

# ABSOLUTE ADVANTAGE

Annual magazine of Finance and Investment Cell  
Aryabhata College





*Even in the darkest of times, the  
resourcefulness of the human mind finds  
endless possibilities: through brilliant ideas  
rested on intuition.*

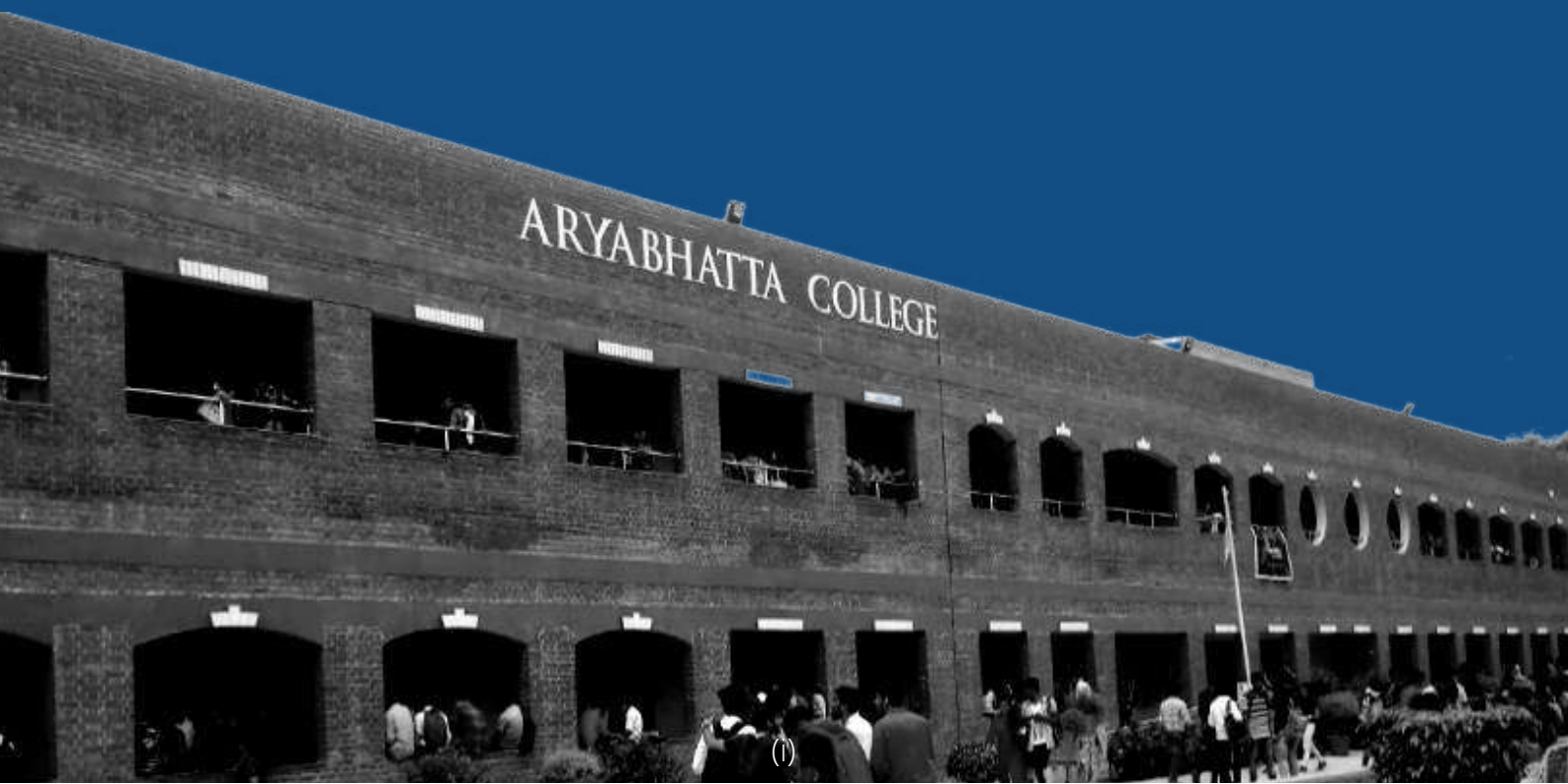
-An FIC Aryabhatta Publication

# ABOUT ARYABHATTA COLLEGE



Aryabhatta College is a constituent College of the University of Delhi named after the ancient Indian mathematician Aryabhatta. It is an institution directly maintained by the University of Delhi. It came into existence from the academic session 2014-15. The college was formerly known as Ram Lal Anand College (Evening) and was established in 1973. The college is located adjacent to the South Campus of the University of Delhi in the picturesque surroundings of the South Delhi section of the Aravali ranges.

Aryabhatta College is a co-educational institution and conducts Humanities, Arts and Commerce courses at the undergraduate level. There are presently around 2200 students on the rolls of the College.





# ABOUT FINANCE & INVESTMENT CELL



Finance & Investment Cell [FIC] is a student-driven organisation under Aryabhata College initiated in 2017 with a vision to promote knowledge sharing amongst students on matters of finance, economics, geopolitics etc. and also to raise awareness amongst young minds about finance and investment. Education has always been the agenda of the organisation.

As stated by our tagline, "piquing your interest in finance, so that you never leave it alone," we aim to build a community of like-minded people who constantly strive to nurture their skillsets, knowledge, and personality as a whole. We provide a common platform for all finance- enthusiasts to learn through information sharing and provide them with opportunities to undertake research on specific areas of their interest and to keep the enthusiasm of finance-lovers active throughout the year by organizing different seminars, competitions and other events related to the subject.

The organization has a prime online presence with an official website with a reach of more than 10K, an Instagram educational page of more than 1.5K followers, a YouTube channel for our podcasts and LinkedIN page for our research work.

# ABOUT ABSOLUTE ADVANTAGE

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Accounting for the ever changing world and observing a large number of diverse opinions, FIC Aryabhata decided to introduce a magazine for generation Z, which wishes to express themselves whilst understanding the varied set of opinions and judgments around them.

After extensive discussions and deliberations about the nomenclature, we introduced a periodical which stands true to its name by providing you with an absolute advantage in your quest to become a well rounded individual.

The magazine's mission is to serve as a one stop destination to read and publish a heterogeneous mixture of thoughts, opinions and judgements about topics ranging in diverse segments. Hence, it covers a wide variety of interdisciplinary topics including but not limited to Indian and International finance and policy, FinTech, abstract concepts and hypotheses, the future of Finance, Sustainable Finance, Geopolitics, Business, Economics, and year-end reviews.

Furthermore, the magazine serves as a knowledge gaining platform for the youth by featuring key insights from industry experts in the form of articles and published interviews.



# PRINCIPAL'S MESSAGE



## **PROF. MANOJ SINHA**

Principal, Aryabhata college

Finance has always played a major role in determining the success of an economy. Basic financial understanding, especially amongst the youth is a necessity for fulfilling the dream of a better future. Ethics, market integrity and sustainability in Finance, apart from its core values, collectively contribute to the overall development of society. Finance, being deeply ingrained in the grassroots of a nation, binds it together and propels it towards growth and development. Located adjacent to the South Campus of the University of Delhi in the picturesque surroundings of the ridge area in South Delhi, Aryabhata College has been at the forefront of undergraduate education in Science, Arts, Commerce, and Management since the academic session of 2014-15. We, at Aryabhata College, stand for inclusive growth and believe in providing ample opportunities to our students to assist them in discovering their potential appropriately. As a value-based institution, we are dedicated to cultivating a desire to evolve into responsible human beings. Finance and Investment Cell, Aryabhata College was set up with an aim to mobilise novel opportunities to educate and inspire members to explore real-life business practices, analyse complex challenges in the world of Finance and strive towards becoming leaders who harbour transformative financial acumen. Over time, this platform established itself as one of the leading Finance Cells in the university. The Cell has been outdoing its efforts and contributions each year through professionalism in its economic, geopolitical analysis and financial research. It gives me great pleasure to undertake various projects and organize regular research projects, monthly campaigns, group discussions, and speaker sessions related to the subject. The Cell has progressed only with the seamless efforts of a connected set of individuals that are ambitious, motivated, technically updated and diligent. I am pleased to congratulate the Finance and Investment Cell on the publication of the second issue of its annual finance magazine, 'Absolute Advantage'. I commend the vigour of all the students who have been working tirelessly, especially at such unprecedented times, to come up with such a comprehensive project in the form of a magazine. I extend my gratitude to all the guest contributors for their insightful submissions and wish them success in their future endeavours. I hope the magazine is a huge success and fulfills its purpose. It's wonderful to watch FIC excel with time, and I wish them all the very best for the future.

A handwritten signature in black ink, appearing to read 'Manoj Sinha', written over a horizontal line.

PROF. MANOJ SINHA

# FACULTY'S MESSAGE



**PROF. J.K. SINGH**  
**CONVENOR**

The Finance and Investment Cell of Aryabhata College has proven itself to be a formidable force in just a few years. The society has worked hard and achieved unprecedented heights even during the pandemic. The students have always gone above and beyond their aim of knowledge sharing on matters of Finance, Economics, and Geopolitics. Not only that, they have been proactive in promoting learning through theoretical and practical means. The Cell boasts some of the nation's smartest minds as its guests and collaborators, through its magazine and online series. Last year, following its aim to keep on diversifying and reaching greater heights, FIC launched its annual magazine, Absolute Advantage. This year, they have come back with the latest developments in the nation and the global economy, providing its readers with a comprehensive and interesting to read version of the dynamic world of finance. The revamped second edition of Absolute Advantage seeks to bring the reader up to date with all the major happenings and events in the world. I, along with the faculty of Aryabhata College, congratulate the students of Finance and Investment Cell on their efforts and achievements.

A handwritten signature in black ink, appearing to be 'J.K. Singh', written over a horizontal line.

**PROF. J.K. SINGH**



# FACULTY'S MESSAGE

## DR. PRITIKA DUA CO-ORDINATOR



Finance and Investment Cell, Aryabhata College was set up with a vision to promote financial knowledge amongst students by providing them with a common platform to share discuss and debate their ideas.

Established in 2017 it has been growing every day since its inception. The students have, time and again, shown their calibre for fulfilling their goal of growth through exchanging knowledge, The members have continuously engaged in widening the scope of the society which now includes competitive events, conclaves, online series, and most importantly a partnership with the Mexican embassy in India. With the launch of the second annual edition of its annual magazine, Absolute Advantage, FIC Aryabhata has once again proved that they are more than capable of competing with renowned colleges at the University of Delhi and proving its worth. Absolute Advantage covers various topics including Finance, Business, Economics, Geopolitics, Fintech, Sustainability, and Policy, My heartiest congratulations go to the Finance and Investment cell for its new endeavour and I wish the members all the best for all future challenges.

*Pritika Dua*

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DR. PRITIKA DUA

# PRESIDENT'S NOTE

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The Finance and Investment Cell of Aryabhata College has always been the trailblazer in establishing the standard of excellence in creating a conducive environment of knowledge creation and sharing in our college. It has been my honor and true delight leading this organization for the past one year in which it has grown leaps and bounds. It continues to be an ideal place, for the many members associated with it, to explore one's interests and grow.

The second edition of Absolute Advantage is yet another addition to our constant endeavor to thrive. This publication would not have been fructified without the precious guidance of our Principal, Dr. Manoj Sinha, our Convener, Dr. JK Singh, and our Coordinator, Dr. Pritika Dua. Their valuable support and suggestions have helped us throughout our tenure and we continue to look up to them to set high ideals for ourselves.

I would also like to acknowledge the remarkable efforts our Vice President, Tanya, our General Secretary, Manya, our Editor-in-Chief, Parth, and our Design Head, Manav, have put in to lead our wonderful team towards the successful compilation of the Second Edition of our annual magazine. With this publication, the Finance and Investment Cell of Aryabhata College has yet again established an iconic benchmark.

This magazine does not belong to anyone more than our tenacious team members. The ingenuity, dedication and sheer selflessness with which they have worked for our organisation throughout our tenure has always inspired me to work even harder for our shared goals and aspirations. No words of appreciation can express my heartfelt gratitude for them. I am confident that the Finance and Investment Cell of Aryabhata College will continue to remain one of the most renowned societies of Delhi University.

I hope the readers of this magazine will have as much pleasure, while engaging with the varied domains we have tried to put together, as we had while compiling it.

**PIYUSH PANDEY**  
PRESIDENT





# VICE- PRESIDENT'S NOTE

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As the world is on the brink of economic recession due to Covid 19 pandemic compounded by Russia-Ukraine War, it is high time to ponder how to tide over the present burgeoning situation. We have eminent economists and policymakers who render their invaluable services to international organizations viz World Bank, WHO, IMF in general and to their respective Governments in particular. In our country, we have regulatory bodies like RBI and SEBI besides Think Tank like NITI Aayog who render their services to the government. We as a small group of vigilant students under the patronage of astute Faculty Members have made a little effort by launching the second edition of 'Absolute Advantage' which I hope would serve as food for thought to our readers by invigorating their minds.

Built on the foundation of creating an environment of growth, the Finance and Investment Cell was established in the year 2017 in Arybhata College, University of Delhi. It is a Think Tank for young minds, who are the hopes of the future, to share various aspects of Finance and Economics affecting our society. In this regard, our magazine, 'Absolute Advantage', is published by the cell annually. The magazine covers the various paradigm of our economy and their societal impact. The second edition of the magazine inter alia dwells upon Startups and indigenous innovations to offset the deleterious impact of the present scenario.

There is no denial of the fact that the pandemic has given a big jolt to our society, but at the same time it turned out to be a blessing in disguise. People embarked upon a new corridor of innovations by setting up startups and home-businesses for their sustenance. They truly found a silver lining in the gloomy cloud and harnessed the same. I am indebted to the unstinted support of my team members and the apt guidance of our Principal, Dr Manoj Sinha, Convenor, Dr JK Singh, and our Coordinator, Dr Pritika Dua, in this journey of serving FIC in the capacity of Vice President. Lastly, I would like to thank our President, Piyush Pandey, General Secretary Manya Monga, Editor-in-Chief, Parth Jaiswal and Design & Technical Head, Manav Jain, without whom it was not possible to bring out this magazine.

**TANYA SRIVASTAVA**  
VICE-PRESIDENT



# THE MAGAZINE

TEAM  
2022

# DESIGNER'S NOTE



**MANAV JAIN**  
DESIGN & TECHNOLOGY HEAD

When the work of magazine was started, everything seemed almost impossible considering majority of the members have their exams scheduled. We had to keep extremely tight deadlines and often overwork just to meet the quality standards of Absolute Advantage. But as we proceeded with the work, magically things started to seem less achievable. The design team have been very creative from ideating the concept of magazine to each and every word that is printed on that magazine. For us, it is not a printed phrases, but an outcome of sleepless nights, hours long meets and tiring brain storming sessions. Every element placed in the magazine, has a story behind it. No page here is same as the first draft. For nearly every design the design team have made several alternatives just to ensure the endless possibilities targeting our one prime goal- Perfection.

I would like to extend my gratitude to our President Piyush Pandey, our Vice President Tanya Srivastava, and Design coordinator Garv Gupta, who have been the most helpful assets while making this whole magazine. Along with that, Parth Jaiswal and Manya Monga have also been very supportive. Be it the content, the extravagant ideas, they have always been by our side.

As the design head of The Finance and Investment Cell of Aryabhata College, it gives me absolute pleasure to lead a wonderful team and finally conclude the second edition of our annual magazine Absolute Advantage, which was once merely a far sighted dream.



# EDITOR'S NOTE

"The world is recovering from Covid-19."

With colleges, markets, and industries re-opening we all have started believing that the global economy is truly on the path of economic recovery. It is at this crucial juncture that we need to ask ourselves an all-important question, "Was Covid the only pandemic ailing mankind?"

Another pandemic that has been gradually building up throughout the existence of mankind and has become one of the most talked about issues in recent times, climate change, has been hypothesised to be the end of the universe as we know it. Conventions, movements, and numerous globally coordinated efforts have been undertaken to tackle this evil before it becomes irreversible. The importance of these global efforts can be reflected in them giving impetus to small businesses and startups which provided an alternative to industry-made products while making life easier.

During the pandemic, we all somehow or the other witnessed the rising trend of small businesses. Lots and lots of people started running their businesses sitting at home through social media, selling homemade products. There was a stark increase in awareness regarding them. Another phenomenon that is worth noticing is the rise in the startup culture. People started identifying the problems that we as a society are facing and started working towards finding a solution to them in their own unique way, making us marvel at the resourcefulness of the human mind. Due to huge support from the government, privately-owned organizations, and social media these startups and small businesses got an abundance of support and traction, as they flourished beyond imagination.

**MANYA MONGA**  
EDITOR-IN-CHIEF





# EDITOR'S NOTE

Are we going down the right path? Who knows but we think the more pertinent question is are we making conscious efforts? Yes, we are. We are not in any way saying that this rise in startups and small businesses is the right way forward and soon all will be well. There will always be exceptions, and there will always be something wrong with everything, all we are saying is it is imperative that we contribute our ideas and energy to resolve social issues, become capable leaders, and make a difference in the lives of others.

With this thought in mind, we at FIC Aryabhata embarked on this amazing journey where we realized the need to become proactive and enable change. Witnessing the trend, we came to the conclusion that strong financial knowledge supported by an acute business acumen is the way to go forward to improve the condition of not only the global economy but the human society.

Our tenure began with the aim to spread financial literacy through unique, interesting, and comprehensive methods, that culminated in the creation of the second edition of the annual magazine of the Finance and Investment Cell of Aryabhata College: Absolute Advantage. This magazine is a collection of engaging topics, thought-provoking ideas, and creative expressions that will provide an absolute advantage in the quest to become an all-rounded individual.



**PARTH JAISWAL**  
EDITOR-IN-CHIEF

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Ansh Kapoor  
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Kalyani Bhatnagar  
Bhavika Sachdeva  
Sudeshna Saha

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Ansh Kapoor  
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SPEEDFORCE

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The background of the entire page is a photograph of the Taj Mahal in Agra, India, during a golden sunset. The sky is a deep orange, and the sun is a bright yellow orb on the left. In the foreground, two camels with riders are walking across a flat, reflective surface, likely a pool of water. The camels and the Taj Mahal are reflected in the water. The title 'THE INDIAN perspective' is overlaid on the top half of the image.

# THE INDIAN perspective

## WHAT'S INSIDE

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Tryst or Trite. India's Semiconductor Failure?

CBDC Monetarism - Upping the ante

HDFC+HDFC Bank- Transforming the system

Lijjat Papad- From rags to riches

Amazon- The Death of Small Businesses ?

PVR x INOX-: Merger to Monopoly

The A to Z of education loans

Government and Censorship



by **Sahej Verma, Eco (H)**

# TRYST OR TRITE: INDIA'S SEMICONDUCTOR FAILURE?

THE BREWING OF AN ELECTRONIC CHALLENGE

The 20th century was dominated by oil. The semblance of a country's geopolitical and geoeconomic decisions revolved around it. In this era, the semiconductor chip seems to have taken the place of black gold. It is quite astonishing to ponder that even the minutest symbol of human technological advancement has a monumental impact on our daily lives. But, it is equally marvelous that with time, our limits of industrialisation and innovation pioneered at changing lives and got pushed a bit by bit. At the intersection of radical change and innovation, lies the war for the chip, something that has dampened the prospects of another industry-specific revolution in India.

## ORIGINS AND HISTORY

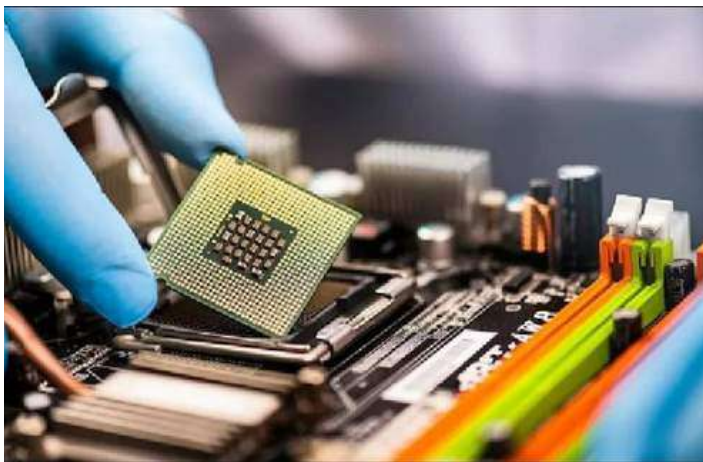
By the 1980s, Chinese, Taiwanese, Malaysian, Korean and Singaporean conglomerates and companies were granted authorization and incentives from their respective governments to create avenues in the field of semiconductor manufacturing. The Indian government took it a step further and itself created a national company; The Semiconductor Complex Ltd or SCL. The East Asian semiconductor wonder, a modern-day technological renaissance more or less can be attributed to western electronics companies

## IN THIS ARTICLE

- Origin & History
- Growth of SCL
- Fall of Industry
- Revivalism
- Global Obsession
- Indian Challenges



who went on a relocating spree of certain outsourced factories in the 1960s. Fairchild Semiconductor, the pioneer of this patent, vehemently considered setting up a manufacturing plant in India in the late 1960s. However, due to immense bureaucratic pressure from New Delhi, they opted in favour of Malaysia and the Philippines. In 1984, the Indian government founded a 100% state owned enterprise - the integrated device manufacturer, SCL after realising the potency of microprocessors and other semiconductors after the technological advancements of the 70s and 80s. SCL's goal was to eventually design and manufacture leading-edge circuits and electronics. Their vision was that the company could be the foundation for the native Indian electronics industry. The government invested nearly 70 million USD, a pretty huge sum for that time, into founding the company and getting its assets in order. The planned city of Mohali in Punjab was chosen as its headquarters. To fill the ranks, SCL hired young graduates from top technical universities like the Indian Institutes of Technology and the Indian Institute of Science in Bangalore. They were also able to recruit from esteemed Indian electronics companies like Bharat Electronics Limited, the Indian state-owned aerospace and defense electronics company amidst the recession.



### **GROWTH OF SCL**

A plethora of factors go into the development of a semiconductor factory from scratch. They are, broadly speaking, four in number when summarised: Financial Capital, Human Capital, Infrastructure and Manufacturing Technology. To pay for the extremely expensive chip manufacturing equipment, notably in the photolithography space, and chip testing equipment, one has to shell out truckloads of money. India imports all of these from either the

"In this era, the semiconductor chip seems to have taken the place of the black gold."

European Union or Japan. This also makes the streamlining of custom laws very essential. The stuff also has to be constantly upgraded and polished, which costs a lot of money. Well-educated and well-equipped people are a must to run the lab which should have 100 percent government buy-in.

Moreover, PhDs dabbling with R&D are critical as they carry forward the mantle of technological research and inventory building. Substantial and stable water and power supply are also a must. SCL had done most of this playbook. At SCL's founding in 1984, they were able to license a 5-micron process technology from American Microsystems Inc. AMI was nothing like Intel or Motorola, but it was a start.

Shortly thereafter, SCL was able to acquire process technology from two other companies as part of a deal to manufacture electronics components for them. The first deal was with the American industrial automation company, Rockwell, for the purpose of making their 2560G microprocessor.

The second deal was with the Japanese firm Hitachi for the purpose of producing components for their electronic wristwatch. The company also performed third-party assembly duties for electronics brands. Notably, they assembled the BBC - yes, the broadcaster BBC - Acorn computer for the Indian Government's Computer Literacy and Studies in Schools program. These technology transfer agreements allowed SCL personnel to travel to the US and Japan for in-person training and learning. SCL quickly disseminated this info to the rest of the company. They augmented this trade knowledge with university academic partnerships.



Using these resources, the company advanced very quickly from the 5-micron process technology down to a 0.8-micron process in the late 1980s. 0.8 microns, or 800 nanometers, was first achieved in 1987 by leading companies like NTT, Toshiba, and Intel. So at this point, SCL was one semiconductor generation behind the leading edge. It seemed possible that India could achieve its goal of being a global semiconductor manufacturer within a decade.

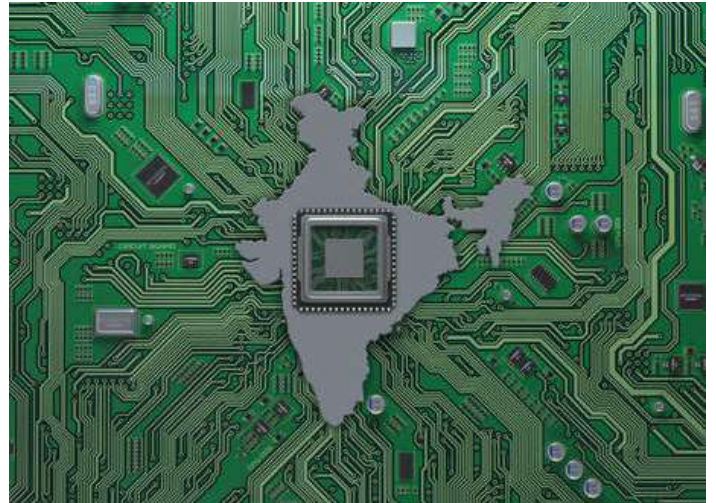
## **THE FALL OF INDIAN SEMICONDUCTOR MANUFACTURING**

Punjab in the 80s was very volatile and sensitive as political territory. In 1989, a massive mysterious fire broke out in the laboratory which was later blamed on arsonists as at that point in time, semiconductors were also being made for the Indian Military. From 1986 to 1995, insurance records show that fires are one of the most common causes of operational losses in the industry.

Many of these chemicals are flammable. Most likely the incident was an honest accident. The fire was a devastating setback for India's semiconductor manufacturing efforts. Production finally restarted in 1997 with an additional investment of 50 million USD but by that time the economic landscape of the country had completely changed.

By then, new entrants like TSMC (which was founded in 1987) and Samsung had entered the race. And they quickly raced ahead of the rest of the world, capturing critical global market share and scale. India lost untold amounts of progress. Then finally in 2005, the company was restructured as an R&D center within the Department of Space, which runs to this date. This was the final nail in the coffin for SCL's chances at redemption.

In 2005-2006, its final year as a company, SCL made \$3.5 million in revenue and turned a loss of \$2 million USD. The year before, the company turned a stunning \$5.6 million USD loss. Its restructuring was kind of mercy. Today, SCL mostly does R&D work and has more or less abandoned the goal of reviving domestic manufacturing.



## **CURRENT SITUATION AND ATTEMPTS AT REVIVALISM**

At present, India is a powerhouse, but in only designing the semiconductor chips even of the most advanced types. After the designs are finalised, almost all companies send the prototypes to the USA, Taiwan, China and Vietnam for fabrication. There have been significant efforts made towards reviving the process of manufacturing semiconductor chips. Unfortunately, they too failed miserably. In 2011, the government paid millions to Israel's TowerJazz Semiconductor for acquiring a Tel Aviv-based fabrication unit which was not approved by the Israelis due to it not being associated with agritech.

In 2006, it was announced that "Fab City" a city solely encompassing the manufacturing industries of India would be built and invited tenders for the same. AMD did show some interest but abandoned it due to the poor approach of the government towards manufacturing in the country. In 2016, companies like JP Associates and China's HSMC did pursue to set up foundries and manufacturing hubs but had several legal run-ins with New Delhi and had to virtually exit the Indian economy by 2019.

## **THE GLOBAL OBSESSION WITH THE CHIP**

There is intense rivalry, that occasionally boils down to animosity between the major powers of the world with respect to the Semiconductor chip. The US and China are the de facto pioneers as well as bases for the industry. The Western bloc, headed by the US, completely commands Intellectual Property, R&D and Design and Technology. The industry is etched on Japanese silicone wafers, smelted in the fumes of the factories of Osaka.

Taiwan's TSMC and South Korea's Samsung lead the advanced fab game. China, on the other hand, is the largest consumer market for semiconductor chips and its plan to develop a local industry has alarmed the West. In the last two decades, China succeeded in making low-end chips, not a mean feat. Its major breakthrough did come in the form of Huawei's 5G antics. However, it had to rely on US and India-based firms for design. The US quickly TSMC and Samsung to abandon operations and transactions with Huawei and its monopoly in IP and Design and Tech made the threat look credible and austere. To consolidate its hold over the Chip Supply Chain, Washington D.C. has pressurized TSMC to not make chips for China. Beijing, in retaliation, has diverted its resentment towards the company, a government-owned entity, by locking horns in the geopolitical sphere with Taipei.

#### **INDIAN CHALLENGES AND SHOULD INDIA MAKE THE CHIP?**

Make the Chip or Buy the Dip. As the advent of Blockchain technology looks rosy in the Indian context, many pundits have lamented the virtual desertion of the chip manufacturing industry. A lot has been analyzed and revisited over the past few months but does it seriously add up? Even after such complexities, does our country have the prospects, and by that damn good ones, to revive its semiconductor manufacturing industry? Well, it's complicated and doesn't bode well though. In 2019, India imported \$21 billion worth of semiconductors according to the India Electronics and Semiconductor Association.

This number is growing at about 15% a year. Furthermore, a significant portion of these imports - 37% in 2019 or \$7 billion worth - come from China. This has critical geopolitical repercussions. Sino-Indian relations today are tense, and further disruptions may come about. For India, the sheer amount of capital needed to build competitive, productive fabs have been cited as the single most significant obstacle in establishing a viable semiconductor manufacturing industry. Today's leading-edge chip factories regularly run up into the tens of billions of dollars. This trend really started to ramp up at the 14nm node generation, and it is only getting worse.

Fab technology is expensive, complex and precarious to invest in. It doesn't guarantee good returns. Even for the biggest private Indian entities - companies like Tata, Reliance and such - this is hard to swallow. Reliance Jio initially spent \$15 billion USD on their nationwide LTE data network over the span of four years. TSMC will spend \$20 billion on just one Gigafab over two years. And right now they are building three.

All that investment has to pay for itself. And in the volatile electronics world, that is not always a given. Additionally, the world will soon experience a fab technology surplus. The geopolitics of the chip has already induced several long-term high-profile investments. Intel is working on a major plant in Arizona whereas China looks to gain more footing despite the initial setbacks. What India can do is it can focus on parts other than the fab technology, that account for nearly 40 percent of the global supply chain. Any pioneering development in Design and Tech, something which India is renowned for, can lead to massive developments and returns.

However, India has to tread with caution. In 2020, the country fell prey to the worldwide semiconductor shortage, disrupting a variety of critical Indian businesses. For instance, India is the world's second-largest smartphone maker. That lucrative industry grinds to a halt when the right chips are not available. There is no shortage of ideas - and human talent - for possible approaches to bring semiconductor manufacturing back to Indian shores. But there must be consistent, long-term direction from the very top - and fountains of money committed to that direction.





by **Kalyani Bhatnagar, Eco (H)**

# CBDC MONETARISM - UPPING THE ANTE

CREDIT MATTERS, MONEY DOESN'T

## WHAT IS A CBDC?

Central Bank Digital Currency or CBDC is the money that can be issued and regulated only by the central bank of a country. It is called a digital currency because it is not fiat money, which includes notes and coins.

Advancements in technologies have allowed governments and other financial institutions to develop a model in which they can control fiat money digitally. Though fiat currency is still widely accepted all over the world, few developed countries have experienced a significant decrease in its use. There has been a shift from using physical currency to digital currency, which accelerated during the COVID-19 pandemic.

The advent and growth of cryptocurrency and blockchain technology have accelerated the move of society towards cashless societies and digital currencies. Since these do not have government supervision, governments and central banks worldwide are in the search for possibilities of using government-backed digital currencies. The idea for Central Bank Digital Currencies stems from cryptocurrencies and blockchain technology.

## IN THIS ARTICLE

What is CBDC?

Importance of CBDC

CBDC's need in India

CBDC in other countries

Indian Situation of CBDC

Indian Challenges



CBDCs differ from cryptocurrencies. CBDCs are monitored by a central bank, whereas cryptocurrencies are decentralised, implying that they cannot be regulated by a single authority.

CBDCs can be easily operated, stored and transferred using mobile phone wallets without the need to travel to a bank or an ATM, thus, creating financial inclusion possible even for remote communities.

### **IMPORTANCE OF A CBDC**

A number of countries have started developing CBDCs, and some have even implemented them. As many countries are exploring methods for the adaptation of digital currencies, it's important to understand what they mean to society.

The main goal of Central Bank Digital Currencies is to provide businesses and consumers with privacy, transferability, accessibility and financial security. CBDCs would also reduce the risks of using digital currencies in their current form. Cryptocurrencies are highly volatile, their value keeps on changing.



This volatility could cause severe financial tensions in many households and affect the overall stability of an economy. CBDCs, which are backed by a government and regulated by a central bank, would provide households, customers, and firms with a stable means of exchanging digital currency. CBDCs have some advantages, including simplification in the implementation of monetary and fiscal policies. Being a centralised form of currency, they may not anonymize transactions as some cryptocurrencies do. They could also reduce the maintenance that a complex financial system needs and cut high cross-border transaction costs.

"The main goal of Central Bank Digital Currencies is to provide businesses and consumers with privacy, transferability, accessibility and financial security."

A CBDC eliminates the third-party risk of events like bank failures or runs. It is the central bank's responsibility to manage any remaining systemic risk. CBDCs help in creating a direct link between consumers and central banks, thus eliminating the need for expensive infrastructure. CBDCs would improve the diversity of payment techniques in a country, and make the currency system more resilient, at the same time making it more efficient and reducing costs associated with paper currency.

### **DO WE NEED CBDC IN INDIA?**

In terms of digital payment advancements, India is at the top throughout the globe. Its payment services are available all the time to both retail and wholesale consumers. They are real-time transactions, and their costs are among the lowest in the world. Various alternatives are available to users for making digital transactions. Over the last 5 years, digital payments have grown at a Compound Annual Growth Rate (CAGR) of 55%.

Between December 2018 and January 2019, the RBI conducted a pilot survey on individual retail payment patterns, which revealed that cash remained the preferred means of payment for everyday purchases. Cash is primarily utilised for small-value transactions (under \$500). Thus, there is a rare scenario in which digital payments are becoming more widely accepted in the country yet cash usage remains popular, particularly for low-value transactions. CBDC is unlikely to replace cash usage where the preference for cash causes discomfort for digital modes of payment.



A major advantage of CBDCs is India's high currency to GDP ratio. The cost of producing, shipping, storing, and distributing currency can be lowered to the extent where CBDCs can replace enormous amounts of cash.

Another reason CBDCs may become important is the rise of cryptocurrencies. Although it is unclear what specific needs Virtual Currencies (VCs) address that official money cannot, this may not be a barrier to their adoption. National currencies with limited convertibility are likely to be threatened if VCs gain acceptance. Developing our own CBDC could serve the public with purposes that no VC can provide, preserving public preference for the rupee to some extent.

It could also protect the public from the extreme volatility that some of the VCs face. This could be the key factor nudging RBI from considering CBDCs as a secure and stable form of digital money. CBDCs are thus desired not only for the benefits they provide in payment systems but they may also be required to protect the general public in an environment of volatile private VCs.

### **CBDC IN OTHER COUNTRIES**

Different countries are at various stages of developing, launching or piloting their digital fiat currencies. According to the Atlantic Council, a non-governmental organisation based in Washington, D.C., 87 countries are considering issuing a CBDC as of March 2022.

China is likely the most advanced in terms of full-scale adoption of the People's Bank of China's E-CYN system (formerly known as the Digital Currency Electronic Payment system), also known as the Digital Yuan. It is currently being deployed in Shanghai, Changsha, Qingdao, Xi'an, and Dalian, following initial trials in Beijing and Chengdu.

Sweden (e-Krona), Turkey, the Bahamas/East Caribbean Central Bank (Sand Dollar), and Iran are among the other countries that have declared CBDCs.

The aim for building CBDC platforms in some cases, such as Turkey and Iran, is purportedly to reduce reliance on a US Dollar-based global economy and escape sanctions.



The Bank of Russia, Russia's central bank, stated in February 2022 that early trials of the CBDC, commonly known as the "Digital Ruble," had been completed. Two of the Bank of Russia's trial banks have already joined the digital currency network and performed a full cycle of "Digital Ruble" transactions between users using mobile banking apps, according to sources. Nigeria established eNaira, the first CBDC in Africa, in October 2021. The eNaira is stored in a digital wallet and can be used for contactless payments and money transfers at stores.

### **STATUS OF CBDC IN INDIA**

In February 2022, India's Finance Minister, Nirmala Sitharaman, announced that a "digital rupee" will be introduced by 2022-23, which will be backed by the RBI. Currently, the process is under development.

According to the Finance Minister, CBDC would strengthen India's economy, increase efficiency and lower expenses of the country's currency management system, and provide a stable, regulated digital currency that will compete with private cryptocurrencies.

### **CHALLENGES FOR INDIA IN ADOPTING CBDC**

The financial structure could be substantially altered if a CBDC is implemented. The impact of a change on household costs, investments, bank reserves, interest rates, the financial services sector, or the economy is being researched. It is unknown what effect switching to CBDC will have on the stability of the financial system. During a financial crisis, for example, there may not be enough central bank liquidity to permit withdrawals.

Monetary policy is used by central banks to regulate inflation, interest rates, lending, and expenditure, all of which affect employment rates. Central banks will have to make sure they have the instruments they need to affect the economy in a favourable way

One of the most important drivers of cryptocurrencies is privacy. CBDCs would necessitate a reasonable level of government intrusion to monitor for financial crimes; monitoring is also vital since it assists efforts to prevent money laundering and terror financing. In many cases, cryptocurrencies have been the target of hackers and thieves. A central bank-issued digital money would almost certainly attract the same type of criminals. Therefore, it becomes crucial for the country to strengthen its systems.

## CONCLUSION

The COVID-19 pandemic has underlined the need to investigate new digital payment systems and to enhance the diversity and resilience of national payment systems. For a vast country like India, technology such as CBDCs would further improve the resilience of its payment system, as demonstrated by several other large and small countries around the world.

Given that CBDCs will be one of the core technologies for a digitalised economy in the future, a solid procedure for reaching the Digital Rupee is crucial. While doing so, we must ensure that the technology is suitable for India's population, economy, technological infrastructure, innovators and startups, and culture. If adopted, a well-planned CBDC will open up enormous potential for future innovation toward the aim of Digital India.





by **Deepanshu Mittal, BMS**

# HDFC+HDFC BANK: TRANSFORMING THE SYSTEM

A CATAclysmic MERGER

Housing Development Finance Corporation Ltd and HDFC bank Ltd announced the merger on April 4, 2022, making it the hottest news of the day. You can guess the value of this merger as Housing Development Finance Corporation Ltd and HDFC bank shares rose more than 7% on that day after the news.

This merger is the amalgamation of:

- 1.HDFC Investments and HDFC Holdings, wholly-owned subsidiaries of Housing Development Finance Corporation (HDFC), with and into HDFC
- 2.HDFC with and into HDFC Bank.

Now, firstly you should know some essential details about both companies in order to understand how big the merger is.

## **HDFC LTD**

Housing Development Finance Corporation Limited (HDFC) is India's significant housing finance provider. It was founded in 1977 and was headquartered in Mumbai. It also has a presence in banking, life and general insurance, asset management, venture capital, realty, education, deposits, and education loans.

## IN THIS ARTICLE

HDFC Ltd

HDFC Investment Ltd

HDFC Bank Ltd

The mega merger

Benefits of the merger



Some important figures of HDFC Ltd (2021) :

- Revenue ₹139,071 crores (US\$18 billion)
- Operating income ₹46,397 crores (US\$6.1 billion)
- Net income ₹13,566 crores (US\$1.8 billion)
- Total assets ₹829,354 crores (US\$110 billion)
- Total equity ₹156,351 crores (US\$21 billion)

### **HDFC INVESTMENT LTD**

HDFC Investments Ltd. operates as an investment management firm. The Company offers housing, and non-housing loans, research analysis, portfolio construction, financial planning, and advisory services. HDFC Investments serves clients globally. Hdfc Investments Limited is a Non-govt company, incorporated on 20 Dec 1994. It's a public unlisted company and is classified as a company limited by shares. The company's authorized capital stands at Rs 3300.0 lakhs and has 80.819695% paid-up capital which is Rs 2667.05 lakhs.

### **HDFC HOLDINGS LTD**

HDFC Holdings Ltd. renders investment consultancy services. HDFC Holdings Limited is a Non-govt company, incorporated on 17 Jan 2000. It's a public unlisted company and is classified as a company limited by shares. The company's authorized capital stands at Rs 5000.0 lakhs and has 3.6001399% paid-up capital which is Rs 180.01 lakhs.



HDFC Bank Limited is India's largest private sector bank by assets and the world's 10th largest bank by market capitalization as of April 2021. It was founded in 1994 and is headquartered in Mumbai.

"HDFC is the third-largest company by market capitalization of \$122.50 billion on the Indian stock exchanges."

It is the third-largest company by market capitalization of \$122.50 billion on the Indian stock exchanges. It is also the fifteenth largest employer in India with nearly 120,000 employees.

Some important figures of Hdfc bank (2021) :

- Revenue ₹120,883 crores (US\$16 billion)
- Net income ₹31,116 crores (US\$4.1 billion)
- Total assets ₹1,746,870 crores (US\$230 billion)
- Total equity ₹203,169 crores (US\$27 billion)

### **WHAT MAKES IT A MEGA-MERGER?**

Housing Development Finance Corporation Limited, India's largest housing finance company with Assets Under Management (AUM) worth Rs 5.26 trillion and a market cap of Rs 4.44 trillion will merge with HDFC Bank, India's largest private sector bank by assets with a market cap of Rs 8.35 trillion. The combined market cap of the two to-be merged entities would be about Rs 13,83,498.26 crore. This merger would make HDFC Bank India's second-largest bank.

For every 25 shares held in HDFC Limited, 42 shares of the bank will be allotted. The swap ratio works to 1:1.68. The HDFC and HDFC bank merger may take up to 15-18 months to obtain all the approvals.

### **BENEFITS OF THE MERGER TO HDFC AND HDFC BANK**

This merger will allow them to cross-sell the products to the combined customer base. It will also help them to increase their presence across the urban, semi-urban, and rural geographies.



Basically, This will fulfill the two objectives which every company wants to achieve: increase in revenue and reduction in cost. The combined balance sheet of Rs 17.87 trillion and Rs 3.3 trillion net worth will enable larger underwriting at scale. This merger would make HDFC Bank India's second-largest bank. For the bank, this was the only exposure to the home loans business. Therefore, after analyzing all these benefits to both companies, the deal made sense to both.

### **WHAT IS THE LATEST PROGRESS ON THE MERGER?**

On July 2, HDFC Bank has received an observation letter with 'no adverse observations' from BSE and an observation letter with 'no objection' from the National Stock Exchange of India.

On July 4, HDFC Bank has also received approval from the reserve bank of India for its merger with Housing Development Finance Corporation Ltd.

On July 8, The Pension Fund Regulatory and Development Authority approved the merger of Housing Development Finance Corporation Ltd with HDFC Bank.





by **Ryanshi Aggarwal, BBE**

# LIJJAT PAPAD- FROM RS.80 TO RS. 1600 CRORE

CRUNCHY ENOUGH TO DIGEST?

Seven ordinary women who had no background in business, no significant educational qualification, and with just 80 Rs. in the capital have built a business empire worth 1600 crores, spread across 69 branches with more than 42,000 employees. This home-grown brand is none other than Shri Mahila Griha Udyog Lijjat Papad. Today, Lijjat (which means “tasty” in Gujarati) is more than just a household name for ‘papad’. Starting with just Rs 80, the cooperative now has annual sales exceeding Rs 301 crore (Rs 3.1 billion). What’s more stunning than its success is its simplicity. Sticking to its core values for the past 40 years, Lijjat has ensured that every process runs smoothly, members earn a comfortable profit, agents get their due share, consumers get the assurance of quality at a good price, and society benefits from its donations to various causes. Mutual funds are perfect for individuals who don't have a lot of time or money to study the market and invest but still want to grow their money. Professional fund managers invest an individual’s money collected from mutual funds according to the scheme's goal. The fund house receives a tiny fee in exchange which is regulated by the Securities and Exchange Board of India (SEBI). Back in the late 1950s when India was a fairly underdeveloped country and literacy was considered to be a luxury.

## IN THIS ARTICLE

Women literacy  
Supply chain  
Vision & Mission

Even in terms of literacy, woman's literacy was not even considered important during those times because of which only 8% of women in India could read and write. Moreover, women were not even allowed to go out and work and the earning capacity of families was not enough to afford a decent standard of living. That is when in 1959, in Mumbai, a group of 7 women from a very ordinary background came together to discuss a business idea that wouldn't need them to step out of the house, wouldn't need education, and yet could produce a competitive product in the market, that is how the idea of Lijjat Papad was born with just ₹80 of capital that was given to them by a social worker. They first started selling their papads at a local store and soon enough, due to the superior quality and taste of the papad, even other shops started buying their papads and that's when they started scaling up. Now, when they started scaling, they had the opportunity to hire women at a dearth cheap cost because they were one of the rarest avenues of income for women which allowed them to work from home.

When these women had their first board meeting, they established the fact that the primary goal of their business wouldn't be to make money but to EMPOWER women from the smallest households in the country and to provide them with the means to nurture their families. More importantly, they also established the fact that money would only be used as a fuel to scale their impact on the women of India and not be the sole purpose of their existence. So instead of hiring women, they started giving out ownership to every woman who joined their business and called them Lijjat Sisters rather than employees.

“There is no reason to risk what you have and need for what you don't have and don't need.”

This is called collective ownership, wherein every employee owns a small part of the company, and both, profits and losses are shared by every single person in the organization. This develops a deep sense of ownership which cultivates a culture of greatness wherein every employee is motivated to go out of the way and contribute diligently to the growth of the organization.

This attribute of collective ownership is one of the foundational principles that make Starbucks an exceptional company. Just like the Lijjat sisters own a small part of the company regardless of their position in the organization, every employee at Starbucks is considered a partner in the business rather than an employee. While Starbucks ideated this with MBA masterminds, 7 sisters of Lijjat did this way before Starbucks in 1959 without even knowing what an MBA degree is.

### THE SUPPLY CHAIN

The second stage for Lijjat was building a strong supply chain that would be cost-effective, would ensure quality production, and would fit the lifestyle of the women working for the company. Instead of having huge office spaces, they used the houses of the sisters as their small papad-making centers.

Flour from mills ----> transported to a respective central location (dough is made) ----> Lijjat sisters come to collect the dough through the company's bus ----> sisters making papads on their veranda ----> delivery of papads the next day ----> money and dough collected from a respective central location and the cycle continues. This would be followed by surprise visits wherein supervisors would check the quality of oil used, hygiene of the house, and most importantly the papad-making process. Aluminum papad makers are also provided to ensure that the papad is produced in a STANDARDISED manner.



This happens at all the branches. The profits and losses earned by these branches are distributed among its members.

### **STICKING TO THE MISSION AND VISION**

The mission and vision statement forms the foundation of every single organization. And when designed and followed the right way, it can help the organization sustain itself for a century.

At the same time, if not done right they can even bring down a million-dollar business. One example of the same is Apple. The biggest mistake that Apple made was while Steve Jobs was not around, they started to lose their identity and started to deviate from their values because of which they started making products with no sense of purpose. That's when Steve Jobs was called back to Apple to fix things and get the company back on track and this is what got them the 'Think Different' campaign that told the world what Apple truly stood for. Not a single time Lijjat Papad has ever deviated from its core values in its 62 years of existence. Even today, after expanding to 67 branches, scaling up to 42,000 employees, and exporting their products to 15 different countries, they still abide by the core philosophy of their business, that is, SARVODAYA, which means 'Progress for all'.

Not a single woman working in this company is ever asked to leave the organization because they are 100% clear that their ultimate purpose of business is not to make money but to empower women so that they can give their family and children a better quality of life and a decent standard of living. If the company has had a great year, they make use of the extra profits to sponsor the education of the children of their frontline workers regardless of their age, caste, religion, or even position in the organization. And they do all of this just so that the next generation of these frontline workers can be given the opportunities that they truly deserve.

Lijjat papad is a standing example of 7 incredible women who had no educational qualification, no background in business, and no big investor, and yet, they were able to build a business empire that is now empowering generations of women all across the country and that too during a time when women had no scope of opportunities.







by Ansh Kapoor, **BMS**



# IS AMAZON KILLING SMALL BUSINESSES?

AMAZON AND SMALL BUSINESS: FRIENDS OR FOE?

The Internet plays a really important role in our lives nowadays. It has now become a necessity in the modern world. Whether it is surfing on the web or scrolling on social media but one of the largest advancements has been within the E-commerce sector. 30 years ago who would have thought that they will be able to do all their shopping from their homes, without physically visiting the market. In the past few decades, the world has seen rapid-fire growth in the E-Commerce industry. Many platforms such as Amazon, Flipkart and Myntra have come into the picture. Online markets were not an enormous craze a decade ago.

Online markets were not an enormous craze a decade ago. But as the world is developing at a very fast pace, the times have changed and so have the people living in it. Everyone wants to live a luxurious life and want to be served like a king. Why would someone want to visit local markets in the scorching heat when you can do all of this from your homes. All you have got to try and do is sit on a sofa, turn on your air conditioner, open an e-commerce website and start with your shopping. You get 24 into 7 facilities, it saves your time, provides better services, you get a huge range of products for comparison and you get huge discounts

## IN THIS ARTICLE

The Amazon Effect  
Downfall of Small Businesses

“A brand for a company is like a reputation for a person”

Now the main question which arises is if these E-Commerce websites are killing small businesses. The answer to the question would be a big yes. The turnover of the retailers has reduced extensively. They can not maintain a large quantity of stock like E-commerce platforms. The variety offered by these E-Commerce platforms can not be competed by small businessmen. Also, they need to spend a huge amount of money on the marketing of their company to attract more customers as compared to amazon or Flipkart, as a result, their profit margin is very less than the popular E-commerce platforms.

As per a report, the two E-commerce giants-Amazon and Flipkart saw their revenue surge by 49% and 32% respectively in the Financial Year 2021 as people have started to prefer shopping through online platforms instead of visiting the market place physically due to the COVID-19 pandemic. Amazon was founded by Jeff Bezos on July 5, 1994. Initially, it was an online market for the purchase of books, which has now expanded to an everything store.

Today it is one of the most valuable companies in the world. It started as a small online book retailer and has now become a huge global phenomenon. It is said that more than one-third of online purchases are done on Amazon. More than 90% of small businesses have claimed that Amazon has destroyed their business. From the smallest villages to major urban areas and the big shopping malls, the story is pretty much the same, due to online competition, small businessmen are forced to put down the shutters for the final time. There is also a phenomenon named “The Amazon Effect”. It refers to the impact of the E-commerce platform on the traditional marketplace. The term came into existence due to the dominance of Amazon and its huge impact on the whole world. As online shopping and E-Commerce have grown in popularity, it has hurt many traditional businesses that are forced to compete with the online market with only a physical location

. Amazon provides huge incentives to the buyers and captures the market wiping all the small businesses. The small businesses can not compete with the low prices set by Amazon, so they eventually cease to exist. It is even riskier for people to build their startups. As a result, the unemployment rate has also increased, which is a serious concern for the country. Only a small proportion of people who want to experience the market environment, like to visit physical markets.

But should we really blame Amazon for the downfall of small businesses? Another's success should not be an excuse for one's failure. Rather the small businessmen need to develop as per the requirements of the world. For them to survive, they need to shift from their traditional methods and try something new. They can provide personalized services or customized products as it connects more with the buyers. They can try to market their brand and products through social media. The biggest challenge for them would be to retain their acquired customer base by providing them various incentives and providing them quality service. They need to build trust among their customers. Another option for them would be to shift online. They can either list their product on Amazon just like people used to say “when you can't beat them, join them”, or they can set up their independent online store. At the same time, they have to be awake to the very fact that they will never match the convenience that online shopping provides to their customers.





by **Satvik Aggarwal, BMS**

# PVR VS INOX: A MERGER OR A MONOPOLY?

BEWARE: THE CINEMATIC POPCORN MIGHT GET COSTLIER!

Figuring out the basics, PVR Cinemas started as Priya Cinemas in Vasant Vihar, Delhi in 1978 which after its success was revamped as PVR Cinemas in 1990. It started as a joint venture between Priya Exhibitors Pvt. Ltd. and Village Roadshow Ltd. in 1995. Later, It introduced various astonishing features and screens like PVR Playhouse, PVR Superplex in 2014, PVR 4DX in 2016, etc. PVR became the largest cinema chain in India after acquiring CineMax Cinema chain in 2012. Currently, they have more than 840 screens around the country taking a huge step forward, they announced a merger with INOX Leisure, the second largest cinema chain in India with around 690 screens. It started its operations in 2002 by opening its first four-screen multiplex in Pune, which later spread to Vadodara, Kolkata, Goa and Mumbai.

As for Income Statistics of both the chains, INOX earned a revenue of Rs 296.47 crore and a loss of Rs 1.31 crore for the quarter ended December 2021 whereas PVR booked a loss of Rs 24.53 crore on a turnover of around Rs 545 crore in the third quarter. Coming to the merger, It was announced on 27th March when approval for an all-stock amalgamation deal was granted by the board of directors of both the Companies.

## IN THIS ARTICLE

Hyperbolic discounting



"Cinema is the most beautiful fraud in the world"

After the merger, Inox promoters' stake will be 16.66%, while PVR promoters will hold 10.62% in the merged entity named as 'PVR Inox'. Ajay Bijli (Chairman of PVR ) would be appointed as the managing director and Sanjeev Kumar(JMD of PVR) would be appointed as the executive director. Pavan Kumar Jain(Chairman of INOX Group) would be the non-executive chairman of the board while Siddharth Jain(Director of INOX Leisure) would be appointed as the non-executive, non-independent director in the combined entity.

Before going ahead, let's understand the distribution flow of cash of a movie - <https://cutt.ly/1HF4r4a>

Cinemas took a big hit due to the Coronavirus Pandemic as they were the first to get closed and last to get permission to resume their so-called "Normal functioning". And during the worldwide lockdowns, people were in a dire need of something that would get their minds off of the ongoing depressing situation, and hence, OTT platforms were the best choice for them.

The revenue of OTT platforms rose to approx **19 billion INR** in the fiscal year 2020 and moreover It is expected to rocket up to **46 billion INR** by 2022.

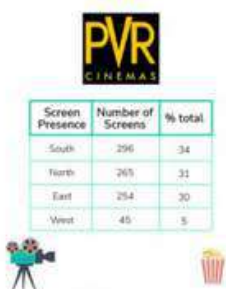
Furthermore, the Market value of digital media growth rate in India recorded a hike of **49%** across the entertainment industry during 2019 -2020.

Coming back to the topic, Even though It is a merger of the two greatest cinema chains of India, Producers believe that It can be a monopoly, that the merged entity could dictate terms on show timings, revenue share and even the window between theater and OTT release of films. Even consumers would have to pay more for the tickets and food if the two decide to create luxury cinemas, turning theaters into premium out-of-home experiences where a ₹1,500 ticket would be the new normal, excluding food and beverage. The discomfort will surely affect the lesser known and small budget film makers as multiplexes may start asking them to pay high rates for their trailers to be shown or for in-cinema advertising and by dictating terms with them first.

Moreover, These multiplexes who have established their presence well in North and West India along with the south which, however, remains a market largely dominated by independently owned single-screen cinemas even when 35% of PVRs and 22% of INOX's screens are in the South.

The low rate of Theater Screen Penetration in India will also aid both the Multiplex Companies in their plan of increasing the number of screens pan India as PVR has opened 18 screens since January 2022 and INOX too has opened 24 screens as of the third quarter of 2022

So, to conclude, This merger between PVR and INOX will definitely be profitable for many people and entities including customers, real estate developers, content producers, technology service providers, and the companies themselves, but can prove to be harmful to others.







by **Kartikey Duseja, PSY (H)**

# STUDENT LOANS

BEWARE: THE CINEMA POPCORN MIGHT GET COSTLIER!

Education is the most important pursuit and education loans are pivotal in bridging the gap between the aspirations and reality of an individual. If you are still skeptical about education loans, then you would be surprised to see that According to the Ministry of External Affairs, 261,406 Indian students studied abroad in 2020 and the number of students has grown manifold post-2020.

Education loans are considered the best alternatives to cover the cost of studying abroad. There are numerous banks in India providing different types of education loans. Let's see the types of education loans for Indian students. Education loans are supposed to help students meet the costs of tuition, books, and supplies, as well as living expenses while pursuing a degree. Payments are normally deferred while students are in college, and they may be extended for another six months after graduation, depending on the lender.

## IN THIS ARTICLE

Expenses covered

How to apply

Interest rates

Document rates

Benefits

Repayment of loan

## EXPENSES COVERED

Some of the crucial expenses covered under education loans are-

- Tuition fees
- Hostel fees
- Travel expenses passage money for students studying abroad
- Insurance premium
- Cost of books, equipment, instruments, uniform
- Cost of a computer/laptop required for course completion
- Any other expense required to complete the course such as study tours/thesis/project work

## HOW TO APPLY?

Apply Online:

**Step 1:** This is the most convenient way of applying. There are two ways of applying online. The first is a straightforward and simple application form that one gets to fill out online, attach the necessary documents, and submit the form.

**Step 2:** In the second step, you apply by supplying all the necessary information. The lender will then contact you to go through the loan's terms before moving forward with the application.

Apply Offline:

**Step 1:** Go to a Branch: To apply for a loan, go to the branch that is closest to you with the required documentation, talk to a representative about the terms of the loan, fill out the application in person, and submit it.

**Step 2:** Call the Lender: You can either call the lender or request a call back by expressing your interest. After that, you can discuss the loan's terms and submit an application.

## TIPS FOR GENERATING THE LOWEST INTEREST RATE ON STUDENT LOAN

Some of the pro-tips for getting the lowest interest rate on a student loan-

Build a profile. Your academic record and its consistency, the institution you attend (if you're pursuing an MS), and the college you select to attend will all have an impact on the interest rate. Maintain an attractive profile so that banks will be prepared to offer cheap interest rates on loans.

## INTEREST RATES

Name of Bank	Interest Rate (p.a.)	Processing Fees
PNB	5% to 15%	1% of loan amount
SBI	6.70% to 8.65%	Up to Rs.10,000
AXIS	13.70% to 15.20%	Nil to Rs.15,000 + GST
Bank Of Baroda	8.85% to 10.85%	1% of loan amount up to Rs.10,000
HDFC	9.55% to 13.25%	Up to 1% of loan amount + tax
Kotak Mahindra	Up to 16%	Nil
Fedral Bank	16.05% onwards	Contact the bank



## DOCUMENTS REQUIRED

While applying for education loans, ensure the availability of the following documents-

- Admission letter from the educational institution
- Marksheets (previous education – school/college)
- Age proof
- ID proof
- Address proof
- Signature proof
- Salary slips
- Recent bank account statements
- ITR with the income computation
- Audited balance sheet
- Recent bank statements
- Proof of turnover (service tax return/sales receipt)
- Latest passport size photographs
- Appropriate Visa for studies abroad

*\*Document charges may be levied by the lender.*

## BENEFITS

No matter which type of education loan you choose, there are several benefits to doing so. While international students may borrow up to INR 1 crore, local students may only borrow up to INR 50 lakhs. In rare situations, 100% funding is achievable. The grant also covers other expenses including computer expenditures and travel expenses for student exchange programs. Preferential exchange rates may be provided for international payments. After six months of successfully completing the course, the loan repayment period may be increased to twelve years.

## REPAYMENT OF EDUCATION LOANS

Both academic and non-academic expenses are covered by education loans. These loans, like all other loans, have payment terms and conditions to be abided by that require interest on the principal amount to be paid. The commencement of repayment is determined by the type of loan taken out, but once it begins, it will be paid in EMIs (equated monthly installments) throughout the agreed-upon time. EMIs are determined on the basis of monthly income and the maximum repayment period is eight years.

## CONCLUSION

So all in all, if you have the will and merit then there is no stopping as education loans with the best terms are available for meritorious students. All you got to do is put your best foot forward and have a clear vision when it comes to education and education loans.







by **Ayush Kataria, BCOM(H)**

# GOVERNMENT AND CENSORSHIP

THE WORST THING ABOUT CENSORSHIP IS...

Most censorship takes place in peacetime and is carried out by the state. Censorship, however, is taking place much more frequently today as a result of national security concerns and potential threats to personal or corporate reputation. Organizations such as the media, corporations, trade associations and universities also engage in censorship.

Internet censorship is prevalent in many countries all over the world. It is often manipulated by nations such as China and Iran to limit posts that are seen as being one of their own government's opposition to criticism about the nations' policies. (see Internet censorship in China)

In 2000, China launched a nationwide firewall that blocked internet access to a large percentage of those outside its borders. The implementation of this "Great Firewall of China" ended the significant anonymity the internet had afforded Chinese citizens and started the country down a new path to quell even more criticism and free speech. In doing so, the Chinese government has tried to control what information is sent out among its population as well as what is readily available for review by its citizens.

The Great Firewall of China has served an important function in regulating communication between Chinese citizens and their government. Iran does not allow a great deal of latitude for any type of internet access within its borders. However, the Iranian government has been known to restrict certain websites and even entire networks that are deemed to be "un-Islamic" in nature. In 2007 Iran's Ayatollah Khamenei declared that "The free flow of information is not compatible with Islamic ideology". This in turn restricts the freedom of speech online within Iran.

The Iranian government has also tried to limit access to Instagram and Flickr amongst the general population by blocking military bases, palaces, and other important sites such as state banks. The Iranian government blocked a number of popular pages on Facebook as well in 2009.

North Korea, a country that is closed off from the rest of the world, subjects its citizens to extreme internet censorship. The North Korean government strictly monitors all information movement among its citizens, including their social and political critiques of the regime.

South Korea has a form of censorship – where it is alleged that under some circumstances "you must have a licensed psychologist examine you", before you can speak about your experiences on your website or blog. This is allegedly aimed at ensuring that people "who are emotionally unstable don't make [the web] their only means of communication"

The primary forms of government censorship in America are those exerted by the Federal Communications Commission (FCC) and the United States Department of Justice (DOJ). These forms include discretionary power, or the power to make choices; licensing of radio, television, and cable networks, and stations; and the Federal Trade Commission (FTC) which restricts misleading statements. The Federal Communications Commission was created by Congress in 1934 as a means to regulate interstate commerce. What this basically translates into is that all media outlets are owned by various companies that have had to apply and be granted permission by the FCC through a licensing process.

Since 1934, companies have been required to pay a fee for each of their channels/stations in order to create revenue for the government and serve as insurance for content regulation. The government has the power to revoke a license, which would prevent a company from continuing to broadcast its media outlet. This can be seen as a form of censorship against any statements that the government may find questionable. The Department of Justice has stated that "obscene material is not protected by the U.S. Constitution".

In 2003, Vivid Entertainment Group and others challenged United States customs officials, who seized a videotape containing footage of an adult film star having sex with her ex-boyfriend. The seizure was conducted on the grounds that it violated the Mann Act – which prohibits transporting people across state lines for immoral purposes. The U.S. Supreme Court then overturned the previous ruling on the grounds that there was no actual proof that the tape in question had been transported across state lines, as opposed to being copied and sent via Federal Express – which would be legal. The question of censorship arose because the Department of Justice has said publicly that it is not a crime to possess such tapes, but they may be confiscated if they are deemed to be pornography.



The Federal Trade Commission (FTC) is another government body that can censor information. It has stated that it "will not tolerate false advertising". The FTC has several laws under which it can censure statements. For example, it has stated that "deceptive acts or practices in or affecting commerce" include "representing that goods, services or commercial activities are of a certain standard, quality, value, grade, style or model when they are not". Therefore the FTC can regulate how products are advertised and sold.

The Federal Communications Commission was created by Congress in 1934 as a means to regulate interstate commerce. Consolidation and cross-ownership of media outlets were two chief concerns of Congress in creating this regulatory body. In order to meet these concerns, the FCC requires broadcasters to comply with a number of procedures and criteria, some of which are governmentally imposed.

These include: transmitting only that which is legitimate and in accordance with community standards; keeping a complete log of all transmissions; providing equal access to all programs; providing local programming during off-peak hours; giving priority to local coverage over distant coverage for the bulk of station resources. In addition, in 1949 the FCC created the Fairness Doctrine to ensure that all opinions were equally heard. This doctrine required broadcasters to present controversial issues of public importance in a manner that was honest and equitable, and must encourage public participation in order to better inform the public.







# *The* **BIGGEAR** *Picture*

## WHAT'S INSIDE

Microfinancing- Boon of the Poor

Let her Read, She will Lead

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The Model of Communist Economics

Human Trafficking - A lingering threat



by **Rishika, BCOM(H)**

# MICROFINANCING- BOON OF THE POOR

BECAUSE TINY DROPLETS BUILD A SEA!

## INTRODUCTION

Microfinance became a buzzword in the credit markets as an effective tool for poverty reduction and socio-economic development. Yet, the impact continues to be questioned and varies from one country to a different and from urban to rural. However what exactly is microfinancing and how does it work? Microfinance is a banking service provided to unemployed or low-income individuals or groups who otherwise would have no other access to financial services. It permits people to take on reasonable small business loans safely, and in a systematic manner that is consistent with ethical lending practices.

## THE FUNCTIONING

The key logic is that by extending such financial services, low-income individuals will have the ability to participate within the economic market and exploit entrepreneurial opportunities through start-up new businesses extending current businesses, or introducing new activities. Eventually, they will be able to combat poverty and satisfy their households' needs independently and consistently.

Microfinance institutions offer “microloans” to borrowers along with assistance, although these borrowers do not offer a solid guarantee of repayment. Income generated by microloan borrowers’ economic activity permits them to pay off the loan balance.

MFIs can operate under different statuses. They may function as a non-profit (often an NGO), a mutual fund or cooperative, or a commercial company (banks or other companies such as NBFCs).



**"The moment you say microfinance, everybody wants to help you"**



### ROLE OF MICROFINANCE INSTITUTIONS

- Poverty reduction tool: Microfinance, by providing small loans and savings facilities to those who are excluded from commercial financial services, has been developed as a key strategy for reducing poverty throughout the world.
- Women empowerment: Microfinance programmes are presently being promoted as a key strategy for simultaneously addressing both poverty alleviation and women’s empowerment.
- Development of overall financial system: Microfinance can contribute to the development of the overall financial system through the integration of financial markets. Their development absolutely correlates with rural business development.
- Self-employment: The fundamental approach is to create self-employment by financing the rural poor through financial institutions. Microfinance, thus, creates hope and increases the self-esteem of the poor by giving them the opportunities to be employed.
- SHG-bank linkage programme: The linkage programme combines the flexibility, sensitivity and responsiveness of the informal credit system with the technical and administrative capabilities and financial resources of the formal financial sector which rely heavily on the collective strength of the poor, closeness of effective social mobilisation functions contributing to an overall empowerment process

### THE FUNDING

MFIs secure funding from:

- Grants and subsidies
- Loans granted by one or more private banks
- MFIs own capital
- Funding from public investors
- Private investors
- Member and customer deposits

### CONCLUSION

Like several different development tools, it has sufficiently penetrated the poorer strata of society. The poorest form the vast majority of those without access to primary health care and basic education; similarly, they are the majority of those without access to microfinance. Microfinance is one of the ways of building the capacities of the poor and developing them for self-employment activities by providing financial services like credit, savings, and insurance. To provide micro-finance and other support services, MFIs ought to be able to sustain themselves for an extended amount. There are numerous schemes for the development of the poor in India. Creating self-employment opportunities through microfinance is one way of attacking poverty and solving the problems of unemployment.







by **Preksha Aggarwal, Eco(H)**

# LET HER READ, SHE WILL LEAD

SHE POSSESS THE ABILITY TO SHINE THE BRIGHTEST

In India, a Woman is entitled to live in dignity and freedom, but what happens in reality; we all are aware of that. Earlier in the orthodoxical society women were living in the shackles of enslavement for centuries but now the situation seems to be changing. Women are surpassing men in almost every field be it politics, entertainment, administration, academics, etc. Women are liberating themselves from socio-economic restraints of reliance. Despite this growth, women account for only 33% of the total workforce in India as compared to men which is 67%. It has been said in the official reports that if women's participation in the workforce increases, it will add billions to the Indian GDP.

Women are known for delivering multiple roles effortlessly every day and thus are considered as the backbone of Indian society. But, in terms of financial independence; We are still living in a male dominating society where women are not even allowed to be financially independent and if they are, then they lack financial knowledge. The Organisation for Economic Co-operation and Development defines Financial literacy as "a combination of awareness, skill, knowledge, attitude, and behavior necessary to make sound financial decisions and ultimately achieve individual financial well-being".

“  
"Literacy is a bridge from  
misery to hope"  
”

It is every individual's right to be financially literate, no matter whether he/she is working or not. There are many factors that actually influence financial literacy among individuals and one such factor is 'gender'. Women are entitled to work at home as home-maker where they handle all the expenses of the household, but are not allowed to plan their finances or make investments. According to the studies, women manage their household expenses and savings better than men. But when it comes to financial knowledge, women are still lagging behind men and the reason for this is the mindset of society which believes that women can't handle the finances of the family.

Even a working woman is not aware of how she should plan her finances. Because of a lack of financial knowledge, women end up being dependent on the male members of the family for their financial planning. Financial knowledge is not a tough row to hoe. All we need to do is get out of our comfort zones, leave our fear behind, focus on our personal growth and stand for ourselves.

Many great Economists and authors believe that women are better at financial planning than men. That we have also seen during the time when Demonetisation was introduced in India in 2016; bundles of currency were found with women that they've saved by staying at home. Women act as the lender of last resort for the members of the family in case of any emergency, which means they are already playing the role of the Reserve Bank of India at their homes. The problem is not in the mindset of males, but women, themselves, are in fear of learning finance. They have a mindset that it is not their cup of tea and they don't even try to learn it. Women never try to question their spouses or fathers about the financial assets that their family owns. But this is the time that women should stand for themselves and question the family members about the

financial planning of their family and the assets that the family owns. Now, bearing in mind all the exemptions or deductions one gets in income tax through life insurance, we are in a position to answer the principal question. Statistically, this question cannot be answered as the insurance companies don't keep an eye on the number of policyholders who get the policy just to avail of the tax benefits but let us consider it conceptually. While counseling his/her clients, whether to buy a life insurance policy or not, an agent should not measure it in the terms of tax benefit it provides, instead, he/she should measure it in terms of the security aid it is going to provide.

According to a report by the global brokerage firm and investment banker, Jefferies, “ If the government decides to dilute the tax benefits availed on the payment of life insurance premium, LIC will be affected the most.” Deducing, yes, it is true that taxation is the selling tool for life insurance policies but only to an extent. However, everyone knows that it is important to provide for the inescapable events of life, such as the future education of their children or marriage, their retirement, or the loss of future income due to death, illness, or disability but still the use of life insurance products as a full-scale tool for these inexorable life events is less understood. That's why from the point of view of even the one getting insured, the main intention of buying life insurance should be to ensure the security of his/her life due to the fact that money is being put into their lives. This must be the primary rationale. This is so as life insurance isn't a direct investment product in which you should put your funds just so that you can get tax shelter but an essential tool which one must have in his/her investment portfolio. Thus, tax breaks should definitely be the purpose but secondary only, because it is something introduced by the government to let people relish the enhanced advantage of getting their life insured.







by Ananya Khurana, BMS

# IS TAXATION THE SELLING TOOL FOR LIFE INSURANCE?

NOTHING IS CERTAIN, BUT TAXES

There is nothing more valuable than the life of a human as it is one of his greatest investments. It is subjected to a variety of threats. Its loss can give rise to a wide range of complications. Hence, its protection is of utmost necessity. But can this eminence actually be overpowered by the virtue of saving money?

There are two certainties in life – death and taxes, said Benjamin Franklin. The only thing that distinguishes them is that a person encounters the former only once but the latter forever. Hence comes the burden that the payment of taxes can create for a common man. This load, considering both the hassles and the amount it demands, is very exasperating. But what if, not the process, of course, the amount that an individual is bound to pay as income tax can be reduced to some extent with his life being secured? Anyone would like to avail of this benefit. This dual advantageous instrument is Life Insurance.

If you look at the tax-deductible financial products available in the market, life insurance is one of the most efficacious because it not only provides a financial shield for your loved ones but also goes a long way to bring forth plenty of tax benefits.



This plan also has a saving component and in order to increase saving habits among the people, the government has allowed tax shelter under it. But a thought runs in the back of the mind, how does it in any way benefit the government? Either way, the government is able to utilise the money for nation-building; that is through taxes or through the investments made in life insurance. Furthermore, from the point of view of an individual, the taxes won't come back but the investment made to avoid paying taxes would definitely come back with interest. On top of this, many life insurance products also offer further investment options. One can choose to enter the stock market with Unit Linked Insurance Plans (ULIPs) or play it safe and get a guaranteed return on traditional fundraising policies. Moreover, the significance of life insurance cannot be emphasised enough.

Section 80C of the Income Tax Act, 1961 deals with the tax exemptions in the most comprehensive manner. It is one of the most widely used tax deductions by taxpayers. This section describes the various investments that are eligible for deductions and the amount of deductions that a person may claim each year. As per it, payment of life insurance premium is deductible from income amounting to the lowest of any of the following:

- The actual amount of premium paid by the insured
- 10% of the sum assured
- Rs 1,50,000

The premium eligible for deduction can also include the one paid for a spouse or child.



"A tax is a fine for doing well, a fine is a tax for doing wrong"

One should always prepare oneself for all situations if a woman loses their spouse or father, then they will be in real trouble. At that time they will be in deep water and can be rubbed off of all that they have if they are not financially knowledgeable. So it's important for every woman to be financially literate or else can face severe consequences.

There are many examples of women who proved themselves and are now leading the financial world.

Our government is initiating many schemes and policies that can help women to become financially independent and knowledgeable. But then everybody questions why do women want to gain financial knowledge? To answer this, I would simply say that financial knowledge is not a want, it's a need. Everyone should be financially literate. Although there are some perks for women of being financially literate. Sometimes women get stuck in an abusive marriage but because of their financial dependency, they can't get out of it. Sometimes women are not allowed to practice what they want. But If they are financially knowledgeable, they can do that with full confidence.

Financial knowledge helps boost confidence and make people self-dependent. There are some basic things that a woman should be aware of like owning a personal bank account, having the freedom of investing at least a certain amount of money wherever they want, and discussing their money goals confidently. Women should take part in all the financial decisions at home and should equally contribute to household expenditure and savings.





by **Anisha Saxena, Bcom(H)**

# BURGERNOMICS

WHEN YOU ARE LITERALLY 'DROOLING' OVER ECONOMICS

Burgernomics is an economics term made popular by the so-called Big Mac Index published by The Economist. Burgernomics is the idea of using the iconic fast-food Big Mac to illustrate purchasing power parity (PPP). Using the cost of a McDonald's Big Mac as the price benchmark, a comparison can then expose how various currencies relate to one another with their buying power.

The first use of burgernomics as a term was in 1988 when the Economist published its Big Mac Index. Since then, the phrase has been used to illustrate that the idea of the currency being measured against purchasing power is not new; it is merely a new way to express it. The Big Mac Index was updated for the last time in 2011 and despite six years passing since then, nothing much has changed. The Big Mac remains a constant in today's fast-food world and so does its place as an icon for global currency exchange rates.

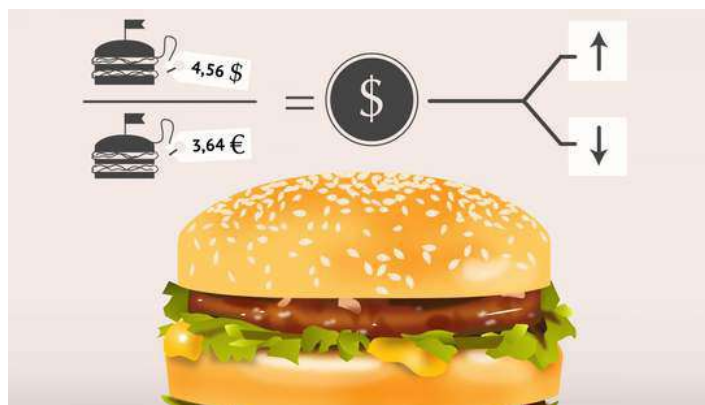
The Economist spread the word across the globe of its Big Mac Index and made it popular. Along with their burgers, McDonald's sells hamburger-based economies.

Burgernomics has been used to compare and contrast currency valuations as a way to measure purchasing power parity (PPP). It is also a tool to help gauge inflation rates in various parts of the world; in particular high inflationary countries like Argentina and Turkey, where one dollar can buy you a lot more than it can in America.

Burgernomics is also used to show how various currencies have changed over time. This can be done by comparing a chosen currency (in this case, the US dollar) to the Big Mac. By doing so, we can see price changes in real terms and the effects of inflation within an economy in a way that no one has ever done before. We can also use it to show where purchasing power parity is shifting among different currencies.

In addition to being a tool for economics, burgernomics also has uses in the everyday world. It also shows how certain economies can be affected by currency shifts and how prices can change drastically; especially in countries like Argentina and Turkey that have strong inflation. They use Big Macs as a way to show the changing value of their currency against the dollar. Argentineans use Big Macs so that they can buy more burgers with their money.

In America, the dollar is used to measure its solvency, in other words, American students use the dollar to determine whether they are wealthy enough on an international level to be able to afford education abroad.



In order to calculate Big Mac PPP, take the current exchange rate of the national currency and divide it by the price of a Big Mac in that same currency. For example, using US dollars in Canada. The Canadian dollar is worth \$1.38 right now, which means that we can buy a Canadian Big Mac for only \$4.32 USD (which roughly translates to \$6 CAD). This is why Americans sometimes call it "The Buck-and-a-Half Burger" in Canada."

"Economics runs the world."

There are several notable economies where the Big Mac is often used to compare purchasing power parity with other currencies.

The Big Mac PPP exchange rate is the rate at which one currency will be exchanged for another. It helps us to determine what the currency of a country is actually worth compared to other currencies, either in the current moment or in comparison to other economies that have similar economies. The Big Mac PPP index is the average exchange rate of a currency over a period of time. It gives us an idea of how the value of our currency has changed, and can also be used to determine if we are currently experiencing inflation in our economy, or if we are experiencing deflation. The Big Mac index can also be used to show global inflation, which will be especially useful in countries that experience high inflation rates. Inflation shows how money is losing value quickly and making less money for new purchases with each passing day.

Many factors affect the Big Mac PPP exchange rate, but one we've often come back to time and time again is currency devaluation. Examples of currency devaluation include a country that is experiencing inflation and is decreasing the value of its currency in order to keep prices adjusted. Other times, it's possible that a country may choose to increase the value of its currency to offset the effects of such factors as the economy and the current political climate.

Sometimes, we truly haven't been able to pinpoint what exactly happened with a Big Mac PPP exchange rate. This is because so many factors can affect it, creating a sort of chaotic effect on our economy





There are a few ways that Big Macs relate to the economy. Since the Big Mac is a very popular product, it helps to create an atmosphere where people can spend money on tangible items. This gives people an incentive to spend their hard-earned dollars, which in turn can help the economy grow and make it easier for more companies to expand and create jobs for more people. More buying power means that companies have to hire more workers, which means that there will be fewer unemployed people looking for jobs than before. This stimulates the economy even further and further with every extra dollar that gets spent on goods and services.

Big Macs are also an important component of the American economy. The ability to buy a Big Mac with one's hard-earned money creates an environment where hard work is more effective. For example, in the event that we fail our class and get a poor grade, it can be more beneficial to work on our project hard rather than leave all of our effort up to fate. More often than not, this is how failure works: you try your hardest and hope that it pays off. If getting an A if getting clumsy with a computer is our only option, we will put many hours into each attempt and possibly succeed in the end by sheer luck rather than working smart.

Although the idea of PPP is a useful benchmark for considering long-time period equilibrium in forex markets, it normally does poorly as a predictive tool. An exquisite deal of studies effort has been positioned into checks of PPP and in constructing charge measures for constant bundles of commodities throughout international locations.

It is exciting to locate that the easy series of gadgets comprising the Big Mac sandwich does simply as well (or simply as poorly) at demonstrating the standards and pitfalls of PPP as do extra state-of-the-art measures. This is possible now no longer unexpected while we consider that the Big Mac is a composite of tradable commodities and non-tradable carrier content. Its components are challenged by numerous price lists and nontariff trade boundaries in international locations around the arena. Finally, even though it is able to have near-opponents in a few markets, the Big Mac itself is produced via means of the best company; for this reason, we'd anticipate locating factors of imperfect competition. That a lot of its fundamental components are tradable items could lead us to consider that Big Mac expenses around the arena must be pushed to equality via way of means of arbitrage. Its different traits make the Big Mac a very good instance of why the idea of PPP normally fails to maintain besides unique circumstances.





by **Anika Tandon, Bcom (H)**

# THE MODEL OF COMMUNIST ECONOMICS

CAN COMMUNISM OVERTAKE CAPITALISM ?

The communist economic system is one in which class divisions are abolished and the means of production are owned by the entire community. It is an economic system where the economic decisions are determined by the entire community in theory. In actuality, attempts to construct communism have resulted in the creation of state-driven repressive economies and systems that benefit a single political élite that is not beholden to the electorate or communities.

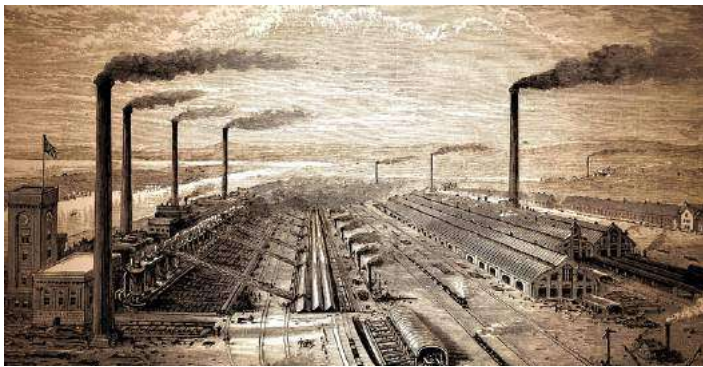
Karl Marx, a German philosopher, founded the Communist ideology in the 1800s. He believed that putting employees in charge was the only way to create a peaceful society. This concept was developed during the Industrial Revolution when several workers in France, Germany, and even England were treated unfairly. However, Marx did not develop the fundamental principles of communism. They were discussed by Plato and Aristotle in earlier civilizations, but Marx transformed them into an accepted notion that was later put into effect. Economic equality and fairness were guaranteed in Marx's ideal society. Marx claimed that owning private property increased greed and that capitalists should be blamed for humanity's ills. He stated that the Industrial Revolution was to blame for the issues.

## IN THIS ARTICLE

Karl Marx theory  
Principles of communism  
Centralised planning

The expansion of factories, dependency on machinery, and mass production capability created conditions that supported oppression and the growth of a proletariat, or working class.

Simply described, manufacturing fueled the economy in a capitalist system, and the factories were owned by a privileged minority. The industrial owners had to hire a large number of people to accomplish this. The wealthy tormented the workers who desired to focus to make ends meet in this climate. As a result, Marx outlined his plan for freeing the oppressed from the burden of employment. His ideal world was one in which everyone worked hard and shared the wealth evenly.



Governance is the hallmark of this economy. There are various distinguishing characteristics of planning. One of these is collective or state capital ownership, wherein the state owns capital resources such as money, property, and other physical assets. Private ownership is little or does not exist. Next, the state defines the inputs and outputs: the state has a sophisticated planning process in place that defines the quantity and ratios of inputs to be used in the production of commodities and services.

Local planning authorities are given one, five, or ten years to follow the lead. Local governments then put these plans into action by meeting with State Owned Enterprises to produce more precise plans for each business. The inputs are assigned based on the plans, and output targets are set. There is no freedom of profession in a centralized planning economy; while a student is in school (from a young age), is growing in a programmed system that assigns him/her to already specified sectors. Individual ownership of shares, real estate, or any other type of physical or quasi-asset is not feasible in a command planning system.

"India's current market cap to GDP ratio is 112%, against the historical average market cap to GDP ratio of 76%."

The government assigns people to residences. Prices and payment for products and services: prices are set solely by the government, with no respect for actual manufacturing costs. In a command planning economy, a currency is rarely used, and when it is, its primary function is accounting. Rather than paying for things and commodities when you require them, you are assigned goods and services. Rationing is another term for this.

The price mechanism is a key player in resource allocation in western democratic and capitalist countries. The laws of demand and supply operate, and the price of commodities (and services) sends signals to both producers and consumers, determining what products and quantities are manufactured, as well as helping to predict future needs and quantities.

Marx's critique of capitalism is the second part of his theory. Marx thought that human civilization had developed through a succession of stages, beginning with ancient slavery and ending with capitalism. In each stage, the ruling class exploits the employment of a greater class of workers by controlling the means of production. Internal conflicts or "inconsistencies" at each level, on the other hand, eventually lead to the governing class's demise and replacement by a successor. Thus, just as the capitalists deposed the nobility and replaced aristocracy with capitalism,





Marx predicted that the communist would depose the capitalists and overthrow capitalism with communism.

No single group of people could rise above another if the government controlled the economy and people surrendered their possessions to the state. In his Manifesto, Marx defined this ideal, but communism in actuality falls well short of it. For much of the twentieth century, over a third of the world's population lived in communist countries ruled by dictatorial authorities who ruled over the lives of everyone else.

The wages, prices, and wealth distribution were all set by communist authorities. Western capitalist countries fought communism vehemently, and most communist governments eventually crumbled. Marx could never fulfill his dream because it required an universal revolution, which never saw the face of light. Vietnam, China, Cuba, and Laos are the only four declared communist countries that exist as of 2022.





By Jagrit Vohra, Eco(H)

# HUMAN TRAFFICKING - A LINGERING THREAT

PEOPLE OR COMMODITY ?

On the 4th of April 2022, the U.N.'s Intergovernmental Panel on Climate Change released the highly anticipated third part of the Sixth Assessment Report, Climate Change 2022: Mitigation of Climate Change, and it does not paint a good picture.

The fight to keep global heating under 1.5 degrees Celsius has reached a "now or never" territory. The report states that it is "almost inevitable" that humanity will briefly surpass the critical temperature threshold of 1.5 degrees in this scenario, but it could return below this level by the end of the century. The 1.5 degrees Celsius goal is the aspirational temperature threshold ascribed in the 2015 Paris Agreement. It is recognized as a crucial global target because beyond this level, the so-called tipping points become more likely. These are thresholds at which small changes can lead to dramatic shifts in Earth's entire life support systems. But if we keep carrying on like this, we won't be able to limit the warming to even 2 degrees centigrade, never mind 1.5.

However, all is not lost. The report goes on to show that there are options available in every sector, ranging from energy and transportation to urban planning that can at least halve emissions by 2030.

## IN THIS ARTICLE

Sexual exploitation

Poorer regions

Anti-trafficking efforts

But adoption of these practices and technologies on a wide scale will cost money. However, given the predominance and visibility of some forms of exploitation over others, these data are inconclusive and may be biased. Sex workers who are victims of human trafficking, for example, may be simpler to spot than trafficked farm workers or factory workers. Furthermore, there may be a misconception that men are not victims of human trafficking, which further distorts statistics. The discovery of human trafficking for forced labor and other forms of exploitation has increased in recent years, according to new data.

Children account for one out of every five victims of human trafficking worldwide, though they make up the majority of trafficked persons in poorer regions and subregions, such as Africa and the Greater Mekong. Children are exploited in a variety of ways, including forced begging, child pornography, and sex. Children are occasionally preferred as laborers because their small hands are seen to be better at untangling fishing nets, high-end sewing items, and picking cocoa. Children are enslaved as child soldiers in war zones.

Women account for two-thirds of all human trafficking victims worldwide. The vast majority of these female victims are young ladies who are attracted by false job offers and ultimately become victims and then raped, drugged, imprisoned, beaten or threatened with violence, have debt imposed on them, have their passport taken, and/or are blackmailed.

Men and boys may be victims of human trafficking for forced labor, forced begging and sexual exploitation, and child soldiers. The percentage of identified male victims is disproportionately lower than that of women

"There is no reason to risk what you have and need for what you don't have and don't need."

for several reasons, including the fact that for many years anti-human trafficking legislation around the world tended to focus on trafficking in women and children or trafficking for sexual exploitation, of which most victims are women. Countries are continuing to adopt the Protocol and working to incorporate anti-human trafficking legislation into their domestic laws. The number of nations with specialized legislation, as well as those with particular anti-human trafficking police units and national action plans to deal with the issue, is increasing year after year. Despite rising conviction rates for human trafficking, the number of such convictions continues to be minimal. Better implementation of the protocol at the national level, as well as more regional and international cooperation, are required to combat this. Human trafficking should not be regarded solely as a government obligation. Ordinary people can help combat crime by being aware of it and ensuring that victims' predicament is not overlooked.



There are numerous ways that you may contribute to the fight against this crime and make a difference.

- **Be vigilant:** if you encounter anything that you suspect is related to human trafficking, call the police or your local anti-trafficking hotline, if one exists. These worries could be about your job or your personal life; remember, victims, are forced into a variety of situations. If you are doubtful, it is preferable to be wrong than to allow another victim to remain imprisoned.
- **Get involved:** learn about what's going on in your neighborhood, see what you can do, and



encourage your friends, family, and neighbors to become more conscious of human trafficking. Many national authorities and non-governmental groups are active in anti-trafficking efforts, and these channels provide a plethora of information.

- **Be accountable:** make sure your consumer decisions and actions are moral. While some decisions are easier to make than others, you can commit not to buy items or services that are tied to sexual exploitation, forced labor, or other types of forced subjection, directly or indirectly.
- **Support:** You can donate to the United Nations Voluntary Trust Fund for Victims of Human Trafficking, which raises funds for grassroots organizations that help victims of this crime. Organizing an event at your school or in your community is one approach to raising donations.



# — Echoes From the Past —

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## What's Inside

A Dent in the Aksum-: Ethiopia's neglected civil war

Post Covid Recovery of the Indian Economy

Budget 2022- Expectations and Realities

Eastern Woes- The new migrant crisis





by **Sahej Verma, Eco (H)**

# A DENT IN THE AKSUM:- ETHIOPIA'S NEGLECTED CIVIL WAR

AN IGNORANT NEIGHBOURHOOD

Victory has a thousand fathers but defeat is an orphan. This platitude summarises well, The Ethiopian Civil War, which has over the past year achieved the distinction of being the world's most neglected, woeful and jarring conflict right at the beginning of this particular decade. It has had several ramifications on the geopolitical, economic and financial dynamics of the globe and has come to be highlighted as a proponent of the Great African Power Push. It has been brutal, malleable, and incisive yet has disappointingly been neglected by the international community which is flummoxing, to say the least considering the geo-economic importance the country commands in Eastern Africa. An inquiry into the obscure origins of this war to the impacts it has had on the psyche of global politics is very much necessary.

Ethiopia is the most populous country in the continent of Africa whose capital Addis Ababa is the seat of the African Union. It bequests a great legacy and boasts of rich history. It carries the distinction of being one of the few nations of this world that have never been colonised. However, things took a turn for the worse when its stern autocratic military ruler, Haile Salaisse was overthrown after a brutal conflict with Eritrea, its erstwhile province.

## IN THIS ARTICLE

Ethiopia's atatus-quo  
Shifting power scales in  
Africa  
The Dynamic Tigray Region



Not only did Ethiopia lose its enigmatic leader but also all of its coastline and millions of dollars that were used to bolster the war effort to protect its sovereignty. However, in 1994, Addis Ababa had to give in to the demands of the Eritrean rebels and ultimately Eritrea became an independent secessionist state. Since the fall of Napoleon of Africa, the country has been scarred by ethnic violence that cuts across religious lines as well. The Ethiopian People's Revolutionary Democratic Front (EPRDF), a four-party coalition, led primarily by the Tigray ethnic group, had successfully overthrown the Marxist-Leninist regime of Mengistu Haile Marriam in 1991. Although the Oromo and Amhara ethnic groups together constitute 60 percent of the total Ethiopian population, it is the Tigray people—who account for merely six to seven percent of the population—who controlled the levers of power in the Ethiopian state from 1991 to 2018. Abiy Ahmed also belonged to EPRDF and was the third chairman of the EPRDF, but he moved on to establish his Prosperity Party (PP) in 2019. At the heart of the current crisis in Ethiopia, there is ongoing tension in the relationship between the centre and the regional state units.



The regions like Tigray zealously aspire to guard their autonomy, as they demonstrated by organising elections to the regional parliament in September 2020, in spite of the center's orders to keep elections on hold during the COVID-19 crisis. Moreover, the army personnel of Tigray began to oppose the federal army. Under Ahmed's authorisation, Addis Ababa declared a state of national emergency and ordered the Ethiopian National Army to launch strikes in the North Western province. This had resulted in horrible human rights violations for which both sides were held accountable.

I believe this government  
cannot endure,  
permanently half slave  
half free

In fact, Ethiopia has not merely been among the significant powers within the continent but it is a crucial lynchpin in the strategically located region of the Horn of Africa. It has been the USA's stable ally for nearly three decades. Up until Eritrea seceded from Ethiopia in 1993, Ethiopia boasted a sizable coastline, strategic in virtue. However, at this juncture, it is a landlocked state with six important African neighbours. Since the political instability in Ethiopia, aggravated by the protracted civil war, will inevitably have a spillover effect in the countries of the Horn of Africa, the developments in Ethiopia are surprisingly not seriously noted by regional and international organisations on the one hand and major world and regional powers on the other. This is certainly an element of surprise since ghastly war crimes were perpetrated on the populaces of the Tigray province by the Ethiopian military and the people of other western provinces were subjugated to severe hardships and trauma by the rebel Tigray forces. To conclude, domestically, the civil war has had an adverse impact on Ethiopian polity, economy and society. Handling a complex multi-ethnic country through federal arrangements has created a rift between the centralising tendencies of the current regime and the demand to protect regional autonomy on the part of regions like Tigray. In the process, major regional/international organisations, as well as world/regional powers, have gotten entangled in the Ethiopian imbroglio. Thus, the AU or the UN ritually appeal for cessation of hostilities while major global powers such as the US, China, or regional powers such as Iran, UAE, Saudi Arabia and Turkey continue to push their own strategic interests in the region. In the midst of this, a satisfactory resolution of the civil war still appears like a distant dream as the year passes by.



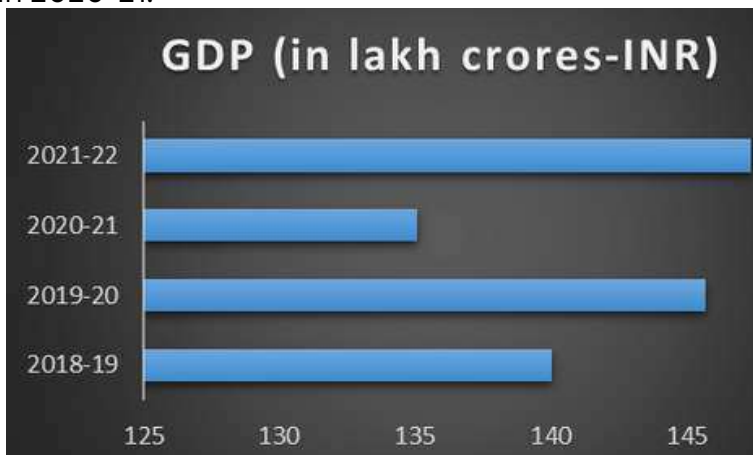


by Akshit Gupta, Eco(H)

# RECOVERY OF THE INDIAN ECONOMY POST-PANDEMIC

THE ECONOMY IS IN A PITFALL, IT'S GROWTH OR DECLINE FROM HERE?

Covid 19 shook the Indian economy, it created a dent in livelihoods, and production capacities and has scarred minds along with confidence with far-reaching social and economic costs. Today's normal is very different from the pre-pandemic situation. Thankfully, the bad times are over and the Indian economy has started recovering from its lowest point in 2020-21.



Despite one of the steepest contractions in GDP in the FY 2020-21 (a massive 6.6%), the Indian economy has now surpassed its pre-pandemic levels growing 8.7% in the next fiscal year 2021-22. This growth while a good sign of recovery is lesser than RBI's estimate of 9.5%.

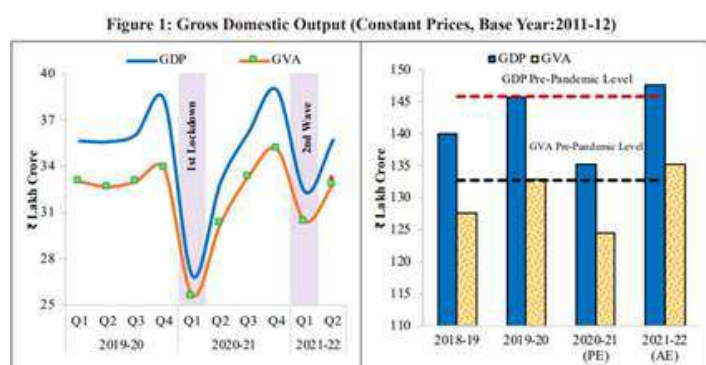
## IN THIS ARTICLE

- Sectoral Trends
- Trade Balance
- Conclusion

Being exempted from lockdown measures, agriculture and its allied activities were least disrupted by the covid 19 pandemic. Resilience also stemmed from the availability of favorable conditions like a bountiful monsoon, replenished reservoir levels, availability of cheap labor during the pandemic, and favorable terms of trade of agricultural products. Accounting for 18.8% of the GVA, this sector has been estimated to grow 3.9% in 2021-22.

On the other hand, the manufacturing sector took a big hit by contracting 7% in 2020-21 but has grown by 11.18% in the next fiscal year. Manufacturing, mining sub-sectors, and construction went through the same swing but the utility segment was relatively resilient since electricity and water supply were maintained even at the heights of the national lockdown.

The service sector was the most hit by the pandemic contracting 8.4% in FY 2020-21, even though it grew by 8.2% the next FY, there was a loss of 0.2% which could not be recovered.



Source: National Accounts Statistics (NSO), MoSPI

During the pandemic, investment came to a standstill and suffered the deepest contraction in 2020-21. Inventory overhang, excess capacity, and subdued demand had resulted in a reduced share of both the corporate sector and household sector in the total investment 2020-21. It was the government's policy of growth via infrastructure and capex spending that increased capital formation in the economy, lifting the investment to GDP ratio to its highest in 7 years, 29.6%.



Source: M/o Commerce and Industry

"Times of crisis are the real tests of a country, Covid is as much an opportunity as much it is a threat to the very fabric of economy"

Imports too saw a decline of 16%, amounting to \$304.79 billion, but with the revival of domestic demand and rise in prices of imported metals and crude oil, they too have recovered by 62.68% in 2021-22 reaching \$495.83 billion.

Table 1.2: Sector-wise Recovery Pattern

Sector	Trend Growth Pre-Pandemic		Growth Pandemic Period		Status	
	2012-2017	2017-2020	2020-21	2021-22 over 2019-20		
1. Agriculture, forestry & fishing		3.6	5.2	3.3	6.7	Resilient
2. Mining & quarrying		2.4	2.4	-8.6	2.9	Recovering/Need Repair
3. Manufacturing		6.8	5	-0.6	9.8	
4. Electricity, gas, water supply & other utility services		6	7.5	-3.6	3.9	Recovering/Need Repair
5. Construction		4.2	4.6	-7.3	1.9	Recovering/Need Repair
6. Trade, hotels, transport, communication and services related to broadcasting	6.1. Trade, hotel and repair	8.4	8.1	-22.4		Still suffering
	6.2. Transport, communication and services related to broadcasting			-15.3	-10.9	
7. Financial, real estate & professional services	7.1. Financial services			5.1		Resilient
	7.2. Real estate, and professional services	8.2	5.4	1.2	6.6	
8. Public Administration, defence and other services	8.1. Public Administration, defence			2.3		Resilient
	8.2. Other services	6.5	7.0	-11.5	6.4	Recovering/Need Repair
GVA at basic prices		6.6	5.9	-4.8	3.1	Recovering/Need Repair

Source: NSO and BBI Staff Estimates.

Source: NSO and RBI Staff Estimates.

ALL macroeconomic indicators show that India has recovered well above pre-pandemic levels but still needs work to make up for the growth gap that has occurred due to the pandemic. Covid-19 unfortunately is still here and a 4th wave will push back India's recovery another 2-3 months. The biggest risk to recovery though is the Russia-Ukraine war. With both countries taking up the largest share in the commodities market, this war has disrupted the global supply chains causing an increase in the price of commodities, transportation, and longer delivery time. This will take a major chunk of the profits earned in FY 2022-23 (a big setback to recovery) and if the war intensifies, India might see negative growth for the next half year pushing our recovery back a few more years.





by Triguna Jain, Eco(H)

# BUDGET 2022- EXPECTATIONS AND REALITIES

WHERE IS THE MONEY COMING FROM AND WHERE IT GOES

The 2022 Union Budget of India was presented by the Minister of Finance Nirmala Sitharaman on the 1st of February 2022, as her fourth budget. This is the fourth budget of the Narendra Modi-led NDA government's second term. The Economic Survey for 2022 released on 31 January 2022, estimated the country's GDP to grow by 9.2% this year.

This budget sought to lay the foundation and steer the economy over Amrit Kaal from India at 75 to India at 100.

The budget presented was worth Rs 39.45 lakh crore with a massive push to infrastructure spending with its focus on four priorities of PM, GatiShakti, Inclusive Development Productivity Enhancement & Investment, Sunrise opportunities, Energy Transition Climate Action and Financing of investments.

To enhance job creation and boost economic activity, the total government spending was decided to be 4.6 percent more than the previous and additional support of Rs 1 lakh crore to states was announced. The total expenditure in 2022-23 was estimated at Rs 39.45 lakh crore, while the total receipts other than borrowings were estimated at Rs 22.84 lakh crore.

## IN THIS ARTICLE

PLI scheme  
Digital Ecosystem

The outlay for capital expenditure once again stepped up sharply by 35.4 percent from Rs 5.54 lakh crore in the previous year to Rs 7.50 lakh crore in 2022-23. Fiscal Deficit target is set at 6.4% for FY23. FY23 total expenditure is seen at Rs 39.45 lakh crore. Total Receipts other than borrowing are seen at Rs 22.84 lakh crore.

Production Linked Incentive (PLI) scheme was announced in 14 sectors with the potential to create 60 lakh new jobs, and additional production of Rs 30 lakh crore. Emergency Credit Line Guarantee Scheme (ECGS) has been extended till March 2023 and guaranteed cover extended by another Rs 50,000 crore. A boost for Railways under the Gati Shakti plan was launched in which 400 new-generation Vande Bharat trains will be developed and manufactured in the next 3 years. 'One station, one product' concept will be popularised to help local businesses. India plans 100 cargo terminals in 3 years. PM's Gati Shakti is driven by seven engines: Roads, Railways, Airports, Ports, Mass Transport, Waterways, and Logistics Infrastructure. A digital ecosystem for skilling and livelihood would also be launched.



For small enterprises, MSMEs such as Udyam, e-gram, NCS & Aseem portals would be inter-linked and their scope would be widened. For the education sector, States would be encouraged to revise the syllabus of agricultural universities to meet the needs of natural, zero-budget & organic farming, and modern-day agriculture. 'One class, One TV channel' program of PM, eVIDYA will be expanded from 12 to 200 TV channels. This is to enable all states to provide supplementary education in regional languages for classes 1 to 12.

"The Budget 2022-23 reinforces the Union government's commitment to infrastructure development and economic growth."

Digital Ecosystem for Skilling and Livelihood (DESH-Stack e-portal) would be launched to promote online training.

Rs 48,000 crores were allotted for PM Awas Yojana. The issuance of E-Passports using embedded chips and futuristic technology would be rolled out in 2022-23 to enhance the convenience for the citizens in their overseas travel.

Issue of Green Bonds would enable the viability gap funding needed for achieving the 500 GW RE energy target by 2030. In the Agriculture sector, the promotion of chemical-free natural farming starting with farmers' lands close to River Ganga was announced.

In the Healthcare sector, the National Digital Health Ecosystem would be rolled out and the National Tele Mental Health Programme would be launched for quality counseling. Integrated architecture: Mission Shakti, Mission Vatsalya, Saksham Anganwadi, and Poshan 2.0 are to be launched.

The Budget 2022-23 reinforces the Union government's commitment to infrastructure development and economic growth. Timely implementation of the measures is an important step to putting the financial ecosystem in place.





by Anant Aggarwal, BBE

# EASTERN WOES- THE NEW MIGRANT CRISIS

THE REFUGEE CRISIS AND ITS IMPACT ON THE EU REGION

On February 24, 2022, Russia launched an all-out military invasion of Ukraine. Since then, countless Ukrainians have fled their homes in search of refuge, with a majority heading through neighboring countries like Poland, Romania, and other eastern European countries.

## IN THIS ARTICLE

Global Forced  
Displacement

### GLOBAL-FORCED DISPLACEMENT BY YEAR

YEAR	FORCIBLY DISPLACED POPULATIONS
June (2022)	100,000,000
2021	89,000,000
2020	82,400,000
2019	79,500,000
2018	70,800,000



YEAR	FORCIBLY DISPLACED POPULATIONS
2017	68,500,000
2016	65,500,000
2015	65,100,000
2014	59,200,000
2013	51,200,000
2012	42,700,000
2011	38,500,000
2010	41,100,000

Source: UNHCR.

The situation has transformed into a staggering refugee crisis for the European continent, the worst in decades. Europe's cities and towns are filled with Ukrainians in need of immediate medical and psychological counseling, housing for anxious parents, frightened children, frail elderly people, and many without documents or physical belongings.

The exodus has been met with unparalleled emergency response in neighboring countries and the rest of Europe. Under the EU's Temporary Protection Directive, Ukrainians have the right to work and access to health, education, housing, and other services for up to three years in the region.

Meanwhile, housing has emerged as one of the major issues. The Center for Global Development estimates that the cost of hosting Ukrainian refugees is \$30 billion in the first year. Warsaw's population has increased by 15 percent, straining services like housing as rent has increased by 40 percent already. Then there are also jobs. As the war drags on, longer-term issues will arise as refugees seek employment.

"This is a staggering refugee crisis for the European continent, the worst in decades."

But as Americans and Western Europeans feel more and more pain at the pump and at grocery stores, however, headlines of a faraway refugee crisis have been gradually replaced by coverage of the growing economic hardship here. With Russia curbing the gas exports that power industries, generate electricity, and provide residential heating in the continent, the EU is scrambling to avoid an energy crisis this winter. Uncertain energy supply is causing unprecedented and volatile price increases across the EU. Inflation skyrocketed on both sides of the Atlantic. In the EU it was highest in Estonia (20.1 percent) while at the same time in the U.S. it rose to a 40-year high (8.6 percent) in May. The EU still has six months until the ban on Russian crude and refined product imports takes effect. In the meantime, it is scrambling to load up on diesel in June. Filling up the EU's storage caverns is crucial, but the commission's target levels are hard to achieve. If Europe doesn't have enough gas for the winter season, it will affect Ukraine as well, all the while as flow from Russia to the EU is drying up week by week. In other countries, including Poland, gas nominations have already fallen to zero. Germany was recently forced to declare a gas crisis and signed MOUs with several neighboring countries for mutual assistance in case of an electricity crisis. The current refugee crisis is symbolic of Europe's ambivalence and failure to manage forced migrations at the present time. Despite being the cradle of human rights and of the very concept of political asylum, it is today facing one of the worst crises in its history, one whose outcome may determine the future of Europe and democracy.



# FINTECH

## THE EMERGING ODYSSEY

### WHAT'S INSIDE

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The rise of the Non-Fungible Token

World of mutual funds- where fear meets hope

The art of personal financing

Procrastination and the Economy

Mutual Funds- The Colloquial A to Z

The Emergence of Fintech Firms



by Sparsh Garg, BA Prog.

# THE RISE OF THE NON-FUNGIBLE TOKEN

PAPER MONEY IS GOING AWAY

‘NFT’, a word heard by many but known by a few. NFTs became wildly popular because they provide a new wave of digital creators the power to buy and sell their creations, while getting proper credit and a good share of profits. The explosion of blockchain technology has given rise to various cryptocurrencies (digital currencies or tokens, like Bitcoin, Ethereum or Litecoin) which make people wonder, “umm.. What's going on here?”, “Should I invest in crypto or NFTs?”. Viewing news like ‘Grimes getting millions of dollars for NFTs’ or ‘people trading earning from digital clip arts’ induce people to get into the business, but should they?

Here's the solution to all your questions. Here's the world of NFTs summed up.

## WHAT IS NFT?

Starting with the fundamentals, NFT stands for non-fungible token. The end of the road for more than half who have heard the term.

‘Non-fungible’ means unique, one of a kind, and irreplaceable. So, is bitcoin non-fungible? The answer is a big ‘NO’, as one bitcoin can be traded for another, and bitcoins can be traded for the exact same value but this is not true for NFTs.

## IN THIS ARTICLE

- Fundamentals of NFT
- History Of NFT
- Importance Of NFT
- NFT Drops
- NFT Whitelisting



“  
 "This could be an NFT"  
 "This could be an NFT"  
 "This could be an NFT"  
 ”

**Does this mean NFTs cannot be traded with one another?** The answer is again ‘NO’, two NFTs can be traded for one another but that depends upon the whims and fancies of the two NFT holders, if they value their NFT at almost the same level as another they might trade with it but the token will be a completely different one.

NFTs are unique cryptographic tokens that exist on a blockchain and can't be replicated. NFTs may work to remove intermediaries and connect artists with audiences or for identity management. They can remove intermediaries, simplify transactions, and start new markets. They can only have one official owner at a time and the Ethereum blockchain secures them – no one can modify the record of ownership or copy/paste a brand new NFT into existence.

## HISTORY OF NFT

The history of NFTs began in 2012, even before Ethereum came into the market. It came as a coloured coin concept to represent assets on blockchain with an added ‘token’ element. On May 3rd, 2014, digital artist Kevin McCoy minted the first-known NFT ‘Quantum’ on the Namecoin blockchain.



Following these events, The Ethereum (ETH) blockchain started its initial reign over NFTs. During 2017-2020, NFTs came to the mainstream, and the big shift for NFTs to Ethereum was backed up with the introduction of a set of token standards, allowing the creation of tokens by developers and Cryptopunks, Crypto Kitties, NFT gaming, and Metaverse (Decentraland (MANA)), Platforms and games with Enjin Coin (ENJ), and Axie Infinity (AXS) surfaced.

Then, 2021 became the year of the NFT and there was a huge explosion and surge in NFT supply and demand. Prestigious auction houses start selling NFT art and other blockchains started getting involved with their own versions of NFTs (Cardano, Solano, Tezos, Flow, etc). There was a surge in demand for NFTs, especially in the metaverse and Facebook rebranded as Meta and moved into the metaverse.

## WHY ARE NFTs IMPORTANT?

- Non-fungible tokens are an evolution of the relatively simple concept of cryptocurrencies with its most evident benefit of market efficiency.
- The conversion of a physical asset such as real estate etc. into a digital one simplifies processes and removes intermediaries.
- Non-fungible tokens are excellent for identity management. NFTs, each with its own unique identifying characteristics make it possible to streamline the entry and exit processes for jurisdictions.
- NFTs democratise investing by fractionalizing physical assets like real estate and artworks which is much easier to fractionalize ownership of a physical one.
- The most exciting possibility for NFTs lies within the creation of new markets and new forms of investment.

## INVESTING IN NFTs

NFTs can be generated and purchased using only one cryptocurrency, Ethereum. So, the first step is to register a new account with the NFT marketplace, maybe OpenSea, Nifty Gateway, SuperRare, or any other competing NFT marketplace.

The next step is to set up a crypto wallet, where you purchase and keep your Ethereum(ETH), make sure that your wallet is secure, and use MetaMask wallet or alpha wallet, or any popular wallet.

The last is to link your crypto wallet to the NFT marketplace where you actually purchase and sell your NFTs.

Most marketplaces are in an auction format, so you'll need to submit a bid for the NFT you want to purchase. Some marketplaces operate more like an exchange, using the highest bid and lowest ask for NFTs that have several prints.

There are also 2 types of the marketplace - primary and secondary, both with their pros and cons. A benefit of purchasing an NFT from the primary marketplace is the potential resale value directly after the product goes on sale. Some NFTs that are in high demand will sell for 5 to 10 times their initial price right after the release. The downside to buying NFTs in the primary marketplace is it's hard to estimate the demand for the art. On the secondary marketplace, you can compare your purchase to previous sales.

Now all of this is pretty basic, right? What's so difficult about it? Well if it's so easy why doesn't everyone invest in NFTs, why do people research so much? How do we pick which NFT to buy and sell, what are NFT drops, and what is whitelisting? How is Twitter, Instagram and discord, etc. associated when NFTs are talked about?

Let's see ...



## NFT DROPS

An NFT drop is the release of a non-fungible token at the exact time and dates the NFT minting will happen. NFT drops will often offer White Lists to get in early, let's talk about whitelisting later and focus on NFT drops now. Getting in on an NFT drop the moment it happens means you are likely to get your NFT cheaper, as you're in first before the value soars. NFT drops usually have limits on the purchase and a limit to how many NFTs will be minted. Sometimes, the greed of being the first one to buy an NFT can get you in a pit as you can make a mistake, be taken in by a scam, or end up buying an NFT you don't like .

**To avoid the above mistake, you always have to know your NFT drop types :**

- **Social media drops** - (Twitter, Instagram, LinkedIn, YouTube, Clubhouse, Facebook, etc.) Social media platforms can be a great way to know about the drops, various NFT minting communities set up their own pages and when you join various communities of NFT investors you get a broad knowledge base and vast options, from big brands to solo artists, you can get it all.
- **Instant messaging** - (Discord, Social Media) Discord and similar platforms are superb places for uncovering new drops. It's common to find people talking about other drops in a branded discord room. When it comes to direct messages, avoid being trapped in a scam and research thoroughly if your source is authentic.
- **Podcasts** - Some good examples of these podcasts are The GaryVee Audio Experience and Modern Finance. Podcasts are a bit extra as most information about the drops can be found on social media and discord but if you want to understand the process deeply this may be the way to go.
- **Marketplaces or metaverse** - Both have NFT drops highlighted daily and digital tokens are highlighted everywhere. You can also check the ranking of NFTs and see what's trending.
- **NFT calendars** - It's worth taking a look at some of the good NFT drop calendar sites, such as NFTcalendar.io that round up the latest drop news and projects as well as share information on who the artists are behind each drop.

The key things you need to take care of are that you have to avoid falling into a scam and do your own research. Avoid buying NFTs that are not worth the price just for the sake of buying and avoid overpaying for your NFT.



## NFT WHITELISTING !!

NFT whitelisting is a method of locking crypto assets to a specific account. This is used to prove that you do actually hold specific crypto assets. The NFT whitelist system eliminates the need for gas limit values (the fee you pay to execute any transactions on the blockchain) and prevents users from accidentally sending tokens to an address that does not support the ERC721 standard (Standard for representing NFTs). Whitelisting also allows projects to restrict who can receive specific NFTs.

Whitelisting is exactly the opposite of blacklisting. A blacklist means a list of people that should be excluded or avoided whereas whitelisting is the selection of people who should be included, in this context, people whose tokens are reserved.

### Now, why is getting whitelisted valuable?

Getting whitelisted assures you the security of the ownership of the NFT, it also means that if you are an average investor you could get an NFT with a lower gas price as all transactions will be initiated by only verified accounts and there are lower transaction fees involved compared to other exchanges that accept any type of transaction from any user at any time. Besides, since you'll be one of the first to get a hand on the NFT, its value can soar up to 10x its value or maybe even more. Whitelisting is very close to guaranteed profits if you're investing in the popular and hyped up projects.



### How to get whitelisted?

The criteria to get whitelisted are very different for different NFT drops and NFT communities. There is no specific guideline to follow over here except the guidelines given with the drops or on communities. What you need to do is carefully read the requirements of the particular drop and get the attention of the minters of the admins of the community. Wherever you find an NFT drop or NFT community, maybe on discord or on twitter etc. the criteria are given.

Most of the time, the community will look if you're really active, contributing to the community, helping the members of the community and inviting their friends and increasing popularity, and forming connections. The discord activity groups and communities are where most whitelist spots are given away, so if you're one of the first members in a community you have more chances than others who join later on. If you are a good designer you can also showcase your projects (video graphics, pictures, or paintings, it can be anything) which will reflect your passion about getting hands on the particular NFT, not only that you can also be whitelisted to mint the NFT.

To stand out among others, you need a good and unique avatar as your profile picture and you need to be active in the voice chats, ask questions or answer some questions but be in the talk of the mods. It's easier on Twitter as most of the time the whitelist requirements of the community are confined to bringing followers or retweets or comments etc.

On NFT marketplaces, being a member of communities such as JRNY club officials or CyberKongz, you can get a mint pass which will ensure you a specific amount of whitelist spots as these communities partner up with Twitter influencers or youtube influencers who mint NFTs. In total, the key to getting a whitelist spot is being active and interactive on social media platforms and on discord to catch the limelight of the community.

## CONCLUSION

It is quite evident that NFTs are here to stay for a while and not only that the new form of blockchain has attracted the crypto community to a very large extent. It's clear that this technology has the potential to alter the whole landscape of the web and with its power of taking ownership of assets transparent and incorruptible, it can even be used to tokenize real-world assets. As a budding investor, what you need to do is follow the chain and invest your time, more than your money in the business. There are indeed endless opportunities and unlimited potential for the future of NFTs now that they exist within the mainstream space.







by **Ujjwal Khemka, BCom(H)**

# WORLD OF MUTUAL FUNDS - WHERE FEAR MEETS HOPE

A FUND IN NEED IS A 'FUND' INDEED

In a perfect world, Mutual assets give chances to a few financial specialists to partake in the capital market without accepting a high level of hazard. A critical guideline of interest in the capital market is that don't put all the investments tied up in one place i.e. broadening. A little financial specialist is not ready to have an enhanced portfolio predominantly because of the scarcity of assets. Nonetheless, a shared store pools together the reserve funds of such few financial specialists and puts the same in the capital market and passes the advantages to the speculators. Therefore, financial specialists can in a roundabout way take part in the capital market by subscribing to the units of shared assets. Shared assets utilize proficient reserve directors to deal with the speculation exercises. Consequently, speculators additionally get advantages from the expert skill of these directors.

Huge parts of the money-related instruments common assets is a standout amongst the most alluring budgetary venture instrument that assumes a key part in the economy of a nation. Shared store plans give new chances to financial specialists. Shared reserve Industry was presented in India 1963 with the development of Unit Trust of India.

## IN THIS ARTICLE

Common Fund

Open End Fund

IPO

Close End Fund

"Don't put your trust in money, put your money in trust"

Over the most recent couple of years, numerous remarkable and quick changes have been found in the Mutual reserve industry. Hence, because of the changed condition, it winds up noticeably imperative to examine the shared store execution. The requirement for assessing the execution of shared reserve conspires in India is to see whether the common store plans are beating or failing to meet expectations than the benchmark and to see the competency of plans to make out a solid case for speculation. The present paper examines the execution of open-finished, development-situated value plans. Open finished shared reserve plans are those which don't have a settled development, not recorded in the stock trade and these plans offer new units available to be purchased and prepared to purchase whenever. The achievement of any plan relies on the fitness of the administration and its soundness.



Common Fund is an assume that pools cash from financial specialists by offering offers of the reserve like some other sort of organization that pitches stock to the general population. The brought cash is spent in various securities like stocks, securities, currency markets and products. Each shared store has regular budgetary objective and the cash is put resources into understanding with the goal. Store is overseen by an expert reserve administrator, who is in charge of executing a store's contributing system and dealing with its portfolio exchanging exercises. Every speculator in the common store takes part relatively (in view of the quantity of offers claimed) in the pick up or loss of the reserve. Any speculator can contribute least sum that is reasonable and broaden their portfolio in various segments relying on their interests and dangers.

The improvement of the capital market is critical and essential for the country's financial advancement. In India, an extraordinary development in the funds and their channelization to the capital market has been seen in recent decades. Common Fund, an institutional speculation organization, is dealt with as a reasonable vehicle, particularly for little speculators, who regularly abstain from putting resources into the capital market and can't foresee its conditions. It is a speculation vehicle that gathers the cash from a substantial number of people and puts the same in a broadened arrangement of the money-related securities in order to procure the greatest come back with the base hazard. Common Funds likewise give master exhortation and portfolio administration by decreasing unsystematic hazard.

Each Mutual Fund is overseen by a reserve administrator, who utilizing his venture administration aptitudes and fundamental research works guarantees a much preferable return over what a speculator can oversee all alone. The capital gratefulness and different livelihoods earned from these ventures are passed on to the speculators (otherwise called unit holders) in the extent of the number of units they possess.

Mutual funds in India are classified into two types based on their investing structure, namely open-ended or closed-ended funds. The degree of investment flexibility and the simplicity with which they may be purchased or sold determine whether a fund is open-ended or close-ended. Contrary to closed-ended funds, which can only be purchased at the time of their debut and can only be redeemed when the fund's investing tenure has expired, open-ended funds can be purchased or sold at any time.

The word "open-ended funds" refers to investments and redemptions being available at all times. In India, open-ended funds are the most popular type of mutual fund investment. These funds are perpetually open because they have neither a lock-in period nor maturity. In general, open-ended funds are allowed to accept public investments up to their full AUM limit. Open-ended funds base their daily NAV calculations on the value of the underlying securities at the day's end. In most cases, these funds are not traded on stock markets.

Shares are issued by an open-end fund as long as investors demand them. Since investments are constantly welcome, it is known as an open-end fund. Selling shares removes them from circulation, but buying shares prompts the fund to issue fresh, replacement shares. At their NAV, shares are purchased and traded as needed. The value of the fund's underlying securities serves as the daily foundation for calculating the net asset value, which is done at the close of each trading day. The fund may sell some of its holdings in order to reimburse the selling investors if a significant number of shares are redeemed.

An open-end fund offers investors a simple, inexpensive option to pool funds and buy a diversified portfolio that reflects a certain investment aim. Investment goals can include, among other things, investing in large- or small-cap companies, for growth or income, etc. Additionally, the funds might focus investments on particular nations or industries. An open-end fund is often easy to join and does not require a large investment, making it available to investors of all experience levels.



Occasionally, a fund will close to new participants if its investment management decides that the fund's total assets are now too vast to carry out its stated aim efficiently. Some funds may, under rare circumstances, be closed to new investments from current fund shareholders.

Since open-end funds and mutual funds are almost interchangeable, many investors might not be aware that there are other types of funds available. Even so, this kind of investment fund is not the first kind of investment fund. According to the Closed-End Fund Center, closed-end funds have been around since 1893, making them considerably older than mutual funds.

Initial public offerings (IPOs) are used to introduce closed-end funds, which then trade on the open market. The closed-end fund shares are more liquid and traded on an exchange. In accordance with supply and demand during the trading day, deals are priced at a discount or premium to the NAV.

Closed-end funds can invest in illiquid equities, securities, or markets like real estate because they are exempt from that restriction. Through broad bid-ask spreads for illiquid funds and erratic premium/discount to NAV, closed-end funds may impose additional fees. Shares must be traded through a broker, per closed-end funds' requirements. Most of the time, while selling, investors can also get paid the intrinsic value of the portfolio's underlying assets.







by **Stuti Kesharwani, BBE**

# THE SCIENCE OF PERSONAL FINANCING

WANT TO MANAGE PERSONAL FINANCES? IT'S EASY IF YOU DO IT SMART!

Creating a financially secure existence can appear to be a hard endeavor that necessitates the expertise of a professional mapmaker and GPS programmer. You must determine where you are now and where you want to go. As if that wasn't enough, you're now in charge of determining the best route from here to there without taking any unnecessary diversions. Deepen your breath. Shoulders should be relaxed. It's only a few steps, and you can do it.

Some objectives will take years, if not decades, to achieve. That was the plan all along! But there's an instant payoff: a lot less stress from the moment you start taking control of all the money issues that are bothering you.

**1. To enhance your finances, keep track of your spending.** If you have no idea how much money you spend each month, there's a high probability your personal spending habits may be better.

Spending awareness is the first step toward better money management. Use a money management tool like MoneyTrack to track your spending across categories and see how much you're spending on things like dining, entertainment, and even your regular coffee. You can establish a plan to improve your habits once you've educated yourself on them.

## IN THIS ARTICLE

Steps to Enhance Finances

"Anyone who tells you that money is the root of all evil certainly doesn't have any."

## **2) Plan, plan, plan.**

Making a precise, realistic budget that you can stick to is the simplest approach to getting your money back on track. This may seem self-evident, but for many individuals, financial stress creates a vicious cycle in which they avoid thinking about money because it's an unpleasant subject, which leads to additional debt, which leads to more worry, and so on. The simplest way to get your finances back on track is to create a clear, realistic budget that you can stick to. This may seem self-evident, but financial stress may lead to a vicious cycle in which people avoid thinking about money because it's a difficult topic, which leads to more debt, which leads to more anxiety, and so on.

## **3) Establish an emergency fund.**

Starting to develop an emergency fund to cover unforeseen expenses is another smart method to alleviate financial stress. If you're in debt and don't have enough money to save, setting up a large savings account may seem impossible. However, putting aside \$50 every month will rapidly grow into a viable savings account. To get things started, consider selling some clothes, books, or other goods you own but haven't used in years. Another advantage is that if you get into the practice of routinely putting money into savings, you will stop thinking of savings as a discretionary expense and start treating it as a mandatory monthly expense. You'll soon have more than simply emergency funds saved up—you'll have funds for retirement, vacations, and even a down payment on a home.



## **4) Borrow wisely**

Big-ticket expenditures almost always necessitate taking out a loan. The home you wish to purchase. Your automobiles. Assisting your children in paying for college. The secret to financial stability is to borrow just what you truly require. And that can be problematic because lenders are focused on informing you of the maximum amount you can borrow when you are trying to buy a house, car, or college education. Nobody will look you in the eyes and tell you to borrow less. Lenders have no idea or interest in how the loan they're offering you will affect your ability to achieve your other objectives. That is your responsibility. To achieve your aim, you should always try to borrow as little as feasible. You'll have more money for other things if you borrow less.

## **5) Plan ahead for retirement.**

Even if you have decades until retirement, now is the best time to start saving. The longer you wait to become serious about this large objective, the more you'll have to put in to ensure a comfortable retirement. You'll soon have more than simply emergency funds saved up—you'll have funds for retirement, vacations, and even a down payment on a home.

## **6) Keep tabs on your development.**

Finally, we return to strategy number one. Throughout this process, you should be reviewing your budget and making adjustments to meet your current financial situation. Keep track of your progress as you begin to pay down your debt and your financial stress reduces. Instead of sitting in uncertainty, knowing how much money you have will minimize your stress and help you develop a more positive relationship with money in general. You can even give yourself an incentive to reward yourself for your hard effort. For example, you may spend \$20 on a fine bottle of wine or a lunch for every \$200 you save.

## **CONCLUSION**

To become an expert at managing your finances, you don't need an MBA in finance or even specific training. Following these Basic rules will set you on the road to financial security, which will allow you to build the rest of your aspirations on top of it.





by Triguna Jain, Eco (H)

# PROCRASTINATION & THE ECONOMY

IS THE ECONOMY PROCASTINATING? OR WE ARE?

Procrastination is a widespread phenomenon and people of all ages are susceptible to it. It means the simple act of delaying tasks, perhaps out of boredom or reluctance to finish them. It has a psychological occurrence and economic impact which tells about what impact delaying tasks produce. Given that the science of the mind is involved, this is mostly behavioural economics. The most intriguing aspect of this is the inconsistency that is introduced into a person's decisions, and the fact that traditional economists assume that consumers make "rational" decisions that may get contradicted by these inconsistencies, especially because in the real world everyone procrastinates.

Mobile devices give media corporations a way to monetize our downtime while simultaneously giving us a sense of connection and control. In-between moments have generated a procrastination economy, an opportunity for entertainment firms to produce products, apps, platforms, subscription services, micropayments, and interactive opportunities that can take over our everyday life. Waiting for a friend to arrive or commuting to work – we pull out our phones for a few minutes of distraction.

## IN THIS ARTICLE

Hyperbolic discounting



“One of the greatest labour-saving inventions of today is tomorrow.”

Just as television reoriented the way we think about living rooms, mobile devices have taken over the interstitial spaces of our everyday lives. Consumers are adopting mobile devices to navigate public and private spaces as firms commoditize their free time and mobile devices become crucial instruments for promotion, branding, and distribution. These technologies are altering not only how we spend and value our time, but also how we connect with others and how we perceive space politics.

The first economic aspect of procrastination could be its relationship with "opportunity cost" or "the best opportunity missed," a term that refers to the highest-value activity that is foregone to engage in another. When people procrastinate, they are wasting one of the most valuable resources available to them, which is "time." The more a person procrastinates, the more time he loses.

The concept of hyperbolic discounting is the second aspect. This discounting refers to a cognitive bias in which people choose to appreciate what they have right now rather than choosing the same option over some time. It's almost as if one is in the middle of a "live in the present" situation. The human brain is greedy, and it strives to deliver immediate satisfaction, even if this means being unaware of, or "discounting," the benefits that might be obtained if the same option is chosen, say in the next few days.



*This can be better understood with an example:*

If a man named ABC is given the choice of watching his favorite movie for \$30 now or \$25 next week, he will most likely choose to watch the movie today. This can be attributed to the desire for immediate gratification, even if it means that ABC does not consider the value of saving \$5 if he watches it next week.

The hyperbolic discounting idea contains an exception, and this exception introduces another concept known as "temporal inconsistent preferences," which is regarded as essential for decision-making by many economists. To better appreciate this, imagine ABC is given the choice of watching his favorite movie today for \$30 or watching the same movie tomorrow for \$25. He would prefer to watch the movie tomorrow because he believes it will save him money.

If both of these examples are scrutinized, it can be concluded that when two identical options are presented, the amount of time plays a critical part in decision making. It is assumed that the longer the time, the more the person will be inclined towards choosing the current enjoyment whereas if the time is shorter, then the person may choose the option for later rather than taking it for current enjoyment if he was provided with some advantage for choosing the latter option. Due to the differences in periods, the preferences of a person may differ and this leads to what can be comprehended as "time-inconsistent preferences".

Furthermore, hyperbolic discounting implies that humans delay making judgments that will benefit them in the future in the pursuit of immediate gratification. When it comes to retirement savings, for example, most individuals choose to spend their money on today's pleasures rather than saving for their future retirement. This implies that people put off making decisions that would benefit them in the future.

Thirdly, one of the key economic ideas states that "People respond to economic incentives". The term "economic incentives" refers to the incentives that encourage people to behave in a certain way. As previously said, the human brain is hungry, and when given a benefit, it refuses to pass up the opportunity to make the best use of

it. The relationship between economic incentives and procrastination is inverse: the larger the incentives, the lesser the procrastination, and vice versa.

Lastly, procrastination is linked to the concept of "loss aversion" in economics. Loss aversion states that one always prefers a scenario in which he might lose something to one in which he might gain something. Bearing a loss is more difficult for anyone than losing an anticipated gain, and when a person believes he has anything to lose, he prioritizes his activity. Thus, it can be said that people tend to avoid delaying tasks where they have anything to lose. Procrastination is more than just task aversion and the usage of behavioral economics helps bring out how this psychological phenomenon can be associated with economic models.

These models can be associated with task aversion and can also be used to find solutions to this "phenomenon", the only reason it is referred to as a phenomenon is that it is not a problem, it is more of a natural occurrence and almost all humans regardless of any factor tend to procrastinate. Procrastination can be overcome by understanding the importance of time. Because time is the most valuable resource available, it is critical to avoid wasting it on ineffective chores. To do this and to become accustomed to a specific routine, one can create a schedule and stick to it. Rewarding oneself for avoiding procrastination. One can establish a goal of accomplishing a certain number of things in a certain amount of time and rewarding themselves with something they enjoy. Try to balance the costs and benefits of the two options one has been provided with. Apprehend the benefits associated with the given options rather than making a hasty decision and delaying what may benefit you later on just to fulfill the want of a current amusement.







by **Siddharth Sinha, BCom (H)**

# MUTUAL FUNDS- THE COLLOQUIAL A-Z

MUTUAL FUND: SAHI HAI?

A mutual fund is a money pool that is professionally managed by a Fund Manager. It's a trust that takes money from a group of investors with a shared investment goal and invests it in stocks, bonds, money market instruments, and/or other securities. By establishing a scheme's "Net Asset Value" or NAV, the income/gains earned from this collective investment are dispersed proportionately among the investors after deducting appropriate charges and taxes. Mutual funds are perfect for individuals who don't have a lot of time or money to study the market and invest but still want to grow their money. Professional fund managers invest an individual's money collected from mutual funds according to the scheme's goal. The fund house receives a tiny fee in exchange which is regulated by the Securities and Exchange Board of India (SEBI).

Investing in mutual funds is straightforward. You put money into a fund with a variety of assets. You don't have to risk placing all your eggs in one basket and there is no need to worry about keeping track of market changes. Research, fund management, and market tracking are all handled by the mutual fund house. This is why mutual funds are a popular investment option for a wide range of investors. The Asset Management Company is in charge of managing mutual funds (AMC).

## IN THIS ARTICLE

Types of mutual funds  
Investment objectives



Mutual funds are determined by the goal and underlying asset. It can be categorized into two types:

**Equity Mutual Funds:** Mutual fund involves investing in stocks and bonds. The money pooled by equity mutual funds is mostly invested in equities of various companies. Equity mutual funds have larger market risk. Earnings, revenue estimates, management changes, and corporate and economic strategy all impact the price changes and returns leading to fluctuations in returns. So, one should only invest if they have a thorough awareness of the asset class risks connected with equity.

**Debt Mutual Funds:** A debt mutual fund invests the majority of its assets in debt instruments such as government bonds, corporate bonds, debentures, and money market products. Bond issuers "borrow" from investors by promising a stable and consistent stream of interest income. As a result, debt funds are less risky than equity funds. The debt fund manager makes sure the money is placed in the best-rated securities. The highest credit rating indicates the issuer's ability to make timely interest and principal payments.

## MUTUAL FUND TYPES ACCORDING TO THE INVESTMENT OBJECTIVES

As mutual funds basically revolve around working together to achieve a common goal, their schemes are also divided into categories based on the goals of investors. Here are some popular mutual fund kinds based on investor goals:

**Growth-Oriented Plan:** The fundamental purpose of this sort of mutual fund, as the name implies, is to assure long-term capital accumulation. In line with the goal, the fund management invests the majority of the money (over 65 percent) in equities. The manager actively shuffles the portfolio to reap benefits from market changes, focusing on better returns.

**Income-Oriented Scheme:** The goal of regular income can only be met if the underlying assets provide a consistent return. To achieve the goal, income fund managers invest a large number of the fund's assets in fixed-income securities such as government bonds, corporate debentures, and money market instruments.

"Mutual funds are subject to market risk, please read all scheme related documents before investing."

**Balanced Fund:** The balanced fund's goal is to provide adequate growth and consistent income while minimizing risk. These funds' managers typically invest about 60% of their assets in equities and the rest in debt securities. Balanced funds' NAV is less volatile than equity funds. The balanced objective is appropriate for individuals who want to benefit from market movements while also maintaining the safety of the debt market.

**Liquid Fund:** The goal of these funds is to provide short-term liquidity, capital protection, and an acceptable return. Most fund assets are held in short-term safe instruments like government securities, commercial paper, treasury bills, certificates of deposit, and interbank call money. These funds are ideal for investors who want to park money for a limited period of time and achieve a higher return.

Over the next ten years, the mutual fund industry is predicted to increase at a rate of 13.4%. Between the end of 1997 and June 2003, mutual funds' contribution increased from 8% to 15% of GDP. The sector is now managing more than \$30351m in assets.

The mutual fund business has a lot of potential for future growth. Multiple asset management firms established in other countries are expanding into the Indian industry. Commodity mutual funds have been approved by the SEBI. The importance of strong corporate governance in Mutual Funds is being emphasised. In India, mutual funds have the potential to penetrate rural and semi-urban areas. Financial consultants are being introduced into the market to help consumers organise their finances better, bringing in another career opportunity for the youth.





by **Devashish Kumar, CS (H)**

# THE EMERGENCE OF FINTECH FIRMS

INTERESTED IN FINANCE? NICE. INTERESTED IN TECH? BETTER!

Fintech self defines itself if we break the word into two- 'Fin' that stands for financial and 'tech' that stands for technology. These Fintech companies are giants (referring to big companies or MNCs) that deal with most or some of the financial flow or transaction of capital.

Earlier, it was thought that these types of digital payments won't work out well as people believed more in cash or in hand transactions and the surety of money that cash gives is something to really think about. But as we are moving towards a tech-dominated world with big data, web 3.0, iot (internet of things), along with data and cyber security coming into the picture with people getting more exposed to technology directly, it is playing a huge role in decreasing the sense of disbelief in digital transactions. But still, these Fintech companies have to burn a lot of money to encourage people into using digital transactions. If we take the example of India; a developing country. It has a huge population, 1.3B people to be more precise, and has a huge amount of people under or around poverty, yet it has managed to somewhat digitalize itself through the 'Digital India' campaign. This attracts a world full of Fintech companies to start digital payments or digital capital flow.

## IN THIS ARTICLE

Mapping the future  
Industrial situation in India

With India having one of the cheapest Data (mobile data/internet data) in the world with a very affordable range of smart devices, it has somewhat managed to convert the potential of the digital payments system to reality.

If we dig more into the Fintech operations use and importance we need to consider some data. Firstly, we should talk about the reason for the boost in transactions other than the Demonetisation of INR 500 and INR 1,000 banknotes, which was announced on the 8th of November 2016. While the announcement was bold and surprising, the fact remains that it undoubtedly led to the growth of digital payments in India.

In fact, the digital transactions data that was released by the Reserve Bank of India in November revealed that the digital transactions in India registered the highest ever volume in October at 965 million – a growth of 10 percent against 877 million in September. The increase has been such that this figure nearly equaled the figure for the whole of 2016-17. And that's not all; the total amount is expected to touch Rs 1,800 crores in 2017-18.



Quoting the Reserve bank of India, “The share of digital transactions in the total volume of non-cash retail payments increased to 97.0 percent during 2019-20, up from 95.4 per cent in the previous year.” But according to the fresh stats by some renowned sites, the increasing number of digital transactions are quite promising. If we look at the prediction graph.

#### **FROM YEAR 2020 to 2026**

Now, we would be looking at FinTech as a whole. The focus on technological growth to support the whole banking and financial industries all around.

These companies/firms aim to compete with the old banking systems by combining the use of advanced software with the latest technology. These companies individually provide services such as online bills, mobile payments, income and expenses, managing investment, and many more things.

“The share of digital transactions in the total volume of non-cash retail payments increased to 97.0 percent during 2019-20, up from 95.4 per cent in the previous year.”

FinTech is often seen today as a relationship between financial services and information technology. However, this connection is not so young as this term has a long history and has already happened which was present not mostly but marginally.

#### **INDUSTRIAL SITUATION IN INDIA AS A WHOLE:**

The Fintech segment in India has seen a huge surge in investment in the past few years, with investments costing more than \$ 8 bn already seen just in Fintech not only as global companies but also for start-ups.

If we individually talk about the start-ups it would rather require a thesis so we would rather talk about them by an overview. Now, At various investment stages in the year 2021. The Payments and Other Financial components make up more than 90 percent of the overall sector's investment.

India has more than 17 Fintech companies that have a 'Unicorn Status' as of now and this number is increasing day by day. India has seen steep growth in field of Digital Payments, with an estimated monthly count of more than 5.7 BN which is worth somewhat \$2 TN. As of September '21, India is having the highest amount of internet services expenditure with \$25.5 Bn payments ahead of the US, UK and China combined which is quite a good amount if you actually look at the numbers.



It has been estimated that the digital investment market will cost \$14.3 bn by 2025, \$ 6.4 bn in 2021 and with a 5-year CAGR of 22.4%. As predicted, the reason for Fintech's success in such a small amount of time in India is the togetherness of years of effort that has paved the foundation for the development of critical resources, management and through significant efforts of people and companies, tech giants, investors and government.

So, at last, it would be quite promising if we digitize completely. As it would be the best for the environment as well as people with blending into tech, without costing the environment and composure.





# DREAMS OF AVARICE

## WHAT'S INSIDE

The Tale of Sorokin- An Elitist Dirge

The IPO Bubble- Next in Line

The Lankan Crisis-: Wrongs and more wrongs

The Indian Stock Market Bubble- Impending Doom?

US-India currency war- When Giants collide

Psychology of Money -: Key Takeaways

Leveraging finance for climate change

Paying for Misinformation





by **Sudeshna Saha, BA Prog.**

# THE TALE OF SOROKIN -AN ELITIST DIRGE

NEW YORK'S FAKE SOCIALITE WHO SCAMMED THE WORLD'S ELITE.

Befriending the rich to pay for your flights, hotel meals, travel visits to Morocco and many more. And later forgetting to pay back. Creating fake bank statements and staying in lavish hotels. Attending the glamorous parties that one would dream of and hoping to open a foundation in New York.

Claiming to be a diplomat's daughter and eating in Luxurious restaurants. Claiming to be a wealthy heiress and swindling the high society.

Having meals, taking uber, promising friends to pay them back at a later date. Anna also went so far as to leave a friend with a \$70,000 bill for a Moroccan vacation. That's exactly what Anna Sorokin did. This is just the beginning of the story. There are a lot of twists & turns to it.

## BACKGROUND

Anna Sorokin in reality does not belong to a wealthy family. Her father is a truck driver while her mother was a convenience store owner before she became a housewife. Anna was born in the town of Domodedovo which is near Moscow in January 1991. And then her family moved to Germany in 2007 when she was 16. Sorokin then moved to London to attend Central Saint Martins in 2011. But later she quit and returned back to Germany.

## IN THIS ARTICLE

- Background- Anna Sorokin
- Sorokin's NY journey
- Sorokin's Trial details



“Charity is false, futile,  
and poisonous when  
offered as a substitute  
for justice.”

And after that, the real story begins with lies & cover-ups throughout her journey in the US. Anna then relocated herself to Paris to start an internship with Purple, a French fashion magazine. It was in Paris when she started using the name 'Delvey'. Sorokin moved to Paris and changed her surname to Delvey. She pursued a degree in fashion while remaining dependent on her parents entirely. New York is where Delvey perfected her roles.



### SOROKIN'S JOURNEY IN NEW YORK

New York, The big apple, the place where dreams come true. Concrete jungles where dreams are made off. The place where dreams can also get shattered into pieces. Upon her move to New York City. Sorokin attempted to pitch her ideas to wealthy socialites of New York City.

She pretended to be extremely rich and claimed that she was the daughter of a diplomat, businessman and many more. She pitched her idea about the Anna Delvey foundation to wealthy & potential investors in NY. Her ideas included a private members club, then an art foundation, a private trust, multi-purpose events an art studio and many more to go. She failed to get potential investors so then she started submitting fake documents as part of loan applications. But during this time suspicion mounted over her applications due to disparity and differences in her paperwork.

She was clever to withdraw her application to avoid scrutiny. Sorokin became a party going person. Being seen at the best parties and hosting dinners with CEOs, celebrities & even athletes. She used to wear thousands and thousands of dollars of clothing, accessories, shoes and used to stay high the majority of the time.

Sorokin used to spend her major time staying in Lavish hotels and eating in fine dining restaurants. She used to check into the hotels without a working credit card and used to pile up thousands and thousands dollars of unpaid bills. "She walked into my life in Gucci sandals and Céline glasses" wrote Rachel Deloache Williams "and showed me a glamorous, frictionless world of hotel living and Le Coucou dinners and infra-red saunas and Moroccan vacations. And then she made my \$62, 000 disappear".

Pretending to be a wealthy heiress in New York is no joke but Anna pulled it out really well. Sorokin tried her best to be a Socialite in Manhattan for four years straight. She scammed people, celebrities, banks, big business and many more.

She was arrested in 2017, and charged with theft of services and grand larceny. Her scams became viral when Vanity Fair and New York Magazine ran features on Sorokin. Even during her sentencing, Sorokin wore a black dress styled by her stylist. She used to consult her stylist on her courtroom looks. They used to talk on the phone about what Anna was interested in wearing to the Court.

Her friend Rachel shares her past encounter with how Delvey walked into her life. She had seen her smiling in her Instagram pictures and attending lavish events, drinking at parties and many more. She had a cherubic face with oversized blue eyes and pouty lips. She used to attend several meetings with her lawyers and always had a busy schedule. Anna was convicted on multiple accounts in 2019 after defrauding hotels, banks and even her friends. Even Netflix released Inventing Anna, which records the fraudulent society and eventual imprisonment. In October Anna was charged with the theft of \$300, 000 and attempted theft of \$22 million. She was charged with 10 counts of theft, and grand larceny.

## TRIAL

Even during the trial, Anna pretended to be a wealthy heiress. She was professionally styled. On 25th April Anna was found guilty of eight charges including grand larceny in the second degree, attempted grand larceny, and theft of services. She was also given four to twelve years and ordered to pay a restitution fee.

Recently In 2021, Anna was released from prison on parole for good conduct. Just over a month later she was again taken into custody for overstaying her visa. This was the Fake socialite who crossed borders to come to the big apple and her dreams are now on halt.





by Anupriya Aggarwal, BMS

# THE IPO BUBBLE-NEXT IN LINE

THE INDIAN IPO MARKET IS BLEEDING & IT'S ONLY GETTING WORSE.

The bleakness of the stock market has made us all realize that it will be hard to sustain the euphoria that was around last year when approximately 3.2 million retail investors applied for Zomato's IPO. The frenzy around the new age companies like Nykaa and Zomato was all over the country. However, the current scenario has turned upside down as Paytm, CarTrade and PolicyBazaar stocks bite the dust; Zomato and Nykaa have tanked more than 30%; and Nazara and MapMyIndia are below listing price and there are no takers for MobiKwik and OYO IPO. People have lost a lot of money which has prompted us to revisit many of the assumptions that were made about the market. All of this has revealed one truth- the IPO bubble is finally bursting.

Last year, fundraising through initial public offerings was through the roof as 63 companies floated initial share sales, raising Rs 1.19 lakh crore from public investors. However, the result these companies have shown has reversed the market scenario. The biggest impact came to the Paytm IPO, which received a lukewarm response from the market and is now down by more than 60 percent of the issue size. Moreover, Zomato which had made a stellar debut with a nearly 66 percent premium at Rs 125.85 now trades at an all-time low of Rs.75.



The story is no different for Nykaa, which was oversubscribed by 82 times and is now trading at 31% below the listing price, and the constant fall is continuing amidst the news of widening loss. This situation is quite similar to the Reliance Power IPO debacle in 2008 when the company's IPO got listed at an exorbitant rate of about Rs.370, the hype around this company's IPO was massive as it came not only with the Reliance tag which for years had guaranteed tremendous returns but also was backed by the company's great future plans but it all went downhill and it is now currently trading at a price of Rs.12.



It is clearly evident from all this data that instead of looking at a company's business model and profits, most investors bought initial public offerings simply because of the buzz around these new-age companies. For example, Zomato is still knee-deep in loss and is burning cash while Nykaa had its first profitable year in 2021, Reliance Power had a meager profit of Rs 16 lakhs and no significant assets to ask for a whopping premium of 21 percent over its issue price and also the tremendously high valuation of these companies are unjustifiable. This indicates that the IPO bubble was just waiting to burst.

**But why is this happening?** The reversal in the market is due to a host of reasons. EY firm states that it is because of stock market volatility, price correction in overvalued stocks from recent IPOs and the rise in commodity and energy prices. There is also a big impact of inflation and that the COVID-19 pandemic will continue to block the path of full economic recovery.

Moreover, the Indian IPO bubble is also the result of start-up unicorn promoters who are trying to sell their loss-making businesses to an uninformed & over-excited public to mint bucks

Added to this are the heightened expectations from the market for companies to grow at a certain pace, setting unrealistic standards of growth and development. The crash however was quite humbling for several new companies in India. The aftermath of the IPO bubble burst has resulted in SEBI considering rules regarding IPO valuations, and now the tech startups also have to give internal metrics details used for their company's valuations.

Many startups, which were earlier racing to launch their IPO till now, have either postponed their plans or gone back to the drawing board to meticulously plan their valuation that could attract some good investments. Mobikwik and OYO are the right examples of such companies. Also, the flop show presented by the recent launch of many IPOs will make the overly optimistic investor be a little more cautious before investing in the future.

On the flip side of the coin, more than 20 companies have filed a red herring prospectus form with SEBI and more than 10 companies gained unicorn status in the first quarter of 2022.

"Indian IPO bubble is a result of start-up unicorn's promoters who are trying to sell their loss making businesses to an uninformed public"

This suggests a lot of activity in the upcoming market, and shows us that now to thrive in such volatile times, the investors will have to be more vigilant and the companies have to work harder to draw more people. The investors should carefully analyse these companies and be informed that many of the new-gen IPOs may never make profits nor exist with relevance instead of investing in one out of FOMO (Fear of missing out ). To conclude, it's high time to make an informed decision and not get caught up in the frenzy created by these companies.





by **Divyanshi Dobriyal, Pol. Sc. (H)**

# THE LANKAN CRISIS- WRONGS & WRONGS

THE DESPAIR OF THE SOUTH ASIAN PEARL ON FIRE.

Sri Lanka, a prosperous state in history is now facing its worst economic crisis. Let's trace the journey of Sri Lanka from its prosperous past to its disastrous present. Sri Lanka was a trading hub and had a history of being a prosperous trading state. Many travelers like Cosmas Indicopleustes described Sri Lanka as the centre of commerce. In the book Christian topography it's been described how frequently Sri Lanka used to get ships on its ports from India, Persia, and Ethiopia also it receives silk, aloes, cloves, and Sandalwood from China and other trading countries.

Sri Lanka got independence in 1948, unlike other colonized Asian countries it was performing far better in economic and social areas. At that time its economic and social condition was comparable to Japan's. During the British raj, The British introduced tea, coffee, rubber, and coconuts in large numbers to comply with the demand of the European market. Sri Lanka was largely dependent on these crops for maintaining its foreign reserves. As prices of these crops fell, exports fell too which led to a decrease in foreign reserves. Now Sri Lanka was importing more and exporting less which created a trade deficit.

## IN THIS ARTICLE

Sri Lankan fiscal policies  
Politics corrupting economy



Due to this foreign reserve crisis, Sri Lanka tightened its control over trade and it was in this situation that the IMF first entered the scene with a loan tagged with its inevitable conditionalities. The country was forced to cut its budget deficit, slash subsidies, follow a tight monetary policy, and reduce taxes on private and foreign capital. In the late-1960s, the currency was devalued by 20 percent, a dual exchange rate regime was introduced and imports were liberalized. This dealing with the foreign exchange crisis was the gradual isolation of the economy from external market forces.

Failed fiscal policies led to a budget deficit where expenditure is always higher than income. In 1977, a United National Party (UNP) government led by J.R. Jayawardane came into power. This government chose neoliberalism as a new fate for Sri Lanka.

Since then, the government has been deregulating, privatizing, and opening the economy to international competition. Many good social reforms were suggested and implemented during this period but then the 1980 civil war broke out between Sinhala and Sri Lankan Tamils. The budget which was initially planned to spend on development was diverted towards defence expenditure.



Sri Lanka saw a rise in its defence budget from 4.4% in 1982 to 21.6% in 1996. In 1997 Sri Lanka was declared to be a low-income country from a middle-income country. In 2005 Rajapaksha govt came into power to worsen the situation in Sri Lanka. The Rajapaksa family took control over all the important seats in the government and established their dictatorship. Positions of prime minister, president, defence minister, and finance minister all were held by the Rajapaksha brothers and other important positions were taken by their sons.

This corrupt political family completely ruined Sri Lanka. First, they tried to take loans from India and America to revive their Hambota fishing harbour to gain economic benefits for the country. But after a survey it was proven that reviving and investing in Hanbort fishing harbour wouldn't be beneficial for Sri Lanka and following this India and America declined to give loans to Sri Lanka, still knowing the fact that harbour fishing harbour won't benefit Sri Lanka, Rajapaksa govt took a loan from China and afterward face the consequences of its failure. Sri Lanka took 16 times financial assistance from the IMF, it borrowed from the international market of finance, The World Bank, and China. China owns 10% of the total foreign debt of Sri Lanka. Sri Lanka borrowed 7 Billion Dollars for infrastructure projects.

"China owns 10% of the total foreign debt of Sri Lanka."

Seeing this condition of the economy, the government decided to save the foreign reserves by banning fertilizers that they used to import. They promoted toxin-free agriculture and encouraged farmers to opt for completely organic farming. Many farmers protested this and scientists warned the government not to take such a decision. They told and warned the government that this step will lead to a food shortage in Sri Lanka and a sudden switch to organic farming will result in the condition of the pre-green revolution era. But despite all the raising voices the government didn't act upon them, they dismissed the scientists from the advisory government organization and shut the voices of farmers.

This severely hit the economy of Sri Lanka as now Sri Lanka is facing a food crisis, a self-sufficient country that was producing enough rice to feed its people is now forced to import rice and this is severely damaging the foreign exchange reserves. In 2019, To come into power Gotabaya Rajyapaksha promised their people that he will provide heavy tax cuts.



Without questioning his steps and their consequences people vote for him. High tax cuts lead to a decrease in government revenue and impact the whole economy severely. Covid and terrorist attacks in 2019 gave another shock to Sri Lanka's economy. Tourism contributes 13% to the GDP in Sri Lanka, it used to generate 450 million revenue per month but it to covid and its restrictions now it's only generating 3 million revenue per month. Sri Lanka's debt to GDP ratio is more than 100%. The economic crisis has turned into a humanitarian crisis.

People are facing 13 hours of power cuts, and people are unable to get even essential commodities like medicines and food. Students weren't able to write their exams as Sri Lanka wasn't able to import papers, and many news printing plants shut down. The major problem with Sri Lanka is that it imports almost everything and is now a lake of forging reserve cash and economic crises aren't allowing them to import anything now.

People are waiting in long lines for long hours to get petrol, diesel is almost finished there. Govt despite the military at petrol stations. The currency fell by 32% and inflation increased by 30.2%. Now \$1 is equal to 326 Sri Lankan rupees. The price of rice increased by 93% and lentils by 117%.

People are not getting medical facilities, students are unable to give exams, food prices are too high, purchasing power is too low, acute petrol crisis, and depleting foreign reserves with high debts. Sri Lanka is in a deep economic crisis. At present Sri Lanka only has \$1.94 billion and has an \$8.6 billion debt payment due in 2022. People are protesting on the roads demanding the resignation of the Rajapaksha govt. India helped Sri Lanka with \$1 billion but that's not enough for Sri Lanka to revive itself. Now Sri Lanka is looking at the world to help them to get out of this drastic economic crisis.





by **Varun Pandey, BMS**

# THE INDIAN STOCK MARKET BUBBLE-IMPENDING DOOM?

THE WAKENING OF THE SHY BEAR OF THE INDIAN STOCK MARKET.

A stock market volatility is when stock prices rise sharply to a point where they far exceed their internal value or earnings. This price bubble, based on speculation, can include all prices in the stock market or those from a particular sector. When the bubble finally explodes and prices start to fall, it can lead to shocking and potentially catastrophic stock market crashes. A bubble, in an economic sense, usually refers to a situation in which the price of a commodity – each stock, commodity, or even the entire sector, market, or class of goods – exceeds its base value by much. Financial bubbles, asset bubbles, or economic bubbles, fall into four basic categories: stock market bubbles, market bubbles, credit bubbles, and commodity bubbles.

## STAGES OF A STOCK MARKET BUBBLE

- 1. Migration** - Investors think of markets in a more positive way following an important economic or social event or new technology they have to have.
- 2. Boom** - The migration time, based on the basics, has increased stock prices. However, then it goes to the speculative stage where investors who are eager to buy in growth drive very high prices.
- 3. Euphoria** - More and more investors are shopping in the market, often driven by emotions and not reason.

## IN THIS ARTICLE

Stages of stock market bubble  
Indian market capital

**4. Profit** - Prices reach their maximum. Some law-abiding investors are studying the signs of a possible market downturn and closing profits on the sale.

**5. Panic** - Investors rush to sell, but as supply exceeds demand, prices fall. Investors may see their profits canceled.

Warren buffet Indicator or the market-cap to GDP ratio must not be used to calculate India's GDP. It is a terrible metric for a country like India. Because India has an economy driven by private businesses and family-owned businesses. The market cap to GDP ratio of India has jumped to a twenty-year high in the last year 2021.

India's current market cap to GDP ratio is 112%, against the historical average market cap to GDP ratio of 76%. The reason for this being so high is the 2020 Covid-19 pandemic crash. During that time countries like the USA flushed trillions of dollars into the economy, and that money also came to countries like India because of which the stock market went up as the market cap of the companies went up due to excess liquidity while the GDP of India has shown a massive decline in the last two quarters.



So, the market cap increased drastically while the GDP fell so the whole ratio went up. AS India has a family business orientation the GDP does not get captured accurately so India should have always displayed a high market cap to GDP ratio as the majority of GDP in India comes from the informal sector, so the Warren Buffet indicator is not accurate for India. In 2003, this ratio was 130%, still overvalued but the market went to produce an all-time high over the next couple of years. GDP numbers in India are not correctly measured so from that angle the market seems inefficient. The P/E ratio in India in 2021 was very high.

The reason is due to the Covid-19 pandemic in 2020 the earnings had drastically reduced as more people were expelled from their jobs, unemployment had increased, more and more factories were shut and production wasn't at its peak some industries like travel industries have to be completely shut, massive cinema chains were closed. Due to this reason, the denominator that is the earnings part went down and the overall ratio increased. As time will have passed employment rates will increase, factories have started to operate again, cinemas are open again and the travel industry too is back on track thus the profit part in the numerator will increase, and eventually, the P/E ratio will come down.

"India's current market cap to GDP ratio is 112%, against the historical average market cap to GDP ratio of 76%."

But let's for a minute assume the stock market is overvalued, then where are we going to invest, Fixed deposits are giving a less than 4.5% real return, and inflation is at 6 % thus we are just devaluing our money if we are not investing. Stock markets are showing that as inflation is high thus so is the growth, while bond markets are indicating that in the future both inflation and growth are going to be lower. The bond market and stock market work in equilibrium when the stock market looks attractive, that is the potential of the stock market appears to be high in the money flows from the stock market to the bond market and vice versa. When the yield increases in the bond market the money from the stock market will flow into the bond market. This can happen in two ways, the first being slowly and eventually the yield of the bond market will increase and excess money will flow in from the stock market. Second, being in knee-jerk fashion. Thus, all the points indicate the next few decades will belong to India and there is no bubble in the Indian stock market.







By **Karan Kadyan, Eco(H)**

# US-CHINA CURRENCY WAR- WHEN GIANTS MEET

WHAT IS IN STORE FOR THE MAJOR PAIR THIS YEAR?

## THE POSITION OF THE INR CURRENTLY

According to the latest data of 2021, the Reserve Bank of India (RBI) was up by about \$60 bn in foreign exchange reserves, this was due to the aggressive moves of RBI to fight volatility amid the Covid-19 pandemic. If we look at foreign direct investments (FDI) inflows, by the end of the quarter of June 2021, the FDI inflows stood at \$17.57bn. This was basically foreign money invested in the markets and businesses and was thus debt free. However, this inflow declined to \$13.59bn by the end of the quarter of September.

## Its Future In The Year 2022

In the last policy meeting in December 2021, RBI's Monetary Policy Committee (MPC) kept its key policy repurchase interest rate unchanged at 4% and the reverse repo rate at 3.35%. However, it also hinted that this stance which seems dovish might not last long.

We know that the Indian rupee started in the year 2022 at Rs 74.43 against the USD. The rupee's strength is somewhat related to the USD's weakness and the spike of Omicron cases worldwide. But we also need to keep in mind that RBI has said that its stance is primarily harmonized with the growth dynamic and domestic increase in inflation.

## IN THIS ARTICLE

Position of INR

And it is also expected for RBI to keep its policy repurchase interest rate on hold at 4% for the rest of the fiscal FY22 ending March 2022, and to raise it by 50 basis points to 4.50% by the end of March 2023, according to Fitch Solutions Country Risk & Industry Research. And hence, considering abundant foreign exchange reserves in India and the strong performance of the rupee vis-a-vis its global peers, the Indian rupee's depreciation beyond Rs78 per US dollar in 2022 is unlikely.



### **How It Won't Be Like The Shock In 2013**

This time it won't be the same as the taper tantrum in 2013 as India has rallied equities and the INR is mostly unchanged against the USD. This is because of a few prominent reasons, firstly it is because the US Federal Reserve has shown immense transparency and has clearly stated its intention towards the market, giving time to the markets to be prepared for the change that is coming in comparison to the sudden shock in 2013. Secondly, the rupee is not overvalued, and INR's vulnerability is quite low as was not the case in mid-2013.

### **Why Will It Be So Volatile In 2022**

We know that there are two reasons for India's foreign interests remaining strong. The first is that the economic growth will be an average of 8.1% in FY22, which would be the fastest growth among emerging markets. And second is that India will increasingly play an important geopolitical role in the region as US-China tensions remain elevated, so this means that the US would further lend support to the rupee. But the factors that will prevent the INR from depreciating too much in the short period are that, firstly, the hawkish pivot in recent weeks will keep upside pressure on the USD over the short term and is in contradiction to the RBI's dovish stance.

Secondly, spikes in the cases of the Omicron variant are also causing volatility for global markets, which has caused some weaknesses for the rupee. And finally, the recent strength of India's external sector has started dissipating and will cause the current account to flip back into deficit as import growth is greater than export growth during the recovery in demand and as well as elevated oil prices. But we know that India's forex reserves are equal to about 12 months of import cover, and with further stability in oil prices and import cover of 10+months, INR should have enough cushion to withstand external shocks. and in the end, a combination of stubborn inflation and a more aggressive Fed could pose a downside risk and may lead to greater volatility for emerging markets currencies such as India.

### **What Does The US Central Bank's Tapering Mean?**

The Fed had earlier decided to start tapering, which refers to a reduction in the amount of bonds it purchases, at a pace of \$15 billion every month. However, with the identification of the Omicron variant and US inflation running above the target, this pace is expected to be accelerated. With fresh liquidity infusions by the Fed to stop by March 2022, global liquidity could be impacted significantly in the coming months. This made foreign portfolio investors in India nervous, resulting in an outflow of Rs 171 billion from Indian stocks and Rs 123 billion out of Indian bonds.

"This time it won't be the same as the taper tantrum in 2013 as India has rallied equities and the INR is mostly unchanged against USD."

### **CONCLUSION**

I believe that while the short-term crisis has been dodged, the commencement of the monetary tightening by the Fed that caused the INR's recent volatility will continue to weigh on the INR in the whole of 2022.

However, going ahead, the rupee is likely to continue facing pressure due to foreign portfolio inflows (FPI) outflows, expanding trade deficit and the strengthening USD. The RBI has been preparing for such a situation over the last one year, accumulating foreign exchange reserves since April 2020, using up the excess foreign portfolio inflows last year, therefore having an adequate amount of forex reserves to take a blow in 2022. We know that RBI will face a tough task maintaining stability in the forex market this year and we must wait and see how well it combats the rupee volatility in 2022.

### SUMMARY

To summarise this, it is safe to say that the short-term crisis has been dodged, but the monetary tightening by the Fed that caused the volatility in the INR will still remain and affect the INR in 2022. And with that, the pressure of foreign portfolio inflows (FPI) outflows, which are in return strengthening the USD.

Even though the RBI has been preparing for such pressure from all sides by accumulating foreign exchange reserves since 2020, using up the excess foreign portfolio inflows. This would be adequate to take a blow in 2022, and we know that RBI will face a tough task maintaining stability in the forex market this year. Now, all we can do is wait and see how RBI combats the rupee volatility in 2022.







By **Kartikey Duseja, PSY(H)**

# PSYCHOLOGY OF MONEY- KEY TAKEAWAYS

WHAT IS IN STORE FOR THE MAJOR PAIR THIS YEAR?

The conventional notion that we hold about money is that it is all about numbers. In his acclaimed masterpiece, Morgan Housel throws some light on the psychological component of money. He clearly educates the readers that our mind can be our best friend as well as our worst enemy when it comes to money matters and financial decision-making. In this article, we will profoundly explore the key insights and takeaways from this timeless classic-

## **EMOTIONAL CONTROL AND INTELLIGENCE**

As per Housel, having a high IQ is good but it is one's EQ that helps them in taking financial decisions. A genius who is devoid of behavioral skills may commit blunders in money matters but a layman who has emotional control will take financial decisions rationally and sensibly.

He further puts forward his insight, "Your personal experiences with money make up maybe 0.00000000001 percent of what's happened in the world, but maybe 80 percent of how you think the world works." This means, there is a huge disparity between firsthand knowledge and how we use those insights in perceiving the world around us. It is our experiences that can colour our sense of judgment, perception and decision-making.

## **IN THIS ARTICLE**

Major highlights from  
"The Psychology of money"

## LESSONS FROM BUFFET

“There is no reason to risk what you have and need for what you don’t have and don’t need. – Warren Buffet

People from all walks of life find themselves heavily involved in perpetual financial goal-setting even if the money they have is sufficient for fulfilling their needs and wants.

We all tend to compare ourselves with others even if we are doing well professionally and financially and that is what fosters a sense of dissatisfaction in life.

## LUCK AND RISK

“Luck and risk are siblings. They are the forces that heavily influence the outcomes in our life apart from individual actions.

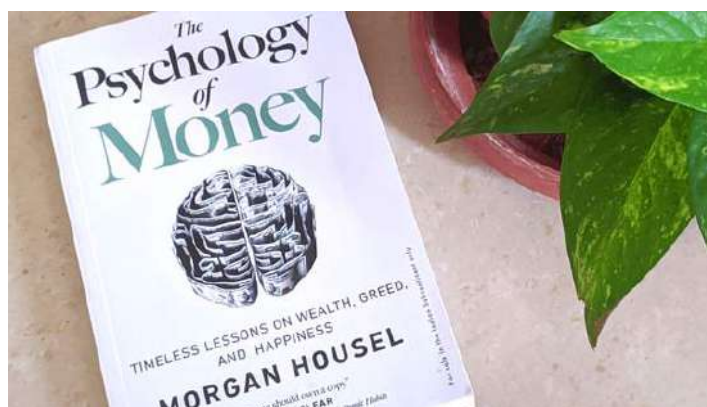
The author is of the view that luck and risk are so similar that you can’t believe in one without equally respecting the other.

“If you give luck and risk their proper respect, you realise that when judging people’s financial success – both your own and others – it never is as good or as bad as it seems.”

## BEING RICH VS WEALTHY

One’s richness can be defined by their high current income. But being wealthy is something different as wealth is not clearly visible. Wealth is about the money that you have unspent and the ability to delay gratification.

Being rich brings opportunities in the short term, but being wealthy brings with it flexibility, freedom, time, and possessions in the future.



## MATERIALISM SHOULDN'T BE EQUATED WITH RESPECT

People buy fancy cars and mansions as they are of the belief that buying such possessions helps them earn respect and adulation. But they don’t realise that it is the character of an individual which brings respect and materialism is a fool’s pursuit to some extent as per the author.

## DIFFICULTY IN LONG-TERM FINANCIAL PLANNING

We underestimate how much our personalities and ambitions will change over time as humans. Long-term financial planning becomes difficult as a result. We may believe that we would never have children or a large house while we are young, so we prepare accordingly, only to find ourselves with a house and children that the plan did not anticipate. So, when planning your financial strategy, keep the unknown in mind.

## LEAVE ROOM FOR ERROR

“Room for error lets you endure a range of potential outcomes, and endurance lets you stick around long enough to let the odds of benefiting from a low-probability outcome fall in your favor.”- Morgan Mousel. A big gap in most people’s understanding of room for error is accepting that there is a difference between what you can technically endure vs. what you can emotionally endure.

For instance, suppose you have enough money set aside to last two years. So you quit your job to chase your goals, expecting that you'll be able to find work once your savings account reaches zero. You can accomplish it technically, and you won't even be in debt. However, when you've spent 30% of your funds, you may experience cold feet, and you may find yourself psychologically depleted. In that case, one will easily ditch their dreams and go back to square 1. Hence, always take the emotional factors into account in financial decision-making.

## POWER OF COMPOUNDING

“\$81.5 billion of Warren Buffett’s \$84.5 billion net worth came after his 65th birthday. Our minds aren’t built to handle such absurdities,” says Morgan. The point here is that Warren Buffett has been a consistent investor for approximately seven decades. Time is the most important variable in compounding.

“There is no reason to risk what you have and need for what you don’t have and don’t need.”

As Morgan demonstrates, if something compounds – if a small amount of growth is used to feed future growth – a small beginning point can lead to conclusions that defy logic. It's easy to underestimate what's possible, where growth originates from, and what it can lead to since it defies rationality.

“Effectively all of Warren Buffett’s financial success can be tied to the financial base he built in his pubescent years, and the longevity he maintained in his geriatric years. His skill is investing, but his secret is time.”- Morgan Mousel.

### **HIGHEST FORM OF WEALTH**

“The ability to do what you want, when you want, with whom you want, for as long as you want, is priceless. It is the highest dividend money pays.”- Morgan Mousel

That clearly explains that the fundamental reason behind pursuit of wealth is because of the freedom that wealth brings with itself. One must not forget that the happiest moments in life have a sense of freedom attached to it.

Hence, these were the key takeaways from the psychology of money. If you ask, which book to read before you die? Then, without any hesitation buy this book and invest your precious time in giving it a profound read as it won't disappoint you. This book is for everyone because it has something for everyone. For those seeking financial as well as life wisdom, Psychology of money is your go-to-go book.







by **Anant Aggarwal, BBE**  
and **Shubh Chopra, B.Com (H)**

# LEVERAGING FINANCE FOR CLIMATE CHANGE

HOW FINANCE COULD HAMMER CORPORATES IN LINE

On the 4th of April 2022, the U.N.'s Intergovernmental Panel on Climate Change released the highly anticipated third part of the Sixth Assessment Report, Climate Change 2022: Mitigation of Climate Change, and it does not paint a good picture.

The fight to keep global heating under 1.5 degrees Celsius has reached a “now or never” territory. The report states that it is “almost inevitable” that humanity will briefly surpass the critical temperature threshold of 1.5 degrees in this scenario, but it could return below this level by the end of the century. The 1.5 degrees Celsius goal is the aspirational temperature threshold ascribed in the 2015 Paris Agreement. It is recognized as a crucial global target because beyond this level, the so-called tipping points become more likely. These are thresholds at which small changes can lead to dramatic shifts in Earth's entire life support systems. But if we keep carrying on like this, we won't be able to limit the warming to even 2 degrees centigrade, never mind 1.5.

However, all is not lost. The report goes on to show that there are options available in every sector, ranging from energy and transportation to urban planning that can at least halve emissions by 2030. But adoption of these practices and technologies on a wide scale will cost money. This is where climate finance comes in.

## IN THIS ARTICLE

Climate Change  
Challenges posed  
ESG

Climate finance, as defined by UNFCCC is: Local, national, or transnational financing – drawn from public, private and alternative sources of financing – that seeks to support mitigation and adaptation actions that will address climate change. "Green financing" and consequently "sustainable investing" is a set of all-encompassing, umbrella terms that tend to include environmental, social, and governance (ESG) considerations and implications for investment (and lending) decisions. In simple terms, green finance is one of a number of terms used to label activities related to the two-way interaction between the environment and finance and investment. Related terms include responsible investment (RI), sustainable finance, and climate finance.

This concept of Climate Finance works in tandem with Green Finance, an ever-expanding source of profit for firms seeking to profit while minimizing their exposure to ESG problems, therefore gradually moving the capital from traditional assets to green assets. The United Nations Environment Program (UNEP) aims to focus resources on more sustainable activities.

The UNEP focuses on establishing guidelines to assist the public sector to promote green financing. Furthermore, increased usage of green bonds, finance for sustainable natural resource-based green economies and climate-smart blue economies, and so on are some other methods adopted by UNEP to promote green financing even in disadvantaged areas.

Green financing is gradually becoming a fast-growing arena of the capital markets, with investors looking to incorporate ESG practices across existing portfolios of assets so as to minimize their culpability to ESG risks, and hence gradually shifting capital from more traditional assets to green assets.



" The Modern Economy is built on the idea of incentivising, leveraging finance to further SDGs, aims to tame this very mammoth.

Issued in November 2008, the World Bank's first green loan created the blueprint for sustainable investing in the capital markets. Today, the green bond model is being applied to bonds that are raising financing for all 17 SDGs reaching a huge sum of \$1.2 trillion at the end of 2020. Against the backdrop of the COVID-19 pandemic, social bonds were the highlight of 2020, recording a 720% annual increase in issued volumes. However, this particular strategy for combating climate change is not without risks. Owing to the abundance of cash-dependent countries, the approach of green finance would also represent an environmental risk due to the use of paper-based currency notes. Some studies have found that traditional banknotes and polymer banknotes, as well as coin mining and transportation, result in around 48,000 tonnes of CO<sub>2</sub> emissions per year. Furthermore, the problem occurs when you transfer from cash notes to bank cards because they are made of non-biodegradable polymers. Even the much-lauded cryptocurrency techniques are detrimental to our environment's safety since their mining takes high voltages of energy, often more than what is utilized in third-world countries.

Currently, there is a considerable gap between the requirements to respond to climate change and the existing financial flows. Current financial flows are a factor of three to six lower than the requirements for limiting warming to 1.5 or 2 degrees Celsius by the year 2030 and this is a signal both for governments and also for the international community with regard to the need to close this gap.

The investment decision that financial players make is usually driven by the risk-return profile. Risk and return are traded off depending on the larger goal of the investors. Higher the risk better the return, with lower risk yielding lower returns.

Sustainable financing, however, encourages investments based not solely on the flashy numbers of risk returns but on the moral grounds of the companies and their economic activity as well. This implies taking into account what the investment would ultimately yield. For instance, a bank may now be willing to invest in a renewable energy plant rather than fossil fuel fields despite lower returns in the former because of the higher (ESG) risk in the latter. Meaning that, risks and returns would no longer be the only trade-offs, and rather the segments of social benefit, environmental impact and governmental or political consequences would capture center stage in decision-making.

The constitutional position of energy as a concurrent subject is part of the issue. In India, the political environment suggests that the concept of cooperative federalism demands effective and ongoing coordination between diverse political institutions, such as the central government and state governments, in order to mobilize the necessary funds. This is reflected in a variety of policy statements made by state agencies. The setting of renewable purchase obligations (RPOs) by state electricity regulatory commissioners (SERCs), for example, appears to be illogical. This generates considerable uncertainty because energy investment decisions are not made just by the central government, but also by state governments. This produces market fragmentation within the country, and investors –both domestic and foreign–do not often view India as a unified market. Because of this market segmentation, the renewable energy investment market is volatile and short-term, encouraging investors to take advantage of opportunities.

Along with the aforementioned, policy-level uncertainties create pessimism among investors, and as a result, banks are hesitant to offer the necessary financing for the sector. Since renewable energy is inside the wider power market, the problem of market segmentation is amplified by the power sector's existing anomalies in general.

For example, distribution organizations' balance sheets change greatly based on a variety of circumstances. This magnifies the market segmentation issue and obstructs the influx of private capital into the industry. Some of these risks have been mitigated by the establishment of single-window clearing facilities in some states, such as Tamil Nadu and Andhra Pradesh, to speed up the clearance process. These states have designated solar energy zones and solar energy parks in order to entice investment into the field. This can be implemented in other states to streamline the investment process in the sector. Also, funding for renewable energy projects is being crowded out by loans for conventional power projects. Investments in fossil fuel resources continue to outnumber green energy investments. Due to investor confidence in conventional energy projects, a significant quantity of loan finance is available, whereas developing investor confidence in renewable energy projects will take time.

As the world develops and reaches newer heights, we often forget how our resources are indeed limited. We take pride in the concept of development, but forget that what we really need is sustainable development. Climate change and environmental degradation are considered as one of the greatest challenges in the present times. The need for a surge of modernization is more than evident, especially in the field of finance. To achieve stability, it is essential to establish a sync between growth, development and the moral goal of long-term sustainability.

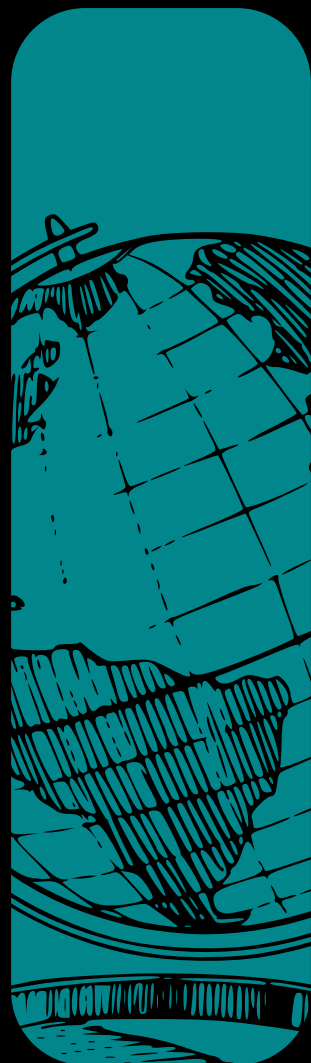
The financial sector can play a huge role in promoting development while reducing the pressure on our environment. Green and sustainable financing can promote viable economic growth that does not compromise our future. The shift to green finance will be a major transformation that will help mitigate the adverse impacts of climate change. The transformation will also have varying impacts on regions depending on their economic and social conditions. Hence, while this move towards sustainable financing has its fair share of challenges, it is undeniably a crucial one. Thus, deliberating upon the role of green financing and the factors involved in this paradigm is essential.





# Going GLOBAL

*the fate of leviathans*



## WHAT'S INSIDE

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Socialism vs Capitalism

Economic crisis and the Public



by **Jigyasa Khanna, Pol. Sci. (H)**

# DECOLONISING ECONOMICS

RETHINKING ECONOMICS STUDY FROM A DECOLONIAL LENS

What does a decolonising approach to economics mean? Why is there a need for it? What does it mean for you?

Take a minute to consider the unnoticed labourers in Colombia, Bangladesh, and China who cultivate our coffee, weave our garments, and build our phones. Those of us who are better off, rely on them to maintain our standard of living. Whereas they live on or close to the poverty level in order to provide us with the items we buy, while multinational, Western corporations such as Starbucks, Primark, and Apple profit. When we dump these items, our countries send harmful household debris to West Africa and the Philippines.

Despite the fact that most of the world has moved on from state-led imperialism, our globalised economy continues to operate on colonial structures. Our globalised consumer culture in the 21st century reflects the same exploitation as in the colonial past.

This article is a novice attempt to break down the concept of decolonising as a mindset, how it translates to a process and then its application in the realm of economics.

## IN THIS ARTICLE

Decolonial Thought

## THE DECOLONISING MIND-SET

A mentality or way of thinking known as decolonisation holds the knowledge of racial relations, power, and privilege to be vital. They serve as the cornerstone for our investigations.

A decolonising attitude must include the following elements:

- The modern world was constructed upon the exploitation and subjugation of African, Asian, American, and Australasian peoples by Europeans.
- In order to successfully exploit these peoples, colonial states developed racism and concepts of racial superiority, both of which are types of bigotry.
- Colonialism emerged and accompanied capitalism, modern economic thought, and worldwide monetary social and political structures.
- While some of the colonial and racial legacies that formed the foundation of the modern, global economic and political system have been undone, many—possibly the majority—have not.
- A decolonising attitude opposes non-European voices being silenced, as well as racist structures. It works to overcome this disparity by framing problems around the experiences of the people who have traditionally been rendered invisible.

It is important to note that this is not about assigning blame or pointing fingers. Nobody gets to choose their race, gender, or wealth. Nobody gets to choose the disadvantages or privileges they are born with. A decolonising mindset encourages us to accept responsibility for understanding our privilege and finding ways to balance these differences.



decolonisation of the curriculum began in many ways as Asian and African countries gained independence beginning in the 1940s. Many of these countries began by rewriting the history of the colonial period that was being taught in schools. Ngugi Wa Thiong'o, a celebrated Kenyan author and academic, published *decolonising the Mind* in 1986. decolonising education has a long history in South Africa, which has been accelerated by the recent, successful #RhodesMustFall campaign.



## THE ROLE OF HISTORY

History provides pupils with the backdrop they need to comprehend current economic actions. Lessons from economic history can also provide essential insight into today's major global concerns, such as trade wars, banking crises, migration pressures, climate change, and significant political uncertainty.

The usefulness of economics is driven by the ability to explain the economy. And understanding the economy requires applying economic theory to study causal connections and socioeconomic processes. Untested theory, on the other hand, is folly. Economic history is one way of testing theory; it is essential to developing effective economic theory.

As a result, economic history becomes important.

Economic history is a distinct field of study. But, in my opinion, it can also be integrated into other field courses, such as macroeconomics and labor economics, as well as finance and econometrics.



## THE IMPORTANCE OF DECOLONISATION

“The discipline of economics needs to abandon its Eurocentric focus and center its teaching and scholarship on structural power”, said Berggruen Fellow Devika Dutt at a Global Racial Justice Series lecture.

decolonising economics will have implications not only on the research and ideas taught to students and produced by policymakers, but it would also optimize the scientific quality of economics research by including data, observations, and theories from around the world

Moreover, additional theories, models and approaches should be developed. Different perspectives are still really essential for understanding economic processes. Regional distinctiveness is also critical.



**The discipline of economics needs to abandon its Eurocentric focus and center its teaching and scholarship on structural power**



## WHAT CAN WE DO?

If “to decolonize” is to pursue systemic change to create a racially equitable society, then decolonising economics is central to that. The hard task is how. Simply removing content from curricula can not be enough; a more refined strategy is essential. How do we act on it?

Here are some of the things we can apply the decolonising process to:

- We can organise events and conferences on the topic of decolonisation, inviting voices from marginalised communities and the "Global South" to speak.
- We can create an alternative, decolonial curriculum. We can lobby for the inclusion of non-Western thinkers, theories, and methods in your institution.

There is room for bold campaigns here.

Digging deep on a more personal level, we can examine a current economic issue through a decolonising lens. Land ownership, global supply chains, food distribution, and government infrastructure investment, for example, can all be decolonized. Who stands to gain? Who is at a disadvantage? What solutions would you propose to address identified inequalities?

## CONCLUSION

We must realise that decolonisation is an ongoing effort. There will always be more we can do with each effort as we work to continually enhance our curricula, institutions, and methods of instruction. The idea of a "decolonized" curriculum is idealistic. Colonisation can only be rectified; it cannot be undone. We cannot create a fantasy history in which imperialism didn't take place or pretend that colonisation never took place. We also cannot deny the impact colonialism has had on all of us.





by Akshit Gupta, Eco (H)

# FEASTING ON THE KOREAN ECONOMY

HOW THE RICH ATE SOUTH KOREA

South Korea, one of the “Four Asian Tigers” is known for being a center for technological innovation and a rich and strong economy. But what many do not know is that this economy is heavily dependent on a few “Chaebols”. A chaebol is an industrial conglomerate run by a person or a family so massive and powerful that it had enough influence to supersede legal authority. Samsung, Hyundai, LG & the SK Group, companies most have heard about are the most powerful chaebols in South Korea and are responsible for 50% of its GDP and exports.

## HOW DID THIS HAPPEN?

In the 1950s, Syngman Rhee- South Korea’s first and third president privatized public assets via private negotiations to fund the Korean War, owners of whom later form the first chaebols. Then in 1961, Korea saw a coup d’etat, and a military dictatorship was established in the country and these chaebol leaders were arrested for corruption. The government later though negotiated a deal with these leaders and was released. Park Chung-hee, the then leader wanted to emulate the Japanese’s industrial process and so had the chaebol support his policies for import substitution and later export.

## IN THIS ARTICLE

Concentration of monetary resources in Korea

In return, the government supported the chaebols in acquiring foreign technology and expanding by lending them loans in foreign currency at a below-market interest rate as well as “contributing” to Park’s election campaign.

From here on, the chaebols realized that the best way to gain power was to keep good relations with the President which they did with the top 5 chaebols (which includes Samsung) contributing 1.5 billion won annually to Park’s campaigns after 1972. For the next 20 years, the chaebols freely ran Korean society as long as they met the government’s goal of economic growth. They had a monopoly that suffocated the growth of small and medium-sized businesses, this can be seen as between 1967 & 1976, the number of manufacturing firms in the country grew by only 10% while their size grew by a massive 176%. The massive gap between the chaebol and the rest of the country became a huge problem in the 1980s when the military dictatorship lost its power and democracy took hold of the government. The people were greatly dissatisfied with the social inequality since they were getting richer, and they wanted better working conditions and the environment.



In 1987, South Korea saw its first free and open elections, people expected that the new government would reign in these big business groups but since the elections were free for the first time, there was no system to help these candidates gain the necessary funds they need for the election which made them vulnerable to corruption. In return, they asked for government aid in form of capital, protection from competition, and favorable regulation. In 1997, after the Asian financial crisis, the biggest chaebols realized that the domestic market had unfriendly conditions and turned outwards by

seizing on a variety of free trade agreements in the 2000s. They became so successful that 88% of Samsung’s revenue in 2013 came from exports.

The Chaebols were bigger than ever and the Korean Economy grew by an average of 5% in the 2000s, everything should be fine right? The problem is that behind these shiny numbers, the Korean economy started facing several social issues with the biggest being inequality. First would be the huge culture of corruption that has become deeply rooted in Korean society. These conglomerates have become so big that it has become almost impossible for them to fail since their existence is directly tied to the Korean economy. As seen in 1976, even though these chaebols had huge debts, the government was forced to bail them out by publicizing these loans.

Another issue is that while these conglomerates grew by huge margins, they employed a very small part of the population. In 2013, the top 30 chaebols contributed to over 50% of the country’s manufacturing sector but only employed 11% of its workers. This creates a huge distinction gap between the have and the have-nots. In 1997, to help the chaebols become more profitable, the government loosened regulations such that it became easier for them to lay people off. Hundreds of thousands lost their jobs and have never found regular work since.

## CONCLUSION

Today, Korea has one of the highest life expectancies in the world, an average of 82 years yet elderly poverty is a huge issue in Korea with over 40% of them living in poverty. Many are forced to take up odd jobs at an age of 80 to make their meet ends either because they have no one else or because they do not want to become a financial burden on their children whom themselves are making their needs meet. While the South Korean economy seems to be booming, it is riddled with corruption and social inequality. The benefits of economic growth trickle down to a selected few. The situation is such that the chaebols have become too big for South Korea and need to be reined in if South Korea wants to grow not just on the surface but together with all its people.







by Aryan Aggarwal, B.Com (H)

# FUTURE OF ELECTRIC VEHICLES

WHAT DOES THE FUTURE HOLD FOR BATTERY POWERED VEHICLES?

As technology and consumer interest advance, the landscape of electric vehicles is rapidly shifting. In the upcoming years, a significant increase in the number of EVs on the land, at sea, and in the air is expected. Since 2016, sales of electric vehicles have increased by more than 40% annually in the US. The biggest automobile markets will switch over to all-electric vehicles by 2035, offering a glimpse of a greener future as well as a major economic opportunity. But electric cars are nothing new. They date back to 1832, well before the first gasoline-powered car. In fact, the first car to cross the 100 kilometers per hour barrier was in 1899, an electric one, called the *Jamais Content*, which literally translates to “never satisfied.” But people apparently were satisfied with electric cars. By 1920, they were almost twice as common on American roads as internal combustion engines. But then came the Model T, which at \$650 was significantly cheaper than comparable electric cars. And as gas stations popped up everywhere, they could be quickly refueled, allowing people to travel farther, faster and cheaper than electric cars, which took a long time to recharge. So, by 1935, the electric vehicle had been commercially obliterated. Since then, internal combustion (petrol and diesel) engines have comfortably ruled over the automotive markets.

## IN THIS ARTICLE

- Market for EVs
- Environment Impact
- Challenges

Cut to the present, major manufacturers all over the globe have gradually started shifting to electric powertrains for their vehicles. General Motors says it will make only electric vehicles by 2035, Ford claims that all vehicles sold in Europe will be electric by 2030 and VW says 70% of its sales will be electric by 2030. In addition to this, 3 German manufacturers making similar announcements to drop internal combustion engines is not a coincidence. They are all motivated by, one, the VW dieselgate scandal and how much scrutiny that brought on all manufacturers and two, stricter emission guidelines in the European Union called the Euro 7 Standards, the successor to Euro 6 standards that are similar to the Indian BSVI standards, which are slated to take effect in 2025. Euro 7 would drastically reduce the amount of emissions allowed by manufacturers to a level that is borderline impossible with today's internal combustion engine technology. Critics and industry insiders compare these regulations to a backdoor prohibition of IC engines. This ordinance makes more sense in the context of the EU's ultimate goal, which is to have an economy, quote, "with net zero greenhouse gas emissions by 2050." It is undeniable that electric cars are the future of



the automotive industry. Presently in India and all over the world, electric cars are significantly more expensive than their petrol and diesel counterparts. This is due to various factors like higher costs of production, expensive high-capacity batteries, research and development costs and high prices of metals used such as lithium, cobalt and nickel. However, as time progresses, the cost of producing electric vehicles will come down significantly. Whenever there is some new technology or innovation in the market, it is always expensive at the

beginning, but the prices gradually decrease with rapid development and advancement. Currently, new-age manufacturers like Tesla and Rivian are dominating the electric vehicle market. On the other hand, traditional automakers like Mercedes and Ford have also started rapid research and development in the field of electric automobiles. We can only predict and watch who ultimately dominates this new and growing industry. For the growth of electric cars, extensive charging infrastructure also needs to be developed, which will prove to be a major deciding factor in the fate of electric mobility. Companies are rampantly setting up charging stations and battery swapping stations all over the place. Governments all over the globe are also supporting this electric wave by launching various schemes and initiatives. One such scheme in India is the FAME India scheme, i.e., Faster Adoption and Manufacturing of Electric and Hybrid Vehicles in India. This scheme aims to encourage vehicle manufacturers to manufacture a higher number of electric vehicles in the country, reduce vehicular pollution levels within the country and establish an extensive electric charging infrastructure. There are various other alternative fuel options too that are being researched such as hydrogen fuel cells. But the most viable option currently seems to be electric. In the meantime, cleaner fuels, like the synthetic fuel being developed by German high-performance automobile manufacturer Porsche might keep the internal combustion engine alive for some time. However, ultimately the world will have to switch over to electric powertrains, which are cleaner, faster and much more efficient than their counterparts. And the shift is happening at a rapid pace, many countries and automakers have decided to go all-electric by 2040. What will happen to the enthusiasts' treasured internal combustion engines, we can only hope that they continue to exist and not completely vanish. But for the market as a whole, electric cars would soon dominate the field.





by **Madhav Gulati, BMS**

# THE DEATH OF TOKYONOMICS

JAPAN'S SHRINKING ECONOMY

Japan has been an inspiration for many Asian countries with its development model. We all know how bad its devastation was after World War II. Yet they have still managed to be the world's 3rd largest economy today. When the American occupation of Japan ended in 1952 the US successfully reintegrated Japan into the world economy and rebuilt the economic infrastructure. One of the reasons for Japan's quick recovery from the war trauma was successful economic reforms by the government. The Japanese government undertook an ambitious income doubling plan. Under this, they took measures such as a combination of tax breaks, targeted investments and incentives. This was to increase exports and industrial development. Now to achieve the goal of doubling the economy in 10 years the average annual economic growth needed to be 7.2%. But Japan outperformed with an average annual growth of more than 10% over the course of the plan and the economy doubled in size in less than 7 years. In 1965 Japan's nominal GDP was estimated at just over 91 billion dollars. 15 years later in 1980, the nominal GDP had soared to a record 1.06 trillion dollars.

Japan became a major manufacturer of consumer electronics, automobiles and much more. The growth rate was so remarkable that some experts predicted that the Japanese economy could even take over US.

## IN THIS ARTICLE

Japanese stagnation



But eventually, it didn't happen. In fact the country's growth was greatly reduced and Japan entered into stagnation.

*How did a country on the verge of becoming a superpower enter into stagnation?*

Well, it has multiple reasons. It started with the plaza accord. It was an agreement among the G5 nations which are friends( Germany, US, UK, France, Japan). To manipulate exchange rates by depreciating the US dollars relative to the Japanese yen and the German "Deutsche". By doing this the US wanted to reduce the trade deficit with Japan and Germany. But due to the sudden rise in the value of the Yen, the exports for Japan took a hit and it slowly led to deflation. Because the appreciation of the Yen reduced the cost of imports in the country. So to counter this situation, Japan lowered the interest rates on loans to help with the circulation of money. Now due to low-interest rates, people started to invest in real estate and the capital market. This created massive credit and asset price bubbles in Japan's financial and real estate markets through the late 1980s. When this bubble burst, Japan experienced a prolonged period of slow growth and they entered into a loss decade.



However, there are also some other reasons behind this stagnation.

Japan's major industries were challenged by other emerging economies such as China and Taiwan. For eg: if you wanted an affordable car, Japanese companies were favorites, but as competition rose, South Korean countries took a major part in it. Similarly when it came to electronic manufacturing, nobody in the 1980s could compete with Japanese companies, yet the place was taken by China and Taiwan.

At the same time the country's elder population also affected its financial growth. Approximately 28% of Japan's population is 65 or above. Because of the low fertility rate, the population is shrinking. This is harmful for the economy since the older people avail more services from the government than the income they provide to the government. The consumer sector is also affected by this as the older people tend to buy less than the younger ones.

Although this problem can be solved by the help immigrants like many countries have, Japan isn't really open to the rest of the world.

Some Japanese scholars have pointed out that Japanese immigration laws are not very attractive compared to other countries.

The first, is the monetary policy. In order to fight deflation in 2013, the central bank of Japan decided to print money and double the cash flow into the market while keeping the interest rate as low as -0.1%.

Secondly, in fiscal policy, the government started to spend more and reduced the taxes. This means that the people have more money in hand and they can spend on consumer items and help recover the economy. The results of this were quite good. Japan has maintained the inflation rate above 2% and it has really helped the growth of the country. However, this also has a downside. Japan has a huge debt problem. They have a total debt of \$11 trillion. This debt is nearly twice the size of the country's economy. Now even though the interest rate is very low it could affect the long-term growth of the country. Moreover, the pandemic has really made the situation worse.

So to conclude, Japan has been known to achieve great financial peaks in the past but it now suffers from a huge debt problem. But the Japanese are known to find solutions in tough situations and we can expect them to recover their economy as well.





by **Sudeshna Saha, BA Prog.**

# THE VENEZUELAN STORY- WHEN MONEY LAMENTS

SURVIVING IN THE MOST UNSTABLE PART OF THE WORLD:  
LIVE OR DIE

Venezuela was once one of the richest countries in Latin America. It has the largest known oil reserve in the entire world. This country now has the highest inflation in the world.

Can you think about a crisis that is more severe than the great depression or the hyperinflation in Zimbabwe? Where disease, starvation, and death are escalating day by day. Well, it's none other than the ongoing crisis in Venezuela.

The Venezuela crisis began during the leadership of Hugo Chavez. On 2nd June 2010, Hugo Chavez declared an economic war due to the increasing shortages in Venezuela. The Venezuelan government was definitely very weak in managing and maintaining the oil prices and the fuel shortages that were escalating in their country from the beginning. If the Venezuelan government had not been corrupt, the crisis would have never taken place. Large cases of starvation, death, drug dealing and crimes have occurred and are still occurring on a daily basis

## **ABOUT THE GOVERNMENT**

The government is living in a dream world. They are denying the existence of the crisis. The government in itself failed to cut spending in the face of falling oil revenue.

## IN THIS ARTICLE

Hyperbolic discounting

Political corruption, chronic shortages of food and medicine, closure of businesses, unemployment, deterioration of productivity, authoritarianism, human rights violations, gross economic mismanagement and high dependence on oil have also contributed to the worsening crisis in Venezuela. It's sad to see the type of violence which takes place on a daily basis but this is the ongoing reality.

“Power doesn't corrupt people, people corrupt the power.”

According to the National Living Conditions Survey (ENCOVI), by 2021 94.5% of the population was living in poverty based on income, out of which 76.6% lived in extreme poverty, the highest figure ever recorded in the country. The government in power is in so much denial that they don't actually want to accept the fact of what the common people are going through. It's a living hell. The crisis has affected the lives of the average Venezuelan person on all levels. The government back in 2013 was under Nicolas Maduro. He came to power after the death of his socialist mentor in office, Chavez. During his term in office, the country went downhill. Mr. Maduro was re-elected again to a second six-year term in May 2018 in a highly controversial poll.

*The main question is how Venezuela became such a devastating state?*

The problem dates back to 1999. When Mr Chavez became the president, he first tried to reduce inequality, which he actually executed really well and he managed to reduce it too. But some of his own policies backfired on himself and his country. Specifically, we focus on price control, which tries to make basic goods more affordable to the poor sections of society. These controls made the Venezuelan businesses produce less because they no longer made any profit.

Secondly, a loosening of the foreign currency was also bought in the country where traders could sell their goods in dollars but again it became unaffordable to the financially weaker people in the country.

This started to weaken the economy from the root one by one with the advent of such reforms.



Lack of investment over the years in infrastructure led to further exacerbation. Also, recent US sanctions on Venezuela's oil sector have crippled this industry, which provides almost all of Venezuela's government revenue.

Venezuela has been on the edge of an economic crisis for years now with hyperinflation as one of the main problems.

### THE AFTER EFFECT

Now when such an extreme crisis takes place then the first thing which comes to the minds of civilians is leaving the country for their betterment as. As this is a fast alternative. The majority of those leaving have crossed into neighboring countries such as Peru and Chile. They are crossing a few of the most dangerous borders but still, they are eager to leave the country because surviving there is a matter of privilege which only the rich can only enjoy.





## A DEEPER ANALYSIS

1. Years and years of economic and political instability in the country have caused the large scale of population outflow or migration.
2. Venezuela still continues to be a hotspot for drug dealing, corruption, food insecurity, death and a lot more.
3. The health system of the country has also drastically collapsed.
4. Venezuela used to have the largest proven oil reserve ratio in the entire world surpassing even those of Dubai, Qatar, Kuwait, and other areas as well. But now it's going down & down.
5. The country's murder rate has surpassed the graph. It is now one of the most dangerous countries in the world.
6. Due to such a high rate of inflation people depend on rotten meat
7. Daily protest is a norm now in Venezuela. People fight for their rights daily but they are unheard of. The government doesn't care at all.
8. It's just not the chaos in the streets, hospitals are also affected. Basic amenities literally the most basic like water are not available.

## CONCLUSION

More than 6 million Venezuelans from every place have left the country since 2014. They moved to find better opportunities when it comes to food supplies, better homes or at least a place to survive, to keep their children safe and sound.

They don't want their children to be affected by the heinous things that are occurring in their country on a daily basis.

Corruption is the root cause, be it the major bars and restaurants in Venezuela, you never know what's going on the inside.

## SUMMARY

Venezuela was once one of the richest countries in Latin America. It has the largest known oil reserve in the entire world. This country now has the highest inflation in the world.

Hugo Chavez declared an economic war due to the increasing shortages in Venezuela.

The Venezuelan government was definitely very weak in managing and maintaining the oil prices and the fuel shortages that were escalating in their country from the beginning.

Large cases of starvation, death and drug dealing, crimes have occurred and are still occurring on a daily basis.

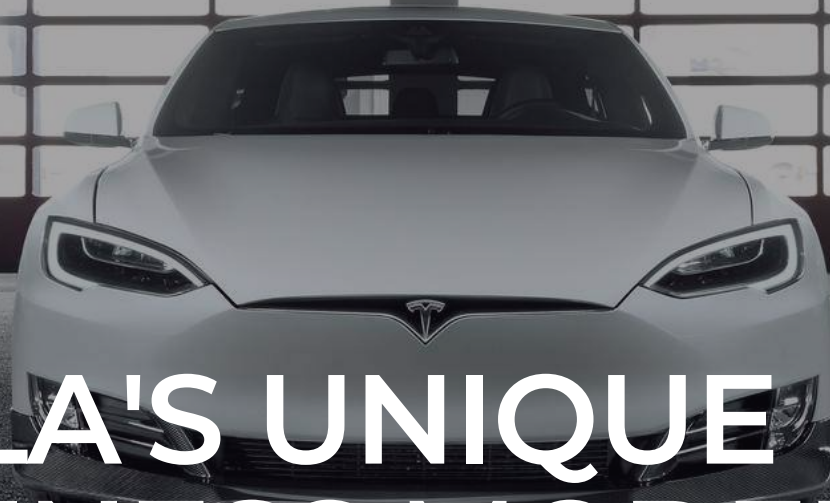
The problem dates back to 1999 when Mr Chavez became the president.

He first tried to reduce inequality, but some of his own policies backfired on himself and his country. Specifically, we focus on price control, which tries to make basic goods more affordable to the poor sections of society. These controls made the Venezuelan businesses produce less because they no longer made any profit.





by **Vansh Sarin, Eco (H)**



# TESLA'S UNIQUE BUSINESS MODEL

MAPPING THE EMPIRE OF THE BIGGEST AUTOMOBILE REVOLUTION

Ever since the automobile industry graced the global market in the late 1800s; more and more players have come up in the quest to get a share of the abundance of profits in this sector. Since the beginning, the focus of the manufacturers was always on the style and performance of these vehicles, However, with the onset of the 21st century another factor emerged across all industries i.e., “sustainability”. After deteriorating the health of our environment for the past 100years by using fossil fuels as the sole energy source, the recent rise in abnormalities like unexpected temperature spikes and a flurry of natural disasters have led to speculations on whether the utility being derived is worth the sacrifice of earth’s future.

One of the companies that sought to bring such change was ‘Tesla’. in 2003 when the company was formed under Martin Eberhard and Marc Tarpenning, it had the aim of building premium electric cars which provided a dual benefit of providing a luxury experience while ensuring that their carbon footprint is minimal. Later in February 2004, Elon Musk became the largest shareholder of the company and subsequently the CEO in 2008. He too embraced the vision of shifting to sustainable sources of energy whilst maintaining the first-class experience.

## IN THIS ARTICLE

Tesla's IPO

Dual pricing strategy



He too embraced the vision of shifting to sustainable sources of energy whilst maintaining the first-class experience. It ultimately led to the creation of what is today the biggest electric car-making company in the world- tesla inc.

### **TESLA'S PUBLIC OFFERING AND PRICING**

Tesla's dealings in cars constitute its major share of sales. It caters to the upper echelon income group which is evident by the pricing of its cars which begin from roughly \$25,000, with its higher range models going north of \$100,000. the reason for such a high price is the quality and innovative features offered by tesla. some may think that catering to such a niche segment (high-end electric luxury cars), Tesla would have a minuscule market share, and they would be correct! as shown below, Tesla was responsible for roughly 900,000 of the total 75 million global deliveries that took place in the year 2021 which roughly accounts to a 1.2% market share.

However, Tesla is able to endure this lack of sales with its high automotive gross margin (percentage of profit per unit sale). Its 30.5% automotive gross margin is the highest in the industry, leaps ahead of the average of 15-20%.



Although Tesla's mostly known for its cars, it's offering also encompasses products from the energy generation and energy storage sectors. Its stature here right now may not be as big as the EV industry but these ventures could become monstrous in the coming times.

Tesla follows a dual pricing strategy as per the nature of the products it offers. The first one which is used for cars is known as 'premium pricing' through which tesla is able to charge a premium (higher price) due to its innovative features as mentioned earlier.

The second one which it uses for all its other sectors is known as 'market-oriented pricing'. In this method, Tesla sells its products at the price which is prevalent in the market at a given time.

"The nation itself can produce the goods that people need to meet their needs, even if there is no profit in producing those goods."

The point where tesla completely separates itself from its peers in the automobile industry is marketing and advertising. it is not uncommon for companies to shell out large sums of money to publicize themselves and their upcoming cars, but Tesla doesn't believe in all that. it spends zero money on marketing and advertising which is astonishing, to say the least! but when given a thought, it really doesn't need to spend any amount.

Any news related to Tesla or its upcoming cars spreads on social media like a fire in the forest because people can do nothing but marvel at the futuristic abilities these cars possess like autopilot, bioweapon defense mode, and so on. These features talk for themselves. Another reason for tesla not needing to spend a single penny on marketing is its CEO Elon Musk. His eccentric and out-of-the-blue character fascinates everyone which further provides more attention to Tesla.

One may ask what does tesla do with all this unspent money? The answer is simple, it spends heaps on its research and development department. this is the reason why it's able to come up with such revelations year in and year out. It's not all sunshine and roses for tesla, its reliance on regulatory credits which make a major share of its revenue is a cause of concern for the EV behemoth. Regulatory credits are given by the US government to companies who are able to keep their carbon emissions below the prescribed level, and Tesla dealing in eco-friendly products naturally is able to achieve this goal.



It is mandatory to have a certain amount of these credits for companies, so other automobile players buy these credits from Tesla which boosts its profits. However, most companies now are stepping into the EV sector and it is expected that their reliance on Tesla for these credits will diminish in the foreseeable future. Hence, Tesla will have to increase its EV dealings' profitability else it may face some serious problems in the upcoming years.

Even with these concerns, the sky is the limit for Tesla and it won't be long before it extends this limit to outer space!





by **Ridima Srivastava, Eco (H)**

# SOCIALISM VS CAPITALISM

CUTTING THE CLUTTER OF THE BIGGEST DEBATE IN ECONOMICS

Capitalism and socialism are the economic systems that countries use to manage their economic resources and regulate their means of production. In economics, socialism and capitalism represent conflicting ideological schools, and their central debate touches on the role of government in the economy and the economic equality of its citizens.

In the United States, capitalism has always been the dominant system. It is defined as an economic system in which individuals or businesses, not governments, own and control factors of production such as entrepreneurship, capital goods, natural resources and labour. The success of capitalism depends on the free-market economy driven by supply and demand. Under socialism, all legitimate production and distribution decisions are made by the government, and individuals depend on the state for food, employment, health care, and everything else. The government does not determine the free market, but the quantity and price level of production (or supply) of those goods and services. Communist countries such as China, North Korea and Cuba are obsessed with socialism, while Western countries prefer capitalist economies and are trying to find a compromise. However, even in extreme cases, both systems have their strengths and weaknesses.

## IN THIS ARTICLE

- Capitalist economy
- Socialist economy

In a capitalist economy, the government plays a minimal role in deciding what to produce, how much to produce, and when to produce, leaving the cost of goods and services to the power of the market. When entrepreneurs find market vacancies, they rush to fill that void. Capitalism is based on a free market economy. H. An economy that distributes goods and services according to the law of supply and demand. The law of demand states that an increase in demand for a product means an increase in the price of that product. Signs of increased demand usually lead to increased production. More supplies help level prices to the point where only the strongest competitors remain. Competitors try to make the most of their profits by selling as many products as possible while keeping costs down.

Capitalism also includes the free functioning of capital markets. Supply and demand determine the fair price of stocks, bonds, derivatives, currencies and commodities. Economist Adam Smith explained in his original work, *The Wealth of Nations* Investigating the Nature and Causes, how people have the motivation to act in their best interests. This trend acts as the basis of capitalism, and the invisible hand of the market acts as a balance between competing tendencies. The market distributes factors of production according to supply and demand, so states can limit themselves to the establishment and enforcement of fair play rules.



In a socialist economy, important economic decisions are not left to the market or made by selfish individuals. Instead, the government, which owns or controls many of the resources of the economy, decides what, when, and how to produce it. This approach is also known as central planning.

"The nation itself can produce the goods that people need to meet their needs, even if there is no profit in producing those goods."

Proponents of socialism argue that the co-ownership of resources and the effects of the central plan enable a more equal distribution of goods and services and a fairer society. Both communism and socialism refer to the left-wing economic thought school that opposes capitalism. But socialism existed decades before the Communist Party Declaration was published. This is the influential pamphlet published by Karl Marx and Friedrich Engels in 1848.<sup>2</sup> Socialism is more forgiving than pure communism, which ignores private property.

In a capitalist economy, people have a strong incentive to work hard, improve efficiency and produce good products. By rewarding ingenuity and innovation, the market maximizes economic growth and personal wealth, providing consumers with a variety of products and services. By encouraging the production of desirable goods and services and blocking the production of unwanted or unwanted services, the market regulates itself, reducing the room for government interference and mismanagement.

However, under capitalism, the market mechanism is mechanical rather than normative and socially unaffected, so there is no guarantee that the basic needs of everyone will be met. Markets also create a cycle of boom and bust, enabling "necro capitalism", monopolies, and other means of tricking or manipulating systems in an imperfect world.

Theoretically, economic inequality diminishes with financial instability. There are basic needs. The nation itself can produce the goods that people need to meet their needs, even if there is no profit in producing those goods.



In socialism, there is room for value judgment, paying less attention to profitable calculations, and nothing more than profit.

Socialist economies are also more efficient in the sense that they need less to sell their products to consumers who may not need them, and as a result, spend less money on product promotion and marketing activities. India has a mixed economy that includes the characteristics of both a capitalist economy and a socialist economy.

Rich people are mainly businessmen who want to make India a capitalist economy, while politicians and bureaucrats who represent Indians want to make India a socialist economy. Therefore, it retains the characteristics of both economies. In general, they fight each other and sometimes cooperate. Politicians work through bureaucrats and manage businessmen.





by **Devansh Gupta, B.Com (H)**

# ECONOMIC CRISIS AND THE PUBLIC

THE RISE AND FALL OF EMPIRES THROUGH THE ECONOMIC  
LENS

An economic system is a public-oriented system where, in theory, economic decisions are made by the community as a whole. In reality, however, attempts to establish communism have ended up creating state-driven authoritarian economies and regimes which benefit single-party political élite who are not accountable to the people or community.

Communism is based on a contradiction (a type of logical fallacy). It says that everyone should have equal wealth but that no one should have any wealth at all. In practice, this means taking away people's money and property. The only way this could ever happen without revolt is if a small group takes over the state apparatus (the police and military) and uses it to force everyone else to comply with their demands.

As time has progressed, it has become clear that communism does not work. This is because communism only works if the population is willing to give up its freedoms and give their money to an elite minority. The communist system can only survive if people are willing to give up their human rights and freedoms for the sake of a false sense of security that they will be taken care of in a utopian society where they will be equal.

## IN THIS ARTICLE

Economic Systems  
Market Failures

Communism starts with force, which means that it requires constant enforcement by the state apparatus (i.e., police, military, etc.) It also means that no one acknowledges or benefits from the community's contribution unless they are forced to do so under threat of violence or punishment.

Capitalism, by contrast, starts with individual rights. It recognizes that people have a right to their life, liberty, and property. People exchange goods or services through free markets where they can compete with anyone who is willing to do so. This creates wealth for everyone in society because the assumed equality of opportunity allows people to make the most of their abilities and talents. This means that everyone has an incentive to improve themselves so that they have something of value to offer others in order to get what they want out of society. Instead of force, capitalism uses incentives like money in order to get people working together in a peaceful way.

Communism was meant to be a peaceful system with equality for all. But when the only people who are allowed to have power are one party members, the result is always tyranny in the hands of a few. Anyone who opposes a communist party becomes an enemy of the state and is potentially subject to imprisonment, torture, or even death.



The result is that communism leads to poverty and widespread misery as large amounts of money which could go towards improving conditions in society go towards funding the military and police. It is also true that the people in power are unwilling to give up their own advantages and benefits, which means that communism always eventually collapses. The only benefit of communism is that it can be used as a tool for social change.

"Communism starts with force, which means that it requires constant enforcement by the state apparatus."

When the entire state apparatus is controlled by a single party, it can impose its will on the population and carry out land reform or confiscate weapons from the upper classes. But any benefits gained through such a violent revolution are short-lived because even when reforms are made, it does not create a lasting system of social equality.

In reality, capitalism is superior to communism because it allows people to choose their own destiny and to compete with others on an equal playing field. Under capitalism, all people are equal on paper. But with the introduction of freedom and choice, people have the power to improve their lot in life and make improvements so as to generate wealth.

In a capitalist system, every individual's talent is recognized, rewarded, and developed by allowing them to exchange goods or services freely with other members of society. This drives an economy where everyone has an incentive to become better at everything they do. This means that if a man or woman takes up basket weaving, they can compete with anyone else who chooses basket weaving as a profession.

Consequently, everyone has an incentive to improve on their own talents by studying and using their skills in order to get the best opportunities. In a capitalist system, people have the power to choose what they do best so as to get better-paying jobs or better benefits. This is how capitalism creates equality of opportunity which is superior to communism in terms of providing people with equality in society.



Those who are most unequal when they are compared with other individuals or groups become equal if they exchange with others and make money through doing productive work. People become equal when they have an incentive to get ahead of others.

As a result, capitalism increases the general standard of living because all people are encouraged to specialize in what they do best so that they can sell their services and then use the money to attain benefits. Capitalism allows people to enjoy freedom and choice, which means that everyone has an equal opportunity to create wealth for themselves or for their families or for themselves and their families.

According to this theory, communism is a way for one group of people (a party) to take control over another group without using physical force. This is done by controlling the state apparatus (police and military) and by influencing public opinion through a bureaucracy or media outlets.

According to this theory, this happens by utilizing the concept of "socialism" which is under the pretense of being for the betterment of all people. But those at the top generally receive more benefits than others because they are allowed to control and manipulate public opinion through a bureaucracy or media outlet

This will enable them to control society and make laws that benefit themselves regardless of how those laws may harm others.

The basis for this theory is that one group of individuals (a party) uses force in order to take power over another group (the rest). In communism, this happens by force so as to change the system in a way that benefits a small group. And those who oppose this regime are silenced and suppressed through force.

Under the pretense of providing equality and freedom, communists take advantage of people's ignorance and use them for their own purposes. This allows the party members to gain control over the economy, the government and public opinion so as to create a one-party state.

Those who disagree with or wish to resist the regime are branded as dissidents, enemies of the state, or counter propagandists (people who speak out against an official line). The real reason for this is that anyone who has opposing views will not support a one-party system. Anyone who resists communism is potentially subject to imprisonment, torture, or possible death at the hands of those in power.



# GUEST ARTICLES

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*In our endeavor to spread the knowledge of finance and create an all-inclusive atmosphere of learning, we called for articles from budding students pan-India. The following articles find a place in the pages of Absolute Advantage after a thorough selection process. A big thank you to all the writers who submitted their entries and encouragement to everyone else to try again next year!*

# THE PURSUIT OF HAPPINESS & IMPACT OF MONEY ON WORK

MAKE MONEY WORK FOR YOU



WRITTEN BY:

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When it comes to choosing an occupation; we primarily have two priorities - a job we enjoy and that pays well; well-enough to quench the reasonable material needs. However, there is always a little more besides the reasonable requirements. Soon enough, the two elementary priorities tend to weaken under the idea of it isn't enough to just be and we move on to earn a relevant degree or diploma that can uplift our position in the social and economic order. Unwise and hasty moves join our relentless desire which leads us to risky schemes distracting us from the calmness, patience, and consistency; a job needs for any kind of development.



When we ponder about work; only countable options come to our mind like engineering, medicine, CA, or journalism. Jobs like bricklaying or farming or even career counseling rarely end up on the list despite vocational works generating good money. But why is it like that? Well, a bricklayer can love his or her work yet it may not afford him or her the ability to go on a lavish vacation tour or buy a Porsche car or an expensive house. Basically, we are a creature of appetite we have a collective sense of needs and desires.

So, it all comes down to money but that doesn't necessarily mean that we know what we really want in reality.

Economics showcases us as selfish. The drive to help; the notion of leaving somebody better off than he or she was is only secondary. We function along with the hangover of industrialization yet deep down; beyond money, what we desire from our jobs is satisfaction. On a day-to-day basis, we come across an eclectic range of occupations like Business Development Executive or Marketing Internship and we deal with the horror, boredom, and excitement behind the job either while working in that particular field or by learning about them from our acquaintances or family.



All of it: the boredom, the horror, and the excitement occurs only when there is no satisfaction. As Sigmund Freud said, the two pillars of our satisfaction are work and love. We crave for the union of these two and often come across the crisis of either work or love.

One can be satisfied with his or her job. Being satisfied, partly means that it pays well. However, it doesn't mean one loves the job and enjoys doing it. For example, Paul Murphy- an American chess player, hated being connected with chess despite being a great chess player or Franz Kafka; a famous writer hated working in an insurance company and Andre Agassi hates tennis despite being a world-class tennis player.



This is probably because meaning is what we search for in a job but before a large organization like a societal system, the meaning and satisfaction relation disappears, and when we realize that there is a gap because of not having what we need and lack of sustainability in work, we eventually see real conversations happening and we start asking bigger questions like:

Is commercial purpose enough?

What's my value?

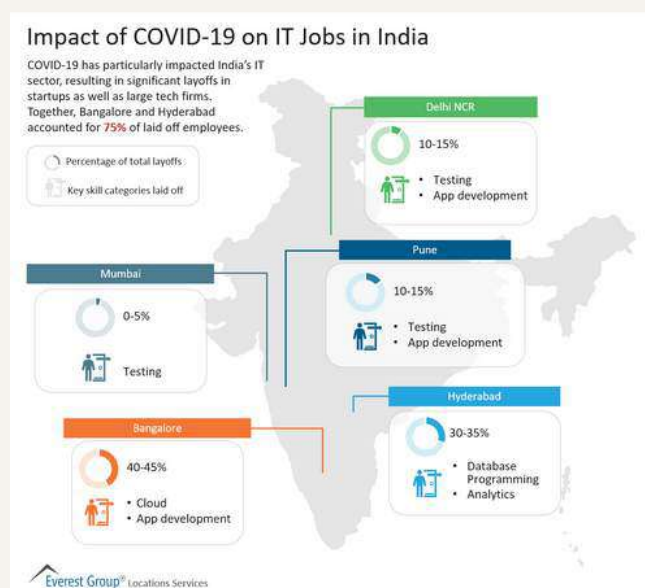
How do I bring my whole stuff to work?

The trending lexicon, The Great Resignation is a good example of such a scenario where the Corona Virus pandemic became a point of leverage for people to question the purpose of their day-to-day job as well as to say I want something else which eventually led to 4.5 million people voluntarily leaving their jobs in November 2021. The attrition rates were quite high in IT companies like TCS at 17.4%, Infosys at 27.7%, and Wipro at 23.8%, and depression rates were through the roof.

Removing a squeak or reuniting a child lost at a theme park with his parent does have some meaning.

Working as a kindergarten teacher or a librarian can earn you less. However, the meaning is there and that gives us happiness. A job that allows us not to be at the mercy of all but lacks meaning tends to make us unsatisfied. However, our psychological drive to be famous or wealthy preclude such job options as we aim for something stellar. Thus, choosing that is inherently uncreative and which doesn't make us happy.

Studies show that we humans like to build relationships and come out with creative solutions as creativity makes people happier but our day-to-day operating model doesn't drive innovation and is built primarily for efficiency.



People have realized, especially in this Corona time, that they can make income outside the 9 to 5 jobs, there are no secure jobs even if you are at it for years in an unhealthy environment with repetitive tasks and too much data to deal with and the need for a shift to a culture of innovation as it gives a purpose or meaning to a pursuit. Surprisingly, even though money can't compensate for the lack of meaning and purpose as meaning and purpose give us happiness; money does work as a leading factor for many. But the point of work is not merely money but to find fulfillment.

Money can be a leading factor for one as it is easy to presume that money can solve everything but here is the question, can it? But yes, we can't agree on the idea that money can make someone unhappy but it can make someone feel unsatisfied and meaningless. We can gain financial freedom yet it can distract us from a well-analyzed life; both of which are important for happiness according to the Greek philosopher Epicurus.

To make ourselves happy we are drawn toward material things. Money becomes our driving force for our work even when motivation doesn't function the way money does. Money motivates us like the strike of a whip. This kind of motivation partly arises from the fear of being adequate in relation to the common expectation placed on us by our family members.

People tend to believe that material accumulation has become the gateway to the Love and respect that we crave. For it makes us happy even when we desire love, not wealth. So, money becomes a leading factor but not the source of happiness.

Materially any "ordinary" job that fetches one good enough wage is fantastic. However, "more" money is valued more. We live in a world of snobbery that gives more value to the financial accumulation from a not-so-meaningful job than a job that is meaningful and that gives happiness. This vision is dominant in our society, in our world. This vision is dangerous because it makes us believe that happiness is making a million and giving money the front seat in a job will eventually lead to a fulfilling life when we are so much more than the expectations of HR, the metamorphosis that we have undergone to fit into the corporate environment and what the world of money allows us to be.



# START-UPS AND INDIAN MINDSETS

WHY FOLLOW WHEN YOU CAN LEAD



WRITTEN BY:

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As a country, India has always supported businesses whether they are small or big. There was a time when the government was reluctant to support the growth of private sector organizations. Still, over some time, the government realized that a country could grow faster if the private sector and the government itself worked together, and from there onwards began the new era of SMEs, and over time as more and more people developed their interest in it, they become more risk-takers and moved towards the concept of the start-up. Multiple factors played a crucial role in this mindset transition.

Being risk-averse and conservative earlier Indian middle class preferred private or government jobs over the risk involved in running a business.



One reason can be considered for such a mindset is that after independence and the Indo-Pak partition, safety, security, and earning enough to be able to afford life essentials were paramount to them, therefore, they frequently pushed their children to pursue careers that did not require them to take unnecessary risks.

In the COVID-19 pandemic, lots of people lost their jobs which forced people to look for alternatives. This was the point from where onwards the awareness about the start-up culture started spreading quickly. People developed their interest in the exciting pace at which start-ups work, the freedom offered in choosing the work portfolio, and the advantages one receives if the start-up becomes profitable. Leading to the great resignation lots of people moved from big organizations to start-ups or started their ventures. Working professionals are now taking the required 'work experience' from their jobs and then shifting toward entrepreneurship as their career.

At the same time, the start-up ecosystem received a much-needed boost over the last two years. The supportive initiatives are taken by the government of India such as The Atal Innovation Mission, and Stand-Up India motivated entrepreneurs in taking a leap of faith and launching their start-ups. An ecosystem was created wherein entrepreneurs can approach their peers and receive the guidance required. Currently, we are witnessing a surge in the entrepreneurial wave in India.



If you ask any Indian middle-class family what type of investment they prefer, the response would most certainly fall somewhere between fixed deposits and mutual funds. Terms like gross margin, equity, and bull market were usually not mentioned in a typical Indian living room. However, this has changed in the most recent couple of months. And it's all because of a single television show. Shark Tank India. The show includes a bench of judges (Sharks) who are to invest in new business ideas from budding entrepreneurs based on the potential of those ideas and the team working on them.



It is the first season of the show in India, whereas the Shark Tank franchise has already produced thirteen successful seasons in the US and given opportunities to multiple start-ups. Shark Tank India appears to have garnered enthusiasm about entrepreneurship as a viable career option amongst people of all age groups, as the series showcased people from teenagers to retiring age pitching their ideas to Sharks and bagging investments in lakhs and crores.

If you keep yourself updated with the news you must have noticed a buzzword getting used repeatedly in the headlines. Unicorn. In the last two years, India has witnessed lots of start-ups turning into Unicorns. A Unicorn in the business world is referred to as a company that is valued at or above \$1 Bn in valuation. Till now India has given 103 Unicorns to the world. Out of 103, at least 15 Indian unicorns have at least one woman co-founder.

These include start-ups such as Mamaearth's Ghazal Alagh, Nykaa's Falguni Nayyar, BYJU'S Divya Gokulnath, SUGAR Cosmetic's Vineeta Singh, and Mobikwik's Upasana Taku among others.



A unicorn with a valuation of over \$10 Bn is considered a decacorn. Currently, India has 4 decacorns, Flipkart, BYJU's, Swiggy, and Nykaa. Apart from unicorns, India's count of potential unicorns dubbed "gazelles" and "cheetahs" has been on a steady rise too. Gazelle is a start-up, founded post-2000, that has the potential to achieve unicorn status in two years and are having a valuation of between \$500 million and \$1 billion, whereas a cheetah might become a unicorn in four years with a present valuation of it between \$200 million and \$500 million.

Lots of big organizations such as Nike, Microsoft, American Express, PepsiCo, and Mondelez have created accelerators, investment funds, and other programs aimed at start-ups. Big organizations see these programs as an opportunity to find new ideas early and perhaps partner with, invest in, or learn from the most innovative entrepreneurs. For small companies, it is a chance to receive funding while building a relationship with potential clients.

Enterprises with thousands of employees compete on economies of scale, political clout, large R&D budgets, brand prestige, global supply chain, and salesforce.

But these also lead to inflexible procedures, internal cold wars, resistance to change, and slow decision-making. Being small in team size start-ups can tackle the majority of these problems and are quick in response which forces the big firms to be more adaptable toward their approach.

Recently in multiple instances, start-ups had to lay off people but start-ups have also created numerous employment opportunities which provides a boost to the economy. They have also met the needs and desires of customers that the market did not address earlier.

Presently start-ups are facing difficulties in raising funds from the market due to high inflation and some geopolitical issues. Although investors have become more cautious, venture capital and angel investors are not hesitant while funding a potential start-up that can fetch them a good return. At least for the next few years, the start-up wave will continue to fascinate people as it provides lots of benefits to not just the economy but also to the end consumer. The only challenge these start-ups need to tackle is to make and keep themselves profitable even in uncertain times.





# THE WORLD OF STARTUPS AND SMALL BUSINESSES

DO STARTUPS PAVE A WAY TO SMALL BUSINESSES?



WRITTEN BY:

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To begin with, the quote said by Mark Zuckerberg, founder of Facebook -

***"If you just work on stuff that you like and you're passionate about, you don't have to have a master plan with how things will play out."***

This quote means, that once we have got a passion, idea and vision to execute then things will move on and stick towards a strong position and be recognized. You don't have the expertise or need experience, you just have an idea, passion and a long-term vision.

To grow their businesses, startups can take use of the "humongous" scale of state-owned companies like the Indian Railways and India Post.



In the opening session of Digital India Week on Monday, Prime Minister Narendra Modi introduced the Digital India Genesis program. These initiatives combine various government initiatives to support startup growth. It would open doors to numerous other support networks, including those of mentors, funders, pitching partners, and government initiatives.

The success of Indian businesses over the past eight years demonstrated that Startup India was more than simply a government campaign slogan. "Today, the country has more than 70,000 startups and over 100 unicorns. We have built a startup ecosystem in such a short period of time, whereas many other countries required decades. Various issues can be resolved by technologies based on artificial intelligence (AI), data, image, and sensor processing. For up to four years, the government will grant entrepreneurs and solution providers with financial assistance as they grow their firms.

In any situation, starting a small business is difficult, but in a bad economy it becomes considerably more difficult. This is partially due to the difficulty in obtaining finance during times of tight credit markets. Small business owners must fine-tune their business ideas for this reason. In other words, if you want a piece of the financing activities, you must work hard on your cash projections and be completely aware of your bottom line. Knowing up front how much money you need to invest in the company, how much you need to charge to cover operational expenses, and what to do to earn a profit are all crucial.

### **IS RECESSION AN OPPORTUNITY?**

Recessions may be extremely difficult times for both people and businesses. People cut back on their spending and lose their employment, which causes their financial reserves to decrease. As credit markets grow more constrained, banks start tightening their lending guidelines. You may be wondering if it

really makes sense to think about starting a new business and, if so, how to go about doing it. The business' success will depend in part on the type you choose, so pick a setup that can endure challenging times. There might be much less competition at this time. This is due to the fact that most people start businesses while the economy is booming. You might even be able to achieve it without having to share your gains with outside parties if you're dedicated and determined.



During a recession, established enterprises frequently slow down or stop innovation. You can take use of this opportunity to develop original concepts that the market might be lacking, providing you a stronger position when you open your physical or virtual doors.

### **COVID-19 OUTBREAK – RECESSION FOR INSTANCE**

You might find that certain items, particularly those that go toward your overhead expenditures, are substantially less expensive. Consider items like your rent, furnishings, and supplies, all of which you might be able to get at a discount. In fact, it is not always less expensive to find products or even places to rent out during a recession like the one brought on by the Covid-19 outbreak. Small business owners, particularly those in the hospitality sector, had a very difficult time. The pandemic-related supply-chain challenges, an overheated real estate market, lockdown regulations, and social distance requirements made things very difficult.

By focusing on a specific niche, you increase your chances of success. To create smaller segments from your original consumer base and to better target your marketing, slice and dice it. Can you target women in a certain age group, occupation, or area, for instance, if you provide a professional service aimed toward women?

### **BEGIN LITTLE... HAVING A PLAN TO GROW**

Manage your expectations and costs by beginning as "mom-and-pop" as you can, and then prepare to grow when your company succeeds. Reread your company plan and reevaluate the first step you need to do. Could you, for instance, start in a less expensive and smaller space? Or perhaps you could completely forgo a physical workplace to remain online? Consider your personnel needs after locating the greatest, most inexpensive premises for your company. Consider filling roles with independent contractors, temporary employees, or part-time staff before hiring full-time staff.

### **MAKE THE MOST OF TECHNOLOGY**

In order to reach a large audience online, almost all small businesses must first employ social media marketing on Facebook, Instagram, LinkedIn, and other social media platforms. Learning search engine optimization is also a smart move if you want to use Google to contact potential customers. Digital marketing on social media increases brand awareness boosts revenue and can be a cost-effective approach to promote your new company.



### **HOW DO I LAUNCH A BUSINESS WITHOUT ANY FUNDS?**

Finding out what you can do right now without incurring further fees is the first step in beginning a business without any money. Can you market yourself on a free social media account or sell your products in online stores. Can you sell to friends and family? Then, before investing everything, save up for a few months' worth of costs. Additionally, ask your friends and relatives for financial assistance. As a further option, consider using crowdsourcing websites to raise initial funds. The Small Business Administration (SBA) is a wonderful resource for applying for small business loans or grants once you've established the essential business principles.

### **THE CONCLUSION**

There are special advantages to launching a firm amid a challenging economic climate. You may lay the groundwork for enduring business success if you do your research, plan ahead, and seize every chance to save costs while enhancing the value you bring to customers.



# HOW TO TRANSFORM A STARTUP USING HYPER-MARKETING?

**CUSTOMERS NOW CRAVE SIMPLICITY, AUTHENTICITY AND EXCLUSIVITY.**



WRITTEN BY:

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**“It is grotesque but a grim reality.**

**I think beer is served in hell, do you agree?**

**No, but sooner or later advertisers will surely sell us our dreams!”**

## **WHY AND WHAT OF DIGITAL MARKETING?**

Start-ups/brands aspire to progress by communicating with customers and persuading them to purchase. Here, the "bridge" between the brand and the customer is marketing. And, to compete with these top players, the mantra adopted by today's thriving start-ups is to implement effective methodologies, branding, and digital expression. It clearly navigates brand recognition, drives communication, enhances customer engagement, targets segmented audiences to unlock high ROI



and ROI, and maintains web ranking and retention rates. customer's feet. In a nutshell, digital marketing is a marketing campaign related to digital media.

### **HOW TO UTILIZE DIGITAL MARKETING FOR START-UPS AT PRESENT AND IN NEAR FUTURE AT MAXIMUM**

Things to consider and give a try are;;

- Extensive Reach
- Cost-effectiveness
- Trackable results
- Connection with customers
- Surging Web Traffic
- Personalization
- Facilitate conversion

All businesses start somewhere and start-ups start from scratch, especially when it comes to their marketing strategy. To produce immediate results, start-up marketing must be innovative, experimental and results-driven, and constantly evolving to keep up with the ever-changing market. Despite a limited budget, marketing should never get caught up in the rug when it comes to budgeting and planning for growth. Marketing is an absolute must for businesses looking to increase brand awareness, follower base, and trust. With big goals in mind, start-ups are constantly coming up with new trends or updated versions of existing ones, and we couldn't be happier to break them down.

The present as well as future driven marketing trends to keep an eye on as well as use in a pragmatic way to increase traffic and revenue in one's organization are;

1. Rapid Experimentation
2. Audio & Podcast Advertising
  - Targeting
  - Growth
  - Building Trust
3. Generating Personalized Content With AI Tools
4. Interactive Content
  - Gamification
  - Quizzes
  - Surveys
  - Live chat

### **5. Value-Based Marketing**

- What's memorable about your brand?
- What's unique about your brand?
- What's meaningful about your brand?
- Who is your brand speaking to?
- What problem does your brand solve?
- Does your brand give back? How does it give back?

### **6. Influencers/Social Commerce**

### **7. Community Lead Growth**

**"The best marketing doesn't feel like marketing."**



### **CONCLUDING THOUGHTS ON 21 CENTURY MARKETING & BEYOND**

When looking toward 2025, It is expected that advertising will hit the 100 billion dollar industry mark for sure, solidifying the fact that start-ups in the eCommerce industry must integrate social commerce into their marketing strategy in one way or another. The ever-changing social media landscape is intrinsically linked to consumer shopping behaviors, as user-generated content (UGC) and influencer ads continue to dominate the space and are highly effective when paired with a strong social commerce strategy.

At the end of the day, "the value of influencer marketing lies in the fact that 61% of consumers trust influencers' recommendations—more than the 38% who trust branded (and often biased) branded social media content."

With the projected increases in social commerce, it's evident that purchasing via social media will be here to stay, and start-ups should waste no time in taking advantage of that.

Community-led growth is a go-to-market strategy in which companies place value beyond their product or service by providing a platform to deepen consumer and brand interactions, providing educational resources, facilitating Q&A through real-time support and feedback, and building brand loyalty, trust, and advocacy.

### WHAT IS ANTI-MARKETING?

Is it the call of a university protest group? A radical punk band? Surprisingly, it's an opportunity to search for advertising. Long story short, It's a campaign, which is specifically designed to defy conventional marketing messages and instead focuses on humor to create a tone of self-awareness. Anti-advertising in the current marketing scenario is a very hot and buzzing concept to earn recognition as well as consumer attention.

### USING THESE TO MAJORLY LEADS TO REVENUE = ADVERTISING X TRAFFIC

In the constantly frantic race to promote, marketing and marketing corporations are focused on Gen Z through 'self-conscious' advertising.

anti-advertising campaigns desire to split these young customers using shrewd tactics that are working pretty well to generate revenue and it is fair to observe that this is proving to be a paradigm shift in the marketing industry. Therefore, unlike traditional marketing, anti-marketing marketing focuses on •

- Less noise-more surprises
- Attractive instead of advertising
- Simplicity and exclusivity
- And of course reverse psychology



### HOW TO CONNECT THEM WITH AUDIENCE?

It is correct to say that sometimes it only needs fantastic promoting techniques to connect better. Some ideas to think about are:

- Making it daring
- use of opposite psychology
- playing "difficult to get"
- Making a laugh of itself

For many products & offerings, it's miles vital that a commercial is informative but it still needs the unobserved "Midas Touch" i.e.;

- Construct with discussions
- Emblem awareness
- Make it easily gullible and avoid long-stodgy story

### EPILOGUE AND PERSONAL VIEWS ON WHY ANTI-MARKETING CAMPAIGNS?

For example, CRED was able to get a lot of attention on social media only by mocking themselves using anti-advertising concepts. Their ads have stormed in all kinds of social media platforms or television be it YouTube or classic TV ads and it's Gen Z who showed the highest penetration rate in their unique concept. The competitors are now using their tactics to jump on the bandwagon. In a way, the motive of anti-commercials is to precisely hook us into consuming their product and it is permissible as well as behavioral to succeed in the everchanging marketing and technological industry. Finally, Indian and Overseas manufacturers have attempted spoofing or self-deprecating humor advertisements to make inroads amongst potential customers. They no longer ask consumers to shop for the products, they pass the emblem call altogether or poke a laugh at the idea of marketing and ironically market themselves soothingly which makes humans generally tend to shop for even more.

Lastly, it is well said that,

**"Mocumentaries are a rage now, every brands want to make the moolah out of it. So why not your company?"**



# GIG ECONOMY: CONTEMPORARY, CONVENIENT AND CAPRICIOUS

WHAT IS THIS GIG ECONOMY THAT'S BEEN CREATING THE BUZZ LATELY?



WRITTEN BY:

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“Nine to Five” is a common phrase that basically highlights the mentality and the monotonous nature of the working class around the globe. It is believed that the phrase finds its roots in the Industrial revolution. Since then, we’ve seen shifts from mechanical to electronic to the digital revolution. In parallel, the employment scenario has also experienced this shift. We have seen employment arrangements go from permanent, salaried positions to flexible gig work. “What is this Gig Economy that’s been creating the buzz lately?”, a friend asked me a while back. We will delve deep to answer this and a lot more. The term “gig” usually creates the imagery of an artist working on short-term projects called ‘gigs’. Similarly, “gig economy” is the term used for a free market system wherein people are

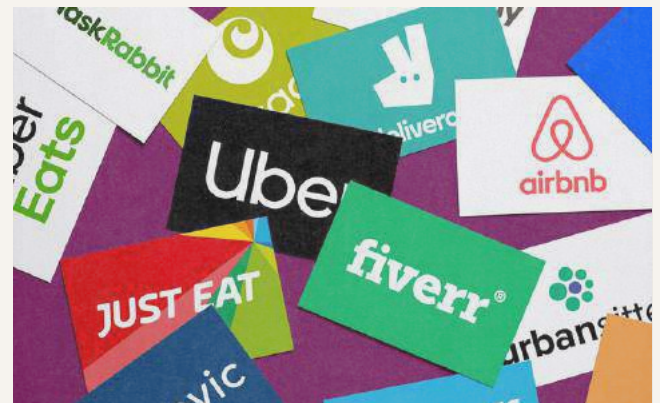


engaged in independent projects on short-term commitments. Some contemporary examples of gig work that we see around us are delivery people from Zomato, drivers from Uber, freelance copywriters and the list goes on. Freelancing is also a significant term with reference to the Gig Economy. It is used for people who are self-employed and hold no long-term commitments to a particular employer. Freelancers and the ones seeking their services interact on certain websites known as 'freelancing platforms.' Some popular freelancing platforms in India are Upwork, Fiverr, Freelancer, etc.

The more we get to know about these ground-breaking advancements in the nature of work and its arrangements, the closer we get to the questions of "Why?" and "How?". There is no linear progress to track the course of these advancements but a quick look at the pros of the Gig Economy will help us ascertain its relevance in today's world. Currently, joblessness is reaching newer heights in the country. The ever-rising population and the recession after the pandemic have made the situation worse. Under such circumstances, it is easier for corporations to hire people on a temporary basis and adopt the model of 'pay per job' instead of having the burden of monthly salary commitments. It also helps them save money that they would have spent on training, accommodation, commute, refreshments, etc.

On the part of the workers, they get to work on their rules. The workers feel a sense of freedom and flexibility. They get to decide when they want to work in the day along with the number of tasks. Suppose, there is a worker who has a monthly target to earn a certain sum of money as income. He can gauge and work on the number of projects accordingly. Whenever he feels the need to change his monthly target, he may adjust the number of projects and the number of hours he has to put in.

Another significant advantage of this setup is the 'work-life balance.' No one wants to work all day and have no social life. Workers get the freedom to strike the balance between the two as they are their own bosses. In the gig setup, the combination of talent and discipline plays a major role. That is why knowledge-intensive industries and creative occupations are the largest and fastest-growing segments of the freelance economy.



Like every other coin, this one also has a flipside. There is a certain demarcation within the gig economy based on national boundaries and economic status within those boundaries. There are a number of ways in which this form of work harms the economic and social well-being of a worker. I believe, in the context of India, the gig economy is capable of doing both good and bad. When we think of gig work, I think of two distinct situations. In one, I see a person, belonging to the upper-middle/middle class, engaged in a creative role in the comfort of their home and freelancing their work and earning a decent income with those projects. The other situation, however, involves a person dropping orders to the customers with deadlines in extreme weather conditions with no job security to make a living. This makes it harder for us to put all gig work under the bracket of 'good' or 'bad', especially in regard to the Indian subcontinent where the income disparity is huge. Lack of job security and stability is another drawback. Corporations, under this economy, do not provide any perks and benefits to the workers as there is no contractual obligation.

In some situations, they tweak the facts in a manner that they end up violating the minimum wage too. The lack of stability can pose a bigger concern in view of the current market scenario where an unforeseen pandemic shook the world economy that we still have not been able to recover from. Other than the economic anxieties, being your own boss comes with constant pressure and accountability on its own. There are some very interesting takes by James Bloodworth that he puts across in his TEDx speech titled 'Why the Gig Economy is a scam' that you may watch. Relating to his speech, I feel that this form of work can become a necessity for some instead of a choice in the face of adverse financial conditions. I recently discussed with my sibling how it confuses me that men working with Rapido are so quick and efficient and take such less fares, is it even fair to them? The moment this becomes the last resort for the underprivileged, it may create a platform for employee exploitation.

Some are in favour of the Gig Economy and the flexibility it provides, while others believe it is just a fancy word that corporates came up with to get away with their selfish gains. Whatever side may appeal more to you, what you cannot deny is that it is here to stay. Newer applications are coming up every day that are adopting this model extensively.

*Contemporary* in its existence and still evolving as we speak, *Convenient* in its working and how it is being widely accepted to one's benefit and lastly, *Capricious* in its unpredictability and how it molds the future of the workforce. All of this will reveal itself in the due course of time but for now, only sensible discussions around the same can help us assure a healthy, stable and free environment for our workforce.



# INVESTMENT IN SYLVAN OPTIONS: AN UNEXPLORED AVENUE?

AN UNEXPLORED AND UPCOMING AVENUE?



WRITTEN BY:

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The relevance of forests in a country is never trivialised. Despite being one of the world's most ecologically diverse and naturally endowed nations, less than a fourth of India is paved by forests. Even this is expected to decline in the coming years. The expanding population of the country, however, stresses the forests.

This has forced us to lose over 1.6 million hectares of forest land between 2001 and 2018. Though India had pledged to create three billion tonnes sink of CO<sub>2</sub> under the Paris Agreement, it continues to be a far-fetched dream. One of the primary reasons that deter sustainable and efficient forest management in India is the fact that they are still controlled by the State.



Forest management in India is found to be both inefficient and archaic as it ousters private players from forestry activities. While both the National Forest Policy of 1988 and the National Agroforestry Policy of 2014 prioritize tree plantations, not many initiatives have been initiated in this regard, well of course due to bureaucratic lackadaisical.

Here is where a private forest, or more formally, a Non-Industrial Private Forest (NIPF), gains value. A NIPF can be defined as, 'a forest that is self-sustaining and conducive to supporting an ecosystem but owned by a private individual. The owner here can be anyone- individuals, families, corporations, social organisations, tribal communities or an industrial house. Even though private forests are commonplace in most European countries and the US, they have not received due attention in India, from both the government and the academia.

Forests, as defined by the United States Department of Agriculture, is a land with at least 25 percent tree crown cover from trees that are greater than 20 feet tall. The range of social utility they provide, such as protection of water quality, furnishing of diverse habitats, provision of raw materials for timber products and other forest goods and regulation of climate, are unparalleled. But as the popular economic law goes, 'Humans respond only to incentives' a private person can be expected to own a forest if and only if provided with some personal benefits. There exist options to make forests an investment, i.e. to generate private benefits to incentivise forests.

Mills and Hoover (1982) are among the first to observe forests as a lucrative option for investments. Their empirical analysis compared various investment options such as US Treasury bills, common stocks, long-term bonds and corporate bonds, with a real estate investment on Forest land. It revealed that forest investments have a relatively

higher rate of return, but with moderately higher variance, i.e. volatility. Dissimilar to usual investments, the value of a forest investment can be seen to come from three factors. They are the value of the land; the value of the trees; and the value of the products which can be extracted from there. An estimate values all the forests in the world at USD 150 trillion. While returns from an appreciation of land value can be compared to returns from real estate



sources, the returns from forest produce are similar to any other agricultural activity. And the scope for enhanced returns due to the natural growth of trees provides another avenue for returns from forests. We can also, additionally, note the relevance of the forest's amenity values. These include hunting, fuelwood, hiking, and other outdoor activities. If dollar values could be placed on these services, they could be included in the return to forest investment, thus increasing its value.

The fact that an investment in forests can give diversified forms of returns, which are mutually exclusive, with little active effort from the investor makes it an attractive option for all. Wealthy and rich investors may be interested in forests because gains from this investment will be a capital gain while other returns may be under agricultural income. Both these are meagre to negligibly taxed.

However, this has a caveat that forests are indivisible units. Forests provide the required social function only when they are untainted, unaltered and continuous.

Therefore, they would remain outside the affordability of small-scale and medium-scale investors. This necessitates some structural and institutional reforms to create farm and forest mutual funds, partnerships and collective cooperatives in the forestry sector. The possibility for diversified options for fixed returns, and other institutional factors shall make forests a viable and prudential investment decision.

It is thus seen that forests can provide certain private benefits when termed accordingly. These benefits are sure to drive individuals/private players to take up private forestry. Despite this, privatised forests ought to be given a different narrative in the Indian context. Western philosophy considers the forest as a resource house and thus an asset. This can be considered to be the reason for the existence of large private forests in the US and Europe. But the same may not be effective in India, due to the long legacy of the State's (negligent) ownership. The role of state policy is hence apparent in this context. A few states including Madhya Pradesh (Madhya Pradesh Lok Vaniki [private forestry] Act, 2001) and Karnataka (Karnataka Private Conservancy rule, 2018) have initiated actions in bringing private efforts into forest conservation.

However, this is noted to be extremely inadequate and myopic. The most important factor to be noted here is that only personal benefits shall drive investments into this sector. But the public benefit that this shall provide, in achieving India's long-term resilience goals, will be the end for this.

This shall, hence, be the tradeoff between ensuring private benefits, while also ensuring that the forest exists as in our initial definition will be the crucial problem to be tackled through effective policy. The apposite legal ecosystem should be such that it shall, support and validate private forests along with protecting the owners from further exploitations inter alia.

Given that forests in India are largely owned by the state, the system is known to have numerous pitfalls. And necessitate the need for private forests in India. The curation of forests in private lands is not illegal in India, the fact that it has no legal backup is seen to be a hindrance to the same.

**Targeted policies to formalise the same and protect the owners is what we need now.**



# EMBEDDED INSURANCE: THE NEW GROWTH LEVER IN THE INSURANCE INDUSTRY

POLICIES ARE NOT BEING SOLD, THEY ARE ONLY BOUGHT



WRITTEN BY:

**SUBHIKSHA PARTHIBAN**  
LARSEN AND TOUBRO INFOTECH

My ride is insured, travel made safer, and stay made protected all these were the products of Embedded Insurance. The new student of the old classroom suggests that everything could come under the ambit of “Insurance” and this coverage is customized and well suited for individuals, the new bogeyman thinks he could replace the experienced principal by delivering key services in a minute which aptly suits the present-day millennials.

The millennials and the old crowd are attracted to this new player due to its affordability, adaptability, and relatability. The new cover with the old formula at its core - Insurance, is not completely new.



Bancassurance” was in practice before the 1960s in France; it did possess the same feature as our “Embedded Insurance”. Now the immediate question which arises is “Why do we need a new product when my old one performs well??”, the other question which could be a derivative of the first one is “How is it different and what is the unknown darkness which needs extra light?”.

The conventional models involve insurance agents to sell their policies but we do know that in the world of Insurance “Policies are not being sold, they are only bought”, and that applies to the embedded insurance scheme which does not require human interference, a single pop-up does the job and consumer are not pushed to the “should I look out for a fancy policy for my valuables” zone and they are immediately given relief during the purchase of the product and services. The other major impetus for using this one is its coverage over a vast sector, starting from ride-hailing apps to electronics, mosquito illness to COVID, pets, travel, and now they have even forayed into the Life insurance space.

These were not known two years before; many did not have the thought of ensuring that this little space occupying non-living souls needs to be ensured that too at the cost of our morning breakfast (assuming 100 INR.). Consumer habits have changed with time and now the Pay – as you go model has been prevalent among youths all over the world, this has made embedded insurance to be a part of everyone’s life. The all-sweet meal has its unwelcome spices. The ultimate new player lacks clarifications on various critical financial structures. First and foremost, the Indian Insurance act of 1938 requires legalized intermediaries or players to give compensation to the parties. The markets outside India are favourable for them but India has a highly regulated Insurance body to govern all kinds of transactions.

The inducement of paying full compensation and the relevant plans is not properly communicated or there exists a low level of awareness among the consumers. The other misfortune which accompanies these kinds of models is that “is the product warranty period being reduced/is this the replacement for warranty services of the products??”.



This question has remained unanswered and still needs a perfect solution. Insurance was always seen as a relationship business model, now when I don't get to see those selling me policies, what kind of relation would exist with this kind of hyper-personalization?. This was the question asked by Duncan Munty - A Finance personnel focussing on “Ethics in Insurance” for the past twenty years. He sums up his analysis by concluding that embedded insurance must put the technology aside, distribution aside, and ecosystem aside and should focus on customer value and fairness. The poster boy of Embedded Insurance does not involve just local players but many International Goliath. There are many reasons and few assumptions behind running the new race and why it is important for the race to happen at this crucial time of economic pressure, Insurtech newbies have made significant progress across the globe.

Europe is considered to be a heaven for this model, with the freedom given by the PSD2 law (EU of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives

2002/65/EC, 2009/110/EC, and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC ) the data is been shared with third parties with the guarantee that it wouldn't be used for any kind of marketing purposes. Troy, Digital Insurance, Slice, Sumata, Add Insurance and Element are the few big players in the European market. Now the big question "why is there a huge bet on this new kitten ?". The answer is that Cover Genius, an Insurance company located in New York, USA has seen a rise of 1900 % sales in the last two years through APAC partners ( Apex Partners ) this start-up has pepper fry, ola, and Skyscanner under his kitty and has achieved a post-claim net promoter score (NPS) of above 65 % which is a mark of consistent excellence. They have extended their clientele by having the world's richest man alongside them, Tesla has been a part of this embedded pattern involving Cover Genius. Neolife and Data-88 are the other examples of major phenomena in the Embedded Insurance field. Now "How can it help in building our nation stronger?"

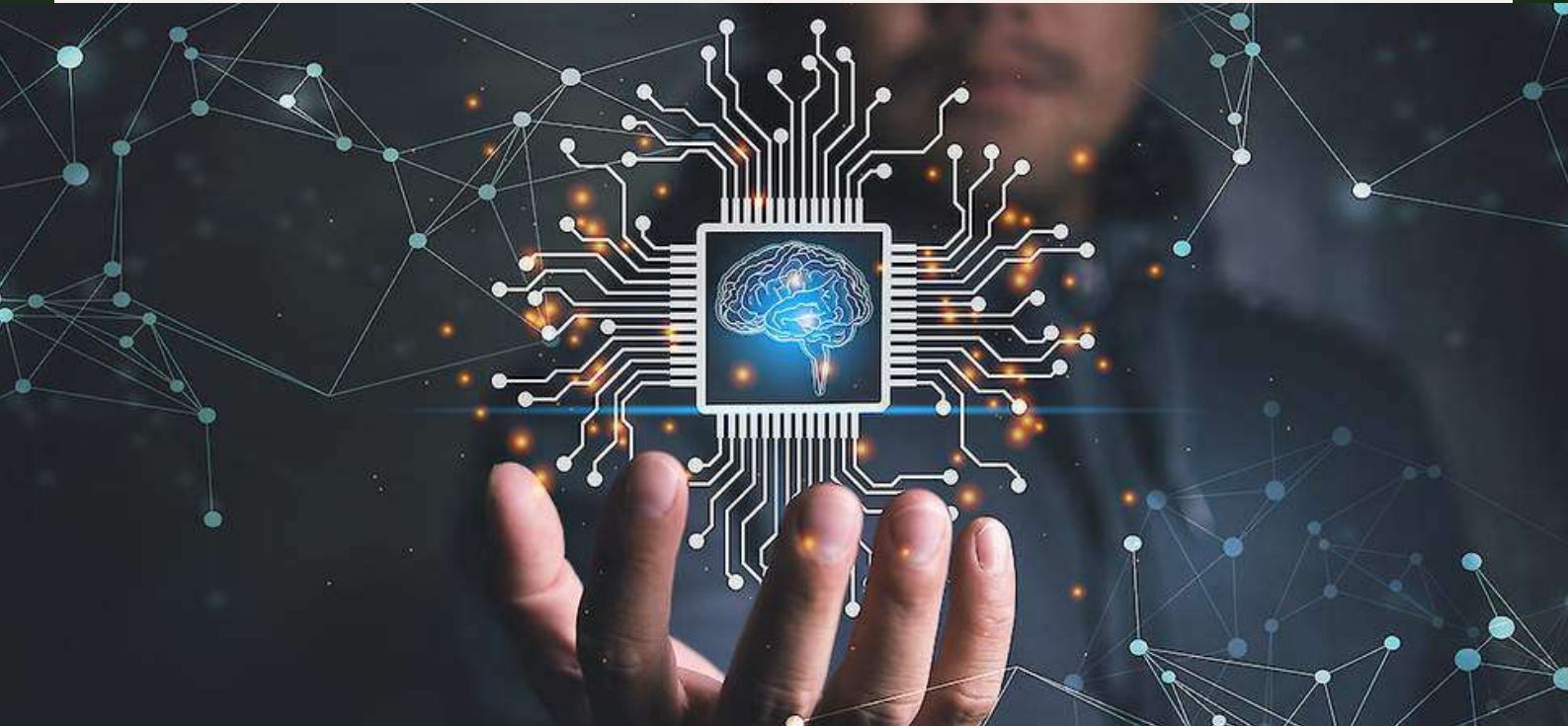
The answer is that it could help 1.5 billion people who do not have a bank account in our country. India showed 95 % willingness for this service in the survey conducted by Cover Genius. These are the present-day scenarios and the goals which each Insurtech company focuses on are highly ambitious. Turning towards the numbers presented by the CEO of LAMIE (A European Insurtech company) predicts that they are in place of achieving 100 % claims paid out as target with a current NPS of 80+% and 70+% (with those declined), they are tending to improve their services which is- "complete rethought and rework from policy purchase settlement", this also includes preparing the policy at plain English rather than having technical jargons and legalese.

Least the long story can be summarised in a single sentence which is - "The dream of Embedded Insurance Industry to achieve a 3 trillion-dollar Industry might not be far-fetched but we need to wait for 2,374 days to see what we have sown ..."



# CAN AI DEVELOP HUMAN-LIKE CONSCIOUSNESS?

HUMAN CONSCIOUSNESS AND ARTIFICIAL INTELLIGENCE:  
BATTLE OF ETHICS



WRITTEN BY:

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The trendsetter brain-computer interfacing topic is booming in the tech world, with the announcement of new start-ups, including neurotechnology companies developing implantable brain-machine interfaces where researchers separate what science is from what's currently still fiction. Today's imaginations aspire to meld minds with machines to remedy the abrasive problem of human ethics, just as ancient Greek daydreamed about wing flight. Can the mind connect directly with artificial intelligence to transcend our human limitations through BCI technologies?

Over the last 50 years, researchers labs of universities and companies worldwide have made stately progress toward achieving such a vision to enhance



human capabilities and figuring out how close we are to successfully equating our minds to our technologies? And what might the inference be when our minds are plugged in? Creating machines with human-level intelligence, which can be applied to any task, is the crowning achievement for many AI researchers. Still, the hunt for artificial general intelligence (AGI) has been loaded with difficulty.

About this idea, a widespread misconception in cognitive science is that information processing is synonymous with computing; nevertheless, these notions must be distinguished. Computing is a method of information processing that is algorithmic and deterministic. Although a non-deterministic computation also can be invoked, this non-deterministic computing can usually be reduced to deterministic forms of basic cognition at the Turing machine level. The issue is that brains can provide interpretations and significance to their high-level information processing in addition to computation.

During this point, the traditional notion of computerised computation in cognitive science and neuroscience should give way to a viewpoint of computation and information processing based on an analogy with physical processes, in which inputs, guidelines, and outputs can be physically analysed and globally. The constantly changing data collected from a human is inherently complicated, necessitating the use of extraordinary processing capacity. Consistent advancements in computer power show that this need can be reached.

#### **KEY TAKEAWAYS:**

- Covers a notable trend-setting emergence of enterprises of AI applications and machine
- Consciousness connection theories
- learning Hypotheses employ the implicit concept of computability

## **AI                      DEVELOPING                      HUMAN-LIKE CONSCIOUSNESS:**

Consciousness is recognised as an emergent trait that needs at least two additional processes: awareness and self-reference when specific aspects of human minds are closely examined. It is believed that high-level cognition, which includes processes such as self-reflection, visual imagery, sensibility, sense of optimism, and others, will emerge as a result of these processes, among many others.



To put it another way, the approach to achieving and surpassing human characteristics is to strive to integrate awareness in robots to achieve analogical reasoning. Much of the recent work on BCI focused on improving the quality of life of those who are paralysed or have significant motor impairments. Artificial Consciousness stands beyond Artificial General Intelligence; it is not just intelligence but sentience and self-awareness. Artificial Consciousness is unpredictable as it is still not figured out, and technological advancements must be taken to achieve the same.

Military drones are predicted to change the course of warfare in the nearer future. Starting from hunting down the submarines to decoding messages using the abilities of the machines, the military is planning to leverage the computer vision capacity of Artificial Intelligence. There have been several attempts to elevate machines and robots to the human level of consciousness. Still, it is quite evident that the robotic companion cannot replace human relationships.

## COGNITIVE COMPUTING

The human brain possesses a mechanism when performing the action of computation, ending up with new and developed knowledge as a result. Knowledge Growing System (KGS) is an intelligent system based on the phenomenon of a new approach of customising the computation which occurs in the human brain to receive fresh knowledge as time passes and enhances the ability.

Cognitive Computing, on the one hand, replicates human behaviour reasons with it to solve complex problems. At the same time, AI looks out for new ways to solve issues that might be potentially better than humans. Cognitive Artificial Intelligence levels up to more sophisticated capabilities.

Memorisation is a simple process that is executed on a network laden with the information that has been previously stored. For example, a digital medical aid (humanoid) must recognise and take note of the user and his situation when he reports a situation of sudden chest pain at midnight. The humanoid or machine must be able to make apt judgments, simultaneously looking at the user's medical history and then providing a suggestion.

Everything comes with a price to pay. Cognition fails to evaluate danger, losing out on unstructured data such as sociocultural, socioeconomic, and political influences. For example, if an economy is changing, and a model discovers a suitable place for mining or



oil drilling, the cognitive approach should include this issue. Therefore, human interaction becomes essential for understanding the risks involved and making the final choice. Human knowledge of things is unfathomable. Is it possible for a computer to act logically without the need for human involvement? As a result, advanced analytics is a step in the right direction.

## ETHICS IN AI

Tech giants such as Amazon, Elon Musk, IBM and Microsoft believe that the boundless scenario of artificial intelligence is supposed to be discussed at the moment, and many ethical issues are supposed to be assessed.

Artificial Intelligence is being widely used in face and voice recognition systems. Some systems have business applications tagged along with them and thus directly impact the people. The data used to train these systems have biases in themselves.

Facial recognition algorithms by Microsoft, Face++ had biases when it had to detect gender. These systems could detect the gender of men with lighter tone skin than those with darker skin. Amazon stopped the design of AI hiring because it favoured male candidates over female applicants. After all, the system was trained with the 10-year-old data, which had seen more male candidates.

Machine Learning models at times generate results when they operate on high dimensional correlations that stand beyond the interpreting capability of human reasoning; cases wherein the rationale of the algorithmically-generated results have affected the decision subjects may remain hidden or opaque to those subjects. Lack of clarity and unfairness has emerged as a subject of concern. Some open-source tools by civil societies look toward creating more awareness of this biased system.

## CONCLUSION

There's optimism about our bionic future bearing every challenge. The initial assumptions are part of a "prototype" that will be commented on and revised. These are part of an ongoing project. It is predicted that category theory, systems theory, and other conceptual approaches will be used further to expand these concepts on the consciousness communicative approach and link them to other ideas on perception, its distinctions, and connections. In this regard, it is plausible to believe that a new emphasis incorporating several perspectives is required. This essay is only the beginning of a general context based on computing that aims to comprehend and relate physical brain aspects with information about the structure in a reproducible and implementable approach to AI.

This article states reducing the writing barrier for instant gesture components; procedural gesture interpretation might increase the scalability of constructing a gestural interface. A procedural approach to gesture analysis, such as the usage of Viewpoints, might lead to more dynamic player control in simulations and a more intuitive interaction model for immersive digital products.

Evaluating statistically, it cannot be claimed that presently the robots matter morally for their own sake until they keep on lacking the consciousness characteristic. This might change in the future when the concept of robohood might step in. The software might make efforts toward replicating the mind and the intelligence with logic and technology, but it will be incomplete due to some limitations. Consciousness still stands tall to pierce into.





# THE SUSTAINABLE INVESTMENT ASSESSMENT

WHY FOLLOW WHEN YOU CAN LEAD



WRITTEN BY:

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The global economy has increased living standards. Modern economies have neglected that the gross domestic product (GDP), the commonly used indicator of economic development, just reflects the size of a country's economy and does not represent that country's well-being. However, economists and politicians frequently see GDP, or GDP per capita in some situations, as a comprehensive measure of a country's progress that combines its economic success and societal well-being. As a result, economic growth-promoting measures are viewed as being advantageous for society.

As Robert Kennedy put it in his famous election speech in 1968, “[GDP] measures everything in short, except that which makes life worthwhile.”

The reason why GDP falls short is:

### 1) Income Inequality

Countries that sought only economic growth ultimately saw severe income inequality. More income disparity often results from economic growth, especially in less developed and less competitive nations like Malaysia, Estonia, etc.

### 2) Quality of Life

When a nation is dependent on natural resources, economic growth is simple to attain since prudent industrial policies that provide employment, pay wages, and raise tax money are not required. As a result, these nations may see rapid increases in output without really increasing the standard of living for their people. This may happen, for instance, if corrupt governments or foreign forces steal the export benefits.

### 3) Sustainability

Finally, GDP metrics do not adequately take sustainability into consideration. If GDP serves as a barometer of success and sustainability is a critical success element for economies in the years to come, then nations should see increased growth as they adopt more socially and ecologically conscious policies. But this is not the case. The GDP of the nation suffers, for instance, if it imports biofuel in place of indigenous coal production. Nevertheless, from an environmental standpoint, it is a beneficial action.

A study of the BCG shows that prioritizing wellbeing is, contrary to expectations, better for generating economic growth. A well-educated, healthy, safe, equitable and happy population tends to function better, resulting in higher levels of performance in economic areas which gives rise to the Sustainable Investment assessment which is a single macroeconomic indicator that tells if the country is worth investing in or not.

## THE MODEL

### 1) Sustainable Economics development Assessment or SEDA

SEDA analyses economies based on 3 crucial parameters: Economics, Investments and sustainability and is created by the BCG. This ensures that all domains are covered, and everyone has equal access to everything. All kinds of macroeconomic indicators are used to analyze an economy like the Market cap to GDP, Inflation rate, etc



Developed economies tend to have higher SEDA scores, reflecting higher levels of wellbeing. However, the study shows that beyond a certain level of gross national income (GNI), the relative wellbeing decouples from further economic growth, with social factors, such as universal healthcare and greater socioeconomic equality, among others, giving rise to high levels of wellbeing.

Even though the SEDA scores value economic well-being more, it does shed light on how well the economy is working compared to its GDP per capita and is merely a tool for policymakers and not for investment purposes.

### 2) Relation between GDP per capita and SEDA score

Once the scores are derived they are compared with the GDP per capita. Each country is plotted on the graph and the countries lying above the regression axis are chosen for further evolution in the last part of the model.

### 3) Country BETA model

After evaluating growth in each aspect of an economy the only parameter left for a thorough macroeconomic analysis for investing is a risk. Risk and growth always go hand in hand and an analysis of both is crucial for decision-making.

**The Country Beta approach** is a quantitative measure of country risk analysis, in which the risk of investment in a country is attributed to the relation between the returns on the country's equity market and a global stock index.

The model is defined as follows:

#### **$R_{country} = \alpha + \beta \cdot R_{Global}$ (1)**

$\beta$  is the basic measure of country risk, as  $\beta$  increases, the country risk decreases since this indicates that the return of the domestic equities market increases in relation to the equities market of the rest of the world.

Also, the country risk would be a variable affected by macroeconomic variables specific to the country. Thus, beta is modeled as a linear combination of these variables:

#### **$\beta_t = b_0 + b_1 GDP_t + b_2 DEF_t + b_3 FORT + b_4 FDI_t + b_5 EXC_t + b_4 UNE_t$ . (2)**

The direct estimation of this model, however, is not possible due to the nonexistence of a time series for  $\beta$ . But, after substituting the value of beta in (1) we form our final equation as  $R_{country} = \alpha + (b_0 + b_1 GDP_t + b_2 DEF_t + b_3 FORT + b_4 FDI_t + b_5 EXC_t + b_4 UNE_t) \cdot R_{Global}$  (3)

This final equation is now subject to an OLS regression to determine those variables that determine  $\beta$  the most and gave us the highest R-squared. This gave us the coefficients-  $b_0$ -4 and multiplying these coefficients with their respective variables, we get the value of  $\beta$  as a time-varying factor. To compare the risk of investment in different countries we find the average  $\beta$  of the past 10 years of each country.

### NOTE:

1. The data used for  $R_{Global}$  were the returns on the MSCI world index. For other countries-

- The returns on NASDAQ Composite were used as  $R_{USA}$
- The returns on SENSEX were used as  $R_{India}$
- The returns on IBOVESPA were used as  $R_{Brazil}$
- The returns on FTSE 100 were used as  $R_{UK}$

2. The initial macroeconomic variables are-

- FDI- FDI Inflows are an indication of the confidence foreign countries place in the performance of a country's economy. They help to track internal policy and regulations. A low-risk economy is bound to attract higher inflows
- EXC-Exchange Rates are a representation of the country's income distribution, price levels and trade terms. It is also a representation of optimal resource allocation in the economy to maximize profits.
- UNE- A higher Unemployment Rate implies that there is a large pool of unemployed workers in the country, this plays a critical role in the country's growth.

3. This model has first been described in the Seminal paper by Erb, Harvey and Viskanta, This model has been applied to Australia and to Brazil





With researchers terming the year 2022 as the “**year of global Startup ecosystem uncertainty**”, the trends in startup scores have changed dramatically for a few countries whereas it remained constant for another few.

From the above graph, it can be seen that the countries that maintain exceptional scores in portraying stability, innovation and establishment of solid startup ecosystems have been consistent in doing the same. However, nations following the top few such as Germany and China were affected more over the course of 2 years from 2020 to 2022 due to supply chain shocks, imposition of social distancing and lockdowns resulting in lower productivity and investment involved in the sector.

### **AN OUTLOOK INTO INDIA’S BUSINESS ATMOSPHERE**

India being a country that ranks second on the basis of population after China, has shown tremendous potential in the field of small business and startups for a decade. In recent years, with the emergence of unicorn startup companies, India has proven herself as a reckoning force among the world leaders which is mainly constituted by the strenuous efforts of the entrepreneurs as well as public policies undertaken by the government. However, in just one year after the outbreak of coronavirus, the investments in Indian businesses have plummeted by a margin of \$1.40 billion (81.1%) from \$1.73 billion in March 2019 to just \$0.33 billion in March 2020 resulting in one of the major obstacles for entrepreneurs; Funding.

However, it is also to be noted that those young enterprises active in emergency services and commodities have experienced a boom in their investment and market during the past 3 years.



### **CHALLENGES FACED BY INDIAN ENTREPRENEURS**

The whole world's withdrawal from most of the industrial activities for around one and a half years except for the unavoidable lockdown has drastically impacted the investment patterns, disrupted market forces due to low purchasing power among the consumers, and led to sudden supply shocks as well as lack of raw materials. According to a study conducted by the scholars of King's College, London titled “Entrepreneurship after Covid-19: An assessment of short-term and long-term consequences for Indian small businesses”, the most plotted challenge as reported by Indian Entrepreneurs is a concern of payments from customers being delayed or skipped due to financial constraints, followed by the shortage of reserves to remunerate employees for their service. Additionally, according to the study, most small businessmen and startup owners doubt the existence of their enterprise at a potential level but anticipate that despite the survival, the shock will be tough to recover from in a short period of time.

## **GOVERNMENT POLICIES AND SCHEMES ASSISTING BUSINESS VENTURES**

Provided the unprecedented challenges thrown at the startup ecosystem of the nation, the Government of India has taken numerous initiatives to uplift the sector from lower performance and growth back to its strength through the execution of innovative solutions suggested by researchers and businessmen, initiation of various economic packages, establishment of bodies to mentor, assist entrepreneurs and organising webinars offering strategic mentorship to deal with the current situation.

An action COVID-19 team was set up with a 100 crores grant to provide support, guidance and required exposure to innovative ideas that can be implemented in the country with immediate effect. In addition to that, the Small Industries Development Bank of India (SIDBI), also a facilitator of the “Fund of Funds” for start-ups has initiated a COVID-19 start-up assistance scheme under which those enterprises demonstrated efficient effort and desire amidst the pandemic will be provided financial support. Furthermore, the Indian Ministry of Corporate Affairs (MCA) has provided various relaxations and fee waivers to every corporation under the Companies Act of 2013. The Central Bank of India, RBI, has also set up a “Covid-19 Regulatory package” constructed to bring down the burden of debt servicing and ease the working capital requirements. Additionally, among the other government of India (GOI) initiatives, the Department for Promotion of Industry and Internal Trade (DPIIT) has set a panel of experts to supervise and guide the entrepreneurs as well as to make sure that manufacturing, transportation and distribution of goods are practiced smoothly given the current limitations.

Moreover, the Business Immunity Platform (BIP) has been set up by the National Investment promotional agency to safeguard the interests of entrepreneurs by maintaining an active forum to provide mentorship.

In addition to the above-mentioned initiatives, the Indian government has also introduced regulatory reforms via Income tax along with Goods and Service Tax (GST) reforms, deadline extensions in Securities Exchange Board of India (SEBI), allowance of providing moratorium for any default on the payments of installments by the Reserve Bank of India (RBI) and various other economic packages up to 3 lakh crores intended to assist small business and start-up entrepreneurs.

## **FUTURE PROSPECTS**

For such enterprises with desperate requirements for financial assistance, covid-19 acted as a double-edged sword eliminating potential opportunities and extinguishing financial assistance. Hence, given the unprecedented and fluctuating situations, there is a strong likelihood that the establishment of small-scale businesses and start-ups will be challenging in the coming years as investors would prefer to choose established companies over new ventures to invest in to safeguard their finance unless the economy regains its potential momentum. Therefore, for the Indian government, to achieve its ultimate aim of “Atma Nirbhar” and being a \$5 trillion economy, it is crucial to proceed forward with adequate precautionary measures and strategic thinking to attain its glory in the above-mentioned sectors as it is not only is the hub of innovation but also a major employment provider for a country struggling with unsuccessful job seekers.



# PROS AND CONS OF ONLINE EDUCATION

## REVOLUTIONIZING THE NEXT GEN LEARNING GRAPH



WRITTEN BY:

**SHUBHAM SINGH**  
NIT KURUKSHETRA

Human Era has gone through a lot. A time when hunting and gathering is the main source of living in the modern world, we have revolutionized a lot. Do you know how it happens? The most obvious answer is EDUCATION, which not only generates curiosity but also separates humans from animals. Education provides a goal for our living and the direction in which we have to travel. Once beautifully said," The purpose of education is to replace an empty mind with the open one".

The way of education is also changing generation by generation. There was a time when children were sent to Gurukul, where they spent all their childhood learning way of living, GANIT (math), science and a lot more.



They were not allowed to meet with their parents for a long time. In epic Mahabharata, Kauravas and Pandavas were also sent to Gurukul, where they learned how to use different SHASTARAS(Weapons).

Nowadays gurukuls are replaced by schools. Students attend school each day except Sundays or holidays. They are taught different subjects in successive periods. Also, they got recess in between but not too long (joking). But a time came when schools and colleges need to be closed. I am talking about COVID-19 period. Not only schools but private offices, Government Departments are closed.

Everyone thought it will take only a couple of weeks to get back to normal. But the cases rise day by day and increased impatience among parents. As students are getting deprived of learning by sitting at home. They also started to forget what they have learned before. Schools can't be opened unless the situation came back to normal as COVID-19 proved to be a severe disease.

There is a need for someone to step forward and provide some alternative to offline classes. This was successfully done by Technology Experts who provided the idea of online classes. These are basically virtual classes. So they brought apps like ZOOM, TEAMS, and GOOGLE MEET which help teachers to teach students in their respective houses. To attend online classes, teachers can share links to classes with children via mail or WhatsApp. If they have to share some sort of notes, they do it on WhatsApp or google classroom. Children are also enjoying it as they don't have to bathe early in the morning. During winters they simply attend classes from their blankets.

The online classes do not stop here only. Then there come Educational Tech giants like BYJUS, UNACADEMY, VEDANTU and a lot more. They provide various types of classes from CBSE.



Firstly, these EDTECHS becomes very profitable as students found it interesting to understand concepts through animated content. In the midst of lectures, students are asked questions. If they answered them wrongly, they are corrected by highlighting where or why they are wrong.

In case of any doubts, students can get them cleared either through a phone call or the website. No matter at what time they have doubts, teachers came instantly online and clear their doubts. Frequent tests on topics allow students to improve and test their knowledge about various subjects.

But do all students are benefitted through online classes? the answer is a big NO. Not everybody has enough resources to attend online courses. This is due to lack of money, internet facilities in rural areas, and unavailability of mobiles and laptops. Although Governments are working hard to provide educational resources in every part of the country still lakhs are deprived of them. Suppose by somehow each student is provided facilities required for online education, will it still be an alternate for offline education? The answer is NO.

whether students are gathering that content or not. Many students also face struggles to focus for long durations on screen. They usually suffered from headaches and eye strains. A study has also shown that people who are spending more time on screens are becoming hyperactive and anxious.

So we understand that despite having a lot of benefits, still online education can't replace offline education. The best way of learning concepts is to have an active interaction with our teachers which is only possible in offline education. It's not like online education need not be recommended, but a lot of measures should be taken while imparting it. Parents should have an eye on their children whether they are using mobiles or laptops for study purposes or something else. schools should make a proper timetable for online classes. It should be made sure that students are not having much screen time. They should be given in between breaks so that they can relax.

Students should also try to focus on the content delivered by teachers and strictly avoid using screens for other purposes. They should read books instead of using google or Youtube to learn a concept. Because while studying books we get to learn a lot of stuff along with the required one. Parental control apps should be installed on mobiles that will track the usage of mobile by students.

Hope all of you have some knowledge about Mahabharata as there is a character Eklavaya who gets an education by just observing Dronacharya, who refused him of providing knowledge. But still, Eklavaya made a statue of Dronacharya and practiced in front of it and the lake became the best Archer in the world. So stop saying you can't get knowledge unless you are under surveillance. If you are keen to impart knowledge so there is no force in the world that can stop you.





THE BOND BETWEEN  
**THE BOND BETWEEN**

# MEXICO INDIA



India and Mexico share a very cordial and warm relationship. From the lush green Sierra Madre to the lofty Himalayas, from the magnificent Chincehn Itzas to the splendid Taj Mahal, from Tortillas to Chapatis, there are many threads which connect India and Mexico in a dynamic mesh of relationship, touching many lives across both the countries. As we move ahead into the third decade of this century, and we further deepen our relationship, we need to broaden our cooperation to a new level.

The Finance and Investment Cell of Aryabhata College hopes to contribute through our efforts a small yet significant momentum to grow this ever deepening relationship. We are grateful and honoured to have Mexico as the Country of Honour and Highlight for the Second Edition of our Annual Magazine- Absolute Advantage.



# THE BOND BETWEEN INDIA & MEXICO

The year 2022 marks 72 years of close ties between India and Mexico. Although situated on opposite ends of the world, the two emerging global powers share a surprisingly astonishing similarity in societal structure, culture, history, flora, and fauna. Recent years have seen the two countries increasing their trade and investment relations in sectors ranging from pharmaceuticals and information and communication to collaborating on aerospace technologies. With the current shift in global power sharing, both the countries look forward to more dialogue and cooperation as well as cooperation on bilateral and multilateral issues. India and Mexico are alike in more ways than one might register at the first glimpse of our cultures. Both have been the cradle of great ancient civilizations. Both countries have highly diverse societies. Both are democracies with emerging economies and have taken a stand for each other on numerous occasions. Both have crazy big celebrations and stunning festive decorations.

## A BRIEF TAKE ON THE HISTORIES

It was the period of 2500 BC-1600 BC when large and complex civilizations were advancing in the major parts of the territory, the civilizations that prospered and perished over millennia had some common characteristics like:

- substantial urban areas;
- colossal structures like temples and palaces
- the segregation of society between elites in the fields of religion, politics, and commerce, as well as commoners who engaged in subsistence farming;
- marketplaces and trade networks

These civilizations developed in a place where there were no significant navigable rivers, no animals for transportation, and challenging terrain that made travel difficult. Indigenous societies possessed a concept of deities and religion, but very different from that of Abrahamic. They also created sophisticated rituals and solar calendars, as well as a major understanding of astronomy. Every aspect of the universe—including the earth, the sun, the moon, and the stars—as well as all of nature's elements—including plants, animals, water, mountains, and trees—were all seen by these ancient civilizations as manifestations of the supernatural. Oftentimes, gods and goddesses were depicted in stone reliefs or works of art.

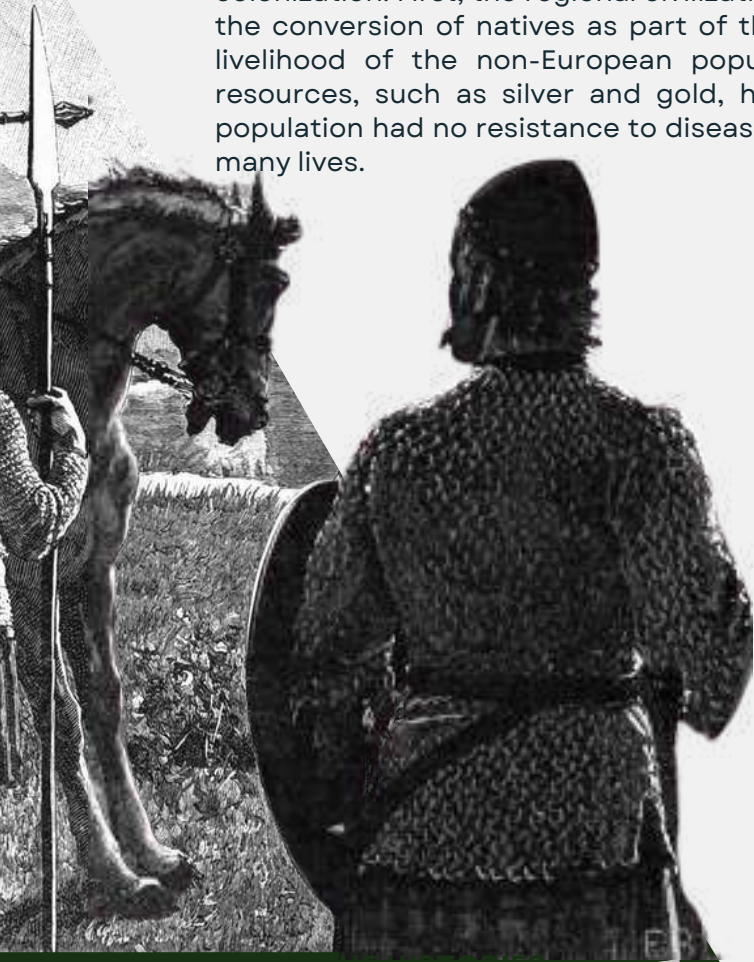
Within centuries, many city-states, kingdoms, and empires competed with one another for power and prestige; causing empires to rise and fall; and leading outsiders to have an opportunity.



**And both love spicy food!**



Soon the Europeans moved in, pushing through the barriers, capturing the land, and forcing colonization. First, the regional civilizations and heritage buildings were demolished. Undertook the conversion of natives as part of their purported legal and religious duty to improve the livelihood of the non-European population. Abusing their dominance, they stole lots of resources, such as silver and gold, however, never yielded anything in return. The native population had no resistance to diseases such as measles, smallpox and influenza; resulting in many lives.



However, these colonists weren't British but Spanish and the land was modern-day Mexico. Like India, Mexico was also a cradle of various wealthy independent economies, central and southern Mexico (termed Mesoamerica) witnessed the rise and fall of complex indigenous civilizations. Named after the Mexica people from ancient Aztec times, Mexico is identified as one of the world's six cradles of civilization, along with ancient India. Both the countries used to enjoy independence and self-governance until, the British East India Company expanded its hold in Bengal, initiating Indian colonization in the 18th century and the Spanish Empire conquered Aztecs to form New Spain (colonial territory of the Spanish Empire in Mexico). During colonialism in both lands, the Spanish maintained relationships and conducted trade with Indian traders through the Manila-Acapulco Galleon, which also delivered their goods to New Spain.

While India gained independence in 1947, Mexico got independent much prior in 1821 from the hands of Spanish colonists. In 1947, Mexico became the first Latin American nation to recognize the independence of India from the United Kingdom, and in the following years, both countries established diplomatic relations. In 1961, Prime Minister Jawaharlal Nehru became the first Indian head of state to pay a visit to Mexico, while Mexican President Adolfo López Mateos conducted an official visit to India the following year.

When Indo-Portuguese tensions peaked during the Goa liberation movement, Mexico offered the Indian government its influence in Latin America to put pressure on the Portuguese to defuse hostilities.

Although the countries had been in diplomatic ties since the last century only but have a shared past of rising and fall of indigenous empires, and that colonial suppression, causing the loss of culture, languages and resources. Nevertheless, the countries have overcome their previous adversity and are now in the ranks of developing economies.

**ADOLFO LÓPEZ MATEOS**  
MEXICAN PRESIDENT, 1958-1964





## CONTEMPORARY OUTLOOK

Over the past many years, there have been frequent ministerial and administrative level visits from representatives of both countries. This development has dynamically altered the trajectory of the Mexico-India relationship for good. In April of this particular year, Mr. Marcelo Ebrard Casaubon visited India as part of his 10-day official trip to the Middle East and Asia. This can certainly be seen as complementary to the visit paid to Mexico City by Dr. S Jaishankar who graced the celebrations for the 200th year of independence of the country earlier last year. The economic relationship between India and Mexico is an expanding spectrum. India and Mexico recently crossed the US \$10 billion mark in bilateral trade despite the economic slowdowns caused due to the spread of COVID-19. Furthermore, India is the ninth largest trade partner of Mexico with both countries seeking to move up the ladder. For the past few years, the trade between India and Mexico has been consistently rising, except for a blip in 2020 due to COVID-19-induced disruptions. One of the ways to sustain this newfound momentum in bilateral ties will be to explore avenues for further collaboration—an overarching aim of the Foreign Minister's recent visit. Specifically, cooperation in sectors such as pharma, healthcare, and space stood out during the visit.

Even the responses of both the countries to major global upheavals such as the Russo-Ukraine war that began in February this year have been accommodative despite the innate differences and requirements in the geopolitical space. Both the countries have called for dialogue for the resolution of differences and condemned the unequivocal and sole cornering of Russia as an onus of accountability. Both Mexico City and New Delhi are rooted in the belief in the multipolar world order, and not in favor of a rules-based unipolar hegemonic order. India and Mexico joined the United Nations Security Council as non-permanent members for two years in January 2021 and have in the past agreed to work on many issues that plague countries of the Global South. Cooperation in the space sector has emerged as an important area of focus between the two countries. In 2014, ISRO and the Mexican Space Agency signed a pact on 'Space Cooperation for Peaceful Purposes'. In 2019, three officials of the Mexican Space Agency also participated in the training on forest fire regulation through Remote Sensing. That curiosity to further joint space exploration has continued and even during this visit, the Mexican Foreign Minister met with the Chief of the Indian Space Research Organisation (ISRO), Dr. S Somanath.

Mexico and India go a long way back in history. Much akin to the civilisational spirit that both the countries harbour, the Aztecs formed the early primordial basis for Mexican culture to flourish while the Indians descended from the Indus Valley Civilisation. Both the countries had combated imperialism, dominance and subversion for a long period of time and emerged out of their shackles triumphantly. When India hadn't even established diplomatic contacts with the world, Mexico in 1950 became the first Latin American country to recognise it. Such an enthusiastic response to Indian independence was soon followed by a continued exchange of high-level visits, despite the obvious geographical distance between the two nations. Even though both India and Mexico face the tyranny of geography, separated by long distances, they manifest a colloquial spirit of friendship and mutual cooperation in both their efforts to make a mark on the global stage. Notwithstanding the distance, Mexico and India are but paradoxically close to each other working towards ensuring the sustenance of a congenial and fecund partnership based on respect, veneration and understanding.





# EXPERT'S

## ARTICLES



# GLIMPSES INTO THE IAS JOURNEY



**“Become a doctor”, “Become an engineer”, “Get a government job”, only if it were that easy. Is becoming an IAS officer really as difficult as propagated or have people made a mountain out of a mole-hill? Who better to answer our questions than an IAS herself!**

**What were the factors that pushed you towards preparing for the UPSC Civil Services Exam and not seeking a well paying corporate job?**

Here actually, I would like to start by mentioning briefly myself. I graduated from Shri Ram College of Commerce, Delhi University, and I was also doing CS alongside. When I was in my 3rd year of graduation, I read about civil services in one of the magazines, prior to that nobody in my family had ever thought of appearing for civil services, when I read about it more, I tried to find more information. I somehow felt that I should at least try joining civil services, as it would provide me a platform wherein I can contribute to the nation, and people's welfare, and connect to the masses and society. But when I discussed it with my parents, they had many apprehensions. This examination is definitely one of the toughest in our country, lacs of aspirants appear and the selection is in few hundreds, and after of course selection which service you'll get, after service, which cadre you'll get, and after cadre, how will you be posted and how will you manage your family and professional life, all these things came as apprehensions in the minds of my parents but, after a dialogue for 6-8 months, my father agreed.



**MRS. SONAL GOEL**  
IAS (2008 BATCH)

## ABOUT THE GUEST

Mrs. Sonal Goel, an IAS, 2008 Batch dedicated to service of nation from past more than a decade. Having secured an all India Rank 13th in Civil Services Examination, she joined in Tripura Cadre and has held various significant positions. She has put in more than 13 years of dedicated service towards nation (including 10 years in Civil services).

She joined Haryana cadre in July 2016 and has served as Commissioner, Municipal Corporation of Faridabad & CEO, Smart City Faridabad and Deputy Commissioner district Jhajjar.

Mrs. Goel has featured in Top 25 Women transforming India by Niti Aayog, United Nations and MyGov in September 2016.

**"I really wanted to use my potential, knowledge, and experience for serving the people, to connect to the masses, and also the civil services definitely have that charisma and respect in society."**

But then he also suggested that I should have a plan B, by plan B, he meant that if I don't clear civil services, there should be something which should be a fallback career option, taking his advice, I completed my graduation in 2003, I completed my CS in June 2004, after which I got myself enrolled in a regular LLB course in DU, and in the same year then I started preparing for civil services. I also wanted not to waste my academic qualifications, so I also started my part-time job, so from June 2004 to 2007, three things were moving parallel in my life, first, of course, the focus was on civil services examinations, then I was also attending and pursuing my law classes, and also doing my part-time job, managing all these things was not easy. These were difficult times, time management was crucial, but I tried to give my best, also I would like to mention I appeared for my first attempt in 2006, unfortunately, I couldn't clear it, so I wrote my civil services exam again in 2007, and in that exam, I gave all my efforts and energy, whatever I could, and I cleared this exam with AIR 13, and I got selected. So this was my journey before entering civil services.

So, answering the question, the factors that pushed me toward preparing for UPSC CSE, when I could have had a well-paying corporate job.

My first & foremost reason for coming to civil services was that I really wanted to use my potential, knowledge, and experience for serving the people, to connect to the masses, and also the civil services definitely have that charisma and respect in society.

And another very important thing is that it gives an opportunity to serve the people at a very young age, if you enter civil services at an age below 25 or say even below 30, you'll become Deputy Commissioner or Superintendent of Police of the district in 5-7 years. So in your early 30s or mid-30s, you get this opportunity to impact many lives, so these were primarily the reasons I tried to join civil services. By God's grace, I could do so, it's now been almost 14 years that I have been in service. I have gained varied kinds of diverse experiences, serving Haryana and Tripura.

### **What is the best part of being an IAS officer? And please share your experience of the time spent in LBSNAA.**

I think the best part about being an IAS officer or the civil services, is again the same that at a very young age, you have diverse opportunities of connecting to the people and serving society. Also, I would like to mention whether it is COVID 19 or any other kind of emergency that hits the country, it is the civil services, the IAS, IPS officers, and of course, the other officers serving in the bureaucracy who are at the helm of the affairs at all time. Despite all kinds of notions, apprehension, of course, see no system is perfect, we have been seeing how civil services are being criticised, even in recent times, we have seen instances where people tend to generalize, but I would like to say that there are many unsung warriors, many unseen heroes who are trying to give their best, who are actually trying to implement the various government schemes and policies in the best possible manner they can. I think the best part about being an IAS officer, is that there is a diversity in roles, one time, you can be a deputy collector or commissioner or district magistrate wherein you are working in a rural area and, the other day, you may be, of course, transferred, and you may be in secretariat or state headquarters as a director or commissioner where you can be working in urban development or science and technology. But I would like to mention there are a few inherent challenges in civil services, for example, transfers and posting are quite frequent and in the sense that officers generally do not control their transfers and postings, there is dynamic paraphernalia in which we have to work, which is surrounded, by the political process, the media, judiciary, NGOs, civil society organisations, the public at large, common citizens, which is not easy. Once we are transferred it is not only the officer that is being transferred, the entire family gets affected, my daughter is now 9 years old but I would say that every year her school is changing, she is in class 5 now, from preparatory till now her school is changing almost every year. So these are the challenges that we officers have to face, we cannot avoid them beyond a point, but there's also beauty in getting this opportunity.

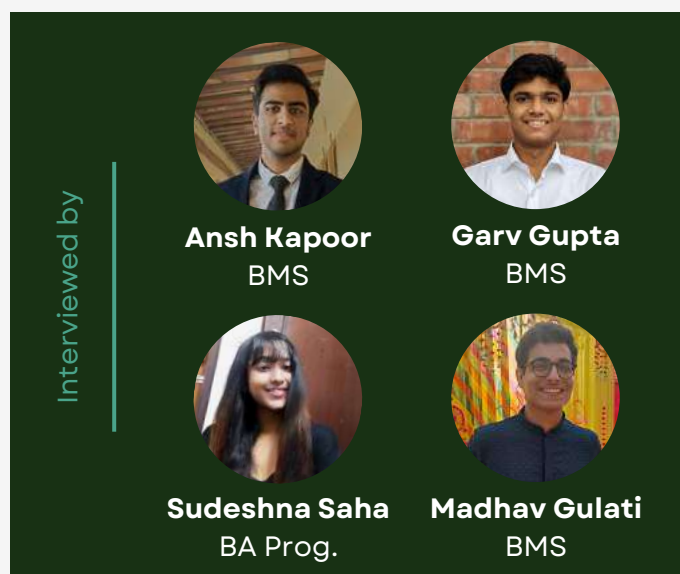


And when you are talking about training in LBSNAA, I joined LBSNAA in September 2008, our batch training started, so first 3-4 months we had our foundation course training, wherein we interact with officers from other services also, so with my batch in IAS, we were trained along with officers of IPS, Indian Forest Services, Indian Foreign Services and also there were few officers of the Royal Bhutan civil services, so you get an opportunity of knowing the officers from all across the country, their diverse culture, their languages, their varied experience, someone is from English medium someone is from Hindi medium, they speak different languages, different food-habits and of course their academic and professional backgrounds, and I can recall few of the fellow trainees, we are termed as officer trainees, so they had actually come through extreme hardship, they started working at a very young age, they crossed various hurdles in life and then they were in LBSNAA, so there are heroes and heroines amongst us. The training at LBSNAA is very refreshing and of course, after foundation, we have our phase 1 & phase 2 which are professional training specifically designed for IAS officers, we also have our Bharat darshans, village visits, treks, and other kinds of schedules and commitments which are aiming to improve the physical as well as the mental health of the officer trainee because we have to work amidst humongous pressure, there is a lot of stress in our daily routine life, they all try to acquaint us to the challenges which we are going to experience, also the academic classes and the way we attend lectures, that also I think is one of the best in the country.

**What do you want to suggest to those who choose civil services as a career due to money or peer pressure?**

I think if these are the two criteria, money and peer pressure, then please don't come to civil services, this is my opinion, I may be rude in saying, but I am saying this with my experience of around 14 years in government if you are coming to the civil services, your purpose should be clear why do you want to join civil service, what is the burning purpose or the aim which is forcing you to join civil services, it should not be, it cannot be money, it definitely cannot be money, if we see the pay structure

of an officer, it is very much less than any individual working in the private sector, and definitely not in peer pressure, because it may pressurize you for 2-3 months but, it cannot let you sustain the pressure or sustain the stress of going through the entire process of preparation.



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FOR FULL INTERVIEW**



# INDO-BRAZILIAN DEFENCE COOPERATION



Two diverse nations with a very close and multifaceted relationship based on a common global vision, shared democratic values, and a commitment to foster economic growth with social inclusion for the welfare of the people of both countries. What does the future hold for them?

India and Brazil are well positioned to strengthen their defence ties. At the strategic level, they do not have any conflicting interests, and one does not constitute an immediate threat to the other. More importantly, they might even have common, specific interests in this area, such as example, peacekeeping, and post-conflict reconstruction. So what keeps them from strengthening cooperative ties in the defence realm? This entry briefly presents an outlook for defence cooperation between India and Brazil, as well as the potential and prospects for greater cooperation between the two regional giants in that domain.

Brazil was the first Latin American country to establish diplomatic relations with the Republic of India, in 1948. Since then, the political and economic ties between the two countries have spilled over to the multilateral domain, not only at the United Nations but also within the scopes of the BRICS and IBSA Trilateral. More recently, dialogue and bilateral cooperation have increased to a great extent, especially in terms of commerce of goods and services, despite the loss of momentum in recent years due to the profound recession in Brazil and to the COVID-19 pandemic.



**MR. CARLOS BRITO**  
PUBLIC POLICY SPECIALIST

## ABOUT THE GUEST

Mr Carlos Timo Brito is an eminent specialist in the field of Public Policy and has been working with the Ministry of Defense since the past 7 years.

He has also contributed his invaluable services as a Advisor to Diogene which gives biotech solutions for Agribusiness and Food Safety.

He has done MA and PHD in international Relations and M.Sc in Criminal Justice from London School of Economics and then served as a University Lecturer in at Central University of Brazil.

"In fact, even the differences between India and Brazil in this domain provide ample scope for cooperation under the logic of complementarity, in which bilateral relations may result in the mutual supply of resources that each side lacks, thus enhancing the value of both nations"

Notwithstanding, according to official figures, in 2019, India was Brazil's 7th largest import source country, and 15th largest export destination, accounting for approximately US\$ 7 billion in total bilateral trade (MRE, 2021). In effect, according to a recent study (Baumann et al., 2021), the creation of a free trade agreement between Brazil and India could result in a cumulative increase of US\$ 21 billion in exports by 2035.

Such increasing and promising ties have stemmed from, and been facilitated by, a common past of colonialism as well as similar social problems; large territories, populations and domestic markets; and democratic political systems (Alden and Vieira, 2005; Hirst, 2008; Fan et al. 2008; Roubini, 2009; Marchán, 2012; Ray, 2015; Diko and Sempijja, 2021). According to theory and practice, such commonalities can lower transaction and learning costs, and support coordination between nations (Keohane, 1984; Dolowitz and Marsh, 2000; Musarra et al. 2021). Thus, in line with this understanding, Brazil and India, through collaboration, may obtain greater benefits than they would when acting unilaterally. Given that international cooperation constitutes a significant component for the development and maintenance of global stability, rapprochement between two large and influential jurisdictions such as Brazil and India can moreover foster a better international order.

Nonetheless, cooperation within certain sectors, such as defence, is still incipient and largely problematic. Nonetheless, it is possible to identify some common traits that favour greater Indo-Brazilian cooperation on defence. In this particular area, both countries have structures that are dysfunctional and expensive, plagued with cost overruns, delays in product delivery, and habitual poor results. This has prevented the military in both countries from making optimal choices and has offered both countries many opportunities for joint action. After all, similar problems may result in similar solutions through mutual help and lesson-drawing.

In fact, even the differences between India and Brazil in this domain provide ample scope for cooperation under the logic of complementarity, in which bilateral relations may result in the mutual supply of resources that each side lacks, thus enhancing the value of both nations (Kreps et al., 1982; Yao, 2011). Arms deals comprise one area in which this logic can be used. Although India has been the world's biggest arms importer for nearly a decade (Blanchfield et al., 2017) as well as a respectable arms exporter (Banerjee, 2018), bilateral defence trade with Brazil is insignificant (Wezeman et al., 2018). In this case, the difference between the countries could actually be a catalyst for enhanced bilateral relations based on complementary needs.

Perhaps no other area displays greater prospects for mutual benefits and potential for enhanced Indo-Brazilian defense cooperation than industry. In this realm, both countries can coordinate public policies, enhance bilateral trade of military equipment and systems, and make joint investments in company formation, research, development, and sales. India has a sizable defence budget and purchasing power; by contrast, Brazil needs to modernize its defence industry and improve the sales of its defence products. Being the world's largest arms importer in recent times, India is in a privileged position to favour Brazilian products and co-finance bilateral initiatives. In addition, Brazilian defence companies and agencies can team up with Indian counterparts for the development of new products, acting as a gateway for Indian defence products in Latin America.





India's favourable position in the global defence marketplace contrasts with the numerous obstacles faced by Brazil. Recent times have been characterized by a decline in the Brazilian defence industry caused by internal and external factors. Internally, serious successive economic and fiscal crises and a wave of privatizations of domestic companies have led the government to reduce defence purchases from its native suppliers.

Moreover, according to Flesmes and Vaz (2011), 'the absence of immediate conventional threats to its security from within the region brought about an acute questioning of the *raison d'être* of its armed forces and provided no incentives for defense spending' (p. 12). These developments have caused adverse effects in the financing and development of products and assembly lines, harming the entry of goods and services 'made in Brazil' into the global defence marketplace. Externally, the end of the Cold War led to an immediate decrease in arms sales globally as well as the cheap global supply of defence products from the former Soviet Union (Sandler and Hartley, 2007).

More recently, the Brazilian defence industry benefited from the growth of military expenditure in numerous countries in the first decade of the 2000s, which provided a boost following the decline in the 1990s (IPEA/ABDI 2016). Brazilian arms exports in this period were dominated by the sale of military aircraft, notably EMBRAER's Super Tucano, which accounted for approximately 80 percent of Brazilian military exports between 2005 and 2011 (Andrade, 2016). Amongst other Brazilian defence products that have had relative success in the global arms marketplace, the most notable are missiles, armoured vehicles, ground systems and radars (Brick, 2014). Historically, the main buyers of Brazilian products are other South American nations, which accounted for a little over half of the sector's exports (IPEA/ABDI, 2016). By the beginning of the last decade, Brazil's defense industry was formed by 40 exporting firms that had a turnover of approximately US\$ 4 billion, generating approximately 30,000 direct and 120,000 indirect jobs (Gambôa, 2013).

Currently, the Brazilian defence sector consists of 220 companies and supplies 85 countries worldwide. In 2019, sales abroad totaled 1.23 billion USD (Sufrin, 2020).

Overall, the main characteristics of the contemporary Brazilian defence industry (Brick, 2013; Schmidt et al., 2013; Andrade, 2016; IPEA/ABDI, 2016; Sufrin, 2020) are as follows:

- Partial technological autonomy – apart from rare exceptions, the more complex the product, system, or component made by the defence industry is, the more dependent the product is on the purchase and adaptation of foreign technology in the production process;
- Incomplete productive structure – key defence industrial sectors exist in which indigenous productive structures are practically non-existent, such as the case of weapons and ammunition electronic systems and command and control systems as well as military ground platforms;
- Few national leading firms – only a few industrial segments of the Brazilian defence industry have so-called 'anchor firms' that exhibit a sustainable business scale (productive and financial) compatible with international standards or that are sufficiently independent of foreign input.
- Tax deficiencies – the amount by which the firm's correct tax liability exceeds the amount reported on the tax return. In fact, tax asymmetry favours imports in all sectors of the Brazilian defence industry. In addition, the sectors with the highest export coefficient present an accumulation of tax credits that has a negative impact on the profitability and costs of large exporting companies.
- Discrepancies of the national productive structure – although some defence products directly benefit from the high degree of international competitiveness of some Brazilian industrial sectors (e.g., metalworking and mechanics), the deficiencies of other sectors (e.g., information technology) impair product development that relies on the deficient sectors.

These characteristics suggest great potential for synergy with Indian partners, considering the fact that India is at the forefront of numerous management and technological processes and reforms, and hosts many leading companies operating in segments considered priorities by Brazil. Moreover, Indian exporters in the defence sector can seize the opportunities presented by the attractive import-tax structure in the Brazilian defence sector. Furthermore, a cursory examination of both countries' defence policies (or statutes) and legal frameworks indicates that India and Brazil seem to have convergent goals and complementary defence needs. For example, Brazil has set its defence production priorities in eight industrial segments that could be of interest to Indian partners (IPEA/ABDI, 2016): 1) light weapons; 2) ammunition and explosives; 3) non-lethal weapons and ammunition; 4) electronic systems and command and control systems; 5) military ground platforms; 6) military aerospace platforms; 7) military naval platforms, and 8) nuclear propulsion. These eight segments involve the three fundamental strategic programmes of the defence sector: 1) the nuclear programme led by the navy; 2) the cybernetic programme coordinated by the army; and 3) the space programme managed by the air force (MD, 2012).

As a concluding remark, cooperation between Brazil and India in defence matters should explore possibilities and synergic needs beyond the industrial realm. At the strategic level, both countries should engage in a consistent process of defence policy coordination, taking on board each other's strategic policies, programmes and projects. At the operational level, India and Brazil should intensify and expand initiatives such as military education exchanges; joint training, exercises and simulations; sharing of best practices; high-level visits; joint research and development; and establishment of technology-related partnerships.

As a concluding remark, cooperation between Brazil and India in defence matters should explore possibilities and synergic needs beyond the industrial realm. At the strategic level, both countries should engage in a consistent process of defence policy coordination, taking onboard each other's strategic policies, programmes and projects. At the operational level, India and Brazil should intensify and expand initiatives such as military education exchanges; joint training, exercises and simulations; sharing of best practices; high-level visits; joint research and development; and establishment of technology-related partnerships.



# FLASHLIGHTS AND FANDOM : GLIMPSES INTO THE VLOGGER LIFE



Moses Saldanha, an experienced YouTuber with over 175K followers talks about his life as a vlogger and director of a company. He gives glimpses into his life and talks about how he balances between vlogging, content creation, leading a company and his personal life.

**In a world where almost every vlogger creates at max 10-15 videos regarding a single place, how did you manage to create more than 50 videos about Goa and that too in 2021 only?**

I honestly spent a lot of time watching many of these videos myself, before I started shooting. The mistake most vloggers make is they don't study their market to see what's missing, instead, they tend to repeat what's already there or what's trending. What I realised in all of them was that they were doing most of their videos as a traveller themselves. They lacked knowledge about the place as well as what was around them. This is where I got my edge compared to other YouTubers. I had detailed knowledge about the place and the surrounding from the restaurants to the cafés and little local places which a traveler would find interesting and at the same time I could help support the local businesses. I actually shot over 200+ videos in just 2021.



**MR. MOSES J SALDANHA**  
YOUTUBE VLOGGER

## ABOUT THE GUEST

Moses J Saldanha is a Goan YouTuber, who went on to get over 100k subscribers in less than a year.

He is very passionate about what he does and has been helping thousands of people to travel with his videos. Moses hopes to inspire a whole new generation of Goan YouTubers that anything is possible if you work for it.

His love for travelling and sharing his experience with the rest of the community has made him a cherished part of the life of many youngsters who follow him avidly.

**"A YouTuber is an huge pressure at times as you have to learn to balance between the two."**



**Do you feel like you are in a constant competition with other vloggers?**

Till date, I've never felt any competition with any other vlogger as I only do YouTube out of passion. I actually believe in working as a community instead of trying to compete with others. I've also helped many YouTubers with lots of tips and backend stuff. Many of them are very successful channels now. Just because someone watches someone else doesn't mean they will stop watching my videos.



**Getting recognised after creating travel videos has given you such a great exposure, how do you feel about it when you meet people's expectations?**

The thing about creating videos is that you should genuinely try and enjoy your own experience while shooting so that you can always give an authentic experience to the people watching at home and that it makes them feel that they are on this journey with you. I enjoy when people reach out and share the stories of their experiences after visiting the places I've shown.

**You are the director of Siof group? How's your entire experience been till now?**

Being a director of a company and being A YouTuber is a huge pressure at times as you have to learn to balance between the two. It took me a while to find the right balance and it's only possible with proper time management. I love working in my company as I'm in education and it's always great to help so many youngsters start up their own businesses and get successful careers.

**You have been travelling all around the world for years, which places have been your absolute favorite and also what financial aspect of the country you loved the most?**

My family has always been into travel and adventures so I have been traveling from the age of 8 months as I have been to so many places on my journeys it's hard to pick a clear winner but I would have to say New Zealand has been one of my favourite places as I spent some time growing up there. For the financial side of travel, I would recommend Thailand as it's one of the easiest places to travel and it's very economical for food, transport and accommodation.

**Since you've tried both the things, Do you prefer to travel alone or with your wife?**

My family has always been into travel and adventures so I have been traveling from the age of 8 months I have been to so many places on my journeys it's hard to pick a clear winner but I would have to say New Zealand has been one of my favourite places as I spent some time growing up there. For the financial side of travel, I would recommend Thailand as it's one of the easiest places to travel and it's very economical for food, transport and accommodation.



**Interviewed by**



**Sudeshna Saha**  
BA Prog.

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FOR FULL INTERVIEW**



# LEADING THE CORPORATE - SKILLS, ETHICS, MOTIVATION & WORK-LIFE BALANCE



**Mr. Pramil Govil talks about his life as director at Bain and Company, future prospects of this industry, upskilling oneself, work ethics, motivating a team and above all, maintaining a work life balance..**

## **How would you like to describe your role as a Director at Bain and Company?**

My role at Bain broadly is currently leading a reporting and analytics COE which is based out of the Gurgaon office. This team was started almost three and a half years ago as a central team to provide standardized and automated reporting analytics to Global Bain functions. We started this as a small team of about 3-4 people. Today the team has grown to almost 25 people and we are providing reporting and analytics to more than 25 business units at Bain across different industries and capability verticals, on multiple core business matrices and a lot of key decision insights for Bain leadership regions as well as the practice at its units.



**MR. PRAMIL GOVIL**  
DIRECTOR, BAIN AND COMPANY

## **ABOUT THE GUEST**

Moses J Saldanha is a Goan Youtuber, who went on to get over 100k subscribers in less than a year.

He is very passionate about what he does and has been helping thousands of people to travel with his videos. Moses hopes to inspire a whole new generation of Goan Youtubers that anything is possible if you work for it.

His love for travelling and sharing his experience with the rest of the community has made him a cherished part of the life of many youngsters who follow him avidly.

**"The more complex problems that we are able to solve, the more successful value additions we would be able to do for our clients"**

**Sir you are currently working in the management and consultancy industry. How do you see the revival of this sector from the three years of covid and its future in the next upcoming decade?**

See, the consultancy has always continued to grow. I think what we have seen is a shift in how clients want the consulting firms to provide value. When consulting started many many years ago with McKinsey, BCG and Bain starting out to provide consulting services to clients, it was primarily based on providing a lot of research and reports that the clients could use because the clients did not have a lot of those resources available themselves. How the industry has now shifted is that a lot of information is now available to the clients already because they have their own in-house consulting teams and they have access to a lot of reports. The value addition with consulting firms now is more on the lines of expertise. Imagine a consulting firm like Bain doing multiple projects on a topic. Let's say, if you take the example of consumer products market entry, we may be doing multiple projects with different clients across different geographies. If we working on 10 projects for 10 clients and 10 different regions, we are actually generating a lot of expertise on how to do this well for our clients and rather than seeing one client in one industry, we are actually seeing this across industries, across sectors, across geographies. So, we are building a lot of expertise on what should be the right playbook. That is the kind of expertise that clients really value now which is driven by the execution of the projects and the real-world experience of delivering those projects versus just insights coming from a research report and market data. So, I think that is probably one big shift that I feel I have seen in my time at Bain in the past many years.

On your question of how have the firms been impacted through Covid. Like most other firms we saw the first quarter, and second quarter dip across projects as a lot of our clients were trying to understand and figure out what should be their strategy going forward with covid in 2020, when it all started.

My family has always been into travel and adventures so I have been traveling from the age of 8 months I have been to so many places on my journeys it's hard to pick a clear winner but I would have to say New Zealand has been one of my favourite places as I spent some time growing up there. For the financial side of travel, I would recommend Thailand as it's one of the easiest places to travel and it's very economical for food, transport and accommodation.

But at Bain, we quickly started understanding what should firms do and what would the future look like. We started putting together a lot of IPs as we call it, which is basically insights on what should firms do and how should they manage the covid and the post-covid environment from a business perspective. We started applying it with our clients advising them on how to manage their cost effectiveness in the covid scenario, how to think about growing their business, sustaining their business, and some of that kind of things. And then, since the second half of 2020, we have seen continued demand coming from our clients which is partly driven by the improved sentiment in general, the business sentiment improving post second half of 2020 and then a lot of consulting firms including Bain also putting together a lot of frameworks and playbooks in place to support our clients and help them manage through some of these things.

What I see like, when I go to LinkedIn, I see a lot of posts not just for Bain that we are hiring but from KPMG, Deloitte, EY, McKenzie and BCG. This in a way shows that there is a very strong continued demand for consulting firms in the industry right now.





**Analytics seems to be one of your areas of specialty and today python is increasingly becoming a popular method to analyze data. How important do you think it is for individuals from finance or consulting backgrounds to learn to code if they want to succeed in this field? What other skills would you like to recommend for people wanting to pursue this field?**

When I think about analytics, this purely comes from the experience of setting up my team and scaling it. I feel like we generally think about the skills which are important for us to add value to our stakeholders in two or three broad buckets. I think the first bucket is the ability to understand the business problems and create tangible solutions to solve those. This means that if a stakeholder is reaching out to us to help them with an analytics issue and putting together a business intelligence reporting or an analytics reporting, not just understanding the data but also understanding what insights are they looking to get out of it which can help us create a more structured solution for them. One thing I really feel passionate about and which is my vision for my team as well is, last year I was reading Fortune Magazine and there was an interview with the TCS CEO in that and one of the quotes which I really liked and has become my inspiration is that "At TCS, we do not want to be known for the beauty of that solution but we want to be known for the complexity of the problem that we are solving." In our world also, when we are working a lot on analytics, now I also feel that we don't want to be known for the beauty of the visual or the beauty of the dashboard but actually for the complexity of the problem that we are solving for our stakeholders. The more complex problems that we are able to solve, the more successful value additions we would be able to do for our clients. That I think is number one, aligning with the business stakeholders to understand the problems that they are trying to solve and providing relevant solutions for them.

Number two is problem-solving. One of the parts of problem-solving is the ability to break a problem down and then create a structured approach to solve that problem. In a way, you can say it's like coding in python.

If you have to create a simple pattern of 'print 1 to n and add all the odd numbers, one element to do that is you have to understand how coding works in python, but at the same time if I flip the problem for you and tell you that I need odd numbers but I want you to skip every other odd number and then add. Now, if you know to code, you will be able to solve the first problem but if I flip the problem for you and you don't have a structured approach to problem-solving, then probably you will not be able to solve the flipped problem. This is why problem-solving and the ability to create a structure to solve your problems, understanding logic and how things are working so you know if things are going to break or not for me is a higher priority.

Then, the number three skill is your tool-based knowledge. A lot of our work is currently delivered through alteryx and tableau. A lot of our data transformation happens through alteryx because we are running into millions of data rows, so don't do it in excel, we also don't do it in tableau as tableau becomes very slow with data transformation. We run workflows in alteryx which almost takes sometimes 4 hours to run and execute. Then, we download that file and plug it into our tableau dashboards. We haven't started doing a lot of work in python yet. We are still trying to figure out the right use cases for python but I feel python is the next wave of automation for us to imbed in the work we are doing. But again, tool knowledge for us, as we are also hiring people, we would be okay with hiring someone who does not know alteryx and tableau right now or even let's say six months or a year from now, if they don't know python for that matter, if they know python it's great but if we have existing team members who are well versed with python, alteryx or tableau, then we would rather hire someone who is good at problem-solving and create a structure to solve a problem and write the code. You can write the code either in excel or in tableau, that does not matter, it is probably something you can learn in three months but the ability to write a structured code that can solve a problem is probably a priority for me.

I would probably say that focus on improving your problem-solving skills and also understanding more about the business and understanding the problem that you are trying to solve for your stakeholders. As you start, I think knowing some of these tools is important. I definitely feel that in a lot of the analytics and data science-related work, python is now the leading tool that everyone is using.

We haven't started using it a lot. I have started learning it but we haven't found a lot of use cases yet for python in the work that we are doing at moment.

**What is the importance of having a good work ethic? What according to you are some ethics that one should follow at the workplace?**

Because all of you would soon be starting your corporate career, I won't talk about 10 principles. I would just tell you two things that you should remember.

When you start your role, your role is not to do your supervisor's job. You get hired to provide support in a setup where there is a very clearly defined organizational structure and hierarchy. So, don't try to take up your supervisor's job in the first month of your career.

What you should focus on is learning and helping. When you start your career, understand the work that you are doing and build as we call it at Bain 'Zero Defect' which is basically something that does not have any errors. Learn to build a zero defect model. So, if you are given a task to build a model, build a model which has no data issues.


Deliver your work on time. If a deadline has been given, make sure that you are able to deliver your work on time.

Take feedback. When you start your career, you should be seeking feedback because there would be so many things that you don't know. You need to be open to be taking feedback and understanding things that you are still learning. After taking the feedback, build your plan to improve and then continue to repeat that cycle.


These are two or three things that people should keep in mind especially when they are starting a new career. Remember that your initial role is to learn and help. So, learn and help with the work that you are doing, deliver a zero defect model, and be open to feedback. As long as people remember these basic two or three principles, it becomes easier for them to have a smoother onboarding in the initial times of their career and it builds a good brand image as an engaged, coachable team member who has the desire and hunger to learn.




Interviewed by




**Triguna Jain**  
Eco (Hons)



**Anant Aggarwal**  
BBE



**Vatsal Loomba**  
Eco (Hons)



**Shubh Chopra**  
Bcom (Hons)

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# THE FUTURE OF INDIA AND ITS YOUTH



Albeit having a difficult path, being an entrepreneur can be very rewarding if the idea is researched, ideated and planned out well. In an effort to enable the youth, we gained some important insights from Mr Babu George, a leading business researcher.

**Sir, we would like to know a little about your journey and everything. Since you have education in very diversified fields like that in management, science, and tourism. So how would you like to define that?**

Yeah, that's the question, you know, I think when I think about myself I think that I am a person in the making.

A lot of people want to think of identity as a static mechanic, mechanically, you know, fixed identity. But I mean, when I think about myself, I have always thought of myself as a work in progress. It may not be a work in progress, but it is at least a work in process. I like to give myself that flexibility. I like to allow myself to take any direction that I know that the present moment wants me to do.

**Sir, what are some basic skills that you believe college students should have and how exactly they can structure themselves like that?**

Yeah again, you know, it is very difficult to list out everything. One thing I can say is that the future is very uncertain and the ability to make sense with less information is very important. I mean, on one hand, there is a lot of fresh information about everything.



**MR. BABU GEORGE**  
DEAN, ALCORN STATE UNIVERSITY

## ABOUT THE GUEST

He is an academic-administrative professional with a truly global footprint of work history, highly cited interdisciplinary business researcher, and management consultant.

He is a reflective practitioner and a grounded theorist, and has an extensive consulting experience in higher education, hospitality, banking, healthcare, transportation, telecommunication, retail, energy, agriculture, and manufacturing, but with competencies that are portable to other industries.

Has country-specific expertise on higher education management issues in India, China, and the US (among others).

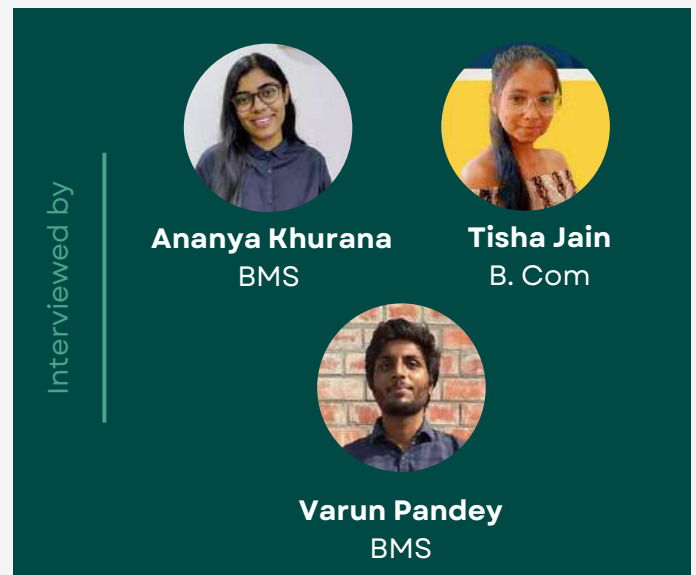
**"When I think about myself, I have always thought of myself as a work in progress. "**



But on the other hand, we also have to juggle with too many things. So we don't have the capacity to know, just wait for perfect information. There is a lot of chaos out there. So your ability to make decisions, even though those decisions are not perfect, is affected. With less amount of information, there is more ambiguity. And the ability to make decisions within an environment of ambiguity is very important because things are changing. You cannot predict despite the presence of you know, machine learning, AI and other predictive tools, and also Google at our hand tips, we are not able to make predictions on what next year is going to be. You know, nobody expected, Black Swan events, like, I mean, the pandemic for sure, but we, we cannot even expect something else. I mean, we don't even know what tomorrow is going to be. So, 20 years ago there was more predictability or even 10 years ago, and it is that predictability is becoming an issue. So the ability to make decisions when you don't have enough information is very important.

**Sir, like you have done a lot of things, while some just give the excuses that they might not be able to do one thing because of the other while you have handled a lot of things. How did you do that?**

I don't think it is a perfect characterization. It is more like I had a lot of chances to come together to do multiple things rather than one thing. I think we all have potential, even though it is not a finished potential, we have some degree of ability to do almost everything once we allow ourselves to do so. If we fail, it's okay. We may learn a little better or we may not even learn, but if you don't try, there is no chance. So I did a lot of experiments in my life, some of them were absolute failures, some of them worked out, and some of them taught me a thing or two but I kept on experimenting and trying out newer things.



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# BUILDING YOURSELF-CONVERSATIONS WITH AN ALL-ROUNDER



**A successful social media content creator and a YouTuber, Mr. Dhairya gives us insights from his life as he explains how to excel in one's career.**

**What are your favourite books that made you contemplate and inspired you to be who you are today?**

Books teach us a lot. Books can shape your perspective and have the power to mould you into a better human. I'll suggest that you read this book called "One Thing" and "Money psychology". See, I have a lot of aged friends. Whenever I ask them what matters the most, they say it's our family. Whatever one does is for the family. Be it earning or hustling every day we do it for our wives, our children, and our parents. One thing would focus you to achieve better and give you motivation whereas money psychology will teach you to save.

I am very calculative and spend very carefully. There's a story, A security guard used to save money and invest, and was declared as one on the top 4000 people in the USA. He used to save and invest in stocks. He as a security guard saved so much because he respected money. A big piece of advice I'll give is to respect money.

If you know you can walk to college, go walk and save money, save on traveling, save every small penny. I used to save a lot. Didn't go out a lot, saved on travelling, travelled 3km on foot and slowly I saved so much that I bought a camera worth 40000 rupees.



**MR. DIGITAL DHAIRYA**  
PUBLIC FIGURE, YOUTUBER

## ABOUT THE GUEST

He is a personal branding coach by profession and an entrepreneur from heart. His journey started with completion of my graduation in 2017.

He started learning and practicing Digital marketing in 2017 itself.

After learning, he worked as Senior Client relationship executive in Delhi school of Internet Marketing (DSIM) for 1 year.

In 2018, he got selected as Digital marketing executive in Speaking Tiger Pvt Ltd. In 2019 he decided to quit my job and started building his personal brand - Digital Dhairya.

**"All money saved, big or small, is useful and can be invested. Save as much as you can and invest at the right places."**

My small room at home is my office, and by saving subsequently I bought another camera, a computer, a mic, and a collar mic. All money saved, big or small, is useful and can be invested. Save as much as you can and invest at the right places.

### **Sir, how can one overcome camera fear?**

Everyone here in this interview is talking normally just like friends, this is because we are comfortable. You need to be comfortable and that will come with practice. Start talking like this and record yourself, practice. Only practice can make you unafraid of the camera. Make reels, and stories, shoot yourself performing, gain confidence, make YouTube videos, consider the camera to be your friend and talk while looking in it just like you do with your friends.

### **Any suggestions on how one can start their journey for content creation.**

To be very honest you have to start and take the first step of shooting videos. Don't worry about the future or how you'll take the next steps, just take the first one and the future will unfold itself. Start shooting content, posting it and betterment will come with time.

### **Sir, what's that one thing you'll suggest to undergraduate students?**

I'll say that the best learnings in life will come from your practical life or everyday life. Dream big, do what you love and go for what you want. People often dream big in childhood and forget their dreams as they grow older. It's important to keep dreaming big and working towards it in order to achieve life goals.

I'll advise you to learn new things, new skills and build things. Do your research, find newer products, search for alternatives and try building businesses. For example, I like connecting with people and I love talking. I am so happy while talking to you all and giving this interview that I can do it all day. I turned this into my profession.

So start doing things you love, dream big and build new things and most importantly, build yourselves.

### **What was the toughest part of your journey?**

There are a lot of difficulties one faces, you'll fail and suffer losses but it's you who decides to get up again. I didn't have room to live, but I had a passion and made it through. I wanted to do it and had motivation. Take action, if you take action you'll never regret it. When you start earning your maturity level will increase and you'll change and become stronger but for now, take action.

### **Who inspires you the most and keeps you motivated?**

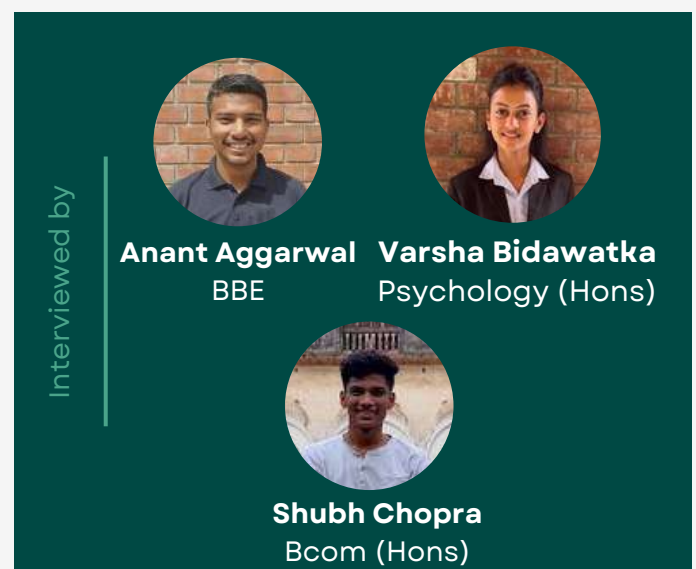
My mother. She's an artist. She works a lot and believes in hard work. A housewife by the day and an artist at night. I got her 1% in me and became who I am today. I am forever grateful to her. I am very hardworking. For me, my motivation is my mom.

### **Sir, how can one find their passion?**

One must choose carefully as passion can be poison. So choose very carefully. For example, if someone's passion is for a thing that has no demand in the market then it won't fetch you money and be poison. Money should be one of the main motivating factors and then one must choose carefully.

### **Sir, any movie suggestions?**

One movie I'll recommend you all to watch is Steve Jobs. Otherwise, I am a Marvel fan and I mostly watch animated movies from marvel. I am a big fan of Iron man.





# SWIMMING WITH THE SHARKS: JOURNEY OF A LIFETIME



We all have dreamed of being a part of Shark Tank to present our very own ingenious and quirky ideas in the most unique ways. Find out about our conversation with the founder of “Speed Force”, a Shark Tank participant and live his journey in one of the most watched reality shows during the pandemic.

Your journey till now has been nothing short of success sir and I commend you for your hardwork and success. However each journey has its ups and downs? What were these in your case and how did you handle adversity along the way?

I believe that internal team motivation is the biggest motivation. Each week we schedule meetings with our franchisees. We are able to help in ensuring they're smooth working through a cross-learning platform whilst motivating them to work at their level best and even their enthusiasm towards the fuels us and helps us stay motivated. Success is the ultimate motivation provider and we strive to be successful each day. Along with that, we have created an open environment where everyone can work and share their ideas freely



**MR. DEEPAN BARAI**  
FOUNDER, SPEEDFORCE

## ABOUT THE GUEST

**Deepen Barai** is the founder of “SPEEDFORCE – THAT DELIVERS Franchise of MULTI BRAND TWO WHEELERS WORKSHOPS “. His thorough experience of working in multiple sectors of telecom, networking, insurance & Automobiles industries for 18 years paved a way for him to start a new journey of his own creativity in the Automobile service sector. He is born and brought up in a business family from Jamkhambhalia, Gujarat. Along with his native friend, he gathered an idea of setting up a holistic model in an Automobile two-wheeler Multi Brand service industry.

**"Success is the ultimate motivation provider and we strive to be successful each day. "**

**Sir, you have even indulged yourself in the EV sector, how has your experience been till now and what are your future plans regarding the same?**

Yes, our company is one of the leaders in EV services and also received the award of the best 'EV service provider' for the year 2021. Our future plans include collaboration with players of EV manufacturers to manufacture newer and better models of these bikes and also indulge in the selling these through our franchisees

**I'm sure sir you'll be bringing forth some of the best models in the EV two wheeler sector. Now as we all know you participated in the Shark Tank show as well and gained a lot popularity through the same. This show is believed to be responsible for encouraging growth of a lot of new startups. What are your views on this?**

I completely agree with you, Shark Tank has really enabled people to materialize their ideas into reality and also helped in changing the mindsets of people who believed that start-ups always fail.

**I agree sir, following up on the last question, what advice would you like to give to the up and coming generation of entrepreneurs?**

Being from a service background, I believe that customer satisfaction should be the priority of every business. Along with that listening to everyone's views and using them to improve is also an essential part of growing.

**Those are some great words of wisdom for our readers sir. What are some of the mistakes that you may have made in your journey which you would like young entrepreneurs to avoid in their path to success?**

Our focus on technology has been a focus of us for the past year only which although helped us a lot, is one of our current weak points. We believe that investing and learning technology is one of the keys to success in the current modern world so we are working towards technological excellence.

**What do you think has been the role of MSME in our country's economic growth?**

MSME's in our nation have a huge potential and with the support from the government they have been reaching new heights. Companies like ours will continue to thrive and grow and aid the nation's overall growth.

**Sir I'm sure our readers would like to know what made you switch to this business from your job in an insurance firm?**

Being a Gujarati I always had this feeling to have my own business. Being the first Bcom graduate in my family, I wanted to do and achieve something bigger. Even my Branch Manager of my firm motivated me to pursue a better job. So in the end I'm happy to have found success in Speed Force.



Interviewed by



**Sparsh Garg**  
B.A. Prog.



**Varsha Bidawatka**  
Psychology (Hons)

# THE WORLD OF FINANCE - CAREER, TRADERS, INSTITUTIONS



We all have dreamed of being a part of Shark Tank to present our very own ingenious and quirky ideas in the most unique ways. Find out about our conversation with the founder of “Speed Force”, a Shark Tank participant and live his journey in one of the most watched reality shows during the pandemic.

Our first question to you is what are the different sectors in finance that the student can look at? We know that there are CA and CS ,but there are many sectors like investment banking that are yet to be discovered by the students in masses.

Yeah, So I know you will be publishing the disclaimer but it is still my duty to clarify that whatever I speak is my personal opinion, it will not be attributable to any of my employers whether past or present. Okay, now when you talked about what all avenues are open you talked about CA and CS. These are certifications. These are qualifications. These are not careers in themselves. You need to distinguish between a career and a certification. Certification can be a gateway to a career but then there are many gateways to a career. Let us first see which areas in finance you can actually have a career in. So first is corporate finance which mainly deals with running the finances of the company. So be it raising the cash, making capital, structure decisions in a company, making working capital decisions in a company, making financing decisions in a company making investment decisions in a company, then accounting auditing taxation such kind of decisions and publishing these statements on time, making regulatory disclosures related to this and ensuring that there is compliance.



**MR. MANAN VAISHNAV**  
INSTITUTIONAL SALES TRADER

## ABOUT THE GUEST

He is an Equities, Futures & Options Sales Trader for the Indian market. He has developed strong relationships with Institutional Investors (Mutual Funds, Long Only & Systematic Long/Short Hedge Funds) over the past 16 years. His work has helped me hone skills such as trade execution, relationship building, client engagement and bespoke analysis using Bloomberg and MS Excel. He graduated with a Bachelor's Degree (Honours) in Accountancy, a Master's Degree in Economics & Finance, learnt about alternative investments while gaining the CAIA Charter and also studied for an MBA from the Indian Institute of Management, Indore (Mumbai Campus). He loves high-altitude mountain trekking, having completed the Sar Pass trek (Shivalik Range) and Roopkund trek (Gangotri Range, Nanda Devi ecosystem) in the Himalayas, in addition to many smaller day treks.

**"I could not get into an IIM when I was in my early twenties and the only other way in which I could end up in the equity markets was to take the plunge.. "**



These kinds of things fall in the realm of corporate finance. Since accounting is a very significant part of corporate finance this is why you will see CFOs, the apex of corporate finance, holding such positions. You will find that chartered accountants or cost accountants are pretty much in demand because that is what they study through their entire curriculum. So accounting auditing taxation is what they study. So they are geared for the job and that is why you will find that such quote qualifications will take you to corporate finance. The other part is where we talk about the markets. So you must have studied economics that a market exists wherever there is a buyer and seller. So wherever there is a buyer and seller for any kind of product, Now that could be either equity it could be commodities it could be real estate it could be real assets it could be derivatives it could be currencies could be credit wherever any kind of buyer and seller meet there a market develops and globally if you look at it, the markets are across all the geographies and different geographies have different kinds of markets. India also has been very steadily growing in its market strength and therefore of late, we have seen that equity and equity markets, in particular, have generated a lot of interest among students, many of whom have become first-time investors. We are also seeing equity markets, commodity markets, and derivatives markets witness exponential growth. One of the most liquid derivatives markets in the world is India. So over here also this is the second part of finance where you can have a different kind of career.



Typically there are a lot of investment banks here that have some or the other kind of business that cater to all these different asset classes and active trading takes place. So there are commodities trading desks, there are equities trading desks and each desk will have different trends and profiles available. So these are market-related profiles. Then there's the classic investment banking profile where you do the capital raising you provide intermediary service because they have a lot of investors and then there are companies that approach you because they need to raise capital. Since you have access to investors you end up raising capital for the company and you value the company, you publish the prospectus as per whatever local listing norms are then you kind of get money placed into the company. That is how the capital raising happens through the IPO. Right, you build the book and then you allocate the money and then that is how the capital is raised. So that is the third classical investment banking function. So these are the broad three areas of finance. There could be many more like a lot of fintech-related profiles are also coming up which is the big technology-heavy platform that is then used to leverage its importance in finance so such kinds of profiles are also there. These generally involve more technology. They lean more on technology and less on finance, but then they form the backbone of those new kinds of businesses in finance that are coming up. So broadly speaking if you look at it from a 30,000 feet view these are the four different areas where different profiles in finance would come up for you.

**There are a lot of students who aspire to go into finance. They think that they have to go to those banks like commercial banks or investment banks but they aren't clear about what is the difference and what profiles exactly they start as if they're going to a commercial bank or an investment bank. So please put some light on that.**

Commercial Bank is a completely different segment. Commercial banking mainly is the old classical business of taking deposits and making loans. Now when you do it on a retail scale generally that's called commercial banking or you do it for different businesses that provide working capital loans.


Right at times, it is called corporate banking. But these involve completely different kinds of skill sets. These involve very different kinds of mindsets and when we talk about investment banking that involves a completely different kind of mindset. I mean investment banking is actively raising capital. When we talk about markets it is about what we call actively generating great ideas helping people make money providing them with the latest research. So that is a completely different thing.

**How important it is to get admissions into big B-schools like IIM. Students give their two-three years for preparation and they might not end up in them, so how do you think they can handle the situation when they don't get in.**


If you have read that LinkedIn post about me, I could not get into an IIM when I was in my early twenties and the only other way in which I could end up in the equity markets was to take the plunge. I come from a small town in Gujarat called Baroda and without any jobs or anything in hand I just came to Mumbai and I started searching for jobs because this is where all the jobs on the institutional side are, be it the buy side or be it the sales, the entire industry is based out of Mumbai. So if you are not able to get into an MBA and if you desperately want to get into the institutional equity side or the trading side then the simplest way in which you can do it, and calling it the simplest is a very ironic statement to make because it is going to be very tough, but the only other option left for you is to move to Mumbai. Network with people before you move to Mumbai and then start searching for jobs. Once you are in Mumbai. It may take around months for you to establish yourself but slowly and steadily you will end up at some place. And see the thing is the industry also has a lot of churns that happens. A lot of people leave the industry, a lot of new people come into the industry, and a lot of people shift jobs. So somewhere if you are at the right place then definitely there are a lot of chances of getting into the institutional equity side.




Interviewed by




**Jagrit Vohra**  
Eco (H)




**Garv Gupta**  
BMS



**Jigyasa Khanna**  
Political Sc. (H)



**Akshit Gupta**  
Eco (H)



**Prachi Kalia**  
Eco (H)

**SCAN THE QR CODE  
FOR FULL INTERVIEW**



# THE WORLD OF FINANCE - CAREER, TRADERS, INSTITUTIONS



The path toward becoming financially informed is a long one. Lots of finance students feel overwhelmed by the numerous career choices that they come across. Let's take a glance into our conversation with Mr Manan Vaishnav, an IIM Indore alumni and Goldman Sachs employee as we aim to untangle the path!

We have read that you are born in Jhansi and you initiated the foot Shallah from Nagpur. So any specific reason behind this? And also how did you set the reach of your Ngo in different parts of the country?

So I was born in Jhansi. But when I started UPAY, I was posted in Nagpur. We started this initiative in Nagpur and then I was there for almost eight years. My Birthplace is Jhansi but my land of action is Nagpur. Nagpur is like a second home to me. The love and affection people have given me are really incredible. They have supported me to establish UPAY. I would say that if you want to do something, it's not the language that matters. It's the people and the connection. They were dedicated. They wanted to do something for society.

We have is it has been observed that people in the technical field are often practical in their real life whereas people in the social welfare are considered to be emotional. And we have seen that you are from IIT Kharagpur. So what's your take on this? How you encouraged yourself to change your field from technical to social welfare?



**MR. VARUN SHRIVASTAVA**  
FOUNDER AND CHAIRMAN, UPAY NGO

## ABOUT THE GUEST

Mr. Varun Shrivastava is an IIT graduate who has been awarded the Young Alumni Achiever Award. He has been cited as among the top 10 ordinary Indians doing extraordinary things by Lokmat Samachar and other social media groups. Times of India referred to him as a big brother to street kids. He is also known as a man turning footpaths into schools.

"I would say that if you want to do something, it's not the language that matters. It's the people and the connection. "



I have not changed my field from technical to social. I kept the combination of both. So emotion with practical and realistic. Isn't it a good combination? This is what actually we want. Technical people are people who are doing good in their educational life. They have good knowledge, they have energy, and they have context. And if they are inclined towards social work if they can generate that sensitivity, those emotions which make you do something for society. this is what actually most of our volunteers have. If you really want to do something, you must be sensitive. If you can realize the pain and the difficulty people around you are feeling, you are sensitive enough. But if you're not able to feel that pain then you're not sensitive enough. Being from the technical side has given me the opportunity to find a solution to the problem. So if you are sensitive you can realize that pain. But if you are from a technical background, and you have that attitude then you try to find out the solution for the pain. I know the pain. I'm trying to find the solution for the Pain. This is what I call the solution that has come from the technical side.

**Sir, during the initial case of the setup of the NGO, did you face any trouble in gathering funds for the same?**

We do. Whenever you are doing something, two things are very essential. One is the workforce, that is volunteers and another one is finance. Both of these two things move simultaneously. If you have the manpower, but if you don't have money then you won't be able to create that much impact which you really want to do. If you have funds, but if you don't have people who can utilize the funds in a proper manner, then also there is no use for that. So we had volunteers. When we started we were 3 people but gradually when we reach different parts of the country with the help of social media and due to some journalists who were spreading our initiative across Maharashtra, so after that, we had around a thousand volunteers. But what we were lacking was the funds. Initially, we started contributing from our side. Then we reach out to our friends. Since I was working and most of our volunteers were working professionally we tried to target these groups,

One is the students who can contribute in the field because they were having time, they were having energy and the other groups were senior citizens retired teachers, or retired professionals so they were the ones who are the guiding lights they used to guide our team. You need a senior person who can guide the young generation. These two sectors were pillars of UPAY and the third group was working professionals so those who were working, are contributing from their salary. It is like when you are using your funds, you are using your time so they felt that this is their own initiative and they are putting their hardened salary they are giving time so this is how we centered it initially with the volunteers itself, then with the Friends of Volunteers. Their heart and salary, they're giving time. So this is how we generated funds. Initially with the volunteers themselves, then with the friends of volunteers. Then we utilize the social crowdfunding platforms like P Two and Give India. But after ten years, when reached UPAY, I think is in almost every part of the country. So now we have good CSR support. There are organizations that give funds to us. Right now, one source is a voluntary contribution, the second one is crowdfunding, and then the third one is support from organization CSR. now we have sufficient funds. We have never thought of accumulating funds. We have never generated a corpus. I feel that if there is money, it has to be utilized. There's no point in taking funds as a corpus in the bank account. You have taken some funds, you have taken some donations. I don't think about the future that you have to keep corpus. You have to build a corpus for your future security. I see it is a waste of money. Whatever funds you have try to utilize them for the welfare of the future. This is what we do.



Whatever funds we take every year, we try to utilize each and every penny of it. And when the requirement was even in thousands that time also we never felt problem for funds. Funds have never been a constraint. We started in 2010. Initially, it was more towards the education side. But we have realized that education is having only hardly 1% of the contribution. For the children who are living on the footpath, for them education does not matter. What matters for them is that if they can earn bread and butter for their family, if they are hungry and you talk to them about education it will not make any sense to them. It is important for them to feed themselves, to feed their family. Then they can understand the value of education. We understood that apart from education there are certain other priorities that these people are having. So we diversified our operations and we started the development center for each child and the parents of the children. The children were living on the street and their parents were not doing anything. They were drug addicts so they needed drugs and alcohol at the night. So they used to send their children to the footpath so that they can beg, they can earn and whatever money they are bringing home can be used for these parents. If we can engage the parents, we can bring the reform to the community then definitely we can ask them to send their children to our center. Then we realize that these parents, their skills need to be enhanced. They have to be trained for something so that they can do something for their livelihood. And this is how the idea of sabka saman came up. We trained them for small traditional things which they can easily do. And whatever handicrafts they were making it has to be sold in the market. It's not about just training, just giving them training. If you are training them, whatever they are making has to be connected to the market. Then only they will earn something. Parents or children, whatever they are making, will be showcased in sabka saman.

**The next question is can you please tell us about sabka saman and how exactly does this work? What impact has it created on the community?**

So there is absolutely no doubt that the future of the energy cycle is anywhere in the world. And India is not isolated from that channel through which the entire world is reaching renewal and solar energy. Or I would say these are the future for power. But the kind of I would say coal based power stations India is having is it really difficult to replace the entire thermal power stations with solar or renewable based power stations. So in the next five to six years, this thermal sector, the coal-based power station, they are going to play a very important role. And this increased coal demand, it is not because there was sort of pole. It is more because the power demand will say that global warming is there. From where you people are, you are from Delhi now, you might have seen that used to come in the middle of the room. It has come early, almost 20 days early. And that time the power demand was at its peak. Because of that, the code stuff is working. I'm using AC, the transportation vehicle. So many things have air pollution. Because of that, the temperature is rising almost, I think daily 29 degrees, 49 degrees. But one day it was 40. But India is gradually moving towards a new source of energy. It's clean and green energy. Despite a lot of technology, still has little scope for pollution. But it will take some time because currently, we are very much dependent on them.



Interviewed by



**Ansh Kapoor**  
BMS



**Preksha Aggarwal**  
Eco (Hons)



**Shubh Chopra**  
Bcom (Hons)

# FINANCIAL YEAR-IN-REVIEW

JANUARY  
FEBRUARY  
MARCH  
APRIL  
MAY  
JUNE  
JULY

# 2022



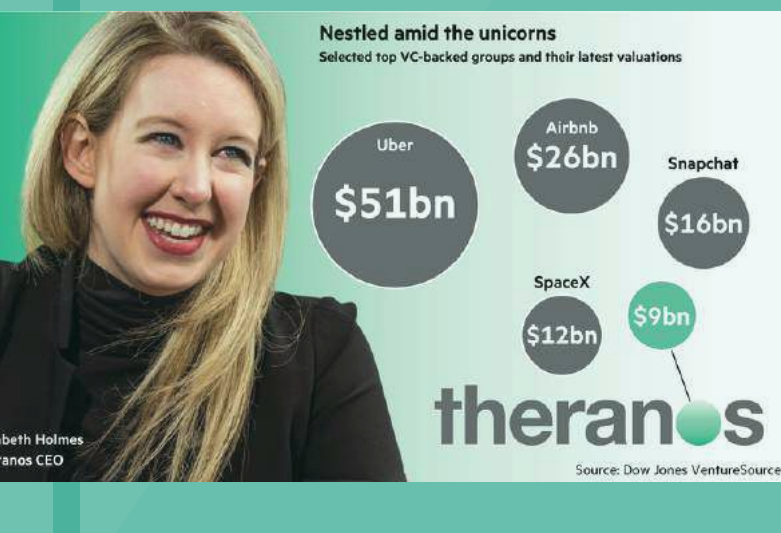
# JANUARY



**Elizabeth Holmes**, the founder of the blood testing startup Theranos was convicted on 4 out of the 11 charges of fraud against her. Heralded as the female “Steve Jobs”, Holmes famously dropped out of Stanford to start her own company using her tuition money. Theranos quickly became the rising star of Silicon Valley and was valued at nearly \$10 billion at its peak.



Theranos aimed to revolutionize the medical industry by replacing needles with blood pricks and detecting diseases such as cancer and high cholesterol. The problem? The technology did not work. The biggest is that all modern equipment requires a minimal volume of blood to operate properly but blood from a prick would have to be diluted which would skew the data analysis. Holmes had cheated her investors and consumers by providing tampered results. Finally, in 2015, The Wall Street journalist John Carrerou exposed her crimes after receiving a tip doubting the performance of Theranos’s technology.





The NDA ruled Union Government announced its **Fourth Budget** of the current term. It was announced by the Minister of Finance, Nirmala Sitharaman, on 1st February 2022.

The budget set out the path of the Indian Economy for the next 25 Years as the nation gears up to celebrate the 100th independence Day in 2047. Continuing the Infrastructure Push by the government the budget increased the CAPEX by 35.4%. The much-awaited LIC IPO was also announced.

One of the biggest announcements from the parliament house during the budget session was about the current government's intent to launch **Digital Rupee** using Blockchain Technology.

Continuing on the futuristic appeal of the budget, the government also announced the Auction of 5G Spectrum in 2022 to push India ahead in the global race to execute the technology on a large scale.

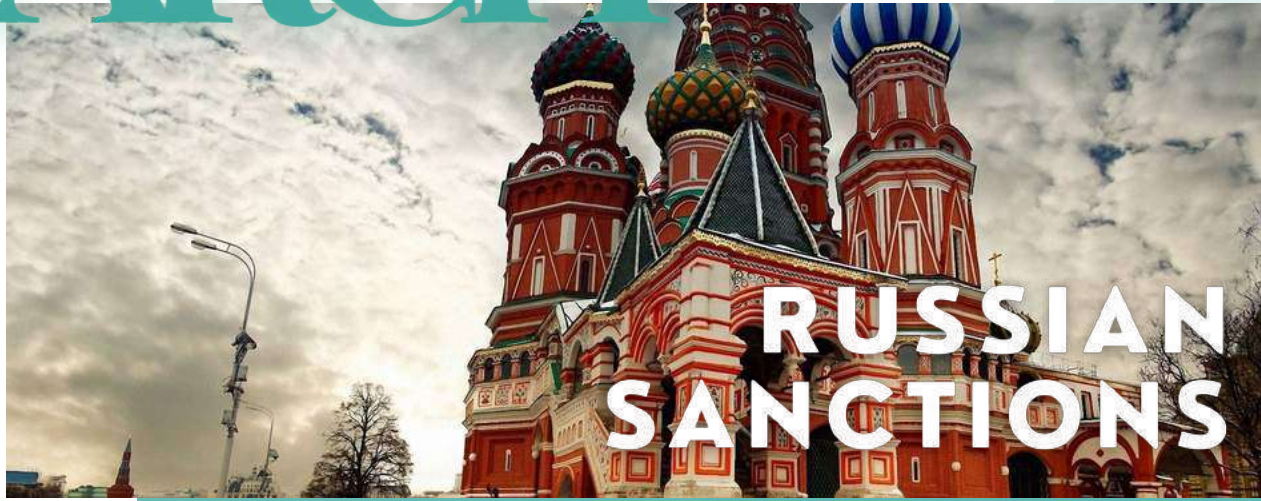
The Union Budget got a great reception from the stock market as major indices ended on a positive note. NIFTY 50 and SENSEX both went up during the speech and closed in the greens.



# FEBRUARY

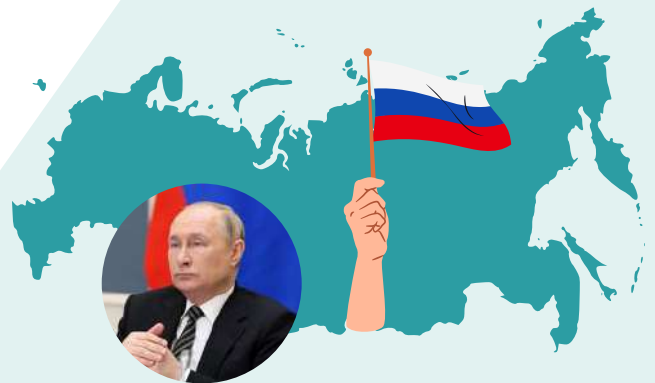


# MARCH



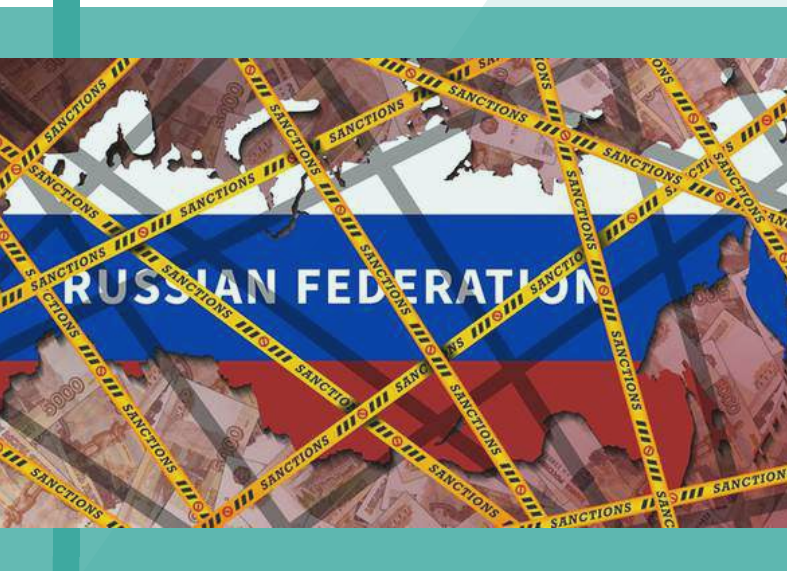
During the beginning of March, multiple sanctions were imposed by many western nations on Russia as a response to its invasion of Ukraine on 24th February 2022. Economic sanctions are seen as an alternative to military intervention and escalation of conflict. The rationale is that sanctions cause economic damage, forcing the target nation to change its objectionable course of action.

These sanctions range from trade restrictions to the seizure of international assets of prominent Russian individuals.



Russian banks were removed from SWIFT, making it difficult for them to make and receive payments internationally. The West also froze most of the Russian Central Bank's assets outside the country.

**Sanctions** compromise the prevailing exchange and interest rates thereby causing economic instability. For instance, the sanctions imposed have led to Rubble losing 40% of its value and raising interest rates to 20% from 9.5%. However revenues from oil and gas shipments kept the Russian funds flowing, therefore, these sanctions lead to a volatile market, but Russia has mostly weathered the storm. India has so far, restrained from taking any concrete step on the issue. It has not been a part of any sanctions imposed.





**Elon Musk**, the richest man in the world offers to purchase the American social media giant, Twitter for \$43 billion. He previously acquired 9.1% of the company's stock for \$2.64 billion, becoming its largest shareholder. Twitter invited him to join the board of directors which he refuses, hinting at his intent to increase his shareholdings.

Twitter in response to his offer adopts a poison pill strategy- a strategy that entitles existing shareholders to acquire additional shares of the company at a significant discount, executed if any entity tries to increase their shareholding to over 15%. While this dilutes the number of shares and hence its value, it prevents any attempt at a hostile takeover.

On 25th April, Twitter's board of directors unanimously accepted Musk's buyout offer of \$44 billion, with the company set to be privatized.

A deal Elon has currently backed out of, stating that Twitter has breached their "agreement".



Photo illustration



# APRIL

# MAY



## WORLD FOOD CRISIS

As they say **“Nothing brings people together like good food”**, but what if we don’t have enough to even feed. May 2022 saw the UN acknowledging the worldwide scarcity of food, alarmingly escalating due to Russia’s invasion of Ukraine, which might not get over anytime soon.

“There is enough food in our world now if we act together. But unless we solve this problem today, we face the specter of global food shortage in the coming months.”

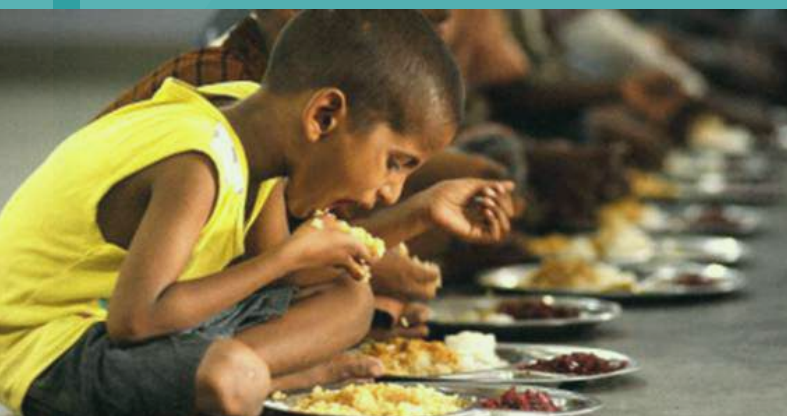
**Antonio Guterres**  
*UN Secretary-General*



Kristalina Georgieva, managing director, IMF, told the World Economic Forum in Davos, Switzerland that “the anxiety about access to food at a reasonable price globally is hitting the roof”. The world’s facing disrupted supplies of fertiliser, wheat and other commodities from both countries, driving up prices for food and fuel, especially in developing nations. Together the warring countries produce 30% of the world’s wheat. Food prices skyrocketing in developing countries like India resulting in mass food insecurity.

International shocks have brought some countries into a near breakdown. Sri Lanka is facing a wholesale economic emergency, with the extreme scarcity of food, medicine and fuel. Humanitarian agencies have warned that Afghanistan has been close to famine for months, while Lebanon has been in an economic crisis for over a year. Even in developed countries like the US & China food prices are inflating, forecasting the haunts of malnutrition, mass hunger and famine.

**High time, act!**





On 14th June 2022, the government of India unveiled a new defence recruitment reform known as Agnipath. The reason behind this scheme is that the army wants to decrease its spending on pensions and to channelize the money towards modernizing the army with the latest weapons and equipment. Govt spend on defence pension and capital outlay of defence service. From 2009-10 to 2013-14 the money spent on pensions was less (less than 30%) than the money spent on capital outlay.



But after 2013-14 the gap between them narrowed continuously. The reason behind this was the one rank one person scheme ruled out. The way how the army tends to cut its budget is by under this scheme the age group of 17.5 to 21 years will be inducted into 3 batches - army, navy and air force. These Agniveer will serve for 4 yrs including the training period of 6 months. The salary package of 30 thousand will be provided in 1st year and hike of 10% every year. Apart from this 30% of their salary will be deducted for Seva Nidhi contribution and at the end of their tenure will receive an equal amount and addition of 11.77 lakhs to each Agniveer. The prospective lifetime savings on just 1 sepoy from its 17 years of service to 3 yrs is 11.5 crore.



# JUNE

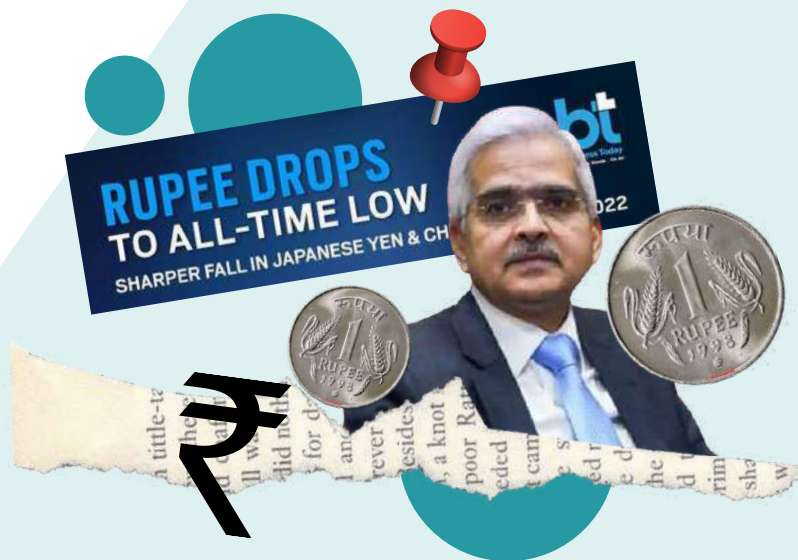


# JULY

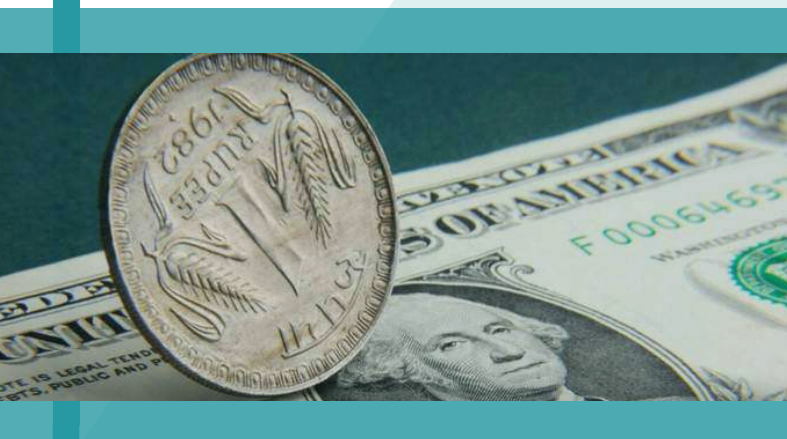


The year 2022 has profoundly impacted the Indian currency. The Indian Rupee has depreciated by around 7% in 2022 (till July). The Indian rupee has fallen to a historic low of 79.98 against the US Dollar. The US dollar is the premier reserve currency and has been soaring due to the slowdown of global economic growth, an energy crisis in Europe, and aggressive rate hikes by the federal reserve.

This has led to a shift in investments from other countries such as India toward the US treasuries (bond market) and the greenbacks (currency market). INR is seeing a dip in value vis-a-vis the US dollar because of the inflation, covid lockdown in China, supply chain

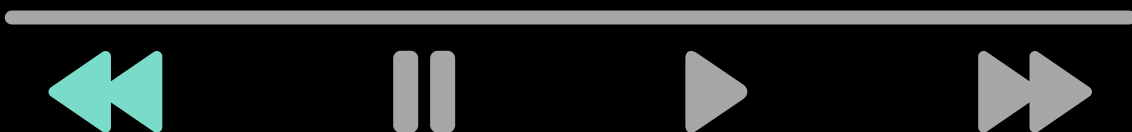


the disruption caused by Russia Ukraine war, and tightening of the monetary policies by the central bank. The rupee is seeing a downfall journey since the beginning of 2022 as a heavy amount of investments has been pulled out from the domestic market and the rising crude oil prices. Though the INR has depreciated it is one of the best-performing Asian currencies. The sound growth of the fundamentals with consumer spending in recovery, not going overboard to raise debt, and the proactive approach of the RBI to tackle inflation and the \$600 billion in foreign reserves put India into a stable position among its peers.



# REWIND!

THE FINANCE AND INVESTMENT CELL  
2021-22



YEAR-IN-REVIEW

# THE SACRED TIMELINE

2021-22



**13 October, 2021**  
Samvaad 2nd edition



**10 January, 2022**  
FIC Premiere League



**19-21 February, 2022**  
Finomena 2.0



**23 April, 2022**  
Samvaad 4th Edition



**27 September, 2021**  
Samvaad 1st edition



**24 November, 2021**  
Indo-Mexican GD



**17 January, 2022**  
Samvaad 3rd edition



**12 April, 2022**  
Samarth ONGC Visit



**19-21 September, 2022**  
Euphony'22



It's Rewind time.

2021-22



# SAMVAAD

## INTERCOLLEGE GROUP DISCUSSION

In order to spread financial literacy and build active networks amongst student groups from different universities, we at FIC Aryabhata launched a series of inter college group discussion sessions "Samvaad".

The GD series were a huge success and witnessed participation from a total of over 200 students and were graced by the august presence of national and international industry experts.

### SEPTEMBER 10, 2021

The inaugural session of SAMVAAD was held in September 2021 under a synergic collaboration with students of Maharaja Surajmal Institute. The students from both the organisations engaged in a rational discussion on the topic "Economics of Girl's Education."

Mr. Nishith Prakash, associate professor of economics at the University of Connecticut, graced the occasion and presented his views on the topic.



### OCTOBER 13, 2021

The second edition of Samvaad was organised in the month of October 2021, on the topic "The Challenge of Making Economics Relevant To the Real World." where team FIC collaborated with the students of IIT-Delhi.

Mr. Vijayendra Rao, Lead Economist in the Development Research Group of the World Bank, graced the occasion and presented his views on the topic.



### JANUARY 17, 2021

The third session was organised on the 17th of January 2022, wherein we were joined by the students of FIC Hansraj to discuss and deliberate on the "Common Prosperity Policy of China."

For this session, we were joined by Mr. Manoj Kewalramani from Takshashila University.



### APRIL 23, 2021

For the fourth session held on 23rd of April 2022, FIC Aryabhata joined hands with FIC Ramjas and engaged in active discussions about Building an Atmanirbhar Economy.

This session was graced by the august presence of Mr. Subhash Garg, former finance secretary, Government of India.



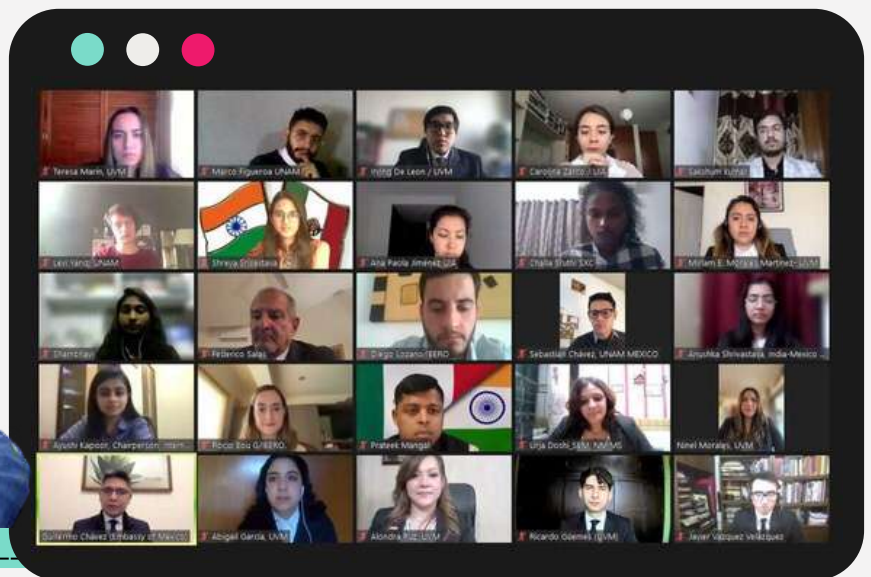
# INTER UNIVERSITY GROUP DISCUSSION

# MEXICO-INDIA

## GLOBAL ROLE IN A POST-COVID19 WORLD

SEPTEMBER 10, 2021

**HE Federico Salas**  
Ambassador Of Mexico



The Finance and Investment Cell, Aryabhata College, in collaboration with the Mexican Embassy in India, participated in the inter-university dialogue on 'Mexico-India Global Role in a Post-COVID19 World' where 12 students from FIC participated in a healthy exchange of ideas.

Coming out of a pandemic, health has the potential to be one of the most important facets of our shared relationship. India and Mexico can provide cheap yet the most professional medical and health services for the neighbouring countries if both share their valuable expertise. India and Mexico share a very long history of overcoming colonial powers but are still denied their demand for an appropriate representation at the council. Both the countries have a mutual interest in free and open Indo-Pacific.

With a working collaboration, the extensive network of IT Industries in both the nations can do wonders in creating the next-gen innovation which can impact many lives. The event helped the students from both nations share ideas and a contact group was formed for the participants to constantly explore the culture of the two nations. The Embassy of Mexico resolved to host more such events for the students.







JANUARY 10, 2022 - JANUARY 15, 2022



FPL or the Finance Premier League (January) was an internal competition of the Finance and Investment Cell of Aryabhata College where 2 teams of 11 members each competed with each other over weekly events. Its purpose was to hone the practical skills of all participants, promote teamwork and healthy competition as well as spread financial literacy by exploring different creative methods.

The theme of FPL January was “India as a cashless economy”. In the 1st event, both teams were required to create a one-slide Instagram story on this topic. The task tested the creativity of both teams as well as their teamwork with teammates who they barely knew.

The 2nd event was to create a post for FIC Aryabhata's Instagram handle.

The 3rd event was a debate on the motion “ Are NFTs a good investment option?”, Team 2 was for the motion while Team 1 was against the motion.

The 4th and the last event of FPL January was a surprise event and both the teams had the freedom to conduct any sort of event they felt like. Team 1 made a podcast discussing the feasibility of a cashless economy in India along with a story competition. Team 2 conducted an intra society quiz. The surprise events were very well received and witnessed active participation.





# FINOMENA

FEBRUARY 19, 2022 - FEBRUARY 21, 2022



The second edition of our annual flagship event - Finomena 2.0 was organised from 19th to 21st of February, 2022.

The three-day pan-India event was graced by the benign presence of some of the most stellar personalities from various domains such as finance, business, journalism, economics, and politics.

The event commenced in the august presence of our principal Shri Manoj Kumar Sinha on the 19th of February, 2022.

On the first day, to commence the event in the finest of spirits, we had a highly invigorating and intellectually stimulating discussions with Mr. Snehesh Alex Phillip, Mr. Mandeep Singh Bajwa, Ms. Anupama Chopra and Mr. Anubhav Dubey. In the penultimate session for the day, FIC Aryabhatta College honoured Shri Devender Kumar, founder and CEO of Ladli Foundation Trust and an eminent Padma Shri nominated Social activist who has worked primarily in the fields of women's health and education.



The second day commenced with reinvigorated exuberance and kept the participants and the whole team captivated as it witnessed discussions and deliberations with Mr. Christopher C. Doyle, Dr. Manoj Pandey, Dr. Arvind Keprate, and Shri Gourav Bhusan Sharma and Mr. Avanish Mundra.

The final day was double faceted with a great mixture of arts and skills. The day began with a breathtaking cultural event in the form of an open mic organised by the members of the cell where budding artists from the college took the stage to express themselves.

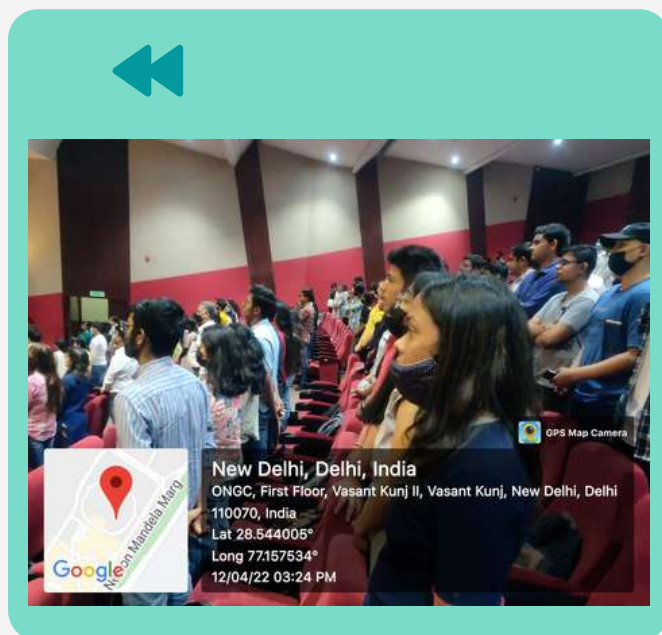
Students from all across India were given two opportunities in the form of a pitching and a case study competition, namely Hatch It and Ace the Case to demonstrate their skills and analytical abilities, and secondly but most importantly, they were also given a chance to network and build connections.

Everyone participated with great passion and vigour in this three day extravaganza which ended with a formal closing ceremony with the Director of Education from the Embassy of Taiwan as the chief guest. The formal vote of thanks officially ended the event.





APRIL 12, 2022



Project Samarth aims to unfold economic literacy to the one of a kind sections of society and train the torchbearers of day after today something that books and faculties by no means taught them. FIC Aryabhata is in collaboration with the Laadli basis for its social initiative challenge SAMARTH. The Laadli foundation works to uplift inclined humans in rural and concrete areas.

Under this, the crew of FIC Aryabhata College visited the ONGC workplace to commemorate Ambedkar Jayanti with the Ladli Foundation. The occasion geared towards bringing humans's interest closer to the beliefs of Dr. Bhimrao Ambedkar, i.e. One goal, One mission, Education for all, Before the occasion commenced, a brief presentation was given on the safety measures of the auditorium in case of any contingency. Then we moved ahead in welcoming the chief guests. Mr. Shashi Prasad, Mr. B.S Maruti and others were presented with a plant, followed by the diya lighting ceremony to honour Dr. BR Ambedkar.

Moving ahead, Mr Devendra Kumar, founder and CEO of Laadli Foundation gave a speech on the significance of schooling. He emphasised on Ambedkar's.

Next we had Mr. Shashi Prasad, who focused on ONGC's help to the SC/ST students. He stated that ONGC doesn't trust in supplying assistance for just one time to the beneficiaries.

ONGC and Laadli Foundation had been related to each other for a protracted time frame and feature additionally gained 2 countrywide awards.

ONGC, Laadli Foundation and FIC Aryabhata together distributed 75 tablets to SC/ST students along with a 3 year BYJU's subscription that will help them in acing examinations by providing guidance from top class faculties of India.

The occasion concluded with a thankyou note and a musical performance as people sang praises for Dr. BR Ambedkar.





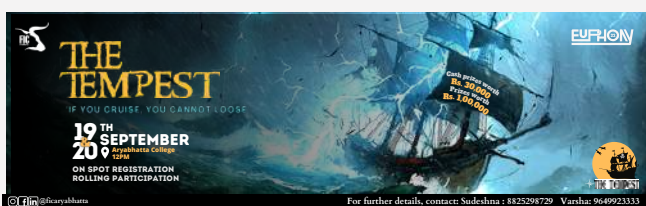
## SEPTEMBER 19, 2022 - SEPTEMBER 21, 2022

Euphony is the annual fest at our society, Finance and Investment Cell, Aryabhata College. Including a wide variety of dynamic financial events, it provides students across the country a platform to boost their financial knowledge and analytical skills by solving real life problems, trying to understand the deep complexities of finance. It even aims to foster a sense of competitiveness in young minds. This two day event always turns out as a success with participation by around 5000 students PAN India, hustling and playing to win all the cool prizes we set out for them. There are a number of engaging events organised during the fest to provide a fun and practical experience for all students, which eventually develops their skills in a fun and inclusive manner. The entire team of FIC works its fingers to the bones to make every event at the fest, a happening and enjoyable one.

Talking of its history, Euphony was initiated in 2018, and since then there have been 4 seasons of this multi dimensional event.

Last year, euphony was held from 25-26th July, involving the most creative events; trading games, quizzes, mock IPL auction etc. There were games involving merger and acquisition as well, and not to forget, a youth convocation too, making available a competition for people with varied interests.

The society bagged various sponsors for this fest, including startups such as basis and quollab; education partners being the Alchemist group (an IIM alumni venture) and 5+ marketing partners, from Delhi University. Every year, the society gets different sponsors and partners for its events, adding more fun to the overall!







# PROJECT SAMARTH

विद्या ददाति विनयम्

## OVERVIEW

Project Samarth aims to spread financial literacy to the different sections of society and teach the torchbearers of tomorrow something that books and schools never taught them. We aim to start a revolution that will inspire the youth to become financially independent.

## TRAINING MODULE

What is Finance & Investment?

How can one enter the finance markets?

How to apply for a PAN Card & other related documents?

How to prevent financial scams and traps?

Government schemes to help students

How to plan personal finance?

## PROBLEM

Our aim is to impart financial literacy to more than 100 government schools and NGOs in a span of 9 months. We want to spread financial literacy to the different sections of society and teach the torch bearers of tomorrow .

## OBJECTIVES

Our aim is to impart financial literacy to more than 100 government schools and NGOs in a span of 9 months. We want to spread financial literacy to the different sections of society and teach the torch bearers of tomorrow .

## SOLUTION

We at FIC Aryabhata are cognizant of the fact that the destination of financial security can only be reached through financial literacy. Our team of 40+ students is motivated and eager to be the change they want to see in the world.







## PROJECTED IMPACT

**500+**

Tablet  
Distributed

**1100+**

Children  
Educated

**11000+**

Lives  
Impacted

**5+**

Slums  
Covered

## TARGET AUDIENCE



**TEENAGER**



**WOMEN**



**CHILDREN**



**ELDERLY**

Project Samarth gives me the opportunity to give back to the community that has given me all I've needed to support myself and, simultaneously, help others. I really think that relationships are always a two-way street. I put all of my efforts into this endeavour, and during it all, I developed into a much better version of myself.

**SAKSHUM KUMAR SINGH**  
PROJECT HEAD



## COLLABORATIONS



# core team

## MESSAGE

### Piyush Pandey President



What is a memorable college life if it does not include adventures, late-night talks, growing as a person and of course an exciting college trip with friends? Thankfully for me, FIC has helped me get one such experience myself. My two-year journey with FIC has been an exciting and enriching one and to summarise it in a paragraph is perhaps one of the most difficult things to do. Entering the Finance and Investment Cell as an Associate Member I had hoped to learn and grow with my many brilliant co-members. I got opportunities which I never imagined would come my way. While working together I forged bonds for a lifetime which ultimately gave me the momentum to grow. Leading the Finance and Investment Cell as its President has been the greatest privilege of my life so far. My hesitations and reservations at the start paved the way to a journey to which I will always remain grateful. Every day leading the team has been an opportunity to learn something new from my co-members. The challenges we have faced together have helped us all grow stronger and build a team with high aspirations. To say I owe a lot to this cell, and the wonderful people associated with it would be an understatement. FIC is a part of me that I will forever cherish and admire.



Doesn't everyone dream of a movie-like college life? A life where it is all about new and fun experiences, where you find your unexplored self. Well, I can proudly say that I got it. Joining Finance and Investment Cell helped me achieve so much more than I imagined. It worked as not only a catalyst to my intellectual and interpersonal growth but also served as a corridor to a spectrum of opportunities. This society is filled with passionate and like-minded individuals who strive to get the best out of any given situation. From making some indelible fun memories as an associate member to establishing a nurturing environment as a vice-president of the cell, I can affirmatively say that this journey has contributed to some of my best experiences in life. I take extreme pride in being a core member of this brilliant team.



**Tanya Srivastava**  
Vice President

**Manya Monga**  
General Secretary



I was a student of class 11th when my elder sister introduced me to the society culture in Delhi University. I had pre-decided that if I make it to DU, one of the most prestigious universities in India, I will be an active part of the societies. From texting my seniors in excitement, asking them about the procedure of joining the societies, to serving as the General Secretary of one of the most active societies of the Delhi University circuit, it has been an amazing journey. FIC molded me into being a better, more efficient and confident individual. It helped me realise my potential and what I am truly capable of. A spectrum of opportunities, highly competitive yet uplifting environment, passionate individuals, engaging group discussions, grand events and a family like bonding are few things that describe our society. No doubt, out of all the organisations I've ever been a part of, my journey at FIC has been the most fulfilling one. I will be forever indebted to this society and the FIC family for providing me with a platform - to express myself, opportunities - to upskill myself, experiences - to shape me into a better individual and most importantly people - I can call my own. Love and respect for this society and its members!

My FIC journey has been a roller-coaster ride with its own share of ups and downs. From managing to reach classes on time to literally logging to our zoom meetings, our tenure as associate members wasn't going to be the "hyped" DU life we experienced. After binge-watching Scam 1992, the world of finance intrigued me and propelled me to join FIC. My primary motive was to gain knowledge about the stock and money markets. However, I gained so much more from this society. It gave me the exposure I was looking for and proved beneficial when I applied for internships, and some friends to count upon. It gave me opportunities that boosted my self-esteem, as well as friends who were always at my side, especially during the pandemic. The cell evolved into a one-stop shop for all my issues whether big or small. I've already packed memories of fun, learning, new experiences, never-ending team meetings, and friendship into my heart to take with me. I shall always remain grateful and indebted to FIC.



**Sakshum Kr. Singh**  
Project Head

**Manav Jain**  
Design & Tech Head



So I was asked to write this message, but I express my inability to identify the perfect set of words and phrases that are capable enough to define my experience in FIC. Both as a core and as associate.

Keeping the work we had to here aside, the best thing I got from FIC is "Friends". During both the tenures I was lucky enough to meet the best kind of people whom I can count on always and those who are making this 3 year of college life bearable and fun. I joined FIC with an aim to learn finance but along with that I found bonds that are just too wholesome and definitely worth more than any of the finance.

There's this feeling of attachment with FIC I have, and it's not the Instagram page, the articles we publish, the events we organize that matters, because FIC is the people, FIC is an idea and FIC is a bond of love which is revised every year. We will graduate shortly, so will the associates, but what will stay till the end is the idea of FIC to bring together a group of remarkable people and garner their social, educational.

I will leave FIC in few months, but I doubt FIC will leave me or not...

No one wants their college life to kick off in online mode but we had to accept that Covid was not going away anytime soon. To get some form of semblance to the 'hyped' college life, we all turned to the amazing society and cell culture of Delhi University. I still remember my first meeting at FIC Aryabhata, the then core team described FIC as a 'family' and that is what we have been. I have seen us go through many ups and downs at FIC Aryabhata but the brilliant people who were tasked with leading the Cell with me have always had the spirit to get back up and give it another try. I have learned a lot at this Cell and made some memories that I will never forget. With each passing year, FIC Aryabhata scales new heights through the ideation and execution of its brilliant team. Having witnessed it first hand I am sure that FIC, through its diverse activities will continue to nurture the brightest minds and achievers of this institution while continuing to strive toward their success in the future.



**Parth Jaiswal**  
**Content Head**

**Vansh Rastogi**  
**Research and  
Development Head**



FIC is a dream, toward a better future, The same in many aspects to India, the country was freed in the wake of midnight. It brings financial reality: a word still out of bounds for many, a step closer. I sincerely hope the reader enjoys it as much as the hard-working team has enjoyed making it. Aryabhata College in many sense is that little fire that keeps everyone around it warm, even in the most enduring of nights, it's a hundred dreams, it's a thousand actions, it's magic. The development I've seen in this college, that happened in the last few years; while contributing in the little capacity I could, leaves you perplexing. Juggling through meeting details for the orientation on the very first day, I still remember thinking, what will this college have to offer? Is it the best choice for me? But believe me, as soon as I heard about FIC, I found a corner: one to which I could relate to, it gave me a nook where I could take a shed, from this seemingly endless world of Aryabhata. A little about me? I'm still exploring as to what this world offers, sometimes it leaves me awestruck, sometimes it creates a strange feeling, but still that little twig of human opportunity and human action, keeps the world going for me.

Finance is the language of world in a sense, it's a simple economic reality, that conveys meaning in its own term, a society values something? It's price rises (well don't say what if it's a giffen good), to me it's an absolutely sensible language. To be able to interpret this data, this information, it gives me joy, for it's 'My Own Thing'.



From starting I have been an underconfident girl who had no trust on herself and joined college with the hope to explore my capabilities as much as possible and FIC has provided me platform to explore my own potential and helped me to believe that I can contribute as much as possible. Journey was not smooth as it seems, did I doubted myself? Yes but at the same time i can proudly say that FIC is the best part of my college life. Developed learning attitude and keep working hard. One message that I would give the reader of this magazine is that just belive on your self. Work hard till you make it. Trust me the joy and happiness will at next level.



**Madhumita Kumari**  
Marketing Head

**Aman Jha**  
Research and  
Development Head



Every student who is about to finish school dreams of getting into college (especially DU) and exploring themselves and figuring things out, and this is what makes college so exciting but for us who had to go through online mode of teaching due to COVID this was not the case, but this didn't stop me from making the required efforts to change and grow and that's why I joined FIC which not only forced me to move out of my comfort zone but also gave me so many opportunities to thrive upon be it making friends, learning new financial jargons or working on this magazine.

FIC has come a long way since its inception all because of the great people who are working and supporting the cell and with the continuous support from our Principal sir and faculty teachers FIC will achieve greater heights in the future.

# YALE ARTS BOOK

2021-22



**AADITYA SINGH**

"Futures don't make themselves,  
you have to invest in them"



**AAYUSH ANAND**

"All is cause and effect"



**AAYUSHI MALIK**

"Anyone can do my job,  
but no one can be me"



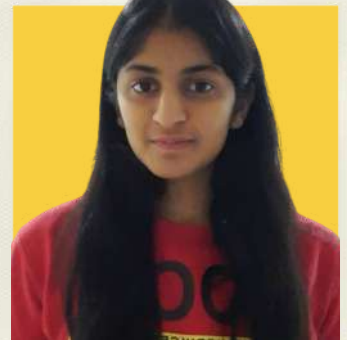
**ABDUL WAJID**

"Play stupid games,  
win crazy prizes"



**ABIR SINGAL**

"It's all simply complicated"



**ADITI AGGARWAL**

"Aim it achieve it"



**ADITI GOYAL**

"Life goes on"



**ADITI KOHLI**

"Perfectly imperfect :)"



**AKSHIT GUPTA**

"Why so serious?"





**AMAN KHAN**

"I recreate myself, that is my only power"



**AMAN JHA**

"Small & continuous efforts are more important than one large effort"



**ANANT AGGARWAL**

"A little less than the sum total of all the quotations on this page."



**ANANYA KHURANA**

"Just keep smiling"



**ANIKA TANDON.**

"Live a little darling~Her?"



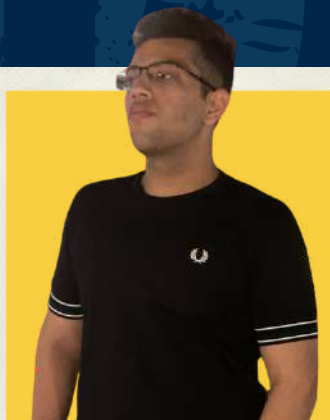
**ANISHA SAXENA**

"Dramatic enough"



**ANMOL GUPTA**

"Success is defined by the vision not the power"



**ANSH CHOPRA**

"Being realistic is the most common path to mediocrity"



**ANSH KAPOOR**

"Here for a good time"



**ANSH MAHENDRU**

"Looking for some love  
and thunder"



**ANSHIKA BHALOTHIA**

"Be Unique!"



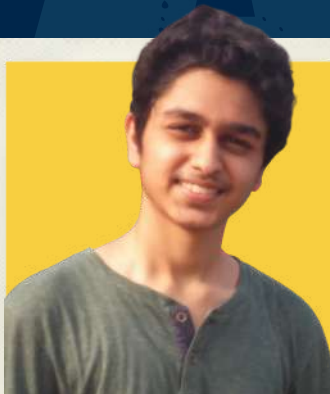
**ANUPRIYA AGGARWAL**

"Be your carefree soul"



**ARYAAN MANCHANDA**

"Stop existing, Start living"



**ARYAN AGGARWAL**

"Only if I knew how to  
write good quotes"



**ASHWIN KALRA**

"Be a warrior not a worrier"



**AYUSH KATARIA**

"When money speaks  
nobody check the grammar"



**BHAVIKA SACHDEVA**

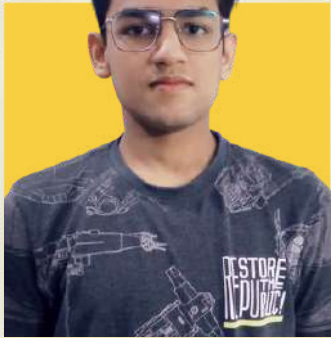
"I was born to be real,  
not to be perfect"



**BHANU AGGARWAL**

"How was I supposed to know  
that there would be  
consequences to my actions?!"





**DEEPANSHU MITTAL**

"Always pushing my limits"



**DEV SHARMA**

"If work is worship,  
i'm an atheist"



**DEVANSH GUPTA**

"All it takes is a  
walk and a gallery"



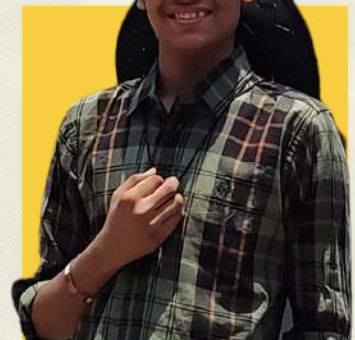
**DEVASHISH KUMAR**

"1 hour of doing is better  
than 10 hours of thinking"



**DEVENDRA SINGH**

"निष्ठा धृतिः सत्यम्"



**GARV GUPTA**

"I'm PROUD of what I embody, but that  
doesn't mean I won't fight for better."



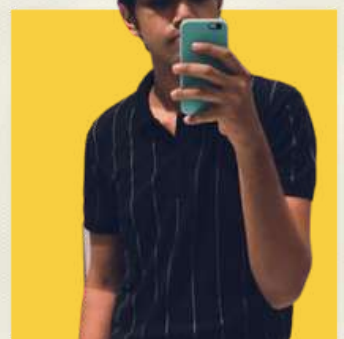
**GAUTAM**

"You call it investment. I  
call it my love for money."



**HITARTH ARORA**

"Love to be a determined insect  
in achieving all my goals"



**ISHANK GUPTA**

"The office season 7,  
Episode 19, Minute 14:45"





**JAGRIT VOHRA**

"It wasn't always easy  
but it's worth it"



**JAISWIN SOHANDWANI**

"Ambitious psychopath here  
to make a difference"



**JATIN**

"This is Jatin"



**JYOTIRADITYA CHAUHAN**

"Jai Shree Ram"



**JIGYASA KHANNA**

"Curious if this could've  
been a better one liner?"



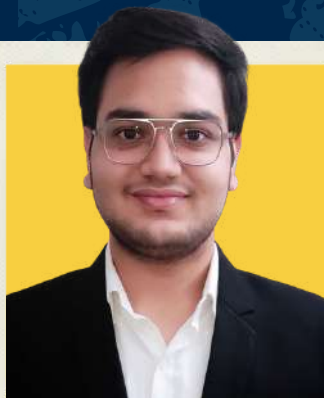
**JEEVANSH KHURANA**

"I regret nothing ever."



**KALYANI BHATNAGAR**

"Be a warrior, not a worrier"



**KARTAVYA SHARMA**

"This is Kartavya"



**KARTIKEY DUSEJA**

"Genuineness and resilience  
are real game changers"



**KARAN KADYAN**

"Sab changa si"



**KINSHUK CHAWLA**

"A learner who is better than best"



**KHYATI MUKHIJAA**

"Always eager to Experience, Learn and Grow "



**MADHAV GULATI**

"Looking for the perfect distraction."



**MADHAV KOHLI**

"Deluded by my illusions, life's just a confusion"



**MADHUMITA**

"Kindness before anything"



**MANAV JAIN**

"Character compiled with creases and comebacks"



**MANYA MONGA**

"Learning, unlearning, relearning "



**MITESH DEEP**

"This is Mitesh"





**MUSKAN KATHURIA**

"I could so easily be  
freaking out rn"



**NAVYA DHAWAN**

"Somewhere between  
the reality and fantasy"



**NIHARIKA RAWAT**

"Live in the sunshine  
where you belong"



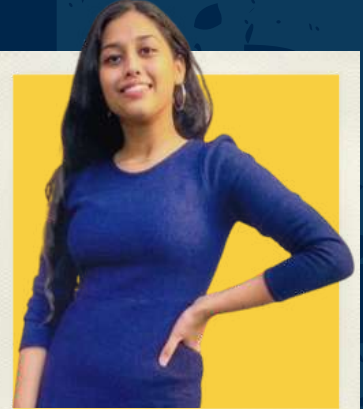
**PARTH JAISWAL**

"Everything you do would  
be a lot cooler if i did it"



**PIYUSH PANDEY**

"Did I miss the deadline for  
submitting this quote thing?!"



**PRACHI KALIA**

"Developing myself to  
become a valuable asset from  
a liability for my parents."



**PREKSHA AGARWAL**

"I'm working on me, For me;  
To be a better me."



**PRERIT**

"I don't like defining  
myself, I just am"



**PRIYANSHU MALLICK**

"I would rather be at  
Hogwarts"





**RADHIKA**

"Putting the world  
on silent mode"



**RAHUL SOOD**

"The Office s02e06 21:07"



**RHYTHAM SETH**

"It's hard being a single mother,  
especially when you have no  
children and are a teenage male"



**RIDIMA SRIVASTAVA**

"I've got the hustle and heart."



**RISHIKA KHERA**

"Wild and free, but  
only if you know me"



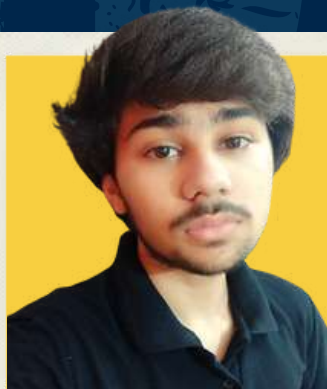
**RITWIK CHAWLA**

"This is Ritwik"



**RYANSHI AGGARWAL**

"I live to laugh,  
and laugh to live"



**SABHYA CHANDRA**

"How do I stand out  
amidst all the cliché?"



**SAHEJ VERMA**

"Immanuel Kant but i can"



**SAHIL GUPTA**

"I speak fluent sarcasm"



**SAKSHUM SINGH**

"Down to earth  
but still above you"



**SARTHAK SINGH**

"Just trying to find  
the equilibrium"



**SATVIK AGGARWAL**

"Life is about hustling and  
that's what I prefer to do."



**SHREEYANSH**

"hi, I'm Lorenzo Von  
Matterhorn"



**SHUBH CHOPRA**

"Looking for the pain  
that serves the purpose"



**SIDDHARTH SINHA**

"Zoned out straight up"



**SPARSH GARG**

"Answerable only to  
my own conscience"



**STUTI KESHARWANI**

"Grateful for Spotify"





**SUDESHNA SAHA**

"Outside your comfort zone is the only place worth living"



**TANYA SRIVASTAVA**

"Everything falls into place"



**TEJAL**

"Give time, to time"



**TISHA JAIN**

"Life is crazy, but I am crazier!"



**TRIGUNA JAIN**

"It's all about the illusion."



**UJJWAL KHEMKA**

"I don't know what to do"



**VAMANI**

"Unconventional, unbashed, unapologetic being!"



**VANSH AGGARWAL**

"I am captain cool"



**VANSH RASTOGI**

"Do the best you can until you know better. Then, when, You know Better, Do Better"





**VANSH SARIN**

"On a quest to make the most out of everything"



**VARSHA BIDAATKA**

"An extremely humorous person who is up for new adventures"



**VARUN PANDEY**

"Stable and stronger than current exchange rate"



**VATSAL LOOMBA**

"Vatsal is an Econ major with a zeal for music and debate."



**VIDHI KHANNA**

"Why to settle for world when you can have the whole universe!"



**VISHAL PANDEY**

"This is Vishal"



“Timing, perseverance, and ten years of trying will eventually make you look like an overnight success.”

– Biz Stone, co-founder of Twitter

## The Finance and Investment Cell

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Benito Juarez Marg, South Campus, Anand Niketan, New Delhi



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