SURESH & CO.,

EMERGING THOUGHTS

June 11, 2023

VOLUME 6 | ISSUE 02

SURESH & CO.

Chartered Accountants

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 the near future and employees.

Knowledge builds character, solves problems, makes great leaders, and provides tools and opportunities to those who hold it. Aside from using knowledge as a tool for success, one can use their knowledge to help fund the success of others.

The more knowledge we have, the more power we possess. It is important for our personal and professional development and leads us to achieve success in life. Knowledge helps us in several ways but the best part is that it helps us understand ourselves as well as those around us better. It also helps us act wisely in different situations.

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

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

"Reading furnishes the mind only with materials of knowledge; it is thinking that makes what we read ours."

Update for the day #1651|Start with Why by Simon Sinek

Start with Why

In Start with Why, Sinek emphasizes that great leaders INSPIRE action, they don't MANIPULATE people to act. And they achieve this by articulating their WHY — the purpose, cause or belief behind WHAT they are doing. Start with Why shows that the leaders who've had the greatest influence in the world all think, act, and communicate the same way—and it's the opposite of what everyone else does. Sinek calls this powerful idea The Golden Circle, and it provides a framework upon which organizations can be built, movements can be led, and people can be inspired. And it all starts with WHY.

The Big Ideas:

- Every inspiring leader and organization, regardless of size or industry, starts with WHY
- People don't buy WHAT you do, they buy WHY you do it.
- Knowing our WHY is essential for lasting success and the ability to avoid being lumped in with others.
- When your WHY goes fuzzy, it becomes much more difficult to maintain the growth, loyalty, and inspiration that helped drive your original success.

Three main takeaways from the book:

- **The principle of the golden circle is directly linked to how our brain works**.

The WHAT level corresponds to the neocortex, which is the part of the brain responsible for rational and analytical thought and language. Meanwhile, WHY and HOW exist in the limbic brain, which controls our feelings and decision making, but has no capacity for language (therefore it's so hard to put our feelings into words).

Therefore, when you communicate to consumers from WHY, you are talking directly to the parts of the brain that controls decision making, then the neocortex tries to rationalize that decision. As Sinek put it,

"People don't buy what you do; they buy why you do it. And what you do simply proves what you believe."

Moreover, the limbic brain is where "gut decisions" come from. These decisions FEEL right even if they contradict our rational understanding of a situation. When we try to make decisions using only the rational part of our brain, we end up overthinking. However, decisions made with the limbic brain i.e., gut decisions tend to be faster and of higher quality. So always go with your gut instinct.

- **Having a clear WHY allows you to be selective of the advice you take on board:**

You need to make sure that WHAT and HOW you do things is consistent with your WHY. A WHY provides a filter for decision making such that if a company's WHY is clear and known by the employees, anyone within the company can make a decision as appropriately as the founder.

- **The difference between Achievement and Success**:

Achievement is something you reach or attain like a goal. Success, in contrast, is a feeling or a state of being. "Achievements comes when you pursue and attain WHAT you want. Success comes when you are clear in pursuit of WHY you want it.

Although this book focuses on business and entrepreneurship, the concept of starting with why can also be applied to personal goals like forming new habits.

For example, if you want to start a health journey, the first question to ask yourself is "WHY?". Having a clear why will help keep you on track when that initial burst of motivation is nowhere to be found. Moreover, when you are inevitably faced with deciding whether to have a whole box of cookies for breakfast are something healthy, with your WHY in mind, the decision is obvious.

By Shreelakshmi Nair

Update for the day #1652 |SEBI's guide to saving you from a tech glitch.

It's Wednesday — February 24th, 2021.

10:06 a.m.

NSE exchange feeds stop working across all brokerage firms in India.

What are NSE exchange feeds?

Well, if you're going to buy and sell stocks, you need to know who's buying what at which price. And if you're a stock exchange that facilitates these transactions by bringing buyers and sellers together, then you have an obligation to relay this information to all the participants in the market.

In this case, it's the National Stock Exchange's (NSE) job to facilitate this flow of information. But as we noted, the feeds stopped working.

Then at 11:40 am, NSE halts all trading.

At this point investors are freaking out, because they have no idea where their trades are headed and they've no way of getting out of this position. There's pandemonium in the streets.

The uncertainty lasts 4 hours—one of the longest market halts of all time in India's stock market history. And during this time, stock brokers are forced to take drastic action.
Why stock brokers you ask?

See, a customer rarely interacts with the stock exchange directly. Instead they interact with stock brokers who then liaison with the exchange to facilitate all transactions. They're the customer facing institutions. So when trading stopped (as it did in this case) customers naturally vented their frustration at the brokers. The brokers sought information from the NSE on how best to proceed. But as Zerodha (India's largest stock broker) pointed out in this blog post, that information wasn't forthcoming, at least not in a timely manner.

And as a consequence, brokers had to take drastic action. See, many customers had already had open positions. Meaning they were in the middle of executing a trade. But once trading halted on the NSE, they were paralysed. If the brokers also hadn't intervened, some of these trades would have ended very badly. It would have had massive consequences for many customers. So brokers decided to square off certain trades (reversing the transaction by assuming a new trade on a working stock exchange. In this case, the Bombay Stock Exchange) and alleviate some suffering at least.

But then around 3:17 PM, NSE abruptly informed all brokers that they would open trading at 3:30 PM and extend trading session from 3:45 PM to 5 PM, offering customers the opportunity to exit their trades. But for many customers, the damage had already been done.

It was a mess. And it left a very bad taste. And the market regulator SEBI sought an incident report from NSE on what really happened that day.

So, what happened that day?

Well, on February 26, 2021, NSE released a report stating this— *"NSE has multiple telecom links with two service providers to ensure redundancy and we received communication of instability of the links from both the service providers. While there was no impact on the trading system, the instability of telecom links mentioned above resulted in an impact to the online risk management system."*
In simple words they're saying that their risk management systems stopped working because both telecom providers who powered their primary and the backup site glitched simultaneously. And they glitched because of instability precipitated due to digging and construction activity along the path between the two sites.

Wow!!!

And this is bad news any way you look at it. Every day NSE processes 2 crore trades (worth over ₹52,000 crores). Imagine the impact it can have on investor confidence if systems can fail so easily and stay offline for 4 hours. It's bad.
So, SEBI has finally decided to do something about this. In a bid to restore confidence and alleviate investor stress, they're now asking exchanges to set up another platform—Investor Risk Reduction Access (IRRA) Platform— entirely independent of any redundancies exchanges already have. This will offer customers another exit point. Meaning if the exchange broke down, then brokers can offer customers the option to switch to IRRA and exit their trades here independent of what's happening at the exchange. And if all goes according to plan, the customer can take evasive action, wait for the exchange to go back online, and finally switch back to the regular platform when the broker gives the all clear.

By Ishika B Jain

Update for the day #1653 | Shri Sammed Shikharji Tirth

Jai Jinendra.
Sammed Shikharji Jain Temple

A sizable nationwide demonstration by members of the Jain community was conducted in opposition to the Hemant Soren-led Jharkhand government's proposal to designate Sammed Shikharji as a tourism destination. For Jains, Sammed Shikharji in Jharkhand's Parasnath Hills is a revered destination for pilgrimage. India Gate in Delhi, which attracts tourists on January 1, witnessed a significant Jain community protest.

Let us have a look at the Controversy, History and Importance of Sammed Shikharji Jain Temple:
History

The earliest reference to Shikharji as a tirth (place of pilgrimage) is found in the Jñātṛdhārmakātha, one of the twelve core texts of Jainism. Shikharji is also mentioned in the Pārśvanāthacarita, a twelfth-century biography of Pārśva. A 13th century CE palm-leaf manuscript of Kalpa Sūtra and Kalakacaryakatha has an image of a scene of Parshavanatha's nirvana at Shikharji.

Modern history records show that Shikharji Hill is regarded as the place of worship of the Jain community. Vastupala, prime minister during the reign of king Vīradhavala and Vīsaladeva of Vaghela dynasty, constructed a Jain temple housing 20 idols of Tirthankaras. The temple also housed images of his ancestors and Samavasarana. During the regime of Mughal's rule in India, Emperor Akbar in the year 1583 had passed an firman (official order) granting the management of Shikharji Hill to the Jain community to prevent the slaughter of animals in the vicinity. Seth Hiranand Mukim, personal jeweller of Mughal Emperor Jahangir, lead a party from Agra to Shikharji for Jain pilgrimage. In 2019, the Government of Delhi included Sammed Shikharji under Mukhyamantri Tirth Yatra Yojana.

Sammed Shikharji Jain Temple Controversy

After the Jharkhand government announced Sammed Shikharji as a tourist destination, the controversy around the shrine has been escalating for weeks.
Madhya Pradesh's Jain community protested the choice earlier by taking to the streets.
Former chief minister of Madhya Pradesh Kamal Nath wrote to PM Modi and chief minister of Jharkhand Hemant Soren pleading with him to change his mind.
Twenty of the 24 Tirthankars (spiritual leaders of the Jain religion) are thought to have found salvation at Sammed Shikharji.

Sammed Shikharji Jain Temple History

Shikharji, often spelled Sammed or Sammet Shikharji, is a holy place in the Indian state of Jharkhand's Giridih district. The highest mountain in the state of Jharkhand, Parasnath Hill, is where it is situated. Both Digambara and Svetambara consider it to be the most significant Jain Tirtha (pilgrimage destination), as it is the location where twenty of the twenty-four Jain tirthankaras, together with numerous other monks, obtained Moksha.

The Jnatrdharmakatha, one of the twelve fundamental texts of Jainism, has the first mention of Shikharji as a tirth (place of pilgrimage). The Parsvanathacarita, a biography of Prva written in the eleventh century, also makes mention of Shikharji. An illustration of Parshavanatha's nirvana at Shikharji can be seen in a palm-leaf manuscript of the Kalpa Stra and Kalakacaryakatha from the thirteenth century CE.

Both Digambara and Svetambara regard Shikharji as the most significant pilgrimage site, and both groups share control of the principal temples.

In 1768 CE, Jagat Seth rebuilt the temples at Shikharji to their present configuration.
The idol itself is old, though. The 1678 CE date is written in Sanskrit at the bottom of the image.
One of the shrines is older than the 14th century.
A number of vtmbara temples were built in the 20th century.
Pigrims serve fruits, flowers, rice, sandals, dhupa, sandals, and diya.
There is a Bhomiyaji temple at the foot of Shikharji (Taleti).
There is a mural painting of every temple on Parasnath Hill on the walls of the Jain temple in the village of Madhuban.

The earliest temple to hold a Bhaktamara Stotra yantra is the Svetambara Bhaktamara temple, founded by Acharya Ramchandrasuri.

At the base of the hill is a sizable Digambar Jain temple that features a statue of Nandishwar Dweep. A Calcutta trader constructed the Nichli temple, which is notable for its architecture. Arched entrances and Tirthankara carvings may be seen throughout the temple.

By Vaibhav Bhansali

Update for the day #1654 | How the auditing profession is transforming to meet future challenges!!

The way that audit professionals work has recently undergone the biggest and fastest change that any of us have experienced in our working lives. COVID-19 has accelerated audit firms' transition toward new ways of operating that will outlast the immediate effects of the pandemic.

In addition, audit firms will require more people with significant expertise in STEM subjects (science, technology, engineering and mathematics) to enable them to leverage technology effectively for audit purposes.

- **The multidisciplinary model:**
- The personal characteristics audit firms look for in new team members will evolve as well. Traditionally, firms have emphasized personal integrity and professional skepticism in audit professionals, and these attributes will undoubtedly remain vital.

But in the new and fast-developing environment, auditors will also need to develop even deeper knowledge of business, a powerful curiosity about technologies and an agile mindset that embraces disruption

- **Flexible working:**
- The shift in people's working lives has been extraordinary. However, the reaction to the COVID-19 pandemic has demonstrated that, when the situation demands it, audit firms are capable of rapidly making significant changes to the way they operate

- **Fostering diversity:**
- An increase in remote working only increases the importance of building strong audit teams. Not only do audit teams need people with a wider range of technical and personal skills, but they also need to include a more diverse set of experiences and viewpoints.

By Shreedhara A V

Update for the day #1655 | Supreme Court upholds govt's demonetization decision

A Constitution Bench of the Supreme Court Monday upheld by a 4:1 majority the decision taken by the central government six years ago in 2016 to demonetize currency notes of Rs 500 and Rs 1,000 denominations. The majority, comprising Justices S Abdul Nazeer, B R Gavai, A S Bopanna, V Ramasubramanian, held that the Centre's notification dated November 8, 2016, was valid and satisfied the test of proportionality. Justice BV Nagarathna in her dissenting view held that though demonetization was well-intentioned and well thought of it has to be declared unlawful on legal grounds (and not on the basis of objects).

On December 28, 2022, The Indian Express had reported that both the central government and the RBI omitted from their respective affidavits submitted to the Supreme Court that the RBI's recommendation for the note ban — a procedural requirement — came after the central bank critiqued many of the government's justifications. While the government, in its affidavit, said that it was a "well-considered" decision and the consultation process with the RBI had begun in February 2016, the central bank, too, said that due process was followed, and it was the one that recommended the demonetization.

Following is a timeline of events in the case:

November 8, 2016: Prime Minister Narendra Modi addresses nation and announces demonetization of high-value currency notes of Rs 500 and Rs 1000.

November 9, 2016: Plea filed in Supreme Court challenging decision.

December 16, 2016: Bench headed by then chief justice T S Thakur refers question of validity of the decision and other questions to a larger bench of five judges for authoritative pronouncement.

August 11, 2017: Unusual deposits of Rs 1.7 lakh crore during demonetization, says RBI paper. In nominal terms, excess deposits accrued to the banking system due to demonetization estimated in the range of Rs 2.8-4.3 lakh crore, it says.

July 23, 2017: Massive searches, seizures and surveys by Income Tax department over the last three years lead to the detection of around Rs 71,941 crore worth "undisclosed income", Centre tells SC.

August 25, 2017: RBI issues new Rs 50 and Rs 200 denomination banknotes.

September 28, 2022: SC constitutes constitution bench headed by Justice S A Nazeer, says it will consider if pleas challenging demonetization are an academic exercise.

December 7, 2022: SC reserves verdict on pleas challenging demonetization and directs Centre and RBI to put on record relevant records for its perusal.

January 2, 2023: SC in a 4:1 majority verdict upholds decision to demonetize the Rs 1,000 and Rs 500 denomination notes. Says decision making process was not flawed, has to be great restraint in matters of economic policy and court cannot supplant wisdom of the executive by a judicial review of its decision.

January 2, 2023: Justice B V Nagarathna renders dissenting view, says scrapping of the whole series of Rs 500 and Rs 1,000 currency notes had to be done through a legislation and not through a gazette notification.

By Muskan Jamadar

Update for the day #1656 | Amazon plans to cut 18,000 jobs to rein in costs.

'Difficult' reductions will hit ecommerce company's online stores business, chief executive Andy Jassy says

Amazon has raised the number of employees it plans to eliminate from its corporate workforce to "just over 18,000", chief executive Andy Jassy said, as the company looks to rein in costs. In a blog post published on Wednesday, Jassy said the majority of cuts would hit the company's Stores unit — which includes its core ecommerce business — and its human resources division, known as People, Experience and Technology, or PXT.

The figure is substantially higher than the company had been anticipating internally. Amazon's moves mirror belt-tightening by other Big Tech groups, including Meta and Snap, in recent months as large companies dial back rapid headcount growth during the coronavirus pandemic.

Earlier on Wednesday, San Francisco-based Salesforce said it would cut 10 per cent of its 80,000 workforce. In November, Amazon had expected to cut about 10,000 roles, a person familiar with its plans said — though the person warned that figure could change as an annual review of the company's business progressed.

The assessment, led by Jassy, resulted in several thousand job cuts before the Christmas break, affecting members of Amazon's Devices and Books business, which included the team behind its Alexa voice assistant and Kindle ereader. On Wednesday, Jassy said the broader cuts would happen in "early 2023". "This year's review has been more difficult given the uncertain economy and that we've hired rapidly over the last several years," Jassy wrote. "These changes will help us pursue our long-term opportunities with a stronger cost structure," he added.

Jassy confirmed that Amazon would be cutting back the team working on its online store, which has performed poorly post-pandemic as customers have spent less amid rising inflation and supply chain pressures, while logistics costs have soared.

The flagging fortunes of online shopping were a significant drag on profitability in 2022. Excluding its cloud computing business, Amazon recorded an operating loss of almost $2.9bn in the last reported quarter. Shares in the company have fallen by almost 50 per cent over the past 12 months.

The cuts still make up just a fraction of Amazon's global workforce, which numbers about 1.5mn, though the vast majority of its workers are frontline employees in warehouses or physical stores who are unaffected by the cuts. Jassy wrote that he was "optimistic that we'll be inventive, resourceful, and scrappy in this time when we're not hiring expansively and eliminating some roles. Companies that last a long time go through different phases. They're not in heavy people expansion mode every year."

The increased number of cuts was first reported by The Wall Street Journal. The confirmation of more cuts comes the day after Amazon took out an unsecured $8bn loan, due to mature at the end of the year, from several lenders, led by TD Securities.

“Like all companies, we regularly evaluate our operating plan and make financing decisions — like entering into term loan agreements or issuing bonds — accordingly,” Amazon said. “Given the uncertain macroeconomic environment, over the last few months, we have used different financing options to support capital expenditures, debt repayments, acquisitions, and working capital needs.”

By Namratha D V

Update for the day #1657 | Samudrayaan mission explained: India to send humans 500m under sea

India is all set to send three explorers to a depth of 500 meters under the sea in an indigenously built vessel, Samudrayaan, this year. Engineers at the National Institute of Ocean Technology in Chennai have already designed the steel sphere that will house the aquanauts for their journey.

But what is this Samudrayaan Mission all about? Here's a ready reckoner:

Operation Samudrayaan, India's Deep Sea Mission?

This project has been set up with a view to unlock the mysteries in the heart of the deep ocean for resources and develop deep sea technologies for sustainable use of ocean resources. Basically, aimed at supporting the Blue Economy initiatives of the government of India with the ministry of earth sciences (MoES) being the nodal ministry to implement this multi-institutional ambitious mission. With this mission, India will be joining the elite club of nations such as the US, Russia, Japan, France, and China to develop niche technology and vehicles to carry out subsea activities.

"The mission proposes to explore the deep ocean similar to the space exploration started by ISRO about 35 years ago," said the ministry of earth sciences when they had first unveiled the blueprint of the project.

The estimated cost of the project

The estimated cost of the mission will be Rs 4077 crore for a period of 5 years to be implemented in a phase-wise manner. The estimated cost for the first phase for the 3 years (2021-2024) would be Rs 2823.4 crore.

When was it launched
October 2021

What are the main components of the Deep Sea Mission?

There are six components to this mission.

Development of a manned submersible

Firstly, a manned submersible will be developed to carry three people to a depth of 6,000 metres in the ocean. This submersible will have a suite of scientific sensors and tools to help in deep ocean exploration. Developed indigenously, MATSYA 6000, the manned submersible will have an endurance of 12 hours of operational period and 96 hours in case of an emergency.
It will help scientific personnel to observe and understand unexplored deep-sea areas by direct intervention. According to the government, this niche technology shall facilitate to carry out deep

ocean exploration of the non-living resources such as polymetallic manganese nodules, gas hydrates, hydro-thermal sulfides, and cobalt crusts, located at a depth between 1000 and 5500 meters.

To mine polymetallic nodules

An integrated mining system will be also developed for mining polymetallic nodules from 6,00 m depth in the central Indian Ocean, said a government press statement. Polymetallic nodules, also known as manganese nodules, are potato-shaped, largely porous nodules found in abundance carpeting the sea floor of world oceans in deep sea. Besides manganese and iron, they contain nickel, copper, cobalt, lead etc., which are of economic and strategic importance.
The exploration studies of minerals will pave way for the commercial exploitation soon, as, and when commercial exploitation code is evolved by the International Seabed Authority, an UN organization. This component will help the Blue Economy priority area of exploring and harnessing of deep-sea minerals and energy.

Why are polymetallic nodules important for India?

India has been allotted a site of 75,000 square kilometers in the Central Indian Ocean Basin (CIOB) by the UN International Seabed Authority for exploitation of polymetallic nodules (PMN). It is envisaged that 10 per cent of recovery of that large reserve can meet the energy requirement of India for the next 100 years, said the ministry of earth sciences.

It has been estimated that 380 million metric tonnes of polymetallic nodules are available at the bottom of the seas in the Central Indian Ocean. India's Exclusive Economic Zone spreads over 2.2 million square kilometers and in the deep sea, lies "unexplored and unutilized."
To study key climate variables

The second component of the project has to do with developing a suite of observation and models to understand and provide future projections of important climate variables. These Ocean Climate Change Advisory Services is meant to support the Blue Economy priority area of coastal tourism.
Explore deep-sea biodiversity

Thirdly, under the Samudrayaan project, technological innovations will be developed to explore and conserve deep-sea biodiversity. Studies on sustainable utilization of deep-sea bio-resources will be the main focus. The fourth component has to do with exploring multi-metal hydrothermal sulphides mineralisation along the Indian Ocean mid-oceanic ridges. The fifth will focus on developing an offshore Ocean Thermal Energy Conversion (OTEC) powered desalination plant which will work with tidal energy, and lastly, under the project, the ministry will establish an advanced Marine Station for Ocean Biology.

How is the project relevant for India?
India has a 7,517 km long coastline, which is home to nine coastal states and 1,382 islands. Its three sides are surrounded by the oceans and around 30 percent of the nation's population live in coastal areas and coastal regions play a major factor in country's economy.

The mission will also boost the Central government's vision of 'New India' that highlights the Blue Economy as one of the ten key aspects of growth.

Which other entities are involved in Samudrayaan?
Indian Space Research Organization (ISRO), IITM, and Defence Research and Development Organization (DRDO) will actively participate in this mission.

Samudrayaan runs into stormy weather
The government's plan to send the Samudrayaan to 6,000 meters deep into the sea could be delayed due to difficulty in procuring the titanium sphere capable of withstanding pressure at those depths, said a PTI report, quoting an official on the sidelines of the Indian Science Congress.

A steel sphere can withstand pressure up to a depth of 500 meters, but will crumple as it cruises deeper, making titanium as the metal of choice.

"These are exclusive technologies, and no country is ready to part with it. The Ukraine conflict has further aggravated the situation," the official said without elaborating.

The Ukraine conflict has already pushed the timelines for the human spaceflight to the end of 2024 and Indian Space Research Organization (ISRO) plans to carry out an uncrewed mission to test and validate technologies for the Gaganyaan mission this year.

By T Ganesh Pai

Update for the day #1658 | Sales tax on newspaper in India

Constitution have been consciously avoiding sales tax on newspaper. According to Entry 92A of the Union list, sales tax was applied to or imposed on inter-state or commerce on various goods except newspaper

- And also, Entry 54 of the State lists, imposed sales tax on the sale or purchase of goods other than newspaper. The new Article 246A authorized parliament as well as the State.

- GST can be defined in simpler terms as a tax imposed on supply of goods or services or even both except taxes on supply of alcoholic liquor for human consumption as mentioned in the Article 366(12A). After this constitutional amendment, central and state government have the power to impose GST on newspaper.

- But as per the GST law, GST is not payable on newspapers. The rate of GST payable on newspaper is nil rate. GST is applicable on printing purpose as when paper or other media is supplied by the client for printing, the GST rate imposed is 5%, and when such paper or media is acquired by the printer himself towards order of client, the GST rate is 12%.

- The council has approved 5% GST on commonly used goods and services, 12% GST on standard goods and services falling under 1st slab, 18% GST is imposed on standard goods and services falling under the 2nd slab. 28% GST is imposed on luxurious goods and services.

- However, GST is imposed upon the advertisements printed in the newspaper. The government of India clarified that selling advertisement space in the print media or newspaper, would attract 5% and 18% of GST.

- This rate depends on the terms and conditions if the contract signed between newspaper, advertisement agency and the client.

- If the advertisement agency buys space from the newspaper and sells such space for advertisement to clients on its account, the payable GST would be 5% on the full amount charged by the advertisement agency from the client.

- Secondly, if the advertisement agency sells space for advertisement as an agent of the newspaper on the availability of commission, then the payable GST would be 18% on the sale commission it received from the newspaper.

By Punith B

Update for the day #1659 | India is ready to lend big in 2023

Credit makes the world go round. You deposit money in a bank. The bank keeps a bit for safety or emergencies. And then lends money to those who need it. It could be companies borrowing money to meet their daily needs and to fund new investments. It could go to consumers who need loans to buy homes, and cars, or vacations. Or it could be governments too. And all this increased economic activity generates employment. It bumps up the GDP. It's a virtuous cycle.

That's why when banks start to show an uptick in credit growth, people are overjoyed. Because when bank credit rises, it's a harbinger of economic growth.
And today, India is in the midst of a sweet credit cycle. India's banks are lending money quite freely. Credit growth is soaring at its highest level in over a decade—it's growing at over 15% year-on-year.

But why did we say that borrowing by the industrial sector is especially crucial?

Okay, so GDP is driven primarily by 3 factors.

There's consumption expenditure which is the biggest driver. This is when you and I buy and use goods and services in the economy. And it makes up nearly 70% of the GDP.

Then there's government expenditure. The folks in power build roads, bridges, and other infrastructure. This generates employment and money flows within the economy.

Finally, there's private capital expenditure. This is when India Inc or the corporates decide to set up new manufacturing units to cater to increasing demand. So if Maruti Suzuki thinks that more people are buying cars today and that demand will continue on that same trajectory into the future, they might expand manufacturing. They might borrow money to set up a plant too. Maybe it's Britannia which decides that it needs to expand its facilities to manufacture even more biscuits. All because we are consuming more.

Now, these folks will only take the risk of borrowing and investing in new plants if they really see green shoots in the economy. They need to be sure that demand will continue to rise. Otherwise, they'll be left with spare capacity that doesn't earn them enough money. It'll hurt their financial performance.

So, when there's an uptick in corporate loans, it could tell you something about economic growth, especially considering corporates haven't been investing all that much in the past few years into new factories and plants.

Remember this outburst from Finance Minister Nirmala Sitharaman a few months ago?

"Since 2019, when I took charge of the finance ministry, I have been hearing 'Industry doesn't think [that the environment] is conducive'… I want to hear from India Inc, what's stopping you?"

So why are companies finally getting ready to spend more?

There are probably two big reasons.

Firstly, companies look to build more capacity when their existing capacity is being utilized to a certain point—typically the average is around 80%. So, when they find that they're having to use 80–90% of capacity, they feel confident about building out more manufacturing. And when Kotak Mahindra Bank asked its big and small corporate customers about their capacity utilization, it found that 70% had hit their peak. That's why slowly and steadily, you could hear more companies talking about expanding their manufacturing. Like this headline from October 2022: "FMCG major Dabur announces investment of Rs 325.87 crore in Indore plant". In some cases, companies will have money lying around. In other cases, they'll borrow to invest. The cycle could slowly be beginning to turn.

In fact, private capital expenditure crossed ₹3.3 lakh crore during the first half of this financial year (FY23). And for context, it was ₹2.7 lakh crore during the same period in FY22 and ₹1.2 trillion in FY21.

Secondly, consumer confidence is headed higher. When the RBI conducted a survey in December, it found more optimism among the people with regard to employment prospects and the economy. Also, people's outlook on discretionary spending (things like cars and TVs) has moved into the positive zone for the first time since the pandemic began. If people spend more money, companies will have to crank up their capacity to meet the demand.

And the fuel to the fire?

Banks are more willing to dole out credit too.

See, in the past decade, banks have been saddled with bad debt. They lent a lot of money during the heydays of 2004–2008. Especially to firms in infrastructure and construction. And when the economic tide turned, many of these loans weren't paid back. Banks had a tough time cleaning up their books and as a consequence, they simply became risk averse. Their lending practices became conservative.

But it looks like the past is behind us. Because as per a report by DSP Mutual Fund, the net NPAs for the top banks are at the lowest levels since the year 2000!

That's why banks are lending money more confidently now.

Now don't worry about banks falling into the same trap of lending willy-nilly as in the previous credit boom. At least, don't worry yet. Because so far, it seems as though banks have been careful. Private banks have only been approving 30–35% of loan applications. They seem to be aware of past mistakes and they're not throwing caution to the wind. They're focusing on better borrower quality at the moment.

So yeah, maybe this credit boom is a sign of things to come. Maybe corporate Capital expenditure will pick up significantly. And maybe it'll be just what's needed to fuel India's decade of growth.

Hopefully, this isn't just another false start.

By Suman S.

Update for the day #1660 | What does LIC do with its money?

LIC is India's largest financial institution. It manages close to ₹30 lakh crore in assets (out of India's ₹40 lakh crore insurance industry). It sells 3 out of 4 life insurance policies sold in the country. It's much bigger than the 23 private sector life insurance companies put together. And it is a profitable entity which has consistently delivered value to its only shareholder—the Government of India.

We wrote all of this when we covered how the government could IPO LIC. It was a fairly complicated piece talking about the policy and financial challenges involved in taking the company public.

For starters, as we already noted, LIC manages a lot of it. Like close to ₹30 lakh crores. Most of these investments are attributable to LIC's non-linked policies. Think life insurance and pension funds—where the company pays out fixed returns to policyholders.

Meaning it's crucial for LIC to protect this capital irrespective of what happens outside. And so LIC has parked close to ₹20 lakh crores in government securities.

Then there is the slightly risky stuff. Investments in publicly listed companies i.e. the stocks they own. The company held shares worth ₹4.3 lakh crores at the end of March 2020. By the end of July, it was worth ₹5.8 lakh crores—a 34% rise in a matter of a few months.

However, most of LIC's investments are in blue-chip companies—the best stocks out there. For instance, LIC holds a 5.8% stake in Reliance Industries. And the value of their stake grew by ~₹40,000 crores during March and July. So technically most of their gains were attributable to the likes of Reliance.

Think IDBI bank. The company was bleeding money. More than a quarter of its loan book had gone bad. And LIC walked in with ₹ 21,600 crores and bought a 51% stake in the company.

By Dhruv Bajoria.

Update for the day #1661 | Why is it so difficult to stick to resolutions?

Despite our best intentions, why is it so difficult to stick to resolutions? It doesn't matter if the resolution is to start a new habit or to give up an addiction; it all comes down to consistency and dedication.

Most people blame their failure to fulfill resolutions on a lack of time, resources, or motivation, or a loss of zeal after starting. Only about 16 percent of people are able to follow their resolutions, according to research. The majority give up within one to six weeks of starting, and many of these resolutions are repeated year after year.

Let's take a closer look at the 6 main reasons:

Setting unrealistic resolutions

A resolution is about what you would like to do rather than what you 'should' do. People either establish excessively difficult objectives that quickly become unreachable, or they set relatively easy goals that they quickly become bored with. It's critical to review your resolutions to see if they're achievable. Are they quantifiable? Are they constrained by time? Are they specific in nature? Are they in line with your goals? Is it possible to break them down into smaller chunks? Remember that in order to keep a resolve, you must change your behaviour, so make sure your goals are reasonable.

Lack of accountability

Working with a coach, mentor, or accountability partner guarantees that the proper energy and drive are present to help you be more, accomplish more, and have more. Because success is a science, we can be sure that if we follow the steps, we will achieve our goals.
Avoid people who sap your energy when choosing an accountability partner, and instead work with people that elevate and encourage you, especially when you're feeling down.

No tracking/review

A weekly or fortnightly review allows you to keep track of your progress and turn excuses into opportunities. What gets measured gets done, and what gets done can be improved and made a habit with the help of a good tracking system. Many of the apparent barriers are based on assumptions, inferences, judgments, overthinking, and previous points of reference. A track record of accomplishments aids in the development of resolution consistency.

Lack of Planning

Great planning is always required for a good implementation. It is more realistic if you plan the action steps around the resolution, break them down into smaller pieces, and schedule them on the calendar. Weekly objectives and plans that are bite-sized create a sense of accomplishment rather than "Oh, I have an entire year to myself, I can always re-start next month when I have more time." This boosts your chances of success, especially when it comes to long-term goals

Self-doubt

Don't allow your past failures dictate your future. After you've learned from your failures, it's time to get to work. Every tiny victory should be celebrated because it motivates you to work harder for the larger ones. Being self-critical or doubtful doesn't help since it focuses all of your attention and energy on "why I can't do this?" As you improve, practice thankfulness, compassion, and love for yourself, and don't let a minor setback or disappointment turn into a permanent failure. Remember that progress is preferable to perfection, and that if you believe in yourself, you can achieve a lot with proper planning, execution, learning, seeking help, and appropriate coaching. Continue on; you are not alone!

Unclear

"Why" A majority of people fail to achieve their objectives because their 'why' is unclear. The 'why' is what motivates people to take action and achieve goals. You may know what you want, but you won't be able to figure out how to get it unless you know why you want it. So, why are you making these resolutions?

It is important to be mindful, take responsibility, stay committed and direct all focus on the alignment of energy, mindset and action in order to stick to one's new year resolutions. Start with a picture of your future self in your mind; make the image big and bright, feel it deeply and hold onto it as a daily reminder. Don't be too hard or too easy on self and most importantly, enjoy the process of change and transformation. Remember, winners and losers have the same goals; it is what one does to fill the 'gap' in between that makes all the difference.

By Namratha N

Update for the day #1662 | Infosys wants to buy back your shares for ₹9,300 crores!

What can a company do when it has excess cash in its coffers?
They could do this by paying out dividends i.e. dividing a chunk of these proceeds among shareholders based on the quantum of their holdings. Or they could do a share buyback—wherein investors are afforded the opportunity to sell their shares back to the company at a premium.
And while both avenues try to achieve the same objectives, there are subtle differences. With dividends, the company is forcing money down your throat whether you want it or not. But that's not the case during a buyback. The shareholder can choose whether they want to 'sell' their shares back to the company or keep them.

Also, there are two ways in which companies can execute buybacks.
The tender offer—In this case, the company makes an offer to buy back its shares at a particular price. It says, "I will buy back a total of 10,000 shares at ₹100. This is 20% higher than what the stock is currently trading. You can part with your shares by filling out a form/online application over the next 2 weeks."
Or
The open-market offer—Everything happens on the stock exchange in this kind of buyback. The company says, "Listen, I want to buy back the shares from you. But the maximum amount I'll pay is ₹100. You can sell the shares on the stock exchange and I'll buy them from there. We won't get into a direct transactional relationship. And this offer will be open for the next 6 months"
Now there's a big difference between the two methods.

See, in the tender offer, when the company said it will pay ₹100, that's exactly what it will pay. The price is fixed. If you're a shareholder who's selling the shares, you know that's the price you get.
However, in the open-market offer, everything is routed through the stock exchange, and the price can vary. The ₹100 figure indicates the maximum sum the company is willing to pay. It could end up buying 5 shares at ₹85. It might buy another 5 shares at ₹90. And the final 10 at ₹97.

So, unlike the 'tender route' where the price is predetermined, the open-market offer introduces several possibilities. They could end up shelling less money than they originally envisioned and shareholders could walk away a bit disappointed with all this.
Which begs the question—"How is Infosys doing its open offer?"

Well, it's going down the 'open-market' route. The offer opened on 7th December 2022 and it was planning to buy back shares at a maximum price of ₹1,850 per share. But the original announcement came way earlier. They announced the buyback on 13th October when the company shares were trading at just ₹1,414. That meant Infosys was ready to shell out a premium of nearly 30%.

This is gain that shareholders were expected to pocket. But because of the 'open-market' offer, shareholders may not make as much money as they originally intended.

Okay, that explains the intervention. But why even conduct a buyback in the first place?

See, back in 2019, Infosys promised to conduct an annual exercise—return 85% of its free cash flow to investors. It has excess cash and it's returning it. And this is the fourth buyback since 2017. So it was kind of expected.

But of course, there are other factors.
You see, dividends don't really push the stock price upwards. In fact, after a dividend is paid out, the share price usually tanks by a similar amount. But buybacks help prop up the share price. When a company is willing to pay 30% 'extra' or a premium on the price at which the stock trades, then it's telling investors that the stock is undervalued.

They are putting money where their mouth is and it can fill investors with some degree of confidence. Needless to say, they may want to lap up the shares at this point.
But there's another thing that buyback does to companies—it pads up the EPS. Or the earnings per share.

Let us explain. When a company initiates a buyback, it reduces the number of shares in the market. For instance, let's say that a company had 100 shares and makes profits of ₹500. Its EPS is ₹5. Now, if it decides to buy back 20 shares from its shareholders, it's basically retiring these shares from the market. The company now only have 80 shares available. Suddenly, the EPS changes. It's now ₹6.25. It looks stunning. Basically, shareholders now get apportioned more 'earnings' for every share they hold.

It's not just that. The company looks cheaper from a valuation perspective. If the company's share price was ₹200, the price to earnings multiple which was earlier 40 times (200/5) also drops to 32. It looks like a bargain and could convince more investors to back the company.
Because it seems as though market regulator SEBI isn't particularly happy with the open-market kind of buyback. They think that giving a company six months to buy back the shares is too much time. They want to cut it down to 66 working days by April 2023. And then slash it to 22 working days from April 2024.

Their rationale is simple. They said, "This may result in artificial demand being created for the relevant company's shares during such an extended period of time and trading of shares occurring at an exaggerated price. Allowing for an extended buyback period thus prevents efficient price discovery."

Take Infosys for instance. There's no denying that IT stocks, including Infosys, have been in a bit of a rut in the past year. While the benchmark Nifty 50 index has delivered a 6.5% return, the Nifty IT index, made up of only software companies, has fallen by 16%.

When Infosys announced the buyback, its share price rallied. Shareholders know that over the next 6 months, Infosys will buy shares at a price of ₹1,850. And this creates artificial support for the stock price.

But there's one more thing. SEBI actually wants to put a full stop to this open market buyback route by April 2025. They want all companies to go through the tender route. At least that's the proposal for now.

Why? We can't say for sure. But it might put a spanner in the works for Infosys' favourite buyback strategy.

By Brinda Rameswaran.

Update for the day #1663| India is ready to lend big in 2023

Credit makes the world go round. You deposit money in a bank. The bank keeps a bit for safety or emergencies. And then lends money to those who need it. It could be companies borrowing money to meet their daily needs and to fund new investments. It could go to consumers who need loans to buy homes, and cars, or vacations. Or it could be governments too. And all this increased economic activity generates employment. It bumps up the GDP. It's a virtuous cycle.

That's why when banks start to show an uptick in credit growth, people are overjoyed. Because when bank credit rises, it's a harbinger of economic growth.

And today, India is in the midst of a sweet credit cycle. India's banks are lending money quite freely. Credit growth is soaring at its highest level in over a decade—it's growing at over 15% year-on-year. And if you're wondering who is borrowing money, it's everyone—Agriculture, services, retail, and more crucially industries. All the sectors are knocking on the doors of banks for money. It shows that people and companies feel confident to borrow money to create wealth-generating assets for the future. People trust that the economy will do better.

But why did we say that borrowing by the industrial sector is especially crucial?
Okay, so GDP is driven primarily by 3 factors.

There's consumption expenditure which is the biggest driver. This is when you and I buy and use goods and services in the economy. And it makes up nearly 70% of the GDP.
Then there's government expenditure. The folks in power build roads, bridges, and other infrastructure. This generates employment and money flows within the economy.

Finally, there's private capital expenditure. This is when India Inc or the corporates decide to set up new manufacturing units to cater to increasing demand. So, if Maruti Suzuki thinks that more people are buying cars today and that demand will continue on that same trajectory into the future, they might expand manufacturing. They might borrow money to set up a plant too. Maybe it's Britannia which decides that it needs to expand its facilities to manufacture even more biscuits. All because we are consuming more.

Now, these folks will only take the risk of borrowing and investing in new plants if they really see green shoots in the economy. They need to be sure that demand will continue to rise. Otherwise, they'll be left with spare capacity that doesn't earn them enough money. It'll hurt their financial performance.

So, when there's an uptick in corporate loans, it could tell you something about economic growth, especially considering corporates haven't been investing all that much in the past few years into new factories and plants.

Remember this outburst from Finance Minister Nirmala Sitharaman a few months ago?
"Since 2019, when I took charge of the finance ministry, I have been hearing 'Industry doesn't think [that the environment] is conducive'… I want to hear from India Inc, what's stopping you?"
So why are companies finally getting ready to spend more?

There are probably two big reasons.

Firstly, companies look to build more capacity when their existing capacity is being utilized to a certain point—typically the average is around 80%. So when they find that they're having to use 80–90% of capacity, they feel confident about building out more manufacturing. And when Kotak Mahindra Bank asked its big and small corporate customers about their capacity utilization, it found that 70% had hit their peak. That's why slowly and steadily, you could hear more companies talking about expanding their manufacturing. Like this headline from October 2022: "FMCG major Dabur announces investment of Rs 325.87 crore in Indore plant". In some cases, companies will have money lying around. In other cases, they'll borrow to invest. The cycle could slowly be beginning to turn.
In fact, private capital expenditure crossed ₹3.3 lakh crore during the first half of this financial year (FY23). And for context, it was ₹2.7 lakh crore during the same period in FY22 and ₹1.2 trillion in FY21.

Secondly, consumer confidence is headed higher. When the RBI conducted a survey in December, it found more optimism among the people with regard to employment prospects and the economy. Also, people's outlook on discretionary spending (things like cars and TVs) has moved into the positive zone for the first time since the pandemic began. If people spend more money, companies will have to crank up their capacity to meet the demand.
And the fuel to the fire?
Banks are more willing to dole out credit too.

Their lending practices became conservative.
Now don't worry about banks falling into the same trap of lending willy-nilly as in the previous credit boom. At least, don't worry yet. Because so far, it seems as though banks have been careful. Private banks have only been approving 30–35% of loan applications.

By Nishika Nayan Shah.

Update for the day #1664 | The Untold Story of Varun Beverages

PepsiCo doesn't really run its own show in India. It has a loyal partner of nearly 30 years in the country—a company by the name of Varun Beverages Ltd (VBL). The crudest and most simple explanation of VBL's role is that it bottles the fizzy drink for sale.

All that PepsiCo really does is lend its brand name, sell the concentrate that makes the beverages to VBL, and dabble in a bit of its own marketing by splashing ₹350 crores a year—you know, by getting superstars like Salman Khan to endorse it. It prefers being asset-light and doesn't want to set up manufacturing facilities in every nook and cranny.

So when you spot a bottle of Pepsi in your kirana store, it's not because PepsiCo, the American giant, dropped it there. You can bet that it was delivered and stocked by Varun Beverages.
Now when VBL went public in 2016, there was no fanfare. The stock price dropped by 6% on the day it was listed on the stock exchanges. People whispered about its wonky financials—a couple of years of losses and mounting debt were worrisome.

But that's all in the past. The stock's fizzing and investors just can't get enough. In the past 1 year, the share price has jumped by 100%. And if you'd decided to take a punt on the stock 5 years ago, you be sitting on a handsome profit of 500%.

Without PepsiCo, there's no Varun Beverages.
That seems quite risky. No?

Well, on the face of it, yes. But you could flip this thinking a bit—maybe it's PepsiCo who is dependent on Varun Beverages.

Well, until a few years ago, VBL wasn't the top dog in PepsiCo's India business. In 2011, it contributed just 26% of PepsiCo's beverage sales in India. But by 2021, things look significantly different. It contributed to a staggering 85% of PepsiCo India's beverage sales.

And it got here simply by virtue of convincing PepsiCo that there existed no better partner for the beverage giant in India. See, until 2019, PepsiCo ran its own bottling and distribution unit in the south and west zones of India. But at some point, PepsiCo probably just thought, "Hey, VBL can run it in India better than us!" So PepsiCo took a step back and re-franchised its units. It handed it over to its trusted partner. And this gave VBL a presence across 27 states and 7 union territories in India.
VBL is a Pepsi monopoly really.

That means—PepsiCo needs Varun Beverages as much as Varun Beverages needs PepsiCo.
And slowly but steadily, it has gained the right to bottle and distribute pretty much every PepsiCo beverage that exists. Including Tropicana Slice, Gatorade, and Aquafina. Today, it also has a new beverage in its arsenal—Sting, an energy drink that's priced at just one-fifth of Red Bull and which

already contributes to 8% of the total sales.

But why stop at bottles and drinks? PepsiCo's food portfolio is quite lucrative too. In March, it signed a deal with PepsiCo to manufacture one of its snacks, Kurkure Puffcorn in India. And who knows, it could soon be in charge of Lay's and Doritos too. It could give it a nice little revenue mix.
And the advantage is that the more products that VBL handles, the easier life gets for retailers too. They don't have to deal with VBL for some beverages and Pepsi for the food. When one entity manages the entire product mix, it could deepen the relationship with the stores too and give the company a leg up. Maybe it'll be able to snatch more shelf space. And it could even result in higher sales that way. It's something that PepsiCo will want.

Sure, you could argue that the world is trying to cut back on carbonated, sugary beverages. And that could be a blow for VBL. But you can be sure that it's something PepsiCo is deeply thinking about. New product launches to keep up with the times will always be a part of the game plan.
And if you just look at India, the potential is still wide open.

Out of a total of nearly 10 million retail outlets spread across India, VBL has entrenched itself in only around 3 million stores. For the simple reason that most retail outlets can't really stock visi-coolers because of electricity issues. But as India's electrification programme picks up pace over the next few years, that could open up an opportunity like no other.

There's also the matter of under-penetration. Take Bihar, for instance. According to a report by Motilal Oswal, Bihar's per capita consumption of carbonated drinks is just 30% of the national average. So convincing the people to drink up could be quite a lucrative proposition for the company.

But it's not just India. The world is an oyster for Varun Beverages. Okay, maybe not the world, but, definitely Africa. See, PepsiCo only has a presence in 13 countries in Africa at the moment. Its rival Coca-Cola already serves 50 countries. So there's a massive opportunity there to widen the reach. And VBL's already doing a great job in Zimbabwe where it started with a negligible market share and now controls 50% of the market.

By Adithiyya J S.

Update for the day #1665| What's happening in Joshimath?

Joshimath, also known as Jyotirmath, is a city and a municipal board in Chamoli District in the Indian state of Uttarakhand. Located at a height of 6150 feet (1875 m), it is a gateway to several Himalayan Mountain climbing expeditions, trekking trails and pilgrim centers like Badrinath.

Since 7 February 2021, the area was severely affected by the 2021 Uttarakhand flood and its aftermath. The town is confirmed to be sinking due to its geographic location, being along a running ridge.

Satellite images, taken from the Cartosat-2S satellite and released by ISRO's National Remote Sensing Centre, showed that Joshimath sank 5.4 cm between December 27, 2022 and January 8, 2023. The report, quoting witnesses, said the massive soil sinking occurred due to "a rapid subsidence event that was triggered on January 2, 2023."

While the panic over the Joshimath sinking is making headlines now, scientists and geologists working in the area have been sounding the alarm for decades. The first such report indicating the grave problem that could threaten life and property came in 1976.

The landslide debris on which the city was established has a low bearing capacity and experts have long warned that it cannot support a high rate of construction. Ignoring many of these calls, the government had allowed increased construction, hydroelectric projects.

The widening of the National Highway, which have made the slopes highly unstable in the last couple of decades. Erosion due to the running streams from Vishnuprayag and sliding along the natural streams are the other reasons behind the city's fate.

Experts recommend a complete shutdown of development and hydroelectric projects in the region. But the urgent need is to relocate the residents to a safer place and then reimagine the town's planning to accommodate the new variables and the changing geographical factors.

By Hiral Songara.

Update for the day #1666| Makar Sankranti.

Makar Sankranti is celebrated as a very important festival in India. Sankranti literally means "movement." Everything that we recognize as life is movement. Fortunately, people who came before us have moved on, and people who come after us are waiting for us to move on – don't have any doubts about this. The planet is moving and that is why it churns up life. If it were still, it wouldn't be capable of life. So there is something called movement in which every creature is involved, but if there has to be movement, this movement has to be housed – this movement can only happen in the lap of stillness. One who does not touch the stillness of his life, one who does not touch the stillness of his being, one who does not know or has not tasted the stillness within and without, will invariably get lost in the movement.

Movement is pleasant only to a point. The planet earth is moving gently in such a beautiful manner – it is only changing seasons. Tomorrow, if it just speeds up, throttles up a little bit, then all our seemingly balanced minds will become imbalanced, everything will spin out of control. So movement is beautiful only to a certain point. Once it crosses that point, movement becomes torture.

The Significance of Makar Sankranti

The significance of the Makar Sankranti festival is that it marks the day where there is a significant movement in the zodiac – the arrangement of the earth's dial around the sun – and this movement brings about a new change in the way we experience the planet itself. There are many sankrantis through the year; the two significant ones being Makar Sankranti, and right opposite, after summer solstice is Karka Sankranti. In between, there are many Sankrantis – every time the zodiac sign changes, it is called a Sankranti to suggest the movement of the planet, to understand that our life is sustained and nourished by this movement. If this movement ceases, everything about us will cease. On the 22nd of December, the solstice happened, that means in relation to the sun, the movement or the tilt of the planet reaches its maximum. Now, from this day onwards, the northern movement is strong. Things really start changing upon the earth. From Makar Sankranti onwards, winter is being relieved step by step.

This movement is also a significant aspect in the way we reap from this planet. There was a time when human beings could eat only what the earth offered. Then we learned how to get what we wanted from the earth; this is called agriculture. When we were hunting and gathering, we only picked up what was there. It is like when you were an infant, you ate or swallowed whatever your mother gave you. When you became a child, you asked for what you wanted. So we grew up a bit and started demanding and getting what we wanted, but still, you can only get what you want to a point that She is willing. If you stretch it beyond that, you will not only not get it, you will get something else. That is called industrialization. Agriculture is coaxing the Mother to give what you want. Industrialization is ripping her apart. I am not speaking against something. I want you to understand the way our minds are transiting, the way human activity is transiting from one level to another.

So this is a day when we remind ourselves that everything that we are is what we take from this planet. I see everywhere in the world, people are talking about giving. I don't know from where they give. You can only take – either you take gently or you grab. Did you come with your own property from somewhere? What is there to give? You can only take. Everything is offered. Take sensibly, that is all there is.

The harvest festival

The Makar Sankranti festival is also known and referred to as the harvest festival because this is the time when harvesting is complete and there are big celebrations. This is the day we acknowledge all those who assisted in making the harvest. The farm animals play a huge role in harvesting, so the following day is for them and is called Mattu Pongal.

The first day is for the earth, the second is for us and the third is for the animals and livestock. See, they are placed a little higher than us because we exist because of them, they do not exist because of us. If we were not here, they would all be free and happy. But if they were not here, we couldn't live.

These festivals are a reminder that we need to craft our present and our future in a conscious manner. Right now, we have harvested the previous year's crop. How to create the next one is being consciously planned by taking the animals also into a consultative process. You should see how it happens in remote villages. But in the remote parts of India, you must see how the future crops are planned in the village. It is something so amazing and fantastic.

It is not that someone is going to ask them what to do, but they are also very much a part of these meetings. How they evaluate how the animals in the village are, what age they are, how strong they are, can they take something up or not, is a very beautiful and organic process.

Makar Sankranti – Festival of movement

So Makar Sankranti is a festival to recognize the movement, movement being celebration, movement being life, movement being the process of life and the beginning and the end of life. At the same time, the word 'shankara' is used to remind you that the one behind this, Shiva, is a still one; stillness is the basis of movement. Though all the other planets are moving, the most important one is not moving.

If the sun also takes a walk, then we are in trouble. He hangs there not moving. That is why everybody else's movement is okay. But his stillness is relative because the whole solar system may be moving; the whole galaxy may be moving. So beyond that, the space which holds all this is absolute stillness.

When a human being makes the necessary effort to touch the stillness within himself, only then he knows the joy of movement. Otherwise, people are bewildered by the movement of life. Every change that happens in their life they suffer.

These days, the so-called modern life is like this, any change means you must suffer. Childhood is tension, puberty is great suffering, middle age is unbearable, old age is abhorred and feared, and death is celebration – no that is pure terror.

People want to read the movement of their lives somehow. This struggle with movement, this paranoia about movement, is happening because there is no taste of stillness. If there was a taste of stillness in you, movement would not disturb you. It is something which sets a certain rhythm. Every rhythm has a beginning and an end; every movement has a beginning and an end. Movement means that which is in transition. Stillness means that which always is. Movement means compulsiveness, stillness means consciousness.

The significance of Makar Sankranti is that it is the time to remind yourself that celebrating movement is possible only when there is a taste of stillness within you.

By Akshit Jain

Update for the day #1667| India Fighting on Economics and Trade Fronts

In recent years, Modi's administration has been trying to cut India's reliance on China — the country's biggest source of imports. It imposed curbs on trade and businesses in 2020 amid the deadliest fighting in decades at their disputed Himalayan border.

India's bilateral trade with China rose by a third in the year to March, throwing a spanner in Prime Minister Narendra Modi's drive to wean the South Asian nation from relying on its larger neighbor for cheap imports and promote a thriving domestic industry.

Merchandise trade between India and China
From FY 21-22 (12 months) $115.83 billion
From FY 22-23 (7 months) $69.04 billion

Despite those curbs, imports from the Asian giant have ballooned, out-pacing exports handily. As such, India's trade deficit with China in the first seven months of the current fiscal at $51.50 billion, the data showed. This compares with a reading of $73.31 billion for the entire fiscal ending March 2022.

1. India Toy Industry changing to reduce Imports from Chinese

- The Indian Toy market reached a value of US $ 1.35 Billion in 2021 and poised double its market share in upcoming years to reach US $ 2.73 Billion by 2027
- US is the leading Importer and China is the leading exporter in the global Toy Industry
- China is the one of leading toy markets in the world. It is the largest producer and second largest consumer of toys
- Status of India: Currently 75% of (Branded) Indian toys are Chinese imports and non-branded Chinese toys account for 90% of India s market.
- Indian Toys start – ups : Kreeda, Desi toys , Skola, Skillmates, Toiing , Ariro wooden toys
- BIS granted more than 800 toy manufacturing license with 90% of all going to MSME
- Economies of scale to be achieved
- Fragmented manufacturing zones are Maharastra, Karnataka, Tamil Nadu and few across the Central India states.

2. Global Semiconductor chip supply chain and US China war – India to become electronic chip hub

- Importance of Semi conductor : Techonological Innovations , Smartphones, Automobiles E -vehicles Economic growth, Stock market, Artificial Intelligence.
- 21st century's Human Dependence of chip. Overwhelming dependence of several tech sectors on semiconductors make it Geopolitically very important.
- Semicondutor process includes : Raw material sourcing , R& D , Designing – Manufacturing

and assembly , Testing and packing, Distn and sales

- Taiwan receives the Highest Investment on R&D and 15% of GDP is dependent on semi conductor industry.

- The USA is the Highest spender on chip making like many other sectors
- China so called 'Worlds factory 'is a net Importer of semiconductor
- The semiconductor industry remains highly vulnerable to geopolitical distruption as the supply chain is highly complex and globalized
- The sudden supply crunch in the semiconductor market may further strengthen the geopolitical tensions.
- The supply crunch of chips has become acute largely due to prolonged US China trade war
- The dependence of both China as well as the US on Taiwan for chips is the main source of tension both countries
- Already a fraught political relationship bw China and Taiwan has threatens the semiconductor industry.
- The US China rivalry offers India several good opportunities.
- Due to rising wages in China several companies are searching for low wages country destinations for relocation of foundries.
- Democratic coalitions (D10) has been formed to challenge the china to roll out the 5G technology across the world.
- A US – China chip trade war will give a positive outcome only when it is considers the alternatives to the created concepts.

3. Apple plans to begin manufacturing the iPhone 14 in India .

- Apple is assembling its flagship iPhone 14 in India as the U.S. technology giant looks to shift some production away from China.
- Apple's main iPhone assembler, Foxconn (Fosconn Technology Group the primary manufacturer of iphone) is manufacturing the devices at its Sriperumbudur factory on the outskirts of Chennai.

By Vidya Shree V

Update for the day #1668| India's First Devotional Theme Park

Nestled in Maharashtra, the temple town of Shirdi attracts over 60,000 devotees every day. Shirdi Sai Baba Samadhi Mandir is located at the heart of the town where his mortal remains lie today. But if you are visiting Shirdi, you can also experience Sai Teerth, India's first immersive devotional theme park dedicated to Saibaba. Sai Teerth is a one-of-a-kind amusement park that combines devotion with technology and entertainment.

Sai Teerth, India's first immersive devotional theme park dedicated to the most worshipped secular saint of all times – Saibaba. Sai Teerth is founded in 2018 by Malpani Group is one of the modern wonders, which combines devotion with technology and entertainment. Sai Teerth is located in Shirdi.

The one-of-a-kind amusement park which combines devotion with technology and entertainment. Four custom-built, world-class themed attractions are all set to amaze visitors with size and power of experience created within each of them.

This park in Shirdi offers a complete entertainment package for you, your family, and your friends! Sai Teerth is an architectural marvel with major attractions called Dwarkamai, Lanka Dahan, Sabka Malik Ek, and Teerth Yatra. Whether it is Kedarnath or Badrinath, Tirupati or Meenakshi Temple, Dwarka or Puri, here you can indulge in a devotional experience of exploring the enchanting beauty of all these temples.

What's more, Sai Teerth takes visitors on a thrilling ride of multidimensional simulation experience in 5D technology through the screening of a 26-minute film on Hanuman's Lanka Dahan. Lanka Dahan is a widely popular tale from the epic Ramayana. Lanka Dahan at Sai Teerth Theme Park depicts Lord Hanuman's flight to Lanka in search of Sita and his act of setting Lanka ablaze, with accentuated, special effects like water, fire and wind.

An interface between the best of entertainment and that of technology, the Lanka Dahan Theatre at Sai Teerth makes it one of the best new tourist places in India 2019.

One of the best places to visit in Shirdi temple town, the Sai Teerth Theme Park houses a colossal replica of the India known for its pilgrimage sites, in a 40,000-sq-ft indoor complex.

Teerth Yatra at India's first devotional theme Park in Shirdi is a virtual journey in an automated vehicle to some of the most popular holy destinations of India: Kedarnath, Badrinath, Tirupati Tirumala, Madurai's Meenakshi Temple, Dwarka in Gujarat, Puri Jagannath Temple, Siddhivinayak Temple in Mumbai, and Pandharpur's Vithoba Temple.

Teerth Yatra at Sai Teerth is an engaging walk through the age-old Indian temple architecture and the cultural diversity of India from north to south and from east to west.

By Priyanshi Jain

Update for the day #1669| Sachetisation for Cigarettes

75% of all cigarettes in India are sold as single sticks.

But the Indian government could put a full stop to this. The rumours are that it's getting ready to ban the sale of loose cigarettes.

And this could be a big blow to Big Tobacco. After all, people ask for single sticks because it's cheaper than buying a 10 or 20-pack. When cigarettes are easily accessible, it also widens the prospective customer base.If you think about it, it's embracing the famous sachetisation strategy that FMCG companies love and swear by.

Okay, it's not the exact same thing. Because FMCG sachets are usually a replacement for a bottle. Both have widely different packaging materials.

In case of cigarettes, whether it's a 5 or a 10-pack, it's going to come in similar packaging. But sachetisation is essentially based on the principle that smaller is better. So let's stick to that principle for now.

Their hope is that more people will pick up smoking and aid them in their bid to increase the top line. But it's based on the FMCG sachetisation playbook that began in the 1970s.

You'd probably choose to buy smaller packs of coffee, biscuits and shampoo. So you can shop carefree once you have a full wallet. And that could be a volume driver for smaller packs.

And finally, it's the entry point. Sooner or later, as disposable income rises, people start buying bigger packs. They make the switch.

By M Aman Jain

Update for the day #1670 | What makes luxury watches expensive?

Luxury watches are known for their intricate design, high-quality materials, and exceptional craftsmanship. These watches are not only a symbol of luxury and status, but they are also a work of art. However, with prices ranging from a few thousand dollars to hundreds of thousands of dollars, one may wonder what makes these watches so expensive.

One of the main reasons for the high cost of luxury watches is the quality of materials used in their construction. These watches are often made with precious metals such as gold, platinum, and titanium. They may also feature precious stones such as diamonds, sapphires, and rubies.

Another factor that contributes to the high cost of luxury watches is the brand name. Brands like Rolex, Patek Philippe, and Audemars Piguet have a long history of craftsmanship and are known for creating some of the most intricate and high-quality timepieces in the world. These brands have a loyal following, and their watches often become status symbols among the wealthy and famous. The brand name and reputation are a significant factor in determining the value of a luxury watch.

Lastly, the luxury nature of the watch industry also drives the prices up as it requires high marketing and distribution costs. These costs are reflected in the final retail price of the watch. Watches are often sold in high-end boutiques and department stores, and the brand's image is heavily marketed through advertising campaigns, celebrity endorsements, and sponsorships. All of these costs are passed on to the consumer in the form of a higher retail price.

In conclusion, luxury watches are expensive due to the combination of high-quality materials, craftsmanship, brand prestige, and intricate mechanisms. They are not just a time-telling device, they are a reflection of one's personal style and status. And for some people, owning a luxury watch is a dream come true, and they are willing to pay a premium price to own one.

By Sadhana V Raghavan

Update for the day #1671| How big is the Indian spitting industry?

Have you ever wondered how a 4-rupee pan masala supplier can afford to hire expensive brand ambassadors like Ajay Devgan, SRK and Akshay Kumar? How much do Kesar and Elaichi companies earn and how big is this industry?

These companies sponsor Film Award shows, print full-page ads in newspapers, and don't mind going to a foreign location for shooting a 30-second ad. Doing all this requires money and all these brands can easily afford this because India's pan masala industry is worth Rs. 41,000 Cr! Big actors might charge around 10 Cr for an Ad for a 41,000 Cr industry. This sum is only 0.02%. India leads the world in the exports of pan masala and our biggest importer is the UAE. In total, India's tobacco industry employs 4.5 Cr people.

The WHO says that 10 Cr people die of tobacco-related cancer, which will increase to 100 Cr in the 21st century. But still, how is this 41,000 Cr industry growing? Because they are geniuses at marketing. After 2011, all states banned the sale of pan masala with tobacco and you also cannot promote tobacco in India. So what did the companies do? The FSSAI regulates the pan masala industry which means it is not a product that contains tobacco. Running away from responsibilities is something pan masala companies do well because technically their product doesn't contain tobacco. Hiding behind this, big stars agree to promote these brands. Of course, if they are getting 5-10 Cr who will not take it?

People know that this is bad for them and they know that these stars do not say the full truth in the ads. They also know that if they get affected by cancer, they cannot afford the treatment. To date, official COVID deaths in India are 5 Lakh but tuberculosis can take 5 lakh lives in a year. 1/3rd of global cases is recorded from India. Like COVID, tuberculosis also spreads through droplets when an infected person spits out pan masala. These droplets get exposed to air.

Indian railway is spending 1,200 Cr and gallons of water to clean stains caused by people spitting. The spitting person has no shame, does the industry have some shame? Can this 41,000 Cr industry spend 0.01% of its total turnover to clean these dirty stains?

By Pratham Sakaria V

Update for the day #1672 | Go Mechanic:

GoMechanic just laid off 70% of its workforce and it told the remaining employees, “Hey, we want you here. But we can’t pay you for the next 3 months. Thanks for all the good work and keep at it!”
On the face of it, GoMechanic fits into the mould of a typical startup playbook—raise boatloads of money from VCs and then burn through it all in the quest for growth. In this case, nearly $ 55 million worth of it. They ran out of money and they just didn’t have any more.

Well, they could have raised more money. And they tried. They’ve been out in the market for a while trying to shore up a few more millions. They were demanding a $1.2 billion valuation. Nearly 4 times more than its valuation in 2021.

But…what if your investors stop trusting you?
Well, then you’re not going to get their money.

And apparently, that’s what transpired at GoMechanic.

Their target market is basically every car that has run past warranty. They try and get people to ditch the authorized service centers and choose local garages instead. GoMechanic would simply work as an aggregator. It would lure local garages into an exclusive tie-up. It would rebrand them. A customer could simply fire up the app and demand a service. And GoMechanic’s promise to the customer was cost, convenience, quality, and accessibility every time. That the GoMechanic brand would oversee it all.

But the thing is, the car servicing business is not a walk in the park. The margins are wafer-thin, customers service their cars once maybe twice a year, and getting them to return is hard. It is believed that only 40% of the customers return to GoMechanic. One reason could be that quality control isn’t really in the startup’s hands. It’s dependent on the garage’s manpower. So service levels could actually vary frequently. And when GoMechanic has to spend ₹1,000 to acquire a customer and earn roughly only ₹750 from each bill, the unit economics just doesn’t work out.
As of FY22, GoMechanic claimed revenues of ₹91 crores. It climbed 167% from the previous year. But the losses soared by 322% to ₹114 crores.

So yeah, GoMechanic needs more money to keep its dream alive. And that’s when things went downhill.
A potential investor (the rumour is that it’s SoftBank) asked EY to conduct an audit of the startup’s financials. Make sure everything was in tip-top shape before they invested money. And EY found some glaring issues. They flagged it and the investor said, “Sorry, but we’ll pass on this deal.”

And the investor didn’t stop at that. It rang up Sequoia Capital to break the news. After all, Sequoia Capital was one of GoMechanic’s biggest backers. It had to know.

The folks at GoMechanic inflated their revenues. So, if they had ₹100 worth of real revenues, they might have fudged the books to show that they earned ₹150. They conjured up partner garages that existed only on paper. They wanted to be a unicorn and this seemed to be the quickest way to get there.

Amit Bhasin, the co-founder of GoMechanic, actually confessed to the crime on LinkedIn!!!
And he even had a reason as to why this transpired—'Passion'. Apparently, they got carried away by that emotion.
Its greed mixed with hubris. The feeling that one can pull the wool over the eyes of investors. And get away with it.

Investors don't like the feeling of having passed on a party that everyone else had turned up to. So they quickly believe the tales that startups spin.
And in other more egregious cases, investors simply could look the other way.

Yup, they'll turn a blind eye to all the white lies being peddled by the founders. They may not insist on an experienced board of governors who're overseeing things. They want their startups to 'move fast and break things'. Make a big bang and capture the market. That way, they can go to other investors and tell them to put their money to work in the company too. The early investors will sell the moon to new investors. They'll shout themselves hoarse about how their portfolio company is a disruptor that's taking the world by storm. They'll create FOMO for prospective investors to join the rocketship. And often, they'll keep their head down and quietly head for the exit.

By Anjali Baghel.

Update for the day #1673| Why are tech superpowers laying off workers all around the world?

Google's parent company , 'Alphabet Inc', has revealed that it is planning to lay off up to 12,000 employees at the start of 2023. Google CEO Sundar Pichai sent an email to all workers informing them of the news.

Sundar Pichai stated in the email that employees in the United States have already been told of their compensation, while employees in other countries would be informed soon, depending on the laws and processes of the respective nation. He further apologised for this action in the mail.

In addition, Microsoft said in an official statement that it has chosen to lay off around 5% of its worldwide workforce owing to the expected recession in 2023, as well as a decrease in client demand in the computer business, most likely due to the recession and pandemic.

When Meta announced the layoff of 10,000 workers across its different firms, rumors stated that Mark Zuckerberg made the decision because of growing expenses and falling ad sales, which caused him to establish a hiring freeze to tighten the company's finances.

According to analysts, the major reason why IT businesses are preferring to lay off thousands of employees is because of the predicted recession that will strike the United States and Europe in 2023. Layoffs are not confined to the IT industry only, financials, retail, energy, and healthcare are also affected.

1. Why is Google laying off?
After a hiring binge during the pandemic , Alphabet, Google's parent firm, announced Friday that it will eliminate 12,000 workers.

2.Why do Corporations lay off?
Cost-cutting, workforce reduction, relocation, buyouts, and mergers are the main causes of layoffs

By Pooja Sandeep Naik .

Update for the day #1674 | Unilever's dominance in India helps it raise prices, pinching rural poor

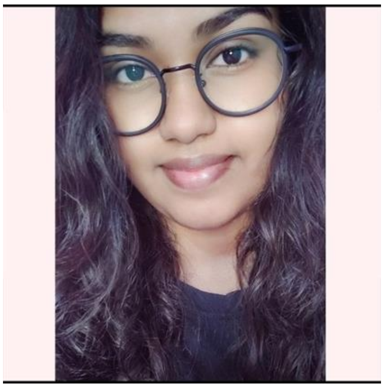
India's nearly $900 billion retail industry is dominated by small stores that sell everything from clothes and footwear to groceries and electronics. The private label industry is not as developed as that of Europe and the United States, where major retailers from Walmart to Tesco are using own-label brands to undercut consumer goods companies as they try to raise prices.

Abhiman Das, an economics professor at the Indian Institute of Management (IIM), Ahmedabad, said the middle-class' pent-up demand after the easing of the COVID-19 pandemic meant many consumers were prepared to cough up for premium brands, particularly in urban areas. "Since I am a regular consumer of these products and have no alternatives, I have no choice but to shell out more money," said S. Ramananda, 57, an educator in Bengaluru, India.

Even when HUL kept prices steady for some products, it has shrunk pack sizes, AICPDF data showed – a tactic used by many consumer goods companies around the world. Unilever did not comment on smaller pack sizes. Javed Momin, a grocery shop owner from rural Satara, said a reduction in size in packets by companies including Unilever was impacting some shoppers' habits.

"Consumers need to spend more to buy the same amount of weekly groceries, so the poor people are shifting to cheaper brands," he said, noting that some shoppers were shifting to Unilever's Lifebuoy soap from its more premium Lux product.

By Chandana D



Update for the day #1675| Women's IPL headed in right direction Viacom18 wins media rights for Rs 951 crores.

Viacom18 Media Private Limited has acquired the media rights for the Women's IPL for Rs 951 crore.
The media and entertainment company will hold the rights for five years, till 2027, and will pay Rs 7.09 crore per match to the Board of Control for Cricket in India (BCCI).

The much-desired Women's IPL (WIPL) is likely to take place in March for the first time after the Women's T20 World Cup in South Africa.

It is learnt that the BCCI will distribute 80 percent of the five-year revenue among the five franchises. According to reports, Viacom 18 and Disney Star were the only two companies that showed up for the auction, of the eight that bought the tender. The winning bid was for both digital and linear TV and were sold worldwide, including in India.

BCCI secretary Jay Shah called the development "massive" for women's cricket. He wrote on Twitter: "After pay equity, today's bidding for media rights for Women's IPL marks another historic mandate."

"It's a big and decisive step for empowerment of women's cricket in India, which will ensure participation of women from all ages," he posted.

Incidentally, Viacom18 and Disney Star acquired the media rights for the men's IPL in June last year for Rs 48,390.5 crore (about USD 6.2 billion at the time), with a per-match worth of Rs 58 crore (USD 7.43 million approx). This mega deal is for five years.

The men's rights were distributed over numerous categories and places over a three-day auction process, whereas the women's rights had no basic price.

Shah said the Viacom deal would "revolutionize women's cricket" globally. "I am really thrilled that we have had such an encouraging response for a league that will revolutionize women's cricket not just in India but across the globe," he said in a statement.

"This is a commitment I had made to the board and our women cricketers and today we have taken one big leap. The broadcasters play a key role in taking the game to a wider audience and their active interest in the league is a clear indication that the Women's Indian Premier League is headed in the right direction," he said.

The BCCI has calculated a per-match value of Rs 7.09 crore for the first three seasons' 22 matches, with a potential increase to 34 matches starting in 2026 when the BCCI may consider adding a sixth franchise based on the performance of the women's IPL.

BCCI president Roger Binny said in a release, "Women's cricket has been on the up since a few years and the recently concluded bilateral series against Australia is a great testament to how popular women's cricket has become in India. It was only apt to get our own women's T20 league and give the fans more of women's cricket. I would also like to congratulate the BCCI leadership and its workforce for a successful media rights process and wish them the very best for the first edition of the Women's IPL."

The owners of men's IPL franchises were among those who submitted bids for a team in the women's IPL. The technical bids must be submitted for evaluation by the BCCI by January 23. The ownership rights would be for a ten-year period as opposed to the media rights' five-year duration.
The five winners will be declared on 25 January. The BCCI currently has the sealed envelopes with the offers from organisations wishing to own teams.

BCCI Vice-President Rajeev Shukla said, "I'm truly glad to witness a new dawn in women's cricket today. The Women's IPL would elevate the stature of women's cricket across the globe and would groom talents at the grassroots level."

Though official dates are yet to be announced, the first season of the women's IPL is likely to take place from 5 March to 23 March. This is before the men's edition of the league begins.

By Ganesh S Bhat

Update for the day #1676 | Budget 2023 - 5 things to watch out for

Budget 2023

(1) Nominal GDP growth

How shall the economy grow in 2023-24? The budget will hold cues to this. According to the data released by the statistics ministry on January 6, India's nominal GDP growth for FY23 is estimated at 15.4 percent versus 19.5 percent in FY22. India's real or inflation-adjusted GDP is estimated to grow by 7 percent in 2022-23. In the fiscal year The World Bank last month revised upwards its GDP growth forecast for India to 6.9 percent for 2022-23, saying the economy was showing higher resilience to global shocks.

(2) Fiscal Deficit

This is one figure that markets and policy makers will keenly watch. Finance minister Nirmala Sitharaman is expected to continue with the fiscal consolidation, demonstrating the government's intent to walk the talk on fiscal rectitude. As the pandemic lingered into 2022 and with increased welfare-related spending, the fiscal deficit for 2021-22 stayed elevated at 6.9 percent of GDP. The government expects the deficit to ease to 6.4 percent of GDP and wants to continue with fiscal consolidation to attain a level of fiscal deficit lower than 4.5 percent of the GDP by 2025-26.

(3) Capital Expenditure

Finance minister Nirmala Sitharaman could unveil big spending plans for crowding in private investment. The government is expected to continue with its plan to ramp up capital expenditure in the upcoming Budget 2023-24 with special focus on states' spending on capital assets. This is in line with the previous Budget that saw a bumper hike in Centre's capex plans.

(4) Food Subsidy Bill

The food subsidy bill will be another figure that will be keenly followed. In December, the government decided to extend the free food grain scheme under the Pradhan Mantri Gareeb Kalyan Ann Yojana (PMGKAY) as Covid relief by bringing it under the National Food Security Act (NFSA) for 2023. From 2015-16 to 2019-20, the Centre's annual food subsidy averaged Rs 1.1 lakh crore.

As such, while next year's bill will still be roughly double that figure, the government will not have to spend on PMGKAY, which costs nearly Rs 14,000 crore per month.

(5) Fertiliser Subsidy

The other big expense is likely to be on fertiliser subsidies. The government has already estimated an additional fertiliser subsidy of Rs 58,430 crore , pushing the 2021-22 budget from Rs 79,500 crore to Rs 1.38 lakh crore. Expecting a further increase in the net sowing area and high input and fertliser costs globally, the government will likely estimate a higher fertiliser subsidy this year.

By Deepali S Jain.

Update for the day #1677 | Sweet poison

Added sugar is the single worst ingredient in the modern diet and can be a health hazard to all. This is simply because it contains no nutrients and has harmful effects on your overall health. Let us understand as to what are the reasons that make added sugar a sweet poison. Sugar occurs naturally in all kind of foods that contains carbohydrates such as all the vegetables, fruits, grains and dairy. Consuming natural sugar is fine for health. This is because these foods also contain other nutrients like high amount of fiber, essential minerals, and antioxidants and dairy foods contain calcium and protein. These foods digest slowly and give continuous energy supply for body while also benefiting the overall health.

Some common health hazards related to sugar:

1. Heart disease
Adding extra sugar to your diet can put you at a high risk of several heart disease by leading to high blood pressure, obesity and inflammation. A diet high in added sugar stimulates the liver to release more harmful fats into the blood stream. Hence, high-sugar diets and sugary food items are best to avoid sugar to keep heart diseases at bay.

2. Accelerated skin ageing
Wrinkles are the utmost natural sign of ageing but premature wrinkles can appear on the skin due to poor food choices like eating too much of dietary sugar. Advanced Glycattion End Products(AGEs) are the compounds stimulated by reaction between sugar and protein inside your body that also damages collagen and elastin, the agents that provide your skin with elasticity and youthfulness.

3. Fatty liver diseases
Like glucose and other sugar types, sucrose too is exclusively broken down by the liver. And having an excess of sugar in the form of table sugar might overload your liver, leading to non-alcoholic fatty liver diseases. NAFLD is a medical condition characterized by excessive build-up in the liver.

By Rachana N.

Update for the day #1678 | The Blockbuster-Netflix story you didn't know.

The year is 1997.At the time, VHS (Video Home System) tape rentals defined entertainment in the US. When people wanted to watch a movie, they'd just pop into their video store, browse through the library and pick up what they wanted. Oh, you probably have no idea what a VHS is unless you're a 90s kid. It's those big, ugly, black cassettes that you had to insert into a player connected to the TV set. Ask your parents, their wedding film probably came in a VHS cassette. So, in the US, a company called Blockbuster dominated this movie-renting business. At their peak, they had over 9,000 stores and made a staggering $6 billion in revenues. It was an unstoppable force.Enter Reed Hastings, the man behind Netflix. See, Hastings had rented out a VHS of Apollo 13, a space movie about an abandoned mission to the Moon, and he'd forgotten to return it. Blockbuster meanwhile was tracking this delay closely. It charged a late fee of $1 a day. In fact, late fees were extremely lucrative for Blockbuster—it fetched nearly $800 million a year. So forgetful folks like Hastings were its bread and butter.

And when Hastings had to pay a $40 late fee, you can imagine he wasn't too happy. And he knew that many others like him hated paying these fees. Hastings wanted to solve this problem and on a car ride with his friend Marc Randolph, they thought, "What if we build a business on the premise of zero late fees?"
Netflix was born. Randolph's mother even gave them $25,000 to begin.

Now even with the money they'd raised, Netflix couldn't set up physical stores and compete with Blockbuster's might. It was unthinkable. They thought they'd mail the movies to people instead. Now mailing VHS tapes would've been hard. They were big and clunky and would have cost a lot of money to mail.

What was the alternative?

Well, an innovation called the DVD caught on in 1997 and 1998. A simple disc that would play videos. Sales were growing at a fast clip. So Hastings and Randolph took a punt on this. They found that they could ship DVDs to people's homes for just 32 cents. It was easy. But wait…that still didn't solve the problem of late fees, no? Well, they had another idea—a subscription! Just like what we pay for Netflix today. For around $17.99 a month, a customer could rent 3 DVDs at a time from tens of thousands of titles. And they could hold on to the rental for as long as they wanted. No more annoying late fees!

But even then, competing against Blockbuster was proving harder than they thought. 3 years into building Netflix, the company only had 300,000 subscribers and it was losing money hand over fist—over $50 million a year. While online rentals might have been the 'future', physical rentals were still the 'present'. So, Hastings and Randolph made a pitch to Blockbuster—"Buy us out for $50 million. You focus on the physical stores. And we'll run the online business. Combine the powers together. It will truly be a case of the whole being greater than the sum of its parts. You can imagine what

happened next. Blockbuster's CEO John Antioco laughed it off. He didn't see the tiny Netflix as a threat to the Blockbuster behemoth.
And guess what?

Maybe, he'd have been right. See, Blockbuster was one of the pioneers of video streaming. In 2000, it actually teamed up with Enron—the failed oil and gas giant that also had a broadband business—to create an online video-on-demand service. It could have killed Netflix. And we'd all be watching movies on Blockbuster today. But…things didn't work out. The online business remained a side project for Blockbuster and the deal collapsed within a year. Meanwhile, Netflix was growing slowly and steadily. It went public in 2002 and hit the 1 million subscriber mark in 2003. It was growing.
Blockbuster needed a change in strategy. Its late fees were one of the most hated things on the planet. So, in 2004, it killed the late fees business and embraced the internet—Blockbuster Online. People could now easily rent DVDs online. You'd think that was a great move, right? Sure, it was late to the party, but not completely out. But here's the deal—going online was actually the nail in the coffin for Blockbuster.

Let us explain.
The first nail—Without the lucrative late fees, Blockbuster stood to lose millions of dollars in revenue. Also, it needed to pump in another $200 million for the new online venture. Its owner, the media giant Viacom, didn't think this was smart and it sold its shares. The second nail—in 2006, Blockbuster launched a scheme that would allow an online subscriber to go to a Blockbuster store and exchange the DVD for free. It had the might of its 9,000 stores. And 90% of Americans lived within easy driving distance of these stores. So it made sense. And initially, it worked. Netflix actually lost subscribers to Blockbuster. But…it was a loss-making proposition.

Each time a DVD was exchanged at the store, Blockbuster lost $2. It was the startup playbook of burning cash to get market share. And the third and final nail—Investor pressure. See, Blockbuster wasn't a startup. It was a legacy business that had boatloads of debt. It had borrowed a lot of money to expand the physical stores. It couldn't really burn cash. And remember we said that Viacom had sold all its shares? Well, those shares were bought by hedge funds. More specifically, Wall Street billionaire and activist investor Carl Icahn picked up 10% of Blockbuster.

By Divya G Shanbhag.

Update for the day #1679 | Madam Cama - An Untold Story of the Freedom Struggle

Bhikaiji Rustom Cama (24 September 1861 – 13 August 1936) or simply as, Madam Cama, was one of the prominent figures in the Indian Independence Movement. Bhikaiji Cama was born in Bombay in a large, affluent Parsi Zorastrian family.[1] Her parents, Sorabji Framji Patel and Jaijibai Sorabji Patel were well known in the city, where her father Sorabji—a lawyer by training and a merchant by profession—was an influential member of the Parsi community.

On 3 August 1885, she married Rustom Cama, who was the son of K.R. Cama. Her husband was a wealthy, pro-British lawyer who aspired to enter politics. It was not a happy marriage, and Bhikhaiji spent most of her time and energy in philanthropic activities and social work.

On 22 August 1907, Cama attended the second socialist Congress at Stuttgart, Germany, where she described the devastating effects of a famine that had struck the Indian subcontinent. In her appeal for human rights, equality, and autonomy from Great Britain, she unfurled what she called the "Flag of Indian Independence".

It has been speculated that this moment may have been an inspiration to African American writers and intellectual W.E.B. Du Bois in writing his 1928 novel Dark Princess. Cama's flag, a modification of the Calcutta Flag, was co-designed by Cama, and would later serve as one of the templates from which the current national flag of India was created.

In 1997, the Indian Coast Guard commissioned a Priyadarshini-class fast patrol vessel ICGS Bikhaiji Cama after Bikhaiji Cama. A high-rise office complex in the posh location of South Delhi which accommodates major Government Offices and companies such as EPFO, Jindal Group, SAIL, GAIL,EIL, etc. is named Bhikaji Cama Place in tribute to her.Following Cama's 1907 Stuttgart address, the flag she raised there was smuggled into British India by Indulal Yagnik and is now on display at the Maratha and Kesari Library in Pune.

By Charvika Rathore.

Update for the day #1680 | Which five Families have been ruling the World for Centuries?

"They live, we sleep", says the famous quote from the movie They Live by John Carpenter. This is one of the favorite movies of all conspiracy theorists. For centuries now, it is believed that all power of the world is in the hands of five families which have marked the U.S. politics.
There are also stories that not more than 200 families rule Bosnia and Herzegovina, Croatia, and Serbia.
In the USA, this number reduced to five. They are the most powerful, the wealthiest, and the scapegoats for all theories of conspiracy theorists, and they are those who tailor the global policy.

Bush family
The Bush family is a political dynasty that gave two presidents of the USA. It all started with Prescott Sheldon Bush in 1895.
He became a member of Yale group Skull and Bones and, allegedly, this Bush was behind the failed military coup in 1933, which was aimed at taking power away from Franklin Roosevelt.
During the Second World War, Bush was the head of the Union Banking Corporation, the bank which was eventually impounded due to proven business connections with the Nazis.
Prescott's son George H. W. Bush became the president of the USA during the eighties of the last century, and his grandson George W. Bush was a two-term U.S. president.
They both launched conflicts with Iraq in which companies such as Halliburton or KBR, which are linked to the Bush family, generated enormous profit. The Bush family is considered the most powerful family in the U.S. politics and they also have exorbitant amounts of money in banking and oil sector.

Du Ponts
Éleuthere Irénée du Pont was the son of a French immigrant. He gained his wealth after founding a gunpowder factory in Delaware. His family grew roots in the U.S. high politics after they allegedly ensured the U.S. purchase of the territory of Louisiana from Napoleon in 1803.
By the beginning of the First World War, the company Du Pont produced 40 percent of the world explosives and during the Second World War they participated in the project of construction of the American nuclear bomb.
Some believe that the Du Pont family influenced the U.S. authorities to such extent that they were the only reason why the use of marijuana and production of industrial hemp were banned, all with the aim of protecting the production of nylon, one of the most important products of the Du Pont company.
Today, this company is one of the biggest world producers of the GMO seeds and they are the founders of the Dooms Day Treasury where samples of all plants are preserved so that the mankind could plant them again after the apocalypse.

Rothschild dynasty

For a long time now the Rothschild family is considered the wealthiest family in the world. It is estimated that they "weigh" 500 billion dollars, and some estimates claim that they manage with 100 trillions of financial power.

In the sixties of the 18th century, Mayer Amcchel Rothschild sent five of his sons to five financial centers, so that they could be on all most important places of world finances.

The 19th century was crucial for this family because they strengthened their global power by financially aiding the main and most powerful monarchies and authorities on all conflicting sides.

Nowadays, conspiracy theorists claim that the Rothschild family controls the world through the U.S. central bank Federal Reserve. Theories say that the founder of Fed, Paul Warburg, is actually the agent of the Rothschild family.

Morgan family

The Morgans were friends of the Rockefellers. John Pierpont Morgan borrowed a hundred tons of gold to the U.S. authorities during the bank crisis in 1893.

That's how they came to control the gold in the USA, and then they started financing companies such as AT&T, General Electrics, and others. For a while, the Morgans also financed Nikola Tesla's research.

The Morgans were always 'friends' with the U.S. ministry of finance, and many people claim that precisely Morgans were those who forced the USA to participate in the First World War to protect the loans they gave to Russia and France earlier.

P. Morgan Junior borrowed 500 million USD to the USA and he took one percent of provision for everything that his companies sold to the U.S. Army.

Rockefeller dynasty

In the seventies of the 19th century, John D. Rockefeller founded the Stanford Oil Company. It was the biggest oil company in the world at the time, and Rockefeller was worth more than 400 billion USD.

Conspiracy theorists like to believe that the Rockefellers now act in secret through oil companies such as Exxon Mobil and BP, and banks such as Chase Manhattan Bank.

By Harshith Mehta

CONTACT US - SURESH & CO.

#43/61, Surveyors Street, Basavanagudi, Bengaluru – 560004 P – (080) 26609560

Compiled by: Megha Jain and Manoj Kumar Y N

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