teams compete to build the strongest portfolio, navigating market shifts and outmaneuvering rivals in the race for VC supremacy.

Event Heads - Rashi Bansal & Palak Mittal

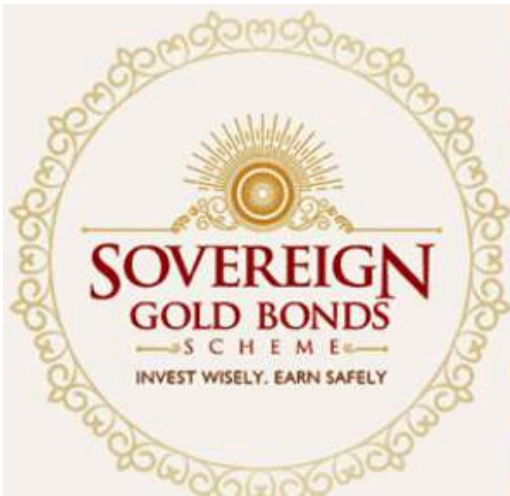
MEMBERS' COLUMN

We understand the importance of reading and writing articles on finance topics. This practice helps improve clarity, gain valuable insights, and build knowledge. Additionally, we encourage members of our society to express their opinions on these subjects logically and thoughtfully.

- End of Sovereign Gold Bonds
- AI and Financial Markets: A Next frontier or Just a Hype Cycle
- Indian Rupee in a downward spiral
- Cross-Border Investments: Global Perspectives on Indian Startups
- India's growth slowdown: Is India on the right path to achieve its vision of 2047
- Why Private Equity Firms are increasingly investing in Hospitals
- Crypto Regulation in India: The Impact of RBI and SEBI Policies
- India's Capital Market Deepening: Is It Ready to Replace FII's with Domestic Liquidity?
- Why Valuations of Indian Startups Are Falling: A Post-2021 Reality Check
- US-China Trade War 2.0? How Semiconductor Battles Are Redrawing Supply Chains?
- The State of India's Green Energy Sector
- The Decline of Active Investing in India
- Commodity Analysis: Gold, Silver, Crude, Lithium

Disclaimer: The content within this section comprises individual opinions and analyses contributed by student members and these viewpoints do not intend to cause offense or initiate political debate.

END OF SOVEREIGN GOLD BONDS?



By Lakshay Gupta and Lovish Kalra

B.com(H) 1st Year, B.com(H) 1st Year

Sovereign Gold Bonds: Once Promising, Now Facing an Uncertain Future?

For many countries, gold is considered the ultimate collateral, but India introduced Sovereign Gold Bonds (SGBs) to provide investors with interest-earning opportunities backed by the government. Launched in 2015, the SGB scheme was designed to reduce reliance on physical gold by offering an alternative investment option. Issued by the Reserve Bank of India (RBI), these bonds aimed to curb gold imports while providing investors with stable returns. However, in recent years, investor interest in SGBs has declined, raising concerns about their long-term sustainability.

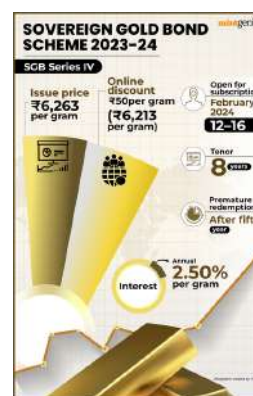
The Initial Appeal of SGBs

The primary objective behind SGBs was to reduce demand for physical gold, which heavily impacts India's foreign exchange reserves. The bonds attracted investors by offering dual benefits—capital appreciation based on gold prices and a fixed 2.5% annual interest rate. Additionally, tax-free redemption at maturity made them a unique investment option for those seeking gold exposure while earning passive income. For years, SGBs were an attractive choice, providing a balance between wealth accumulation and stable returns. However, shifting economic conditions and evolving investor preferences have led to a decline in their popularity.

Why Investors Are Losing Interest

Although SGBs guarantee a 2.5% annual interest rate, this return has become less appealing in today's high-inflation environment. With equity markets offering superior gains and corporate bonds, fixed deposits, and debentures from AAA or AA+ rated companies providing higher yields, investors have been drawn toward alternatives that offer better returns and liquidity.

Another key challenge for SGBs is gold price volatility. While gold has delivered strong long-term returns, short-term fluctuations have made investors cautious. The post-pandemic period saw gold prices nearly double, from ₹4,500 to ₹8,500 per gram. However, many retail investors prefer liquid, less volatile assets rather than committing funds to an eight-year lock-in period, with early redemption allowed only after five years. Additionally, the availability of Gold ETFs and Gold Mutual Funds has provided investors with flexible, tradable alternatives to SGBs. Unlike SGBs, these investment vehicles allow investors to enter and exit at will, without the constraints of long holding periods.



Source: Mint

Moreover, despite the introduction of SGBs, India's gold imports have not significantly declined, indicating that the scheme has not effectively met its primary goal. Furthermore, SGBs have turned into an expensive borrowing tool for the government. With redemption prices nearly doubling, the scheme has become financially burdensome, raising questions about its long-term feasibility.



Source: CNBC TV 18

What Lies Ahead for SGBs?

Given these challenges, the government may need to reassess the SGB scheme to align with evolving investor expectations. Possible reforms could include offering higher interest rates, improving liquidity in exchange markets, and allowing more flexible redemption options to enhance investor appeal.

Despite SGBs' declining popularity, gold remains an important component of a diversified investment portfolio. Experts recommend allocating 10–15% of one's assets to gold, including SGBs, as a hedge against geopolitical risks and market downturns. However, for those prioritizing liquidity and short-term gains, alternative high-yield investments may continue to overshadow SGBs.

The future of SGBs remains uncertain. While they once presented a compelling alternative to physical gold, their rigid structure and rising competition suggest that, without strategic improvements, their relevance may diminish over time.

AI AND FINANCIAL MARKETS: THE NEXT FRONTIER OR JUST A HYPE CYCLE?

By Prince Kaushik and Jatin Bajaj
BSc.(H) Mathematics 1st Year, BMS 1st Year

Artificial Intelligence (AI) has rapidly transformed financial markets, offering new ways to analyze data, execute trades, and manage risk. **But is AI truly the next frontier in finance, or is it just another hype cycle destined to fade?**

While AI-driven algorithms show promise, challenges remain in regulation, ethics, and long-term sustainability. AI is already a game-changer in multiple aspects of finance, including algorithmic trading, risk management, fraud detection, and efficiency improvements. AI-based trading systems process vast amounts of data in real time, identifying market trends and executing trades faster than human traders. According to JP Morgan's AI in Trading report, nearly 60%–75% of US equity trading volume is algorithmic, enhancing efficiency while raising concerns about flash crashes and market volatility.

THE NEXT BIG THING?



Financial institutions use AI to detect fraud and manage risks by analyzing historical transactions to identify suspicious activity, with companies like Mastercard and Visa employing AI-powered security systems to detect anomalies in payment patterns. Generative AI is also lowering entry barriers for quantitative investors, improving market liquidity in less liquid asset classes such as emerging markets and corporate debt, though it may pose financial stability risks.

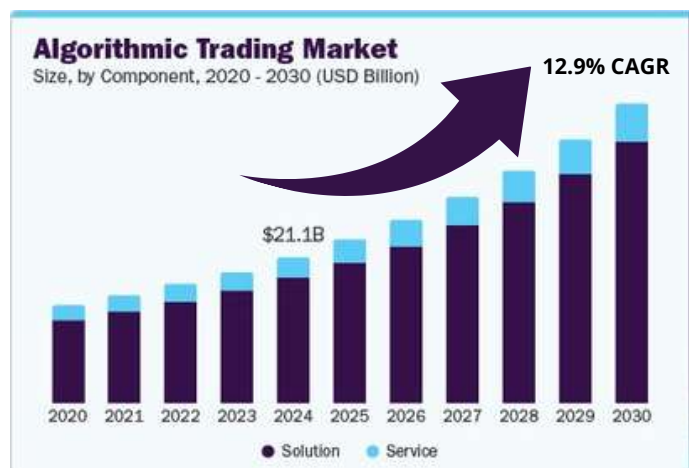
AI-driven financial models like FinChat have made it easier to analyze financial information and develop complex financial models, increasing market efficiency. Artificial Intelligence, Robo-Advisors, and Blockchain are revolutionizing Decentralized Finance (DeFi) by enhancing efficiency, security, and accessibility, providing automated, data-driven investments, improving fraud detection, risk management, and ensuring transparent, trustless transactions through blockchain technology.

AI is revolutionizing DeFi and blockchain finance by enhancing risk assessment, fraud detection, and automated trading strategies. It enables smarter lending, predictive analytics, and real-time market insights, improving efficiency and security in decentralized financial ecosystems.

JUST ANOTHER BUBBLE?

Despite its advantages, AI in finance presents several challenges, including data bias, market manipulation, lack of transparency, and overfitting. AI models are only as good as the data they are trained on, and biased datasets can lead to unreliable predictions, as seen in a 2023 MIT Sloan study on credit scoring bias. AI can also be exploited for unfair trading advantages, with High-Frequency Trading (HFT) firms using AI to execute trades in milliseconds, creating an uneven playing field. The NSE co-location scam is a prime example, where preferential access to trading servers gave select traders an unfair edge, involving NSE executives like former CEO Chitra Ramkrishna and Anand Subramanian. AI-driven financial models also function as “black boxes”, making it difficult to interpret decision-making processes, raising concerns about transparency and accountability.

Governments worldwide, including the EU and US, are developing AI regulations to address these challenges. Additionally, AI models may struggle to generalize to new, unseen scenarios, particularly in volatile financial markets, leading to unreliable predictions. The Indian finance ministry has also expressed concerns regarding AI usage, citing risks of data breaches and exposure of sensitive information. AI has undeniably reshaped financial markets, bringing efficiency and new opportunities, but risks related to bias, ethics, and regulation cannot be ignored. While AI is not just a passing hype cycle, its long-term impact will depend on responsible implementation and oversight, requiring collaboration between financial institutions, regulators, and technologists to ensure AI remains a force for innovation rather than disruption.



Source: Grand View Research

INDIAN RUPEE IN A DOWNWARD SPIRAL

By Kushagra Pal and Arihant Garg

BMS 1st Year , BMS 1st Year

In recent times, the Indian rupee (INR) has been steadily losing value against the US dollar and other global currencies. This decline has become a major concern for policymakers, businesses, and the general public. A falling rupee can lead to serious economic challenges, such as higher inflation, costlier imports, and a growing trade deficit. This article explores the factors driving the rupee's depreciation, its effects on the economy, and potential steps to stabilize it.

Guiding Forces Behind the Rupee Depreciation

India's Current Account Balance

Jan-March 2024 marks first quarterly surplus in 10



Source: RBI

The Indian rupee's decline is driven by multiple global and domestic factors. One major reason is the US Federal Reserve's interest rate hikes, which have strengthened the dollar and attracted foreign investments to the US, leading to capital outflows from emerging markets like India. Geopolitical tensions, such as the Russia-Ukraine war and conflicts in the Middle East, have further fuelled market volatility and weakened investor confidence. Additionally, India's trade deficit and Current Account Deficit (CAD) have widened due to high imports of crude oil, gold, and electronics, combined with declining exports, increasing the demand for dollars and putting pressure on the rupee. Foreign institutional investors (FIIs) have also been pulling funds from Indian equities and debt markets, preferring developed economies with better returns, further reducing the rupee's value. Rising inflation, caused by surging commodity prices and supply chain disruptions, has added to the challenge, forcing the Reserve Bank of India (RBI) to balance inflation control with economic growth. However, aggressive rate hikes could slow down economic activity. Moreover, sluggish GDP growth, low private investment, and global recession fears have dampened domestic manufacturing and industrial output, reducing India's exports and adding to the rupee's struggles.

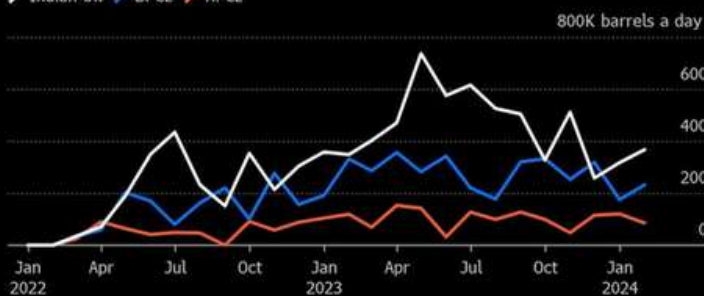
Rupee Depreciation: A Double-Edged Sword for India's Economy

Rupee depreciation impacts the Indian economy in multiple ways. As a net importer of crude oil, a weaker rupee raises the import costs, fuelling inflation through higher fuel, transportation, and essential goods prices. Companies with foreign currency debt face higher repayment burdens, affecting profits and expansion. However, a weaker rupee benefits export-oriented industries like IT, textiles, and pharmaceuticals by making Indian goods more competitive globally. Yet, this advantage is limited if global demand slows due to recessionary concerns, balancing the overall economic impact.

India's State Refiners Have Bought Record Barrels from Russia

Sanctions are testing Russian volumes

Indian Oil BPCL HPCL

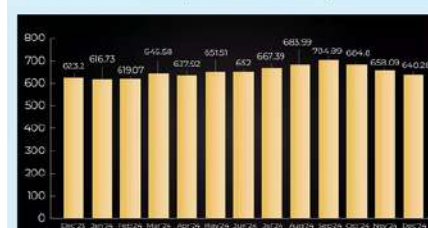


Source: Bloomberg

Fortifying the Rupee: A Possible Strategic Blueprint for Stability and Growth

Stabilizing the Indian rupee requires a multi-pronged approach. The RBI has been using its forex reserves to intervene in currency markets by selling dollars, while liquidity management helps curb large price swings. Encouraging FDI through business-friendly policies can attract stable capital, while boosting local manufacturing under "Make in India" can reduce import dependence and enhance exports. Expanding renewable energy and domestic oil and gas exploration can further lower the import bill. Lastly, financial prudence through efficient government spending, tax and labor reforms, and infrastructure development can strengthen the economy and support the rupee.

Forex (in dollar billion)



Source: Economic Times

CROSS-BORDER INVESTMENTS

Global Perspectives on Indian Startups

By Devansh Gupta and Dhruv Bansal

B.Com (H) 1st year, B.Com (H) 1st year



India's Emergence as a Startup Powerhouse

India has solidified its position as the world's third-largest startup ecosystem, driven by a consumer base of 1.4 billion people and over 800 million smartphone users fueling sectors like e-commerce, fintech, and health tech. Government initiatives such as Startup India and Production-Linked Incentives (PLI) are streamlining regulations and attracting manufacturers. India's talent pool of engineers and developers continues to produce cost-effective, cutting-edge innovations.

Global Investments Driving Innovation

Foreign direct investment (FDI) in India's startups has surged, with FDI inflows reaching \$79 billion in 2023-24, led by the fintech, SaaS, and edtech sectors. PhonePe and Razorpay revolutionized digital payments, while Freshworks' Nasdaq debut underscored India's SaaS potential. Edtech platforms like Vedantu and Unacademy are transforming online learning, and the green-tech sector is accelerating growth in electric vehicles and sustainable solutions.

Challenges in the Investment Landscape

Despite the encouraging growth pattern, foreign investors in the Indian startup ecosystem have to contend with a number of challenges. Uncertainty over-regulation is a primary concern, as changing FDI guidelines and compliance regulations affect investment strategies. Data localization regulations that mandate firms to store and process certain data in India create operational hurdles for global companies that look for hassle-free cross-border operations.

Entry and growth strategies need to factor in India's regional heterogeneity as well since consumer behaviour is very different across states, languages, and economic segments. Furthermore, the uncertainty of exit channels—like the delays in initial public offerings (IPOs) or drawn-out acquisition processes—contributes to investor anxieties. Corporate governance concerns, such as instances of financial mismanagement in some high-profile startups, have at times shaken investor confidence. Yet India's valuations are still relatively affordable compared to China, presenting an attractive risk-reward proposition for long-term investors prepared to endure these complications.

Shifts in Investment Strategies

Investors are prioritizing profitability and forming local partnerships for market insights. Sovereign wealth funds, including Abu Dhabi's ADQ and Saudi Arabia's PIF, are increasing stakes, attracted by India's economic resilience. India's SaaS firms, serving global markets from Bangalore, are gaining attention from crossover funds.



Source: IBEF

The Road Ahead

India's startup ecosystem has matured from promise to performance. Investors are employing strategies such as using local Special Purpose Vehicles (SPVs) to navigate regulations and tapping tier-2 cities for untapped markets. Emerging sectors like climate and space technology are drawing attention, signalling that India is not just attracting global capital but shaping future investment trends.



By Devansh Gupta
B.com(H) 1st Year

INDIA'S GROWTH SLOWDOWN

Is India on the right path to achieve its vision 2047?

India, once the world's fastest-growing major economy, has experienced a noticeable slowdown in recent years. The country's GDP growth has moderated from over 8% to around 6%, sparking a debate among experts. Is this slowdown a temporary setback caused by external factors and cyclical challenges, or is it a deeper structural shift that requires significant policy interventions?

The Current Growth Slowdown

Several factors contribute to India's growth slowdown:

- **Global headwinds:** Rising geopolitical tensions, inflation, and supply chain disruptions have impacted trade and investments.
- **Domestic challenges:** High unemployment, sluggish private consumption, and a stressed financial sector have weakened economic momentum.
- **Policy reforms:** Structural reforms like GST, demonetization, and corporate tax cuts initially caused short-term disruptions.
- **Fiscal constraints:** Rising budgetary deficit and higher government borrowing have limited public spending and investment capacity.

Temporary Setback or Structural Shift?

If the slowdown is cyclical, recovery is expected as global conditions improve and domestic consumption picks up. However, if it is structural, India must address deeper economic inefficiencies. Key indicators suggest:

- **Investment climate:** Private sector investment has been sluggish, indicating uncertainty about long-term growth prospects.
- **Job creation:** The formal sector has not generated enough employment, pointing to potential structural weaknesses.
- **Manufacturing and exports:** India's "Make in India" initiative has yet to deliver robust results, highlighting the need for further industrial reforms.



Source: The Indian Express

The 2047 Vision

To achieve its Vision 2047 of becoming a \$30-\$40 trillion economy, India must take strategic steps:

- **Boosting infrastructure:** Investments in transportation, energy, and digital infrastructure can enhance productivity.
- **Enhancing human capital:** Education and skill development must align with Industry 4.0 demands.
- **Strengthening manufacturing:** India needs to integrate into global supply chains and expand exports.
- **Improving governance:** Simplifying regulations and ensuring policy stability will encourage private sector participation.
- **Green growth:** Sustainable development must be prioritized to balance economic progress with environmental concerns.

Final Verdict

India's growth slowdown is a wake-up call. It's a reminder that the country's economy, like life itself, is a work in progress. Setbacks have occurred, but resilience has been shown. To achieve the ambitious Vision 2047, it's crucial to acknowledge the challenges and take proactive steps towards solutions.

The path ahead won't be easy, but it's not impossible either. India has made significant progress before, and with collective effort, it can do so again. By building on strengths, learning from weaknesses, and working together, a brighter future can be forged for all Indians.

WHY PRIVATE EQUITY FIRMS ARE INCREASINGLY INVESTING IN HOSPITALS

By Sujal Soni and Prabhav Aggarwal
BMS 1st year, BMS 1st year

Introduction

In recent years, private equity firms have increased allocation to the healthcare sector, especially hospitals. Several factors make healthcare an attractive investment opportunity. Rising demand for quality healthcare and technological advancements create significant growth potential. Additionally, operational efficiencies and strategic expansions offer promising returns.

Market Potential and Demographic Shift

The global health industry is expanding rapidly primarily due to demographic factors such as the aging population and the high prevalence of chronic diseases. For example - private equity and venture capital investments in India's healthcare sector have increased to \$5.5 billion in 2023, up by 25% yearly.

Fragmentation and Consolidation Opportunities

The healthcare industry, in particular, remains very fragmented in emerging markets such as India. Hence, fragmentation provides greater scope for consolidation, wherein PE firms can accrete several small units to create large and more efficient networks. It also creates more efficient operations. However, the strategy also provides for increased bargaining with suppliers and payers. Some of the deals that have recently been closed are KKR buying Baby Memorial Hospital and Blackstone acquiring Care Hospitals and KIMS in Kerala. This is in line with the trend of consolidation in the industry.

Operational Efficiency and Value Generation

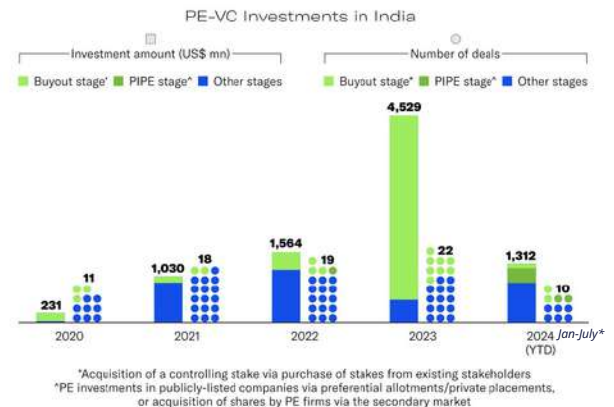
Usually, the capital and management resources taken into the hospitals by PE firms look to enhance the operational efficiency of the hospital. This includes efficient utilization of resources, application of advanced technologies, and service delivery models. The investment in upgrading medical records and healthcare data systems has been very crucial in terms of patient care and operational efficiency.

Financial Engineering and Asset Optimization

Hospitals can use financial alternatives like sale and leaseback mechanisms. It now frees capital previously tied down in real estate investments to the possibility of further re-investments in core medical services, technology upgrades, or expansion projects. This, however, should be done with utmost care as easy over-leveraging stretches out the bottom line of the hospital.

Sudden spike

Since Covid, India's healthcare sector has seen 80 PE-VC deals. But the real action kicked off in 2023



Source: Venture Intelligence, The Ken research

Difficulties and Considerations

Although it has several advantages, investments by PE in hospitals have been the cause of much controversy about the quality and provision of healthcare. Its critics argue that because most of their aim is profit generation, they should compromise on as many costs incurred in the operation as possible, devaluing their care to patients even more. A JAMA survey showed that Medicare patients fall and contract bloodstream infections more often because they are treated in hospitals acquired by private-equity firms.

As the landscape changes, PE firms must navigate the complex regulatory framework and public expectations to ensure sustainable and ethical investments.

Role of Private Equity in Healthcare



Source: USPEC

Conclusion

The healthcare sector demonstrates strong growth potential as there are several opportunities for process improvement. With careful strategic planning and a commitment to high-quality care, private equity investments in hospitals can contribute significantly to the sector's growth while maintaining patient welfare.

By leveraging technology like AI and telemedicine, hospitals can enhance efficiency and patient outcomes. Cost optimization and improved financial management can further support expansion.

CRYPTO REGULATIONS IN INDIA: THE IMPACT OF RBI & SEBI POLICIES

By Prateesh Jha & Vedansh Mittal
B.com(H) 1st Year, B.Com(H) 1st Year

Over the past decade, cryptocurrencies have rapidly evolved into a disruptive asset class, challenging traditional financial institutions and regulatory frameworks worldwide. The RBI and SEBI have played a crucial role in the development and regulatory framework for digital assets in India.

RBI's position in Cryptocurrency policies in India

The Reserve Bank of India serves as the important financial institution of India overseeing economic policy and monetary balance as well as the regulation of banking institutions. The RBI has long been at odds with cryptocurrencies mentioning threats to financial stability, cash laundering and consumer protection. The direction to the present-day regulatory framework for cryptocurrencies in India has been paved with crucial tendencies that replicate the changing angle of presidency authorities. In 2013, the Reserve Bank of India issued its first public warning regarding cryptocurrencies, mentioning issues together with fraud, charge volatility and lack of criminal readability. In May 2018, fast forward 3 years and the RBI issued a circular prohibiting banks and monetary establishments from providing services associated with cryptocurrencies. Yet a petition was filed against this choice and in 2020, the Supreme Court of India struck down the RBI's 2018 round as it declared the prohibitory pointers that it had set forth for banks as disproportionate, unconstitutional, and an infringement on private freedom. In 2021-22, no matter the RBI's persevering withhold on its function in opposition to cryptocurrencies, the big development was that during the 2022 budget, the Indian authorities introduced a 30% tax on crypto profits and a 1% tax deducted at source on transactions a major step closer to the formal law of crypto. Former RBI Governor Shakti Kanta Das has advocated for prohibitory measures, equating cryptocurrencies with Ponzi schemes through explicit analogical reasoning. As technological adoption accelerates globally and India's digital economy expands exponentially, however, governmental strategy appears increasingly inclined to pursue a calibrated regulatory framework rather than categorical interdiction – a shift reflecting multilateral policy pressures and domestic market maturation.

REGULATORY WORRIES

- > The RBI has been a staunch opponent of crypto since 2013 (as crypto isn't backed by any asset/guarantee) & **illegal use**
- > Crypto, by virtue of being decentralised, threatens the authority of central banks. The RBI is concerned it could **undermine its regulated entities and destabilise the economy**
- > Other concerns include **untraceability** of transactions, extreme **volatility** in value
- > The government has said **crypto payments won't be allowed**. However, it is not clear whether it will recognise crypto as assets
- > Legal experts and fintech players say a section in the government is against a full ban due to fears of being globally cut off

Source: Times of India

SEBI's Position on Crypto Regulations

The Ministry of Finance proposes policies and regulations related to crypto taxation, financial stability, and economic implications, with SEBI poised to oversee security token exchanges mirroring its equity market oversight mechanisms. While investor safeguard imperatives dominate, regulatory challenges persist: jurisdictional demarcation between SEBI and RBI regarding the asset's taxation and harmonization with international regulatory trajectories remain unresolved. Such regulatory bodies have significantly influenced the Indian crypto market. The 2018 banking ban they imposed dealt a severe blow to exchanges like ZebPay, forcing them to cease operations in India. However, the 2020 Supreme Court ruling overturning the ban revived crypto trading, paving the way for platforms like WazirX and CoinSwitch Kuber to flourish.

The Way Forward: What's Next for Crypto in India?

For investors, prohibitive taxation regimes and regulatory ambiguity remain as the major constraints. Legislative developments—primarily the automated cryptocurrency and Regulation of Official Digital Currency Bill: Signal enhanced transmission security protocols through KYC/AML framework integration. This critical policy dilemma involves regulating technological innovation imperatives with systemic risk mitigation requiring ongoing regulatory adaptation to enhance market requirements. Current technologies suggest the cryptocurrency government will remain concentrated on iterative. RBI-SEBI coordination within an evolving global digital finance paradigm.

LEGALITY OF OWNERSHIP	TAXATION	REGULATORY AUTHORITIES	PROPOSED LEGISLATION	BDC: DIGITAL RUPEE
Bitcoin and other cryptocurrencies are legal to own and trade, but not legal tender.	30% tax on profits from crypto transactions, and 1% TDS on crypto transactions	RBI, Ministry of Finance, and SEBI	No ban yet; ongoing discussions focus on regulating private cryptocurrencies.	India's official digital currency initiative, providing a government-backed alternative.

Source: KYC Hub

INDIA'S CAPITAL MARKET DEEPENING: IS IT READY TO REPLACE FIIS WITH DOMESTIC LIQUIDITY?

By Kavya Hirawat and Vansh Saini

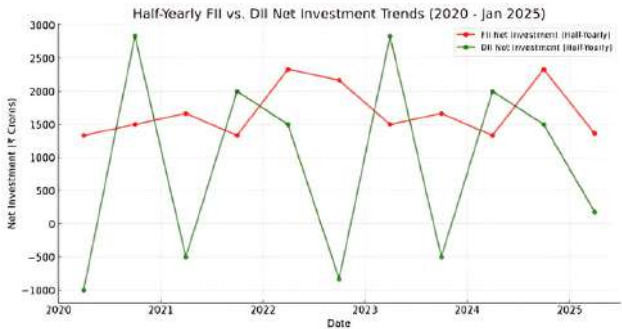
BMS 1st year, BMS 1st year



India's capital market has witnessed stellar growth, fuelled by growing domestic investor presence. The surge in retail investors, mutual funds, and systematic investment plans (SIPs) raises the crucial question: Can India switch from Foreign Institutional Investors (FIIs) to funding its markets through domestic liquidity?

The Shifting Landscape: From FIIs to DIIs

- FIIs have usually helped shape India's market volatility. DIIs, however, particularly mutual funds and insurance companies, have become the focus now. Mutual fund SIP investments crossed ₹2,37,427 crore during FY 2024-25 (YTD), following a rising trend from ₹1,99,219 crore in FY 2023-24 and ₹1,55,972 crore in FY 2022-23. This indicates increasing domestic faith in equities.
- Government programs, including the Jan Dhan Yojana and mobile trading portals, have increased retail investor presence. However, the issue is whether the momentum will be sustainable in the face of FII outflows or not.



The Way Forward

- Reduction of FII dependence calls for promoting investor awareness and financial literacy in the country. Growing pension fund coverage and luring sovereign wealth fund investments may shore up the stability of the markets.
- Moreover, stable regulatory policies are essential to encourage long-term domestic investments and curb excessive speculation.

Date	FII (Rs Crores)	DII (Rs Crores)
	Net Purchase / Sales	Net Purchase / Sales
January 2025	-87,374.66	86,591.80
December 2024	-16,982.48	34,194.73
November 2024	-45,974.12	44,483.86
October 2024	-114,445.89	107,254.68
September 2024	12,611.79	30,857.30
August 2024	-20,339.26	50,174.86
July 2024	5,407.83	23,486.02

Source: Moneycontrol

Conclusion

While India has been quite successful in augmenting domestic liquidity, FIIs continue to have a significant role. It can take some time for the country to have a completely self-sustaining market, but with continued reforms and increasing retail investors, India is making consistent steps towards becoming less dependent on foreign capital and having a stable financial system.

Limitations in FII Replacement

- FIIs continue to be crucial for liquidity, particularly during adverse times. FIIs introduce global skills, diversification, and significant capital that promote growth.
- Market depth is still a point of concern. India's overall market capitalization was over \$4.3 trillion in January 2025 but is still behind developed markets such as the U.S., where retail participation is much greater. Indian markets are also still sensitive to shocks from overseas, indicating ongoing dependence on overseas capital.
- Savings at home are also an impediment since they are held largely in the old instruments of gold and fixed deposits. Retail investment, though improving, still needs to go some distance to offset huge FII withdrawals in its entirety.

FIIs vs. DIIs: A Balancing Act

- A key trend observed in India's equity markets is the counter-cyclical behavior of FIIs and DIIs. Historical data suggests that when FIIs pull money out of Indian equities, DIIs step in with net purchases to stabilize the market. On the other hand, during periods of strong FII inflows, DIIs often slow their investments and increase their selling.
- This trend has been especially noticeable in recent months. As FIIs have steadily increased their selling, DIIs have consistently absorbed the outflows, ensuring market liquidity remains intact. This dynamic showcases the growing resilience of domestic liquidity, with retail investors, mutual funds, and insurance companies playing a crucial role in cushioning volatility.

WHY VALUATIONS OF INDIAN STARTUPS ARE FALLING: A POST-2021 REALITY CHECK

By Mehul Juneja & Chitwan Goyal

B.com (H)1st year , BMS 1st year

The idea of a startup has no intrinsic value at initiation, it's the Present Value of Growth Opportunities that contribute to the massive numbers we have been hearing all around. Valuations of startups are required even during the initial phase to procure funding, which is done in several rounds. However, these valuations are largely based on opaque formulas rather than actual financial metrics such as profit after tax or cash flow. Instead, alternative valuation metrics such as gross merchandising value, cost of goods sold, and user engagement are used.

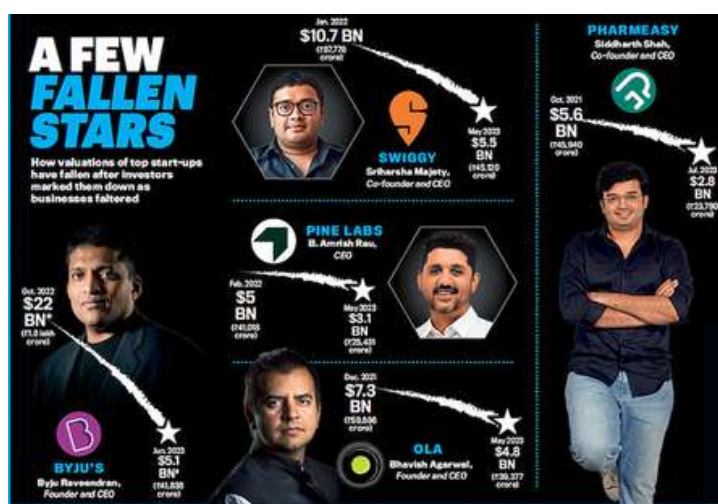
The pandemic hastened digital transformation, thereby creating an artificial boom in industries such as e-commerce, ed-tech, fintech, and SaaS. People had time to build upon their startups due to job losses, while investors thought the surge would continue to last, and thus came billions of money. In 2021 alone, Indian startups raised a record \$42 billion and bred 44 unicorns. Loose monetary policies and government aid packages further buoyed risk-taking to see a new unicorn practically every month.

The Flawed Valuation Model

Most Indian unicorns were built on inflated valuations, driven by future earnings expectations rather than profitability. Investors overestimated India's consumer base, assuming exponential demand growth. In reality, startups targeted a much smaller market of around 100 million affluent users, making aggressive expansion unsustainable.

This illusion collapsed in 2022 amid economic shocks like the Russia-Ukraine war, inflation, and rising interest rates, which made capital expensive. Investor sentiment shifted towards profitability, cutting off funding and halving the number of new unicorns. By 2023, valuations were slashed, forcing startups like BYJU'S, Meesho, and PharmEasy to downsize or seek urgent restructuring.

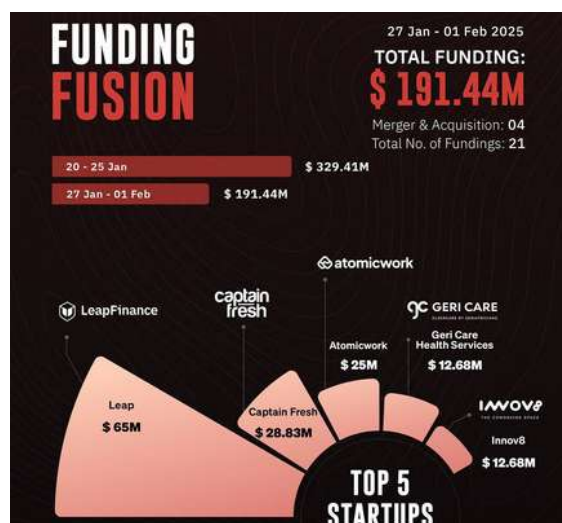
By 2024, investors prioritized clear profitability and sustainable models. Early-stage startups struggled to secure funding, while late-stage firms with proven viability thrived. Series B and C funding reached \$3.5 billion across 209 deals—only a modest increase, reflecting the cautious investment climate.



Source: indiatoday

“UNICORNS LIKE BYJU'S, MEESHO AND PHARMEASY WERE AMONG THOSE WHOSE INVESTORS CUT THEIR VALUATIONS ON THEIR BOOKS, EVEN MULTIPLE TIMES IN SOME CASES”

Source: Inc42



Source: Indian startup news

Road Ahead

Despite the funding slowdown, industry experts anticipate a gradual revival as economic conditions stabilize. Growth-stage startups would remain attractive for investments, while sectors such as climate tech, health tech, and AI-driven solutions are likely to be in focus. The era of unchecked funding and inflated valuations is over, making way for a more mature and resilient startup ecosystem that puts profitability and sustainability above all else.

Investors are now prioritizing startups with strong unit economics, clear revenue models, and scalable operations. Strategic mergers and acquisitions may rise as companies seek synergies to strengthen their market position. The startup landscape is evolving into a more disciplined and innovation-driven environment, fostering sustainable and impactful growth.

US-CHINA TRADE WAR 2.0? HOW SEMICONDUCTOR BATTLES ARE REDRAWING SUPPLY CHAINS?

By Pragma Bansal and Kashish Aggarwal

B.Com (H)1st year, B.Com (H)1st year

Origins of the Trade War

An economic conflict between China and the United States has been ongoing since January 2018, when U.S. President Donald Trump began setting tariffs and other trade barriers on China to force it to make changes to what the U.S. says are long-standing unfair trade practices and intellectual property theft. This trade war initially revolving around tariffs has now escalated to a full-fledged technological battle, with semiconductors at its core. They are often referred to as the "new oil," since they are crucial in everything, varying from smartphones to military applications. The US is restricting China's access to advanced chip technology, which has led to a major transformation in the global supply chains. Being the world's largest economy, any trade shifts between the US and China would bring challenges as well as opportunities for other countries, including India.

Escalation into a Tech War

US imposing strict export controls, limits China's access to cutting-edge semiconductor technology. Nvidia, AMD, Intel, and many such companies are facing restrictions to supply high-tech chips to China. In response to this China started aggressively investing in its domestic semiconductor industry, and is experiencing groundbreaking progress despite restrictions. However, China is still lagging in high-end chip manufacturing and is thus forced to search for alternatives. From a global perspective, nations are rethinking their dependency on China and Global semiconductor supply chains are being restructured to reduce risks and technological dependency.

Global Supply Chain Shifts

Many chip manufacturers are shifting their productions, in retaliation to these geopolitical and supply chain disturbances. Countries like Taiwan, Japan, the US, and Korea are emerging as major semiconductor hubs. The US CHIPS Act is a strategic move to reduce dependence on China, strengthen national security, and boost semiconductor manufacturing with an investment of 52 Billion dollars. This shift opens up opportunities for countries like India, which is actively establishing itself as an alternative semiconductor hub.

India's Emerging Role

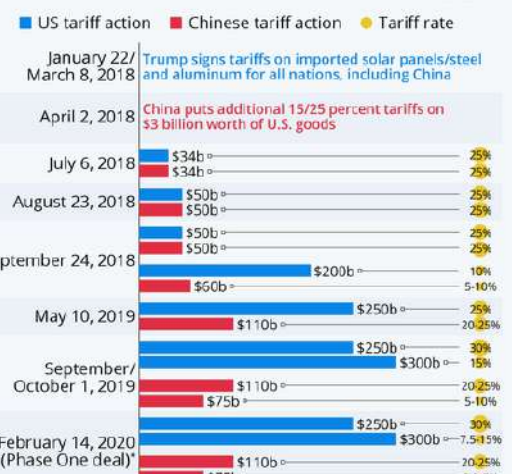
To capitalize on this opportunity, India is making strategic moves. To attract semiconductor investments The Indian government has launched a 10 Billion dollar Production-linked incentive scheme. India already excels in chip design and software with a skilled workforce and R&D sector, with companies like Tata Electronics and Vedanta actively seeking new technology and equity partners to advance their projects. Despite this, challenges remain. India is deficient in many of the advanced fabrication plants (fabs), relying on supplies from abroad for semiconductor manufacturing equipment. Also, a very large amount of capital and reliable infrastructure will need to be in place for any successful semiconductor ecosystem to flourish.

India's Semiconductor Ambitions

India is positioning itself as a key player in the global semiconductor landscape. The government's \$10 billion Production-Linked Incentive (PLI) scheme is set to attract investments. Tata Electronics has set up India's first chip fabrication unit in Dholera, and is expected to start high volume production by mid-2025. India already excels in chip design and software, with a skilled workforce and robust R&D capabilities.

U.S.-China Trade War: A Timeline

Cumulative tariffs between the U.S. in China in 2018-2020



Source: Statista

CONCLUSION

The US-China semiconductor war is reshaping global supply chains, providing an opportunity for India to attract fresh investments and expand manufacturing. However, to become a global semiconductor leader, India has to face several infrastructural as well as financial challenges. This battle presents a crucial chance for India to strengthen its position in the global tech landscape.

THE STATE OF INDIA'S GREEN ENERGY SECTOR

By Palak Mittal and Rashi Bansal
BMS 1st year, B.Com (H) 1st year

Transformation of India's Energy Landscape

India's energy landscape is undergoing a remarkable transformation, with coal plants giving way to solar arrays and wind turbines. The nation has pledged to reduce emissions intensity by 45% by 2030 and generate 50% of its power from non-fossil fuel sources. It has also set a target of 500 GW of installed non-fossil fuel capacity by 2030, up from 175 GW in 2022. This shift not only curbs carbon emissions but also positions India as a key player in the global clean energy transition.

Indian Railways' Contribution to Sustainability

Indian Railways has emerged as a sustainability champion, implementing energy-efficient locomotives, LED lighting, and reforestation efforts, saving ₹14,500 crore annually. These actions align with India's goal of achieving Net Zero by 2070, demonstrating the potential for large-scale adoption of renewable energy.

Progress in Renewable Energy Capacity

India is making significant strides in renewable energy. As of October 2024, the country achieved 203.18 GW of installed capacity—a 13.5% rise from the previous year. Solar power leads the way with 92.12 GW installed. The National Green Hydrogen Mission, with an investment of ₹19,744 crore, aims to accelerate clean fuel adoption by 2030.

"INDIA'S RENEWABLE ENERGY CAPACITY HAS SURPASSED 200 GW. THE COUNTRY PLANS TO REACH 500 GW BY 2030. INVESTMENTS WILL DOUBLE TO USD 32 BILLION BY 2025."

Source: The Economic Times

Government Policies and Budget Allocations

The 2025 Union Budget has allocated ₹1.5 lakh crore to the renewable energy sector, including ₹10,000 crore for the Green Hydrogen Mission and ₹8,000 crore for EV infrastructure. These initiatives are designed to expand solar, wind, and biofuel capacities, create 30 million green jobs by 2050, and reduce dependence on diesel.

Green Finance Initiatives

By 2025, India's renewable energy capacity is expected to reach 214 GW, maintaining momentum toward the 500 GW target by 2030. Industry leaders predict increased investments from both private and public sectors. Srivatsan Iyer, Global CEO of Hero Future Energies, said, "We anticipate a surge in renewable energy investments, driven by increased participation from both private and public sectors."

Challenges and Solutions

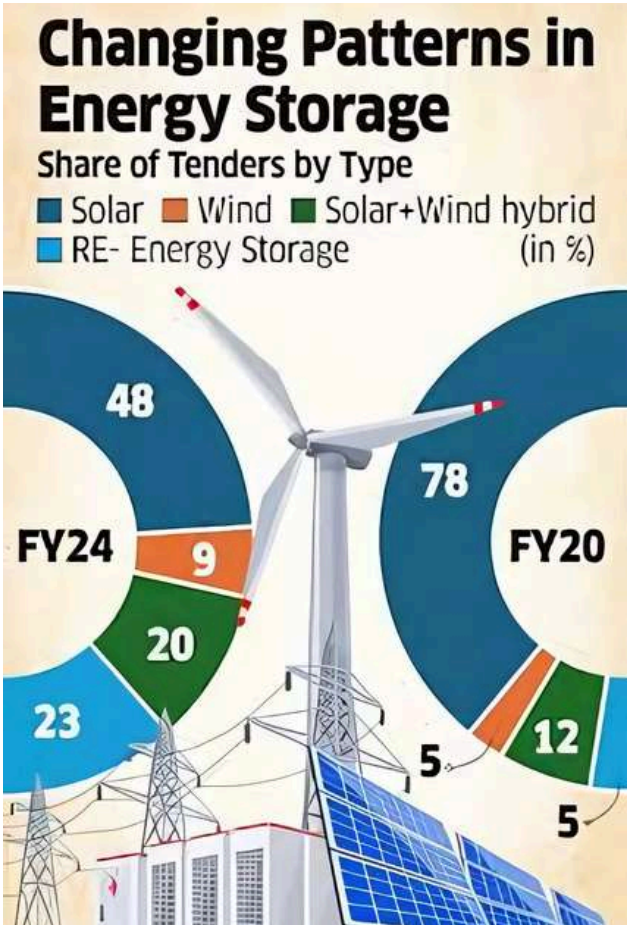
Despite these achievements, challenges remain. Developing advanced energy storage and boosting domestic manufacturing of renewable components are essential for sustaining growth.

Future Growth Projections

By 2025, India's renewable energy capacity is expected to reach 214 GW, maintaining momentum toward the 500 GW target by 2030. Industry leaders predict increased investments from both private and public sectors. Srivatsan Iyer, Global CEO of Hero Future Energies, said, "We anticipate a surge in renewable energy investments, driven by increased participation from both private and public sectors."

Conclusion

India's renewable energy journey reflects a commitment to sustainability. Through innovation, investment, and policies, the country is leading the shift to clean energy, proving economic growth and environmental responsibility go hand in hand. With a 500 GW non-fossil fuel target by 2030, expanding solar, wind, and hydro projects will boost energy security and cut emissions. Government-private sector collaboration is key to long-term sustainability and growth.



Source: SBI CAPS

THE DECLINE OF ACTIVE INVESTING IN INDIA

Why Index Funds Are Winning

By Lakshay Bansal and Vansh Gupta
B.M.S 2nd year, B.M.S 2nd year

For a long time, active management of funds was believed to deliver a return more than a comparable index, thus making it a tool to get wealthy. However, an increasing number of active funds struggling to outperform their benchmarks is raising concerns about their relevance, especially given their higher costs.



- **Survivorship Biases**

Investors often evaluate fund returns based only on those that are still active, ignoring poorly performing funds that have shut down. However, including these defunct funds in the analysis would result in even lower historical returns, providing a more accurate picture of overall fund performance.

- **Frequent Portfolio Turnover**

Actively managed funds and portfolio services lead to constant trading, thus increasing the transaction charges and lower tax efficiency. In contrast, index funds operate with minimal turnover, increasing tax efficiency.

Shifting Trend to Passive Investing

In the U.S., the transition from active to passive management has been dramatic. By 2019, passive assets under management (AUM) for U.S. equities grew to \$4.27 trillion, surpassing active AUM (\$4.25 trillion) for the first time. India is following suit, with the AUM of index funds and ETFs witnessing rapid growth. Investors are increasingly recognizing that while passive funds do not aim to outperform the market, they provide reliable long-term returns at lower costs.

Why Active Funds are Underperforming

- **Higher cost with inadequate returns**

Actively managed funds typically charge higher fees (around 2-2.5% of AUM) compared to index funds (less than a percent). The higher cost would have been justified if the majority of the active funds were beating their benchmarks, but that is not the case. The higher fees are just for the minute chance of generating alpha, rather than being a strong possibility.

- **Market Maturity**

Mature and efficient markets, bring along with them a proper flow of information. As Indian financial markets are growing towards a mature phase, the chances of a portfolio manager being able to identify undervalued securities have dropped significantly.

- **Regulatory constraints**

According to SEBI's 2017 mutual fund reclassification, large-cap funds need to allocate at least 80% of their funds to the top 100 companies, limiting their ability to seek high-growth opportunities in mid-cap and small-cap. This has limited the fund manager's flexibility and ability to generate higher returns.



Source: MProfit

What This Means For Indian Investors

While active investing is not obsolete, it faces significant challenges. Certain categories, such as small-cap and thematic funds, still have opportunities for generating alpha due to lower market efficiency. However, for most investors, index funds present a cost-effective and low-risk strategy for long-term wealth creation. The evolution of portfolio management in India suggests that while active management is not disappearing, its dominance is certainly being challenged.

COMMODITY ANALYSIS

Gold, Silver, Crude, Lithium

By Raghav Gupta

BMS 1st year

Gold Market Analysis 2024-25: A Year of Volatility and Growth

Gold was among the top-performing assets in 2024-25, growing by 24% in the Indian market. Prices went up from ₹70,605 per 10 grams in April 2024 to ₹87,230 in February 2025, as global gold prices jumped from \$2,249.01 per ounce to \$2,924.99 over the same period. The rally was fuelled by economic uncertainty globally, geopolitical tensions, and central bank actions.

Key Drivers of the Gold Rally

Geopolitical uncertainty had a massive effect on the price of gold. In early 2025, the U.S. slapped a tariff of 25% on steel and aluminum imports, which raised fears of a worldwide trade war. Investors flocked to gold as a safe-haven asset, propelling demand. Central banks within emerging markets also raised gold reserves to mitigate dependence on the U.S. dollar.

Monetary policies also drove gold prices. The U.S. Federal Reserve's anticipated rate cuts in 2024 stoked the rally. But in December, the Fed reduced its projection for rate cuts in 2025, triggering a short-lived dip before gold recovered amid continued demand and high inflation.

Outlook for 2024-25

Gold's path in 2025 will be based on the state of global economic conditions, inflationary trends, and monetary policies. Though volatility can continue, gold is still a popular hedge against uncertainty.



In India, prices at the Multi Commodity Exchange (MCX) began at ₹81,600 per kg in April 2024, hit a low of ₹79,700 in July, and rose to ₹95,260 in February 2025. Across the world, industrial demand and geopolitical developments defined this volatility.

Key Drivers of Silver Prices

Industrial demand was a major stimulus, especially from the solar and electric vehicle (EV) industries. With governments increasing renewable energy programs, the consumption of silver went up. Economic stimulus programs by China and industrial recovery also affected prices.

Geopolitical tensions, such as the Russia-Ukraine war and conflicts in the Middle East, triggered safe-haven investment. At the same time, interest rate cuts by the U.S. Federal Reserve altered the sentiment of investors, impacting both domestic and global silver markets. In India, the cut in gold and silver import duties to 6% from 15% during mid-2024 temporarily supported prices.

Outlook for 2024-25

Silver prices will be volatile in 2025, driven by green energy expansion, geopolitical trends, and central bank actions. Rising demand from the solar and EV industries will fuel industrial and investment interest amid uncertainties. The push toward de-dollarization and central banks boosting silver reserves could impact valuation.

Supply challenges, including mining disruptions and regulatory changes, may add to fluctuations. Silver's role in 5G networks and medical applications will sustain demand. Inflation and interest rates will shape investor sentiment.

As investors seek safe-haven assets, silver's dual role as an industrial metal and store of value keeps it in focus. Analysts expect heightened speculation, making silver a key asset. Despite headwinds, its long-term fundamentals remain strong, supported by the green economy and innovation.



Source: Kitco

Silver Market Analysis 2024-25: Volatility and Future Outlook

Silver experienced significant price fluctuations in 2024, propelled by industrial demand, policy shifts, and international uncertainties, making it a focal point for investors navigating market volatility. Geopolitical tensions and monetary policies further influenced its market trends, keeping silver a dynamic asset in the global economy.

Crude Oil Analysis: Trends, Challenges, and Future Outlook

Crude oil is a vital global resource, powering industries from energy to transportation. However, its prices remain highly volatile, influenced by factors such as OPEC decisions, geopolitical tensions, economic conditions, exchange rates, and taxation policies. Any disruption in supply, whether due to wars, natural disasters, or political interventions, can lead to significant price fluctuations.

Over the past five years, crude oil prices have witnessed extreme volatility. The COVID-19 pandemic caused a sharp decline in demand, leading to a price crash, but a swift recovery followed as economies reopened. The Russia-Ukraine war further disrupted global supply chains, driving oil prices to record highs. Inflation, currency fluctuations, and recession fears in 2023 added more uncertainty, as a stronger U.S. dollar made oil imports expensive for weaker currencies. Meanwhile, the rise of renewable energy and alternative fuels is also putting long-term pressure on crude oil markets.



Source: investing.com

Looking ahead, the World Bank predicts continued volatility in crude oil prices. While growing demand from emerging economies may push prices higher, increased supply from oil-producing nations could exert downward pressure. Additionally, geopolitical tensions and the global push for cleaner energy sources will further shape the uncertain future of crude oil markets.

Lithium: A Commodity with High Potential and Volatility

Lithium, previously predominantly utilized in ceramics, glass, and drugs, has witnessed explosive growth with its pivotal application in lithium-ion batteries. The surging demand for electric vehicles (EVs) and renewable energy storage has significantly boosted lithium consumption. Governments worldwide are investing in battery technology to support clean energy transitions, further driving demand. However, supply chain constraints and geopolitical factors continue to impact lithium availability and pricing. As a result, lithium has emerged as a critical resource in the global push for sustainability and technological advancement. Companies are ramping up exploration and extraction efforts to meet rising demand, leading to increased investments in lithium mining and refining.

The growth is fueled by the increasing demand for electric vehicles (EVs), where every vehicle consumes 8-10 kg of lithium, and the growing application in electronics like smartphones and laptops. Lithium also finds industrial applications in lubricants and air treatment systems.



Price Volatility

Prices of lithium have witnessed tremendous volatility. Prices went up to around CNY 2,09,296 per ton in 2017–2018 on the back of high demand. But in 2020, the COVID-19 pandemic caused a steep decline, with prices dropping to CNY 1,05,551 per ton because of excess supply and lower demand. The market recovered in 2021, reaching an all-time high of CNY 2,90,000 per ton as electric vehicle sales picked up once again. Prices corrected to CNY 1,70,000 per ton by 2023 because of surplus supply. As of February 2025, lithium prices have fallen to approximately CNY 76,000 per ton, showcasing the market's extreme volatility.



Source: Trading Economics

Future Outlook

The International Energy Agency (IEA) estimates lithium demand to increase more than 40-fold by 2040, led by EVs, electronics, and pharmaceuticals. Supply issues, including geopolitical tensions and mining constraints, might, however, amplify price volatility. Advances in battery technology might ultimately minimize lithium reliance, but such developments are currently in their early stages. Although the future of lithium is bright, its market is extremely volatile.

STUDENTS' ACHIEVEMENTS

2024-25

Name	Course	Year	Event Name	College	Position
Harshit Bansal	B.COM. (H)	III	EquiLens: The Equity Research Challenge	IIM Rohtak	First
Prishita Arora	B.COM. (H)	III	In That Case: A Valuation Case Competition	Kirori Mal College	First
Nirbhay Nagpal	B.COM. (H)	II	DealForge: M&A Case Competition	IIM Rohtak	First
Vansh Saini	B.M.S	I	AdSpire	Shaheed Rajguru	First
Khush Malik	B.COM. (H)	II	Be an Angel	IIT Kanpur	Second
Nirbhay Nagpal	B.COM. (H)	II	Be an Angel	IIT Kanpur	Second
Vansh Saini	B.M.S.	I	App-venturers 2.0: Reimagining the Familiar, One Feature at a Time	IIM Trichy	Second
Atharv Garg	B.M.S.	I	App-venturers 2.0: Reimagining the Familiar, One Feature at a Time	IIM Trichy	Second
Devansh Gupta	B.COM. (H)	I	Mind-O-Pedia	IITM	Second
Chitwan Goel	B.M.S.	I	BITS Stock Exchange - Trading Challenge	BITS Pilani	Third
Vansh Saini	B.M.S.	I	Kronos - Business Operations Simulation	XLRI Delhi	Third
Anushka Goel	B.M.S.	II	Exchequer'24: The Financial Series Competition	IIM Ahemdabad	Finalist
Lakshay Bansal	B.M.S.	II	Exchequer'24: The Financial Series Competition	IIM Ahemdabad	Finalist
Anushka Goel	B.M.S.	II	Imperium'24: The National Level Strategy Case Event	IIM Indore	Finalist
Lakshay Bansal	B.M.S.	II	Imperium'24: The National Level Strategy Case Event	IIM Indore	Finalist
Lakshay Bansal	B.M.S.	II	Valquest'25 Valuation Case Competition	IIM Lucknow	Finalist
Atharv Garg	B.M.S	I	Midas Touch	IIT Delhi	Finalist
Vansh Saini	B.M.S	I	Midas Touch	IIT Delhi	Finalist
Vansh Saini	B.M.S	I	Kotler Sutra: Decode, Design, Dominate	IIM Kohzikode	Finalist
Atharv Garg	B.M.S	I	Kotler Sutra: Decode, Design, Dominate	IIM Kohzikode	Finalist
Vansh Saini	B.M.S	I	Sumantran - Hunt for the Star Consultant	IIM Kohzikode	Finalist
Tanish Garg	B.M.S	I	Sumantran - Hunt for the Star Consultant	IIM Kohzikode	Finalist
Vansh Saini	B.M.S	I	Endgame × Cesim Elite 2024	IIM Kashipur	Finalist
Vansh Saini	B.M.S	I	In that Case: Fall Edition X HPCL Case Study Competition	Kirori Mal College	Finalist

INTERNSHIPS

2024-25

Name	Course	Year	Profile	Company
Prishita Arora	B.COM. (H)	III	Research Intern	Frost & Sullivan
Harshit Bansal	B.COM. (H)	III	Research Intern	Niti Aayog- Economics & Finance Cell
Pratul Prakhar	B.M.S.	III	Research Intern	Frost & Sullivan
Pratul Prakhar	B.M.S.	III	Research Intern	Niti Aayog
Parth Bhatia	B.COM. (H)	III	Summer Associate	Ernst & Young(EY) India
Pulkit Sethi	B.COM. (H)	III	Finance Intern	Reckitt Benckiser
Khush Malik	B.COM. (H)	II	Investment Associate (Intern)	Westraty Ventures
Nirbhay Nagpal	B.COM. (H)	II	Investment Associate (Intern)	Westraty Ventures
Palak Mittal	B.M.S.	I	Consultant Associate	The Impact Project
Palak Mittal	B.M.S.	I	Project Team Lead	Snap-E Cabs

OTHER ACHIEVEMENTS

- Lakshay Bansal of B.M.S. 2nd year has cleared CFA Level 1.
- Khush Malik of B.Com. (H) 2nd year has cleared FRM Level 1.
- Keshav Narang of B.Com. (H) 2nd year has cleared FRM Level 1.
- Vansh Gupta of B.M.S. 2nd year has cleared CFA Level 1.
- Divyanshi Arora of B.Com. (H) 2nd year has cleared CA Foundation with a distinction.
- Shivam Verma of B.M.S. 3rd year has cleared CFA Level 1.
- Parth Bhatia of B.Com. (H) 3rd year has cleared CA Intermediate Group 1.
- Kanan Gupta of B.Com. (H) 2nd year has cleared FRM Level 1.
- Udipt Gupta of B.Com. (H) 3rd year has cleared FRM Level 2.

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