

THE COMSOC GAZETTE



January 2024

Issued on: 31st January, 2024



FINANCE AND INVESTMENT

STOCK MARKET

STARTUPS

ECONOMY

GEO POLITICS

SCIENCE AND TECH

COMSOG GENIE

THE COMMERCE SOCIETY, SRCC



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01

PROACTIVE STEPS TOWARD DIGITAL CURRENCY DEVELOPMENT:

The RBI initiated a pilot project for wholesale CBDC with nine banks (State Bank of India, Bank of Baroda, Union Bank of India, HDFC Bank, ICICI Bank, Kotak Mahindra Bank, YES Bank, IDFC First Bank, and HSBC), and a retail version of CBDC or e-rupee was launched on December 1, 2022. The e-rupee is in the form of a digital token that represents legal tender. It is being issued in the same denominations as the paper currency and coins. It is being distributed through financial intermediaries, i.e. banks. Users can transact with e-rupee through a digital wallet offered by the participating banks. Finance Minister Nirmala Sitharaman stated that the government and the Reserve Bank are actively involved in enhancing the central bank digital currency (CBDC) for cross-border payments.

"We strongly believe it helps in cross-border payments. It will bring in greater transparency and traceability...", Sitharaman said while speaking at an event. As per her statement it will help in speeding up the payment efficiently that is at less cost bringing down both inward and outward remittance.

02

FPIS PULL OUT FROM INDIAN EQUITIES ON RISING US BOND YIELDS.

Foreign Portfolio Investors (FPIs) have dumped Indian equities worth Rs 24,700 crore so far this month, owing to surging bond yield in the US. On the other hand, they are bullish on the debt market and infused Rs 17,120 crore in the debt market during the period under review, data with the depositories showed.

"There are two main reasons why FPIs turned sellers. One, the US bond yield started rising with the 10-year yield rising from the recent level of 3.9 per cent to 4.15 per cent triggering capital outflows from emerging markets," V K Vijayakumar, Chief Investment Strategist at Geojit Financial Services, said. "Second, since the valuations in India are high, FPIs used the excuse of less-than-expected results from HDFC Bank to press massive sales too," he added. Uncertainty over the interest rate scenario also prompted them to stay on the sidelines and wait for further cues, before deciding to invest in emerging markets like India.

03

INCOME TAX FILERS SURGE OVER TEN YEARS

The number of taxpayers filing income tax returns has more than doubled to 7.78 crore in the past 10 years, as per government data. Releasing key statistics, the Central Board of Direct Taxes (CBDT) on Tuesday said the number of Income Tax Returns (ITRs) filed in FY23 stood at 7.78 crore, showing a 104.91 per cent increase as compared to the 3.8 crore ITRs filed in 2013-14.

During the same period, the net direct tax collections increased by 160.52 per cent. According to CBDT data, gross direct tax collections increased 173.31 per cent to Rs 19,72,248 crore in FY23 from Rs 7,21,604 crore in FY14. At the same time direct tax-to-GDP ratio went up from 5.62 per cent to 6.11 per cent.

01 PUNJAB NATIONAL BANK RAISES PROFIT GUIDANCE TO RS. 7,000 CR FOR FY24:

PNB had revised its profit forecast for the current fiscal year to Rs. 7,000-7,500 crore, up from the initial estimate of Rs. 6,000 crore, following a remarkable 253% increase in net profit during the third quarter. The bank's cumulative bottom line for the first three quarters of FY24 reached Rs. 5,230 crore. PNB anticipates a credit growth of 12-13% and deposit growth of 10-11% in the current fiscal year. The net interest margin (NIM) is expected to be 2.9-3%, slightly lower than the 3.11% reported at the end of December 2023. These positive indicators highlight the bank's strong performance.



02 BAJAJ FINANCE'S NET INTEREST INCOME EXPECTED TO RISE BY 26% IN DECEMBER QUARTER RESULTS:

Bajaj Finance is set to announce its December quarter results on 29 January, with analysts expecting a 25% YoY increase in consolidated net profit to Rs. 3,716 crore. Net interest income is forecasted to rise 26% YoY to Rs. 9,344 crore. The growth is attributed to stable asset quality and robust AUM expansion.

Bajaj Finance's deposit book surged 35% to Rs. 58,000 crore, and it issued 98.6 lakh new loans, up 26% YoY in Q3. The cost-to-income ratio is expected to remain stable around 34.2%. Investors are keen on management's response to RBI's caution on unsecured lending and changes in borrowing mix amid slower bank lending to NBFCs. Product scaling and segment performance will also be monitored.



03 HDFC SECURITIES RECOMMENDS BUY ON CSB BANK WITH TARGET PRICE OF RS. 456:

HDFC Securities has recommended a buy call on CSB Bank Ltd. with a target price of Rs. 456, considering its current market price of Rs 403. CSB Bank, established in 1920, operates as a banking company with a market capital of Rs. 6989.74 crore. Its key revenue segments include Interest and Discount on Advances and Bills, Income from Investment, and Interest on Balances with RBI and other Inter Bank Funds. In the quarter ended 30-09-2023, CSB Bank reported a Standalone Total Income of Rs. 835.79 crore, marking a 3.82% increase from the previous quarter and a 39.26% increase from the same quarter last year. The bank recorded a net profit after tax of Rs. 1331.17 crore in the latest quarter.

01 THE FUTURE OF EDUCATION - UPGRAD

upGrad Education Pvt. Ltd. is an online higher education company that provides programs in the areas of data, technology, and management to college students, first-time job seekers, and working professionals and empowers them to reach their peak potential. These programs are designed in collaboration with top-notch universities like IIT-B, BITS Pilani, MICA, Cambridge Judge Business School, and many others.



upGrad's vision revolves around 'building careers of tomorrow'. The learning experience it delivers is at the core of its business. The upGrad team constantly strives for excellence and has a high degree of passion and pride in whatever it does.

The company has raised \$668.2 million till now in 7 funding rounds, with the most recent round on March 29, 2023, totaling \$30 million from investor Ronnie Screwvala.

In a short span of around 5 years, the startup claimed to have onboarded over 21,500 paid learners and has impacted more than 370K individuals globally, making it India's largest online higher-education company based on gross revenue generated from the Indian market in FY18-19.

02 ZEPTO - INDIA'S 11TH UNICORN

Zepto is an app for grocery delivery that was created by two extremely young business owners. It promises to be the fastest in its category, delivering goods in less than ten minutes.

According to Aadit, a co-founder of Zepto, their average delivery time is, in fact, only eight minutes and forty-seven seconds.

Zepto currently offers doorstep delivery of over 3,000 necessary and non-essential food goods and products, including fresh produce, hygiene and wellness products, and more, whenever and wherever you need them. Not a catch.

Zepto has grown significantly in a short amount of time. At the moment, Bengaluru, Chennai, Delhi, Ghaziabad, Gurgaon, Hyderabad, Kolkata, Noida, and Pune are the cities where its services are offered; further cities will soon be added.

Bobble AI Data Intelligence Division reports that Zepto saw a staggering 946% increase in users between December 2021 and March 2022, compared to the same period for its rivals Blinkit, BigBasket, and Dunzo, who saw increases of 18%, 58%, and 94%, respectively. Its expansion indicates how well-liked the new type of fast delivery service it is providing is.



THE ECONOMIC LENS

04

01 INDIA'S ECONOMIC BOOST TO COME FROM TOURISM FINDS SBI RESEARCH, UP TO TAKE LEAD WITH RAM TEMPLE

According to a SBI report, the UP government initiative coupled with the construction of Ram Mandir in Ayodhya could result in additional tax revenue of ₹25000 per annum for the state in FY25 due to increased tourists. The report indicated that the increase in spiritual tourism in UP has resulted in a refined physical and digital infrastructure thereby facilitating accessible connectivity. 32 crore tourists visited UP in 2022, according to state government estimates, with Ayodha witnessing an impressive footfall of 2.21 crore. Notably, the total expenditure by these tourist exceeded ₹2 lakh crore. Interestingly, foreign tourists contributed an additional ₹10,500 crore to the state's economy, thereby elevating UP to the 5th most visited state in India. A Compound Annual Growth Rate(CAGR) of 8.4% is essential for achieving the ambitious goal of a \$ 5 trillion economy by FY28. UP is poised to play a paramount role in this growth trajectory.

02 NET DIRECT TAX COLLECTION RISES BY 160% TO \$16,63,686 CRORE IN 10 YEARS.

According to a new report released by the Central Board of Direct Taxes, the net direct tax collection has skyrocketed by 160% from ₹6,38,596 crore in 2013-14 to ₹16,63,686 crore in 2022-23. This increase can be attributed to the increased allocation of resources to the collection of direct taxes, despite a substantial rise in the number of taxpayers. This trend proves a growing reliance of advance technology and enhanced compliance measures. Notably, in 2000-01 the cost of collection stood at 1.36% of the total collections but after consistent decline has reached a meagre 0.51% of the total collection in the fiscal year 2022-2023. In a delightful turn of events, the direct tax to GDP ratio witnessed a remarkable increase from .62 percent in 2013-14 to 6.11 percent in 2022-23.



03 INDIA'S FOREIGN EXCHANGE RESERVES DECLINED BY \$2.79 BILLION

The Reserve Bank of India has revealed that India's forex reserves have experienced a decline by \$2.79 billion, settling at \$616.14 billion for the week ending on January 19. This is in sharp contrast to the \$1.6 billion increase in reserves, reaching \$618.94 billion by the end of January 12, 2024. Foreign Currency Assets (FCAs) experienced a decline of \$2.6 billion, settling at \$545.8 billion, according to the Weekly Statistical Supplement Report published by the Reserve Bank of India. The Foreign Currency Assets, when denominated in dollars, account for the effects of the appreciation or depreciation of non US currencies like yen, pound, euro, which are held within the foreign exchange reserves. A sharp drop of \$34 million was witnessed by the Gold reserves, to reach \$47.2 billion. The country's foreign exchange reserve, in October 2021, reached an unparalleled height of \$645 billion. The significant decline in reserves is due to the central bank's strategic manoeuvre to safeguard the rupee amidst rising global challenges.

01 AYODHYA'S RAM MANDIR

The grand opening of Ayodhya's Ram temple was a significant religious event and it holds immense economic potential. Ayodhya has transformed into a spiritual and religious hotspot with new airport and infrastructure improvements and a \$10 billion makeover. The Ram Mandir consecration ceremony in Ayodhya, was led by PM Narendra Modi, on Monday. 'Today in Ayodhya, not only has the Pran Pratishtha of the idol of Ram Lalla taken place, this is also the lifeblood of unwavering faith in Indian culture as manifested in the form of Shri Ram,' said PM Modi in Ayodhya.

Many attendees, including politicians and celebrities, witnessed the "Pran Pratishtha" ceremony which was scheduled at 12:20 pm, the event was also broadcasted globally. Ayodhya's transformation is not just a physical one but is a testament to the resilience, unity, and celebratory spirit of Ayodhya's people. It is estimated to attract over 50 million tourists annually. As it takes its place on must-visit lists, Ayodhya is not only a symbol of religious significance but also is a town that radiates grandeur and community spirit.



02 PAKISTAN'S ECONOMIC CHALLENGES

Pakistan is facing a severe financial crisis and has thus reached out to China for assistance. A letter has been sent by the Prime Minister Anwaarul Haq Kakar to Chinese Premier Li Qiang, requesting for a \$2 billion loan according to the Express Tribune Newspaper. China has also previously helped Pakistan in stabilizing its foreign exchange reserves and in alleviating the pressure of external debt payments. Also, the UAE rolled over a maturing loan of \$2 billion and Saudi Arabia had deposited \$5 billion with the State Bank of Pakistan earlier in this month. The staggering debt, reaching nearly 125 billion by 2023, is owed to the external creditors with about one-third attributed to China only. Pakistan is facing a critical economic situation and unless overdue structural reforms will not be implemented, the risk of financial default will continue to exist.

03 US NUCLEAR TEST RAISES CONCERNS OF NEW ARMS RACE WITH RUSSIA

On the 75th Republic day ceremony, the president of France Emmanuel Macron was invited as Chief Guest. Emmanuel Macron thanked India on X in a caption to a video of the French band and the military contingents marching down the majestic ceremonial which took place in the heart of the national capital. India's 75th Republic Day was celebrated at the Kartavya Path and was witnessed by a large group of global leaders like President Droupadi Murmu, Prime Minister Narendra Modi, members of the Union Cabinet, foreign diplomats and a host of other dignitaries. French President Emmanuel Macron also visited the Dargah Nizamuddin Aulia in Delhi on Friday evening. He reached the almost 700-year-old shrine, the nerve centre of Sufi culture in India at 9:45 pm and remained there for more than half an hour.

01 UNDERSTANDING THE OCEAN'S ROLE IN GLOBAL CLIMATE

A multinational team of scientists led by Hussein Aluie, an associate professor at the University of Rochester, presented a unique paradigm in *Science Advances* to comprehend the ocean's impact on global climate, moving from statistical to mechanistic analysis. The lead author, Benjamin Storer, emphasises how complicated maritime weather systems are in comparison to terrestrial weather. The scientists observed energy transmission across several marine scales using sophisticated mathematical models, indicating linkages between oceanic motions and global climate patterns that are mediated by the atmosphere. They discovered that the intertropical convergence zone, which affects energy transmission and ocean turbulence, is a crucial component of this interaction. By avoiding the drawbacks of statistical analysis and offering a mechanistic knowledge of climate phenomena, this method sheds light on climate dynamics and may have consequences for forecasting and averting catastrophic weather occurrences in an environment where climate change is occurring.

02 HUBBLE DISCOVERS WATER VAPOR ON EXOPLANET

Water vapour has been discovered in the atmosphere of GJ 9827d, the smallest exoplanet where such evidence has been discovered, by astronomers using the Hubble Space Telescope. Excitement about the planet's possible habitability is moderated by its Venus-like temperatures, even though it is twice the size of Earth.

The Max Planck Institute for Astronomy revealed this discovery, which represents a major advancement in our knowledge of the diversity and prevalence of atmospheres on rocky exoplanets. It is still unclear, though, if the water vapour discovered represents relics of a primordial hydrogen/helium atmosphere or a water-rich environment. Scientists believe that the planet most likely lost a significant amount of its initial hydrogen due to its age and closeness to its host star. Utilising the outdated Hubble telescope highlights its continued significance in advancing exoplanet research.

03 DOOMSDAY CLOCK AS CLOSE TO MIDNIGHT AS EVER

Because of growing concerns about nuclear weapons and the growing rate of climate change, the Bulletin of the Atomic Scientists has maintained the "Doomsday Clock" set at ninety seconds to midnight. Among the contributing factors are Russia's operations in Ukraine, Israel's dispute with Hamas, and the lack of attention devoted to preventing climate change. Concerns are raised by the deployment of tactical weapons, tensions between nuclear-armed states, and Russia's suspension of nuclear treaties. Climate statistics show unheard-of temperatures and rising emissions due to a lack of action to reduce the use of fossil fuels. The Bulletin warns of disastrous repercussions in the absence of more substantial action, even in spite of record expenditures in renewable energy. Founded in 1945, the group—which boasts notables like Albert Einstein—aims to warn the public about existential dangers.

MOVIE RECOMMENDATION

DUNE

A mythic and emotionally charged hero's journey, "Dune" tells the story of Paul Atreides, a brilliant and gifted young man born into a great destiny beyond his understanding, who must travel to the most dangerous planet in the universe to ensure the future of his family and his people. As malevolent forces explode into conflict over the planet's exclusive supply of the most precious resource in existence—a commodity capable of unlocking humanity's greatest potential—only those who can conquer their fear will survive.



BOOK RECOMMENDATION

ANIMAL FARM BY GEORGE ORWELL

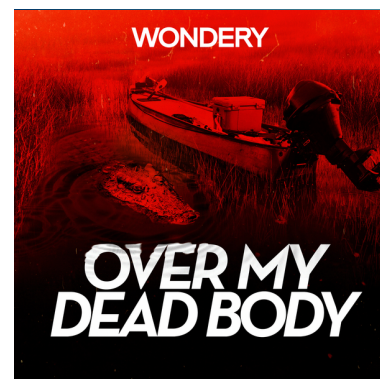
So you haven't read Animal Farm by George Orwell? Well, get ready for a highly political propaganda-filled thriller... about farm animals? That's right, George Orwell created this book with the intent to show people how the masses can be manipulated through propaganda. A seriously heavy topic that wouldn't be so easily digestible if it wasn't wrapped up in a farm animal theme.



PODCAST RECOMMENDATION

OVER MY DEAD BODY

Over my dead body is an anthology series about people who are pushed beyond their limits and do unspeakable things. Listen to Over My Dead Body on Spotify. Over My Dead Body is an American true crime podcast hosted by Matthew Shaer (season 1) and Robert Moor (season 2), and produced by Wondery. The podcast premiered on January 29, 2019, and consists of 19 episodes.



STOCK PICKS

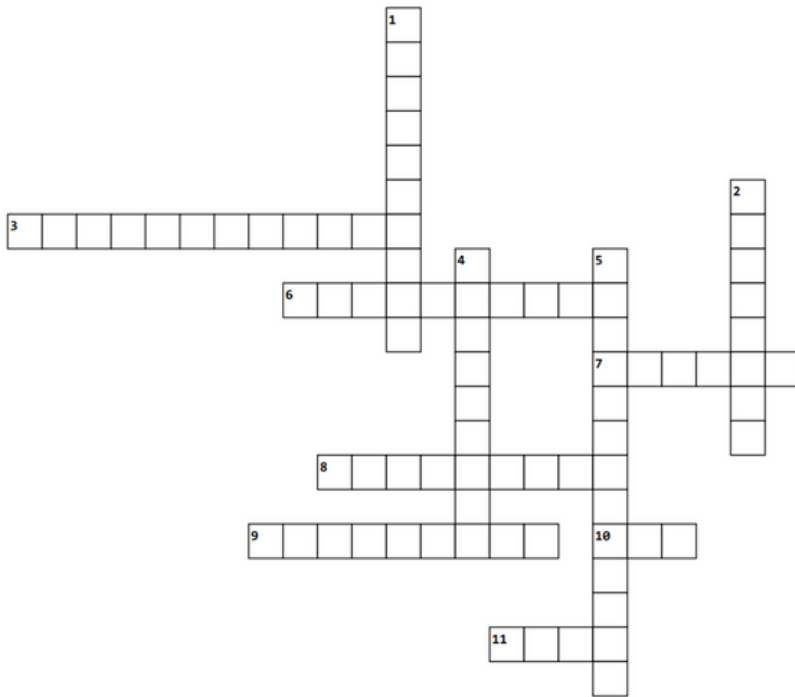
L&T Finance Holdings Ltd. is one of the leading Non-Banking Financial Companies in India, with a strong presence across the lending business catering to the diverse financing needs of served and underserved customers. L&T Finance offers Personal loans, Two-Wheeler loans, Home loans, Rural Business loans, Farm loans, and SME loans.



Current Market Price: Rs. 167

- Stop Loss: Rs. 157
- Target 1: Rs. 176
- Target 2: Rs. 185
- Holding Period: 1 week

CROSSWORD

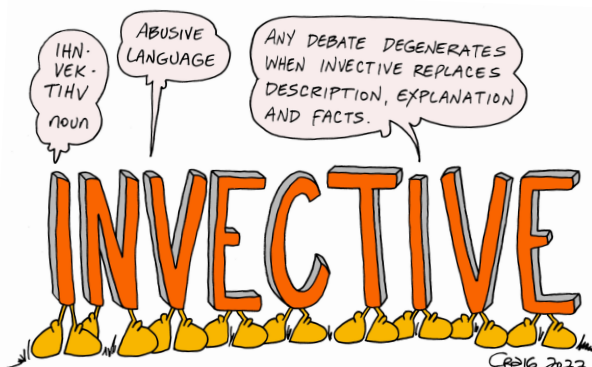


ACROSS

3. A person who sets up a business(es), taking on the financial risks in hope of profit (1 word)
6. A person who is the exclusive owner of a business. they are entitled to keep all profits for themselves after tax has been paid, but has unlimited liability (2 words)
7. Value is the share price of a share when it is floated on the secondary market (2 words)
8. The availability of liquid assets to a market or company (1 word)
9. You can earn an income from shares by either selling stock, or receiving word) (plural, 1
10. The Australian share market (abbreviated)
11. Chip Stocks a stock in a corporation which has a great reputation, is reliable and operates

DOWN

1. A market with a decline and a drop in share prices and demand (2 words)
2. The name for the Hong Kong stockmarket index (2 words)
4. The 4 P's of marketing include price, placement, product and (1 word)
5. The market where the initial shares of a public company are first floated (2 words)



VOCABULARY

1. Modality- The manner or style in which something is done
2. Verdure- Green foliage
3. Sidereal- Of or relating to the stars or constellations
4. Salubrious- Promoting health
5. Invective- Abusive language used to express blame or censure
6. Condone- Excuse, overlook, or make allowances for
7. Egregious- Conspicuously and outrageously bad or reprehensible
8. Eclectic- Selecting what seems best of various styles or ideas
9. Affidavit- Written declaration made under oath
10. Pleonasm- Using more words than necessary

JARGONS DECODED

Granular optimization

It suggests that instead of focusing on tiny details, it seeks the "sweet spot" level of precision coarse enough for efficiency, fine enough for good solutions. This avoids wasting time over-optimizing or missing key elements by zooming out too far.

Ideation vortex

It is a collaborative brainstorming process where teams or individuals get immersed in a highly creative and iterative cycle of generating, refining, and building upon ideas. It's essentially a whirlwind of ideation, where participants are encouraged to think outside the box.

Future-proof

It means preparing for and adapting to potential changes in the future to stay relevant and successful. It's like building a strong, flexible umbrella to handle whatever unexpected downpours might come.

Paradigm Shift

It refers to a fundamental change in the way we understand and operate within an industry or market. It's not just a minor tweak or improvement; it's a complete shake-up of the established beliefs, assumptions, and practices that shaped how things were done.

MYTH BUSTERS

Longer hours equal greater productivity

The idea that working longer hours means being more productive is a myth. It's like thinking a longer lever can lift heavier things effortlessly. But in reality, pushing beyond your best work capacity often leads to less effective results. Overworking makes you tired and prone to mistakes, cancelling out any benefits of extra time. Focusing on quality over quantity, short, focused sessions beat long, sluggish ones. Taking breaks boosts creativity; too many hours at work can stifle it. Finding a balance between work and life is essential for staying productive and healthy.

Auditors are primarily tasked with identifying errors and discrepancies.

While auditors do uncover mistakes, labelling them solely as error seekers is inaccurate. They serve a vital role in guaranteeing financial accuracy and transparency, acting as independent watchdogs to ensure authenticity and accountability. Audits assess internal controls, manage risks, and enhance efficiency. They also aid compliance, pinpointing areas for improvement and providing valuable insights for continuous growth.

FORTUNE'S FABLES

Chai for Change

In Delhi's bustling heart, "Dhirawaani Inc." thrived under CEO Ms. Anarkali Devi's whimsical leadership. Creativity trumped spreadsheets; chai breaks birthed brainstorming sessions. Anarkali fostered individual passions within corporate bounds, turning marketing into poetry and finance into Bharatanatyam. "Chai for Change" was their debut, sourcing organic tea, empowering villagers, and brewing social impact. Quirky chai cafes, from Bollywood masala to Sufi serenity, adorned the city. Anarkali's vibrant saris and mischievous grin embodied Dhirawaani's ethos: a blend of shrewdness and whimsy, where laughter danced amid hand-painted mandalas.

- "Don't wait for the perfect moment. Take the moment and make it perfect." – Joyce Meyer

Thank you for reading!

Hope you enjoyed the content.
Stay tuned for the next edition!

