



GREY MATTERS

A Monthly Magazine by Finance and Marketing Club



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Edition

“Nothing in life is to be feared, it is only to be understood. Now is the time to understand more, so that we fear less”

- Marie Curie



NATIONAL INSTITUTE OF AGRICULTURAL EXTENSION MANAGEMENT (MANAGE)

(An Organization of Ministry of Agriculture & Farmers Welfare, Government of India)

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Privatization: Banks & Rural Penetration

For the financial year 2022, the Centre has set the fiscal deficit target at 6.8 per cent of GDP, which will be gradually brought down to 4.5 per cent by the financial year 2026. It means that the gap between government



revenue and expenditure is estimated to be Rs.15 trillion for the year 2022. Among the many strategies formulated by the central government to fill this gap, one is disinvestment from Public Sector Units (PSUs) and Central Public Sector Enterprises (CPSEs). Government is hoping to add Rs.1.75 trillion to its purse through the privatization push during 2021-22. Public Sector Banks (PSBs) are also on the privatization list of the government. As the PSBs are the frontrunners in the financial inclusion mission, the central government is facing a lot of criticism for planning to privatize two PSBs during this fiscal, but RBI numbers are telling a totally different story here. PSBs who were given the crucial task of providing banking facilities to the deep rural areas are lagging behind their private counterparts.

Rethinking Branches

Since September 2017, PSBs have reduced their overall branch strength sharply.

“Highlights”

Government is hoping to add Rs.1.75 trillion to its purse through the privatization push during 2021-22.

From 2014 to 2020, private banks have almost doubled their branch presence in rural and semi-urban areas.

The decline in rural penetration of PSBs has coincided with a report from the internal working group (IWG) of RBI which has recommended granting bank licenses to corporate houses.

According to the report, PSBs have lost market share to private banks more rapidly than ever between 2015 and 2020.

During this period, their rural and semi-urban presence has also declined. On the other hand, private banks have expanded their overall branch network rapidly and their semi-urban and rural presence has

Total Number of Branches (As of September)



Source: RBI

also grown commensurately. Number of public sector banks had reduced from 91,994 to 88,854 branches during



September 2017 to September 2020. Their rural and semi-urban presence was reduced by around 1,200 branches during these four years. Private banks, which had a total of 28,397 branches in September 2017, managed to expand this number to 36,124 in the next four years while their presence in semi-urban and rural areas increased from 14,842 to 18,437 during this period. From 2014 to 2020, private banks have almost doubled their branch presence in rural and semi-urban areas. Let us understand some major reasons responsible for the reduction in number of

May 2017. Due to the restrictions, as of December 31, 2020, the number remained the same, 409 in rural areas and 585 in semi urban areas. On the other hand, the bank had cut down its urban branches — from 473 to 427 — and metro branches from 453 to 427.

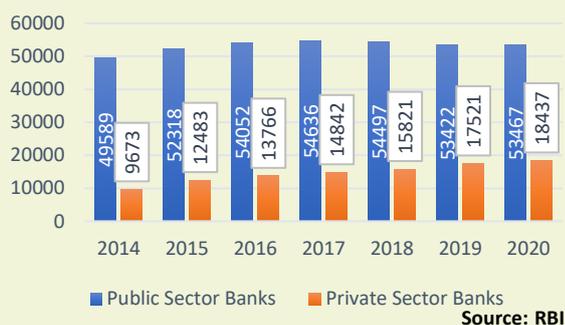
Merger

Merger is also a major reason responsible for the reduction in number of branches of PSBs. During the last two years, 13 PSBs have been merged into five. Rationalization may have taken place as many branches of the merger-bound banks had been in close vicinity to each other. Due to the merger process, fresh expansion by the merged banks were almost stalled.

Losing market share

The decline in rural penetration of PSBs has coincided with a report from the internal working group (IWG) of RBI which has recommended granting bank licenses to corporate houses. In its report,

Number of Branches in Rural and Semi-Urban Areas (As of September)



rural and semi-urban branches of PSBs.

Prompt corrective Action (PCA)

PCA was one of the major reasons responsible for the restriction on PSB expansion. 11 banks were under the prompt corrective action framework of the RBI during this time. Basically, RBI puts these restrictions when there is deterioration in the banks' financial parameters and their capital got depleted. IDBI Bank, for instance, which had recently come out of PCA, had 408 rural branches and 586 semi-urban branches as of March 31, 2017. These numbers are just before the bank was put under PCA in

Banks' Market Share in Deposits (in %)



the IWG had pitched for private banks. According to the report, PSBs have lost market share to private banks more rapidly than ever between 2015 and 2020.



During this period, PSBs' market share saw a fall from 74.28 per cent to 59.8 per cent while their deposit share dropped from 76.26 per cent to 64.75 per cent.

Private sector's gain in market share was commensurate with the fall of PSB counterparts.



Brain Bulb Facts

Ranveer Singh, Dhoni most recalled celebs in IPL 2021 ads

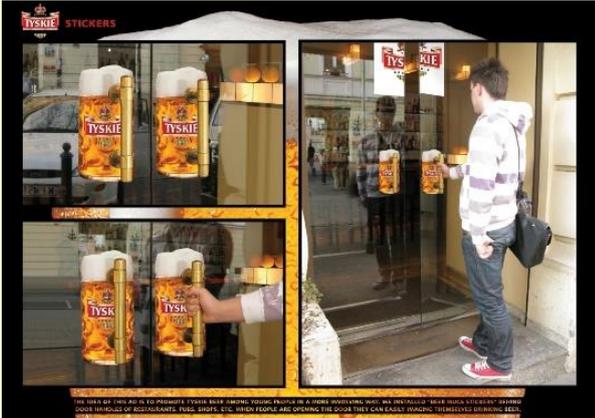
Actor Ranveer Singh and cricketer M.S. Dhoni are most recalled brand ambassadors in the IIHB study on advertising recall in IPL 2021. The annual IPL ad recall research was conducted by the Indian Institute of Human Brands (IIHB) 10 days after the start of the league this year. IIHB team used its proprietary CELEBAR tool (Celebrity Brand Association and Recognition) to assign a score to each celebrity and associated brand. The tool takes into account spontaneous recall of the brand, celebrity, association between brand and celebrity, recency of communication, media weight behind campaign and solus versus multiple brands using the celebrity. Dhoni had a CELEBAR score of 87, up from 82 at the last IPL. His spontaneous recall was high at 82%. Singh achieved a score of 86, but his association was spread more with Jio Fiber at 56%, JD mart at 48%, My11Circle at 22% and Bingo at 18%.



Guerrilla Marketing: Powerful & Cost-effective way

What is Guerrilla marketing?

Guerrilla marketing is a cost-effective alternative to large advertising campaigns. It is an effort to engage customers rather than educating them.



History of Guerrilla marketing?

The name was coined by Jay Conrad Levinson in 1984 when he released his famous book 'Guerrilla Marketing'. It is an advertising tactic which uses unconventional methods of promotion to engage audiences. Its idea is to create a 'Buzz' and turn 'Viral'. It tries to get the message across to the customer and the expected result of a guerrilla marketing campaign is to go viral. Who invented Dogecoin?

Objective of Guerrilla Marketing?

Its objective is to make a thought provoking, unique and engaging concept that will turn viral by creating a lot of buzz.

Types of Guerrilla marketing

"Highlights"

Core concepts of guerrilla marketing:

1. Entertain and Engage rather than educate.
2. Get people talking.
3. Think outside the box.
4. Transform the ordinary to the extraordinary.
5. Be spontaneous and unexpected.

Types of Guerrilla marketing:

1. Ambush Marketing
2. Astroturfing
3. Buzz marketing/viral marketing
4. Grassroots marketing
5. Stealth marketing
6. Street marketing
7. Wild posting

- + Ambush Marketing
- + Astroturfing
- + Buzz marketing/viral marketing
- + Grassroots marketing
- + Stealth marketing
- + Street marketing
- + Wild posting

Ambush Marketing

It is also known as predatory ambushing/coat-tail marketing. It is often seen as coopting or hijacking one advertiser's campaign to spread awareness of another brand. It is often seen in the context of event sponsorships and will gain large media attention, if caught.



Astrourfing

Astrourfing involves using people to make impression of a popular movement. Often used by politicians to make the public think they have a large following. Sometimes companies will also hire people to write blogs which appear to a genuinely 'satisfied customer'. These are referred as 'Flogs' or 'Fake Blogs'.

Ex: social media campaigns



Ambient marketing



Non-traditional advertisements are trademark of ambient marketing. It is placing advertisements in unusual places or on unusual objects, where one wouldn't usually expect to have an advertisement.

Buzz & Viral marketing:

Buzz marketing is event-based and viral marketing needs a message that gives people an emotional attachment. Buzz & viral marketing use same techniques to achieve the goal.

Grassroot marketing:

Grassroots marketing starts from the ground up. Here, instead of appealing message to many people, efforts are targeted to a small group and this small group will spread the message to large set audience. This often costs less than conventional marketing efforts, but can produce big results.



Stealth marketing:

Stealth marketing is a marketing strategy that advertises a product to people without their acknowledgement. The most common methods of stealth marketing



being product placement and undercover marketing. Stealth marketing main purpose is not to generate immediate sales, but to create excitement and interest that will make costumers more receptive to direct advertising later.



Experimental marketing:

Experimental marketing is the hardest type of marketing to define. It gives customer a chance to experience your product and have an emotional response. This is trying to educate the customer with a one-way message.

Street marketing:



Street Marketing is utilizing new advanced techniques and promotional spaces to gain a more worthy measure of consideration for an advertisement battle. It is majorly restricted to the road and other open spots. Here, advertisers have found to discover better approaches to interact with customers, as the standard of showcasing has declined. The Street Marketing exploits this by placing advertisements in places where individuals would not hope to see publicizing.

Wild posting

Wild posting is a form of advertisement, where the static posters are placed in large number on locations like in dense, urban areas, to attract maximum attention. It is less expensive type of advertisement that offers variably large degree of exposure for marketers, especially in the entertainment industry (album releases, concerts, appearances), to drive awareness among customers.

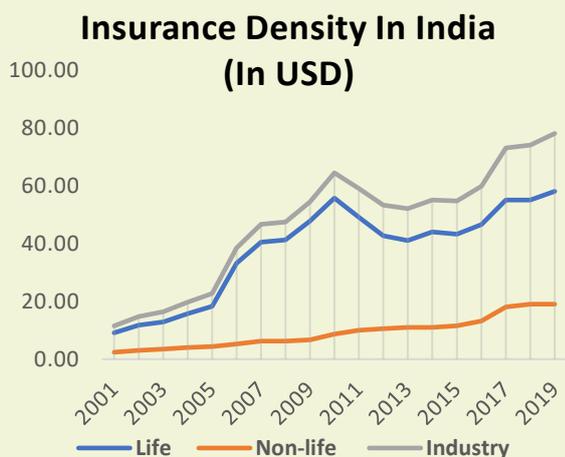




Insurance Sector in India: Challenges and Opportunities

Insurance is a kind of protection that protects a person from any kind of loss, which is a contract, represented by a policy, on which an entity or an individual can receive financial protection from an insurance company against losses.

In India, insurance industry has been growing dynamically, with total insurance premiums increasing rapidly, as compared to global counterparts and the overall market size of the insurance sector is expected to US\$ 280 billion in 2020.



Source: IRDAI Annual Report, 2019-20

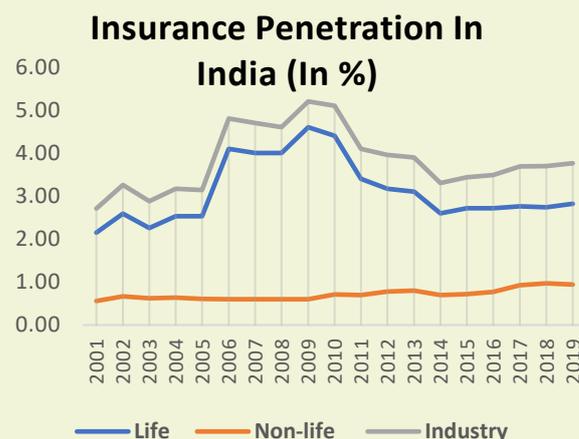
The life insurance industry is looking forward to increase at a CAGR of 5.3% between 2019 and 2023. In India, insurance penetration (ratio of total premium to GDP) was fixed at 3.76% in FY20, with life insurance penetration at 2.82% and non-life insurance penetration at 0.94%. In addition, in terms of insurance density (ratio of total premium to

“Highlights”

The insurance industry is expecting to reach US\$ 280 billion by the end of 2020. Life insurance industry in the country is expecting to increase by 14-15% annually for the next 3 to 5 years.

In FY20, the insurance sector has seen a robust growth of 18% for life insurance and 13% for non-life insurance until Feb Y-o-Y basis according to KPMG study.

Under Union Budget 2021, fund of Rs. 16,000 crores (US\$ 2.20 billion) have been allotted for crop insurance scheme.



Source: IRDAI Annual Report, 2019-20

The insurance sector is facing the impact of a declining economy due to Coronavirus and the need to come up with



products to suit the demand with COVID-19 specific policies. In FY20, the insurance sector has seen a robust growth of 18% for life insurance and 13% for non-life insurance till Feb Y-o-Y basis according to KPMG study.

Investments and Recent Developments

Companies are trying to leverage strategic partnership to offer various services & all the below mentioned partnerships happened during February 2021, which are as follows:

- ✦ A partnership signed between Edelweiss General Insurance and Okinawa Autotech Pvt Ltd. to leverage the extensive dealer network of Okinawa across India to provide comfort, end-to-end, digital-driven solutions to ensure superior customer experience.
- ✦ To offer digital health insurance on PhonePe, Star Health Insurance has collaborated with it, through its Arogya Sanjeevani policy.
- ✦ Future Generali India Insurance launched an insurance plan called 'Health Super Saver', with an 80% premium discount.
- ✦ To provide holistic cover against accelerating costs associated with medical requirements and other healthcare facilities, Bharti AXA General Insurance launched 'Health AdvantEDGE' health insurance scheme.

- ✦ ICICI Lombard General Insurance, a non-life insurance firm, has been authorised by the International Financial Services Centre (IFSC) to establish an IFSC Insurance Office (IIO) in GIFT City in Gandhinagar, Gujarat.

Government Initiatives: Government has taken number of initiatives to uplift the insurance industry. Some of them are as follows:

- ✦ FDI limit for insurance has been increased in Union Budget 2021, from 49% to 74%. IRDAI has announced the issuance of digital insurance policies by insurance firms through Digilocker.
- ✦ Finance Ministry announced to infuse Rs. 3,000 crores (US\$ 413.13 million) into state-owned general insurance companies to improve the overall financial health of companies in February 2021.
- ✦ Under Union Budget 2021, fund of Rs. 16,000 crores (US\$ 2.20 billion) have been allotted for crop insurance scheme.



Challenges in India's Insurance sector:

- ✦ **Prevalence of Insurance Gap:** For FY18 (fiscal year 2017-18), the



insurance penetration and density stood at 3.69% and US\$ 73 respectively, which is low in comparison with global levels.

These low penetration & density rates reveal the uninsured nature of large sections of population in India.

✚ **Domination by Public Sector:** The insurance sector has transitioned from being an exclusive State monopoly to a competitive market, but public-sector insurers hold a greater share of the insurance market even though they are very less in number.

✚ **Nascent Non-life Insurance:** In this sector, Life insurance dominates with a huge share of 74.7%, with non-life insurance accounting for the remaining 25.3%.

In non-life insurance sector, motor, health, and crop insurance segments are driving growth. India's non-life insurance penetration is below 1%.

In addition to that, insurance products related to speciality risks such as catastrophes and cyber security are at a nascent stage of development in the country.

✚ Low insurance penetration and density rates persuades in India. However, rural participation of insurers remains deficient, and life insurers, especially private ones, gravitate towards the urban population.

✚ Insurers in India lack sufficient capital particularly that of the public-sector insurers is in a precarious state.

✚ Lack of investment in insurance products.

✚ Lack of awareness among public about various policies.

Road Ahead

✚ **Rural Centric Approach:** will have to show long-term commitment to the rural sector and have to design products which are suitable for rural people.

In this context, government insurance schemes such as Pradhan Mantri Fasal Bima Yojana, Pradhan Mantri Suraksha Bima Yojana, Pradhan Mantri Jan Arogya Yojana, and Pradhan Mantri Jeevan Jyoti Bima Yojana are notable steps in right direction.

There is a need for complementary thrust to spread awareness on the concept of insurance, and its importance.

✚ **Technological Intervention:** It is an important area that necessitates regulatory scrutiny is that of application of technology in insurance. Emergence of 'InsurTech', which is designed to make the claim process more comprehensible & in a simpler way is an example for the application of technology in insurance

✚ The insurance industry is expecting to reach US\$ 280 billion by the end of



2020. Life insurance industry in the country is expecting to increase by 14-15% annually for the next 3 to 5 years.

- ✚ IRDAI has urged all general insurance firms to launch covers related to drone insurance products in the Indian market.
- ✚ The scope of IoT (Internet of Things) in

Indian insurance market continues to go beyond telematics and customer risk assessment. Currently, there are more than 110 InsurTech start-ups operating in India. In addition, growing awareness of the need for protection & retirement planning will support the growth of Indian life insurance.



Brain Bulb Facts

Anil Ambani was once richer than brother Mukesh

For a brief period in 2006, a year after the Ambani brothers split their wealth, Anil Ambani's net worth was higher than Mukesh's by about Rs 500 crore. However, Mukesh soon raced past his brother. In 2007, Forbes pegged Mukesh's wealth at \$49 billion and Anil's at \$45 billion. Mukesh's wealth is now \$74 billion while Anil says his net worth is zero. In the past 13 years, Mukesh's wealth has increased by an average \$61 per second while Anil lost \$110 per second.

Tax rules didn't encourage too much investment in equities or for retirement

Under Section 88, the tax deduction for investments in ELSS funds was capped at Rs 10,000 a year. The cap discouraged investors from putting too much in equities. Even contributions to pension plans were capped at Rs 10,000 a year under Sec 80CCC. These sub limits were removed when Section 88 was replaced by Sec 80C in 2005.

Lady Gaga, Justin Bieber, and Katy Perry have more Twitter followers than the entire population of many countries, including Germany, Turkey, South Africa, Canada, Argentina, and Egypt



Customer Journey Map: Necessary Tool for Business

A customer journey map is a visual representation of all possible customer interactions with your company. It also explains the typical sequences in which these events occur. Customer journeys can be one-time encounters with your brand that don't lead to a purchase or brand evangelism, or they can be multi-step experiences that lead to a purchase or brand evangelism. The important thing to remember is that a consumer journey map accounts for all kinds of encounters, big and small, from the customer's viewpoint.

It's an essential part of the ecommerce toolkit because it directly improves the customer experience, which leads to increased conversions and revenue. A consumer journey map allows you to see through the eyes of your customers and customise content and refine the way it's delivered, while a visual representation of a buyer lifecycle or sales funnel allows you to monitor the progress of customers through pre-defined stages and target them with specific types of content. Many retailers are unaware that individual customer journeys can be extremely varied. Customers can connect with your store and brand through a variety of touchpoints, from first impression to purchase. Customer journey maps can be complicated documents since they must account for all of these touchpoints.

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Step 1: Build customer profiles.

Your map is built on the foundation of customer data. This information would most likely come from two sources: direct input and customer analytics.

It's critical to arrange interactions, whether one-on-one or by opinion forms, so that you get insight about the whole customer experience, not just a portion of it. At all stages of the experience, the



profiles must account for feelings, pain points, wishes, and so on. Build input processes into all of the customer journey's main stages so you can collect accurate qualitative data for each one.

Create perfect and real-life customer profiles. A key aspect of your customer journey map will be the consumers who reflect the most value for your store – and for whom you will have the most satisfaction. It's also important to keep track of the entire client base. Of course, you won't be able to include everybody, so you'll have to concentrate on the most lucrative segments. However, it is best to be as broad as possible.

Step 2: Define the Stages of Development

Customer journeys are generally divided into four stages: understanding, consideration, judgement, and loyalty. Since it implies that consumers will make a purchase from you, this framework has been complained as being fundamentally biased. You might find it more useful to use a different structure that divides the

customer journey into more generic stages such as "early," "middle," and "late."

Step 3: Assign objectives to each stage.

For each general stage of the customer journey, what are the customer priorities, needs, wishes, and so on? This is where the consumer profile plays a role once more.

During the stages of knowledge, consideration, judgement, and loyalty, think about the most pressing issues. When gathering data, don't be afraid to get your hands dirty. Customer input is extremely important. At this stage, other qualitative testing methods such as watching videos of users engaging with your shop, listening to customer service recordings, and communicating with customers via email are all viable options.

Step 4: Identify each stage's touchpoints

Create a list of all touchpoints – any way a consumer may connect with your brand – that apply to each level.

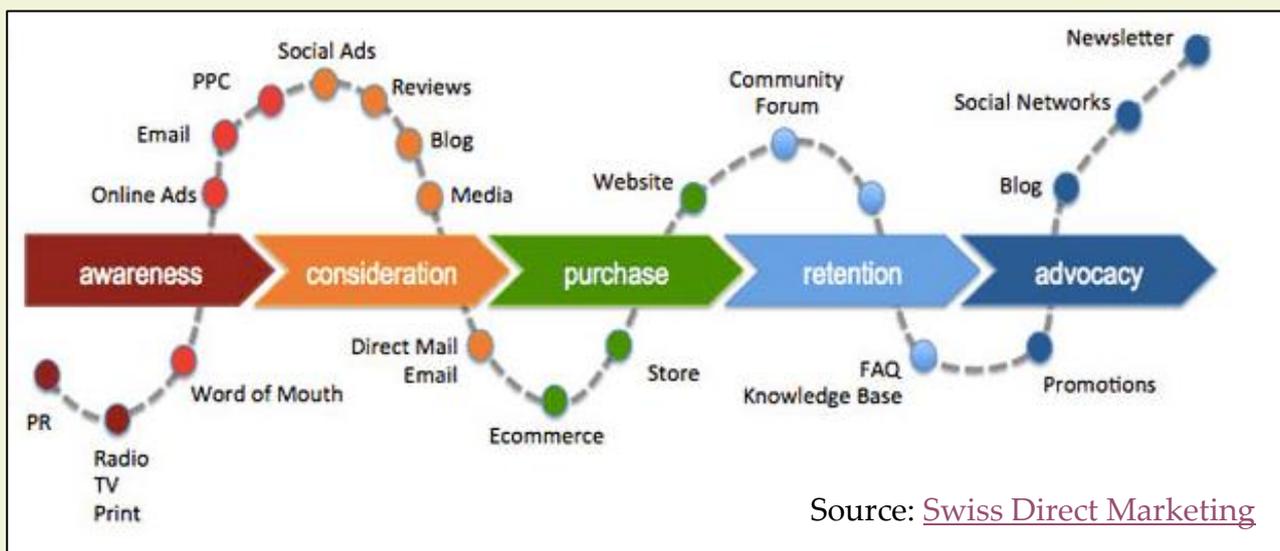
- ✚ Word-of-mouth and referrals.



- + Outbound marketing channels like online ads, awareness campaigns, and offline advertising.
- + Inbound marketing like content, search engine results, and organic social media posts.
- + Social media channels.
- + Customer support.
- + Your website and apps.
- + Email.
- + Packaging and delivery.

2. When a customer buys something, this is referred to as a purchase.
3. When a consumer uses a product and forms an overall perception of your brand and service, this is called an experience.
4. When a customer wishes to re-engage with your brand and become a repeat buyer, this is referred to as loyalty.

Moments of truth are crucial to include on the consumer journey map since they represent the brief windows of time during which a prospect is basically "integrating" all of their previous



Step 5: Identify Moments of Truth

When a consumer makes a critical decision, there are "moments of reality." When a prospect agrees to buy, it's a crucial turning point.

Here's a short rundown of the most crucial truth moments:

1. When a potential consumer wishes to communicate with your brand for the first time, this is known as discovery.

experiences before making a decision.

Step 6: Determine Goal Completion and Drop-Off Points

What are the most popular locations for customers to start and finish their journey? Where are they succeeding in achieving their objectives?

This move is about evaluating the efficacy of the current customer journey. It's where you can see if users are



accomplishing their objectives in a simple and fulfilling manner.

Step 7: Identify Areas for “Amplification” and “Improvement”

This is the point at which the customer journey map transforms from an abstract text to a useful tool. On your map, highlight and prioritise the most troublesome areas. Sort them by how much of an effect they'll have on the overall customer experience.

By assigning KPIs to each stage of the customer journey, you can easily identify which areas are the most challenging and focus on the particular touchpoints that need to be addressed.

Step 8: Compare Competitor Maps and Heuristics

Understanding competitor maps will also help you come up with innovative ways to improve your own customer experience.

Step 9: Create and Test New Concepts

Customer path maps are a great way to come up with new ideas, touchpoints, and experiences for your customers. They serve as a focal point for your entire team, allowing them to discuss new ideas.

Why Is Customer Journey Mapping Important?

Shows you how consumers communicate with your business – There's always the possibility that retailers will view the consumer experience from an analytics dashboard from the viewpoint of the company, rather than in a felt, customer-

facing way. Customer journey maps allow you to put yourself in the shoes of your customers and potential customers and see how they communicate with your company from their point of view. This method will provide you with insights that you may not have expected.

Draws attention to what consumers want and when they require it at various levels of the sales funnel/buyer lifecycle – Customer journey maps, meanwhile, reveal flaws in the user interface. This allows you to build content and touchpoints that are actually unavailable at some stages of the customer journey. It's possible that visitors need the assistance of a customer service representative to resolve an issue, but this choice is not available.

Demonstrates how the value proposition corresponds to the realities of customer service – Because your customer journey map includes data on the degree of satisfaction associated with each of your touchpoints, you can see how well your value proposition, or the specific combination of benefits your store provides, matches up to your customers' real experiences. It's possible, for example, that you have free same-day delivery, but that most customers are dissatisfied because their orders do not arrive on time.

Identifies requirements and pain points – To make a customer journey map, you must have a complete understanding of your customers' needs and pain points. The analysis process of creating a customer journey map involves creating



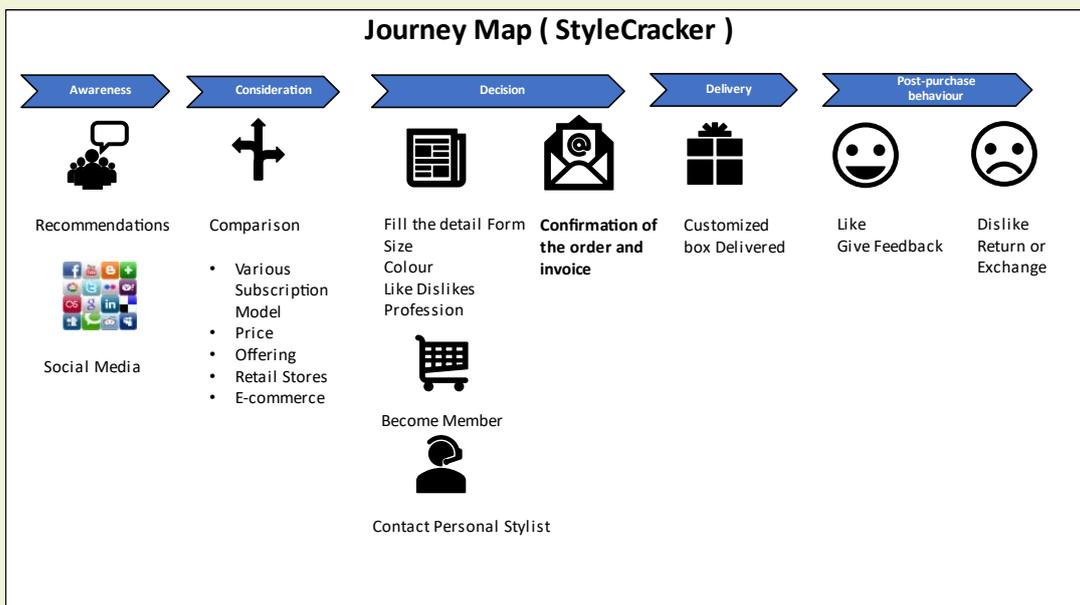
comprehensive customer profiles, which will reveal a variety of desires and pain points that you might not have considered through the entire customer experience. You'll become aware of new pain points when they emerge because customer journey mapping is an ongoing process.

Points out flaws in the current customer journey – Few companies have flawless customer journeys. Customer

journey maps reveal which touchpoints are absent, underdeveloped, or performing poorly. Based on feedback and analytics data, customer journey maps can provide satisfaction scores for each stage of the current customer journey. Viewing consumer interactions in the sense of business goals and KPIs, on the other hand, will reveal any obvious areas that need additional feedback and growth.

Following is the example of the journey map of the subscription-based clothing company

Journey Map (Stylecracker)					
Stage	Awareness	Consideration	Decision	Delivery	Post-purchase behaviour
Customer Activities 	Recommended by friend, Ads on social media	Compare with other subscription models, compare prices in retail store , Focus on offering	Buys subscription, Detail form filling	Curated Box deliver at doorstep	Exchange the dislike Items, order again and recommend others
Customer Goals:	To buy trending clothes	Curated clothes recommended by experts	Personalized experience, Effortless buying, convenience	Quality Product, Delivery without delay	Return dislike products, Good customer service
Touchpoints	Word of mouth , social Media	Website, Click on advertisement	Website	Email Confirmation, Delivery Service	Email, call, frequently asked questions
Services offered:		Curated by Fashion Designers of Bollywood Industry	Detail information on likes and dislikes, body type, size , photo	Total Personalization Flexibility to select number of items.	Returns will accept within 7 Days
Customer Experience	Curious	Interested but more options required	Excited but think its little expensive	Happy	Delighted by customer Customer Service





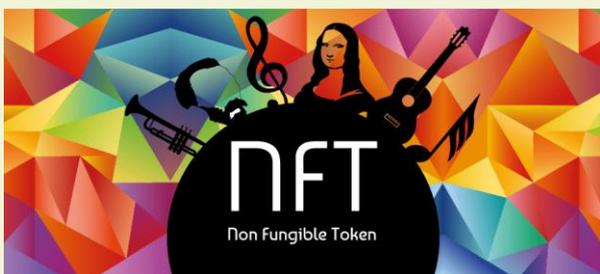
Non-Fungible Token (NFT): Is it the next big thing in blockchain?

On 12th March 2021, a digital artist named Beeple sold his NFT at a first of its kind auction at Christie’s auction house for about \$69 million or Rs.500 Crore. Since then, many such popular and high valued transactions of NFTs have come into the news, with one such incident being Twitter founder Jack Dorsey selling his tweet for \$2.9 million. Today when Bitcoin is said to be the digital answer for currency, NFTs are being hailed as the digital answer for collectibles.



What is an NFT (Non-Fungible Token)?

NFTs are a unique kind of asset in the digital world. They are bought and sold like any other piece of property, but they themselves do not have a tangible form of their own.



NFTs are like physical collector’s items, only digital. So instead of getting an actual

“Highlights”

NFTs are used to tokenize items like art, collectibles, and even physical assets in some cases. There can be only one owner at a time for an NFT

There can be only one owner at a time for an NFT

NFTs work on the principles of blockchain technology which is popularly used to create cryptocurrencies like Bitcoin. Each NFT has a computerized code implanted into it giving it a unique identity

oil painting to hang on the wall, the buyer gets a digital file instead. They are tokens that can be used to prove the ownership of unique items. They are used to tokenize items like art, collectibles, and even physical assets in some cases. There can be only one owner at a time for an NFT.

How does an NFT work?

NFTs work on the principles of blockchain technology which is popularly used to create cryptocurrencies like Bitcoin. Each NFT has a computerized code implanted into it giving it a unique identity.

Specifically, NFTs are typically held on the Ethereum blockchain, although other blockchains support them as well. Thus, they can be used as digital



collectibles and traded on a blockchain ledger indicating the current unique owner of the art form.

An NFT is created, or “minted” from digital objects that represent both tangible and intangible items, including:

- + Collectibles
- + Art
- + GIFs
- + Virtual avatars and video game skins
- + Designer sneakers
- + Music
- + Videos and sports highlights

How NFTs are used for value creation?

Once an NFT is created for any work, its value totally depends on the rarity of the work and the popularity of the artist. With blockchain-enabled NFT technology content creators all around the world are now free to monetize their artwork in the form of NFTs online without having to depend upon an art gallery or auctions. They can also program in royalties in an NFT so that they get a part of the transaction as royalty whenever it is sold to a new owner, this feature is generally unavailable when there is an offline sale of any art.

Art is not only the place where NFTs are making money, they are being also used for noble causes like charity drives. Recently brands like Taco Bell and Charmin auctioned off-themed NFT art to raise funds for charity. Charmin sold

something called NFTP (Non-fungible toilet paper), while Taco Bell’s NFT offering was sold for 1.5 wrapped ether (“WETH”) which is equal to \$3,723 approx.



Are NFTs a good investment?

This question is tough to answer as the future of NFTs is defined differently by different experts. While some believe that the increasing popularity of NFTs is just a bubble like the 1999 Dot com bubble fueled by traders speculating huge profits, some others believe that NFTs will revolutionize the way artworks are collected. To answer the question of whether one should invest in NFTs, the answer is subjective. If you are an art collecting enthusiast then NFTs would mean more than trade for you, and if you are one with trading and profit earning motive then your investment decision depends on the extent you can absorb risk and speculate high returns, as any resale of NFT finally depends upon how much the buyer is willing to pay for that.



Exchange-traded fund – a good investment?

ETFs offer investors a way to pool their money in a fund that makes investments in stocks, bonds, or other assets and, in return, to receive an interest in that investment pool. Unlike mutual funds, however, ETF shares are traded on a national stock exchange and at market prices that may or may not be the same as the net asset value (“NAV”) of the shares, that is, the value of the ETF’s assets minus its liabilities divided by the number of shares outstanding.

An Exchange-Traded Fund (ETF) is an investment fund that holds assets such as stocks, commodities, bonds, or foreign currency. An ETF is traded like a stock throughout the trading day at fluctuating prices. They often track indexes, such as the Nasdaq, the S&P 500, NSE, the Dow Jones, and the Russell 2000. Investors in these funds do not directly own the underlying investments, but instead, have an indirect claim and are entitled to a portion of the profits and residual value in case of fund liquidation. Their ownership shares or interest can be readily bought and sold in the secondary market.

Types of ETFs

There are several ETFs available to suit the demands of almost all investors. Following are some types of ETFs available to an individual:

Index-Based ETFs

“Highlights”

An Exchange-Traded Fund (ETF) is an investment fund that holds assets such as stocks, commodities, bonds, or foreign currency. An ETF is traded like a stock throughout the trading day at fluctuating prices.

ETF funds are more tax-friendly than mutual funds. Even though both are subjected to capital gains tax and dividend taxes, the relative amount of fee charged on ETFs is much lower than the one levied on mutual funds.

Later in the Start-up watch section you can read about “smallcase” which is a good platform to invest in ETFs.

Most ETFs trading in the marketplace are index-based ETFs. These ETFs seek to track a securities index like the S&P 500 stock index and generally invest primarily in the component securities of the index. For example, the SPDR, or “spider” ETF, which seeks to track the S&P 500 stock index, invests in most or all of the equity securities contained in the S&P 500 stock index. Some, but not all, ETFs may post their holdings on their websites on a daily basis.

Actively Managed ETFs

Actively managed ETFs are not based on an index. Instead, they seek to achieve a stated investment objective by investing in



a portfolio of stocks, bonds, and other assets. Unlike with an index-based ETF, an adviser of an actively managed ETF may actively buy or sell components in the portfolio on a daily basis without regard to conformity with an index.

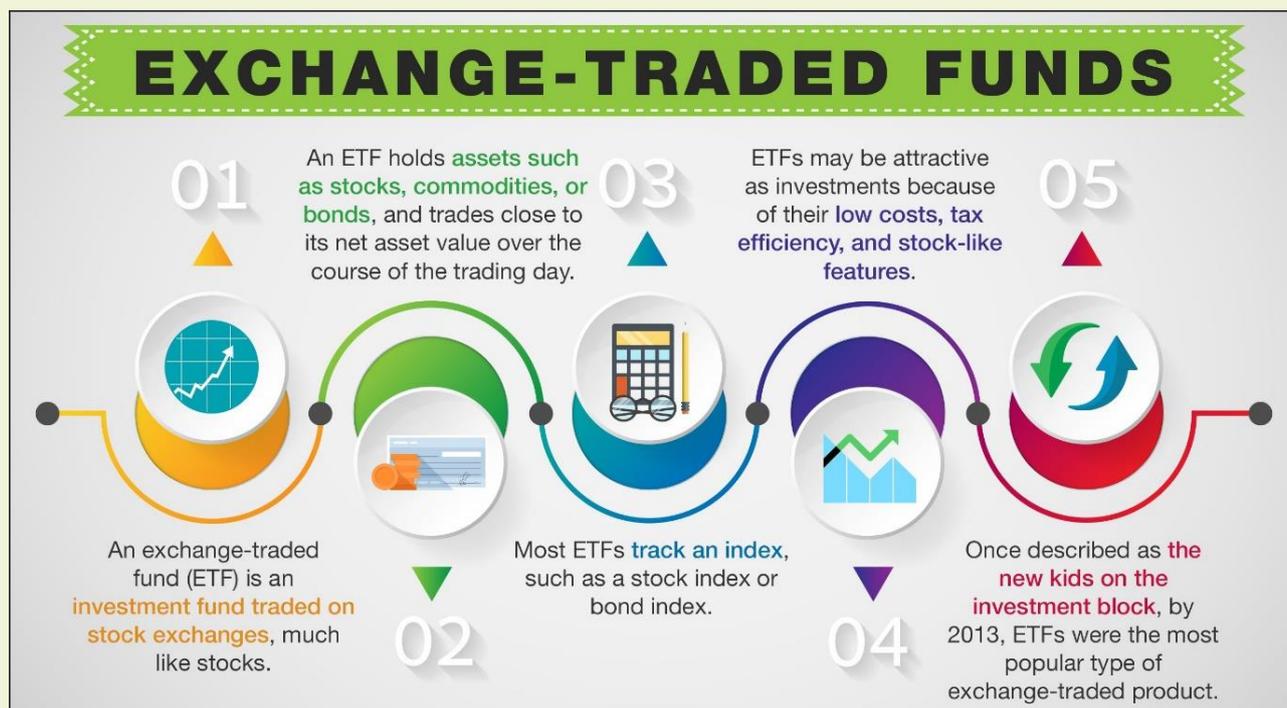
Advantages

One of the significant benefits of investing in an ETF over mutual funds is the reduced expenses. There are various charges involved in mutual funds, such as entry and exit load, management fees, etc. This increases your total cost incurred, and thereby the total expense ratio of mutual funds. As ETFs are traded like shares in the stock market, its expense ratio is considerably lower.

on ETFs is much lower than the one levied on mutual funds.

Investing in ETFs is generally less risky than mutual funds as they are passively managed. They only invest in the best-performing companies listed in a particular stock exchange, while mutual funds thoroughly assess all the businesses with a potential for growth. This subjects mutual funds to a greater risk as newly formed small-scale companies have higher chances of incurring a loss.

ETFs have certain limitations which one should be aware of before investing in an ETF trading company. These limitations include Brokerage fees and opening a Demat account, ETFs are subjected to price



ETF funds are more tax-friendly than mutual funds. Even though both are subjected to capital gains tax and dividend taxes, the relative amount of fee charged

fluctuations – volatility of stock market, Exchange traded funds are moderately diverse.



The most common types of ETF funds (India) are: Equity ETF, Gold ET, Debt ETF, Currency ETF ETFs can prove quite useful to those investors who demand focused exposure to a specific industry, asset class, region, or currency at a reasonable cost. they are also suitable as long-term holdings for 'buy & hold'

investors. Because of the versatility, liquidity, and low trading costs that ETFs offer, they are an increasingly popular investment vehicle. Investors are urged to explore the large, varied offerings of ETFs, and to consider making ETF investments a mainstay of their overall investment portfolio.



Brain Bulb Facts

- ✚ The inventor of Blockchain is still a mystery. It was invented by an anonymous person known by pseudonym **Satoshi Nakamoto** in 2008
- ✚ Bitcoin is limited. According to one of the rules of the Bitcoin ledger, only 21 million bitcoins can be produced!!!
- ✚ According to a study conducted by Accenture, the world banking sector will save up to \$20 billion by 2022 through implementing blockchain.
- ✚ With cryptocurrencies, we have an aggregate market cap up more than 2,100% since the year began, along with the belief that blockchain will be readily integrated by big businesses. If those businesses don't welcome blockchain with open arms immediately, we could witness yet another precedent of a bubble bursting.



Green Marketing

Green marketing refers to the practice of developing and advertising products based on their real or perceived environmental sustainability.

The Green Marketing market revenue was 45596 Million USD in 2019, and will reach 56050 Million USD in 2025, with a CAGR of 3.5% during 2020-2025.

Goals of Green Marketing

- ✚ Implementing sustainable business practices
- ✚ Demonstrating environmental responsibility
- ✚ Reducing expenses (packaging, transportation, energy/water usage, etc.)
- ✚ Demonstrating how safe and mindful products or services are



Basically, green marketing concerns with three aspects:

- ✚ Fair and just dealing with customers and society

“Highlights”

The Green Marketing market revenue was 45596 Million USD in 2019, and will reach 56050 Million USD in 2025, with a CAGR of 3.5% during 2020-2025.

- ✚ Promotion of production and consumption of pure/quality products
- ✚ Protection of the ecological environment.

Green marketing is typically practiced by companies that are committed to sustainable development and corporate social responsibility. More organizations are making an effort to implement sustainable business practices as they recognize that in doing so, they can make their products more attractive to consumers and also reduce expenses, including packaging, transportation, energy/water usage, etc. Businesses are increasingly discovering that demonstrating a high level of social responsibility can increase brand loyalty among socially conscious consumers.

Examples

1. Toyota Prius Hybrid Electric Car
2. Lego sustainable bricks from sugarcane



3. Carlsberg renewable beer bottle



Green marketing has added more P's to the standard 4P's of marketing.

- 1. Public:** They are of two types, internal and external. External public refers to the consumer base, policy maker etc. Internal public refers to those in connection with the production process or interact with the organization in response to action or policy.
- 2. Partnership:** Green initiatives are hard to implement alone. Hence organizations team up with other companies who take up green initiatives and members of the public to create and sustain their networks.
- 3. Policy:** Green Marketing hinges on a strong set of rules and values that is requires a unified front between private and public policy
- 4. Purse Strings:** The cost and the cost effectiveness of Green marketing is a point of concern. One alone cannot make models that are environmentally sound and profitable as well. Green marketing is based on increased interaction and community responsibility.

4. IKEA People and Planet initiative



5. Coca-Cola introducing Plant Bottle





Start-up Watch

smallcase

“We are on a mission to change how India invests”



Founders: Vasanth Kamath: Founder & CEO; Anugrah Shrivastava, Rohan Gupta: Co-Founder



Year: 2015

Legal Name: Smallcase Technologies Pvt Ltd.

Sector: Financial Services

Headquarters: Bangalore, Karnataka

Website Link: www.smallcase.com

Innovative Idea:

The Bengaluru-based startup provides users with a professionally built basket of stocks called ‘smallcases’, allowing them to invest in portfolios of broker-partner stocks and exchange-traded funds (ETFs)

using their personal existing demat accounts. These portfolios can be sectoral, thematic, large-cap stocks-oriented or give exposure to various assets via ETFs aligned with the chosen asset allocation strategy.

The company has also tied up with eight brokerages—Zerodha, HDFC Securities, Kotak Securities, IIFL Securities, 5paisa, Edelweiss, Axis Direct and Alice Blue—which provide investors smallcases on their own websites.

Smallcases vs Mutual Funds:

Their business idea looks similar to “Mutual Funds”, but it’s different.

Smallcases are portfolios of stocks or exchange-traded funds (ETFs) that are selected, created and weighted to reflect an idea, theme or strategy. While mutual fund portfolios are also built around themes, an investor in smallcases holds shares in their portfolio as against units.

As Vasanth Kamath, CEO of smallcase says, “The idea is to get retail investors to take a portfolio-based approach while investing in stocks, versus thinking about individual stocks”



Products:

Along with their own curated small cases they provide 3 more products as well, which are:

1. Smallcase Publisher - enables any SEBI-registered professional to create their own smallcase. Earlier, all smallcases were created by Smallcase in-house research team.
2. Smallcase Gateway - enables stock & ETF transactions on any website/app. It's like a payment gateway, but for stocks.
3. Tickertape - is one of the most comprehensive sources of data for research and analysis of stocks.

Users & Revenue:

Revenue for the Calendar Year 2019 stood at USD 592K up from 350K in the Calendar Year 2018.

As of February 2019, the company claimed to have more than 2.5 lakh investors on its platform, who made investments worth over INR 2K Cr.

Funding & Investors:

Smallcase is funded by more than 18 investors.

The company was incubated at Rainmatter, a fintech incubator by



Zerodha. Some of the big investors are SCI Investments (Owns 20.71% Stake), Milestone Trusteeship, BEENEXT, Sequoia Capital India, WEH Ventures, Kunal Shah, Blume Ventures etc.

Competitors:

Samco, Fyers, Stockal, Kristal.ai, Ark Invest ETFs etc.

Vision:

The company has plans to become a Full Stack (passive) Investment platform millennial with services for every stakeholder ranging from investors to MF Managers to investment advisors.

Talking about his vision for the company in an interview, Vasanth says, *“Going forward, we would like to build an ecosystem around smallcases. We have the largest brokerages offering smallcases to their clients. We are now working on enabling advisory platforms, wealth managers to advise on smallcases as they do with mutual funds. The average age of our investors on smallcase is 28. Millennials usually challenge the status quo and think first principles, making our job easier to convince them to get started with smallcases. Our focus is to continue developing beautiful, easy products for millennials. So, an investing experience for them is similar to booking a cab or shopping online. We are also working towards building a brand that is relatable to millennials.”*



Kisan Network



KISAN NETWORK

Smart Deals in Your Hand

Founder: Sanjay Agarwalla, Aditya Agarwalla



Founded: 2015

Headquarters: Gurugram, Haryana

Sector: AgriTech

Legal Name: Kisan Network Private Limited

Website: kisannetwork.com

Innovative Idea:

Kisan Network is a tech enabled supply chain for Indian Agriculture with a fully integrated PAN India presence, empowering small and marginal farmers to sell produce directly to businesses. Kisan Network connects Indian farmers directly to businesses across the country by taking complete control of the supply chain. Each step is captured and

monitored by our tech enabled rural management portal. Our integrated services include: Sourcing, Sorting, Grading, Packaging, Dispatch and finally Delivery.

Business model: The team started by addressing two things to solve the problem of distrust:

Access to information: This relates to market prices, detailed crop quality reports, transportation rates, and every other minute detail that makes a crop sale transaction possible. All of these are readily made available to a Kisan Network farmer.

Resources to act on the information: A pan-India farmer-to-business supply chain that brings together all stakeholders (such as buyers, transporters, and packaging partners) on one platform is available. This is tech-enabled, and involves zero use of paper and digital on-time payments directly to farmers.

“With these two at his disposal, a farmer is finally able to trust the system and is well equipped to face hurdles in the crop selling process. In addition to these



benefits, Kisan Network makes the farmer the centre of the ecosystem by improving his crop selling experience,” Aditya says.

Investors:

1. Gokul Rajaram
2. Eric Kwan
3. FundersClub
4. Y Combinator
5. Locus Ventures
6. Mistletoe
7. Lynett Capital
8. The Thiel Foundation
9. Venture Highway



Competitors:

Stellapps, CropIn Technology, Skymet, DeHaat, and Ninjacart.

Future Plans:

Speaking of Kisan Network’s future plans, Aditya says, “This investment will aid rapid expansion into new regions across the country, bringing lakhs of more marginal farmers into the fold and helping them ship hundreds of more trucks directly from their farms to businesses. A portion of the round will also go towards introducing new farmer-centric products and services on our network.”



Brain Bulb Facts

The [Statistics Brain Research Institute](#) compiled statistics on start-up failure by industry, and information companies come in at the bottom. In fact, on average, only 37% of information companies are still operating after four years. Conversely, real estate, finance, and insurance are the most likely to remain in business, with 58% still running after four years.

Start-ups with 2 or more founders, a balanced team, or who hire skilled employees to distribute work are more likely to succeed. In fact, single founders take 3.6x longer to reach scale compared to a founding team of two. Balanced teams also raise 30% more money and have an average of 2.9x more growth.



Quiz Matters

1. **Who has been named as the new MD & CEO of NCDEX?**
 - a) Subhash Kumar
 - b) Mukhmeet S Bhatia
 - c) Mallika Srinivasan
 - d) Arun Raste

2. **Best, Important and the Central activity of a business is known as it's;**
 - a) Portfolio
 - b) Product Line
 - c) Nuclear Activity
 - d) Core Competency

3. **Using a customer's buying history to select them for related offers is known as;**
 - a) Up-selling
 - b) Prospecting
 - c) Marketing
 - d) Cross Selling

4. **Who has been appointed as chairperson of the NASSCOM?**
 - a) Randeep Singh
 - b) Krishnan Ramanujam
 - c) Vinod Kapoor
 - d) Rekha M Menon

5. **Government aims to gradually increase the public health expenditure to what percent of Gross Domestic Product by 2025?**
 - a) 1.5%
 - b) 3.5%
 - c) 4.5%
 - d) 2.5%



- 6. Which is the monetary measure to control inflation?**
- a) Increase in taxation
 - b) Decrease in taxation
 - c) Soft credit policy
 - d) Hard credit policy
 - e) None of the above
- 7. The unclaimed deposits are those deposits which haven't been operated for**
- a) 5 years or more
 - b) 7 years or more
 - c) 10 years or more
 - d) 12 years or more
 - e) 15 years or more
- 8. Bank of Middle East, Dubai is maintaining an account with SBI Mumbai. SBI Mumbai calls this account as**
- a) Nostro account
 - b) Vostro account
 - c) Loro account
 - d) Mirror account
- 9. Which of the following is an example of systematic risk?**
- a) Risk of non-availability of a major raw material to a company making aluminium bars
 - b) Death of a finance manager of a company providing financial services.
 - c) Unexpected entry of a multinational company in the tea industry
 - d) Reduction of tax rate by the government
- 10. Which one of the following come under the category of Veblen goods?**
- a) Convenience goods
 - b) Conspicuous goods
 - c) Specialty goods
 - d) Industrial goods



11. Which of the following banks was inaugurated by Mahatma Gandhi in 1919?

- a) Bank of Maharashtra
- b) Bank of Baroda
- c) State Bank of Saurashtra
- d) Union Bank of India

ANSWERS

1. Arun Raste
2. Core Competency
3. Cross Selling
4. Rekha M Menon
5. 2.5%
6. Hard credit policy
7. 10 years or more
8. Vostro account
9. Reduction of tax rate by the government
10. Conspicuous goods
11. Union Bank of India



Business Scan

April 1:

[Government infuses Rs 14,500 crore into four PSBs](#)

April 2:

[RBI may continue its curbs on HDFC Bank following technical glitches](#)

April 3:

[India's forex kitty swells by \\$101.5 bn in FY21, steepest rise in one financial year](#)

April 4:

[FPIs net buyers for third straight month, pour in Rs 17,304 crore in March](#)

April 5:

[Stand-Up India Scheme: Loans of Rs. 25,586-cr given in 5 years](#)

April 6:

[Start-up GRoboMac to pilot robot cotton-picking in TN this summer](#)

April 7:

[Centre to develop SOP for 2 formulations to help exports](#)

April 8:

[Why sugarcane is sweet and grapes sour for Maharashtra farmers](#)

April 9:

[Tea production in the Nilgiris up 45% in March](#)

April 10:

[Centre tells fertiliser makers not to hike prices](#)

April 11:

[Higher prices of imported raw materials push up agri-nutrients' cost](#)

April 12:

[Samunnati acquires agri-supply chain platform Kamatan in share swap deal](#)

April 13:

[Atal Innovation Mission, Bayer collaborate to work on healthcare, agri innovations](#)



April 14:

[Agriculture Ministry inks pack with Microsoft for a pilot project to boost farmers' income](#)

April 15:

[Bengaluru-based foundation launches agri-tech solutions contest for start-ups](#)

April 16:

['Modern steel silos to store foodgrains from 2025'](#)

April 17:

[Lenders approve Future Retail recast, to seek Kamath committee nod](#)

April 18:

[Muthoot MD shines a light on how gold loan business works, with Covid as a backdrop](#)

April 19:

[Covid second wave may impact government's privatisation drive](#)

April 20:

[FY22 exports seen in solid positive territory, don't see logic in US' move to put India in currency watchlist: Commerce secretary](#)

April 21:

[FSSAI chief calls for regulatory vigilance to ensure food safety and quality](#)

April 22:

[Agtech firm FarmersFZ makes unit-level traceability possible for vegetables](#)

April 23:

[22% increase in acreage under summer crops](#)

April 24:

[Pulses not to be part of PM-GKAY scheme](#)

April 25:

[Gold regains sheen as pandemic dents economic recovery](#)

April 26:

[Rubber regains strength on covering purchases](#)



[Covid impact: Hospitality sector set for consolidation](#)

April 27:

[Punjab Govt pays ₹10,085 cr online directly to farmers for wheat buy](#)

April 28:

[India GDP growth to rebound to 11% in FY21-22, moderate to 7% in FY22-23: ADB](#)

April 29:

[High-yielding soya developed for non-traditional States](#)

April 30:

[Organic products exports rise over 80 times since 2002-03 to record \\$1.4 b last fiscal](#)

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Allamprabhu



Bhushan Mehta



Ganga V.



Hemant Dhandale



Koshika Poojitha



Ganesh Yadav



Nihar Ranjan Pradhan



Ritika Saini