VOLUME 1 | ISSUE 3 | JULY 2024

THE WORLDONOMICS TIMES

BUILDING A BRIGHTER FUTURE TOGETHER

"Join hands with us as we catalyze positive change for individuals, businesses, and communities."

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Shri Jay Prakash Gupta

Founder- Dhan

Co - Founder Raise Fintech Ventures

POLITICAL AND ECONOMIC STABILITY

MARKET AND ECONOMY

THE WORLDONOMICS TIMES

PUBLISHED BY
INTERNATIONAL NAVODAYA CHAMBER OF COMMERCE
Established in 2021
JULY 2024 | Volume 3 | Issue 1 | Knowledge Box

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Website
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MRP: ₹ 200 (including GST)
Delhi Legal Jurisdiction

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DECODING THE LABYRINTH: WORLDONOMICS TIMES JULY EDITION UNVEILS THE NUANCES OF A SHIFTING GLOBAL LANDSCAPE

The global economy, a complex and ever-evolving labyrinth, presents both challenges and opportunities for nations and individuals alike. In this dynamic landscape, Worldonomics Times serves as your trusted guide, offering insightful analysis and expert perspectives through its July publication.

A Multifaceted Approach to Economic Understanding:

Worldonomics Times distinguishes itself by providing a holistic view of the economic sphere. From the sweeping trends of macroeconomics to the intricacies of specific sectors, readers gain valuable knowledge from articles penned by renowned economists and industry leaders. Whether you seek to understand how geopolitical tensions impact financial markets or explore the potential disruptions of Web3 technologies, Worldonomics Times equips you with the information you need to navigate this intricate system.

Spotlight on the Latest: Central Banks and Cryptocurrencies:

The July edition places a particular focus on the evolving relationship between central banks and cryptocurrencies. As digital assets continue to gain traction, central banks around the world are grappling with how to regulate and integrate them into the existing financial ecosystem. Worldonomics Times delves into this critical discussion, exploring potential policy approaches, the risks and opportunities associated with cryptocurrencies, and their impact on monetary policy.

Beyond the Headlines: A Spectrum of Economic Issues:

Of course, Worldonomics Times goes beyond this single topic. The publication continues to shed light on technological advancements and their profound impact on society. Articles explore the transformative potential of artificial intelligence, blockchain, and the metaverse, while also considering the ethical considerations surrounding these developments.

Championing Social Justice and Equality:

Worldonomics Times remains a platform for fostering meaningful dialogue on social issues. Articles delve into critical topics like gender equality, racial justice, LGBTQ+ rights, and the ongoing struggle to address socio-economic disparities. These pieces not only highlight the challenges faced by marginalized communities but also propose solutions for building a more just and inclusive world.

Sustainability: Charting a Course for a Greener Future:

The fight against climate change and the pursuit of sustainable development remain at the forefront of Worldonomics Times' focus. Articles showcase advancements in renewable energy technologies, innovative green practices, and the global push towards a low-carbon economy. The publication continues to explore the synergy between technology and sustainability, analyzing the rise of green hydrogen, sustainable infrastructure projects, and the role of circular economy principles.

Education: The Cornerstone of Progress:

Recognizing the critical role of education in a knowledge-based economy, Worldonomics Times continues to advocate for lifelong learning. Articles explore innovative pedagogical approaches, the effective integration of technology in education, the growing importance of vocational training, and the democratizing power of online learning platforms. The publication emphasizes the importance of empowering individuals through continuous skill development and knowledge acquisition.

Sandeep Kumar

EDITOR-IN-CHIEF

Worldonomics Times

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Co-Founder
Raise Fintech Ventures

Dr. Ravi Singh
SVP - Retail Research
Religare Broking Ltd.

Shri Anuj Gupta
Head - Commodities & Currencies
HDFC Securities Ltd.

Blessing Support

CMA Sanjay Jindal
Director Finance,
Engineers India Limited

Dear Mr. Sandeep Kumar,

With the launch of **The Worldonomics Times**, professionals worldwide are poised to embark on a journey of enlightenment and empowerment. In today's fast-paced economic landscape, the need for up-to-date insights and innovative strategies is more crucial than ever. As Director (Finance), I recognize the significance of continuous learning and informed decision-making. This magazine promises to be a comprehensive resource, offering valuable insights and actionable strategies to navigate the challenges and opportunities ahead.

The Worldonomics Times is not just a publication; it's a beacon of innovation in economic discourse. Through cutting-edge analysis, thought-provoking articles, and expert commentary, it will serve as a trusted companion for professionals across various sectors. Leveraging the latest technologies, the magazine ensures accessibility and engagement for all readers, regardless of background or expertise.

Beyond economics, **The Worldonomics Times** will explore intersections of finance with technology, sustainability, and social responsibility. By fostering dialogue and collaboration across diverse fields, it will inspire innovative solutions to global challenges.

I am proud to be associated with this initiative, and I extend my deepest gratitude to the editorial team, contributors, partners, and supporters who have worked tirelessly to bring this vision to life.

I offer my sincerest blessings to all those who will embark on this journey of enlightenment and empowerment, fueling innovation and success in the ever-evolving world of economics. Impressive Initiative!

Best Wishes to you and your team for resounding success on this fantastic effort.

CMA Hrishikesh Kumar
Executive Director(Finance)
NBCC (India) Limited

Dear Shri Sandeep Kumar,

At the outset I would like to congratulate you for taking the initiative for publishing this magazine **"The Worldonomics Times".** In this era of rapid changing economic environment vis-à-vis the pressure on business to sustain, the importance of seamless transfer of information and knowledge cannot be underestimated which I hope would be fulfilled by your magazine in future.I must say this is a great initiative by you and your team in this regard.

All the best for your endeavor

CMA Yogendra Prasad Shukla

Director Finance
HOCL - Hindustan Organic Chemicals Limited

Dear CMA Sandeep Kumar Ji,

I extend my heartfelt congratulations on the launch of **"The Worldonomics Times."** Your dedication to providing a platform for insightful economic knowledge is truly commendable. In today's-paced economic, the significance of facilitating the smooth flow of information and wisdom cannot be overstated, and I am confident that your magazine will excel in meeting this crucial need. Your initiative, alongside your team, is truly praiseworthy, and I foresee great success for "The Worldonomics Times" in the days ahead. Your commitment to empowering minds through economic understanding is inspiring.

Best regards

CMA Gaurang Dixit

Former Chairman-cum-Managing Director
NSIC - National Small Industries Corporation

Dear Shri Sandeep Kumar,

At the onset, I applaud the initiative of the **'International Navodaya Chamber of Commerce'** to come out with a magazine **'The Worldonomics Times',** which will provide the relevant information and knowledge to the all in this diverse global market. In the present complex business / economic scenario, the whole world market is like a field open for all players to play thereon. This global market is having abundant opportunities and to become a successful entrepreneur in such complex economic environment, the need for having relevant information and knowledge is of paramount significance. Your endeavour to come out with the magazine **'The Worldonomics Times'** will certainly help to suffice this requirement.
I must congratulate to you and your team for this endeavour.
With best wishes.

CMA Vijay Kumar Agarwal

GM (Finance)
ONGC Videsh

Dear Shri Sandeep Ji,

It's my great pleasure to note **"The Worldonomics Times"** monthly magazine launching by **"International Navodaya Chamber of Commerce (INCOC).** The various Global Perspectives with relevant data have been covered which are relevant from our local perspective. The contents of magazine in coming days will be way forward in knowledge enhancement as well as for better understanding in correlating the global economics with local need.

Congratulations CMA Sandeep ji & Team for such an initiative which will surely provide the tailored world economic information.

Shri BK Sabharwal

Chairman, Capital and Commodity Market Committee, PHDCCI
Ex-President CPAI, Ex-chairman FISE, Ex-Director, Delhi Stock Exchange

Dear Sandeep Kumar,

Congratulations on the launch of **The Worldonomics Times!** Your dedication to global finance journalism is commendable. This milestone marks the beginning of an insightful journey. In our interconnected world, timely updates on regulatory changes are vital, and your magazine promises to fulfill this need. Dedicated to providing expert insights and periodic updates, it aims to become a key resource for policymakers, industry professionals, and academics. Your leadership in this initiative is inspiring. Here's to a successful launch and a prosperous future ahead.

Best regards

Shri Jyoti Prakash Gadia

Managing Director
Resurgent India Limited

Dear Sandeep Ji

Congratulations on the launch of The Worldonomics Times! This new publication promises to be a vital resource in financial journalism and stands to reshape our grasp of global financial landscapes. **The Worldonomics Times** will undoubtedly be an indispensable source for thorough analyses, covering the nuanced intersections of global economics and market dynamics. Your magazine is uniquely positioned to serve the needs of business leaders, policymakers, and those with a keen interest in the complexities of global finance. We eagerly await the fresh perspectives and insights that The Worldonomics Times will bring to the complex world of global finance.

Best wishes for your journey ahead!

CMA Yash Paul Bhola

Ex-Director (Finance), NFL.
President (Hon.) INCOC

Dear INCOC Team Members,

I congratulate and appreciate the efforts by one and all in bringing out Global Finance and Economics Magazine, **"The Worldonomics Times"**. This milestone marks the beginning of an exciting journey in the realm of global finance and economics journalism.

As our world becomes increasingly interconnected, and regulatory framework is fast getting changed and updated, the need for a comprehensive magazine in finance field cannot be over emphasised. This magazine is dedicated to providing a platform for periodical up-dation of the developments across the globe and experts to share their insights. It is intended to establish itself as a key resource for policymakers, industry professionals, academics, and anyone with a keen interest in understanding global finance and economics. Once again, I congratulate and wish you all the best for a successful launch of the magazine and a prosperous future ahead.

CMA Ramesh Kumar

Chief General Manager
POWERGRID Corporation of India Ltd.

Dear Shri Sandeep Kumar,

With great pleasure we extend our good wishes on the launch of **The Worldonomics Times**. This publication is poised to become a cornerstone in the landscape of global finance and economics, offering deep insights and valuable perspectives. Your commitment to excellence in disseminating knowledge is not only commendable but vital in these complex economic times. We eagerly anticipate the success and influence your magazine will undoubtedly achieve.

Warm regards

CMA R C Gupta

EX Executive Director (Finance & Accounts)
GAIL (India) Ltd.

Dear Shri Sandeep Ji,

I have gone through the May 2024 issue of The Worldonomics Times and found it very informative. My heartfelt congratulations on the launch of a world class magazine in the area of Cost Management, Financial Management, Financial Planning, Taxation and World Economic Affairs. The coverage in the magazine is very wide & excellent and is based on the theme of Global Perspective with Local Relevance, in-depth data driven journalism and accessibility of the magazine in print as well as digital formats. It will empower the readers with well researched articles for ready reference, decision making & knowledge enhancement.

I wish all the best to you and your team of International Navodaya Chamber of Commerce (INCOC) for bringing the magazine on regular basis with full of information of world economic affairs for use by all professionals.

With Best regards,

हाउसिंग एंड अर्बन डेवलपमेंट कॉर्पोरेशन लिमिटेड
(भारत सरकार का उपक्रम)
Housing & Urban Development Corporation Limited
(A Government of India Enterprise)

एम नागराज
निदेशक (कॉरपोरेट प्लानिंग)
M. NAGARAJ
Director (Corporate Planning)

MESSAGE

Dear Shri Sandeep Kumar,

I extend my warmest congratulations to you on the impending launch of Global Finance and Economics Magazine: The Worldonomics Times on May 5th! This milestone marks the beginning of what promises to be an exciting journey in the realm of global finance and economics journalism.

As our world becomes increasingly interconnected, the need for a comprehensive and insightful resource in the field of finance and economics has never been greater. Your magazine's dedication to providing a platform for experts to share their insights is commendable and much needed in today's complex economic landscape.

I have no doubt that The Worldonomics Times will quickly establish itself as a key resource for policymakers, industry professionals, academics, and anyone with a keen interest in understanding the intricacies of global finance and economics. Your commitment to delivering high-quality, well-researched content will undoubtedly set a new standard in the industry.

I eagerly anticipate the inaugural issue and look forward to the valuable contributions and perspectives that The Worldonomics Times will bring to the forefront of economic discourse.

Once again, congratulations on this significant achievement, and I wish you all the best for a successful launch and a prosperous future ahead.

(CMA - M. NAGARAJ)

एच.ई.सी.
ISO 9001:2008 Company
Rajesh Kumar Dwivedi
Director (Finance)

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MESSAGE

Dear Shri Sandeep Kumar,

I take this opportunity to heartily congratulate you on publishing "The Worldonomics Times", which I really feel is a hands-on treasure of useful information.

Today's world is rapidly changing and inter-woven with diverse complexities. In such a global environment, authentic and timely information is a powerful tool which I am sure will be always provided by "The worldonomics Times". I am sure, the adage that "*The Pen is mightier than the Sword*" will be once again be proven right with your magazine.

Congratulations, once again and my Best wishes for this wonderful knowledge endeavour!

(CMA Rajesh Kumar Dwivedi)

Commodities:
A Beacon of Hope in Challenging Times, Illuminating an Opportunistic Path Ahead

"Amidst global uncertainties, commodities shines, offering a promising path forward. Geopolitical risks and declining consumer spending in advanced economies such as US, challenge market stability & growth prospects. Yet, as interest rates ease, commodities like gold become safer against economic uncertainties. This complex landscape is rich with both challenges and opportunities, demanding strategic insight to navigate and seize the evolving prospects."

The economy has traversed a winding path so far this year. Many expected turbulent conditions brought on by persistently high inflation and interest rates, restrictive monetary policy, and slowing consumer and business spending. At the midpoint of 2024, the economic landscape presents a mixed picture. Signs of a slowdown are starting to appear in cooling job and wage growth and waning consumer confidence. While this softening could help ease stubbornly high inflation, it also presents new challenges. Better than expected performance in the US and China are primary drivers of the improved outlook so far. Easing inflation, improved supply conditions and steady labour markets also continue to fuel overall economic activity.

In the first half of the current year, the broad commodity market has been buoyed by the booming US stock market. However, this reliance on China's economic stimulus, OPEC's production cuts, and the strong stock market suggests we might see a typical downturn in commodities. This is similar to the pattern seen in 2014 for crude oil, though now there's an added factor: an increasing surplus of oil in the US and Canada coupled with China's economic slowdown, as indicated by falling government bond yields.
Major economies are stabilising but face ongoing challenges. The US economy continues to top expectations, leading to a considerable revision in the real GDP growth forecast for 2024. But elevated interest rates, persistent inflation and high consumer debts will weigh on performance through the remainder of the year.
Let's explore what we see for the economic and market landscape for the second half of 2024.

5 Inflationary periods over past 50 years
- Early 1970s, Oil embargo; Iranian Revolution
- 2005, China's Industrial boom
- 2007-2008, Global Financial Crises
- 2021, Post pandemic recovery

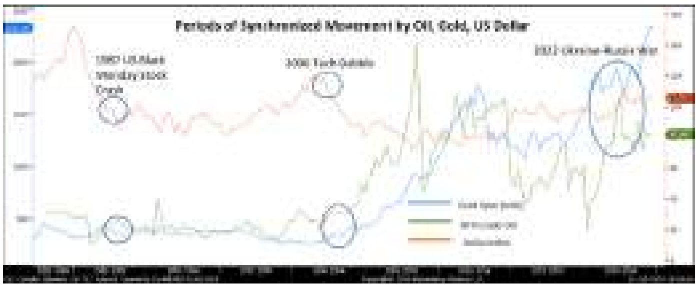
Each period marked by shocks in terms of supply, demand & growth

That said, not all commodities respond the same to higher inflation.
Gold: The yellow metal typically only guards against very high inflation and large inflation surprises caused by losses in central bank credibility and geopolitical supply shocks. Gold usually didn't perform well in response to positive demand shocks when the central bank responded swiftly by hiking rates.
Energy: Historically, energy generated the strongest real returns across assets when inflation surprised to the upside. That's because energy usually responded both to supply and demand shocks. While refined oil products remain the most important commodity for global consumer prices, recent episodes have shown that natural gas has significant inflation hedging benefits as well.
Industrial metals: Given their large exposure to cyclical manufacturing and the housing sector, industrial metals have demonstrated they could offer protection against demand-led inflation. Industrial metals generated especially high returns (average total real returns of 30%) late in the cycle when economy-wide inflation risks are the largest.

During challenging times, commodities have emerged as a reliable sanctuary

Commodities have demonstrated strong resilience in the face of inflation and have been a critical hedge for bonds and equities when prices and wages are climbing. Commodities also tend to rally when inflation is boosted by economic growth, and they can provide wealth preservation when central bank credibility declines. Oil and other commodities have been popular with investors as inflation-hedging, late-cycle. They typically outperform major assets such as stocks and bonds, history suggests. Crude's price rally has shown staying power this cycle due to improving supply-demand dynamics arising from OPEC+ output cuts, as well as escalating geopolitical tension in the Middle East.

Commodity	Upside Risks	Downside Risks
Metals	Copper Supply volatility	Struggling residential construction sector in China
	Lower smelter capacity in China	Slower interest rate cuts
	Faster economic growth in the US and China	Weaker growth of the Global manufacturing sector
Energy	Escalating geopolitics tensions	Sharper economic slowdown amid Higher-for-longer interest rates
	Potential weather extremes driving up demand and limiting supply	Stronger gains in renewables and energy efficiency
	Stronger resilience of global economy, especially China and US	Upside surprise in supply from OPEC+ and non-OPEC countries
Food/ Agriculture	Adverse weather conditions limiting production	Ample supply of major food commodities
	Trade restrictions and supply disruptions	Softer consumer demand amid persisting cost of living pressures
	Volatile energy costs	Decreasing costs of fertilizers



Oil, Gold, Dollar in Sync Signal Investors Could Go Risk-Off

Oil's synchronized price move with gold and the US dollar a phenomenon that occurred previously in 1987, 2000 and 2022 signals rising economic headwinds ahead, which may stifle energy demand. That could prompt investors to cut risk, putting pressure on major asset prices. History suggests oil, gold and the US dollar tend to move differently through the economic cycle. During economic slowdowns, the dollar usually performs better than oil and gold, as investors cut risk and look for low-risk assets. Oil usually performs better during economic booms as investors add risk. But if they all move up together, that could signal rising economic headwinds or war risk ahead. There have only been three occasions of substantial, synchronized upward movement since 1980: the US stock crash in July-October 1987, the bursting of the tech-stock bubble in November 1999-February 2000, and the run-up to and start of Russia's full-scale attack on Ukraine (November 2021-June 2022). They were all followed by oil-price declines. This time, the WTI price has been rising with gold and the dollar. After the price synchronization of oil, gold and the dollar ended in 1987, 2000 and 2022, the WTI price fell by an average of 23.5% in the following 12 months. This time, oil, gold and the dollar have been moving in the same direction since March 26. If synchronization ends, oil could face strong price headwinds, if history is a guide.

US Economy plays pivotal role in Commodity Markets

The economic journey in 2024 has taken an unexpected course. Despite inflationary pressures and rising rates, sturdy consumer spending propelled by a robust job market sustained growth. But there may be bumps in the road ahead. There are signs of cooling labor and consumer confidence, business investment may see monetary policy headwinds, and government spending could moderate amid election uncertainty. On the other hand, net exports could provide a tailwind in the second half. And while the pace of economic growth has slowed, slower growth is still growth. Overall, the economic landscape seems headed toward a soft landing.

As we look forward, indicators suggest rougher economic terrain ahead. After a cool-down in hiring and wage growth in April, both rebounded unexpectedly in May. However, the unemployment rate surpassed 4% for the first time since January 2022, and labor force participation declined. This unstable backdrop has coincided with fluctuating consumer confidence, which is historically tied to spending growth. While this points to potentially slower consumer spending in the latter half of the year, it's important to remember that slower growth is still positive growth.

Staying Alert to Opportunities

While the geopolitical and political path ahead is unsettled, markets already have expectations about these events and have discounted them accordingly.

Staying vigilant to changes in expectations is certainly an important part. But at the end of the day, recognizing and capitalizing on these opportunities is key to navigating the shifting landscape.

Will second half of 2024 be Opportunistic or prudent against Volatility

While well-known risks like inflation and interest rates have dominated the headlines, the geopolitical landscape's twists and turns often take investors into uncharted territory. It's these black swans' risks that can have the biggest impact. The heating-up geopolitical impasse with the world's largest commodity importer China at the centre may not be good for prices, with the notable exception of gold. If the US stock market can stay on a tear in 2H, commodities may stabilize, but risk vs. reward appears tilted toward deflation that's worthy of inflation when equities have some typical retracement.

A conflict-driven rise in commodity prices could stoke stubbornly elevated global inflation, further delaying global monetary easing. Expectations for risk asset underpinnings, on back of Fed eventually cutting rates, may follow the lessons of what widely anticipated not occurring with buoyancy implications for gold. November's historic rematch between presumptive Democratic nominee Joe Biden and presumptive Republican nominee Donald Trump, has so far remained a background concern for markets. Despite the uncertainty that is sure to come over the next six months, the election season tends to end well for investors. Risks to this outlook include the upcoming election and numerous geopolitical tensions that could spark volatility. But underlying fundamentals remain resilient. For most investors, a well-diversified portfolio aligned with goals and timelines is still the prudent path forward.

SHRI NAVEEN MATHUR

Director
Commodities, Currencies &
GIFT City, IFSC
Anand Rathi Group

WHY POLITICAL AND ECONOMIC STABILITY IS CRITICAL FOR INDIA?

India is currently, the most sought-after and one of the most stable large economies in the world. In one decade, India has transformed itself from one of the "Fragile Five" economies to the fifth-largest economy in the world. Since 2021 India has been the fastest-growing. Achieving such a feat is unprecedented amidst the challenging times of COVID-19, Stagnating trade and factory output across the globe, higher inflation, war, and De-globalisation.

The Indian stock market has grown to the fourth largest globally in terms of market capitalization, Aviation Industry has grown to the third largest, and airports have doubled to 149 in one decade. Our Startup ecosystem is the third largest in the World. American firms employ more than 1.5 million people in India, more than any other country. We are the only nation to successfully land spacecraft on the moon's south pole. We are the back office of the world. Most large global firms have their Global Capability Centres (GCC) in India. According to NASSCOM, GCCs generated revenues of $46bn last year.

India builds 10,000 km of road every year and adds 15GW of Solar energy capacity annually. The Massive infrastructure program is helping India to build bridges, and ports, modernize railways, and develop water transport networks. The Make in India initiative and schemes like Production Linked Incentives (PLI) are a push towards building its much-needed manufacturing base, which India currently lacks. The "China Plus One" Strategy is an opportunity that will benefit India in becoming an alternative where multinational companies can set up factories outside China.

India's banking and digital financial payment network has immensely benefited the poor and the marginalized. It ensured the Direct Benefit Transfer of Subsidies reached the poor. More than 520 million bank accounts have been opened in the last 10 years under the Jan Dhan Yojana (a scheme to bring the unbanked population to the formal banking channel) and the aggregate deposit of over 2 lac crores ($28 billion) lies in these bank accounts. The percentage of the population living in poverty has reduced from 12% in 2011 to 5% presently.

Our financial and banking system is stronger than before. The new bankruptcy law, consolidation of state-run banks, and digital infrastructure have made the financial system healthier, enabling credit availability to millions of households and Small and Medium Enterprises.

The earnings of India's top 50 companies which are part of NIFTY Indices of NSE have grown at a CAGR of 24% over the past three years. The Direct Tax Revenue collections have grown 25 % year on year. GST Revenue collections have grown by 10% Year on year.

The growing workforce and their aspirations for a better lifestyle boost consumption. According to Goldman Sachs, 60 million people earn over $10,000 or more a year, which will grow to 100 million by 2027. India provides huge opportunities to firms offering products and services across Healthcare, Insurance, Real Estate, Investing, Entertainment, Financial Services, and more. The opportunity for global players is immense given the slowdown seen in Europe and China.

On the geopolitical front, India is no longer a timid nation. It has its voice, and the clout has been growing not only in the region but across the globe. India successfully used the G20 presidency to demonstrate its commitment to multilateral cooperation and building bridges between countries and regions.

The liberalization policies undertaken in the 1990s set the base for the policy reforms. The NDA Government led by Mr. Narendra Modi deserves credit for ensuring that the slow-moving and stalled policies are overseen and executed efficiently by the existing bureaucracy. Mr. Modi's initiative to make India a developed nation (Viksit Bharat) by 2047 when India celebrates its 100 years of Independence has given the desired impetus.

With tailwinds being in India's favor, the nation is poised to become the third-largest economy in terms of GDP sooner than anticipated. The next decade could be India's moment.

What India cannot afford at this juncture is instability: both Political and Economic. The nation needs strong leadership to oversee the progress and ensure the timely execution of the programs being rolled out over the last few years. On the economic front, the reduction in fiscal deficit plan needs to continue. The same can be achieved by the reduction in government debt thereby increasing debt affordability.

Instability harms the prospect of a nation and impacts its markets as well. Instability leads to people and institutions deferring their purchase and consumption which leads to the degrowth of earnings of companies, leading to a drop in profitability resulting in a drop in the ability to borrow, which impacts the credit offtake. The "Animal Spirit" of the private sector disappears. People lose jobs and the nation its growth trajectory.

For a nation like ours which has achieved the most preferred destination for Investments and is perceived to be the next superpower by 2050, the choice is in our hands. We can Rule the World or let be ruled like we have been for hundreds of years.

I will always prefer to Rule the World. Won't You?

SHREE JAY PRAKASH GUPTA

Founder of Dhan
Co - Founder
Raise Fintech Ventures

Union Budget and Monetary Policy

Fiscal and Monetary policy are two different tools that have an impact on the economic activity of a country and are used to regulate the economy over time. Fiscal policies are related to the way a government is managing the aspects of spending and taxation, for stabilising and helping in the growth of the economy. **Union Budget** is the most important document for fiscal policy, presented for each financial year by the government in the parliament. **Monetary policies** are formed and managed by the central banks of a country related to the aspects of money supply and interest rates in an economy. Monetary policy is announced by RBI in April each year and reviewed after every two months.

Union Budget

Union Budget is the annual financial statement of a government which lays out fiscal roadmap for the country for the next one year. The Government of India, every year prepares budget which shows the expected receipts and expenditures of the government in the coming financial year. Receipts of the government come from taxes (both direct and indirect), profits from various financial institutions, government commercial undertakings, interest from loans given to other governments, local bodies, etc. and expenditure of the government are on developmental projects such as construction of energy and non-developmental expenditure on a large number of activities such as defence, subsidies, police, law and order, etc. It is prepared by the ministry of finance in consultation with Niti Aayog and other concerned ministries. The budget is presented by Finance Minister in Lok Sabha.

Objectives of Union Budget

- Reallocation of Resources: It helps to distribute resources keeping in view the social and economic conditions of the country.
- Reducing Inequalities in Income and Wealth: Government aims to bring economic equality by imposing taxes on the elite class and spending the collected money on the welfare of the poor.
- Contributing to Economic Growth: A country's economic growth is based on the rate of investment and savings. Therefore, the budgetary plan focuses on preparing adequate resources for investing in the public sector and raise the overall rate of investments and savings.
- Bringing Economic Stability: The Budget focuses on avoiding business fluctuations so as to accomplish the aim of financial stability. Policies such as Deficit Budget (during deflation) and Surplus Budget (during inflation) assist in balancing the prices in the economy.
- Managing Public Enterprises: Many public sector industries are built for the social welfare of the people. The Budget is planned to deliver different provisions for operating such business and imparting financial help.
- Reducing Regional Differences: It aims to reduce regional inequalities by promoting the installation of production units in the underdeveloped regions.

Components of Union Budget

A. Revenue Budget: It consists of the Revenue Receipts and Revenue Expenditure. Revenue Receipts do not have a direct impact on the assets and liabilities of the government. It consists of the money earned by the government through tax (such as excise duty, income tax) and non-tax sources (such as dividend income, profits, interest receipts). Revenue Expenditure is the expenditure by the government which does not impact its assets or liabilities. For example, this includes salaries, interest payments, pension, and administrative expenses.

B. Capital Budget: It includes the Capital Receipts and Capital Expenditure. Capital Receipts indicate the receipts which lead to a decrease in assets or an increase in liabilities of the government. It consists of: (i) the money earned by selling assets (or disinvestment) such as shares of public enterprises, and (ii) the money received in the form of borrowings or repayment of loans by states. Capital expenditure is used to create assets or to reduce liabilities. It consists of: (i) the long-term investments by the government on creating assets such as roads and hospitals, and (ii) the money given by the government in the form of loans to states or repayment of its borrowings.

Budget Deficit, Revenue Deficit and Fiscal Deficit

If receipts are equal to expenditure, the budget is said to be balanced one. If receipts are higher than the expenditure, the budget is said to be surplus one and if receipts are lower than the expenditure, the budget is said to be deficit one.
Budget deficit is thus the difference between total receipts and total expenditure (revenue plus capital). If borrowings and other liabilities are added to the budget deficit, we get fiscal deficit. Fiscal deficit, thus measures that part of government expenditure which is financed by borrowings. Revenue deficit is the difference between revenue receipts and revenue expenditure. Consider the following example to understand both the concepts:

Particulars	2023-24 BE (Rs. Crore)	2024-25 BE (Rs. Crore)
1.Revenue Receipts	26,32,281	30,01,275
2. Capital Receipts of which	18,70,816	17,64,494
(a) Loan recoveries + other receipts	84,000	79,000
(b) Borrowings & other liabilities	17,86,816	16,85,494
3.Total Receipts (1+2)	45,03,097	47,65,768
4.Revenue expenditure	35,02,136	36,54,657
5. Capital expenditure	10,00,961	11,11,111
6. Total expenditure (4+5)	45,03,097	47,65,768
7. Budgetary Deficit (3-6)	NIL	NIL
8. Revenue deficit (4-6)	8,69,855	6,53,383
9. Fiscal deficit [1 + 2(a) - 6 = 7 + 2(b)]	17,86,816	16,85,494

Key components of Fiscal Policy

Fiscal policy refers to the government's strategy of managing its budget through revenue collection (mainly taxes) and expenditure to influence the country's economy. The key components of fiscal policy relates to:

- Government Revenue: The primary sources of government revenue include direct taxes (like income tax and corporate tax), indirect taxes (like Goods and Services Tax), customs duties, and non-tax revenues (like dividends from public sector enterprises, interest receipts, etc.).
- Government Expenditure: This encompasses spending on various sectors such as defense, infrastructure, education, healthcare, subsidies, social welfare programs, interest payments on borrowings, and other administrative expenses.
- Budget Management: Fiscal policy is primarily manifested through the annual Union Budget, where the government outlines its revenue and expenditure for the upcoming financial year. The budget reflects the priorities of the government and its approach to managing the economy
- Public Debt Management: Fiscal policy also involves managing the country's public debt. Borrowing decisions and debt servicing obligations impact the economy's overall health.
- Stimulating Economic Growth: In times of economic slowdown, the government may increase spending (fiscal stimulus) to spur growth, often leading to a higher fiscal deficit in the short term.
- Inflation Control: Fiscal policy can also be used to control inflation. For example, reducing government spending or increasing taxes can help cool down an overheated economy.
- Redistributive Policies: Through its expenditure and tax policies, the government can redistribute income and resources among different sections of society, aiming to reduce income inequality and promote social welfare.
- Counter-Cyclical Measures: The government uses fiscal policy as a counter-cyclical tool to stabilize the economy during various phases of the business cycle - spending more during recessions and cutting back during booms.

Budget documents presented to the Parliament

Besides the Finance Minister's Budget Speech, the following Budget documents presented to the Parliament:

1. Annual Financial Statement (AFS)
2. Demands for Grants (DG)
3. Finance Bill
4. Fiscal Policy Statements
5. Expenditure Budget
6. Receipt Budget
7. Expenditure Profile
8. Budget at a Glance
9. Key Features of Budget 2024-25
10. Implementation of Budget Announcements, 2023-24

A. Annual Financial Statement: The Annual Financial Statement shows the estimated receipts and expenditure of the Government of India, under three parts in which Government Accounts are kept viz., (i) The Consolidated Fund of India, (ii) The Contingency Fund of India and (iii) The Public Account of India. The Revenue and the Capital sections together, make the Union Budget.

(i) The Consolidated Fund of India: All revenues received by the Government, loans raised by it, and also receipts from recoveries of loans granted by it, together form the Consolidated Fund of India. All expenditure of the Government is incurred from the Consolidated Fund of India and no amount can be drawn from the Consolidated Fund without due authorization from the Parliament.

(ii) Contingency Fund of India: It is an imprest placed at the disposal of the President of India to facilitate meeting of urgent unforeseen expenditure by the Government pending authorization from the Parliament. The corpus of the Contingency Fund as authorized by Parliament presently stands at 30,000 crore.

(iii) Public Account of India: Provident Funds, Small Savings collections, receipts of Government set apart for expenditure on specific objects such as road development, primary education, other Reserve/Special Funds etc., are examples of moneys kept in the Public Account.

B. Demands for Grants: The estimates of expenditure from the Consolidated Fund of India included in the Annual Financial Statement and required to be voted by the Lok Sabha, be submitted in the form of Demands for Grants.

C. Finance Bill: Finance Bill provide details regarding the imposition, abolition, remission, alteration or regulation of taxes proposed in the Budget. It also contains other provisions relating to Budget that could be classified as Money Bill.

D. Fiscal Policy Statements mandated under FRBM Act: The Macro-economic Framework Statement contains an assessment of the growth prospects of the economy along with the statement of specific underlying assumptions. The Medium-Term Fiscal Policy cum Fiscal Policy Strategy Statement sets out the three-year rolling targets for specific fiscal indicators in relation to GDP at market prices, namely (i) Fiscal Deficit, (ii) Revenue Deficit, (iii) Primary Deficit (iv) Tax Revenue (v) Non-tax Revenue and (vi) Central Government Debt. It also outlines the strategic priorities of the Government relating to taxation, expenditure, borrowings, guarantees etc. The Statement explains how the current fiscal policies are in conformity with sound fiscal management principles and gives the rationale for any major deviation in key fiscal measures.

E. Expenditure Budget: In the Expenditure Budget, the estimates made for a scheme/programme are brought together and shown on a net basis on Revenue and Capital basis at one place. Expenditure of individual Ministries/ Departments are classified under 2 broad Umbrellas (i) Centres' Expenditures and (ii) Transfers to States/ Union Territories (UTs). Under the Umbrella of Centres' Expenditure there are 3 sub-classification (a) Establishment expenditure of the Centre (b) Central Sector Schemes and (iii) Other Central Expenditure including those on Central Public Sector Enterprises (CPSEs) and Autonomous Bodies.

F. Receipt Budget: The document provides details of tax and non-tax revenue receipts and capital receipts and explains the estimates.

G. Expenditure Profile: It gives an aggregation of various types of expenditure and certain other items. Scheme expenditure forms a sizeable proportion of the total expenditure of the Central Government. Railways is the principal departmentally-run commercial undertaking of Government. The Budget of the Ministry of Railways and the Demands for Grants relating to Railway expenditure are presented to the Parliament together with the Union Budget.

H. Budget at a Glance: This document shows in brief, receipts and disbursements along with broad details of tax revenues and other receipts. The excess of Government's revenue expenditure over revenue receipts constitutes revenue deficit of Government. The difference between the total expenditure of Government by way of revenue, capital and loans net of repayments on the one hand and revenue receipts of Government and capital receipts which are not in the nature of borrowing but which accrue to Government on the other, constitutes gross fiscal deficit.

I. Key Features of Budget 2024-25: The Document is a snapshot summary of the economic vision of the Government and the major policy initiatives in the thrust areas of the economy for growth and welfare.

J. Implementation of Budget Announcements 2023-24: The Document summarises the status of implementation of the announcements made by Hon'ble Finance Minister in the Budget Speech of previous year..

Monetary Policy

RBI is entrusted with the responsibility of conducting monetary policy in India with the primary objective of maintaining price stability while keeping in mind the objective of growth. Monetary Policy relates to the control of the availability, cost and use of money and credit with the help of monetary measures in order to achieve specific goals. It comprises those decisions which directly influence the volume and composition of money supply, the size and distribution of credit, the level and structure of interest rates, and the effects of these monetary variables upon related factors such as savings and investment and determination of output, income and price.

The broad concerns of monetary policy have been -

1. to regulate monetary growth so as to maintain a reasonable degree of price stability,
2. to ensure adequate expansion in credit to assist economic growth,
3. to encourage the flow of credit into certain desired channels including priority and the hitherto neglected sectors, and
4. to introduce measures for strengthening the banking system and creating institutions for filling credit gaps.

The key policy rates based on April 2024 Monetary policy are as under:

Repo Rate : 6.50%
Standing Deposit Facility (SDF) : 6.25%
Marginal Standing Facility (MSF) : 6.75%
Bank Rate : 6.75%
Fixed Reverse Repo Rate : 3.35%
Cash Reserve Ratio (CRR) : 4.50%
Statutory Liquidity Ratio (SLR) : 18.00%

Objectives of Monetary policy

1. Stability in price or controlling inflation
2. Full employment
3. Regulate the issue of bank notes
4. Operates currency and credit system to its advantages
5. Ensure adequate flow of credit to the productive sector
6. Balance between price stability and economic growth.
7. Debt management
8. Rapid economic growth
9. Moderate long term interest rate
10. Exchange Rate Stability
11. External balance of payments equilibrium

There is agreement between RBI and Government of India to fix target rate and maximum and minimum tolerable inflation rate which is also known as inflation targeting. Inflation target is set by Government of India in consultation with RBI once in every five year. Present inflation target rate is 4% and upper tolerance rate is 6% and lower tolerance rate is 2%.

Instruments for implementation of Monetary policy

Monetary policy is implemented by the RBI through the instruments of credit control.

These are (i) quantitative or general measures and (ii) qualitative or selective measures. The quantitative measures are directed towards influencing the total volume of credit in the banking system without special regard for the use to which it is put. Selective or qualitative instruments of credit control, on the other hand, are directed towards the particular use of credit and not its total volume.

A. Quantitative or General Measures : Quantitative measures have a general effect on credit regulation. They are used for changing the total volume of credit in the economy.

- Repo Rate**:** The interest rate at which the Reserve Bank provides liquidity under the liquidity adjustment facility (LAF) to all LAF participants against the collateral of government and other approved securities.
- Standing Deposit Facility (SDF) Rate**:** The rate at which the Reserve Bank accepts uncollateralised deposits, on an overnight basis, from all LAF participants. The SDF is also a financial stability tool in addition to its role in liquidity management. The SDF rate is placed at 25 basis points below the policy repo rate. With introduction of SDF in April 2022, the SDF rate replaced the fixed reverse repo rate as the floor of the LAF corridor.
- Marginal Standing Facility (MSF) Rate**:** The penal rate at which banks can borrow, on an overnight basis, from the Reserve Bank by dipping into their Statutory Liquidity Ratio (SLR) portfolio up to a predefined limit (2 per cent). This provides a safety valve against unanticipated liquidity shocks to the banking system. The MSF rate is placed at 25 basis points above the policy repo rate.
- Liquidity Adjustment Facility (LAF): The LAF refers to the Reserve Bank's operations through which it injects/absorbs liquidity into/from the banking system. It consists of overnight as well as term repo/reverse repos (fixed as well as variable rates), SDF and MSF. Apart from LAF, instruments of liquidity management include outright open market operations (OMOs), forex swaps and market stabilisation scheme (MSS).
- LAF Corridor**:** The LAF corridor has the marginal standing facility (MSF) rate as its upper bound (ceiling) and the standing deposit facility (SDF) rate as the lower bound (floor), with the policy repo rate in the middle of the corridor.
- Main Liquidity Management Tool: A 14-day term repo/reverse repo auction operation at a variable rate conducted to coincide with the cash reserve ratio (CRR) maintenance cycle is the main liquidity management tool for managing frictional liquidity requirements.
- Fine Tuning Operations: The main liquidity operation is supported by fine-tuning operations, overnight and/or longer tenor, to tide over any unanticipated liquidity changes during the reserve maintenance period. In addition, the Reserve Bank conducts, if needed, longer-term variable rate repo/reverse repo auctions of more than 14 days.
- Reverse Repo Rate: The interest rate at which the Reserve Bank absorbs liquidity from banks against the collateral of eligible government securities under the LAF. Following the introduction of SDF, the fixed rate reverse repo operations will be at the discretion of the RBI for purposes specified from time to time.
- Bank Rate: The rate at which the Reserve Bank is ready to buy or rediscount bills of exchange or other commercial papers. The Bank Rate acts as the penal rate charged on banks for shortfalls in meeting their reserve requirements (cash reserve ratio and statutory liquidity ratio). The Bank Rate is published under Section 49 of the RBI Act, 1934. This rate has been aligned with the MSF rate and, changes automatically as and when the MSF rate changes alongside policy repo rate changes.

- Cash Reserve Ratio (CRR): The average daily balance that a bank is required to maintain with the Reserve Bank as a per cent of its net demand and time liabilities (NDTL) as on the last Friday of the second preceding fortnight that the Reserve Bank may notify from time to time in the Official Gazette.
- Statutory Liquidity Ratio (SLR): Every bank shall maintain in India assets, the value of which shall not be less than such percentage of the total of its demand and time liabilities in India as on the last Friday of the second preceding fortnight, as the Reserve Bank may, by notification in the Official Gazette, specify from time to time and such assets shall be maintained as may be specified in such notification (typically in unencumbered government securities, cash and gold).
- Open Market Operations (OMOs): These include outright purchase/sale of government securities by the Reserve Bank for injection/absorption of durable liquidity in the banking system.

B. Qualitative or Selective Measures: Qualitative or selective measures are generally meant to regulate credit for specific purposes.

- Securing loan regulation by fixation of margin requirements: RBI is empowered to fix the margin and thereby fix the maximum amount which the purchaser of securities may borrow against those securities. Raising of margin curbs the borrowing capacity of the security holder.
- Consumer credit regulation: The regulation of consumer credit consists of laying down rules regarding down payments and maximum maturities of instalment credit for the purchase of specified durable consumer goods. Raising the required down payment limits and shortening of maximum period tend to reduce the demand for such loans and thereby check consumer credit.
- Issue of directives: The Central Bank also uses directives to various commercial banks. These directives are intended to encourage or curb individual credit structure and the aggregate volume of loans. RBI has issued directions on Priority Sector Lending, and other areas.
- Rationing of credit: Rationing of credit is a selective method adopted by the Central Bank for controlling and regulating the purpose for which credit is granted or allocated by commercial banks.
- Moral persuasion: Moral suasion implies persuasion and request made by the Central Bank to the commercial banks to co-operate with the general monetary policy of the former. Moral suasion is a psychological means of controlling credit; it is a purely informal and milder form of selective credit control.
- Direct Action: The Central Bank may take direct action against the erring commercial banks. It may refuse to rediscount their papers, and give excess credit, or it may charge a penal rate of interest over and above the Bank Rate, for the credit demanded beyond a prescribed limit.

By making frequent changes in monetary policy, RBI ensures that the monetary system in the economy functions according to the nation's needs and goals.

CMA YASH PAUL BHOLA

Ex- Director (Finance),
National Fertilizers Limited
President (Hon.)
International Navodaya
Chamber Of Commerce

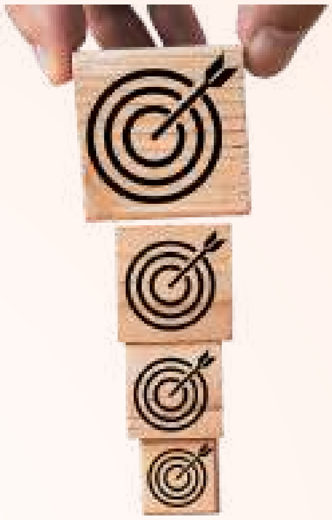
Enhancing Financial Access for MSMEs: Addressing the Credit and Digital Divide

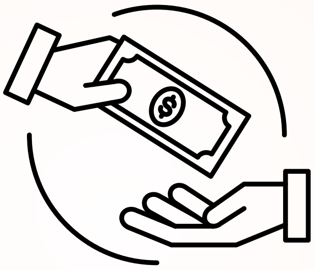
According to CRISIL, formal credit penetration in the MSME sector stands at a mere 20%, and for women entrepreneurs, the figure is even lower at just 10%. These figures underscore a critical need for interventions to bridge the credit and digital divide.

A World Bank study highlights that digital services could amplify financial access by up to 50%. Digital platforms can reduce operational costs and extend the reach of financial services to previously underserved populations. For MSMEs, this means easier access to credit, simplified transaction management, and enhanced customer connectivity.

The digitization journey is, nonetheless, fraught with deep inequalities. A report by RedSeer highlights a stark reality: out of the 64 million MSMEs in India, only about 12% are considered digitally mature brands. These businesses harness advanced technologies, such as cloud computing, data analytics, and e-commerce platforms, to streamline their operations and reach broader markets. The benefits they reap are clear, from optimized processes and enhanced customer engagement to the ability to scale their businesses efficiently and competitively. In contrast, the remaining 88% of MSMEs are at varying stages of digitization. Many small businesses lack the resources to invest in digital tools or the knowledge to implement them effectively.

The loan origination landscape for MSMEs further illustrates the challenges. According to TransUnion CIBIL, 46% of overall MSME loans originate in semi-urban and rural areas, 55% of borrowers are medium risk, and 46% are new to credit. Micro-enterprises, which account for 93.5% of the total Non-Performing Asset (NPA) accounts, face the most significant hurdles, with only 11% having access to credit.





The high percentage of NPAs among micro-enterprises not only reflects the inherent risks associated with lending to this sector but also highlights the systemic failures in supporting these businesses. Traditional credit assessment models are ill-equipped to evaluate the unique circumstances of micro-enterprises.

This scenario creates a vicious cycle. As micro-enterprises struggle to access credit, their growth is hindered, limiting their ability to generate revenue and repay loans. This increases their risk profile, further deterring lenders. Consequently, these businesses remain trapped in a precarious position, unable to scale and contribute more significantly to the economy.

The absence of simplified and on-demand access to credit and broader financial services puts India's sustainable and inclusive development at risk, undercutting its actual potential. Studies also show that nearly 40% of MSMEs in India lack adequate financial literacy, which hampers their ability to access formal financing (IFC Report, 2022). Programs like the MSME Samadhaan and various state-level initiatives aim to bridge this gap by offering training in financial management, digital skills, and business strategy.

From a banker's perspective, the difficulties in accessing bank finance for MSMEs are multifaceted. A survey by IIB indicates that first-generation entrepreneurs' lack of experience (36%), lack of collateral and infrastructure (26%), poor financials of enterprises (24%), smaller ticket size (8%), and other factors (6%) significantly impact the ability of MSMEs to secure loans. Government schemes, although beneficial, often fall short of addressing these nuanced challenges.

For banks, processing smaller loans involves the same administrative costs as larger ones, making them less economically attractive. This results in a preference for larger, more lucrative loans, leaving MSMEs underserved. Moreover, the perceived high-risk nature of these smaller loans, combined with the high costs of monitoring and managing numerous small accounts, further disincentivizes banks from focusing on this segment. Ultimately, this leaves MSMEs caught in a perpetual struggle for funding, while banks chase more lucrative opportunities. The financial landscape must evolve to recognize the untapped potential within these small enterprises.

SHRI JYOTI PRAKASH GADIA

Managing Director
Resurgent India Limited

IMPORTANCE OF INVESTMENT IN THE LIFE

Investments are essential due to the fact in modern-day time, simply making a living isn't always enough. You work hard for the money you earn. But that may not be excellent sufficient to lead a cozy manner of lifestyles or fulfill your goals. To try this, you need to manipulate your finances. This is why you make investments.

Investing is an important part of any economic plan, as it gives a manner to grow your cash and meet long-term monetary desires. By taking advantage of the power of compounding and the capability for capital appreciation, investing allow you to build wealth through the years.

In addition, many investments offer income thru dividends or interest payments. Investing also assist you to diversify your portfolio to lessen uncertainty and potentially growth returns. Investing wisely may be a extremely good manner to construct a nest egg and comfortable your economic journey.

Some of the key factors are important in the journey of Investments:

Objective

Define your financial dreams and objectives for investing. Are you investing to purchase a domestic, planning to build a corpus for toddler's higher research, investing for retirement ?

Time horizon of Investment

Think of your investing time horizon. A long term horizon permits you gain from compounding.

Your Risk Capacity

Assess your capacity to fac
e up to fluctuations or loss in the cost of your investments. Understand that higher-go back investments often include better tiers of risks.

Financial Knowledge

Start your investment journey by gaining knowledge of basics of investing. If you're beginner, start with easy and more straight easy options such as utilising your savings by making Fds etc. and then exploring complex ones together with derivatives.

To mitigate the effects of inflation human beings make investments cash. Investing is placing money in the ones belongings that boom in value with time, so that human beings do not have to preserve operating all their life with a view to survive. When you invest money, you sacrifice the luxuries of today with the intention to have higher standard of residing and financial protection in the future. Investment is accomplished with three purposes:

To beat the inflation.
To create a fund for future so that you can use it whilst you are not longer capable of working

Every funding comes with a risk, while determining the reason of your funding, you should also take into account the risk involved in making that funding decision, riskier the investment, better the possible returns, this is known as risk premium

Those who invest to overcome the inflation do now not ought to take a big funding risk. Such investors choose to put money into surprisingly comfortable financial products that protect the initial capital invested and might not deliver excessive return on funding. Most famous products on this category are financial institution deposits, Government/treasury bonds, and high rated company bonds.

Those who invest for their retirement fund spend money on property which can be moderately risky along with Index funds and ETF (Exchange Traded Funds). People investing for his or her retirement normally make investments for long time, and take advantage of compounding returns over a long period of time.

Finally folks that want to get rich, commonly personal businesses or multiple, and spend money on it to create economic freedom for themselves. Such investment has the best risk as there are chances to lose all the money invested. On the alternative hand if things pass well, the return on funding are big.

In brief, each human in this earth invests in some or the other way. Some invest in themselves, to end up a better and more green person, some invest in others, in an effort to make the sector a higher vicinity, and a few invest to be financially rich. No depend what the purpose or technique of your funding can be, what matter the maximum is that you hold making an investment to hold transferring forward.

Here are a number of the crucial reasons why you ought to begin making an investment if you haven't already:

Achieve your economic goals:
It's commonplace to have multiple financial purpose in existence. And making an investment is that secret component which can can help you gain your economic goals. With a proper strategic investment plan, you can have the possibility to achieve your financial dreams be it long term or quick time period.

Some of the most not unusual funding financial goals are as follows:
Save tax.
Maintain your quality-of-life even after retirement
Build lengthy-term wealth
Beat Inflation.
It is observed that charges of commodities have a tendency to growth through the years and this may reduce the value of your savings. And in case you simply go away your hard cash on your current or financial savings account, it subsequently will lessen your purchasing strength because of inflation. But while you invest, you are allowing your stored cash to grow with time.

Investing is a crucial aspect of personal finance that can help individuals achieve their long-term financial goals. By investing wisely, one can secure their financial future, create wealth, and achieve financial stability.

Financial Security

Investing provides a safety net for the future, ensuring that one is prepared for any financial challenges that may arise. It helps to build a corpus of funds that can be used in case of emergencies, such as medical expenses or loss of income. By investing regularly, one can create a financial cushion that provides peace of mind and reduces stress.

Wealth Creation

Investing can help individuals grow their wealth over time. By investing in assets that appreciate in value, such as stocks or real estate, one can build a substantial amount of wealth. For example, investing in the stock market can provide returns that are higher than inflation, helping to grow one's wealth over the long term.

Long-term Goals

Investing is essential for achieving long-term goals, such as retirement or buying a home. By starting to invest early, one can build a substantial corpus of funds that can be used to achieve these goals. For example, investing in a retirement fund can provide a steady income stream in the golden years.

Diversification

It's essential to diversify one's investments to minimize risk. By investing in different asset classes, such as stocks, bonds, and real estate, one can reduce their exposure to any one particular market. This helps to ensure that their investments continue to grow even in uncertain times

Conclusion

In conclusion, investing is a critical aspect of personal finance that can help individuals achieve their long-term financial goals. By investing wisely, one can secure their financial future, create wealth, and achieve financial stability. So, start investing today and take control of your financial future

SHRI ANUJ GUPTA

Head - Commodities & Currencies
HDFC Securities Limited

SOCIAL STOCK EXCHANGE A PRIMER

The Perspective

The Millennium Development Goals (MDGs) and the Sustainable Development Goals (SDGs) have provided a set of common aspirational targets for governments to build a more sustainable, safe and prosperous worldThe Perspective. Social Sector / Civil Society Organizations have a key role in achieving the target of Inclusive growth. The social sector is incredibly important in today's world as it helps to build a more equitable and socially just society. It provides support to vulnerable communities, creates positive change in the form of new policies and programs, and works to create a better quality of life for all.

The concept of development has undergone a sea change after the popularization of the Human Development Approach and publication of the first Human Development Report of the United Nations Development Program (UNDP) in 1990. Today, human beings are considered as both the means and ends of production. Thus, all the development activities are centered towards maximizing well-being of the mankind; and for which social sector development is considered very vital.

Current state of India's social sector

Although India's social economy is one of the most active in Asia, Indian CSOs continue to suffer from a low volume of deals and small viable pipelines for social enterprises, as well as consistent, long-term fundraising for non-profits. Indian CSOs face obstacles in raising capital to deliver social solutions due to a variety of factors including monitoring and evaluation challenges, lack of standardized methodologies for evaluating organizations, nascent impact investing environment, restricted / reduced funds for organizational growth and so on.

Evolution of an SSE in India

A Social Stock Exchange (SSE) is a regulated platform to bring together social organizations to raise capital and impact investors to make financial returns while ensuring social and environmental sustainability at large. Globally, SSEs are already instituted in a handful of countries including Canada, Singapore, South Africa and the United Kingdom. In India, the vision of SSE was first floated by Union Finance Minister Nirmala Sitharaman in her budget speech in July 2019 to achieve various social welfare objectives related to inclusive growth and financial inclusion.

"It is time to take our capital markets closer to the masses and meet various social welfare objectives related to inclusive growth and financial inclusion. I propose to initiate steps towards creating an electronic fundraising platform- a Social Stock Exchange (SSE) -under the regulatory ambit of the Securities and Exchange Board of India for listing social enterprises and voluntary organizations working for the realization of a social welfare objective, so that they can raise capital as equity, debt or as units like a mutual fund."

Thereafter, in September 2019, the Securities Exchange Board of India (SEBI) constituted a working group to propose a feasible architecture for setting up the SSE mechanism. On September 28, 2021, SEBI approved the creation of the SSE under its regulatory ambit, providing a renewed impetus to social entrepreneurs and impact investors in the country.

This pronouncement has resulted in creation of a separate segment on BSE catering only to Social Enterprises. The SSE, as the Social Stock Exchange is more fondly called, has now been setup as a new segment on the BSE and will enable Social Enterprises to tap into a much wider pool of investors and donors, and allow the investors and donors far greater transparency into the impact that their monies are creating.

What is Social Stock Exchange?

Social Stock Exchanges (SSEs) represent an innovative step within the regulatory framework of the Securities and Exchange Board of India (SEBI). These platforms aim to facilitate increased capital flow towards private and non-profit sector entities. Their primary goal is to empower social businesses and non-profit organizations to access capital from investors who prioritize both corporate profitability and social impact. Through collaboration and adherence to regulatory standards, SSEs have the potential to drive positive social change and contribute to India's sustainable development goals. Social Stock Exchange (SSE) is a segment of the existing Stock Exchange, that can help social enterprises raise funds from the public through the stock exchange mechanism.

SSE aims to provide an alternative fund-raising instrument. In simpler words, SSE is a medium between social enterprises and fund providers. Social Stock Exchange (SSE) is an electronic fund raising platform under the regulatory ambit of Securities and Exchange Board of India (SEBI) for listing For-Profit Social Enterprises (FPSEs) and Not-for-Profit organizations (NPOs) working for the social welfare to raise capital as equity, debt or as units like a Mutual Fund.

SEBI vide its notification dated 25th July, 2022 has made amendments in the SEBI (ICDR) Regulations, 2018, and SEBI (LODR) Regulations, 2015. These amendments have been made to provide Social Enterprises with additional avenues to raise funds through the Social Stock Exchange (SSE), which is a novel concept in India. It provides eligibility of organizations to raise funds through Social Stock Exchange, eligibility of entities to be classified as "Not for Profit Organization", eligibility of entities to be classified as "For Profit" Social Enterprises, means through which Social Enterprises can raise funds, and obligations of Social Enterprises.

Furthermore, to strengthen the governance framework in these entities, & provide better confidence to such investors, SEBI has introduced the concept of Annual Impact Assessment Report by a Social Impact Assessor. The purpose of this Social Impact Assessment is to ascertain the impact made by the Social Enterprise through its activities, intervention, programs or projects implemented during the reporting period.

Features of SSE

- It is a separate segment on the National Stock Exchange (NSE), which is one of the leading stock exchanges in India.
- It provides a regulated platform for listing and trading of securities issued by social enterprises, such as equity shares, debt instruments, mutual funds, etc.
- It facilitates the disclosure of relevant information and the measurement of social impact by the social enterprises.

The advent of an SSE in India presents itself as a promising, ground breaking and an illustrious step to bolster the impact investing ecosystem in the country and improve access to larger pools of capital for the social sector. This development also comes at an opportune time when the demand for financial returns coupled with desired social or environmental impact, is growing manifold. Thus, an SSE in India is uniquely poised to pave the way towards building a fruitful partnership between conventional and social capital, and ensuring greater inclusive growth in the country.

What is a social enterprise?

Organizations looking to register on the SSE must prove 'social intent'. Any social enterprise (Non-Profit Organisation and For-profit enterprises) that establishes its primacy of social intent can get registered/ listed on social stock exchange. The two types of social enterprises, NPOs and FPEs can go for registration and / Listing as per following parameters.

	Not-for-Profit Organizations	For Profit Enterprises
Focus	Maximizing social impact	Maximizing social impact along with growing shareholder wealth
Listing on the exchange	Register on the exchange and then raise funds either through listing or other means. Fund raising is not mandatory after registration.	Raise funds through an IPO or follow-on public offers
Instruments/modes for raising funds	Equity, Zero Coupon Zero Principal, Development Impact Bonds, Social Impact Funds, Donations from Mutual Funds	Equity shares through main board, SME, or innovators growth platform, equity shares through AIFs or Social Impact Funds, debt
Social mandate	At least 67% of the past three years' average revenues/expenses/customer base should be meant towards providing eligible social activities	At least 67% of the past three years' average revenues/expenses/customer base should be meant towards providing eligible social activities
Minimum fund raise	₹50 lakh from ZCZP	Similar to commercial entities or AIFs, depending on the choice of fund-raising instruments
Who can invest?	All entities are allowed. In case of ZCPs, anyone with minimum ₹10,000 can invest. That is the minimum security denomination for ZCZPs.	Retail investors, HNIs, institutional investors - all entities allowed in the capital markets

To register on the SSE, NGOs must meet specific criteria that demonstrate their commitment and capability to deliver social impact.

Organizational Structure and Legal Requirements

1. **Type of Organization: An eligible NGO can be:**
- A Charitable Trust registered under respective state laws.
- A Charitable Society registered under the Societies Registration Act, 1860.
- A Section 8 Company under the Companies Act, 2013.

2. **Mandatory Registrations:**
- The NGO must hold valid certifications under Sections 12A/12AA/12AB of the Income Tax Act, which recognize the NGO's exempt status.
- It must also have a valid 80G certification, enabling donors to claim tax deductions.
- Registration on the NGO Darpan portal is crucial. This portal, managed by NITI Aayog, serves as a government-endorsed database of NGOs.

Financial Stability and Track Record

1. **Operational Tenure:** The NGO should have been operational for at least three years, demonstrating its sustained commitment and capability to deliver social impact.
2. **Financial Requirements:** The NGO should have a track record of considerable financial expenditure towards social activities, with a minimum annual spending of INR 50 lakhs. Additionally, it should have maintained a minimum fund balance of INR 10 lakhs in the past year, indicating financial stability.

What types of organizations are excluded from listing on the SSE? : Excluded from listing are corporate foundations, political or religious organizations, professional or trade associations, infrastructure and housing companies (except for affordable housing). These exclusions ensure that the SSE remains focused on entities with clear social welfare objectives.

How to register or list on SSE?

- **Apply to NSE/ BSE with the required documents and fees.**
- **Obtain approval from NSE after due diligence and verification.**
- **Comply with the listing agreement and disclosure norms of NSE/ BSE**
- **Submit an annual impact assessment report to NSE /BSE**

Fund raising at SSE

A Social Enterprise may raise funds through following means:

a) **a Not for Profit Organization** may raise funds on a Social Stock Exchange through:

- issuance of Zero Coupon Zero Principal Instruments to institutional investors and/or non-institutional investors
- donations through Mutual Fund schemes as specified by the Board;
- any other means as specified by the Board from time to time.

b) **A For Profit Social Enterprise** may raise funds through:

- issuance of equity shares on the main board, SME platform or innovators growth platform or equity shares issued to an Alternative Investment Fund including a Social Impact Fund;
- issuance of debt securities;
- any other means as specified by the Board from time to time

Transparency and Accountability Framework

The SSE has established a robust framework for ensuring transparency and accountability of the social enterprises and their impact. The social enterprises are required to disclose information about their financial performance, governance structure, social intent, target population, eligible activities, etc. on a regular basis. Those Social Enterprises which raise funds through listing on SSE are mandated to get a Social Impact Assessment report from Social Impact Assessors every year.

Some potential scenarios where such an exchange can be leveraged to benefit NGOs include:

- Functioning as a search directory listing credible and vetted Social Purpose Organizations
- Enabling equity investments for Social Enterprises (institutional/ retail) across all stages of the capital value chain (SMEs to larger)
- Potential to create a common language around impact assessment and measurement and popularize this with donor ecosystem – both institutional and retail
- Potential to increase availability of funds for Indian non-profit organizations.

Objective of Social Stock Exchange

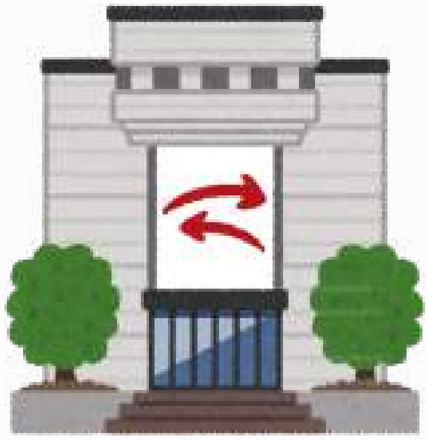
- Unlock large pool of Social Capital
- Blended Financial Structure i.e. conventional capital partner with Social capital to meet concern & Challenges of society
- A transparent platform for investors looking to support Social and Environmental Organization to create Social impact.

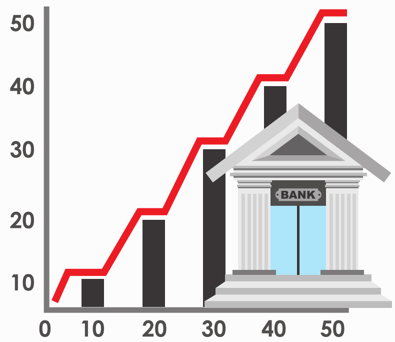
Benefits of Registration/Listing

- **Improved market access :** SSE will facilitate a common and a structured meeting ground between Social Enterprises and investors/donors with inbuilt regulation for providing sanctity and accountability of finances.
- **Synergy between investors and investee in social aims :** In view of flexibility of investments and capital that would be available on an SSE, the canvas of choice would be much wider allowing investors and investees with similar missions and visions to connect seamlessly

Performance based philanthropy : Performance of the enterprises listed on an SSE would be monitored thus it will instill a culture of performance (Social return) driven philanthropy.

- **Minimal registration cost :** SSE saves cost for both issuer and investor/donor by charging minimal fees for registration and listing.
- **Additional avenue for Social Enterprises :** Central and State governments till date have the biggest onus of achieving sustainable development goals. SSE will provide an alternate avenue for raising funds thereby encouraging new and existing social enterprises.





Distinguishing social audit from financial audit

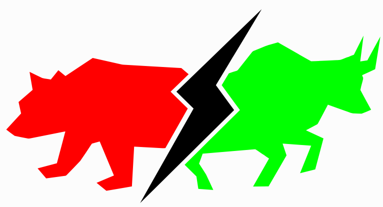
- The purpose of a financial audit is to examine and verify an entity's financial affairs by reviewing its financial records over a certain time period.
- Auditors check the entire accounting process through which these numbers are placed on your financial statements.
- A social audit is a way of assessing, understanding, reporting and ultimately improving an organization's social and ethical performance.
- A social audit helps to narrow gaps between vision/goal and reality, between efficiency and effectiveness.
- It is a technique to understand, measure, verify, report on and to improve the social performance of the organization

Social Stock Exchange – Challenges

The SSE is an opportunity to potentially transform India's philanthropy landscape, however in its pursuance, it does face a considerable share of challenges as well.

Lack of Awareness and Education: Inadequate Awareness and education among potential investors become a central challenge when it comes to SSEs. While Indians are relatively well acquainted with the mainstream traditional methods of philanthropy, they are unaware about the concept of investing in impact-oriented enterprises through mechanisms like the SSE

Strict Regulatory Compliance: an SSE creates a need for a significant oversight in order to ensure transparency, credibility and adequate protection and security. A bit cumbersome process for listing on the SSE may be a disincentive which may dissuade smaller organizations from participating due to the cost and effort involved.



Limited Investor Appetite for Impact Investment: The Indian investor is still primarily motivated by direct individual monetary returns over indirect societal benefits.

Scalability and Viability of Social Enterprises: The social enterprises, especially in India are relatively small scale and face challenges in scaling up their operations and attracting increased funds through investment. For the SSEs to succeed, a scalable model which is capable of attracting the required capital to deliver tangible impact and cover the operational costs effectively is vital.

Conclusion

Social entrepreneurs have the potential to make a significant impact on the socio-economic development of the nation, but they struggle to find sustained funding. Social Stock Exchange can aid such for-profit social enterprises by bridging the funding gap and creating an investment ecosystem. Social Stock Exchange will not only help the growing investment market but also a more regulated capital market in India. It will also help impact investment to become more accessible which will increase the flow of money into sustainable development. Registration and fundraising on the SSE are significant steps for NGOs aiming to amplify their social impact. By meticulously preparing for and navigating through the SSE's processes, NGOs can unlock new funding avenues and scale their impact initiatives.

By providing a structured and regulated avenue for fundraising, the SSE is expected to stimulate growth in the social sector, leading to more efficient and scalable solutions for social problems. This could lead to enhanced socio-economic development and a more inclusive economic growth model in India. The success of the Social Stock Exchange hinges on the collective effort of all stakeholders—government, private sector, and civil society.

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CMA (DR.) S K GUPTA

CEO
ICMAI Social Auditors Organization

CONSTRUCT A BALANCED PORTFOLIO BASED ON YOUR RISK CAPACITY

The significant changes in investment activity in India, the hefty addition of new demat accounts every year for the last three years, and the infusion of money in the capital market by the retail investors through the mutual funds Systematic Investment Plan (SIP) route (which allows investors to invest a fixed amount regularly in mutual funds) shows the sign of development of our country. The average GST collection was ₹1.51 lakh crore in FY 23 and ₹1.68 lakh crore in FY 24, reflecting an impressive growth of 11.26%. Additionally, the collection of GST surpassed ₹2 lakh crore in April '24, and the current account deficit narrowed to 0.70% of GDP in the financial year 2023-24, underscoring India's growth story. Recently, the Reserve Bank of India (RBI) announced a record dividend of ₹2.11 trillion to the government of India for the financial year 2023-24, significantly contributing to the nation's remarkable economic progress.

With Indian Inc.'s improving profit margin and the economy's robust growth, Analysts believe that India's Stock markets are on an upward trajectory for the next couple of years. However, many of us still deposit in banks' Fixed Deposit Receipts (FDRs) and hesitate to invest in equity (such as stocks) and equity-related products (such as mutual funds and exchange-traded funds). Is it that our conservative minds tend to impulse us not to think about equity investing, or do we still lack awareness and knowledge about these investments? This is a crucial question for all of us. Let's explore a few investment options, considering risk, return, and tax implications.

Criteria for selecting an Investment Product:

Generally, investors tend to look at investments only from the perspective of generating maximum returns for the money they are investing in a product. Due to the advancement of technology, different asset classes are available for investors in the financial markets. It may be bank fixed deposit, stock, mutual funds, government schemes, gold, e-gold, & gold bonds, Bonds & debentures, ULIP, real assets, etc. Each investment avenue has its advantages and disadvantages. Most investment avenues have a certain degree of risk, such as business risks, currency risks, operational risks, inflation risks, default risks, interest rate risks, political risks, market risks, etc.

Understanding the relationship between risk and return is crucial. If your investment return is not comparatively associated with risk, then the investment may not fulfill your financial goals. With this viewpoint, investors should often analyze the risk and returns of the investment products, develop a strategy before making an investment decision, and set financial goals.

However, the investor should evaluate investment products (equity, debt, and hybrid products) and consider the criteria of an investment, such as consistent returns, asset diversification, tax efficiency, security, and risk, when making the investment decision.

Various investment avenues are available in the market, with different risks and returns. Your choice of investment avenues depends on your financial goals, risk tolerance capacity, investment horizon, and overall financial situation.

Investment of Asset Classes:

1. Fixed Deposit:

Fixed deposit is an investment scheme offered by Banks, Non-Banking Financial Companies (NBFCs), and Corporations. An investor deposits a sum of money with a bank or Non-banking Finance company for a fixed period, typically ranging from a few days (seven days) to several years(ten years). During this period, the investor earns interest on the deposited amount at a fixed rate. The depositor can withdraw the money before the Fixed Deposit maturity date. If the depositor withdraws the money before the maturity date, the bank deducts a certain percentage as a penalty. The interest rate and premature withdrawal charges vary from bank to bank. The tenure of FDRs and interest rate gives investors the power to choose the best option for their needs.

However, the interest rates on FDs are fixed and guaranteed, providing a secure and low-risk investment option. The return of bank fixed deposits is not tax-efficient. Depositors must pay income tax on an accrual basis based on their tax slab. Compared to other investment products, the return rate of a fixed deposit is always lower.

Table-1

Understand the post-tax return on Bank Fixed Deposit investments

Year	Principal (₹)	Annual Interest ** (₹)	Maturity Value (₹)	Tax Amount (₹)	Post Tax Income (₹)
1	1,00,000	7,000	1,07,000	2,184	4,816
2	2,07,000	14,490	2,21,490	4,521	9,969
3	3,21,490	22,504	3,43,994	7,021	15,483
4	4,43,994	31,080	4,75,074	9,697	21,383
5	5,75,074	40,255	6,15,329	12,560	27,696
6	7,15,329	50,073	7,65,402	15,623	34,450
7	8,65,402	60,578	9,25,980	18,900	41,678
8	10,25,980	71,819	10,97,799	22,407	49,411
9	11,97,799	83,846	12,81,645	26,160	57,686
10	13,81,645	96,715	14,78,360	30,175	66,540
	Total	4,78,360		1,49,248	3,29,112

**This is for illustration purposes only. The actual return will vary from year to year of each SIP amount based on the actual interest rate.

All bank deposits, including savings, fixed, current, and recurring deposits up to a maximum of ₹ 5,00,000 (Rupees Five Lakhs) for both principal and interest held by a depositor, are insured by the Deposit Insurance and Credit Guarantee Corporation (DICGC) in the same right and same capacity as on the date of liquidation/cancellation of the bank's license, etc. This guarantee by the DICGC encourages individuals to make bank-fixed deposits.

Let us consider an example of how a bank's fixed deposit generates income. Suppose a conservative investor has chosen to invest solely in bank fixed deposits for his children's higher education.

If he invests ₹100,000 in a Bank Fixed Deposit (FDR) at the beginning of each financial year, similar to a Systematic Investment Plan (SIP) for ten years, his total investment will be ₹10 lakhs. If that investment grew by an average of 7.00% (current interest rate) a year, it would be worth ₹ 14.78 lakhs after ten years by assuming that the interest rate remained the same throughout the ten years.

Considering the investor's marginal tax rate, assuming 30.00%, plus a 4% education cess, the depositor's post-tax return after one year will be 4.81%. With the current inflation rate at 6% per annum, the inflation-adjusted return will be negative at 1.19%.

If the investor ignores the tax treatment in the above example, the inflation-adjusted return would be only 0.94% annually, considering the bank deposit rate is 7% and the inflation rate is 6%. According to the table provided, for an investment of ₹10,00,000, the net income after ten years will be ₹3,29,112.

On the contrary, when investing in bank fixed deposits, consider the risk of inflation and interest rates, as these factors may decrease the actual value of assets.

2. Equity Mutual Fund:

Mutual funds are an excellent investment option. They pool money from multiple investors to invest in a diverse portfolio of assets such as shares, debentures, bonds, government securities, commodities, and short-term securities like treasury bills, commercial papers, promissory notes, and certificates of deposit. Mutual funds investment diversifies the investor's portfolio and reduces risk. This diversification helps spread the risk and potentially increase returns.

Mutual funds also help an investor build a good portfolio mix due to their various categories of funds, such as large-cap, multi-cap, mid-cap, hybrid, and debt mutual funds. It's important to note that equity funds have a greater risk of capital loss than hybrid/ diversified funds.

Mutual funds offer the option to invest through a Systematic Investment Plan (SIP), ensuring disciplined investment regardless of market volatility. This strategy allows investors to average their costs through market cycles and build a significant corpus to achieve their goals without taking on excessive risk in the long run.

A mutual fund is the best option for investing in long-term goals as it has several advantages: It is less risky than equity, highly operational, transparent, and user-friendly. Additionally, it is subject to strict regulations, has lower costs and high liquidity, and is more secure than other investment products while being tax efficient. Mutual funds also spread investors' money across different asset classes, providing consistent returns over the long term.

Let's compare with an example of a SIP investment of ₹100000 and the returns of different investment Avenues.

Table-2

Projected returns of various investment vehicles

Instruments	SIP per Year (₹)	Return Per Year(%)	Total Investment (₹)	Return* (₹)	Maturity Amount (₹)	Tax Amount (₹)	Tax adjusted Return (₹)
FDR	1,00,000	7.00	10,00,000	4,78,360	14,78,360	1,49,248	3,29,112
Conservative Hybrid Mutual Funds	1,00,000	9.50	10,00,000	7,03,852	17,03,852	2,19,602	4,84,250
Equity Mutual Funds- large cap	1,00,000	12.00	10,00,000	9,65,458	19,65,458	86,545	8,78,913
Equity Mutual Funds- Small & Mid Cap	1,00,000	16.00	10,00,000	14,73,290	24,73,290	1,37,329	13,35,961

* Bank FDR return is guaranteed, and mutual Fund Schemes are not guaranteed. Mutual fund return is subject to market risks.
**This is for illustration purposes only. The actual return will vary from year to year based on the actual interest rate and return.

This analysis of various investment options exhibits tax-adjusted returns of a yearly SIP investment of ₹100,000, which helps an investor to estimate and finalize financial goals.

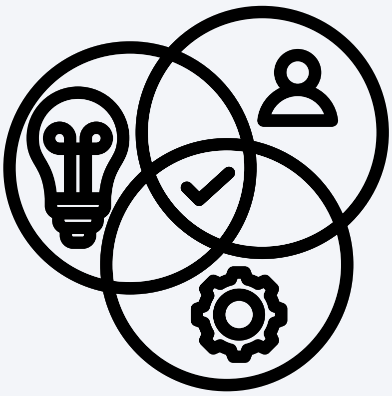
For instance, if an investor regularly invests ₹100,000 annually at the start of each financial year into a bank fixed deposit, after ten years, he/she will receive ₹14.78 lakhs, assuming a 7% annual rate of return. However, conservative hybrid and equity mutual funds have historically offered better long-term returns than bank fixed deposits.

On the other hand, if he invests it in conservative hybrid mutual funds (75% debt instruments & 25% equity) after the same period, he will get ₹17.03 lakhs.

Conversely, if investors make a Systematic Investment Plan (SIP) of ₹1,00,000 per annum in an equity large-cap fund; after ten years, they will get ₹19.65 lakhs, assuming a rate of return of 12% per annum. Also, the same amount of yearly SIP with small and mid-cap mutual funds will create a corpus of ₹24.73 lakhs, assuming a rate of return of 16% per annum.

The tax rate for FDR and conservative hybrid products is the same as per the Income Tax Act. However, the long-term capital gains rate for equity mutual funds is 10% over a certain threshold amount, i.e. ₹1,00,000 in a Financial Year.

Based on a pensioner's perspective, a conservative hybrid mutual fund offers better benefits than a bank FDR due to its higher returns and tax implications upon redemption only. It is essential to carefully assess the returns and tax considerations when selecting investment products.



The above corpus can only be achieved by following disciplined approaches, regardless of market volatility. Investing through SIP ensures disciplined investment, irrespective of market volatility. This helps investors average their costs through market cycles and build a substantial corpus to attain their goals without taking excessive long-term risks.

Equity has the potential to deliver strong returns with lower downside risk in the long term compared to debt instruments such as bonds, debentures, and govt. securities. Hence, equity and equity-related investments should consistently deliver decent returns in the long run without worrying about daily market volatility, ideally for more than five years.

Change your mindset and analyze the current economic data while preparing investment goals and selecting investment products. The data shows that Investors have injected a net of ₹43,435 crore into Mutual Fund schemes through SIPs in the first five months of the calendar year 2024, compared to ₹ 36,121 crore in the same period last year. Following the third term of the BJP coalition governments at the center, market sentiment seems robust due to India's relatively improved macroeconomic forecasts. Furthermore, the possibility of a rate cut in FY 2024-25 and higher inflows of FII also boost the capital market.

Risk Analysis of Mutual Funds:

An investor should make an investment strategy based on risk-tolerance capacity. Risk tolerance capacities differ from person to person based on age and income. Investors generally focus only on the fund's returns, irrespective of risk. However, it is very important to consider the risk aspect of the investment since risk and returns are two sides of the same coin. Popular ratios to measure risk in mutual funds are standard deviation, Beta, Sharpe Ratio, Treynor's Ratio, and alpha.

Fortunately, reliable tools like standard deviation, Beta, Sharpe Ratio, Treynor's Ratio, and alpha can be used to evaluate a mutual fund's performance, risk, and returns. Understanding risk and volatility can help you choose a better mutual fund within the same sector/category.

Consider the concentration percentage when choosing a mutual fund. The percentages of the top holdings indicate the fund's potential returns. Investing in large-cap, multi-cap, and diversified equity mutual fund schemes is better than mid-cap and small-cap funds.

3. Debt fund:

A debt fund may invest in short-term or long-term bonds, securitized products, and money market instruments. It is a fully secured investment that gives a fixed return over some time to the investor with minimum risk. All government instruments present no risk. Debt funds seek to protect investors' capital while generating regular income. They carry risks such as credit risk, interest rate risk, and liquidity risk. The lower risk of Debt funds can provide a sense of security for conservative investors.

Debt mutual funds have many categories: liquid funds, short-term debt funds, ultra-short-term debt funds, gilt debt funds, fixed maturity plans, and long-term debt funds.

4. Exchange-traded Funds (ETFs):

ETFs are similar to mutual funds, but they are passive funds that invest in securities of an index and commodities. They offer diversification and liquidity and are often more cost-effective than traditional mutual funds. Investing in precious metals like gold and silver can be achieved through physical ownership or ETFs.

Key Strategy to Protect Your Investment from Frauds:

- Conduct due diligence before investing
- Be cautious of investment promises offering high returns
- Take your own time for a decision and avoid salesman pressure tactics
- Beware of unsolicited offers received through e-mails, social media platforms,
- Examine the regulatory authorities' framework of your investment scheme and
- Consult a Financial Advisor before investing.
- Beware of promises of high returns in a short time. Fraudsters aim to deceive investors and cause financial losses. Always think carefully before investing.

Summary:

With ongoing structural reforms and changes in the business ecosystem, along with continuous efforts by the government to accelerate growth across sectors, industries related to Manufacturing and energy, including hydropower and renewable energy, are poised to become the cornerstones of India's economic development.

India aims to achieve developed economy status by 2047, with a 20% share of the manufacturing sector focusing on sustaining a growth rate of 7-7.5% by 2030.

In the long term, equities tend to provide strong returns with lower downside risk compared to debt instruments like bonds, debentures, and government securities. It's advisable to consider investing in equities with a long-term perspective, ideally over five years, with an expected 12–15 percent return.

For stable and safe investments, you can select PPF, Bank Fixed deposit, and debt instruments such as RBI taxable bonds, National Savings Certificate (NSC), Senior Citizen Savings Scheme (SCSC), Kishan Vikash Patra (KVP), and Sukanya Samridhi Yojana (SSY) account. It has been proven that a small amount invested regularly over the long term creates a good corpus for the investor.

Fixed deposits and conservative hybrid debt mutual funds are good options for pensioners in the 10% and 20% tax brackets. However, fixed deposits do not provide positive returns in the long run due to post-tax and post-inflation factors. The pensioner can use a Systematic Withdrawal Plan (SWP) from conservative hybrid mutual funds and fixed deposits for regular monthly income.

Based on your risk tolerance, you can create a balanced portfolio with various asset classes, such as equities, debt, commodities (gold and silver), and real estate. Diversification helps spread risk and potentially increases long-term returns.

Disclaimer:

The information contained in this document is for general purposes only and not investment advice. The above-said information is collated from reliable sources based on publicly available data from various websites, newspapers, and internally developed data. The views expressed are only constituent opinions and, therefore, cannot be considered guidelines, recommendations, or professional guides for readers.

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THE TRANSFORMATIVE POWER OF WOMEN EMPOWERMENT

Women empowerment is more than a buzzword; it's a movement that reshapes societies, transforms economies, and redefines gender roles. At its core, empowering women is about giving them the freedom to make life choices and access opportunities without barriers. It's about creating a world where women and men are equally valued, respected, and have the same opportunities to thrive.

The Ripple Effect of Empowerment:

When women are empowered, the benefits extend beyond individual women to families, communities, and entire nations. Educated women are more likely to educate their children, ensuring the next generation is also empowered. Women in leadership positions can bring diverse perspectives that drive innovation and growth. Moreover, economic empowerment allows women to contribute to the household income, leading to better living standards and reducing poverty.

Breaking Barriers and Challenging Norms:

One of the significant challenges in achieving women empowerment is dismantling deep seated cultural and societal norms that have historically marginalized women. These norms manifest in various forms, such as limited access to education, restricted economic opportunities, and pervasive gender-based violence. Change begins with challenging these stereotypes and advocating for policies that promote gender equality.

Educational initiatives are crucial. Programs that encourage girls to pursue education, particularly in STEM fields, are vital. They not only break the stereotype that these fields are male dominated but also equip women with skills for high-demand careers.

Economic Empowerment: A Path to Independence:

Economic independence is a cornerstone of women empowerment. When women have control over their finances, they gain the power to make decisions that affect their lives and their families. Microfinance initiatives, vocational training programs, and policies that support women entrepreneurs are steps in the right direction.

Consider the success stories of women in microfinance. In many developing countries, women who receive small loans to start businesses often become community leaders, employing others and contributing to the local economy. These initiatives prove that when women thrive economically, communities prosper.

Leadership and Representation:

Another critical aspect of women empowerment is increasing female representation in leadership roles. Women bring unique perspectives to leadership, often prioritizing social issues and inclusive policies. However, despite progress, women remain underrepresented in politics, corporate boards, and executive positions.

Promoting female leadership involves creating an environment where women can ascend to these roles without facing discrimination or bias. Mentorship programs, leadership training, and policies that ensure equal pay and opportunities are essential.

The Role of Men in Women Empowerment:

Empowering women is not solely the responsibility of women; men play a crucial role too. Men can be allies by supporting gender equality initiatives, challenging sexist attitudes, and advocating for policies that promote women's rights. When men and women work together towards equality, the pace of progress accelerates.

Grassroots Movements and Global Change:

At the grassroots level, local organizations often lead the charge in empowering women. These organizations understand the specific challenges faced by women in their communities and work tirelessly to address them. Whether it's fighting for girls' education in rural areas, providing legal support to survivors of domestic violence, or advocating for reproductive rights, these efforts are indispensable.

On a global scale, international organizations and movements amplify these efforts. The United Nations' Sustainable Development Goals, for example, include gender equality as a key objective, highlighting its importance in global development.

The Future of Women Empowerment:

The journey towards women empowerment is ongoing, but the progress made so far is promising. As more women break barriers and shatter glass ceilings, they pave the way for future generations. Society is gradually recognizing that empowering women isn't just a women's issue—it's a human issue that affects everyone.

Empowerment is about choice, opportunity, and equality. It's about creating a world where every woman can reach her full potential without fear or limitation. As we continue to advocate for and invest in women's empowerment, we move closer to a future where equality isn't just an ideal but a reality.

CMA GEETA DHINGRA

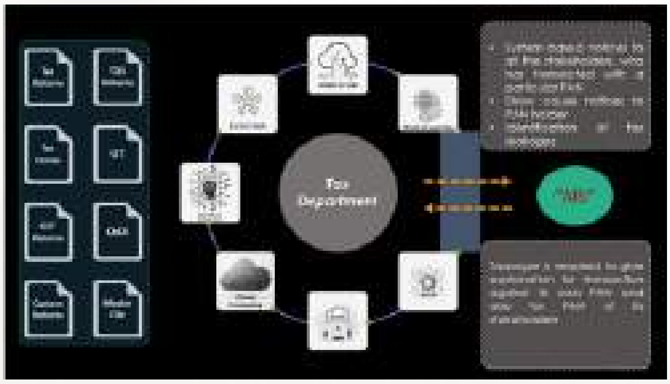
BSNL Chandigardh

DECODING AIS (ANNUAL INFORMATION STATEMENT)

Income tax department has come up with an extra mile efforts to provide your almost every relevant financial affairs in a single report called "Annual Information Statement"(AIS). It has been introduced in the Income-tax Act to enlarge the scope of information to be made available to the assessee for filing of return of income. The idea behind this form is to provide all pre-filed data in ITR to make it easier for taxpayers.

This information, on one hand, will be useful for the Assessing Officers to cross-check the details furnished in return for income by taxpayers. On the other hand, taxpayers would be able to easily compute their tax liability and file returns as all information would be pre-filled on basis of AIS.

The way tax department is mounting the length and breadth in adopting technology, the days are not far when you will find your Pizza bills in AIS. The technology is enabling every such inclusion possible with PAN based bulk upload of transaction by source itself. The technology is enabling matching, processing of data and presenting before taxpayer to ensure proper declaration of all relevant transaction before Income Tax authority. The following picture depicts how the tax department collecting all the information, processing and using for finding tax leakages and ensuring compliances by taxpayers :-



Objective of introducing AIS

- Capturing all relevant financial transaction and giving opportunity to taxpayer for matching and giving their online feedback
- Facilitate voluntary compliance and eliminate chances of underreporting of income by the taxpayers
- Providing pre-filled data in ITR for taxpayers
- Encouraging a tax compliant environment

Types of information captured in AIS

In terms of section 285BB read with rule 114-I of the Income-tax Rules, 1962 provides that department will upload such annual information statement which contains the following information in respect of an assessee for a particular financial year:

1. Information relating to TDS and TCS;
2. Information relating to Specified Financial Transactions (SFT);
3. Information relating to the payment of taxes;
4. Information relating to demand and refund;
5. Information relating to pending proceedings;
6. Information relating to completed proceedings;
7. Information received from any officer, authority, or body performing any functions under any law or information received under an agreement referred under section 90 or section 90A;
8. Information relating to GST return;
9. Foreign remittance information reported in Form 15CC;
10. Information in Annexure-II of the Form 24Q TDS Statement of the last quarter;
11. Information in the ITR of other taxpayers;
12. Interest on Income Tax Refund;
13. Information in Form 61/61A where PAN could be populated;
14. Off Market Transactions Reported by Depository/Registrar and Transfer Agent (RTA);
15. Information about dividends reported by Registrar and Transfer Agent (RTA);
16. Information about the purchase of mutual funds reported by Registrar and Transfer Agent (RTA); and
17. Information received from any other person to the extent it may be deemed fit in the interest of the revenue

How does it work

Out of all above types of information reported in AIS, most important source of the information is filing of Statement of Financial Transaction, which is an obligation of certain specified person.

In terms of section 285BA read with Rule 114E, the Statement of Financial Transaction is required to be furnished in respect to a financial year in Form-61A by every specified person. Following table captures the nature of transaction to be reported, monetary threshold and specified person required to submit SFT:-

Sl. No	Nature of transaction to be reported	Monetary threshold of transaction	Specified person required to submit SFT
1	Cash payment purchase of bank drafts or pay orders or banker's cheque,	Aggregating to Rs.10 lakh or more in an FY	A banking company or co-operative bank to which the banking regulation applies.
	Cash payments for the purchase of pre-paid instruments issued by the Reserve Bank of India,	Aggregating to Rs.10 lakh or more during the FY,	
	Cash deposits or withdrawals from one or more current accounts of a person	Aggregating to Rs.50 lakh or more in an FY	
2	Cash deposits in one or more accounts other than a current account and time deposit of a person	Aggregating to Rs.10 lakh or more in an FY	A banking company or co-operative bank to which the banking regulation applies,Post-Master General of a post office
3	One or more time deposits (other than renewed time deposit of another time deposit) of a person	Aggregating to Rs.10 lakh or more in an FY	A banking company or co-operative bank to which the banking regulation applies,Post-Master General of a post office, Nidhi Company as per Section 406 of the Companies Act, 2013, NBFC – Non-banking financial company holding a certificate of registration under RBI Act to hold or accept deposit from public
4	Credit card payments made by any person either in cash or by any other mode in a FY.	Aggregating to Rs.1 lakh or more in cash ORRs.10 lakh or more by any other mode in an FY	A banking company or Co-operative bank to which Banking Regulation applies or any other company or institution issuing credit card
5	Receipt from any person for acquiring bonds or debentures issued by the company or institution (other than renewal)	Aggregating to Rs.10 lakh or more in an FY	A company or institution issuing bonds or debentures.
6	Receipt from any person for acquiring shares (including share application money) issued by the company	Aggregating to Rs.10 lakh or more in an FY	A company issuing shares
7	Buyback of shares from any person (other than the shares bought in the open market)	Aggregating to Rs.10 lakh or more in an FY	Listed company purchasing its own securities under Section 68 of the Companies Act, 2013
8	Receipt from any person for acquiring units of one or more schemes of a mutual fund (other than transfer from one scheme to another)	Aggregating to Rs.10 lakh or more in an FY	A trustee of a mutual fund or any such other person authorised to manage the affairs of the mutual fund
9	Receipt from any person for sale of foreign currency including any credit of such currency to a foreign exchange card or expense in such currency through a debit or credit card or through the issue of travellers cheque or draft or any other instrument	Aggregating to Rs.10 lakh or more during an FY	Authorized person as referred to in Section 2(c) of the Foreign Exchange Management Act, 1999
10	Purchase or sale of immovable property	Transaction value or valuation of stamp duty authority referred in Section 50C for an amount of Rs.30 lakh or more.	Inspector-General appointed under Section 3 of the Registration Act, 1908 or Registrar or Sub-Registrar appointed under section 6 of that Act.
11	Cash receipt for sale, by any person, of goods or services of any nature (other than those specified at Sl. Nos. 1 to 10)	Exceeding Rs.2 lakh	Any person who is liable for audit under section 44AB of the Act

Objective of introducing AIS

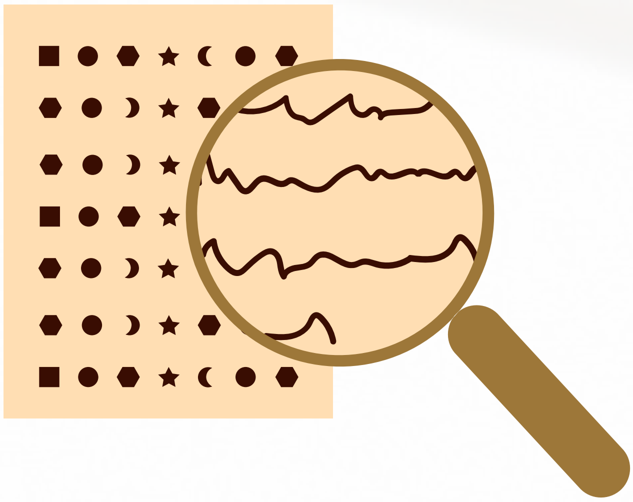
Going forward, capturing income sources are not enough rather incurring of expenditure may also be captured to find the tax leakages. Following items of expenditure may also be brought in to the net of reporting under SFT :-

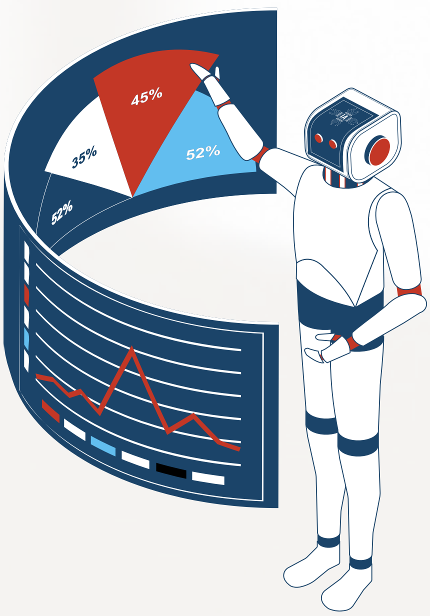
1. Electricity Bill above certain threshold;
2. Air Travel details ;
3. Luxury Hotel Stay details;
4. Details of payment made to Education Institution running themselves as an Non profit making organization;
5. Luxury house hold purchases, like branded items having value more than certain threshold;
6. Details of purchases made through E-commerce operator including COD purchases;
7. Interior decorators providing luxury interior;
8. Banquet/Marriage Halls arranging fat weddings;
9. Luxury Housing Society maintenance charges;

Conclusion :

After introduction of AIS, there is sharp increase in filing of ITRs. This is just a start of best use of technology in tax department including revamp of complete tax portals for fast processing of ITRs and refunds. With growing use of technology, future is changeable and beyond imagination of tax evaders. This is the high time for everyone to adopt best technology for summing up their financial affairs before tax department brings the same to surprise of tax payers.

On the other hand one has to be very cautious in examining the complete information reported by tax department and matching them properly with actuals, because every such advancement comes with challenges of misutilization of PAN numbers, thankfully, feedback mechanism is in place.





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Solar Power:

Harnessing the Energy of the Sun for a Brighter Future

In today's world, where environmental consciousness and sustainable living are gaining significant importance, solar power has emerged as a leading source of clean and renewable energy. Solar energy, harnessed through advanced technologies, offers numerous benefits, including reduced carbon emissions, cost savings, and energy independence. In this article, we will explore the concept of solar power, delve into the significance of solar energy, and discuss energy optimization strategies to maximize the potential of solar power systems.

Illuminating a Brighter Future

Solar power refers to the conversion of sunlight into electricity through the use of photovoltaic (PV) panels or concentrated solar power (CSP) systems. These technologies harness the abundant energy radiated by the sun and convert it into usable electrical energy, making solar power an attractive and sustainable alternative to traditional energy sources. The widespread adoption of solar power has the potential to revolutionize the way we generate electricity and mitigate the environmental impact associated with fossil fuel-based energy production.

The Advantages of Solar Power

Solar power offers a multitude of advantages that make it an enticing option for both residential and commercial applications. Let's explore some of these benefits:

1. **Clean and Renewable:** Solar power is a clean and renewable energy source, as it does not produce harmful emissions or consume finite resources. By leveraging solar energy, we can reduce our carbon footprint and combat climate change.

2. **Cost Savings:** Installing solar panels allows individuals and businesses to generate their own electricity, thereby reducing their reliance on the grid. This can result in significant cost savings on energy bills over time.

3. **Energy Independence:** Solar power empowers individuals and communities to become self-sufficient in terms of their energy needs. By generating electricity on-site, one can minimize dependence on external sources and enjoy uninterrupted power supply.

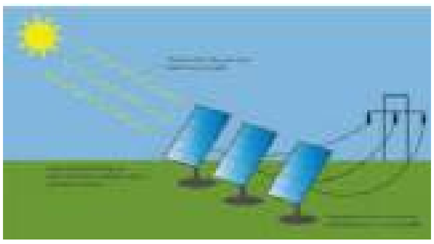
4. **Long-Term Investment:** Investing in solar power systems can yield long-term returns. The savings achieved through reduced energy costs, along with potential government incentives and tax benefits, make solar power an economically viable choice.

Solar power is referred to as "native" energy because it is available in most parts of the world.

Solar power provides long-term energy assurance. So, it is also the most vital source of renewable energy. What's more? The sun offers its energy for free, and that too in abundance. Who doesn't love free stuff?

Solar-based eco-friendly products are the best way to incorporate them into your life for a sustainable lifestyle. You can use these products for residential or commercial purposes as your need may be. A few such energy-efficient products for a sustainable life are:

Solar water RO
Solar cooker
Solar cell phone
Solar charger
Solar chimney
Solar fans and lights
Solar flashlight
Solar watch
Solar water pumps



The Goodness of Solar Energy for Mother Earth

Solar power energy has several benefits for our planet:

1.It reduces dependence on non-renewable energy sources such as fossil
Fuels.

2.It lowers greenhouse emissions as it hardly causes any pollution. It is a clean source of energy!

3.It prevents damage

4.It uses less water, thereby helping in water conservation.

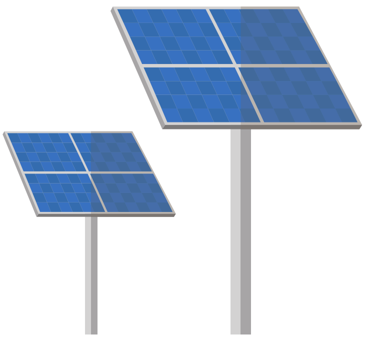
5.It decreases carbon footprint through an eco-friendly lifestyle.

6.The materials of solar products are recyclable.

Earn Some Bucks by selling energy back to the Grid

If you are using solar power for house, you can sell it to government or private grid companies as a source of income. You can install solar power systems on as little as 10 square meters of roof space to produce and sell solar electricity. It is estimated that you can earn around INR 30,000 to INR 1 lakh. No kidding!

Moreover, you can avail of government subsidies to reduce the operational cost of solar systems. Your electricity bills will also go down, and property value will go up. These benefits also increase your income through savings. **SAVE MONEY AND GO GREEN**



Do solar panels work on rainy days?

Solar panels are known for generating energy from the sun, but what about when it rains? Energy generation from solar panel systems doesn't grind to a halt when it rains. While the power output of solar panels is highest when exposed to direct sunlight, solar panels still generate power when it's raining.

On a rainy day, a solar panel system's performance is reduced by 40-90%, depending on how heavy the cloud cover is. But once the storm has passed, you'll benefit from a good side effect: rain helps to clean solar panels. A good rainstorm can have a major impact on energy output, especially if you live in a dusty area.

Is direct sunlight required for solar panels to work?

Direct sunlight isn't always available in some places. Solar panels may be shielded from the sun by nearby buildings, trees, or weather conditions like rain, snow, or cloud cover. How do these conditions affect photovoltaic (PV) solar panel systems? When deciding whether to install solar panels, how much weight should be given to factors such as shade and weather?

Solar panels perform most efficiently in direct sunlight, but they can also function without it. Why? Because photons, the part of the sun's energy that solar panels generate electricity, are in both direct and indirect sunlight. Solar panels can work with indirect sunlight, but they will not produce as much power. Indirect sunlight is sunlight that is reflected off of another surface before hitting the solar panel. This type of light is still usable for solar panels, but it will not be as effective as direct sunlight.

Can solar panels generate electricity in shady conditions?

Solar panels are a great way to reduce your reliance on the grid and save money on your energy bill, but what happens if you live in an area with lots of shade? Can solar panels still generate electricity in shady conditions?

The answer is yes—shaded solar panels can generate electricity. However, they won't produce as much power as they would in direct sunlight. If you have a lot of trees or other buildings shading your home, you may need to install a larger solar panel system to get the same amount of electricity as someone who lives in a sunnier area.

An experienced solar installation professional can estimate the annual amount of shade that your roof will receive, assess the energy output potential of your solar panels, estimate the time it will take for your solar system to pay for itself, and design the best system for your roof. The estimated energy is determined using sophisticated software using weather, energy data, site conditions, and the specific tilt and direction of your solar arrays.

CONCLUSION: As long as the sun continues to shine (which is for a billion more years!), it will continue to give energy to mankind. Solar power is likely to become a prominent energy source for a sustainable lifestyle and environmental protection in the coming years. There isn't a better time than today to start leveraging its 'green' benefits.

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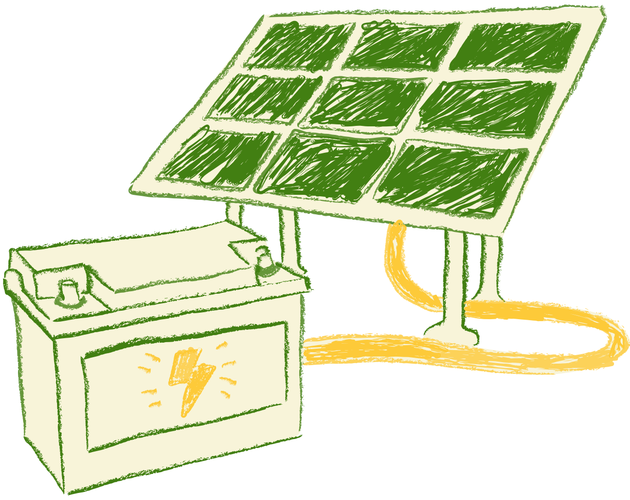

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Is the Indian Economy Ready for 51 Degrees Celsius?

As global temperatures continue to rise, many countries are facing unprecedented challenges from climate change. India, with its diverse economy deeply intertwined with its environment, is particularly vulnerable. This raises a crucial question: Is the Indian economy prepared to withstand the impacts of extreme heat, potentially reaching 51 degrees Celsius? Let's explore the potential advantages and disadvantages, considering economic, social, and environmental factors through a human lens.

Introduction

India's economy, known for its resilience and rapid growth, is intricately connected to its natural surroundings. Agriculture, manufacturing, services, and the daily lives of its citizens are all influenced by climate conditions. With the possibility of extreme temperatures looming, it becomes imperative to understand how these could affect everyone—from farmers and industrial workers to urban dwellers and policymakers.

Current Climate Trends in India

India has always experienced diverse and challenging climates, from scorching summers to erratic monsoons. Recently, there has been a noticeable increase in average temperatures, with several regions recording highs above 50 degrees Celsius in few days ago.

Impacts on Agriculture

Agriculture, employing nearly half of India's workforce, stands at the forefront of climate sensitivity.

Advantages:

1). Extended Growing Seasons: Higher temperatures might lengthen growing seasons in some regions, potentially allowing for multiple harvests per year.

2). Increased CO_2 Levels: Elevated carbon dioxide levels could enhance photosynthesis, theoretically boosting crop yields.

Disadvantages:

1). Heat Stress on Crops: Staple crops like wheat and rice have optimal temperature ranges; exceeding these can reduce yields.

2). Water Scarcity: Extreme heat intensifies water evaporation, leading to critical shortages for irrigation.

3). Soil Degradation: High temperatures can degrade soil quality, diminishing fertility and necessitating increased use of chemical fertilizers, which harm the environment.

4). Government Support: To mitigate agricultural losses, government policies may need adjustment, potentially introducing subsidies for climate-resilient crops and technologies.

Impacts on Industry

India's industrial sector, encompassing manufacturing and construction, is also significantly affected by rising temperatures.

Advantages:

1). Innovation in Cooling Technologies: Necessity often drives innovation; extreme heat could spur advancements in cooling and energy-efficient technologies.

2. Shift to Automation: High temperatures might accelerate the adoption of automation and robotics, reducing reliance on human labour under strenuous conditions.

Disadvantages:

1). Increased Energy Demand: Rising temperatures will escalate the need for cooling systems in factories and offices, amplifying energy consumption and costs.

2). Reduced Productivity: Workers' productivity plummets in high heat, impacting output and increasing health-related absenteeism.

3). Infrastructure Damage: Elevated temperatures can damage infrastructure such as buildings, roads, and machinery, necessitating costly repairs and maintenance.

4). Disruption in Construction: Construction projects may face delays or shutdowns due to extreme heat, leading to increased costs and slower economic growth.

Impacts on Services

While the services sector, including IT, finance, and hospitality, may seem less directly affected by climate change, it still encounters significant challenges.

Advantages:

1). Growth in Remote Work: Extreme heat could accelerate the adoption of remote working practices, reducing the need for commuting and physical office spaces.

2). Healthcare Demand: There might be increased demand for healthcare services and cooling solutions, potentially fostering growth in these sectors.

Disadvantages:

1). Health Risks for Workers: Employees in service industries, particularly those working outdoors or in non-air-conditioned environments, face heightened health risks.

2). Tourism Decline: Extreme temperatures can deter tourists, adversely affecting the hospitality industry, particularly in traditionally hot regions.

3). Rise in Electricity Consumption: The surge in air conditioning and refrigeration usage will drive up electricity demand, escalating operational costs for businesses.

Impacts on Consumer Behaviour

Extreme heat will inevitably alter consumer behaviour and preferences, particularly concerning essential commodities.

Advantages:

1). Increased Demand for Cooling Appliances: Items like air conditioners and refrigerators, once considered luxury goods, will become essential for coping with heat. This shift could boost sales significantly.

2). Technological Advancements: The heightened demand for cooling solutions may lead to innovations in energy-efficient appliances, benefiting both consumers and the environment.

Disadvantages:

1). Higher Household Expenses: Households will experience increased electricity bills due to heightened usage of air conditioning and refrigeration.

2). Strain on Power Supply: The escalated demand for electricity could strain the power grid, potentially causing outages and increasing energy costs.

Socio-Economic Implications

Beyond its direct economic impacts, extreme heat poses broader socio-economic challenges that require careful consideration.

Public Health

Advantages:

1). Healthcare Infrastructure Improvements: Addressing heat-related health issues could drive enhancements in healthcare infrastructure.

2). Community Awareness: Heightened awareness about heat-related risks can prompt better preparedness and community resilience.

Disadvantages:

1). Health Challenges: Increased temperatures contribute to a rise in heat-related illnesses and fatalities, particularly among vulnerable groups such as the elderly and children.

2). Healthcare Costs: The burden on healthcare systems will escalate, with higher expenses incurred in treating heat-related ailments.

3). Hospital Overcrowding: Hospitals may face overcrowding and strain, impacting the quality of care due to the influx of patients suffering from heat-related conditions.

Migration and Urbanization

Advantages:

1). Innovations in Urban Planning: Extreme heat challenges can spur innovations in urban planning, promoting environmentally sustainable practices such as green buildings and efficient public transport.

2). Rural Development: Efforts to mitigate heat impacts in rural areas could lead to improved infrastructure and living conditions.

Disadvantages:

1). Climate-Induced Migration: Rising temperatures may force rural populations to migrate to urban areas, intensifying urbanization challenges and straining existing infrastructure.

2). Social Displacement: Communities facing climate impacts may experience displacement, exacerbating social and economic disparities.

Environmental Considerations

The environmental repercussions of extreme heat are profound, affecting ecosystems and biodiversity in significant ways.

Ecosystem Impacts

Advantages:

1). Adoption of Sustainable Practices: Embracing climate-resilient agricultural practices can bolster biodiversity and sustainability efforts.

2). Promotion of Renewable Energy: The pursuit of cooling solutions can accelerate the adoption of renewable energy sources, reducing reliance on fossil fuels.

Disadvantages:

1). Loss of Biodiversity: Elevated temperatures contribute to biodiversity loss, jeopardizing ecosystems and their crucial services.

2). Desertification Risks: Prolonged heat and drought conditions can lead to desertification, diminishing arable land and compromising food security.

Water Resources

Advantages:

1). Advancements in Water Management: Water scarcity may drive innovations in water conservation and management techniques.

2). Investment in Water Technologies: Technologies such as desalination and wastewater recycling could augment water availability.

Disadvantages:

1). Water Shortages: Higher evaporation rates and reduced rainfall patterns may trigger severe water shortages, impacting agriculture, industry, and daily livelihoods.

2). Resource Conflicts: Competing demands for limited water resources may heighten tensions between states and communities, necessitating sustainable water governance.

Policy and Governance

Effective policy formulation and governance are pivotal in mitigating the impacts of extreme heat on the economy and society.

Government Initiatives

Advantages:

1). Climate-Resilient Policies: The urgency posed by extreme heat may catalyze robust climate policies and strategies.

2). Enhanced Disaster Preparedness: Governments could bolster disaster preparedness and response capabilities, fostering greater resilience.

Disadvantages:

1). Implementation Challenges: Ensuring effective implementation of climate policies can encounter bureaucratic hurdles and political complexities.

2). Financial Strain: Investing in climate adaptation and mitigation measures may strain public finances, particularly in a developing economy like India.

3). Increased Government Expenditure: Governments may need to allocate more funds to aid heat-affected populations, further pressuring budgets as revenue collection potentially decreases due to economic slowdowns.

International Cooperation

Advantages:

1). Global Collaborations: The shared challenge of extreme heat can spur international cooperation in climate science, technology sharing, and financial support.

2). Access to Global Resources: India can access international climate funds and technologies to bolster its adaptation and mitigation efforts.

Disadvantages:

1). Dependency on External Aid: Over-reliance on international aid and technologies may impede domestic innovation and self-sufficiency.

2). Geopolitical Tensions: Climate-induced resource scarcities could exacerbate geopolitical tensions, impacting international relations and trade dynamics.

Agricultural Technologies

Advantages:

1). Resilient Crop Varieties: Development of heat-tolerant crop varieties can enhance agricultural productivity in adverse conditions.

2). Precision Farming: Technologies like drip irrigation and soil sensors can optimize water use efficiency and crop management.

Disadvantages:

1). Cost Barriers: Advanced agricultural technologies may be financially prohibitive, limiting access for small-scale farmers.

2). Adoption Challenges: Widespread adoption of new agricultural technologies can be challenging due to lack of awareness, training, and supportive infrastructure in rural areas.

Societal Adaptation

Adapting to extreme heat at the societal level is crucial for building resilience and mitigating its adverse effects.

Technological Innovations

Technological advancements are pivotal in adapting to and mitigating the impacts of extreme heat. Energy Solutions

Advantages:

1). Expansion of Renewable Energy: The imperative for cooling solutions may accelerate the adoption of renewable energy sources like solar and wind.

2). Enhanced Energy Efficiency: Innovations in energy-efficient cooling systems can curtail energy consumption and operational costs.

Disadvantages:

1). Infrastructural Investments: Upgrading energy infrastructure to support renewable sources necessitates substantial investments and time.

2). Intermittent Energy Supply: Renewable sources such as solar and wind energy are intermittent, necessitating investments in storage technologies.

Community Initiatives

Advantages:

1). Localized Solutions: Community-led initiatives can develop context-specific strategies to cope with extreme heat, fostering resilience.

2). Social Support Networks: Building strong social support networks can help vulnerable groups withstand heat-related challenges effectively.

Disadvantages:

1). Resource Constraints: Many communities, especially in rural and marginalized areas, may lack the resources and infrastructure to implement effective heat adaptation measures.

2). Social Inequality: Socioeconomic disparities can exacerbate vulnerability to heat impacts, with marginalized communities facing heightened risks.

Education and Awareness

Advantages:

1). Climate Literacy: Increasing awareness about the impacts of extreme heat can empower communities to take proactive measures.

2). Behavioural Change: Education can promote behavioural changes, such as reducing energy consumption and adopting climate-resilient practices.

Disadvantages:

1). Information Gaps: Limited access to accurate information about climate change and its local impacts can hinder effective adaptation efforts.

2). Resistance to Change: Encouraging widespread behavioural change in response to climate risks can be challenging and require sustained efforts.

Conclusion

The looming prospect of 51 degrees Celsius poses significant challenges for India's economy and society, impacting various sectors and communities in diverse ways. While there are potential advantages such as technological innovation and policy reform, the disadvantages including health risks, economic strain, and environmental degradation are substantial and cannot be ignored. To effectively prepare and mitigate these impacts, India must prioritize climate-resilient infrastructure development, sustainable agricultural practices, and robust health systems. Proactive policy implementation, community engagement, and international cooperation will be critical in building resilience against extreme heat. Ultimately, the readiness of the Indian economy and society for such extreme temperature's hinges on collective action—from government leaders and businesses to communities and individuals. By embracing adaptation strategies and fostering a culture of resilience, India can navigate the challenges of a warming climate while promoting inclusive and sustainable development for all its citizens.

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A Vision for a New India by FinTech Revolution

In recent years, India's financial sector has been rapidly transforming due to the growth of financial technology, known as FinTech. This sector is not only changing how financial services are provided but also expanding access to financial tools and services, empowering millions of people. As India aims to become a global economic powerhouse, the FinTech revolution signifies innovation, inclusion, and opportunity.

India has made significant progress over a span of three-quarters of a century since its independence. From a primarily agrarian economy in which agriculture contributes 56%of the GDP, the world's largest democracy has transformed into a predominantly services sector economy.

- **Financial Inclusion Advancement-** The FinTech revolution in India has significantly improved financial inclusion by offering services like digital wallets, peer-to-peer lending platforms, and microfinance apps.
- **Digital Payments Enablement-** Since the 2016 demonetization drive, digital payments have surged in India. Mobile payment platforms and Unified Payments Interface (UPI) have become popular payment methods, offering convenience, security, and efficiency in transactions. This shift to a cashless economy enhances transparency, accountability, and the resilience of the financial ecosystem.
- **Empowering SMEs Small and medium enterprises (SMEs)** are vital to India's economy, but they often struggle to access finance. FinTech platforms are helping SMEs by providing innovative financing solutions like invoice discounting, supply chain finance, and digital lending
- **Wealth Management Innovation-** FinTech is revolutionizing wealth management by making investment opportunities and financial advice more accessible. Robo-advisors, algorithm-based investment platforms, and online trading apps allow individuals to invest in various assets, regardless of their financial knowledge
- **Infrastructure Development** In the pursuit of a new India filled with opportunities and prosperity, the synergy between infrastructure development and the FinTech revolution is crucial for driving sustainable growth and fostering inclusive economic progress. As the nation aims to become a global leader in financial technology, the significance of infrastructure development cannot be overstated
- **Seamless Connectivity:** Bridging the Digital Divide Infrastructure development should prioritize expanding digital connectivity throughout the nation to ensure no community is left behind in the digital era. This involves enhancing broadband infrastructure and implementing last-mile connectivity solutions in remote and rural areas

- **Modernizing Financial Infrastructure:** The Foundation of FinTech Innovation A strong financial infrastructure is essential for India's FinTech revolution, enabling smooth transactions, secure data exchange, and efficient financial services. Infrastructure development should focus on modernizing payment systems, upgrading core banking infrastructure, and enhancing cybersecurity measures to protect financial transactions and customer data. By investing in advanced financial infrastructure, India can create a conducive environment for FinTech innovation, encouraging the development of innovative solutions that cater to the diverse needs of consumers and businesses.

- **Regulatory Framework:** Nurturing Innovation and Ensuring Stability A supportive regulatory framework is crucial for the success of India's FinTech revolution, balancing innovation with financial stability and consumer protection. Infrastructure development efforts should include establishing clear and transparent regulations that offer certainty and confidence to FinTech startups and investors. Regulatory sandboxes and innovation hubs can provide platforms for testing new FinTech solutions, allowing startups to experiment and iterate in a controlled environment while mitigating regulatory risks. By fostering a favourable regulatory environment, India can unlock the full potential of its dynamic FinTech ecosystem, driving innovation and entrepreneurship.

- **ESG – promoting sustainable development** In the quest for a new India characterized by inclusive growth, environmental stewardship, and social progress, the integration of Environmental, Social, and Governance (ESG) principles is pivotal for promoting sustainable development. By incorporating ESG considerations across all sectors of the economy, India can pave the way towards a more resilient, equitable, and prosperous future.

- **Strong Financial System** In the pursuit of a new India characterized by economic growth, social fairness, and global competitiveness, a robust financial system is essential for sustainable progress. By promoting stability, innovation, and inclusivity, India can maximize the potential of its financial sector for advancing development and prosperity.

- **Ensuring Stability and Resilience:** A sturdy financial system necessitates a secure foundation of stability and resilience to withstand external and internal challenges. Regulatory bodies should enforce strong risk management frameworks, stress testing mechanisms, and prudent regulations to protect the stability of financial institutions and markets. Additionally, enhancing transparency, disclosure, and supervision is crucial for fostering market integrity and bolstering investor confidence. Prioritizing stability and resilience will enable India to mitigate systemic risks, improve financial stability, and instill trust in its financial system.

- **Promoting Innovation and Technology:** Innovation and technology are key drivers of digital transformation and the future of finance. India should embrace emerging technologies like artificial intelligence, blockchain, and cloud computing to enhance the efficiency, accessibility, and security of financial services.
- **Advancing Financial Inclusion:** Financial inclusion is central to India's goal of equitable growth and development. Initiatives to expand financial service access, promote digital literacy, and empower marginalized communities are vital for fostering inclusive growth.
- **Ensuring Investor Protection:** Safeguarding investor interests is essential for maintaining trust and confidence in the financial system. Regulatory authorities should enforce strict investor protection laws, regulations, and disclosure requirements to uphold market integrity and protect investors.
- **Embracing Global Integration:** Global integration presents opportunities and challenges for India's financial system. As the country becomes more intertwined with the global economy, regulatory authorities should enhance cross-border cooperation, information sharing, and regulatory alignment to mitigate risks and promote financial stability.
- **Empowering the New India: Skilling and Women's Participation in the Workforce** Envisioning a new India characterized by progress, inclusivity, and prosperity involves empowering citizens through skill development and increasing women's participation in the workforce. By emphasizing skilling initiatives and creating a supportive workplace for women, India can unlock its economic potential and promote a more equitable society. Here is a roadmap outlining how India can achieve these objectives:
- **Skilling for the Future:** Empowering the Workforce Skilling initiatives are crucial for India's economic growth. The government, in collaboration with industry and educational institutions, should focus on creating skill development programs that equip individuals with the necessary knowledge and competencies for the digital economy.
- **Women's Empowerment:** Breaking Barriers, Unleashing Potential Women are an untapped resource in India's workforce. Efforts are needed to address barriers to women's participation, promote gender equality, and provide support for work-life balance. Access to education, training, and entrepreneurship opportunities can empower women to contribute meaningfully to the economy.
- **Industry-Academia Collaboration:** Bridging the Skills Gap Collaboration between industry and academia is essential for ensuring that skilling programs meet labor market demands.
- **Digital Skilling:** Leveraging Technology for Inclusive Growth Digital skilling is vital for providing education and training opportunities to all individuals. The government and private sector should offer online courses and digital literacy training. Improving internet access and affordability of digital devices is essential for widespread participation in digital skilling initiatives.
- **Inclusive Policies and Practices:** Fostering Diversity and Equity Employers should implement inclusive policies such as flexible working hours and parental leave to support working women. Efforts to combat gender bias and harassment are crucial for creating a supportive workplace environment. Fostering diversity and equity will lead to an innovative and sustainable workforce in India.

Growth in Female Participation in the Workforce Entering 2024

GENDER	2023 PERCENTAGE	2024 EXPECTED PERCENTAGE
FEMALE	33%	36%
MALE	67%	64%
TOTAL	100%	100%

Experience Mix of New Hires in The Workforce of 2024

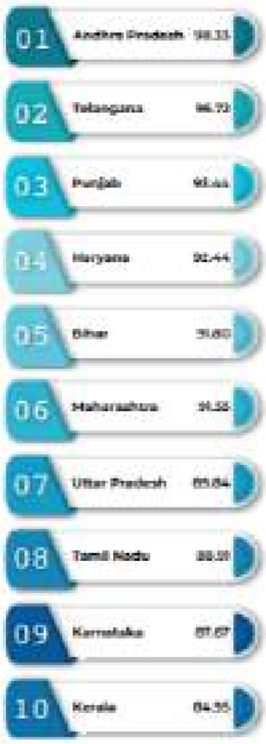
Percentage of New Hires Mix Expected for 2024

EXPERIENCE	2024
FRESHERS	18.80%
1 TO 5 YEARS	27.80%
6 TO 10 YEARS	23.90%
10 TO 15 YEARS	12.90%
OVER 15 YEARS	5.10%

Average Mix of New Across Key Industries

INDUSTRY	AVERAGE OF FRESHERS 2024	AVERAGE OF 1-4 YRS 2024
AUTOMOTIVE	16	5
BFSI	40	35
ENGINEERING & MANUFACTURING	13.3	30
IT	11.3	31.7
OTHERS AND DIVERSIFIED	21.4	26.4
TOTAL	22	28

Top 10 States Percentage of Users who want to avail internships



- **Fostering innovation & entrepreneurship**

Nurturing Innovation and Entrepreneurship for a Progressive India To envision a dynamic and prosperous new India, fostering a culture of innovation and entrepreneurship is key. By nurturing creativity, empowering risk-takers, and creating a supportive ecosystem for startups and innovators, India can unlock its full potential as a global hub for innovation and entrepreneurship.

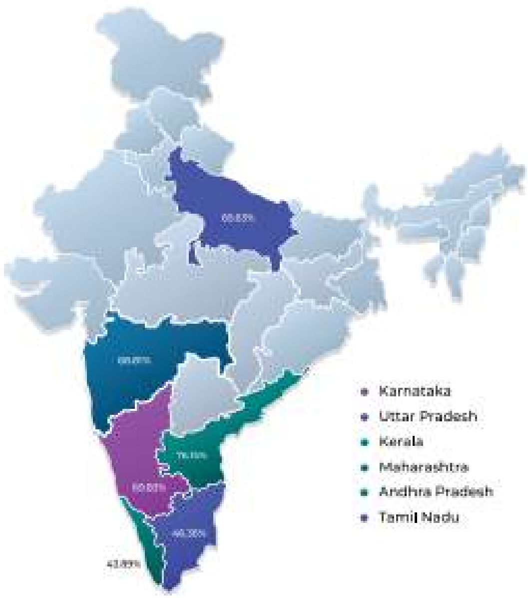
Here is a roadmap outlining how India can achieve this goal: Developing an Innovation Ecosystem: Cultivating Ideas into Impact Creating an innovation ecosystem that promotes creativity, collaboration, and experimentation is crucial for driving progress and prosperity.

By cultivating an innovation ecosystem, India can unleash the creative potential of its citizens, advance technological progress, and address critical societal challenges. Empowering Entrepreneurs: Supporting Startup Growth Entrepreneurship is vital for economic growth and job creation in the new India.

The government should introduce policies and programs that empower aspiring entrepreneurs to establish and expand their ventures. This includes granting access to funding, mentorship, incubation support, and market opportunities through initiatives such as startup accelerators, venture capital funds, and innovation grants.

Future Skills

Top 5 States



- **Global Collaboration:** Working Together for Impact Global engagement and collaboration are vital for fostering innovation and entrepreneurship in the new India.

1. **Self-Sustainable India:** Empowering through Self-Reliance:- The idea of Self-Sustainable India emerges as a guiding principle in shaping a new India marked by resilience, prosperity, and self-reliance. India can pave the way towards sustainable development and economic independence by fostering a culture of self-sufficiency, innovation, and empowerment.
2. **The following visionary roadmap outlines how India can achieve this goal: Strengthening Local Economies:** Moving from Dependence to Empowerment The journey towards Self-Sustainable India begins with enhancing local economies and reducing reliance on external sources.
3. **Promoting Agricultural Self-Sufficiency:** Nurturing the Nation Agriculture serves as the foundation of India's economy and plays a vital role in ensuring food security and livelihoods for millions. Self-Sustainable India involves advocating for sustainable agricultural practices, increasing productivity, and reducing dependence on imports.
4. **Harnessing Renewable Energy:** Fueling the Future Energy self-sufficiency is crucial for decreasing reliance on fossil fuels and mitigating the impacts of climate change. Self-Sustainable India includes expediting the shift towards renewable energy sources like solar, wind, and hydropower. The government should invest in renewable energy infrastructure, provide incentives for renewable energy adoption, and encourage decentralized energy generation through community-owned projects and microgrids.

- **Empowering Innovation and Entrepreneurship:** Transforming Ideas into Impact Self-Sustainable India hinges on fostering a culture of innovation, entrepreneurship, and self-reliance. The government should create a conducive environment for startups, innovators, and small businesses by minimizing regulatory hurdles, granting access to finance, and advocating technology transfer and commercialization
- **Promoting Self-Sufficiency in Healthcare:** Guaranteeing Health for All Healthcare self-sufficiency is crucial for ensuring access to affordable and quality healthcare services for all citizens. Self-Sustainable India involves bolstering the healthcare system by investing in healthcare infrastructure, expanding access to essential medicines and medical supplies, and supporting research and development in healthcare technologies and pharmaceuticals.
- **Empowering the Future: How Youth Can Shape India's Financial Future** To drive sustainable growth and prosperity in India, the active involvement of its youth in shaping the nation's financial future is crucial. By tapping into the energy, creativity, and talent of young individuals, India can pave the way for economic empowerment, financial inclusion, and wealth creation. Here is a visionary guide on how the youth can contribute to India's financial future:
- Financial Literacy and Education: Empowering Minds, Securing Futures Building a financially empowered society requires a strong foundation of financial literacy and education.
- Entrepreneurship and Innovation: Driving Economic Growth Entrepreneurship and innovation play a crucial role in driving economic growth and job creation in India.
- **Responsible Investing and Wealth Management:** Fostering Financial Resilience Responsible investing and wealth management are key to building financial resilience and long-term prosperity. Young individuals can contribute by adopting responsible investment practices, such as sustainable investing and ethical banking, that align with their values and contribute to positive outcomes.
- **Financial Inclusion and Access:** Closing the Gap Ensuring access to essential financial services for all segments of society is crucial for financial inclusion. Young people can contribute by advocating for policies that expand access to banking services, digital payments, and microfinance, especially in underserved areas. Additionally, youth-led initiatives focusing on innovative fintech solutions can empower marginalized communities and bridge the digital divide.
- **Advocacy and Civic Engagement:** Influencing Change Advocacy and civic engagement are powerful tools for shaping India's financial sector. Young individuals can raise awareness about financial issues, advocate for policy reforms, and engage with policymakers to drive systemic change. By organizing campaigns, participating in public consultations, and joining advocacy groups, the youth can champion policies that promote financial inclusion, consumer protection, and economic justice

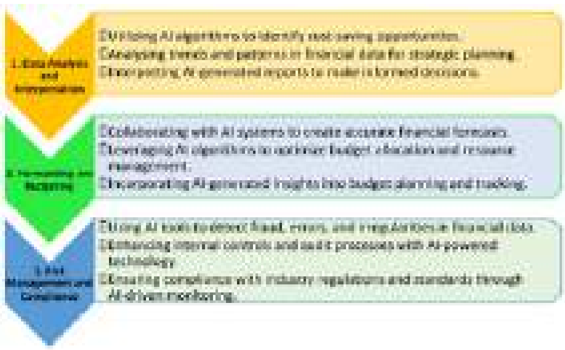
- **Use of Artificial Intelligence Revolutionizing the Financial Landscape**

In the ever-changing finance and business realm, auditing plays a vital role in ensuring transparency, accountability, and trust.

At the core of this revolution is AI's ability to process vast amounts of data swiftly and accurately. Manual data entry and tedious spreadsheet analysis are now a thing of the past. AI-driven tools and algorithms can categorize, ingest, and analyze financial data from various sources much faster than a human auditor. This automation not only speeds up the audit process but also reduces the risk of human error, ensuring more accurate and reliable financial reporting.

- **Advantage of AI in Auditing-**

An essential advantage of AI in auditing is its advanced data analysis capabilities. By utilizing methods like machine learning and predictive analytics, AI systems can pinpoint patterns, trends, and anomalies within financial datasets that may elude human detection. Whether it involves flagging suspicious transactions, predicting future financial performance, or uncovering hidden risks, AI equips auditors with deeper insights into an organization's financial well-being.



- **Understanding the Role of Cost Accountants in AI-Based Finance**

Cost accountants are responsible for analyzing financial data, monitoring costs, and identifying opportunities for improvement within a company's financial operations. When AI is introduced into the mix, the role of cost accountants becomes even more critical. Here's how cost accountants add value in an AI-driven financial landscape:

Conclusion The FinTech revolution is reshaping India's financial landscape, driving innovation, inclusion, and growth across the economy. By utilizing technology to democratize financial services, empower individuals and businesses, and encourage innovation, India is creating a foundation for a more prosperous future.

As India embarks on its journey towards a new era of economic growth and development, skilling initiatives and women's participation in the workforce emerge as key drivers of progress and prosperity. As India embarks on its journey towards a new era of innovation-driven growth and development, fostering innovation and entrepreneurship emerges as a linchpin for unlocking its full potential. The active involvement of India's youth in shaping the nation's financial future is essential as the country moves towards a new era of economic growth and development.

CMA BIBEK PRAJAPATI

FCMA, MBA, LLB, MCOM,PGDCM, CS inter, SEBI/ NISM CERTIFIED TRAINER, CSR certified processional, Motivational speaker and carer councillor.

Finance for Non Finance Professionals

In an era of startups and entrepreneurship the first hurdle any non-finance individual or managers face is financial knowledge. Financial knowledge is not only relevant for entrepreneurs but also for managers who handle strategic decisions or who want to climb the ladder of success smoothly. More than an embellishment on a resume it empowers an individual to perform a given task in minimum resources, at minimum cost to maximize profit. Many institutes have mushroomed up who have courses specially designed for non-finance managers. It's important to note that a course done without any intention of gaining broad knowledge is waste of time. A non-finance professional should identify the area of expertise he needs to gain and go for courses that emphasize on those key areas.

The objective of non-finance professional to gain knowledge in finance is to:-

1. Develop skills of cost management – Cost management is managing material, labour and overhead.
2. Learn to understand, analyse and interpret financial reports. Financial reports are profit and loss account, balance sheet etc.
3. Use financial information for day-to-day decision making. For eg Cash flow statement, working capital, Ratio analysis etc.
4. Analyse the impact of various decisions on company's performance and devise tools to enhance it.

Practical Application of the knowledge is extremely important. While we opt to study the finance course the application of the knowledge becomes an uphill task. It's important for non professional manager to assess his course of action and study its impact on financial growth of the company or the project he is handling. It's time taking initially but after few months it becomes a practice. Additionally. The non finance manager/professional should take up courses or self-learn

These days the courses focus on below aspects of financial knowledge.

- Working Capital Management
- Capital Budgeting and Financing
- Overview of the Indian and International Financial Markets
- Cost Management
- Recent changes in accounting standards or cost accounting standards in Finance.

Before going for any course, the non-finance professional should analyse the following points:

1. The need to prepare accounts according to the accounting standards?
2. The need to follow cost accounting standards while pricing or costing the products.
3. Know the difference between Financial Management and General Accounting
4. An overview of financial Ratios and its impact.

Benefits of having financial knowledge :

1. The knowledge of financial statements helps to assess how it is useful for Decision Making.
2. Knowledge of Financial Management is essential to move up in the Organizational Chart.
3. In case of startups, the better pricing of the product or services ensures longevity of business. In order to gain inroads in the market the products or service should be competitively priced.
4. It gives confidence to understand and speak language of finance.
5. It helps to mitigate financial risk.
6. It helps in strategic planning and growth.

LISTED BELOW ARE THE KEY POINTS

In my opinion the first baby steps towards gaining financial knowledge are:-

1. Google the Internet for courses
2. DON'T select the course in a hurry. Visit their websites and read their objectives.
3. Google about Cash flow statement, financial statements, ratio analysis and other basic tools used for financial decision making.
4. Buy a basic book of Accounts, a class XI accounts book of any board would suffice the purpose.
5. Self-study for a while and devote at least half an hour in a day.
6. After having some basic knowledge of these financial aspects zero down to a course which best suits your profile and designation in your company.

CMA ANUPAMA PRAKASH SRIVASTAVA

Associate Incoc

ITAT

Upholds proportionate adjustment for auto component manufacturer, but rejects custom duty and depreciation adjustment

Background:

The Appellant, a wholly owned subsidiary of Daeseung Korea incorporated in 2007, was engaged in manufacturing of auto components. During the relevant year, the Appellant had benchmarked the primary transaction of import of materials by applying entity level Transactional Net Margin Method and using cash profit/operating revenue as the profit level indicator ('PLI'). Using this approach, the Appellant had demonstrated the arm's length nature of its international transactions.

Proceedings before the AO/TPO

The Transfer Pricing Officer ('TPO') during the TP assessment proceedings, adopted operating profit/operating revenue as the appropriate PLI and proposed an adjustment to the total income of the Appellant. The Appellant filed a rectification application u/s 154 of the Income-tax Act, 1961 ('the Act') contending that the adjustments should be limited to the international transactions only and the TPO revised his order accordingly.

Further, during the course of corporate tax assessment proceedings, the Assessing Officer ('AO') rejected the deduction claimed by the Appellant on account of loss on foreign exchange fluctuations. Claiming the expense to be capital in nature, the AO alleged that provisions of Section 43A of the Act would be applicable and rejected the claims of the Appellant.

Basis an unfavorable draft order from the AO, the Appellant preferred to file an appeal before the Dispute Resolution Panel ('DRP').

Proceedings before the DRP

The DRP upheld the approach followed by the AO/TPO of application of operating profit/operating revenue as the PLI. The DRP also rejected the Appellant's request for depreciation adjustment, custom duty adjustment and working capital adjustment citing insufficient information and documentation from the Appellant. The DRP further, directed the TPO to include one comparable as sought by the Appellant and also rejected the Appellant's request of a proportionate adjustment. The DRP affirmed the action of the AO to disallow the foreign exchange loss.

Aggrieved with the DRP's directions, the Appellant filed an appeal before the Tribunal.

Proceedings before the Tribunal

The Tribunal placed reliance on the judgement in the case of **Doosan Power Systems India Private Limited** [IT(TP)No.83/Chny/2018] and directed the TPO to compute the adjustment only with regard to the international transactions.

The Tribunal also allowed the request for the Appellant for a working capital adjustment on the grounds that sufficient data was available for carrying out such an adjustment. The Tribunal however, sided with the lower authorities for allowance of a depreciation and custom duty adjustment on account of initial years of operations and the Appellant's inability to demonstrate the need for higher imports on account of extraordinary circumstances respectively.

The Tribunal also rejected the Appellant's request for inclusion of a comparable company on the grounds that the company had highly volatile margins and had been incurring losses and the Appellant had not contested on application of persistent losses filter before the lower authorities.

Lastly, the Tribunal concluded by allowing the deduction on loss on foreign exchange fluctuations on the ECB loan availed by the Appellant. The Tribunal noted that the provisions of Section 43A of the Act would not apply since the Appellant had not purchased any machinery from the amount of loan and gains on such loans in the previous assessment years had duly offered to tax by the Appellant. Accordingly, the Tribunal following the principle of consistency, directed the AO to allow such expenses in the return of income.

Conclusion:

The case underscores the intricate and often contentious nature of transfer pricing adjustments, emphasizing the critical need for thorough documentation and substantiation in tax assessments. The judgment sheds light on litigative issues including depreciation adjustments, customs duty adjustments, and working capital adjustments, highlighting the necessity of maintaining adequate documentation to support these adjustments.

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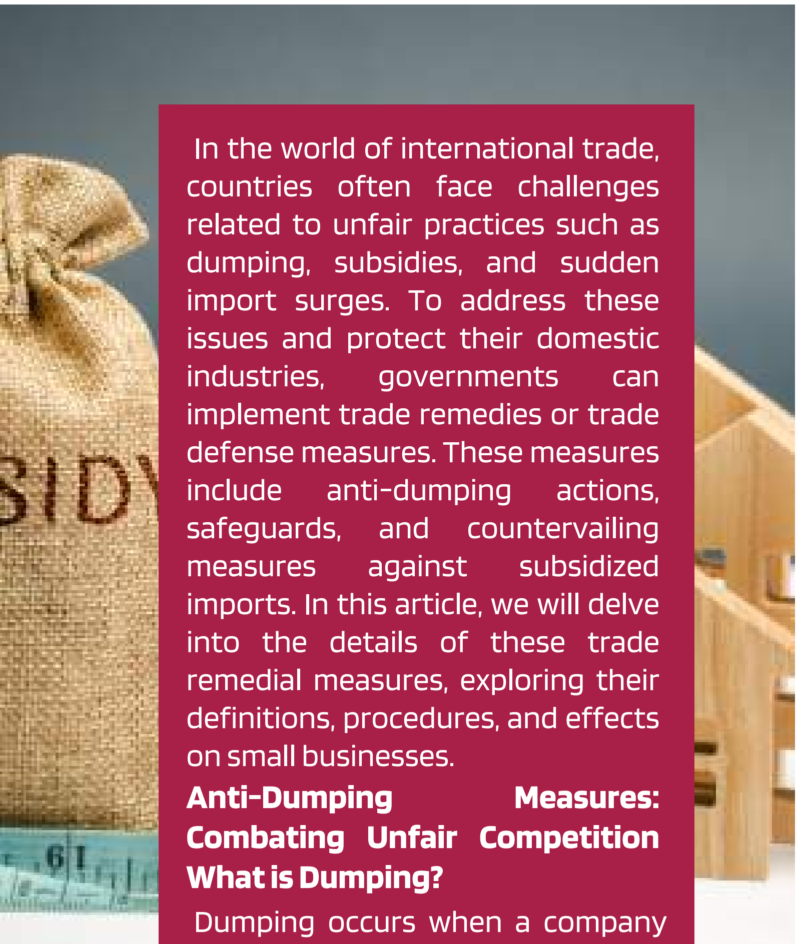
Senior Manager
Transfer Pricing

MS. NANDINI BHATIA

Manager
Transfer Pricing

Understanding Trade Remedial Measures:
Anti- Dumping, Safeguards, and Subsidies



In the world of international trade, countries often face challenges related to unfair practices such as dumping, subsidies, and sudden import surges. To address these issues and protect their domestic industries, governments can implement trade remedies or trade defense measures. These measures include anti-dumping actions, safeguards, and countervailing measures against subsidized imports. In this article, we will delve into the details of these trade remedial measures, exploring their definitions, procedures, and effects on small businesses.

Anti-Dumping Measures: Combating Unfair Competition
What is Dumping?

Dumping occurs when a company exports a product at a price significantly lower than its normal value in the domestic market. This can create unfair competition and harm domestic industries. However, opinions differ on whether dumping is inherently unfair. To address this issue, the World Trade Organization (WTO) established the Anti-Dumping Agreement, which provides guidelines on how governments can react to dumping.

The Anti-Dumping Agreement

The Anti-Dumping Agreement allows governments to take action against dumping if there is genuine injury to the competing domestic industry. To justify anti-dumping measures, the government must prove that dumping is taking place, calculate the extent of dumping, and demonstrate that the dumping is causing or threatening to cause injury to the domestic industry. The agreement also sets procedures for initiating anti-dumping cases, conducting investigations, and allowing interested parties to present evidence.

Calculating Dumping and Injury

Determining the extent of dumping involves comparing the export price to the normal value of the product. The Anti- Dumping Agreement provides three methods to calculate the normal value: the price in the exporter's domestic market, the price charged by the exporter in another country, or a calculation based on production costs and normal profit margins.
Anti-dumping measures can only be applied if the dumping is harming the industry in the importing country. Therefore, a detailed investigation must be conducted, considering various economic factors relevant to the industry in question. If the investigation confirms dumping and injury, the exporting company may choose to raise its price to avoid anti- dumping duties.

Duration and Reporting

Anti-dumping measures typically expire five years after their imposition, unless an investigation demonstrates the continued need for them. The Anti-Dumping Agreement requires member countries to inform the WTO's Committee on Anti-Dumping Practices about all preliminary and final anti-dumping actions. They must also report on investigations twice a year to ensure transparency and facilitate consultations among member countries.

Countervailing Measures: Addressing Subsidized Imports Understanding Subsidies

Subsidies are financial assistance provided by governments to enterprises, industries, or regions to support their operations. While subsidies play a crucial role in certain economic contexts, they can also distort international trade. The WTO's Agreement on Subsidies and Countervailing Measures (SCM Agreement) aims to discipline the use of subsidies and regulate countervailing actions.

Categories of Subsidies

The SCM Agreement defines two categories of subsidies: prohibited and actionable. Prohibited subsidies specifically distort international trade and are conditional on export performance or the use of domestic goods instead of imported ones. They are subject to challenge in the WTO dispute settlement procedure, and if found to be prohibited, must be withdrawn immediately.

Actionable subsidies, on the other hand, require evidence of adverse effects before countervailing measures can be implemented. These subsidies can harm domestic industries in importing countries, rival exporters in third markets, or exporters trying to compete in the subsidizing country's domestic market.

Countervailing Measures

Countervailing measures are imposed on subsidized imports found to be causing injury to domestic producers. Similar to anti-dumping measures, countervailing measures require a detailed investigation to determine the existence and extent of subsidies. The investigating country must follow specific rules and procedures, including evaluating the adverse effects of the subsidies on its interests.

The duration of countervailing measures is normally five years, but it can be extended under certain circumstances. The SCM Agreement provides guidelines on initiating and conducting investigations, as well as implementing and gradually liberalizing countervailing measures.

Safeguard Measures: Protecting Domestic Industries from Import Surges

The Need for Safeguard Measures

Safeguard measures are temporary restrictions on imports that a WTO member can implement to protect its domestic industries from serious injury or the threat of injury caused by a surge in imports. These measures are intended to provide breathing space for domestic industries to adjust to increased competition.

Special Treatment for Developing Countries

To account for the diverse economic conditions of member countries, the SCM Agreement includes special provisions for developing and least-developed countries. Least-developed countries and certain low-income developing countries are exempted from the prohibition on export subsidies. Other developing countries have been given transition periods to eliminate their export subsidies.

Developing countries also receive preferential treatment if their exports are subject to countervailing duty investigations. The agreement recognizes the importance of subsidies in developing economies and provides flexibility for their gradual adjustment.

Types of Import Surges

An import surge can be an absolute increase in import quantities or an increase in the imports' share of a shrinking market, even without a significant increase in import quantities. Industries or companies facing injury or the threat of injury can request safeguard action from their government.

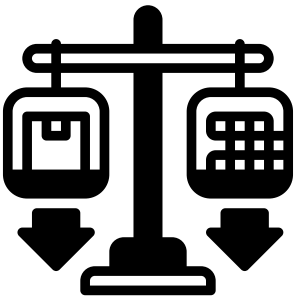
Safeguard Procedures and Duration

The WTO's Agreement on Safeguards establishes guidelines for conducting safeguard investigations. Transparency and adherence to established rules are crucial in these investigations to avoid arbitrary methods. The authorities conducting the investigations must announce public hearings and provide opportunities for interested parties to present evidence.

Safeguard measures should only be applied to the extent necessary to prevent or remedy serious injury to the domestic industry. Quotas, if imposed, should not reduce import quantities below the annual average for the last three representative years, unless clear justification is provided. Safeguard measures are intended to be temporary and should not last for more than four years, with the possibility of extension under certain conditions.

Safeguard Measures and Developing Countries

While safeguard measures can be applied to imports from any country, the agreement recognizes the special circumstances of developing countries. An importing country can only apply a safeguard measure to a product from a developing country if the developing country's imports exceed a certain threshold. This provision aims to shield developing countries' exports from excessive safeguard actions.



Trade Remedial Measures and Small Businesses

Trade remedial measures have implications for small businesses both as exporters and as competitors in their domestic markets.

Policymakers can play a crucial role in supporting small businesses affected by trade remedies. By considering the challenges faced by small businesses in supplying information during investigations and providing practical assistance, governments can ensure a fair and transparent process. Additionally, policymakers can develop knowledge portals and provide clear guidelines to help small businesses navigate the procedures for filing trade remedy applications and access relevant support mechanisms.

In conclusion, trade remedial measures such as anti-dumping, safeguards, and countervailing measures are essential tools for governments to address unfair trade practices and protect their domestic industries. Understanding the procedures, implications, and support available is crucial

for small businesses operating in international markets. By balancing the interests of domestic industries and promoting fair trade, trade remedial measures contribute to a level playing field in the global marketplace.

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How SAP helpful in Cost Management and Control

SAP is highly beneficial for cost management and control within an organization. The Cost Management and Controlling (CO) module in SAP provides a comprehensive set of tools and functionalities to help businesses effectively manage and control costs across different aspects of their operations. Here are ways in which SAP supports cost management and control:

- **Cost Element Accounting:**
  - SAP enables organizations to define and track cost elements, categorizing expenses to understand where costs are incurred. This helps in identifying and analyzing specific cost components, contributing to better cost control.
- **Cost Center Accounting:**
  - Organizations can create cost centers in SAP to allocate costs to specific departments or business units. This allows for the monitoring of costs associated with each cost center, helping management understand resource utilization and control expenses.
- **Internal Order Accounting:**
  - SAP's Internal Order functionality allows organizations to track costs associated with specific projects, campaigns, or initiatives. This helps in monitoring and controlling expenses related to these internal activities.
- **Profit Center Accounting:**
  - SAP enables the creation of profit centers, allowing organizations to analyze the profitability of individual segments or business units. This functionality aids in identifying areas of the business that contribute positively to the bottom line and those that may need attention.

- **Product Costing:**
  - SAP provides tools for product costing, helping organizations calculate and analyze the cost of producing goods or services. This includes direct and indirect costs, enabling accurate product pricing and better cost control in the production process.
- **Variance Analysis:**
  - SAP supports variance analysis by comparing planned costs with actual costs. This allows organizations to identify and investigate any deviations, helping management understand the reasons behind cost variations and take corrective actions.

- **Budgeting and Planning:**
  - The CO module in SAP includes features for budgeting and planning. Organizations can set budgets for different cost elements, cost centers, or projects and monitor actual performance against these budgets. This helps in proactive cost management.
- **Overhead Cost Management:**
  - SAP allows for the allocation and management of overhead costs associated with various business activities. Overhead costs can be assigned to cost centers or orders, providing transparency and control over indirect expenses.
- **Activity-Based Costing (ABC):**
  - SAP supports Activity-Based Costing, which involves allocating costs based on the activities that drive them. This method provides a more accurate representation of how resources are consumed, contributing to better cost control.

- **Integration with Other SAP Modules:**
  - SAP CO module is tightly integrated with other SAP modules, such as Materials Management (MM) and Sales and Distribution (SD). This integration ensures that costs associated with procurement, inventory, and sales are seamlessly captured and accounted for in the overall cost structure.
- **Real-Time Reporting and Analytics:**
  - SAP provides real-time reporting and analytics capabilities, allowing organizations to monitor costs and performance metrics dynamically. This real-time visibility aids in quick decision-making and timely intervention when cost-related issues arise.
- **Compliance and Audit Trails:**
  - SAP maintains detailed records and audit trails, ensuring transparency and accountability in financial transactions. This is crucial for compliance with regulatory requirements and internal controls.
- By providing these functionalities, SAP contributes to effective cost management and control, allowing organizations to monitor, analyze, and optimize their financial resources for improved profitability and operational efficiency.

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Practicing Cost Accountant Partner in K.B. Saxena & Associates Proprietor Agarwal & Co. ACMA, DFA, MCOM, LLB(P), B.COM

Social Stock Exchange – Key Listing Requirements & Disclosure Obligations

Abstract

A Social Stock Exchange can be defined as an electronic fund raising platform functioning similar to the existing Stock Exchanges in India; namely Bombay Stock Exchange (BSE) & National Stock Exchange (NSE). Social Enterprises can list on the Social Stock Exchange to raise capital in the form of Equity or Debt or Units like a Mutual Fund for the realization of its Social Welfare Objectives.

This Article aims to present the broad contours of what is a Social Enterprise, the functioning of a Social Stock Exchange, the key requirements for Listing on a Social Stock Exchange and Disclosure Obligations post-listing.

Introduction

A Social Enterprise can be said to be a kind of an organization that aligns its social objectives with financial sustainability through commercial viability.

For an entity to be identified as a Social Enterprise, be it a 'For Profit' or 'Not for Profit' entity, it has to establish 'primacy of Social Intent'.

The criteria to establish 'primacy of Social Intent' largely mirrors the 17 Sustainable Development Goals as set out in the Sustainable Development Goals Report 2021 of the United Nations.

The social enterprise shall target underserved or less privileged population segments or regions recording lower performance in the development priorities of central or state governments.

Some of the Key features of a Social Enterprises include:

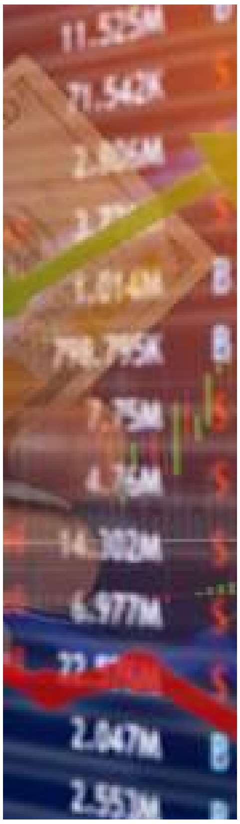
- Incorporated for a Social or Environment cause
- Has a revenue generating model where profits are earned through sale of Products or Services and such Revenue is invested back for a social cause.
- Operate like Companies and have Enterprise orientations.

Social Stock Exchanges – its Functions

A Social Stock Exchange is a separate segment of a recognized Stock Exchange (BSE/NSE in India) which is permitted to register, especially Not for Profit Organizations (NPOs), and to list their Securities as per the provisions of the various SEBI Regulations.

SSE, essentially, plays the role of a facilitator of Social Financing and creates a common platform for Social Enterprises, Donors and Investors to interact.

One of the main Objectives of a Social Stock Exchange is to "unlock a large pool of Social Capital and encourage blended finance structures so that traditional sources of Capital can partner with Social Capital in meeting the concerns and challenges of the society."



The Primary function of a SSE is to act as a filtering mechanism ensuring that only those organizations that are able to demonstrate and report Social Intent are let-in to access the large pool of Social Funds. The Secondary function of such a SSE is to provide a set of frameworks, guidelines and code of conduct for such organizations aiming to attract Social Funds with Social Impact as its primary goal.

Similar to the existing Stock Exchanges, Social Stock Exchange too has prescribed a set of guidelines detailing the eligibility criteria to register, list, raise funds and disclose them appropriately.

In the next sections of this Article, we shall discuss on the Key Listing Guidelines and Disclosure requirements.

Social Stock Exchanges – Eligibility requirements

A Social Enterprise, willing to raise funds through the Social Stock Exchange, has to meet the minimum eligibility norms, as set-out below:

1. Primacy of Social Intent to be established.

1. Activities of the SE should focus on the underserved or underprivileged populations of the society such as people with special needs, elderly persons, migrants, displaced individuals etc.

1. At least 67% of a SSE's activities to qualify as eligible activities to its target population. Three criteria has been established to monitor whether the SSE has at least 67% as eligible activities and these are given below:

1. **Revenue -** At least 67% of its immediately preceding 3 years average revenue to be from providing eligible activities to members of the target population.

1. **Expenses -** At least 67% of its immediately preceding 3 years average expenses of the SE has to be incurred for providing eligible activities to members of the target population.

1. **Beneficiaries -** At least 67% of the SE's beneficiaries in the immediately preceding 3 years' average constitute the members of the target population to whom the SE has provided eligible services.

Social Stock Exchanges – Key Listing Guidelines

A Social Enterprise, be it For-Profit Enterprises (FPE) or Not-For-Profit Enterprises (NPE/NPO), which has plans to raise funds through the SSE route, has to place its offer documents in public domain. One of the key aspects to be disclosed in the documents is something called "Differentiators".
For an FPE, disclosing "Differentiators" are in addition to the disclosure to be made pursuant to SEBI (Issue of Capital and Disclosure Requirements) Regulations and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
For a NPO, providing audited Financial Statements for the previous 3 years and Social Impact Assessment Statements along with the "Differentiators" form part of the essential features of the Offer Document.
These Differentiators include:

Sl no.	Differentiator	Attribute
1	Vision	The SE's actions and programs are to be in line with the aims and objectives as stated in its Vision Statement.
2	Target	The SE has to identify its target population. The SE, to also state, how its interventions would be able to address the deficiencies' the beneficiaries face in their current state.
3	Strategy	Strategy to be formulated incorporating the way the mission or the target is structured to ensure alignment with its vision.
4	Governance	The SE has to disclose its organization structure, its composition, date of key meetings held etc
5.	Management	Disclosure regarding Key Managerial Personnel who are in charge of Programs, Fund-raising etc. Also to disclose whether staffs and volunteers have defined roles and responsibility, whether periodic performance assessments are carried out etc.
6	Operations	Location of its physical existence to be shared for visit purposes.
7	Finance & Compliances	Audited Financial Statements to be attached along with the offer documents
8	Credibility	Organization's credibility can be enhanced by offering proofs such as Registration Deed, IT PAN, 12A.12AA Registration Certificate etc.
9	Social Impact	Social Impact Assessment statements, Impact Scorecards etc.
10	Risks	Disclosure regarding the risks that the NPO/FPE has assessed and measures taken to mitigate the same. Also unintended consequences of the work of the NPO/FPE and its associated risks.

Having seen what are the Key Listing requirements for NPO and FPE, let us now, in the next section of this Article, delve into the Post-Listing Disclosure and Reporting norms.

Social Stock Exchanges – Post-Listing Disclosure and Reporting norms

Social Enterprises, both NPOs and FPEs, that get listed on the Social Stock Exchanges, are required to disclose Social Impact Reports covering aspects such as Primacy of Social Intent, Strategies and approaches formulated to achieve the same, Impact Scorecards etc.

Other Disclosure norms include:

1. The policy framed by the SE with respect to disclosing material events undertaken.
2. Annual Impact Report (AIR), audited by a Social Auditor shall be submitted to the SSE.
3. The AIR shall include both the qualitative and quantitative aspects of the impact generated by the SE.
4. The social/environmental challenge that the SE is addressing
5. The target members/segment of the SE.
6. The outcomes due to the interventions of the SE. This disclosure to also include positive and unintended negative outcomes.
7. The status of the challenge which the SE has embarked to address. This includes the status of the challenge at the start and end of the reporting period. This analysis helps existing funders and potential funders to understand the trajectory of the interventions of the SE on the targeted segment.
8. The measures taken by the SE to ensure sustainability of the project post wind-up of operations.
9. Material changes in the implementation model, if applicable.
10. The status of stakeholder feedback, if taken during the reporting period.
11. The metrics monitored in the Impact Scorecard and its trend, if applicable.
12. Stakeholder validation through measures such as feedback, surveys, questioners.

Apart from the above, in the case of listed NPOs, a statement of Utilization of Funds, as per Regulation 91F of the SEBI (Listing and Disclosure Requirements) Regulations, 2015, as amended from time to time, has to be submitted on a quarterly basis, disclosing the following:

1. Categories of amount of money raised
2. Categories of amount of money utilized
3. Remaining amount un-utilized

Conclusion

As at the end of March 2024, around 59 Social Enterprises have been listed on the Social Stock Exchange segment of the National Stock Exchange while around 38 Social Enterprises have been listed on the Bombay Stock Exchange.

Social Enterprises, listing on Social Stock Exchanges, while receiving benefits of Listing in the form of enhanced visibility and easier access to larger pools of funds, comes with its own share of obligations too.

Disclosures to the Exchange on timely basis are critical measures of how well governed and compliant a Social Enterprise is. Falling foul of these attracts penalties and adjudication proceedings. SEBI is empowered in terms of Section 15A of the SEBI Act, by virtue of which, the intermediary failing to furnish any document or report to SEBI or the one who files false or incorrect statements are liable to be penalized with a fine of not less than one lakh rupees and may be extended upto one lakh per day maximum of one crore rupees.

Thus, to conclude, while Social Stock Exchanges offer enhanced visibility to the Social Enterprises, it is vital to ensure timely compliances are made to ensure continuous support from Investors, Governments and the Beneficiaries.

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3. Chapter 3: Social Impact Assessment of Study Material of NSIM-Series XXIII: Social Impact Assessors Certification Examinations - Pages 54-56.
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CMA VARUN V

Practicing Cost & Management Accountant

New and Old Tax Regime: A New Perspective for Assessment Year 2024-25

The process of filing income tax returns for the assessment year 2024-25 has begun. Every individual taxpayer in the country, including salaried taxpayers, professionals and business persons, should file tax return before the due date. The tax liability for all types of income earned during the previous year 2023-24 is assessed in the assessment year 2024-25. Generally, TDS on incomes earned during the previous year are deducted at the source of income itself. This deduction is made based on the estimated income for the entire year, but actual income and estimated income often differ. In India, it is legally mandatory for individuals with an annual income of more than ₹5 lakh to file an income tax return, but individuals with lower incomes can get a refund on any tax deducted at the source from their previous year's income by filing a return. Those who do not file tax returns will not get any refund. Therefore, individuals with all types of incomes should file returns.

The Government of India announces tax rates for the upcoming financial year's incomes through its annual budget. These rates become effective once the budget is passed by Parliament and approved by the Honourable President. For the past few years, the central government has been proposing two different types of tax rates in the budget, termed as 'New Tax Regime' and 'Old Tax Regime'. The dual tax rates create confusion among many individual taxpayers about whether they should opt for the new tax regime or the old tax regime. The process of filing income tax returns for individual taxpayers involves various options and complexities. This article aims to clear up such doubts and make taxpayers aware.

The amendments introduced by the Annual Finance Act 2023 have ushered in a new era of optional tax regimes, providing individuals with a choice between the default tax regime (new regime) under Section 115BAC and the regular provisions of the Act (old regime). Taxpayers can switch between the old and new tax regimes annually. Taxpayers can calculate the tax under both the new and old regimes and choose the one with the lower tax liability.

Under the old regime, a tiered tax structure applies based on the taxpayer's total income. For individuals, the tax rates are:

- Zero tax on income up to ₹2,50,000
- 5% on income from ₹2,50,001 to ₹5,00,000 (Tax rebate u/s 87A)
- 20% on income from ₹5,00,001 to ₹10,00,000
- A maximum tax rate of 30% on income above ₹10,00,000

Additionally, surcharge and a 4% health and education cess increase the tax liability, particularly for high earners. Senior citizens aged between 60 to 80 years and above 80 years enjoy slightly higher tax exemptions with zero tax on income up to ₹300,000 or ₹500,000. The old tax regime may be more beneficial for individuals who heavily invest in tax-saving schemes under Sections 80C and 80D and take advantage of deductions like HRA, LTA, interest on housing loans for self-occupied property under Section 24, NPS (Section 80CCD(1B)), etc.

The new tax regime under Section 115BAC offers a simplified tax structure and concessional rates. Taxpayers choosing this regime must forgo certain exemptions and deductions but benefit from lower tax rates. The tax rates under the new regime are:

- Zero tax on income up to ₹3,00,000
- 5% on income from ₹3,00,001 to ₹6,00,000 (Tax rebate u/s 87A)
- 10% on income from ₹6,00,001 to ₹9,00,000 (Tax rebate u/s 87A for income upto ₹ 7 lakh)
- 15% on income from ₹9,00,001 to ₹12,00,000
- 20% on income from ₹12,00,001 to ₹15,00,000
- 30% on income above ₹15,00,000

Additionally, surcharge and a 4% health and education cess apply. The new tax regime offers lower tax rates and eliminates most exemptions and deductions. In many cases, the new regime is better than the old one. Under the new regime, there is a complete tax exemption on income up to ₹7 lakh, compared to ₹5 lakh in the old regime. This means that taxpayers with income up to ₹7 lakh under the new regime will not have to pay any tax at all. The surcharge rate on income above ₹5 crore has been also reduced from 37% to 25% under new tax regime.

Let's now conduct a comparative study of the similarities and differences between the old and new tax regimes.

Comparison of Old and New Tax Regimes
Surcharge Rates (On income above ₹50 lakh)

Income Range	Old Tax Regime	New Tax Regime
₹50 lakh to ₹1 crore	10%	10%
₹1 crore to ₹2 crore	15%	15%
₹2 crore to ₹5 crore	25%	25%
Above ₹5 crore	37%	25%

Note: For income from the stock market, such as dividends, short-term capital gains (STCG) under Section 111A, and long-term capital gains (LTCG) under Sections 112 and 112A, the maximum surcharge rate is 15%.

Exemptions/Deductions

Description	Old Tax Regime	New Tax Regime
House Rent Allowance (HRA)	Allowed	Not allowed
Leave Travel Allowance (LTA)	Allowed	Not allowed
Daily Allowance	Allowed	Allowed
Transport Allowance (specifically for disabled persons)	Allowed	Allowed
Telephone Expenses	Allowed	Allowed
Gratuity/ Earned Leave/ Voluntary Retirement Scheme	Allowed	Allowed
Standard Deduction for Salaried and Pensioners (Sec 16)	₹50,000	₹50,000
Professional Tax (Sec 16)	Allowed	Not allowed
Interest on housing loan for self-occupied property	Allowed	Not allowed
Rebate under Section 87A	On income up to ₹5 lakh	On income up to ₹7 lakh
Interest on housing loan for let-out property	Allowed	Allowed
Employer's contribution to NPS	Allowed	Allowed
Employee's contribution to NPS	Allowed	Not allowed
Deduction for family pension up to ₹15,000	Allowed	Allowed
Deduction under Section 80C	Allowed	Not allowed
Deduction under Section 80E (Education loan interest)	Allowed	Not allowed
Deduction under Section 80D (Health insurance)	Allowed	Not allowed
Deduction under Section 80G (Donations)	Allowed	Not allowed
Deduction under Section 80U (For disabled persons)	Allowed	Not allowed
Deduction under Section 80TTA (Savings interest up to ₹10,000)	Allowed	Not allowed
Deduction under Section 80TTB (Interest income of senior citizens up to ₹50,000)	Allowed	Not allowed
Contribution to Agniveer Corpus Fund under Section 80CCH	Allowed	Allowed
Other Chapter VI-A deductions	Allowed	Not allowed
Alternative Minimum Tax (AMT)	Allowed	Not allowed

The decision between the new tax regime and the old tax regime depends on income levels and available deductions. The new tax regime is simpler with lower tax rates, whereas the old tax regime offers opportunities for tax planning through deductions and exemptions. Considering the differences between the two regimes and the variations in taxpayers' incomes, it would be prudent for individual taxpayers to seek expert advice before filing their annual income tax returns to ensure accuracy and timeliness. The importance of filing accurate and timely returns cannot be underestimated, with the deadline being July 31, 2024. If you want to file your tax return online, please visit the filing website. After logging in, check your "Annual Information Statement (AIS)" to view and reconcile your income details before filing your tax return. Please check whether the TDS details for the last quarter from January 2024 to March 2024 have been updated. By understanding the complexities of tax laws, seeking expert advice, and exercising prudence in financial planning, we can file our income tax returns effectively.

Let's understand the above facts with the following example:

If an individual under 60 years of age has a monthly income of ₹90,000 (annual income ₹10,80,000), the total tax liability on their income for the previous year 2023-24 (assessment year 2024-25) is calculated below.

Description	Old Tax Regime (₹)	New Tax Regime (₹)
Gross income under salary head	10,80,000	10,80,000
Less: Standard Deduction	50,000	50,000
Gross Total Income	10,30,000	10,30,000
Less: Deduction u/s 80C	1,50,000	Nil
Net Income	8,80,000	10,30,000
Total Tax Liability	92,040	67,080

Calculation of tax liability under old tax regime

Tax Slab	Tax Rate	Income Tax (₹)
Up to ₹ 2,50,000	Zero	Zero
₹ 2,50,001 to ₹ 5,00,000	5%	12,500
₹ 5,00,001 to ₹ 10,00,000	20%	76,000
Above ₹ 10,00,000	30%	
Base Tax		88,500
Add: Cess @4%		3,540
Total Tax Liability		92,040

Calculation of tax liability under new tax regime

Tax Slab	Tax Rate	Income Tax (₹)
Up to ₹ 3,00,000	Zero	Zero
₹ 3,00,001 to ₹ 6,00,000	5%	15,000
₹ 6,00,001 to ₹ 9,00,000	10%	30,000
₹ 9,00,001 to ₹ 12,00,000	15%	19,500
₹ 12,00,001 to ₹ 15,00,000	20%	
Above ₹ 15,00,000	30%	
Base Tax		64,500
Add: Cess @4%		2,580
Total Tax Liability		67,080

Hence, the individual has a lower tax liability under the new tax regime. However, the suitability of each regime can vary based on individual circumstances. It is important for taxpayers to carefully evaluate their financial situation and make an informed choice.

In summary, the new tax regime appears to be more attractive than the old regime. However, you should calculate the tax under both the new and old regimes and choose the one where the tax is lower. The benefits of filing returns are well-known, and one should file an income tax return before due date. This not only helps in obtaining refunds but also increases creditworthiness, which can have multiple benefits in the future.

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Worldonomics Summary

United States

- **Presidential Spotlight:** The highly anticipated Biden-Trump debate dominates headlines, sparking heated discussions and analysis of potential election impact.
- **Legal Earthquake:** The NFL suffers a financial blow with a court-ordered billion-dollar payment, while fraud cases surge across the nation.
- **Weather Woes:** Heavy rainfall and flash floods create hazardous conditions, raising safety concerns across several regions.
- **Celebrity Tributes:** Hollywood mourns the passing of veteran actor Bill Cobbs at the age of 90.
- **Holiday Havoc:** Travel experts brace for record-breaking holiday travel volumes, potentially causing delays and disruptions.

- **Holiday Havoc:** Travel experts brace for record-breaking holiday travel volumes, potentially causing delays and disruptions.
- **Supreme Court Showdown:** The Supreme Court releases its final opinions of the term, with rulings impacting various legal issues.
- **Hostage Heroism:** A daring rescue operation successfully frees American hostages from a dangerous situation abroad.
- **Economic Jitters:** Concerns rise over potential economic slowdown, prompting debates about government intervention and market stability.
- **Covid Cautions:** Public health officials urge caution as summer travel and celebrations increase the risk of new Covid-19 cases.
- **Fireworks Frenzy:** Safety tips and regulations dominate the news cycle as Americans prepare for Fourth of July celebrations.

China

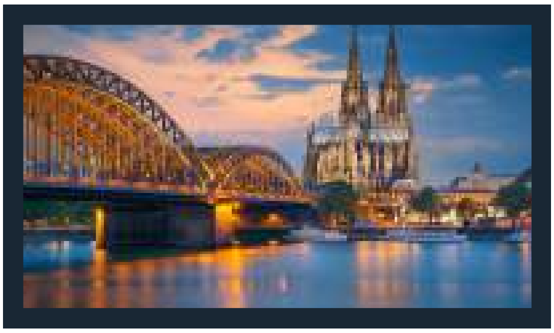
- **Economic Contraction:** China's factory activity shrinks for a second month in June, raising concerns about the overall health of the economy and prompting calls for stimulus measures.
- **Trade Tensions Simmer:** The US and EU threaten tariffs on Chinese exports, accusing China of unfair trade practices and subsidies.
- **Birth Rate Blues:** China's declining birth rate continues to be a major concern, with potential long-term implications for the workforce and social security systems.
- **Tech Triumphs:** China unveils advancements in domestic tech development, showcasing a new domestically built armored vehicle.
- **Energy Explorations:** China makes significant progress in renewable energy projects, aiming to reduce dependence on fossil fuels.
- **Environmental Efforts:** The government announces new initiatives to combat air and water pollution, addressing growing public environmental concerns.
- **Space Strides:** China successfully launches another spacecraft, furthering its ambitions in space exploration.
- **Third Plenum Anticipation:** The upcoming Third Plenum, a key Communist Party meeting in July, draws international attention with expectations of economic and political reforms.
- **Travel Warning Issued:** Taiwan issues a travel warning for China following tensions related to Beijing's potential military actions.
- **Focus on Domestic Tourism:** China encourages domestic tourism to boost the economy in the wake of potential travel disruptions due to international tensions.

Japan

- **Tourist Tsunami:** Japan experiences a surge in international tourism fueled by a weak yen and post-pandemic travel desire, with visitor numbers exceeding expectations.
- **Infrastructure Revival:** JR Chuo and Sobu Lines resume operations after a major repair project, marking a significant step towards restoring vital transportation links.
- **Historical Discovery:** Divers recover the remains of Japanese WWII dead from a sunken ship in Micronesia, sparking debate about how to handle these sensitive discoveries.
- **Cultural Celebrations:** The 60th anniversary of the legendary manga "Cyborg 009" is commemorated with sand art installations, highlighting Japan's rich pop culture heritage.
- **Summer Solstice Ritual:** Traditional summer solstice purification rituals take place across Japan, with worshippers attending ceremonies like the one in Mie Prefecture.
- **Dinosaur Delight:** The T-excellent Race heats up the Toyama Dinosaur Festival, showcasing the enduring popularity of dinosaurs among all ages.
- **Business Uncertainty:** The Bank of Japan releases its Tankan report, providing insights into the future of Japan's manufacturing and non-manufacturing sectors.
- **Women's Empowerment Revamp:** The Japanese government announces plans to revamp its women's empowerment forum, focusing on the importance of youth development in achieving gender equality.
- **Hidden Hospitality:** A Taiwanese pro wrestler in Fukuoka pays a courtesy call to Taipei's office, showcasing cultural exchange and friendly relations.
- **Local Legacy Preserved:** The Motomachi-dori district in Hyogo marks 150 years since overcoming a major hardship, highlighting the resilience and perseverance of Japanese communities.

Germany

- **Euro 2024 Frenzy:** Germany hosts the UEFA European Championship, capturing national attention with exciting matches and passionate fan support.
- **AfD Protests and Clashes:** The far-right Alternative for Germany (AfD) party congress sparks large protests and clashes with police, raising concerns about political extremism.
- **Citizenship Reform:** A new law simplifies the path to German citizenship for foreigners, potentially impacting immigration trends.
- **Border Security Boost:** Increased border checks implemented for Euro 2024 remain in place to ensure security during the tournament.
- **Economic Powerhouse:** Germany's strong economic performance continues, with positive growth figures fueling optimism for the future.
- **Climate Change Concerns:** Heatwaves and extreme weather events highlight the urgency of climate action, prompting discussions about sustainable practices.
- **Manufacturing Might:** German manufacturing remains a cornerstone of the national economy, with key industries like automotive production showing continued resilience.
- **Energy Transition:** Germany pushes forward with its ambitious plan to transition to renewable energy sources, aiming to reduce reliance on fossil fuels.
- **Art Exhibition Extravaganza:** Major art exhibitions across Germany attract international visitors, showcasing the country's vibrant artistic scene.
- **Research and Development:** German universities and research institutions continue to make significant advancements in various fields, maintaining the country's position as a leader in innovation.

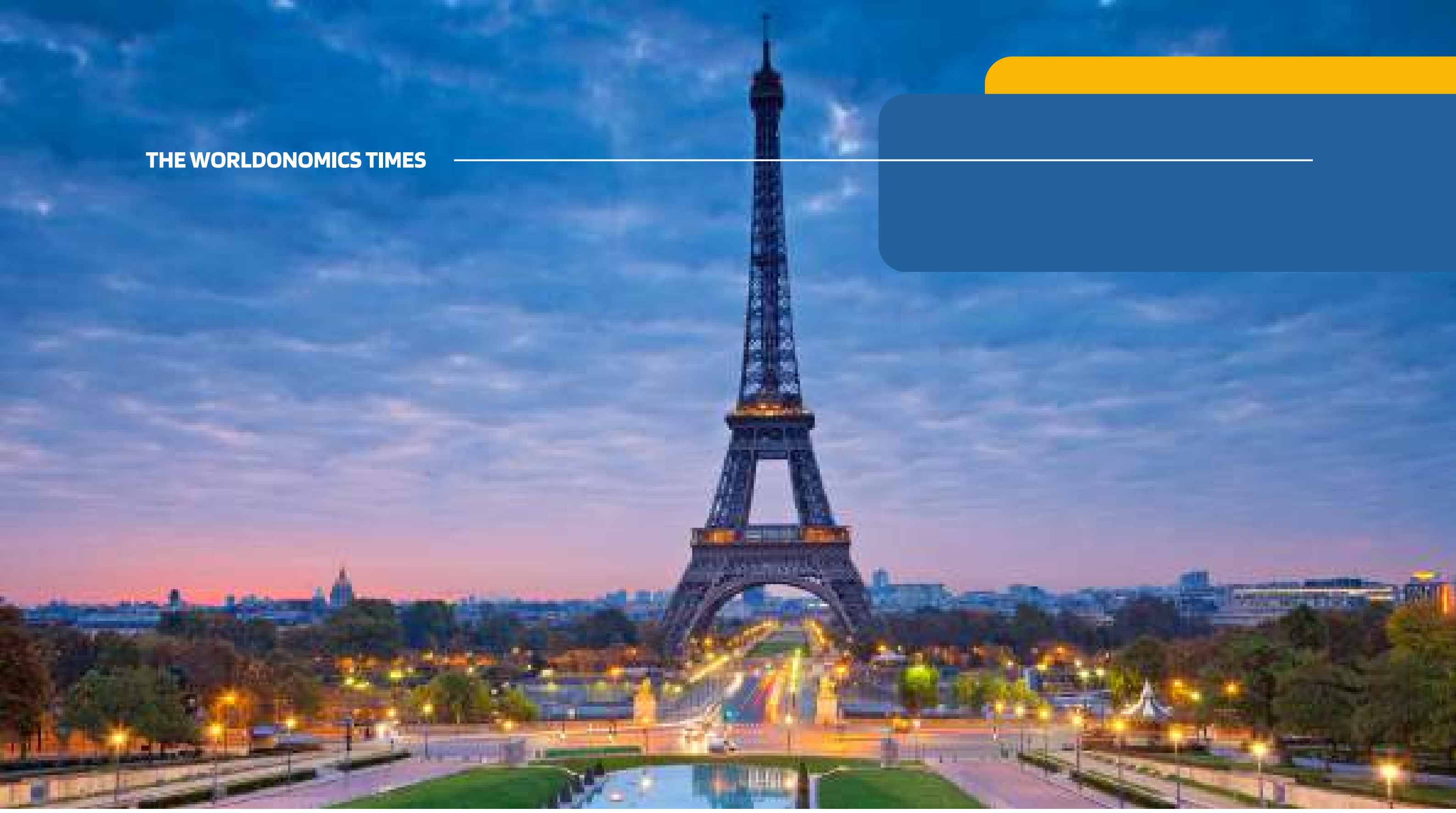


India

- **Monsoon Mayhem:** Heavy monsoon rains wreak havoc across India, causing flash floods, landslides, and infrastructure damage, particularly in Gujarat and Mathura .
- **Budget Buzz:** The Indian market surges in anticipation of the upcoming Union Budget 2024-2025, with experts recommending stocks in infrastructure and agriculture sectors .
- **Political Maneuvers:** Former NSA detainees in Punjab express interest in contesting upcoming assembly elections, potentially shaking up the political landscape .
- **Crime Crackdown:** Police in Jalandhar successfully arrest a group of alleged arms and drug smugglers linked to the Landa gang, boosting public confidence in law enforcement .
- **Water Woes:** A water tank collapse in Mathura tragically claims lives and injures several residents, highlighting the need for infrastructure upgrades .
- **Space Strides:** India successfully launches another spacecraft, continuing its journey towards becoming a major spacefaring nation.
- **Education Reforms:** The government announces new education reforms aimed at improving vocational training and skill development for the workforce.
- **Agricultural Innovation:** Initiatives promoting sustainable farming practices and drought-resistant crops gain traction as climate change concerns grow.
- **Festival Fever:** Preparations for major festivals like Rath Yatra and Dussehra commence, injecting vibrancy and economic activity into local communities.
- **Cricket Controversies:** The Indian cricket team faces criticism and scrutiny following a series loss, sparking debates about player selection and team management.

United Kingdom

- **Election Fever:** The UK gears up for the general election on July 4th, with polls predicting a potential Labour victory after 14 years of Conservative rule.
- **Post Office Scandal Fallout:** Prime Minister Sunak announces compensation for victims of the historic Post Office scandal, a major political controversy.
- **Yemeni Airstrikes Debate:** UK participation in airstrikes on Houthi rebels in Yemen sparks criticism from opposition parties, leading to calls for a parliamentary vote.
- **Cost of Living Crisis:** Britons grapple with rising inflation and energy costs, making it a key issue in the upcoming election.
- **Glastonbury Escapism:** Glastonbury Festival provides a welcome break from political and economic concerns, attracting hundreds of thousands of music lovers.
- **Squatter Protests:** A surge in private rent prices leads to an increase in squatting protests, highlighting the housing crisis in major cities like London.
- **NHS Strain:** Long waiting lists and staff shortages put further pressure on the National Health Service (NHS), prompting discussions about healthcare reform.
- **Football Frenzy:** England's unexpected defeat by India in the T20 World Cup semi-final disappoints fans and dominates sports headlines.
- **Royal Revelry:** Queen Elizabeth II's official birthday celebrations offer a distraction from political turmoil and unite the nation in tradition.
- **Heatwave Worries:** Unusually high temperatures raise concerns about potential health risks and wildfires, prompting public warnings and safety measures.



France

1. **Far-right Victory in French Legislative Election**: Marine Le Pen's far-right National Rally party secured 33.5% of the votes, leading in France's snap parliamentary elections.
2. **Second Place**: The leftist New Popular Front followed in second place with 28.1% of the votes.
3. **Potential Seats in the National Assembly**: The far-right National Rally party is estimated to win between 230 and 280 seats in the 577-seat National Assembly.
4. **Main Contenders**: President Emmanuel Macron's centrist Ensemble followed with an estimated 70-100 seats .
5. **High Voter Turnout**: The first round of France's legislative election reported an unusually high 59% turnout three hours before polls closed.
6. **Political Uncertainty**: The strong lead of the National Rally party in the first round has plunged France into political uncertainty.
7. **National Rally's Campaign Message**: Jordan Bardella, the far-right leader, called on voters to reject the 'dangerous far left' and support his party.
8. **Appeal for Support**: French Prime Minister Gabriel Attal urged voters to prevent the far right from obtaining an absolute majority in parliament.
9. **Protests Against National Rally**: Thousands gathered in Paris to protest the far-right National Rally party after its strong performance in the first-round legislative elections.
10. **National Front Leader's Call**: Marine Le Pen called on voters to give her National Rally party an "absolute majority" in parliament, aiming to form a new government with her as prime minister.

Italy

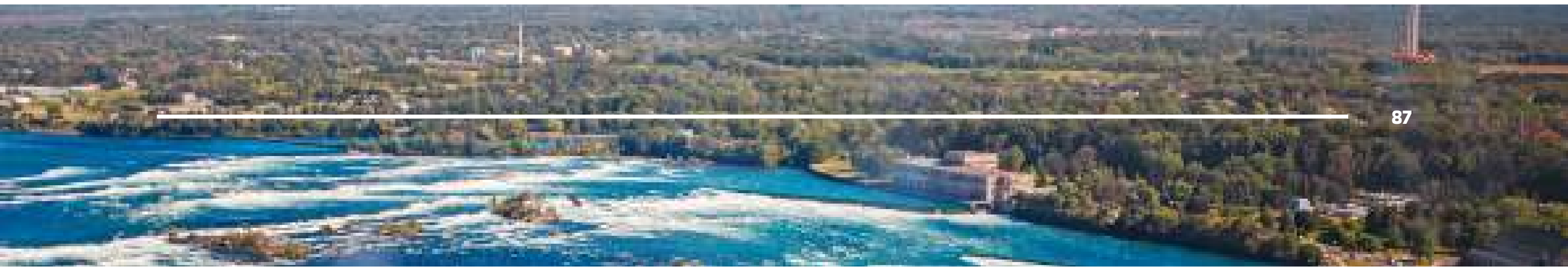
1. **Defending Champions Italy Knocked Out**: Reigning champion Italy was knocked out of Euro 2024 in the last 16 by Switzerland in a stunning 2-0 upset at the Olympiastadion in Berlin 5 9 .
2. **Italy's Last-minute Equalizer**: Mattia Zaccagni's last-minute stunner against Croatia helped Italy secure a vital point to qualify for the knockouts 2 8 .
3. **Italy's Tough Group Stage**: Italy struggled in the tournament, with modest performances leading to doubts about their strength as defending champions 9 .
4. **Dominant Switzerland**: Switzerland showed great strength with an impressive performance against Italy, led by captain Granit Xhaka and goalscorers Remo Freuler and Ruben Vargas 9 .
5. **Italian Squad Changes**: In the match against Switzerland, Italy made significant changes to their starting XI, including Gianluca Scamacca, Federico Chiesa, and Bryan Cristante, among others 9 .
6. **Switzerland's Game Plan**: Switzerland demonstrated an organized and well-balanced approach that outplayed Italy, showcasing their potential for a deep run in the tournament 9 .
7. **Italy's Struggle for Goals**: Italy faced challenges in scoring goals during the tournament, reflected in their group stage games and ultimately in their loss to Switzerland 9 .
8. **Gianluigi Donnarumma's Efforts**: Italy's goalkeeper Gianluigi Donnarumma made crucial saves during the competition, but it wasn't enough to prevent their elimination by Switzerland 9 10 .
9. **Spalletti's Reflections**: Italy's coach Luciano Spalletti acknowledged the team's underperformance and the need for significant changes to move forward positively 9 .
10. **Italy's Potential Path**: Italy's exit from Euro 2024 now opens the path for teams like England and Slovakia, with the tournament proceeding without the defending champions 9 .

Brazil

1. **Recent Winter Drought in Rio Grande do Sul**: The state faced a winter drought, impacting agriculture and water supply.
2. **Continued Challenges from Dengue Outbreak**: Brazil is still struggling with an extensive dengue outbreak, with over 8 million cases reported across Latin America and the Caribbean.
3. **Severe Flooding in Southern Brazil**: Rio Grande do Sul continues to battle the aftermath of severe flooding, described as the worst disaster in the region's history.
4. **Displacement Statistics**: Over 575,000 people have been displaced due to the floods in Rio Grande do Sul, with 172 reported deaths and 44 people still missing.
5. **Environmental Impacts**: The heavy rains and flooding have caused significant damage to agricultural areas, resulting in losses of crops and livestock.
6. **Climate Change's Role**: Studies suggest that climate change has made historic flooding events in Brazil more likely and more intense.
7. **Humanitarian Efforts**: Local and international humanitarian agencies are working to provide relief and support to the affected population in southern Brazil.
8. **Economic Impact**: The flooding has led to substantial damage to infrastructure, impacting transportation and logistics in the region.
9. **Insufficient Water Supply**: The disaster has highlighted critical needs for clean drinking water in shelters and affected areas.
10. **Ongoing Government Response**: Brazilian authorities are actively engaged in recovery efforts, with a focus on addressing the immediate needs of those affected by the floods in Rio Grande do Sul.

Canada

1. **NANOS Poll Results**: In the latest NANOS poll for June 2024, the Liberal Party led with 52.6 points, followed closely by the Conservatives with 44.1 points, the NDP with 43.5 points, the Greens with 30.5 points, the People's Party of Canada with 23.1 points, and the Bloc Quebecois with 38.0 points in Quebec.
2. **Leadership Approval**: Over half of Canadians, at 54.1%, believe that J Singh possesses the qualities of a good political leader.
3. **Byelection Loss Impact**: Justin Trudeau faced scrutiny over his future following a shocking byelection loss, putting a spotlight on his political trajectory.
4. **Monetary Policy Announcement**: The Bank of Canada decided to lower the policy interest rate by 25 basis points to 4.75%, expressing a less restrictive stance on monetary policy.
5. **Stanley Cup Victory**: The Panthers claimed the 2024 Stanley Cup, marking Canada's 31-year drought in the prestigious hockey competition.
6. **Pelosi's Defense of Biden**: Former House Speaker Nancy Pelosi defended President Biden against criticisms after a debate and suggested that former President Trump suffers from dementia.
7. **Debate Fallout**: Pelosi highlighted that while Biden had a challenging debate, he has a strong presidency and must continue leading, emphasizing his importance as the Democratic nominee.
8. **Biden's Nomination**: Pelosi reinforced that Joe Biden has won the nomination and should carry it forward, warning against potential chaos with any change.
9. **CBC's Canada Day Coverage**: CBC News hosted specials for Canada Day, including coverage of Newfoundland and Labrador's Unknown Soldier and the Canada Day 2024 festivities in Ottawa, with supporting musical performances in the evening.
10. **Gordon Lightfoot Tribute**: CBC Radio broadcast a special tribute to Canadian musician Gordon Lightfoot in collaboration with Massey Hall, featuring various artists and bands celebrating his legacy.



PSU Appointments

Sanjeev Rastogi

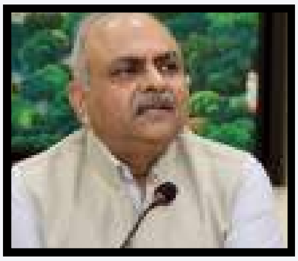
Director (Production) of Braithwaite & Co. Limited

Sanjeev Rastogi, currently a General Manager at BHEL, has been recommended as the next Director (Production) at Braithwaite & Co. Limited by the PESB panel. He will oversee production targets for various units within the company and report to the Chairman and Managing Director. Rastogi was selected from a group of six candidates, including representatives from other notable organizations .

Praveen Kumar

Managing Director at DFCCIL

Praveen Kumar, currently the Executive Director at DFCCIL, has been recommended to lead the organization as the Managing Director by the PESB panel. He was selected from a pool of four candidates, including representatives from DFCCIL, Ircon International Limited, and Indian Railways. As the MD of DFCCIL, Kumar will oversee the organization's operations, report to the Board of Directors, and ensure the attainment of corporate goals and performance standards.



R Lakshmanan

Govt Nominee Director on SCI board

R Lakshmanan has been appointed as the Government Nominee Director on the Board of Shipping Corporation of India (SCI) by the Ministry of Port, Shipping, and Waterways (MoPSW). The appointment was confirmed through an order issued on June 13.

Lalit Bohra

Govt Nominee Director on Power Grid board

Lalit Bohra, an IRTS officer of the 1998 Batch, has been appointed as the Government Nominee Director on the Board of Power Grid Corporation of India. The Ministry of Power issued the appointment order on June 18, with immediate effect. He serves as Joint Secretary in the Ministry of New and Renewable Energy and oversees wind and solar energy initiatives, including offshore wind and transmission systems. Prior to this role, Bohra was the Director General of the National Institute of Solar Energy.

Sudhakararao

Director (Enterprise) of BSNL

Sudhakararao Papa, currently the Chief General Manager at BSNL, has been recommended as the next Director (Enterprise) by the PESB panel. He will oversee the Enterprise Business unit catering to corporate customers and SMEs, reporting to the Chairman and Managing Director. Papa was selected from 11 candidates, predominantly from BSNL, in a selection meeting held on June 15 .

Rajesh Kumar Dwivedi

Director (Finance) of BHEL

Rajesh Kumar Dwivedi, an accomplished finance professional, has taken on the position of Director (Finance) at BHEL. With over 32 years of diverse experience in the power sector, he has showcased strong leadership, introduced innovative financial concepts like the Central Procurement Cell, and enhanced stakeholder confidence through cost-effective strategies and customer engagement. Moreover, Dwivedi has actively contributed to advancing the cost management profession in India through his engagement with The Institute of Cost Accountants of India.

Manoj Jain

CMD of BEL

Manoj Jain has been appointed as the Chairman and Managing Director of Bharat Electronics Limited (BEL) after serving as the Director (R&D) since 2022. With a career spanning three decades at BEL, Jain has played a pivotal role in research, development, and innovation in defense technology, earning various awards and accolades along the way. His leadership has been instrumental in driving advancements and self-reliance at BEL .

Arvind Kumar Talan

EESL CFO

Arvind Kumar Talan has been appointed as the new Chief Financial Officer (CFO) of Energy Efficiency Services Limited (EESL), bringing extensive finance and corporate governance experience. In his role, Talan will supervise all financial operations at EESL. Laxman Aggrawal has been named as the Company Secretary (CS) and will be responsible for ensuring legal and statutory compliance within the company. Talan previously served as CFO at Jet Freight Logistics Ltd (JFLL) and IFFCO Ltd before joining EESL.

Debi Prasad Satpathy

BEML Director (HR)

Debi Prasad Satpathy, appointed as BEML Limited's Director of HR by the PESB in March 2024, brings over 30 years of experience, previously serving as the Executive Director (HR) within the organization. His impressive track record includes successful pay negotiations, government initiatives implementation, and strong academic qualifications. Satpathy's pivotal role in enhancing BEML through HR and CSR initiatives began in 2011, introducing innovative HR processes and positively impacting the organization. CMD Shantanu Roy praised Satpathy's vast HR experience and significant contributions to BEML's growth, underscoring his commitment to fostering a positive work environment and supporting the company's development.

IPO'S UPDATES

Upcoming IPO's

Allied Blenders & Distillers Ltd Emcure Pharmaceuticals Bansal Wire Industries Vraj Iron & Steel Ltd	Emcure Pharmaceuticals Bansal Wire Industries Emcure Pharmaceuticals Bansal Wire Industries

Issuer Company	Open Date	Close Date	Listing Date
Stanley Lifestyles Limited IPO	Jun 21, 2024	Jun 25, 2024	Jun 28, 2024
Medicamen Organics Limited IPO	Jun 21, 2024	Jun 25, 2024	Jun 28, 2024
Dindigul Farm Product Limited IPO	Jun 20, 2024	Jun 24, 2024	Jun 27, 2024
Winny Immigration and Education Services Ltd IPO	Jun 20, 2024	Jun 24, 2024	Jun 27, 2024
GEM Enviro Management Limited IPO	Jun 19, 2024	Jun 21, 2024	Jun 26, 2024
DEE Development Engineers Limited IPO	Jun 19, 2024	Jun 21, 2024	Jun 26, 2024
Durlax Top Surface Limited IPO	Jun 19, 2024	Jun 21, 2024	Jun 26, 2024
Falcon Technoprojects India Limited IPO	Jun 19, 2024	Jun 21, 2024	Jun 26, 2024
Akme Fintrade India Ltd IPO	Jun 19, 2024	Jun 21, 2024	Jun 26, 2024
GP Eco Solutions India Limited IPO	Jun 14, 2024	Jun 19, 2024	Jun 24, 2024
United Cotfab Limited IPO	Jun 13, 2024	Jun 19, 2024	Jun 24, 2024
Le Travenues Technology Ltd IPO	Jun 10, 2024	Jun 12, 2024	Jun 18, 2024
Sattrix Information Security Limited IPO	Jun 05, 2024	Jun 07, 2024	Jun 12, 2024
Magenta Lifecare Limited IPO	Jun 05, 2024	Jun 07, 2024	Jun 12, 2024
3C IT Solutions & Telecoms (India) Limited IPO	Jun 04, 2024	Jun 07, 2024	Jun 12, 2024
Kronox Lab Sciences Limited IPO	Jun 03, 2024	Jun 05, 2024	Jun 10, 2024

RECAP 2024

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Shri Atul Gupta Ji, Former President, The Institute of Chartered Accountants of India, Shri Sanjay Gupta Ji, Former President, The Institute of Cost Accountants of India, Shri Vijay Aggarwal Ji, GM Finance, ONGC Videsh, Shri Saurabh Srivastva Ji, CGM HSCC & Shri R C Gupta Ji from GAIL India

Shri Sanjay Jindal Ji, Director Finance, Engineers India Limited, Shri Bimal Jain Ji, Indirect Tax Expert, Shri B K Sabharwal Ji, Former President, Commodity Participants of India (CPAI).

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International Navodaya Chamber of Commerce (INCOC)

Welcome to the International Navodaya Chamber of Commerce (INCOC), a dedicated catalyst for positive change, empowerment, and community development. We are committed to enhancing brand value, nurturing essential skills, and facilitating societal growth through a collaborative and community-centric approach.

Our Mission

At INCOC, our mission is to harness the collective potential of individuals and businesses to create a lasting impact. We believe in the power of collaboration, empowerment through knowledge, and a community-centric approach to address local needs and promote inclusivity. Our initiatives are designed to inspire actionable impact, foster continuous learning and adaptation, and contribute to building a brighter future.

How We Operate

- **Collaborative Synergy:** We thrive on collaboration, bringing together diverse minds, expertise, and resources to foster an environment where ideas flourish and innovation thrives.
- **Empowerment through Knowledge:** Knowledge is the cornerstone of growth. At INCOC, we provide access to valuable insights, expert advice, and resources that empower individuals and businesses to make informed decisions and drive positive change.
- **Community-Centric Approach:** Communities are at the heart of change. Our initiatives are designed to address local needs, promote inclusivity, and create a sense of belonging, tailoring our efforts to have a meaningful impact where it's needed most.
- **Actionable Impact:** Our programs inspire action and create tangible results, from skill development workshops to societal initiatives that drive positive change, focusing on making a real difference.
- **Continuous Learning and Adaptation:** We embrace continuous learning and adaptation to stay relevant in a rapidly changing landscape, ensuring that our strategies remain effective and aligned with the needs of the times.