

# THE COMSOC GAZETTE



## JANUARY 2025

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FINANCE AND INVESTMENT

STOCK MARKET

STARTUPS

ECONOMY

GEO POLITICS

SCIENCE AND TECH

COMSOG GENIE



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# FINANCIAL FORESIGHTS

## 01 UNLOCKING MSME POTENTIAL: THE CRITICAL NEED FOR DEVELOPMENT FINANCE INSTITUTIONS IN INDIA

India's small and medium-sized firms (MSMEs) are key economic drivers, accounting for 30% of GDP and employing over 110 million people. However, they confront a credit gap of almost \$400 billion because they are frequently disregarded by banks and other organizations. This gap is caused by a shortage of development finance institutions that are specifically designed to assist medium enterprises as they grow beyond micro-businesses but do not yet reach the level of giant corporations. DFIs as IDBI and ICICI have historically played an important role in financing infrastructure and industrial projects, but their collapse can be attributed to financial sector liberalization. The need for DFIs has grown as India strives to become a \$5 trillion economy. To solve this, new DFIs concentrating on medium-sized businesses are required, offering novel financial products and partnering with private firms. Furthermore, systemic issues including land acquisition, labor availability, and regulatory complexity must be addressed. Some of the systemic issues that need to be addressed include land acquisition, labor availability, and regulatory complexity. Ease of rules, decriminalization of economic policies, and training employee are some of the critical steps that can unlock MSME potential. Strengthening DFIs and resolving structural obstacles can help India's MSMEs thrive, enhance innovation, employment, and long-term economic growth.

## 02 RBI LAUNCHES DAILY VRR AUCTIONS TO ALLEVIATE LIQUIDITY CRUNCH

The RBI is holding daily VRR auctions so that the pressure on liquidity which is being experienced by the banks reduces. From Friday, the RBI will inject a total of Rs. 50,000 crores in the auctions, decided considering a grave cash shortage which has just surpassed Rs.2 trillion and deteriorated due to the anticipated GST outflows. The RBI has taken the decision of conducting daily auctions to stabilize liquidity, and reverse operations are scheduled to be conducted the next working day except on Fridays, when the same will take place on Mondays. Market analysts believe that it will bring some relief, but they expect liquidity problems to prevail until March. Although VRR auctions are a stopgap solution, some analysts believe that the problem needs a more sustainable solution, such as a reduction in the cash reserve ratio, among other measures. The RBI will continue to monitor liquidity and auction amounts accordingly. This is seen as an effort that helps to ensure consistent management of liquidity and does not put added stress on the banking system.



# CORPORATE ODYSSEY

## 01 FROM DATA CENTERS TO CLASSROOMS: MICROSOFT'S VISION FOR INDIA'S AI FUTURE

Microsoft Chairman and CEO Satya Nadella announced a \$3 billion investment in India to expand cloud and AI infrastructure, establish new data centers, and foster AI innovation. This initiative supports India's vision of becoming an AI-first nation and a developed economy by 2047.

Under the ADVANTA(I)GE India program, Microsoft aims to train 10 million Indians in AI skills by 2030, focusing on inclusivity with significant participation from women and tier II/III cities. The company also launched an AI Innovation Network and partnered with SaaSBoomi to empower 5,000 startups and 10,000 entrepreneurs.

Highlighting sustainability, Microsoft is adopting waterless datacenter cooling and renewable energy projects, underscoring its commitment to responsible and inclusive technological growth.



## 02 THORIUM POWER: NTPC AND CCTE REDEFINE INDIA'S ENERGY FUTURE

India's largest power generator, NTPC Limited, has partnered with US-based Clean Core Thorium

Energy (CCTE) to develop and deploy advanced nuclear energy using Aneel, a thorium-based fuel for pressurized heavy water reactors (PHWRs). This agreement, pending government approval, reflects NTPC's commitment to sustainability and energy security by pursuing clean, dispatchable, and baseload energy sources.



CCTE's flagship Aneel fuel blends thorium with small amounts of enriched uranium, offering numerous advantages, including reduced nuclear waste, enhanced energy security through domestic thorium utilization, and improved reactor safety. Aneel also promises cost savings by increasing energy output and reducing reactor operating costs.

This strategic collaboration aligns with NTPC's broader goals of leveraging advanced technologies and indigenous fuel development. It marks a significant step toward addressing India's growing energy demands while ensuring environmental sustainability and energy independence through innovative nuclear solutions.

## 01 INDIA'S NET DIRECT TAX COLLECTION HITS NEW HIGHS

India's Net direct tax collection for the fiscal year 2024-25 rose to about ₹16.90 lakh crore between April 2024 and January 2025, marking a sound 15.88% year-on-year growth. The gross direct tax collections (i.e. net direct tax collections before refund) surged from ₹17.21 lakh crore in FY 2023-24 to ₹20.64 lakh crore this financial year. Refunds issued during this period increased significantly by 42.49%, reaching ₹3.74 lakh crore.

Looking at the tax collection segment wise, Corporate Tax (CT) collections demonstrated steady performance with net collections reaching ₹7.68 lakh crore, up from ₹7.10 lakh crore last year. Non-corporate tax (NCT), which primarily includes personal income tax, exhibited strong momentum. Net collections for this segment grew by 15.88%, from ₹7.19 lakh crore to ₹8.74 lakh crore.

This surge in NCT collection can be attributed to higher earnings among salaried individuals, the inclusion of more taxpayers under the tax net, and the government's intensified focus on digital tracking of financial transactions.



## 02 GOVERNMENT TO INCREASE GREEN BONDS BY 25%

The Maha Kumbh Mela, the world's largest human gathering, began on January 13, 2025, at Prayagraj with the 'Shahi Snan' on Paush Purnima. While deeply rooted in spiritual significance, the 45-day festival also underscores the economic importance of India's festival cycle.



With over 40 crore visitors expected, the event is projected to generate ₹2 lakh crore in consumer spending, highlighting festivals as vital drivers of India's economy, where consumption accounts for nearly 60% of GDP. Major brands like ITC, Dabur, and Reliance Consumer Products are investing heavily, with ₹3,600 crore allocated to advertising, particularly around key bathing days.

The Maha Kumbh provides a platform for moment marketing, product sampling, and consumer feedback, particularly in tier 2 and 3 cities. Startups, hospitality, and tech platforms are also leveraging this massive gathering, showcasing how festivals contribute to India's economic growth and innovation.

# SUSTAINABLE SYNERGIES

## 01 TECHNOLOGICAL ADVANCEMENTS AND THEIR IMPACT ON ENVIRONMENT

With growing demand, it is important to improve our current technological amenities. These same technological amenities can be used to improve the environment, creating a sustainable form of business. Some of these ways include, Implementing smart meters, IoT sensors, and energy management systems. This allows businesses to regulate their energy consumption and reduce cost & waste. Technologies like AI and blockchain enhance supply chain management by providing transparency and optimizing logistics. Blockchain tracks products to their origins, ensuring ethical sourcing, while AI analytics improve transportation routes and supplier selection, collectively reducing emissions and improving efficiency. In respect to the Digital India movement, it is a great strategy to shift to digital documentation. Digital documentation minimizes paper waste, a significant component of corporate waste. Cloud-based solutions offer secure data storage and sharing, eliminating the need for physical documents and contributing to resource conservation.

As global awareness of sustainability expands across various different communities, it is important for organizations to implement such techniques into their operations to not only contribute to a healthier planet but also position themselves as leaders in the transition to a greener economy.

## 02 TALES OF THE FASHION INDUSTRY: ADVANCEMENTS AND SETBACKS

The fashion industry took a couple of big leaps forward towards sustainability in 2024 but generally, it just didn't reach the finish line. The EU advanced legislation towards the Green Deal. The United States also implemented the Americas Act to spur circular innovation. But every legislative step moved forward was compromised by two political setbacks in both the UK and the US because of Donald Trump's re-election. Scandals of labour rights violation and dubious certification schemes marred supply chains. Some of the notable incidents were wage issues in Bangladesh and child labor in fragrance farms.

Other fast fashion giants, Zara and H&M, were also accused of greenwashing. Both companies were accused of misleading consumers into believing that their products were environmentally friendly. Investigations showed that most of their "sustainable" collections were not transparent in sourcing and production, with little improvement in reducing carbon footprints or waste generation. These allegations show the gap between marketing claims and actual practices. Scaling new-age materials was battered by bankruptcy but some initiatives showed promise. Consumer behavior was polarized between impulse buying and the growing 'de-influencing' trend.

Despite small wins, the circular infrastructure of the industry remained inadequate, and a more focused and unified approach was needed to achieve the sustainability goals set for 2023.

# THE GLOBAL CHESSBOARD

## 01 CRYPTO REGULATIONS GAIN MOMENTUM IN G20 ECONOMIES

G20 nations are converging on stricter cryptocurrency regulations to address tax evasion and financial crime. India and the U.S. are spearheading discussions, with India advocating for a global framework. The Financial Stability Board (FSB) has proposed measures requiring crypto exchanges to disclose transactions and ensure investor protections. While regulations aim to enhance transparency and stability, the crypto community fears stifling innovation. Nonetheless, countries see the framework as vital to fostering responsible growth of digital assets in global commerce.

## 02 AMAZON EXPANDS GLOBAL REACH THROUGH LOCAL PARTNERSHIPS

Amazon is making aggressive moves to expand its presence in emerging markets by collaborating with local retailers and distributors. These partnerships focus on tailoring operations to regional consumer preferences, offering localized solutions, and maintaining competitive pricing. Recent ventures in Southeast Asia and Africa demonstrate Amazon's strategic push to dominate developing economies. In regions like India, where Amazon already has a significant market share, the company is doubling down on investments in technology and logistics. Despite stiff competition from local players such as Shopee and Jumia, Amazon's global strategy is gaining traction. Experts believe these initiatives will strengthen Amazon's dominance in

e-commerce, positioning it as a key player in the future of global commerce.

## 03 INDIA OVERTAKES CHINA IN GLOBAL TRADE GROWTH

India has emerged as the fastest-growing major economy, surpassing China in trade growth. Its exports have surged by 12% over the past year, driven by key sectors such as pharmaceuticals, IT services, and electronics. The government's "Make in India" initiative and strategic trade diversification have played a critical role in this achievement. With companies globally seeking alternatives to China for manufacturing, India is becoming a preferred hub in the global supply chain. Recent trade agreements with the EU and Australia have further enhanced its economic standing. However, challenges such as infrastructural bottlenecks and tariff barriers persist. Analysts believe India's proactive reforms and increased global engagement will continue to strengthen its position in international trade.



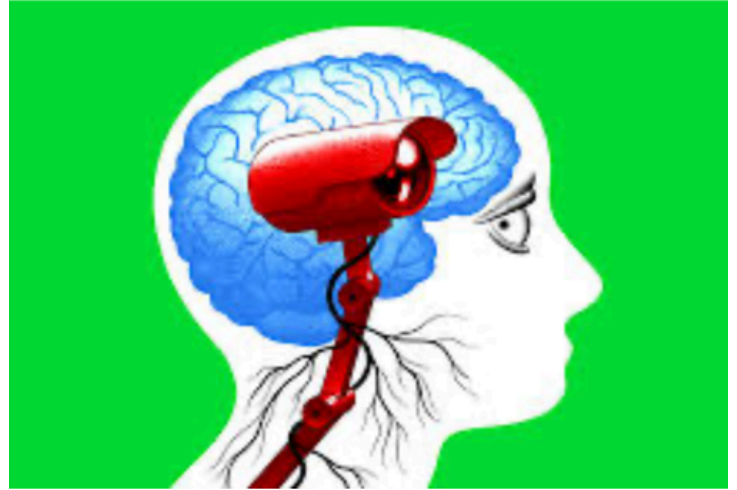


## 01 HOW SURVEILLANCE IS QUIETLY RESHAPING OUR MINDS

Surveillance has become an almost invisible part of everyday life, from self-checkouts to cameras in public spaces. But how does constantly being watched affect us? A recent study in *Neuroscience of Consciousness* suggests it is not just our actions that change—it is our brains, often in ways we do not even realize. The 18th century philosopher, Jeremy Bentham, proposed the Panopticon as a prison design where the mere possibility of observation encourages self-regulation. Indeed, a large body of psychological research over the past 50 years has shown that the implied social presence rather than a true presence of an observer is key to eliciting behavioural changes. As surveillance becomes increasingly integrated into the fabric of our lives, we must pay heed not only to its intended effects.



Researchers at the University of Technology Sydney studied 54 participants performing visual tasks while being monitored by CCTV.



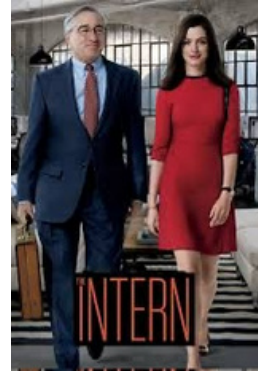
Another group completed the same tasks without surveillance. The results showed that just directly at them. This response comes from an ancient survival instinct to detect gaze and social cues. But while heightened awareness sounds useful, it has a darker side. For people with conditions like social anxiety or paranoia, this constant sense of being observed can amplify stress and fear.

Interestingly, many participants said they were not bothered by the surveillance, even as their brains told a different story. This disconnect reflects how normal constant monitoring has become and raises questions about its subtle effect on mental health. With tech leaders like Larry Ellison advocating for AI-driven “always-on” surveillance, it is time to ask: What is the actual cost of living under constant watch? The findings are especially significant given recent discussions about expanding surveillance, including proposals by tech leaders like Larry Ellison, who supports the idea of an always-active AI-powered monitoring system.

## MOVIE RECOMMENDATION

### THE INTERN (2015)

Nancy Meyers' *The Intern* is a complete package of a comedic and an emotion filled movie where Robert De Niro stars as Ben, a 70-year old widower who makes the decision to become an intern to an online fashion-based retailer company operated by the ambitious Jules, who is portrayed by Anne Hathaway. This film offers an interesting outlook on workplace relationships in a way that is not only entertaining but also covers bonding and mentoring, as well as appreciating years of work.



## BOOK RECOMMENDATION

### "THE KITE RUNNER" BY KHALED HOSSEINI

This novel which is set against the backdrop of Afghanistan's political turmoil follows the story of Amir, a privileged boy and his friendship with Hassan, the son of a servant. As Amir grows up, he confronts his guilt and the complexities of loyalty, betrayal and redemption. The story weaves together personal and political themes, showing how geopolitics impacts individual lives as well as providing deep insights into the complexities of relationships

## PODCAST RECOMMENDATION

### PAISA VAISA

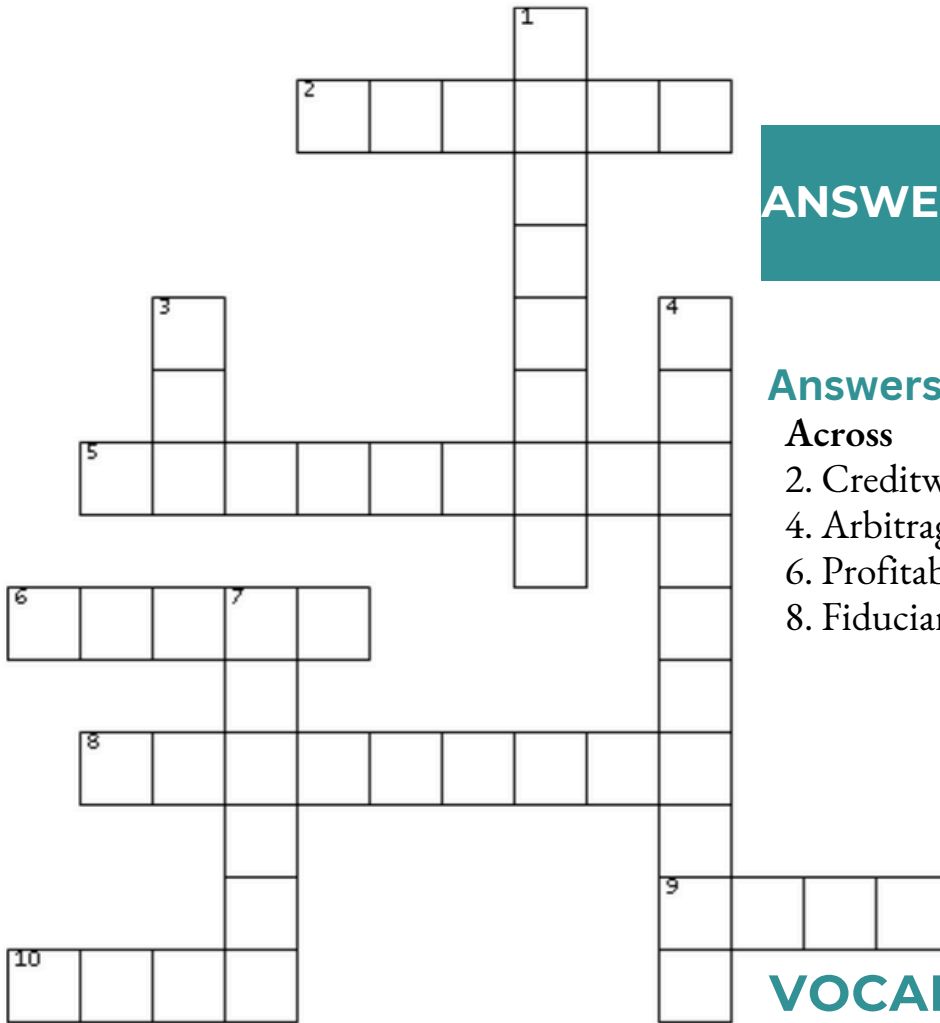
Hosted by Anupam Gupta, *Paisa Vaisa* covers a wide range of finance topics, from investments and mutual funds to real estate and personal finance strategies in India. Gupta breaks down complex financial concepts and invites experts to discuss market trends and practical advice for Indian investors. The podcast is known for its engaging discussions and relatable insights, making financial literacy accessible for listeners looking to enhance their knowledge.



## MUSIC RECOMMENDATIONS

1. "Money, money, money" by ABBA
2. "Tere Bina" by A.R. Rahman
3. "Diet Mountain Dew" by Lana Del Rey
4. "Paris" by The Chainsmokers
5. "Every Summertime" by NIKI

## CROSSWORD



## ANSWERS IN THE NEXT EDITION

### Answers of the previous edition

#### Across

- 2. Creditworthiness
- 4. Arbitrage
- 6. Profitability
- 8. Fiduciary

#### Down

- 1. Amortization
- 3. Underwriting
- 5. Hedge Fund
- 7. Inflation

### ACROSS

- 2. Never have a bad meal
- 5. I'm lovin' it
- 6. Think Different
- 8. Daag acche hain (two words)
- 9. Just Do It
- 10. The Taste of India

### DOWN

- 1. Desh Ka Namak (two words)
- 3. Zindagi ke saath bhi, Zindagi ke baad bhi
- 4. The Happiest Place on Earth
- 7. Because You're Worth It

## VOCABULARY

**Polyglot** - A person who speaks more than one language.

**Homespun** - Made of cloth woven in one's household.

**Alliteration** - Use of the same consonant at the beginning of each word.

**Arbitrary** - Based on or subject to individual discretion or preference.

**Pedantic** - Marked by a narrow focus on or display of learning.

**Virulent** - Extremely poisonous or injurious; producing venom.

**Reprobate** - A person without moral scruples.

**Traduce** - Speak unfavorably about.

## JARGONS DECODED

### Creative destruction

Joseph Schumpeter coined the seemingly paradoxical term "creative destruction" in his book- Capitalism, Socialism and Democracy. It is the deliberate process in which new innovations replace older ones to make them obsolete. It is believed that over time, societies that allow creative destruction to operate grow more productive and richer; their citizens see the benefits of new and better products, and higher living standards. For example- the introduction of Ford's Model T in 1908 drove out horse and buggy transportation which were earlier considered to be valuable.

### Chatham House rules

The Chatham House Rule is named after the Royal Institute of International Affairs' London headquarters, where it originated in 1927. A universal concept that is used in meetings and discussions which states that anyone who comes to a meeting is free to use that information from it, but is not allowed to reveal who made that particular comment. It is intended to promote open discussions and views over controversial topics and make the speaker feel more relaxed and free.

## MYTH BUSTERS

### Geopolitics is Only About War and Conflict

Geopolitics is usually simplified as only being about war and conflict but it includes many aspects much more than that. At its core, geopolitics means how countries interact with each other. While conflict is a part of this, it also includes economic and trade relations among countries, alliance over natural resources, solving global issues together like climate change, deforestation, global warming and maintaining cultural diplomacy among countries. Ultimately, Geopolitics is a complex concept which impacts almost every decision taken by a nation.

### Trade deficit is always bad

Trade deficit means when a country's imports exceed its exports. A trade deficit will be an indication of a healthy economy if the demand of consumers is high implying that consumers get more varied choices. It also helps in acquiring vital resources and technologies that will promote innovation or growth in the economy. Trade deficits also mean low prices for consumers as competition from foreign goods keeps the prices in check. Hence, trade deficits should be assessed in a more comprehensive way to know the true situation.

## FORTUNE'S FABLES

TalentDecrypt, launched amidst COVID-19 in 2020 has disrupted the tech recruitment landscape. Founded by Arushi Agarwal who completed her B-Tech and M-Tech degrees from the esteemed JP Institute and rejected two job offers of ₹1 Cr. each to embark on the path of entrepreneurship. The platform streamlines recruitment processes by helping companies find the right developers for their jobs. What makes TalentDecrypt different is its robust security features, designed to prevent unauthorized device usage or external assistance during remote job assessments. The company has collaborated with over 380 companies across the globe, solidifying its international presence. Started with an investment of just ₹1 Lakh it is now valued at over ₹50 Crore, a testament to Arushi's vision, relentless determination and unique approach to tackling key issues in tech recruitment, setting new standards in the industry.

Some people want it to happen, some  
wish it would happen, others make it  
happen.

—Michael Jordan

*Thank you for reading!*

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

