

THE COMSOC GAZETTE



FEBRUARY 2024

Issued on: 29th February 2024

FINANCE AND INVESTMENT

STOCK MARKET

STARTUPS

ECONOMY

GEO POLITICS

SCIENCE AND TECH

COMSOG GENIE



THE COMMERCE SOCIETY, SRCC



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FINANCIAL FORESIGHTS

01

01

SALES OF LISTED PRIVATE NON-FINANCIAL COS ROSE 5.5 PC IN Q3: RBI DATA

During the third quarter of the fiscal year 2023-24, the year-on-year growth in aggregate sales for 1,685 listed private manufacturing companies slowed down to 3.7%, down from 4.2% in the previous quarter, according to the apex bank. Notably, chemical companies experienced a decline of 13.5% in sales, influencing the overall manufacturing sector's growth, which would have been 6.4% excluding this decline. The Information Technology (IT) sector saw a further reduction in sales growth, dropping to 3.2% from 5.9% in the previous quarter and 19.4% a year ago. Conversely, non-IT services companies continued on a high growth trajectory, with a year-on-year sales increase of 12.9% in the December 2023 quarter. Manufacturing companies' expenses rose by 4.1% year-on-year in the same period, reflecting a deceleration compared to the 12% increase in the corresponding quarter of the previous fiscal year. Additionally, the operating profit margin of listed non-financial companies improved across major sectors, reaching 16.5% in the December 2023 quarter, up from 14.7% in the third quarter of 2022-23.

02

INDIA HAS MOVED TO 5TH SPOT FROM 10TH IN THE WORLD IN TERMS OF ECONOMY: SITHARAMAN

Finance Minister Nirmala Sitharaman, under the leadership of Prime Minister Narendra Modi, asserted that India has ascended from the 10th to the fifth position globally in terms of the economy, with aspirations to reach the third position in the next year and a half. Emphasizing

the government's commitment to people-centric policies, she highlighted the BJP's unique structure, where even the smallest party worker can rise to significant positions. Sitharaman declared the disintegration of the opposition bloc, asserting that actions speak louder than photographs. Responding to critics like Rahul Gandhi and Akhilesh Yadav, she defended Prime Minister Modi's dedication to farmers and highlighted the BJP's track record of providing a scam-free government over the last decade. Sitharaman was in Maharajganj, Uttar Pradesh, to distribute a total loan amount of Rs 1,143.05 crore to 40,011 beneficiaries as part of a credit outreach program.

03

EXPERTS SUGGEST REGULATORY REASSESSMENT TO BOOST THE FINTECH SECTOR AND EASE THE COMPLIANCE BURDEN

As the fintech sector expands in size and influence, experts advocate for a reassessment of regulatory policies to bolster financial inclusion and extend the reach of financial products to the grassroots. While fintech has transformed India's financial sector and formalized the economy, recent regulatory actions, such as those affecting Paytm Payments Bank Ltd, have raised concerns among some industry players. The industry calls for a regulatory environment that nurtures innovation rather than hindering fintech progress. Fintech CEOs emphasize the government's supportive stance but suggest a need for transparent regulatory frameworks. Experts advocate for tailored fintech regulation, balancing consumer protection with innovation. They support light-touch licensing for startups and emphasize compliance for transparency and security in the sector.

MARKET SPOTLIGHT

02

01 TECH INDUSTRY REVENUE TO TOUCH USD 254 BILLION THIS FISCAL

Nasscom commented that India's tech industry is projected for 3.8% growth to \$254 billion this year, defying a global slowdown. This is fueled by a robust domestic market, up 5.9% to \$54.4 billion and the industry's key export contributor, the ER&D sector, is expected to maintain its growth trajectory. Job creation remains positive, with an estimated net addition of 60,000 jobs this year, but adjustments might occur due to past over-hiring. Despite global headwinds, the industry, with its focus now shifted towards skills in AI, data, cloud and cybersecurity, is expected to rebound with continued growth in tech spending and new market opportunities. CEOs are optimistic, with two-thirds expecting better revenue growth in FY25 driven by strong deal pipelines and expansion in global capability centres.



02 BITCOIN TOPS \$60,000

Bitcoin surged past \$60,000, nearing its all-time high, driven by the approval of new Bitcoin ETFs and institutional investment. These ETFs allow wider public investment in Bitcoin without directly holding it. The launch boosted optimism and trading volumes, attracting over \$5.7 billion since January. Additionally, software company MicroStrategy's large Bitcoin purchase and the upcoming "halving" event, which reduces new Bitcoin creation, are contributing to the price rise. Bitcoin scarcity and potential interest rate cuts are also seen as factors. Despite its volatility, Bitcoin's momentum could propel it past its previous high of \$69,000.

03 THE NEW GIANT OF INDIAN ENTERTAINMENT

Reliance Industries (RIL) and Disney signed a deal to combine their media businesses, Viacom18 and Star India, creating a giant in Indian entertainment. RIL will invest \$1.4 billion and hold 16.34% of the joint venture, while Viacom18 and Disney will hold 46.82% and 36.84% respectively. Nita Ambani will chair the new entity, offering over 100 TV channels and controlling major streaming platforms Disney+ Hotstar and JioCinema. This merger will grant exclusive rights to distribute Disney content in India.

01 SWIGGY: TRANSFORMING FOOD DELIVERY AND BEYOND

Swiggy was founded in August 2014 by Sriharsha Majety, Nandan Reddy, and Rahul Jaimini, an Indian food delivery platform headquartered in Bangalore. The founders aimed to revolutionize the way food is delivered, making it convenient and efficient for both customers and restaurants. Swiggy was started as an idea to address the challenges faced by consumers in ordering food online, including long delivery times and a lack of reliable service. The founders used technology to streamline the food delivery process, from order placement to the final delivery.

It introduced a robust delivery model with its fleet of delivery executives, ensuring quick and reliable food delivery. The platform partnered with a wide range of restaurants to offer diverse cuisine options to customers. Swiggy's user-friendly app and website became popular among consumers seeking a seamless food ordering experience.

Swiggy has expanded its services to various cities across India, rapidly gaining market share in the competitive food delivery industry. The company's focus on customer satisfaction, timely deliveries, and a wide restaurant network contributed to its rapid growth. Swiggy, initially valued at \$10.7 billion, faced reductions to \$8 billion and further down to \$5.5 billion, despite revenue growth reaching Rs 8,625 crore in FY23, with losses widening to Rs 4,179 crore. Revenue streams include delivery charges, restaurant commissions (15-25% of order bill), and advertising revenue. Swiggy generates income through affiliate programs with financial institutions, reflecting confidence in its growth potential and establishing it as a unicorn in the Indian startup ecosystem.

02 BYJU'S THE LEARNING APP

Byju's, officially known as "BYJU'S - The Learning App," is an Indian educational technology company that was founded by Byju Raveendran in 2011. Byju Raveendran, a former teacher and engineer, started the company with the aim of making quality education accessible and engaging for students through the use of technology.

Byju's began its journey as an offline coaching centre for CAT preparation. The success of his teaching approach led to the development of a mobile app that could reach a broader audience. The app was launched in 2015, offering video lessons and interactive content for students from classes 4 to 12, covering a wide range of subjects. The app employed adaptive learning techniques, personalized learning paths, and engaging animations to make the learning experience effective and enjoyable.

Byju's has witnessed rapid growth and acceptance, becoming one of the most prominent EdTech platforms not only in India but globally. The company has expanded its offerings to include preparation for various competitive exams such as JEE, NEET, IAS, and more.

Byju's is one of the highest-valued EdTech startups globally, with its valuation soaring. Through strategic acquisitions like WhiteHat Jr., Byju's diversified its offerings. Byju's has extended its presence beyond India, strategically entering international markets through acquisitions of educational platforms and partnerships. With a significant expansion into countries such as the United States, the United Kingdom, and Australia, Byju's remains a prominent figure in the EdTech sector. With a growing user base, the company continues to innovate its educational offerings.

01 SBI'S ECOWRAP FORECASTS Q3 GDP GROWTH AT 6.8%, ANTICIPATES SLIGHT MODERATION IN ECONOMIC ACTIVITY

The State Bank of India's (SBI) research 'Ecowrap' believes that the GDP growth for the December quarter of the fiscal year 2024 (Q3FY24) – to be announced tomorrow – is likely to be 6.8 per cent, assuming no changes to the base figures. However, there is potential for it to reach 7 per cent in case of any downward revisions in the GDP growth figures for the third quarter of the fiscal year 2023 (Q3FY23). These revisions in the previous year's data could positively impact the current year's growth figures. As per the report, the CLI Index (a basket of 41 leading indicators which include parameters from almost all the sectors) based on monthly data shows a slight moderation in economic activity in Q3. Factoring in the slight decline in economic activity in Q3 FY24, it estimates GDP should grow in the range of 6.7-6.9 per cent with a Gross Value Added (GVA) growth of 6.6 per cent.

02 STUDY REVEALS INDIA GAINING EXPORT MARKET SHARE FROM CHINA AT GRADUAL PACE

India is chipping away at China's dominance in electronics exports in some key markets as manufacturers diversify supply chains away from the world's factory to other parts of Asia, a new study shows. The impact is most pronounced in the UK and the US, where geopolitical tensions with China have increased in recent years. India's electronics exports to the US as a ratio of China's increased to 7.65% in November last year from 2.51% in November 2021, according to London-based Fathom Financial Consulting. In the UK, the share rose to 10% from 4.79%. India's rising market share is a boost for Prime Minister Narendra Modi, who has touted his 'Make in India' plan as a way of creating jobs, expanding exports and making the economy more self-reliant by reducing the need for imports. He's widely expected to win a third term in office in elections due within a few months.

03 INDIA'S OIL IMPORTS FROM RUSSIA THREATENED AS US IMPOSES NEW SANCTIONS

Fresh US sanctions on Moscow threaten to dent Russian oil sales to India, the biggest buyer of Russian seaborne crude, and complicate efforts by Indian state refiners to secure annual supply deals, three industry sources familiar with the matter said. Washington on Friday imposed sanctions to mark the second anniversary of Moscow's invasion of Ukraine and retaliate for the death of opposition leader Alexei Navalny. The sanctions target Russia's leading tanker group, Sovcomflot, which Washington accused of being involved in violating the G7's price cap on Russian oil, as well as 14 crude oil tankers tied to Sovcomflot. Russia emerged as India's top oil supplier in 2023. Through term deals and spot market purchases, the South Asian nation imported about 1.66 million barrels per day of Russian oil in 2023 compared to an average of 652,000 bpd in 2022.

01 TRUMP IS DISQUALIFIED FROM ILLINOIS BALLOT, JUDGE RULES

An Illinois state judge has ruled that Donald Trump is disqualified from the Republican presidential primary ballot due to his involvement in the January 6, 2021, Capitol insurrection. The judge, Tracie Porter, sided with Illinois voters who argued that Trump violated the anti-insurrection clause of the 14th Amendment to the U.S. Constitution. The decision is temporarily delayed pending Trump's expected appeal, and the final outcome may be determined by the U.S. Supreme Court, which heard related arguments on February 8. Similar disqualification decisions have occurred in Colorado and Maine, both on hold as Trump appeals. Section 3 of the 14th Amendment prohibits individuals who engaged in insurrection from holding public office. The Supreme Court is currently reviewing Trump's challenge to his Colorado disqualification, expressing concerns about states impacting national elections. Trump's campaign spokesperson called the ruling unconstitutional and vowed a swift appeal.

02 G20 FINANCE MINISTERS MEET ON WORLD ECONOMY HIT BY CRISES, CONFLICTS

G20 finance ministers convene in Brazil to address global economic challenges, including the impact of conflicts like the wars in Ukraine and Gaza. The Ukraine crisis is expected to take centre stage, with G7 nations meeting on the sidelines to discuss bolstering Western support against Russia's invasion. US Treasury Secretary Janet Yellen proposes urgently using frozen Russian assets to increase aid for Kyiv. The meeting, hosted by Brazilian Finance Minister Fernando Haddad via video conference due to his COVID-19 diagnosis, will also address economic risks

from the cost of living crisis, climate change, and conflicts in the Middle East. Brazil aims to push progress on fighting poverty, easing debt burdens for low-income nations, and advocating for greater representation for developing countries in international institutions. International taxation, grappling with the "race to the bottom" in tax rates, is another key agenda item. The meeting sets the groundwork for the G20 leaders' summit in Rio in November.

03 GLOBAL ECONOMY IS WEIGHED DOWN BY WAR, UNCERTAINTY AND INSTABILITY, TRADE CHIEF WARNS.

World Trade Organization (WTO) Director-General Ngozi Okonjo-Iweala cautioned on Monday that global economic challenges, fueled by war, uncertainty, and instability, are impacting the world. Speaking at the WTO's biennial meeting in the UAE, she emphasized the need for reform amid upcoming elections across nearly half the world's population, acknowledging rising prices contributing to political frustration. The US presidential election on November 5 poses a crucial moment for the WTO, with concerns over potential disruptions to global trade, especially if former President Donald Trump, known for his tariff policies, wins. Okonjo-Iweala highlighted challenges to the multilateral trading system and didn't explicitly mention Trump but warned against attacks on multilateralism. The WTO faces additional hurdles, including the US blocking appointments to its appeals court and ongoing disputes with China over issues like technology transfer and market access. Despite discussing various trade-related deals at the meeting, headwinds persist for the organization amid uneven post-pandemic recovery and geopolitical disruptions.

01 10,000 GENOMES PROJECT: REVOLUTIONISING PRECISION MEDICINE IN INDIA

The Department of Biotechnology (DBT) has completed the '10,000 Genomes Project,' sequencing thousands of genomes from diverse Indian populations. Initiated in 2020, it aimed to address the lack of comprehensive genomic data specific to India's diversity. Led by key institutes, 10,010 genomes were sequenced, representing 1014 sub-populations and tribes. This places India at the forefront of possessing indigenous genomic information, with potential for revolutionizing healthcare through precision medicine tailored to Indian sub-groups. Understanding genetic variants associated with prevalent diseases like diabetes and cancer can lead to targeted treatments and advancements in genomics, healthcare policies, and agriculture.

02 KRUTRIM: PIONEERING INDIA'S AI LANDSCAPE WITH MULTIMODAL CHATBOTS

Krutrim, spearheaded by Ola's Bhavish Aggarwal, has unveiled an AI chatbot akin to ChatGPT and Google's Gemini. Recently valued at \$1 billion, Krutrim stands as India's inaugural AI unicorn, equipped with AI models proficient in over 20 Indian languages. Its base model, Krutrim, trained on 2 trillion tokens, precedes Krutrim Pro, slated for Q4 FY24, boasting enhanced problem-solving and multimodal capabilities across text, audio, image, and video formats.

The startup is expanding its AI infrastructure and venturing into AI-optimised silicon chips. Notably, in 2023, only two companies, including Fintech firm InCred and the e-commerce app Zepto, achieved unicorn status in India, highlighting Krutrim's remarkable ascent in the AI landscape.

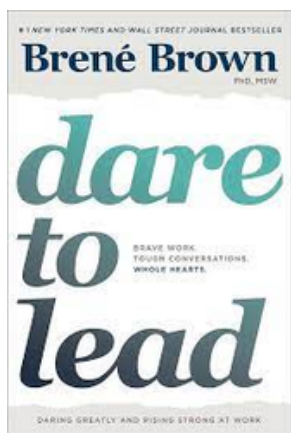
03 PROMOTING LINGUISTIC INCLUSIVITY: DIGITAL STUDY MATERIAL MANDATE IN INDIAN LANGUAGES

The Government of India has mandated all educational institutions to offer digital study materials in Indian languages within three years to cater to linguistic diversity. Aligned with the National Education Policy 2020, the initiative aims to prioritize native language education and implement a three-language formula till Class X. An AI tool named 'Anuvadini' facilitates translation of English materials into multiple languages, with expert reviews ensuring accuracy. Both government and private institutions must comply across all academic disciplines. The University Grants Commission issued guidelines for higher education institutions to offer courses in Indian languages, promoting linguistic diversity in academia and professional domains. The initiative democratizes education, reduces dropouts, and enhances access to quality resources. Moreover, the digital ecosystem has expanded, with textbooks, competitive exams, and legal judgments being translated into multiple languages, fostering linguistic inclusivity nationwide.

MOVIE RECOMMENDATION

THE FIRM

Mitch McDeere, a promising lawyer, joins a prestigious firm in Memphis but discovers its ties to organized crime. Blackmailed into silence, he collaborates with the FBI to expose the firm's illegal activities. His wife Abby aids in obtaining crucial evidence, leading to a dangerous chase and eventual confrontation with the firm's enforcers. Mitch brokers a deal with the mob to protect his family while ensuring justice prevails. The McDeeres reconcile, while Mitch secures his brother's freedom and a fresh start.



BOOK RECOMMENDATION

DARE TO LEAD

Dare to Lead: Brave Work. Tough Conversations. Whole Hearts by Brené Brown explores leadership through a deeply human lens. Instead of focusing solely on productivity strategies for achieving exceptional outcomes, Brown delves into the intricacies of interpersonal dynamics within the workplace. She challenges conventional notions of leadership by suggesting that true greatness in a leader requires vulnerability, offering a refreshing perspective that contrasts with the traditional image of a distant and unyielding boss.

PODCAST RECOMMENDATION

BEHIND THE MONEY

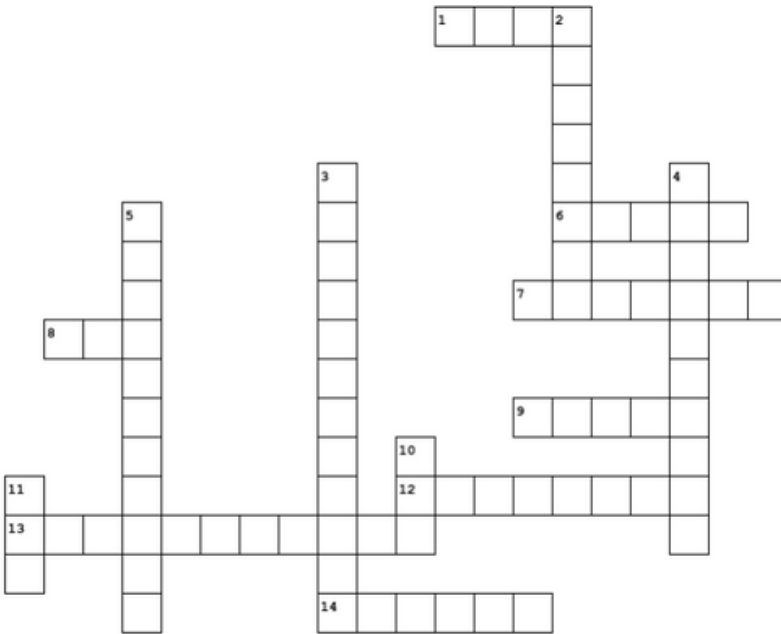
Behind the Money delves deep into the dynamic world of business and finance, offering listeners an insider's perspective on the latest stories and trends. From corporate takeovers to executive power struggles, Financial Times journalists provide compelling reporting from around the globe. Each episode takes you behind the scenes, uncovering the driving forces shaping today's economic landscape. Whether you're a seasoned investor or simply curious about the forces driving global markets, Behind the Money offers insightful analysis and captivating storytelling.



STOCK PICKS

Godrej Consumer Products have noticed consistently better volume growth in domestic markets. This, coupled with the favourable input costs have aided its strong gross-margin gains, a part of which was invested in higher brand spends. The brokerage anticipates that innovations will help the company's key categories gain market share.

CROSSWORD



ACROSS

1. Major stock exchange in New York
6. Agreement to remove trade barriers between countries
7. Term for when a country's imports exceed its exports
8. Organization regulating international trade rules
9. Country known for manufacturing electronics and automobiles
12. Economic group of countries using the euro
13. Term for a sudden and significant decline in the value of a currency
14. Term for goods or services sold to another country

ANSWER IN THE NEXT EDITION

DOWN

2. Rate at which one currency can be exchanged for another
3. Economic theory promoting minimal government intervention in markets
4. Measuring the performance of a group of stocks in a particular market
5. Economic principle stating that as the price of a good or service increases, demand decreases
10. Currency used in Japan
11. Term for the total value of goods and services produced by a country in a year

Answers for previous edition

Across

4. Repositioning
5. Diversification
8. Publicity
9. Pull Strategy
10. Sweepstakes

Down

1. Market Share
2. GDP
3. Research
6. Direct
7. Services

VOCABULARY

- MAVERICK - a nonconformist; a rebel
- SERENDIPITY - good luck in making unexpected discoveries
- TREPIDATION - nervous feeling of uncertain agitation
- UBIQUITOUS - seeming to be everywhere
- STOICISM - experiencing pain without showing your emotions

JARGONS DECODED

Clickstream Data

This refers to the trail of data points left behind by a user's online journey, capturing their clicks, searches, and website visits. Understanding its analysis can be crucial for targeted marketing and personalization.

Dropshipping

This is a retail fulfillment model where the seller keeps no inventory. Instead, they forward customer orders to a third-party supplier who ships the products directly to the customer.

Subscription-based Commerce

This model provides customers regular access to products or services for a recurring fee. Understanding its advantages and challenges, including customer churn and retention strategies, is important for businesses considering this model.

Conversational Commerce

This refers to the use of chatbots and messaging platforms to interact with customers and facilitate sales. Understanding its impact on customer service and personalized communication is essential for businesses adapting to evolving customer needs.

MYTH BUSTERS

Offering the lowest prices is the best way to compete online

While price remains a relevant factor, focusing solely on price wars can shrink profit margins. Building a strong brand identity, offering excellent customer service, and emphasizing unique product features can differentiate your business and allow you to compete without relying solely on low prices.

"Free shipping always increases sales."

While free shipping can be enticing, it can also eat into profit margins. Consider offering free shipping above a certain order value or exploring alternative strategies like flat-rate shipping to balance customer satisfaction with your business needs.

You don't need a marketing budget if you have a good product.

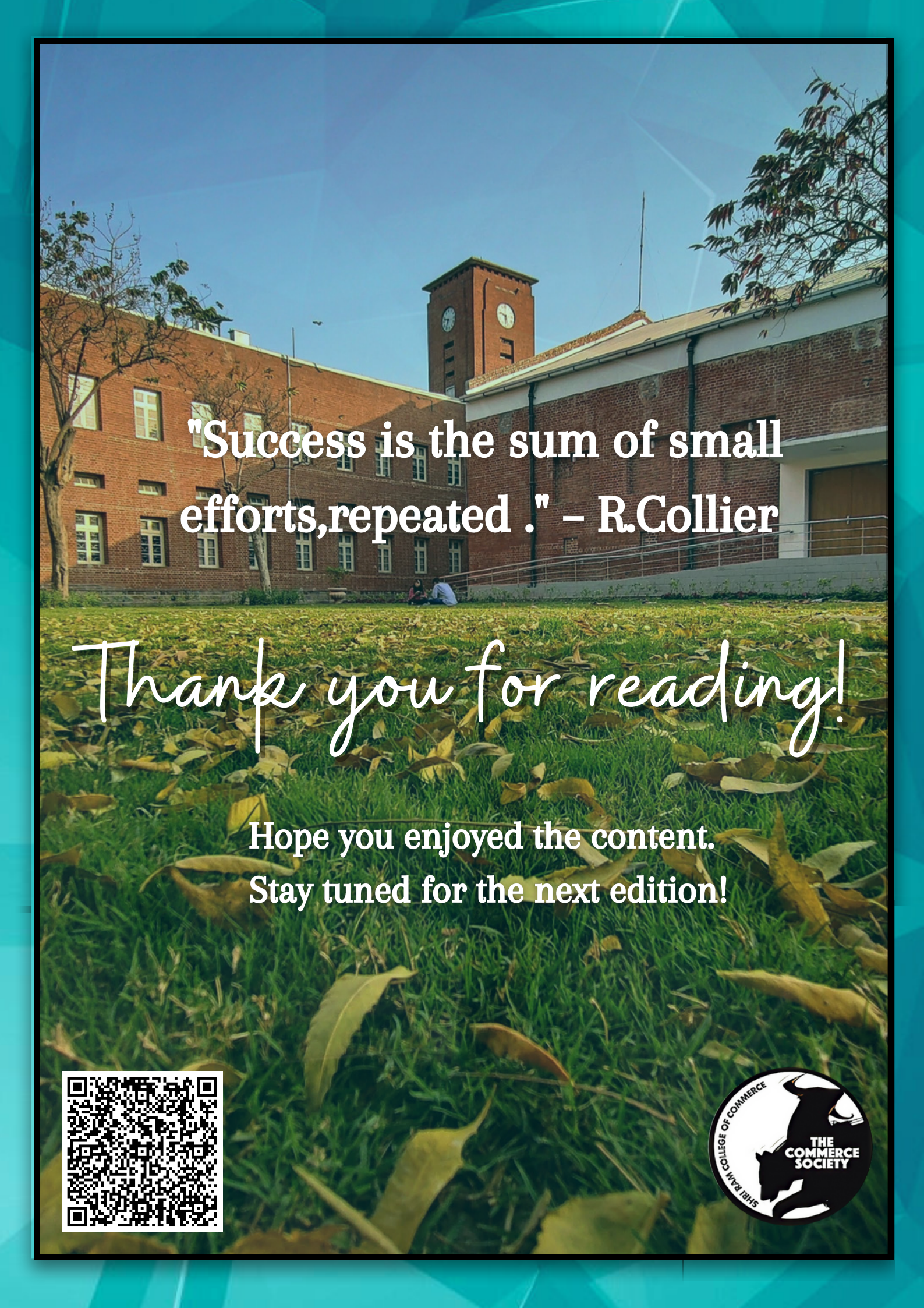
Even the best products need marketing to reach their target audience. Developing a comprehensive marketing strategy, even with a limited budget, is essential to generate awareness, attract customers, and drive sales.

FORTUNE'S FABLES

Spoonful of Values

From a humble Vermont scoop shop in 1978, Ben & Jerry's churned out not just ice cream, but social responsibility. Ben Cohen and Jerry Greenfield's quirky flavours, like "Cherry Garcia," and commitment to fair labor and progressive causes resonated with customers. Their success soared, leading to a unique acquisition by Unilever in 2000. Ben & Jerry's secured a "social mission clause," ensuring their values remained central. Today, enjoyed globally, Ben & Jerry's proves a business can thrive while embracing its social conscience, inspiring entrepreneurs with a taste for both profit and purpose.





"Success is the sum of small efforts, repeated ." – R.Collier

Thank you for reading!

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

