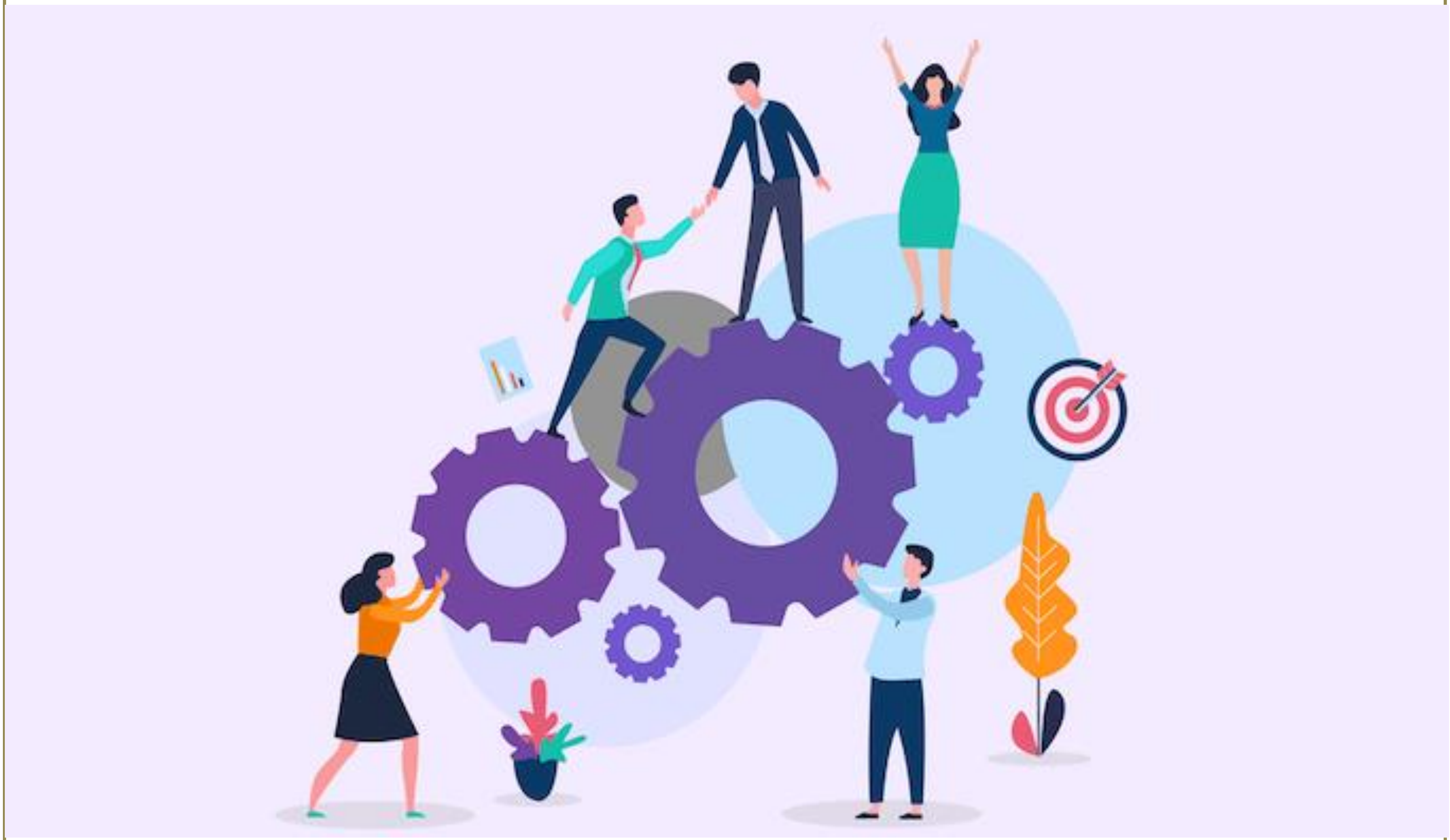

EMERGING THOUGHTS

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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 near the future and employees.

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

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

At SURESH & CO., every individual is empowered to be bold in the name of innovation and wisdom and our encouraged to think beyond their capabilities. This not only helps them to purify their thoughts, enriches their vision but also gives them an opportunity to reconnaissance various things that are beyond their study domain.

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

"It is often the small steps, not the giant leaps, that bring about the most lasting change."

"The people who are crazy enough to think they can change the world are the ones who do."

Update for the day #1621 | Amazon's experiment with Kirana stores has failed!

The Story
Amazon spent $227 million to build a B2B e-commerce platform in India.

What does that mean?
Well, India runs on Kirana stores—millions peppered across the country. That's where most people buy their groceries. But manufacturers don't just supply these stores themselves. Instead, you have an elaborate network of distributors who push the product from FMCG companies to the Kirana stores. And Amazon wanted to disrupt this delicate equation. Remove the middlemen entirely and link the manufacturer to the last-mile stores—like Udaan and JioMart. So, they embarked on an experiment. They set up warehouses in Karnataka—Bengaluru, Mysuru, and Hubballi and began operations.

Until this week…
Amazon finally brought the curtain down on its experimental B2B e-commerce venture. It was bleeding money with no sign of profitability in sight. $227 million flushed down the drain and they couldn't succeed.

Why?
Well, Amazon hasn't told us why just yet. But maybe looking at the B2B e-commerce ecosystem could shed some light. For starters, distributors are extremely resilient. Remember our story about the tiff between Parle-G and Udaan? Udaan wanted to buy Parle-G biscuits from Parle directly. They hoped to make the biscuits available to kirana stores at a competitive price. But Parle refused. They wanted Udaan to buy the biscuits from the distributors instead.

Parle's argument was this. The likes of Udaan have been posing a massive threat to the distributor network they so painstakingly built. And they believed the company would decimate their competition and drive most distributors out of business. If this happened, Parle would eventually be at the mercy of Udaan. And it's not a position that they wanted to find themselves in. So even if the likes of Amazon offered a better price to manufacturers, the long-term implications of depending on them can be disastrous. And FMCG companies are aware of this existential risk. Which is why the likes of HUL, ITC, and Marico—top FMCG companies still distribute nearly 90% of their products through traditional distribution networks.
It's also about competing with FMCG 'brands' that have clout. Take the example of Hindustan Unilever, an FMCG behemoth that's been around for a long time.

Now imagine that Amazon Distribution goes to HUL and says, "Hey, we can help you cut your costs, eliminate the middleman and drive sales of Surf Excel". It might be an interesting proposition—HUL wants to explore new channels but doesn't want to hurt its existing distribution.

So, what can it do?
Well, per what Dhairyashil Patil, national president of the All-India Consumer Products Distributors Federation, told The Morning Context, maybe it appeases Amazon a bit. If Amazon asks for 100 boxes of a product, HUL gives them 20–25 boxes.

But that's a problem for Amazon. When a kirana store owner visits the Amazon Distribution app to place an order, they might invariably find that there's not enough stock. They're then forced to place orders for 5 boxes on Amazon. And reach out to the distributor for another 5. That's a tedious process. So they could simply choose to eschew Amazon instead. Or in another case, HUL might tell Amazon, "Look, we'll give you the Surf Excel. But we'll give you the 5kg pack. We want to drive sales of that specific quantity"

At first, Amazon is overjoyed. They're getting to deal with HUL's top product. But then, reality strikes…why on earth would a kirana store owner buy a 5kg pack from Amazon? It's the 500g and 1kg that are in demand. And a small store doesn't want to waste shelf space stocking something they know won't work. They'll simply prefer to buy the smaller packs from HUL's distributors. And Amazon will be left in a lurch.

Last year, The Ken pointed out how JioMart was dealing with a very specific issue. Their sales folks weren't dropping in to visit these kirana stores. According to a distributor they spoke to, JioMart sales representatives were visiting kirana stores once a month. They felt it should be at least once a week. Because that's what store owners are used to. That's what makes them comfortable.

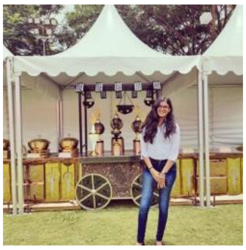
So what happens when the visits drop? Kirana stores aren't happy. Look at JioMart for instance. The satisfaction levels reported by kirana stores dropped from 98% in December 2020 to under 80% in July 2022. Now imagine if a 'digital' disruptor has to employ the same tactics as a traditional distributor and create feet-on-street employees. The costs could be humongous. In fact, Udaan's estimated to have nearly 12,000 folks to keep drumming up business. That kind of hurts the digital business model doesn't it? Amazon would have to incur quite a bit of cost just to survive. And finally, there's the competition from FMCG companies.

Folks like HUL don't want to be left behind the digital Direct-to-Business (D2B) wave. HUL saw the writing on the wall and launched its B2B Shikhar app a couple of years ago. It told kirana stores that they could simply stock up on products using HUL's own app.

And it's not just HUL. Look at Coca-Cola. Last year, there was a rumour that Coke was set to launch its own B2B e-commerce app Wabi in India. Kirana stores could simply use Coke's own app to order their cans. No more picking up the phone, dialling the Coca-Cola distributors and placing the order. Use the app, and the distributors will deliver.

And while it doesn't seem as if Wabi has stormed into India, it's something that Coke has tried in other parts of the world. Especially in markets such as Nigeria that have a large network of their own kirana stores. For HUL and Coke, the idea is simple—they already have an extensive supply chain. So, why not simply build the tech over it? It'll make life harder for disruptors such as Amazon who're building out everything from scratch. So yeah, with all these hurdles, running a B2B e-commerce business in India isn't a cakewalk. And it boils down to one thing—cash burn! Some estimates say that incumbents spend ₹4 to earn ₹1 in revenues. Maybe Amazon realized that it's not a viable proposition in the long-run.

By Shraddha Vishwanath



Update for the day #1622|Why The Akshaya Patra Foundation is a Harvard Case Study?

Typically, Indian temples have a long-standing tradition of feeding any who visit the temple. Annadanam, the sacred tradition of offering food to people is very common in India. Then, why The Akshaya Patra Foundation is a Harvard Case Study?
Akshaya Patra- The Inexhaustible vessel
The Akshaya Patra Foundation has been recognized as the world's largest NGO-run school lunch program. It has also received accolades and recognitions for being an innovative and technology-oriented NGO in optimizing resources, enhancing operational processes, and maximizing the benefits of the school lunch program. Akshaya Patra literally means- The Inexhaustible vessel.

History of The Akshaya Patra Foundation

Looking out of a window, one day in Mayapur, a village near Calcutta, His Divine Grace A. C. Bhaktivedanta Swami Prabhupada saw a group of children fighting with stray dogs over scraps of food. From this simple, yet heart-breaking incident was born a determination that no child within a radius of ten miles from our center should go hungry.
In partnership with the Government of India and various State Governments, as well as philanthropic donors; the organization is running the world's largest Mid-Day Meal Program. Built on a Public-Private Partnership model, Akshaya Patra combines good management, innovative technology, and smart engineering to deliver nutritious and hygienic school lunch on every school day

Harvard Business School Case Study

Akshaya Patra was considered to be a case study by Harvard Business School as part of their curriculum. The study revolved around India's educational and socio-economical status, history and significance of the Mid-Day Meal Program, and Akshaya Patra's role in extending the program. The case study touched upon the various aspects implemented by the Foundation in order to optimize operations and benefit more children. It delved into the dual-pronged distribution strategy i.e., the centralized model and the decentralized model of operations that enables the Foundation to serve nutritious meals to children of urban, semi-urban, and remote areas.
Aside from focusing on Akshaya Patra's core program of serving mid-day meals to government school children, the study also reviewed on the other initiatives undertaken by the NGO such as distribution of medical services, inclusion of infants and expectant or nursing mothers, and feeding adult labourers. It also brought to fore the success of the program implemented by Akshaya Patra in terms of number of beneficiaries, and health and education status of beneficiaries.

To know more, read the complete report here: Harvard Business School Case Study
Akshaya Patra during Covid-19

Akshaya Patra has been undertaking food relief in several locations across the country since March 2020. With the country grappling with the second wave of the COVID-19 pandemic, the Foundation has decided to scale up its feeding efforts. Working with the Government and its donors, Akshaya Patra is reaching out to vulnerable populations to ensure their food and nutrition security.
Akshaya Patra has served over 5 lakh meals (as of 15 May 2021) to economically disadvantaged people in Bengaluru. These include construction site workers, industrial labourers, slum

dwellers, street-side vendors and individuals at old-age homes and orphanages. On average, about 50,000 meals are served in the city every day.
Simultaneously, the also started serving cooked meals to the staff, attendees and frontline workers at the KC General Hospital (Malleshwaram) and Victoria Government Hospital.
Akshaya Patra is also helped the police personnel, who are tirelessly working for the safety of people during the pandemic. The organization provided free cooked meals and snacks kits daily to the police personnel as a part of its ongoing relief efforts.
Speaking about the initiative, Madhu Pandit Dasa, Chairman – The Akshaya Patra Foundation, said, "Akshaya Patra has always strived to work with the Government to extend all possible services to the people of our nation in difficult times. We will continue our efforts and try to reach out to as many people as possible during this crisis."

By Divya N Y

Update for the day #1623 | How do you decide who to vote for ?

To analyze the work done by political parties, we have to understand the most important parameters to see the progress management and welfare system of a state.

In this case, there are 3 parameters to decide who to vote for:

1. **Financial Status:**

States are responsible for spending your tax money - and what they spend it on is important to note. Some governments spend it on freebies to gain votes and send the state into steep debt compared to its GDP which can take years to recover. It's important to note whether the government is spending your money wisely to increase the productivity and welfare of the entire state.

2. **Industrial Growth:**

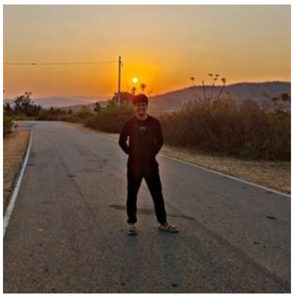
Encouraging industrial growth with tax benefits and incentives to business owners and corporates results in jobs and wealth creation. This gradually benefits the middle class and the lower classes of society. So governments who invest in this pillar have seen dual benefits.

3. **Social Indicators:**

The main social indicators of development include education, health, employment, worker wages, and gender equality. This is because the main purpose of economic growth and the country's development is finally for the people for better lives.

So, Note this down because every vote matters.

By Nagarjuna A M



Update for the day #1624 | World's fastest : Mahindra-owned Pininfarina hypercar touches new height

Mahindra-owned Automobili Pininfarina's Battista hyper car has set a new world record. Anand Mahindra, chairman of Mahindra Group on Wednesday took to Twitter to share the momentous success in the automobile industry.

Sharing an article from the Robb Report, the industrialist wrote that Pininfarina's all-electric Battista hyper car has become the "World's fastest street-legal vehicle".

He added that the "entire project was conceived by Mahindra group of which Automobili Pininfarina is a part".

Netizens hailed the Mahindra Group chairman on Twitter. One user called Anand Mahindra, a "True visionary". Another wrote, "Great feat, the price of the car is insane, about 20 crores Indian rupees". According to Robb Report, the Italian coachbuilder on Wednesday announced that its debut battery-powered hyper car is the world's fastest accelerating car.

"It's not just the fastest accelerating electric vehicle, but the fastest accelerating road-legal vehicle period," the report added.

Breaking the record of Rimac Nevera (at 1.86 seconds), the hyper car rocketed from zero-to-60 mph in just 1.79 seconds at Dubai Auto drome this week.

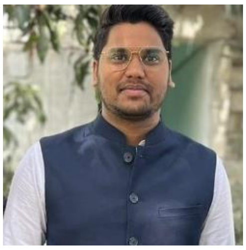
Battista hyper car is also the fastest from zero-to-120 mph, accomplishing that feat in 4.49 seconds. Besides, the car is also capable of slowing down from 60-to-zero mph in just 102 feet, which is itself a record for an EV, Robb Report added.

The car's battery cells are housed in a T-shaped layout inside the monocoque chassis that is made up of carbon fibre. The battery is mounted in the central tunnel between the passenger and the driver.

The battery pack has a capacity of 120kWh and it consists of 6960 lithium-ion cells.

Although the Battista was first unveiled four years ago, it only went into production earlier this summer. Pininfarina plans to build just 150 examples of its hand-built electric hyper car. According to the report, each car takes 1,200 hours to complete. Deliveries of the vehicle, which start at $2.25 million by today's exchange rate, are already underway.

By Rajbalam



Update for the day #1625| E-Rupee

The RBI just made e-Rupees available to a select group of people .Instead of going over the mechanics like we usually do, we will ask a series of questions. Questions that are dominating the discussion right now and try to answer them as best as we can.

1. Is this digital money?

Yes

2. If this is digital money, how will it be any different from the digital money you transact using UPI?

Right now, if you must transfer money over UPI, you have to make a request and forward it to your bank. The bank then decides to deduct the balance and transfer it to the beneficiary account.
In the background, banks also trigger an elaborate clearing and settlement process to make sure everybody gets paid what they're owed and not a penny more.
So, there's a chain of intermediaries who enable this transaction.
With the digital rupee, however, you don't need intermediaries at all. You could simply transfer digital money from your wallet to another wallet (belonging to an individual or a merchant) just as if you were handing them physical cash.

The transaction is final. The settlement is final and you may not even need an internet connection.
It's just like physical cash, only it's entirely digitized.

3. But wait, how do I get my hands on e-Rupee?

Well, right now the currency will only be made available to a closed group of people in select cities. But if you were part of this lucky group, here's how you'd go about transacting with the digital rupee.
First, you'd install the CBDC app (Central Bank backed digital currency app) and use a phone number linked to a bank account. Once you register successfully on the app, you will be assigned a digital wallet with a unique ID. You can then load the wallet by transferring money from your bank account.

4. Okay, but what's the point? What's the utility here?

Alright, let's suppose you want to transfer a large sum of money. If you're doing it with a bank, the bank may impose restrictions on the kind of money you can dabble with each day. If you're sending money over to a new account, you may have to wait for the bank to authorize this transaction. However, if it's "digital rupee" stored in your wallet, you should be able to transfer the money instantaneously without a hitch—at least in principle.
Having said that, it's entirely possible that the RBI may still impose spending caps or they could offer you the option to set restrictions that suit you best. But the presumption right now is that it will offer users a higher degree of flexibility.

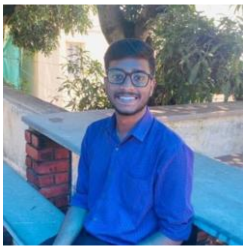
5. Fair enough! But why is the government backing this?

Well, not just the government. But the RBI also seems to think the e-Rupee could solve some problems persistent with physical cash. Think about how hard it is to print, transport, store and distribute physical money. It's a logistical nightmare and it is very expensive. However, if you could replace some of this cash with digital currencies, that could save a lot of money.
But perhaps the biggest benefit could include a concept that the RBI hasn't discussed just yet— "Programmable money."
For instance, if the government is thinking of extending fertilizer subsidies to farmers they could load the wallet with pre-programmed money—e-Rupee that could only be spent on fertilizers. They could also measure the efficacy of the program at a centralized level by tracking this money and seeing where people are spending it.

6. Damn, that sounds like a privacy nightmare

Yes. But banks already track all digital transactions. This isn't vastly different. In fact, if anything it seems the RBI is asking banks to not report low-value e-Rupee transactions in a bid to offer the same degree of anonymity as physical cash.
However, having said that, if we go down this route of transacting with programmable money, then it could be possible for the state to impose all kinds of restrictions, that simply wouldn't be possible in the traditional banking ecosystem (or physical cash).
For now, however, the RBI has no such plans it seems.

By Guruprakash S



Update for the day #1626 | Can rice last forever?

In the 1990s, Chinese researcher Fengyi Hu worked on developing a perennial variety of rice. One that would almost last forever. In 2012, he got 21 researchers on board and began his experiments. Finally, 5 attempts later, they did it. They managed to create perennial rice—a lab-developed cross between domestic Asian rice called Oryza sativa and its perennial African relative Oryza longistaminata. They called it PR23. Farmers can plant the crop just once and reap about 8 harvests (or go 4 years) without resowing it. The rice can be harvested without killing the plant and the rice simply continues to grow.

Rice seeds are normally first sown in a nursery before they are replanted in ploughed fields. Since perennial rice didn't need a second round of resowing, it didn't need to depend on nurseries, didn't require reploughing and also didn't have to be transplanted from nurseries to fields. Also, the soil doesn't have to be tilled each year. And there's no replanting. So, costs inevitably drop.

Also, perennial rice is quite a hardy crop. One that has deeper and stronger roots. One that can self-grow. But also, one that retains much more water than the regular rice crop. That means, in regions where paddy cultivation is dependent on rainfall and is prone to droughts, growing the PR23 can help you save on irrigation costs too. In fact, depending on the area studied, profits from perennial rice were 17% to 161% more than annual rice.

To put things in perspective, regular or annual rice varieties require tilling the soil once a year before it receives seeds. This means that the soil's surface is regularly disturbed. And it's left exposed to water and wind erosion. Also, in the process of tilling, soil oxidizing bacteria are disturbed. And that can create 51% more methane emissions than perennial rice.

Reduced tilling also increases the organic carbon and total nitrogen composition in the soil. This simply means that crops can be healthier. They can tap into the abundance of nutrients in the soil to stimulate its regeneration. Then there's the insect problem—after harvesting, these critters can remain in the crop. They could then transmit viruses when they feed on the regenerating crop. And finally, when the 4-year period is over, taking out the strong roots to replant the rice could actually be a tougher task. Again, it could lead to labour demanding higher rates for the effort. And maybe some of that cost savings won't add up.

By S H L Vasavi

Update for the day #1627 | Exposing a Pharma secret: Evergreening

Pharma companies take decades to formulate a drug. They spend billions in research and development and they spend even more to market their invention. But things don't always go according to plan. On occasions, the products fail. The trials could derail all the hype. You could end up wasting billions in the process. So to incentivize pharma companies to keep innovating and burning money, regulators across the country offer them a special kind of protection. If they create something magical that could alter the course of human history— say a drug to battle AIDS, cancer, or even the dreaded coronavirus—they'll be granted a patent. For 20 years. And during that period, they'll have exclusive rights to manufacture and sell the drug. No other company can create the same drug with the same formulation.

The pharma company can price it as they wish (usually quite exorbitantly), recoup their investment, make a profit, and use the proceeds to create even better drugs. Once the 20 years are up, other companies can step in. These copycats create their own versions of the drug and sell them in the market. They're called generics. The competition heats up and it drives drug prices downwards. It becomes more affordable. And well, the cycle repeats.
Or does it?? You see, once the pharma companies get the sweet taste of success, they just can't get enough of it. Also, they really don't know when they'll chance on the next blockbuster drug. So they think, "How can I continue to squeeze more out of my current portfolio of patented drugs?"

And they come up with an idea. They decide to make a few minor tweaks to the formulation. They might replace compound X with compound Y. The difference might be trivial but they'll claim this as a breakthrough. They'll say the drug is 25% more effective now. That it can save more lives. They go back to the patent office. And they'll do this maybe a year before the current patent on the drug is due to expire. They'll file another patent and ask for an extension. They tell the patent officers that the innovation must be protected because they put their blood, sweat, and tears into it. The pharma company hopes they can continue to milk the drug for all it's worth. And keep the patent for a good 39 years (19+20).

This, folks, is called the evergreening of patents—when a pharma company uses a small tweak to keep its patent monopoly. And this delays the entry of generic drugs that can drive the price down. In fact, one research looked at all the drugs in the market between 2005 and 2015 and found something shocking. Out of all the patents being issued, a whopping 78% were for extensions. Or rather, for evergreening. It's insane!

Now here's the thing you must know about India. We're pretty wise to the antics of the pharma industry. And in 2005, the government tweaked the Patent Act of 1970. It inserted a Section 3(d) to prevent evergreening. And it said, "mere discovery of a new form of a known substance which does not result in the enhancement of the known efficacy of that substance or the mere discovery of any new property or new use for a known substance or of the mere use of a known process, machine or apparatus unless such known process results in a new product or employs at least one new reactant", cannot be given patent protection. Basically, India wanted to distinguish real innovation from trivial tweaks. So, companies trying to evergreen their drugs patent in India don't have it easy.

Just look at what happened with Swiss pharma giant Novartis in 2013. Novartis tried to get a patent for a new version of its cancer drug Gleevec/Glivec and said that with the tweaks they made, the drug could be more easily absorbed into the bloodstream. It could more easily save lives. But the Indian Patent Office denied the request. And when Novartis went to the courts, India's Supreme Court put its foot down too. It cited Section 3(d) and said, "Sorry, here's a 112-page order just to say NO!"

Hold on Finshots, you were meant to talk about the hurdle in the India-UK Free Trade Agreement…what's going on?

Yes, yes, we're getting to that. But we had to give you all this background first.
So, India and the UK are hashing out an FTA and it has been in the works for a while now. It's expected to facilitate trade between the two countries. Remove tariffs and stuff. But it seems there's something in the draft about India's patent laws too. A leaked excerpt (first appearing on bilaterals.org) revealed that the UK wants India to relax its strict evergreening laws. It wants leeway for British pharma companies. And apparently, it says that both India and the UK "shall not require a patent applicant to prove enhanced efficacy "— in complete contrast to the pathbreaking Section 3(d). It'll allow pharma companies to evergreen their patents. It'll keep drug prices sky-high and help pharma giants to mint more money. And worse? It'll hamper the entry of generics. And don't forget, India is the generic king of the world—20% of the global supply comes from us. It's India-made generic drugs that are lifesavers in low and middle-income countries. And if we dilute our patent laws, it can hinder the production of generics. And this could have unintended consequences across the globe.

But why would Britain enforce such a clause? Well, obviously one would think that this would benefit pharma companies in Britain. But ever since the leaked documents hit the public domain, there seems to be a concerted effort from British officials to distance themselves from the controversy altogether. And responding to a query from Livemint, a British Spokesperson noted that they wouldn't introduce provisions that would hurt the interest of either country, despite the fact that officials rarely comment on such matters. And yes, this also hurts the United Kingdom by the way. The NHS—Britain's public healthcare system relies heavily on cheap generics imported from India. But if we were to dilute patent laws, it could have a massive impact on health outcomes in both countries. So hopefully, this clause doesn't make it into the final agreement.

By Yesh R Solanki

Update for the day #1628 | A story of the Magic Elixir – ORS

If you have ever had a bout of diarrhea, then you are likely familiar with ORS. Or an Oral Rehydration Solutiona simple mix of salt and sugar. It does not treat diarrhea itself, but it does replenish essential salts and fluids your body needs. And while it may seem like a trivial concoction, it has been a lifesaver. It is the simplest way to deal with dehydration.
According to some estimates, ORS has saved more than 70 million lives since its first use in the 1960s.

Sadly, Dr. Dilip Mahalanabis, a doctor who pioneered the widespread use of ORS passed away this week. And as a tribute, we thought we'd do a small story on ORS-how it became so ubiquitous and the roadblocks preventing its uptake.

The story begins in 1971. Bangladesh (then East Pakistan) was seeking liberation from Pakistan and the ensuing war had left many homeless. They fled their land and migrated across the border to the many refugee camps set up to rehabilitate them. Unfortunately, the camps weren't the most sanitary places available. People did not have access to clean water and hygiene wasn't the top priority. Diseases were commonplace—most notably water-borne Cholera which in turn induced severe diarrhea. And the common treatment prescribed at the time— the intravenous fluid saline (IV) was in short supply. The camps were understaffed too.
And Dr. Dilip Mahalanabis—a supervisor at one of these camps felt like he had to do something. Something that did not need trained medical staff. Together with the Johns Hopkins International Center for Medical Research and Training, he created a solution of table salt (four teaspoons), baking soda (three teaspoons), and commercial glucose (20 teaspoons) that anybody could administer.

And it worked. The fatality rate dropped from 30% to 3.6%.
That was just the start. Once scientists realized the efficacy of this simple solution, the WHO made ORS its mainstay in the fight against cholera and diarrhea. And its use exploded. It was cheap, effective, and cost less than $0.50 per treatment in most countries. Today, the global ORS market is valued at $660 million and is expected to reach $1.2 billion in the next 5 years.

In India, the use of ORS to combat diarrhea has grown manifold too. For instance, in 2005–06, as per the National Family Health Survey, only 26% of children with diarrhea received ORS packets. But by 2015–16, this had risen to 51%. And by 2019–21, 61% of children began receiving ORS packets.

In the meantime, the death count attributed to diarrhea among children under 5 dropped from 212,000 in 2005 to 55,000 in 2019.

Having said that, there is still a long way to go to bridge that gap. Although 94% of all women now claim to know about ORS packets, it still hasn't found their way into every household. As a consequence, diarrhea still remains one of the leading causes of death in children in India.

There is also the fact that ORS packets alone won't help alleviate this crisis. We still need to address the root cause—inadequate sanitation and unsafe drinking water.
And finally, there is the issue of copycats.

The WHO prescribes a formula for ORS. It contains a mix of Glucose, Sodium chloride, Potassium chloride, and Trisodium citrate. But there are other similar solutions—more expensive and those that do not always address the root cause.

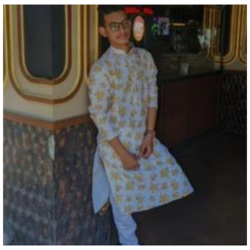
Take for instance ORSL—an energy drink that comes in an east-to-consume tetra pack marketed by pharma giant Johnson & Johnson. Now you would think that it is the perfect substitute to treat diarrhea since it has ORS in its name. But…it is not. This is a product recommended to replace water and salt loss during exercise. It is a sports drink. But ORS is a formulation that is used to treat dehydration caused by diarrhea. It is not the same thing.
And yet, the unassuming customer will probably substitute one for another, which in some cases, could make your symptoms worse.

According to Dr. Ashwani Koul, a Bengaluru-based pediatrician, "I've had many patients coming to me with persistent diarrhea and the only intervention needed was to stop their ORSL intake."

Now J&J has explicitly noted that it does not market it as an ORS solution for diarrhea. But that's not stopped pharmacists from recommending it to patients almost routinely.
In fact, there's even a Public Interest Litigation in India's courts attempting to ban pharma companies from selling these alternate ORS products. And despite an order from FSSAI in April 2022 prohibiting such drinks from carrying the word ORS on their labels, the practice continues unabated.

So yeah, while ORS continues to save lives across the world, there is still a lot of work we need to do to keep Dr. Mahalanabis' legacy alive.

By Rithick Kumar



Update for the day #1629 | Elon Musk Relaunches Review-Backed Twitter Blue Service, Businesses to Get Gold Check Marks

The Twitter Blue relaunch came the same day that Elon Musk reportedly disbanded Twitter's Trust and Safety Council.

Elon Musk relaunched a Twitter subscription service on Monday after a first attempt saw an embarrassing spate of fake accounts that scared advertisers and cast doubt on the site's future. The first try last month came just 10 days after Musk's $44 billion takeover of the platform and a mass round of layoffs that saw company staff levels halved, including teams of workers moderating content.

The relaunch of Twitter blue in a handful of countries including the United States comes as the Telsa and Spacex owner has stepped up his tweets endorsing right-wing causes, including opposition to the use of gender-neutral pronouns and the US government's response to Covid-19.

The subscription service costs $8 (roughly Rs 660) per month for users accessing Twitter on the Web and $11 (roughly Rs 900) if signing up on an Apple device. Companies will have a gold check mark displayed against their account name on the platform.

The initial rollout of Twitter Blue caused an uproar when many fake accounts popped up pretending to be celebrities or companies and Musk's team was forced to pull the plug on the scheme.

This time, the company reworked its verification procedure with a review required by Twitter before receiving the coveted blue mark.
A blue checkmark on an account, which indicates it has been verified by Twitter, was previously free but reserved for organizations and public figures in an attempt to avoid impersonation and misinformation.

The relaunch came the same day as reports that Musk disbanded Twitter's Trust and Safety Council -- a body created six years ago that allows the company to tap into global experts for help shaping strategies around hate speech, child safety, civil rights, and other sensitive issues. An email sent to council members said Twitter is revaluating how it brings "external insights" into its work and decided that the council is "not the best structure to do this," The Washington

Post and CNN reported, citing copies of the message.
Some members of the Trust and Safety Council had already resigned in protest, saying the wellbeing of Twitter users was declining with Musk in charge, CNN reported.

Personal attacks
Since his takeover, content moderation has proved to be a major headache for Musk, who has described himself as a free-speech absolutist and vowed to let people tweet whatever they want, within the law.

But the billionaire's commitment to unfettered comment has scared off major advertisers and caught the attention of regulators.

Musk believes that the previous ownership of Twitter held a strong left-wing and pro-LGBTQ bias and unfairly banned accounts, including that of former US president Donald Trump.

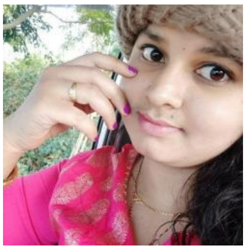
On Sunday he lashed out against the outgoing key advisor for the US response to the COVID-19 pandemic, Anthony Fauci, a frequent target of vitriol on right-wing media.
"My pronouns are Prosecute/Fauci," Musk said, tauntingly playing on the growing practice for people to indicate their preferred gender pronouns.

By late Monday, trending comment on Twitter in response to Musk called for people to change their pronouns to Boycott/Tesla.
The White House blasted Musk for the tweets against Fauci calling them "disgusting" and "divorced from reality".
"These are incredibly dangerous, these personal attacks that we are seeing," said White House spokeswoman Karine Jean-Pierre.

CNN reported that Twitter's former head of trust and safety had fled his home after baseless attacks on Twitter, endorsed by Musk.
Yoel Roth, who left the company in November, has been the subject of threats since Musk's release of internal documents that play into unsubstantiated theories about collusion by some inside Twitter with the Democratic Party.

The attacks took a serious turn Sunday when Musk endorsed a tweet that accused Roth of being an apologist for pedophilia -- a common trope used by conspiracy theorists to target opponents.
The South African-born billionaire's embrace of right-wing talking points seemed to attract increasing scorn in politically liberal San Francisco, where Twitter is headquartered.

By Renuka Bharadwaj



Update for the day #1630 | Centre seeks Parliament's nod for additional spending of Rs. 4..36 trillion in FY 22-23

The Union government on Friday sought Parliament's nod for additional spending of ₹4.36 trillion for FY23, including over ₹1 trillion for fertilizer subsidy after the war in Europe boosted prices of soil nutrients and their feedstocks.

The first batch of supplementary demands for grants tabled in Lok Sabha by the minister of state for finance Pankaj Chaudhary also sought approval for additional expenditure of ₹80,348 crore towards food subsidy and additional allocation under the Pradhan Mantri Garib Kalyan Anna Yojana (PMGKAY).

The supplementary demand is an additional grant required to meet the required expenditure of the government over and above the amount for which the parliamentary nod was taken earlier.

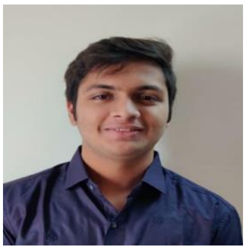
The need for additional expenditure arose as the fertilizer subsidy burden crossed the budget estimates in the wake of the developments in Europe and the need for the government to continue supporting additional requirements for providing food grains to the poor.

The government has sought gross additional expenditure of ₹4,35,938.87 crore, but the net cash outgo is expected only of ₹3,25,756.69 crore, as additional expenditure is matched by savings of the ministries/departments or by enhanced receipts/recoveries aggregating to ₹1,10,180.59 crore.

Besides, a token provision of ₹1.59 crore has been sought, one lakh for each item of expenditure, for enabling re-appropriation of savings for new program. The Union government on Friday sought Parliament's nod for additional spending of ₹4.36 trillion for FY23, including over ₹1 trillion for fertilizer subsidy after the war in Europe boosted prices of soil nutrients and their feedstocks.

"The total net cash outgo under the supplementary demand for grants, which is somewhat smaller than our expectations, is dominated by fertilizer subsidy, food subsidy, payments to the OMCs for domestic LPG operations, and funds towards NREGA. Additionally, capex has been augmented by around ₹31,000 crore, which should help to ensure that the capex target is achieved," said Aditi Nayar, chief economist, ICRA.

By Yashank R Bhansali



Update for the day #1631 | From Big Five to Bankruptcy

We all know about the Big 4 Accounting firms- KPMG, PwC, EY and Deloitte. But just twenty years ago there were Big 5, the fifth one was Arthur Andersen.
Enron Corporation is an American Energy Company based in Houston, Texas whereas Arthur Andersen was then one of the five largest audit and accountancy partnerships in the world, based in Chicago. The scandal happened because of accounting and auditing irregularities leading to a loss of $74 billion. Enron was an audit failure by Arthur Andersen and the case came into light when Enron encountered a collapse in the third quarter of 2001 which resulted in the largest Bankruptcy in US history.

In the beginning, Andersen was well known attributable to a regime of following clear rules and top-grade accountants.
Likewise, it was with the new laws and guidelines of Securities and Exchange Board of India that Arthur Andersen took off higher than ever. It was during this period that they saw their incomes bounce from $8 million to $190 million. This leap cemented it as the second biggest auditing firm. Regardless of the series of consolidations that moved through the business during the 1990s, Andersen stayed independent. During this basic period, the company's central focus began moving from auditing to consulting and advisory services.

The Outset of the Doom
As the dual business focus developed stronger, the organization redesigned itself into two units: Andersen Worldwide, as the partnership holding organization and Andersen Consulting, as the consulting unit, transformed into an income regime.
Disputes between the auditing and consulting units started mounting. The company's audit administrations led to complications as consulting incomes dominated auditing incomes by a three to one edge during the 1990s. In mid 2000, following a time of continuous disagreements, Andersen Consulting split away as an autonomous unit.

Despite the fact that Anderson went through burdensome situations and assembled a poor record on a portion of its audit work, its breakdown began with Enron and the work it accomplished for the organization over a multi-year time frame. Enron was one of Andersen's key records, yielding enormous accounting and consulting revenue. By the beginning of the new Millennium, Anderson was generating $1 million every week from Enron. While the audit unit evaluated Enron's budget summaries, the Consulting division was focused on building up a significant number of Enron's SPE's and tax plays. A portion of Andersen and Enron related issues started as of 1997 when Andersen started signing the audits, in spite of dubious discoveries.

Time for Revelations
In February 2001, a few audit partners communicated concern about the organization's questionable practices. As the Enron examination unfolded due to organization's income discharge in 2001, Andersen's administration consented to assemble Enron reports for the Securities and Exchange Commission's (SEC) own examination concerning SPE's. But rather than furnishing the documents to the SEC, Andersen accomplices, led by chief Enron relationship administrator Duncan, started an efficient disposal of relevant reports. In January 2002, one month after Enron's bankruptcy filing, Andersen's administration accepted that it had disposed of an enormous number of Enron documents after the SEC examination began.

Duncanand a few partners were terminated, yet CEO Bernardino and different chiefs denied any criminal wrongdoing.

In March 2002 the US District Court charged Andersen in the issue of "wholesale destruction" of Enron's documents. The organization employed previous Federal Reserve administrator Volker to make a free oversight board, however the work yielded no outcomes.
Bernardino stepped down as the CEO in the last attempt to avert further activities against Andersen.

The Final Curtain

Enron ended its bankruptcy in November 2004 following a court-approved plan of reorganization. A new Board of Directors changed the name of Enron Corporation to Enron Creditors Recovery Corporation and emphasized on reorganizing and liquidating operations and assets of the pre-bankruptcy Enron. When many started to question the future possibilities of Andersen, it prompted further withdrawal of customers and representatives.
Andersen went to trial shortly and following six weeks of proceedings, he was found guilty of hindering justice, causing the SEC to ban the firm from future audits of public organizations. The partnership was terminated and the firm was dissolved.
While Andersen's base of intangibles like knowledge/intellectual property, ethics, goodwill, and reputation- was in an unstable state preceding the trial, the SEC destroyed what was left from the establishment. Andersen filed for bankruptcy in late 2002, transforming the Big Five into the Big Four.

By Aditi Jain

Update for the day #1632| Govt may increase income tax free slab to Rs 5 lakh in Budget 2023

Officials of North Block, headquarters of the Union finance ministry, are exploring the possibility of increasing the tax-free slab to Rs 5 lakh in the two-year-old alternative personal income tax regime. It is important to mention in this context that as per the current tax laws, an individual is required to pay tax in case his taxable income in India surpasses the basic exemption limit. The general exemption limit is Rs 2.50 lakh per year.

Many experts are of the view that the cost of living has gone up due to sticky inflation while the tax burden remains unchanged. And it is high time to slash the rates of personal income tax in a bid to increase disposable income and revive the demand cycle. More importantly, the last full budget of the National Democratic Alliance (NDA) government's second tenure is likely to give some respite to the salaried class via the rationalisation of rates. Citing an unnamed government official, the Business Standard reported that raising the limit will cut the tax outgo for assessees, thus leaving more money with them to make suitable investments. At present, very few taxpayers have opted for the alternative tax regime. If taxpayers take advantage of tax exemptions such as Section 80C and Section 80D, then the tax liability in the old personal income tax system comes down.

By Sree Harshitha

Update for the day #1633|Mismatch in International Trade and The face of Hawala transactions

Have you ever given a thought of how some products are available substantively cheaper in our Indian market by some sellers??
Here is one small fact picked to answer the question.

India imported $79.2 billion worth of goods from China between January and September this year. At least that's what the official figures suggest. But ask China and you'll get a completely different answer. Our neighbor believes that it shipped goods worth $89.7 billion.

So where did the $10 billion go exactly?

Before we get there, you should know that the whole "India says this, China says that" conversation isn't new. There have always been discrepancies. But the issue here is that the gap is growing. So, the big question is—Why is there a mismatch in the first place and who should we believe?

If you ask Ajay Sahai, director general of the Federation of Indian Export Organization, he'll say that it takes up to 2 months for Chinese shipments to reach India. That means China might record a shipment in the month of September, but we won't see it in the official Indian tally immediately. We'll record it only once it reaches our shore. This obviously translates to a mismatch.

The second reason is trade on the high seas. Over 80% of goods are shipped via waterways. With so much cargo floating around, you can expect some sort of trade to happen en route, right?

For instance, if someone in India is importing goods from China and a business in Oman learns that the shipment is en route, the Omani business could reach out to the Indian importer, strike a deal, and reroute the cargo to their shores. China records it as an export to India. But since it doesn't show up at our ports, we don't record it as an import.

Unfortunately, we don't know how much trade happens on the high seas. So, we can't really say, "Look, this is the exact problem. So, let's look at more explanations. Perhaps a not-so-innocent one called under-invoicing. To put it bluntly, cheating!

You see, when you import goods into the country, you must pay an extra charge called a customs duty. The government is saying, "Hey, you could have bought a similar product in India as well. But you chose to ship it from outside. And I don't like it all that much. So, pay a fee on top because we don't want these products flooding Indian markets and hurting Indian manufacturers. For instance, the import duty on wine is 150%! On cars, it can go up to a staggering 165%.

They declare that the value of the imported product is only ₹7 lakhs even if its true worth is ₹10 lakhs. In short, they're under-invoicing the product. And they're trying to get away by paying a lower customs fee. And this dubious activity is quite rampant. In fact, Indian tax authorities think that we have lost more than ₹16,000 crores due to trade under-invoicing from

April 2019 to December 2020.Now while the importers declare the low value in India, they still have to pay the exporter the full value—i.e., ₹10 lakhs from our example earlier. That's where the infamous hawala comes in.

The system is simple—the importer reaches out to a hawaladar (or broker) in their country and hands over ₹3 lakhs in cash. This hawaladar reaches out to a fellow hawaladar in China to exchange details about the deal. Then, the hawaladar in China contacts the exporter and hands over the cash.

But they don't actually transfer the physical cash across borders. Cash doesn't even move from one country to another. Instead, the system is based on trust. One hawaladar (the one in China) is indebted to a fellow hawaladar in India. And over time, the debt and transactions cancel each other out.

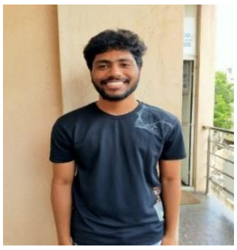
Anyway, this invoicing issue isn't a new phenomenon. Everyone is aware of these dubious deals. In 2019, the Confederation of All India Traders (CAIT) told the government it was worried that Chinese goods were coming in through these hawala channels.

Let us explain. When importers ship stuff to India they must pay GST alongside the customs duty. Now let's suppose they're importing something whose declared value is ₹100 and the GST is set at 18%. They sell it to a customer in India by bumping up the price to ₹200. Now the tax authorities impose a GST of 18% once again. So, the importer has to deposit ₹36 (18% of ₹200) with the government. However, there is double counting here. The government has already taken ₹18 as a cut when the importer first shipped the product to India. And they shouldn't be taking this cut once again. So, the importer can claim an Input Tax Credit to offset the liability of ₹36 he's expected to pay when making the sale in India. Net, he only must pay ₹18 after claiming a tax credit of ₹18.

The importers use this price arbitrage to sell the product at dirt-cheap prices in the bustling by lanes of the grey market. That iPhone your friend snagged for cheap. Yes, that's probably an 'under-invoiced' product! But if they claimed a tax credit on this sale, they would have to produce the invoice. And then the tax authorities would most certainly find out that they had under-invoiced the actual product when they first shipped it to India. Which is why they don't give you invoices when they sell you iPhones in the grey market. No invoice. No 'Input Tax Credit'!

Maybe that will work? We don't know. All we can say safely is that we certainly don't want to keep leaking billions of dollars thanks to dubious practices. Maybe the government and tax authorities will go on overdrive now and fix this issue once and for all. And we hope this explains the mismatch in trade data too!

By V Sai Saran



Update for the day #1634 | Deposit refund scheme- Dealing with Plastic

A new weapon in the fight against plastic?
In today's update, we discuss a new way of dealing with plastic — the Deposit Refund Scheme (DRS).
The Story

India has a plastic problem. We're the 5th highest generator of plastic waste in the world. And we recycle only half of this waste each year.
What happens to the rest?
We burn some of it. That releases toxic fumes. Some of it will find its way into water bodies and kill marine life. And then a good chunk of plastic mixes with other kinds of waste and enters poorly maintained dumpsites—of which ~3,000 are peppered across India.

But wait…why are we talking about plastic out of the blue?
To be honest, it's always a good time to talk about plastic pollution! We do have an ominous warning hanging over our heads at all times—that by 2050, we'll have more plastic than fish in the oceans. It's scary and quite depressing!

But the real reason we wanted to talk about plastic is this—Delhi-based Centre for Science and Environment (CSE) just published a report called 'The Plastic Lifecycle'. They highlighted India's perennial plastic issue. But they also discussed a novel idea to deal with it. Something called the Deposit Refund Scheme (DRS). And we thought we could look into some more.

But before we get into the nitty-gritty, let's quickly understand how we combat plastic pollution today.
Bans!!! That's right. Our single biggest weapon against plastic pollution involves banning plastics of various kinds. Remember we enforced a ban on single-use plastic in July? You know, the kind that is frequently littered around—like earbuds with plastic sticks, plastic cutlery, straws, wrapping or packing films, candy sticks etc. That did work a bit. Unfortunately, the ban only targeted 2%-3% of the total plastic waste India generates. So, it doesn't move the needle much.

Like the Extended Producer Responsibility (EPR) policy. Here, polluters are split into three categories—producers, importers and brand owners (PIBOs). And the policy tells these folks, "Hey, you're creating the plastic waste. You're the polluter. So it's your responsibility to pick it up and recycle it."
Each year, they have to disclose their plastic production. And their EPR targets for recycling.

But most companies aren't big fans of this policy. Going after and picking up plastic waste can be a painful process. Especially since most of it isn't segregated properly anyway. And without strict action, only a handful of these importers and brand owners have registered on a centralized portal that would track their plastic collection and recycling targets. No one knows what's really happening.

And this is a way to involve and incentivise everyone in the value chain. You get money when you return plastic. The street vendor gets a cut for their efforts. And the PIBOs meet their targets and maybe get a gold star from the government.

Maybe this can help change India's low plastic recovery rate of just 50%. And maybe we can emulate Norway.

But before we decide to implement this, maybe we should look at Maharashtra which introduced a DRS in 2018 and called it the Buyback Depository System. The scheme was that Mumbaikars would get ₹0.50 for returning a milk packet, ₹1 for PET bottles that had capacities of 1 litre and above and ₹2 for PET bottles with capacities of 200 ml to 1 litre. Consumers had to put their plastic waste through plastic collection machines to get their incentive and the manufacturers had to recycle them responsibly. But everyone was puzzled at the time.
Folks pointed out that it cost just ₹0.60 to make one 500 ml plastic bottle. But the scheme wanted to reward consumers with ₹2 for every such bottle. Manufacturers could simply produce these bottles in excess, give them to the government, and walk away with a cool profit of ₹1.4 per bottle.

It was much like the Cobra Effect back in the colonial days. Delhi was suffering through a cobra infestation and the British decided to tackle the problem with a cash incentive. They told folks, "Give us dead cobra skins and we'll give you money." But some ingenious Indians realised that they could make a quick buck turning this scheme on its head and started breeding cobras instead. So instead of solving the problem, the incentive actually aggravated it.

And while there isn't enough data to prove this happened in Maharashtra, the incentive problem was clear as day. But that's an easy fix with a few tweaks.

There's actually a bigger issue to contend with. The informal sector. You see, India is home to at least 4 million waste pickers. These folks could earn anywhere between ₹2,000 to ₹10,000 a month to segregate, clean up and supply waste to formal sectors for recycling. So, a direct system involving consumers and PIBOs will eliminate them from the value chain.
Any DRS design will have to keep this in mind.
So yeah, as much as DRS has shown signs of success globally, the Indian scenario could be very different. And unless we figure out ways to iron out some of these kinks, it's unlikely to make a massive impact on plastic recycling metrics .

Making an effort on individual level is so much better than just sitting idle. I hope we all make India better at smaller level first and then make it huge coz "change always begins at HOME"

By Anamika Kumari

Update for the day #1635| Collective Madness is called Sanity

Veronika Decides to Die (Portuguese : Veronika Decide Morrer) is a novel by Paulo Coelho. It tells the story of Veronika, a 24-year-old Slovenian who appears to have everything in life going for her, but who decides to kill herself. This book is partly based on Coelho's experience in various mental institutions and deals with the subject of madness. The gist of the message is that "collective madness is called sanity".
Plot summary

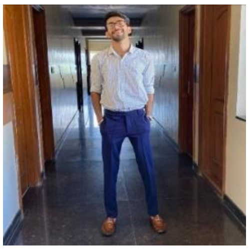
Veronika is a young woman from Ljubljana, Slovenia, who appears to have a perfect life, but nevertheless decides to commit suicide by overdosing with sleeping pills. While she waits to die, she cancels the suicide letter she starts to her parents while suddenly provoked by a magazine article.

The magazine article wittily asks "Where is Slovenia?", so she writes a letter to the press justifying her suicide, the idea is to make the press believe that she has killed herself because people don't even know where Slovenia is. Her plan fails and she wakes up from the coma in Villette, a mental hospital in Slovenia, where she is told she has only a few days to live due to heart condition caused by the overdose.

Her presence there affects all of the mental hospital's patients, especially Zedka, who has clinical depression; Mari, who has panic attacks; and Eduard, who has schizophrenia, and with whom Veronika falls in love. During her internment in Villette she realizes that she has nothing to lose and can, therefore, do what she wants, say what she wants and be who she wants without having to worry about what others think of her; as a mental patient, she is unlikely to be criticized. Because of this new-found freedom, Veronika experiences all the things she never allowed herself to experience, including hatred and love.

In the meantime, Villette's head psychiatrist, Dr. Igor, attempts a fascinating but provocative experiment: can you "shock" someone into wanting to live by convincing her that death is imminent? Like a doctor applying defibrillator paddles to a heart attack victim, Dr. Igor's "prognosis" jump-starts Veronika's new appreciation of the world around her.

By Rithik Jain



Update for the day #1636 | The Chocolate Effect

Chocolates!
An amazing invention.
Nailed a promotion? You give away chocolates. Celebrating with your significant other? Chocolates would set the right tone. Feeling sullen? Maybe grab a bit of chocolate.

It works, almost everywhere, on every occasion. And this isn't a by-product of chance. Chocolate is meant to make us feel better. For instance, it contains tryptophan—a type of amino acid that can aid serotonin production. Serotonin by the way is a neurotransmitter that can make you happy. Chocolate also contains something called phenylethylamine—a natural antidepressant. And it has theobromine—a compound known to relieve stress.

But if you're wondering why we're going on and on about chocolates, let us explain. Inflation has been on the rise in many parts of the world. Growth has been mellow and everybody's talking about an impending recession. So naturally, people are being prudent with their spending and they're cutting back on frivolous expenses.
But they're not cutting back on their chocolate consumption it seems.

In fact, if you ask Mondelez India, the makers of Cadbury, they'll say that they've been having a great time. In FY22, their revenue grew 16% compared to the previous year. And according to Deepak Iyer, president at Mondelez India, the trend is likely to continue this year with double-digit growth in volumes.

Now, remember, this is coming at a time when other FMCG products are facing headwinds. Total volumes of most FMCG companies are expected to rise by 1–2% only.
So, what's happening here? Why is chocolate bucking the trend?
Well, one answer is that the "chocolate effect" is similar to the "lipstick effect". Remember that?

As Nykaa's beauty e-commerce CEO pointed out in July, "…beauty as a category is a small luxury. If you are sacrificing some of your large luxuries like maybe you're putting off buying a car, handbag but beauty is part of your everyday routine it's essential to your lifestyle."

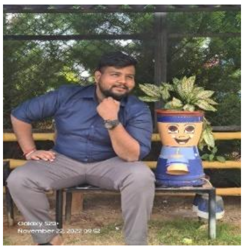
So even during an impending recession, you need to hold on to something to keep yourself from feeling low and despondent. And for a lot of people, it's self-care that fits the bill. It helps maintain sanity! And much like beauty products, chocolates can be a perfect fix when you're feeling blue.
Look at how demand for chocolate changes when its prices rise. Usually, you'd expect demand to fall linearly as prices rise.

But when a research firm looked at recent data from the US, they saw something else. The demand elasticity for chocolate stood at -0.4. Meaning that a 10% increase in price resulted in only a 4% drop in sales by volume. Also, finding a close substitute for chocolate can be hard.

You could argue that ice cream is a good replacement. But it's not an all-weather comforter like a bar of chocolate. Also, other types of Indian sweets can't induce the happiness and highs, chocolate can produce. Their molecular chemistry is different.

So, the demand for chocolate remains steady.

By Vinod Kumar



Update for the day #1637 | Will Artificial Intelligence (AI) take over your Job?

The following update is an AI generated essay on 'Will Artificial Intelligence (AI) take over your Job?' using 'ChatGPT', an AI tool which can write essays, solve problems and also offer suggestions:

It is a common concern that as artificial intelligence (AI) technology continues to advance, it will eventually be able to perform many jobs currently done by humans, potentially leading to widespread job loss. While it is true that AI has the potential to automate many tasks, it is unlikely that it will completely take over all jobs. One reason for this is that many jobs require creative thinking, emotional intelligence, and other skills that are difficult for AI to replicate. For example, jobs in the arts, education, and social work all require a human touch that is difficult for AI to replicate.

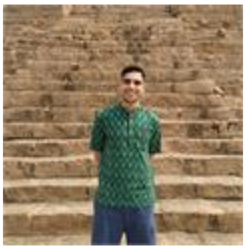
Additionally, jobs that require human interaction and empathy, such as those in customer service and healthcare, are also unlikely to be fully automated by AI. Furthermore, it is important to note that while AI may be able to automate some tasks within a job, it is unlikely to be able to fully replace a human worker.

For example, an AI system may be able to assist a customer service representative by providing quick answers to common questions, but it would still require a human worker to handle more complex issues and provide a personal touch.
In addition, the adoption of AI technology is likely to create new jobs in fields such as data science, AI development, and related fields. As AI technology continues to advance, there will be a growing demand for workers with the skills to develop and maintain these systems.
It is difficult to predict exactly which jobs AI will be able to perform in the future, as the field of AI is constantly evolving. However, it is likely that AI will be able to automate many tasks that are currently performed by humans.

Some examples of jobs that AI may be able to perform in the future include data entry and analysis, customer service, and basic programming tasks. AI may also be able to assist with tasks that require a high degree of precision, such as quality control in manufacturing or medical imaging analysis. Additionally, AI may be able to perform tasks that are repetitive or require a large amount of data processing, such as analyzing large data sets or conducting online research.

Overall, while it is true that AI has the potential to automate some tasks currently performed by humans, it is unlikely to completely replace human workers. Rather, it is likely that AI will augment many jobs and create new job opportunities in fields related to AI development.

By Vivek Kamath



Update of the day #1638 | Huge losses but high valuation of companies, why and how

Start-ups are sometimes regarded as unicorns even while they are making losses. This may seem odd, but even some of the well- established firms are not valued as high as some start-ups, and in certain situations, these well-established companies are valued well below their true worth.

Why is this happening?

Well valuing a loss-making company can be a seriously tricky affair. It is even more difficult to value a company with negative earnings than a company with positive earnings. There are many reasons behind this strange valuation like discounted cash flow, future expectations, and forward-looking projections.

There are certain cases where you see big hi-tech companies undertaking IPOs at eye-watering amounts, even though they aren't in profits, they are essentially creating a large pool of investment to take the company forward to achieving its next level. Investors go for this situation because they perceive that the heavy risk of a start-up has already been borne by the founder shareholders, so the new investment will be the additional money needed to realize actual profitability. Valuation isn't a "balance sheet", it's an expectation for the future, what the business is expected to be worth 2, 3, 6 years down the road. 90% of the "money" in the world we live in, is a bet on the future. Literally, the bank you hold your money in is legally required to have approximately 5% of the holdings it reports. The rest (95%) is all bet on the future. So, if a company is making a loss for the purpose of growth and expansion, its value is higher than its balance statement.

The valuation is all about stories and opinions on the companies. Every firm's management conveys their firm's story to the investor community, some buy it, and some don't. The one who buys the story defines the value of a company. All you need is a reasonable basis to back your projections. And that's what any start-up founder tries to do to raise money.

If we look into technical aspects of it, there are valuation metrics that any firm can use to define a comparison between their start-up firm and an already established related firm. These valuation metrics vary from industry to industry, but the most basic ones are price to sales or revenue ratio. For e.g.- an E-commerce start-up can use the relevant ratios of already listed e-commerce companies like Amazon, Alibaba, etc, and based on geography, a certain risk premium is added along with the discount for being a start-up firm and then the value is derived based on negotiations and that value doesn't have to be the perfect one as far as some person is buying your story. There are many other factors considered while doing business or income valuation like History, ROI, Dominance, Cost of liquidation, Leverage, Minority Interest, Terms of sale, etc.

Therefore, Start-ups in India are throwing their money into selling their goods at much lesser prices i.e., higher discounts than what can be bought in the retail stores, for example, Zomato, Swiggy, Ola, Uber, etc. This is possible because of the investments they receive. And they follow the circular process i.e.- The more customers you have, the more people are interested to invest in your company, And the more investment you have the more capital is with you, and hence the more discounts you can give on your goods, the more customers you gather. Hence one could value a start-up with no or minimal revenue by estimating revenue streams, say achieving x% of a known marketplace. The VCs then calculate valuations based on industry multiples for similar companies in the public markets. VCs tend to have particular outlooks and long-term horizons so they will value things differently than most investors; additionally, negotiated funding terms often have provisions like liquidation preferences that have significant value but aren't reflected in the "valuation" as a single number.

Therefore, put all this together and you get a good picture of why the valuation of a company is not determined solely by its revenue, and why companies without significant revenues can still have high valuation.

By Raki Saha

Update for the day #1639 | India's Chemical Industry

India is an attractive hub for chemical companies. The chemical industry is a global outperformer regarding total returns to shareholders, and this has resulted in high expectations for sustained, continual growth. The macro perspective on India indicates that while the short-term outlook is challenging, the country's long-term-growth story remains positive. Over the last five years, the triple effect of margin expansion, an increase in multiples, and continued revenue growth has raised TRS (exhibit).

Between 2006 and 2019, the compound annual growth rate (CAGR) in TRS for India's chemical companies was 15 percent—a figure much higher than the global chemical-industry return, with a CAGR of 8 percent, and the overall global equity market, with a CAGR of 6 percent. Even between 2016 and 2019, when India's economy faced headwinds, the chemical industry maintained a CAGR of 17 percent.

As per government data, the Indian chemical industry was worth USD 178 billion in 2019 and is expected to grow to USD 304 billion by 2025 at a compound annual growth rate (CAGR) of 9.3 percent. It is expected to attract investments of Rs 8 lakh crore by 2025.
Speciality chemicals constitute 22 percent of the total chemicals and petro-chemicals market in India. The speciality chemical industry grew from around USD 18 billion in 2014 to USD 32 billion in 2019 and is expected to be worth USD 64 billion by 2025 at a CAGR of 12.4 percent, says a report by JM Financial Research.

There have been reports in the global press that the United States will slap investment and export sanctions against more Chinese companies, including biotechnology, health care and tech firms. Chances of more companies getting added to the banned list are high but it remains to be seen if any chemicals companies will be on the list. Regardless, this can result in a shift in the focus of multinationals, which may want a reliable alternative to China to avoid further disruptions in supply. Indian chemical companies are well positioned to benefit from such a shift and garner a major chunk of the pie.

By Rohith S Paradkar

Update for the day #1640 | A new Indian decacorn: Indian Premier League valuation jumps 75% to $10.9 billion in 2022

The Indian Premier League (IPL) just got the 'decacorn' status after its valuation crossed $10.9 billion in 2022, according to a valuation report by D and P Advisory titled 'Beyond 22 Yards. 'This valuation makes IPL a Decacorn (a business with a value of more than $10.0 billion) within 15 years of inception.

In 2020, the IPL was valued at $6.2 billion.

The value of the IPL ecosystem has registered a 75% growth in dollar terms since 2020. The growth in the value of the IPL ecosystem in INR terms is 90%.

The advisory firm has valued the IPL ecosystem at Rs 87,000 crore. The USD's appreciation in the recent past against all major currencies (including the INR) has taken away 10% value in USD terms. The value would have otherwise been close to $12 billion in constant currency terms. The IPL Ecosystem represents the value generated by the IPL as a business.

A landmark event this time was the auction of the IPL media rights for 2023 to 2027. For the first time, media rights were spread among different broadcasters, breaking the monopoly of one company. The league has sold media rights at $6.2 billion, registering a three-fold jump compared to the previous 5-year cycle in 2017.
Additionally, the tournament in 2022 also registered a record-breaking combined viewership of 426 million on television and OTT platforms.

So what led to this jump in valuation?
IPL ecosystem's value is primarily driven by the $6.2 billion media rights deal inked by the Board of Control for Cricket in India (BCCI) in June 2022 and the auction of two new teams - Gujarat Titans and Lucknow Super Giants in October 2021.

Star India and Viacom were the winners of the auction, grabbing television and digital rights respectively. Disney Star had bagged the IPL TV rights for Rs 23,575 crore while Viacom18 acquired the digital rights for a whopping Rs 23,758 crore.
For the first time, IPL media rights got split between two different rights holders. At $6.2 billion, this broadcasting rights deal makes IPL the second biggest sporting league in the world, on a per-match basis.

According to the report, the renewed media rights deal was the major contributor to this substantial jump in value.
Apart from media rights, the increase in the number of matches going forward from 74 to 94 over the next cycle, newly signed sponsorship deals at the league level, higher ticket sales and in-stadia revenue were the other contributors to the increase in the IPL ecosystem value.

"A landmark event this time was the auction of the IPL media rights for 2023 to 2027. For the first time, media rights were spread among different broadcasters, breaking the monopoly of one company. The league has sold media rights at $ 6.2 billion, registering a three-fold jump compared to the previous 5-year cycle in 2017. Additionally, the tournament in 2022 also

registered a record-breaking combined viewership of 426 million on television and OTT platforms," noted the report.
Point to note: In order to determine the per-match fees, $6.2 billion is divided by the total number of matches to be played over the next five years to arrive at $ 15 Mn. Based on this parameter, IPL is regarded as the second biggest sporting league in the world on a per-match broadcasting fee basis.

With two new teams (Gujarat Titans and Lucknow SuperGiants) getting bought last year at a combined staggering value of $.6 billion, the average price tag of a team has seen a whopping 16-fold jump from its inception. These two factors were instrumental in boosting the valuation of IPL to become a Decacorn and the second-largest sporting league (on a per-match basis from broadcasting fees) globally.
To add to the momentum, the Board of Control for Cricket in India (BCCI) has announced the launch of the Women's Indian Premier League with a base price for a franchise at Rs 400 crore ($50 million). This price is higher than most other cricket leagues globally and will add immense value to the overall IPL Ecosystem.

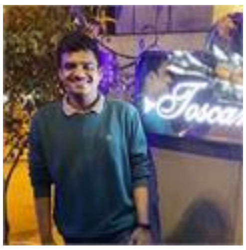
"Since its launch in 2008, IPL has reimagined the nation's cricket competition. IPL 2022 witnessed some major milestones and captivating games throughout the season. The renewed media rights deal was a major contributor towards a substantial jump in value for a relatively young league like IPL. These observations are an assurance of the fact that the IPL will continue to revolutionize the game of cricket and will be etched in the hearts of millions of fans for years to come," said Santosh N, Managing Partner, D, and P Advisory.

Moreover, for the first time in IPL history, media rights were divided among four different packages. Out of all the bundles, the one for digital rights was contested most fiercely. Increasing internet and smartphone penetration, the comfort of use provided by OTT platforms, and the demographic profile of India are some of the reasons behind this change. However, on a broader scale, IPL is significantly behind in terms of ad rates, when compared with some of the other global sporting leagues. For example, a 10-second slot for an ad during IPL 2022 cost nearly $20,000; whereas, the ad rates for the same time slots at National Football League, English Premier League, and Major League Baseball were over 1,00,000. Drawing this comparison, the report mentions how IPL has a lot more space to grow in the future provided broadcasters are able to monetize the content well.

The report concluded by stating that for these growth trajectories to maintain their momentum, all teams need to continue broadening their footprint, forming relationships, and generating revenue opportunities in different markets.

Ultimately, apart from the love for cricket that viewers have, much of cricket's future depends on ensuring quality; not just for the fans, but also to attract sponsors and broadcasters, the latter of which has become vital for the game's financial health.

By Naren Mahesh Pai



Update for the day #1641|India to roll out hydrogen-powered train by end of 2023

India will roll out its first domestically designed and built hydrogen-powered train by December 2023.
Called as the Vande Metro, the train would be manufactured in large numbers and the ultimate aim would be to replace trains built in the 1950s and 60s. The country's railway minister said, "We are designing and the design should be out by anywhere by May or June".

The use of hydrogen and, in particular, green hydrogen as a rail fuel offers a range of benefits, including supporting zero carbon goals as a clean energy source. Until now only Germany has developed hydrogen-powered trains. This year Germany launched the world's first fleet of hydrogen-powered passenger trains. French company Alstom has developed 14 trains with hydrogen fuel cell drive at a cost of around $92 million.
Last month, India got its first indigenously developed Hydrogen Fuel Cell Bus developed by KPIT-CSIR in Pune.

Indian Railways is trying to connect the remote and unconnected areas of the country with the railway network through its Gati Shakti terminals policy, and work on the policy is on the fast track.

They are also working very hard on a track management system to run semi-high or high-speed trains. During a trial run of Vande Bharat, they witnessed that a fully loaded water glass had not shaken at the speed of 180kmph, but, it shook the world.
After the successful completion of the trial run of Vande Bharat, now, serial production of the rest 72 trains will Begin. This New project will also bring a lot of employment & revenue to India.
Looking forward to a better & Bigger India.

By Megha Jain

Update for the Day #1642 | Sovereign Green Bonds

If you've been reading our stories on climate change, you'll know the basics by now. India is heavily dependent on fossil fuels for energy. And when we burn these fossil fuels, there's a lot of harmful gases released into the atmosphere. This eventually warms the earth. And that's not a good thing.

So if we need to stick to our goal of slashing carbon emissions by 45% before 2030, we need to move quickly. Maybe switch to renewable sources of energy for our electricity needs. Maybe have more electric modes of public transport. Things like that.
But to implement this vision of climate-friendly policies, we first need money. We've already spent boatloads in the past on coal-based and other non-environment-friendly projects. And we can't simply print money to finance renewable energy projects too. They cost a lot.
But what if you could tap into the goodness of people and institutions and ask them to pool money together for the cause? And in return, reward their noble intentions by paying them interest for their troubles. Just like any other loan or bond.

And that's exactly where a Green Bond comes in. Last week, India took a step in this direction. The RBI announced that it will issue Sovereign Green Bonds (SgrBs) worth ₹16,000 crores in FY23. It'll be the debut green bond for the Indian government. And we're joining a list of at least 25 other countries that have issued sovereign green bonds over the years.
So what makes it different from any other bond issued by the government, you ask?
See, when the government raises money through a regular sovereign bond, it can use the money for anything. It doesn't really need to tell the investor how their money is going to be spent. The investor doesn't care either. They only care about getting an interest periodically. And that the investment will be returned at the end of the tenure as promised.

But a green bond is slightly different. It's linked only to a specific set of projects that help fight reduce greenhouse gas emissions or make cities more climate resilient. So eco-conscious investors know that their money is being put towards a good cause. And not towards building another coal plant.

Also, because these investments give investors a sense of satisfaction that they're doing good for the environment, they're often willing to accept a lower interest rate. It's called the **greenium**. This makes a green bond a winner for the government because it can raise money at a cheaper rate.

Now we don't know if India can command a greenium. The RBI hasn't specified an interest rate yet. And since it's the first such issue, maybe investors will take some time to warm up. So it's a bit of speculation at the moment.
But as with all things, there could be some issues with green bonds too. Some investors could complain about greenwashing.

What do we mean?

Well, for starters, there's no global standard for what defines a green investment for these bonds. Most issuers rely on principles laid down by the Swiss-based International Capital Market Association (ICMA). Sure, it helps to some degree by giving the framework to select

and evaluate projects and report outcomes. But it's still just a principle. It's not a law. At the end of the day, it's up to the country issuing the green bond to do the right thing.
So you could have a situation where the money from a green bond goes to a government-owned oil and gas company for its wastewater management project. Or to a state-run steel company to install carbon capture machinery. Or even to a diversified conglomerate that creates eco-friendly construction materials, but also has climate-damaging businesses such as fast fashion.

And that's what's called greenwashing—a mirage that the investment is green when it may not be in reality.
Now to its credit, India is paying heed to this.
It's got quite a comprehensive framework that ticks the right boxes. And it is also fairly clear on what it won't finance—nuclear power generation, direct waste incineration, and biomass power plants that source the biomass from protected areas. But it has taken things a step further. For instance, even though hydropower is a renewable source of energy (from water), these projects have caused considerable damage in the Himalayas. So, any hydropower project larger than 25MW has been excluded. Also, it has specified that coal power plants that simply want money to improve energy efficiency won't be a part of this. So that's a relief.

There will even be a Green Finance Working Committee (GFWC) to make sure that the framework is followed. That the right projects get money. That execution is monitored. And even periodic reports prepared to showcase results.

But you can imagine that it's nearly impossible to remove all objections. And there could be some investors who feel a bit jittery.
For instance, while it clearly says that green bonds won't be used for fossil fuel-related projects, there's a caveat. It allows for Compressed Natural Gas (CNG) spending in transportation. Sure, you could argue that it's a cleaner alternative than burning coal. But it's still a fossil fuel. It's not really green. And that could turn investors away.

Also, as Oslo-based CICERO which carried out an assessment of the framework pointed out, the government could use the green bond money to build electric railway infrastructure. But what if it increases the transport of freight to industries which are massive carbon emitters? How do you reconcile that?

Anyway, those are minor quibbles for now. And it's hard to do away with every such red flag. There are bound to be slippages. And the only thing we can do is monitor, learn from our mistakes, and get better over time. With issuances of sovereign green bonds doubling from around $40 billion in 2020 to $90 billion in 2021, let's applaud India's effort to tap into the global frenzy and finance its green ambitions.

By Vijay Sathyanarayan

Update for the day #1643 | Economics of receiving and Giving Gifts

Are you playing Secret Santa this year?

If you don't know what that is, let me explain. It's a game, usually played during Christmas where you randomly draw a name from a list of names (could be your colleagues or your family members) and then you give them a gift. But they won't know that it's you that's doing the gifting. Similarly, you'll probably get a gift from someone else, but you won't know who's gifting it to you. That should always remain a secret and it probably explains why it's a fun way to celebrate the Christmas spirit.

But this game has a problem—More often than not, you won't know what the other person likes.

Last year, I got a pen because my Santa figured that I write every day. And it's now tucked away in a drawer (sorry!). It could happen to you as well. Maybe your aunt buys you a ₹10,000 Amazon Kindle because she figures you love books. But you actually hate reading on a screen. You like real books. And so, the Kindle slowly starts to gather dust.
In a nutshell, gifting can be quite inefficient.
Yes, yes, we know we shouldn't be saying that. Especially since it's the season of gifting. But we're just echoing the sentiments of economists who're out to kill the joy. Their contention is that gifting actually destroys value. They even have a term for it—**"the deadweight loss of gift giving".**
It's the value (or price) that's destroyed when the gift changes hands. Or put more simplistically, it's the gap between how much the gift giver spent and how much the receiver values the gift.

And the economist Joel Waldfogel had some numbers to back this theory.
In 1993, he rounded up 86 undergraduate students and asked them if they liked their Christmas gifts. But a mere 'yes' or 'no' wouldn't really tell him anything. So, he asked them, "How much would you have paid for the items you were gifted?"

And what did he find?

Well, the actual gifts cost a total of $438.20. But the students were only willing to pay $313.40 for these gifts. He repeated the study a couple of months later. And the results were the same. So, in principle, gifting something automatically erodes its value by 10–30%.
And the results were quite similar in India too.
In 2017, Parag Waknis, an associate professor at Ambedkar University Delhi and his co-author surveyed college-going students in Maharashtra about Diwali gifts. They found that there was an average deadweight loss of about 15%.

The reason for this is simple—there's **information asymmetry**. No one knows you better than…you! So, it doesn't matter how hard the gift giver tries. Or how well they choose. There's a high chance that they'll be off the mark.
But wait, there's another angle here.
Let's say you tweak Joel Waldfogel's question. You don't ask people how much they'd be willing to pay for the gift. Instead, you ask people, "How much money would you *accept* in

order to give the gift away?" What do people say then? Well, that's what researchers Thomas K Bauer and Christoph M Schmid wanted to figure out.
So, they popped this question to university students in Germany.
And the result?

Well, on average, students wanted 18% more than the gift's market price to give it away. They wanted more money now.
This is classic behavioral economics at play. It's a phenomenon known as the **endowment effect.** Once we 'own' something, we tend to overvalue it. So if you were gifted a Fossil watch, and someone came to you and offered the market price, you wouldn't give it away. Even if you didn't want or like the watch in the first place. You'd want a lot more money to part with it.
Quite fascinating, isn't it?

But there's one caveat to both these experiments. They were conducted by economists. And here's the thing about economists. They make a lot of assumptions. For instance, they think human beings are rational. But we aren't. We are emotional beings. And since economists ignore "the 'sentimental value' of gifts, these experiments are never perfect.
Also, Waldfogel isn't a bad guy. He's not asking you to be Uncle Scrooge. He just thinks cash and gift cards are better alternatives. At least that way, people can choose exactly what they want. And there's no 'deadweight losses.
But having said that, we won't judge if you decided to show up with gifts anyway.
There's a different sort of happiness associated with receiving a gift. It's the 'thought that counts.

So, while giving gifts might be *economically* stupid, *sentimentally*, it may be the best thing in the world!

By Soundarya S Kadambi

Update for the day #1644 | DO EPIC SHIT

What is This Book About?

Do Epic Shit is a book by Ankur Warikoo where he writes about all the failures and successes he had in his life. He also reflects on the lessons he has learned the hard way to help us be aware of those situations. You will find valuable lessons in this book that you can use in your life.

5 Valuable Lessons From the Book: Do Epic Shit

- **Passion is not something you find. It's something you grow.**
- Don't think everyone wants to lead. 99% of people want to be led. They want to be told what to do. Led them.
- *Be curious. It's what creates opportunities more than hard work ever will.*
- **We procrastinate not because of laziness but because of fear.**
- **Be busy in finding yourself instead of being busy in the rate race and never knowing yourself.**
- **Respect>>> Empathy>>> Sympathy**

Do Epic Shit: Book Summary

There is nothing new in this book. It is meant to be a reminder. It probably won't change your life but it helps you to be more aware of so that you can make better decisions in life; not from a state of ignorance rather awareness.
Read this book by opening any page and reflecting upon the idea.

Success and failure

- Success means different things to different people. You have to give your definition of success and stay true to that. Don't let the world define your rules for success and failure. **Success is a relationship you have with yourself.**
- Everyone is running a different race. In fact, we are not even in a race. We're on our own paths. Some walk. Some run.
- When you planned to do five things in the morning, but you end up doing more, that joy and emotion is a true achievement.
- **You are what you do, not what you say you'll do**. If you commit to something and don't deliver on the promise, it means nothing.
- Luck happens to those who make things happen. Every day and every moment is an opportunity for you to let your actions decide your luck. **Luck is the result of your hard work.**
- You've got just one life. Don't live it being one person. You can be whoever you want and have as many identities as you can. Be an entrepreneur, and also an athlete, and also a person who creates content.
- Explore things. Don't just sit at a place. Move out of where you are in life.
- If you can be tough mentally, you can win the world. The inner world is what drives the outer world.
- **Passion is not something you find. It's something you grow.** Do many things and eventually, you will find one that sticks with you. Nurture it, be patient and let it led your life.

- **Be curious.** We are born with the innate quality to ask questions. But we are forced to stop asking questions by our parents and our teachers. You are curious by nature. It's okay to ask questions that might sound dumb. *Don't numb yourself.* Nurturing your curiosity is the coolest thing in a world where people are scared of being called dumb.
- **Neither success nor failure matters. What matters is what you become through that process.**
- Most people are scared of being themselves. But it is one of the coolest ways to get attention.
- There is discomfort in doing the unconventional but there is permanent discomfort in living life as a template.
- Don't try to live life pleasing people. It's the worst way to live life. When you do so and live for external validation, you are giving control of your life to other people.
- **Make money, a lot of money**. Not to buy stuff, but to buy freedom. The biggest privilege that money can buy is freedom.
- **If you are in your 20s, use it to discover yourself.** Meet as many people as you can. Go to as many places as you can. Do as many jobs as you can. Find out what you are good at and what makes you happy. Then use your 30s to do that.
- **Be a leader.** Don't think everyone wants to lead. 99% of people want to be led. They want to be told what to do. Led them

Habits

- Habits will open doors of opportunities for you. They are what build you.
- **Don't try to wake up early. Sleep early.** The secret is to be energized, happy and productive in the morning.
- *Be curious. It's what creates opportunities more than hard work ever will.*
- The most important skills today are Humour, storytelling, managing money, human psychology, and cold emailing.
- You have to have a plan but without action they are nothing.
- Stay away from social media. Because the smartest minds are working 24/7 to keep you hooked.
- Follow the right set of people on social media and you'll see more opportunities. You become like the people you spend the most time with- both online and offline.

Habits of Ankur Warikoo

- Always carries a notebook
- Documents everything
- Puts everything on the calendar
- Schedules email to himself, for future
- Uses technology for everything possible
- Has a self- WhatsApp group
- Takes an afternoon nap
- Sets the right environment for every task
- Creates sensory hooks for what is important: Because our senses help us drive action. Re-wire your environment for things that are your first priority.

Awareness

- Being aware and mindful of every action you take is a vital skill. Although it's simple, most people don't exercise it.
- Don't let your feelings of what others will say determine your actions.
- **We procrastinate not because of laziness but because of fear.** The fear of failure, success. Fear of rejection. We procrastinate because we don't find security in our achievements.
- **Instead of chasing people's meaning of success, seek satisfaction in your own journey.**
- Being calm even in the harshest situations is a superpower. Calmness doesn't mean you don't lack drive. It means having the power to turn that drive into actions. The calm itself is the fire.

Here are the best mental models for taking tough decisions in life:

- Ask yourself: What's the worst thing that can happen?
- Close your eyes and vividly imagine if happening
- Then ask, 'Will I be okay- mentally, socially, financially, physically, emotionally?
- Assume that the decisions you take are reversible and you will start to act differently. Because, Yes, most decisions are reversible. They are not carved in stone.
- **Be aware, execute and repeat your decisions.**
- **Be busy in finding yourself instead of being busy in the rate race and never knowing yourself.**
- Don't compare yourself to others. It's the biggest waste of time.
- Addictions come from the feeling that doing something generates. **We are not addicted to things. We are addicted to the emotions that these things generate.**
- If you are in college, don't just get to educate yourself and get the degree. Use your time and opportunity to find out what you enjoy. **The purpose of college is to find yourself.** Don't just learn one subject. Learn multiple subjects. Join online communities. Freelance, travel solo. **Do as many things as you can.**
- Ask for help if needed. Because if you don't, the answer is always no. People will only help you if you help them understand how they can.
- Our power to imagine is both our strength and weakness. Use it to your advantage.
- Stop complaining. No one has ever reached the solution by complaining. Rather it amplifies the problem.
- No matter what you do, show up every day. That's what brings results. And be patient.
- You will get what you seek. Not what you desire or what you dream. We always know by heart what we seek. But we may show the world that what we seek is something different.

Entrepreneurship

- Entrepreneurship is hard.
- Most people lack intent, not the capability to do something. When your intent is sharp and clear, you are more likely to be a success.

- Entrepreneurship is 90% about understanding and 10% about execution. 90% about empathy and 10% autocracy. And 100% patience.
- It's not a profession. It's a state of mind. When you work beyond your job description to solve the right problems. If you treat your job like a business, you are an entrepreneur. If you change the status quo for the better, you are an entrepreneur.
- As an entrepreneur, your success depends on how close you are able to getting people to their solutions.
- Somebody out there is already working on the idea you have. Don't over-index the idea. Find what is they don't know.
- It's easy to build a company but hard to build a place where people would love to come to work.
- Don't choose entrepreneurship if your primary goal is to make money, if you hate your job or if you think it's cool because everyone else is doing it.

Money

- The greatest use of money is to buy freedom and it is the ultimate privilege. Freedom helps you make wiser choices.

Mistakes you should avoid with money

- Don't take loans to buy the real estate
- Don't invest all of your money in illiquid assets
- Don't increase your lifestyle with the increase in your income
- Don't invest in the hope of making money fast.

Here's what you should know about money

- Always take taxes into consideration
- Inflation is a real thing
- Compounding rests on time. Give it time. Don't interrupt it.
- Invest in places where you can withdraw cash whenever you need it.
- Have excess cash? **Wait for the right moment to buy. Wait patiently for the market to drop.**
- In your 20s, live below your means.
- Double down on what's working rather than diversification. Diversification will not yield supernormal results.
- **Take risks early on and don't worry about the short-term ups and downs**

Relationships

- Relationships are the places where we thrive. They are also the places where we are challenged the most.
- All problems in the world have a root in miscommunication. All relationships thrive on communication.
- The best way to be taught is to teach others. Break down what you already know and teach it to others.
- Being kind is powerful. Not all will reciprocate but it's always the right thing to do/

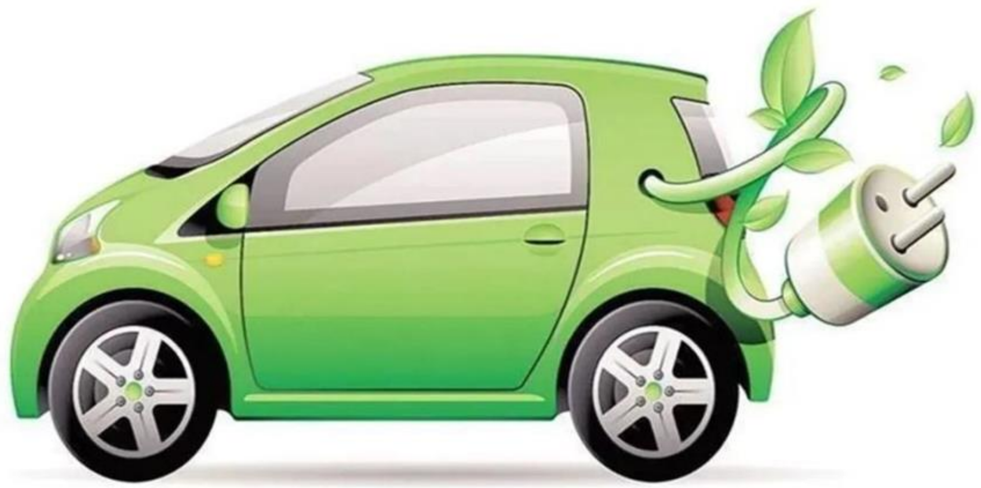
- **Respect>>> Empathy>>> Sympathy.** A sympathy is a form of pity. Empathy is rising above it and thinking at par with someone who is going through and respect is rising beyond what they are going through and letting them know that they are doing a beautiful job.
- Don't be around people who are not willing to heal themselves, those who are not okay with their situations and do nothing to change it. Stay away from relationships that suck the energy out of you. This is an undeniable hack for your peace.
- Most of us do not have love, fulfillment, happiness, or fitness in our life, because it requires effort.
- True friends are very rare. Those are the ones who will be truly happy for you when you succeed.
- How you treat others is a reflection of how we treat ourselves. The inner world is what drives the outer world.

By Umesh Pareek

Update for the day #1645 | EV prices may rise due to hike in battery cost.

Surge in battery costs may lead to 5-7% hike in EV prices !!!

A global surge in the cost of cells is putting pressure on the financial position of several electric vehicle (EV) manufacturing companies, forcing them to look at hiking prices by around 5-7% from next month and in April.



Tata Motors, India's largest electric carmaker, said it will hike prices of the Tiago EV by Rs 30,000-35,000 in January. The company has been absorbing much of the cost pressure through internal cost-cutting measures and improved localization.
Talking to FE, Shailesh Chandra, managing director, Tata Motors Passenger Vehicles and Tata Passenger Electric Mobility, said: "There has been an increase of 30-35% in prices at the cell level. At the vehicle level, the increase would be 6-7%. We are contemplating hiking prices by Rs 30,000-35,000 in January 2022."

In light of the cases of fires reported on electric two-wheelers across the country, the government stepped up scrutiny before laying down stricter battery safety norms. These two-phase norms are expected to not just improve battery safety but push up the cost of their procurement too.

Manufacturers fear that a steep increase in prices will affect the total cost of operation for the EV buyer, especially if the buyer is a commercial operator, who is using the vehicle for business purposes. In such a condition the pricing gap between an EV and a petrol-powered vehicle which had come down will grow wider.
The new norms for batteries will usher in new designs, bring in better thermal management and better battery management systems and superior integration of the battery with the charger.
Sales of electric cars have grown 167% to 31,900 units against 12,000 clocked in 2021. Electric two-wheeler sales have grown four times to 600,000 units this year compared with

150,000 sold in 2021. They stood at 327,000 units this year against 154,000 units clocked last year.

What can we expect in future???

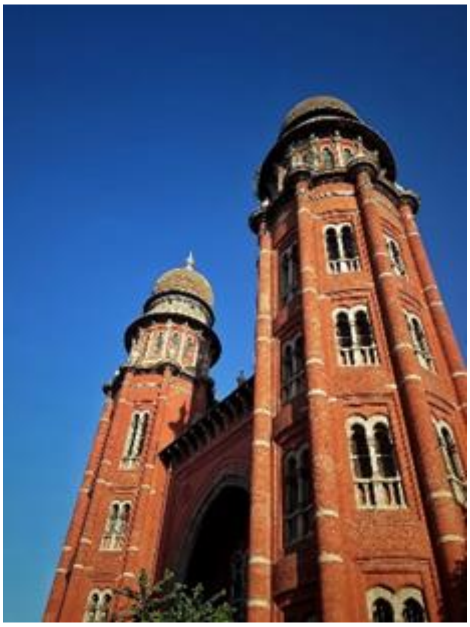
By Rakshith R Ammati

Update for the day #1646 | Corruption within India's Judicial System

Corruption within India's Judicial System

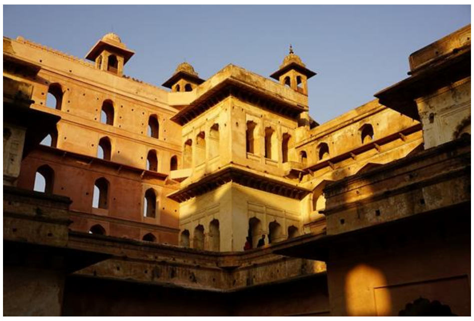
Whether it be bribery, getting a desired day in court, or any sort of unjust practice to sway the results of a trial, India's judicial system remains as one riddled with corruption from many sides. Lawyers, administrative staff, judges, defendants, and more have used these practices to sway countless cases, and exist at all levels of the court system. While the Indian Supreme Court is generally reserved for the cases of highest importance or urgency, because of petitions and the implementation of bribery, the public or individuals outside the Supreme Court have been able to decide what cases go to the highest court of law in India. At least at the High Court level, one step below the Supreme Court, corrupt judges can be impeached under the Judges inquiry Act of 1968, but have to have support of at least 100 members of the Lok Sabha or 50 members of the Upper House of Parliament, or Rajya Sabha.

Staff shortages, case backlogs, different levels of corruption in judiciary hearings, and many other factors have led to the prominent nature of corruption within India's courts. According to The Guardian from around 2016, India has 18 judges per million inhabitants, one of the lowest in the world, whereas many nations have well over 50 per million, and the US having double that at 107 per million. This may partially be due to the overpopulation and abundance of citizens in India, but still limits the amount of trials that can be heard significantly. Coinciding with this, 30 million outstanding cases were in the system in 2015, as BBC said, and that the Supreme Court itself only handles about 2,600 cases a year, meaning the cases will literally never be finished at this rate.

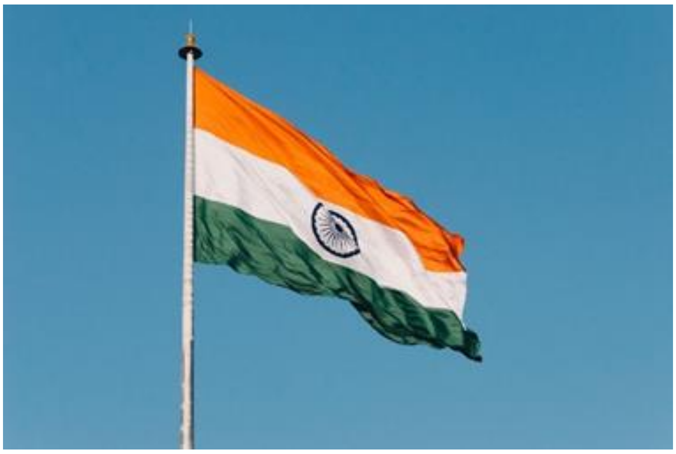


The worst part to this is the secretive, whispered insinuations of this occurring is almost the only punishment, as many of the justices who have been caught in a corrupt practice have been able to step down with little or no repercussions. One of the first instances of punishing corrupt judges was in May 2017 when Honorable Justice C. S. Karnan was found guilty of contempt of the court, and only punished because of making allegations against the court afterward. He was sentenced to 6 months in prison, and has happened again somewhat recently, but definitely is not common, where in lower courts corruption is more openly exposed.

There are few but abusable loopholes in the Indian Judicial system, one stating that you cannot register a case against a judge presumed of corruption without the permission of the CJI. Since it is tough for poorer people to do this, most of the time, it protects them and allows judges to abuse their power against lower classes in court. Markandey Katju, former judge of the Indian Supreme Court, while addressing lawyers of Punjab and Haryana claimed that 50%, half of higher court judges were corrupt, a shocking statistic if true. However, many experts feel that corruption bleeding into the higher courts such as the Indian Supreme Court is a direct result of the lower class, district or courts having corrupt practices undermines and allows for it to spread. The collusion on this lower level sets a precedent that if a judge moves up, they stick to what they have done in lower courts, continuing corrupt practices.



Going into bribes specifically, many are done for all different reasons. First off, and most common, for a favorable judgment in the trial, to win a case and possibly a monetary settlement if in a case such as a civil case calling for payment. A second reason is to get a quicker judgment of the case, either to speed up the process or get their case through to a court, as there is a gigantic backlog of trials to be done. Another is to pay for bail, or to allow someone out who may not have been allowed out on bail. Manipulating a witness to say something you want them or do not want them to say is another, less directly paying to win the case, but to pay a witness, which may be easier to persuade. Finally, influencing the Public Prosecutor on the basis of the F.I.R. or State cases is common as well.



There are many different ways to fix these problems, all within the ability of the government, in order to keep order in India's judicial system. Use of new technologies, offering other ways to dispute court cases and corrupt justices, and making the justices actually accountable for their actions by punishment, following a more stringent code of conduct, and other certain special measures like citizen judges will all aid in a better judicial system. While there is a lot of work needed to fix the Indian Judicial system, there is hope that it will soon become one of honor and not known specifically for corruption or lack of judges with way too many cases at hand.

By Gunda Naga Abhigna

Update for the day #1647 | Why Tata is desperate to buy Bisleri?

Background of Bisleri:
Bisleri was originally an Italian brand created by Felice Bisleri. In 1965, Italian doctor Cesari Rossi and Indian businessman Khushroo Suntook introduced Bisleri bottled water in India by setting up a factory in Thane.

In the year 1969, Mr. Jayanthilal Chauhan owner of parle group bought it from an Italian Company. Led by Ramesh Chauhan (Son of Jayanthilal Chauhan), Bisleri has been a market leader in the packaged water segment for many years. Several companies including Coca-Cola India through its brand Kinley, PepsiCo's Aquafina, Bailley from Parle Agro, and Indian Railway Catering and Tourism Corporation (IRCTC)'s Rail Neer compete in the segment but they all trail Bisleri. The firm also has its presence in fizzy drinks with brands like Spicy Limonata, Fonzo, and Pina Colada. Chauhan has also created various super brands such as Thumsup Gold Spot, Maaza, and Limca, which was acquired by the Coca-Cola Company in 1993 when the Atlanta headquartered company had re-entered the Indian market.

Recently Tata Consumer Product Limited(TCPL) is considering buying Bisleri for Rs. 7000 Cr which is 32 times Bisleri's annual Profit. (Revenue Rs. 2500 Cr and Profit Rs. 220 Cr)
But why does Tata Group want Bisleri?

Well, Tata Group has a strong position in the consumer segment with its wide range of products like Tata salt, Tata Tea, and many more but lacking behind in packaged water business. Tata already owns two packaged water brands i.e Himalayan and Tata Copper which have smaller market sizes.

Bisleri conducts its major businesses in India, with 135 operational plants and a network of 3,000 distributors & 5,000 distribution trucks. Bisleri also distributes its products through its own e-commerce platform and other online retailers. TCPL aspires to be a formidable player in the FMCG category, by expanding its play into the existing category and venturing into new areas. By buying Bisleri, Tata Consumer can become the No.1 bottled company in India and generate additional sales. And Tata can reach every corner of India with its well-established distribution channel.

Regarding why he is selling the Bisleri Ramesh Chauhan said that he has no successor to look after the business after him as his daughter Jayanti is not interested in handling the business.
Note: The deal is yet to be finalized.

By Akshit K Jain

Update for the day #1648 | Santa Claus Rally!

A phenomenon when the stock market can see an upward trend in the last week of December is called the Santa Claus rally. The stock market can rally at any time, which is unpredictable. What's unique about the Santa Claus rally? Santa Claus rally refers to a situation where the market rallies towards the end of December. It is to be noted the period for Santa Claus is still vague as a few say it occurs the week before Christmas, while a few say it starts in the week after Christmas. But in this article, we are considering the stats taken in the week after Christmas.

The Santa Claus rally's first occurrence occurred in 1972 when the market was abnormally high during Christmas until the initial few days of the New Year.

Does the Santa Claus rally occur in the Indian markets?

Though the Santa Claus rally is not limited to any particular country, this is a lesser-known phenomenon in India. But for the last few years, the Indian stock market also started seeing a slight upward trend in the previous week of December. In the last 15 days of 2020, Nifty 50 gave a 2.2% return, delivering 1.7% in 2019, 0.5% in 2018, and 1.9% in 2017.

However, the rally is quite evident in the US stock market, and the phenomenon has also been observed in the Indian markets. With the global markets being integrated to a large extent, the Santa Claus rally is not bound by any one market. Significant moves in the US market may impact Asian markets like India as the stock market in India and US exhibit moderate to high correlation. The FIIs and FPIs are also inactive during this time due to the holiday season. This results in low volume and active participation from retail investors who are generally bullish.

Arvind Kothari says, "According to research, this rally occurred 76% between 1950 to 2019, with the market rising on average of 1.3% each year in the US. Another news report claims that the Santa Claus rally was seen in 34 out of the last 45 yrs, with an average return of 1.4% in the US. The Indian market has also delivered positive returns in nine out of the past 10 calendar years in the last two weeks of December."
The Santa Claus rally is a movement caused during a particular market period. Stock prices may fall during this period. Hence you need to assess your risk appetite and make a wise investment decision.

By Suhan Bammigatti

Update for the day #1649 | The Future is Asteroid Mining

As the consequences of environmental degradation and natural resource depletion become increasingly severe, scientists are placing a greater emphasis on not only sustainably utilizing the resources that we already have, but also on identifying new methods of obtaining resources. For example, scientists are pursuing novel but contentious resource extraction techniques such as fracking. One particular suggested solution, asteroid mining, is literally out of this world.

Although proposed many times, the first tangible effort to enable the exploration and development of asteroid mining came in 2012 from Planetary Resources, a Seattle-based aerospace company. Planetary Resources were then closely followed by a similar company, Deep Space Industries. Both groups have made significant contributions to the field, designing satellites that have identified about 15,000 asteroids with significant potential for mining.

Opportunities in Asteroid Mining

Generally, asteroid mining remains hypothetical, mostly because of its exorbitant cost. While specific estimates of the cost of commercial mining remain unclear, similarities can be drawn between such programs and NASA's OSIRIS-REx mission, which seeks to obtain samples from a near-earth asteroid named Bennu. Despite only being projected to return between 400 grams and 1 kilogram of material, the mission is projected to take 7 years and cost over US$1 billion. Planetary Resources and Deep Space Industries were unable to finance themselves to meet such high development costs. Both companies were acquired by other businesses in 2018 and 2019, respectively.

Despite the high price tag, the development of asteroid mining technology may very well be a worthwhile endeavour due to the extremely valuable resources that asteroids have to offer. For example, Asterank, which measures the potential value of over 6,000 asteroids that NASA currently tracks, has determined that mining just the top 10 most cost-effective asteroids–that is, those that are both closest to Earth and greatest in value–would produce a profit of around US$1.5 trillion. There is also great potential for further expansion. One asteroid, 16 Psyche, has been reported to contain US$700 quintillion worth of gold, enough for every person on earth to receive about US$93 billion.

Such technology could also have a tangible environmental impact. Most notably, asteroid mining would prevent the need for traditional in-the-ground methods of mining, which release toxic chemicals such as lead and arsenic into waterways and contribute to acid mine drainage. Asteroid mining could also provide an avenue for the creation of solar power satellites, a potentially consistent source of clean energy. Most of the progress that has already been made on asteroid mining technology has been focused on extracting water, reflecting concerns of growing water shortages around the world.

Additionally, an important argument can be made that asteroid mining would reduce the prevalence of inhumane or otherwise illegal practices surrounding human mining operations. This would especially impact artisanal and small-scale mining (ASM) operations, operations that are not managed by larger mining companies. For example, recent attention has been focused on the Democratic Republic of the Congo. This country has responded to the growing global demand for batteries and electric vehicles through its cobalt supplies, of which it contains about 70 percent of the world's resources. Although mining operations can be dangerous, a deplorable record of child labour and fatal accidents within Congolese ASM operations has highlighted the need for significant change. Asteroid mining as an alternative to traditional mining might be the kind of change the world requires to end these abuses of power.

By Chandana K A

Update for the day #1650 | The Rise of Esports in India

With the ever-evolving innovation, career opportunities are endless in the gaming industry
The year 2022 has perhaps been the most exciting year for gaming and esports enthusiasts globally. With esports' growing prominence, the world witnessed the first-ever Commonwealth Esports Championship. India's stellar performance was acknowledged with a bronze medal win by the Indian DOTA 2 squad. Continuing with this momentum, we are now gearing for the Asian Games, which will host Esports as a recognized medal event. This was inconceivable till a few years ago.

This year, we have also seen some of the biggest acquisitions in the gaming and esports industry – Microsoft announced its intent to acquire Activision Blizzard for a whopping $68.7 billion in cash, and two of the world's biggest esports companies, ESL and FACEIT, have been purchased for a total of 1.5 billion dollars by Savvy Gaming Group. This is testimony to the unimaginable potential of this rapidly growing industry.
Gaming and Esports Explained

Although gaming and eSports are often used interchangeably, there are some fundamental differences between the two. Gaming refers to playing video games in general. This includes playing Candy Crush on your mobile phone, God of War on your Play Station, or Counter-Strike on your PC. Online card games like Rummy and Poker are also classified under gaming, not eSports. This type of gaming is as competitive as you want to be and is majorly a form of recreation.

On the other hand, Esports are online games that are competitively played in the form of tournaments and leagues. Some of them are digital or virtual versions of mainstream sports like cricket, football, etc. Over the last few years, the popularity of eSports in India has been surging. Let's look at some statistics.
According to FICCI-EY Media and Entertainment Report 2022, the number of eSports players doubled from 300,000 in 2020 to 600,000 in 2021, and eSports revenue grew by 29% from INR 7.5 billion in 2020 to INR 9.7 billion in 2021. What's more interesting is that this growth is expected to continue, with the number of esports players reaching one million in 2022, out of which 20% would be women. The gaming and eSports industry employs just over 40,000 individuals in India, and this is poised to grow.

The Catalyst

The pandemic has acted as a catalyst for the growing esports industry. Amid the lockdown, millions diverted their attention to gaming recreationally, with some even turning to professionals. This trend came on the back of increasing digitization and deeper penetration of Internet connectivity, and this is expected to strengthen with the advent of 5G. There has also been an influx of international game developers in the Indian market, and localization of prominent games. As a result, we have witnessed the growth of 76 online gaming startups in India since the onset of the pandemic, taking the total number to well over 400 gaming companies. With the rise in gaming innovation, we have seen innumerable employment opportunities and a dire need to upskill and reskill the current workforce to be equipped with the knowledge and technical prowess of developing and market games.

Over the last couple of years, we have also witnessed a sharp increase in the number of gamers from Tier-2 and Tier-3 cities in India, especially mobile gaming. Thanks to mobile-based platforms, access to skill-based games and tournaments have become easier. A large part of these recreational gamers are women who picked up the hobby during the lockdown and continued to play even when normalcy returned.

More than just gaming

Esports enthusiasts have started increasing their engagement with tournaments and events for BGMI, Valorant, Call of Duty, Tekken 7, DOTA 2, and other games that are being conducted online. Sports games, multiplayer online battle arenas (MOBAs), first-person shooter (FPS) games, fighting, card games, and real-time strategy (RTS) are the most popular esports genres in the country. And these games are not just popular among the players but have a dedicated viewership too. The rapid increase of eSports viewership in India has created a lucrative marketing opportunity for both endemic and non-endemic brands.

Speaking about esports tournaments, the last edition of The International DOTA 2 Championships boasted a staggering $40 million in winnings and went up to 2.7 million peak viewers. When it comes to streaming games, Twitch is undoubtedly the largest streaming platform. In September 2021, 8.5 million channels were streaming monthly, and 1460 billion minutes were watched overall. This suggests that gaming and esports are not just big for players, but for viewers as well.

Leading brands and advertisers are collaborating with eSports platforms and tournaments to make the most of this growing space. In 2020, LetsGameNow collaborated with Flipkart for the Pro Gaming Showdown Tournament, and NODWIN Gaming partnered with Airtel to launch the Airtel India Esports Tour, a national ranking and award system for Indian esports players.

Advertising, collaborating, selling merchandise, and franchising via esports Teams have brought in a lot of revenue for brands. Gen Z and younger millennials remain the primary target audience for esports businesses. However, virtual gaming is no longer an expensive hobby for urban youth who can afford it. Interest in esports is expanding beyond metropolitan areas, covering Tier 2 and Tier 3 cities as well.

The Road Ahead

With innovative collaborations in the media and entertainment industry, many international pop stars are hosting “in-game concerts.” As the name suggests, these are musical concerts performed virtually in the middle of popular games like Fortnite and Roblox, to name a few. The wide reach of these games allows artists to reach a wider audience base. While many of these concerts were free, all attendees had to create a game account. This led to an increased database of users, beneficial for these gaming companies.

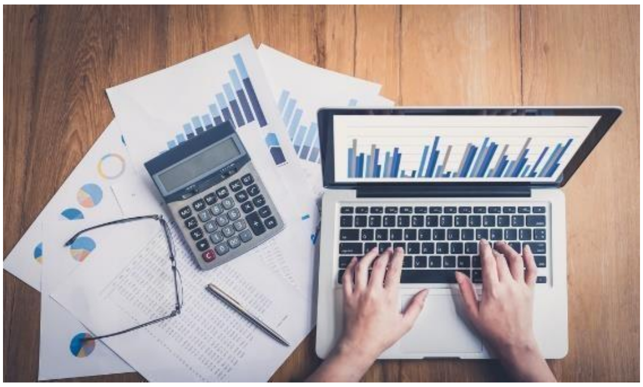
The marketing potential in the esports industry is immense and with the advent of Augmented Reality and Virtual Reality, we can only expect brands to devise unique and ultra-creative campaigns. With the ever-evolving innovations and technology, this industry is only poised for bigger growth.

In India, esports has a promising future with greater recognition, huge rewards, and rising popularity. Gaming companies are looking for talent to capture the untapped market and audience with innovative and immersive games. The Indian gaming industry currently employs around 40,000 people. That number could jump to two lakhs by the year 2024.

Professionals such as game developers, game designers, game programmers, and 3D artists are in huge demand.

As the gaming and esports industry grows rapidly, so does the need for a knowledgeable and skilled workforce. This has to expand beyond developing games and animation to analyzing, scripting, asset creation, and building a robust foundation that will enhance the industry. It is time that enthusiasts be allowed to pursue a successful careers in the world of gaming and esports.

By Amogh V N



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