



**THE COMMERCE SOCIETY
SHRI RAM COLLEGE OF COMMERCE**



MUDRA

THE ANNUAL MAGAZINE

VOLUME 1

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ACKNOWLEDGEMENT

The Commerce Society, SRCC has successfully completed fifty years of establishment. The launch of the first edition of our magazine, MUDRA, has indeed amplified our celebration. MUDRA is the outcome of our sincere and dedicated efforts towards unfolding various aspects behind the discussed topics. The preparation of this magazine has immensely impacted us by enhancing and enriching our knowledge not only in academic field but also on a personal and ethical level. As the magazine has been successfully published, the society would like to take this opportunity and sincerely thank all the people associated with the magazine for their continual guidance and unceasing support, without which it would have been impossible to compile it.

We shall forever be grateful for our authors and corporates for being a part of our interview segment. Our researchers and writers have also played an integral role in bringing our magazine to life.

We would also like to express our indebtedness towards **Ms. Karuna** , our teacher in charge, who undertook the pivotal role of supervising our arduous journey of preparation of this magazine and without whose constant nurturing guidance this magazine could not have materialised.

Cover Notes



ABOUT THE SOCIETY

The Commerce Society is one of the most prestigious registered societies of Shri Ram College of Commerce, with an aim to provide an efficacious and productive platform of opportunities to those who have a ravenous appetite for brilliance. Our vision is brought to life by a team of committed young individuals, fully backed by the college authorities, who have always been a guiding light and have provided paramount academic and administrative support, without whom, our journey would not have been so incredible.

PRINCIPAL'S NOTE

The Commerce Society, Shri Ram College of Commerce is one of the most exuberant teams of this esteemed institution. The society has always tried to impart practical skills to the students in the field of commerce, providing them a scope for all round development. Hard work put in by students to raise the level of performance with every passing year is remarkable.

The annual fest of the society BIZSTREET is one such platform where the best minds across the nation meet. This year also the society raised its level, taking BIZSTREET to new heights and making college proud.

I congratulate all the office bearers and members of the society for conducting various events successfully and wish them good luck for all their future endeavors.



Prof. Simrit Kaur



Ms. Karuna

FACULTY ADVISOR'S NOTE

Dear Students,

It gives me immense pleasure to know that Commerce Society, Shri Ram College of Commerce, is bringing out its annual magazine "Mudra 2020", which showcases the talent and skills of the students of the society.

I congratulate the editorial board in advance for their efforts and good work in bringing out the magazine even in this difficult time and wish the society all the very best.

PRESIDENT'S NOTE

The Commerce Society has seen perpetual growth this year. We added legion of Events, Series, and Competitions to our gear. The Society as an entity has always concentrated on providing a holistic learning experience to the members. We have all together ensured that The Commerce Society remains one of the best in Shri Ram College of Commerce. I would also like to extend my word of gratitude to our Faculty Advisor, Mrs. Karuna for her guidance and support throughout the year.



My journey, spanning two years, with the society has given me innumerable remembrances that I'll cherish throughout my life. This journey involved many ups and downs, but getting out of the downs helped me build my leadership skills, whereas the ups helped me know the importance of team work, and that the joint efforts of a dedicated team can make everything possible. As I pass the baton to my juniors, my bag will remain full of endless memories, learning and friendships. I wish the very best to the new team, hoping that they continue raising the bar and proving why we are the best in the business!

-Samanyu Verma



GENERAL SECRETARY'S NOTE

In this era of knowledge, everyone is eager to learn new skills, be a part of new innovations, and do research from wherever they can. The field of Commerce itself has various branches, including finance, economics, business and management. 'Mudra' is the end result of a year of hard work and perseverance. It not only tries to accomplish the objective of enhancing learning and promoting research, but also tries to open up discussion on various issues and

topics.

As the General Secretary, my goal was always to impart knowledge to my dear Comsocers. I express my heartfelt gratitude to the entire team for working expeditiously for the successful completion of this edition. I sincerely hope that the edition suits well to our readers.

- Abhay Garg

TIMELINE

TIMELINE 21ST CENTURY

2000 DOT COM BUBBLE- The dot-com bubble, also referred to as the Internet bubble, refers to the period between 1995 and 2000, when investors pumped money into Internet-based startups in the hopes that these fledgling companies would soon turn profitable. The speculative investments in dot-coms drove up equity markets. However, the bubble started to collapse in 1999. In 2000, companies such as Pets.com declared bankruptcy and by 2001 the bubble had burst, taking down many dot-coms with it. Investor wealth worth trillions of dollars were lost.

THE SEPTEMBER ATTACKS- The 9/11 attacks, a series of four coordinated terrorist attacks in the U.S., had both immediate and long-term economic impacts, some of which continue to this day. The attacks caused the Dow to drop almost 700 points and deepened the 2001 recession. A 2018 report from Brown University put the total cost to the United States at \$5.93 trillion. It also led to the War on Terror, one of the biggest government spending programs in U.S. history.

2008 SUBPRIME CRISIS- In the early part of the 21st century, the U.S. housing market was booming. Housing values were high. The housing bubble preceding the crisis was financed with mortgage-backed securities and collateralized debt obligations (CDOs), which initially offered higher interest rates (i.e. better returns) than government securities, along with attractive risk ratings from rating agencies. It was triggered by a large decline in home prices after the collapse of a housing bubble, leading to mortgage delinquencies, foreclosures, and the devaluation of housing-related securities. Declines in residential investment preceded the recession and were followed by reductions in household spending and then business investment. Spending reductions were more significant in areas with a combination of high household debt and larger housing price declines.

LEHMAN BROTHER'S BANKRUPTCY- On Monday, September 15, 2008, Lehman Brothers announced bankruptcy. Lehman's Brothers bankruptcy panicked global bankers, leading to the Great Recession. By the end of the week, banks held \$190 billion in cash, as opposed to a normal \$2 billion reserve. The credit freeze led to a cash shortage for most businesses. In response, the Federal Reserve lowered interest rates to zero, reducing Libor.

2009 BITCOIN- The creation of digital currencies or cryptocurrencies including bitcoin took place giving rise to the new-age digital economy. Bitcoin is the premier digital currency which has the highest market cap of all the digital assets in existence.

CHINA EMERGES AS GREATEST ECONOMY- In 2015, China became the world's largest economy. That shifted the economic balance of power, putting the European Union second and the United States third. China is also the largest holder of U.S. debt. It owns \$1.2 billion of U.S. Treasuries.

CRYPTO CURRENCY CRASH- 2017 was the year when bitcoin witnessed its all-time high, rising to \$19,783 in December. The same crypto now trades at \$6193. Most of the other cryptocurrencies have fallen almost as steeply, while others have disappeared. This steep fall in cryptocurrency values was a response to rampant speculation and negative news revolving around alternative digital currency.

DEMONETIZATION- On 8 November 2016, the Government of India announced the demonetization of all ₹500 and ₹1,000 banknotes. It also announced the issuance of new ₹500 and ₹2,000 banknotes. The Prime Minister claimed that the action would curtail the shadow economy and reduce the use of illicit and counterfeit cash to fund illegal activity and terrorism.

INTRODUCTION OF GST- The President of India approved the Constitution Amendment Bill for Goods and Services Tax (GST) on 8 September 2016. This law replaced all indirect taxes levied on goods and services by the central government and state government. It is based on the principle of “One Nation, One Tax”. Goods & Services Tax Law in India is a comprehensive, multi-stage, destination-based tax that is levied on every value addition.

BREXIT- Brexit is the nickname for “British exit” from the European Union. Almost 4 years and three Prime Ministers later, The U.K. finally left the EU on Jan. 31, 2020. The Brexit process began on June 23, 2016 when the United Kingdom voted to leave the EU. Uncertainty over Brexit slowed the U.K.’s growth from 2.4% in 2015 to 1.5% in 2018.

TRADE WAR- In 2018, the United States President Donald Trump announced that he would put into place new tariffs on some Chinese products, starting the ‘US-China Trade War’, an economic conflict involving the world’s two largest economies. POTUS told that the reason behind the trade war is to punish China for ‘unfair’ trade practices, such as the appropriation of jobs and the theft of American intellectual property. China responded with tariffs of its own, and a cycle began, steadily escalating the conflict,

IL&FS CRISIS- 2018 was worst year for Indian NBFC sector as the government- run IL&FS defaulted on inter-corporate deposits and commercial paper borrowings of about Rs. 450 crores in June. Since then, there have been multiple interest and debt repayment defaults by the IL&FS group. As a result, major rating agencies downgraded its long-term ratings sparking off a vicious cycle in the financial markets.

PMC CRISIS- The crisis at PMC Bank first came to light on September 24, 2019, the day the Reserve Bank of India (RBI) placed curbs on the activities of the Mumbai-based bank for six months. The central bank also limited the amount a customer could withdraw from their account during the next six months — to Rs 1,000 at first, and later to Rs 40,000. HDIL promoters allegedly colluded with the bank management to draw loans from the bank’s Bhandup branch. The bank also allegedly created fictitious accounts of companies which borrowed small sums of money, and created fake reports to hide from regulatory supervision.

YES BANK CRISIS- On March 5, 2020, the Reserve Bank of India announced that it was superseding the Yes Bank Board of Directors for a period of 30 days “owing to serious deterioration in the financial position of the Bank”. But what created panic among the general public, and in particular the deposit holders in Yes Bank, was the RBI’s decision to cap withdrawals at Rs 50,000. On 6 April, RBI released a draft for the reconstruction of Yes Bank. The draft mentioned that State Bank of India has expressed its willingness to invest in Yes Bank and participate in its reconstruction.

STOCK MARKET CRASH- The stock market crash of 2020 began on Monday, March 9, with history’s largest point plunge for the Dow Jones Industrial Average (DJIA) up to that date. It was followed by two more record-setting point drops on March 12 and March 16. The drop was caused by unbridled global fears about the spread of the coronavirus, oil price drops, and looming recession. Even Sensex fell by 3,090 points or 9.43 per cent at 29,687.52 while Nifty breached the 10 per cent lower circuit to fall below 8,700 as a result of which trading activities had to be halted for at least 45 minutes. Analysts expect the volatility to continue in both domestic and international stock markets as uncertainty remains over the economic impact of the virus.

THE CORONAVIRUS CRISIS- The crisis began in China, around the December of 2019, and has since spread to almost every country in the world. The SARS-Cov-2 is a communicable virus that primarily affects the respiratory system of the human body, and has till date affected almost 80 lakh people worldwide. The public health crisis is currently severe in various countries like the US, UK, Italy and India. The disease lead to the implementation of large scale lockdowns throughout the world, and all economic activity came to a grinding halt. As a result of the lockdowns, unemployment worldwide has swelled to unprecedented levels.

NEWS HEADLINE AND HIGHLIGHTS

GEOPOLITICAL

EAM SUSHMA SWARAJ'S TWO-DAY VISIT TO MALDIVES

The Maldives on March 18, 2019 committed itself to being sensitive towards India's security and strategic concerns as the two countries signed three agreements covering cooperation in areas such as community development projects and renewable energy.

US BLACKLISTS CHINA AI COMPANIES OVER MINORITY CONCERNS (2019)

The US blacklisted a group of tech companies that develop facial recognition and other artificial intelligence technologies that the USA believes is being used to repress China's Muslim minority groups. A move on October 7, 2019 by the US Commerce Department put the company owners on the so-called Entity List for acting contrary to American foreign policy interests.

THE US FURTHER CUT ASSISTANCE TO PAKISTAN BY \$440 MILLION (2019)

The US further cut Pakistan's aid by \$440 million, bringing down its commitments to \$4.1 billion, which is slightly more than half of the total amount that Washington had promised to give nine years ago.

US HOUSE VOTES TO LIMIT TRUMP'S AUTHORITY TO STRIKE IRAN MILITARILY (2020)

The US House of Representatives voted on January 10, 2020 to curb President Donald Trump's ability to strike Iran militarily, adopting a bipartisan provision that would require the President to get Congressional approval before authorising military force against Iran, except in the cases of an imminent attack against the U.S. The move came days after the U.S. carried out drone strikes near Baghdad International Airport, that killed Iranian Major General Qasem Soleimani, and escalated tensions between the two countries.

INDIA, UK PLAN TO STRENGTHEN BILATERAL TRADE, INVESTMENT

British Prime Minister Theresa May, international trade secretary Liam Fox and India's commerce Minister Piyush Goyal discussed the plans with delegates from India and UK business and highlighted the opportunities for future trade and investment. The event focused on how UK and Indian financial markets can support India's transition to a more services led economy by improving access to its import markets and internationalise its currency.

SRI LANKA UNVEILS SOUTH ASIA'S TALLEST TOWER, FUNDED BY CHINA (2019)



Sri Lanka on September 16, 2019 unveiled South Asia's tallest tower, costing over \$100 million, 80% of which has been funded by China under the controversial Belt and Road Initiative (BRI). The 350 metre tall, 17 storey Lotus Tower, located in Colombo, comprises a TV tower, a hotel, telecommunications Museum, restaurants, auditorium and a mall.

BREXIT BILL (2020)

Queen Elizabeth II gave assent to the Brexit bill, thereby making it a law and enabling the UK to leave the European Union on January 31, 2020. The UK unveiled a commemorative 50 pence Brexit coin to mark its departure from the European Union and 3 million of these entered circulation on the same day. The coin bears inscriptions depicting peace, prosperity and friendship with all nations and the date the UK left the EU. The UK government has said that the country will be replacing the burgundy coloured passports with blue passports.

G-20 SUMMIT IN OSAKA, JAPAN (2019)

G-20 summit was held in Osaka on June 28-29, 2019. The summit was attended by G20 countries and other invited guests. The leaders addressed major global economic challenges. They focused on global trade, digital transformation, climate and energy, and inequalities.

CHINA'S BELT AND ROAD (BRI) MEETING IN BEIJING (2019)

China launched on April 25, 2019 a staunch defence of its Belt and Road global infrastructure project, as it opened a summit with a pledge to ease concerns about debt linked to its signature foreign policy. The initiative offers to bring much-needed modern infrastructure to developing countries, but the US has dubbed it as a 'vanity project' and critics warn that it is a debt trap favouring Chinese companies.



RESOLUTION OF US-CHINA TRADE WAR (2020)

The US, on January 15, 2020 signed the first phase of a trade deal with China, which President Donald Trump described as historic, concluding more than a year of tough negotiations including sever-

al months of suspension of talks between the two largest economies of the world. This trade deal includes Intellectual Property (IP) Protection and Enforcement, ending forced technology transfer, dramatic

expansion of American agriculture, removing barriers to American financial services, ending currency manipulation, rebalancing the US-China trade relationship and effective dispute resolution.



G-7 SUMMIT 2019 IN FRANCE

The 45th G7 summit was held on August 24-26 2019 in Biarritz, Nouvelle – Aquitaine, France. The participants included all the seven members – Canada, France, Germany, Italy, Japan, United Kingdom, United States and the European Union. Indian PM Modi attended the summit as a special invitee of French President.

RBI DIVESTS ENTIRE STAKE IN NHB, NABARD (2019)



The RBI has divested its entire remaining stake in the National Bank for Agriculture and Rural Development (NABARD) and national housing bank (NHB) in February and March 2019. The central government now fully owns these two financial institutions. The RBI held 100 per cent shareholding in NHB, which was divested on March 19, 2019.

NIRVIK SCHEME (2019)

Export Credit Guarantee Corporation of India (ECGC) has introduced NIRVIK scheme to ease the lending process and enhance loan availability for exporters. The insurance cover guaranteed will cover up to 90% of the principal and interest. The main aim behind introducing the scheme was to enhance accessibility and affordability of credit for exporters. It will help make Indian exports competitive and make ECGC procedures exporter friendly, benefiting MSME exporters with a new scheme for reimbursing taxes, reduced insurance cost and ease of doing business.

UNION CABINET'S NOD FOR STRATEGIC DISIN- VESTMENT IN 5 CPSUS (2019)

The Union Cabinet on November 21, 2019 gave in-principle approval for strategic disinvestment of government shareholding in five public sector enterprises. These five PSUs are : Bharat petroleum Corporation Limited (BPCL), Shipping Corporation of India, Container Corporation of India, Tehri Hydro Power Development Corporation (THDCIL), North Eastern Electric Power Corporation Limited (NEEPCO)

FRAUD-HIT PNB TOPS LIST OF BEST PERFORMING PUBLIC SECTOR BANKS

One year after being hit by \$1.02 billion scam, Punjab national bank PNB has topped the list of public sector banks which have shown the best performance based on government's EASE (Enhanced Access and Service Excellence) reform index. PNB also topped the list of PSBs in 3 out of 6 key areas of strong performance assessed by the report. These include responsible banking, credit off take, or increase in credit growth, and customer responsiveness.

MERGERS OF PSU BANKS (2019)



Finance Minister Nirmala Sitharaman on August 30, 2019 announced mega mergers of public sector banks as part of plans to create fewer and stronger global-sized lenders. The FM announced four new set of mergers -- Punjab National Bank, Oriental Bank of Commerce and United Bank of India will combine to form the nation's second-largest lender; Canara Bank and Syndicate Bank will merge; Union Bank of India will amalgamate with Andhra Bank and Corporation Bank; and Indian Bank will merge with Allahabad Bank. Post the mega mergers, India will have 12 public sector banks against 27 two years ago.

INDIA SLIPS 10 PLACES TO 68TH ON GLOBAL COMPETITIVENESS INDEX

India which was ranked 58th in the annual global competitive index 2018 compiled by Geneva-based World Economic Forum (WEF), is among the worst performing BRICS nations along with Brazil. The drop of 10 places in India's position to 68th place may look dramatic but the decline in the country's competitiveness score is relatively small. Singapore has become the world's most competitive economy in 2019, pushing the US to the second place.



YES BANK

Restrictions on Yes Bank depositors that were imposed by reserve bank of India moratorium on March 5, will be lifted from the middle of the next week. Bandhan Bank and Federal Bank committed Rs.300 crore each to Yes Bank equity joining the ranks of four other lenders and taking the total tally to Rs.10,950 crores. Lenders who have so far committed equity funds in addition to SBI's Rs.7,250 crores include HDFC (Rs.1,000 crores), ICICI Bank (Rs.1000 crores), axis bank Rs.600 crores, Kotak Bank (Rs.500 crores), Bandhan Bank (Rs.300 crores) and Federal Bank (Rs.300 crores). A government Gazette notification barred existing investors holding above 100 shares from selling them for three years.

AGRICULTURE

NATIONAL SCHEME ON WELFARE OF FISHERMAN eNAM



This scheme was launched in 2012 to provide financial assistance to fishers for construction of house, community halls for recreation and working place. It also aims to install tube wells for drinking water and assistance during the lean period through saving.

MICRO IRRIGATION FUND

It was launched in July 1, 2015. The government approved a dedicated Rs 5000 crore fund to bring more land area under micro irrigation as a part of its objective to boost agriculture production and farmers income.



NATIONAL AGRICULTURE MARKET

It was launched on 14 April, 2016. It is a pan -India electronic trading portal which networks the existing APMC mandis to create a unified national market for agricultural commodities Small Farmers Agribusiness Consortium (SFAC) is the lead agency for implementing eNAM under the eyes of Ministry of Agriculture and Farmer's welfare, govt of India.

PRADHAN MANTRI KRISHI SINCHAI YOJANA (PMKSY)

It was launched on July 1 2015, Har khet ko pani "Prime Minister Krishi Sinchai Yojana". Government of India is committed to accord high priority to water conservation and its management. To this effect PMKSY has been formulated with the vision of extending the coverage of irrigation and improve water use efficiency in a focused manner with end to end solution on source creation, distribution, management, field application and extension activities.

PARAMPARAGAT KRISHI VIKAS YOJANA

An initiative to promote organic farming in the country was launched by NDA govt in 2015 to avail the scheme, each cluster or group must have 50 farmers willing to take up organic farming under this scheme and possesses a total area of atleast 50 acres.

LANDMARK SC JUDGEMENTS

NOTA Judgement– In 2013 The Supreme Court introduced negative voting as an option for the country's electorate. According to this judgement, an individual would have the option of not voting for any candidate (None-Of-The-Above) if they don't find any of the candidates worthy. In 2013 The Supreme Court introduced negative voting as an option for the country's electorate. According to this judgement, an individual would have the option of not voting for any candidate (None-Of-The-Above) if they don't find any of the candidates worthy.

Illegalising convicted MPs and MLAs

In July 2013, The Supreme Court of India, ruled that any member of Parliament (MP), member of the legislative assembly (MLA) or member of a legislative council (MLC) who was convicted of a crime and awarded a minimum of two year imprisonment, would lose membership of the House with immediate effect.

Recognizing the Third gender– In a landmark judgment, the Supreme Court in April 2014 recognized transgender persons as a third gender and ordered the government to treat them as minorities and extend reservations in jobs, education and other amenities.

Section 66A revised (Shreya Singhal v Union of India)– The controversial section 66A of the Information Technology Act which allowed arrests for objectionable content posted on the internet was struck down as unconstitutional by the Supreme Court in March 2015.

The Right To Privacy as a Fundamental Right– In 2017, a nine-judge constitutional bench declared that the Right to Privacy is a fundamental right that it is intrinsic to life and liberty and is protected under Article 21 of the Constitution.

Declaring instant Triple Talaq Unconstitutional



In 2017, 35-year-old Shayara Bano challenged the practice of triple talaq after her husband of 15 years divorced her. The SC declared the practice of Triple Talaq as unconstitutional by a 3:2 majority. Justices Nariman and Lalit held that instant Triple Talaq is unconstitutional, while Justice Joseph struck down the practice on the ground that it goes against Shariat and the basic tenets of the Quran.

Decriminalizing homosexuality and repealing Section 377-

In 2018 A five-judge bench at the country's highest court decriminalized homosexuality, striking down the 160-year-old law which deemed gay sex "against the law of nature". In a historic judgement, which drew cheers from across the nation, the judges scrapped Section 377 and proclaimed that each individual has an equal right to love whoever they want to.

Sabarimala Temple Review-

In 2018 The top court had allowed women of all ages to enter Kerala's Sabarimala Temple, which was previously prohibited for the women of ages 10 to 50 years.

Aadhaar upheld



In Sep 2018 The Supreme Court upheld the constitutional validity of Aadhaar in September 2018. In a majority 4-1 judgment, a constitution bench, headed by then CJI Dipak Misra affirmed the constitutionality of the 12-digit unique identity number and said it involved "parting with minimal information"

Ayodhya verdict– In Nov 2019 Bringing the hammer down on one of the most-talked-about cases in Indian history, a five-judge bench of the Supreme Court, headed by then CJI Ranjan Gogoi, held that the entire disputed land of 2.77 acres in Ayodhya must be handed over for the construction of a Ram temple. The court also ordered an alternate plot of five acres to the Sunni Waqf Board for the construction of a mosque.

GOVERNANCE

Whistle Blowers Protection Act, 2011



It is an Act of the Parliament of India which provides a mechanism to investigate alleged corruption and misuse of power by public servants and also protect anyone who exposes alleged wrongdoing in government bodies, projects and offices. The wrongdoing might take the form of fraud, corruption or mismanagement.

Protection of Children from Sexual Offences (POCSO) Act:

In 2012, the act was enacted to provide a robust legal framework for the protection of children from offenses of sexual assault, sexual harassment, and pornography, while safeguarding the interest of the child at every stage of the judicial process

GST: On July 1, 2017, India's parliament launched the historic Goods and Services Tax or GST, unifying India as "one nation, one tax, one market", ending dozens of state taxes and levies and bringing goods and services with a common tax slab across the nation.

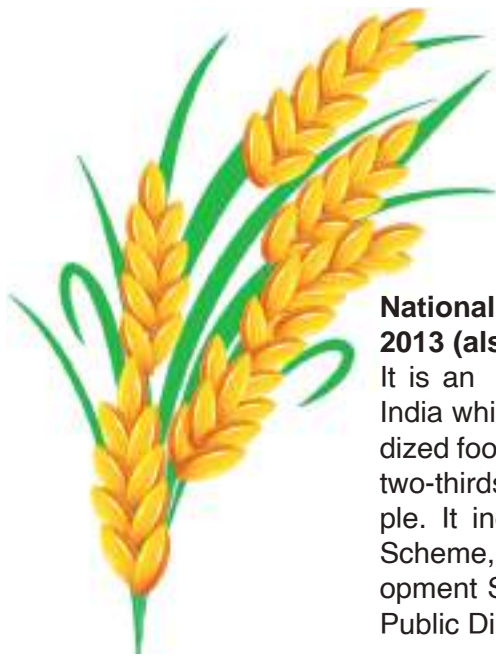
Andhra Pradesh Reorganisation Act, 2014, popularly known as the Telangana Act: It is an Act of Indian Parliament that bifurcated the state of Andhra Pradesh into Telangana and the residuary Andhra Pradesh state, due to the Telangana movement. The Act defined the boundaries of the two states, determined how the assets and liabilities were to be divided and laid out the status of Hyderabad as the permanent capital of new Telangana state and the temporary capital of the Andhra Pradesh state.

Jammu and Kashmir Fully Integrated, Article 370 Revoked:

The "temporary" special status to Jammu and Kashmir under Article 370 of the Constitution of India was removed by presidential order. Jammu and Kashmir was also "reorganized," with the state's bifurcation into two union territories, Jammu and Kashmir and Ladakh - which came into being on October 31, 2019.



Aadhar, is a 12-digit unique identity number that can be obtained voluntarily by residents or passport holders of India, based on their biometric and demographic data. The data is collected by the Unique Identification Authority of India (UIDAI), a statutory authority established in January 2009 by the government of India, under the jurisdiction of the Ministry of Electronics and Information Technology.



National Food Security Act, 2013 (also Right to Food Act)

It is an Act of the Parliament of India which aims to provide subsidized food grains to approximately two-thirds of India's 1.2 billion people. It includes the Midday Meal Scheme, Integrated Child Development Services scheme and the Public Distribution System.

The Lokpal and Lokayuktas Act, 2013, commonly known as The Lokpal Act: is an anti-corruption Act of Indian Parliament in India which “seeks to provide for the establishment of the institution of Lokpal to inquire into allegations of corruption against certain important public functionaries including the Prime Minister, cabinet ministers, members of parliament, Group A officials of the Central Government and for matters connecting them”.



Digital India Programme: Launched in July 2015, it aims to ensure that government services are available to citizens electronically and people get benefits from the latest information and communication technology.

Smart Cities Mission: Launched in 2015, Urban modification and renewal program to make 98 shortlisted cities across the country citizen-friendly and sustainable. The scheme received a contribution of Rs.980 billion from the Indian Cabinet for the rejuvenation of 500 cities.



ARTICLES

INDIA's NOMINEESHIP IN EXECUTIVE BOARD OF WHO

By: Ayushi Kalra

On May 22nd, 2020 India will take up a leadership role in the World Health Organisation (WHO). India will be replacing Japan for the chairperson's position, decided last year when the WHO's South-East Asia group unanimously proposed New Delhi to the executive board for a three-year term. This board is responsible for implementing the policies of the World Health Assembly. This lead role will bring with it a huge responsibility and a lot pressure on India to call out China for the spread of the novel corona virus (COVID-19). The U.S. would also use its strategic alliance with India to come down heavily on China. However, India's role will give it an opportunity to wield more influence within the pre-eminent organization, reprimanded to be siding with China during recent pandemic.

Following steps are recommended on India's part to make the most of this opportunity of being elected as a member of the executive board:

1. Accountability from WHO leadership.

As per the reports of BBC India, as on 11th March, 2020 there were more than 118000 cases reported in 114 countries and 4,291 people had lost their lives before the WHO declared the current outbreak as a pandemic; this clearly indicates favouritism being enjoyed by China. Need of the hour is to bring transparency from all its member countries because China is hiding its research samples and not allowing global experts to access its reports. China has repeatedly revised its methodology for counting cases. As per the official guidelines, China doesn't count those who have retested positive after getting discharged and does not include asymptomatic cases too. WHO must dutifully take strict actions against China's uncompromising and rigorous use of non-pharmaceutical measures which is adding on to the tribulations being faced by the world. India should take proper advantage of this responsibility to let the WHO stop its favouritism approach and ask all its member countries to give their accountability on this matter.

2. India must insist on financial independence.

Funding of the WHO is done in two ways. One, in the form of assessed contributions (government funds, membership fees) from its member countries which are calculated on the basis of relative wealth and population of the country. The Second source of funding comes from voluntary contributions, which make up around 75% of the WHO's income. However, these voluntary contributions come with private interests. India should look up to how much this money talks in the body of WHO. Since this 75% amount from extra budgetary resources come from private sources, it has the capacity to impact WHO's actions for its shady personal ventures and ventures of any country. India should propose to release the details of these organisations and from which country they come from.



World Health Organization

3. Push for Taiwanese inclusions.

If there is any government that can be successfully credited for fighting against the coronavirus, it is Taiwan. Despite having very high people-to-people connection and geographical proximity with China, it was able to maintain its cases as low as 440. Yet, the WHO has kept out Taiwan from its acknowledgement because of strong political pressure from China, which further contributes to its reputation of being China centric. China claims Taiwan as part of its territory and is adamant about preventing its recognition as a sovereign state and its membership in the UN system. Recently, China has allowed getting Taiwan's regional representation in the WHO assembly as Beijing's blessing. WHO is in need of a reform to recognize Taiwan as a separate sovereign state and give it independent representation as a member in its assembly, thereby acknowledging its presence as a full-fledged independent country. Taiwan would further work as a role model for other countries on how to successfully control the virus spread. India can rally its support in the World Health Organisation for Taiwan's separate independence. India should not shy away in showing its open support to Taiwan as it would mark an important element in WHO reform. If India wants itself to be taken seriously, it must stand up justifying its position and be counted on such crucial matters.

4. Conduct an international probe on the outbreak.

Beijing has denied permission to American scientists to visit the Wuhan Institute of Virology or any other part of China to investigate the origin of the novel coronavirus. China is continuously playing with numbers of death toll and people infected by COVID-19 as clearly indicated in the wrongful counting done by not including the asymptomatic cases and people showing symptoms again after getting discharged. It is not allowing even new agencies of other countries to step in its territory. Although China has recently allowed having the probe done only in close association with the WHO, but this again casts doubt on the transparency. Questions raised by some countries over the World Health Organization's handling of the virus mean the global health body is not the best choice to investigate its origins. Other points that come in picture is how can China be allowed to dictate the terms, and how will this probe be transparent and independent if it is declared by the alleged perpetrators of a crime. It is highly doubtful that China would allow WHO investigators to access its laboratories and wet markets in Wuhan. Other member countries have also started losing faith in the integrity of the WHO due to its China centric approach. India must push for a transparent probe in this outbreak. The World must jointly call for a full investigation into the causes and origins of this pandemic. It should be internationally agreed that the purpose of this probe is not to point fingers on any country or hold any particular country responsible for the outbreak's consequences, but rather to understand the origins and avoid similar outbreak in the future for the greater good of mankind. We finally have an opportunity. India must take lead in its WHO contribution.

ACQUISITION

AN ACQUISITION IS WHEN ONE COMPANY PURCHASES MOST OR ALL OF ANOTHER COMPANY'S SHARES TO GAIN CONTROL OF THAT COMPANY

CORONAVIRUS- A CAUSE OF WORRY FOR THE GLOBAL FINANCIAL MARKETS?

By: Rajan Baa
Department of Financial Studies (DU)

About **Covid-19** - "Corona" in Latin means "halo" or "crown". Three particularly dangerous diseases that have spread due to coronaviruses: COVID-19, SARS, and MERS. First identified case of COVID-19 was found in Wuhan, China. Presently no vaccine is available. Common symptoms include: fever, cough, breathiness etc.

It can spread in the following ways:

- Touching or shaking hands with a person who has the virus and it can pass the virus between individuals.
- Contact with a surface or object that has the virus and then touching the nose, eyes or mouth.
- Coughing and sneezing without covering the mouth can disperse droplets into the air.

WHO recommended basic hygiene such as regularly washing hands with soap and water, and covering mouth with our elbow when sneezing or coughing.

It mainly effects following categories of people:

- young children
- women who are pregnant
- people aged 65 years or older

Recently WHO had declared the new coronavirus outbreak, a global Pandemic. Around 4,600 people have died from the diseases and there have been more than 126,00 confirmed cases worldwide, according to the WHO and it has spread at least 118 countries.

Impact on Economy: Its spread has left businesses around the globe with huge losses

- **Global shares at low** - All categories of investors are worried about the impact of coronavirus. Big shifts in stock markets, can affect investments in some types of pension or individual savings accounts.
- **Growth could stagnate** - If the economy is growing, that generally means more wealth and more new jobs. It's measured by looking at the percentage change in gross domestic product, or the value of goods and services produced, typically over three months or a year.
- **Travel among hardest hit** - The travel industry has been massively effected, with airlines cutting flights and tourists cancelling business trips and holidays.
- **Factories slowing down** - China makes up a third of manufacturing globally, and is the world's largest exporter of goods. But activity has decreased in the so-called "workshop of the world" as factories pause their operations to try to contain the spread of Covid-19.
- **Customers buying less** - Fear of the coronavirus outbreak means that people are choosing to avoid activities that might expose them to the risk of infection, such as going out shopping. Restaurants, car dealerships and shops have all reported a fall in customer demand.

Nobody Knows that for how many days or months will it take overcome this disease. But following steps

taken at different level can reduce the impact on the market.

Interest rate cut: It help to establish how much consumers pay to borrow. When interest rates are low, consumers tend to purchase a higher volume of goods. Recently US Federal reserve has cut the interest day .It was the Fed's first emergency rate cut since 2008 financial crisis. This rate cut is done due to the economic risks and in support of achieving its maximum employment and price stability goals. Similarly other central banks must take appropriate action to achieve its goal.

Decrease in taxes: Reducing taxes increases the amount of available cash that consumers can use to purchase goods and services. The more cash consumers have, the more purchases they are likely make. As consumers in a country increase spending, it directly increases aggregate demand. Tax cuts could decrease individual income taxes, sales taxes or property taxes.

Government Expenditure: Recently President Donald Trump signed an \$8.3 billion spending bill to fight the coronavirus on March 6. An increase in government spending on goods and services can increase overall economic demand. The infusion of capital into the economy through government spending leads to increased financial resources in the private sector that injects financial resources into the hands of consumers.

Improvement in Health care and medicine facilities: It's the responsibility of the central and state government to improve the conditions of the hospital and medical facilities. A few days back a new hospital ward is opened in Wuhan, China which is completely run by robots. And this will protect medical staffs from contracting the coronavirus. This robots deliver foods, drinks and drugs to the patients and keep the ward clean. Works 24/7 measuring heart rates and blood oxygen levels via smart bracelets and rings worn by patients.

Regulatory role: On the global front, world share markets witnessed their worst scenario since the global financial crisis, wiping out about trillion of money. SEBI assured that the regulator and stock exchanges are prepared to "take any action" as required to deal with market volatility, hours after trading was halted for 45 minutes on 13th March. This kind of steps give a positive sentiments to the investors towards stock market.

Diversify the Portfolio: If the investor has diversified portfolio of stocks and bonds, the bond portion would have risen, cushioning stock losses and underlining the power of asset allocation and diversification. That's why it's so important for investors to focus on their long-term goals and plans, not the short-term gyrations of the stock market.

Self-Depended - It's time for the countries to release that how much they are dependent on China and America. Countries must focus on improving their manufacturing, Automobile, services and Health care sector.

See as Opportunity for investors:

I will tell you how to become rich. Close the doors. Be fearful when others are greedy. Be greedy when others are fearful - Warren Buffett

There is gloom and doom in the market, and there is a possibility that the selling pressure will continue for some more time. But, these Black Swan events have happened in the past as well. One thing which stands out is the fact that markets have bounced back aggressively once the overhang is over which has created opportunities for long-term wealth creation.

Putting money in markets at current levels would

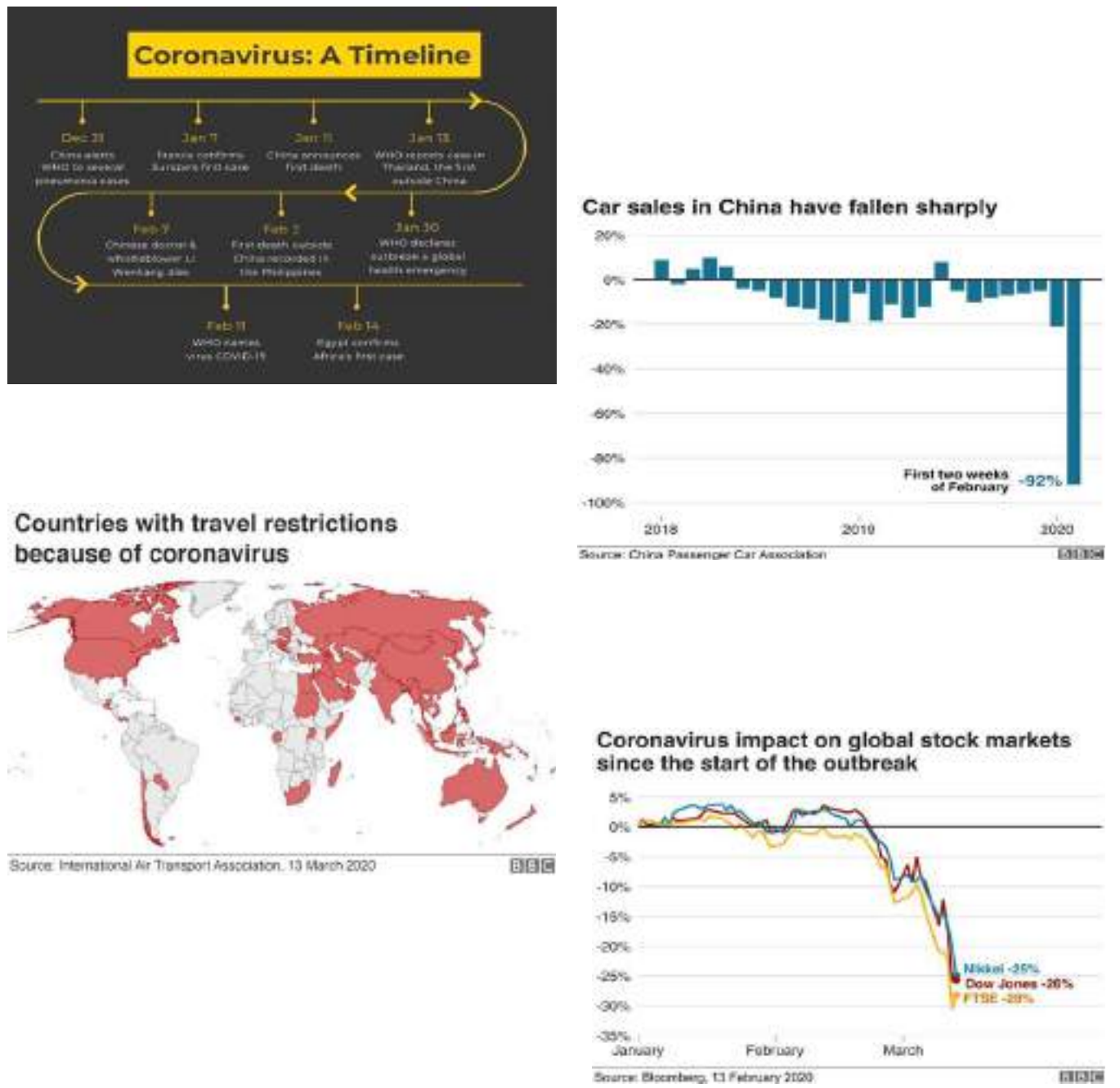


be very difficult because no one is aware where the bottom is? Hence, quality stocks that have come off from high should ideally be considered for investment. However, we see it as buying opportunities for the investors who should utilise the declines to lap up the good businesses

Tech, Research and Innovation: Drones can be used to deliver medical supplies, AI to identify, track and forecast outbreaks. Video conferencing can be used for meeting rather than personal meeting.

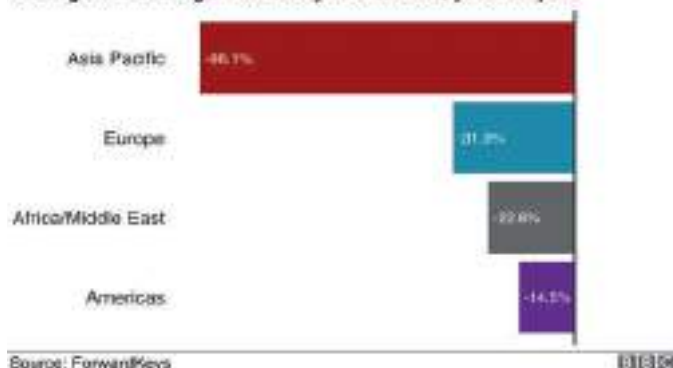
China is one of the best example where it is trying to recover: Real estate, manufacturing, Energy demand has turned up.

Due to the shutting down or running in limited basis of schools, sports leagues, workplaces, cultural sites, -the economy could shrink as much as 4% to 5% in the second quarter and trigger a sharp increase in unemployment.



US flight bookings to all regions of the world have fallen sharply

Change in bookings 8 January to 8 March, year on year



Opinion

- Support for immediate unemployment benefits for those who are lost their jobs and lack income to meet daily needs
- Supporting a tax benefit to help continue business
- Providing low- to no-interest business loans to cover lost revenue as a result of the outbreak.

BUDGET DEFICIT

A BUDGET DEFICIT OCCURS WHEN EXPENSES EXCEED REVENUE AND INDICATE THE FINANCIAL HEALTH OF A COUNTRY. THE GOVERNMENT GENERALLY USES THE TERM BUDGET DEFICIT WHEN REFERRING TO SPENDING RATHER THAN BUSINESSES OR INDIVIDUALS. ACCRUED DEFICITS FORM NATIONAL DEBT.

TRADING STOCKS WITH ALGORITHMS

By: Vasu Chabra

Share trading is one of the most rapidly growing businesses in India. With just a laptop and an internet connection, one can earn more than what he or she earns in a 9 to 5 job. There has been an acute rise in the number of startups in this space. So how much of this budding industry is a result of algorithmic trading? According to a survey, close to 40 percent of the trading is done with the help of algorithms.

Algorithmic trading is the implementation of algorithms to buy and sell shares at a predefined point or price with the help of technical indicators. It provides the analytical acumen of a professional analyst and the technical skills of a software engineer. It combines the skills of machine learning and artificial intelligence to buy a share at the lowest price and sell the share at the highest price, which can be achieved in the short term. Without even a single click, your device can acquire positions and earn profits for you. Algorithms may be devised on the basis of a single indicator or multiple indicators. The benefit of an extra indicator provides is the assured positive return on the capital employed.

Most of the asset management firms develop their algorithm trading software. Asset management firms and equity research companies have a lot of clients and this is the reason why they cannot pick and choose stocks for each one of these clients. They have millions of dollars to invest in the equity and F&O space which makes it difficult to look at a particular chart and decide whether this investment is a wise decision or not. Instead, they develop their algorithm-based trading robots so that they do not miss a single opportunity. These robots place a buy or sell order on their own, without the help of a human. Each signal is accounted for and this helps the firms to realize higher profits, at an exponentially low time. There are a lot of advantages to using algorithms. The biggest merit of using this technology is high-frequency trading. In a relatively shorter time span, a computer can execute a lot more deals than a trader. Moreover, in this time the trader can improve algorithms to inculcate more artificial intelligence in these bots.

Apart from these asset management firms, day traders and swing traders also use algorithms to trade at a faster pace. Though they do not have a huge capital or a large number of clients to cater to, they are fascinated by the speed and accuracy of these bots. Most of the day traders prefer algorithmic trading because no opportunity is lost through this process. They can earn close to 5 to 10 percent of their investment, in a single day through these algorithms. There might be some trades in which a trader incurs loss. If this occurs, then an informed trader corrects his algorithms and learns from his mistakes. Correction in algorithms maybe small improvements like changing the time frame of the chart, or fundamental changes like shifting from small-cap stock to large-cap stocks. There are some risks involved in algorithmic trading. For instance, if your trading robot bought a share and that position is currently open. Suddenly, your internet disconnects. If that position is not squared off, this might put your capital at a huge risk. So, to ensure the safety of capital and investment, one should ensure that the computer and internet connection he or she is using has fewer chances of failure.



So how can you develop a trading robot through algorithms? Developing an algorithm-based trading system is now possible with the help of software which professionals use daily, Microsoft Excel. Analysis of a particular stock can be done in two ways- fundamental analysis and technical analysis. For fundamental analysis, you can import data from the official website of the National Stock Exchange and get real-time prices of shares, futures and options, currencies and derivatives. This data consists of current market price, percentage increase or decrease from the previous close, earning per share (EPS), dividend yield, 52 week high, 52 week low and some other indicators that show the fundamentals of a stock. For technical analysis, you can combine this real-time information with the most renowned technical indicators. This will help you shortlist your shares so that you can trade them more effectively. Indicators help traders identify the momentum and volume of a particular stock, which becomes helpful in trading these shares. These indicators cannot be used alone and are combined with fundamental analysis of stocks. One of these technical indicators is the Relative Strength Index or RSI.

Relative Strength Index, as the name suggests is an indicator that shows which segment of the market is in control. Simply put forth, it shows whether the buyers are more dominant or the sellers. Relative Strength Index or RSI ranges from 0 to 100. If the RSI is over 70, the share is considered to be overbought. So, it means that the sellers will sell the shares at such a high price which will be followed by a downtrend. On the contrary, if the RSI of a share is less than 30, it means that the share is oversold. This indicates that the buyers will step in to buy the share at such a cheap price. Therefore, this share will show a bullish trend soon. Algorithms can be developed so that the computer short sells a stock that has RSI greater than 70 and can buy a stock that has RSI less than 30. Since RSI is one of the oldest and most reliable indicators in the history of stock markets, these trading bots can easily provide a Return on Investment (ROI) of approximately 1 percent per trade in intraday trading.

Algorithmic trading was legalized in India in 2008. In a decade, it has captured half of the market space and it still continues to grow. With more IT graduates entering the stock market; the future of algorithm trading seems bright.

BUSINESS VALUATION

A BUSINESS VALUATION IS A GENERAL PROCESS OF DETERMINING THE ECONOMIC VALUE OF A WHOLE BUSINESS OR COMPANY UNIT. BUSINESS VALUATION CAN BE USED TO DETERMINE THE FAIR VALUE OF A BUSINESS FOR A VARIETY OF REASONS, INCLUDING SALE VALUE, ESTABLISHING PARTNER OWNERSHIP, TAXATION, AND EVEN DIVORCE PROCEEDINGS.

KNOWLEDGE ECONOMY IN INDIA

By: Aarohi Kaur Nayyar

The World Bank Institute defines knowledge economy as one that creates, disseminates, and uses knowledge to enhance its growth and development. A knowledge economy uses data as its raw material and transforms it with the help of technology, analysis tools, and human intelligence into knowledge and expertise.

The term knowledge economy covers a wide range of activities and interpretations. This term was coined by Pete Drucker in his book *The Age of Discontinuity*. It refers to the use of knowledge to produce goods and services in an economy. In other words, it refers to the availability of highly skilled workers in an economy of a locality, country, or the world, and the idea that most jobs require specialized skills. The biggest asset of a knowledge workers is their knowledge. Also many knowledge workers require a lot of critical and creative thinking and manipulation of information. It is quite different from industrialized economy which has mass production but where most jobs are unskilled.

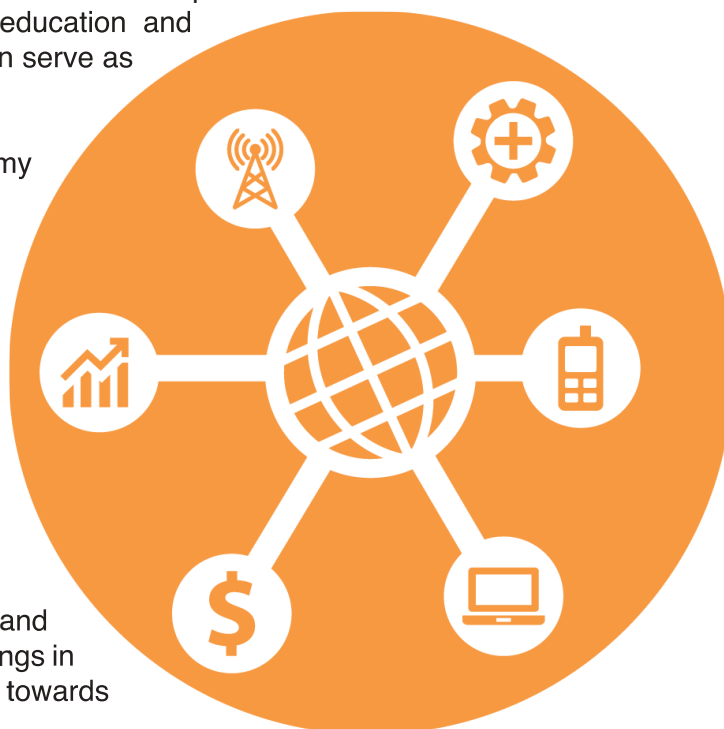
Production and services based on knowledge-intensive activities leads to an increase in technological and scientific advances, along with rapid obsolescence. Knowledge economy greatly relies on intellectual capabilities rather than on physical inputs, combined with efforts to integrate improvements in every stage of production process, R&D lab to the factory floor to interface with customers. These changes are seen in the increasing share of gross domestic product that is capable of contributing towards “intangible asset.” Less developed countries tend to have agriculture and manufacturing based economies whereas a developing country has manufacturing and service based economy and developed countries usually have service based economies. Most of the world economies are composed of each of these three major categories but varying in proportions as per the wealth of that respective nation. Knowledge economy addresses how education and knowledge i.e. referred to as “human capital” can serve as a productive asset.

The World Bank defines knowledge economy according to four pillars:

- Institutional structures that provide incentives for entrepreneurship and the use of knowledge.
- Availability of skilled labor and a good education system.
- Access to information and communication technology (ICT) infrastructures.
- An effervescent innovation space that includes academics and private sector

A knowledge economy enables innovation and customization by both producers and users. It brings in advanced technology in the country thus, leading towards industrialization.

In spite of having a strong intellectual capital base, India still needs to utilize its resources efficiently for creating a strong knowledge economy. According to a World Bank publication, *India and the Knowledge Economy: Leveraging Strengths and Opportunities*, India comes in bottom 3. India's position has not improved much over the past ten years.



India's performance on a composite index that measures our ability to create, absorb and utilize knowledge is 98 out of 128 countries. This index is based on education, ownership of patents, copyrights and access to knowledge economy tools like computers and internet.

Let us track India's success to transform into a knowledge economy from the very begging.

As a result of the 1998-99 World Development Report on Knowledge for Development, the topic of the knowledge economy gained prominence with policymakers worldwide. In 2001, the K4D (Knowledge for Development) program held a high-level policy forum to share knowledge strategies among key stakeholders from Brazil, India and China—potential knowledge superpowers representing 45 percent of the world's population. The timing of the event was apt. The Indian government was already working on a strategy to transform the country into a knowledge economy. India had gradually been building a knowledge economy, having made great strides in pharmaceuticals, medical sciences, and information technology. India shows a lot of hope to transform into a knowledge economy. A PESTL (Political, Economic, Social, Technological and Legal) analysis of India shows that it has all the components that are suitable for its transition into a knowledge economy. Indian economy showed a lot improvements in the first term of Modi Government (2014-2018). India's market started growing rapidly. India gained reputation in foreign markets and also became a fascinating destination for foreign investors to invest their money in. The two programmes 'MAKE IN INDIA' and 'VIBRANT GUJARAT' improved India's performance economically to a great extent. Indian economy is getting more and more liberalized and opened up to integrate with international market. At the social front, Facebook and Whatsapp have largely reduced social differences among people. English has become most commonly used language among Indians. English is not just a language for means of communication for Indian people rather a style statement and a means to earn respect among others, it has become a source to show superiority among peers. Due to increasing number of internet service providers the competition has led to price wars among them which has made access to information and communication technology inexpensive. However, India needs to realize its complete potential as a knowledge economy.

Modi Government in its first term (2014-2017) it made efforts to integrate India with the global economy aggressively. It focused on improving relations with other countries, especially with West.

According to World Bank Report (2005) India can do a lot by utilizing its strengths to its maximum and by grabbing all the upcoming opportunities. If India is supported by the right kind of government policy and incentives then it can expand and develop its economic productivity. But in order to make effective use of knowledge, appropriate policies are required to stimulate efficient use of knowledge along with entrepreneurship.

In 2015, the World Bank group ranked India at 142 out of 189 countries for ease of doing business. India is the second most populated country in the world with around 1/5th young populations (as per 2011 census). This huge amount of population can prove to be a boon for Indian economic growth.

One of the major causes of unemployment in India is a mismatch between the jobs available in the market and skills possessed by people that require jobs. The 2013 Human Capital Index prepared by the World Economic Forum ranked 100th position which clearly depicts the fact that India has failed to groom



and train its huge population into a productive human resource.

In order to train the youth properly, institutions need to be more transparent and open, people must be made technology friendly and internet savvy, labor laws needs to be reformed.

India has the potential to meet the requirements for human resources across the world due to its vast young population. The Indian workforce lacks appropriate skills for getting employed.

The current employability trends on the basis of available data suggest that the demand and supply gap for workforce across different industries and sectors in India by the year 2020 is estimated to be about 75-80 percent. Half of the 25 year olds are illiterate, 1/3rd of the remaining half had only primary schooling. Out of the total 60 percent employable population in India, only 25 percent can be used by the job market. In main professions, the gap between demand and supply has grown to an alarming 82 to 86 percent. Till now Indian Government has made initiatives for coping with all these challenges by creating a basic infrastructure for skill development in the 11th (2007-2012) and 12th (2012-17) five year plan. But this was quite inadequate to meet the target group of about 150 million people by 2022 in around 21 areas which also includes ten manufacturing companies, unorganized sector etc.

INNOVATION SYSTEM-

Despite of having such a huge population, India still lacks in the area of Research and Development. India's global gross expenditure on Research and Development is only 2.8%. India lags behind all BRICS nations in terms of innovation except Russia. Despite of having the maximum number of scientists and engineers, research remains limited (Economic Survey of India 2014-15). But lately India has improved its performance in terms of innovation. India improved its ranking in Global innovation Index, 2019 by five places to 52nd position out of total 129 countries by World Intellectual Property Organization (WIPO). India has improved its innovation ranking from 29 places in last 5 years from 81th position in 2014 to 52th position in 2019.

In Human capital and research pillar, two variables have improved for India:

1. Gross expenditure on R&D(50th)
2. Expenditure by global R&D companies (15th)



According to the Census of India (2011), 68.84 per cent of India's population (i.e. 83.3 million people) live in villages. Since a large number of Indian villages do not have access to the basic infrastructure like roads and electricity, getting integrated with the mainstream information and communication technology network remains a daydream. But in order to cope up with this challenge Government launched Digital India Programme in 2015 is an initiative to transform India into a knowledge economy by extending network across 250000 villages, including universal phone connectivity by 2020. This may integrate whole country digitally, and the transformation of government machinery to an electronic setup would create about 17 million jobs directly and 85 million jobs indirectly. However, India needs better trainers, more funds and more advanced technology that can be

provided by international markets.

Above were the facts for years preceding F.Y. 2015-16. Currently, i.e. F.Y. 2019-20 India is facing a huge slowdown. India's gross domestic product (GDP) growth has dropped to 4.5% in July – September quarter of 2019-20. The fall is sudden but not at all unexpected. Initially Indian economy was doing really well as in the first quarter of 2016-17 India's GDP growth rate was 9.4%.

Now discussing about India's vision 2020 goals. First of all, Enrolments in schools have gone up in a good number. Government is spending well on mid-day meal schemes and Sarva Shiksha Abhiyan. Recently, according to the India School Ranking 2019 released by Education World (EW), the Government run Rajikya Pratibha Vikas Vidyalaya (RPVV), Sector 10, Dwarka has been ranked no 1. This school was ranked the best in India in day school category of government for 2nd consecutive year, followed by Kendriya Vidyalaya, IIT Madras, Chennai; GVHSS for girls are joint second, followed by IIT Bombay, Powai at 3rd position.

Following are some factors that are taken into consideration for this ranking are:-

1. Teacher welfare and development
2. Leadership or Management
3. Life skill education
4. Co-curricular education
5. Infrastructure quality

The National Knowledge Commission had estimated that the country requires around 1500 universities by 2020 in order to provide education to children. Currently, we are short of more than 500 universities. For now, Indian government has already taken a step forward to privatize the educational institutions. We have world class schools and colleges where students from all over the world come to pursue their higher studies like IIMs, IITs etc. Government is doing great in providing quality education at school level but we are still lagging behind as only 1/4th of India's youth in the 18-24 age group goes to colleges for pursuing higher education.

India is steadily working towards transformation into a knowledge economy. The educational institutions should embolden children from very early age to indulge in various researches through the medium of research papers and policy papers. Schools should arrange various activities that allows children to generate innovative ideas through brainstorming. This can be done in form of case studies. Government should encourage youth to follow the concept of being their own bosses. More policies and training sessions should be organized nationally and even at school levels. Private companies should also help youth with their startups as Ratan Tata funds various startups the ideas of which are unique and innovative. These baby steps can give India a kick start to its path towards knowledge economy.



COLLATERAL

THE TERM COLLATERAL REFERS TO AN ASSET THAT A LENDER ACCEPTS AS SECURITY FOR A LOAN. COLLATERAL MAY TAKE THE FORM OF REAL ESTATE OR OTHER KINDS OF ASSETS, DEPENDING ON THE PURPOSE OF THE LOAN. THE COLLATERAL ACTS AS A FORM OF PROTECTION FOR THE LENDER

BEGINNING OF AN ENDGAME

By: Palghat Manikandan

The untimely death of Major General Qasim Soleimani of Iran's elite Quds force (IRGC) has triggered unimaginable series of consequences. In the wake of his death all the gains made by Iran seem to be at stake and may put Iran back to square one.



(In pic: Major General Qasim Soleimani in the middle)

As Vladimir Lenin said “ There are decades where nothing happens and there are weeks where decades happen” and the first week of January 2020 will be remembered as one such week. It was 3rd January 2020 when IRGC commander Major General Qasem Suleimani was killed in a drone attack by US just outside the Baghdad airport in Iraq. The strike took away nine others along with Suleimani including Abu-Al-Muhadis, the commander of PMF or Katib Hezbollah, an Iran backed Shia militia with strong presence in southern Iraq.

Deaths, assassinations, bombs, drone attacks are nothing new to middle east. Modern history of middle east is full of blood by bullets and bombs just like their medial history is full of blood by swords. But its the “ Dead “ who made this case a lot more different. Even though being the second most powerful figure in the Iran only after the supremo Ayatollah Ali Khomeini, Major genral was less known and more feared. Being a prominent anti American figure in the Iranin power circles, Qasim Soleimani was a cocktail of James Bond and Winston Churchill for an ordinary Iranian. He was a force that could make the Hazaras of Afghanistan to fight for Basar-Al-Assad in Syria, ignoring the atrocities of Taliban in their home. He was the man who could recruit militias from Pakistan to fight Sunni terrorism. He was the mastermind who could sketch a pro Iranian government in Iraq just under the nose of the great America. He was the one who made Israel bleed while sitting a thousand miles away from it. He was the man who made the Royal Saudi Arabia to reconsider its act in Yemen. If there was a Shia leader who could meddle in the politics of Sunni countries, it was none other than the same Major General Qasem Suleimani, the commander of the notorious Islamic Revolutionary Guards Corps (IRGC). In one or other way he was the Iranian foreign policy and the defacto guardian of the religious ruling in Iran.

After joining the Iranian army during its tough days of war with Iraq, Soleimani was a self made man, rising from a humble background. Being a fox and a lion at a time, he stood as the greatest threat to the existence of Israel, unity of Arab states and the middle East policy of the United States. Being the flag bearer of the ruling of the Khomeini, Soleimani played an immense role in building the influence of the Iran throughout the middle east. Being a fox he took the advantage of every mistake committed by the US during its invasion of Iraq during Bush period and the aimless foreign policy of Obama regime, he built a committed cadre loyal to the Shia dominated Iran throughout the region. To back all his mis-adventures he also set up a narco-backed hawala network in America's own backyard Venezuela to feed his vicious snakes like Katib Hezbollah of Iraq, Hamas of Gaza, Hezbollah of Lebanon, Houthis of Yemen and etc. Being a lion he never hesitated to fight when he felt it was necessary to fight. Well before being backed by Russia, he deployed ground troops in Syria and Iraq and like a true soldier he lead from the front against the Saudi funded- west backed terror groups like Daesh (ISIS) to save his key allies in Syria and Iraq and had achieved a remarkable success too. Since the partial success of Israel in killing the Iranian nuclear

program, the General turned extremely hostile towards Israel and taught Israel how a guerilla war really looks like. He attacked Israeli diplomats throughout the world (including the ones in India) and carried out innumerable attacks on Jewish mainland through his proxies in Israel's immediate neighborhood.

Since the beginning of his elevated career in IRGC, Soleimani maintained a distance from western powers and always drove Iran far from it. By seizing anti government protests by students in Iran during late 90s, he built a covert alliance with North Korea for nuclear weapons and brought a cunning neighbor like Pakistan to a negotiation table. He successfully infiltrated Karzai government in Afghanistan, Coalition government in Lebanon and stretched his arms towards the tiny-rich Qatar. By putting all his might and will into use he brought Iran a significance in global politics which it had lost long ago.

Now just after his death, all his efforts seem to have hit dust. The unprecedented death of Soleimani was a shock for Iran and indeed a lifeline for his arch rival Benjamin Netanyahu of Israel. Lebanon which has long been under political unrest due to lack of trust between Christians, Sunnis and Shias will likely to slip from the grip of Iran. During a time when anti government protests in Iraq were at peak, the general was assassinated and within three months of his death, the Iraqi prime minister has already put his papers which is one more significant setback for Iran in the west. The escalating tensions between Russia and Turkey over Syria will squeeze Iran and it would be fatal for Iran to choose either of the sides. Growing displeasure of Putin over Basaad administration is another major potential diplomatic hurdle for Iran. Changing colors of Pakistan has always kept it as a neighbor with suspicious intentions. Growing economic troubles of Pakistan will further align it with KSA and US which will again be a bad news for Iran. The resurgence of Taliban will again be a long run set back for Iran due to the deep ideological differences.



The Islamic republic of Iran is totally shivering because of COVID-19 and is a nation with one of the largest number of fatalities. Already nosediving GDP of the Iran will take a significant hit for a considerable period of time and leaves no room for further geopolitical adventures rather it puts the

Iranian establishment to fight for the assets it has created and the advantages it enjoyed so far in the region with much less resources it had while building them. Oil war between OPEC and Russia looks like an attempt by the KSA and Russia to shut American shale industry but it comes at the cost of Iran. Already shrinking budget of Iran slapped with US sanctions left Iranian crude with barely a few or no buyers, the oil war will snatch the left out buyers of its oil too. The COVID-19 has already brought the economic activities within Iran to almost stand still. Rising unemployment will skyrocket and the domestic pressure on

the Mulla's to step down will double with more strong voice and any attempts of suppressing such voice will take unprecedented level of violence and brutal steps. Such steps will only further weaken position

of Iranian establishment both in domestic and international fronts. COVID-19 has already taken the role of a number of Iranian power houses and the Quds force of Soleimani will be left with less number of supporters in the Parliament of Iran. Being an establishment which is at par with Parliament, IRGC is already being hated by the political and bureaucratic class and it is no more a secret. The dismissal of Soleimani has left IRGC like a headless snake and toothless tiger. A person who has long been feared by the political and bureaucratic class is no more and the religious establishment of Iran will feel the heat which it has never felt so far.

The sudden dismissal of the Soleimani itself raises the eyebrows as it is evident that the involvement of insiders is highly possible in such an accurate target killing. The dismissal of the general will further widen the cracks which are already there in the Islamic republic. The willful avoidance of a strong retaliation

by Iranian establishment against US and its allies itself shows that Iran may be already powerless without Soleimani or a significant part of the authority itself was a part of the assassination. The serial death of the Iranian nuclear scientists and the repeated failure in Iranian space programs bring weightage to the latter. The absence of Soleimani will further worsen the situation. Post COVID-19 crisis, Iran will definitely see a fresh resurgent wave of anti Khomeini protests and Iran has to deal with it with Les resources, less friends, less force, less supporters, less friends and especially without Soleimani.

Without Soleimani, Iran will lose the loyalty of countless armed groups throughout the middle East and the toll which it is going to pay for it may be itself! A man who is often viewed as the personification of Iranian foreign policy is no more and Iran has to accept it and deal with it. The long played shadow game is over and the end game has begun!

At last, as Anne Lamot said “You will lose someone you can’t live without, and your heart will be broken, and the bad news is that you never completely get over the loss of your beloved ” .



COMPOUND ANNUAL GROWTH RATE – CAGR

COMPOUND ANNUAL GROWTH RATE (CAGR) IS THE RATE OF RETURN THAT WOULD BE REQUIRED FOR AN INVESTMENT TO GROW FROM ITS BEGINNING BALANCE TO ITS ENDING BALANCE, ASSUMING THE PROFITS WERE REINVESTED AT THE END OF EACH YEAR OF THE INVESTMENT'S LIFESPAN.



BUSINESS MODEL ANALYSIS OF BAKEYS: AN EDIBLE CUTLERY STARTUP ACCENTUATING CIRCULAR ECONOMIC TRENDS.

(BAKEYS & CIRCULAR ECONOMY)

-Simran Manchanda
Jesus and Mary College (DU)

ABSTRACT

The cutlery you can eat after your meal, doesn't it sound great? Made with love from an Indian startup Bakeys with an awe-inspiring story and an onset of a great movement. "I think the edible cutlery is a fun idea; it really shows that there are innovative and creative solutions to single-use plastic, said Emily Alfred, the waste campaigner at the Toronto Environmental Alliance."But I don't think it is enough" (CBC News,2018).Let's figure out if the business of this business is worth the effort.

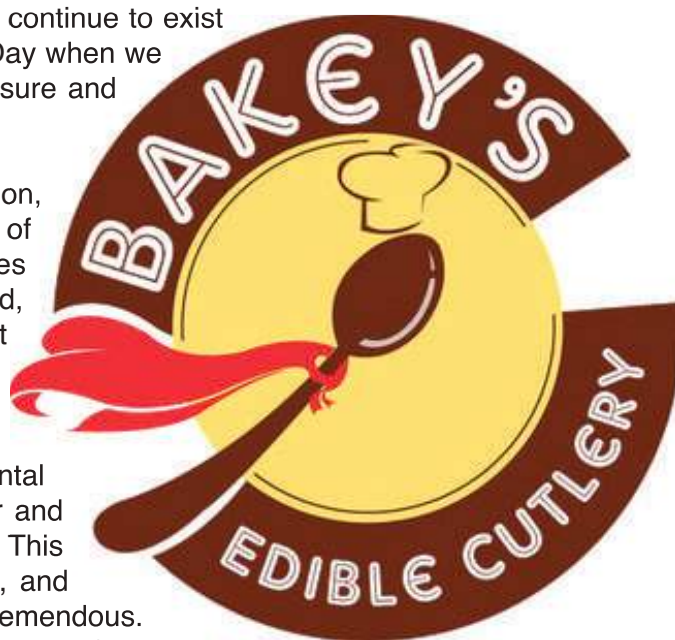
REVIEW REPORT

Sack of grains everywhere, not a spoonful to eat! We live in a world where the abundance of food and starvation continue to exist side by side but it's just on the World Food Day when we do realize. One man's trash is another man's treasure and having startups like Bakeys is India's pleasure.

From the onset of arena of Industrial Revolution, producers have largely adhered to a linear model of valuecreationthatbeginswithextractionandconcludes with end-of-life disposal. Resources are extracted, processed into goods—with the expectation that customers will discard those goods and buy more. Contemporary trends, however, have exposed the wastefulness of such take—make—dispose models. Increasing sensitization towards environmental concerns necessitates redeploying resources over and again, often for the similar comparable pursuits. This caters as the organizing principle of circular lines, and the benefits that accrue from following it can be tremendous.

Predominantly, the circular economy is about moving from a system of “endless wastefulness” to one of “endless resourcefulness.”

This regenerative model affords a viable performance driven and competitively innovative business opportunity to successfully tackle environmental priorities while syncing economic and social goals of development.



Did you ever wonder what happened to your eating utensils after the meal?

You had probably left them behind, or threw them off in a nearby trash were they made of plastic – not necessarily anymore, kudos to a new product from Bakeys, you could soon be eating out your spoons just as comfortably as you ate your lunch. Edible Cutlery is an upcoming lifeline to our ailing planet, made of plant-based eating utensils that are safe to eat.

Bakeys (sometimes also known as Bakey's) is an Indian edible cutlery manufacturing Telangana based startup. Founded in 2010 by former ICRISAT researcher NarayanaPeesapaty as an eco-friendly alternative to disposable utensils prepared with plastic, wood and bamboo, such as bamboo chopsticks.(Wikipedia) When the world is on the spree of eat on the go replacing sit-down meals with portable snacks, no wonder we have an impending packaging waste catastrophe.

In 2005, while he was on a field visit to Mahabubnagar, a drought-prone district in Telangana, India, NarayanaPeesapaty ordered a jowar roti millet bread for lunch. He arrived late. The roti had become cold and hard.

"I had to break the roti and scoop the dal and curry with its pieces, crunching into them. That was the eureka moment for me. If a two-dimensional spatula can work, then why not a three- dimensional spoon? I felt that I would be able to hit two birds in one shot," Peesapaty said. Narayana's company wasn't any orthodox startup, but a beginning of an all-new revolution. The journey, from the time of conceptualizing the product to evolving the prototype and then marketing the spoons, was not at all easy. Narayana spent more than Rs 60 lakh to advance the machine for making the products and later had to invest around Rs 3 crore to set up the factory. "I had to sell my two houses in Hyderabad and Baroda, and also dip into my savings and borrow from friends, family and banks," he says, adding, "In fact, this very house where I am residing now (in Musheerabad) was on mortgage." Peesapaty recalls.

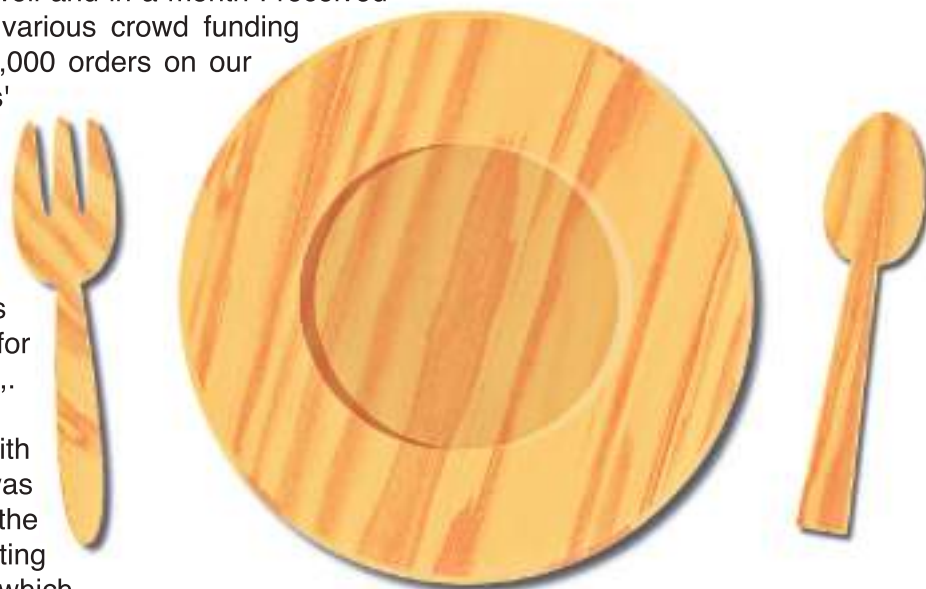
Being an unconventional plan, the entrepreneur had no intermediate goods for procurement even the prototype machines had to be designed which clearly depict the uneasiness for sustainable models as they have to start from very grass root level. Narayana toiled hard, and with learning and research finally developed the machine that he was aiming for to bring about the change he was thinking of. In those early days of his product launch, he would be seen strolling around Indira Park (Hyderabad), trying to explain people out there the advantages of edible cutlery paralleled to the toxicity of plastic cutlery.

Business was still not held in great regard when there were no buyers even though Bakeys had priced a set of 25 spoons at a meager Rs 40. No business, no demand and a huge debt dancing on his head, multiple times he wondered if he should quit.

"One day 8-9 stern looking guys came from the bank and told me that I had to vacate my flat within 10 days. I had nothing to tell them, except about my products, and so I started explaining what I was striving for and why I was in so much debt. Slowly the stern guys melted and in fact by the end of it all they even paid Rs 2000 and bought a few packets of edible cutlery from me", says Narayana. Peesapaty's bankruptcy news gave his company all the needed fame. His hard days came to an end after a story appeared in the media about his products. Business picked up and sales soared. The best part was that all this caught the attention of funding partners as well and in a month I received a fund of USD 3, 85,000 from various crowd funding platforms. We got around 30-32,000 orders on our website.(Amazing Entrepreneurs' Series ,Weeklender)

"Just when I was contemplating on whether my retreat moment had come, it was time to take charge. I had my victory," says Peesapaty on creating a buzz for one of the coolest kitchen gadget,.

It became difficult to cope up with the orders. "Now the challenge was delivering on time and meeting the high demand, as we were operating on a semi-automatic machine, which



we soon converted to an automatic one to balance the demand supply graph,” he narrates.

Sneaking into a day in his life, enquiries about the product and machinery keep him busy day in and day out. His phone rings non-stop and mailbox is flooded with mails. Some of these phone calls are to congratulate Peesapaty for the.. (The Hindu, India Jun 14, 2018)

Undoubtedly digital media is the real angel to prosperity to new business ventures, Edible spoons went viral after a video was posted to Facebook in 2016. With global expansion, consumers around the world would be buying the edible cutlery from the company's online store.

Bakeys tarnished its reputation when it held two online crowdfunding campaigns on Kickstarter and Ketto and collected more than \$300,000. Donors were promised packs of edible spoons for their contributions, but some are still commenting on the fundraising pages that they are yet to receive them. A dispute ensued with the U.S. distributor, Sarah Munir, who Peesapaty says advertised the spoons at an unreasonably discounted price and shipping rates, and sent him only \$148,000 of the \$280,000 raised on Kickstarter. Similar laments are raised on Buzzfeed where a man reports belated under delivery of his order; upon inquiry, exponential number of orders and switch from manual production to machine production to keep up with the demand led to the delay.

On the global front, American companies like Bocado Handcrafted Products are also making edible, biodegradable spoons. Others like the Edible Spoon Maker (EDM) and Wilton, sell irons and moulds that allow consumers to create their own spoons at home. In Indian market, Bakeys occupies an ubiquitous position in terms of cutlery, while there are many biodegradable tableware; it happens to be the only one in the edible range.

What makes Bakeys different from all these models is that it gets motivation not only from the acute problem of plastic pollution but also the problem of water scarcity. “Millets use less water than rice. The dry belt of Telangana was mainly cultivated for millets. Rice was aspirational because it was consumed by the rich. But once the farmers grew rice, they came into the trap of fertilizer companies, because dry lands do not yield good produce. Everyone wants to make profits, so the use of fertilizers has become rampant,” says Peesapaty, explaining why he was determined to engineer his product specifically with millets.

Being motivated by American Companies who'd rather be happy to sell the machines to enable households to themselves manufacture edible cutlery, Bakeys too has plans to replicate it in India. Bakeys is looking forward to spread the technology all over the world. This would help our products to be available at sufficient quantities. By spreading the technology, the logistics cost, import duties and marketing overheads, which push the prices up, will be reduced. Edible cutlery will become affordable and that would trigger better off-take. However, instead of it Mr. Peesapaty can just start selling his franchisee. As per the economics of ideas, this seems like a really wise business plan contingent to VUCA business environment. Before the edible cutlery market becomes perfectly competitive and Bakeys resorts to normal profit position, from being a seller it resorts to intermediate stage as a producer of technology where it acts as a monopolist to monetizing R&D and bringing supernormal profits. As they are planning to sell only 10 machines a month, there can be bidding for the same and whosoever values it the most should get the same.

In discussion with Mr. Peesapaty, we found him enthusiastic to revolutionize the public ideology on plastic usage. He seemed passionate enough to explain the problems created by this plastic usage and especially their disposal. The tremendous change he wishes to bring about is not yet reached.

The business idea of Bakeys is new and unconventional, the cause they work for at Bakeys is excellent however they need to search for the right kind of potential customers Bakeys' financial health is still not enough to incentivize the internal costs, it needs to work upon business development. To materialize the benefits of company's growing fame around the globe, Bakeys must take the play on arbitrage.

Bakeys' Founder is driven to fight for the cause, the change he wishes to bring around and edible cutlery business is a step forward by him as being the part of change he wishes to see around. GoI did recognize and appreciate Bakeys by honouring Narayanan Peesapaty with Swachh Bharat Award, which he received from Prime Minister Narendra Modi, on the occasion of World Environment Day'2018.

Undoubtedly, the sustainability is the need of hour for our ailing planet. For a country like India which promotes domestic production through schemes of "Make in India", "Ease of doing business" and what not! It's crucial to work upon the scope of circular economy. All the research if not applied cannot bring about endogenous growth, the potential it's groomed with and is not going to benefit the country in long term. It's important to ponder over the need to refrain from linear "take-make-waste" business models.

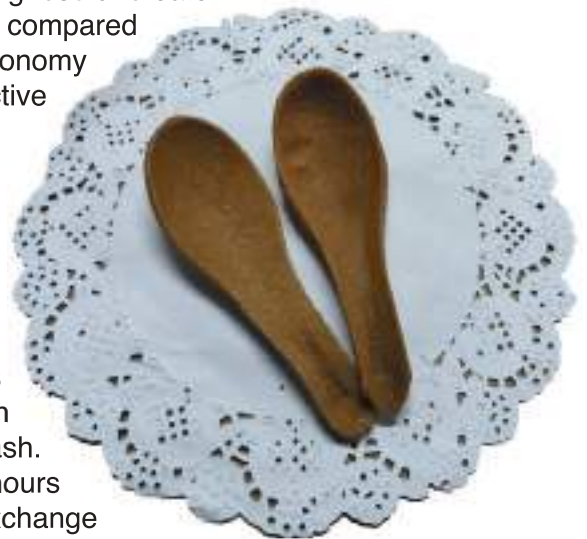
According to data from Ellen MC'Arthur Foundation's report on Circular Economy's approach in India, circular economy path to development could bring India annual benefits of ₹40 lakh crore (US\$ 624 billion) in 2050 compared with the current development path – a benefit equivalent to 30% of India's current GDP. The research showcases that tapping benefits completely will require application of circular economic principles in sync with harnessing the unfolding digital and technological modification, all tailored to the Indian context.

By 2050, 60% of India's population will live in urban areas – up from about 30% today.⁶¹ Urbanization is happening at an unprecedented pace. Growth is so rapid that 70% of the building stock that will be used in 2030 is yet to be built,⁶² and choices made today will determine India's mid- to long- term development. Using close looping principles to developing this humongous amount of infrastructure and building stock could generate annual benefits of 4.9 lakh crore (US\$ 76 billion) in 2050, compared with the current development trajectory, together with environmental as well as social benefits.

Employing half of the working population and using 61% of the land, the agricultural sector is essential to the Indian economy. Growing food demand and environmental challenges associated with climate change, land degradation, and biodiversity loss are increasing pressure on the system. Applying circular economy principles to the development of the Indian food system could create annual benefits of ₹3.9 lakh crore (US\$ 61 billion) in 2050; reduce GHG emissions, water usage, and environmental degradation; and play a vital role in securing the long-term food supply.

Logistics is indispensable to economic growth as it gives people access to employment, goods, and services and appeals business efficiency. India being a new infrastructure builder, today's choices will determine the mid-to-long-term development of the mobility system. The minimalist resource wastage development path for mobility and vehicle manufacturing could create annual benefits of ₹31 lakh crore (US\$ 482 billion) in 2050, compared with the current development scenario. Putting in circular economy principles could also devise a highly innovative and effective mobility system, with abysmal negative externalities.

Where India seems to be passive in front of managing its businesses on circular lines, other countries are doing some tremendous job. World Economic Forum came up with what countries are doing to find peace with plastics. Here are the four cities that let you pay for public transport with plastic waste. Beijing has special ticket machines on the metro that accepts plastic bottles as payment. In Indonesian city buses accept plastic bottles instead of cash. In Surbhaya passengers pay with recycling and get two hours of travel. Istanbul is going one step further; people can exchange plastic waste for credit on their metro card which can be used on many different forms of transport. Sydney has high tech reverse vending machines that exchange recycling for rewards like ticket to the movies or the bus. All around the world, there's a wave of restorative economy where realization has started dawning up and social stakeholders are started doing their bits to make this



planet a better place to live in.

Every avid reader would be taken apart by going through the scope of circular economy in India and would be disgusted to feel why on Earth is its potential not channelized? Why are the externalities that unsustainable business models pose not yet internalized or penalised?

It's precisely the lack of financial incentives for the business models that keep profits at the periphery that we still don't come across green businesses. The current taxation system explicitly spurs on reducing costs without any surveillance on carbon footprints and mechanisms which ought to be directed towards close looping. Collaboration with other businesses, policymakers, and the informal economy could bring about the key changes. Integration of circular economy principles into strategy and processes can thereby make it a routine for business models. To accompany initiatives from business sector, support to circular models through public procurement and infrastructure would have overriding benefit. Government should create and maintain mechanisms for stakeholder dialogue by identifying knowledge gaps and build an evidence base.



DERIVATIVE

A DERIVATIVE IS A FINANCIAL SECURITY WITH A VALUE THAT IS RELIANT UPON OR DERIVED FROM, AN UNDERLYING ASSET OR GROUP OF ASSETS—A BENCHMARK. THE DERIVATIVE ITSELF IS A CONTRACT BETWEEN TWO OR MORE PARTIES, AND THE DERIVATIVE DERIVES ITS PRICE FROM FLUCTUATIONS IN THE UNDERLYING ASSET.

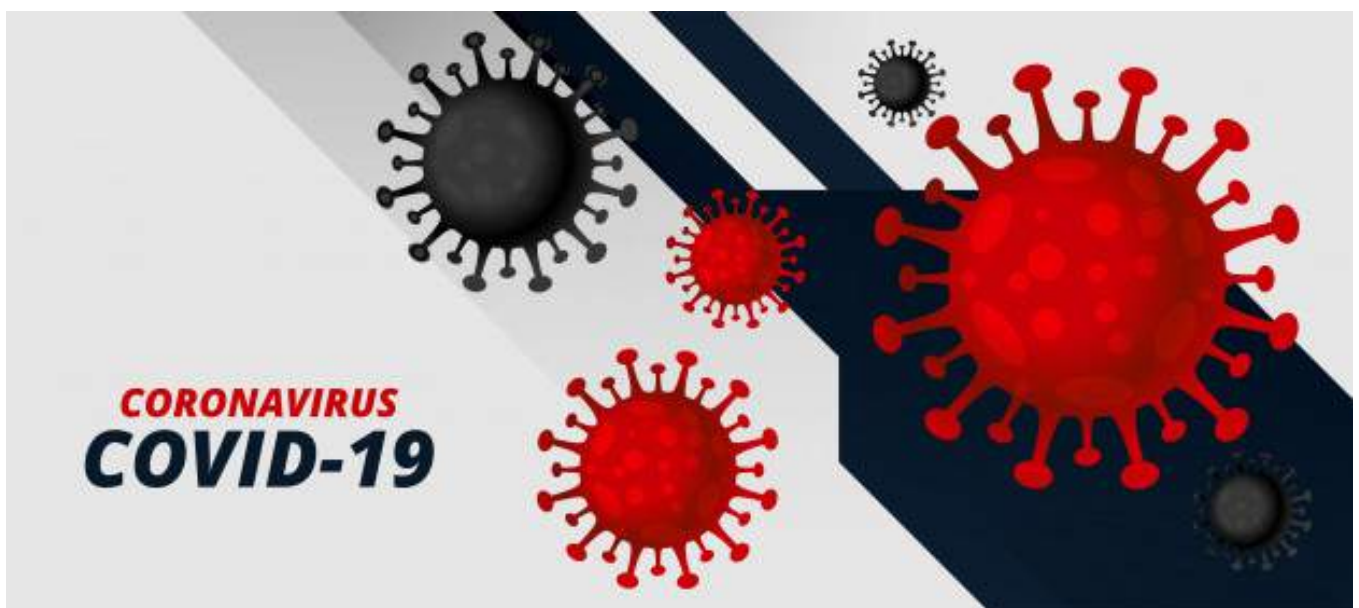
LESSONS FROM THE PAST: KEY LEARNINGS RELEVANT TO THE CORONAVIRUS CRISIS

*By: Nishant Kumar Satyam, Vasu Golyan
(IIM Indore)*

*“The more you know about the past, the better prepared you are for the future.”
-Theodore Roosevelt*

As we speak, the world finds itself engulfed in one of its worst crises in recent times. The global COVID-19 pandemic has caused never-seen-before disruption in both public and economic life. Not only have factories shut down or supply chains abruptly stopped or millions of workers stranded, but festivals suspended, families separated across countries and public-healthcare systems put under tremendous stress. Such a scenario is a first-time for many, but the world has been through pandemics of a similar scale and nature before, and after the due struggle, emerged victoriously. As the more experienced amongst us would remember, the SARS and MERS outbreaks in the early 2000s presented a similar scenario, although at a much lower rate of infection, yet with higher rates of morbidity. Going back further in time, the 1918 Spanish Flu brought a world just out of the first world war, to a standstill. Considered to be the worst amongst modern-era pandemics, the Influenza pandemic affected one-third of the world's population and 50 million lives. Yet, preventive measures such as social-distancing, quarantine, mass-vaccinations, public support and restraint have proved to be successful in all such situations, even being effective in occasional plague outbreaks across the world. We face a similar situation today - an extremely infectious virus, which has already spread globally, confined people to their homes, and is causing tremendous economic loss every minute economic activity remains suspended, affecting both the government and the industries alike.

Can past similar incidents guide industries in such trying times? Can our governments take note of how public-policy measures adopted during the Spanish flu, SARS and MERS outbreak helped in eliminating such pandemics?



WHAT CAN THE GOVERNMENT LEARN?

The panic due to the outbreak of COVID-19, and more importantly, the lockdown measures to deal with it, are quite similar to those during the 1918 Influenza Pandemic, or as it is more commonly referred to as, the Spanish Flu. Large cities around the world were put under strict lockdowns, and businesses worldwide came to a grinding halt as large chunks of the population became bedridden.

The immediate consequences were the same as the ones observed in the past few weeks - rampant unemployment, supply shortages and heavy reliance on social security systems, causing a sudden strain on national economic resources.

IMPACTS & LEARNINGS

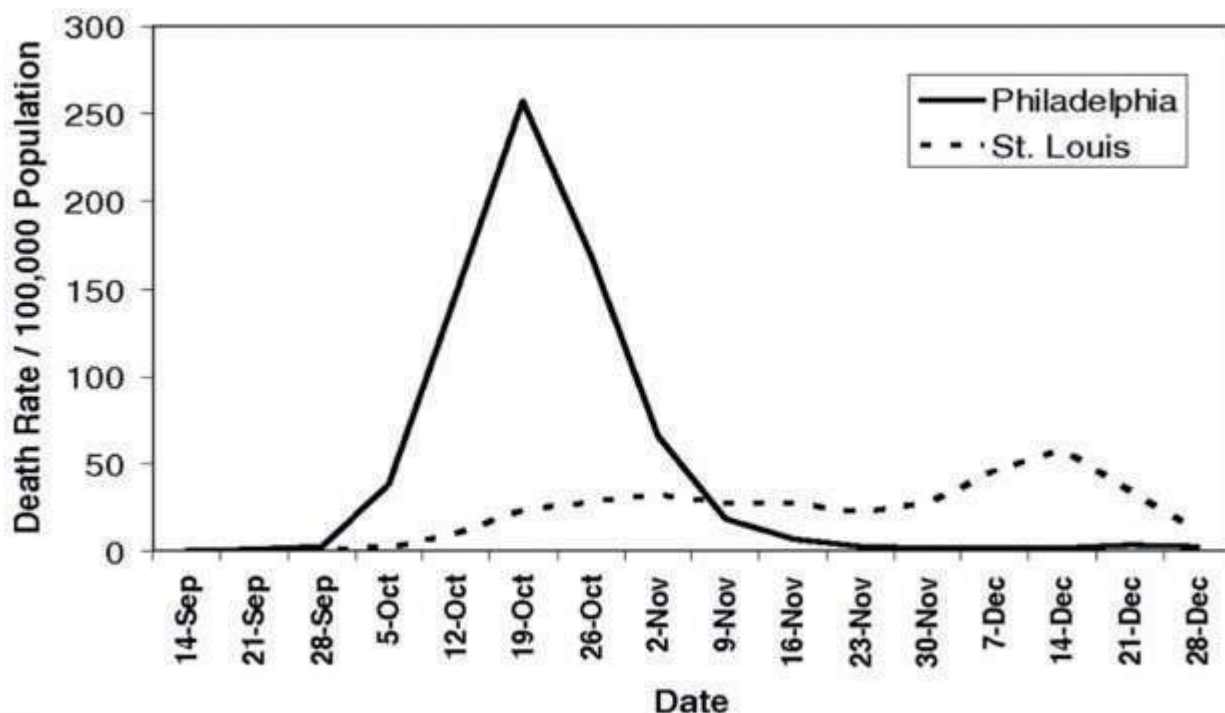
• Information & Censorship

Effective and transparent communications are one of the most crucial and useful tools in disease control. Iran presents a great example of the damage that can be unleashed by a media-blackout. Secondly, censorship might not be the best way to appease the masses during such times. The long-term political impact of media censorship and manipulation of epidemic-related facts in China is yet to be seen. Still, the short-term international unrest and dissent has only deteriorated international relations. At the risk of quoting a cliché as well as the established Streisand effect, the truth always comes out, no matter how much countries try to hide it.

• Isolation, Lockdown & Distancing Mechanisms Work

The Spanish Flu spread was aggravated due to the failure of policymakers in adopting effective containment measures. Research shows that US cities which undertook measures to reduce contact amongst citizens in early-1918 displayed significantly lower peak death rates compared to cities that failed to or were too late to adopt disease containment policies.

To quote the results from this 2007 study, *“Consistent with this hypothesis, cities in which multiple interventions were implemented at an early phase of the epidemic had peak death rates \approx 50% lower than those that did not and had less-steep epidemic curves. They also displayed lower cumulative mortality.”*



PNAS

fig. Contrasting the death rates in Philadelphia v. St. Louis the 1918 influenza outbreak

As one might guess, Philadelphia was late to levy restrictions on gatherings, parades and social distancing measures, whereas St. Louis was not.

From the same study, we see the definition of a popular phrase “flattening the curve” emerging - which is spreading out the rate of infection over time, enabling health care systems to treat people in a staggered manner, in line with available resources. And, to further corroborate this result, the following graph from the same study shows the different trajectories followed by the disease in two cities of the US. Hence, regardless of the multiple debunking claims of social-distancing & lockdown as an effective preventive mechanism, previous epidemics have taught us that they perform a marvellous job at ‘flattening the curve’.

- **Premature Relaxation can be Disastrous**

Social Distancing & Lockdown measures are effective, only if sustained, at least for a few months, even after things start to improve.

Markel (2007), shows the disastrous consequences that the early relaxation of bans on public gatherings in St. Louis had on death rates, during the Spanish flu. The pullback of social distancing measures to pursue economic interests was premature and caused a sudden, unprecedented surge in the number of deaths due to the flu.

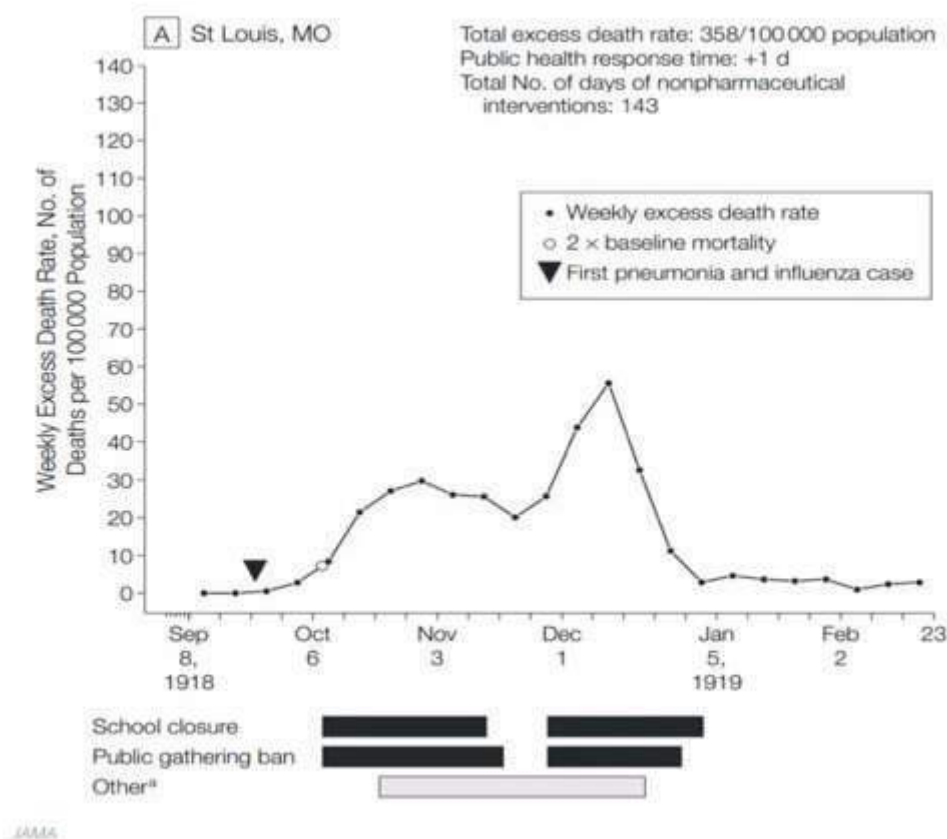


fig: Deaths due to the Spanish Flu in St. Louis - A Wider Picture. The black & grey lines show the duration for which social-distancing measures were active.

Another peak in death rates was observed only in cities that had relaxed distancing measures prematurely. Hence, it is crucial to consider this past artefact when governments compare the inconveniences to the public & damage caused to the economy due to such measures, with the benefits to the nation in terms of human life saved, and then make the call as to when the restrictions must be eased.

WHAT CAN THE INDUSTRY LEARN?

The industry has played a key role in the obscure fight against the worldwide outbreak. But it faces its fair share of challenges, in such unprecedented times.

- **Supply Shortages**, due to shut-down of factories & production houses and the uncertainty of when production systems would resume to normal functioning.

- **Transport disruptions**, due to closure & quarantining of cities and state-borders; nation-wide lockdowns bringing all transportation to a standstill; significant disruptions in the supply-chains of most goods.
- **Labour issues**, with restrictions on movement, come issues of labour welfare, unrest and employment security. This problem is even more serious, if the labour force is migratory in nature.

Global industries have weathered through multiple natural disasters and two epidemics of a similar scale and nature. Their recovery-paths have immense strategic implications for current policy-makers and offer strategic insights, helping companies chart out their short-term & long-term strategies.

Retail markets typically dip during a crisis, but eventually stabilize

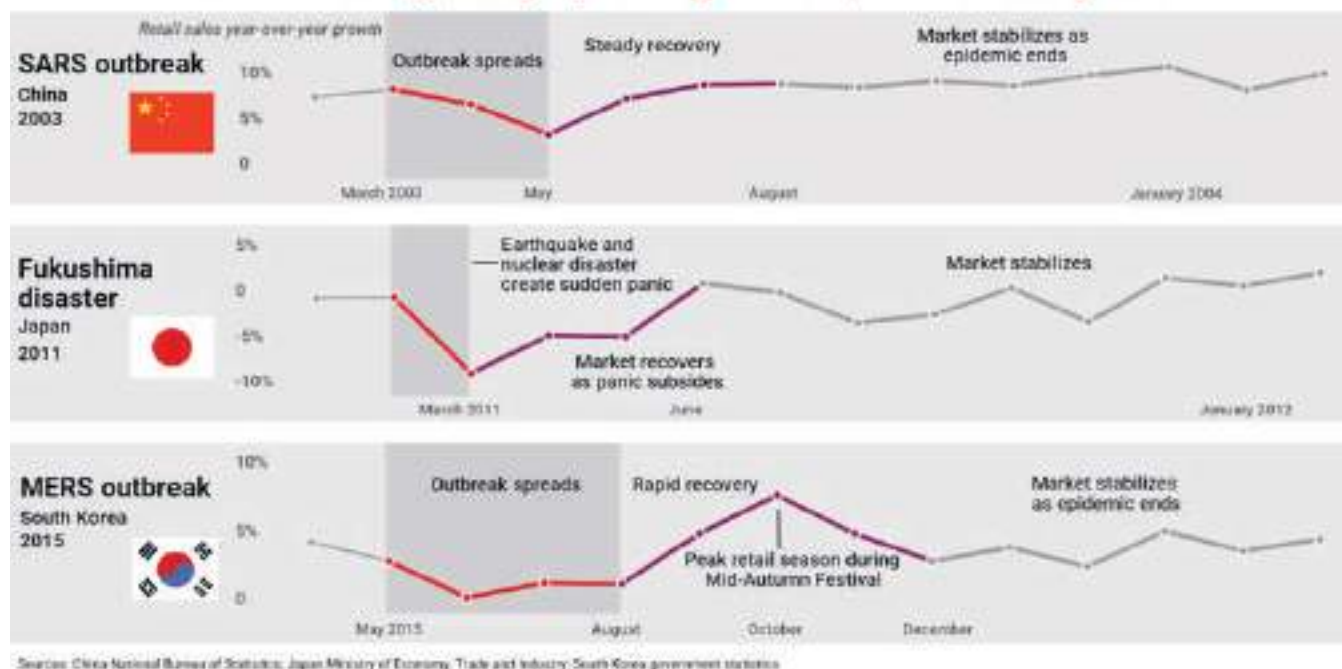


fig: This graph looks at the retail sales impact of the SARS epidemic in China in 2003; the earthquake, tsunami and Fukushima nuclear disaster in Japan in 2011; and the MERS epidemic in South Korea in 2015

Three phases characterize the impact on the retail market in all these three cases:

1. Shock
2. Recovery
3. Stabilization

The paths inevitably converge to stabilization but follow different trajectories, and are swayed by public perceptions and externalities, as in the case of the mid-autumn festival in South Korea. Looking at the retail sector from a micro-lens, past crises show that demand trends vary amongst product categories, both during and post the crisis. The three categories usually follow such trends:

Demand Trends during & post a Pandemic-generated Crisis

Demand fluctuates after an epidemic, but tends to follow one of three patterns

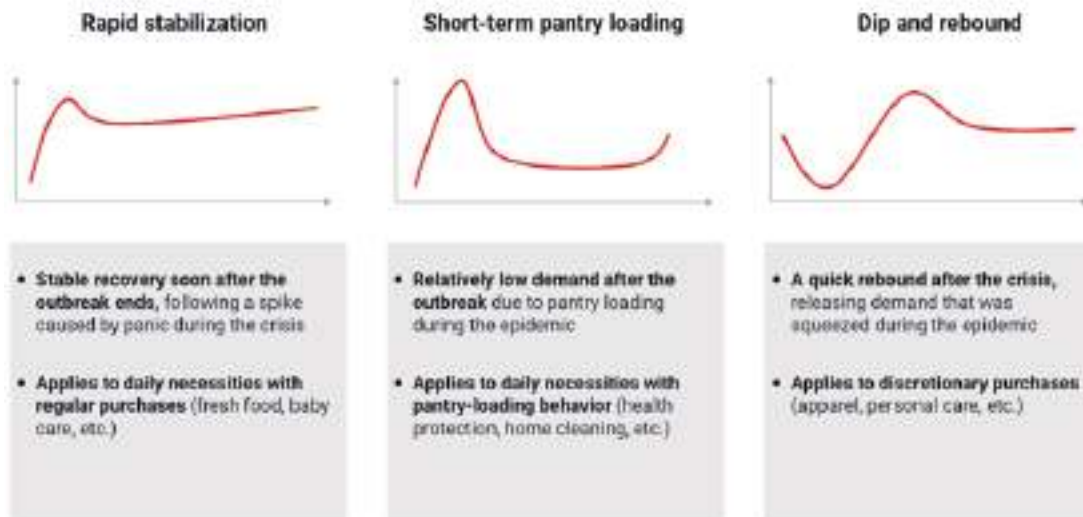


fig: Demand Trends during & post a Pandemic-generated Crisis

These three trends are a valuable tool for both large scale players and regional retailers who now have the means to prioritize and predict consumer-demand and consequently alleviate a sudden strain on the product supply chain arising out of sudden & unexpected demands.

• Change in Consumer Behaviour

A peculiar outcome of such epidemics have been the somewhat permanent changes instilled in consumer buying trends across the inflicted regions, across product categories - Fresh staples see a sharp rise in their demand and product hygiene & safety standards are ranked higher up in the consumers' priority list. Hence, the advantage lies with producers who can quickly integrate changed consumer-preferences in their products, showcase product reliability & quality, and price competitively, given the prevalent context. Lastly, previous pandemics have consolidated a long-standing theory, which is true not just for the retail sector but for any consumer-centric industry that there is, - Consumer Loyalty is tried and tested during these times. Effective Consumer Relationship Management (CRM) can forge bonds that go a long way, weathering through the thick and thin in such unprecedented times.

IMPLICATIONS

Almost two decades ago, the SARS outbreak in China had pushed entrepreneurs and established players to embrace the dawn of the e-commerce era. This outbreak is expected to accelerate further the shift from conventional brick-mortar based commerce to a centralized online cloud-store based mechanism. Survival, in the FMCG sector at least, will be decided to a great extent by the breadth of the supply chain networks and the ability to overcome severe bottlenecks.

The past has shown that even though established large-scale players with deep pockets and extensive networks, have a likelier chance to tough it through these hard times, even the regional players & SMEs make it through, strengthened by community-support, empathy and most importantly, local relationships.

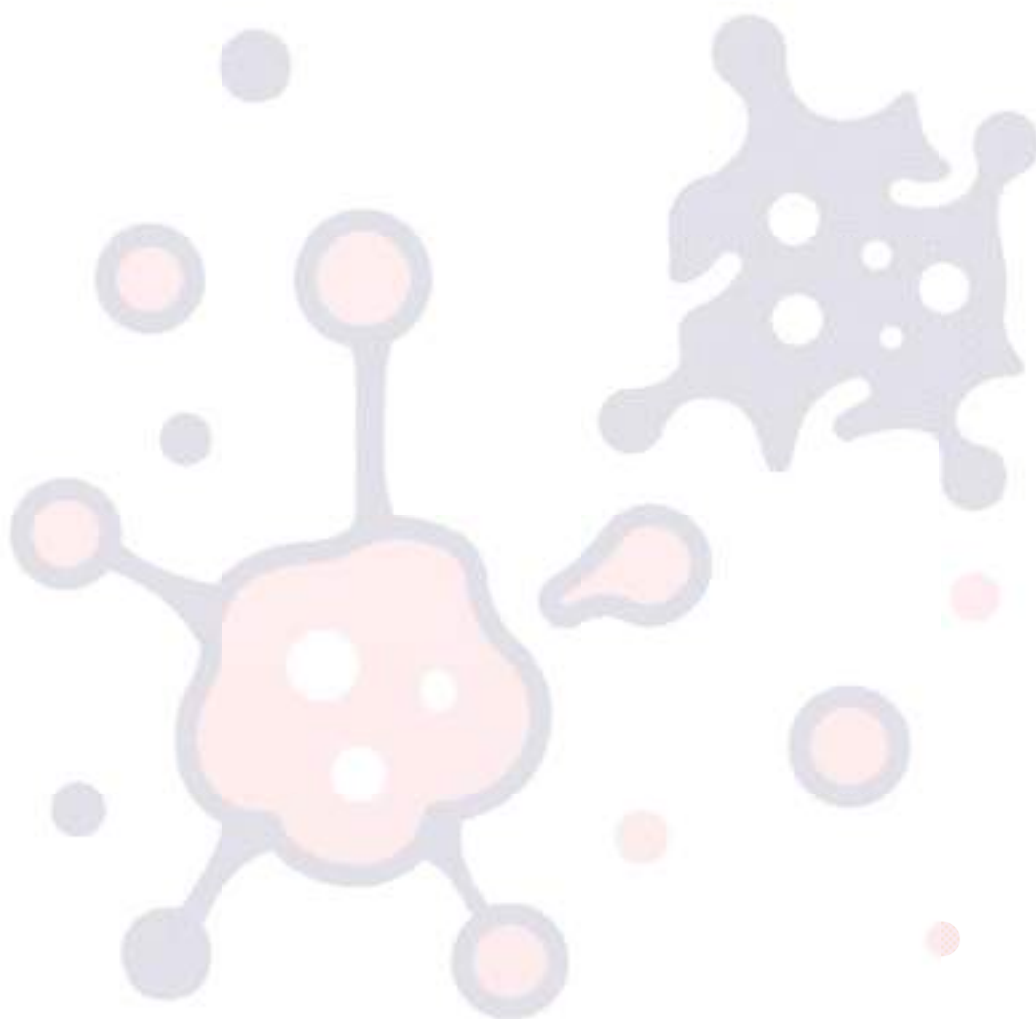
WHAT DID WE FAIL TO LEARN?

This global pandemic outbreak has made one thing painfully clear - there is a lack of global collaborative research on ways to combat the spread of such infectious diseases. In the words of Johan Neyts, professor of virology and president of the Belgian-based, International Society for Antiviral Research (ISAR), health authorities failed to incorporate the learnings of the SARS outbreak of the early 2000s, partly because of the economic crisis of 2008 which squeezed funds from any potential research that could have been undertaken and partly because of the lack of seriousness in authorities in considering the efforts involved in dealing with the future expected breaks of coronavirus due to its seven different strains in existence.

THE WAY FORWARD?

All of these lessons come with a caveat - Things change with time. The modes of communication have changed. Both information & travel is much more accessible now. We have fast planes & faster internet. We have better healthcare capabilities and a much better, if not perfect, healthcare system. In 1918, people didn't even know that a virus was causing the pandemic until much after its eradication. Today, we already have extensive research going on for 70 different probable vaccines for the virus, with a record setting pace in clinical trials and approvals.

We are much better equipped than what we were 100 years ago, and at the same time, somewhat under-equipped to deal with it. But these lessons from the various similar crises that humanity has faced and risen from, act as a glimmer of hope in these dire times, and if put to good use, can aid in the fight against COVID-19. In the words of Howard Markel, "There's never been a better time in human history to have a pandemic than today, with the exception of next week or a month later. You want to kick that can down the road, but it's here today."



IS THE ECONOMIC SLOWDOWN A RESULT OF A CYCLICAL PHENOMENON, OR HAS IT BEEN DRIVEN BY A STRUCTURAL MALAISE ARISING FROM DEFICIENCIES IN THE ECONOMIC FRAMEWORK?

By: Nishant Kumar Satyam
(IIM Indore)

"If the cherry trees do not blossom, blame not the seasons, if the roots themselves are rotten."

On November 30, 2019, India's GDP growth rate was declared to be at a six-and-half year low, at 4.5% for the July-September quarter. This figure was the final



Source: Finception.in

culmination of a steadily declining quarterly growth rate, starting from a robust 8.1% in the first quarter of 2018, to 4.5%, as per the latest official figures. The situation is so grave, with personalities ranging from IMF chief economist Gita Gopinath, claiming that India would be responsible for 80% of slashed global growth estimates, to our very own ex-chief economic advisor, Mr. Arvind Subramanian declaring this bleak situation as the "The Great Indian Slowdown." There are no two-ways, in accepting the fact, that yes, we are facing one of the worst slowdowns our country has ever seen.

But in a highly globalized world with multiple forces at play, the nature of this slowdown is a matter of deep deliberation. In the corridors of the international political economy, the debate continues whether this is a mere cyclical phenomenon, and we can weather out the storm, or is it driven by deep structural imbalances arising from our own economic framework.

A cyclical slowdown arises from disruptions in the virtuous cycle of savings, investment, and exports, and are short-to-medium term in duration. The business cycle can be recalibrated through temporary fiscal and monetary measures.

However, a structural slowdown is a more deep-rooted phenomenon, lasting over the long-term. Usually, it is caused by a paradigm shift in consumer behavior, demographics, disruptive technology, or global economic imbalances. Only meaningful structural reform can revive the economy in such a scenario.

Then, is "**The Great Indian Slowdown**," cyclical or structural in nature?

We choose to adopt a two-fold approach to answer this question,

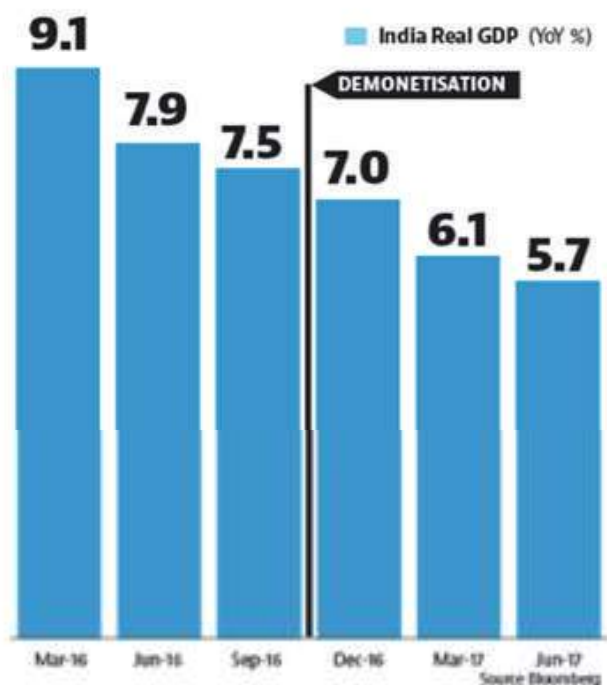
- The economy faces a **short-term cyclical slowdown**, which has manifested itself in the form of falling demands for automobiles, durables, and in the housing sector.
- More importantly, there is the more **serious structural slowdown** manifesting in the form of long-term fall in investment and savings rates.

A comprehensive analysis of the factors behind this slowdown (or call it a recession if you may), reveal the deep flaws in our very own economic policy framework and highlights the major structural deficiencies in our economy, which have been ignored for decades now.

The recent jobless growth that has been plaguing our economy has finally come to collect its debt. Our rapid GDP growth bred nothing but false hopes & widespread inequality, which essentially translated into a fall in the rate of increase in consumption demand, giving rise to the slowdown.

Demonetisation hit two significant sectors of the Indian economy in its unique way;

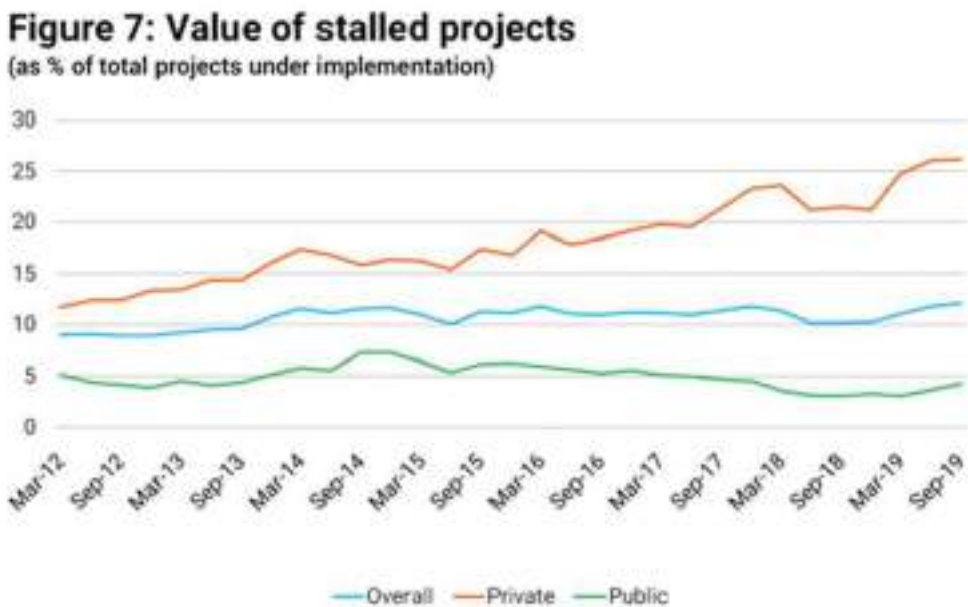
- The **MSME & Small Businesses sector** was severely hit; jobs were lost to the tune of 1.5 million, leading to reverse migration to villages and a substantively increased demand for **MNREGA work**.
- The **tax-exempted** cash-based sector of Agriculture suffered from an extreme shock in terms of instantaneous withdrawal of cash of all units immediately after the demonetization initiative, bringing the daily-bread of many involved in this sector, under grave risk.



Source: Bloomberg

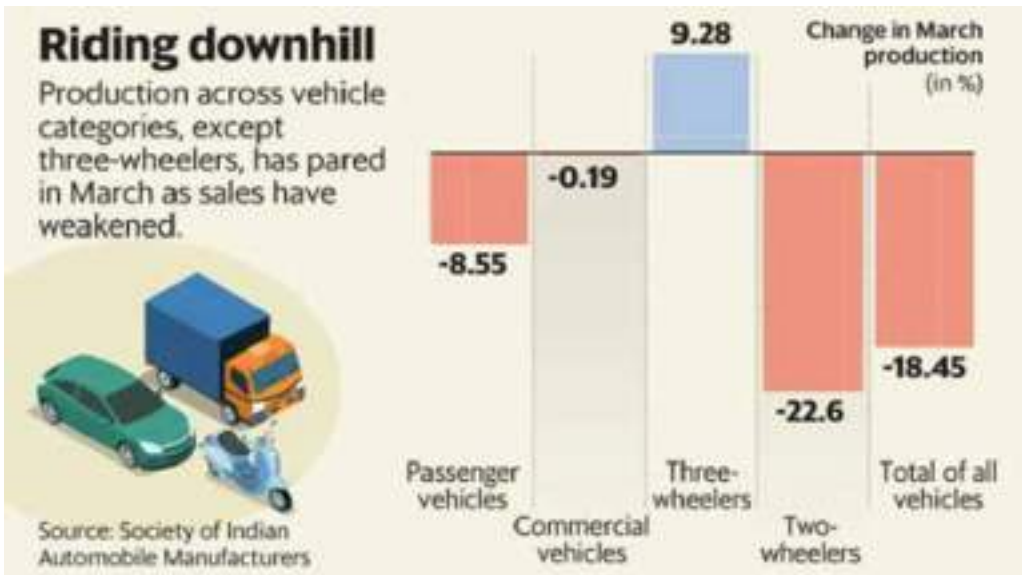
Some policy implementations by the government in certain domains has also contributed to this slowdown;

- The introduction of **RERA** marked the collapse and cancellation of many new project undertakings as well as many on-going ones. The value of stalled projects has hit an all-time high.



Source: CMIE

- SC's decision on calling back all **AGR dues** from the **telecom sector** has put a massive strain on the industry, which has subsequently trickled down into the aggregate economy as well.
- **Anti-pollution BS-VI** norms have caused a drastic fall in automobile prices, which has inevitably triggered recession-based thinking amongst buyers and has generated the commonly-discussed economic-slowdown. The increased cost of incorporating new safety and pollution norms has further narrowed the profit-margins of the companies, who now face low-sales coupled with shrinking margins.

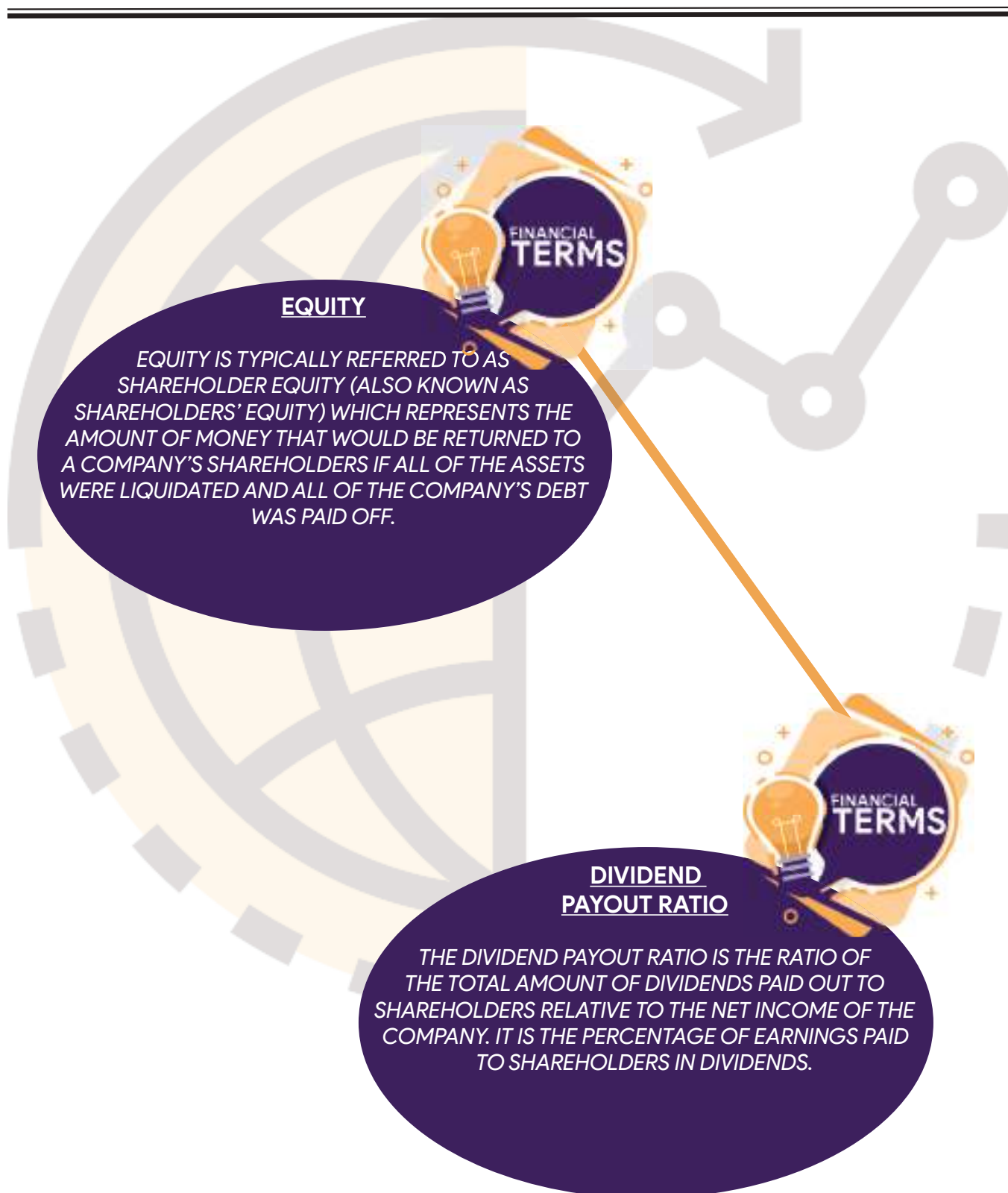


Source: Livemint

These are only some of the factors which explain the structural doldrums our economy currently is in. Our economists need to go back to their drawing boards and rethink on what is best for India, at a very fundamental macro and micro level. A mere wait and watch strategy with respect to the global scenario will not help in the current state of things, as we continue to be a highly domesticised economy, where a

major chunk of our sale and consequently growth, comes from our internal markets.

Structural reforms, including but not limited to minimum wage reforms, investment in green-energy, liquidity-crisis, tax-code simplification, institutionalized export-promotion, etc. must be seriously considered at the dawn of the decade itself, if we ever wish to see India as a **\$ 5 trillion economy** in the coming years.



WHY IS THE INDIAN STOCK MARKET AT AN ALL-TIME HIGH DESPITE A SLOWING ECONOMY?

By; Nishant Kumar Satyam
(IIM Indore)

"The stock market and the economy are two different things"
-Milton Friedman.

As the legendary economics Nobel laureate puts it, a broad metric of an even broader concept cannot be mistaken to be the same. The stock markets act as a mere aggregator of commercial data points, where speculation is rife, and sophisticated algorithms are leveraged at unbelievable scales for just one motive: Profit. Whereas the economy, in a broad sense, refers to all the goods and services produced within the country. True, a significant proportion of these goods and services are produced by companies, which are, in turn, listed on the stock exchanges. It is only logical to assume that growth in the economy (which means an increase in goods and services output) translates to growth in the companies that produce them.

- But is every logic, a sound logic?
- Is correlation enough to establish causation in such complex globalized markets?
- Are we jumping the gun when we mistake growth in one to be the growth of the other?



WHAT HAS BEEN HAPPENING?

When it comes to a market as intricate, layered, closely-watched, and wide-reaching as the Indian stock markets, it is easy to mistake it as an indicator for the overall economy. As data would point out, the Indian economy has been stuttering and stuttering at a global scale. IMF chief economist Gita Gopinath claims that India is responsible for 80% of slashed global growth estimates. The country grew at a 26-quarter low of 4.5% in the July-September quarter of 2019-20. Several rating agencies and investment banks have cut the country's growth estimates to below 5%, yet the government seems to be bullish about being a \$5-trillion economy by 2025.

On the other hand, the Indian stock markets continue to fly-high, despite the surrounding economic gloom. Both the BSE Sensex and the NSE Nifty are at record highs and have generated spectacular returns of around 15% the past year, adding lakhs of crores to investor wealth. This presents quite a contradictory yet interesting scenario. If the Indian economy is slowing down, then why is the Indian stock market flying high?

WHY HAS THIS BEEN HAPPENING?

The answer lies in the complex factors that drive the two different entities: The stock market and the economy. Government policies, economic conditions, sectoral outlook, customer demand, growth momentum and easy availability of cheap credit often affect both economic growth and the stock market.

But financial markets and investors are also often affected by global developments such as central bank balance sheet expansion, falling rates, easy money availability and foreign fund flows. The exceptionally bullish mood of the Indian bourses despite the sluggish macro and micro factors, could be explained by considering the following arguments:

WHAT'S THE ALTERNATIVE?

One way to explain why the GDP numbers diverging from the SENSEX trend is to argue the sheer lack of options that our country, and therefore the investors face. Under the current government, the alternatives to investing in the equity markets no longer exist. Demonetisation, intentionally or unintentionally, eliminated real-estate as a lucrative asset to possess; Continuous interest rate cuts have made debt an unattractive maid; And, the number of Indians willing to go higher than the rates of INR 40,000 to purchase a mere 10 gm of gold, is just not enough. Not just within the country, there's lack of options globally as well, as we confront negative rates plaguing the international debt-markets. Currently, bonds with an estimated worth of 15 trillion dollars are marked by negative yields. Under such scenarios, fund & pension account managers, alike, resort to equities to make up for this shortfall in returns.

THE FOREIGN QUOTIENT

GDP growth doesn't govern the stock markets. These wild 'bulls' are, however, influenced hugely by foreign & home market sentiments and outside & inside investors.

Unaffected by the US-China trade war in 2019; unhinged by the possibility of the third-world-war happening after the US-Iran fiasco, most of the global indices - S&P 500, Dow Jones, CAX- 40, FTSE 250, Nikkei, CAC 40 and Bovespa, from the major global economies of the world like, US, Germany, Japan, France & Brazil have shown double-digit annual increases in the last year. Our markets 13-15% increase just seem to be going along with the flow.

Technological boons have allowed investors to invest with ease and with virtually no information asymmetry in any part of the world. Influenced by each other's decisions & moods, display of herd mentality is not quite uncommon amongst global investors as well. India's developing economy, offering higher rates amidst the developed economies of the world, has become an investing heaven for global investors, especially FIIs, looking for a place to park their bonus earnings midst the emerging markets.

ONLY A FEW BIG ONES ARE DRIVING THE RALLY

The benchmark indices and their returns are largely skewed, by the sheer outperformance of a few heavy players in the economy. Players, who were least hit by the economic slowdown; whose market gains were least affected by the decrease in consumer spending; who still managed to post huge profits despite the adverse conditions. Under such conditions, investors choose to go with the safer bet of large companies offering secure returns, driving up their prices.



With globalisation & the role of MNCs, companies derive profits from off-shore markets as well. Therefore, an increase in share prices of these companies is not necessarily correlated with just their local economies. Indeed, the broader market, comprising of many other mid & small-cap companies have faced the brunt of sluggish global demand growth, which has subsequently been reflected in their share prices, but strangely, not in the indices.

WHAT TO DO NEXT?

Given the extremely volatile nature and the multitude of diverse factors affecting the stock markets, it will be extremely unwise to

take its growth as a reflection for the overall health of the economy at large.

Firstly, be cautious about what type of assets we are holding our money in. Equity products, which might have given spectacular returns based on the irrational exuberance shown by the markets, will be the first to tank as soon as better sense prevails. Since the bullish run is driven by only a few select large-caps on the basis of exogenous/exceptional factors, but their intrinsic value and macros remain unchanged. Sooner or later, value will catch up with price. But since the economy appears to be in doldrums, it's highly unlikely that stocks will increase in their intrinsic value. The only other eventuality then, is a price correction, so that price reflects the true value of the shares. Thus, investors would be better off parking money in less riskier assets (debt/liquid instruments), given the direction of the economy as well as global political disturbances.

From the government's perspective, it's high time that a massive overhaul in terms of economic public-policy, taxation, corporate laws, resolution and liquidity, and public investment, is implemented. We can no longer rely solely on FII/FDI to fuel our economy. The economy faces fundamental problems: shrinking manufacturing, falling private investment, stringent corporate financing, automobile crisis, rampant unemployment and a slowly but steadily increasing inflation rate. The government's ambitious economic targets seem a far-fetched idea in reality, even more so given the global headwinds and geo-political tensions flaring up yet again.

Issues ranging from the NBFC-crisis to the housing-sector need to be addressed through rational policy-making. A restructuring of GST slabs as well as the filing mechanism needs to be considered by the council. Even fundamental changes in the taxation system cannot be ruled-out (say, the adoption of the Direct Tax Code) with reduction in tax rates for the bottom slab definitely on the cards for the upcoming budget on February 1. Even the ongoing internal socio-political issues need to be swept under the rug, if the government seriously wants to prevent another massive economic slowdown.

The arguments presented above shed some much-needed light explaining the meteoric rise of the stock markets, despite "The Great Indian Slowdown", as the former chief economic advisor of India, Mr Arvind Subramanian puts it. The multitude of factors and their extremely volatile nature must caution anyone who mistakes this rally to be a symbol of the health of the economy. Lastly, both individuals and the government need to be proactive and take smart decisions to steer the country to safer shores in such sticky times. The economy and the stock markets remain two closely related, yet entirely different concepts. As a rational observer of issues, caution must be exercised while assessing the two.

YES bank to NO bank!!!

By: Krishnan L

The budgetary situation of Yes Bank Ltd. (the bank) has experienced a consistent decrease generally because of powerlessness of the bank to raise money to address potential advance misfortunes and resultant minimizations, activating conjuring of bond contracts by speculators, and withdrawal of stores. The bank has additionally experienced genuine administration issues and practices in the ongoing years which have prompted consistent decay of the bank. The Reserve Bank has been in steady commitment with the bank's the executives to discover approaches to fortify its monetary record and liquidity. The bank the executives had shown to the Reserve Bank that it was in chats with different financial specialists and they were probably going to be effective. The bank was additionally connected with a hardly any private value firms for investigating chances to inject capital according to the documenting in stock trade dated February 12, 2020. These speculators held conversations with senior authorities of the Reserve Bank yet for different reasons in the long run didn't mix any capital. Since a bank and market drove restoration is a favored choice over a administrative rebuilding, the Reserve Bank put forth all attempts to encourage such a process and gave sufficient chance to the bank's administration to draw up a valid recovery plan, which didn't emerge. Meanwhile, the bank was confronting standard surge of liquidity. Subsequent to thinking about these advancements, the Reserve Bank came to the end that without a dependable restoration plan, and out in the open intrigue what's more, the enthusiasm of the bank's investors, it had no other option however to apply to the Focal Government for forcing a ban under area 45 of the Banking Guideline Act, 1949. In like manner, the Central Government has forced ban successful from today.



The Reserve Bank guarantees the contributors of the bank that their advantage will be completely secured and there is no compelling reason to freeze. Regarding the arrangements of the Banking Guideline Act, the Reserve Bank will investigate and draw up a plan in the following not many days for the bank's reproduction or amalgamation and with the endorsement of the Focal Government, set up a similar well before the time of ban of thirty days closes so the contributors are not put to hardship for an extensive stretch of time.

IS IT UNEXPECTED?

On march 2019 former RBI Deputy Governor R Gandhi as an additional director on its board The RBI action had come after two consecutive years of the bank having been found of under-reporting its stock of NPAs (non performing assets). NPA is a loan or advance for which the principal or interest payment remained overdue for a period of 90 days. NPAs are not only problem for YES bank but also for the recent banking crisis. Finance Minister Nirmala Sitharaman on announced upfront capital infusion of Rs 70,000 crore into public sector banks, a move aimed at boosting lending and improving liquidity situation. Because banking system is the backbone of the economy especially while facing economic slowdowns.

WHAT IS THE PROBLEM?

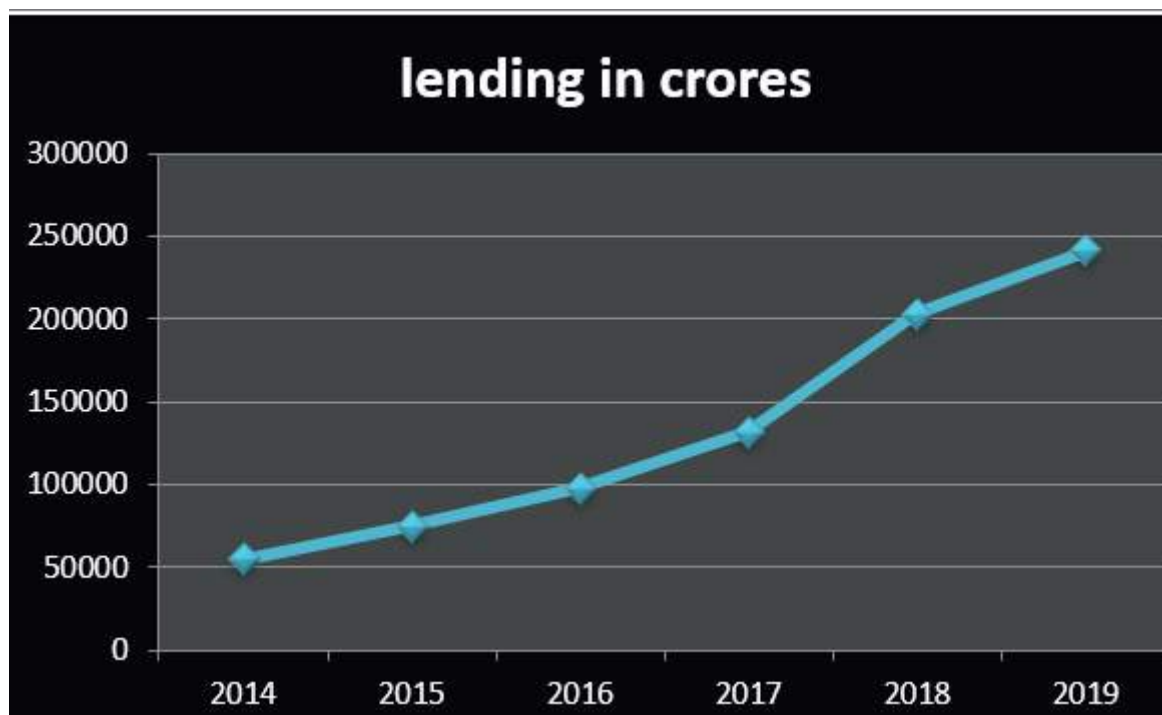
There is a huge problem in banking and financial systems particularly in banks and NBFCs. It is there in private sector banks and public sector banks and certainly in cooperative banks too. We had seen in the past that how CEOs like Chanda Kochhar in ICICI and shika Sharma in AXIS banks faced governance issues. It is because of such mismanagements by the top managements and CEOs that the entire system remains crisis ridden. Till now there are 14 public banks went bankrupt, the collapse of IL&FS, IDBI bank,

PMC bank, Reliance capital , DHFL ALTICO went into a mess and there are more of these kind of mess yet to come out from banking and financial sectors. We also saw huge expose of governance issues in YES bank and finally leading to the exit of rana kapoor . As of March, 2018, provisional estimates suggest that the total volume of gross NPAs in the economy stands at Rs 10.35 lakh crore and rising. The system went into a mess because of political interference and middling in the functioning of the banks. And also by the poor regulation and supervision by the regulator RBI.

There has been a huge loss in public money in the process. In the last 3 years the government has pumped in over 3.5 lakh crore to recapitalize public sector banks who's capital got eroded by these kinds of NPAs. The founder rana kapoor had a career in number of foreign banks and then came to India and got license in 2003 he had 26% share in YES bank. Because of the aggressive fund rising and whole sale lending YES bank became 4th largest private bank in India. YES bank said Yes to all the bad boys of Indian banking system ,IL&FS, Dewan Housing, Jet Airways, Cox & Kings, CG Power, Cafe Coffee Day, Altico-name a bad boy of Indian financial services sector and you are likely to find YES Bank as a key lender. Their lending had increased from 55,000 in 2014 to 2, 44,000 lakh crore in 2019.

THE WHOLE MESS

Even the Reserve bank of India had been a mute spectator to an extent, In 2015-16 Yes bank involved in huge corporate and regulatory violations .It had been indulging in lots of reckless lending and there was a manipulation of financial statements. When this issue came into the form Reserve bank did not take any action. But in sep 2018 RBI refused to extend the tenure of Rana Kapoor as a CEO of YES bank and he finally exited in April 2019. Thus reserve bank did not take timely action when it was needed to be taken. As a result of these kinds of malpractices, mismanagement and misconduct of Rana Kapoor a huge damage got done. Today the bank is fighting for survival .The bank's financial position is precarious, Lack of liquidity, shortage of capital, losses are arising and NPAs arising.



REVIVAL PLAN

In its last report of September 2019 YES bank reported a losses of 600 cr and in the financial year 2020 so far there has been a rise of NPAs such that 30,000 worth loans are today questionable. They are unable to rise any further capital to sure up its finances even the new CEO desperately trying to raise capital of about 2 Billion dollars but no investor whether domestic or foreign are now willing to invest in the bank with such a precarious position in order to protect the depositors interest and also failure of the bank to come up with a any kind of revival plan.

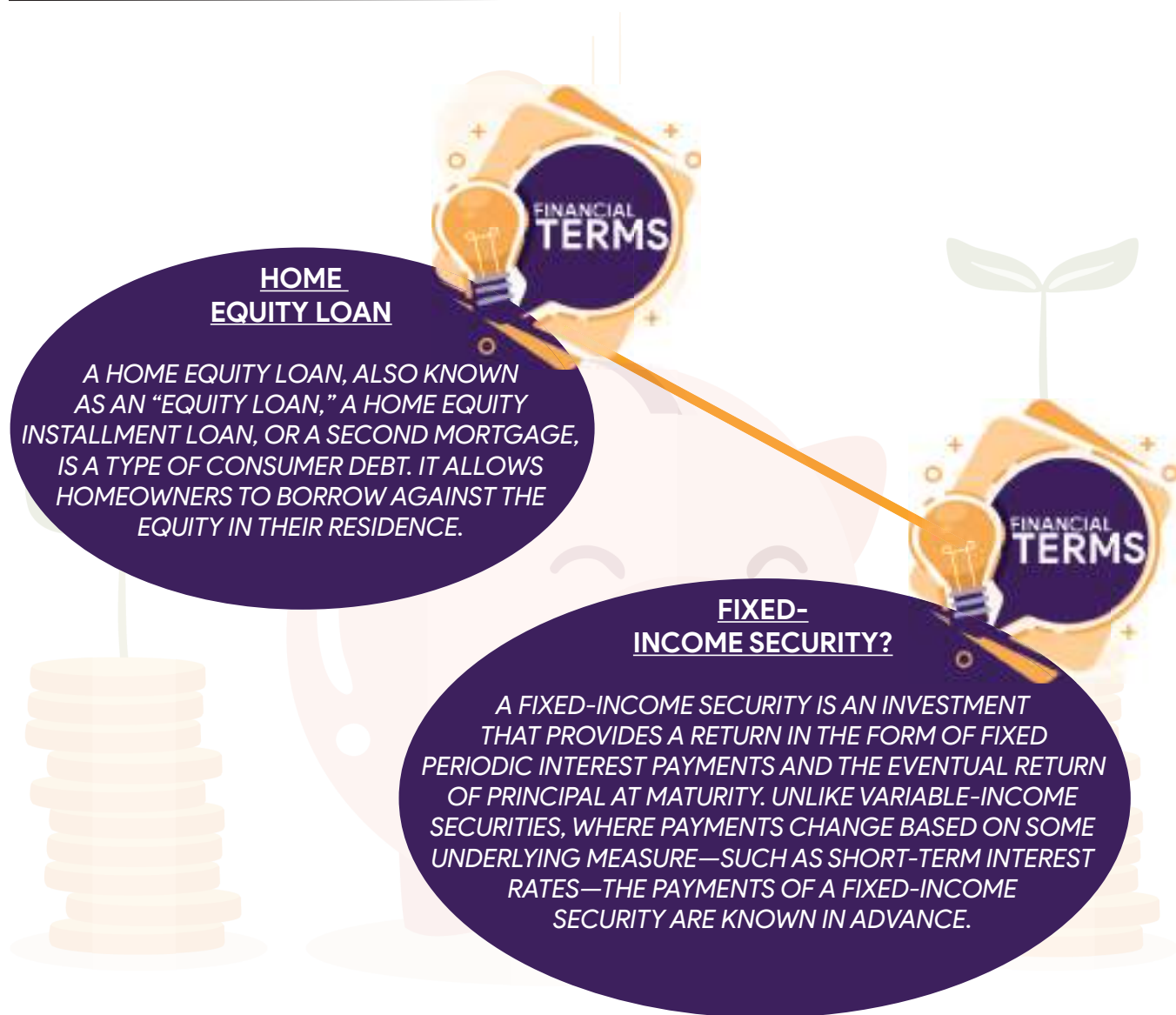
Finally Reserve bank superseded the board of YES bank by doing that it has put the bank in Moratorium

.This is the first time we are witnessing a large private sector bank going to moratorium for a period of 30 days. Within 30 days that the reserve bank will come up with revival plan for YES bank that includes some kind of restructuring , amalgamation of the bank or some fund rising such that Reserve bank rightly says they are doing this in order to protect depositor's interests. Former CEO of SBI is the in charge of YES bank now. During this period if you're a depositor of YES bank you can withdraw maximum of 50,000 rs only from your account in case of extra ordinary circumstances like medical needs or marriage 5,00,000 rs can be withdrawn.

COMMON MAN'S EXPECTATION

In case of YES bank, Depositor's interest is protected by Reserve bank that will ensure that there is no panic in the banking system. But the shareholders of YES bank facing huge erosion in their wealth. The most important thing is that this is not the end. There could be a lot more hidden NPAs in the banking system.

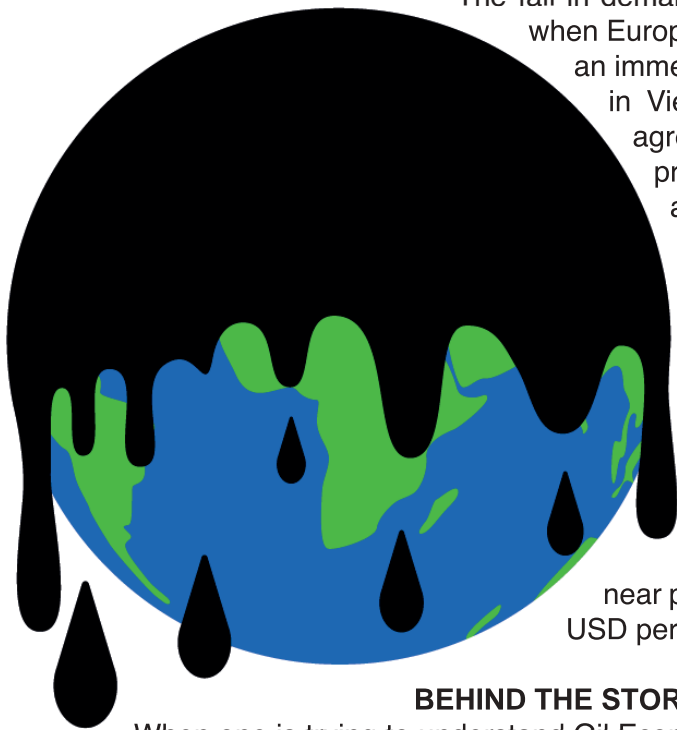
When there is a clear indication that the entire banking sector needs a severe treatment. No point in treating it as a company specific problem. And this banking sector plays a very important role in current economic slowdown. It's a very important time for the government to come up with a sector wise revival plan to regain the trust of a common man on the banking system.



OIL PRICE WAR

One of the most heated commodities in the whole world. Spirals of global economics is lubricated by this commodity only. When the whole world has set its sight on war against CORONA, major economies of the world started to realise that there was one more battle ensuing in the eastern part of the globe. Saudi-Russia Oil Trade War had begun!

It all started with the biggest newsmaker of 2020, Coronavirus. The economic implications of coronavirus are easy to understand. It was clear that demand for many commodities like Oil was going to fall as industries in major economies like Italy and China were shutting down due to Lockdowns and social distancing norms. In order to stop Oil prices to crash like 2014, the demand fall had to be met by a simultaneous decrease in global Oil supply. Yes, it was easy to understand. Mohammad Bin Salman aka MBS, the crown prince of Saudi Arabia also understood it and came up with a proposal for OPEC+ countries, widely accepted by OPEC countries but rejected by the “+” of OPEC+, Russia. The proposal was to decrease oil production in order to avoid fall in the oil prices.



The fall in demand of Oil was expected to be the worst since 2011 when European PIIGS Crisis was at its peak. The fear triggered an immediate response from OPEC countries with a summit in Vienna on 5 March, 2020. All the OPEC Countries agreed to cut down production. All the non-OPEC Oil producing countries which formed of OPEC + were also asked to cut down their production but on March 6, Russia refused. This led to a massive 10% fall in the price of Crude Oil.

This was not taken well by OPEC countries, especially the largest among them, i.e., Saudi Arabia. On 8th March, Saudi Arabia announced discounts (6 to 8 USD per barrel) to European countries. This was an official start to Price war which we are witnessing today. This led to a fall of Oil prices from 45 USD per barrel to almost 31 USD per barrel with the biggest single day fall in near past. Moreover, Oil prices fell to a record low of 24.72 USD per barrel on 18th March 2020.

BEHIND THE STORY

When one is trying to understand Oil Economics, a short-sighted approach is one of the worst things that he or she can do. It all dates back to 2014, when Oil Prices stood at 114 USD per barrel. Phenomenal, if we compare with current range of 24-30 USD per barrel. In just 2 years, Oil Prices fell by almost 75% to 27 USD per barrel in 2016. This all was the reason of lack of cooperation among Oil producing countries when middle eastern crisis was at its peak with various geopolitical battles and ISIS frontiers challenging Oil Exporting economies of the world. Around the same time, the global supply of Oil increased or say demand of Crude Brent from traditional Oil producing States declined with increase in explorations of Shale Oil in USA. Shale Oil led to an increase in capacity of USA Oil Production so much so that a country which was once dependent on Saudi Arabia for all its Oil needs surpassed all the other countries to become biggest Oil supplier of the world. This led to a cooperation among major non-OPEC oil producing nations like Russia and OPEC nations to form a global Oil Cartel called OPEC+. The production cuts (coordinated) were huge. With Saudi Arabia leading, there has been production cut of almost 2.1 million barrels per day by OPEC+ nations in last four years. The Saudi ARAMCO production capacity is 12 million barrels per day, but it was producing below 10 barrels per day. There was a huge potential in Saudi reserves and thus it had power in the Oil world.

WHAT WAS PUTIN THINKING?

Well, no expert can claim that he or she knows what was Putin thinking when he refused to cut oil production and ended OPEC+ cooperation. But there are few factors which could have led to the BIG REFUSAL.

Shale producers require Oil prices to be above 40 USD per barrel at the very least in order to meet production costs. USA being the largest oil exporter followed by Russia, will be hit the worst if oil prices fall. Many speculate that it is a move from Putin administration to dethrone US as biggest oil exporter and create a market superiority. Not only this, in February 2020, US imposed sanctions against Rosneft, biggest Oil producing company of Russia. Many see Russian geopolitics as retaliatory more than anything else.

One has to understand that Russia and Saudi Arabia are two major countries who are not much welcoming for each other when it comes to diplomatic and geopolitical relations, as can be seen in Middle East examples of Yemen and Syria.

ECONOMIC IMPLICATIONS

Shekhar Gupta of PRINT called Corona + Oil Price War a boxing “One-Two”. He was right. There wasn’t a worse timing possible for Oil Price War to happen. A 5% global slump in world economy was seen on Monday 9th March 2020, which made it the Black Monday of 2020.

WHO ARE PAYING?

Saudi economy requires Oil Prices to be at least 82 USD per barrel for budgetary break-even. ARAMCO stock prices fell below its IPO price for the first time due to the price war. Moreover, there is going to be an obvious attack on Saudi revenue and GDP due to fall in oil prices which can sustain the MBS view of Development Saudi population was looking forward to.

Russia on the other side, declared it will have surplus in 2020 but before the financial year could close, the price war has led to an expectation of deficit. The only positive in an otherwise disappointing Russian economy was Oil. With fall in Oil prices due to a war, which they only initiated, Russian economy is going to face a lot of economic pressure.

Finance is based on fear, contagion and chain of events. Where one might assume that non-oil producing nations would be happy with the scene, it is not easy as it seems. The global economy is well connected and a recession in one part of the world can lead to a global meltdown. Moreover, we are fighting with Coronavirus as well. Take example of India, first thing that strikes is that Fiscal Deficit can be controlled easily. But, a major company, Reliance is also expected to take a hit. Its major source of income is refining. The refining margins also move in sync with Oil Prices. Thus, Indian Stock Market can also take hits from the Oil Price Wars. Though, in Indian context, benefits outweigh the negatives.

In a price war like this, all the parties are expected to lose. OPEC countries were going to increase production cut by 1.5 million barrels per day and now things have turned where its leader Saudi Arabia has increased its Oil production by 2.6 million barrels per day. The whole world was witnessing economic effects with Norwegian currency falling by around 8%, circuit breaking falls in US Stock Market, 11% plunge in Italian markets and so on. Rubel also hit its 4-year lowest to suggest even Russians were suffering due to their own move. As things stand, if things don’t go well between the two countries a fall up to 20 USD per barrel is not so far. Though Oil demanding countries like China and India will be benefitting from the situation to fuel economic boom post COVID-19 lockdowns and economic halts.

Pathways to Successful Government Delivery: Integrating Performance Management in the Public Sector

By: Geetika Ahuja

Deputy Manager, Chief Minister's Good Governance Associates programme, Haryana

With a large proportion of its population below the poverty line, India has traditionally delivered multiple welfare programmes to provide social assistance its citizens. Despite great intentions and ambitious plans, many of these programmes have only had limited success in delivering upon their mandate. Much has been written about the major impediments to service delivery, which commonly feature challenges such as poor beneficiary identification, leakages in the supply chain, delayed benefit delivery, etc. While I agree that robust policy programmes must thoughtfully address these issues, I also believe that the key to successful implementation of policy programmes goes much beyond these.

The success of any government intervention is majorly predicated on the building blocks of governance - 'people' and 'processes'. These are the elements which are responsible for converting any policy on a paper into tangible on-ground action. The broad vision and objectives of the policy programme need to be translated into on-ground delivery by the 'people' working in the government. These 'people' work across the length and breadth of the government, and need to come together through 'processes' to undertake purposeful action and achieve the intended outcomes of the programme. Therefore, these elements are integral enablers in achieving the goals of policy programmes.

While many advances in thematic interventions have been embraced by governments, efforts towards building resilient systems for 'people' and 'processes' to enhance government performance are often found lacking. It is therefore important to adopt an approach that takes a holistic view of policy programme delivery, and puts 'people' and 'processes' at the front and centre rather than treat them as secondary elements.

Working with the Haryana Government, I got the opportunity to engage with Haryana Roadways, the public bus unit of Haryana. The department was facing mounting losses to the tune of ~680 crores/ year. Undertaking a standard P&L statement analysis, we were able to identify the key constraints for



revenue and the key contributors for expenses.

The overarching factors contributing to the deficit were Wastage of Resources (inefficiency of buses, staff, etc), pervasive Underperformance (of bus depot management, drivers, technicians, etc) and Excessive Dependence on Fare Revenue (alternative revenue streams were not explored).

Upon conducting multiple field visits and stakeholder interviews across districts, we gathered that the underlying causes for these stemmed from ‘people’ and ‘processes’. This is encapsulated below -

	Wastage of Resources	Underperformance	Dependence on Fare Revenue
Processes	<ul style="list-style-type: none"> -No targets set for optimum utilisation - Lack of data/tech based solutions for monitoring wastage - Lack of accountability of staff for wastage 	<ul style="list-style-type: none"> -Lack of formal process for performance evaluation of employees -Lack of a reward system for good performance -Lack of a strong culture of evidence-based reviews at the depot level -Lack of a two-way communication channel for depot and state leadership 	<ul style="list-style-type: none"> -Lack of a culture of innovation - Lack of accountability of staff for deficits -Lack of a two-way communication channel for depot and state leadership
People	<ul style="list-style-type: none"> -Lack of capacity building -Lack of motivational nudges -Performance was not linked to carrot/stick - there were no performance-based incentives/disincentives 		

Despite the evolving needs and goals of Haryana Roadways, the department’s processes and outlook on people management had remained largely unchanged. In order to drive a turnaround of the financial and operation situation of Haryana Roadways, just introducing thematic interventions would not have been enough - elements of ‘people’ and ‘processes’ required a reset.

Leveraging the performance management approach, a framework anchored on ‘people’ and processes’ was designed for Haryana Roadways. At the heart of this framework was the belief that transforming ‘how’ the government operates will have a major bearing on the outcomes of the planned thematic interventions.

Multi-pronged measures were taken to bolster ‘people’ and ‘processes’:

- **Target Setting:** To encourage bus depots to work towards tangible outputs, targets for different operational and financial KPIs were set by the state. This helped the depot leadership have a clear vision of what the depot was to achieve and enabled them to plan activities accordingly. The depots which met their targets were recognised by the state and appreciated for their efforts.

- **Institutionalisation of Routines:** To ensure regular focus on the operational and financial KPIs, a weekly routine for monitoring reviews was set. These reviews were premised on data based performance monitoring of staff and buses to identify leaders and laggards. The set cadence ensured consistent focus on the depot's performance and helped embed the use of data-based tracking and planning by the depots.
- **Culture of Innovation:** All depots were asked to share the best practices that they deployed to achieve efficiency in operations and better revenues. This nudged depots to explore a gamut of practices and encouraged an innovative culture.
- **Set up of a Reward System:** A range of non-financial rewards were set up by the department to appreciate the best performing drivers, conductors and depots. An incentive policy was also drafted by the department to reward good performance.

These measures were put in place to strengthen 'people' and 'processes' to support the thematic interventions. We started noticing a cultural shift, with motivational nudges from the state leadership and enthusiastic endeavours by department leadership and staff to achieve the targets and be recognised for their achievement. On the operational front, performance began to go up, as we saw 12% increase in Vehicle Utilisation in 8 months.

A major advantage of this approach is that once robust performance management systems are shaped, resilient systems of 'people' and 'processes' are primed to deliver multiple kinds of policy programmes

As many of you go on to work in different areas, I hope this piece will nudge you to locate your learnings in commerce across a range of domains, and to use frameworks and models in sector agnostic ways.



The Economics of Clean Air

By: Jay Agarwal

Humanity has grown at a rapid pace in the past century. We have witnessed the change from lush green forests to enormous metropolises, from handicrafts to mind-boggling industrial units and from bullock carts to modes of transport such as bullet trains. Although amidst all this development we compromised on the one most important factor essential for our survival - Clean air. Even today when the media is flooding with awareness programmes and campaigns to curb air pollution levels, we continue to ignore the lamenting nature. No matter how much we progress as a species we always bow down to easier methods of doing things. Yet again, to avoid the “formidable task” of planting trees and preserving nature, we have come up with another unique alternative - buying cans of fresh air! (So much simpler, isn't it?). Something that is the fundamental right of every living being is being sold for as much as \$10000 a can! How can people be so unwitting so as to disregard such a huge problem?

The World Health Organisation (WHO) highlights air pollution as the greatest environmental risk to human health in the contemporary world. It is estimated to be the cause of seven million premature deaths every year. But these growing health concerns due to air pollution have now become a source of economic profits for several firms, who are benefitting by exploiting this “newly-formed market”.

In early 2015, Moses Lam, who ran a successful security business and Troy Paquette, a Journeyman Red Seal Welder met at work when they were engaged in real estate. They were both tired of their monotonous lives and wanted a career which they could control themselves. They joked about starting such a business on eBay and thus posted on the site, a Ziploc bag filled with fresh air, which sold at 99 Canadian cents. When this seemingly ridiculous sale became popular on social media, a bidding war began for these air canisters; and astonishingly the next unit was sold for 168 Canadian dollars. In no time, both friends realised that they had stumbled upon the opportunity to create an entirely new kind of market, “a market for fresh air”!

What started as a joke then, is now a multinational company worth millions of dollars, a company named Vitality Air. Initially, the two co-founders used a \$400 tool to suck up the air and then manually transferred it into the bottles. They developed a container which could be sent by post without being damaged in transit (an aluminium canister connected to a plastic mouthpiece for breathing) so as to cater to demand from far-off areas. At present, their company runs on a fully automated bottling plant which is affixed to a 24-foot trailer. The machine has a capacity of 200 litres and collects 21 bottles of air per minute.

Their initial target customer base was Los Angeles, a city susceptible to wildfires and plagued by cars, which thus consisted of a health-conscious population that could become prospective consumers of their product. However, the company got a bulk order of 5000 cans shortly after their eBay sale, which was exclusively shipped to various cities in China. With this, the company shot to fame and garnered the attention of the international media outlets. This helped to build a huge customer base for their products. The co-founders started receiving calls from customers in Beijing and New Delhi. And Voila! The company found the perfect strategy to market its products too: Target the world's most polluted areas. Soon enough, the company started selling large quantities of canned fresh air worldwide.

Inspired by the success of Vitality Air, many new companies dealing in the same product emerged around various countries in the world. Some examples include Aethaer, Pure Himalayan and many more. All companies follow different pricing policies and also have different names for their varieties of air to distinguish themselves from their competitors. There is now luxury air, cold-pressed air, mountain air, air for new mothers, air for work, for kids and for grandparents. These companies do not plan to restrict themselves to small canisters of fresh air though. Lam of Vitality Air sure has ambitious plans for his company. He plans to release an air pack soon which will be able to supply fresh air for 8 hours straight and can be carried at one's back. “Customers will be able to breathe fresh air for a full workday”, he remarked.

You may wonder, are these companies really guided by the motive to provide fresh and clean breathing air for the people? Isn't the real motive behind these products to earn profits? Why else would they be priced this high? Well, sadly your apprehensions just might be right. Various interviews with the founders/directors of such companies have revealed that behind this facade of providing a better standard of living

to people lies the ulterior motive of extorting people for money. “I want to be known as the king of air. I want to be known as the first person in the world to sell people air” says Lam who thinks of himself as the Rockefeller of the air industry.

As harsh as it may sound, these companies seek to benefit from the ordeals being faced by the people. They have been successfully exploiting the fear in the minds of the people with regard to air pollution. Even though the cost of collecting fresh air(their so-called “product”) is fairly low, they sell the same at absurdly high prices. For example, if you decided to live on the canned air supplied by Pure Himalayan Air, it would cost you around \$11,130 per day!

The simple justification of this business has been put as: “The problem is that when you’re a citizen, you can’t choose the air you’re breathing”. The reports of increased pollution are in a terrifying way extremely good for companies like Vitality Air. Often, customers buy these products in the hopes that they will offer much-needed respite, if not a cure. But unfortunately, all they manage to get is a can of false hope beautifully decorated by the lies of these profit-mongers.

The companies have admitted that they have not commissioned any studies on the health benefits of their products and thus there is no medical proof which verifies that such small amounts of canned fresh air are beneficial for the human body. John Dickinson, director of Green & Clean, an Australian air company, has admitted, “the reality is there are no current medical science reports about the benefits of small amounts of clean air.” Several other doctors have also dismissed the claims of health benefits by using these products. Dr Neir, the WHO director of public health, dismissed bottles of canned air as “sophisticated ad-hoc products.” Dr Flavia Bustreo, assistant director general at the WHO, has said: “For people to be healthy, they must breathe clean air from their first breath to their last,” which would appear to discount all temporary measures as ineffectual.

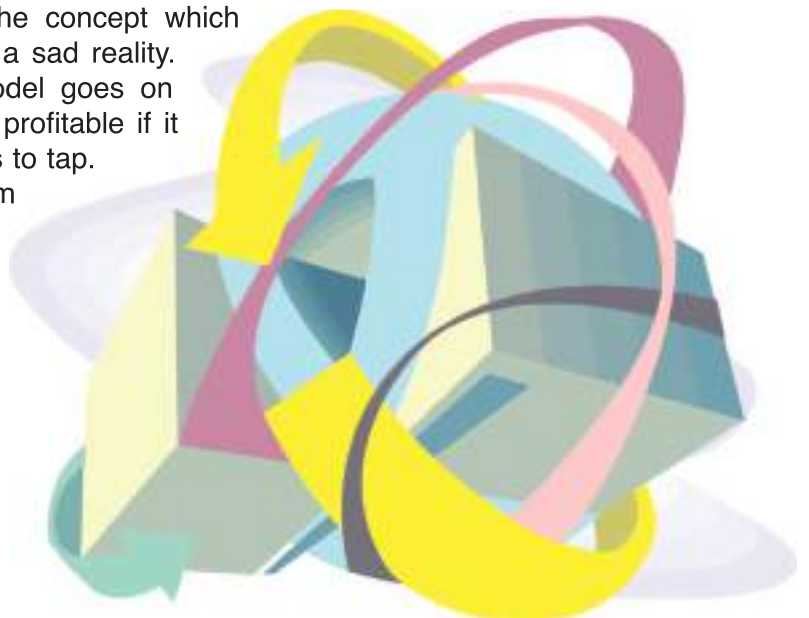
Even the founders of these companies often tend to evade the questions when asked about the benefits of this “canned fresh air” with vague comments such as: “If you breathe better air, it’s better for blood circulation, you live healthier, you live longer, you live happier” or “You feel more awake”. The websites of these companies also parrot out similar fancy slogans, however, the direct benefits of consuming small shots of fresh air are not mentioned anywhere and remain ambiguous. Moreover, different entrepreneurs give different figures for the number of breaths that should be taken from these cans of fresh air(for example Lam suggested 10 breaths a day, while Krähnemann, another entrepreneur, suggested 30 to 50 breaths for each hour spent outside)which further adds to the suspicion towards the legitimacy of benefits derived from such products. Despite all this, Vitality Air’s sales have been increasing from year to year. It sold over

\$230,000 worth of cans in 2016, which was a major step up from its \$30,000 sales in 2015. Keeping in mind the huge potential of Asian markets, Vitality Air has now opened a subsidiary named Jiri Air in South Korea. Other firms have also begun to capitalise on this ‘market opportunity’. In the past few years, the world has seen the emergence of firms like Energy Roair, Aethaer, BEKO Technologies, Auzair, etc. which deal in the air business with a similar business model.

Truly, there is no limit to innovation. The concept which was mocked by many has now become a sad reality.

The emergence of such a business model goes on to show how any company can become profitable if it knows where to invest and which markets to tap.

Although the concept may be lucrative from an economics point of view it does make one wonder how limited the resources in our world have become. So much so, that one can today literally say that people are “making money out of thin air”.



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MERGERS & ACQUISITIONS

REASON FOR MERGER

Atlanta-based software firm Ebix said today it is acquiring Indian online travel booking company Yatra through a merger deal at an enterprise value of \$337.8 million as it looks to strengthen its position in India's hotel and flight ticketing market.

PROBLEM AND HOW THEY OVERCAME

US software firm Ebix has acquired Nasdaq-listed Yatra Online Inc to boost its India travel ventures at an enterprise value of \$336 million, or Rs 2,350 crore in an all stock deal. Once the transaction is complete — the deal marks Ebix's biggest acquisition till date in India — it is expected to create India's largest and most profitable travel services company.

The \$2-billion Atlanta-based software company has set a \$7 for each outstanding diluted share of Yatra,

totalling 48 million shares. The \$7 price a piece was 84% premium to Yatra Online's closing share price of \$3.8 as of March 8, 2019. However, Ebix has announced in the press note that it reserves the right to reduce its offer at its discretion if it does not receive a positive engagement response from the Yatra board in a timely manner or if any subsequent steps are taken by the company that could have an adverse impact on its future value.

The board of directors of both the company has approved the deal. Given the fact that Ebix, led by 51-year old Kashmiri Robin Raina, is a supplier of on-demand software and e-commerce services, the deal will be a strategic fit for both companies, with Ebix's expertise in business-to-business segment.

Through this deal, Ebix would be able to cater to every financial needs of consumers in the travel industry be it airlines, car rentals, or hotels and cross-sell products. In

fact, after MakeMyTrip acquired rival Golbibo, Yatra was facing a stiff challenge from the combined entity.

The deal is expected to close by 4Q2019.

The deal remains subject to approval by Yatra shareholders, clearances by the US

Securities and Exchange Commission and Nasdaq of the registration and listing of the Ebix convertible preferred stock and other customary closing conditions.

In the last two years, Ebix has acquired nearly 20 companies of various sizes to grow its footprint not only in India but the entire Southeast Asian Nations.



EBIX ACQUIRES YATRA

ACQUISITION PRICE

Ebix Inc, the US-based supplier of on-demand software and e-commerce services to the insurance, healthcare, financial and e-learning industries, has acquired Yatra Online Inc, for an enterprise value of \$337.8 million (Rs 2,323.6 crore) in an all-stock deal.

FUTURE IMPLICATION OF MERGER ON DIFFERENT STAKEHOLDERS

The companies said their board of directors have unanimously approved the deal and they expect to close it by the fourth quarter of this year. In a statement, they added, "Assuming a value of \$4.90 per Yatra ordinary share, the transaction implies an enterprise value of \$337.8 million at the Ebix collar price of \$59 per share and post adjustment for indebtedness, working capital, warrants to be converted and minimum cash requirement, a net equity value of \$239 million."





REASON FOR ACQUISITION:

GlaxoSmithKline was one of the key players in food and refreshment industry with some of the famous brand names such as 'Horlicks' and 'Boost' and consists of

diverse product line. Pursuant to the strategic review of 'Horlicks' and its other products, GSK decided to amalgamate with Hindustan Unilever(HUL) . The amalgamation is in line with HUL's strategy to build a sustainable and profitable F&R business in India. GSK and HUL expect mutual benefit through supply chain opportunities and operational improvements, go to market and distribution network optimization, scale efficiencies in cost areas such as marketing and optimization of overlapping infrastructure. HUL also entered into selling agreement to distribute GSK's over the counter and oral health products. The amalgamation was expected to result in expansion of consolidated business and creation of greater value of shareholders and all other stakeholders. However, the public shareholders of GSK continued to be a part of HUL. HUL then got presence in health drink segment too and was able to use its infrastructure and channels for pushing its own products.

ACQUISITION PRICE:

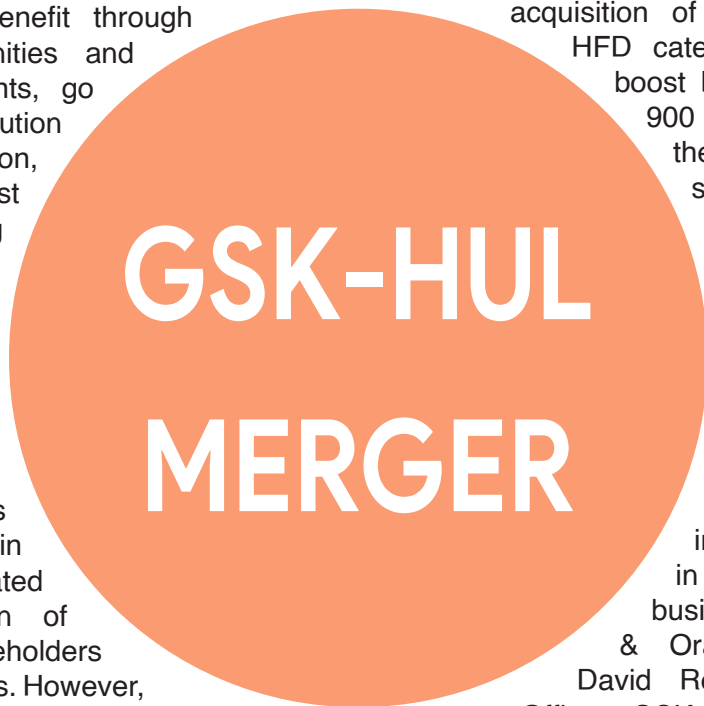
The transaction was an all equity merger with 4.39 shares of HUL being allotted for every share in GSK India. The deal values the total business at 31, 700 crore. GSK got to own 5.7 % of the merged entity but was not entitled to representation on the board. GSK was expected to sell these shares subsequently. Unilever's stake in HUL reduced to 61.9 per cent from 67.2 percent. HUL also entered into five year selling agreement for distribution of over the counter oral products such as Sensodyne,

Crocin, Eno etc. Unilever also acquired 82 percent of the shares of the publicly listed GSK Bangladesh Limited at an equity value of BDT 16bn(c.€169m), implying an EV/EBITDA multiple of c. 15x. Unilever also acquired the commercial operations in 20 other predominantly Asian markets and the intellectual property rights for a total consideration of c. €470m in cash. The total consideration for the transaction is c.€4.6bn, of which Unilever's implied contribution through both cash and through the issue of shares in HUL, its subsidiary in India, totals c. €3.3bn.

BENEFITS TO THE PARTIES:

The acquisition was in-line with HUL's strategy of acquiring a profitable business with strong portfolio of brands in the domestic market. The deal was a win-win for both the parties as the acquisition of strong brands in the HFD category was expected to boost HUL's food business by 900 bps to 27 per cent from the current 18 per cent of sales with sustainable profitable growth, while the deal was positive for shareholders of GSK Consumer Healthcare as they got a better value under the share swap arrangement, GlaxoSmithKline said it will continue to invest in growth opportunities in the pharma and vaccine businesses besides its OTC & Oral Health businesses.

David Redfern, Chief Strategy Officer, GSK, said: "This transaction is very good for all the stakeholders. First, GSK Consumer Healthcare shareholders will be receiving a premium for their stake. Second, we have invested substantially in the business over the years. Today, we have access to 200 million people here in India with 170 servings per second of Horlicks. We believe we have got ideal partners who bring significant distribution capabilities right across India."



Hindustan Unilever Limited

REASON FOR ACQUISITION

Cisco announced its intention to acquire privately held CloudCherry to bring better customer experience management (CEM) capabilities into the Cisco Webex contact center. Founded in 2014, the Salt Lake City-based organization is one of many Cisco Investment portfolio companies. Cisco has an active investment arm that invests \$200 million annually in startups in different stages of growth. Some of the vendors—such as CloudCherry—it brings into its portfolio, and others, such as VeloCloud, are purchased by competitors but provide Cisco with a strong return on its investment.

PROBLEM FACED AND DID THEY OVERCAME IT

CloudCherry currently does not integrate with contact center platforms. The startup sells its product to sales and customer service teams as a stand-alone app, competing with vendors like SAP Qualtrics, NICE Satmetrix, Medallia, Foresee and Confrimit.

Cisco expects to create a link allowing data to flow between its contact center offerings and CloudCherry's platform within the next few months, said Vasili Triant, general manager of Cisco's contact center business. The exact features enabled by that integration will be announced at a later date, he said.

ACQUISITION PRICE

Dialing into the most recent deal, Cisco announced its CloudCherry buy on Monday. The smaller firm, based in Salt Lake City, Utah, raised \$16 million while private.

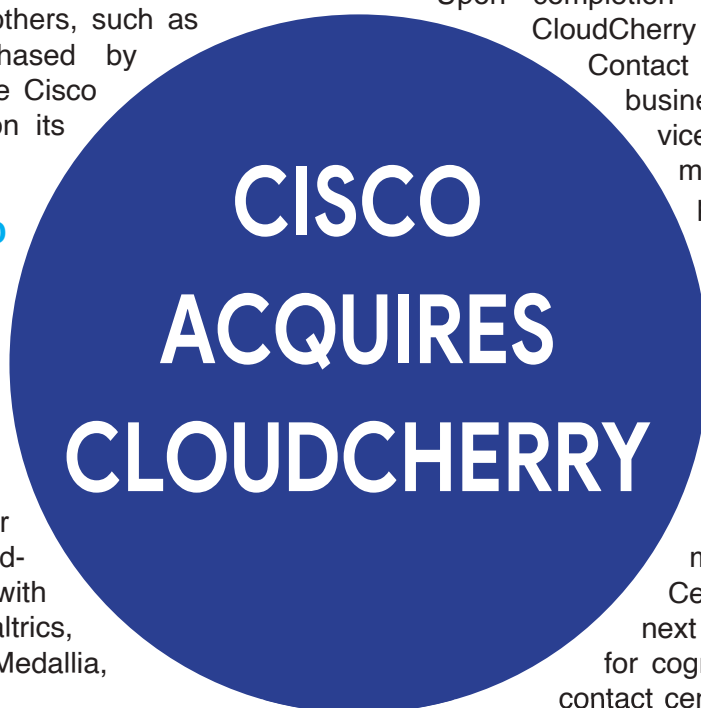
IMPLICATION OF ACQUISITION ON DIFFERENT STAKEHOLDERS

Cisco has announced its intent to acquire formerly Chennai-based Customer Experience Management (CEM) company, CloudCherry. The acquisition announced on Monday is expected to close in the first quarter of Cisco's fiscal year 2020, subject to closing conditions and approvals.

Upon completion of the transaction, the CloudCherry team will join Cisco's Contact Center Solutions business, led by Vasili Triant, vice president and general manager, Cisco said in a press note.

We're thrilled to add CloudCherry's market leading customer experience management technology to our collaboration portfolio," said Vasili Triant, vice president and general manager, Cisco Contact Center Solutions. "This is the next step in realizing our vision for cognitive collaboration in the contact center, enabling the delivery of the best, most personalized customer experiences, ultimately improving customer loyalty and lifetime value."

Based in Salt Lake City, CloudCherry is focused on developing tools for brands to enhance customer experience on their websites. Among other functions, it offers products that predictively understand how changes to customer experience changes sales outcomes and impacts financial metrics of companies.



CLOUDCHERRY

The merger of H.J. Heinz Company and Kraft Foods Group Inc. in a \$36 billion herculean deal in 2015 led to formation of the third-largest in North America and the fifth-enormous food and beverage company in the world. The combined entity, titled as the Kraft Heinz Company, would generate around \$26.5 billion net revenue annually with 200+ iconic brands. The arrangement states that Heinz shareholders would own 51-percent and Kraft share owners would possess a 49-percent stake in the merged company. Currently, the Kraft Heinz Company is a globally trusted producer of delicious foods offering high quality, appetizing and nutritious products for all eating occasions. On the announcement of this merger, share prices plummeted by up to 35%, demonstrating that the consumers have credibility in the stability and long-term prosperity of these brands operating collectively. Now, let's take a look at various pros and cons related to this humungous transaction. Together this entity would hold some of the most recognised, respected and storied brands in the cosmopolitan food and beverage industry. While Heinz is, Kraft is a chief player in the USA. With the formation of this corporation, its parent companies are eyeing cost savings of about \$1.5bn annually.

with a strong North American consumer base, would improve Heinz's sales in the US. Moreover, Kraft having a much better credit rating would be able to refinance Heinz's high-yielding debt.

HEINZ

ESTD 1869

H. J. HEINZ AND KRAFT FOODS MERGER

Advantages:

Since Heinz is strong internationally, generating around 60% of its revenues beyond North America, its global presence would boost Kraft's recognition in nations like Europe.

- Kraft being a chief player in the USA market,

- Potentially, the combined scale would possibly give a boost to their leverage with retailers in obtaining centre-aisle shelf space, which had been on decline lately due to stores stocking more fresh items.
- The merged entity would further begin to invest into other channels including e-commerce, monthly subscription services, clubs, start-ups and niche brands. This would also entail investment into technologically advanced and upgraded warehouses and plants, creating new and efficient manufacturing units and factories.
- It would further cut out the former and older workforce and hire younger millennials and compensate them with higher salaries in order to give them greater responsibility and produce better output.
- Definitely, economies of scale will prove to be a benefit in logistical areas like distribution, which may pass on as price benefits to customers. This merger will provide them with more negotiating clout with retailers when they negotiate product listing.



- The management hopes to leverage the synergies the merger would provide and expect to realize over \$1.5 billion in annual cost savings by targeting at shutting down of less efficient manufacturing facilities, reducing headcount,

and implementing zero-based budgeting.

Disadvantages:

- The company planned to save annual costs by cutting down around 2,500 jobs because the merger faced severe sales challenges amid changing customer tastes and preferences.
- Most of the millennials' taste and trends are shifting away from packaged food towards healthy food. Since both of the companies have packaged products, the sales are shrinking overall and long-term revenue is questionable.
- The combined entity had a lot of debt after merger, most of which had to be financed in house by Berkshire Hathaway.

- It is facing growing competition from store brands and has to confront the expanding negative stigma towards use of artificial ingredients.

This merged global giant has over 200 well-established brands, including eight US\$1 billion-plus trademarks. Heinz, the global family of leading products such as Heinz Ketchup, soups, sauces, pasta, beans, and infant foods and Kraft Foods' distinctive brands like Kraft, Jell-O, Capri Sun, Lunchables, Kool-Aid, Maxwell House, Philadelphia, Oscar Mayer, Velveeta and Planters have given the Kraft Heinz Company a relative success.

KraftHeinz

MERGERS AND ACQUISITIONS – M&A?

MERGERS AND ACQUISITIONS (M&A) IS A GENERAL TERM USED TO DESCRIBE THE CONSOLIDATION OF COMPANIES OR ASSETS THROUGH VARIOUS TYPES OF FINANCIAL TRANSACTIONS, INCLUDING MERGERS, ACQUISITIONS, CONSOLIDATIONS, TENDER OFFERS, PURCHASE OF ASSETS AND MANAGEMENT ACQUISITIONS. THE TERM M&A ALSO REFERS TO THE DESKS AT FINANCIAL INSTITUTIONS THAT DEAL IN SUCH ACTIVITY.



Dow Chemical, the fourth, and DuPont, the fifth largest chemical companies in the world merged to form DowDuPont with a combined value of US \$130 billion. The combined entity became the second largest chemical company, controlling around 41% of U.S. corn seeds and related genetics. Since both the companies had been struggling to cope with declining demand for farm chemicals due to reduction in crop prices and a stronger dollar, the merger would create businesses focussed on agriculture, specialty products and material sciences. Both the Dow and DuPont shareholders will own around 50% stake in DowDuPont. The resulting behemoth is to be divided into three separate publicly traded businesses, increasing their scale and uncovering millions in cost synergies. Here are some positive and negative outcomes related to this merger.

from being part of these highly centralised and competitive industry-leaders with an objective of sustainable and long-term growth, creating opportunities for people.



DOW CHEMICAL AND DU PONT

Advantages:

Shareholders would reap benefits from the stronger investment profile of each of the three intended companies and substantial cost synergies.

- Customers will gain from better solutions and extended product offerings. Because of combination of the complementary strengths of both the corporations, each pre-determined company will be able to respond faster and effectively to dynamic environment through innovative products.



- Also, the employees would be advantageous

- It would lead to formation of three separate divisions which includes:

- An agriculture company that brings a broader suite of products to the market faster, delivering innovation, thereby raising the profitability.

- A materials science firm, which would provide the strongest and broadest chemistry and polymers toolkit in the industry and help in better transportation, packaging, infrastructure, and consumer care.

- A specialty products corporation that will integrate the health and nutrition business and electronic technologies, leading to formation of highly differentiated products and services that transform everyday life.

Dis-advantages:

- Due to pressure of cutting down on costs, research and development will take a hit and a lot of R&D jobs would disappear. Some of the jobs would move from research to product development.

- The new entity has slashed around 10% of its global workforce in an effort to streamline savings, thus leading to creation of depressed employees at manufacturing facilities.

- Since the company is going to split into three

units, it would be a time consuming process and may distract employees and managers. In such a situation, competitors could take advantage and take away customer base.

capital structure and better focus will definitely make them easier to comprehend for investors and may prove advantageous to the company in long-run.

An agriculture company with revenue of around \$19 billion, a leading specialty products company with revenues of about \$13 billion and a material science firm with \$51 billion sales, with distinct



FUTURES

FUTURES ARE DERIVATIVE FINANCIAL CONTRACTS THAT OBLIGATE THE PARTIES TO TRANSACT AN ASSET AT A PREDETERMINED FUTURE DATE AND PRICE. HERE, THE BUYER MUST PURCHASE OR THE SELLER MUST SELL THE UNDERLYING ASSET AT THE SET PRICE, REGARDLESS OF THE CURRENT MARKET PRICE AT THE EXPIRATION DATE.

HEDGE FUND

HEDGE FUNDS ARE ALTERNATIVE INVESTMENTS USING POOLED FUNDS THAT EMPLOY DIFFERENT STRATEGIES TO EARN ACTIVE RETURN, OR ALPHA, FOR THEIR INVESTORS. HEDGE FUNDS MAY BE AGGRESSIVELY MANAGED OR MAKE USE OF DERIVATIVES AND LEVERAGE IN BOTH DOMESTIC AND INTERNATIONAL MARKETS WITH THE GOAL OF GENERATING HIGH RETURNS (EITHER IN AN ABSOLUTE SENSE OR OVER A SPECIFIED MARKET BENCHMARK).

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TOP 5 FINANCIAL CRISIS

“We become wise by adversity.”

This principle can be attributed not only on a personal level but also on an economy level. The global history is evident of the enormous monetary cost that the world economies have paid for their ignorance and complacent attitude towards the changes in the financial environment. So, in a bid to learn from the past mistakes, this section provides a detailed overview of the worst financial crisis that the world has seen till date.

The Dot com Bubble

Internet is no longer a futuristic concept, but a reality. But this wasn't the case 20 years back. Internet was seen as a panacea that could change how everything worked and how all business transacted. Internet was like a truly burgeoning market that would produce big results. In a bid to achieve the first mover advantage, investors were keen to capitalise on a development avenue for growth and profit.

As a general trend, investors follow very a specific business valuation formula in order to determine how much a company is worth, what profits are expected and what is the expected rate of return. However, the internet mania fuelled the mental state of the public that internet could do things that simply was not possible at that time. Everyone wanted to be a part of the innovation and invention.

In other words, the dot com mania distorted the way investors looked at the company and enabled the economic forces to drive the valuations to unsustainably high levels and thus a crash was inevitable.

For instance, between 1995 and 2004, Nasdaq rose by 400%. However, the over growing boom of the dot com industry was brought to a screeching halt within 2 years. By October 2002, the stock index had lost 78% of its value. The worst affected was no one but the everyday public.

This bubble burst can be attributed to be caused for the following reasons.

Firstly, 90s marked an era where a company doesn't has to be successful to make money. Captivated by the unlimited potential offered by the internet companies, for it investors it did not matter whether company had made a profit or had credible plans to ever become profitable.

Second, other probable cause of excess investing by the public was the dropping of the interest rate to historic lows by the FED. With all this new money pumped into the economy and dot com companies seemed to be the most efficient way to utilise the money. Hence, people piled money over excessively into the overhyped stocks of Companies.

Thirdly, it was the big culling of the herd that caused people to be swayed by the extravagance of the dot com industry.

The final stage of dot com mania was reached when any company that had dot com in its name could derive any immediate benefit. This prompted companies to add dot com to the names even though their business models had little to do with the internet. This is also the reason why the entire crisis is popularly known as the “dot com bubble”.

In the new era, nobody seemed to understand that prices escalate because of the increasing buying activities themselves and not always because of the growing profitability of the company.

The past 20 years have taught us the importance of diversification and paying attention to valuations. Also, internet today is a pervasive part of life and no longer a fantasy. Thereby, we should resolve not to forget the lessons learnt from the dot com bubble of 2000 and be prudent while taking investment decisions.



Panic of 1772

Credit is the lifeblood of an economy which directs its path of economic development. Any factor affecting its availability can bring an economy to a standstill.

Credit crisis can be defined as a situation of credit crunch where obtaining capital from banks and investors becomes a cumbersome task. The lenders are reluctant to lend to the borrowers because of the fear of bankruptcies and defaults by the borrowers.



The world saw the worst credit crisis in the year 1772 in London popularly known as “Panic of 1772”. This crisis turned into a contagion spreading to different parts of the world like Scotland and America.

During the 17th century, Britain emerged to be the most powerful colonial master with its colonies spanning from America to the middle East. Economic development at that time was largely dependent on the flow of credit.

The storm was unleashed by the failure of the Scottish banker Alexander Fordyce in London who on 8 June 1772 fled to France to avoid debt

repayment, and the resulting collapse of the firm stirred up panic in London.

Alexander Fordyce was a Scottish whose daring speculations had brought him fame and a lot of wealth. He was involved in speculative selling of the stocks of The East India Company.

The East India Company was making huge profits and was seen as a fruitful prospect. But, the fate suddenly changed due to a massive drought

outbreak in India leading to the death of millions of people. This led to a drastic fall in the shares of East India company. Hence, he fled away to avoid the repayments.

Availability of large credit in an economy symbolises the people's confidence into the banking sector. With this crisis, the confidence started ebbing, crowds of people gathered at the banks and requested debt repayment in cash or attempted to withdraw their deposits.

The crisis was a major blow to the British financial system and led to the collapse of around 22 banks in England, with savings lost worth around £ 3 billion. It soon became an international crisis affecting the debtor-creditor relations with the colonies.

Although, the world economy recovered from this crisis soon but this is said to be the first and worst financial crisis of modern history.

OPEC Price rise

Crude oil is an important energy source for most of the industrialized nations and is often said to be the backbone of a strong economy. The world saw the worst of its oil crisis in the early ninety seventies. Oil crisis is nothing but the sudden rise in the price of oil that is often accompanied by decreased supply.

A review of the history of the oil prices reveals that they have never been the same crisis since.

The oil crisis flashed when on October 1973, OPEC (Organization of Petroleum Exporting Countries) imposed an oil embargo against Israel's allies (the United States among them) in the Arab-Israeli War. The embargo involved the banning of oil exports to targeted countries as well as a 5 percent oil-production cut per month. Oil prices quadrupled in a few months, from \$3 to \$12 a barrel.

The OPEC's response to strike an oil embargo against the US was a resultant of mainly two factors. The devaluation of the dollar was one of the central cause of the price shock. The plummeting value of the dollar hurt OPEC countries because the oil contracts were priced in U.S. dollars. This meant that their revenue fell along with the dollar. OPEC nations resorted to pricing their oil in terms of gold and not the dollar. But due to the ending of the Bretton Woods agreement, which had pegged gold to a price of \$35, the price of gold rose to \$455

an ounce by the end of the 1970s.

For OPEC, the final shock came when the United States supported Israel against Egypt in the Yom Kippur War. And the oil price shock was the obvious result.

Eventually, the oil supply shock together with bad fiscal and monetary policies caused a period of stagflation in the US (low economic growth combined with high inflation rates) that lasted until the 1980s. With the super power of the world suffering crisis of confidence, the entire world's economies was bound to depress.

Hence, it will not be wrong to say that the oil crisis of 1973-74 was successful in making the four lettered word, OPEC(Organization of Petroleum Exporting Countries), synonymous with prodigious wealth, arbitrary power, and fear and bringing the growth engine of the entire world to an abrupt halt.

The Great Depression 1929

This was the worst financial and economic disaster of the 20th century. Many believe that the Great Depression was triggered by the Wall Street crash of 1929 and later exacerbated by the poor policy decisions of the U.S. government. The Depression lasted almost 10 years and resulted in massive loss of income, record unemployment rates, and output loss, especially in industrialized nations. In the United States the unemployment rate hit almost 25 percent at the peak of the crisis in 1933.

On October 25, 1929 the New York Stock Exchange saw 13 million shares being sold in panic selling. During the 1920s the American economy grew at 42 percent and stock market values had increased by 218 percent from 1922 to 1929 at a rate of 20 percent a year for 7 years. Nobody had seen the stock market crash coming and there was no rational explanation for this collapse of American markets.

Afterwards, a series of bank panics spreaded out from Europe in 1931 worsening the financial contagion in United states, United Kingdom, France and eventually the whole world spiralled downward into the worst economic downturn in history.

By 1933, 15 million Americans were unemployed, 20,000 companies went bankrupt and a majority of American banks failed.

Monetary contraction in the United States culminated in a depression in Germany. The Reichsbank's foreign reserves of gold and foreign exchange declined sharply. In May 1931, Austria's largest bank, the Kreditanstalt collapsed. Investors feared that their moneys would be frozen or lost and so there was a huge capital exodus.

In the period 1930-32, money supply in the United States fell by 26 percent, Germany by 27, United Kingdom and France by 18 percent.

The German currency and banking crisis impacted the British pound as well. European Banks were making significant withdrawals from the United Kingdom resulting in the weakening of the pound. In September 1931, the United Kingdom suspended gold convertibility and allowed the pound to float.

By 1933, 35 nations had abandoned gold and gold-exchange standards. The decrease in the exports in 1932 from the previous year was 35 percent in France, 40 percent in Germany and 33 percent in the United States as compared to 7 percent in United Kingdom and 19 percent in Canada.

Economic Recovery as indicated by industrial activity was visible in

Great Britain, France and Germany, with the United States witnessing a rapid industrial upturn during April and May 1933. The "New Deal" of President Franklin Roosevelt brought in a sweeping reformation of the US economy, laying down the foundations

of the American welfare state - federal aid to the unemployed, stiffer regulation of industry, legal protections for workers, and the Social Security Program. It was the first step in the United States muscular emergence from the Great Depression, and the beginning of the country's rise to become the undisputed "leader of the free world".



Subprime Mortgage Crisis of 2008

The United States subprime mortgage crisis was a nationwide financial crisis, occurring between 2007 and 2010, that contributed to the U.S. recession of December 2007 – June 2009.

The subprime mortgage crisis occurred when banks sold too many mortgages to feed the demand for mortgage-backed securities sold through the secondary market. When home prices fell in 2006, it triggered defaults. The risk spread into mutual funds, pension funds, and corporations who owned these derivatives. The ensuing 2007 banking crisis and the 2008 financial crisis produced the worst recession since the Great Depression.

How did the Subprime Mortgage Crisis arise?

It doesn't happen overnight. In the early-to-mid 2000s, interest rates on house payments were actually quite low.

This sudden increase in subprime mortgages was due in part to the Federal Reserve's decision to significantly lower the Federal funds rate to spur growth. People who couldn't afford homes or get approved for loans were suddenly qualifying for subprime loans and choosing to buy, and American home ownership rose exponentially.

Real estate purchases rose not only for subprime borrowers, but for well-off Americans as well. As prices rose and people expected a continuation of that, investors preferred replacement in their portfolio started investing in real estate.

Housing prices were rising rapidly, and the number of subprime mortgages given out was rising even more. By 2005, some began to fear that this was a housing bubble. From 2004-2006, the Federal Reserve raised the interest rate over a dozen times in an attempt to slow this down and avoid serious inflation. By the end of 2004, the interest rate was 2.25%; by mid-2006 it was 5.25%.

This was unable to stop the inevitable. The bubble burst. 2005 and 2006 see the housing market crash back down to earth. Subprime mortgage lenders begin laying thousands of employees off.

What parties were to blame for crisis?

The subprime mortgage crisis, which guided us into the Great Recession, has many parties that can share blame for it. The lenders and investment banks though decidedly took the advantage of people with bad credit in a need of a place to live, Homebuyers and distinctly American pursuit of

owning a home played a small role in this as well.



Effects of Subprime Crisis:

Home prices fell tremendously as the housing bubble completely burst. This crushed many recent homeowners, who were seeing interest rates on their mortgage rise rapidly as the value of the home deteriorated.

Unable to pay their mortgage on a monthly payment and unable to sell the home without taking a massive loss, many had no choice. The banks foreclosed on their houses.

By the time, banks were also taking massive losses on real estate. Investors got hit hard as well, as the value of the mortgage-backed securities they were investing in tumbled. This was made more difficult due to people still buying homes even as the bubble began to burst in 2006 into early 2007. By 2008, the economy was in complete freefall.

Subprime Mortgage Crisis and Lehman Brothers:

Lehman Brothers was one of the largest investment banks and prominent financial-service firm in the world for years. It was also one of the first investment banks to get very involved with investing in mortgages.

The plummeting price of real estate and the widespread defaulting on mortgages crushed Lehman Brothers. They were forced to close their subprime lenders, and despite their many attempts, they continued to take on losses until, on Sept. 15, 2008, Lehman Brothers applied for bankruptcy. Its rapid descent into bankruptcy was a major cause of the 2008 Stock Market Crash.

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RESEARCH PAPER

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DATA LOCALISATION

By: Apeksha, Rahul, Sanskar and Sparsh



I. INTRODUCTION

Data is the new oil. One of the most emerging sectors, data is of utmost importance to all the businesses, government and individuals. However, this free flow of data may go against the interest of individuals and may also affect national security. There is a massive amount of data of all the internet connected users, which is at stake and needs protection. According to a report by Cushman and Wakefield, the amount of data generated in India is growing at unmatched heights and if India is able to store all of these, it may emerge as the second largest investor in data centre market by 2050.

This calls for the need of Data Localisation, which requires that the data of all the residents of a country should be collected, processed and stored within the country itself. It restricts the flow of data internationally, but such a flow is permitted only after meeting certain data protection laws such as information on the usage of such data. In the current scenario, much of the international data flow is governed by individual bilateral “mutual legal assistance treaties” (MLAT’s).

Recently, the government of India has mandated its stance to store all the financial data of the residents within the country. This again has led to a digital war between the industry and the government. The government highlights the need for data protection due to the following reasons; it will help Indian law enforcement access user data, provides security against foreign attacks and surveillance and also helps in better monitoring of data.

The data protection laws are supported by many domestic companies such as PayTM and PhonePe which store their data in-house. Many domestic companies which have rival foreign companies have large tax differences between those which are operating in India and those which are permanently established in India. Data Localisation will encourage greater physical establishments of such companies which will open up more local offices and create more jobs in the country. Some of the arguments which are against data localisation state that this will give rise to unhealthy internet practices as proper security is not achieved through localisation. Such laws are also against the sentiments of globalisation and competitive internet marketplace. Also, such laws are unhealthy for young start-ups which need access to international data to grow up.

II. DATA PROTECTION

In this contemporary world, information has become so vital in every field that the 21st century is being classified as the “information age”. Almost every task that an individual performs entails some kind of data transaction. The influence of this digital realm can be seen in India as well, where it has imbued to such an extent that government had to implement “Digital India” campaign. India, currently witnessing a 7-8% rate of growth with over 450 million users of cyberspace, is on a path forward to becoming a digital nation. Before India assumes the status of being rich from the standpoint of economy, it will turn into a “data affluent” country. Due to increased data usage, many apparent concerns arise concomitant to confidentiality, data utilisation and revelation of any individual’s sensitive data. Hence, before India converts into a persistent electronic platform, it needs to resolve several issues. More than 100 economies around the globe have adopted extensive data protection laws since they have become indispensable not only in protecting its denizens but also to act as a medium to trade. As the volume of data fabricated and accumulated rises, the eminence of protection laws magnifies. In this section of research paper, let us take a look at what is this data protection all about and what legislations have been enacted by distinct countries.

Data protection is a practice through which intrusion into privacy of a person rooted by aggregation and dissemination of his/her personal data is protected. It aims to shield crucial information from being compromised, lost and corrupted. The internet has allowed formation of new markets which have data as an essential element of their business model. In fact, some of the most formidable companies present are data driven. For instance, Uber owns no vehicle despite being the world’s biggest taxi company; Alibaba keeps no inventory, although it is a major retailer; the very famous media handle, Facebook, generates no content. Nowadays, most of the services provided by the government are online and produce humongous amount of data. With these advantages of data comes the need to safeguard the privacy and autonomy of a person by preventing the regimented and arbitrary usage of data.

III. DATA PROTECTION LAWS IN INDIA

India’s transition into a digital economy has been followed by four core developments in this regard. The first and foremost being the issue of draft of DISHA, 2018 (Digital Information Security in Healthcare Act). It authorises the proposed National Electronic Health Authority to enforce localisation requisites in regard to digital health data.

The RBI (Reserve Bank of India) also phrased a directive to impose stringent data security laws on every participant in this payment ecosystem in April, 2018. It obligates all the payment system providers along with their intermediaries and suppliers to reserve the entire data in India itself. It also requires all the third party vendors related to these transactions to handle data on account of payment operators. However, data appertaining to the foreign leg of such transactions is exempted from complying to this directive and can be saved outside the boundaries.

The “Srikrishna Committee”, chaired by Justice B.N Srikrishna, the former judge of Supreme Court, also articulated certain recommendations in connection to data protection framework for the country. It drafted a “Personal Data Protection Bill” in July, 2018 with some key suggestions on the localisation of data. It proposed a ‘three-pronged model’ and directed that a live, serving personal data copy must be stored within the country’s boundary. Also, the government will now have the sway to excuse specific sectors, economies and international associations from constraint on free circulation of data beyond the domestic territory in case of ‘necessity’ and ‘strategic interests of the state’.

The fourth development in this regard was the report published by the inter- ministerial task force set up by the government. It requires some classes of data to be reserved in India exclusively. It comprises of community data assembled by IoT (Internet of Things) appliances in the public space and also the data produced by Indian users from sources such as social media handles, e-commerce transactions and search engines. In this respect, various measures including grant of ‘infrastructure status’ to data centres, optimizations in power supply, etc. need to be adopted.

Collaboratively, all of these developments highlight an evident push towards the path of enacting various data localisation norms in different sectors. Additionally, the “Privacy and Protection Bill”, 2017 also intends to protect the personal data. It empowers an individual to have sole and final authority to amend or withdraw his/her personal data from any private or public database. It mandates that an individual must provide his/her freely expressed consent for the usage of personal and sensitive data.

IV. DATA PROTECTION BILL IN INDIA

Data localization essentially means protecting and securing the data in physical form within certain physical boundaries. There is no specific law in INDIA for such an enforcement of data localization yet but recently in April 2018 RBI has instructed all the companies trading in India to store the data locally. A time period of 6 months has been granted to the companies to comply with rules of RBI. Truecaller recently has become the first International Company to have started storing the data locally. The above-mentioned instruction of RBI is getting mixed responses from all over the world and from within the nation.

Where on one hand the government of India is in full support of data localization in order to protect the security of the nation as national security is the priority of the current government. On the other hand nations like the U.S and the European Union has come forward to criticize this move of the Indian govt. This data storage issue has become a hot topic ever since RBI has said that data should be stored in India after processing. Additionally, if data processing is done abroad, it should be deleted from the systems abroad and brought back to India and stored here. US ambassadors have also spoken with the government officials to ease out the rules for smooth functioning of the businesses.

In August 2018, the Srikrishna Committee, appointed in 2017, submitted its report on data protection in India and suggested major framework provisions required for the same. The Srikrishna Committee Bill attempts to create an accountability framework for the use of emerging technologies including AI that is focused on placing the responsibility on companies to prevent harm. Though not as robust as found in the GDPR, the protections have been enabled through requirements such as fair and reasonable processing, ensuring data quality, and implementing principles of privacy of design. At the same time, the Srikrishna Bill does not include provisions that can begin to address the consumer facing ‘black box’ of AI by ensuring that individuals have information about the potential impact of decisions taken by automated means. One of the responsibilities of the DPA under the Srikrishna Bill will be to monitor technological developments and commercial practices that may affect protection of personal data and promote measures and undertake research for innovation in the field of protection of personal data. DPA’s major work will also include creating awareness regarding safety of data and also to give companies a Data Trust Score.

However, every coin has two sides and same is true for the bill proposed by the committee. There are few loopholes in the bill which is a matter of concern. The first point is data ownership, who owns the data that is held by private and public entities, now that is a question everyone was hoping for the draft bill to answer firmly in the favour of users but sadly hasn’t happened. Secondly, the bill stands for both, private as well as public companies however, the government can use our data even without our consent if the matter relates to function of state. Also, there is a provision that if there is a breach of personal data the person who is processing, data fiduciary, has to tell the DPA but there is no obligation for anyone to tell the user whose data has been stolen since there is no concept of notification for data breach. The committee also wants to amend the RTI act as the former thinks that personal data can be revealed under the RTI even if it’s a public figure. Another important characteristic of proposed bill is data localisation, however, this raises large questions for state sanctioned surveillance. Data localisation is problematic for two reasons, first as we mentioned surveillance, mandating that a copy of every Indian citizen personal data be stored in servers within India raises serious question about surveillance of that data and secondly, data localisation endangers the open nature of internet where data should be allowed to flow freely with disregard to geographical borders.

The bill has many points of concern and there are many reasons for it to behave like this. Firstly lack

of civil society participation, now the committee itself has been filled with members of the government or people who have worked closely with the government. Second, a weak public consultation process, committee didn't make public the submissions made by the citizen regarding the white paper nor did it make public its own reactions to the submissions made. Lastly, lack of transparency, the committee has worked opaquely without transparency including rejecting RTI requesting for information. Why the secrecy?

The proposed bill have a more positive impact on economy as the provisions of bill ask for data localisation which will eventually lead to growth of data centre industries as all the foreign companies will have to store data within the geographical borders of country. This moves will also increase employment opportunities for countrymen. Apart from it, there will be vast opportunity for Indian technology companies to evolve outlook from services to product, thus boosting the IT and telecom sector as well.

However, some of the major companies affected by this move are Amazon, Visa, Master Card, American Express, Facebook, and Microsoft as due to this law infrastructure needs will increase the operating costs of the companies thus eventually posing a threat to the economy. According to a research conducted Indian economy could suffer a loss of about \$8.4 billion annually.

This law is not only a threat to the global players but will also have a huge impact on the startups in India. India is not fully equipped with the required infrastructure to store and manage the data. To abide by the rules set by RBI, Indian startups will undergo the added burden of increased operating costs and drawbacks due to lack of infrastructure.

V. EXISTING LEGAL COMPLIANCES:

Primarily, the "Information and Technology Act, 2000 " and the "Information Technology Rules", 2011 (IT Rules) govern the data localisation norms in India.

Section 43A of the act makes it mandatory for maintenance of judicious security practices in order to protect personal data, failing which would lead to payment of heavy compensation. The IT rules elucidates the composition of sensitive personal data, which takes into account financial information, passwords, health conditions, medical records, biometric data, sexual orientation and even the political or religious affiliations. It allows the transmission of this data to another entity only when the person concerned gives his or her consent or it is essential for achievement of a lawful contract. It penalizes the people who secure access to computer networks without permission, extracts any confidential data, alter any information present in a computer system, steal or conceal data, etc.

A numerous other acts, legislations and rules have been passed concerning data localisation. For example, the "Public Records Act, 1993" forbids movement of public records out of domestic territory except official work or without the approval from the Central Government; the "MeghRaj" initiative of the Indian government, aimed to employ cloud services for the government work, also carries a requisite for the localisation of data; "The National Data Sharing and Access Policy" (NDSAP) also functions in this regard. The Reserve Bank of India and National Payments Corporation of India requires banks and other entities to use 128-bit encryption in order to protect online communication and sensitive personal data.

VI. DATA PROTECTION LAWS IN ABROAD

The data protection laws prevailing in global superpower countries like USA and China shows the casual approach of government toward this issue. In the United States, data privacy isn't as highly legislated on a federal level as most of the other countries on this list. Like with many issues, the federal government leaves a lot of the details up to each state. Laws also differ depending on the industry, which results in a confusing mess of rules and regulations for US website owners to navigate. The FTC (Federal Trade Commission) regulates business privacy laws. Some federal laws that touch on data privacy include the Health Insurance Portability and Accountability Act of 1996 (HIPPA), which deals with health-related information, and the Children's Online Privacy Protection Rule (COPPA), which applies to websites that collect data from children under the age of 13. Some states have more stringent laws than others, such

as the California Online Privacy Protection Act (CalOPPA), which is the first law in the United States that specifically requires websites to post a privacy policy.

There is not a single comprehensive data protection law in the People's Republic of China (PRC). Instead, rules relating to personal data protection and data security are part of a complex framework and are found across various laws and regulations. On June 1, 2017, the PRC Cyber security Law came into effect and became the first national-level law to address cyber security and data privacy protection. However, there remains quite a bit of uncertainty as to how the PRC Cyber security Law will be applied, and what practical steps need to be taken to achieve compliance and the regulatory environment continues to evolve rapidly.

However, if we see Europe, it is now covered by the world's strongest data protection rules. The mutually agreed General Data Protection Regulation (GDPR) came into force on May 25, 2018, and was designed to modernise laws that protect the personal information of individuals. Before GDPR started to be enforced, the previous data protection rules across Europe were first created during the 1990s and had struggled to keep pace with rapid technological changes. GDPR alters how businesses and public sector organisations can handle the information of their customers. It also boosts the rights of individuals and gives them more control over their information. Apart from European countries, Philippines is also considered to have "one of the toughest data privacy legislations in the region." Under the Republic Act No. 10713, individuals have the right to know who is using their information and for what purpose and also how their information is being processed. Argentina, Sweden, Switzerland and Portugal have also strict rules and regulations regarding the protection of data of their citizens.

Data localisation is the utmost important and relevant measure to exert national control over the digital internetwork. Effectually, a strong legitimate framework for securing data would keep sensitive personal data on citizens intact and serve as the foundation upon which data related entrepreneurship and innovation can blossom in an economy.

We often think the countries within their territories secure each and every single set of information but that's not true. Every country protects different kinds of data from being accessed by other countries according to their own set of rules and regulations. US being one of the most liberalized country desires the prohibition on the data localization and wants the free flow of information, free flow of data and disciplines across countries. It wants to ban the taxation, duties on digital transmissions and companies to give up their source code. India's data localization policy of storing all the payment systems data within the borders of India hurt's the American companies as it leads to increase in cost for them. Russian law requires the personal data of Russian citizens to be stored within their borders. Countries like Nigeria and Germany keep the record of data of telecommunication companies within their territory. Data transmission is also restricted in sectors like health and domestic governance in Austria, British Columbia, Nova Scotia of Canada and India. Chinese government data localization laws are more comprehensive. They have emphasized more on strengthening their information and cyberspace security.

The law has also asked the telecommunication service providers, SNS and instant messaging service providers to request their users to register their names, it has also told them to collect their data and then send it to the government. The cyberspace security law requires the critical data to be stored within the borders. This data to be stored includes health, information services, energy, transportation, water resources, finance, public services, and e-governance. In 2011, China's central bank also made the guideline that all the financial information to be stored, analysed and processed within the territory of the country.

UK government after Brexit is concerned about the data that it was using for its own purpose. It wants the EU to share and protect the data post Brexit. UK has made lot of effort for the data protection and cyber security after being criticized for the data flows post Brexit. It has been warned of the unnecessary barriers, which would be created due to data localisation and also for the cost, which would be increased due to disruption in cross border data flows. UK has been allowed to leave EU while it remains the

part of member's club, which is a common theme in the document which refers to the European Data Protection Board in the context of data flows. UK in its new Data Protection act has made the reference to GDPR which is a position of trust between UK and EU. GDPR has two aspects that are protection of data which means protection of subject's (subscriber) data from access by unapproved third parties and protection of the subject's(email, postal address,etc) data being used without the prior consent of the person. Data localisation depends upon the government and whether country is a closed economy or an open economy. Sometimes, global relations also play a major role while deciding which data to be shared with other countries and which data to be kept secured from them. Thus, there is a huge diversity in data being protected by each country.

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LEVERAGE RATIO?

A LEVERAGE RATIO IS ANY ONE OF SEVERAL FINANCIAL MEASUREMENTS THAT LOOK AT HOW MUCH CAPITAL COMES IN THE FORM OF DEBT (LOANS) OR ASSESSES THE ABILITY OF A COMPANY TO MEET ITS FINANCIAL OBLIGATIONS. THE LEVERAGE RATIO CATEGORY IS IMPORTANT BECAUSE COMPANIES RELY ON A MIXTURE OF EQUITY AND DEBT TO FINANCE THEIR OPERATIONS.

STARTUP CORNER

THE MAN COMPANY



*“Being a gentleman is a journey, something that a man continually strives to be, rather than a destination.”
- Mr Bhisham Bhateja*

THE MAN COMPANY AIMS TO PROVIDE PREMIUM GROOMING ESSENTIALS TO MEN WHO ARE IN CONTINUOUS EVOLUTION OF BECOMING A BETTER VERSION OF THEMSELVES. THE USP OF THE BRAND LIES IN THE QUALITY AND SELECTION OF HANDPICKED NATURAL INGREDIENTS. THE COMPANY BELIEVES IN GIVING THEIR CUSTOMERS CLASS LEADING PRODUCTS THAT ARE BENEFICIAL TO THEIR AESTHETIC IMPROVEMENT. THE COMPANY STRIVES TO GIVE MEN THE OPPORTUNITY TO LOOK AND FEEL THEIR VERY BEST WHILE THEY TAKE THE WORLD IN THEIR STRIDE.

Read on as Prisha takes an interview of MR. Bhisham Bhateja who shares his ideas and expertise on working with the company.

parameters like what kind of sales volume you're generating in your category mainly the other good parameter of success is imagery of you brand (brand image) .

Q1. What problems did you face while working on the startup ?

A1. With our particular design , it requires us to go to China to get our particulars , obviously money as a startup is essential to boost our company, you have to get money and judiciously spend the money. These are the few challenges that we initially faced.

Q2. How do you measure success and why is now the right time for your company to exist?

A2. There are multiple ways to measure success,

Q3. What are the key company milestones for the next 6-12 months that need to be achieved?

A3. Growth is the key milestone for us , brand endorsement skills , we would like to maintain the same pace this year also .

Q4. How do you drive innovation and new product cycles?

A4. We research a lot , we travel to executions, we

talk to our existing customers to know them from our side , talking to them makes us realise what's happening , what are the genuine needs of the customers , where we lack and we try to fill that gap.

Q5. What is that one piece of advice you would share with other entrepreneurship enthusiasts?

A5. One thing is you should believe in your gut, you should analyse things and you shouldn't over analyse things . We started with men grooming products , men never used these kind of products earlier and when we started the journey in 2014 , we followed our gut and I think it was the right decision . I would say the entrepreneurship enthusiasts that you should analyse things , pros and cons and not over analyse and you should believe in your gut .

Q6. The past experiences that you received at your previous jobs instrumental in building a premium brand like the man company ?

A6. Yes , obviously whatever you do in your life adds some experience . I started working with the ecommerce companies , that really helped me in setting and understanding of the operations

Q7. Recently the man company collaborated with Mr Ayushman Khurana and the video turned out to be a great success. How did this marketing strategy impacted your business ?

A7. With the association of Ayushman Khurana the brand got a very good impulsive response , our campaign also went really well. Customers , channel partners they started believing in us more seriously . We received positive responses from our channel partners, our dealers , the brand imagery turned out to be very different .

OVER- THE-COUNTER MARKET?

AN OVER-THE-COUNTER (OTC) MARKET IS A DECENTRALIZED MARKET IN WHICH MARKET PARTICIPANTS TRADE STOCKS, COMMODITIES, CURRENCIES OR OTHER INSTRUMENTS DIRECTLY BETWEEN TWO PARTIES AND WITHOUT A CENTRAL EXCHANGE OR BROKER. OVER-THE-COUNTER MARKETS DO NOT HAVE PHYSICAL LOCATIONS; INSTEAD, TRADING IS CONDUCTED ELECTRONICALLY.

METROL APP

Read on as Stuti takes an interview of Mr. Ankur Kumar Saini who shares his ideas and expertise on working with the company.

Q1. Tell us something about your app Metrol.

A1. We are a Gurgaon based startup. The app is basically designed in such a way so as to help the students. They can buy and sell their second hand books, notes and other studymaterial from people who are willing to negotiate. The hassle to commute is also reduced by common exchange points. So it's platform where you can list your used studymaterial and earn money out of it. We also have an option where one can take help from others instudies or completion of assignments in return of money. This way we are able to help both of them.



Mr. Ankur kumar Saini,
CEO METROL APP

Q2. How did you get the idea to design such an app? What was the mission at the outset?

A2. This idea was a result of the difficulties I faced being a student. I studied engineering in Meerut, Uttar Pradesh. There we had to go to far places to buy books, notes and other study material. Sometimes we even had to go to Delhi. The travelling cost came to be much higher than the book prices. I finally came across this idea when I met my co-founder and we decided to do something for the students which will help them to get their hands on the books easily and affordably. Our only mission was to provide quality books and notes to students without letting them pay anything in excess. Our belief is that education should be transparent.

Q3. Why Metrol? Why not any other name?

A3. The only reason behind this name is that we started from a metro city so we decided to name the app as 'Metrol'.

Q4. When did it click to start your own thing?

A4. When I met my Co-founder who was then preparing for some Government exam and was facing the same issue, then we decided to come up

with something that could somehow be a solution to this problem.

Q5. What problems did you face while leaving your job? Were your parents supportive about it?

A5. My parents supported me in this whole process when I quit my job and decided to do something of my own. I fortunately never faced this difficulty.

Q6. Was there ever a low point in your career? How did you overcome it?

A6. Yes, when we launched the app, it was not appreciated by very one as some of them came up with the argument that they don't study from books anymore, etc. But then we made some modifications in our product and tried to match their expectations. Surely the criticism never let us down but it motivated us to work harder.

Q7. How do you market your product?

A7. Currently we are running few campus ambassador programmes for colleges across Delhi

NCR. We also have sponsored fests of colleges, one of them being DTU. Apart from this, we are providing work from home paid internships during this Covid19 season.

Q8. How did you raise funds for the project?

A8. We initially pitched a Delhi-based investor and he funded our project. Next we had one from Mumbai. Also we are aided by our incubation centre in Gurgaon. I personally feel that funding is never an issue in a startup. You only need an idea along with a team as no one invests in a single person. So funds were never an issue with us.

Q9. Were you a part of any society in/during your college?

A9. I had never engaged myself in such things. I was more focussed on academics during my college days.

Q10. Who was your greatest inspiration?

A10. My parents have been my greatest inspiration. They were there with me everytime, be it quitting my job or starting my own thing, they always supported and motivated me.

Q11. Any advice that you would like to give to students?

A11. I only want to say it doesn't matter if you are doing a job or having your own venture, whatever it is just don't be in your comfort zone. Come out of it and dream big then only you will be able to land somewhere. Don't dream to be a manager, dream to be a CEO. So don't have a casual attitude towards life and motivate yourself to progress. Never let failure hold you back. Learn from it and move ahead. This is my only mantra for success.



**NOTIONAL
VALUE?**

NOTIONAL VALUE IS A TERM OFTEN USED TO VALUE THE UNDERLYING ASSET IN A DERIVATIVES TRADE. IT CAN BE THE TOTAL VALUE OF A POSITION, HOW MUCH VALUE A POSITION CONTROLS, OR AN AGREED-UPON AMOUNT IN A CONTRACT. THIS TERM IS USED WHEN DESCRIBING DERIVATIVE CONTRACTS IN THE OPTIONS, FUTURES, AND CURRENCY MARKETS.



URBAN PIPER

Read on as Uddhav takes an interview of Mr. Devarshi Jain who shares his ideas and expertise on working with the company.

We had a talk with Mr. Devarshi Jain (Head Business developer at Urbanpiper) And he told us about his startup UPBANPIPER and what effects his team grab opportunities and setup their business in the competitive Online platform.

Q1. Tell me something about your startup Urbanpiper?

A1. Urbanpiper has been existing from last 6 years and we basically help restaurants in multiple technology products which starts from loyalty programs, mobile applications etc. for the restaurants. So that that they can get orders directly from the customers. We also have product called HUB which is considering orders from Zomato, Swiggy etc so at the end of the day restaurants wants single channel to control the many in there aggregates. So that I will be able to control the entire thing on the single dashboard i.e. URBANPIPER.

Q2. How did this idea struck your mind to start a this online business

A2. We started in 2014 with our first client 'chai point' which is the 100 outlet chain reach out in Bangalore. They wants to start something in online delivery and they were also looking for something which can retain their customers to build the royal customers. That's how the idea come in existence in 2014 where we started this as a product for 'Chaipoint' then made this as a product for other merchants also.

Q3. Startups have to face various challenges! How do u keep yourself motivated to go on?

A3. Our merchants which we have been working for the last few years like KFC, Pizza hut, cafe coffee etc. the growing demand of these merchants and the industry because industries also changed



"Starting your own business is like riding a roller coaster. There are highs and lows and every turn you take is another twist. The lows are really low, but the highs can be really high. You have to be strong, keep your stomach tight, and ride along with the roller coaster that you started."—Lindsay Manseau

in last few years keep us motivated. As at that time we were started there was no concept of online ordering but as the industry keep on changing swiggy, zomato etc come in existence so our motivation is derived from the requirements of these restaurants that way we keep launching new new products and new features in the product so that the restaurants increase their revenue

Q4. How do you manage your entire online business?

A4. Our business is to provides technology to restaurants . We do marketing and we have a sales team where we reach out to these restaurants to sign up with us and show our product so thats how basically go to the market.

Q5. How do you market yourself so that more and more restaurants connect with you?

A5. Marketing can be in two ways one is marketing secong is sales so, marketing is content what u

put on your web side, blogs, social medias then you do a lots of events for example we take part in event 'our food fair' which happens in the month of march every year in Pragati Maidan in Delhi. This is the biggest event happen in India for food and hospitality so we market ourselves through that and we have a sales team which basically reaches to a lot of merchants and talk to them about our products and we also have working relations and lots of potential partners. So there are multiples channels to make sure to run business smoothly.

Q6. As now a days the burning topic is CORONA VIRUS everywhere so how this is affecting your business and its functioning?

A6. Coronavirus definitely impacted the business because the lot restaurants are not operating and they are looking to get back in coming months but then we have multiple products for example if swiggy and zomato are not operating in Chennai but people are looking for their own websites and mobile applications so that they can still takes orders to serve the customers because at the end of day you would love to order from restaurants you love as you would know the hygiene factor and about the food. So some of our multiple products are still in demand but as the corona virus situation get settle in few months we see people will moving to the online space this is what is happening in China where people come out from corona virus and now the demand for online is increased so the footfall is getting down in stores but the people want to order online in this way we are also seeing to happen in India in few months.

Q7. What are your future goals to expand your reach in the online market?

A7. The problem that we are trying to solve is not only in India but its a global need of the product where there are restaurants all across the global and every country has a set of food aggregation and oinr ordering is something is picking up in every region. So in that URBANPIPER plays a very important role as we are biggest in India in thsi domain as far as number of restaurants are consent so we plan to go global and we also launching new products which are for restaurants only. Also not all the problems of the restaurants are solved so we try to interact with them and see which product can be potential product for us which a lot of people eat and that's how the company evolves.

Q8. Why did you choose to launch a startup which is a tough road to walk on and not a comfortable job at any big MNC?

A8. There can be multiple answers to this and everyone who had been the part of startup or entrepreneurship will have the different answers to this. MNCs has a lots of thing which are already set and you don't need to define a lot of thing this is the first factor. Then there a factor like the cultural part. A lot of people are driven by their own mindset of starting something new which comes out from the small problems which they see has not been solved. So when we launched in 2014, there was hardly any company who were doing this what we are doing today so a lot of opportunities are to be grab and it all starts from the problem and then your ability to take risk and sustain yourself comes in existence. There are few things which drive us as a individuals to make something new.

METVY

Read on as Radhika and Krishnashree takes an interview of Shawrya Mehrotra who shares his ideas and expertise on working with the company.

Q1. Tell us something about Metvy?

A1. So at Metvy we are actually trying to build an AI driven networking platform, that helps people connect with the kind of people that they are looking for and basically listen the power of artificial intelligence to predict their networking needs and then help them current face to face with the kind of people that they would actually want to interact with or the kind of people who are available near by and can actually help them as per their networking needs.

Q2. How did you get the idea to design an app like this?

A2. While I was doing my internship, there were many talented professionals and individuals around me but there was no way to connect with them. We couldn't just go up to them and ask questions, right? I realised we had social networking sites to connect with people who are thousands of kilometres away but none to connect with people nearby. That's how the idea for Metvy was conceived.

Q3. What made you so sure about metvy? As in why Metvy only?

A3. We had shortlisted different names, we were not really sure about how to go about the naming process so we decided to actually look for domain names where we could actually get dot com domain name because that gives you a very good SCO right, so that was the intention when we started searching for different kinds of names and Metvy was something that just came in my head and top more than about 250 names and that's how metvy was finalised, all of my friends and peers liked this name the most and it also tries to communicate that people are meeting

which also happens to emphasize our biggest value composition which is that we are actually wanting people to meet face to face than just having an online interaction.

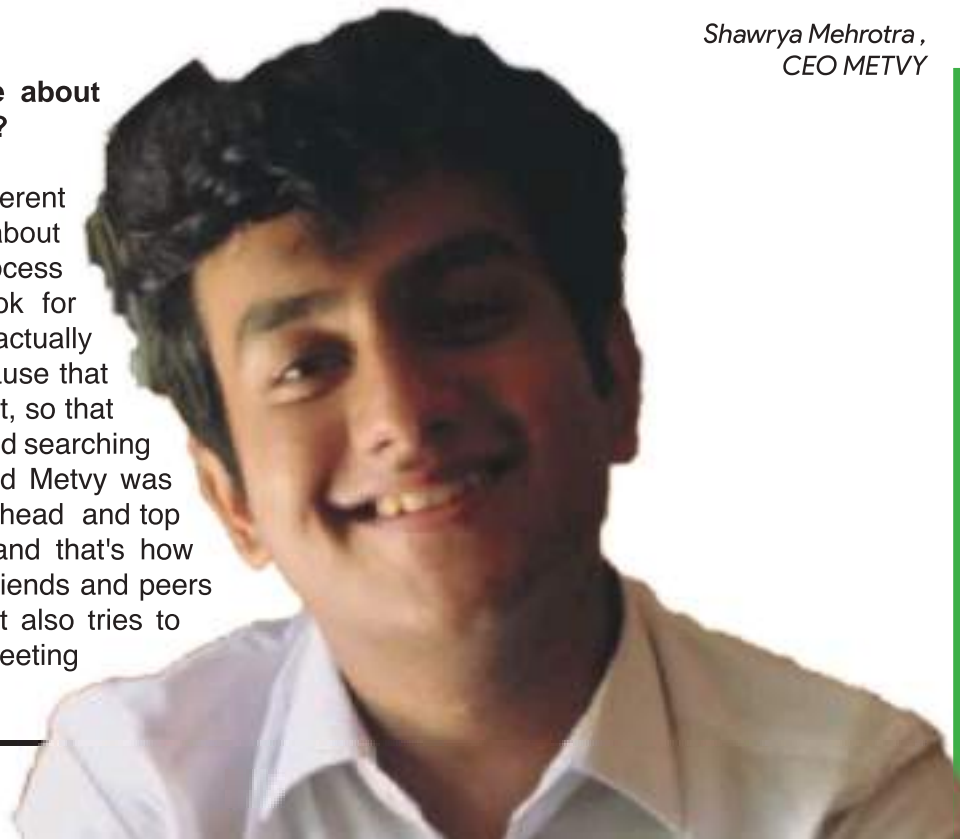
Q4. How did you pool up the resources and raise funds for your startup?

A4. It was a hard process as I am a commerce graduate and this was a tech product. I got into touch with people who had previously worked on technology. I also took a little bit of help from my friends who were well-versed with developing apps and they helped me come up with the Minimum Viable product i-e the MVP. After we launched the initial product, it helped me raise funds with which we built the company.

Q5. What were the difficulties that you faced during this process?

A5. I think it's very difficult to find the right kind of co-founder or the right kind of people to work with because everything has a process but this particular thing doesn't have quite a very well established process around it. So you need to really struggle and learn from your experiences about the kind

Shawrya Mehrotra ,
CEO METVY



of people that you think you can work with right. Initially I tried to get my friends on board but then I realised that personal experiences and personal relationships should not be mixed and that was a very big lesson for me. And I did struggle a lot while making sure that I'm able to maintain a balance between them both at the same time making sure that I'm able to build a good work culture with the kind of people that I'm actually getting on board.

Q6. We heard that you were offered a job from an International Consultancy and you left that for Metvy. Were your parents supportive about it?

A6. Yes, I was offered a job which I didn't take up because I wanted to go with my plans for Metvy. My parents were a little skeptical about it in the starting but when they saw how passionate I was about this they gave me their full support.

Q7. Was there ever a low point in your career that you might have felt that you have taken a wrong decision maybe? How did you overcome it?

A7. Not really. I never thought that it was a wrong decision because the kind of experience that you get from running a startup even if it doesn't work out you do get to learn a lot of things which are extremely valuable in today's corporate world because everybody wants you to know how to manage people and everybody wants you to know how to handle basic projects how to actually build teams which is exactly what you actually end up learning while you're running or building your own business and I never felt that it is a wrong decision or it can potentially be a wrong decision because even in the worst case scenario I know that I'll be able to get a job whenever I wish because of the skill set that I happened to have bit over the period of time so even during the low points when Metvy wasn't doing well and we were actually facing a lot of difficulties I was still comfortable with the fact that even in the worst case scenario things won't be this bad at all so never regretted this decision.

Q8. Do you think jobs are a better way to start your career or having your own startup?

A8. I mean this is a very subjective question to be very honest. Because different people have different kinds of skill sets and preferences. It's like you are thrown in a pond and you have to learn how to swim yourself and that is exactly what differentiates entrepreneurship from everything else. Because in job you are gradually introduced to that process. You are first taught how to swim where you are given a small pond initially and over a period of time they increase the size of your pond. In entrepreneurship it doesn't really work that way it also actually gives you freedom to grow faster than any other profession so I feel that everybody should consider entrepreneurship as an equally viable opportunity and not put it off because they might not have that kind of skill set because tbh people would never have the right kind of skill set to actually start a company it's a very very vast and a wide process and it's always better to just think about it and see if you are fit for it.

Q9. You were part of many societies in college like enactus, FIC, etc. Do you think taking part in these societies was helpful in any way?

A9. Ofcourse! Societies give you a mixed kind of experience. You gain exposure as well as learn how to manage people. It gives you a good perspective about things. In terms of skill set, I am not really sure as they teach you the basics of everything and if you are already aware of it then it is not of much help. But it certainly gives you the right kind of attitude to start off.

Q10. Any advice you would like to give to the students and budding entrepreneurs?

A10. These days everybody is driven by trends rather than passion, especially students. So, I would like to advise them to follow their interests and explore as much as they can in these three years of college life. Having a wider perspective in life is also equally important.

Read on as Raj Kesarwani takes an interview of Mr Shivi Singh who shares his ideas and expertise on working with the company.

Raj Kesarwani: Hello sir, Good Afternoon.

Mr Shivi Singh: Good Afternoon.

Raj Kesarwani: Sir it is such a great honour talking to you right now.

Mr Shivi Singh: Thankyou, thankyou Raj.

Raj Kesarwani: I am delighted sir, you being such a young entrepreneur and founder of one of the leading companies in eyewear ClearDekho.com. To begin with, what is ClearDekho.com from your perspective?

Mr Shivi Singh: So ClearDekho.com, it is more of an initiative to help people, to provide budget eyewear and when we say budget eyewear, it is an affordable eyeglasses which are meant for blue collar workforce so there are people living in tier 3- tier 4 cities and towns of India who work at a mass market level. They don't wear glasses because of multiple reasons, of inaccessibility and unaffordability, so we are trying to provide more and more affordable glasses which are of approximately Rs. 500, completely customizable preferable eyeglasses that we tend to provide to the mass market. So, we are more of an initiative rather than a company so it's a vision to help the people at the bottom of the pyramid to get more and more eyeglasses so that they can protect their eyes. It is an impact driven business.

Raj Kesarwani: Great initiative sir, really nice. So, my next question is like why ClearDekho.com? why not any other name? Is there a story behind it?

Mr Shivi Singh: Because from day one we were very sure that we are an Indian company and we will be very focused over Indian audience and specifically when we talk about mass market and blue collar audience it has to be simple as well as understandable for everyone so we were clear that Hindi name has to be there so from there we started thinking something related to eyes and vision and when we say vision, "dekho" is a very



Mr. Shivi Singh, Co-Founder of ClearDekho.com

prominent word, easy to understand for all and then obviously clarity was main focus so from there came ClearDekho though we had many other names in our mind before this but that see with clarity thing came over to this only. But there were other factors that contributed to the same.

Raj Kesarwani: Alright, alright. Very crisp story you had. Very straight forward it had been.

Mr Shivi Singh: Yes, absolutely.

Raj Kesarwani: So, sir, when did it crack to you that you should start a company? I mean you had been in various good jobs before starting ClearDekho.

Mr Shivi Singh: I had never been in any eyewear company; I was initially in HDFC Bank and then I got into Warby Parker which is one the worlds largest eyewear brand. There I headed the south Asian market for 5 years. There I got to know the potential of the demand that this product category carries for the bottom level people in India when I worked in remote places and villages. When I saw the absence of eyeglasses to the end consumers, there the idea struck but I would say that it was not an overnight idea but an idea that evolved gradually

over a period of time.

Raj Kesarwani: Great sir. One thing that cracked to me was what is your company's edge of other leading companies in the same field like take for example Lenskart.com?

Mr Shivi Singh: There are multiple things that differentiates us from others. Firstly, take the targeted audience. We have targeted blue collar audience across India so we are not directly competing over tier one brands. Second is how our business model is shaped. We have a FOCO business model that is Franchise Owned Company Operated. We have here two ways for that, either open new stores that would be completely new franchises or convert the existing ones into our brand stores. Third we try to work with the local opticians, we try to onboard them on our platform and we try to convert them into ClearDekho branded stores. So, it is very different from what Lenskart is doing.

Raj Kesarwani: Very well sir. Now sir since you have focused to the very bottom level people like peons and rickshaw-walas, how do you market your product to such people who are at the very base level of our economy?

Mr Shivi Singh: Okay so as I told in my previous job, my KRA was majorly conducting and managing eye camps along with providing eyeglasses through the same. So, this activity has been the core of my advertising and marketing to the grass root level. So, from day 1 we have conducting such camps through our company's name in the remotest of areas and directly engage with the customers and make them confident that they can believe in the brand and they can start using eyeglasses to solve their problem of poor vision. Three places where we can do this without investing time and money and reaching mass audience is in Gurudwaras, Temples and Mosques. So, we do eye camps in here and there is a lot of seva involved so people have a very high brand recall if anything is linked to these places.

Second, we have tapped these local kirana shops and milkmen as they have very good access to the households. So, we piggyback them and tell that we would share revenue if they promote us. That is how we give leaflets and pamphlets through these local deliverers.

Raj Kesarwani: Excellent sir. There is an entrepreneurial attitude in our college. Many of our students wish to start their own company. But

again, there is a constant push to take up jobs as well. So how did your family and friends react when you left your job to start your own company? What problems did you face initially?

Mr Shivi Singh: I think every family in India is very conservative. They do not believe in taking risks and so my family and my friends were also against it. No one understood why I wanted to do that. I was doing a job in one of the largest eyewear company, an 11-billion-dollar company and when I told them about leaving it, they were completely shocked. But I think you have to be strong from that perspective, you have to ignore a few things. Because it is a part of short-term resilience. Once you start giving results, people will start understanding. So later my friends also supported me but you initially everyone opposes such decisions. So, it is like a part of the struggle that every entrepreneur goes through specially in India but it is very important because it makes you strong to bear the hard things that would come ahead.

Raj Kesarwani: Your perspective regarding the initial problems is really very commendable. So, if we are talking about problems here sir, did you ever had a low point where you felt that this is also not working and I should give it up?

Mr Shivi Singh: There were many low points and they were extremely tough to cope up with.

Raj Kesarwani: So how did you overcome them?

Mr Shivi Singh: I think that the major problems that came initially, are still there. One of them is hiring. I still cannot understand whom to hire and every time we have to tell a new story to the person. We have to hire at low salary and good resources which is important for all, I guess. So, we have to give them a dream to join the company. So, getting good manpower at lower cost is the biggest problem that everyone faces and will continue to face. Second, I think we didn't have any knowledge that we had to build processes first before doing business. We have been into sale and business development, so our mind goes in bringing up a business but business also demands management. So, lack of focus on processes initially got us into a lot of trouble. But we were very passionate and didn't want to close. We also had family pressure so we worked and raised approximately 12 lakh rupees and then reinvested in the company. So, there were many challenges before and there will be many in

future. So, we need to evolve over the challenges.

Raj Kesarwani: Great sir. We see that you had a lot of troubles in the past and you also tasted great amount of success as well. What in your opinion is better: a job or a business?

Mr Shivi Singh: Any day, a business. I think I would never be able to do a job again in my life because the exposure you get in doing business is multi-fold. You cannot compare it with a job. You need to have 360o view over things. So, it develops your personality a lot and boosts your confidence to a great extent.

Raj Kesarwani: Great view point sir. Now coming to the very present scenario of Coronavirus Outbreak, what are the difficulties you are currently facing apart from the one that the employees have to work from home?

Mr Shivi Singh: So apart from the lockdown which is same for all, I don't think we have faced any major problem in this coronavirus outbreak because again from a product category view we are not a very fancy product but a healthcare product and when we talk about prescribed eyewear, if they have to get it, it becomes a necessity. For higher prescription like over 3, you have to get it no matter what. You cannot live without it. It is more of an essential product and so we have not faced any major issue as for low sale though comparatively it has been low. But again, suppose this lockdown is lifted after one year or 12 months, then also, in the thirteenth month people will buy eyeglasses. Those who have problem in their eyes, the only solution to it is eyewear. So, people will come. That is not a much problem for us currently but for all it is a big problem. I hope everything will be fine very soon.

Raj Kesarwani: We hope that too sir. Recently International Monetary Fund declared this global recession worse than the 2009 one. In your opinion who would lead to revive this recession: the public sector or private sector as in which you are?

Mr Shivi Singh: So, the government packages and efforts, whatever they are doing will help but the economy is run and will always be run by small businesses. So, all the small entrepreneurs, shopkeepers and businessmen until and unless they start selling goods and manufacturing and meeting demands of the household, the economy will not be revived whatsoever the stimulus package be given. That will not help until the businesses prosper in a small-scale level. So, I think that is very important. Obviously, this is a major-major hit to the economy. There will be a huge funding crunch for young start-ups because Sensex and all the share market have taken off the investments of the people. So, the ones who have been very aggressively investing in the start-ups will now be pretty much cautioned, they would not have disposable money to invest so, I think fund raising will have a huge hit and the longer it gets, the longer will be the cycle to raise funds. I just want all the entrepreneurs to stay strong and they should work hard and look for bright future. Let's hope for the best.

Raj Kesarwani: Indeed, that is very commendable of you to say those words. I hope the budding entrepreneurs in our college will take inspiration from you and achieve their dreams. Thankyou very much sir for your precious time with us.

Mr Shivi Singh: Thankyou so much Raj for this opportunity. I would love to visit SRCC once and meet you people. It was great talking to you. Thankyou.

Raj Kesarwani: The honour was all our sir. The Commerce Society would love to welcome you again. Thankyou.

EDHAL



*"Everyone sees the risks.
The entrepreneur sees the reward."*

Mr. Sangeeth Jayan , CEO EDHAL

Read on as Meenakshy takes an interview of Mr. Sangeeth Jayan who shares his ideas and expertise on working with the company.

Mr. Sangeeth Jayan, the co-founder of 'Edhal', a path breakingly innovative agro startup spills the beans on their futuristic vision of urban gardening.

Q1. What is the pivotal idea of Edhal?

EDHAL is an agrotech startup brought together in September 2018 with a vision to simplify agricultural practices and promote urban gardening. It helps city dwellers to grow rooftop plants without soil, fertilisers and minimal water using automated smart pots with nutrient mineral solution which is connected to an application using IoT. The pot has inbuilt wifi system and has IoT enabled sensors which collects data and sends it to the Cloud and it along with the application determines parameters such as pH of water, intensity of sunlight, correct aeration to roots etc to determine quality growth of plant.

Q2. Inspiration behind Ethal ? The inspiration behind Edhal came through when

we were introduced into a soil less technique of agriculture which is called hydroponics which uses mineral nutrient solutions for growing plants instead of soil. We tried to automate the same and developed a basic system. This is also beneficial for growing dwarf plants.

Q3. What are some of the obstacles you overcame during the inception of Edhal?

Challenges we had to face during the inception of Edhal were:

- i. No proper domain experts for mentorship in agrotech
- ii. No proper investment support due to the hardcore R&D
- iii. Unavailability and delayed delivery of raw materials
- iv. Popularity of conventional agriculture with people.

Q4. Corona virus has wrecked havoc on the global economic scenario. How is it affecting your business?

The effect of novel corona virus have not effected much as we are not into direct sales yet, the projects are working really well by allocating work from home

and proper communication channels are provided.

Q5. What is your marketing strategy for sensitizing people towards Edhal?

We are focusing on social media content creation, a team of content creators and designers are waiting for the right time to bring forward aesthetic content to execute our content strategy.

Q6. What are your future expansion plans.

Our R&D is working extra smooth to launch our hardware products which is currently in its second prototype stage. Once the the three hardware products are launched we will be into B2C sales and direct sales will be initiated.

Q7. How has Indian Economic Development Centre helped in your endeavour.

IEDC have given us immense support till date with expert mentorship and proper networking. They gave us access to many competitions and hackathons which helped us develop and get through our ideation stage through bootstrapping.

Q8. Why did you choose to launch a startup instead of working in a relatively comfortable job in an MNC?

All four of the co founders where working in as freelancers from college itself. The diversity of the domain they where working and the industry knowledge they posses brought us together to work for the betterment of the agriculture sector of Indian economy which will have huge potential through the days to come.

Q9. How is your business funded ?

Bootstrapping has been the key since 2018 along with some competition money, in December 2019 we got an angel investor who is quite on board with the team.

The team is hopeful that Edhal will attract more urban people to gardening.



OUT OF THE MONEY (OTM)

“OUT OF THE MONEY” (OTM) IS AN EXPRESSION USED TO DESCRIBE AN OPTION CONTRACT THAT ONLY CONTAINS INTRINSIC VALUE. THESE OPTIONS WILL HAVE A DELTA OF LESS THAN 50.0.

AN OTM CALL OPTION WILL HAVE A STRIKE PRICE THAT IS HIGHER THAN THE MARKET PRICE OF THE UNDERLYING ASSET. ALTERNATIVELY, AN OTM PUT OPTION HAS A STRIKE PRICE THAT IS LOWER THAN THE MARKET PRICE OF THE UNDERLYING ASSET.



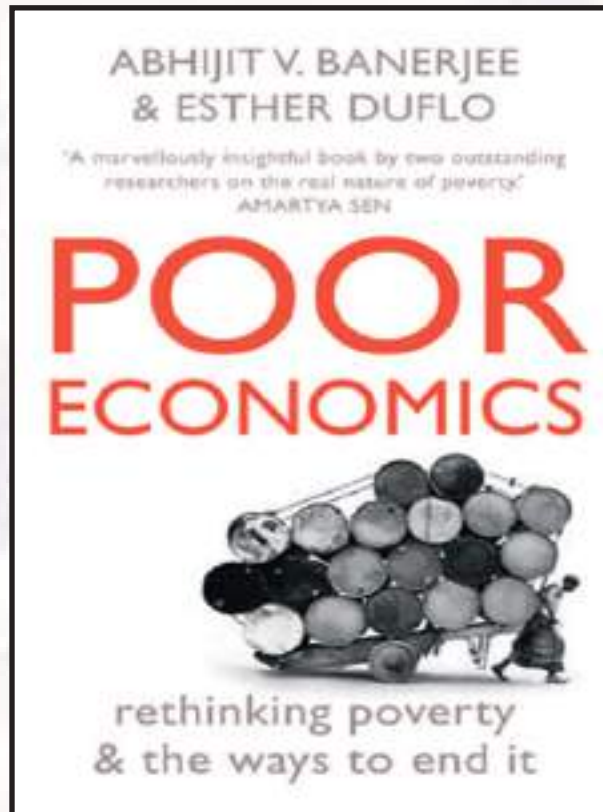
BOOK REVIEW

POOR ECONOMICS

Nobel Laureates Abhijit Banerjee and Esther Duflo offer a refreshing and original take on development and bring an entirely new perspective of viewing poverty in their award winning novel 'Poor Economics'. It pieces together a coherent story of how the poor actually live their lives, what keeps them poor and of measures that can alleviate them from such poverty. It stands out from other literature in the same field by staying away from the supposed 'big questions and policies' and investigates the multi faceted and complex lives of the poor. It brings out the contrast between how the world views the poor versus the actual choices

the poor make. The book is a culmination of eight years of rigorous field research across the globe ranging from villages in Kenya to the slums of India.

The authors make innovative use of randomised control trials (RCTs) to answer questions such as why do their children go to school but don't learn, why they don't use free immunisations but end up paying for drugs they do not need and why so many poor people start business but do not grow them. In this way, it does a great job of explaining the complexities of poverty, about the tough decisions that they must take, usually with little access to information and with even little margin for error. It also does a great job of focussing on the unintended consequences of anti poverty strategies and by doing so reveals smart ways of achieving positive results. One starting example is that whenever food aid was given to villagers in Indonesia, the actual nutrition intake fell, but by focussing the policy on specific groups of people such as pregnant women and children, the nutrition levels increased.



The results are derived from actually listening to what the poor have to say and often they may appear to be counter intuitive, they make utmost sense when the circumstances of the poor are taken in consideration. Its conclusions argue that while there are no magic bullets for removing poverty, we do know a lot of things that may end up improving their lives through particular policy action.

Moreover by using a scientific process of RCTs, it takes a great leap forward in ensuring the policy approach to alleviate poverty are based on scientific evidence rather than abstract economic models

that often guide our policy. The authors claim that the whole business of eradicating poverty has been built on a wrong foundation, that big changes are necessary to have an impact. Some people advocate huge sums of aid to be given to the poor while others argue social safety nets. The authors believe that while all policy initiatives have been focussed on big change, the actual path forward is not big thinking but by thinking small. Improving the lives of the poor requires small changes in different spheres, changes that don't require huge investments or ideological battles. Thus it is very good in highlighting how small changes can sometimes turn failing initiatives into effective ones, thinking at the margin can have big effects.

And while this approach is nothing short of revolutionary, it cannot be called completely flawless. The studies and discussions can potentially over-interpret the results and give too much attention to some variables particularly in its sections on microfinance, ignoring the heterogeneity that exists among firms. Another reason it is lagging is in the way the poor are treated just as informants

and emphasis is given more on the verdict of data. The poor end up resembling lab rats when most of the conclusions are not discussed with them.

Despite these limitations, Banerjee and Duflo do a masterful job in highlighting just how complicated and challenging the lives of the poor can be. It gives us opportunity to think of a world beyond poverty and is an excellent and realistic course on the micro side of developmental economics. Easily accessible, grounded examples and solid arguments make it not only a good introduction to poverty but also a must have for anyone who wants to find a fresh new way of looking at things in the

field of economics.

It may not offer a big grand solution to all the developmental problems that currently exist across the world but it is carefully crafted, with focussed attention on tackling many real life problems that confront the poor making *Poor Economics* a fascinating and gratifying read.



PUT OPTION?

A PUT OPTION IS A CONTRACT GIVING THE OWNER THE RIGHT, BUT NOT THE OBLIGATION, TO SELL, OR SELL SHORT, A SPECIFIED AMOUNT OF AN UNDERLYING SECURITY AT A PREDETERMINED PRICE WITHIN A SPECIFIED TIME FRAME. THE PREDETERMINED PRICE THE PUT OPTION BUYER CAN SELL AT IS CALLED THE STRIKE PRICE.

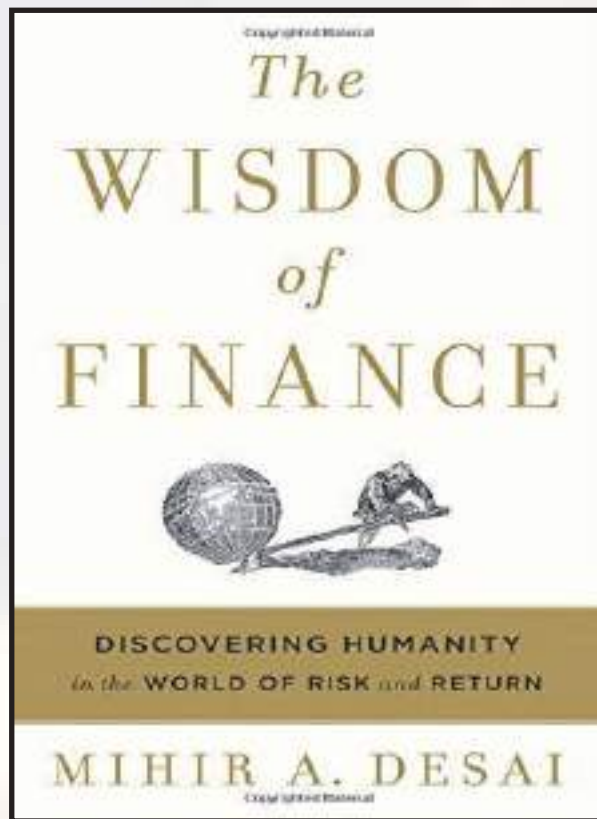
THE WISDOM OF FINANCE

The Wisdom Of Finance offers a thoughtful explanation of how perverted the industry may be as Mihir A. Desai, a professor at Harvard graduate school certainly promises plenty through this book. He appears to be against the demonization of finance, when the prevailing discourse out there is Wall street economy vs. the real economy. He points out that despite how people apply the fundamental principles of finance to their daily lives, the topic of finance draws consistently negative reactions around the world.

Desai writes about finance being deeply connected to our humanity and that we can all find our way back to a noble profession by enlivening the ideas of finance through stories that illuminate our lives and our work. Also explaining the asset value through the biblical parable of servants and their talents and insurance with respect to Jane Austen's descriptions of marriage strategies, he imparts plenty of knowledge.

Every chapter within the book follows a template. Desai also introduces a pair of characters from history or a piece of classic fiction. Before decoding the concepts, fundamentals, he summarizes the backdrop. The book imports characters from classic texts, who provide a financial lesson to the reader, like introducing Shylock, Antonio, and Bassanio from 'The Merchant Of Venice' to deliver the message that leverage doesn't only matter for financial entities, but it also holds water in relationships.

In one of the important passages, he tries to elucidate why finance has created a lot of harm



and he rejects the thought that finance itself is flawed or the financiers are inherently bad. He thinks that the key problem is that finance provides practitioners rapid feedback on their performance, unlike other professions. He also observes that finance can develop insatiable desires into people that venture into it.

Desai argues that the simplest cure for this is often for financiers to relearn the art of humility and modesty. But there's a weakness in Desai's argument, which is, it is only the modern markets particularly, that provide

this instant feedback. In earlier days greed emerged without such rapid accounting.

In the Chapter, 'Living The Dream', Mihir summons the philosophers of the 18th century to start the discussion on leverage. The analogy relies on the thought of a lever, which enables you to maneuver items that will somewhat be heavy to lift. In finance, leverage enables you to shop for stuff you would otherwise be unable to shop for. It is beautifully written as to how modern western professionals use to navigate their commitments to family, career, and friends.

In the last chapter "Why everyone hates finance?", Mihir does address the upcoming issue of financial greed, but in a very disarming way. He also declares, "It is a noble profession where people are behaving by worthy ideals but are being slandered nonetheless." Also throughout the book, he kept on romanticizing an inherently rotten domain, which is because he is a pure academician at heart, and most academicians don't seem to be good critics of their field.

Desai, together with his erudition, showed how failure in many parts of the planet is stigmatized. To paraphrase Desai, failure mustn't be understood or seen as an ethical defect. Inevitably, risk-taking will cause failure, and failure should be viewed as a foul outcome with an abundance of lessons. The book picks up some basic and interesting concepts in finance. The author attempts to elucidate finance in a rather innovative way. The stories narrated within the book would only be reasonable for the

readers if they're conversant in them, otherwise, it could mean moving from one dark corner to a different one, trying to find the light that is attempted to be shown. For non-financiers, it may be an excellent teaching tool because the basics are finely explained by Desai.



YIELD SPREAD?

A YIELD SPREAD IS THE DIFFERENCE BETWEEN YIELDS ON DIFFERING DEBT INSTRUMENTS OF VARYING MATURITIES, CREDIT RATINGS, ISSUER, OR RISK LEVEL, CALCULATED BY DEDUCTING THE YIELD OF ONE INSTRUMENT FROM THE OTHER. THIS DIFFERENCE IS MOST OFTEN EXPRESSED IN BASIS POINTS (BPS) OR PERCENTAGE POINTS.

FUN SECTION

RIDDLES

1. YOU MAY NOT OWN ME,
BUT STILL CAN CONTROL ME.
GET ME OUT OF YOUR POCKET OR OTHERS'
ALL THE RESOURCES ARE MY BROTHER.

3. BLUE IS MY FAVORITE COLOR,
CONNECTING PEOPLE IS NOT A TROUBLE.
I AM A PRODUCT OF HARVARD,
MY REACH IS GREATER THAN EIFFEL TOWER.
YOU CAN MAKE A NUMBER OF FRIENDS,
I CAN HELP TO START A NEW TREND.

5. MUMBAI INDIANS IS MY FAVORITE TEAM,
GRABBING MARKET LIKE XIAOMI IS MY
THEME.
GRAND WELCOME AND HAPPIEST NEW
YEAR IS MY FAME,
UNLIMITED DATA AND ULTIMATE SPEED IS
MY AIM.

6. MY FOUNDER CAN BUY ANY CAR HE
WANTS,
I CAN SELL A TO Z EVERYTHING YOU WANT.
MY LOGO PUTS ON YOUR FACE A SMILE,
DOESN'T MATTER YOU LIVE AWAY A
THOUSAND MILE.

7. BY BECOMING AN INDIAN UNICORN IN 2019,
THIS 'SPECTACULAR' STARTUP PROVED YET
AGAIN THAT THROUGH HARD WORK, ONE
CAN FULFILL ALL THEIR VISIONS. WHICH
COMPANY?

10. ONE OF MY BROTHER CONSIDERS BOTH
TO BE A GRACE,
OTHER ONE LIKE TO PLAY FOOTBALL IN ITS
PLACE.
LUXURY MY DOMAIN AND SPEED IS MY
VISION,
TATA TAKES MAJORITY OF MY DECISION.

2. DURING EXAMS TIME MANAGEMENT MAY
BE HECTIC,
BUT I CAN MAKE IT EFFICIENT AND EFFECTIVE.
I MAY BE RESPONSIBLE FOR MAKING YOU
LAZY,
BUT WITHOUT ME ACCOUNTANCY IS CRAZY.

4. I MAKE BUSINESS TRIPS CHEAPER
AND VACATIONS BETTER WITH MY WIDE
COLLECTION OF BUDGET HOTELS. WHO AM
I?



8. FOR MY #10YEARCHALLENGE I WENT
FROM 0 TO \$100B, YET MANY DON'T KNOW
THAT I AM ACTUALLY A STARTUP. CONFUSED?
CHECK YOUR PHONE.

9. EVERY RELATION HAS A SPECIFIC MOTIVE,
I DO EVERYTHING TO EARN SOME PROFIT.
ONE MAY DO, OTHERS MAY SUFFER,
AFTER YOUR BREAKUP, MY LIFE STARTS TO
SUFFER.



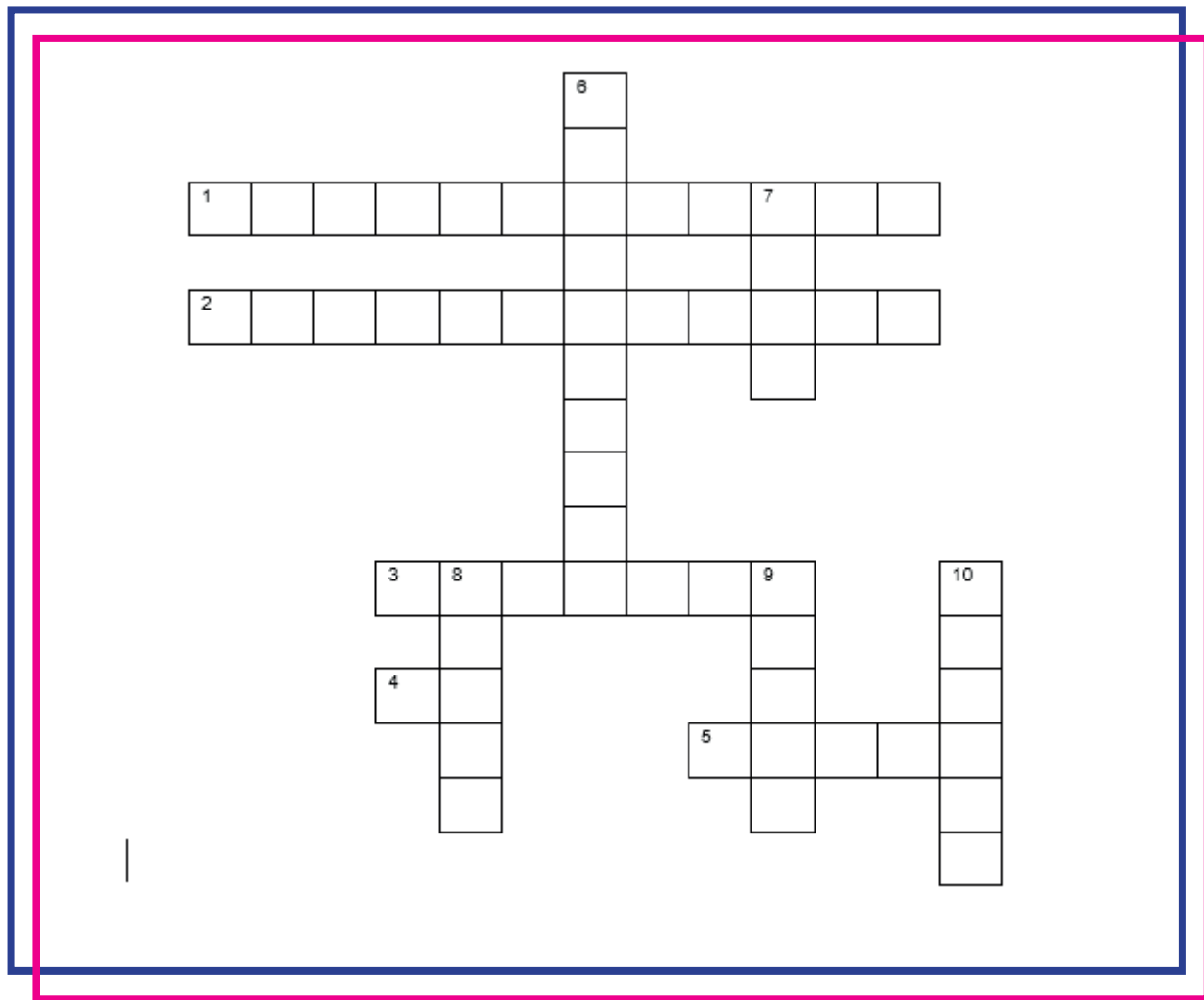
ACROSS:

1. An Italian luxury sports car company which started producing Sports car after its founder got humiliated by the Enzo Ferrari for manufacturing tractors.
2. This automobile company was the largest seller of premium vehicles in the world in 2018 and offer its customers an alternative car until the servicing of the car.
3. Name the company which manufactures the Apple I-Pad's Retina display.
4. An American Multinational IT Company whose name was decided by a toss between its founders.
5. One of the largest IT Service Company in the world initially started with the name "Western India Palm Refund Oil".

DOWN:

6. It is an American diversified multinational mass media and entertainment conglomerate which held the copyright of the song "Happy Birthday to You" until 2016.
7. Founded in Sweden in 1943 by Ingvar Kamprad, it has been the world's largest furniture retailer since 2008. Its store design is like a maze so that customers got lost and spend more time in store.
8. Smoking is the most stylish way of getting cancer. Name the American multinational technological company which voids the warranty on its products due to smoking.
9. It is a service launched by Google on April fool's Day.
10. A Chinese electronic company founded in April 2010, which once sold 15000 of its products in just 2 seconds in India.

Answers:
Riddles: 1. Assets 2. Calculator 3. Facebook 4. Oyo 5. Jio 6. Amazon 7. Lenskart 8. Instagram 9. Partnership 10. Jaguar Cars
Crossword Puzzle:
Across: 1. Lamborghini! 2. Mercedes Benz 3. Samsung 4. HP 5. WIPRO
Down: 6. Warner Bros 7. Ikea 8. Apple 9. G-mail 10. Xiaomi!



OUR JOURNEY

OUR JOURNEY 2019 - 20

The Commerce Society of Shri Ram college has completed yet another year of interesting events, lively fests and an embarking journey. Right from procuring the talent of SRCC to building up their knowledge and management skills, the Commerce Society has aptly nurtured its members. With its highly active wings, the society had organised a number of events throughout the year, all of which have turned out to be successful. The fest was the cherry on the cake for the hard work the members had put in every event that had been conducted during year. Following, we present you a glimpse of those events:



IL GIOCO

Everyone enjoys cricket and bidding, and so do we. The Commerce Society, SRCC organized IL GIOCO a cricket bidding simulation competition. Comprising of various rounds, it involved participants to prepare a team of eleven players by bidding and purchasing them. It involved various surprises for the participants. The event was an entertaining and interesting competition and it witnessed huge success.

Case Convolute

The Commerce Society in its mid year fest, Vyavsaay, organized another competition based on business complexities. More than 800 participants participated in preliminary round. A total of 8 teams were selected for the on campus round. The finalists were given a case based on revival of a company that is on verge of insolvency. The event was indeed a great learning experience for all the participants.



Investonomics

“Rule No. 1: Never lose money. Rule No. 2: Never forget rule No.1” – Warren Buffett.

Money has been an important concept and the more important is to make an optimum use of money. With the objective of delivering the best investment insights and different sources of investment, the commerce society brought up series to delve deeper into investment. We explained various investment strategies and type of funds in which people can invest as per their risk and return. Ranging from High risk to low risk, high return to low, every fund has its own characteristics and we made it easier for all. The series gave high insights to young aspiring investors.



Deconstructed

A great logo always gives a good impression. We do see a lot of brand logos in our daily life. Have you ever thought what does that logo mean? Every picture and brand have a story behind him. To decode the story behind the brand logo of companies, the commerce society decoded the enthralling story of the brand image logo behind it. The series explained in what does a brand logo mean to company and how it describes to its customers, the logo also represents the future vision of company. We have got all covered. The series was worth insightful and best describing about corporate content. This new initiative brought us the story of big companies like Toyota, Audi and apple etc. We have deconstructed for all.

Round table conference

On 13th January 2020, The Commerce Society organized a Round Table Conference for its members on the very happening topic “US-Iran Conflict: Are we headed for the World War III?”

It involved discussing about potential threat to the world by this conflict and its immediate and long-term consequences. The members had a fruitful discussion by being stakeholders of the two countries and by questioning the other party. How a simple feud over oil could cause a worldwide war was the core of this conference. Conducting such informative conferences has been one of our main activities.



ADWARS



The Commerce Society, SRCC presented an informative series called ADWARS which showed instances where companies have directly or indirectly challenged their competitors. Advertisements have been a prime form of marketing. Companies come up with new and creative ideas to promote their products. Sometimes they go up a notch taking a dig at their rival's products. In Adwars series, we made an effort to present the same in an informative way.

Case-El Experto

Practising the knowledge we have is considered the best learning. With the theme of encouraging the practical aspect of knowledge, Bizstreet 2020 hosted a grand event, witnessing huge participation across different colleges. The event was designed to assess the ability to adapt to the dynamics of the business environment. The participants had an insightful and enriching experience. The two rounds tested the ability of participants to make the best out of knowledge. The event concluded with the judges appreciating the participants for their enthusiasm and efforts.



DYNASTY DOOM

We believe that everyone has a budding detective in them and therefore The Commerce Society, SRCC organized a fun filled treasure hunt, DYNASTY DOOM. The treasure had its own story line with a commerce touch to it. The participants had to tap the clues and the storyline simultaneously which was definitely a mind-boggling task. The event witnessed huge footfall and was a hit in the fest.



Barrato

Barrato is a whole new event organized by The Commerce society, SRCC. Students from all over India participated in this event. There was an online preliminary round to test the commercial and trade-related skills of the participants. Then the on campus round started off with an auction, followed by various rounds in order to make their companies profitable by trading for various technologies and commodities. This event proved to be a complete package of fun and excitement, giving an immense resplendent experience.

SUIT UP

“Innovation, facing problems are part of business activities, but the best you can do is to use your skills and come on solutions”. The commerce society in its annual fest “Bizstreet” organized its flagship event Suit Up, which saw an active participation from the young minds all across different colleges. The event was organized in two rounds. Off campus round witnessed participation of over 300 people. Top 8 teams were selected and were called for on-campus round. The enthralling event was based on a final problem case to which participants came upon a power point presentation of investor pitch. Round table interviews, stress mails, stress calls added a differentiation to the event and made it something which participants saw as a new mind-boggling experience. To sum up, the event was just a culmination of high use of mind and skills of participants with the strong team efforts to make it flagship again and sustaining legacy of event in Bizstreet 2020.



Genesis

“Genesis: The Business Plan Competition”, organized by The Commerce Society, SRCC was a huge success. The competition had a prelim round, followed by the on- campus round, where the selected participants presented their business plans. The competition witnessed participants from diverse institutions such as IIM, IIT etc. and was judged by elite personalities, Mr. Ashish Kumar and Ms. Monika Pande. The event concluded with Project Dor being the winner. The judges appreciated the organizers for conducting the event smoothly.

Seminar by CA Ved Jain

We were extremely honoured and proud to host a seminar by Former President of ICAI, Mr. Ved Jain. He asserted his views on economic growth and budget analysis. He has vast knowledge and his expertise over the topic was outstanding. He involved every student in the discussion listening to him. His way of expressing the complex things in simpler manner and building up view point were exemplary. It was one of the most learning seminars in the year.



Seminar by Dr. S.P. Sharma

The Commerce Society is proud to have had Dr. S.P. Sharma, Chief Economist at PHD Chamber of Commerce and Industry (PHDCCI) at BIZSTREET'20. Mr. Sharma, member of the governing trade and commerce industry, had strong views on women empowerment and more inclusivity of women in entrepreneurial sector motivated the students towards entrepreneurship. His interaction with the students was an insightful experience.



Sharmishta Mukherjee



Foosball tournament

A Foosball Tournament was conducted in collaboration with The Federation of Table Soccer, India on the 24th and 25th of February, 2020 by the Commerce Society of Shri Ram College of Commerce which witnessed over 75 teams of 2 participants each from across the Delhi University. The tournament consisted of four rounds which were qualifiers, quarter finals, semifinals and the final round.





MOCK CRYPTO TRADING CHALLENGE

The Commerce Society, SRCC proudly hosted the first ever annual Shri Ram Mock Crypto Trading Challenge. It was held in collaboration with Roostoo, a cutting-edge start-up from the University of Southern California in USA. It was an online competition held from March 23, 2020 to March 30, 2020 in which students were invited to mock buy and sell Crypto currencies in a real time market simulator on the Roostoo app. The competition witnessed massive participation from the students of various colleges across the Delhi university. The challenge sighted great interest amongst the participants and they were able to learn and experience a lot.



CABINET 2019-20

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Event Coordinator



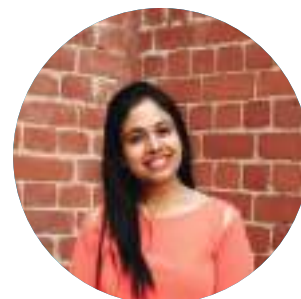
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