EMERGING THOUGHTS

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Contents

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 articled assistants (Interns undergoing Chartered Accountancy course) who will be emerging as Chartered Accountants in near the future and employees.

Keeping yourself updated with the history, news and events, happened or happening, around the world is very important. Knowing the latest news and updates and events which are occurring throughout the global world, is necessary, as these occurrences may affect our lives, either directly or indirectly.

The response we receive from the readers is always overwhelming 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 empowered to be bold in the name of innovation and wisdom and our encouraged to think beyond their capabilities. 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 study 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.

"Trials are not the reason to give up, but a challenge to improve yourself. Difficulties are not an excuse to backout but an inspiration to move."

"Strive not to be a success, but rather to be of value ."

Update for the day #1441 | 5 points to save soil by PM Modi

On World Environment Day, PM Modi said India's forest cover grew by over 20,000 sq km in last eight years - record growth in wildlife numbers too.

Prime Minister Narendra Modi on Sunday said India's efforts to protect the environment are multi-dimensional even though its role in climate change negligible. Modi was addressing a programme on 'Save Soil Movement' on the occasion of World Environmental day at Delhi's Vigyan Bhawan. Modi also said India's forest cover grew by over 20,000 sq km in last eight years - record growth in wildlife numbers too.

Modi said the country has worked relentlessly to keep the soil alive. He said the government has focused on five main things to save the soil.

1. How to make the soil chemical-free.
2. How to save the creatures that live in the soil, which in the technical language are called soil organic matter.
3. How to maintain soil moisture, how to increase the availability of water till it.
4. How to remove the damage that is happening to the soil due to less groundwater.
5. How to stop the continuous erosion of soil due to the reduction of forest cover

"India is making this effort when India's role in climate change is negligible. Large modern countries of the world are not only exploiting more and more resources of the earth, but maximum carbon emission goes to their account," Modi said.

He added that internationally, India has led the creation of CDRI and the International Solar Alliance. Last year, India has also resolved that it will achieve the target of net-zero by 2070. The PM laid emphasis on the importance of "Soil Health Cards" in changing the mindset of the farmers.

"Soil Health Cards are playing an important role in changing the mindset of our farmers. These cards provide farmers with the nutrient status of their soil and its composition. This is helping them decide what is needed for good soil health," Modi stated.

Modi said a huge campaign was launched to give soil health cards to the farmers in the country when they were not aware of soil health.

"In this year's Budget, we've announced natural farming along the Ganga river corridor will be promoted. In March, we have begun the rejuvenation project of 13 rivers. It will also help in increasing the forest cover by over 7,400 sq km," he added.

"The policies related to biodiversity and wildlife that India is following today have also led to a record increase in the number of wildlife. Today, India has achieved 10 per cent ethanol blending in petrol five months ahead of its target," he further said.

The Save Soil Movement was started by Sadhguru in March 2022, who embarked on a 100-day motorcycle journey passing through 27 countries. June 5 marks the 75th day of the 100-day journey.

World Environment Day is celebrated annually on June 5. It offers a global platform for inspiring positive change in the environment. It also pushes individuals to think about what they consume from the ecosystem and gives them a chance to build a greener future.

By Smitha R

Update for the day #1442|The Cotton Roller-coaster

In October 2021, cotton prices in India reached a record high. It was trading at ₹63,000 per candy. For the uninitiated, candy is a unit of measurement, used to denote mass. 1 candy of cotton equals 356 kgs. So technically, it would have cost you ₹63,000 to buy 356 kg of cotton.

At the time the consensus was that "this too would pass" and prices would trend downwards. But against all odds, they have been rising. And today, they're flirting with the ₹1,00,000 mark. Also, if you're wondering, this isn't just unique to India. Global prices are also at an 11-year high and there are many furrowed eyebrows wondering what's happening here.

As is customary, most people will blame the war in Ukraine or oil prices for this catastrophe. After all, it seems to be a recurring theme everywhere. However, Russia and Ukraine aren't big exporters of the commodity and rising oil prices can't alone account for this anomaly. In fact, even the experts are a bit flummoxed.

The International Cotton Advisory Committee (ICAC) recently stated that it was "difficult to identify a concrete reason for this price increase as fundamental supply and demand principles seem to be well balanced". But despite this honest admission of bewilderment, we can still speculate on the matter, and we will do this using the Indian example.

For starters, India has been dealing with bad weather. When unseasonal rains lashed cotton-producing states in November and December, it affected the colour of cotton. And "colour" is very important in this business. There's high demand for white cotton. But spotted, tinged & yellow-stained cotton may not command the same premium.

Also, despite being one of the largest producers of cotton in the world, the crop yield here isn't amazing. It now ranks 34th in terms of yield, below Vietnam, Pakistan, Ivory Coast, Ethiopia and Myanmar. Or put another way, while India accounts for nearly 39% of the world's area under cotton cultivation, it contributes only 23% to the total yield.

Why is that happening you ask?
Well, we need to take a slight detour. Back in the early 2000s, India was barely producing enough cotton to meet its own demand. We had to import it by truckloads. But then, genetically modified cotton seeds made their way into cultivation and changed the whole ecosystem. These seeds offered higher yields. They were more resistant to pests and were generally suited for Indian conditions. It's no wonder then that production figures tripled over the last decade.

But now, their efficacy is on the decline. With the evolutionary arms race in full swing, pests have also adapted to these new varieties. Pink bollworms and white-fly insects are on a rampage and they have been gravely affecting cotton yields.

Also, there's the demand factor. During the pandemic, cotton mills were forced to shut shop. But now, demand for cotton is slowly picking up and mills that operated only at 40% capacity have begun to crank up production.

And finally, there's the alleged matter of hoarding. Some suggest that farmers are now hoarding cotton in the hope that prices keep rallying. They're trying to profit off of this price rise and it seems it's driving prices higher. And while you could see how that improves outcomes for cultivators, it is, however, hurting another part of India—the micro, small, and medium enterprises (MSMEs). You see, the apparel industry employs around 14.5 million people and 70% of the units are MSMEs. They're the ones facing the brunt of higher prices.

Unlike large MNCs, these MSME mills don't have easy access to financing. And since they have limited working capital on hand, they can't hold more than 40 days' worth of cotton stock. Meaning—they can't buy cotton in bulk when prices moderate and instead have to keep buying cotton every month even when prices go on a tear. And when it reaches such exorbitant levels, they run out of cash entirely, and they're forced to shut shop.

Now the Indian government has tried to intervene and extend some support. They removed the import duty of 10% on cotton recently and promised to sustain the program until September 2022. Perhaps this will have an effect on prices.

But the manufacturers want something else too. They want a total ban on cotton exports. And if the ban were to come to fruition, you could bet that it would likely tame prices. But farmers and traders are having none of this. They want to sell their commodity anywhere they see fit and they want to pounce on this opportunity.

Meanwhile, readymade garment manufacturers have their own demands. They're seeking a ban on export of yarn. Yarn spun from raw cotton. And the mills don't want this happening since that would affect their livelihood. They want to have the flexibility to export anywhere they see fit (Just like the farmers) and they're fighting back. So yeah, rising cotton prices are having an impact across the ecosystem and everybody's trying to protect their own interests.

By Tejus D

Update for the day #1443 |KK voice will remain Immortal

Krishnakumar Kunnath popularly known as **KK,** an Indian playback singer was born on 23 August 1968. He recorded songs in several languages, including Hindi, Tamil, Telugu, Kannada, Malayalam, Marathi, Odia, Bengali, Assamese and Gujarati. He Left the world unexpectedly on 31 May 2022.

KK began his career by singing for advertisement jingles, and made his film debut with an A.R. Rahman soundtrack. In 1999, he launched his debut album titled Pal. The songs "Pal" and "Yaaron" from the album Pal became very popular and are commonly used in school farewells. His popular songs included "Tadap Ke Is Dil Se" from Hum Dil De Chuke Sanam (1999), the Tamil song "Apadi Podu", "Dola Re Dola" from Devdas (2002), "Kya Mujhe Pyaar Hai" from Woh Lamhe... (2006), "Aankhon Mein Teri" from Om Shanti Om (2007), "Khuda Jane" from Bachna Ae Haseeno (2008), "Piya Aaye Na" from Aashiqui 2 (2013), "Mat Aazma Re" from Murder 3 (2013), "India Wale" from Happy New Year (2014) and "Tu Jo Mila" from Bajrangi Bhaijaan (2015).

In 2009, he won the Screen Awards, Best Playback Singer – Male for his song "Khuda Jaane" of the film Bachna Ae Haseeno. He has received six Filmfare Awards nominations.He was nominated for Best male playback singer for around 20 times.

After graduating in commerce from Kirori Mal College, KK had a brief stint of six months as a marketing executive. Then he chose to pursue his passion for music. He struggled to create a name for himself in the competitive recording industry at first, resorting to singing at hotels to make ends meet. After few years, in 1994, he moved to Mumbai.

KK did not have any formal training in music. According to film director Mahesh Bhatt, "KK had an emotional bandwidth which echoed all the seasons of the heart. He could be frivolous, romantic and anguished. He could go into the depths, talk about the wonder and magic of life.

On 31 May 2022, KK performed a live music concert at a festival of Gurudas College at Nazrul Mancha auditorium, in South Kolkata. After the concert, he returned to his hotel in Esplanade. He complained of feeling unwell soon after his performance on the way back to his hotel, where he suffered a cardiac arrest. He collapsed, efforts to revive him at the hotel were unsuccessful, then he was rushed to Calcutta Medical Research Institute (CMRI) at around 10:30 pm, where he was declared dead. He was 53 years old at the time of his death.

On 1 June 2022, Kolkata Police registered a case of unnatural death to investigate the causes. His autopsy was videographed. The autopsy report mentioned myocardial infarction (heart attack) as the likely cause of death. The report ruled out any foul play. According to the doctor who conducted the autopsy, KK could have survived if he had received cardiopulmonary resuscitation (CPR) immediately after falling unconscious. He was having pain in his shoulder and arm in his last few days and had informed his wife about his condition. He mistook the cause of the pain as digestive issues and was consuming antacids; on his last day, he again complained of pain. According to the autopsy report, his heart had 80% blockage.

Now we miss him forever.

By Rakshith R Ammati

Update for the day #1444 | Mukesh Ambani gets his 'Richest Indian' crown back

Mukesh Ambani has surpassed Gautam Adani to regain the spot of Asia's and India's richest man as Reliance Industries (RIL) shares continued to surge to trade near record high levels in Friday's trading session.

As per Bloomberg Billionaire index, RIL Chairman Ambani has gained the eighth spot in the world's richest as his net worth stands at $99.7 billion. Whereas, Adani Group's Chairman Gautam Adani's net worth is $98.7 billion, placing him in the ninth spot in the index.

In February this year, Adani overtook fellow countryman Ambani to take Asia's richest spot on the back of the jump in his personal fortune, which made him world's biggest wealth-gainer this year. Meanwhile, according to Forbes real time billionaires list, Mukesh Ambani's net worth has surged to $104.7 billion, whereas that of Gautam Adani & Family stands at $100.1 billion on the back of sell-off in Adani Group stocks this week amid MSCI Index rejig.

Mukesh Ambani chairs and runs Reliance Industries, which has interests in petrochemicals, oil and gas, telecom and retail. Almost 60% of Reliance's revenue comes from oil-refining and petrochemicals, though, the conglomerate has been reducing its dependence on oil-refining by diversifying into retail, telecommunications and technology.

Billionaire Mukesh Ambani has been profiting from a surge in global commodity prices triggered by Russia's invasion of Ukraine, burnishing their fossil-fuel credentials even as Asia's richest men publicly push their pivots toward greener energy. RIL shares have gained about 16% in 2022 (YTD) so far as compared to a 5% fall in benchmark Sensex.

Ambani is pivoting Reliance into green energy. The company will be investing $80 billion over the next 10-15 years on renewable energy and building a new complex next to its refinery.

By Shraddha Vishwanath

Update for the day #1445 | India's FDI Inflow in Fiscal year 2021-22

The Ministry of Commerce and Industry said that India's Foreign Direct Investment [FDI] inflow in the Financial Year 2021-22 reached an all-time high of USD 83.57 billion, despite the Russia-Ukraine war and Covid-19 pandemic. This shows that India's image is favourable among global investors.

How much is the increase in FDI inflow?
India's foreign investment inflows increased 20-fold since the financial year 2003-04 when it was mere USD 4.3 billion. Post Covid-19 pandemic, FDI inflow increased by 23%. In the financial year 2020-21, the FDI inflow stood at USD 1.60 billion.
Through the liberal and transparent FDI policy, the Government is ensuring that India remains an attractive and investor-friendly destination. Recently, the government opened several sectors to FDI under the automatic route. Reforms in sectors such as coal, digital media, single-brand retail trading, civil aviation, insurance, telecom, etc. are also encouraging investment in India.

Which sectors received maximum FDI?
In FY 2021-22, the "computer software and hardware" sector with a share of 25% remained the top sector, followed by the services sector and automobile sector. FDI inflow in the manufacturing sectors increased by 76% in 2021-22 as compared to 2020-21.

Which is the top investor country?
In FY 2021-22, Singapore with a share of 27% is the top investor country of FDI equity inflow. Singapore is followed by the U.S. (18%) and Mauritius (16%).

Which state in India received maximum FDI?
Karnataka is the top recipient state with a 38% share of the total FDI Equity inflow, followed by Maharashtra (26%) and Delhi (14%). Karnataka (53%) is also the major recipient of FDI under the domain of "Computer Software and Hardware". Karnataka is followed by Delhi (17%), and Maharashtra (17%).

The government has attributed the high inflow to the measures taken in the past eight years. "The government reviews the FDI policy on an ongoing basis and makes significant changes from time to time, to ensure that India remains attractive and investor friendly destination," the ministry said, adding that the government has put in place a liberal and transparent policy for FDI, wherein most of the sectors are open to FDI under the automatic route.

By Tushar U

Update for the day #1446 | Experimental Cancer Drug with 100% success rate

A tiny group of people with rectal cancer experienced something of a scientific miracle: their cancer simply vanished after an experimental treatment.

In a very small trial done by doctors at New York's Memorial Sloan Kettering Cancer Center, patients took a drug called dostarlimab for six months. The trial resulted in every single one of their tumors disappearing. The trial group included just 18 people, and there's still more to be learned about how the treatment worked. But some scientists say these kinds of results have never been seen in the history of cancer research.

Dr. Hanna Sanoff of the University of North Carolina's Lineberger Comprehensive Cancer Center joined NPR's *All Things Considered* to outline how this drug works and what it could mean for the future of cancer research. Although she was not involved with the study, Dr. Sanoff has written about the results.

On how the drug works to treat cancer:
This drug is one of a class of drugs called immune checkpoint inhibitors. These are immunotherapy medicines that work not by directly attacking the cancer itself, but actually getting a person's immune system to essentially do the work. These are drugs that have been around in melanoma and other cancers for quite a while, but really have not been part of the routine care of colorectal cancers until fairly recently.

On the kinds of side effects patients experienced:
Very, very few in this study - in fact, surprisingly few. Most people had no severe adverse effects at all.

On how this study could be seen as 'practice-changing':
Our hope would be that for this subgroup of people - which is only about five percent to 10 percent of people who have rectal cancer - if they can go on and just get six months of immunotherapy and not have any of the rest of this - I don't even know the word to use. Paradigm shift is often used, but this really absolutely is paradigm-shifting.

On why the idea of being able to skip surgery for cancer treatment is so revolutionary:
In rectal cancer, this is part of the conversation we have with someone when they're diagnosed. We are very hopeful for being able to cure you, but unfortunately, we know our treatments are going to leave you with consequences that may, in fact, be life-changing. I have had patients who, after their rectal cancer, have barely left the house for years - and in a couple of cases, even decades - because of the consequences of incontinence and the shame that's associated with this.

On next steps for the drug:
What I'd really like us to do is get a bigger trial where this drug is used in a much more diverse setting to understand what the real, true response rate is going to be. It's not going to end up being 100 percent. I hope I bite my tongue on that in the future, but I can't imagine it will be

100 percent. And so, when we see what the true response rate is, that's when I think we can really do this all the time.

By Hiral Songara

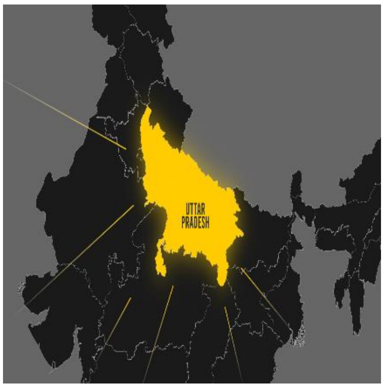
Update for the day #1447 | Why are companies flocking to Uttar Pradesh?

In September 2021, PepsiCo inaugurated its new plant in Uttar Pradesh. The American snack and beverage company spent over ₹1,000 crores in setting up the plant, making it Pepsi's largest investment in India. A few days ago, Pepsi took it a step further and announced another round of investment totalling nearly ₹200 crores to ramp up production in the factory.

And it's not just Pepsi, other multinational conglomerates have been making a beeline for the northern Indian state too. This includes the likes of Microsoft, Samsung, and MAQ Software. To give you some context, between 2017 and 2021, the state claims to have attracted foreign investment commitments to the tune of ₹1.88 lakh crores. And in its mega Investment Summit held last week, the state noted that it had received another ₹80,000 crores worth of investment commitments from both domestic and foreign companies.

But it was not always like this. In 1991, India opened up its economy to the world and while it did propel growth, this growth wasn't evenly distributed. For instance, a report published on the RBI's website notes that from April 2000 to June 2012, Maharashtra, Delhi, Karnataka, Tamil Nadu, Gujarat, and Andhra Pradesh bagged 70% of foreign direct investments (FDI) inflows. And states like Uttar Pradesh lagged behind.

The reason?
Well, it's complicated.
Some studies show that states with high per capita income, high industrial output, and those situated at the coasts attract high levels of FDI. And if these states already had a bustling domestic manufacturing industry, then that was just icing on the cake. Also, things like per capita income, population density, per capita bank deposits, and education levels matter if you're a foreign entity trying to set up shop somewhere.
And UP didn't rank well on these fronts.



While the state had abundant natural resources, it also boasted the biggest population. And since resource allocation wasn't UP's strong suit, abundance didn't help much. Take for instance the state's per capita income. It's half of that of India. And it's a landlocked state without coastal access with poor road connectivity. Also, 47% of its population is still reliant on agriculture. And the domestic industrial sector never really took off. Even the literacy level stands at 73%—less than the national average of 77.7%.

Basically, none of the factors favoured UP.

So, what changed? How did UP become the darling of both domestic and foreign investors?

Well, some of it has to do with government continuity. The state of Uttar Pradesh has been marred by political instability, since the time of independence. In fact, it was only in 2012 that a Chief Minister of Uttar Pradesh completed a full term in office without being shunted out in between. So it was quite obvious that a state with political uncertainty wouldn't be the first choice for many investors. Governments can change regulations on a whim and you don't want to find yourself in such a spot. But over the past decade, investors have grown confident about the political climate. And as such, have been willing to commit money.

There's also the fact that the government has been trying to create a more business-friendly environment. Expressways are being constructed to ensure seamless connectivity across prominent hubs. There have been dedicated annual Investment Summits to attract the who's who of the global industry. The state has also announced a slew of policy incentives such as subsidised interest, and exemption on stamp duties, while also doubling down on its intent to create industrial parks and attract manufacturers.

They even suspended some labour laws in May 2020—bang in the middle of the pandemic to attract investors. And while it did upset a lot of people who accused the government of gross apathy, it also sent a very strong signal to businessmen and industrialists. The state would prioritize their interest if it meant attracting new investment.

It has now climbed its way up to second place on the "ease of doing business" charts.

So clearly the state of Uttar Pradesh has managed to garner some interest. But the headline figures may not always tell you the whole story. For one, a commitment to invest large monies isn't the same as an actual investment involving large monies. In February 2018, the UP government managed to solicit over 1000 MoUs (Memorandum Of Understanding) and commitments to the tune of 4.2 Lakh crores. However, 2 years later, most of the agreements had failed to translate to real investments. In fact, by some estimates, the state only attracted a fraction of the total commitments as many investors seemingly didn't come through on their promise.

There's also the fact that UP still has to make considerable progress on some of the metrics we talked about earlier. Industrial zones, freight corridors and business-friendly rules will only take you so far. You also have to invest in people and their well being. So while Uttar Pradesh has come a long way in attracting new investment, it still has a lot of ground to cover, especially if it intends to catch up with its more established counterparts.

By Yashaswini R U

Update for the day #1448 | The Royal Indian Navy Mutiny


Hindusthan Standard

INDIAN SAILORS IN REVOLT

SIX HOURS BATTLE WITH BRITISH TROOPS

GRAVE TURN IN R. I. N. MEN'S STRIKE IN BOMBAY

TWENTY SHIPS CAPTURED

Govt. Rushing Strong Naval And Air Reinforcements

FIRING ON STRIKERS AT KARACHI

INDIANS RETALIATE WITH NAVAL GUNS

ONE KILLED AND 14 INJURED IN THE DUEL

The Royal Indian Navy mutiny or revolt, also called the 1946 Naval Uprising, was an insurrection of Indian naval ratings, soldiers, police personnel and civilians against the British government in India. From the initial flashpoint in Bombay (now Mumbai), the revolt spread and found support throughout British India, from Karachi to Calcutta (now Kolkata), and ultimately came to involve over 20,000 sailors in 78 ships and shore establishments.

The actions of the mutineers were supported by demonstrations which included a one-day general strike in Bombay. The strike spread to other cities, and was joined by elements of the Royal Indian Air Force and local police forces.
The INA trials, the stories of Subhas Chandra Bose ("Netaji"), as well as the stories of INA's fight during the Siege of Imphal and in Burma were seeping into the glaring public-eye at the time. These, received through the wireless sets and the media, fed discontent and ultimately inspired the sailors to strike.

Indian Naval personnel began calling themselves the "Indian National Navy" and offered left-handed salutes to British officers. At some places, NCOs in the British Indian Army ignored and defied orders from British superiors. In Madras and Poona (now Pune), the British garrisons had to face some unrest within the ranks of the Indian Army. Widespread rioting took place from Karachi to Calcutta. Notably, the revolting ships hoisted three flags tied together – those of the Congress, Muslim League, and the Red Flag of the Communist Party of India (CPI), signifying the unity and downplaying of communal issues among the mutineers.

The Charter of Demands was sent to the authorities and consisted of a mixture of political and service related demands.
1. Release of all Indian political prisoners;
2. Release of all Indian National Army personnel unconditionally;
3. Withdrawal of all Indian personnel from Indonesia and Egypt;
4. Eviction of British nationals from India;
5. Prosecution of the commanding officers and signal bosuns for mistreatment of crew;
6. Release of all detained naval ratings;
7. Demobilisation of the Royal Indian Navy ratings and officers, with haste;
8. Equality in status with the Royal Navy regarding pay, family allowances and other facilities;
9. Optimum quality of Indian food in the service;
10. Removal of requirements for return of clothing kit after discharge from service;

11. Improvement in standards of treatment by officers towards subordinates;
12. Installation of Indian officers and supervisors.

On the warships and shore establishments, the British flags and naval ensigns were pulled down and the flags of the Indian National Congress, All-India Muslim League and the Communist Party of India were hoisted. The Bombay committee of the Communist Party of India called a general strike which was supported by leaders from the Congress Socialist Party, a socialist caucus within the Indian National Congress. The provincial units of the Indian National Congress and the All India Muslim League however opposed the mutiny from the onset. Disappointed and disgruntled with opposition from the national leadership towards the mutiny, the flags of the Congress and Muslim League were pulled down and only the red flags kept aloft.

The revolt was called off following a meeting between the President of the Naval Central Strike Committee (NCSC), M. S. Khan, and Vallabhai Patel of the Congress, who had been sent to Bombay to settle the crisis. Patel issued a statement calling on the strikers to end their action, which was later echoed by a statement issued in Calcutta by Muhammad Ali Jinnah on behalf of the Muslim League. Under these considerable pressures, the strikers gave way. Arrests were then made, followed by courts martial and the dismissal of 476 sailors from the Royal Indian Navy. None of those dismissed were reinstated into either the Indian or Pakistani navies after independence.

Between 25 and 26 February 1946, the rest of the mutineers surrendered with a guarantee from the Indian National Congress and the All-India Muslim League that none of them would be persecuted. Contingents of the naval ratings were arrested and imprisoned in camps with distressing conditions over the following months, despite resistance from national leaders, and the condition of surrender which shielded them from persecution.

Following independence, the navy was divided in two, but British officers remained in positions of authority within the two navies; the Royal Indian Navy (later renamed to Indian Navy) and the Royal Pakistan Navy (later renamed to Pakistan Navy). Vice Admiral William Edward Parry became the commanding officer of the Indian Navy. None of the discharged sailors were pardoned or reinstated in either navy.

This the way India and Pakistan Treated it's Patriots.

By Divya N Y

Update for the day #1449 | The Great Debate on Monsoon Predictions

Monsoons mark the arrival of the most spectacular rains in India. It also marks the beginning of the sowing season in many parts of the country. Kharif crops are usually grown at the beginning of the first rains and then harvested at the end of the monsoon season. And as such, monsoons bring with them joy and misery in equal parts.

Too much rain and everything goes for a toss. Too little rain and there's sorrow all around. Early monsoons can leave you scampering at times. Delayed monsoons can also gravely affect livelihoods. This is why we have the IMD (The India Meteorological Department) making formal predictions about monsoon and other weather events. They help farmers and civilians better prepare for what's coming. And needless to say, there's a lot leaning on their predictions.

But they don't always get it right. For instance, consider this year's predictions, made specifically for Kerala. IMD was expecting the monsoons to arrive early on May 27. And based on historical trends, this would have been the quickest in five years. Even Skymet—a private weather forecasting company had predicted monsoons to arrive early—on May 26th actually. But then, the monsoons never arrived. In fact, it would take another two days for the IMD to formally declare the onset of Monsoon in Kerala.

And while in the grand scheme of things, 2 days might not seem massive, it is significant. Especially considering IMD's predictions were all over the place during this last month. As one article in the Hindustan Times notes—"Experts did not take too kindly to IMD's decision, which, strangely, came only two days after the body suggested the onset of the monsoon over Kerala would be delayed—this, a few weeks after claiming the onset would be early. Yes—there was a flip, then a flop, then a flip again."
So we have to ask—"What's happening here? Is IMD losing its touch or is something amiss?"

Let's start with the relevance first. How important are these predictions and assessments in real life?

Well, fairly important it seems. The agriculture sector accounts for nearly 14% of the economy and employs half of India's working population. So if you have faulty weather predictions, these people suffer greatly. For instance, if monsoons arrive early compared to IMD forecasts, farmers may delay sowing their crops. This ultimately leads to low crop yields and affects the total output. There's an added impact on farm income and consumer expenditure. Inflation becomes a real concern very quickly which in turn could spur the RBI to adjust interest rates. It's a domino

effect. So clearly, there's a lot riding on the predictions.
No man-made computer model can account for all these variations and so the predictions will always have a margin of error.

However, this margin dissipates over time. If you're making predictions about the monsoon in April, you're likely going to get it wrong. However if you're doing it at the fag end of May, you'll have a better chance of acing it. For instance, a seven-day forecast can accurately predict the weather about 80% of the time, while a five-day forecast can accurately predict the weather approximately 90% of the time. So you can't blame IMD entirely for getting it wrong sometimes. They have a tough job at hand.

However what about the declaration of monsoons? Surely, that isn't dependent on supercomputer simulations no? How come they bungled things there?
Well, one explanation is that the IMD made the hasty declaration "since it had committed itself saying the monsoon would set in on May 27."

And by May 29, they were already 2 days late. So perhaps they called it early hoping to stay close to their original predictions. But IMD contests otherwise. Their argument is that they looked at certain important metrics and made an assessment based on their best judgment. Only problem? The rains in Kerala have been weak, making the declaration look dubious.

By Sai Saran

Update for the day #1450 | Rare and lost opportunity

In a heartbreaking development on Sunday, the Asian Football Confederation (AFC) confirmed that the Indian team was considered withdrawn from the 2022 AFC Women's Asian Cup. With a dozen players testing positive for Covid-19, the Indians were unable to field a team against Chinese Taipei that day.

And the tight programme leaves no room for rescheduling. To understand what a big blow this is to the women's team, one should factor in not just that they had been preparing for this moment for two years, but also that this was their biggest tournament so far. That India is actually hosting this continental championship made this an even more unusual opportunity.

After the Indian women's hockey team reached their first-ever Olympic semi-final last year, by defeating pre-tournament favorites Australia 1-0, there was a broad acknowledgement of how the country can really improve in women's team sports by bringing them out of the shadows of men's teams. A key ask here is more opportunities to play international faceoffs, besides more domestic women's leagues.

So, the lost opportunity here being so significant, questions are understandably being raised about whether there was **laxity** in managing the biobubble for the Indian football team. One such question is whether the team was kept training in hotspot Kerala for too long, traveling to Mumbai only in mid-January. Yesterday the India coach took the blame game in a new direction by pointing the finger at AFC's management of Covid protocols. But this sits quite oddly with the special rules applicable to AFC competitions during the Covid-19 pandemic, which put the responsibility for maintaining the biobubble and testing squarely on the host organization – which in this case is the All India Football Federation.

Brushing these questions under the carpet would be great **disservice** to our women's team. They are the hosts, yet they are stuck in quarantined isolation while 11 visiting nations play on. In addition to a proper inquiry into the matter, they also deserve to know what international tourneys will be made available to them to make up for the one that they have so painfully lost here.

By Rajbalam

Update for the day #1551 |The Saradha scam | Ponzi scheme

The Saradha scam, also known as Saradha Group financial scandal, was a major financial scam that surfaced in 2013.

Investigation into the multi-crore ponzi scheme has been on since then.

The Saradha scheme

The scheme, run by Saradha Group (an umbrella company with 200 private players), was launched in the early 2000s by businessman Sudipto Sen. Aimed at small investors, the scheme became popular in a very short time as it promised high returns. The money was collected through a wide network of agents, who were paid commissions of over 25 per cent.

The Saradha Group raised about Rs 2,500 crore in a few years time. The company used varied marketing means to build its brand. Apart from popular marketing techniques like celebrity endorsements, the company used to sponsor cultural events such as Durga Puja and invest in popular football clubs to attract more investors.

The scheme soon expanded to Odisha, Assam, and Tripura, and the number of investors reached close to 1.7 million.

The TMC connection

Over a dozen TMC MLAs and MPs, including ministers, have been questioned by CBI in connection with the scam. Many of these leaders were directly involved in the group's operations.

Actor and TMC leader Satabdi Roy was Saradha's brand ambassador. Then TMC MP Kunal Ghosh was appointed CEO of the media group in which Saradha had invested Rs 988 crore. Another party leader Srinjoy Bose was also involved in the group's media operations.

Madan Mitra, the then West Bengal Transport Minister, headed the group's employees' union.

Apart from TMC, the group allegedly also had connections with Congress leader Matang Sinh and Assam BJP leader Himanta Biswa Sarma, who was then in the Congress.

How the Saradha scam unravelled

Problems started in the company in 2012, when SEBI asked the group to stop accepting money from investors and obtain the regulator's permission to run its schemes.

By January 2013, the company was engulfed in a crisis when for the first time Saradha Group's cash inflows were found to be lower than its outflows. The scheme collapsed by April, prompting agents and investors to file police complaints.

SIT and CBI probe

The West Bengal government initially set up a Special Investigation Team (SIT), headed by the then Kolkata Police Commissioner, Rajeev Kumar, to probe the case. The case was transferred to the CBI in 2014 at the behest of Supreme Court.

CBI considers Kumar as a potential accused in the case and has accused him of not handing over crucial documents to the agency.

Kumar first grabbed headlines in February 2019, when the CBI was stopped by the Kolkata police, from questioning him.

Bengal Chief Minister Mamata Banerjee rushed to the spot and staged a three-day sit-in protest against CBI's move

By Divya G Shanbhag

Update for the day #1452| Failure to success story of Walt Disney

We have all been rejected. That is life. Some of us use that rejection to push us on and take motivation from us, but for others, it can be demoralising.

Disney has become one of the strongest brands globally, and indeed one of America's most profitable companies.
However, "The Happiest Place On Earth" was not an easy or clear road to success. Rumour has it that the concept for one of the most visited tourist sites and theme parks in North America was turned down over 300 times by bankers and financiers.

Being an entrepreneur can be a truly lonely place, often filled with doubt and even depression. For those out there struggling to find their motivation to continue with their dream and vision, Walt Disney can serve as potential inspiration as one of the 20th Century's most extraordinary visionaries.

After Disney's first carton business failed in the early 1920s he packed his bags to try his hand at acting in Los Angeles. Disney failed at this too but did create Oswald the Lucky Rabbit, which was his first version of what eventually became Mickey Mouse.

Disney lived off eating beans whilst racking up debts and supposedly had a breakdown after creating Mickey Mouse.

Walt Disney has a vision and without perseverance for this, the Walt Disney Company would not be the company it has become today. With Walt Disney world spanning multiple theme parks across thousands of hectares in Florida, and the Disneyland theme park stretching from locations in Los Angeles to Hong Kong and Tokyo, the idea has been a resounding success.

The irony is that one of the 20th Century's most creative visionaries was actually fired for lacking creativity from his local newspaper many years before. The Kansas City Star newspaper was later bought by Disney when they purchased ABC.

Disney World in Orlando has now grown to become the largest single-site employer in the U.S. and with a group income above $50 billion annually, it would be hard to argue against the incredible success that The Disney Company and theme parks have seen since Walt Disney's initial rejections.

Sadly, Walt Disney died in 1966 and never got to see the opening of the mammoth Walt Disney World in Florida which opened in 1971 to become what it is today. The park would have never seen the light of day had Disney not persevered after 300 rejections from financiers for the Mickey Mouse concept that started this incredible journey.

By Khushi Jain

Update for the day #1453 | What are blue-chip stocks?

A blue-chip stock is an established and financially sound company with a long history of profitability and strong fundamentals. These companies have growing revenues and focus on generating shareholder value through dividends.

Fun fact: While investing is wrongly compared to gambling, the term blue-chip originates from the game of poker. In the standard game, white chips have the least value, followed by red chips and then the blue ones making blue chips the most valuable ones.
Most investors consider blue-chip stocks as an essential part of their portfolios as they provide a high level of income with comparatively lower risks.
So let's understand

How to select good blue-chip stocks?
Think of blue-chip stocks as an exclusive club of stocks where only those stocks are permitted that are market leaders in their domains. Here are a few characteristics:

Large companies: The first way to identify a blue-chip stock is by looking at its market capitalization. These are usually large to very large companies that are stock market giants in their sectors with a market capitalization greater than ₹20,000 crores.

Market leaders: These are companies that come to your mind when you think of a particular sector. Reliance Industries, Tata Consultancy Services, Hindustan Unilever Limited, and HDFC Limited are some examples of blue-chip stocks in India.

Steady earnings history: It's important to remember that blue-chip stocks take decades to establish themselves as market leaders. Hence, they have a long history of stable earnings.

Promising growth prospects: While profitability is essential in finding a good blue-chip stock, the efficiency of management to optimize the company's resources while ensuring profitability is the sign of a good blue-chip stock.

Remember that there will always be risks associated when investing in stocks, but since blue-chip stocks have a large market capitalization, they are comparatively less volatile than other stocks. These are companies that have been around for a long time and have weathered many economic storms.

By Pooja Sandeep Naik

Update for the day #1454 | Impact of having pet dogs on mental health

Animals have undergone a dramatic transformation in roles in the past few centuries. Whereas animals used to serve as mere assistants in survival and aids to physical labor, they have now edged their noses into people's homes and beds. Undoubtedly, pets do affect certain aspects of human health, such as the likelihood of developing heart as well as depression and psychological wellbeing.

A pet can be a great source of comfort and motivation. In many ways, pets can help us to live mentally healthier lives.
How can a pet help in my mental health?
Caring for a pet can help our mental health in many ways, including:

• providing companionship. Dogs can give you a sense of security and someone to share the day with. Caring for them can help you feel wanted and needed. This can be especially valuable for older people or those who live alone

• reducing anxiety. The companionship of a dog can help to ease your anxiety

• boosting self-confidence. Pets can be great listeners, offer unconditional love and won't criticize you. This can help your self-confidence, especially if you feel isolated or misunderstood

• helping you meet new people. Dog owners often stop and chat to each other on walks. But other pets can be a way to meet people too: in pet shops, training classes or online groups, for example

• adding structure to your day. Having to feed, exercise and care for a pet can help you keep to a daily routine, which can help you feel more grounded and focused. It can give your day purpose and a sense of achievement.

However, having a pet is a serious commitment and not something to do on a whim. You'll need to have the time, money and energy for a pet, as well as a calm home environment with routine and consistency. Fostering a pet or helping a friend with theirs can help you see whether having your own is right for you.

Anyone who has looked into the knowing eyes of an animal or witnessed the joy they display when you return home knows their value as companions.

Perhaps, more than anything, pets offer an opportunity to share love and caring behavior with something living. The animal does not judge by appearance, social identity, or any of the superficial factors humans consider essential. The relationship is straightforward and uncomplicated, and trust is gained by showing love and attention.

By Nishika Nayan Shah

Update for the day #1455| The Rise of The Gig Economy

Theme:
In September 2020, the government of India brought a new labour code – 'The Code on Social Security 2020', which extended social security to the unorganised sector workers including gig workers. The government will bring social security schemes to provide retirement benefits, health insurance and other benefits to unorganised sector workers.

What is Gig economy:
- Gig workers take short-term contracts and will be paid for that. Examples – Food delivery boys, uber/ola cab drivers, musicians, photographers, construction workers, on-demand workers etc. There are many apps and websites (Ex-Fiverr, Upwork) for the skilled workforce, such as software developers, doctors etc to take gigs. This kind of freelance work market is called a gig economy.
- The gig economy is expanding at a rapid rate especially in the pandemic time.
- Many countries are working on bringing policies to prevent the exploitation of gig workers and to make their working conditions more humane.

Reasons for the rise of the gig economy:
- In traditional employment opportunities, employees have to work for a fixed number of hours. But some people like a flexible work schedule, which is contributing to the rise of the gig economy.
- Increasing unemployment rates is also forcing people to work in the gig economy.
- Many times, the gig economy is a win-win for both the company and the worker. Companies do not have to hire a full-time employee, and thereby can save costs. Workers on the other hand will not be tied down by any company. After finishing the gig, they can work with other people of their choice.

Benefits of the gig economy:
- Autonomy for workers.
- Flexible work hours.
- Rewards for hard work.
- Fewer costs for companies

Challenges of the gig economy:
- Gig workers do not receive benefits such as retirement benefits, health insurance etc. like full-time employees.
- Many gig workers are receiving pay lesser than the minimum wage guaranteed, which is unethical.
- There is no guarantee in some cases. Companies may delay or stop payments. There will always be this insecurity and it also causes stress.
- Some gig workers overwork in order to earn decent money. Several gig workers complain of burnout. The exploitation of gig workers is one of the biggest challenges of the gig economy.
- Some companies are encouraging people to work in the gig economy in their spare time. This can lead to a lack of time for personal life, which affects relationships and mental health.

- The rise of the gig economy is a threat to some full-time employment opportunities. Some companies are replacing full-time employees with gig workers.

Conclusion:
The gig economy will continue to rise at a rapid rate in the coming days for good. It can compensate for the high unemployment rates in India. It's a good thing that the gig workers are officially recognised and brought under the ambit of social security schemes. Working on the challenges of the gig economy to improve the working conditions is the need of the hour.

By Deepali S Jain

Update for the day #1456 | IPL – "The Cash Rich League".

The highly anticipated IPL media rights auction is now officially over. The winner of the various bids have been announced for the next 5 year cycle - 2023 to 2027. There were a total of four different packages (A-D) that were bid for with various subsections.

Disney Star, Viacom18 and Times Internet bagged the various rights to broadcast IPL matches over the next 5 seasons on TV and digital platforms.

The total revenue which will be generated over the next 5 years thanks to the sale of these broadcast rights for 2023-2027 is a staggering Rs 48,390.50 Crore. At Rs 48,390, IPL is now the second most valued sporting event, right after United States' National Football League (NFL) and has recorded a three-fold increase from what The Walt Disney-Star had paid at Rs 16,347 crore in 2017. For the first time, the media rights have been spread across broadcasters, breaking the monopoly of one company Television rights for the Indian subcontinent have been sold for Rs 23,575 crore to The Walt Disney Company India owned Star, while the digital rights have been bagged by Viacom18 for Rs 23,758 crore for 410 matches. This is the first time in India when digital rights have fetched more money than the television rights.

Viacom18 and Times Internet together won the Package D for Rs 1,058 crore. While Viacom18 has Australia, New Zealand, Singapore, Caribbean, South Africa, Sub Saharan Africa, UK, Ireland and Continental Europe rights; Times Internet got Middle East and North Africa (MENA) as well as the United States region in their kitty.

Package A, which consisted of television rights, had a base price of Rs 49 crore per game. The price increased to Rs 57.5 crore per game by the end of the bidding war, clocking a 17.3% rise. From 2023, the Star India will pay Rs 4,255 crore for 74 matches to the BCCI every year. As for Package B, which encapsulated digital rights for the Indian subcontinent region, Viacom18 has won the rights for about Rs 50 crore per game, marking 51.51% rise from its base price.

Viacom paid Rs 23,758 crore for both Package B and Package C (non-exclusive 18 matches rights). Which means that BCCI will get additional Rs 33.24 crore per game for Package C– which was a newly introduced non-exclusive 18 matches package.

This year, BCCI had further broken down Package D (international TV and digital rights) into four groups. Group A consisted of Australia, NZ, Singapore, Caribbean region; Group B had

MENA and the US region; Group C was South Africa, Sub Saharan Africa region while Group D encapsulated UK, Ireland, Continental Europe region. Viacom18 managed to bag the majority of international rights by winning Group A. C and D for a total amount of Rs 594 crore for 410 matches. Times Internet won the bid for Group B for Rs 464 crore.

Hence, while the BCCI has definitely scored a big win, whether the broadcasters will also hit a sixer, only time will tell.

By Yashank Bhansali

Update for the day #1457 |How come "Cash is King" even with Digital payments roaring?

5 years ago, demonetisation changed the face of the Indian payment ecosystem forever. At the time Indians held cash worth Rs 18 Lakh crore. By the end of January 2017, just 2 months later, it was down to Rs 8 Lakh crore. The impact was immediate and it was quite massive. And it seemed as if it were the beginning of the end for cash.

Cash is dead, they proclaimed.

But guess what? That didn't happen.

Instead, as of today, the cash in circulation tallies at over Rs 28 lakh crore. Granted, this number looks massive. But it can also be slightly misleading. The economy isn't the same as it was back in 2016. We've added value across the board. So as the GDP keeps chugging along, you'd expect more cash to enter the ecosystem to account for this increase. Which is why it's better to use another metric- the Cash in circulation (CIC) to the GDP ratio. This way you can see if the impact of cash is sizeable as the figure denotes.

So, what does this ratio tell us?

Before demonetisation, the CIC to GDP ratio stood at 12%. Immediately after that, it dropped to 8%. By March 2020 (right before the pandemic), it was back at 12% again.

And today, it's at a record high of 14.5%

So, cash in circulation, relative to the country's GDP has been on the up and there's no two ways about it. But why is this happening?

Well for starters, total economic activity tanked in the aftermath of Covid-19. So, the denominator took a hit and the ratio had to follow suit. Meanwhile cash transactions began to see an uptick due to a whole slew of factors. For starters, people probably kept using cash all through the lockdown owing to convenience alone.

Just few days ago, some survey tells that, UPI transaction hit a record high last month. It can be that cash is still king while UPI transactions continue to soar, right?

Well, the thing is- UPI is booming. But it's booming because it took a lion's share away from other modes of digital payment methods including wallets and cards. So, in reality, the proof of the pudding is in the actual "value" of all digital transaction. Not just UPI.

So yes, both narratives are accurate. India is slowly transitioning into a digital first country as the volume of digital transactions begins exploding. And by 2025 they may even account for as much as 71% of all payments. However, the value of digital transactions have only seen modest gains and as such, cash is still an integral part of the payment ecosystem.

By Chandana D

Update for the day #1458 | How will we ever be Jeopardy ready if you don't commit these random facts to memory?

How will we ever be Jeopardy ready if you don't commit these random facts to memory?

1. Baby flamingos are born grey, not pink.
2. A woodpecker's tongue actually wraps all the way around its brain, protecting it from damage when it's hammering into a tree.
3. A shrimp's heart is located in its head.
4. Elephants suck on their trunks for comfort.
5. Before the invention of modern false teeth, dentures were commonly made from the teeth of dead soldiers.
6. In ancient Egypt, servants were smeared with honey so flies would flock to them instead of the pharaoh.
7. It was once considered sacrilegious to use a fork.
8. Abe Lincoln was a champion wrestler. He was also a licensed bartender. Maybe they should call him an "Abe of all trades."
9. George Washington owned a whiskey distillery.
10. More than two percent of the American population was killed during the Civil War.
11. Joseph Stalin used to have people removed from photos after they died or were removed from office.
12. Since 1945, all British tanks have been equipped with the necessary items for making tea.
13. Pope Gregory IV once declared war on cats because he believed Satan used black cats. His declaration lead to the mass extermination of cats.
14. That lack of cats led to a rat infestation which led to the spread of the plague.
15. John Adams was the first president to live in the White House.
16. Go to bed! Chernobyl, the Exxon Valdez Oil Spill, and the Challenger explosion have all been attributed to a lack of sleep.
17. While the Wright Brothers are famous as a pair, they actually only flew together once. They promised their father they'd always fly separately.
18. Sixty percent of the World's lakes (three million total) are located in Canada.
19. Roughly 600 Parisians work at the Eiffel Tower each day.
20. Pilots and their co-pilots are required to eat different meals before flights so that they don't both end up with food poisoning.

By Tejas Chandra

Update for the day #1459 | Agneepath Scheme

What is Agneepath Scheme?

Agneepath Scheme is a recruitment process launched by the central government wherein selected candidates will be enrolled as Agniveers for four years period in Indian Armed Forces. On completion of the four-year period, Aginveers will go to the society as a disciplined, dynamic, motivated, and skilled workforce for employment in other sectors to pursue their career in the job of their choice.

Agneepath Scheme is a step that is initiated for the recruitment of 46,000+ Agniveers to the Indian Army, Indian Navy and India Air Force. The entry through Agneepath Scheme would be done for a period of 4 years initially. During these 4 years, the recruits would be trained by the armed forces in the skills required. The Agnipath recruitment scheme is a transformative initiative that will provide a youthful profile to the armed forces. Navy Chief Admiral R Hari Kumar said women will also be inducted into the armed forces under the new scheme. Officials, however, added that the recruitment of women under the scheme will depend on the needs of the respective services.

Agnipath Scheme Details- Latest Updates
Recruitment Details- For IAF, Registration to start on 24th June 2022 onwards, the Online Exam to start on 24th July 2022, the first batch of Agniveers to be induced in IAF in December 2022 and training to start from 30th December 2022 onwards.

Indian Air Force & Indian Army has released detailed Agneepath Recruitment Notifications on 20th June 2022 on their respective official websites.

MoS Defence Ajay Bhatt's views on the Agnipath scheme- It's a good scheme. Despite clarity over misunderstandings, it is not right to stick to the demands... I appeal to the youth not to let go of this golden opportunity. There will be no problem in the future:

10% vacancies in CAPF: The Ministry of Home Affairs (MHA) said it has decided to reserve 10 per cent vacancies for recruitment in CAPFs and Assam Rifles for Agniveers.

Incentives- The ministries of home affairs and defence announced concessions and incentives that will assist Agniveers in their further employment. Union Minister Hardeep Singh Puri said the PSUs under his housing and petroleum ministries are working on hiring 'Agniveers' after their four-year service in the armed forces.

Reservation- The government has announced a 10% reservation for ‘Agniveers’ in central police forces & Assam Rifles with upper age relaxation. Defence Ministry also came up with a 10% quota which will cover the Coast Guard, defence civilian posts and 16 defence PSUs, which include major ones like Hindustan Aeronautics, Bharat Electronics, as well as four shipyards and 41 ordnance factories.

Training- As per, Army Chief General Manoj Pande, the training of first agniveers will begin this December (in 2022) at the centres.

Agneepath Scheme Details
Agnipath or Agneepath is a recruitment scheme for the Indian youth who wish to join the Armed Forces. Agnipath scheme, a recruitment process for individuals below the rank of officer, with the goal of deploying fitter, younger troops on the front lines, many of whom will be on four-year contracts. It's a game-changing project that will give the Indian Army, Indian Navy, and Indian Air Force a young image.

What is Agniveer?
The youth selected under the Agneepath scheme will be categorized as Agniveers. Agniveers will be offered an opportunity to apply for permanent enrolment in the Armed Forces after a period of 4 years. The youths falling in the age group of 17.5 years to 23 years (revised upper age limit) who favour patriotism, teamwork, enhancement of physical fitness, ingrained loyalty to the country and availability of trained personnel to boost national security in times of external threats, internal threats and natural disasters can apply through Agneepath Yojna to become Agniveers.

Agneepath Scheme Details- Broad Objectives
The broad objectives of the Agnipath/Agneepath Scheme are-

1. To enhance the youthful profile of the Armed Forces so that they are always at their fighting best with increased risk-taking ability.

2. To imbibe the Armed Forces ethos, courage, commitment, and teamwork in the youth.

3. To provide abilities and qualities such as discipline, motivation, dynamism, and work skills so that youth remain as an asset.

4. To provide an opportunity to the youth who may be keen to serve the Nation in uniform for a short period of time.

5. To attract youth talent among the society to effectively exploit, adopt, and use emerging modern technologies with enhanced technical thresholds of intake while leveraging technical institutions of the country.

By Hardik Patel

Update for the day #1460 | PM Narendra Modi sets 40-month deadline to ease Bengaluru traffic

Prime Minister Narendra Modi on Monday set a 40-month deadline for the BJP's 'double engine' governments (state and Centre) to decongest Bengaluru's traffic by taking up key infrastructure projects.

After inaugurating and laying foundation stones for various projects worth Rs 27,000 crore here, PM Modi said both Centre and state government are working on every possible means to improve connectivity by undertaking Metro, rail, underpass, flyover and road projects to make Bengaluru free of traffic jams. He said these projects would help in realising ease of living and ease of doing business.

PM Modi claimed that the BJP's double-engine government has come up with new ideas and approaches to urban governance in the past few years.

He stated that discussions about providing suburban rail links to parts of Bengaluru have been going on since the 1980s, but no efforts have been made to implement it. "About 40 years have passed by only in discussions, and you will be surprised to know that this project was stuck in files for 16 years. But I will promise the people of Bengaluru that I will work hard to complete these projects in 40 months and fulfil their dreams," said Modi.

He said he had got the opportunity to complete the project, which was hanging fire, adding had the project been implemented 40 years ago, then Bengaluru city would have been better and stronger.

Modi said Bengaluru is the city of dreams for lakhs of young people in the country. "It is a reflection of the spirit of 'Ek Bharat, Shresht Bharat'. The development of Bengaluru is the nurturing of lakhs of dreams. That's why in the past eight years, the Centre has been relentlessly working to augment the capabilities of Bengaluru," he added.

Speaking about the startup ecosystem of Bengaluru, the PM said the city was a success story of the 21st century that inspired Atmanirbhar Bharat. "This city has shown the ability of youth, entrepreneurship, innovation, and private-sector involvement. It teaches people to change their mindset about the private sector and its contribution to economic development," he said, adding in the past eight years, more than 100 billion-dollar companies have been created, and new ones are being added every month.

Earlier, CM Basavaraj Bommai said the projects launched by Modi will see Karnataka's GSDP (gross state domestic product) going up by 2%. "Today is the day that deserves to be written in golden letters in the development history of the state. The suburban rail project was in limbo for long and the PM has turned it into reality. It would provide connectivity for people from the heart of the city to various areas on the outskirts," Bommai said.

By Gaurav K Patiyat

Update for the day #1461 | Droupadi Murmu , NDA's presidential candidate

Droupadi Murmu, former Jharkhand Governor, was announced as the National Democratic Alliance's candidate for the presidential polls. She will be facing former Union Minister Yashwant Sinha, who was selected as the joint Opposition candidate in the upcoming election.

Who is Droupadi Murmu ?

Droupadi Murmu was born in the Santhal community of Odisha's Baidaposi village on June 20, 1958. Prior to her entry into politics, she taught children as a school teacher and worked as a junior assistant in the irrigation and power department for four years till 1983.

Politics

She began her political career after she became a councillor on a BJP ticket in the Rairangpur Nagar Panchayat in 1997. She then became the vice president of BJP's scheduled tribes morcha.

Droupadi Murmu was elected twice as an MLA on a BJP ticket from the Rairangpur constituency in 2000 and 2004. In 2002, she was appointed as the Commerce and Transport Minister in the Naveen Patnaik cabinet. In 2004, Murmu was appointed as the Fisheries and Animal Development Minister in Naveen Pattnaik's second term as chief minister.

She became the governor of Jharkhand in 2015. She holds the record for becoming the first female governor in Jharkhand. She is also the first governor to complete the five-year term.

Droupadi Murmu graduated from Ramadevi Women's college, which is located in Odisha's Bhubaneswar.

Personal Life

Droupadi Murmu was married to Shyam Charan Murmu and the couple had two sons and a daughter. However, tragedy struck Murmu's life when she lost her husband and two sons.

BJP chief J P Nadda on Tuesday announced Droupadi Murmu's name as the National Democratic Alliance's candidate for the presidential polls.

Following the announcement, Prime Minister Narendra Modi tweeted, "Smt. Droupadi Murmu Ji has devoted her life to serving society and empowering the poor, downtrodden as well as the marginalised. She has rich administrative experience and had an outstanding gubernatorial tenure. I am confident she will be a great President of our nation."

Murmu also addressed the local media after the news of her candidature was announced and said, "I would like to thank the party for nominating me as the presidential candidate. I would request the support of all public representatives for my election."

By Naren Mahesh Pai

Update for the day #1462 | Coco Chanel, the most revolutionary stylist of the 1900s

Coco Chanel, born Gabrielle Chanel, was the most revolutionary stylist of the 1900s: read her raw story, from her tumultuous childhood to the history of the little black dress, and the knitted suit.

Gabrielle Bonheur Chanel whom, one day, the world would know by the eponymous name of Coco Chanel. Though current day we know Chanel as an iconic luxury name, the designer's origins stemmed from a melancholy and grief-stricken childhood. She experienced the premature death of her mother, the abandonment by her father Henri-Albert Chasnel, a street vendor by profession, and she experienced years in custody of the Sisters of the Sacred Heart, in Aubazine. There she was surrounded by women dressed only in austere clothes, strictly white and black, and the rigorous architecture of the abbey, yet ironically, it is precisely here that Gabrielle began to become Chanel: the antithesis of the opposing colors and the severity of the lines that eventually became the distinctive feature of her designs.

At the age of 18, Gabrielle Chanel found herself free to leave Aubazine and to start living her life at the dawn of her youth. She began working as a sales assistant in the Maison Grampayre shop in Moulins, while simultaneously working as a singer in a cafe. Moving forward, the same cafés in Moulins led to her exposure and meeting of prominent fashion executives such as Étienne de Balsan, a son of textile entrepreneurs, who invited her to move to a castle in Royallieu. While discovering Chanel's exceptional talent for creating hats, soon, the women in close proximity at Balsan's company started to also take notice and interest in her designs. Her creations quickly became highly sought-after, pushing her to move to Paris in 1908 and then to Deauville in 1914, to open her first shop. Shortly following the opening of her first store in 1916, was the opening of high fashion showroom in Biarritz. Her quick rise to prominence was due to the contrasting nature of her designs to popular fashion of that time, which was still closely tied to traditional and slowly outdated pieces: the corset, and crinoline. Pieces that were now seen as cages in which women locked themselves in the cry of an aesthetic balance and viewed more and more as unhealthy. Thus, Chanel, against the current, began to offer sporty silhouettes, with simple and soft lines, in line with what would become the new trend of the beginning of the century.

In 1916 Rodier, a French textile industrialist, exclusively gave Gabrielle Chanel jersey, a fabric that proved to be the best interpreter of Chanel creations given the softness on the body and her innate ability to free the woman's physical form.

Always careful, Gabrielle Chanel used her observations of the clothing of the Parisian employees and orders, characterized by black dresses with a white collar and cuffs to inspire her designs. In the mid-1920s her analysis was transformed into the petit robe noir, or the little black dress with the simplest possible lines capable in hopes of making each woman equal to each other, albeit with immense style. True to her now signature belief that "fashion passes, style remains", the vision gave way to the absolute success achieved by the Chanel suit, loved by women all over the world: in gabardine, tweed and, of course, in jersey.

After establishing a substantial and unwavering vision with her garments, the designer went on to focus efforts on accessories. It is now to be attributed to this period, the 30s, the birth of the Chanel 2.55, now known as the most copied bag in the world since the day it was created. Though counterfeit products infuriate most creatives, Chanel didn't mind at all, explaining that "being plagiarized is the greatest compliment one can receive: it only happens to adults".

During the second World War, Gabrielle Chanel found herself forced to withdraw from the fashion scene briefly, only to return in 1954. Chanel now at the age of 71, was regarded by critics and peers on the verge of imminent decline. Yet in what is now an unsurprising turn of events, Chanel debuted her knitted suit, turning instantly into another house staple. Early fans of the classic suit included first lady Jackie Kennedy who was frequently seen in these designs. Most notably, on the day of the murder of her husband John F. Kennedy, she wore a Chanel suit in a bright pink point knit.

In January 10, 1971 Chanel died in her suite at the Hôtel Ritz in Paris at the age of 87. Her life lived to the fullest, has forever changed international fashion and the concept of dressing the female body. Immediately following her death, the Maison was carried out by Gaston Berthelot and Ramon Esparza, assistants of the late designer. Later moving onto the creative guidance of Karl Lagerfeld in 1983, an extraordinary designer who demonstrated how to make the stylistic codes of the fashion house contemporary without ever betraying Gabrielle Chanel's vision.

By Aditi Jain

Update for the day #1463 | Decoding Viacom18's sporting ambitions

The Story

Up until last week, betting on the growth of the Indian Premier League (IPL), was an arduous affair. Why's that, you ask?

Well, because there wasn't an obvious way to do it. Yes, you could try to participate in the growth story by owning a part of the parent entity— the Board of Control for Cricket in India (BCCI). But you couldn't just walk up to them and demand some shares because they aren't even a private limited company. They're just a private "organization". So that door was shut.

You could have tried buying shares of the actual teams themselves. But that was also equally challenging. For instance, you could technically buy the shares of Chennai Super Kings (CSK) in the grey market right now (an underground but "not illegal" market where shares do change hands). But you can't do it by simply logging on to your favourite stock market app and tapping on "Buy."

And finally? There was the option to buy shares in the US-based Walt Disney—the company that brought the IPL to your TV and digital screens for the past 5 years. But again, who wants to go through the hassle of opening an investment account in the US, right?

Well, all that has changed now. For the next 5 years, you can bet on the IPL or the growth story of IPL, by owning Viacom18, a homegrown media company (the parent company is listed as TV18 Broadcast). That's right! Just in case you've been keeping up with news of late, Viacom18 bagged the digital rights to stream the glitzy IPL from 2023 to 2028. So if you've been tuning in on Hotstar, you better switch over to Voot. The media house splashed nearly ₹24,000 crores just to bring these 4-hour games to your screens for 2 months every year. And mind you, that's just streaming. If you're still a TV subscriber, then, you have to tune in to Star. Because that honour was snagged by Disney (Star) and they paid slightly over ₹23,500 crores for the rights.

And the sheer amount of money here is obscene.

For context, when the rights came up for auction last time around in 2017, Star bought the media rights for ₹16,300 crores for five years—both digital and TV. It was a massive sum at the time. This time, the combined fee is almost 3 times higher—₹48,400 crores. It's insane how the value has exploded.

And with that, the IPL has just entered the mega-leagues of sports championships. The broadcast rights make it the second most valuable in the world. At the top of the charts is the National Football League (NFL) in the US at ₹136 crores per game. Then comes the IPL at ₹108 crores per game. And in third place, we have the English Premier League (EPL) at ₹82 crores per game. The IPL is hot property and it's quite an incredible achievement for a league that's only 15 years old.

But is Viacom18 (Voot) really that big of a deal to spend such a colossal sum of money to bag an IPL contract?

Well, in case you weren't aware, the company is backed by some biggies. Oh yeah, I'm talking about Reliance Industries! This oil-to-retail-to-telecom conglomerate indirectly owns 51% of Viacom18. And it doesn't stop there. Viacom18 also received backing from Bodhi Tree Systems in April this year. They made a commitment of ₹13,500 crores. And if you're unfamiliar with Bodhi Tree Systems, let's just say that it involves ex-Star and Disney executive Uday Shankar—the man who led the winning bid for the Disney group 5 years ago.

With Reliance and Uday Shankar at the helm, it was quite obvious that Viacom18 would go all out for the IPL.

Although, "all-out" might be an overstatement. Some reports indicate that Viacom18 didn't aggressively go after the TV rights. And that's surprising since it had just launched a dedicated sports channel—Sports18—in April. The stage was set but it chose to pass. Maybe it's sending a message that digital is the future? After all, research by EY shows that while television subscription revenue fell by 6% in 2021, the digital space grew by 29%.

Now, the big question is, will Viacom18 and Reliance be able to recoup all this money and turn this deal into a money-spinner?

Well, let's break it down a bit, shall we? Get ready for some numbers.

If we look at media reports, we'll see that advertisers spend as much as ₹18 lakhs for just a 10-second ad spot during the IPL. Now, that's typically for the big games such as the final. So, let's take a conservative estimate of ₹14 lakhs per ad spot. Now in a match, there is a total ad inventory of around 2,300 seconds. So, that means, a broadcaster stands to make around ₹32 crores from these advertisements per game. And spread across 84 games, the broadcaster is probably netting close to ₹2,700 crores for one year or around ₹13,500 crores for the 5-year period. But this is assuming that the ad rates don't go up.

Then there's also the fact that people will subscribe to Voot to watch the games (I know I will) and that'll pad their coffers quite a bit more as well.

But, making money is still going to be a tough proposition. You see, according to a report by Kotak Institutional Equities, Hotstar's (the digital arm) advertising revenues for IPL 2022 were only around ₹15 crores per game. And the subscription revenue stood at ₹16 crores per game. And that's not a great figure for someone who shelled out around ₹58 crores per game just to broadcast it. Because the costs don't just stop piling up once you snag the rights. Viacom 18 still has to put up a mighty fine show and attract viewers. They even might need to improve their tech to ensure that the viewing experience doesn't fall flat. So, in effect, the cost per match could rise to ₹63 crores if you include the production that goes behind it too.

There's also some extra risk. Earlier Disney-Star had the rights to both TV and digital. So it could pretty much command what it wanted for ad spots. But now, since TV and digital rights are split, there could be competition between Disney and Viacom18 for ad money and that could actually bring down the value further.

And not to forget, there is the big question of whether viewer interest in the IPL has saturated. You see, during the IPL 2019 final match, Hotstar saw a peak simultaneous viewership of 18.6 million. However that fell to 8.7 million for the final of IPL 2020 and fell even further to 7.6 million when the finals of 2021 rolled around. So it's quite debatable as to whether the IPL is really getting more popular.

Even Amazon with its cash-laden pockets decided to back out. "The final call was based on cost numbers," said Manish Tiwary, head of Amazon India. And Sony India's CEO had even said that the BCCI needs a reality check on its auction prices.

The thing is Viacom18, and by extension, cash-rich Reliance may not care about the numbers. After all, the conglomerate is on a quest to build a veritable empire in the sports market.

It owns the most successful IPL team, Mumbai Indians, and it is also backing India's premier football league, the ISL. And now it wants the sports broadcast empire too. Viacom18 now has a content library that includes the National Basketball Association (NBA) and soccer leagues like La Liga and Serie A—all snapped up in the last year. And it even bagged the 2022 FIFA World Cup! So you can see how serious it is.

And for all we know, Viacom18 may not be done yet. Because there's another auction on the horizon. The International Cricket Council (ICC) will soon invite bids for its media rights. And this is a big one because the winner will get to broadcast the big cricketing games—the 2024 T20 World Cup scheduled to be held in West Indies/USA, the 2025 Champions trophy in Pakistan, 2026 T20 WC in India/Sri Lanka and the 2027 ODI WC in Africa.

If Reliance/Viacom18 is building out a sports broadcasting empire, it'll be keeping some cash to splash on this big event and that might explain its reluctance to go after the IPL's TV rights.

For now, we'll have to sit on the bench and watch how this all plays out.

By Sadhana V Raghavan

Update for the day #1464 | Is EY Breaking Up?

The Story

A few days ago, employees of global audit and advisory giant EY received an email from their CEO Carmine Di Sibio. The mail addressed a rumour. A rumour about a potential breakup of its audit and advisory businesses.

In the email, the CEO remained non-committal, stating that they hadn't made a decision, yet. But if they did go ahead i.e. if they split their business, it would be an unprecedented event. It would shake up the Big 4— Deloitte, PricewaterhouseCoopers, KPMG, and EY—companies that have dominated the accounting, and strategic advisory landscape for decades now. The EY split could change that—the Big 4 could become the Big 3!

So, the big question here is—Why is EY flirting with the idea of a split? Especially when none of its peers seems to be considering it.

Well, let's go back a couple of decades and see how we got here. In 2001, the world witnessed one of the biggest accounting scandals of all time. The Energy giant Enron inflated revenues and buried bad debts, to project a very rosy picture of the company. But when it became evident that they'd cooked the books, the ship began to sink rather quickly. Alongside Enron, we had another casualty. Their auditor—Arthur Anderson LLP or A-A in short. At the time A-A was one of the biggest accounting firms. It was even part of the big 5. But in the 1990s, they started pushing their advisory business, so much so that they began compromising on the auditing aspect. If they believed a client could bill them for advisory services, they'd go easy on the audits—to build a sweet business relationship.

But when the Enron scandal came to light, people began looking at A-A's auditing practices. They soon found multiple instances of fraud precipitating at companies including Sunbeam, Waste Management Inc and WorldCom. This shattered A-A's reputation and they never regained their former glory. In fact, the company gave up its auditing license and filed for bankruptcy soon after.

But here's the thing—they did hive off their consulting business much before the scandal came to light. They spun it off as a separate entity and it's called Accenture today. Even Ernst and Young decided to sell their consulting business to Capgemini for $11 Bn.

But once the scandal came to light, everybody began recognising the fact that this separation was perhaps for the best. The US government got in on the act too. They introduced legislation to prevent companies from auditing their client and taking on consulting projects from them while at it.

However once the chatter died down, the likes of EY decided to build up the consulting business from the ground up once again and this brings us to the second point—"Consulting outperforms the Audit division today and it's creating friction."

Take EY for instance.

While the company's audit arm clocked in revenues worth $13.6 billion last year, its faster-growing advisory sibling generated double the earnings at $26.4 billion. And that's been a trend since 2012 at least. In the past decade, while the revenues of EY's audit wing have grown by 27%, the non-audit businesses have registered growth of 93%. So if the split were to happen, EY's advisory business could start working with biggies like Google, Facebook and Amazon—who right now happen to be clients with the auditing arm.

Just look at Accenture. Their growth, after separating from Arthur Andersen has been phenomenal. They reported almost double the revenue of EY's advisory wing last year—$51 billion!

You see, this split can't just be decided on the whims and fancies of the head office. EY actually has to get the nod of approval from its many subsidiaries and partners across 150 countries in the world. And that could prove to be a little tricky.

Why's that? Well, for starters, one of the big draws of the Big 4 business is being made "partner". And EY has 13,000 partners across the globe. Now the tag of being a "partner" comes with a lot of fat perks including a much higher salary, stock options, and even a say in how the business is run. Now imagine for a moment that you're a partner in the audit wing. You know that a lot of the perks you enjoy may be attributable to the phenomenal growth of the non-audit division. What happens to all of it when the company splits? Maybe your growth slows. And for the younger employees looking to get their hands on the partner tag, it may not even be forthcoming in the future. Talented folks may not stay on.

It's not just retention that could be a problem but even new recruitment. You see, having an audit, tax, and consulting arm under one big company has so far meant that it's relatively easy for someone to switch their line of work. But, if this spinoff takes off, it isn't clear if it's still possible. So newbies looking to make a career in the Big 4 might just prefer joining EY's peers instead for the flexibility.

By Arun Nagarajan

Update for the day #1465 | Akash Ambani The New Chairman of Reliance Jio

Mukesh Ambani's resignation as the Director of Reliance Jio with immediate effect, his eldest son Akash Ambani has been appointed as the Chairman of the Board of Directors.

Mukesh Ambani paves way for next generation of family to take over $300-billion business empire.

In a clear indication that Mukesh Ambani is handing over the reins of Reliance group entities to his children, Akash M Ambani has been appointed Chairman of the Board of Directors of Reliance Jio. Mukesh Ambani has resigned as Director of the company with immediate effect.

"The Board of Directors has, at their meeting held on June 27, 2022, noted the resignation of Mr. Mukesh D Ambani as Director of the Company, effective from the close of working hours on June 27, 2022; and approved the appointment of Mr. Akash M Ambani, Non-executive Director as Chairman of the Board of Directors of the Company," Reliance Jio said in a filing with the stock exchanges. Pankaj Mohan Pawar, one of Mukesh's key lieutenants, has been appointed as Managing Director of the Company for a period of five years.

Reliance Industries Chairman is paving the way for the next generation of his family to take over his $300-billion (₹20 lakh crore) business empire. There has been a clear demarcation with daughter Isha running the operations of Reliance Retail Ventures (RRVL), while son Akash has taken over the telecom and digital arm that falls under Reliance Jio Platforms (RJPL).

The 30-year-old Akash Ambani has been closely involved with the business from its inception. He was involved in a number of acquisitions made by Jio as well as in the 2020 stake sale. Key acquisitions made under Akash Ambani include the artificial intelligence platform Haptic, American tech company RadiSys, mixed reality company Tesseract, and the music streaming company Savan.

New Frontiers

Reliance Jio Platforms is the technology subsidy of RIL, approximately valued at $100 billion. This includes its crown jewel, Jio, which provides telecommunications and broadband services. Other businesses under the company include Jio Apps, which cover a litany of services including streaming, cinema, music messaging, etc. The company also includes other consumer and enterprise platforms such as JioMart, JioMeet, etc.

Akash Ambani will be leading Reliance Jio Platforms through new frontiers, which include 5G, IPL digital streaming, and the bullish expansion that the enterprise is aiming for in the next decade.

By Punit B

Update for the day #1466 | Live in The Moment

Nothing is worth more than this day

To live in the moment, or now , means being conscious, aware and in the present with all of your senses. It means not dwelling on the past, nor being anxious or worrying about the future.

Seizing each moment in life allows us to prolong its value and make it more meaningful. Rather than seeking quantity of time, when we live in the moment we enjoy and savor every minute. We don't sacrifice quality for quantity.Of course, this doesn't mean we don't need to plan, set goals or prepare for the future. We can do all of these things and still enjoy each moment as it unfolds.

When we train ourselves to live in each moment, we immerse ourselves in it and begin to discover its beauty and wonder. We learn how to focus and how manage our energy. Professional athletes understand and employ this kind of focus very well. They know that accomplishment and success are a result of the skillful management and balancing of energy.

To make every moment count we must embrace it. Everything we do and every person we come in contact with deserves our full attention. Even when resting we should savor the moment. It gives us the opportunity to recharge, renew and gain clarity.

Quite often we put huge expectations on ourselves and our lives. We rush to do this, hurry up with that, without actually enjoying the process. What's the rush? Where do we think we're going?If we don't stop and think about where we're at, we're probably missing the point. Instead, when we appreciate each moment and garner the lessons from it, we live consciously, purposefully and responsibly.

Likewise, when we live in the past and don't let go of painful experiences, perceived wrongs, or difficult times, we condemn ourselves to a present and future of the same. We cannot change the past. We can, however, come to terms with it, know that it's over, and move on.Living in the moment means letting go of the past and trusting in the future. When we are positive and optimistic in the present, we open the possibility of a positive and promising future. We owe it to ourselves to make every moment count - now!

By Vidya Shree

Update for the day #1467| Rupee In a free fall

The rupee touched a record low, sliding near 79 to a dollar, on June 29 as foreign investors continued selling local equities and crude oil prices rose. Experts say the sharp fall of the rupee can be attributed to the strength of the greenback and lower forward preamiums, among others.

How much did the rupee depreciate?

The rupee opened at 78.85 per dollar and slid to 78.95, an all-time high, during intra-day trade on Wednesday. On a weekly basis, the currency has depreciated 1.2 percent.

Why is the rupee in a free fall?

Central banks led by the US Federal Reserve tightening interest rates globally, increases in crude oil and commodity prices, lower forward premiums and weakening forex reserves are some of the reasons experts cite for the rupee's fall.

"Rupee is falling mainly in response to the US dollar strengthening. The US dollar is at a 20-year high on the back of aggressive rate hikes by the US Federal Reserve. It is not just the Indian rupee, other major currencies like the euro and yen and most other emerging market currencies have weakened against dollar," said Rajani Sinha, Chief Economist at CARE Ratings.

What is the level the rupee can fall to in near-term?

Sinha says high commodity prices and the resultant widening of the current account deficit is putting pressure on the Indian currency.

"On a-trade weighted REER (real effective exchange rate) basis, the rupee is still overvalued by around 2 percent compared to its long-term average. USD/INR could touch the 80 level in the near term," Sinha said.

Given that the dollar is likely to remain strong, the rupee has room to fall to the 79 level against the greenback, said Kunal Sodhani, assistant vice-president at Shinhan Bank.

"Only a closing level below 78.10 can once again bring the USD-INR pair in a consolidation phase," he said.

What will the RBI's plan of action be to arrest the rupee fall?

Dislocations in forward rates, falling foreign exchange cover, persistently high commodity prices and elevated rupee valuations may cause the Reserve Bank of India (RBI) to reorient its intervention strategy going ahead, securities firm Emkay Global said.

"The RBI has been supporting INR by strong interventions to counter the impact of outflows. This has led to a significant fall in forex reserves, but given a robust accumulation of the forex war chest over the years, INR has still been holding up better than EM peers, albeit with consistent interventions by the RBI," Emkay Global said.

"…allowing INR to gently weaken over time is the right strategy, giving CAD (current account deficit) space to improve. Thus, we believe the RBI may eventually let the exchange rate adjust to new realities, albeit (in) orderly (fashion), letting it act as a natural macro stabilizer..," it added.

"RBI will continue to intervene in the forex market to cushion the fall of the rupee. However, with all other emerging market currencies weakening against the dollar, RBI will let the rupee also to weaken gradually," she said. Further rate hikes by the RBI, in line with the rate increases by the US Federal Reserve, will ensure that the US-India interest rate differential is maintained and that would prevent a further sharp weakening of the rupee, she added.

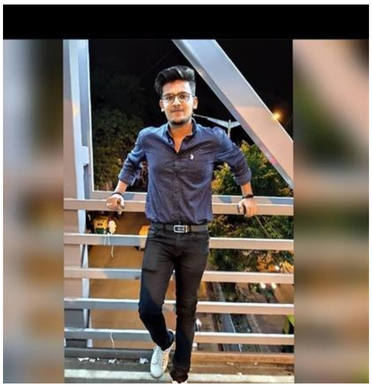
Is the rupee depreciation good for economy?

While the debate on correct valuation of the rupee continues, a steep currency depreciation can have significant impact on trade, create a potential balance of payments crisis and deter foreign investors.

For example, on February 28, the Central Bank of Russia raised its key lending rate to 20% from 9.50%, the sharpest rate hike since 2014, to compensate for increased depreciation and inflation risks.

"This is needed to support financial and price stability and protect the savings of citizens from depreciation," it said.

By Dhruv Bajoria



Update for the day #1468 | How Ikea tricks you into buying more stuff

IKEA, the Swedish home furnishings retailer, has opened its store in Bengaluru on June 22. The store is located at Nagasandra, in the northern suburbs, and would be connected to the Nagasandra metro station.

The 460,000 sq. ft IKEA store at Nagasandra would feature over 7,000 furnishing products. The store would have a children's play area, 'Småland', along with a 1,000-seat restaurant and a bistro serving a mix of Swedish and Indian delicacies.

Anje Heim, IKEA India, Market Manager, said, "IKEA aims to offer home furnishing solutions that match the aspirations and dreams of the many people of Bengaluru for a better everyday life."

Ingka Group-owned IKEA launched its e-commerce delivery channel in Bengaluru in 2021.

How Ikea tricks you into buying more stuff

Ikea is tricking us into buying more, here's how they do it.

Ikea intentionally places their stores further outside city centres so that you need to drive to them. This way you won't want to waste the trip and come home empty-handed.

A picture containing sky, outdoor, blue

Their stores are also maze like, forcing you to pass by every single item they sell and much like casinos there aren't any windows, which makes you stay focused on the task at hand. Joke — Ikea's employees are customers who never made it out.

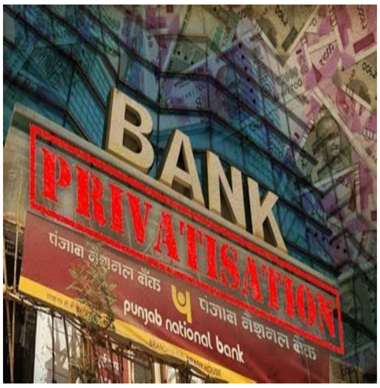
A picture containing text, electronics

When you are about to check out, you are typically greeted by the smell of cinnamon buns, intentionally linking the painful part of spending your hard earned money with a soothing scent of home baking.

And finally Ikea's main secret weapon — you need to build the furniture yourself. Not only does this save the company money but it's proven that people assign a higher value to things they assemble themselves.

By Sai Manjush Y

Update for the day #1469 | The debate on bank privatization



On 19th July 1969, as the world waited with bated breath for the first humans to land on the moon, India was busy dabbling in a historic event of its own—setting the wheels in motion to nationalize 14 commercial banks across the country. In one extraordinary move, the government took over private-owned banks in India that accounted for nearly 85% of the country's deposits.

But 50 odd years later, the government may now be set to reverse that decision. Yes, there are rumours suggesting that the government may privatize all public sector banks soon and we need to talk about it. Now obviously, this won't happen overnight. And one could argue it may never happen at all. But the government has indicated in the past "they have no business running a business." So there is a case to be made that a privatization drive may be right around the corner.

But before we dive into this matter, let's rewind a bit to see why banks were even nationalised in the first place?

In three words—private bank failures!

You see, a whopping 665 private banks failed in the period between 1947 and 1969. And people began losing faith in the country's banking system. And private banks weren't exactly aiding the banking cause in a big way either. They weren't granting enough loans to farmers, they weren't sanctioning credit lines to small industries and generally, they were ignoring a large part of rural unbanked India. And so the government stepped in to bridge the gap.

However, things are very different now. Especially since the liberalization reforms of 1991.

The private sector came through in a big way while PSBs languished. Their market share dropped to 60%. But more worryingly, the spate of bad loans grew with some of the biggest defaults rocking the space. For instance, you had the jeweler Mehul Choksi fleeing the country after he defaulted on a ₹13,500 crore loan. Then there was the diamantaire Nirav Modi who got away with fraudulent credit worth ₹14,000 crores, and of course the famous case of liquor baron Vijay Mallya who is accused of defaulting on loans worth ₹9,000 crores. And the common thread tying these separate incidents? Public sector banks.

They were the biggest lenders in most of these cases. And as a consequence of the poor decision-making, the government had to infuse ₹3.10 lakh crores in the last 5 years to keep these banks afloat.

So, you can see why the government wants to privatize these banks and wash their hands off these mammoth institutions.

But the only problem with this argument?…Bad loans and corporate governance isn't just a PSB problem.

Remember Yes Bank?

That was a private sector bank that capitulated in a spectacular manner. And if Yes Bank seems like a minor hiccup, do you remember ICICI Bank? A few years ago, the former CEO was accused of extending loans worth nearly ₹2,000 crores to a corporate house that had business links with her spouse. And lest we forget, several private NBFCs have gone under, because they weren't prudent enough. So, privatization alone won't solve the banking quagmire.

First, there's financial inclusion.

PSBs make up nearly 85% of the total rural branches in the country. And it enjoys a similarly share when it comes to ATM deployments in these areas. They reach people in the most remote corners of India. The private sector would never go here because it would be an entirely loss-making proposition.

Then there's the role it plays in social welfare schemes like the PM Jan Dhan Yojana. Overall, the scheme has aided the opening of over 44 crore bank accounts, but private sector banks contributed a measly 3% to this figure. Don't forget that these bank accounts play a vital role in helping people access subsidy benefits from the government as well.

Finally, there's also employment. Over the decades, PSBs have also been a strong source of employment with lakhs of Indian youth vying for a coveted "bank job". But just the recent spate of consolidation of PSBs (from 27 total institutions in 2017 to just 12) has effectively shuttered nearly 3,000 branches. And the number of employees has also dropped—from 8.5 lakhs in 2017 to 7.7 lakhs in 2021. There's also the trust deficit with private institutions. People still prefer putting their hard-earned money in a bank that is backed by the government.

So while the government might want to profess "the government has no business to be in business", things aren't always that black and white.

Which means we have to ask—what's the solution to this big debate on bank privatization then?

Well, it's tough to say for sure. Maybe we need to experiment a little and let the data decide. As former RBI governor Raghuram Rajan wrote in the book What the Economy Needs Now,

"There certainly is a case to experiment by privatizing one or two mid-sized public sector banks and reducing the government stake below 50 per cent for a couple of others, while working on governance reforms for the rest. Rather than continuing a never-ending theoretical debate, we will then actually have some evidence to go on."

By Roshan Bhandari

Update for the day #1470|Tata Group's attempt to capture CO2.

Battling climate change will be a priority going ahead. And that will cost a lot of money. Estimates range from anywhere between $300 billion to $50 trillion. And we'll likely need this money over the next 20 years. Also, considering everybody has a different opinion on what will help us alleviate the climate crisis, any of these values may hold good

On Friday, Tata Chemicals Europe revealed that it had just set up the UK's very first industrial-scale carbon capture plant. And no this isn't Tata's first foray into this space. Just last year, Tata Steel rolled out one such plant in India too.

Human beings are serial offenders when it comes to carbon pollution. Some estimates peg that we pump close to 50 billion tonnes of noxious gases into the atmosphere every year. And that figure has been on the rise consistently. These carbon pollutants in turn alter climatic patterns and induce extreme weather events—smouldering summers, frigid winters, unseasonal rains etc.

And if we want to inhabit a liveable planet, we need to cut these greenhouse gas emissions drastically and achieve a target of net-zero emissions by 2050.

Well, this brings us to what the Tata Group is up to in the UK. Instead of dumping it deep underground, they are planning to put the CO2 to good use.
They decided to trap carbon from a methane gas-fired power station, purify it and then turn it into raw material. It's carbon capture and utilisation or CCU in short. And in this case, the captured carbon dioxide will be used to produce sodium bicarbonate with the lowest carbon footprint in the world. As a nod to its eco-friendliness, they're calling it Ecokarb!

You could then use Ecokarb in the manufacture of pharmaceutical-grade products, glass, detergents, and even food. It could be used to treat people who suffer from kidney diseases through haemodialysis.

So why haven't such carbon capture efforts caught on?
Money!
As one researcher says, "It's cheaper to put [carbon dioxide] in the atmosphere. It is cheaper to let it go up the smokestack than put this chemical plant on the back of the smokestack to remove it."

It's not very cost-effective to capture carbon and then transport it to places where you could potentially put it to good use. Even if you're planning to store it underground, it's going to cost a lot of money.

For instance, just the one Tata Chemicals plant in the UK cost a whopping £20 million with the UK government contributing £4.2 million.

But maybe things will change. After all, global leaders like Elon Musk, have been popularising carbon capture technology by doling out prizes for the most innovative ideas in this space.

And while this isn't a silver bullet to solve the world's climate change problem, it's probably better than doing nothing. Maybe the costs will begin rationalising with some innovation. Maybe one day these projects will be viable on a much smaller scale as well.

By Namratha D V

CONTACT US - SURESH & CO.

#43/61, Surveyors Street, Basavanagudi, Bengaluru – 560004

P – (080) 26609560

Compiled by: Deepali S Jain and Yashank Bhansali

Guided by: Udupi Vikram

D S Vivek	**Udupi Vikram**
Managing Partner	**Partner**
vivek@sureshandco.com	vikram.u@sureshandco.com
+91 98453 78991	+91 97387 79117