

OPTIMUM

STUDENTS'
MAGAZINE
2019

THIRD EDITION : 2018-19

BY KAIZEN : THE
COMMERCE SOCIETY

SHIVAJI COLLEGE

NAAC Accredited Grade 'A'

UNIVERSITY OF DELHI



OPTIMUM
2019

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Quantifying the Convictions

The commercial sphere has undergone radical changes in the recent past. While it continues to fuel the nation's economy, the focus has shifted drastically from profiteering to inclusive and sustainable operations. With a number of concepts and notions gaining ground, the importance of reading has increased more than ever before. To cater to this need of the hour, Kaizen presents, with utmost pleasure, the third edition of Optimum.

Commerce, as a stream of knowledge, endeavours to extend a quantifiable basis to all the abstractions. We have carried forward the same convention in the magazine, '*Quantifying the Convictions*' of the students in black and white.

Optimum promises to elucidate the latest trends and fads in the commercial arena and intends to enrich the knowledge of the audience through the expressions contained herewith.

We express our heartfelt gratitude to our committee of mentors, without whom the magazine would not have been possible, and of course our readers, who motivate us to strive harder with every edition.

Editorial Board

From the Principal's Desk

“Good management is the rationale behind success”

The Commerce Department of Shivaji College is one of the largest departments in our college. The department organises its academic event Optimum every year with the aim of providing opportunity to the students to explore their potential. Numerous activities like Group Discussions, Mock Stock, and Quiz etc. are organised to enhance the skills of students. Experts from the field of Commerce and Business are invited as guest speakers to deliver their vision which helps the students to achieve greater heights.



Every year editorial board of Kaizen, the Commerce society, also comes up with a magazine which covers wide range of knowledge related to the field of Commerce and Business.

This year the theme of Optimum is 'Management Vision in 2050'. This theme is very crucial keeping in mind the dynamic nature of business. Today's business environment is surrounded by multiple challenges whether it's political, social, cultural or economical & the solution to cope with this is good management.

I congratulate the editorial team of Kaizen for their dedicated efforts in launching the third edition of Optimum.

I extend warm welcome to all our dignitaries and participants for their presence in this annual academic event. I hope this event turns out to be a great learning experience for all the participants.

Dr. Shashi Nijhawan
Principal, Shivaji College
University of Delhi

Editor's Note

"We lose ourselves in books. We find ourselves there too."

-Anonymous

These words underline the profound impact that a multitude of expressions bound in threads of wisdom can have on an individual. I sincerely hope that the transliteration of notions contained ahead bears a similar influence on the readers. On this note, I welcome you to the third edition of 'Optimum-Students' Magazine', by Kaizen, the Commerce Society of Shivaji College.



With the world being a dynamic place like never before, commerce has taken the driver's seat in steering the global events. With a number of episodes being prevalent and a significant number gaining ground, the magazine aims to present a blend of avenues vis-a-vis finance, economics, entrepreneurship and international affairs. We have also made endeavours to decipher the success and future of web series, a new package of digital entertainment. With the youth being at a crucial juncture of their lives, the magazine also encompasses niche streams which they may pursue.

The magazine 'Optimum' would not have been possible without the extensive support and guidance of our committee of mentors. The editorial board expresses heartfelt gratitude to the mentors for their constant enlightenment.

We have put in sincere efforts to provide a cognitive experience to our readers. I sincerely hope that you will enjoy reading this edition and support the editorial board in carrying forward the legacy.

Feedback or any form of improvement suggestion by our readers is most welcome.

Happy Reading!
Eshaan Joshi
(Editorial Head)

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MASALA BONDS

A Financial Instrument for Spicing Up the Economy

-Eshaan Joshi, B.Com (Hons.) 2nd Year

Introduction and Evolution

A bond is a financial instrument signifying indebtedness of the issuer to the bond holder. It is the offspring of the modern, dynamic corporate arena to mobilise savings and channelise them into productive activities. A bond is a debt security, which is repayable at a point in future, termed as the maturity date. Fixed or variable interest rate (called coupon) is paid at regular intervals. The amount which is to be paid back to the holders is called the par value or face value. Bonds can be issued below the par value (deemed as issue at discount), at par value, or above par value (deemed as issue at premium). While there are several types of bonds, with disparate interest rates and maturity periods depending upon the purpose of issue, they can be broadly categorised under two heads – Government Bonds (G-Sec Market) and Non-Government Bonds (Non G-Sec Markets). The G-Sec bonds are backed by the Reserve Bank of India on behalf of the government, whereas the Non G-Sec bonds encompass the issue made by PSUs, financial institutions and corporate entities for a plethora of uses.

Originated as a device to organize funds for Anglo-French wars, the bond market in India has covered a long distance to include Inflation Indexed Bonds(IIBs), Sovereign Gold Bonds(SGBs) and Floating Rate Bonds(FRBs), to quote a few. An emerging, enticing concept in this field is the issue of Rupee Denominated Bonds (RDBs), popularly referred to as Masala Bonds.

Masala Bonds- Redefining Foreign Investment in a Safer Package

Masala Bonds fall under foreign currency denominated bonds. These bonds are issued in

a country other than the host country, but are denominated in the host country's currency. They are named so in order to relate to the culture and customs of a territory. The word 'Masala' has been used to evoke a sense of Indian cuisine. Similarly, there are Baklava bonds in Turkey, Samurai bonds in Japan, and Dim Sum bonds in China, giving a regional touch. These bonds are an effective way of hedging against foreign currency risk as well as securing access to foreign investments.

The Masala bonds were first issued by International Financial Corporation in November 2014 to mobilise savings for funding infrastructure projects in India. This was followed by HDFC in July 2016, which became the first Indian company to issue Masala Bonds, with these instruments being traded at the London Stock Exchange.



Image Credits: Business Economy

Working Mechanism and Regulations

Masala Bonds are issued as per the guidelines of the RBI. The exchange rate of foreign currency to Indian rupee and vice versa shall be dependent upon the market forces on the date of settlement of transactions. The entities are not permitted to convert the proceeds obtained from the issue into foreign currency liability.

1. Eligibility for issue- These bonds can be issued by any corporate entity registered under the Indian Companies Act, 1956 or the Companies Act, 2013, a statutory corporation and an Indian bank.

2. Rules governing the territories of issue - The Masala Bonds can be issued in any nation which is a member of Financial Action Task Force (FATF) or a regional body equivalent to it. It is required to be a signatory to the International Organization of Securities Commission's (IOSCO) Multilateral Memorandum of Understanding, or must have signed a bilateral MoU with SEBI for sharing the requisite information. Further, the country should not have been identified by the FATF as deficient and ignorant in combating money laundering and terrorist funding activities.

3. Eligibility for subscription- These bonds can be subscribed by any resident investor in the above mentioned countries (barring related party under Ind AS-24) and Multilateral and Regional Financial Institutions where India is a member nation.

4. Maturity Period- The minimum maturity period for Masala bonds depends upon the amount raised in the respective financial year. The minimum maturity period for Masala Bonds raised up to US\$ 50 million equivalent in INR per financial year is 3 years and for bonds raised above US\$ 50 million equivalent in INR per financial year is 5 years.

5. Areas of utilization -The proceeds can be used for all purposes except for the following

- i. Real estate activities apart from development of integrated township / affordable housing projects;
- ii. Investing in capital market and using the proceeds for equity investment domestically;

- iii. Activities prohibited as per the Foreign Direct Investment (FDI) guidelines;
- iv. On lending to other entities for any of the above objectives; and
- v. Purchase of land.

Benefits of Masala Bonds

The principal advantage of Masala bonds is that the risk of currency fluctuation rests with the investor rather than the issuer. For instance, if a bond is issued for \$100, with exchange rate being \$1=Rs. 70, and rate of return being 5%, the issuer would be required to pay \$5, i.e. Rs.350 as interest. Now if the value of rupee slides to Rs.72 for \$1, the issuer is required to pay Rs.360, with the additional Rs.10 being the burden on the issuer. It also presents lucrative opportunity to internationalise the rupee as a global currency and build the interest of foreign investors. Issuance in the offshore markets is integral in opening up the economy and diversifying the investor base.

While RDBs allow the companies to diversify their bond portfolio, it also presents a profitable opportunity for the investors. Despite the currency fluctuation risk, these bonds provide a higher interest rate as compared to the respective domestic markets. Companies like NTPC and HDFC have offered returns as high as 7.25% and 8.75%. Further, the RBI has also eliminated the withholding tax rate of 5% for issues till the end of the current financial year.

Conclusion

Offshore bonds have the potential to emerge as one of the key drivers to fuel growth and investment in the Indian economy. The liberalization of the issue regulations by RBI in light of the fall in the value of the rupee, equip them to correct the increasing current account deficit. The oversubscriptions of the bonds already issued are a testimony of its success and popularity. The Masala bonds can certainly spice up the Indian economy and make the investment mouth-watering, for the investors as well as the issuers.

From Patrons to Arch-Rivals The Story of India USA Disputes under the WTO

- Rhea Jolly, B.Com (Hons.) 2nd Year

The Indo-US relationship has over the years witnessed various ups and downs. From being the best of allies to becoming cut-throat competitors, the relationship between the nations has been no short of a roller coaster ride.

The World Trade Organisation is an organisation functioning at the global level entrusted to ensure smooth trade flows from one country to another. Both India and USA are vital members of this international organization.

There are many issues on which both the countries are battling against each other. Some of the significant issues of conflict are poultry and related products from the US, compensational duties against India's export of steel products, steps against import of solar cells under National Solar Mission, US's sub federal renewable energy measures, US's programs concerning non-migrant visas, export promotion schemes of India and United States' tariff increase on steel and aluminum products.

Previously in 1994 in Uruguay round of negotiations, which was the most critical round of multilateral negotiations, it was prescribed that trade in agricultural goods should be progressively liberalized. This Agreement on Agriculture (AoA) was heavily tilted in favour of the developed countries of the world. As a response to this agreement and to balance this favouritism, India, as a part of the group of developing nations along with the least developed nations (G-33), proposed an

amendment to AoA lately in 2008. In the recent quest of achieving permanent solution to this issue, Peace Clause was agreed in WTO's Bali Ministerial Conference in 2013. According to this clause, India and other such countries can constantly continue food stocking program at administered prices without being pulled into WTO for violating the policies of AoA.

Again later in 2001, a ministerial meet was organized popularly known as Doha Development Agenda. In this assembly allegations were propelled on developed countries for neglecting developmental challenges of both the developing as well as the least developed countries. Furthermore, the developed countries were made to agree to a developmental agenda. Agreement on Trade related aspects of Intellectual Property, abbreviated as TRIPS, was enforced in

support of developed countries. It permitted mandatory licensing in certain circumstances for instance the compulsory license provided by Indian Patent Office to NATCO for nexavar drugs which were originally produced by German firm Bayer AG. Continuing with its dominating status, US is in favour of doing away with this concept and wants a liberal IPR regime that allows ever greening of such patents. The US pharmaceutical industry time and again has been concerned of frequent evocation of this principle in developing world. Witnessing this, Indian Patent Act 2005 was amended and allowed protection of both product and processes. Although this act allows patent



only when there is efficacy of the substance which means protection can't be granted if a company re-invents a formerly known substance in to a new form. Due to its promising pharmaceutical industry, India exploits these powers religiously. As India's course of action is not violative of TRIPS, the fact that India has been challenged in WTO is questionable.

Moving ahead on the subject of solar energy, India has lost the case to US in WTO's dispute settlement body in 2016, where the bench ruled that India violated its national treatment obligation. India had previously recommended 'domestic content requirement' to procure solar cells and panels for its objective of installing 100 GW of solar power by 2022 under the Jawaharlal Nehru National Solar Mission. For this, about 5% of the procurement was reserved to be bought from Indian vendors for the practice of promoting indigenous industry. US found this as against the principles of Non Discrimination and National Treatment and alleged the same in front of WTO. India has now appealed against these allegations and might get a two year reprieve from rolling back of the scheme.

India and USA are the significant trading partners in terms of steel and aluminum. India exports a good amount of steel and aluminum to USA every year. In March 2018, USA imposed duties on trade of these goods on grounds of national security, raising the tariffs on steel and aluminum by 25% and 10% respectively. In response India too has alleged that this move is not in compliance with the global trade norms. Moreover India has asked Geneva based WTO for forming a dispute panel. This has further triggered the relations between the two nations.

After Trump being elected as the president, the talks about H1B visas have been all round the corner. H1B and L1 visas are categorized as temporary work visas for the skilled

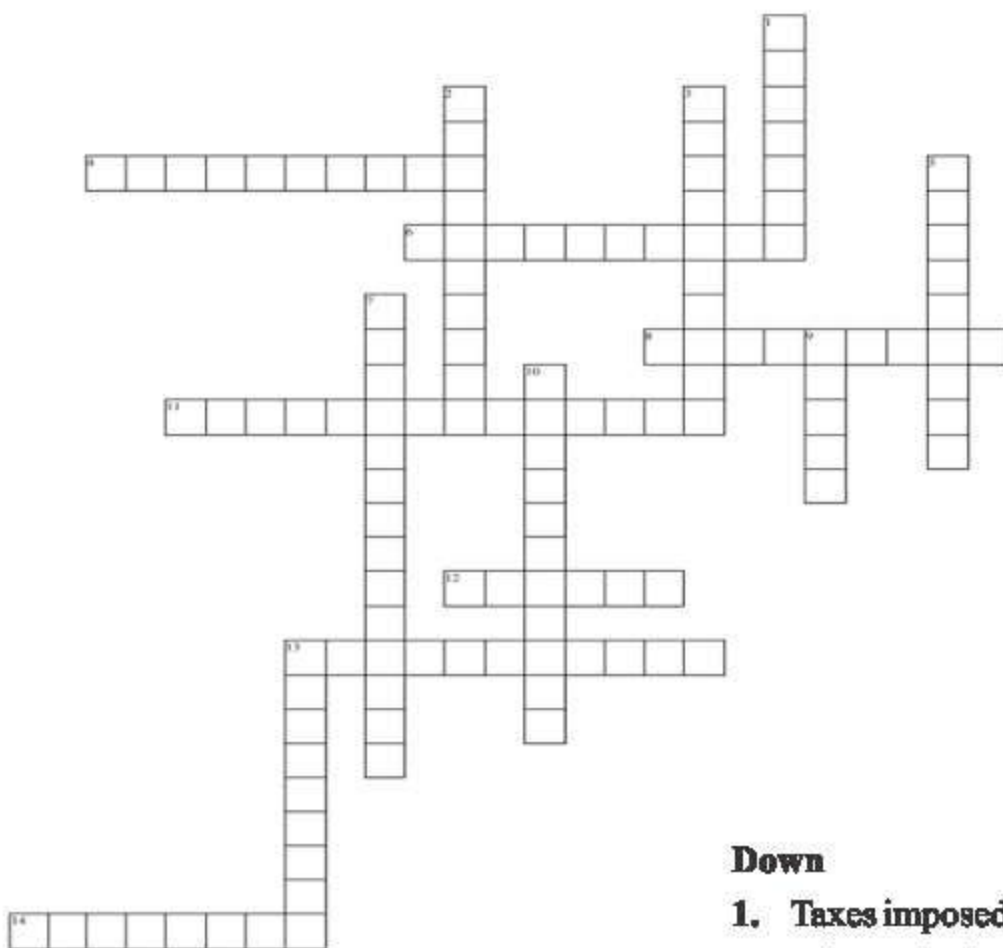
professionals. Statistically speaking, India is the largest user of around 161,369 H1B visas. This figure forms around 67.4% of the visas that were issued to India in the financial year 2014. Indian citizens have also accrued around 71,513 L1 visas, making India stand amongst the largest users of L1 visas as well. With the changing rules in visa programs, the Indian labour placed in US firms are under the threat of being replaced. To resolve this issue, India had pursued for a bilateral discussions between the two nations. In case the issue is not solved, the last resort would lead both the nations to head towards WTO.

Until India continues its attempt to restrain problems of developmental concerns to be sidelined, WTO cannot intrude upon sovereignty of India. India has already been red marked in various sectors such as agriculture, by making it clear that there is no scope of compromise on its positions. Taking advantage for India's behaviour, the West has incessantly tried to showcase India as stubborn and uncompromising negotiator. To overcome all this, India needs to upscale its diplomatic capability. Fortunately, India made a solemn effort last year at India - Africa summit and it was largely successful in terms of arriving at a common agenda for WTO. However, larger combined efforts need to be made especially with US as it remains most assured and shrewd power in any negotiation.



Crossword

P U Z Z L E



Across

4. An online marketing concept where you transform an online store visitor into a paying customer.
6. A legal document providing important information about a mutual fund, filed with the Securities and Exchange.
8. The measure of how quickly an investment can be turned into cash.
11. Process by which the central bank in a country controls the supply of money.
12. Exchange goods without use for money
13. Commodity offered for sale.
14. The date on which an issuer returns investors' principal, thus, satisfying its final obligation to those investors.

Down

1. Taxes imposed on imports.
2. When a business, or person, is unable to pay her or his debts.
3. The sharp price movement of a security or market within a specified time period.
5. The commercial processes involved in promoting, selling and distributing a product or service.
7. The difference in value over a period of time of a country's imports and exports of merchandise.
9. A statistical model that serves as a reference or benchmark for judging how well an investment is performing.
10. Percentage of what the insurance will pay to cover your health care cost after any deductibles or co-pays have been met.
13. A market in which goods or services are offered by several sellers but there is only one buyer.

-Editorial Board

ENTREPRENEURSHIP

How to Build the Future

-Sagar Raturi, B.Com (Prog) 2nd Year

Every company in business is created only once. The next Bill Gates will not build Microsoft. The next Larry Page and Sergey Brin will not make Google and the next Mark Zuckerberg shall not start Facebook. If one is just imitating their business models, then he is not making something extraordinary like these entrepreneurs.

Of course it is easy to just replicate an already existing model than to create something new. Doing what we already know would not make a heavy impact, but every time we do something new, we go a next step. Unless the existing companies create and invest in something new they would not survive, no matter how profitable they are today. What happens when we have gained everything from fine, tuning the old line of business that we have inherited? Unlikely as it may sound, the answer threatens to be far worse than the crises of 2008. Today's best practices will lead to dead end; the best parts are new and untried.

This article offers no formula success. The irony of learning entrepreneurship is that such a formula does not exist. No business school can describe in absolute terms how to be innovative. However, the points mentioned below are commonly observed in a successful startup.

Start Small To Create a Business Empire

Every startup is small in the beginning, but every monopoly giant dominates a huge share of its target market. Therefore, every startup in the beginning should focus on a small, established and under served market. The logic is simple; it is easy to dominate a small market than a large one.

The perfect market for a startup is a small group of particular people (but, not too small) concentrated together and served by a very few or no competitors. Any big market is a bad choice and a big market already served by competing companies is even worse. That is why it's always a red flag when an entrepreneur talks about getting 1% of a \$100



billion market. In practice, a large market will either lack a good starting point or it will be open to competition, so it is hard to reach that 1% and even if you succeed in gaining a small foothold, one will have to be satisfied with keeping the lights on; cut throat competition means the profit is zero.

All Companies are Different

Every company is different. Its culture, values, tradition and conventions are determined in its initial years. Although Google and Apple are tech giants, one cannot compare them as their culture is different. Google survives because of its innovative culture, while Apple's ethos is to make simple things extraordinary.

So, the next question we should ask is: *what valuable company is nobody building.* This

question is harder than it looks, because one's company can create a lot of value without becoming very valuable itself. Creating value is not enough, one also needs to capture some of the value he creates.

This means that even very big business need not be lucrative. For example, US airlines serve hundreds or probably millions of passengers every year and generate billions of dollars in revenue. But in 2011-12 when oil prices were on its peak (or heading towards peak), the airline companies had to increase their fare and due to this their passenger traffic decreased. To overcome this continued loss some aviation companies reduced their price ticket while they were still in loss, only to generate more revenue. Other companies saw this tactic and they also reduced their prices just to get more traffic. The result is intense competition and this competition further drove the prices down and ends up in even more losses.

Now, compare the result of the airline companies performance with the tech giant Google. While the aviation companies compete with each other, Google stands alone. The reason is simple as airlines compete for thin margin, Google without any competitor becomes a monopoly and set the prices as its own.

Look for the Future

Entrepreneurs have to constantly look for the future, not what their company is earning today but, what they will earn tomorrow. Comparing the value of OYO rooms with Make My Trip (MMT), each employs a few thousand people and each one gives hundreds of thousands of people a comfortable stay in hotel. But today, (as of 2018) OYO rooms is valued at \$5.7 billion, more than MMT

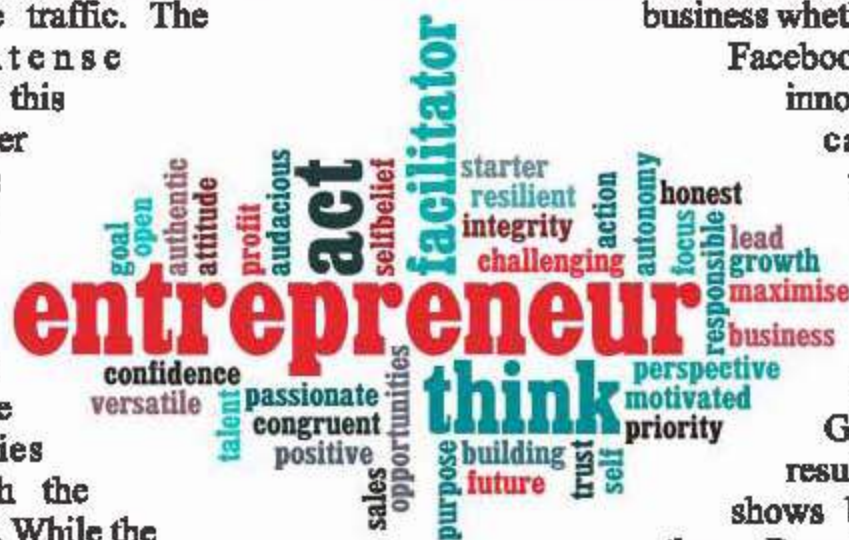
valuation which is at \$3.8 billion and point to be noted here is while MMT was founded in 2000 and OYO rooms in 2011. But then also OYO's valuation exceeds MMT. Why?

The answer is cash flow. Because a great business is defined by its ability to generate cash flows in the future. Investors expect OYO will be able to make good profits in the near future. Simply because, the value of a business today is the sum of all the money it will make in the future. Paytm is another good example of a company whose value exists in the near future. As of early 2018, its market capitalization was more than \$10 billion (for a company who is right now running in loss).

Proprietary Technology

Technology today plays a pivotal role in business whether it is Flipkart or Facebook. A great and innovative technology can bring great value to business and make your products or services impossible to copy or replicate. Google search results, for example shows better result than others. Proprietary technology for extremely short page load times and highly accurate query auto completion add to the core search product's robustness and defensibility.

As a thumb rule, proprietary technology must be atleast 10 times better than its closest substitute in some real dimension that leads to a real monopolistic advantage. The clearest way to make a 10x improvement is to create something completely new. If one builds something valuable where there was nothing before, the increase in the value is theoretically infinite. A drug to safely eliminate the need for sleep or to cure for baldness for example would create a



monopoly business.

When Microsoft launched its operating software, design improvements were so clearly visible that it quickly became a market leader in computer operating software. This is how the proprietary technology helps to stand out in your competition.

Scaling Up and Keep an Eye on Competitor

Once you create and dominate a niche market, then you should gradually expand into related and slightly broader market. Facebook shows how it is done. After creating a social network, Facebook not only sustained its growth but also purchased its rivals like Instagram and WhatsApp. The founding vision of Mark Zuckerberg was very clear that he wanted to connect the world. After making Facebook a huge success, Mark had two options: to keep the momentum going forward or to expand its wing by purchasing the rival corporations.

Every business should keep an eye on its competitor no matter how small is the competitor. Yahoo made this mistake when it underestimated Google vision and underrated their technology. Yahoo could have easily purchased Google for few thousand dollars but it refused. The result is in front of us.

Today Google search constitutes 90% of all the searches and Yahoo is still struggling to keep its present market.



Either way it goes but if one chooses to be an entrepreneur, one has to be constantly prepared for an unforeseen battle. One has to be perseverant enough to see that the efforts are working, because in reality, most of the startups fail, but one should keep faith in oneself. As asserted in the beginning, no concrete formula of success exists. You have to find this formula yourself and if you could do this, *the future is yours.*



EASE OF DOING BUSINESS

The Indian Angle of the Story

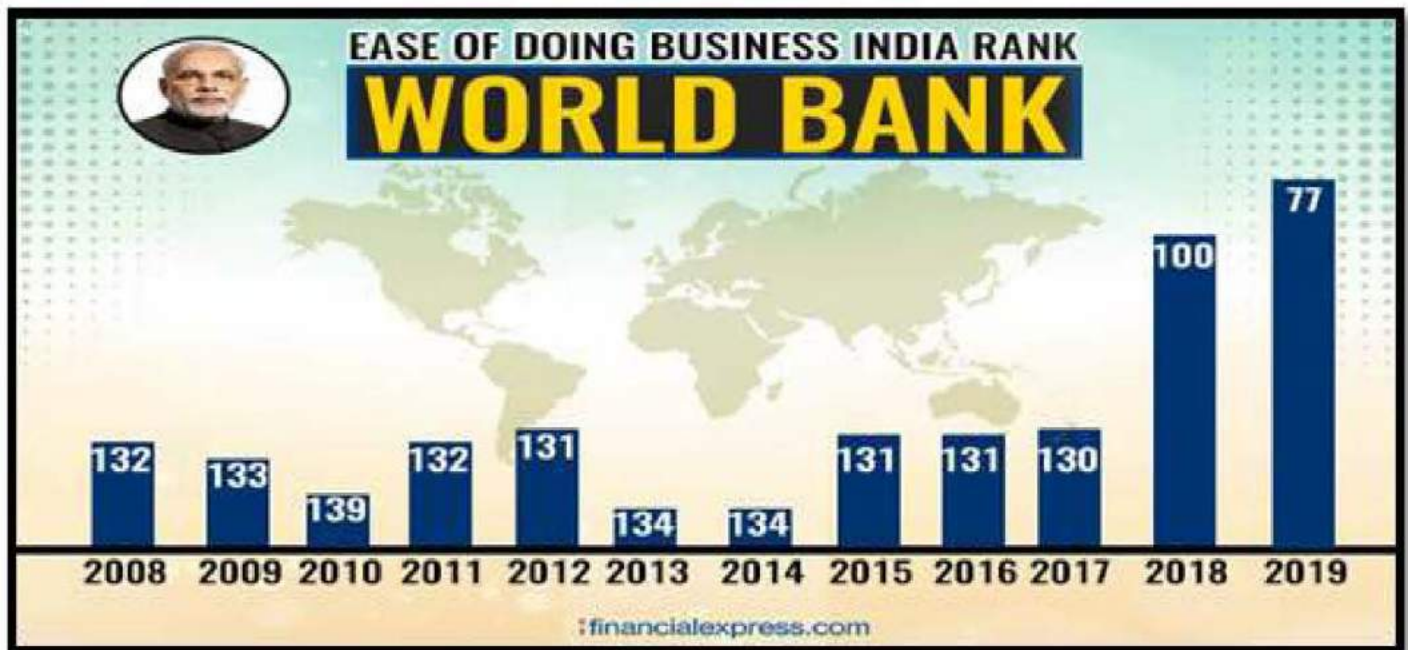
-Nikita Sharma, B.Com (Hons.) 2015-18 Batch

The Ease of Doing Business index ranks the countries against each other on the basis of how conducive the regulatory environment is to the business operations. It was the World Bank that introduced the concept termed as 'Ease of Doing Business Index'. This index is based on 10 sub-indices which are used to rank the nations. For India, World Bank includes the data from the two major cities, namely Mumbai and New Delhi.

According to World Bank report, India has

Calculation of the Ease of Doing Business Rankings

The Ease of Doing business rankings are calculated as per the Distance to Frontier (DTF) score. This score depicts the distance of an economy to the 'frontier', which represents the leading performance in each sub-index across all the economies and years included since 2005. It is depicted on the scale of 0 to 100, where 0 represents worst performance and 100 the frontier. For example, a score of



advanced exponentially up the charts of the EDB rankings post execution of several reforms, which have made it easier for the companies to get construction permits, pay taxes and indulge in foreign trade.

India jumped 23 spots after occupying the rank 100 in year 2017 report to 77th rank in 2018 report out of the 190 countries being judged on the ease of doing business. It is also among the top 10 most improved economies as per the report.

70 means an economy is 30 percentages away from the frontier. Comparing the rankings across years, the distance to frontier score shows how much the regulatory environment for local entrepreneurs in an economy has changed over time in absolute terms. The rankings are calculated on the basis of DTF score. When rankings are given then inter-country comparisons can be made.

Parameters used in the calculation of Ease of Doing Business rankings-

Primarily, 10 parameters are taken into

consideration for the calculation of the rankings. They are enumerated as follows:

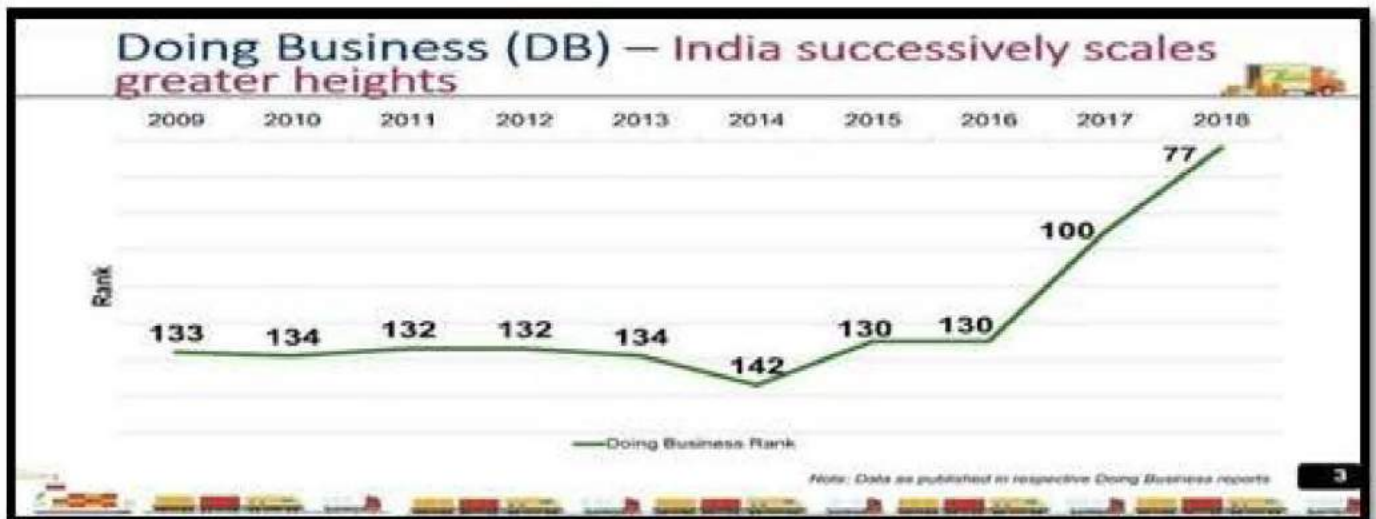
1. **Business initiation-** It is concerned with the time, minimum capital, cost and other procedural formalities for commencing the business.
2. **Dealing with construction permits-**It is concerned with procedures, time and cost to build a warehouse.
3. **Electricity supply-**The procedures, time and cost requisite to obtain a permanent electricity connection for a newly constructed warehouse along with reliability of supply are included in this parameter.
4. **Property registration-** It is concerned with procedures, time and cost to register commercial real estate and quality of land administration.
5. **Credit availability-** Here, the prime concern is the strength of the legal rights index and the depth of the credit information index
6. **Protection of Minority Investors-**It is concerned with indices on the extent of disclosure made to the shareholders, extent of director liability and ease with which the shareholder suits is redressed.
7. **Tax payments-**This parameter deals with the number of taxes paid, hours per

year spent on preparing tax returns and total tax payable as share of gross profit.

8. **Cross border trades-** It is concerned with the number of documents, cost and time necessary to indulge in foreign trade.
9. **Enforcing contracts-**It is an indicator that measures the time and cost for resolving a commercial dispute and the procedures, time and cost to enforce a debt contract.
10. **Resolving insolvency-**Under it, variables are used to calculate the recovery rate, which is recorded as percentages of dollar recovered by secured creditors and the time, cost and recovery rate (%) under bankruptcy proceeding.

In the last two years, India has jumped 53 notches, being a big milestone, since earlier, Bhutan was the only nation to record such an improvement. Construction permit parameter proved to be the biggest gainer where India ranked 52nd rank from 129th rank.

India now is among the top 25 in the world on three parameters i.e. getting credit, getting electricity and protecting minority investor's interest. DTF (distance to frontier) is used to rank the nations which show the gap of an economy to global best practice. The DTF score of India improved from 67.23 last year to 60.76 in current year.



India has been considered as one of the top performers over the years. For the current year India is among the top 10 improvers for second time in a row. India is the only one in BRICS to feature in the list of top 10 improvers.

In this year's report, the six reforms that were recognised include starting the business, getting electricity, getting credit, dealing with construction permit, trading across borders and paying taxes. In dealing with the construction permits, India has adopted an online single window system and introduced deemed approvals. The reduction in the cost of obtaining the permits is also one of the steps. For electricity sector, India has taken reforms that reduced the time from 105 days to 55 days for obtaining a new connection. For resolving insolvency, a new insolvency and bankruptcy code has been put in place and time bound reorganization procedure for corporate debtors has also been put in place.

Looking at the political front, these rankings will bolster the reform record for the NDA government. It has been identified by Mr. Arun Jaitley that starting a business and property registration are the parameters where India is still ranked low, and therefore, quick and effective reforms are necessary. The next target according to him is breaking into the top 50.

It is being considered that India's efforts of making business environment more

conducive to its players is reaping fruits. It is considered to be excellent news for India and good news for business players.

There are eight indicators in which India has improved its rank over last four years–

It can also be seen that several initiatives have also been taken by the government in various spheres that would further ease doing business. One such initiative is enabling export and import using only mobile phones. It is also added by the Commerce Minister that the government will get out of the business and will allow the people to carry on their business.

Caveats with Ease of Doing Business rankings

A great deal of measures is used to calculate ease of doing business ranking however it still faces with few lacunae:

1. For large economies only two cities are used for taking the data and preparing the reports. For India, New Delhi and Mumbai are taken into consideration. Thus, it does not give a true reflection of the overall economy and therefore does not provide a true picture of the affairs. If ease of doing business rankings was calculated for other areas as well the performance might have reflected an altogether different picture.
2. Only policy side measures are taken into effect and market forces are ignored and other factors like human resources are

S. No.	Indicators	2017	2018	Change
1	Construction permit	184	52	132
2	Getting electricity	137	24	113
3	Trading across borders	126	80	46
4	Paying taxes	156	121	35
5	Resolving insolvency	137	108	29
6	Enforcing contracts	186	163	23
7	Starting a business	158	137	21
8	Getting credit	36	22	14



ignored. Only policy factors should not to be taken at face value for deciding which country is better to do business in.

3. The ease of doing business report does not cover proprietary and partnership firms. It is of utmost importance, since in India, mainly the sole proprietorship firms and partnership firms dominate the small business space.

Conclusion

Ease of doing business basically attempts to quantitatively examine the regulations which small and medium size enterprises of around 190 nations of the world face. It is important to note that EODB ranking are carefully looked upon by the investors when they start business in any nation.

India has been one among the top improvers in ease of doing business rankings achieving an unprecedented ranking. With India's ranking 77/190, the Asian juggernaut now is a promising place for doing business. India has scored 67.23 out of 100 in doing business. Mainly, the two indicators in which business improved are securing construction permits and trading across borders.

There are certain shortcomings with the ease of doing business report and therefore this ranking in isolation does not present an overall picture of the economy. However, it certainly stands as a testimony to the prodigious developments that have been scripted.

The Boom of Web Series

A New Horizon in the Sphere of Entertainment

-Editorial Board

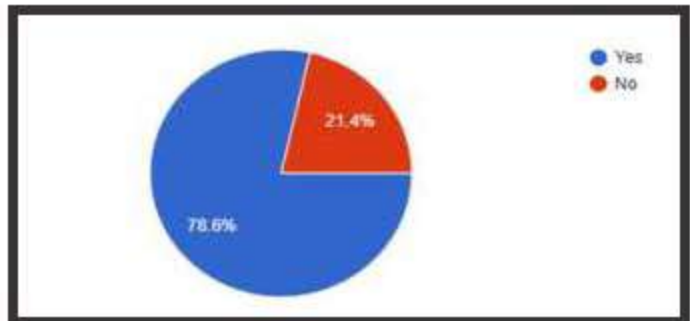
Web- this three digit word has transitioned human lives beyond imaginations. Right from communication to shopping and making payments, the web has been at the centre of the changing behavioural dynamics of human society. Entertainment is the latest arena to be impacted. Internet has expedited entertainment ever since its inception, with the organized and sophisticated improvement in content drastically redefining the scope of online entertainment. Platforms such as Netflix, Amazon Prime and Hotstar Originals have emerged, due to which characters like Kaleen Bhaiya and Ganesh Gaitonde have become household names, while Radhika Apte has earned the sobriquet of 'Netflix Girl'.

The editorial board conducted a survey to analyse the popularity of these web series among the people and the possible reasons behind the boom. The data for the study was collected via an online survey, securing participation from more than 100 respondents.

The purpose of the study is to assess the competition in the entertainment industry as well as the among the web series platforms. The study also aims to analyse the success of the behavioural dynamics of the customers as well as the improvements that would like to be seen in future.

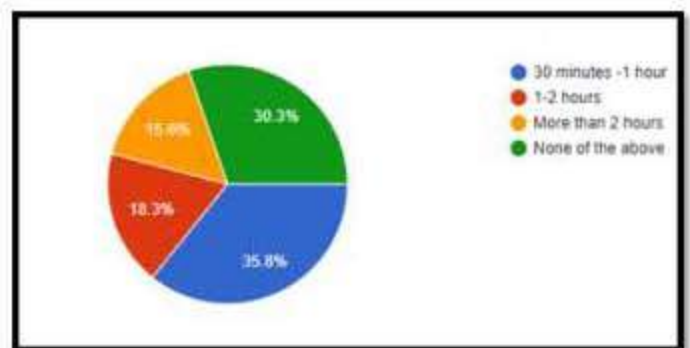
Majority of the respondents belonged to the 15-24 years age group category. More than 90% of them are addicted to the online entertainment module, indicating the impact it has created over the youth. Females out shadow males, being more interested in watching web series.

Q1. Do you watch web series on online platforms?



The foremost question related to the very fact whether the respondents were the viewers of online web series. 79% of the viewers replied in the affirmative, indicating the popularity that it enjoys among the people.

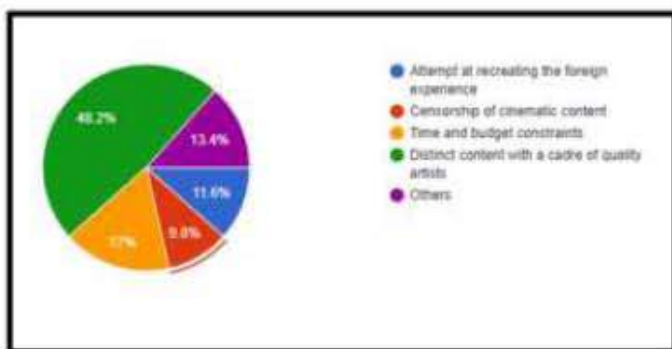
Q2. How much time do you spend on a daily basis?



The survey results indicate that online media of entertainment have become an integral part of the people's lives. Majority of the respondents devote time between half an hour to an hour to this survey, while there are cases where viewers are even glued to their screens for more than 2 hours!

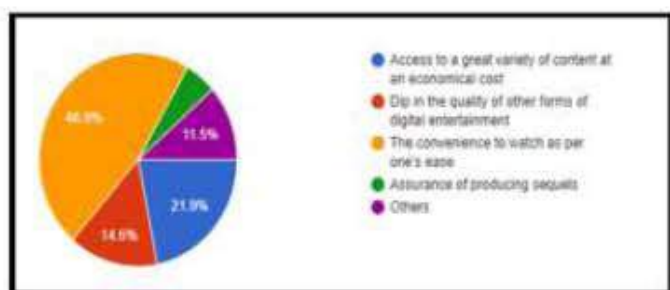
Q3. What might be the possible reasons behind the sudden boom of web series?

YouTube is an online aggregator of videos, where one could watch sequential videos and



aired episodes of selected TV serials. The trend of web series has been recent, but has spread like a wild fire to capture the imagination of the viewers. 48% of the target audience has attributed this boom to the distinct themes and content of the series, executed to perfection by a cadre of artists. Indeed, majority of the content relates to the thriller and action genre, making the episodes extremely gripping. Artists like Pankaj Tripathi, Nawazuddin Siddiqui, and Radhika Apte have been the faces behind taking this new form of entertainment to majority of the screens in India.

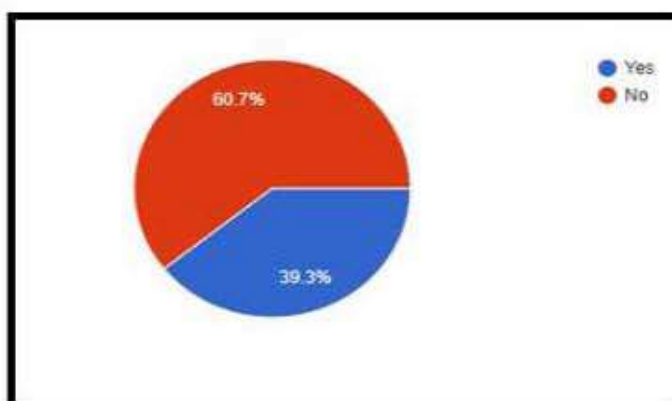
Q4. Do you prefer web series over movies and TV series? If yes, what makes you do so?



The findings of the questionnaire yielded that 85% of the respondents prefer web series over daily soaps and films. This can be attributed to the convenience of timings facilitated by the digital entertainment sector. A smartphone or a laptop with an internet connection is all one needs to access the content at any hour of the day. Further, web series platforms are video aggregators, providing access to a great variety of content, including films and popular TV shows of the past, which attracts a greater percentage of customers. These facilities are available at a fraction of the cost

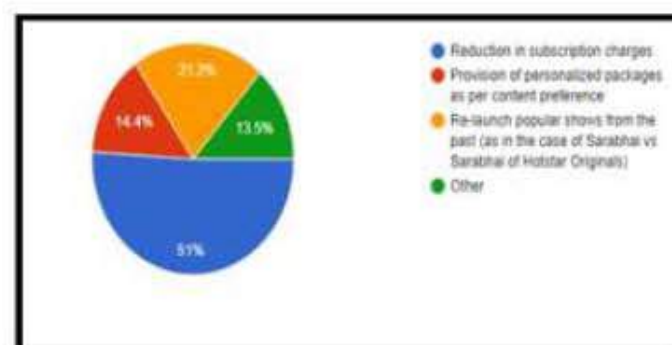
of a movie ticket, or that of a DTH connection, supplemented by one month's free trial. Finally, a dip in the conventional forms of entertainment is another driving factor.

Q5. Has your expenditure on digital entertainment increased post the web series boom?



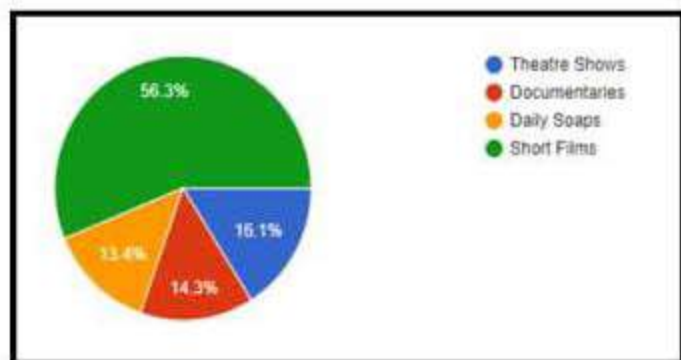
The survey highlighted that although online entertainment platforms have managed to capture a chunk of the market share, the expenditure apportioned towards recreation post the boom remain the same for a approximately 61% of respondents. Low subscription charges, and switching from movies to web series form the possible basis for the same.

Q6. What are the improvements that you would like to see in future?



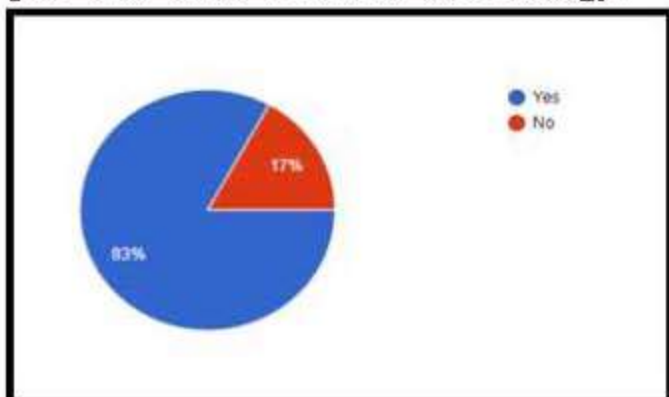
“Web series are the future”, undoubtedly they are becoming more credible and relatable for the audiences of the current generation. Though, reduction in prices will be a win-win for the platforms to reach more masses making it feasible.

Q7. Which of the following have the potential to compete with web series?



Feature films took a backseat amidst the web series boom. Hence, majority of the respondents opine that short films could pose as a potential competitor for the web series. A smaller fraction also indicate the likelihood of documentaries, daily soaps and theatre shows being competitors, provided the content is uplifted.

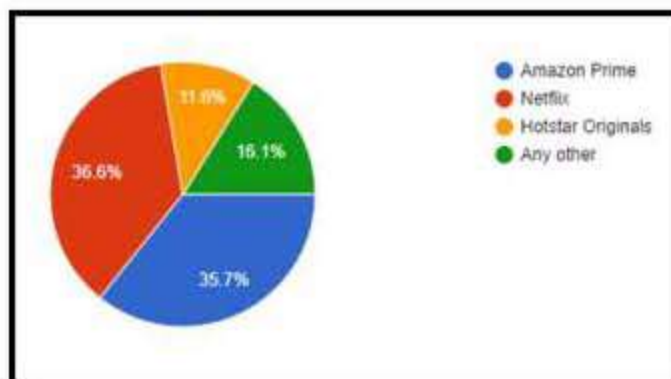
Q8. Do you think Amazon prime users have an advantage of having more than one prime benefits and it is a smart strategy?



There is no denying that Amazon Prime is a fantastic deal, but the considering fact here is that those features are barely scratching the surface. Prime Membership offers by Amazon are above and beyond entertainment but not all or many are aware of. Respondents have been ignorant regarding the existence of such offers.

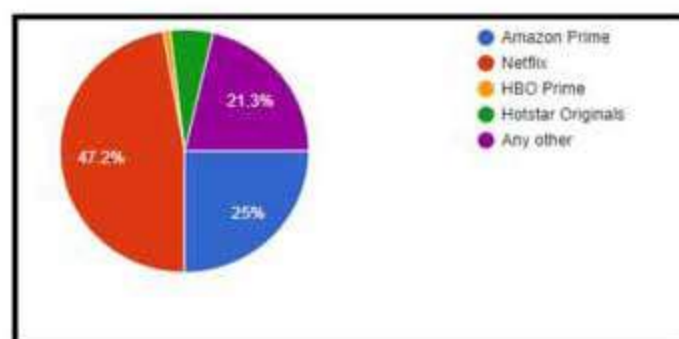
Q9. Which platform do you think would be better online partner for Bollywood?

Amazon slugs out in India's competitive video streaming market. It has rendered ailing Bollywood production houses a new lease of



life. Prime opening up new source of revenue for Bollywood's defunct production houses.

Q10. On the basis of content which one do you prefer to watch more?



Both Netflix and Amazon Prime are niche platforms with sophisticated content. If one is into watching core English content, then Netflix is the apt destination. At the same time, they have come up with quality Hindi series such as Sacred Games. Their catalogue is exhaustive. Amazon Prime is still in the embryonic phase, due to which it has lost out to it's the former in the survey.

Just few years' back, entertainment meant paying a visit to movie-hall or else sitting before the 'idiot box'. But today, web series have perfectly changed the entertainment dynamics. Web series are very congruous to our modern society because today life is so fast that everyone finds it difficult to manage a colossal leisure for their own recreation, rather seeking out for a short but fascinating media to relish. As the taste and demands of the new-age viewer changes, content providers are exploring new ways to deliver original programmes specific to the digital audiences. From this very standpoint, web series play a classic role to individuals.

RISK MANAGEMENT

The Art of Mitigating Commercial Uncertainties

-Shreya Dwivedi, B.Com (Hons.) 2nd Year

Risk measures the uncertainty of the future events or conditions that an investor is willing to take to realize a gain from an investment. It is the probability of the happening of an event multiplied by the resulting cost or benefit, if it does. Further, risk management is concerned with the identification, interpretation, and estimation of risks followed to monitor, curtail and restrain the probability or impact of uncertain events or conditions or to maximize the recognition of opportunities. Its basic objective is to corroborate that the ambiguity does not deviate the endeavours of a business venture.

The key to an efficient and effective risk affair control is to provide the exposure of investments to such risks. The risk management functions with assertion that actions performed thereon are desirable, significant and effective to reduce the overall cost. So, in order to minimize and control the uncertainties, managers and investors practice risk management.

Types of Risks

A business broadly encounters with the following types of risks:

1. **Operational Risk** – An unexpected failure in the company's day to day operations, for say, computer hacking, internal or external fraud, technical failure is termed as Operational Risk.
2. **Reputational Risk** – A risk of loss resulting from damages caused to a firm's reputation, increased operating, in lost revenue, reduction of shareholder value, or capital and regulatory costs, consequent to an adverse or potentially criminal event even if the company is not found guilty, is referred to as Reputational Risk.
3. **Strategic Risk** – The process performed by management for say, identifying, assessing and managing risks and uncertainties, affected by internal as well as external conditions, and risks that could impede the organization's ability to achieve its objectives is known as Strategic Risk.
4. **Financial Risk** – The type of risk which is associated with financing like financial transactions that include company loans in risk of default is termed as Financial Risk. It can also be understood as the potential for financial loss and uncertainty about its extent.
5. **Compliance Risk** – There are numerous laws and regulations which are necessary to follow while carrying out business activities. By the time passes, these law changes, and there always remains a risk that one will face additional regulations in the near future. This is related to Compliance Risk.

Process of Averting the Perils

Risk is all about uncertainties and by managing them, one can move more confidently to achieve future goals. The process of risk management helps to resolve problems when they occur, because those problems have been envisaged, and plans to treat them have already been developed and agreed. The end result is that impacts of project threats are minimized. It basically involves the following:

1. **Identification of risk in selected departments of interest** – One might recognize, uncover and describe risks that might affect their projects, objectives and outcomes. There are number of techniques

which can help one to find out the various risks associated with their businesses.

- 2. Analyzing and preparing for the consequences** – Once the associated risks are identified, one needs to determine the likelihood consequences of each of them. An understanding of the nature of the risk and its potential affect towards major goals or objectives must be developed.
- 3. Evaluate or rank the risk** – Mapping out scope of risk management and identity objective of owners of the company. Magnitude of risk must be determined so that it can facilitate while making decisions about whether the risk is acceptable or it is serious enough to warrant treatments.
- 4. Treat the risk** – Ascertaining a framework for the action and a program for the identification is necessary. It can also be referred to as Risk Response Planning. In this, highly ranked risks are assessed and plans are made to treat or modify them. In order to minimize the same, risk mitigation strategies, preventive plans and contingency plans must be created.
- 5. Monitor and review the risk** – Developing an analysis of the risk involved in various events is equally important. Remission of risks via human, technological or organizational resources can also be helpful.

Risk Mitigation Planning

Risk mitigation planning is the process of developing options and actions to enhance various opportunities and reduce threats to objectives. Risk mitigation implementation is the process of executing risk remission actions. Risk mitigation handling options include:

- 1. Accept:** Acknowledge the existence of a

particular risk, and make a deliberate decision to accept it without engaging in special efforts to control it.

- 2. Avoid:** Adjust objective requirements or constraints to eliminate or reduce the risk. This adjustment could be accommodated by a change in funding schedule, or technical requirements.
- 3. Control:** Implement actions to reduce the impact or likelihood of the risk.
- 4. Transfer:** Reassign organizational accountability, responsibility, and authority to another stakeholder willing to accept the risk.
- 5. Monitor:** Monitor the environment for changes that affect the nature or the impact of the risk.

It persuades the projects that reciprocate to improve the funds in the company. It is spent on the research and development of the

allocated issues that hold to ensure project management. It involves complex calculations in terms of managing risks. Even if the ambiguity is out of loss then people have to cover it within the

planned scale of losses of the discounts and even the considerations into unnecessary insurance discounts. Risk management takes a long time to gather the information regarding the strategic plans.

It is also significant to keep in mind the differentiation between risk and uncertainty. If risks are inappropriately determined and prioritized, much time can be wasted while dealing with the loss. Spending too much time in determining and managing unlikely risks can switch resources that can be used more profitably. As Mark Zuckerberg stated, "The biggest risk is not taking any risk", it is apt to undertake certain risks to multiply one's returns. At the same time, one should check the financial and operational feasibility and ensure not to be reckless.



Business Sustainability

-Vriti Gandotra, B.Com (Prog) 1st Year

Business sustainability, is the other name for corporate sustainability. It will work only when there is coordination between environmental, social & financial demands. These factors are entirely responsible for ongoing success.

For businesses, sustainability is that powerful and defining idea, where a sustainable corporation is one that creates profit for its shareholders. While protecting the environment and improving the lives of those with whom it interacts and involves. A sustainable business stands as an excellent chance of being more successful tomorrow than it is today and remaining successful, for a longer period.

Today increasingly, businesses are expected to be like magic wand in finding ways to actively find solution to the world's environmental and social problems. In a broader context, social, environmental and economic demands are considered as the three pillars of sustainability. In the corporate world, they are sometimes referred to as the *triple bottom line*. This concept is a departure from the traditional concept of the bottom line, which evaluates all efforts in terms of their short-term effect on profits. The goal of sustainability positively requires a more extended timeline for return on investment (ROI) but once initial investments are made, it can actually lead to real time increased profitability.

One popular example is *free cooling* for data centers, which takes advantage of naturally occurring phenomena to control temperatures. Nonetheless, the technologies involved may require an initial cash outlay. Even the renewable resources they rely upon are freely available and reliable, which eventually pays off. Similarly, investments in socially ethical practices may initially cost more to the business, but eventually leads to enhanced recruitment, branding and public relations (PR), which in turn increases profitability.

Corporate sustainability has captured the attention of much of the world over the last few years. Trends including the growth of non-governmental organizations and movements suggest that the public is no longer satisfied with corporations that focus solely on short-term profit maximization. People want corporations to consider broad human needs.

For instance, Novo Nordisk managers imply the value framework to drive their day-to-day decisions and

make difficult choices. To which the company provides financial and non-financial information along with the data in the report.

For most companies, however, becoming sustainable involves a conscious and continuing effort to build long-term values for shareholders by contributing to a sustainable society. The companies have to continuously work on how the transformation occurs and how a sustainable strategy can be formulated along with its execution.

What are those outstanding elements in the cultures of sustainable companies' which make them different from traditional companies?

Based upon their research, these companies have developed an identity and a cultural model for how to create a sustainable company. While the model is straightforward, the implementation of it is not so easy, because it involves large scale change that only a few companies seek out or do well. The first stage however, involves reframing the company's identity through leadership commitment and external engagement. The second stage involves codifying the new identity through employee engagement and mechanism of execution. Both are an ongoing processes.

Sustainable Business Practices

1. Be intentional about sustainability
2. Water conservation
3. Supply chains
4. Develop a recycle program
5. Chemical management
6. Purchase only energy efficient products
7. Develop sustainable work

Some Well Known Companies which are following the Path of Sustainability:

● Innovation: Nike

The sports-gear multinational integrates sustainable design across its product portfolio by creating the *Making App* in 2013, allowing the data in its materials sustainability index to be available for the public. This made designers from across the industry and beyond to make more sustainable design decisions, and ultimately a lower-impact product.



● **Supply chain management: Ford Motor Company**

The car company, Ford has established the requirements for its first-tier suppliers to drive environmental and social expectations, which helps further to down the supply chain and works with suppliers to establish GHG emission reduction and energy efficiency targets.

● **Water stewardship: Coca-Cola**

The drink company has improved the efficiency of water use by more than 20% and has identified the need for a rigorous third-party evaluation of its water management approach.

● **Stakeholder engagement: PepsiCo**

The food and beverage company presents its sustainability proposition and aims during their annual shareholder meeting. The company strives to identify and disclose climate change, water scarcity and public health issues as a core sustainability challenges in its annual financial filings.

● **Human rights: Johnson & Johnson**

The pharmaceutical and consumer goods manufacturer has a detailed policy that incorporates the Universal Declaration of Human Rights (UDHR), International Covenant on Civil and Political Rights and International Covenant on Economic, Social and Cultural Rights. It applies these principles not just in its overseas operations and supply chain, but also to all in its workplaces.

● **Design: Dell**

The computer companies integrate alternative, recycled and recyclable materials in its product, packaging design, improvements in energy efficiency, and design for end-of-life and recyclability. One of the company's commitments is to reduce the energy intensity of its product portfolio by 80% by the year 2020.

The companies are finding ways to turn this responsibility into an opportunity. It is apt to state that when business and societal interests overlap, everyone wins.

FARM LOAN WAIVER

The Economic Implications

-Kuldeep Saini, B.Com (Prog), 2nd Year

In India, agriculture currently contributes just about 15% to the national output and about 50% of the population directly or indirectly depends on it for employment. Crops production is highly dependent on monsoons. Farmers invest heavily on crops by taking loans. If the crop fails due to lack of rains or insufficient market demand, farmers get trapped in debt. This situation has been prevalent in India of late, with low levels of food inflation leading to farmers' suicide. Though, the loan waiver scheme provides relief for many families and encourages them to invest in the next crop, these benefits do not offer long term economic gains for farmers.

History of Farm Loan Waiver- A Politically Motivated Move

In 1990, first ever nationwide farm loan waiver was announced and it cost around Rs.10,000 crore. In 2008, Rs.52,000 crore was released by the Indian government as part of the agriculture debt waiver and debt relief scheme which was mainly done to remove financial indebtedness of the farmers. But it was done before the 2009 general election.

Post 2009, there has been a visible tendency to announce such schemes at the onset of elections. In 2014, the farm loan waiver of Rs.40,000 crore was announced by Andhra Pradesh government and Rs.20,000 crore in Telangana region. Similarly in 2017, a farm loan waiver of Rs.36,00 crore was announced in Uttar Pradesh. With the move of state government, Maharashtra also followed the scheme with a Rs.35,000 crore waiver.

In 2018, some of the newly elected state governments also announced farm loan waivers. Farm loan waivers great relief was provided to farmers in Madhya Pradesh,

Rajasthan and Chhattisgarh as well as Assam. The states of Madhya Pradesh, Rajasthan and Chhattisgarh have huge outstanding farm loans amounting of Rs.1.1 lakh crore. According to agriculture economists, the total farm loan waiver may touch to an amount of Rs.4 lakh crore in the run-up to the 2019 general election.

Why are Farm Loans Waived?

In India, agriculture is primarily dependent on monsoon rains. Since most of the farmers are not rich, they invest heavily on crops by taking loans. A good shower brings good yields and ensures repayment of the loan. If there are inadequate rains or insufficient demand, farmers are unable to pay the loan amount or interest. When there is a continuous monsoon failure, farmers are trapped, and with no other option, are forced to commit suicides. So, farm loan waiver is a good step towards curbing the crisis. Besides, many farmers are forced to flee from agriculture to find better livelihood elsewhere, which could lead to drop in agricultural yields. Finally, most of the farmers borrow money from moneylender, who charge exorbitant interest rates and get trapped in a vicious cycle of debt trap. So in order to avoid such a situation, farm loan waiver acts as a good initiative to attract and retain the farmers. Farm loan schemes and waivers will divert these farmers to borrow money from banks.

Why is Farm Loan Waiver Scheme bad for the Economy?

According to a report, the loan waiver scheme provided a costly affair for the banks and economy and disturbed loan and credit discipline for the financial system.

- Farm loan waivers are not sound political and economic moves, because often these things are announced just before elections to attract voters and increase the vote bank. Generally, the government does not work much on implementing long term solutions to the agriculture crisis. Hence, it is the bad politics. These loan waivers impact economy in negative way. It will be a huge burden on the economy.
- Loan waiver schemes disrupt credit discipline. Farmers will turn into willful defaulters as they wait for the next loan waiver scheme, which is bad for economy. This results in increasing number of bad loans in banks. Moreover, the process of waiving off the loans is creates another burden on banks. This may result in banks implementing stricter rules while issuing loans to farmers, which in turn might force farmers to go to local money lenders.
- As bank will not get loan repayments, issuing of fresh loans will be stalled.
- This scheme indirectly punishes loan repayers. Those who had repaid the loans before the announcement of the scheme are at the loss.
- Instead of loan waiver scheme, it will be much better if government improves the crop insurance scheme, educates farmers about the market trends, and increases the minimum support price.
- Rich farmers, too, may take loans even if there is no need, in the hope of the next loan waiver scheme. This will impact the farmers who are genuinely in need of loans.
- Some people compare bad loans of corporate sector with farm loan waiver. But in general, if any company files bankruptcy, banks will try to recover the amount by liquidation, which means selling of their properties or through other means. And it's not like banks are waiving

off the bad loans of companies. So these things cannot be compared.

- Finance minister, economists and RBI governors have always criticised the move.

It was stated that after the waivers there has been a decline in the recovery rates of financial institutions, since it instills belief among farmers that they could default with freedom, leading to defaults of such a high scale that it took the banks several years to recover from its impact.



Conclusion

Loan waiver is not a permanent solution for agriculture until the fundamental problems are solved. Though it is an instant temporary relief from debt preventing suicides, it has largely failed on many occasions to contribute to farmer's welfare in the long term. Besides, there is always a question that to what extent this relief measure can help bring farmers out of indebtedness and suffering. Since, loan waivers in India are filled with the lack of accountability and lack of proper monitoring, therefore the effectiveness of the loan waivers is reduced. This coupled with the fact that all the debt is formal, further reduces their effectiveness. Since most of the working population of India is dependent on agriculture, loan waiver cannot be avoided. But a proper system of accountability and transparency of waiver will alone ensure the effective working waiver scheme.

Emerging Careers in the field of Commerce

-Editorial Board

1. Digital Marketing

We live in a time where people use the Internet for everything. Whether it is paying bills online, buying groceries for the week, shopping for a gift, planning a vacation, or just about anything else, people are logging into their laptops, smartphones, tablets, and home computers to conduct their business online each day.

The ever-growing popularity of the internet has created an enormous opportunity for companies to expand their business influence into the world of cyber-space. The traditional brick-and-mortar store has transitioned into the online storefront, where anything can be purchased with a convenient click of a mouse button.

Digital marketing professionals

The rising usage of internet and business going online has created a demand of new type of professionals. These people possess the knowledge and the skills necessary to harness the power of the internet for the purpose of creating effective email advertising campaigns, community blogs, web pages, social media postings and more, all aimed at successfully connecting with today's internet-savvy consumers. The demand for knowledgeable digital marketing professionals is growing exponentially.

Digital marketing encompasses various niche jobs and is not limited to the following positions.

- Online Content Developer
- Social Media Marketing
- Search Engine Optimization Specialist
- Business Analytics Specialist
- Brand Management

- Mobile Marketing Specialist
- Web Designer
- Professional Blogger
- Search Expert
- Email Marketer

Starting Digital marketing career

Digital marketing training can be gained by taking an e-course online or by hands-on training working under the direction of another person who has demonstrated successful digital marketing experience. There are many reputed institutes and colleges that provide digital marketing courses, but there are free web seminars and courses available online also. Other methods can include:

1. Following several established digital marketing sites on different social media platforms with particular attention to any changes in their advertising platforms.
2. Building a network of experienced, successful industry experts and take time to develop solid relationships with these people for the purpose of learning how to master existing skills and acquire new ones.
3. Creating and promoting your brand as a way to showcase your digital marketing ability to the prospective employers.

Digital marketing skills required

To have a rewarding career in digital marketing, it is important to master the following skills:

- Inbound Marketing – possess the ability to utilize inbound marketing to generate new leads.
- Flexibility – Able to change what is not working to move you towards your project

goals.

- **Strong Organizational Skills** – Able to manage several different campaign aspects at the same time.
- **Sales Experience** – Must have hands-on sales knowledge and expertise. Digital marketing requires being able to understand and anticipate changes in sales trends.
- **Branding Experience**- Must possess the ability to create an effective branding strategy.
- **Able to craft great landing pages** for websites
- **Knowledge of content writing platforms**, such as Word Press.
- **Strong Social Media Skills** – Must be able to create effectively, potentially 'viral,' social media posts aimed at increasing brand or product exposure. These types of posts are highly shareable among social media users.
- **A familiarity with, and understanding of, how Digital Analysis Tools work.**
- **Ability to recognize and reconfigure under-performing content** for the purpose of increasing brand exposure and customer interaction.
- **HTML Knowledge** – Capable of using HTML to create eye-catching sub-headers and other visually appealing content.
- **Search Engine Optimization (SEO) Experience** – Having a solid understanding how SEO works is critical to increasing search engine rankings. The higher a company ranks, the more likely people will click on that company's website in the search engine query results.
- **Strong ability to utilize advertising platforms**, such as Google AdWords, to create effective ads.

Expected salary in Digital Marketing

With the ever increasing growth of digital media, career in digital marketing is one of the hottest choices among students and

professionals. The salaries in digital marketing industry are a function of number of parameters especially:

- **Type & Size of Organization:** Companies who understand and rely on digital marketing for their growth are likely to pay higher compared to the ones who are not betting big on digital marketing. Fast-growing (or funded) startups and large corporations especially MNCs are likely to offer higher salaries compared to other companies.
- **Educational Qualification:** While there's no pre-requisite in terms of degree/diploma to enter into digital marketing at a large number of organizations, having qualification(s) which ensure relevant skills (e.g. communication, creativity, analytical reasoning) are naturally going to benefit the candidate.
- **Digital Marketing Knowledge & Skills:** At an entry level, one will not have professional experience but one's commitment in acquiring relevant digital marketing knowledge & skills through various means (e.g. learning through an industry-recognized digital marketing course, self-practice, internship) are going to play an important role in getting higher salary.

Based on a research including experience with 30,000+ participants of digital marketing training programs since 2009, here is the data showing years of experience and salary range (annual) for digital marketing professionals in India:

DIGITAL MARKETING SALARIES		
Designation	Experience	Salary (Rs Lacs PA)
Executive	0-1 Years	1.5 - 4.0
Specialist	1-3 Years	2.0 - 6.0
Team Lead	2-4 Years	3.0 - 7.0
Strategist/Analyst	3-5 Years	4.0 - 10.0
Digital Marketing Head	5-10 Years	10.0 - 30.0

Digital Vidya

People with exceptional qualifications, work experience and digital marketing skills can draw up to Rs. 1 Crore salary as well.

People with exceptional qualifications, work experience and digital marketing skills can draw a salary upto Rs 1 Crore as well.

2. Sports Management

India has emerged as a breeding ground for sports in the recent past, not just producing budding athletes to bring laurels for the nation, but a host of other professionals who work behind the scene to ensure the welfare of these athletes and smooth conduct of operations. A network of domestic sporting

events has grown; starting from the Indian Premier League in 2008, to Indian Super League (Football, 2008), Premier Badminton League (2013) and Pro-Kabaddi League (2014). While a career in sports makes people visualize donning the national jersey or hosting a multilateral event, there is much more to it.

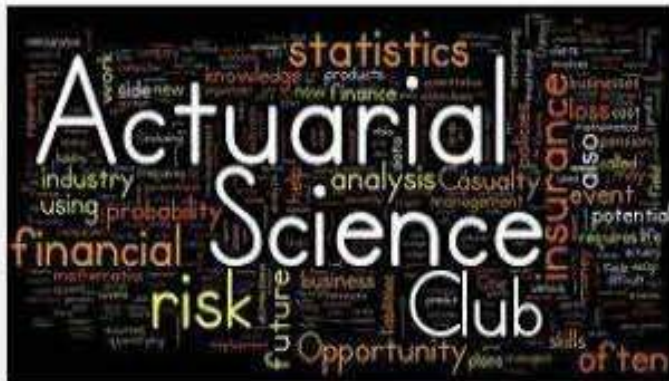
According to a report of FICCI in 2014, at least 23 lakh people are expected to become a part of the Indian sports industry by 2025. The following table summarises the scope, syllabus, colleges and monetary returns of sports management as a full time career:

- | | |
|--------------------------------|---|
| 1. Scope | Individuals can make professional careers as sports agents, sports marketing managers, merchandise marketing and management, sports information directors, event broadcasting and staging, sports lecturer, sports psychologists. |
| 2. Courses and Colleges | <p>There are Bachelors as well as Masters degrees being provided in India in Sports.</p> <p>Some leading colleges offering Bachelor's degree in Sports Management are:</p> <ul style="list-style-type: none">• National Academy of Sports Management, Mumbai – BBA• George College, Kolkata, West Bengal – BA• Maulana Abdul Kalam Azad University of Technology, West Bengal – BA• International Institute of Sports Management (IISM), Mumbai – BA <p>Some leading colleges offering specialized MBA in Sports Management are:</p> <ul style="list-style-type: none">• Indian Institute of Management, Rohtak• National Academy of Sports Management, Mumbai• International Institute of Sports Management (IISM), Mumbai• Indira Gandhi Institute of Physical Education and Sports Science, Delhi• National Academy of Sports Management, Mumbai• Alagappa University, Tamil Nadu• Institute of Social Welfare and Business Management, Kolkata• University of Technology and Management, Shillong• Tamil Nadu Physical Education and Sports University, Chennai• Institute of Management and Technical Studies, Noida |
| 3. Syllabus | Exact syllabus differs as per colleges. There are a range of online and offline training modules, along with project work. Study topics range over Sports Law, Sports Marketing and Finance, Sports Supply Chain Management, Sports Medicine and Digital Marketing in Sports. |

- 4. Expected Salaries** Since this career is still in an evolutionary phase, there are no defined trends of salaries. Generally, they are directly proportional to the experience in the industry, and also depend upon the area in which the individual specializes. For instance, sports marketing managers earn more than sports agents.

3. Actuarial Science

Actuarial Science is the discipline that assesses monetary risks in finance, insurance, and some other sectors using statistical and mathematical methods. It is basically a disciplinary field that involves finance, mathematics, economics, statistics and computer science. Traditionally, actuarial science revolves around the mortality analysis, production of life tables and the application of compound interest. But now, the main objective is to define, analyse and solve the financial implications of the uncertain events in the future.



Actuaries hold for about 23,600 jobs. Some of the largest employers of actuaries are finance and insurance, professional, scientific and technical services, management of companies and enterprises, etc.

Eligibility

After graduation and post graduation, candidates are not eligible to practice as an actuary. This is so because these courses can only provide better conceptual clarity to the candidates. However, one can make his/her career as an actuary, if the following conditions are met:

- Candidate must be 18 years old.
- Candidate should have completed their 10+2 level examination.
- Candidates who qualify their graduation or post graduation with mathematical subjects.
- Candidate should be a qualified member of these professional bodies which are: Fellow of Insurance Institute of India(III), Certified Insurance of Financial Analysis of India(IFAI) and The institute of Cost and Works Accountants of India(ICWAI) and must pass with subjects like mathematical basis of insurance and statistics.
- Those candidates who have any other professional degree such as that of engineering, CA, CS, MCA, MBA can also make their career in this field.

The following table contains further nuances to the profession:

- 1. Required Skill Set**
- Analytical skills
 - Communication skills
 - Problem-solving skills
 - Sharp business acumen
 - Technical compatibility
 - Critical thinking
 - Inquisitiveness
 - Interpersonal skills

2. Courses In India, there are various universities that provide graduation and post graduation degree courses in Actuarial Sciences. After completing such graduation and post graduation courses, one can join any of the professional bodies of India as student member and became a fellow in IAI. So, the UG and PG courses are as follows:

Graduate Courses:

- B.Sc in Actuarial Science
- BA (Hons.) in Insurance and Banking
- Bachelor of Science (B.Sc) in Actuarial and Financial Mathematics

Post Graduate Courses:

- Post Graduate Diploma in Actuarial Science
- Master's program in Insurance Business
- M.Sc in Statistics (Actuarial)
- MBA in Actuarial Science
- M.Sc in Actuarial Science

3. Colleges Top Indian Institutes for Actuarial Science are as follows:

- Institutes of Actuaries of India, Mumbai
- Insurance Institute of India
- Narsee Monjee Institute of Management Studies (NMIMS), Mumbai
- Amity School of Insurance and Actuarial Science, Noida
- Birla Institute of Management Technology
- The National Insurance Academy, Pune
- Aligarh Muslim University
- University of Kalyani
- University of Madras
- RNIS College of Insurance
- Bishop Herber College

4. Annual Salaries of actuaries at different experience levels:

Compen- sation	Experience level (in years)	Salaries (Rs.)
	0-5	2-6 lakh
	5-10	6-11 lakh
	10-15	11-20 lakh
	15 and above	20 lakh and above

General Quiz

-Editorial Board

1. Which country has announced that to emphasize its focus on environment , it is making public transport through train , trams and buses entirely free for all , a first in the world ?
2. The 'General Agreement on Trade and Tariff (GATT)' was replaced by?
3. Which organization/personality has been chosen for Gandhi Peace Prize for 2018?
4. Saksham 2019 is an annual high intensity people-centric mega campaign under the aegis of which ministry?
5. Where are the headquarters of HSBC (Hong Kong and Shanghai Banking Corporation) located?
6. When was demonetization implemented in India for the first time?
7. Which is the first port to be operated by the Indian government outside India?
8. Who has been appointed as the chairman of the RBI's committee on digital payments?
9. Who has received the first ever Phillip Kotler Presidential Award?
10. Which company will be assembling iPhones in India in 2019 on behalf of Apple?
11. Which was the company that owned the 'Titanic' ship?
12. Which state in India receives the largest amount by way of remittances from abroad?
13. In which country chess has become so popular and fashionable that there are chess bars, chess art, chess fashion etc thanks to a world champion?



The Boom of Startups Deciphering the Latest Fad in Corporate Sphere

- Mansi Patel, B.Com (Hons.), 2nd Year

The startup fad is booming among many ambitious and enthusiastic students in India as a new trend in corporate culture. Everyone wants to be an entrepreneur but it is not every person's cup of tea. Just by getting an idea, many of them think that they have succeeded. But this joy is ephemeral; having a passion to be an entrepreneur may go through many sleepless nights, unhappy customers and angry investors.

Having a brilliant idea is totally different from making that idea a business success. For a startup, it is extremely necessary to have a mentor who has been through a similar process of starting and establishing a commercial enterprise.

Motives and Types of Startups

Startup is an organization consisting of zealous individuals, especially the youth, which is just in the embryonic phase of its budding idea, aiming at profit maximization. At first, the idea is financed and worked by a pack of originators to examine its feasibility, profitability and sustainability.

There are two kinds of startups. One, which no one has thought about and are often, ground breaking. These types of startups are very difficult to create, but once created, often result into unprecedented growth. The second one that we see around us are primarily the ones that are akin to create something new and innovative.

Factors promoting the upsurge in startups

The Indian economy is booming with innovative startups and businesses that are going to transform corporate and social need. The following have been the driving factors behind the success of startups:

1. First and foremost important reason is Prime Minister Narendra Modi's Startup India Programme that has boosted the youth's spirit of being one's own boss. In the wake of seeing the fruitful businesses, many people took maximum advantage like Ritesh Aggarwal (Oyo Rooms), and Vijay Shekhar Sharma (Paytm).
2. Additionally, with the advent of startup ideas and businesses, particularly in IT firms, one can interact and influence over the web at an optimal rate.
3. Motivational speakers and platforms such as TED Talks really move the undergraduates and many more students to channelise their creative synergies into startups.
4. Nearly 12 lakh engineering understudies graduate each year. With a limited number of employment opportunities, they all are left with one option - to make a vocation for themselves by owning a startup.
5. Further, the improved Ease of Doing Business conditions in India have made





obtaining construction permit, getting electricity and obtaining credit a fairly hassle free process.

The Startup Spirit and Success Sagas

1. Chartering unknown territories

Noida based Code Enterprises was started in 2016 by friends Naman Gupta and Vishal Kanet. This is country's first company that focuses on discarded cigarette butts and recycles them to create attractive byproducts.

With some experiments and research, 23-year old Naman and 26-year old Vishal came up with the most feasible polymer used in cigarette butts, as well as paper and residual tobacco. This polymer can be used to make stuffed toys, cushion, accessories and key chains, among other things.

They have used social media extensively to promote it and currently, Code Enterprise has 60 associates and operates in 20 states. It sends cigarette waste to Delhi, where it is recycled.

2. Never giving up

After quitting her job in Facebook, Vandana Vijay, in her thirties chose to start her company Offbeat Tracks. The company focuses on sustainable and experimental travels across India, promoting the concept of

eco-tourism. It was started in April 2016 with various rural communities and integrating with the local population. The startup makes an attempt to create unconventional, aesthetic and authentic tours.

It has not only succeeded to carve a niche for itself, but is also enlightening the lives of the rural communities, by boosting their earnings and providing them with amenities such as solar

lighting units.

3. Pursuing one's passion

Vandyaa and Rekha, Fashion graduates shared a love for vintage and handmade things. With this passion, they formed a startup 'Ishma', with a mission to revive dying traditional crafts and raise employment opportunities for artisans.

They graduated in 2014 and then got their startup registered as Limited Liability Partnership in 2016. Both of them were struck with the idea when they were in final year at National Institute of Fashion Technology, Hyderabad. Currently, Ishma works with different artisan families that work with indigenous forms of art.

Conclusion

India is changing and so are the aspirations of 1.2 billion Indians. World's sixth largest economy is now the hub of many million dollar firms and is a big investment destination. Just like Rome was not built in a day, the current state of affairs has been possible due to 68 years of stoicism. Though many factors may not be in alignment to the best, one should not give up on the creative idea that can change the lives and fortunes of many.

Statue of Unity

- Mihika Jain, B.Com (Hons.), 1st Year

Introduction

Sardar Vallabh Bhai Patel statue, or, famously known as the Statue of Unity is the world's tallest statue. It was unleashed to the world on 31st October 2018, the 173rd birth date of the 'Iron Man of India'. He played a pivotal role in the nation's struggle for independence. The statue cost around Rs. 2989 crore to be built and took around 42 months to be built. It is 182 meters tall, making it the world's tallest statue. The statue is built by the infrastructure tycoon Larsen & Tubro.

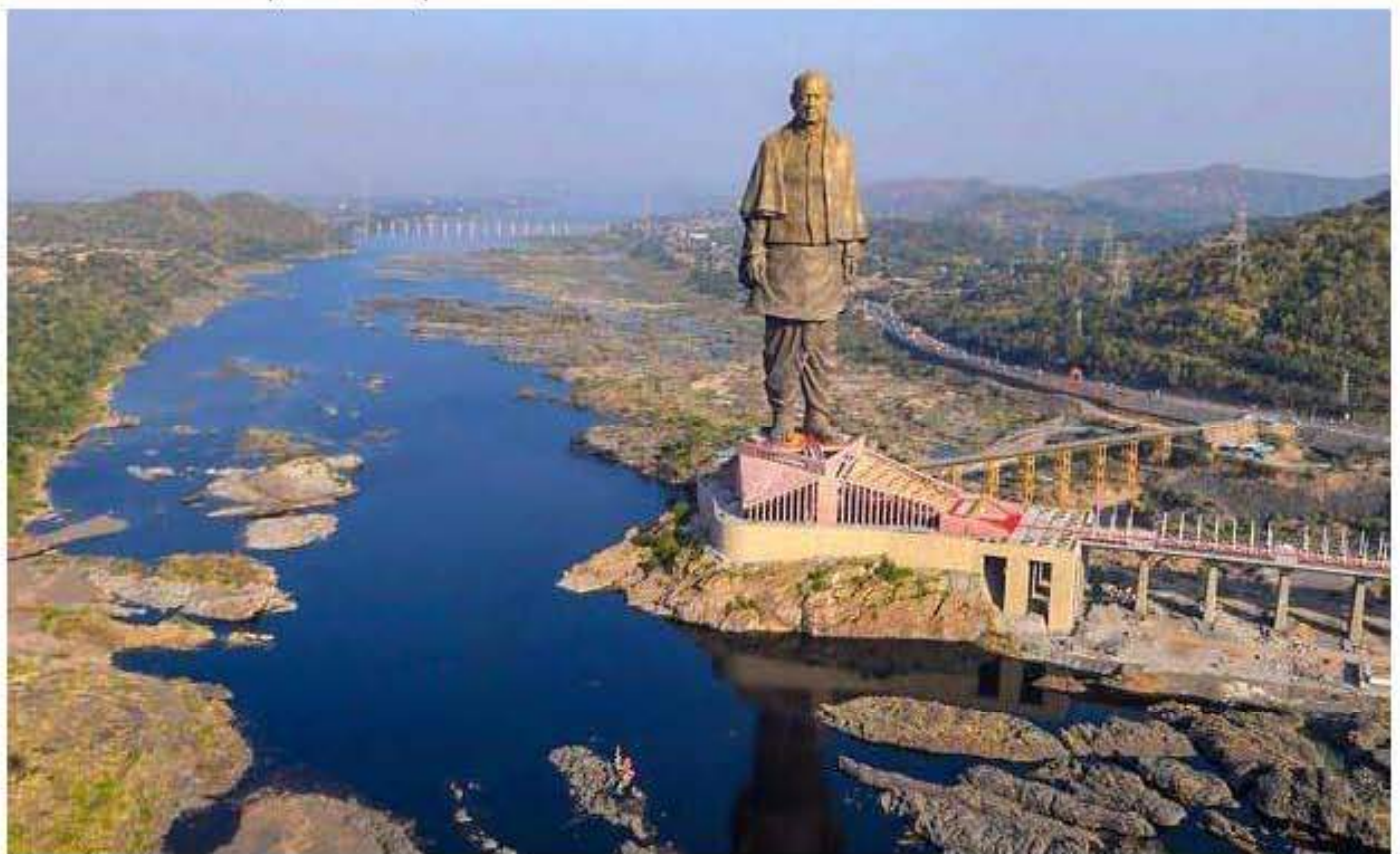
This statue is a depiction of power and wealth. Though it has received a lot of criticism due to the heavy expenditure incurred to make it, it will definitely have economic benefits.

Apart from the main Sardar Vallabh Memorial, the attraction also has an observation desk, museum, and an audio-

visual gallery just like the one present at the Burj Khalifa; a 3-star hotel, a research Centre and a beautiful valley of flowers.

Benefits

The construction of the statue generated jobs for 3,400 laborers and 250 engineers. Then the materials would have brought income to people. The maintenance staff, the people riding boats to help people reach the attraction will earn and also tourist attractions will develop nearby. The attraction will enhance airport's revenues as well. It is a huge boost for tourism. Tourism is the largest provider of employment in the world and India has an endless list of tourism spots. It will provide employment opportunities to hotel owners, guides, taxi-drivers or transportation providers.



The memorial is situated near a tribal area, which will not only help the tribes to develop, but also provide them with employment. They can prosper from the statue by providing local services. Around 15,000 jobs are expected to arise for the people of the tribal area.

A special fact about the statue is that it is built from iron and other materials that were declared as scrap. Farmers from all over the county contributed waste material to be put into building this magnificent statue. Thus the policy of best out of waste has been executed to perfection here.

Criticisms

The Statue of Unity has attracted a lot of flak for its expenditure, with people opining that the money could have been put to better uses like the construction of roads or building new schools or hospitals. The money could have been put into feeding the poor, old, homeless or for the development of infrastructure. It was also speculated that the statue is bound to harm the people of the tribes present there. But the government has put effort into feeding the poor through various schemes like Antyodaya Anna Yojana, and construction of roads through various other schemes. Schemes like Deen Dayal Upadhyaya Grameen Kaushalya Yojana, Roshni: Skill Development Schemes for Tribal have helped many come out of poverty. India has shed the title of highest number of people living in extreme poverty and thus this statue stands as a proof that India is capable of doing better and it will.

Actual Costs

Just like the Taj Mahal, tourism will help cover various costs incurred in making this statue. The cost of a ticket is Rs. 350 for the most view and a daily estimate of 12000-15000 visitors are expected. Since 40000 visitors come to see the Taj Mahal, the estimated amount of money earned from the tickets is around Rs.200 - 250 crore. This does not even include the amount earned from the museum, hotel, and shopping centre. The government has also said that it will host



national and international conferences and meetings in the premises of the statue which is likely to increase the earnings of the government. So, in 10-12 years, they can cover the cost of the statue.

Irrespective of the monetary costs, the statue has also cost the nature and natural resources of the area. Several thousand families have been dislocated, who are still waiting for free and fair allocation of houses. Several *Adivasis* have suffered due to the construction of the statue, they claim that natural resources have been depleted, which, in fact, is quite true. It is built near the Sardar Sarovar Dam which has caused a lot of disturbance to the locals living nearby. It has been built on eco-sensitive Shoolpaneshwar Sanctuary. No mandatory Environmental Impact Assessment was conducted. 2,00,000 trees have been chopped off to clear land for statue and six-lane highway.

The construction cost could have been used to irrigate 40,192 hectares of land, cover repair, renovation and restoration of 162 minor irrigation schemes and the construction of 425 small check-dams. Five new solar power plants, each producing 75 megawatts of power it could have been used for building two IIT campuses and 5 IIM campuses and 6 Mars missions or 2 moon missions by ISRO.

Though this money could have been still put to build hospitals, sponsor education or maybe a power plant, but in the end, we can see all that these through the eyes of an economist as the expenses were the opportunity cost of the Statue of Unity.

Discerning the Dynamics of BHEL - The Heavyweights of the Heavy Electricals Sector

-Editorial Board

Conducive infrastructure is the essence for the sound functioning of any economy. Power sector forms the core of the physical infrastructure, fuelling the operations of every economic unit. To understand the challenges and dynamics of the power sector, team Kaizen visited the office of BHEL and interviewed Mr. Sarvesh Chaturvedi, Executive Director, Transmission Business Group, Regional Operations Division & Control Fabrication Plant. Mr. Chaturvedi gave his insights into the challenges posed to the power sector and how BHEL, through its groundbreaking industry practices, has been able to take the environmental forces into its stride.

Here are the excerpts from the interview:

1. BHEL is the only Indian public sector company in the 'The Global Innovation 1000' of Booz & Co'. You also have specialized research institutions at Tiruchirappalli, Bangalore, Bhopal, Haridwar and Gurugram. Please elaborate on this culture of innovation.

These institutions are actually Centres for Excellence. We have many verticals and we keep fortifying our strengths all the time. New practices are inculcated and adopted as per the requirement of contracts. The main Research and Development centre is at Hyderabad. There are directors at respective branches and an Executive Director at Delhi coordinates their activities. These Centres are independent and dynamic segments. Even I am not aware of certain nuances of these institutes.

2. One of the key targets in the heavy goods industries in the public sector is to generate employment opportunities, particularly

for the unskilled labour. How do you meet that challenge?

This was certainly one of the major objectives until recent times. Public sectors were initially established as an employment model.

At the time of independence, we were an agrarian economy, devoid of organised industries, labour laws, and workers' participation. Public sectors were developed to initiate systematic industrialisation. Impetus was given on housing facilities, trade unions and perks for the sustenance and well being of workers. In the current era, private sector has mushroomed over the corporate sphere, and the focus of the government has shifted to generate revenues. Public sector organisations are not mere social institutions any more, financial deliverance has become a norm along with taking care of employees we already have on the payrolls.

3. BHEL has installed 15.61 million units of power generated through of in-house solar power installation. What are your upcoming endeavours in the field of solar energy?

We are the pioneers of solar power in the country. BHEL started supplying domestic devices such as solar lanterns, solar heaters, and solar cookers about 25 years back. However, I feel we these products were ahead of their time, and could not flourish much at that point. Coal-generated power was the core business, so we had to divert our resources



Image Credits:
The Hindu Business Line

and synergies on that aspect. Suddenly, the disruption of solar power came in the industry, which again forced us to rethink on our strategies. We have made investment in our solar plants in Bengaluru, and have upgraded our generation capacities.\

4. Yet another part of the solar revolution is the network of Solar Electric Vehicles Chargers (SEVC) on the Delhi-Chandigarh National Highway. Do you think India is now ready for electric vehicles revolution?

The question is not whether we are ready or not. It is incident upon a diverse ambit of subjects. Air pollutants emitted from the vehicles pose a grave environmental hazard. Since oil is imported, it also consumes a fraction of our foreign exchanges. Further, the fossil fuels are not eternal. Maximum commutation occurs during daytime; hence, we are committed to channelise the solar energy towards the electrical vehicles. This might be expensive right now as the concept is in the embryonic phase. Many countries have pledged to cease the usage of fossil fuels by a certain time in future. Hence, there is no substitute to this change. Considering the resource constraints and environmental condition, this change is bound to happen. We are ready with the chargers to boost the electric vehicles.

5. With the commercial sphere being more dynamic than ever before, how have you managed to maintain the position of the market leader?

The answer to this is easier said than done. You have to be more competent, more reliable, more price effective, and better in quality and service delivery. Having said that, there is no tailor made answer. It is the same as asking the success mantra to a student. However, in my view, the quintessence is being ready for change and continuing the culture of innovation.

6. BHEL supplies locomotives to the railways. Now with the present interim budget where the allocation to railways is the highest ever, do you agree that this will further business opportunities?

Business opportunities have already been enhanced. Although we have a huge plant in Jhansi, it was underutilised since the past few years. However, this year we have received orders for standard as well as advanced engines. Indigenous models were not that energy efficient, as energy is dissipated along with heat upon the burning of fuels. BHEL has made 3-phase engines, which send the energy back to the grid upon the burning of the fuel. The company has successfully demonstrated the work of regenerative locomotives to Indian Railways. They have approved the model and given further orders. BHEL is looking forward to many more prospects.

“The question is not whether we are ready or not (for electric vehicles). Maximum commutation occurs during daytime; hence, we are committed to channelise the solar energy towards the electrical vehicles. Considering the resource constraints and environmental condition, this change is bound to happen.”



“Our focus is to build something that can store and regenerate energy, something entirely different. This will enable the dual satisfaction of environmental concerns as well as capacity constraints. And being the market leader, we cannot absolve from change.”

7. What are your views about the current performance of BHEL in the stock market?

Stock Market is a game of speculation. It is contingent upon a variety of factors. BHEL being conservative in the stock market, it has managed to operate without much debt and given an extremely sound performance.

8. BHEL in collaboration with Libcoin is preparing to build India's first Lithium-Ion gigafactory. What do you think of this upcoming venture and how this will ensure country's energy security and clean energy commitment?

Coal plants generate huge amount of ash and toxic gases. Although solar energy is the propellant for future, it has one limitation; it is available only during daytime. Solar energy backed devices are still in an evolutionary phase, but offer a host of opportunities. At present, we have not exploited many applications due to restriction upon capacity.

It is similar to a mobile phone, which requires to be charged after a few hours. Our focus is to build something that can store and regenerate energy, something entirely different. This is something that has attracted global attention. This will enable the dual satisfaction of environmental

concerns as well as capacity constraints. Being the market leader, we cannot absolve from change.

9. Public sector giants generally intend to achieve the objective of balanced regional development by undertaking projects in rural areas. What are the challenges, in terms of infrastructure and human resources that you have to face in such

circumstances?

There has been a drastic change in the operational dynamics of the public sector companies. This was a major objective until public sector organisations were being treated as social saviours. We went into remote locations like Rudrapur and Jagdishpur and kept on opening new ventures. Now, the focus has shifted more on profit generation, so the social objectives are primarily met from the CSR budget.

10. There have been rising concerns over the environmental sustainability of businesses, ever since India has been ranked 177 out of 180 countries on the Environmental Performance Index. Please throw light on BHEL's contribution towards saving and promotion of environmental interests.

We have shifted the focus on non conventional sources of energy. For the

existing coal power plants, the company has used techniques that trap emission contents and minimize the adversities on environment. The dry bottom ash technique has also been adopted which prevents water pollution.

There have been radical changes into the dynamics of the power sector, with the focus now converged on development of solar energy modules. BHEL has been at the forefront in this change, with its highly specialised R & D exploiting the avenue for broadening the horizons. The welfare and profit motives stand aligned with each other, drawing parallels with the environmental quotient as well.



1. Netflix surged more than 50% on Jan. 24 from the previous day's low. \$1,000 invested in short-term call options would have been worth \$2 million in less than 24 hours
2. Thanks in large part to cellphone cameras, "Ten percent of all of the photographs made in the entire history of photography were made last year," according to Time.
3. The Schindler's List' is the most expensive Black and White film made till date. The budget of the movie was around 22 million dollar.
4. In 'Terminator 2', Arnold Schwarzenegger only spoke about 700 words and for that he was paid \$15 Million. So the iconic dialogue 'Hasta La Vista Baby' cost around \$85,000.
5. The movie 'Titanic' (1997) cost more to make than the actual ship (Titanic) that sank. The movie cost \$200 million. The actual costs to construct the ship from 1910 to 1912 were \$7.5 million. Adjusted for inflation, that would be around \$116 million in 1997 (assuming a 3.2 per cent consumer price index annual increase).
6. 'Casino Royale' was the first ever Bond Movie to be approved of Chinese censors. Also in one of the car roll scenes 3 "Aston Martin DBS" cars of \$3,000,000 were destroyed.
7. Weirdest businesses can be found on Trending social media Instagram. Especially in Kuwait where each and every one has their business on instagram from Grandma's to livestock sellers.
8. If you think that the US has highest number of Facebook accounts, you are wrong it is has second highest. India has the highest number of Facebook accounts with Indonesia and Brazil in competition for the third position.
9. In January 2019, the most liked picture of Kylie Jenner with 18 million likes where she depicts her love for her child was beaten by the picture of an egg with more than 41 million likes.
10. Google was originally called "Backrub".
11. The time in an official iPhone advert or press release is always 9.41am (or occasionally 9.42am). Why? Because Apple launch events start at 9 am and big product reveal generally happens just after 40 minutes into the presentation.
12. The Facebook logo is apparently blue because Mark Zuckerberg is red / green colorblind and blue is the color he sees well. Yeah well that's just peachy for you Mark but what about all those Tritanopes out there? (N.B. Tritanopia is blue color blindness, just in case you were wondering)
13. The reason why the tables in Starbucks are round instead of square is not by chance – the designers of the internal space believe that customers feel less alone if they are sat on their own at a round table instead of a square one.

14. Yahoo is actually an acronym: “Yet Another Hierarchical Official Oracle”. Well it beats Backrub.
15. The bestselling product of all time is the Rubik’s Cube beating the iPhone into second place. Now if only Apple had thought to launch an iPhone that also works as a Rubik’s Cube they could have cornered the market.
16. National animal of Scotland is Unicorn.
17. Of all the words in the English language, the word “set” has the most definitions.
18. In 2014, a woman joined a search party looking for herself.
19. As you grow old, the size of your brain can decrease causing Alzheimer’s disease and dementia.
20. The first electronic computer ENIAC weighed more than 27 tons and took up 1800 square feet.

Answers to Crossword

Across

1. Customs
2. Bankruptcy
3. Volatility
5. Marketing
7. Balance of trade
9. Index
10. Coinsurance
13. Monopsony

Down

1. Conversion
6. Prospectus
8. Liquidity
11. Monetary Policy
12. Barter
13. Merchandise
14. Maturity

Answers to Quiz

- | | |
|--|--|
| 1. Luxembourg | 8. Nandan Nilekani |
| 2. World Trade Organization (WTO) | 9. Narendra Modi |
| 3. Yohei Sasakawa | 10. Foxconn |
| 4. Ministry of Petroleum and Natural Gas | 11. The White Star Line |
| 5. London, United Kingdom | 12. Kerala |
| 6. 1946 | 13. Norway -because of Magnus Carlssen |
| 7. Chabahar Port, Iran | |

Role of Monetary Policy Committee in Controlling Inflation

-Aditya Tripathi, B.Com (Prog) 1st Year

Inflation occurs when an economy grows due to increased spending. This leads to a general rise in prices of commodities, reducing the purchasing power of the currency. When the purchasing power of a currency reduces, the exchange rate weakens when compared to other currencies. A popular method of controlling inflation is through a contractionary monetary policy. The goal of a contractionary monetary policy is to reduce the money supply within an economy by decreasing bond prices and increasing interest rates. This helps to reduce spending because when there is less money to go around, those who have money want to keep it and save it, instead of spending it. It also means that there is less credit available, which can also reduce spending. During inflation, it is important to reduce spending because it helps halt the economic growth and, in turn, the rate of inflation. The repo rates, reverse repo rates, etc. are tools of monetary policy.

In order to control the money supply, interest rates and inflation, tight and loose monetary policies are often used by apex bank of any country. In India, it is carried out by Monetary Policy Committee headed by the Reserve Bank of India Governor.



The Structure of the Committee

On June 27, 2016, the Government amended the RBI Act to hand over the job of monetary policy making in India to a newly constituted Monetary Policy Committee (MPC).

The new MPC is a six-member panel that is expected to bring "value and transparency" to rate-setting decisions. It features three members from the RBI — the Governor, a Deputy Governor and another official — and three independent members that are selected by the Government. The committee targets to maintain inflation at 4% with an increase/decrease up to 2% being permissible.

A search committee recommends three external members, experts in the field of economics, banking or finance, for the government appointees. The MPC meets four times in a year to decide on monetary policy by a majority vote. And in case there's a tie between the 'Ayes' and the 'Nays', the RBI governor gets the deciding vote.

RBI has made inflation targeting the primary objective of its monetary policy and abandoned the 'multiple indicators' approach. It also mooted having an MPC so that the decisions could be made through majority vote. By having both government and RBI members on the MPC there will be more accountability. The government would have to ensure to keep its deficit under check and RBI would owe an explanation for runaway inflation.

Policy Modes to Control Inflation

1. **Tight monetary policy:** This is used when the inflation rate in the economy is high because of the higher amount of money in

circulation. So, MPC would adopt various means and ways to withdraw excess money from the economy by using tools such as increasing interest rates, selling securities in open market and to commercial banks, increasing the rate of minimum reserve to be kept by commercial banks towards the central bank, increasing the borrowing rates among banks themselves etc.

2. Loose monetary policy: This policy is used when the economy is in a recession because of lack of effective demand and lower amount of total money in circulation in the economy. So, MPC adopts various means and ways to inject more money in the economy by using tools such as decreasing interest rates, decreasing the rate of minimum reserve to be kept by commercial banks towards the central bank, decreasing the borrowing rates among banks themselves etc.

Thus steps taken by the RBI clearly show that it is appropriately focusing on economic stabilization amid growing domestic and

global uncertainties. And this is obviously facilitated by a more favorable inflation dynamics on the back of improved supplies of food grains and perishables on the one hand and muted demand conditions (especially in non-rural belts) on the other.

Monetary policy decisions by central banks can have far-reaching implications for the economy, investors, savers and borrowers. And if such decisions are seen to be taken by an individual, it can cause a lot of heartburn. Therefore, globally many governments have solved this problem by appointing a committee.

India's shift to a MPC is driven by a clear inflation targeting framework, if it succeeds, may also ensure that consumers and investors can look forward to lower inflation rates over the long-term. The public disclosure of MPC deliberations also helps to understand why its members batted for higher or lower rates. The MPC may put a stop to the public skirmishes between the Government and the RBI.

Student Achievers 2017-18

Toppers B.Com (Hons.)



Radhika Bansal
1st Year



Muskan Mittal
2nd Year



Aastha Gupta
3rd Year

Student of The Year



Chavi Kapoor
B.Com (Hons) 3rd Year

Toppers- B.Com (Prog)



Shyam Bansal
1st Year



Shivam Goel
2nd Year



Manav Kapoor
3rd Year

Correlation between Logistics and Exports - The Indian Case

- Kunjana Gupta, B.Com (Hons.) 2nd Year

Dream big!! –but you have to think about the logistics.

It's not just coming up with a great idea;

how you can sell or promote that great idea.

One just can't rely on preliminary data. One has to organize with logistics.

Introduction

In current era of globalization, meaning of the term logistics has changed completely. Originally logistics played a pivotal role in mobilizing military goods, equipment and food from one place to another. But now scenario is little different, with the term being redefined completely. Logistics refers to planning, implementing and then controlling the physical flow of material along with the finished goods from point of origin to point of use to meet customer's need at a profit.

It is the base for business idea to get to its final step. Once the entrepreneur creates his business idea, he has to manage logistics which ensures customer satisfaction at minimum cost. There are two major functions involved in logistics, which are warehousing and transportation. It is an important component of supply chain management. Prevailing in omnichannel commerce with its same day delivery, it has become more important for suppliers, distributors and retailers to improve their logistics process to meet the growing demand of consumers.

Considering the example of Mumbai's dabbawallas, they illustrate the best example of logistics. They procure and deliver lunch

boxes from homes/restaurants and deliver it to the customers – all within a specified time frame – and then again deliver the empty box back to the place of pickup.

It bridges the gap between business houses and the consumers. It ensures the availability of goods and services to end users at right time at right place. It maintains the optimum demand service level at optimum cost. Its aim is to create customer satisfaction.

Challenges faced by the Industry:

The government has given infrastructure status to logistics sector, which makes it likely to attract more funding at competitive rates. But the role of managing this infrastructure has been moderately under-accentuated.

1. **Complexity of system-** Regulations are imposed by national, regional and local authorities and do exist at a number of different tiers. However, the regulations vary from city to city, impeding the creation of national networks.



2. Unavailability of skilled manpower- The unorganized nature of the logistics sector in India, its perception as a manpower-heavy industry and insufficient training institutions has led to paucity in skilled management and client service personnel. **There is a lack of equipments, IT standard and poor systems integration.**

3. Lack of proper equipment- Major problems arise due to insufficient specialist equipments i.e. containers and proper refrigerated storage, but it is also relatively due to lack of training.

Consequences of Poor Logistics:

India, being an integral part of BRICS nations, is the only country which fits in World Bank Logistics Performance Index. In regards to its logistics sector, it contributes 13% to total GDP. But it is still higher than the other developed nations such as US (9%), Europe (10%) and Japan (11%)

In era of globalization the other nations have enhanced their ranks such as China from 30 in 2007 to 26 in 2012, India is one of the only countries who's ranking slipped. Logistics play an important role to provide competitive edge to any product. Its concern is shared by, Mr. Vishwas Udgirkar, Senior Director, Deloitte India. World Bank assessment shows cost of logistics in India is higher than the developed countries at 13-14 % of GDP.

India is the 6th largest economy in the world but its share in global export is just 1.7%, this was brought to attention by Puneet Dalmia, the Dalmia Bharat Group Managing Director, he also stated the significant increase in exports in last 4 years, was worried the small percentage in global exports.

Reasons attached to it are:

- Severe congestion at major seaports resulting in significant delays in cargo clearance as well as vessel turnaround times is a reason for slower growth of export-import (EXIM) volumes.

- And also lack of infrastructure is one of the concerns for low global share of exports of India.

Solutions to the Problem:

- Enhancing the development of logistics infrastructure.
- Attentive measures to push up EXIM volumes by the Government and serious initiatives to improve competencies and quality of services by logistics sector participants are the need of the hour to avert this deterioration on global logistics performance.
- The government needs to bring about rapid development of national highways, dedicated rail freight corridors, cargo capacity and capability to accommodate larger ships at sea ports.
- To enhance business scenario and EXIM competence of our industries, the Government should also work together with various industrial consortiums.
- An improvement in logistics service providers is required so that their competencies by investing in infrastructure and technology, gaining skill sets, and adopting best practices from developed logistics markets is there.

Conclusion

The Government of India has made initial efforts, such as the Make in India programme and developments in infrastructure along with the emergence of skilled professionals, the country's position enhanced from 54 in 2014 to 35 in 2016 in the World Bank (WB)'s Logistics Performance Index (LPI), in terms of overall logistics performance. India also developed its tally in all the six mechanisms of LPI. India also registered an overall 30 points rise in 2017 and stood at 100th position compared to 2016, in the World Bank's Ease of Doing Business Index.

Commerce Students in Cultural Activities



VAYAM



SHUTTERBUGS



FOOTLOSE



VIBGYOR



BIZARRE



REVERB

Commerce Students in Non-Cultural Activities



NCC



WOMEN DEVELOPMENT CELL



SPADE



PLACEMENT CELL



ENTREPRENURSHIP DEVELOPMENT CELL



LITSOC

Report on Annual Seminar

Kaizen, the Commerce Society of Shivaji College, witnessed a remarkable day on 18th January, 2019, by having two of the most eminent speakers from the field of education, Dr. Amit Kumar Singh, and Dr. Sanjay Kaushik, to enlighten the students on 'The Dynamics of IPO and Changing HR Practices'. The seminar began with the bestowing of saplings to the guest speakers by Vice Principal, Dr. Anita Kapur, as a token of gratitude followed by a short speech delivered to introduce the speakers. The first speaker was, Dr. Amit Kumar Singh, a specialist in the streams of finance and investment. He shared his insights about financial planning and talked about Stock Exchanges, private placements, SEBI, Initial Public Offering (IPO), etc. Laying key emphasis on IPO, he discussed about its

issue procedure and grading. He interacted with the audience by the way of pop quizzes and clarified their doubts. His examples and case studies made the students inquisitive.



This was followed by another informative session by Dr. Sanjay Kaushik, an expert in Human Resource Management, General Management and Banking. He made the audience know about the changing perspectives of companies regarding HR practices and stated their significance in a business organisation. He continued by letting students know a company's expectations from its employees and what qualities they seek for at the time of recruitment and selection. This was really helpful for students. He encouraged students to develop leadership qualities and enhance positive attitude amongst them. His anecdotes made the session even more interesting and interactive. As the ardent students got their queries answered, the seminar got wrapped up with a vote of thanks by the faculty members. All this made the seminar quite fruitful and productive.



DEPARTMENT OF COMMERCE



From Left to Right Mr. Ritesh Bansal, Ms. Vineeta Yadav, Ms. Jyoti Yadav, Dr. Anubha Saini, Mr. Rajinder Singh, Dr. Ramesh Malik, Mr. Rajesh Kumar, Ms. Suman Kahrbanda, Dr. Rabinarayan Samantara, Ms. Kiran, Ms. Shweta Gautam, Ms. Manisha, Ms. Manisha Rani, Ms. Harmanpreet Kaur

TEAM KAIZEN 2018-19



From Left to Right (Row 1) Garima, Bhushit, Yash, Lakshay, Ashna, Anamika, Akansha, Sahil, Aditya
From Left to Right (Row 2) Bhavika, Reetika, Mehek, Vriti, Swati, Jasmine, Varnali, Dolly, Muskan, Srishti, Divya
From Left to Right (Row 3) Shikha, Himanshu, Kunjana, Chirag, Prince, Gaurav, Vinay, Mayank, Pragati, Disha



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UNIVERSITY OF DELHI

Raja Garden, New Delhi - 110 027