

“Power is gained by sharing knowledge and not hoarding it”



EMERGING THOUGHTS

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Chartered Accountants

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## Foreword

We, at Suresh & Co. are extremely glad to release the series “EMERGING THOUGHTS”. This publication is a consolidation of events occurring all around the world and ideas put together by articulated assistants (Interns undergoing Chartered Accountancy course) who will be emerging as Chartered Accountants in near the future and employees.

Knowledge is something that you can't subtract, and you can only add to the knowledge you already possess. Reading and learning is a way to increase your knowledge. There are so many activities that you do every day with the knowledge that you possess. Without the knowledge we possess wouldn't be able to do our daily activities in the same way.

The response we receive from the readers is always formidable and this eternal ritual has been an amazing journey reaching milestones as the learning opportunities have always illuminated our path with the essence of knowledge.

At SURESH & CO., every individual is often required to be leading in the name of technology and knowledge and is encouraged to think beyond essential demand of necessity. This not only helps them to purify their thoughts, enriches their vision but also gives them an opportunity to reconnaissance various things that are beyond their domain.

We at SURESH & CO., wanted to share these gems of initial thoughts as conceived by these young minds. It is to be noted that these updates may or may not have been reviewed by any senior or a technical expert and thus these should be used only to kindle thoughts in certain positive direction. Readers are advised to do further research and analysis on the topics which they find interesting.

**“Reading is the gateway skill that makes all other learning possible.”**

**“You will either step forward into growth, or you will step backward into safety.”**

## Update for the day #1201 | Organic Mandya.

### The Beginning of ORGANIC MANDYA

“Why does the rice that a farmer sells at ₹15/kg gets sold to consumers at ₹100/kg, whether it be through a retail store or in the form of a ‘value add’, say a meal at a restaurant? Because Farming, by and large, is quite an unorganized, informal, yet tightly controlled sector. Now, we certainly don’t want Corporates to come in and homogenize the sector (imagine Monocropping and Profiteering) resulting in a much deeper chaos. But we also want to make sure Farmers can have an upper hand in negotiations and get fair prices for their produce. This is why we formed the Mandya Organic Farmers Co-operative Society.” – Team Organic Mandya.



### A Visit to Mandya

Madhu Chandan, the founder of Organic Mandya, ran his own software company and was living in California. He used to come to Bangalore often where his company’s R&D center was located. Coming to Bangalore on such trips, he noticed that so many workers were from his hometown Mandya. What started to bother him was that most of these people were sons and daughters of farmers have migrated to the city for having no income in agriculture. His visits to Mandya, unfolded a disturbing trend of youth migrating to cities, reduced life expectancy, and increasing farmer suicides. He did some research behind the problems farmers have been facing for decades and dared to dream a different dream about his native place. Soon enough, he convinced his family and moved from the US back to Mandya.

### His Observations

Madhu made some rather disturbing observations about the widespread farming practices and how it impacted the society. Chemical-based farming had robbed the farmer of his natural competence, turned him into a consumer of chemical produce just like city-folks (in the olden days, a farmer used to grow most things he needed), and made him prone to lifestyle-related diseases that were unheard of in Rural Communities.

It was time to change the farming and consumption behavior and for the farmer to get his/her due. A farmer has to be self-sustainable, eat organic products grown in his/her own farm/backyard, and reap the benefits of a natural way of farming. And soon enough, Organic Mandya was born!

### **Formation of the Co-Op Society**

In 2014, Madhu started talking to a few farmers and introduced them to Organic Farming. He made them understand how Organic Farming uses natural means such as Jeevamritha, Natural Pest Repellants like Buttermilk and Neem Spray, and age-old techniques such as Crop Rotation, Companion Planting, etc.

He assured them that this would bring remarkable changes to their health and wealth. Madhu started an impromptu group and inspired by his riveting talks every Monday, more and more farmers joined this group, which led to the formation of a Mandya Organic Farmers Co-operative Society.

### **Enriching Farmers of Mandya**

Organic Mandya was actually formed as a marketing wing to support the Mandya Organic Farmers Co-Operative Society. That small movement now has become a way of life for many farmers of Mandya, and the followers of natural farming are delightfully increasing!

They now have,

- 12000+ Farmers under the Co Op Soc
- 7000+ Farmers in 300+ Organic Farmers Clubs spread across 270 Villages, and
- 4500 Women Members (Farmers-cum-Micro-Entrepreneurs) across 200 Villages!

And They have also started various programs to educate people about farming via various free organic or Natural farming sessions, training sessions, Day outing program (where you can go back to nature and also learn how farming happens from a farmer) etc.,

Feeling hungry? Or Want to have a break and go for a day outing ? or make a sweat donation ??? or Want to have a taste of the intelligence that can convert soil into food? Organic Mandya answers you the nature's way.

**By Nagasarwesh**



## Update for the day #1202 | If You're Waiting for The Right Time, Stop... The Time is NOW

“Do not wait: the time will never be ‘just right’. Start where you stand, and work with whatever tools you may have at your command and better tools will be found as you go along.” - Napoleon Hill.



Suppose you have a favourite top which you thought you will wear it on a special occasion and then you forget, this usually happens to our favourite things, good crockery is kept for guest and we never use it, jewellery keeps ageing in locker. While finding the occasion you lose what you have... Time. Don't wait for the right time to do things that you love, every moment is as special as you make it.

There is never a perfect time for you to take action. There is never a perfect time for you to launch that project, to spend time with your family, to write a book, change your habit, or embrace a new habit. Once you acknowledge this, you will get a lot more meaningful work done every day.

### **Kill the excuses!**

I'm too tired. I don't have the time. I am not capable. Someone else will do it. It's too late now. Now is not the right time. I am not talented. I am not ready. I'm too scared. Nobody will help me. What if I fail. I don't feel motivated. I'd rather do nothing. I don't have the money..yet!

It's easy to come up with excuses and justify not getting started. The longer you fill your head with rationalizations and empty excuses, the less time you have to take action.

It's easy to say, “I will start when I have more experience, money, time and resources”. By this time next year, you will have a lot more excuses. It's a cycle. And once you get caught in the loop, it, can be difficult to break free and do something meaningful you care about.

Many people are living their entire lives without ever standing up and stepping out. But it's exciting to witness the rare few who dare themselves and step out of their personal bubbles to make a change.

Most of us live with the stubborn illusion that we will always have tomorrow to do today's work. We consistently hold on to this belief and keep procrastinating until work becomes a heavy burden.

Left unchecked, we always default toward a more comfortable path. Your comfortable zone provides a state of mental security. You can understand why it's so hard to kick your brain out of your comfort zone.

### **It pays to be an outlier!**

Outliers are those who seize opportunities and run with them. People who realize how little time they have and are driven to make the absolute most of it. Those are the ones who really live.

Studies consistently show that when we look back on our lives the most common regrets are not the risks we took, but the ones we didn't. Of the many regrets people describe, regrets of inaction outnumber those of action by nearly two to one. Some of the most common include not being more assertive, and failing to seize the moment. When people reflect later in life, it is the things they did not do that generate the greatest despair. You can seize the moment today!

### **Getting past the biggest hurdle!**

The biggest hurdle for many of us is simply getting started. Making that important decision to take a step. You can be as big and successful as you can possibly imagine if you build that mindset you need to step outside the safe zone. You just don't trust yourself enough yet.

You have everything you need to make an impact in the world if you can get past the excuses. You don't even have to start a new project. What you need is something you can emotionally and deeply connect with.

Don't think too far into the future. Use what you have right now at where you are and witness the magic of creative work. If you're thinking about it too much, chances are you're killing it.

### **Get started now!**

"It is better to live your own destiny imperfectly than to live an imitation of somebody else's life with perfection." — Anonymous, The Bhagavad Gita

No matter who you are or what you dream of becoming, remember this: No one ever came to this planet to take a back seat, play second fiddle or make it small.

Stop questioning yourself. Stop listening to everyone else. The world is waiting for you to start something. Waiting to hear what you have to say. Waiting to use your creative product or service. Waiting to share your ideas and original work.

Remember the dream you were too scared to chase? It's still not too late to give it a try. We tend to think that we're not good enough, and give up before we even start. The fear of taking risks never goes away but it does become familiar.

The self-criticism and self-doubt will always be present, and the only solution is to just act in spite of them. Your first eBook, article, song, podcast, freelancer work or creative work never will not be satisfying and perfect, and it's okay.

When we express ourselves in a way that brings out the best in us, we've already succeeded. Step by step we improve despite the temporary failures. That's what matters. It matters that you persist.

“Don't wait until everything is just right. It will never be perfect. There will always be challenges, obstacles and less than perfect conditions. So, what. Get started now. With each step you take, you will grow stronger and stronger, more and more skilled, more and more self-confident and more and more successful.”—Mark Victor Hansen

**By Priyanshi Jain**



## Update for the day #1203 | Pandora papers: biggest ever leak of offshore data exposes financial secrets of rich and powerful

The secret deals and hidden assets of some of the world's richest and most powerful people have been revealed in the biggest trove of leaked offshore data in history. Branded the Pandora papers, the cache includes 11.9m files from companies hired by wealthy clients to create offshore structures and trusts in tax havens such as Panama, Dubai, Monaco, Switzerland and the Cayman Islands.

They expose the secret offshore affairs of 35 world leaders, including current and former presidents, prime ministers and heads of state. They also shine a light on the secret finances of more than 300 other public officials such as government ministers, judges, mayors and military generals in more than 90 countries.



More than 100 billionaires feature in the leaked data, as well as celebrities, rock stars and business leaders. Many use shell companies to hold luxury items such as property and yachts, as well as incognito bank accounts. There is even art ranging from looted Cambodian antiquities to paintings by Picasso and murals by Banksy.

The Pandora papers reveal the inner workings of what is a shadow financial world, providing a rare window into the hidden operations of a global offshore economy that enables some of the world's richest people to hide their wealth and in some cases pay little or no tax.

There are emails, memos, incorporation records, share certificates, compliance reports and complex diagrams showing labyrinthine corporate structures. Often, they allow the true owners of opaque shell companies to be identified for the first time.

The files were leaked to the International Consortium of Investigative Journalists (ICIJ) in Washington. It shared access to the leaked data with select media partners including the Guardian, BBC Panorama, Le Monde and the Washington Post. More than 600 journalists have sifted through the files as part of a massive global investigation. The Pandora papers represent the latest – and largest in terms of data volume – in a series of major leaks of financial data that have convulsed the offshore world since 2013.

Setting up or benefiting from offshore entities is not itself illegal, and in some cases people may have legitimate reasons, such as security, for doing so. But the secrecy offered by tax havens has at times proven attractive to tax evaders, fraudsters and money launderers, some of whom are exposed in the files.

Other wealthy individuals and companies stash their assets offshore to avoid paying tax elsewhere, a legal activity estimated to cost governments billions in lost revenues.

At least \$11.3tn in wealth is held offshore, according to a 2020 study by the Paris-based Organisation for Economic Co-operation and Development (OECD). “This is money that is being lost to treasuries around the world and money that could be used to recover from Covid,” Ryle said. “We’re losing out because some people are gaining. It’s as simple as that. It’s a very simple transaction that’s going on here.”

**By Chandana C**



## Update for the day #1204 | Dammed but not damned

Some 30 years ago, the Indian government displaced tens of thousands of families as part of its Sardar Sarovar Dam project. The families belonged to indigenous forest tribes that have been living in the jungle for thousands of years. They were resettled in mainstream villages where they were given land and were much more integrated with modern society.

At the time and since, many activists claimed that tribespeople would not be able to cope with the shift from subsistence agriculture in the forest to modern commercial life in mainstream villages, would lose their land and other compensation to loan sharks, and be devastated culturally and economically by the forces of modernity. Their culture was different and should be preserved.

Were the critics right? Not at all. The documentary, streaming on Disney+Hotstar shows how the relocated forest tribes have fared.

The film, “Dammed but Not Damned,” is based on field research by Cato scholar Swami Aiyar and Columbia University professor Neeraj Kaushal, who surveyed 1,200 forest tribe families. When the relocation occurred, some forest tribes who lived deep in the forest or above the waterline did not move.

That allowed the researchers to conduct a sort of controlled experiment, comparing the resettled families with their former neighbors.

Contrary to claims that the resettled forest tribes would be taken advantage of and become paupers, Aiyar and Neeraj found that their standard of living notably improved, exceeding that of the forest tribes that stayed behind. On a range of indicators—land and asset ownership, housing quality, agricultural practices, access to schools and hospitals—the relocated families were better off.

Why were the outcomes so much better than in some other similar projects? First, the activists convinced the relevant tribunal that compensation should not just be cash but must include five acres of land for every male adult. Assistance from the NGOs was critical in locating suitable land, ensuring that resettlement pledges were honored, and overcoming the usual bureaucratic obstacles.

The authors reported their findings in the Cato study “How Property and Civil Rights Help Forest Tribes Modernize and Prosper” and in this academic study and this article for a broader audience, which the new documentary summarizes.

Extending basic rights did not eliminate the forest tribes’ distinct culture either. The authors argue that members of all forest tribes be afforded the same basic rights and conclude with an important point: “All humans were tribespeople for 99.9 percent of their history.”

Some of us came out of the forest a few hundred or thousand years ago, a tiny period on the evolutionary scale. Those left behind are not museum pieces to be preserved. They can catch up quickly if empowered. To treat them as fundamentally different is paternalistic elitism.”

**By Hiral Songara**



## Update for the day #1205 | An Alleged Time Traveler Who Earned \$350 Million and Suddenly Disappeared

Today's modern science is progressing so rapidly that we are setting up many new records every single day in the field of science. But even after so much progress over time, there are still some questions for which science does not have an answer, one of those questions is 'Time Travel'. Is there any way we can transcend time, and will we ever experience a phenomenon like time travel in the future? We have only one answer to all these questions, "maybe", but from time to time some people have come across the world who claimed that they are time travelers. And to make the world believe in their words, they definitely have some such information or such things which seem far ahead of their time, due to which these people start believing them even if they do not want to.

This incident took place in March of 2003, when a 44-year-old man named Andrew Carlson was arrested by the police from the city of Toronto, Canada for insider trading. Police suspected Carlson when he earned about \$350 million by investing only \$800 in 126 high-risk trades. He made 126 extremely risky trades in the stock market with an amount of just \$800, trades that no sane investor would ever invest in. But Carlson earned \$350 million from only these 126 trades and he did not lose even a single penny in any of these trades. According to the stock market, this was impossible because the stock market is such a place where even the biggest investors never always right and end up losing somewhere. But in Carlson's case, the condition was quite the opposite.

The unusual profits being made in the Carlson stock market attracted the attention of the security exchange commission. They were pretty sure that someone was helping Carlson to earn this quick money or he must have such a secret, with the help of which he has created panic in the US stock market. Consequently, Carlson was arrested by the FBI on this suspicion. During the interrogation, the police hoped that perhaps Carlson and the people who helped him would be traced but they were unaware that the matter was going to get even more complicated. He told the police that he was a time traveler from the year 2256, that is why he already knew what was going to happen next in the stock market. But the police considered his words as rubbish and started investigating the case in their own way.

But the police were not getting any information about Andrew Carlson, neither there was any official data of this person, nor any other record, nor any identity card, nor any record that could prove that someone named Andrew Carlson exists at that time. In the year 2003, the arrival of such a person in custody, whose identity was not being identified, whose record was not present anywhere, was indeed a very mysterious thing. It was as if Andrew didn't exist for the world at that time. Whenever Andrew was questioned, he said every time that he is a time traveler who has come in this period only for the purpose of earning money. To make them believe in his words, Andrew gave some such information to the police, about some such incidents that had not happened yet, but were going to happen very soon.

He proposed to the police that if he is allowed to go, he will tell them how to treat AIDS with the methods used in the future. He was also ready to give accurate information about Osama bin

Laden's location. He told the police that he had traveled several times in time before and so he also promised to provide an epic photograph with the time machine. Fortunately, Andrew Carlson correctly predicted the exact date of the US invasion of Iraq, which may have been a lucky guess but he got it right. But despite all this, he was imprisoned for insider trading, and his bail amount was kept at one million dollars, which was a huge amount to free a prisoner.

A few days later, a secret person got Andrew's bail by filing a bond paper of 1 million dollars. But when the bail period expired, Andrew never appeared in court again. The police made several attempts to find Andrew, but he had mysteriously disappeared as if he had never been here. Police even tried desperately to find the person who got him bail, but they did not find any clue about him. So, did Andrew manage to return to his time and was he really a time traveler or a professional con man? No one has the answer to this mystery.

**By Harshit Mehta**



## Update for the day #1206 | Here's why the Zee Sony merger is a match made in heaven!

Zee Entertainment Enterprises Limited (ZEEL) has found a white knight in rival Sony with the latter agreeing to merge its India entertainment business with the beleaguered firm, thus creating India's largest entertainment network with about \$2 billion in revenues and 26 per cent viewership share.

The ZEEL board announced on Wednesday that it had approved a non-binding term sheet with Sony Pictures Networks India to merge their operations, and that the promoters of Sony would invest \$1.57 billion in the merged entity as growth capital.

According to the indicative initial merger ratio, ZEEL shareholders will own approximately 47 per cent in the merged entity, while the promoters of Sony India will hold 53 per cent after the infusion of growth capital, it said in a statement. On the basis of the existing estimated equity values of ZEEL and Sony India, the indicative merger ratio would have been 61.25 per cent in favour of ZEEL. However, with the proposed infusion of growth capital, Zee's stake is pegged at 47 per cent, it added.

While the promoters of Sony will have the right to appoint the majority of directors to the board, Punit Goenka, chief executive officer and managing director of ZEEL, will become the CEO and MD of the combined entity. Goenka's appointment, however, will be subject to the necessary approvals from the nomination remuneration committee, the board, and shareholders of the merged company, the firm said.

In consideration of the existing promoters of ZEEL and their affiliates agreeing not to compete with the merged company, the promoters of Sony India will transfer around 2 per cent stake in such a way that the Subhash Chandra family will hold a total of 4 per cent in the merged entity. Consequently, Sony India will hold a 51 per cent stake in the merged entity, while Zee shareholders will cumulatively hold the remaining 49 per cent.

According to the term sheet, Chandra, who set up India's first private sector entertainment network, has the option to raise the stake up to 20 per cent. The family sold their stake in ZEEL to repay loans worth Rs 13,000 crore, taken from Indian banks for failed diversifications like infrastructure development.

"We have engaged with Sony in the past and this deal was signed after several months of discussions with Sony," Punit Goenka told an investor call in the evening. Goenka said the deal was subject to approvals from the Competition Commission of India and SEBI. The entire transaction is subject to an independent valuation conducted by both parties, ZEEL informed the stock exchanges before the market opened for trading.

Reacting to the news, shares of ZEEL closed 32 per cent up at Rs 337 a share, giving it a total market valuation of Rs 32,378 crore. Analysts said the transaction would create a new media and entertainment giant in India with a turnover of up to Rs 15,000 crore. According to the ZEEL consolidated numbers, the company made a profit Rs 800 crore on revenues of Rs 7,730 crore in the fiscal ended March this year. ZEEL had cash on books of Rs 1,853 crore.

On the other hand, Sony Pictures Network India made a profit of Rs 976 crore on revenues of Rs 5,846 crore with cash on books of Rs 11,000 crore, as of March 2020. Sony India's latest figures were not available.

Lawyers said the transaction may hit a legal hurdle due to differential treatment of shareholders, with the Subhash Chandra family getting an additional 2.1 per cent shares from Sony promoters as non-compete fee. "Merger terms envisage a non-compete arrangement between the promoters of ZEEL and Sony Pictures Networks India, which will provide an incremental stake of 2.1 per cent to the ZEEL promoters in the merged company (indicative value of Rs 1,075 crore). It will be interesting to see how regulators and institutional shareholders respond to such a non-compete arrangement.

Also, obtaining ZEEL shareholders' approval for the proposed merger, and for the continuation of MD and CEO of ZEEL as the head of the merged entity for the next five years, may entail challenges, considering the stressed relationship between certain institutional shareholders of ZEEL and the ZEEL board, Shah said.

Analysts said the transaction is a strategic fit as Sony is a strong player in the Hindi general entertainment channel (GEC) segment, especially in the non-fiction space, while Zee is strong in movies across genres and the regional GEC space. Zee has a 17 per cent network viewership share and Sony has 10-12 per cent. Thus, it would be a good strategic fit from broadcast, digital and content perspective.

Speaking about the transaction, R Gopalan, chairman, ZEEL, said the board had conducted a strategic review of the merger proposal between SPNI and ZEEL. As a Board that encompasses a blend of highly accomplished professionals having rich expertise across varied sectors, we always keep in mind the best interests of all the shareholders and ZEEL. We have unanimously provided an in-principle approval to the proposal and have advised the management to initiate the due diligence process.

**By Sanmathi**



## Update for the day #1207 | Global Minimum Corporate Tax

A group of 136 countries agreed to enforce a corporate tax rate of at least 15%, as well a fairer system of taxing profits where they are earned. It follows concern that multinational companies are re-routing their profits through low tax jurisdictions. Countries including Ireland had opposed the deal but have now agreed to the policy.

UK Chancellor Rishi Sunak said the deal would "upgrade the global tax system for the modern age". "We now have a clear path to a fairer tax system, where large global players pay their fair share wherever they do business," he said.

The Organization for Economic Cooperation and Development (OECD), an intergovernmental organisation, has led talks on a minimum rate for a decade. It said the deal could bring in an extra \$150bn (£108bn) of tax a year, bolstering economies as they recover from Covid.

- Ireland to increase corporation tax rate to 15%
- US delays tariffs in 'tech tax' row
- Ireland to increase corporation tax rate to 15%

Yet it also said it did not seek to "eliminate" tax competition between countries, only to limit it. The floor under corporate tax will come in from 2023. Countries will also have more scope to tax multinational companies operating within their borders, even if they don't have a physical presence there.

The move - which is expected to hit digital giants like Amazon and Facebook - will affect firms with global sales above 20 billion euros (£17bn) and profit margins above 10%. A quarter of any profits they make above the 10% threshold will be reallocated to the countries where they were earned and taxed there.

"[This] is a far-reaching agreement which ensures our international tax system is fit for purpose in a digitalised and globalised world economy," said OECD Secretary-General Mathias Cormann. "We must now work swiftly and diligently to ensure the effective implementation of this major reform."

### 'Winners and losers'

This deal marks a sweeping change in approach when it comes to taxing big global companies. In the past, countries would frequently compete with one another to offer an attractive deal to multinationals. It made sense when those companies might come in, set up a factory and create jobs.

They were, you could say, giving something back. But the new digital era giants have become adept at simply moving profits around, from the regions where they do business to those where they will pay the lowest taxes. Good news for tax havens, bad news for everyone else.

The new system is meant to minimize opportunities for profit shifting and ensure that the largest businesses pay at least some of their taxes where they do business, rather than where they choose to have their headquarters.

The group of 136 countries have signed up - an achievement in itself. But inevitably there will be losers as well as winners.

### **'Race to the bottom'**

Ireland, Hungary and Estonia - all of which have corporate tax rates below 15% - at first resisted the plan but are now on board.

Ireland currently has a rate of 12.5%, which has helped it attract large amounts of foreign investment and become a base for big US firms such as Apple. But after securing a compromise on the wording of the agreement, Finance Minister Pascal Donohoe said he was "absolutely certain" Ireland's interests were served by being part of the deal.

However, Kenya, Nigeria, Pakistan and Sri Lanka have not yet signed up to the plan. The pact resolves a spat between the US and countries such as the UK and France, which had threatened a digital tax on big mainly American tech firms.

US Treasury Secretary Janet Yellen said: "As of this morning, virtually the entire global economy has decided to end the race to the bottom on corporate taxation.

"Rather than competing on our ability to offer low corporate rates, America will now compete on the skills of our workers and our capacity to innovate, which is a race we can win."

### **'Off the hook'**

Facebook welcomed the deal, saying it has long called for reform of global tax rules. "We recognise this could mean paying more tax, and in different places," said Nick Clegg, its vice president for global affairs.

"The tax system needs to command public confidence, while giving certainty and stability to businesses. We are pleased to see an emerging international consensus."

But Argentine economy minister Martin Guzman said the proposals would do little to help developing countries.

Despite agreeing to the pact, he had argued for a tax rate of at least 21%. Oxfam also said the 15% rate was too low and would "let big offenders... off the hook". The corporate tax rate in industrialized countries averages at 23.5%, well above the agreed 15% floor.

Oxfam's tax policy lead Susana Ruiz said: "The world is experiencing the largest increase in poverty in decades and a massive explosion in inequality, but this deal will do little or nothing to halt either. Instead, it is already being seen by some wealthy nations as an excuse to cut domestic corporate tax rates, risking a new race to the bottom."

**By Anarghya Suvin**



## Update for the day #1208 | Revisiting OYO before its IPO



In today's Update we look at OYO and see what the company is up to these days before its IPO.

But before that, full disclaimer. This isn't an IPO review and it most certainly isn't going to be exhaustive. This should serve as a brief overview of OYO and its business for all the people who haven't been following the company of late.

### The Story

OYO is all set to woo public investors as it gears up for an IPO. They're planning to raise about \$1.2 billion at a lofty valuation of \$10–12 billion, despite not eking out a profit to date. Regardless, OYO seems to be banking on its brand equity, scale and the massive money-making potential characterized by the abundant global opportunity to convince you to pay up for OYO shares, if and when they go public.

As per its listing document, OYO has 157,344 properties listed on its platform spread out in 35 countries. Out of the 1.5 lakh odd properties, they have close to 17,000 hotels and 59,000 homes—think furnished apartments, houses or condominiums, that are temporarily rented out as short-stay accommodations. And it's these kinds of properties—sort of explicitly managed by OYO, that brings in most of the revenue.

As the company notes in the draft prospectus—

Our Patrons (hotels and homeowners) provide us with distribution rights (largely on an exclusive basis) and significant control over pricing decisions relating to their storefront inventory, which enables them to maximize their revenue generation potential through our dynamic pricing algorithms.

So OYO gets hotels and homeowners to list their properties on the platform. The company then markets these properties to people on the OYO app (and other places) while assuming full control of the experience. And then, they collect the booking amount in full and recognise it as revenue. As we already noted, OYO makes most of its money this way i.e. via the sale of accommodation services.

However, this number could be a bit misleading considering OYO only retains 20–35% of the booking amount since the owners bear the costs associated with running and maintaining the property. So if you're looking at the topline figure, you should probably keep this in mind.

Also, there's the fact that OYO's current business model has taken a drastic turn in the past couple of years.

Before 2020, OYO paid property owners a fixed amount of money to get them to join the platform. It was sort of like a minimum guarantee—a commitment to pay for at least part of the inventory, irrespective of footfalls. At the time, it was thought to be a win-win for both parties—OYO was able to scale the business quickly, while the owners were assured of a fixed payout.

However, things quickly went awry as hotel owners figured ways to game the system. OYO in the meantime also seemed to have reneged on some of its commitments as it began to bleed money.

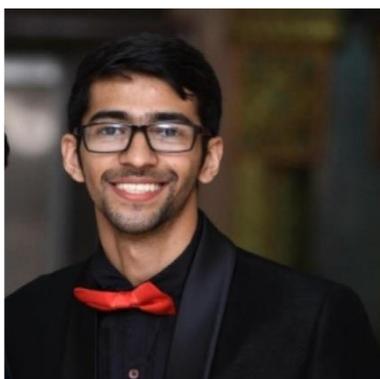
Disputes arose, cases were filed and the pandemic accentuated the crisis. Since then, they've completely abandoned the minimum guarantee system for a revenue-sharing model (that we described earlier) and the company seemed to have stemmed the cash bleed—at least temporarily. They also scaled back loss-making operations in China and the US while laying off a significant part of its workforce.

Which partly explains why the company's revenues and margins have swung so wildly these past couple of years

For instance, revenues tanked 70%—from ~₹13,160 crores to close to ₹3,960 crores between FY20 and FY21. But losses narrowed too by a similar margin— from ₹13,120 crores to roughly ₹3,940 crores. The only other caveat perhaps is that OYO makes only a quarter of its revenue from India. The rest comes from outside India—courtesy of 80 subsidiaries and a slew of joint ventures. We will probably have to see how this global ambition pans out as well.

For all its grand ambitions, OYO isn't exactly sitting pretty right now. They have boatloads of debt, a business model whose growth potential is yet to be tested and a stratospherically high valuation. So while we hope that OYO does well, if it goes on to list in India, it's a tall ask for any company to live up to this kind of promise.

**By Rithik Jain**



## Update for the day #1209 | Own Business Day

Business owners don't simply run their business – they live it. They are social and economic backbones of our communities, creating jobs and serving as role models with their “can do” attitude.

Own Businesses make our daily lives more vibrant because they are happy making others happy. With their ideas and ideals, they bring new services, offers, light or even perspectives to our neighbourhoods.

Own Business Day is celebrated across 26 countries on the second Tuesday of each October as a tribute to business owners in all the countries, in dedication to all independent business owners in the world to celebrate and pay tribute to them by promoting and giving them extra awareness. Every business owner from all kind of branches is invited to participate in Own Business Day.

Following its brand purpose, METRO promotes Own Businesses – for free, by using all its capacities to support participating Own Businesses and equip them with everything they need to make them successful:

By setting up a dedicated website, the heart of the day: [www.own-business-day.com](http://www.own-business-day.com). A site where business owners create and publish their special offers: a special meal, event or service created exclusively to Own Business Day. All special offers will be displayed on the sites map and can be discovered by everyone. Locally and worldwide.

By an extensive campaign addressing the public to explore the specials on [www.own-business-day.com](http://www.own-business-day.com), to visit their local Own Businesses on the day bringing them more turnover, and to show their commitment and social responsibility for Own Businesses via the global hashtag: [#loveownbusiness](https://twitter.com/loveownbusiness).

The first Own Business Day took place on Tuesday 11th October 2016 with close to 20.000 participating Own Businesses and more than 20.000 special offers in over 20 countries. The second Own Business Day 10th October 2017 was already 5 times bigger with 24 participating countries and incredible 103.074 specials.

Own Business Day is celebrated every year on the second Tuesday of October. Tuesday was chosen for a number of reasons: For most Own Businesses it is not yet a strong business day, additionally, in most countries, the day is free of national and bank holidays.

Do something special and get something special.

To celebrate and pay tribute to any Own Business in the world, be invited to visit your local Own Businesses on the day, enjoy lots of special offers, bringing them more turnover. Show your commitment and social responsibility for Own Businesses with the global hashtag: [#loveownbusiness](https://twitter.com/loveownbusiness).

Ideally, anybody should plan ahead their personal Own Business Day route by discovering the special offers of their favorite participating Own Businesses near them on [own-business-day.com](http://own-business-day.com). and share with friends and families about where to go.

**By Shreya R Mahendrakar**



## Update for the day #1210 | Creative Thinking: Destiny or Development?

Creative thinking requires our brains to make connections between seemingly unrelated ideas. Is this a skill that we are born with or one that we develop through practice? Let's look at the research to uncover an answer.

In the 1960s, a creative performance researcher named George Land conducted a study of 1,600 five-year-olds and 98 percent of the children scored in the “highly creative” range. Dr. Land re-tested each subject during five year increments. When the same children were 10-years-old, only 30 percent scored in the highly creative range. This number dropped to 12 percent by age 15 and just 2 percent by age 25. As the children grew into adults they effectively had the creativity trained out of them. In the words of Dr. Land, “non-creative behavior is learned.”

Similar trends have been discovered by other researchers. For example, one study of 272,599 students found that although IQ scores have risen since 1990, creative thinking scores have decreased.

This is not to say that creativity is 100 percent learned. Genetics do play a role. According to psychology professor Barbara Kerr, “approximately 22 percent of the variance [in creativity] is due to the influence of genes.” This discovery was made by studying the differences in creative thinking between sets of twins.

All of this to say, claiming that “I'm just not the creative type” is a pretty weak excuse for avoiding creative thinking. Certainly, some people are primed to be more creative than others. However, nearly every person is born with some level of creative skill and the majority of our creative thinking abilities are trainable.

Now that we know creativity is a skill that can be improved, let's talk about why—and how—practice and learning impacts your creative output.

### **Intelligence and Creative Thinking**

What does it take to unleash your creative potential?

Being in the top 1 percent of intelligence has no correlation with being fantastically creative. Instead, you simply have to be smart (not a genius) and then work hard, practice deliberately and put in your reps.

As long as you meet a threshold of intelligence, then brilliant creative work is well within your reach. In the words of researchers from a 2013 study, “we obtained evidence that once the intelligence threshold is met, personality factors become more predictive for creativity.”

### **Growth Mindset**

What exactly are these “personality factors” that researchers are referring to when it comes to boosting your creative thinking?

One of the most critical components is how you view your talents internally. More specifically, your creative skills are largely determined by whether you approach the creative process with a fixed mindset or a growth mindset.

The basic idea is that when we use a fixed mindset we approach tasks as if our talents and abilities are fixed and unchanging. In a growth mindset, however, we believe that our abilities can be improved with effort and practice. Interestingly, we can easily nudge ourselves in one direction or another based on how we talk about and praise our efforts.

### **Embarrassment and creativity**

How can we apply the growth mindset to creativity in practical terms?

In my experience, it comes down to one thing: the willingness to look bad when pursuing an activity.

The growth mindset is focused more on the process than the outcome. This is easy to accept in theory, but very hard to stick to in practice. Most people don't want to deal with the accompanying embarrassment or shame that is often required to learn a new skill.

The list of mistakes that you can never recover from is very short. I think most of us realize this on some level. We know that our lives will not be destroyed if that book we write doesn't sell or if we get turned down by a potential date or if we forget someone's name when we introduce them. It's not necessarily what comes after the event that worries us. It's the possibility of looking stupid, feeling humiliated, or dealing with embarrassment along the way that prevents us from getting started at all.

**By Sahana Shree Herle. S**



## Update for the day #1211 | Book Summary of Zero to One by Peter Thiel

Zero To One is an inside look at Peter Thiel's philosophy and strategy for making your startup a success by looking at the lessons he learned from founding and selling PayPal, investing in Facebook and becoming a billionaire in the process

Here are my 4 lessons from the book:

### **The biggest leaps in progress are vertical, not horizontal.**

Most of the progress we see on a day-to-day basis is horizontal. This kind of progress spreads existing ideas and technologies from one to many or  $n$  to  $100n$ . An example would be Apple making iPhone X and the year after making iPhone 11. But vertical progress is what it takes to go from zero to one and create the technology or idea in the first place. Apple did this too when they came up with the iPhone in 2007 and changed the way we see and use phones altogether. If you want to create a startup that'll not only improve but drastically change the world, you have to go from zero to one, not one to many. You can only do that by critically questioning a lot of the assumptions you hold about the present.

### **Monopolies are good, for both business and society.**

Peter Thiel says that a monopoly simply means one company is doing something so much better than everyone else, that simply no one else can survive. This is actually good for everyone.

Think about Google. You love to use Google, because you know it's the best search engine out there. Google loves setting its own prices and reaping 25% of their revenue as profit, so it can make its service even better. And society should love it, because if ever someone came along and did beat Google, it would mean their search engine would probably have to be fantastic! Monopolies are nothing to scoff at – they're actually what any business or startup should shoot for.

### **Can Competitiveness kill your business?**

According to Marx, "people fight because they are different".

To Shakespeare, by contrast, "all combatants look more or less alike. It's not at all clear why they should be fighting since they have nothing to fight about"

In the world of business, at least, Shakespeare proves the superior guide. Inside a firm, people become obsessed with their competitors for career advancement. Then the firms themselves become obsessed with their competitors in the marketplace. Amid all the human drama, people lose sight of what matters and focus on their rivals instead.

In the battle between Microsoft and Google in the early 2000s, who were obsessed to compete with each other, Apple came along and overtook **BOTH** of them (500 billion \$ Market capitalization Apple vs 467 billion \$ Google + Microsoft)

### **You Have to do it yourself**

There is no Formula .The paradox of teaching entrepreneurship is that such a formula (for innovation) cannot exist; because every innovation is new and unique, no authority can prescribe in concrete terms how to be more innovative. If it could have been taught everyone would be able to do it. The truth is, it is a path you will have to pave for yourself.

**By Vivek Kamath**



## Update for the day #1212 | Midnight Sun

Norway is a country of raw beauty and dramatic landscapes so it's perhaps not a surprise to learn that one of the most remarkable natural phenomena occurs there. Dubbed as the land of the midnight sun, Norway is one of the very few locations where sunset merges into sunrise, with no darkness in between.

The midnight sun only occurs at certain times of the year and is only visible very close to the Arctic. Norway is ideally placed to experience this eerie yet captivating sight.

### **What is the midnight sun?**

In the simplest terms, it is exactly what it sounds like: the sun appearing at midnight. In the middle of the night when the sky is normally a velvety blanket of darkness, the sun can clearly still be seen.

At the Arctic Pole, the midnight sun will shine as brightly as if it were noon. In Norway, the sunlight is dappled, more like the early evening before gradually brightening again for the following day. Therefore, although there's no distinction between one day and the next and it remains light, there is a visible change in the brightness.



### **Why does the midnight sun occur?**

In Nordkapp, the sun shines for 1800 hours without interruption - a total of 75 days. This phenomenon occurs every year as it's not due to some strange aberration, but due to the physics of the Earth and the sun.

The Earth rotates completely every 24 hours, and it's this movement that creates night and day. However, the length of daytime and night-time hours is not equal, and this is because the Earth is tilted on its axis by 23.4 degrees. If it were completely perpendicular, there would be a fixed night and day of 12 hours each.

In addition to the earth rotating around on its own axis, it's also circling the sun. This orbit takes one year to complete. As it moves around the sun, the tilted axis means that at times part of the Earth will be closer to the sun than others. It's also why summer occurs at different times of the year in the north and south hemispheres.

During the summer months when the hemisphere is tilted towards the sun, the poles experience sunlight for the full 24 hours. The North Pole has midnight sun for 6 months from late March to late September. The further away from the pole you travel, the more diluted the effect of the sun becomes. This is why European countries which aren't as northerly as Norway never get to experience the golden night-times of the midnight sun.

As the Earth continues on its orbit and the tilt of the hemisphere gradually moves away from the sun, the darkness of night slowly returns. During the winter season, the exact opposite of the midnight sun occurs, with polar nights. During polar nights the sun never rises fully, bathing the landscape in a bluish light, similar to twilight, during the daytime.

**By Manoj Kumar Y**



## Update for the day #1213 | Coal Crisis

As we all know that the countries such as China, Russia and the European Nations are facing the coal shortage which helps in generating the electricity now even India is facing the same issue from the past two weeks.

India is facing the electricity crisis as coal supplies run critically low. Many States such as Punjab, Rajasthan, Delhi, Jharkhand etc are facing blackout issues due to the coal shortage.

### **So what caused the coal shortage?**

India is facing a looming power crisis, as stocks of coal in power plants have fallen to unprecedentedly low levels and states are warning of power blackouts. States across India have issued panicked warnings that coal supplies to thermal power plants, which convert heat from coal to electricity, are running perilously low.

According to data from the Central Electricity Authority of India, nearly 80% of the country's coal-fired plants were in the critical, or "supercritical" stage, meaning their stocks could run out in less than five days. Maharashtra shut down 13 thermal power plants and urged people to use electricity sparingly, and in Punjab three power plants halted production. Scheduled power cuts introduced in Punjab, lasting up to six hours at a time, have prompted protests.

This year's heavy monsoon rains have also been blamed for affecting domestic coal mining due to flooding and impeding the dispatch of coal from the mines. While this is no different from every year, more coal is usually imported to bridge the gap in production. But due to a global energy crisis, which has seen international prices hit record highs, it has been more of a financial challenge to import more coal, leading to greater shortages than usual.

Vibhuti Garg, lead India economist for the Institute for Energy Economics and Financial Analysis, said that there had been a significant growth in electricity demand recently, as India had re-emerged from the Covid lockdown, but added that this had been anticipated months ago, so should not have taken power companies by surprise.

Coal-fired power stations have an average of four days' worth of stock of the fuel, according to the latest data, and more than half the plants are already on alert for outages. Power Minister Raj Kumar Singh has warned that the nation could be handling a supply squeeze for as long as six months.

While shortages of coal in China, and that nation's power crunch, have commanded most attention, it's India that's facing a potentially worsening scenario.

Industrial and domestic consumption usually hits peak levels as India enters a festival season from later in October and that could risk stalling a rebound in Asia's third-biggest economy, which has been recovering from an unprecedented 7.3% contraction in the fiscal year ended in March.

**Here are some potential next steps and constraints in India's crisis:**

### **Mining Rebound**

State-run Coal India Ltd., the world's top producer of the fuel, is seeking to increase daily coal supply to 1.9 million tons by mid-October from about 1.7 million tons currently, an increase that would go a long way to help ease the deficit. Deliveries to power plants are currently short by between 60,000 and 80,000 tons a day, according to Anil Kumar Jain, India's coal secretary.

Coal production has been hit by severe flooding in India's eastern and central states during the typical monsoon season, with mines and key logistics routes impacted. Any recovery will hinge on the weather -- rains need to stop to allow mines to ramp up operations and for coal trucks to resume deliveries.

### **Fuller Dams**

The same monsoon rains that have flooded coal mines are likely to boost hydro-power generation.

Large hydro-electric projects on dams are India's major electricity source after coal and the sector performs at its peak around the rainy season which typically extends from June to October.

### **Turn to Gas**

There could be a larger role for natural gas to play, even with global prices currently surging. India has almost 25 gigawatts of gas-based generation capacity, though nearly 80% of that capacity remains unused because of high prices of the fuel.

However, in a desperate situation the gas-powered fleet could help prevent any widespread power outages. State-run generator NTPC Ltd., for example, has idled capacity that could be fired up in around 30 minutes if needed and is connected to a gas grid.

**By Nagarjuna A M**



## Update for the day #1214 | How Volvo saved millions of lives?

### Obsessed with Safety

Volvo was one of the first manufacturers to offer a three-point, retractable seatbelt as a standard on their cars beginning in 1959. Unlike many other manufacturers who offered this lifesaving device as a paid extra 'feature', Volvo added to it their whole international range of cars – and thus began decades of obsession with making motoring safer for everyone.

This rather simple looking, but actually quite complex, device has been attributed to saving more than a million lives since its introduction in cars – and slow acceptance as a norm by societies everywhere. By some estimates, the seatbelt has reduced crash fatalities by almost half! And over the past 61 years it is estimated to have saved over a million lives.



Now, Volvo is looking forward to saving even more lives through a raft of new technologies being implemented in its cars. Here's a brief look at the safety systems Volvo has incorporated in its cars over the years:

1959: Three-point safety belt

1991: Side Impact Protection System

1998: Whiplash Protection System

1998: Inflatable curtain airbags

2002: Roll-Over Protection System

2003: Blind Spot Information/Alert

2008: City Safety

2010: Pedestrian detection with autonomous braking

2018: Oncoming crash mitigation by braking

2020: Speed Cap

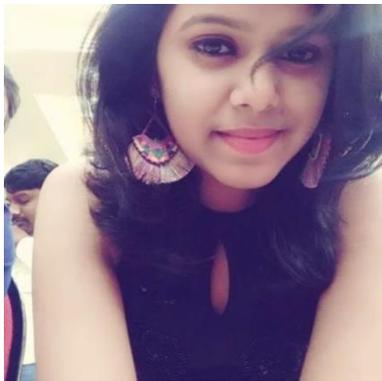
**Speed Cap:** One of the latest safety initiatives taken by Volvo is to cap the maximum speeds on all their cars to 180kmph. Since many countries have a speed limit much lower than 180kmph, it makes no sense to have cars which can attain speeds greater than that. Lower speeds improve reaction times and can make the difference between life and death.

**Highway Pilot:** All new Volvo cars will have LiDAR sensors and cameras which will make them ready for ever improving autonomous driving abilities. For now, these systems can keep the cars in their lane, speed up and slow down with traffic at various speeds, avoid crashes by braking or steering away etc. but require the driver to be alert at all times. It is expected that the systems will improve over the years and can be easily implemented in all Volvo cars via over-the-air updates.

**Driver monitoring cameras:** Distracted and drunk driving is an issue which has proven difficult to monitor and prevent. With the help of on-board cameras monitoring the driver, along with other sensors, Volvo cars will be able to detect these situations and take appropriate actions – and thus save lives.

With these existing and future safety systems, Volvo hopes to make roads around the world a safer space to be on and around.

**By Smitha R.**



## Update for the day #1215 | Dussehra

Dussehra is a festival celebrated in the Hindu religion. It is one of the most important festivals in India. In addition, it is also one of the longest festival.

### **The Victory of Good over Evil**

Dussehra is also known as Vijayadashami in some regions of India. If we set aside the regional differences, the main events of this festival have one motto i.e. the victory of good over evil. In other words, this festival signifies the victory of the power of good over that of the power of evil.

Thus, we see how both events have the same outcome. The outcome that is of light over dark, truth over lies and good over evil. Therefore, we see that while people's belief may differ, they celebrate the very same essence throughout the country.

### **Dussehra Celebrations**

People all over India celebrate Dussehra with immense enthusiasm, pomp, and show. The different cultures do not affect the celebrations of the festival. The spirit and zeal remain the same throughout the festival.

Furthermore, Dussehra marks Lord Rama's victory over Demon Ravana. Thus, people enact the battle that took place between them for ten long days. This dramatic form is called Ram-Leela. People in North India act out the Ram-Leela by wearing masks and through various dance forms. Subsequently, following the Ramayana, they make giant size paperboard effigies of the three principle demons like Ravana, Meghanada, and Kumbakarna. They are then filled with explosives in order to burn them. This event is carried out in an open field with thousands of spectators.

In conclusion, Dussehra carries a lot of importance in the Hindu religion. However, people from all religions witness the marvelous act of burning Ravana. It unites people as the audience is filled with people from all walks of life, and not just the Hindu religion. Most importantly, Dussehra teaches us that good always trumps evil and that light will always conquer darkness.

**By Anjali Baghel**



## Update for the day #1216 | The History of Helmets

The motorcycle helmet that we wear has its own rich history that started almost 80 years ago. Today, any two wheeler cannot think of his ride without his or her helmet. It seems inseparable as it is the most important gear that helps keep us alive. However, helmets have their own history and people often did not know its use. Let us trace the development from its vintage leather skullcap era, to the modern-day carbon fiber and Kevlar masterpieces. So strap on and let's take a ride into our history.

### **The Origin Of Helmets**

In the early 1900s when the first motorcycles came into the picture, they were merely “motorized bicycles”, build for convenient transport and the need for any head protection was unheard of. But soon enough, motorcycles became faster and were used in racing. As a result, many riders faced injuries. It was first in 1914, that a British physician Dr. Eric Gardner commissioned a shellacked canvas to protect a rider's head. This is how the first helmet was born. Dr. Gardner knew the importance of his invention and pushed for its use in the Isle of Man TT, the premier motorcycle race of the day. Luckily, he was successful and the race organizers made head protection mandatory. This introduction saw a dramatic decrease in head concussions amongst racers as well.

But even this success, did not make the civilians excited. They felt ‘odd’ to wear a shell on their head while riding. Even then, as it is now, people wanted to look good while riding and so, the most they would opt for is padded leather caps. They made the riders look good and the riders felt it was enough protection. The maximum that a rider would choose to protect himself was a skullcap and goggles. But everything changed when the famous national hero of Britain, T.E. Lawrence, aka ‘Lawrence of Arabia’ died tragically, not in any war or military campaign but in a road accident some miles from his home. This tragic turn of events made the public realize the dangers of motorcycle riding and how to prevent further accidents.

Dr. Hugh Cairns, the British physician who attended Lawrence at the hospital, was deeply moved by this tragic event and dedicated into researching about the correlation between motorcycle accidents and head injuries. He was the first doctor to publish a report on this subject at the British medical journal. His research helped him aggressively promote helmets for the British Army. As during those days, motorcycle mounted ‘dispatch riders’ were widely used for reconnaissance and communication. Dr. Cairns’ effort made the Army issue an order for all its military riders to wear helmets made of rubber and cork.

### **The Modern Motorcycle Helmet**

Over the next decades, as motorcycles became faster, still the civilians did not fondly adopt helmets. The basic helmets found in that time were simple half shells with leather straps providing minimal protection. However, in 1953, a revolutionary invention propelled helmets into its importance today. But a big development came in 1953, when C.F. Lombard, a professor of USC, developed a helmet that actually absorbed impact. This innovative helmet had three layers, with a hard fiberglass outer shell, impact-absorbing foam in the middle layer and a padded inner liner for comfort.

Roy Richter, former race car driver and founder of Bell Helmets picked up Lombard's design and created the Bell 500 model. He made sure he used the safety principles prescribed and based his designs on the aviation helmets of the day. As a result, Bell 500 was an instant success marking the beginning of an era of modern motorcycle helmets. It soon became a standard equipment for racing and slowly, by the 1960s, more and more civilians began to use helmets. In 1963, Bell revolutionized the market with its first full-face motorcycle helmets called the Bell Star. It was expensive but offered the maximum protection using the technology and materials found in the U.S. military's and NASA's astronaut's flight helmets.

**By Roshan Bhandari**



## Update for the day #1217 | The Skyscraper Effect

### What is the Skyscraper Effect?

The skyscraper index or Skyscraper effect, which was developed by an economist named Andrew Lawrence, shows a correlation between the construction of the highest building in the world and the business cycle. According to Business Cycle, the skyscraper is the great architectural achievement of modern capitalist society and is even one of the cornerstones of the 20th-century superheros, but it has never really been connected to the quintessential features of modern capitalist culture; until Andrew Lawrence created the "skyscraper index". The Index revealed that on the verge of economic downturns the world's tallest buildings have risen. Business cycles and skyscrapers' construction correlate so that investment in skyscrapers climbs when cyclical growth is depleted and the economy is ready for recession.

### How does the Skyscraper Effect Work?

Oftentimes, economic professionals refer to the skyscraper index as a curse for skyscrapers, or a curse of the tower in Babel. This is in reference to the myth of Babel's Tower from the Genesis book of the bible. The curse was said to have happened because the people tried to build a tower extending into the heavens.

Then in 1999, economist Andrew Lawrence created the "skyscraper index" which allegedly showed that the construction of the highest skyscrapers coincided with business cycles, in that he found that the construction of the highest building in the world was a good proxy for the start of major economic downturns. Lawrence described his index as an "unhealthy 100-year correlation."

### Notable Historical Scenarios That Support The Skyscraper Index:

- Two of the earliest world's tallest commercial buildings between 1899 and 1901 - The 391-foot Park Row building and the 548 feet Philadelphia City Hall were followed by the NYSE Market crash in 1901.
- After the construction of the 700ft Met Life Tower, the Banker's Panic occurred in 1907 and a financial crisis arose.
- The Great Depression began in the early 1930s when the 1250ft Empire State Building was completed in 1931.
- A long period of inflation was plaguing the US economy, owing to high oil prices in 1973 and the resulting stock market crash from 1973 to 1974; not long after the 1,368ft Original One World Trade Center was completed in 1972
- The 1998 peak financial crisis in Asia happened after the Malaysian Petronas Towers was built.

### Correlation between the Development of a Skyscraper and Economic Crisis

A period of economic boom, which represents a higher GDP, low rate of unemployment, and rising asset prices, is typically a result of an economic bust. Specific ongoing events, such as new technology, usually drive rapid economic growth.

If a project like a world's biggest building receives the needed funding to start constructing, then the economy can be seen to have grown to such a degree that in the near future the likelihood of a bust is strong. The construction of a gigantic skyscraper thus suggests that the expansionary economy has reached its peak and must be right by facing a recessionary period in the near future. This explains the Skyscraper's Effect postulation.

**By Yesh R Solanki.**



## Update for the day #1218 | Air India Returns To Tata

Air India returns to Tatas after group puts in winning bid of Rs 18,000 cr.

The airline will return to Tatas after 68 years; first privatization move in two decades.

More than three years after it failed to get even a single bid for Air India, the government announced the sale of the national carrier to the salt-to-software conglomerate Tata Group at an enterprise value of Rs 18,000 crore. This is the first major privatization step in about two decades.

With this, Air India will return to the Tatas after 68 years. Along with the brand and the slots of the debt-ridden state-owned airline, the Tatas will get the low-cost subsidiary Express and Air India 50 percent stake in ground handling firm AISATS.

Of the bid amount of Rs 18,000 crore, the Tatas will pay Rs 2,700 crore in cash, while taking the remaining Rs 15,300 crore as debt.

The group will also have to pay around Rs 9,185 crore on account of capitalised lease obligations of 42 leased aircraft, primarily the Boeing 787 Dreamliner aircraft. Apart from Air India's 12,000-odd employees who have to be retained during the first year of operation, the Tatas will have to ensure business continuity.

The new owner can't transfer the logos there are eight at least for five years. After that, these can be transferred only to an Indian entity.

The second contestant, the consortium led by SpiceJet Chairman Ajay Singh, placed a bid of Rs 15,100 crore, of which Rs 12,835 crore will be the debt to be retained, and Rs 2,265 crore would have been the payment in cash. The reserve price for the airline was set by the government at Rs 12,906 crore.

In what experts termed a win-win transaction, Tata Sons, which operates two airlines Vistara and AirAsia India, will become the second-largest airline in domestic market with around a 25 per cent market share while becoming the largest Indian airline on international routes.

Sources said the Tatas planned to integrate Air India's operations with Vistara to build an international premium airline while Air India Express would be merged with AirAsia India to straddle the low-cost space.

The airline has 4,486 domestic and 2,738 international slots across Indian and major international airports.

The acquisition gives the Tatas 141 planes and 900 slots at overseas airports, the most valuable of which are at London's Heathrow airport.

According to reports, Air India will pass into the hands of its prospective owner with a debt of Rs 23,000 crore. The remaining debt of the company will be taken up by the government-owned Air India Asset Holdings Ltd (AIAHL) — which is a new entity that will hold the carrier's assets, such as the Air India building in Mumbai, Airlines House in Delhi, etc.

**By Punith B D**



## Update for the day #1219 | A Dollar A home

Why is Italy selling homes for \$1?

A new kind of Gold Rush has triggered in some parts of Sicily in Italy. Apparently you can buy a new home in a few Italian towns for just \$1. So You could potentially own a home in the beautiful Island region of Sicily for just a dollar. Too good to be true right?

OF COURSE, there`s a Catch here.

Italy has been subject to a massive depopulation for decades now. Take Sicily for instance.

In 1968, The region witnessed a massive earthquake, Most Residents choose cashing in on insurance and relocate to the cities over renovating their homes, as it was a cheaper alternative. This mass exodus continued among young people looking to escape the poor job markets. In the last 20 Years. 1million Have migrated from Rural Italy.

That leaves most of its beautiful rural areas abandoned, with an aging population, and an Economy almost at the verge of collapse. In order to allure more people into these towns, officials decided to give away houses the price of Peanuts – Just \$1. And if this looks too good to be true, that`s because it actually is.

Add to this \$400 of taxes, and the cost of travelling back and forth to the town to supervise the renovation. A hefty sum. Isn`t it?

Some villages like Calabria In Italy are even offering people money to encourage them to move there.

But the abandoned home`s owners are now reclaiming their ancestral properties. Making the whole deal a gamble.

**By Tejas Chandra**



## Update for the day #1220 | The Nobel Prize

The Nobel Prize is five separate prizes that, according to Alfred Nobel's will of 1895, are awarded to "those who, during the preceding year, have conferred the greatest benefit to humankind. Nobel Prizes were first awarded in 1901.

Every year in October, committees in Norway & Sweden name 6 laureates in various fields of academia- sciences, literature and economics, as well as peace work.

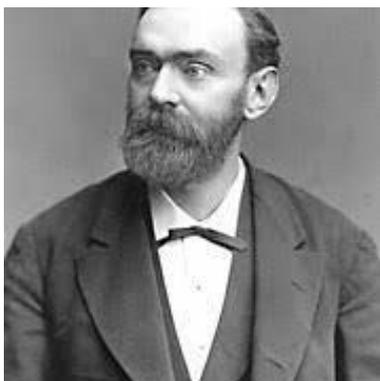
What's more is that the gold medal awarded has quite an astonishing price tag too.



Each medal is 18 karats green gold plated with 24 karats gold, with an average weight of around 175 grams. This makes the modern Nobel Prize medal worth close to \$10,000.

But the Nobel prize isn't just about the title or the big, fancy medal. The prize money is whopping 10 million Swedish Krona, or \$1.1million.

So where does all this money come from?



Swedish scientist, Alfred Nobel made a fortune primarily through invention of dynamite. When he died in 1896, he did something unusual.

His will stated that the bulk of his assets would be given to an endowment to invest in 'safe securities'.

His investments include equities, fixed income, alternative assets, and real estate. And the interest received from these investments will be distributed as prize money. So basically, he bequeathed about \$260 million to create prizes to reward individuals who have made a beneficial impact in specific fields, scientific or cultural.

And thus, the Nobel Prize was born.

**By Ishika B Jain**



## Update for the day #1221 | Auroville

Auroville (City of Dawn) is an experimental township in Villupuram District, mostly in the state of Tamil Nadu, with some parts in the Union Territory of Pondicherry. It was founded in 1968 by Mirra Alfassa (known as "the Mother") and designed by architect Roger Anger.

Auroville wants to be a universal town where men and women of all countries are able to live in peace and progressive harmony, above all creeds, all politics and all nationalities. The purpose of Auroville is to realize human unity.

Auroville has its origins in the French language, "Aurore" meaning dawn and "Ville" meaning city. Additionally, it is named after Sri Aurobindo (1872–1950).

At its Annual Conference in 1964 and with Mirra Alfassa as its Executive President, the Sri Aurobindo Society in Pondicherry passed a resolution for the establishment of a city dedicated to the vision of Sri Aurobindo.

Alfassa was the spiritual collaborator of Sri Aurobindo, who believed that "man is a transitional being". Alfassa expected that this experimental "universal township" would contribute significantly to the "progress of humanity towards its splendid future by bringing together people of goodwill and aspiration for a better world". Alfassa also believed that such a universal township will contribute decisively to the Indian renaissance.



In the middle of the town is the Matrimandir, which was conceived by Alfassa as "a symbol of the Divine's answer to man's aspiration for perfection". Silence is maintained inside the Matrimandir to ensure the tranquility of the space, and the entire area surrounding the Matrimandir is called the Peace area. Matrimandir is equipped with a solar power plant and is surrounded by manicured gardens.

Radiating from this center are four "zones" of the City Area: the "Residential Zone", "Industrial Zone", "Cultural (& Educational) Zone" and "International Zone". Around the city or the urban area, lies a Green Belt which is an environmental research and resource area and includes farms and forestries, a botanical garden, seed bank, medicinal and herbal plants, water catchment bunds,

and some communities.

Prior to 1980, the Sri Aurobindo Society, Pondicherry, legally owned all of the city's assets. In 1980, the Government of India passed the Auroville Emergency Provision Act 1980, under which it took over the city's management.

The change was initiated when, after Mirra Alfassa's death in 1973, serious fissures in the day-to-day management developed between the Society and the city's residents. The residents appealed to Indira Gandhi, then Prime minister of India for an intervention.

The Society challenged the Government's action in the Supreme court of India. The final verdict upheld the constitutional validity of the government's action and intervention.

In 1988, after the verdict, a need was felt to make a lasting arrangement for the long term management of Auroville. The city's representatives along with Sh. Kireet Joshi, then Educational Advisor to the Union government, met for consultations with the then Prime Minister, Rajiv Gandhi.

Later that year, the Auroville Foundation Act 1988, was passed by the Indian Parliament. The Act stipulated the creation of a three-tier governing system: the Governing Board; the Residents' Assembly and the Auroville International Advisory Council. The highest authority is the Governing Board selected by the Government of India.

The Auroville Foundation, headed by a chairman, is an autonomous body under the Ministry of Human Resource Development. The HRD ministry appoints the seven members of the Governing Board and the five members of the International Advisory Council.

There is also a Secretary to the Foundation, appointed by the Government of India, who resides and has an office with supporting staff in Auroville. The Foundation currently owns about half of the total land required for the township. The remaining lands are being purchased whenever funds are available.

The township was originally intended to house 50,000 residents. In the initial 20 years, only about 400 individuals from 20 countries resided in the township. In the next 20 years, this number rose to 2,000 individuals from 40 countries.

As of January 2018, it has 2,814 residents (2,127 adults and 687 children) from 54 countries with two-thirds from India, France and Germany.

Instead of paper and coin currency, residents are given account numbers to connect to their central account. Visitors are requested to get a temporary account and an Auocard (debit card).

Residents of Auroville are expected to contribute a monthly contribution to the community. They are asked to help the community whenever possible by work, money, or kind.

Although the Government of India owns and manages the Auroville Foundation, it only finances a small part of Auroville's budget, which is mainly formed by contributions from Auroville's commercial units which contribute 33% of their profits to Auroville's Central Fund and by donations.

There are guest houses, building construction units, information technology, small and medium scale businesses, producing and re-selling items such as handmade paper for stationary items,

organic food, as well as producing its well-known Incense sticks, which can be bought in Auroville's own shop in Pondicherry. They are also sold online in India and abroad.

Each of these units contributes a considerable part of their profits to the township. Over 5,000 people, mostly from the nearby localities, are employed in various sections and units of Auroville.

**By Dylan Fernandes**



## Update for the day #1222 | Did India and Pakistan play world cup together as a team?

When India and Pakistan combined to form one team and defeated Sri Lanka in 1996 World Cup. Ever imagined the players of India and Pakistan donning the same jersey and playing an ODI as one team? No, right? Well, this too has happened in the cricketing history, when the players from the two sides were combined to form a single team to play a World Cup match against Sri Lanka in the 1996 edition.



### **Why was a combined team sent to play a tournament game against Sri Lanka?**

The reason was Australia and West Indies had declined to visit Sri Lanka to play their league matches due to security concerns. So, to prove that the island was safe to play, the co-hosts India and Pakistan combined a team and played a match at Premadasa Stadium in Sri Lanka. The team was named as **'Wills' India and Pakistan XI'**, which was led by Mohammad Azharuddin. The team consisted of big names such as Sachin Tendulkar, Wasim Akram, Saeed Anwar, Anil Kumble, to name a few.

India-Pakistan World Cup rivalries are worth watching. Although the two cricketing nations don't play alongside each other due to strained relations, the two still play against each other in ICC events. In the 90s, there was a long-gap as bi-lateral matches were stopped between the two nations. In 1996, both the countries shared the responsibility of co-hosting the World Cup alongside Sri Lanka. During that time, Sri Lanka was one of the most disturbed countries as militants were quite powerful there. Australia and New Zealand expressed their concern over playing in the Island nation, while Zimbabwe and Kenya were okay.

It is then that Sri Lanka requested for help from India and Pakistan. And to its good fortunes, both the countries sent a combined team to a match against Sri Lankan team, showing the world that there's no security threat.

### **This was the playing XI for the match:**

Mohammad Azharuddin (C), Sachin Tendulkar, Saeed Anwar, Aamir Sohail, Ijaz Ahmed, Ajay

Jadeja, Rashid Latif, Wasim Akram, Waqar Younis, Anil Kumble, and Ashish Kapoor.

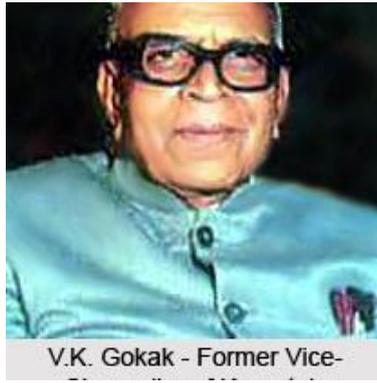
Both teams hadn't played a single bilateral series since 1989-90 due to some political issues but grouped together to send a message to the cricketing world. Later, however, Australia and West Indies did not agree and declined to play in Sri Lanka. As a result of which, the hosts Sri Lanka were awarded full points.

**By Pratham Sakaria V**



## Update for the day #1223 | The Gokak Movement and Kannada pride.

The Gokak agitation of the 1980s, described as one of the biggest language-centric movements in post-independent India, had its origin in the much contested three languages formula, which was adopted on the recommendations of several education commissions. The most contentious aspect of this proposal was offering Sanskrit as the first language in Karnataka's high schools until the Gokak movement raised a huge protest against it.



V.K. Gokak - Former Vice-

Sanskrit was directly offered at the high school level, with the option to answer examinations in Kannada or English. Surprisingly, Sanskrit students were found to score high marks and thereby secured higher ranks in the SSLC examinations.

This led to a situation in which Kannada, the state language, was the last choice of many students, especially in the English-medium schools. Kannadiga students were not required to study their native language or mother tongue at all in high school.

The then Chief Minister D Devaraj Urs took a decision to correct the anomaly by moving Sanskrit from the first language to the group of third languages, while Kannada and all languages of the land (including minority languages) were brought to the group of first and second languages.

It has to be said emphatically that at no stage were languages other than Kannada made to lose the constitutionally assured status and protection, because the myth circulated then — which still survives — is that these languages were marginalized by the hegemony of Kannada.

After Urs lost power in 1980, the new Chief Minister R Gundu Rao brought Sanskrit back to the first language group

Writers and hundreds of Kannada organisations began protests against the move and the government decided to constitute a committee under the chairmanship of Jnanpith awardee Prof V K Gokak to look into the issue.

Interestingly, there was suspicion that the committee would Favour Sanskrit and protests were held with the slogan 'Gokak, Go Back'.

However, the Gokak Committee Report (January 27, 1981) not only rejected the inclusion of Sanskrit as a first language, but went on to recommend Kannada as the sole first language at the high school level and made Kannada compulsory at the primary level from Class 3 onwards.



The delay and reluctance of the state government to implement the Gokak Committee Report led to the Gokak movement, which spread across the state.

Outside Kannada literary circles and organizations, the response was tepid to begin with. But the iconic actor Rajkumar's entry turned it into a mass movement overnight.

The visuals of the protests across the state provide incredible evidence of the fervor and the energy of the movement. There was also some rioting, which led to the death of seven persons in the police firing. The state government had to yield.

**By Chandra Shekar S**



## Update for the day #1224 | Shrinkflation

Shrinkflation is the practice of reducing the size of a product while maintaining its sticker price. Raising the price per given amount is a strategy employed by companies, mainly in the food and beverage industries, to stealthily boost profit margins or maintain them in the face of rising input costs.

Shrinkflation is also referred to as package downsizing in business and academic research. A less common usage of this term may refer to a macroeconomic situation where the economy is contracting while also experiencing a rising price level.

Shrinkflation is a term made up of two separate words: shrink and inflation. The "shrink" in shrinkflation relates to the change in product size, while the "-flation" part refers to inflation—the rise in the price level.

Shrinkflation is basically a form of hidden inflation. Companies are aware that customers will likely spot product price increases and so opt to reduce the size of them instead, mindful that minimal shrinkage will probably go unnoticed.

More money is squeezed out not by lifting prices but by charging the same amount for a package containing a little bit less.

Academic research has shown that consumers are more sensitive to explicit price increases than to package downsizing, but that this practice can result in negative consumer's brand perceptions and intentions to repurchase the product and to static or declining unit sales volume over time.

The effectiveness of shrinkflation as a pricing strategy appears to vary across different types of goods and markets. Most consumers do not generally check the size of a product.

Someone who loves potato chips, for instance, may not realize if his or her favorite brand reduces the size of the bag by 5%, yet will almost certainly be able to tell if the price goes up by the same amount.

For eg, Lays used to sell a quantity of 50g for ₹10, whereas now it sells a quantity of 35g for ₹10.

**By Priyank N Jain**



## Update for the day #1225 | Limited Hangout

By self-exposing a previously hidden secret, politicians, journalists, etc., prevent a greater exposure of more detrimental information. It is a form of a propaganda technique.

In a very James Bond fashion, the term Limited Hangout originally gained currency as a spy-intelligence jargon during the American Watergate scandal in the 1970s. It is a popular deviation and dis- traction strategy. The act of deliberately revealing limited information to the public to divert them from a much more heinous, detrimental, scandalous or classified information.



It has three central implications. First, by voluntarily sharing true and useful information, a source may gain credibility which they can use later. It provides some immunity against counter-information in the future, and builds a positive reputation. Second, it desensitizes the public towards further scandalous and shocking information. It creates a new degree of morality and normalcy. Third, it protects the information that is 'hung out' from reaching public knowledge.

Limited Hangout has been an active tactic used not just by extremist groups and government intelligence agencies, rather, in its more mellow form, it is used by companies and businesses to maintain their reputation. Our modern systems of public affairs, media (online and offline) and information dissemination are a function of Limited Hangout.

**By Nagasarwesh**



## Update for the day #1226 | Private equity wants to play the IPL

On Monday evening, we had auctions for two new franchises participating in the latest edition of the Indian Premier League (IPL). And one surprise bidder—a private equity firm CVC Capital Partners paid Rs 5,625 crores to snag Ahmedabad in a hotly contested auction.

But why are private equity investors interested in the IPL? Why are they putting up this kind of money?

### **The Story:**

Let's start with a timeline. A timeline that gives you a sneak peek into how unlisted shares of Chennai Super Kings have grown in value.

January 2021: Rs 65 per share.

September 2021: Rs 110 a pop. Remember, CSK had just won their fourth IPL title.

October 2021: Rs 235 a share.

And now valued at over Rs 7,200 crores, it's one of the most successful teams in the IPL and a unicorn (almost)—A company that commands a valuation of over a billion dollars.

Now you could argue—*“That's just valuation. The world is a crazy place and people have money. Even companies with threadbare revenues are valued at a billion dollars these days. It's just the way it is.”*

And granted, you have a point.

But let's look at profitability, eh? As of 31st March 2021, CSK made profits to the tune of Rs 40.26 crores. It's a fair bit lower than the Rs 111 crores they made in 2019. But considering the pandemic and all that, it's a miracle that they even turned a profit last year.

And all of a sudden you start seeing these franchises in a different light altogether. In fact, with this kind of financials, anybody would be itching to invest in an IPL team. So really, it shouldn't be all that surprising to see Luxembourg-based PE firm CVC Capital join the bandwagon.

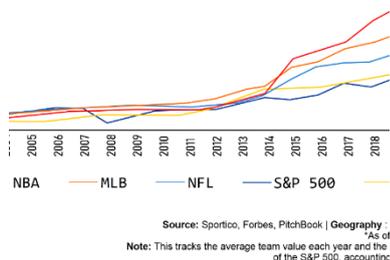
But we are only getting started here, because CVC Capital isn't new to the world of sports. If anything, they are the pioneers—bringing PE money into sporting tournaments at a time when others shied away. Oh yes, they were betting on this industry back in the 90s.

In 1998, CVC Capital bought the motorbike racing tournament MotoGP. They sold it in 2006 for a neat profit and then made another bet elsewhere—motorcar racing and Formula One. And yeah, they weren't just buying teams. They were buying the whole damn sport and flipping their stake to make ludicrous sums of money. Rumour has it that the company netted 700% in 8 years when they sold MotoGP. With Formula 1, they are set to make a return on investment of over 1,000%. It's the most profitable deal they've made so far and it's the most profitable investment anybody has ever made in F1.

It's not just the racing circuits that have proven lucrative. Take a look at the returns from, basketball (NBA), baseball (MLB), American football (NFL), and ice hockey (NHL) compared

to the 500 stocks that make the diversified US market index S&P 500. Most sports leagues have outperformed the index by a fair margin over the last couple of decades.

1 for select sports leagues and the S&P 500



So, you can probably see why PE firms are pumping money into football, basketball, and even volleyball. Just two months ago, CVC Capital agreed to invest \$3.2 billion in La Liga, Spain's top football league. In return, they wanted 10% of all media revenues for the next 50 years. Crazy! But what's driving these valuations in sports teams and leagues? Okay, let's break it down a bit.

### Scarcity

According to Pitchbook data, in the US, between the NFL, NBA, MLB, MLS, and NHL, there are only 151 teams across the board. Likewise, there are only 98 teams in the Premier League, Serie A, Bundesliga, Ligue 1, and La Liga. And in the IPL, there are only 10 teams. When supply is limited and demand is high, prices rise. Economics 101!

### Monopolies

In addition to scarcity, these leagues don't expand as often. And as an investor, you know you'll be working within the confines of an oligopoly i.e. a marketplace characterized by limited competition. So, it's a bit easier to project things like "market share" and "revenues".

### Illiquidity

If you're thinking of buying shares in sports teams, it's going to be hard. Why? Because most teams aren't listed on the stock market. And when shares aren't traded often and ownership is sticky, buyers are willing to pay a premium when the opportunity does arise.

### Emotions

Sure, PE firms are driven by money, but there may be a pinch of emotion here somewhere. In the words of Andrew Laurino of PE firm Dyal, it's more fun to own your favorite sports team than to own a chemical plant.

### Finally,

### Money

Let's look at media and broadcasting revenue to get a sense of what kind of money we are talking about. Sony picked up media rights for the IPL after paying around Rs 8,000 crores for the first 10 years. Then, Star India bagged the rights for the next 5 years by putting up a whopping Rs 16,000 crores.

And with media rights going up for auction once again in 2023, the expectation is that somebody may pay well over Rs 30,000 crores. That's a lot of money! And PE investors will get their fair

share.

So, yeah, there's clearly money to be made and PE firms will want to jump in. They're raising more money than ever. And they're hunting for deals across the world.

**By Lavanya R**



## Update for the day #1227 | Elon Musk, World's Richest Man, is Wealthier Than The Entire GDP of Pakistan.

Elon Musk, the richest man in the world and CEO of Tesla, now has more money than the entire Gross Domestic Product or GDP of Pakistan. According to reports, the entrepreneur is close to touching \$300 billion net worth very soon, making him the first person to do so. Currently, his net worth is \$292 billion. In drastic comparison, the GDP of Pakistan, which houses around 220 million people, is around \$280 billion (at current market prices) in 2020-21, as per reports. The celebrity CEO, Musk, added \$36 billion to his fortune earlier on October 25. This came after an announcement that Hertz Global Holdings Inc is ordering 100,000 electric vehicles from Tesla.



The announcement accounted for the highest amount of earnings in a single day in the history of the Bloomberg Billionaires Index. On Monday, Tesla's share surged by as much as 13 per cent. Elon Musk is now nearly \$100 billion richer than Amazon CEO Jeff Bezos, who earlier occupied the No. 1 position, in the Bloomberg Billionaires Index.

The comparison between Elon Musk's current net worth and the GDP of Pakistan was brought into the limelight by US-based journalist Edward Luce on Wednesday. "US-based journalist Edward Luce," he wrote in a tweet.

For another reference, Musk's net worth is now higher than the market capitalization of the world's second-largest automaker Toyota, which is valued at around \$283 billion at present. As Tesla Inc's shares jumped following the announcement, the electronic vehicle's market capitalization crossed \$1 trillion. Following this, Musk wrote on Twitter, "Wild \$T1mes!"

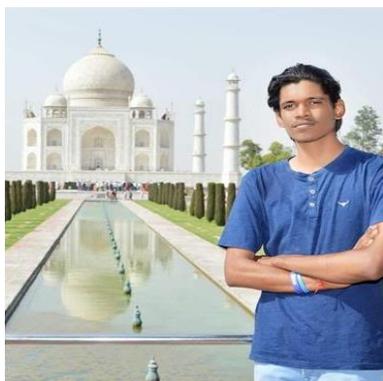
Tesla has now become the first automaker to join the elite club of trillion-dollar companies. This club includes Apple Inc, Amazon.com Inc, Microsoft Corp and Alphabet Inc, which owns Google. Elon Musk garners as much as two-thirds of net worth from the electric car company

that he co-founded in 2003, according to a Bloomberg report. However, the majority of Elon Musk's net worth is connected to shares and options of Tesla. For this, some analysts believe that the automaker's stocks are overvalued, as per reports.

Despite all this, the Tesla CEO had this year added a whopping \$119 billion to his fortune. This came after a recent surge in Tesla stocks, which have been performing well over the past few weeks. At a time when investors continue to be interested in buying electric vehicles, Tesla's stock price climbed 45 per cent this year.

As far as Elon Musk is concerned, he has recently also added \$10.6 billion from SpaceX, the rocket company that he founded in 2002. SpaceX's valuation has recently risen to \$100 billion, making it the second-most valuable private company in the world, as per reports. This huge valuation is a result of its recent agreement with new and existing investors to sell up to \$755 million in stock from insiders at \$560 a share.

**By Shreemanth B**

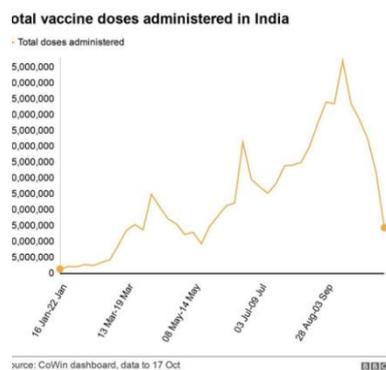


## Update for the day #1228 | India administers more than one billion Covid jabs

India has administered more than a billion Covid jabs since it started its vaccination drive in January this year. It achieved this milestone in 278 days - the first vaccine was given on 16 January.

It has fully vaccinated about 30% (291 million) of the eligible population and 707 million have had the first dose. India aims to fully vaccinate about a billion people by the end of 2021 but experts say the drive needs to pick up pace further to meet the target. This milestone makes India the second country to reach the one billion mark after China.

Reaching the one billion mark in 278 days means that India, on an average, administered 3.6 million doses per day. However, the number of doses actually administered each day since January was not consistent, and varied widely. India is set to celebrate this historic achievement - Health Minister Mansukh Mandaviya will launch a film and song at capital Delhi's Red Fort.



On 17 September, India administered more than 20 million doses in a day in a record-breaking effort to mark Prime Minister Narendra Modi's 71st birthday. In October, India administered an average of 5.3 million doses per day. From 19 September to 18 October, the average daily doses given slightly improved to six million.

India had a slow start when vaccinations were opened for some 960 million eligible people. Logistical problems and supply bottlenecks, vaccine hesitancy and a debilitating second wave of Covid-19 during this period made the rollout harder. India is still around 900 million jabs away from a fully vaccinated adult population, with little less than two-and-a-half-months to spare on the target. Much will depend on levels of vaccine hesitancy and the availability of doses in the coming months.

From a sluggish start, India massively ramped up its vaccination drive, with more than 61,000 public and private health facilities offering the jab. The country has also started delivering vaccines by drone to far-flung villages in north-east India's mountainous regions.

Drones will also be used to ferry doses to the eastern archipelago of Andamans and Nicobar where "transportation by boat" was taking a long time.

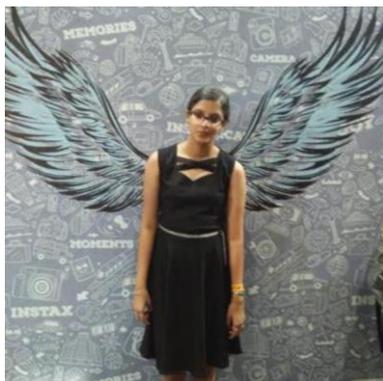
The government is using drones which can carry a payload of 4.5kg or a maximum of 900 doses and fly at least 70km (43 miles) to ferry doses. India's daily case count has been dropping - it has been reporting less than 30,000 new daily cases in the past month, and less than 20,000 in the past 10 days.

### **Which vaccines is India using?**

India is using three vaccines - the Oxford-AstraZeneca jab, known locally as Covishield; Covaxin by Indian firm Bharat Biotech; and Russian-made Sputnik V. India has also approved its first vaccine for those under 18. The government has also authorised Indian pharma company Cipla to import Moderna's vaccine, which has shown nearly 95% efficacy against Covid-19.

But it's not clear yet how many doses will be made available to India. Several more vaccines are in various stages of approval. The government is spending around \$5bn to provide free doses at state-run clinics, public health centres and hospitals.

**By Shraddha Vishwanath**



## Update for the day #1229 | Can the woolly Mammoth save us from global warming?



The woolly mammoth lived thousands of years ago during the Pliocene age, and went extinct about 3,000 years ago. This majestic animal looks similar to the modern elephant and was about the same size as today's African elephants.

Many scientists in the past have been excited about the thought of bringing back one of these massive beasts that have inspired them over the years, but didn't have a viable method of doing so.

A lot is already known about woolly mammoths because many frozen ones have been discovered over the years that yielded actual tissue, hairs, bones, and even their stomach contents. Now, scientists are hoping to actually bring back this extinct animal by manipulating the cells of modern elephants through inserting woolly mammoth DNA into the modern elephant eggs and trying to clone a mammoth.

In the past, this wasn't possible because of the wholly mammoth physical differences, such as its hair, being fatter and having larger ears. However, thanks to a new method, a scientist at Harvard University has come up with a way to edit a modern elephant's genes and replace them with the mammoth genes. The transformed egg would have to be implanted in a modern female elephant and hope that it formed into a woolly mammoth baby.

It has been possible to obtain mammoth cells that are well preserved to use in the experiments because the animal's remains were found deep in the permafrost of the Arctic region, which is able to preserve them just like a home freezer. This is where the scientist teams working on the experiments to possibly clone and bring back the mammoths got the cells to use in these tests.

The tests have given the groups of scientists living cells that have the characteristics of mammoth cells, which make them one step closer to being able to do future experimentation to possibly create and bring back extinct animals like a woolly mammoth.

However, some people are against the idea of bringing back extinct animals such as the woolly mammoth due to ethical reasons. For instance, today's modern elephants are also facing possible extinction due to things like loss of habitat and poachers wanting to kill them for their ivory tusks, etc. This type of experiment could risk the life or health of a modern elephant, and thus would be unethical on several levels.

In addition, according to some thinkers, it could leave humanity with the thought that if an animal went extinct in the future, all that would have to be done is to find a way to manipulate the DNA and genes and clone it, so that extinction is okay.

The bottom line is that scientists are getting closer to having the ability to clone extinct animals such as the woolly mammoth thanks to these types of experiments. The new technique of being able to manipulate elephant genes and DNA and insert woolly mammoth DNA and genes is giving some scientists hope that this majestic elephant like creature could someday walk the earth once again.

**By Tejus D**



## Update for the day #1230 | How does WhatsApp generate revenue ??

WhatsApp was founded in 2009 by Brian Acton and Jan Koum as an alternative to pricey SMS services. The app allows users to upload their contact book and message anyone who has the app installed, at no cost. It enables its user to send text messages, images, video and audio media to other users. The said service is available on iOS, android, Symbian, blackberry OS and windows platforms.

### **Ever wondered how does WhatsApp make money?**

Unlike most other applications, WhatsApp does not earn revenue through advertisements. WhatsApp was developed as an ad-free platform with a focus on providing great user experience – and ads significantly damage that user experience.

The founders of the company wanted to create an instant messaging platform for users and not for large corporate entities to place ads. However, at the same time, they had to pay their bills as well.

### **Whatsapp is earning its revenue through two different ways:**

- **Subscription Fee:**

WhatsApp decided to come up with the paid version of the application where they charged an annual subscription fee of \$1 from users. It allows its user to enjoy the services for free for first year.

However, after that it charges \$1 for continued service. But till date, I have not heard of a single person who has paid for this service. Interestingly, it tends to extend the free service period every time a user reaches close to the expiry date.

So this method of revenue generation that seems like the only visible revenue generation scheme is actually not generating the revenue. By 2016, WhatsApp had more than 1 billion users. In the same year, the company announced that the subscription-based model will be discontinued and would instead be completely free.

- **WhatsApp For Business API:**

In 2018, WhatsApp launched a separate app, WhatsApp Business, meant specifically for businesses. It helps the users have a verified profile on WhatsApp, create a business profile, add links to their websites and social media and integrate the WhatsApp for Business API.

While WhatsApp Business is free to use for all businesses, it's the API (application programming interface) integration that forms the basis of WhatsApp's only revenue source. Businesses can integrate their business with WhatsApp, allowing them to send notifications to their customers automatically.

Getting messages about movie ticket bookings, flight updates, confirmation of making a food order and more, are instances where this integration comes into play.

Businesses can respond for free to user messages only within 24 hours since the message is received. Any response after that comes with a fee depending on the location. It gave WhatsApp a source of revenue and more leverage from the user side. Some of their clients include BookMyShow, RedBus, Booking.Com, and many more.

With more than 400 million active users in India alone, in 2019, WhatsApp reported revenues of Rs.6.84 crore in India, with a profit of ₹57 lakh.

**By Sonibai.N**





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