

Green Edition.

The background of the cover is a photograph of a pair of hands cupping a small green plant. The plant is growing out of a pile of Indian Rupee coins, symbolizing the growth of finance and investment. The hands are positioned at the bottom, with the plant growing upwards towards the top of the frame.

Absolute Finance 2.0

5th Edition

OUR TEAM



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ABOUT US

ABSOLUTE FINANCE !

Welcome to Absolute Finance, where we're not just your guides on your financial journey; we're your partners in making the process enjoyable and engaging for all. We understand that finance can often seem like a daunting labyrinth of numbers and concepts, and we're here to break down those barriers. We're committed to bringing a touch of fun and excitement to your financial education.

So, come on board and join us at Absolute Finance, where we blend finance with fun, and make learning an enjoyable and enriching experience for everyone. Let's embark on this exciting adventure together, discovering the world of finance in a whole new light, because your financial future is for everyone, and we're here to make the journey both enlightening and entertaining!

WORD FROM TEAM

At Absolute Finance, we aren't just about guiding you through your financial expedition; we're on a mission to empower you with the information and insights you need to navigate the complex world of finance. Plus, we promise to make it a hoot and a half! We know finance can feel like a never-ending maze, so we make it our goal to jazz up your learning experience and keep you entertained along the way.

Market Insights

Indian Indices

Index	Price	Change	%Chg
NIFTY 50	21352.60	-101.40	-0.47
SENSEX	70700.67	-359.64	-0.51
NIFTY BANK	44866.15	-216.25	-0.48
NIFTY IT	36496.20	-593.95	-1.60
S&P BSE Smallcap	44363.74	239.38	0.54

MOST ACTIVE STOCK

Company	Price	Change	Val.(Cr.)
HDFC Bank	1,434.90	-21.00	7,094.87
ICICI Bank	1,009.95	10.75	2,838.10
NBCC (India)	114.70	9.45	2,621.10
Railtel	437.75	40.35	2,594.36

Take

The market ended the week on a negative note, with both major indices, Nifty 50 and Sensex, closing lower.

- The Nifty 50 fell by 101.40 points (0.47%), closing at 5,021,352.60,
- The Sensex declined by 359.64 points (0.51%), closing at 70,700.67,
- NIFTY IT was the biggest loser this week, plunging 1.60% or 593.95 points. This could be due to profit booking after recent gains or concerns about global tech stocks.
- S&P BSE Small cap was green, gaining 0.54% or 239.38 points. This may suggest that investors may be seeking opportunities in smaller companies.

News

Mahindra & Mahindra Financial Services: The non-banking finance company has received approval from the board to issue secured NCDs worth Rs 3,000 crore on a private placement basis.

Lupin: The pharma company has received tentative approval from the United States Food and Drug Administration (US FDA) for its abbreviated new drug application for Rivaroxaban tablets USP, 2.5 mg, 10 mg, 15 mg, and 20 mg, to market in the US.

Pro Tip

Lord Rama exemplifies the virtue of patience. He endures years of exile and faces numerous challenges with unwavering determination. Similarly, stock market investors should cultivate patience and adopt a long-term vision. The market is bound to witness fluctuations, but staying focused on long-term goals can help ride out short-term volatility.



Investors Insight

Top Picks on Stocks

Buy CreditAccess Grameen, target price Rs 1985: Motilal Oswal

CreditAccess Grameen Ltd. key Products/Revenue Segments include Interest, Income From Financial Services, Other Services, Fees & Commission Income and Income From Sale Of Share & Securities

Buy Union Bank of India, target price Rs 165: Motilal Oswal

Union Bank of India, incorporated in the year 1919, is a banking company (having a market cap of Rs 103996.65 Crore).

Buy UltraTech Cement, target price Rs 12000: Motilal Oswal

UltraTech Cement Ltd., incorporated in the year 2000, is a Large Cap company (having a market cap of Rs 288611.62 Crore) operating in Cement sector.

Buy Hindustan Unilever, target price Rs 2900: Motilal Oswal

Hindustan Unilever Ltd. key Products/Revenue Segments include Personal Care and Other Operating Revenue for the year ending 31-Mar-2023.

Sell Mangalore Refinery And Petrochemicals, target price Rs 135: Motilal Oswal

Mangalore Refinery And Petrochemicals Ltd., incorporated in the year 1988, is a mid-cap company (having a market cap of Rs 28313.23 Crore) operating in Gas and petroleum sector.

Sell Exide Industries, target price Rs 290: Anand Rathi

Exide Industries Ltd. key Products/Revenue Segments include Batteries (Storage), Export Incentives, Other Operating Revenue and Scrap for the year ending 31-Mar-2023.



Fundamental Analysis

INTRODUCTION

Shree Cement Ltd is India's third-largest cement producer and the second-largest cement company by market capitalization. The company has an installed cement production capacity of 46.4 Million Tonnes Per Annum in India and 50.4 including overseas. Shree Cement is among India's most sustainable companies and is a global benchmark in efficiency and sustainability. The company is known for its culture of innovation, cost consciousness, and operational efficiency. Shree Cement is going to come up with a fresh round of capacity expansion, including a new grinding unit in Bengal, in line with the company's vision to reach 80 million tonnes (mt) by 2030.



Compounded Sales Growth	Compounded Profit Growth	Compounded Expense Growth	Stock Price CAGR
1 Year(TTM) : 17.08 %	1 Year(TTM) : 14.03 %	1 Year(TTM) : 18.51 %	1 Year : 24.26 %
3 Year : 11.49 %	3 Year : -6.12 %	3 Year : 17.76 %	3 Year : 7.11 %
5 Year : 12.67 %	5 Year : -1.69 %	5 Year : 15.15 %	5 Year : 12.65 %
10 Year : 11.52 %	10 Year : 4.91 %	10 Year : 12.45 %	10 Year : 20.31 %

Ratios (Consolidated)

Particulars	Jun 2015	Mar 2016	Mar 2017	Mar 2018	Mar 2019	Mar 2020	Mar 2021	Mar 2022	Mar 2023
ROCE %	8.62	17.99	19.86	18.43	11.25	15.46	19.24	16.8	8.65
ROE %	8.54	18.86	18.41	16.68	10.93	13.52	16.03	14.22	7.03
ROA %	5.69	13.53	13.56	10.95	6.88	9.06	11.47	10.67	5.21
Interest coverage r...	4.32	16.52	12.83	14.51	5.62	7.64	12.95	14.38	6.69
D/E	0.17	0.13	0.17	0.38	0.29	0.24	0.14	0.12	0.14
P/B	7.48	6.32	7.7	6.34	6.71	4.81	6.91	4.96	5.07

Major Shareholders

Particulars	Sep 2021	Dec 2021	Mar 2022	Jun 2022	Sep 2022	Dec 2022	Mar 2023	Jun 2023	Sep 2023	Dec 2023
Foreign promoters %	0	0	0	0	0	0	0	0	0	0
Indian promoters %	62.55	62.55	62.55	62.55	62.55	62.55	62.55	62.55	62.55	62.55
Dilts %	10.11	10.5	11.16	11.23	11.12	11.95	11.74	12	12.54	12.53
Flls %	13.53	13.05	12.2	11.85	12.37	12.5	12.82	12.62	12.22	12.32
Others %	13.81	13.9	14.09	14.37	13.96	13	12.89	12.83	12.69	12.6

Industry News

Healthcare

AIIMS, Bhopal signs MoU for treatment of gas-hit cancer patients: But an MOU for the purpose between the gas relief department and AIIMS, Bhopal. management could not be signed till now, thereby depriving the cancer patient gas victims of free treatment at AIIMS.

Zydus gets USFDA nod for generic medication: As per IQVIA data, the product had an annual sales of USD 85 million in the US. Shares of Zydus were trading 2.27 per cent down at Rs 735.30 apiece on the BSE.

Revolutionising Pharma-MedTech: India allocates Rs 5,000 crore to propel research and innovation. In a move towards advancing research and innovation in the pharmaceutical and medical technology (Pharma-MedTech) sector, the Ministry of Finance announced the "Promotion of Research and Innovation in Pharma-MedTech" (#PRIP) initiative.

Economic

Direct tax-to-GDP ratio at 23-year high in FY23: CBDT; Corporate tax collections during the year stood at Rs 8.26 trillion, up 16% on year, and income tax collections stood at Rs 8.33 trillion, 19.6% higher on year.

Govt raises import tariffs on gold, silver to curb surge in shipments: Gold imports spiked 95% to \$7.2 billion in October, causing the merchandise trade deficit to rise to an all-time high monthly figure of \$31.46 billion.

US dollar tumbles in midst of consolidation; US data, ECB loom: The US currency, however, cut its losses after data showed that business activity in the world's largest economy picked up in January and a measure of inflation eased.

Oil prices up 1% to 4-week high on big US crude withdrawal, China stimulus: Brent futures rose \$1.03, or 1.3%, to \$80.58 a barrel by 12:03 p.m. West Texas Intermediate (WTI) crude rose \$1.31, or 1.8%, to \$75.68.

Budget News

Interim Budget 2024: 6 things to expect on February 1:

As India gears up for the Lok Sabha elections projected for April to May 2024, the upcoming budget is expected to be more of an interim nature, with no major policy declarations on the horizon

Banking liquidity deficit over ₹2 lakh crore on lower govt spending, weak deposit growth:

In the fortnight ended December 29, the bank deposits grew by 13 per cent on a year-on-year basis, while credit grew by 20 per cent, the latest RBI data showed.

Agriculture Ministry surrendered one lakh crore of its budget in last 5 years:

The department surrendered Rs 23,824.53 crore in 2020-21, Rs 34,517.7 crore in 2019-20, and Rs 21,043.75 crore in 2018-19.

Budget 2024 Expectations Highlights: Need incentives, infra support for pharma sector, says Granules India chief

Interim Budget may target 5.3% fiscal deficit for FY25: Ind-Ra:

Budget 2024: India Ratings and Research (Ind-Ra) stated that the government aims to achieve a fiscal deficit to GDP ratio of 5.3% in FY25. However, it may miss the 5.9% target for FY24 due to a lower nominal GDP growth rate.

Budget 2024: Rural employment guarantee scheme may get 47% boost with ₹ 88,000 crore allocation:

In the upcoming budget for FY2025, the government is expected to increase funds for the rural employment guarantee scheme .

Government's Green Bond Move News



Government to offer 50-year gilts, and green bonds this fiscal:

The Indian government plans to borrow Rs 6.55 lakh crore in the second half of the current fiscal year, unchanged from its earlier announcement. It also intends to introduce 50-year maturity bonds and green bonds. In the first half of the year, the government raised Rs 8.9 lakh crore, leaving room for states and other entities to borrow more in the second half. The government will issue bonds of various durations, ranging from three to 50 years.

In its Budget for FY24, the government had said it would raise Rs 15.43 lakh crore. During the first half of the year (April-September), it raised R\$ 8.9 lakh crore, RBI and official data showed. Usually, the government raises between 60-65% of its total borrowings during the first half of the fiscal - called front-loading - leaving room for states and other entities to go for higher borrowings during the second half of the fiscal. The central and state governments meet their fiscal deficits through these borrowings.

The government has decided "to borrow the balance amount of Rs 6.55 lakh crore (42.5% of Rs 15.43 lakh crore) in the second half of the fiscal year 2023-24 through dated securities, including Rs 20,000 crore through issuance of sovereign green bonds (SGrBs),* a finance ministry statement noted. The government will borrow through papers of three, five, seven, 10, 14, 30, 40, and 50-year duration.

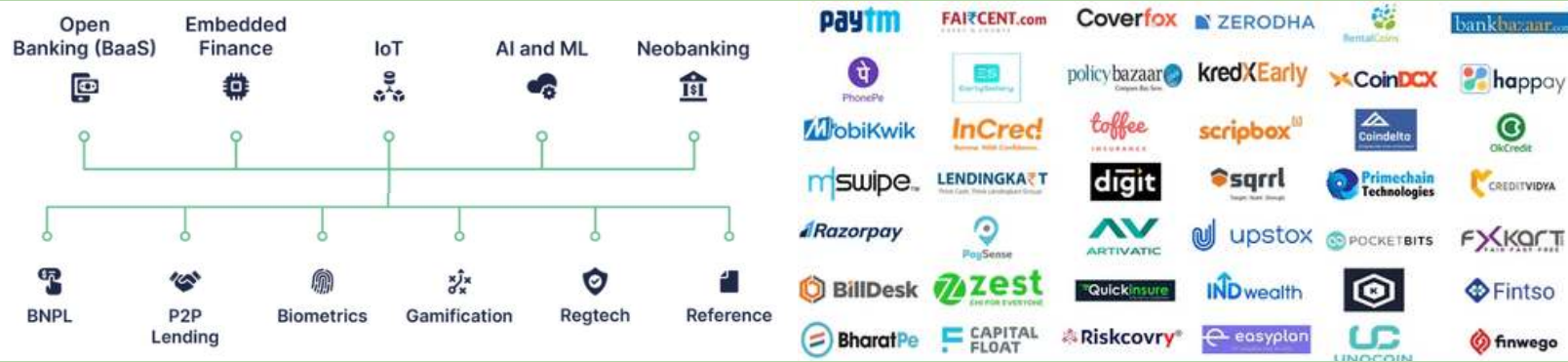
Industry Insights

FinTech Industry

Industry Overview:

The Fintech industry encompasses companies that leverage technology to innovate and extend traditional financial services. The Global Fintech Market size is estimated at USD 204.30 billion in 2023 and is expected to reach USD 355.57 billion by 2028, growing at a CAGR of 11.72%. The word "fintech" is simply a combination of the words "financial" and "technology". It describes the use of technology to deliver financial services.

This dynamic sector covers a wide range of sub-segments & and players, including:



Industry Landscape:

The Fintech landscape is characterized by:

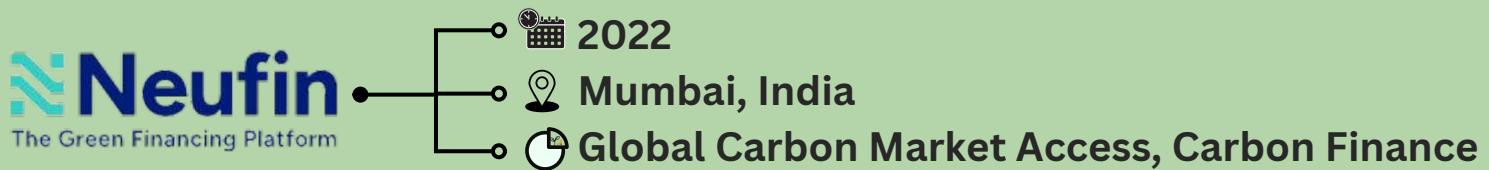
- **Rapid innovation:** Emerging technologies like Artificial Intelligence (AI), Blockchain, and Big Data are driving the development of new products and services.
- **Increased competition:** Both traditional financial institutions and Fintech startups are vying for market share, leading to intense competition.
- **Regulatory scrutiny:** Regulators are working to keep pace with rapid innovation while ensuring consumer protection and financial stability.
- **Growing consumer adoption:** Consumers increasingly embrace Fintech solutions due to their convenience, affordability, and personalized experiences.

Current Trends:

- **Open Banking:** APIs enable data sharing between banks and Fintech firms, fostering collaboration and innovation.
- **Embedded Finance:** Financial services are integrated seamlessly into non-financial apps and platforms.
- **Decentralized Finance (DeFi):** Blockchain-based protocols enable peer-to-peer financial transactions without intermediaries.

Challenges: Major challenges faced by this Industry are Cybersecurity threats and regulatory compliance

Budding Start - Up



About:

NeuFin is an Indian startup that creates a green financing platform. It simplifies access to climate-specific financial institutions and products. The startup's financial products include commercial loans for green initiatives and projects, global carbon market access, carbon finance, and grant capital. Moreover, the startup caters to various industries like waste-to-energy (WTE), biofuels, electric vehicles (EV), forestry, and sustainable agriculture. The platform also supports anti-money laundering (AML), counterparty risk management, listing management, and more. These features allow financial providers to digital voluntary carbon market platforms and exchanges to maximize value and revenue.

Carbon Project Portfolio of NeuFin:



Planting 3 Million Saplings across 10,000+ Ha to Enhance Biodiversity and Improve Soil Health



Biochar project in Namibia to avoid soil degradation & Biochar project in Gujarat, India



Setting up of 9,229 Household Biogas plants in rural areas of Central India



And Many more: **(click here to know)**

Rushil Noronha
(CO-FOUNDER)

Rahool Gadkari
(CO-FOUNDER)

NeuFin started as a passion project. Our goal was to try and find the most meaningful problem to devote the rest of our lives to solving. Climate change was the no-brainer answer, but there are hundreds of possibilities to explore and many different paths to take. Months of exploration of the market and over a hundred conversations later, lo and behold - we founded NeuFin.

NeuFin - Financing for net-neutral
(Pronounced - nü-fin)

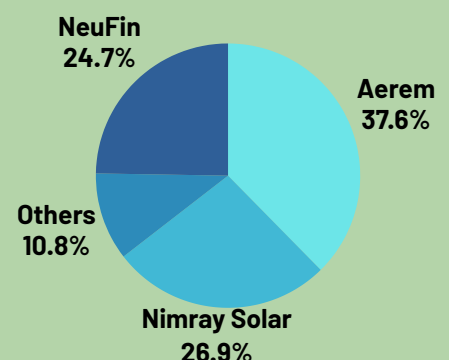
Financial Products offering:

- **Debt:** Commercial loans for green initiatives and projects
- **Carbon Finance:** Leverage carbon credits to finance the project
- **Grant Capital:** Access philanthropic and development capital

Sector: NeuFin serves in the B2B space in the FinTech, Financial Services and Environment Tech.

Investors: Good Capital, Better Capital and Time Zero Capital.

Competitive landscape:



Lessons From Shree Ram

Prudent Planning:

Shree Ram's exile to the forest, as a result of his father's promise to Queen Kaikeyi, exemplifies the importance of prudent planning. Similarly, in personal finance, having a well-thought-out financial plan is crucial. Whether it's setting financial goals, creating a budget, or investing strategically, planning ensures that you are prepared for life's uncertainties.

Adherence To Dharma:

Shree Ram's unwavering commitment to dharma (righteousness) is the cornerstone of the Ramayana. In personal finance, adhering to ethical financial practices is essential for long-term success. Honesty, integrity, and fairness should guide financial decisions and transactions. For instance, one should not fall into the temptation of 'get rich quick' schemes.

Frugality And simplicity:

Shree Ram's simple and austere lifestyle during his exile reflects the virtues of frugality and simplicity. In personal finance, embracing a frugal lifestyle and avoiding unnecessary extravagance contributes to financial well-being. This is even more important today when it is easy to get a loan for everything, from travel to purchasing expensive gadgets. While that may bring instant gratification, such impulsive decisions can also land one in a debt trap. Instead, one should be prudent and spend on things that matter.

Loyalty And Relationships:

Shree Ram's unwavering loyalty to his wife Sita and his commitment to building strong relationships with allies like Hanuman and Sugriva highlights the significance of loyalty in personal finance. Building trust in financial relationships, whether with a spouse, business partner, or financial adviser, is crucial for financial stability.

Risk Management And Courage:

Shree Ram's pursuit of Sita and the subsequent battle with Ravana demonstrates the importance of courage and risk management. In personal finance, taking calculated risks is often necessary for wealth creation and achieving financial goals. When investing, the markets may be volatile, but exposure to some amount of risk is essential for generating wealth.

CONCEPT OF THE WEEK

GREEN INSURANCE

Green insurance refers to a category of insurance products tailored to address environmental risks and promote sustainability. Insurers offering green insurance cover a spectrum of initiatives, from renewable energy projects to eco-friendly businesses. These policies often extend coverage for damages resulting from natural disasters, emphasizing environmental liability and incentivizing sustainable practices. In some instances, green insurance providers collaborate with environmental organizations to align policies with broader conservation goals. The concept goes beyond mere risk mitigation; it actively supports environmentally responsible endeavors by offering financial incentives and specific coverage for green initiatives. Whether it involves protecting solar energy farms, promoting energy-efficient technologies, or contributing to conservation efforts, green insurance reflects a commitment to aligning financial practices with environmental responsibility. As environmental concerns continue to grow, green insurance stands as a testament to the integration of sustainability principles into the insurance industry, providing a crucial bridge between financial strategies and eco-conscious endeavors.

Key Features:

1. Coverage for Environmental Risks:

- Green insurance policies may cover damages caused by natural disasters such as floods, hurricanes, wildfires, and other climate-related events.
- It can also extend coverage to environmentally friendly initiatives, businesses, and practices.

2. Incentives for Sustainable Practices:

- Some green insurance policies offer discounts or incentives for policyholders who adopt environmentally sustainable practices, such as using renewable energy sources or implementing energy-efficient technologies.

3. Support for Conservation and Restoration:

- Green insurance may contribute to conservation efforts by providing coverage for restoration projects, biodiversity protection, and initiatives that mitigate environmental harm.

4. Promotion of Renewable Energy:

- Insurers may offer specialized coverage for renewable energy projects, supporting the development and expansion of clean energy sources.

• **Green Insurance Products**

- | | |
|--------------------------------------|--------------------------------------|
| 1. Green Property Insurance | 2. Eco-Friendly Auto Insurance |
| 3. Sustainable Business Insurance | 4. Renewable Energy Insurance |
| 5. Climate Risk Insurance | 6. Environmental Liability Insurance |
| 7. Conservation Easement Insurance | 8. Green Building Insurance |
| 9. Sustainable Agriculture Insurance | 10. Green Technology Insurance |

More than just literature

1. When deciding which of the two items to purchase, one should always:

- a) Choose the item that costs less
- b) Choose the item with the greatest benefits
- c) Choose an item after comparing the costs and benefits of both items.

2. Which of the following is the primary function of insurance?

- a) Making risk disappear
- b) Pooling and sharing risk among the insured.
- c) Making someone else pay for an accident or loss

3. Which of the following has historically had the highest rate of return over long periods of time?

- a) Bank savings accounts
- b) Bonds
- c) Stocks.

4. Which of the following would be expected to hold its value best during a time of inflation?

- a) A certificate of deposit
- b) A corporate bond
- c) A house.

5. Which of the following would hurt your credit score?

- a) Closing a long-held credit card account.
- b) Paying off student loan debt
- c) Don't know

6. Which of the following loans is most likely to be classified as "predatory"?

- a) A high interest rate on a store credit card
- b) A cash-back home loan with a higher interest rate taken out after a high-pressure sales pitch.
- c) A variable interest rate home mortgage that could rise 5 percentage points with inflation

7. Which of the following strategies has shown the highest return over a period of years?

- a) Moving frequently in and out of the stock market to avoid downturns and exploit upturns
- b) Avoiding stocks entirely by keeping money in federally insured bank accounts
- c) Buying and holding onto a varied set of stocks, ignoring short-run fluctuations.

Upload your answers here -

**CLICK
HERE**



Any Suggestions you have or any query please feel free to write it to us through the same link

Movie Review

Dumb Money: A Cinematic Exploration of Short Squeezes and Retail Investor Power



"Dumb Money" offers a portrayal of the infamous GameStop short squeeze of 2021. Everyday people flip the script on Wall Street and get rich by turning GameStop into one of the world's hottest companies. As a stock tip becomes a movement, everyone gets wealthy until the billionaires fight back and both sides find their worlds turned upside down.

Concepts used in the Movie:


- **Short Selling:** The film revolves around the concept of short selling, where investors borrow shares of a stock, sell them hoping the price will drop, and then buy them back later at a lower price to return the borrowed shares and make a profit. In "Dumb Money," hedge funds heavily shorted GameStop, betting its price would fall.
- **Short Squeeze:** When many investors are short a stock and its price starts to rise (due to buying pressure from other investors, like those in the Reddit community in the film), short sellers are forced to buy back the shares to cover their positions, further driving the price up in a self-fulfilling loop. This is called a short squeeze, which is what happened to GameStop.
- **Retail Investors vs. Wall Street:** The film highlights the growing influence of retail investors, empowered by online communities and platforms like Reddit, in influencing the stock market. Traditionally, Wall Street institutions held more sway, but "Dumb Money" showcases how collective action by retail investors can disrupt established market dynamics.
- **Market Sentiment and Hype:** The film explores how social media and online communities can shape market sentiment, creating hype and influencing buying and selling decisions. In "Dumb Money," Keith Gill's viral posts and the Reddit community's enthusiasm for GameStop significantly impacted the stock's price.
- **Margin Calls and Risk Management:** The film briefly touches on margin calls, which occur when an investor's borrowed funds used to buy stocks (margin) fall below a certain threshold, forcing them to sell assets to meet the margin requirement. This highlights the importance of risk management, especially when using leverage in investing.




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