



# ECOGENE

ISSUE 05 | 2017-18

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An Interview with  
Prof. Prabhat Patnaik

### ***STANDPOINT***

Non-Performing Assets

### ***IN-DEPTH***

Cryptocurrencies

### ***THE WORLD IN 2017***

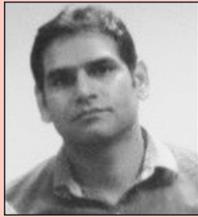
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ECONOMICS DEPARTMENT  
JANKI DEVI MEMORIAL COLLEGE  
(UNIVERSITY OF DELHI)

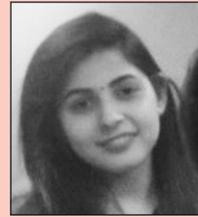
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Dear all,

*The ultimate value of life depends upon awareness and the power of contemplation rather than upon mere survival- Aristotle*

Ecogene, the annual magazine of the Economics Department, is an attempt to provide a platform to budding economists to put forth their perspective, and take the essential steps towards becoming well-aware citizens of this increasingly integrating world. The fifth edition of the magazine offers five main highlights- World News'17, opinions on India's NPA problem, an enlightening interview with Prof. Prabhat Patnaik, detailed explanation about Cryptocurrencies and findings of the research work done by students. With these we hope to provide our readers useful insights on crucial issues across the world.

We extend our sincere thanks to our respected Principal, Dr. Swati Pal, who has always been a source of inspiration for us. We are grateful to Ms. Trisha Jolly and Dr. Devendra Kumar for their valuable inputs and constant support. We also thank our Teacher- In-Charge, Dr. Shilpa Chaudhary, without whose guidance creating this magazine would not have been possible.

With this we wish you all, Happy Reading!

EDITORIAL BOARD



# ECOGENE



ECONOMICS DEPARTMENT  
JANKI DEVI MEMORIAL COLLEGE  
(UNIVERSITY OF DELHI)



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### **Best Entries in Edit-O-Real Contest**

**1<sup>st</sup> Best Articles: (SHARED)**

‘What future for education?’ by Shruti Mehta III year

‘Tax Evasion in India’ by Poonam Ingale, I year

**2<sup>nd</sup> Best Articles: (SHARED)**

Safe Water and Sanitation in India by Pranjali Mohan, III Year

‘Zero Interest Rate Policy – A Post Recession remedy or a Trap?’  
by Simran Singh, II Year

***Front Cover designed by Richa Bansal, III Year and Charu Maurya, I Year.***

***Back Cover designed by Sneha Aggarwal, I Year.***



# From the Principal's Desk



It is true that the child is the father of the man! There is so much one learns from young minds as I can speak from personal experience. While flipping through the contents of this issue of Ecogene and recalling the ones in the past, I can only applaud the entire department for the wonderful way in which this magazine has evolved. The fact that the Department has been the first to initiate a department magazine is in itself a commendable venture. But I am delighted at the way in which the form and contents of the magazine have improved with the passage of time. It is truly a learning experience for me.

The record of the activities and achievements of faculty and students is impressive and I congratulate all in the Department for the same. As for the articles, the erudition of the teachers was of course expected, but the intellectual and creative effort of the students is remarkable indeed! The engagement with a wide range of contemporary issues from reservations to mobile phones and taxation, the ability to write in prose as well as verse form- all this and much more that I observed in the magazine make it one that the college can be proud of.

I can only encourage all to explore more techniques possible in articulating perspectives. And to have clear cut objectives while writing. We live in a world where communication is of prime importance and as people who are privileged in terms of the institution that we belong to, let us use communication in the best possible way: develop critical thinking and transform society. Let us use this platform, Ecogene, to make our world a better place to be in.

Keep writing! Stay blessed.

Warm wishes,

**Dr Swati Pal**  
Principal



## **Teacher-In-charge Speaks**

This is a moment of great pride and satisfaction that we are continuing with the legacy of our Department magazine with full enthusiasm and commitment. I congratulate all who have been involved day and night with the uphill task of making the fifth edition of Ecogene a reality.

I thank all the student and faculty contributors for their articles with a wide panorama ranging from views related to hard-core economic issues like interest rate, protectionism to basic requirements for development like water, sanitation, education to issues prevailing in our society like feminism and not to be missed, writings from young hearts. This is surely a step ahead in the journey of our attempts to understand, analyze and present various economic as well as non-economic issues surrounding us and making loud echoes.

My sincere thanks to all the Student Editors and Faculty Advisors, Ms. Trisha Jolly and Dr. Devendra Kumar, for their untiring efforts in bringing out the Magazine. I also thank the members of the Sponsorship Team who have worked hard to arrange the much-needed resources.

I thank all the faculty members of our department for their full-hearted support at all times.

I take this opportunity to extend my heartfelt thanks and gratitude to our Principal Dr. Swati Pal who has always showered support and motivated us to climb greater heights.

I hope it has been a great learning experience for all of us in bringing out this edition.

Wishing the readers an experience of untying the umpteen knots in the arena of Indian as well as global economy and society.

**Dr. Shilpa Chaudhary**  
Teacher-In-charge  
Economics Department

## **PRESIDENT, Economics Association, SPEAKS....**

College is an institution where many come not just to pursue their dreams, but to discover dreams they didn't know were possible. And we all stepped in our college life, so did I.

The former presidents embraced the vision for this department and left a legacy of accomplishment. I was blessed to stand upon, but was then challenged to build upon. I was humbled by the small role I've been given to play.

This department stands on strong pillars build with the students and teachers together. This takes me back to where it all started.

Starting by "**Maximizing Utilities and Reaching Equilibrium**" as the first step forward towards the journey together. With new perspective and vision, we aimed at a better tomorrow.

Sharing with everyone "**What the Economists are doing**" through the department notice board, a new affair of students and knowledge began.

We started with coming together in the beginning, where everyone was filled with great enthusiasm and excitement for the preparation of our Inter College Annual Departmental Festival-**ECOPHORIA'17, there is just no substitute!**

Ecophoria 2017 turned out to be a very successful event, justifying its tagline. For the very first time, Ecophoria stood out with its own LOGO. Wonderful efforts been put in by all the teams contributed to the unbelievable success of the event.

While working together with an enthusiastic team, I learnt that: **Keeping together is Progress and Working together is Success.** Motivated youthful members, taking a step forward toward spreading knowledge, initiated department's blog:- "**Ecognizance: The Panorama of Economics**" where the world can be seen through the eyes of budding economists.

The 5th edition of our **Department Magazine: Ecogene**, ensured everyone's engagement and contribution in which future economists have presented their view points on various aspects of economy.

With the presidential oath, I along with my team saw a dream to

***Look back and say,***

***"We made it!"***

***And yes, our dream HAS come true!***

During my Presidentship for this department I have learnt that we all are strong in our own ways but when we all work towards a common goal, we become unbeatable. I entered college with the thought of experimenting and exploring new opportunities for myself. I never had any blueprint to follow, so I tried all the paths, which has taken me to my destination. I firmly believe that:

**It's okay not to have a plan, things will always fall in place where they are meant to be.**

With this thought I just wish to say, that never stop experimenting with your own selves. With every new thing that comes up in your path, give yourselves new experiences to learn from.

*There is no better book than our life that teaches us every single day and makes us better day by day.*

All I would say that open yourself for all the new things that are lying ahead of you as these things will build your character.

So, I am moving ahead on the path of my new experiences that are awaiting.

***Where ever my story takes me, however dark and difficult the theme, there is always some hope and redemption, not because readers like happy endings, but because I am an optimist at heart. I know the sun will rise in the morning, that there is a light at the end of every tunnel.***

-Michael Morpurgo

**Vidhata Gupta**

President, Economics Association

## **GENERAL SECRETARY, Economics Association, SPEAKS....**

### **WHERE WE ARE GOING, WE DON'T NEED ROADS...**

"If everyone is moving forward together, then success takes care of itself." --*Henry Ford*

The Economics Department of Janki Devi Memorial College has always stood up to the challenge at hand. Every year we try to take a step ahead, even if it's a small one. It's our aim, to not be confined by any boundaries, when it comes to seeking practical knowledge. It's not the event or the happening of that event that makes it a success; it's the people working behind it. It requires a vision and commitment towards that vision, setting goals and working with an action plan to achieve it. When I decided to take up the post of the General Secretary of the Association, it was because the President and I had a vision, how we can work in a more effective and efficient manner and provide new opportunities to the students.

**“Graduation is an exciting time. It's both an ending and a beginning, it's warm memories of the past and big dreams for the future.”**

As an Association we always try to provide for the interests of the students. **ECOPHORIA**, our Annual Inter-college Economics Festival is the beginning of our journey to enhance the skills like quality teamwork, creativity, excellence and rigour and grit of the students. It taught us that every mind works differently and as a leader it takes correct course of action to align everyone's goals to the vision. To work as a team, we need to keep patience, understand the point of view of other person; and put our heart into it. It's about taking the ownership even when it's a team effort. Keeping our aim in mind, we conduct **INTRA DEPARTMENT FESTIVALS**, exclusively for the students of the Economics department. The Festival comprises of events like paper presentation and poster making which made us discover both, the scholar as well as the artist in our department. It not only shows that experience doesn't matter when there is determination to achieve success, but it also boosts the confidence of the students to participate in competitions held in other colleges at various levels. These fests encourage them to be self aware and work on themselves to outperform themselves.

Another step in this direction is our annual magazine '**ECOGENE**', this is the 5th edition of our magazine and nothing makes us more proud. It is a platform for our students to express their opinions and thoughts' regarding what is happening in the world. It not only makes them confident about presenting their opinions, but also encourages them to think differently and participate in their surroundings. In the coming years, we will try our best to achieve the level where we launch our magazine in the Delhi University circuit and it is read by everybody that takes interest in the subject area of economics.

**Further with SPEAKER SESSIONS AND SEMINARS**, we take small steps in the direction of our vision. This year we had with us Prof. Sunil Kanwar, Delhi School of Economics who spoke on 'Science, Technology and Innovation in India' and Prof. Prabhat Patnaik, a notified Economist and emeritus Professor from JNU to give us a lecture on the topic "India's Development Experience", CA Rajeev Saxena, who gave us a lecture on Goods and Service Tax. We had the opportunity to hear the thoughts and insights of Dr. Francisco Marmolejo from World Bank on the topic 'Skill Development in India'. These sessions provide us with useful insights and enable us to have a broader perspective. This makes them confident about presenting their opinion but also encourages them to think differently; to participate in their surroundings.

To achieve what we have planned, we need to work together for the coming years; provide students with better opportunities in terms of exposure, experience and learning possibilities. For this we need to think out of the box and discover creative learning techniques where we can bridge the gap between what students learn during their graduation and what all skills are required for their future endeavours. I would like to conclude with this beautiful quote by Dr. A.P.J. Abdul Kalam -

*If four things are followed - having a great aim, acquiring knowledge, hard work, and perseverance - then anything can be achieved.*

**Chavi Mittal**

General Secretary, Economics Association

**FEATHERS  
IN OUR CAP**





## Feathers in Our Cap...

### Recent Initiatives by the Department

- **Add-on Course: NSE Academy's Certified Capital Market Professional (NCCMP)**  
**Course-coordinators: Dr. Shilpa Chaudhary, Ms. Bijoyata Yonzon and Dr. Devendra Kumar**

Economics Department initiated an Add-on Course **in collaboration with NSE Academy Ltd. (a wholly owned subsidiary of National Stock Exchange (NSE) of India Ltd)** in August, 2017. JDMC is currently running its first batch of NCCMP. The capital market is increasingly becoming an important part of financial aspect of our lives. NCCMP is a skill development course to impart knowledge and developing skills to operate, invest and provide services in the capital markets. It is an in-depth course focusing on the capital markets, with theory and practical components which helps learners to upgrade their skills and proficiency. The duration of the course is 100 hours (80 hours Theory and 20 hours Practical).

- **Know Your Economy (KYE): Awareness Kindling Test**

In order to provide a much-needed platform to students to be more aware about our economy, the Department has collaborated with **Scientific Research Association for Economics and Finance (SRAEF), Chennai** to conduct the test in our campus. All students of JDMC are invited to register for the test.

The KYE Test, 2016-17 [*Coordinator: Dr. Shilpa Chaudhary*] was held on 10<sup>th</sup> March, 2017. Nearly 100 students from different disciplines registered for the test in the session. The first prize was won by Anushka, B.A. (Hons.) Economics III year.

Nearly 180 students from various courses registered for the KYE Test, 2017-18. The test was conducted on 3<sup>rd</sup> April, 2018. [*Co-ordinators: Dr. Shilpa Chaudhary and Ms. Puja Pal*]

- **Launch of the Department Blog and Youtube Channel**

The students took the initiative and launched the department blog, ***Ecognisance- Economics in Panorama***, in February 2018. Also, a channel on YouTube was launched in March 2018 to showcase the activities organized by Economics Department.

Following are the links of the blog and the youtube channel.

***Ecognisance:*** <http://ecognizancejdmc.blogspot.in/?m=1>

***Ecophoria Youtube Channel:***

<https://www.youtube.com/channel/UCqLjY0y12yvlwcMjCKo1Ahg>

The articles contributed to the blog are:

- ◆ Price India pays for Gender Inequality - Chavi Mittal, III year
  - ◆ Financial literacy in India - Pranjali, III year
  - ◆ Are we intelligent educated or Literate? - Sanchi Agarwal, III year
  - ◆ The Big Fat Indian Wedding Is Perhaps Too Fat For Our Economy - Eshita Goel, II year
  - ◆ Cryptocurrency and the changing world - Anoushka Chawla, II year
  - ◆ You've Been Served: India and the GDP Fudge - Amisha Garg, I year
  - ◆ Rhino Horn Trade: A Very Pointed Bubble- Deeksha Sharma, I year
  - ◆ Rich God, Poor Man - Urvi Bhatia, I year
  - ◆ Budget Series, 2018-19- Ishika Jain, Pooja Sachdeva, Mansi Kalra, Bhavya Dureja, Pragya Singh (II year), Akhila, Devina, Muskan Bhola (I year)
- **Launch of the e-issue of *Ecogene'17***  
The department launched the first e-copy of the Annual Department Magazine, *Ecogene* in May 2017. The link for the same is: <https://goo.gl/PhSxwT>

## Faculty Achievements

### Dr. Shilpa Chaudhary

#### *Participation in Faculty Development Programmes*

- Participated in UGC-Sponsored Refresher Course in *Winter School (ID)* at Centre for Professional Development in Higher Education (CPDHE), University of Delhi from November 28, 2017 to December 19, 2017.
- Attended Lecture Series on the theme “*Recent Trends in Econometrics*” by Prof. K.L. Krishna from November 16, 2017 to November 21, 2017 organized as part of Faculty Development Program by the Department of Economics, Ramjas College, University of Delhi.
- Participated in Train-the-Trainer Workshop on ‘*Open Data and knowledge for Transparency, Advocacy and Research*’ organized by SAREC, The World Bank along with Data Division, National Informatics Centre as the knowledge partner on 18th-19th April, 2017.

### Ms. Bijoyata Yonzon

#### *Participation in Faculty Development Programmes*

- Participated in Refresher Course in Economics at University of North Bengal from December 8<sup>th</sup> to 28<sup>th</sup> 2017.

### Ms. Sakshi Goel Bansal

#### *Publications*

- Bansal, Sakshi. “Convergence and Regional Disparities across Major Indian States.” *VEETIKA-An Interdisciplinary International Research Journal 2015 QT Analytics*, vol. 3, no. 4, October-December 2017. ISSN-2454-342x.

#### *Awards and Recognitions*

- Awarded M.Phil degree in 2017. “*Growth Performance of Indian States in the Post-Reforms Period.*” Department of Social Science, Indira Gandhi National Open University.

#### *Papers presented*

- “Globalization and its impact on Indian Culture.” National seminar on *Globalization and its impact on Indian Culture and Social Values*, 20<sup>th</sup> Km. Mayawati Government Girls P.G. College, Badalpur, Gautambudh Nagar, Uttar Pradesh, 20<sup>th</sup> January, 2018.

#### *Participation in Faculty Development Programme*

- Attended the Faculty Development Programme “*Hot Talks- An Interactive Session*” at Janki Devi Memorial College, University of Delhi, 24<sup>th</sup> January, 2018.

### Ms. Trisha Jolly

#### *Publications*

- Jolly, Trisha. “Demonetisation and its Implementation in Financial Reformation.” *Business Sciences International Research Journal*, vol. 6, no. 1, 2018, pp. 41-49. ISSN 2321-3191.
- Jolly, Trisha and Kavita Indapurkar. “Demonetisation and Sustained Growth in Indian Economy.” *International Journal of Economics Research*, Vol. 14, no, 16 (part 3), 2017, pp. 271-276. ISSN 0972-9380.

#### *Papers presented*

- “Demonetisation and its Implementation in Financial Reformation” in the International Conference on *Corporate Social Responsibility, Demonetization, Globalization and Business Sciences*, IMRF, Mysore, Karnataka, India on 19<sup>th</sup>-20<sup>th</sup> January, 2018.
- “Interest Rates and Inflationary Expectations: Evidence from India” in the National Conference on *Leveraging SDGs to Drive Socio-Economic Development: Mission 2020*, Amity School of Economics, Noida, India, on 22<sup>nd</sup>-23<sup>rd</sup> March, 2018.

- “Inflationary Expectations and Role of Interest Rates: An Analytical Study with Special Reference to India” in the International Conference on *Changing Global Business Environment (CBGE-2018)*, Indira Gandhi University, Haryana, India on 30<sup>th</sup>-31<sup>st</sup> March, 2018.

### **Ms. Puja Pal**

#### *Publications*

- Pal, Puja. “Social Security Provisions for India’s Informal Economy.” *International Journal of Research in Social Science and Humanities*, vol. 7, no. III, Jul-Sep 2017. e-ISSN: 2249-4642, p-ISSN: 2454-4671.
- Kumar, Amit and Puja Pal. “Some linkages of Irrigation with Productivity.” *International Journal of Social Science and Economic Research*, vol. 3, no. 1, January 2018, pp. 361-370. ISSN: 2455-8834.

#### *Papers presented*

- “Global Agro Retail Networks and Some Implications for Farmers” in the International Conference on *Global Agro-Value Chain*, Harare, Zimbabwe, 15<sup>th</sup>-19<sup>th</sup> January, 2018.

#### *Extension activity*

- Member of the Board of NIRMANA NGO, New Delhi which provides logistic support to the National Campaign Committee-Construction Labour (NCC-CL).

### **Mr. Deepak Manchanda**

#### *Publications*

- Manchanda, Deepak. “Farmer Crisis in India and Loan Waiver Policy.” *Research Directions International Multidisciplinary Research Journal*, vol. 5, no. 6, December, 2017. ISSN: 2321-5488.
- Manchanda, Deepak. “Impact of Social Security Schemes on Informal Labour Economy in India.” *Review Of Research Journal*, vol. 7, no. 3, December, 2017. ISSN: 2249-894x.

### **Mr. Pankaj Khandelwal**

#### *Publications*

- Khandelwal, Pankaj and Jasmin. “Does Inequality Lead to Greater Inequality in India?” *International Journal of Research in Humanities, Arts and Literature*, vol. 5, no. 9, Sept. 2017, pp. 81-102. ISSN (P) : 2347-4564, E-ISSN:2321-8878

### **Ms. Navpreet Kaur**

#### *Papers presented*

- “Linkages between Irrigation, Cropping Pattern and Employment: A Case Study of Gang Canal Region,” at 12<sup>th</sup> Global Labour University Conference on *Reincarnation or Death of Neoliberalism? The rise of market authoritarianism and its challenges for labour*. JNU, New Delhi. October 4-6, 2017.

## Students' Achievements

### Quizzards: The Economics Quiz Society

An initiative by students launched in 2016-17

**Student Coordinators: Swastika Jain, Anjali Sharma (B.A. (Hons.) Economics III Year)**

*Members: Akshita Yadav (III year), Bhawna Sahu (III year), Parul Upadhyay (II year), Nikita Dua (II year), Nishtha Aneja (II year), Muskan Bhola (I year), Anjali Sethi (I year) Muskan Narang (I year)*

Quizzards started with its *Season 2* in August 2017.

- Successfully completed 500 days of spreading awareness on Facebook and offline in Jan. 2018.
- The team also managed the Quiz event of Ecophoria, the Annual Inter-college Festival of Economics Department in September, 2017.
- Organised a quiz on "Remembering Childhood: Cartoons" in December, 2017 (online).
- Organised a quiz on "General Awareness" in January, 2018.
- Organised a quiz on "Budget-2018" in February, 2018.
- Organised a quiz on "HOW WELL DO YOU KNOW DU?" in February, 2018.  
<https://goo.gl/forms/d7KtmTET5iC3Wnnr2>

### **March Past**

Like every year, the Economics department marched smartly and with great enthusiasm at Inter-Departmental March Past, Annual Sports Day, JDMC held on 27th February, 2018. Following students participated in the March Past:

Eshita Goel, II year	Arya, II year	Ishita Yadav, II year
Hema, II year	Sandhya, II year	Charu Maurya, I year
Diksha Chauhan, I year	Katyayni Singh, I year	Khushboo Amankar, I year
Mahima, I year	Nikita, I year	Ritika Jain, I year
Swetashree Samal, I year	Urvi Bhatia, I year	Yashika Chandra, I year
Srishti Yadav, I year		

## **B.A. (Hons.) Economics III Year**

### **Pranjali Mohan**

- Won 'Best Speaker' prize in Intra-Department 'Mock NewsRoom - Budget 2017-18' organised by Economics Department on 20<sup>th</sup> of March 2018.
- Received 'Special Prize for Excellence in Academics and Extra-curricular Activities' on Annual day held on 5<sup>th</sup> of April 2018.
- Received The Marjorie Fernandes Scholarship for the 'Best All Round Student of Economics Honors, III Year' on Annual day held on 5<sup>th</sup> of April 2018.
- Won first prize in UNRAVEL: The Case Study Competition held as part of ESummit organized by NSIT, 3<sup>rd</sup> February 2018.
- Scored a CGPA of 8 (Sem I-V) and SGPA of 8.5 in Semester V.
- Abstract submitted and accepted for the paper titled "Quality Education: A Catalyst for Growth, Development and Democracy" for the 16<sup>th</sup> Annual Winter Conference organized by Ramjas College, University of Delhi on 13<sup>th</sup> November 2017.
- Serving as Technical Head, Economics Association since July, 2016.
- Represented Economics Department during NAAC Peer Team Visit for the college.
- Worked as Delegate for Marketing Summit held at SRCC in January, 2017.
- Participated in Econbola, a fun game testing economics knowledge at Econvista, The Annual Economics Festival, LSR, 2018.
- Submitted an Abstract titled, 'Safe Water and Sanitation in India: Progress and Challenges' for the 14<sup>th</sup> South Asian Economics Summit held at Dhaka in September, 2017.

- Interned in Human Resource Department of HCL Health care in May 2017.

### **Sanchi Agarwal**

- Received Sh. Dhani Ram and Smt. Shakuntala Sud Prize on Annual Day held on 5th April, 2018.
- Scored Highest SGPA of 9 in Semester V (July-November'17)
- Got a write up on the topic 'Should Life Skills be Taught in College' in The Hindu, 28th August, 2017.
- Worked as event head for FREAKONOMICS held during the Annual Inter College Economics Festival ECOPHORIA, 2017

### **Mahima**

- Received Special prize for 'Sincere contribution to college activities' on the Annual Day held on 6<sup>th</sup> April, 2018.
- Participated in various Photography competitions. Exhibited clicks in the Fresher's Exhibition organised by 'Lumiere' on 1<sup>st</sup> November, 2017 and photo story "Affinity" in Symphony-2018.
- Attended a workshop on Photography organised by 'Lumiere' on 1<sup>st</sup> November, 2017.
- Participated in Udaan Writing Competition and wrote on 'Quotas: Protecting Indian Markets in China's Context' held on July 20<sup>th</sup>, 2017 at JDMC.
- Secured second position in Intra-department Paper Presentation Competition held by Economics Department on September 1<sup>st</sup>, 2017.
- Presented a paper titled, 'Interest Rate Cut: A Good Policy?' in Paper Presentation Competition held during Annual Inter-College Economics Festival, ECOPHORIA, 2017 held on 30<sup>th</sup> September, 2017.
- Exhibited a photo story "Affinity" during Annual Cultural Festival, SYMPHONY 2018.
- Participated in Photo Exhibition organized by Lumiere on November 1<sup>st</sup>, 2017.
- Attended a photography workshop by Dr. Sharbendu De on 9<sup>th</sup> March, 2017.

### **Priyanshi Chaudhary**

- Won 1<sup>st</sup> prize in NSIT's E-SUMMIT for Unravel: The Case Study Competition on 3<sup>rd</sup> February, 2018.
- Participated in Intra-Department Paper Presentation Competition organized by Economics Department on 27<sup>th</sup> September, 2017.

### **Shruti Mehta**

- Completed a non-credit course titled 'What future for Education', University of London on 24<sup>th</sup> January, 2018. Duration: 6 weeks.
- Abstract submitted and accepted for the paper titled 'Quality Education: A Catalyst for Growth, Development and Democracy' in the 16<sup>th</sup> Annual Winter Conference organized by Ramjas College, University of Delhi on 13<sup>th</sup> November, 2017.
- Completed a non-credit course titled, 'Foundations of Teaching for Learning: Learners and Learning' offered by Common Wealth Education Trust on the online platform course on 15<sup>th</sup> February, 2018.
- Qualified for the final round of Teach for India Fellowship, 2018-19 on 16<sup>th</sup> February, 2018.

### **Anjali Sharma**

- Attended a seminar chaired by Prof. Jean Dreze titled 'Making Sense of Social Policy' organized by Miranda House on October 11, 2017.
- Worked as Event Head for *Econnoisseur*: The Economics Quiz organized as a part of ECOPHORIA, 2017.
- Participated in Jaipuria Quiz League organized by Inquisition, the Quizzing society of JDMC in collaboration with Jaipuria Institute of Management in November, 2017.
- Participated in the Quiz Competition held during Politique, The Annual Department Festival of Political Science Department, 2018.

- Volunteered for Anjali: The Mehndi and Rangoli Making Competition held as a part of SYMPHONY 2018.

#### **Shradha Chaturvedi**

- Currently serving as Volunteer, Economics Association for the session 2017-18.
- Worked as Event Head for “Mad Angle: The Ad Mad Show” organized as part of ECOPHORIA, 2017.

#### **Swastika Jain**

- Participated in Jaipuria Quiz League organized by Inquisition, the Quizzing society of JDMC in collaboration with Jaipuria Institute of Management in November, 2017.
- Participated in the Quiz Competition held during *Politique*, The Annual Department Festival of Political Science Department, 2018.
- Worked as Event Head for *Econnoisseur: The Economics Quiz* organized as a part of ECOPHORIA, 2017.

#### **Gargi Chandra**

- Currently serving as Cultural Head, Students Union, JDMC.
- Won first prize in ‘Mad Angle: The Ad Mad Show’ organized during ECOPHORIA 2017.

#### **Ritika Jain**

- Secured 2nd position in “Econferentia” (Paper presentation competition) in Ecophoria – The Annual Inter-college Economics Festival of the college, 2017-18.
- Secured 1st Position in the Intra department Paper presentation competition organized by Economics Department on 27<sup>th</sup> September, 2017.

#### **Nayan Jhangiani**

- Serving as Media Head in Students’ Union, JDMC, 2017-18.
- Secured first position in Intra Department Poster Making Competition held by Economics Department on 27<sup>th</sup> September, 2017.

**Charu Kaushik** serving as Cultural Head in Students’ Union, JDMC for the Academic Year 2017-18.

**Aparna Yadav** volunteered to organize and manage event titled ‘Project Runway 2.0’ held as part of ECOPHORIA 2017. She is hired by Asmetech Engineers Pvt. Ltd. in their Business Acquisition team from placement cell of college.

**Divya Sharma** worked as Event Head for Project Runway 2.0 organized as part of ECOPHORIA 2017.

#### **Niyati Wadhwan**

- Won first position in ‘Mad Angle: The Ad Mad Show’ organized during ECOPHORIA 2017.
- Placed with FIS as Team Member from Placement Cell of the college in 2018.

#### **Meenakshi**

- Currently serving as Senior Placement Coordinator, Placement Cell, JDMC where she played active role in organizing their annual festival ELYSIAN 2018.
- Received prize titled ‘Most Active Student of the Year’ for her contribution to Placement Cell, JDMC on Annual day held on 6<sup>th</sup> of April 2018.

#### **Deeksha**

- Currently serving as Senior Placement Coordinator, Placement Cell of the college where she played active role in organizing their annual festival ELYSIAN 2018.
- Received prize titled ‘Most Active Student of the Year’ for her contribution to Placement Cell on Annual day held on 6<sup>th</sup> of April 2018.

### **Akshita Yadav**

- Worked as organizing team for ‘Life of Minimum Wage’ event organized as part of Intra-Department Economics Festival held on 20th March, 2018.
- Worked with Cremzo IT Pvt. Ltd. in December, 2017, *Auction Stars* in November, 2017.

## **B.A. (Hons.) Economics II Year**

### **Priyanka Sarda**

- Member of Aamdani - Finance and Investment cell of JDMC.
- Worked as Event head for Project Runway 2.0, during Ecophoria 2017, Inter-College festival of Economics Association, JDMC.
- Member organizing team for “Mockstation 2017” of Aamdani, the Finance and Investment cell of JDMC.
- Received all India Rank 7 in online World trading Competition 2017 organized by FDT trader in August 2017.

### **Muskan Jain**

- Currently serving as the President of InQuizition - Quiz society of JDMC.
- Won 2<sup>nd</sup> prize in Brand-O-Nomics quiz competition, ARSD College, on 15<sup>th</sup> Feb. 2018.

### **Arzoo Yadav**

- Member of Debating Society, Abhivyakti, JDMC.
- Member of AAMDANI- Finance and Investment Cell, JDMC.
- Member, Organizing Team for “Mockstation 2017” of Aamdani, the Finance and Investment cell of JDMC.

### **Sonia Rathi**

- Member of the AAMDANI- Finance and Investment Cell, JDMC.
- Member, Organizing Team for “Mockstation 2017” of Aamdani, the Finance and Investment cell of JDMC.

### **Hema**

- Member, Discipline Team during NAAC Peer Team visit in August, 2017.

### **Bhavya Dureja**

- Member of Economics Association’s Technical team for last two years.
- Participated in Intra Department Paper Presentation Competition in 2017.
- Scored grade A in Green Revolution Global Certification Programme an initiative by International Center for Culture and Education to Educate, Inspire and Act against Climate Change.

### **Anushka Agarwal**

- Member of Inquizition- Quiz society of JDMC.
- Participated in “Mockstation 2017” of Aamdani, the Finance and Investment cell of JDMC.
- Scored grade A in Green Revolution Global Certification Programme an initiative by International Center for Culture and Education to Educate, Inspire and Act against Climate Change.

### **Saakshi Jain**

- Participated in “Mockstation 2017” of Aamdani, the Finance and Investment cell of JDMC.

### **Shreya Kapoor**

- Participated in Udaan online creative writing competition, July, 2017.
- Worked as the Event Head for 'Horcrux Hunt' during Ecophoria 2017, Inter-College festival of Economics Association, JDMC.
- Participated in intra-department Paper Presentation Competition held in August, 2017.
- Secured second position in Semester 3 of B.A. (Hons.) Economics.
- Received Ms. Kamla Rani award for "Best student B.A. (Hons.) Economics 1<sup>st</sup> year."
- Received Letter of Appreciation for the paper titled- 'The Demonetization Drive' contributed to 'Ecogene 2016-17', on April 22<sup>nd</sup>, 2017.

### **Anoushka Chawla**

- Member of the Debating Society, JDMC.
- Co-curator of the Department Blog, *Ecognizance* and individual poetry blog.

### **Eshita Goel**

- Won Shashi Prabha Memorial Prize (in first year), JDMC.
- Participated in "Mockstation 2017" of Aamdani, the Finance and Investment cell of JDMC.
- Worked as Event head for 'Treasure hunt' in Ecophoria'17.

### **Nabodita Rao**

- Completed Member Term and initiated a Manager Term at AIESEC in Delhi IIT, India.
- Current Vice President of Sarang- Music Society, JDMC.
- Co-Founder of a start up called Aura in January, 2018.
- Worked as the Event head for Treasure Hunt during Ecophoria 2017- Inter-College Festival of Economics Association, JDMC.

### **Rhythm Sethi**

- Co-Founder/ Vice President of a non- profit organisation called Spero Foundation.
- Serving as Joint Secretary of Aamdani, FIC JDMC.
- Winner of Group Discussion, FIC, JDMC 2017.
- Organised FIC Mock Stock, "Mockstation 2017" as a member of AAMDANI.
- Participated in competition organized by FIC, Commerce Society, DU.

### **Himani Jain**

- Participated in intra-department Poster-Making competition, 2017.

### **Pragya Singh**

- Participated in the 'Jaipuria Quiz' organized by Jaipuria Institute of Management in Nov, 2017.
- Participated in Mock News Room, an event held as a part of Intra-Department competition on 20th March, 2018.

### **Mehak Khatter**

- Participated in Poster Making Competiton, an event held as a part of Intra-Department competition on 30<sup>th</sup> August, 2017.
- Worked as Coordinator for Inquization- Quiz Society, JDMC.
- Won 2nd prize in Brand-O- Nomics quiz competition, ARSD College, on 15<sup>th</sup> Feb. 2018.

### **Nancy Singla**

- Won 1st prize in Rangoli-Making competition in Laxmibai College, 26<sup>th</sup> March, 2018.
- Won 2nd prize Rangoli-Making competition in Motilal Nehru College, 21<sup>st</sup> March, 2018.
- Won 3rd prize in Rangoli-Making competition in Institute of Home Economics, 26<sup>th</sup> Feb. 2018.
- Won 2nd prize in online art work competition in Ambedkar Institute of Advanced Communication Technologies and Research, 22<sup>nd</sup> March, 2018.
- Participated in Face-painting competition in Daulat Ram College, 27<sup>th</sup> Feb. 2018.

- Singing performances on the occasion of different departmental activities- Freshers, Farewell, Orientation day, Founder's day

### **Sandhya Devi**

- NCC Cadet since 2016.
- Received 1st prize in Dance Competition, Dyal Singh College.
- Member of ATC Camp, Delhi Cantt and participated in 'Tug of War' and 'Dance Competition'.

## **B.A. (Hons.) Economics I Year**

### **Muskan Bhola**

- Scored highest SGPA of 9.0 in I semester.
- Worked as Member, Organizing Team of the event titled Econnoisseur- The Economics Quiz held during ECOPHORIA, 2017.
- Worked as Member, Discipline team for NAAC Peer Team visit at JDMC in August, 2017.
- Working as a member of Rhetorque, The English Debating Society of JDMC.
- Participated in Youth Conclave 2017 organized by ARSD College.
- Working as member of organizing team for Jabberwocky, English Turncoat debate held during SYMPHONY 2018.
- Pursuing Add-on-Course- NSE Certified Capital Market Professional (NCCMP) organised by JDMC in collaboration with National Stock Exchange (NSE).
- Member of Organising Committee at Rotary Youth Leadership Awards 2017, RYLA2017, RID3011.

### **Amisha Garg**

- Worked as Event Head, Paper Presentation Competition - Econferentia in Ecophoria, 2017.
- Was a member of organizing team for 'Minute to Win It' Competition held as part of Ecophoria, 2017.
- Currently working as Member of Logos- the Literary Society of JDMC.
- Currently working as Member of Iridescent- the Creative Writing Society of JDMC.
- Participated in Blogbuster- a blogging workshop at Shaheed Bhagat Singh College (M).
- Participated in a Shout- show out your talent, an open mic event organized by Boost Thyself- a start up venture aimed at motivating people in January 2018.
- Worked as Member of organising team of spoken word and Tabir- LIT fest organised by Logos, Literary Society, JDMC.
- Currently working as a writer and Spoke entrepreneur at Your Quote- A microblogging site.

### **Ekta**

- Worked as Member, Discipline Team during NAAC Peer Team visit in August, 2017.
- Worked as Volunteer for organizing ECOPHORIA 2017.

### **Komal Maheshwari, Vanshika Gupta, Ritika Jain**

- Worked as Volunteer for organizing ECOPHORIA 2017.

### **Sunanda Bhatia**

- Worked as a member of organizing team for 'Mad Angle: The Ad Mad Show' organized during ECOPHORIA 2017.

### **Deepakshi Chandna**

- Worked as Member, Discipline Team during NAAC Peer Team visit in August, 2017.
- Volunteered for organizing ECOPHORIA 2017

### **Sneha Aggarwal**

- Volunteered for organizing ECOPHORIA 2017
- Participated in Mock stock event organized by Aamdani, The Finance and Investment Cell, JDMC.

### **Yashika Chandra**

- Currently working as member of AAMDANI, the Finance and Investment Cell, JDMC.

### **N.Akhila**

- Selected in Top six participants in literature quiz organized by the Quiz Society, SRCC in February 2018.
- Participated in Creative Writing Competition 2017 organized by IIT Delhi on 17<sup>th</sup> September, 2017.
- Worked as Member of sponsorship team for Spoken Word 2.0, Logos, the English Literary Society of JDMC.
- Volunteered to work for Game of Thrones Stall organized during ECOPHORIA, 2017.
- Worked as Member of the organizing team of Tabir, Litfest of Logos.
- Represented Economics department during NAAC Peer Team visit in college in August, 2017.
- Currently working as a Member of Logos, the Poetry Society and Iridescent, the Creative Writing Society of JDMC.
- Participated in Innovation Conclave 2017 organized by SRCC on 14<sup>th</sup> September, 2017.

### **Anjali Sethi**

- Volunteered in Discipline Team during NAAC Peer Team visit in college in August, 2017.
- Worked as Member, Organizing team of 'Econnoisseur, The Quiz Show' organized during Ecophoria 2017
- Currently working as Member of Inquization, the Quizzing society of JDMC

### **Neelam**

- Volunteered in the Discipline Team during NAAC Peer Team visit in college in August, 2017.
- Participated in Paper Presentation competition held during ECOPHORIA, 2017.

**Vedika** is a member of Nritya, the Western Dance Society of JDMC.

### **Poonam Ingale**

- Volunteered to organize 'Mad-Angle, the Ad-Mad Show' organized during ECOPHORIA, 2017.
- Currently working as Member of Inquization, the Quizzing Society of JDMC.

### **Mahima**

- Volunteered to organize 'Treasure Hunt' during ECOPHORIA, 2017.
- Participated in Intra-Department Poster Making Competition organized by Economics Department on 27th September, 2017.

**Prerna** participated in Intra-Department Paper Presentation Competition organized by Economics Department on 27th of September 2017.

### **Katyayni Singh**

- Volunteered for organizing ECOPHORIA 2017
- Currently working as Member, Inquization – the Quizzing society of JDMC
- Currently working as Member, Kalakriti - The Art Club, JDMC.

### **Devina Sharma**

- Worked as member of organizing team of Econferentia, the Paper Presentation Competition held during Ecophoria 2017
- Currently working as Member of AAMDANI – the Finance and Investment cell, JDMC.

### **Diksha Chouhan**

- Volunteered in Discipline Team during NAAC Peer Team visit in August, 2017.
- Volunteered to work in Refreshment Team for ECOPHORIA, 2017.

### **Deeksha Sharma**

- Have been a Member, Organizing team of event 'Project Runway 2.0' held during ECOPHORIA 2017.

### **Swetashree Samal**

- Won the title of 'Miss Economics Honours, 2017' (Economics Department Freshers' 2017).
- Worked as organizing team for 'Project Runway 2.0' held during ECOPHORIA, 2017.

### **Priyanshi Nagrath**

- Organized 'Minute to Win it' Game Stall at Ecophoria, 2017.
- Participated in 'Mad Angle, The Ad- Mad Show' in Ecophoria, 2017
- Currently pursuing Add-on-Course- NSE Certified Capital Market Professional (NCCMP) organised by JDMC in collaboration with National Stock Exchange (NSE).

## **Internships**

### ***B.A. (Hons) Economics III Year***

#### **Bhawana Sahu**

- Interned at *Vishok Advisors Pvt. Ltd.* to develop business and promotional strategies and marketing through digital media from 19<sup>th</sup> July 2017 to 4<sup>th</sup> July 2017.
- Also worked as Marketing Intern at *Spartan Poker* from 17<sup>th</sup> August 2017 to 17<sup>th</sup> September.
- The Online Digital Marketing of SEO Specialist at Maccablo for 1 month from 7<sup>th</sup> July 2017 to 7<sup>th</sup> August 2017.
- Interned at *Papswap* in their social media marketing department for 3 months from 1st June 2017.

**Vidhata Gupta** has been a part of Marketing Analyst Program with *The Indian* as Marketing Analyst. (1<sup>st</sup> January -31<sup>st</sup> January, 2017).

**Swastika Jain** interned at *The Indian Economist (now Qrius)* in Marketing research team on a research project on *Brand Loyalty* from June to August, 2017 where major responsibilities included writing as content writer for Socially Flipped, a Social Media Platform.

**Gargi Chandra** interned with *Integer Innovation* in October 2017.

**Aparna Yadav** currently working as an intern in *IDBI Federal Life Insurance Company*, positioned as POS consultant from 1<sup>st</sup> February 2018 (Duration: 2 months)

#### **Aru Bhalla**

- Worked as intern in *SHAREKHAN* in June, 2017.
- Currently working with Savivors as team leader since 13th July 2017

#### **Divya Sharma**

- HR Executive at *Hemant Maheshwari & Co.* in June, 2017.
- HR Executive at *Cell Hub* (Encoded Technologies Pvt. Ltd.) in June, 2017.

#### **Kashish Kathuria**

- Did an internship with *Sharekhan* in June, 2017.
- Currently interning with Savivors.

#### **Akshita Yadav**

- Currently working as an intern with *The Saviours* at HR level
- and also with *WOOPLR* as CEO.

**Meenakshi** is currently interning with Central Placement Cell, University of Delhi. She has also interned with CUDDL in their marketing department for one month from 26th February to 26th March, 2018.

**Deeksha** is currently interning with Central Placement Cell, University of Delhi.

### ***B.A. (Hons.) Economics II Year***

**Priyanka Sarda** is working as an Intern with Ministry of Education, Govt. of Delhi. She is also working as the Student Trek ambassador and intern with *Himalayan Weekenders*.

**Anushka Agarwal** has been an Intern with *Highway Connect* from 29<sup>th</sup> July, 2017 to 13<sup>th</sup> August, 2017.

**Khushboo Ahuja** did internship at *LIMEWIT* in March-April, 2017.

**Shreya Kapoor** completed internship at *Img* in November, 2017.

**Shubhangi Bansal** did Internship at *HDFC Life* in July –August, 2017.

**Saloni Suri:** Internship at *P&G* in October, 2017.

**Himani Jain** did internship at *Godrej Hit* July, 2017.

**Shruti Jindal** completed internship at *Img* in 2017. Presently doing an internship as campus ambassador of *Econox*, Economic society of CVS.

**Sakshi Jain** has done an internship as campus ambassador of *Econox*, Economic society of CVS from March 2017 to March 2018.

**Ishika Jain** has done an internship as campus ambassador of *Econox*, Economic society of CVS from March 2017 to March 2018.

**Khushboo Ahuja** did internship at Crew4events for a month in May 2017.

**Pragya Singh** presently doing internship at British Council.

### ***B.A. (Hons.) Economics I Year***

#### **Priyanshi Nagrath**

- Completed an internship in January 2018 with *Highway Connect* as a member of the marketing team whereby winning a trophy for the ‘Most Outstanding Performance’.
- Currently doing an internship with *Wooplr* since February 2018.

### Sports Achievements

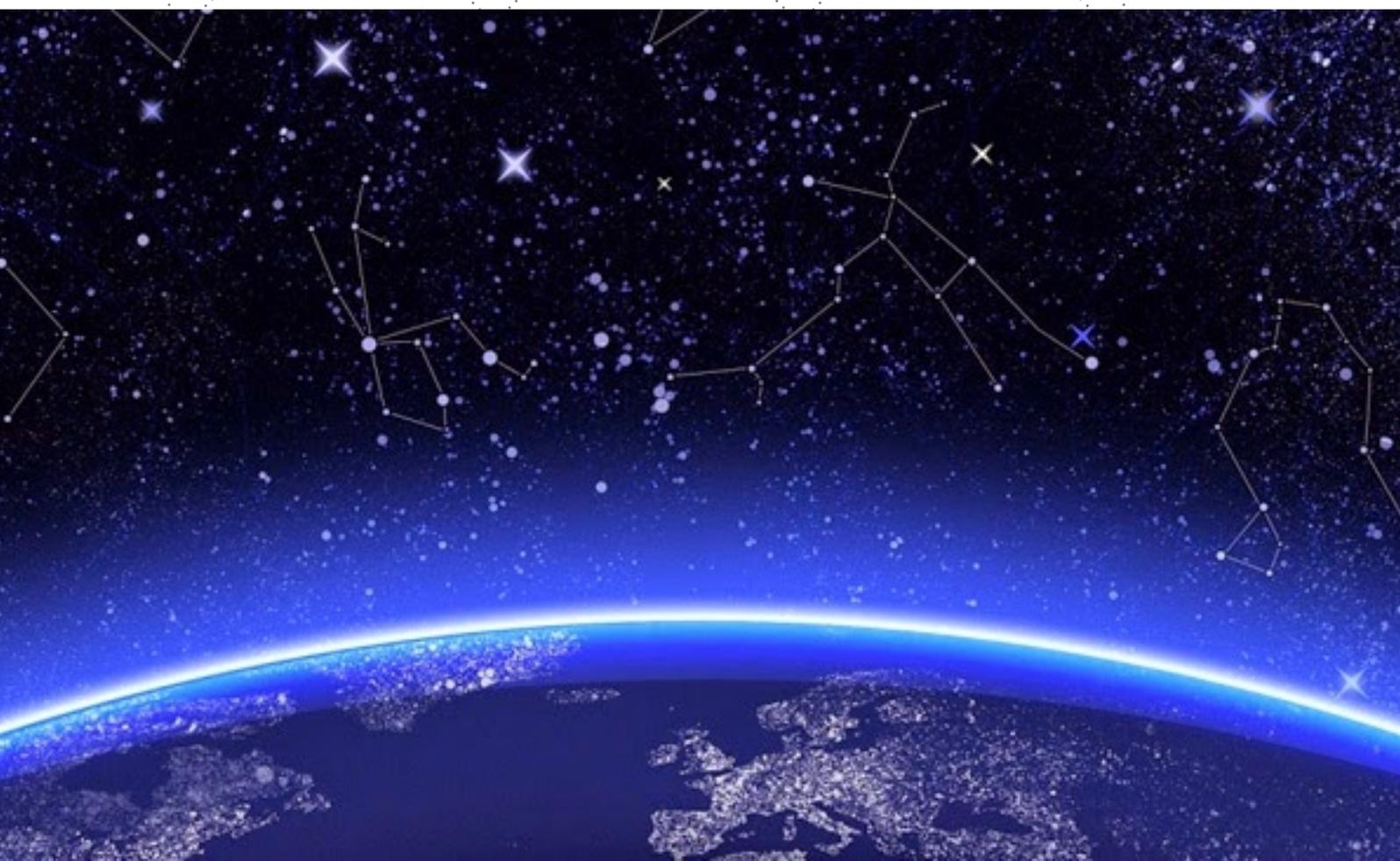
- **Nikita Varun, B.A.(Hons.) Economics I Year**, secured second position in Kalindi College Invitational Ball Badminton Match February 2018.

### Contribution to Society

- **Vidhata Gupta, B.A.(Hons.) Economics III Year** has been a part of 'Each One Teach One' initiative by Paytm from January 2017 to April 2017.
- **Priyanka Sarada, B.A.(Hons.) Economics II Year** volunteered for the NGO, Umeed- a drop of hope from Nov. 2016 to Nov. 2017.
- **Shubhangi Bansal, B.A.(Hons.) Economics II Year** volunteered at Teach for India from 28<sup>th</sup> of January to 4<sup>th</sup> of March 2017.
- **Anushka Agarwal, B.A.(Hons.) Economics II Year** has interned with UMEED (NGO) from 12<sup>th</sup> March, 2017 to 16<sup>th</sup> April, 2017.
- **Nancy Singla, B.A.(Hons.) Economics II Year** worked as intern at *Umeed*-completion certificate in 2017. Working as Intern at Inkpot in January - March 2018.
- **Anoushka Chawla, B.A.(Hons.) Economics II Year** interned/volunteered at *Teach For India* as a Teaching Associate from 24<sup>th</sup> of January 2017 to 30<sup>th</sup> of March 2017. (Received certificate in April 2017)
- **Nabodita Rao**, completed Internship at *Umeed- A Drop of Hope* in January 2017.
- **Muskan Bhola, B.A.(Hons.) Economics I Year**
  - o Member of Organising Committee at Rotary Youth Leadership Awards 2017, RYLA2017, RID3011.
  - o Member of Organising Committee of DHANAK (a flagship project of Rotaract Club of New Delhi, to empower slum children and women).
- **Amisha Garg, B.A.(Hons.) Economics I Year** currently working under the project 'Knowledge for All', as a volunteer at an NGO 'Umeed- A drop of hope' and bagged a Gold Medal and Certificate in its events since September 2017.



# ECONOMICS ASSOCIATION ACTIVITIES





## ECONOMICS ASSOCIATION ACTIVITIES

With the aim of holistic development of our students, we works towards creating an environment that helps them to grow in various respects and providing the much-needed co-curricular and extra-curricular exposure in currently high-demanding times. Our aim is to nurture leadership qualities, developing organizing skills and promoting teamwork; as well as promote creative and critical thinking.

The department has a very active 'Economics Association' that organizes, every year, various intra-department events and Inter-College Annual Economics Festival, *ECOPHORIA*, wherein students get to organize as well as participate in various curricular as well as extracurricular events. The department launched its annual department magazine, *ECOGENE*, in 2013-14 and '*Annual Lecture Series*' in 2016-17. The department also organizes workshops to help students in their preparation for various entrance/ competitive examinations; and also to sensitise students towards various issues of importance to individual, interpersonal and society.

The activities/ events organized by the Association during the academic session 2017-18 are as follows:

**Elections for the Students' Union** were held on 28<sup>th</sup> July, 2017. '**Freshers' Welcome**' was organized on 2nd August, 2017. The freshers got an opportunity to introduce themselves to their seniors and teachers, and also showcased their talent. The winners of the event were-

*Miss Freshers* - Swetashree Samal  
*1st Runner Up* - Deeksha Sharma  
*Miss Diva of the Day* - Urvi Bhatia

### I. Annual Lecture Series

- a. **"Goods and Services Tax"** by **CA Rajeev Saxena** (30<sup>th</sup> August, 2017) helped the students to understand the biggest tax reform of India. The lecture was very interactive which not only made the issues clear to students but also resolved a lot of their queries.
- b. **"Science, Technology and Innovation in India"** by **Prof. Sunil Kanwar, Delhi School of Economics** on 27<sup>th</sup> September, 2017. Prof. Kanwar discussed the issue of innovations and intellectual property rights (IPRs) in the contemporary world with specific focus on India and that there is need to increase the pace of innovations/ patents in India.
- c. **"Skill Development in India"** by **Dr. Fransisco Marmolejo, Lead Tertiary Education Specialist, World Bank** on 24<sup>th</sup> October, 2017. This was truly an extremely motivating session wherein Dr. Fransisco discussed the changing global scenario and that students need to prepare themselves for a bigger role for being a 'global' citizen and equip themselves with necessary skills that are needed by the employers.
- d. **"Economics Beyond Textbooks in Day to Day Life"** by **Mr. T.S. Gopal, Honorary Secretary, Scientific Research Association for Economics and Finance (SRAEF), Chennai** on 6th February, 2018. The session was a true delight as the speaker takes interacted with the students in very interesting way to convey the economics behind every transaction that takes place in our life. The students really enjoyed the lecture and gained knowledge on various facets of economics in today's world.
- e. **"India's Development Experience"** by **Prof. Prabhat Patnaik, Professor Emeritus, Jawaharlal Nehru University, Delhi** on 20<sup>th</sup> March, 2018. The session enlightened the students on the impact of neo-liberal policies in terms of rise in inequalities, unemployment and calorie deprivation; and reduction in protection to peasants. The session emphasized the need for a development policy that is not export-led but peasant-and-petty-producer-oriented; should include strategy at reducing income/wealth inequalities and should restrict rate of technological change.

- f. **“Quality of education in India”** by Mr. Nilav Kumar Pyne (College Relations Lead, Fellowship Recruitment, Teach for India) on 20<sup>th</sup> March, 2018. The session sensitised the students about the lack of access to quality education for poor children, and how the privileged youth can contribute to lay the foundation for educating the poorest of children in the country.

## II. Intra-Departmental Student Competitions

In its attempt to provide for opportunities around the year for both their academic learning and personality development, Economics department organised its Intra-Department Economics Festival on 30<sup>th</sup> August, 2017.

- i. **Paper presentation competition** – that gave the platform to students to display their understanding and application of knowledge/concepts on various contemporary economic issues. The topics were:
- Interest rate cut: A good policy?
  - Intellectual Property Rights and Developing Countries
  - Direct Benefit Transfer – An apt policy for India
  - Trade – Still an “Engine of Growth”!
  - How Sustainable is India’s Growth?

The presenters mesmerized the crowd with their level of knowledge and presentation skills. The prize winners of the event were: Ritika Jain, III Year (*Best Paper Presenter*), Mahima Khurana, III Year (*First Runner-Up*), Simran Singh, II Year (*Second Runner-Up*) and Shruti Mehta, III Year (*Best Interjector*).

- ii. **Poster-Making competition-** to let the creative side of our students as well as their expression on a variety of sensitive/societal issues come to the surface. The topics were:
- Right to Privacy
  - Beti Bachao Beti Pado
  - Mankind: A Threat to Environment
  - Swachh Bharat Abhiyan
  - Quality of Life: A Right
  - The LGBTQ+ Community

The prize-winners were Nayan, III Year (First Prize) and Sakshi Mukhi, II Year (First Runner Up).

### **The second round of Intra-Department Competitions were held on 20th March, 2018:**

- iii. **Mock News Room:** Students of the department participated in, what we can call a well-informed and heated debate on the Union Budget, 2017-18. Participants represented different sectors of the Indian economy, and voiced their opinions on different features of the budget pertaining to their sector.

The participants (spokespersons) and the sectors whom they represented included:  
Diksha Chauhan, I year, Sneha Agarwal, I year and Pranjali, III year: ‘Government’  
Vishakha Pradhan, I year and Poonam Ingale, I year represented ‘Opposition’  
Pooja Sachdeva, II year and Simran Singh, II year represented ‘Primary Sector’  
Swetashree Samal, I year and Ekta, I year were Spokespersons of ‘Secondary Sector’  
Prerna, I year and Deeksha Sharma, I year represented ‘Tertiary Sector’  
Mahima, I year and Pragya Singh, II year represented ‘General public’  
The show was anchored by Priyanka Sarada, II year.

The prize winners:

Pooja Sachdeva, II year: Best Speaker  
Pranjali, III year: 2nd Second Best Speaker  
Priyanka Sarada, II year: Special Prize (Anchor)

- iv. **Life on Minimum Wage:** A competition where students earned money doing various fun activities and had to effectively use it to win the game. All in all, a game where they learnt that life is uncertain, so every action needs to be preceded by careful thinking. The prize winners:

Ritika Jain, I year: 1st position

Aparna Yadav, III year: 2nd position

### III. ECOPHORIA, 2017

Economics Department organized its Annual Inter-College Economics Festival, ECOPHORIA 2017 on 27<sup>th</sup> of September, 2017. Ecophoria reached new heights this year. With a series of engaging activities to offer to students, it has surely become one of the most awaited events in the Economics circuit calendar.

It began with the Inaugural lecture by Prof. Sunil Kanwar, Delhi School of Economics. The lecture was followed by a series of competitive events where students from many colleges of University of Delhi like Hansraj, Dyal Singh College, SSCBS, Miranda, Hindu, SPM, Indraprastha College along with Department of Financial studies, Indraprastha University, Jamia University and Indira Gandhi National Open University took active participation and won many prizes. Following events were organized on the day of ECOPHORIA, 2017.

#### 1. Econfrentia: Paper Presentation

The topics for the same were:

- a. Intellectual Property Rights and Developing Countries
- b. How Sustainable is India's Growth?
- c. Direct Benefit Transfer – An Apt Policy for India
- d. Interest Rate Cut- A Good Policy?
- e. Trade- Still an “Engine of Growth”!

Students came well prepared with their presentations on different topics with thorough understanding of concepts well supported by case studies, data and experiences from the world. Following are the details of prize winners for the event.

**Best Presentation:** Sakshi Rana, Dyal Singh College

**First Runner Up:** Ritika Jain, Janki Devi Memorial College and Vrinda, Shaheed Sukhdev College of Business Studies (Shared)

**Best Interjection:** Tanya Sharma, Miranda House

#### 2. ECONNOISSEUR: The Economic Quizzard powered by "The Quizzard's Show"

The Quizzards, an initiative of students of Economics Hons., showcased a well planned Quiz competition segmented in two rounds, viz. Preliminary and Finals. Questions were asked not only to check knowledge of students in Economics but also to judge them on their general awareness. Teams in two participated in the event and the event was indeed a successful learning experience. The results for the same were:-

**Best Team:** Aditya Singh Chauhan, Campus Law Centre and Vaibhav Gupta, Sri Guru Gobind Singh College for Commerce

**First Runner Up:** Kanishk Garg and Chaitanya Akalamkam

### 3. **MAD ANGLE (The Ad-Mad show)**

The Ad mad show of the festival was one of its kind. Students very efficiently unfolded their marketing skills with a twist of Bollywood. Students were asked to advertise for certain commodities while imitating some characters from Bollywood movies and Tellywood serials. Following are the winners for the same.

**Best Team:** Niyati Wadhwan, Gargi Chandra, Akanksha, Meenakshi Thapliyal, Janki Devi Memorial College

**First Runner Up:** Khushvinder, Rajat, Shrawan, Faculty of Arts

### 4. **THE HORCRUX HUNT (Treasure Hunt) : Based on Harry Potter stories**

The Horcrux Hunt was one of the popular events of ECOPHORIA this year where students with interest in Harry Potter series of stories participated in huge numbers to solve riddles based on them, locate clues in different places of the college and reach final destination to win the prize. Prize for this event was won by Prachi Chamoli, Ashley Kumar and Muniba Sikander from Indraprastha College for women.

### 5. **Project Runway 2.0 (Fashion Event)**

Fashion event organized on the day had its roots in basic definition of economics which is a science of optimizing or taking decisions to satisfy unlimited wants in presence of limited resources. Participants in the event were suppose to design costumes based on geometric pattern with limited resources at their disposal. Some of the items could also be begged, borrowed or stolen for the purpose. Students used their creative ability in a very fashionable way to match their economic thinking. Results for the same were:

**First Prize:** Sanya, Janki Devi Memorial College

**First Runner Up:** Sonam, Miranda House

### 6. **Freakonomics : Logics Gone Rogue**

Freakonomics was an academic event which urged the participants to brainstorm on a certain theory to break its stereotypical relevance and explain other aspects to the same. Participants were given an hour to think on their respective topics after which they could present their views in conventional or tech-savvy manner. This event indeed brought out the critical thinking of students on various aspects of economics. Following were the results for the same:

**First Prize:** Manan Nawal and Ramanpreet Singh, Hindu College

**Runner Up:** Harshit P. Kacholia, Hindu College and Rythm Dhawan, Sri Guru Teg Bahadur Khalsa College

**Best Interjection:** Ankit Aggarwal and Shreyansh Goyal, Department of Financial Studies, University of Delhi.

7. **An online Photography Competition** was also organized, wherein participants were supposed to send catchy and meaningful photos on the theme 'Colors of life'. The winners were-

Mahima Kaul, Janki Devi Memorial College

Mohit Rathor, Rajdhani College

Besides the academic and non-academic events, the students of Economics Hons put up some stalls in college premises where different fun activities were organized like Selfie station, Quiz on Game of Thrones and Minute to Win games. The festival witnessed active participation from students across the university in all the events and the show was a huge success.

## IV. Seminars & Workshops

### i. “Fun With Numbers”

The seminar on “Fun with Numbers” was organized on 19<sup>th</sup> of August 2017. The resource person - Mr. Gourav Gupta, Academic Regional Manager, Endeavor, aimed at making students comfortable with numbers and polish their ability to deal with the numbers. Students not only from economics but also from other departments like commerce, philosophy and sociology attended the seminar. It was indeed a successful initiative which was appreciated by all the students who attended it.

### ii. Workshop On “Open Data Development Initiatives”, World Bank

The workshop, held on 13<sup>th</sup> of September 2017, aimed at familiarizing both students and faculty with the open data made available by World Bank that can be extensively used for research purposes. Ms. Sunita Malhotra, the resource person from World Bank, conducted the workshop and explained each element with precision that indeed made the workshop a learning experience along with an interesting one.

### iii. ‘Menstrual Hygiene’

Dr. Parul Sehgal, Senior Consultant/ Gynaecologist, interacted with students and talked about female hygiene, preventive measures/ birth control measures and IVF treatment.

### iv. How to Crack Personal Interview through Effective Communication

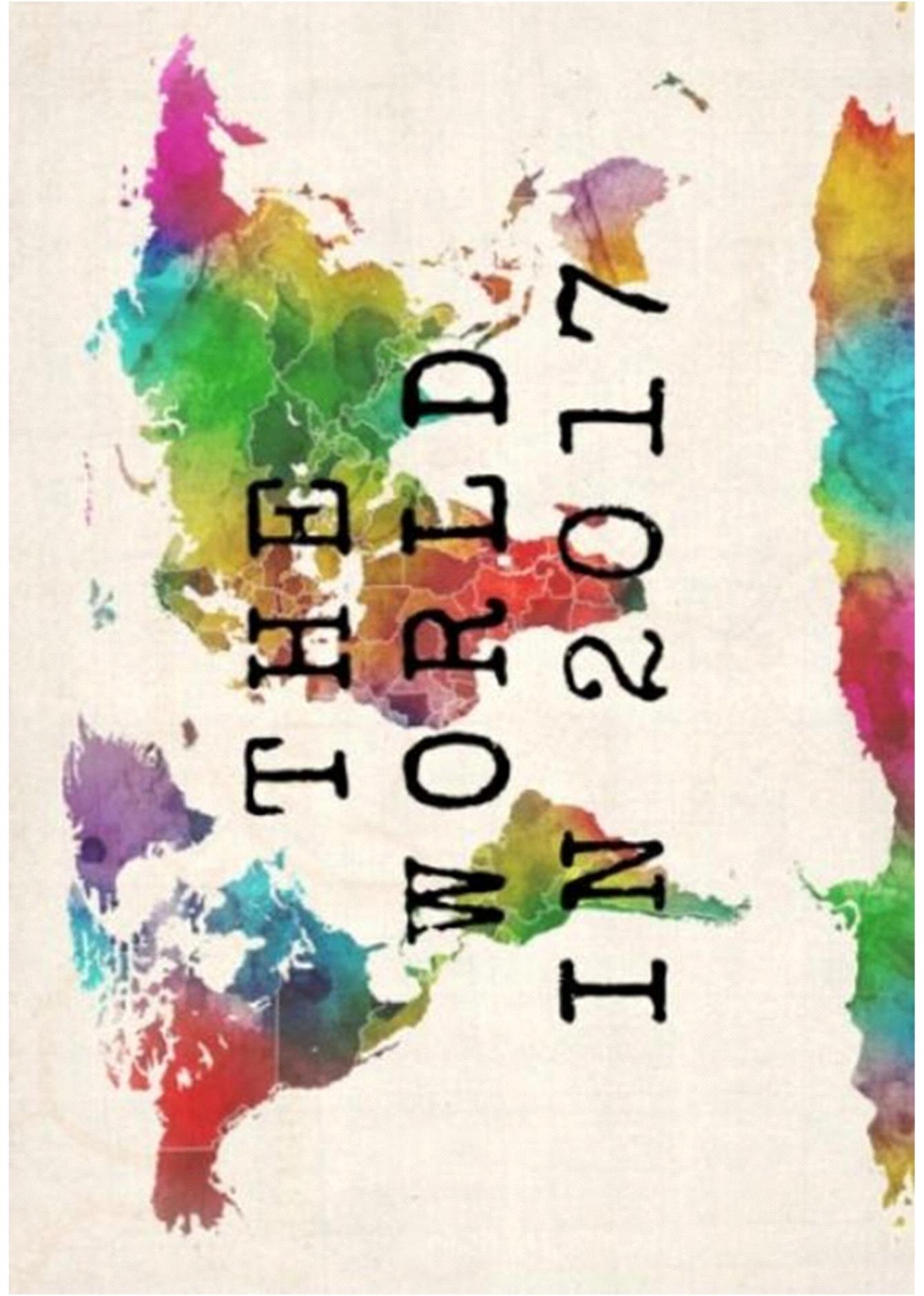
The seminar to polish student’s communication skills to crack personal interviews was organized on 17<sup>th</sup> of January 2018. The guest speaker, Mr. Kushal Mohta, Academic Regional Manager, Endeavor Careers put in palpable efforts to interact with students in a manner that conveyed useful tactics to handle pressures while appearing for interviews that considerably added to their confidence. Students from various departments including Economics, Commerce, Philosophy, and Sociology participated in huge numbers.

## V. Film Screening

The movie ‘*Hindi Medium*’ was screened on 23<sup>rd</sup> September, 2017. It was followed by a discussion on the present education system, the pressures created on the parents as well as children, the much-needed reforms and role of government in this sector.

## VI. Open Mic Event

The Economics Association organized its first ever Open Mic Event in collaboration with *Your Quote*, a micro blogging site and a platform for budding writers and performers to get featured and enhance their writing. The event was conducted on 4<sup>th</sup> April, 2018. Girls of the college participated joyously, by pouring their hearts out in the form of poetries, stories and music. The highlight of the event was Taranbeer Singh, the Guest performer who is an amateur musician and writer.

A world map rendered in a watercolor style, with various colors like red, green, blue, yellow, and purple used to distinguish continents. The map is centered on the Atlantic Ocean. Overlaid on the map is the text 'THE WORLD IN 2017' in a bold, black, sans-serif font. The text is arranged in three lines: 'THE' on the top line, 'WORLD' on the middle line, and 'IN 2017' on the bottom line. The background of the map is a light, textured beige color.

**THE  
WORLD  
IN 2017**

## **ASIA**

- The world's first passenger drone started running its test flights in Dubai, UAE.
- ISRO launched massive 104 satellites into the space, India.
- 17th FIFA U17-World Cup held in India.
- The ISIS lost its ground with fall of Mosul in Iraq.
- As of December 29, the last trading day of 2017, the yuan's onshore exchange rate stood at 6.5120 against the US Dollar, strengthening by 6.72% of the year, the sharpest annual appreciation in 9 years, China.
- Saikhom Mirabai Chanu became the second Indian to clinch a gold medal at the World Weightlifting Championships in the 48 kg category after Karnam Malleshwari won it twice in 1994 and 1995.
- Indian Men's and Women's Hockey teams won at Asia Cup.
- Nagpur's visually impaired swimmer, Kanchanmala Pande, became the first ever Indian to win a gold medal at the World Para Swimming Championship held in Mexico.
- Xi Jinping elected as China's President for life.

## **EUROPE**

- World's first commercial carbon capture plant opened in Switzerland.
- Scientists got closer to implanting pig body parts in humans in Cambridge.
- Montenegro became the 29th member of NATO.
- Catalonia demands independence from Spain.
- Britain crashed out of world's top 5 economies.

## **NORTHAMERICA**

- Students from McMaster University created a device that can detect skin cancer without the need of biopsy, Canada.
- A new state of matter called excitonium was discovered, USA.
- Scientists successfully edited a human embryo for the first time, USA.
- Astronomers found seven exoplanets named as "the Trappist-1 system", USA.

## **SOUTHAMERICA**

- Venezuela's worst economic crisis has happened with an inflation rate of over 400 percent.

## **ANTARCTICA**

- Emmanuel Macron defeated Marine Le Pen to become France's youngest president.
- A mass shooting killed 59 people and injured 527 at an open air concert in the city of Las Vegas, making it the deadliest massacre in modern American history.

## **AFRICA**

- Robert Mugabe has been ousted from Zimbabwe.
- UN describes Yemen's humanitarian situation as the worst in the world in 2017.

## **AUSTRALIA**

- Susan Kiefel is sworn in as the 13th Chief Justice of Australia.
- After a failed bid for the 2022 FIFA World Cup, Football Federation Australia announces a bid for the 2023 FIFA Women's World Cup.

## An Interview with Prof. Prabhat Patnaik



*Prof. Prabhat Patnaik, one of India's most eminent economists, has achieved international acclaim with his incisive analyses of economics and politics. He is Professor Emeritus at the Centre for Economic Studies and Planning, Jawaharlal Nehru University, Delhi.*

*Prof. Patnaik specialises in the field of macroeconomics and political economy, and has to his credit a number of scholarly books like 'Time, Inflation and Growth' (1988), 'Economics and Egalitarianism' (1990), 'Whatever happened to Imperialism and other essays' (1995) and 'Re- envisioning Socialism' (2011). He is also the editor of the journal 'Social Scientist'.*

*Students of the Economics Department engaged in an insightful conversation with Prof. Patnaik, about India's current development experience and the challenges that lie ahead.*

*Excerpts from the interview:*

**Q: What are your views about the Demonetisation drive of 2016? Has it been able to punish the corrupt?**

**Sir:** No, it has not, because the original idea behind demonetisation was that if you demonetise these currencies, people would be moving them to the banks, for exchange or deposit or whatever. But on the other hand when they do bring such large amounts of money to the banks, then they will be caught because the question would be asked where you got all this money from, which you could not selectively pursue then. So, the presumption was that because of this many of them would not bring money to the banks and therefore a lot of this money would be destroyed. A lot of the black money would therefore not come into the system and therefore you are killing black money.

The estimates which used to be put forward around that time were that roughly three lakh crore of black money would thereby get disabled. But we now know that actually most of the money, 99% has come back to the banking system. And therefore the basic presumption behind the argument for demonetisation has been shown to be completely wrong. And it has had no impact, as far as black activity or black money is concerned. But it has had an impact as far as the small producers are concerned because during that period when they did not have access, they had money but that money did not mean anything, they had to take debt. So, many of them, for instance, peasants got indebted. They had to buy inputs but they did not have the cash to pay for those inputs and therefore they took the inputs on loan. So, their debt increased, and when debt increases, interest payment increases, their cost increases and you get into that syndrome. So it actually meant not just a transitory blow as far as the informal economy, small-sector economy is concerned, which of course everybody would agree, but

the transitional blow which via they are getting into debt becomes more or less a circular albatross around their necks.

**Q: You have often expressed that GST is unconstitutional. What leads you to say so?**

**Sir:** The Constitution of India had provided certain areas for state governments to charge taxes above sales tax and same for the central government. It so happened that the taxes meant for the state government would give revenues that were not large enough to meet the requirements of state government because of bigger responsibilities. The Centre had more access to tax revenue than the certain responsibilities; which is why once in five years, the Finance Commission was set up in order to decide on the allocation of resources from the centre to the states. Now, the whole idea was that to set a certain domain over which you could have different ideologies. You could be a left wing state government or a right wing state government. You could raise taxes on some while lower on another, etc. So that state government has a lot of freedom. You could have higher taxes in order to earn higher revenues to spend more on education, etc. State government had freedom in terms of economic policies they could pursue. Now what has happened with the GST is that you have uniformity in the taxation. But we still have no uniformity across all the commodities. Earlier, state governments had discretion in altering taxes, but now they have zero discretion. Their capacity to pursue an economic policy of their choice has been reduced. That is an assault on the rights of the state, on the basic structure of our constitution. So, that's why GST is unconstitutional. But you see that most state governments have fallen in line because of the carrot and stick approach.

**Q: Do you think that the WTO is an agent of capitalism? Can it achieve reduced disparities across the countries?**

**Sir:** No, it cannot reduce the disparities across the countries. The WTO is used by different countries, particularly the advanced countries to serve their purposes. Let's say in America, you have a few hundred or thousand farmers. So what the Americans do is to provide cash subsidies to the farmers. Here we have millions of farmers. Now no government can provide cash subsidies in India. The way farmers are benefiting here is not through direct cash subsidies, but by giving them remunerative price. But giving them a remunerative price is considered unethical according to the WTO rules, while cash subsidies are not considered bad according to its rules. So, farmers in advanced countries are benefited in a far greater extent than in countries like ours. WTO wants us to prevent food grain procurement because they think it as a way of interfering in markets. But it would affect the PDS. Why does it happen? Because advanced countries want to keep their subsidy; while eliminate whatever little support farmers get in developing countries. WTO rules are framed in such a way that they reflect the power relations between the different countries and their interests in the world economy. Interests of farmers in our country are generally suppressed.

**Q: There has been a long standing debate on the need to introduce radical labour reforms in the country. How can it be ensured that these reforms take into cognisance the interests of both the employee and the employer?**

**Sir:** You see the labour reforms that people talk about in India are actually something which are anti-labour, because they are talking about labour market flexibility, which means unrestricted rights of the employers to hire and fire. If you have unrestricted rights of employers to hire and fire, then no union is possible, because anybody who joins the union can, the next morning, simply be sacked. And if no union is possible, no workers' organisation is possible, no possibility of strike is there, no possibility of insisting on higher wages is there, consequently these so-called radical labour reforms are a euphemism for beating down workers' rights in practical terms.

**Q: How can we tackle the argument of the industry that they face problems due to harsh restrictions- related to labour employment- imposed on them?**

**Sir:** That is their argument. That is not the fact. There is absolutely zero statistical evidence and all such evidence, as is produced which you just now said, has been shown to be utter rubbish, because it is not the case that increasing the industry's right to hire and fire or a less permanent thing has somehow

performed better or so. Let me ask you the other way round. If you look at the manufacturing growth rate in India in the period let's say between mid 1950's to mid 1960's, it was around 7% p.a. Even subsequently it was 5-6% p.a. Manufacturing growth in the recent period is virtually zero. You tell me; is it the case that somehow workers have become more powerful in the last few years which is why, the manufacturing growth rate has come down? Manufacturing growth rate has been 7%, 6%, 5% over 30 years and suddenly it has come down, then it cannot be because of workers suddenly becoming powerful. It must be because of some other reason. Obviously there is not enough growth in demand. So the rate of growth of industry started to rise, and now it is going down, then something new must have happened. The labour laws have not changed. These labour laws were introduced after independence.

**Q. What factors contribute to the alarming rise in income inequality in the country?**

**Sir:** The basic thing is that earlier the governments used to play an active role in promoting agriculture in different ways like protecting small production sector; although not everyone was an equal beneficiary of it; but nonetheless agriculture was protected from the international price fluctuations, there were subsidized inputs and assured prices of food and cash crops etc. Now, all of that has been done away with under the new liberal regime. As a result you have government agrarian prices leading to large scale peasant suicides. International market price fluctuations get transmitted into the domestic economy which leads to increasing peasant debts in years in which the prices are low. Because of all this, many peasants and small producers are leaving their lands and coming to cities in search of jobs, but the number of jobs that are created are even lower than the natural rate of growth in the workforce let alone absorbing the people that are coming from the countryside.

So, we actually have a situation where there is an increase taking place in labour reserves but employment rationing also takes the form, not only of some people employed and some unemployed but of everybody being unemployed for some part of the time, therefore the non-availability of jobs implies that quantum of work in people's hands is tending to diminish over time- casualisation.

On one hand, people who don't have enough income and are earning an Rs.100 daily and then that 100 gets squeezed and they come to the cities and you get Rs.80, so you have already lost Rs.20. This kind of pressure also means that the wage earnings of even those workers who are organised and unionised do not rise anymore, so the real wage factor does not really increase, but in essence it decreases. On the other hand, labor productivity is increasing everywhere. If real wages don't rise and labor productivity rises that means every worker is producing more output than the wage i.e. surplus of output over the wage which actually accrues to the property of capitalists on the increase in the share of surplus. This is a very important factor behind the rise in inequality.

**Q. What is the road ahead for the government in terms of addressing the issues that the farmers in the country face?**

**Sir:** Agriculture has been thoroughly neglected in the neo-liberal regime. It is more of an assault on the petty production (the informal sector) of which agriculture is the largest chunk. The agricultural sector used to be protected and promoted in many different ways prior to the 1990s. All those ways have slowly been dismantled. The removal of subsidies, the priority sector linking norms for banks still remain but are now so widely interpreted that the actual institutional credit to agriculture has dried up. Therefore, peasants are much more dependent on the private money lenders. A new class of private money lenders have come up. They take formal credit from the banks but lend it to the farmers at much higher rates of interest, protection from international price fluctuations have now been removed. Because of all these reasons, agriculture is facing a protracted crisis.

Some of the people are making a bizarre argument of having a corporate agriculture. If we have corporate agriculture, millions of peasants would be thrown out of their occupation, they won't be absorbed, they would just starve. It would be a real genocide, so the demand for corporate agriculture is really something that amounts to inflicting of an economic genocide without the people being aware of it. So essentially, I think, it is important for the state to come to the aid of the farmer, of the peasants. One way of doing it is to continue with the procurement price of simple food grains. Second would be to provide institutional credit to the agriculture sector as per the Swaminathan Commission's recommendations.

Debt waiver would continue to be a demand from time to time as long as you don't get remunerative prices because suppose you have a once-for-all debt waiver, but then two years down the line, there is a crash in prices again, the same thing arises again. Thus, remunerative prices are a good solution to the debt waivers. Now, the cash crops have absolutely no intervention by the state. Also, the farmers are now completely open to international price fluctuations, while earlier they were protected and as we know the agriculture prices fluctuate greatly and now all of that gets reflected on the Indian farmers.

So, the state has to protect agriculture from international price fluctuations, make subsidies available particularly subsidized credit and to ensure that the farmers truly get remunerative prices and of course to carry out the research and development in various agricultural practices which again all have disappeared of late.

**Q: When markets fail, we turn towards government. When governments fail, then where do we go?**

**Sir:** Yes. When markets fail, we turn to government. When governments fail, we must turn to democracy. What we mean by governments failing is let's say, individuals and government are in cahoots to which all kinds of businessmen make money available. The only way to prevent the government from failing (say due to corruption) is to improve our rate of say in the government. So, government failure has to be overcome through this.

**Q: In view of the recent economic policies of the government, do you think that we are moving towards right-wing ideology? Are these in the desired direction for the country's growth?**

**Sir:** No, these aren't in the desired direction because we are moving towards Fascism; all over the world including in India. This arises partly because Neoliberal Capitalism is now in a very serious crisis. Periodically, we hear that crisis is over. It's like a ball bouncing along the floor. Every time it comes up people say crisis is over and every time it goes down they say we are in a crisis. The crisis is far from over, and it is going to continue for some time because under Neoliberal capitalism, growth occurs on the basis of bubbles like Property Price Bubble. In USA, for instance, recently, once more there has been a collapse in the stock market prices because of the bubble.

In this particular period, you have a tendency for a system to strengthen itself socially by promoting all kinds of fringe groups, which until then were fringe groups, but have now come in the centre. Analytically, what do they represent? You see, they never have an economic agenda. Nowhere. Keynesianism had an economic agenda. Trump has no economic agenda. Even the protection that he is talking about; if there is retaliation from the Chinese, then this protectionism will not create any choice.

Secondly, they always put the blame for the crisis, not only the functioning of the system, but on some other imports. The US has a crisis the Mexicans are responsible for it, they have a crisis the Chinese are responsible for it, we have a crisis in India then Muslims are responsible for it, the state appeases them, dalits are responsible for it. In other words, there is frittering away government resources in appeasement of minority groups. It invariably blames the other. It creates hatred against the marginalized groups like Dalits, Muslims etc. Fringe groups which until then were racists or communal promote this kind of an ideology.

The third feature of fascism is that it is always financed by the corporates. Trump himself is corporate. You look at the current Indian government; it gets huge amount of funds from the corporates. The estimate was that the amount of money spent on public relations in 2014 elections by the BJP was larger than what Obama had spent in the USA. So it is invariably funded by the corporates, and therefore it is invariably pro-corporate. Mussolini had reportedly defined fascism as 'the fusion of state and corporate power'. And another very important feature is that it is necessarily based on the spread of unreason. If you are saying the Muslims are responsible for crisis in the country, the Muslims are the most vulnerable, the poorest kind of groups in India. So then evidence that you can provide for that appropriation is not taken seriously. Arguments are devoid of evidence.

*Interviewed by Sanchi Agarwal, Richa Bansal and Swastika Jain, B.A.(Hons.) Economics, III Year on 20th March, 2018.*



# FACULTY DIARIES





## WTO and Agriculture: Issues and Challenges for India

Dr. Shilpa Chaudhary,  
Assistant Professor, Economics Department

### Introduction

WTO, by removing barriers to trade, seeks to achieve regional specialisation based on comparative advantage, production at low costs and exchange at lower prices. However, the real objective of creating favourable conditions for agricultural exporters to increase their exports may be disastrous for a (developing) country's freedom to decide its national agricultural policy, to protect its production, trade and employment entitlements, to ensure food security and to restore sustainable agro-ecological systems.

### WTO and Agriculture: An Overview of Agreement on Agriculture (AOA)

The AOA comprises of three pillars, namely, market access, domestic support and export subsidies. The clauses on '*market access*' relate to import liberalisation through conversion of all quantitative barriers to tariffs and progressive reduction in these tariffs. In case of '*domestic support*', countries have to reduce trade-distortionary supports, such as payments by the national government to its farmers to incentivize them for production. The agreement also seeks to achieve reduction in export *subsidies* and barriers to exports.

All interventions pertaining to these three categories have been classified into amber, *green* and *blue* boxes. *Green box measures* are exempted from reduction commitments; *amber* box measures involve reduction commitments while *blue box measures* evolved as special category outside the ambit of reduction commitments, encompassing a large part of support measures by developed countries. All domestic support measures, including measures to support prices, providing subsidies directly related to production quantities, that are perceived to distort production and trade (with some exceptions) fall into the Amber box. Any support requiring farmers to 'limit production' comes under blue box. The measures included under Green box measures are those that do not or minimally distort trade, such as government-funded research, disease control, infrastructure, food security programs, direct income support to farmers, assistance to restructure agriculture, and direct payments under conservation and regional assistance programs.

In order to create a schematic rule-based reduction in trade-distortionary interventions, domestic subsidies under the amber box were compiled into an '*Aggregate Measure of Support*' (AMS), based on which schedules were set up for countries to reduce their levels of agricultural tariffs, domestic support and export subsidies with 'special and differential' schedules for developing countries. There are currently many exceptions to rules within the AOA. Special measures authorise levying of higher tariffs when prices fall or imports usher in (safeguard mechanisms) and to protect 'sensitive products'.

The opposition to trade in agriculture comes on account of possible worsening of distorted trade regime with its consequential unequal gains from trade and inherent instabilities. The Doha Round negotiations could not yield any outcome due to conflict of interests between developed and developing countries. While developed countries seek a greater market share for their agricultural products along with retaining 'special protection measures', developing countries express their concerns related to volatility of prices and farm incomes; bullying by richer countries/firms; non-access to developed world markets due to high tariffs and export subsidies. Trade in agriculture remained a contentious issue at Nairobi Round as well. The US and the EU escaped reduction commitments by a two-way strategy, by switching their support measures towards the so-called 'exempted' support and seeking an enhanced listing of sensitive products that can be given 'special protection'.

### Does India stand to gain?

While there are immense potential gains for developing countries in general and India in particular, the

benefits would accrue only if all developed countries reduce their agricultural trade distortions and agree to give access to their otherwise highly protected markets. In an ideal situation, India with its large and diverse agricultural production, should stand to gain immensely from exports thereby earning huge foreign exchange. Import of deficit commodities could help in augmenting domestic supply. Any fluctuations in domestic production can be countered by imports. It is argued, here, that we are not yet prepared to face the new trade regime. The fear of rich countries' sabotaging our markets with their surplus agricultural produce backed by huge export subsidies and producers protection is heavily grounded.

#### *Does India have reduction commitments?*

As far as India's commitments towards AMS are concerned, Narayanan (2014) and Brink (2014) find inflation-adjusted estimates of AMS for wheat and rice for India to be well within the limits and that India need use any special protection measure to account for increased expenditure envisaged towards implementation of National Food Security Act. However, India's input subsidies are provided to all farmers irrespective of their incomes and hence are not covered by the Special and Differential Treatment box since these are not restricted to low-income farmers. This may restrain India's ability to continue providing such subsidies.

#### *Do we really have a surplus? Does it conform to standards of importing countries?*

India has a huge population that is underfed and undernourished and almost a third of its population is below poverty line. Even before India plans to become a major global player in agriculture, the issue of sufficiency of food for its entire population needs to be addressed. We also need to address the issues of declining crop yields and not much scope for expansion in arable land; unbalanced fertilizer consumption and resulting stagnating productivity as serious concerns towards adequate production of food by 2020. Low nutritious value of our food items due to over-application of pesticides, fertilizers and incorrect farming practices needs serious attention. Several Indian products have been affected by Sanitary and phytosanitary standards (SPS) measures such as marine products, groundnut, mangoes, sugar and egg powder. For example, mangoes were banned by the EU in May 2014 for a period of 20 months following detection of fruit flies in some consignments.

#### *Trade-related intellectual property rights*

India did not have any legal mechanism to protect and patent plant varieties. In 1990, the policy planning committee of the Indian Council of Agricultural Research set up an Expert Group to formulate a suitable sui generis system. The 'Protection of Plant Varieties and Farmers' Rights Bill' was passed by the Parliament in 2001. India faced a number of legal battles due to a large amount of accumulated indigenous but undocumented knowledge such as those related to garlic, ginger, coriander and neem. The government has now started documenting this traditional knowledge and has enacted The Geographical Indication of Goods (Registration & Protection) Act, 1999.

#### *Absence of institutional support structure*

The crash of global cotton prices in late 1990s were accompanied by farmers' suicides since there were no systems in place to immediately tackle the problems of protecting small farmers from price volatility or to lift food at low prices from international market.

#### *Impact on farmers' incomes and consumer welfare*

While low prices benefit consumers and harm producers, high prices provide an incentive to produce more but may lead to reduced consumption on not just food but non-food as well. Periods of high food prices have not benefited exporter-farmers as they did not translate into higher incomes for farmers in developing countries, due to increased input prices, limited access to markets, and the fact that the minority of household producers are net sellers (Sky, 2008).

#### *Are current production and trade patterns sustainable?*

Trade theory suggests specialization. However, in agriculture, biological diversity is important for maintaining ecosystem healthy. The yields and the associated crop monoculture from the Green

Revolution are not sustainable. There is a need to shift away from chemical-based package of fertilizers, pesticides and insecticides to more environment-friendly organic farming. It is important to mention that the United States is one of the world's leading manufacturers and exporters of pesticides.

### **Policy Implications**

India has to fight a double battle, one on the international front of securing adequately favourable provisions under AOA and the other in the domestic arena towards increasing the preparedness of the country to face increasing globalization of agriculture. The need for massive agriculture reforms aiming at creation of a vibrant agricultural sector that produces quality agricultural items at reasonable cost and a 'cushioning', active, vigilant state machinery that takes quick actions in response to fluctuations in world prices. For example, purchasing food and filling the buffer stock during low price regime and disposing the surplus in a high price regime. An increased role of corporate sector is envisaged in agricultural sector towards consolidation of holdings thereby seeking to fill the gap created by absence of land reforms (see Gulati 2009).

To conclude with words of Mccalla (2001:175), 'it is in developed countries' interests to have poor countries grow and become full-fledged members of the global community.... remember that in 2025, 83 percent of the world's eight billion people will live in the now developing countries. That is the future market for the developed countries.'

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## **Theory of Labour Market: An Alternative Approach**

**Ms. Bijoyata Yonzon,  
Assistant Professor, Economics Department**

Segmented labour market is a recent theory that has been developed in early 1960s. It is approach of radical economists for explaining the existence of wage-differential in the labour market as against the neo-classical theories. The neo-classical explains the wage-differentials is from the supply side of the labour market like 'human capital theory', which says that existence of wage-differential in the labour market is because of the investment made by the workers in developing their skill. Thus with different kinds of investment human resources differs and thus their marginal productivity. Thus, this theory explains the difference in the wages is primarily because of the difference in productivity. People who invest money and time to gain skills, improves their human capital and in effect, their productivity. And thus, as a return to the investment the individual is given higher wages. And for those who do not invest and as such have lower skills and productivity, the wage is lower, bringing out the existence of differential wages in the labour market.

Unlike the human capital theory, the segmented market theory approaches the differential in wage through the demand side. It arises through the strategy employers use of control and motivate their workforces. In the segmented market approach the whole labour market is divided into different segments or sub-markets each with a characteristic of its own. In Richard C. Edwards's words, "the segmented markets are distinguished by separate systems of rules, different channel of information, and different skill and job behaviour requirements". It is the characteristics of job that leads to segmentation in the labour market, and thus the difference in wages, rather than the skill of workers. The characteristic of each segment is determined by the interaction of the economic forces in the market such as wage determination and employment relations.

The various forms of segmented labour market approach are Occupational labour market, Local labour market, Internal and External labour markets and Dual labour market.

**Occupational Labour Market:** Occupational labour-markets arise with workers unable to switch between occupations requiring significantly different skills and extensive investment in training and qualifications. The institutions, like union, rather than skill differences would create barrier in the entry to such occupations. This kind of institution does not allow an easy flow in the market even over long run.

**Local labour market:** The markets are defined spatially, given that neither employers nor workers can move to another location without incurring substantial costs. The distance of journey to work is taken into account to define the boundaries. That is, a particular occupation may need workers to travel quite a distance from the place of residence. Thus, the local labour market for that occupation would encompass that region, while for other occupation the region may be small.

**Internal/external labour markets:** In the internal labour market the rules for fixing labour price and allocating are determined by regulations and rules that are formed by focusing on the long-term relationships of employers and employees and the gains to be made by both parties by continuing to operate with one another. In the external market decision of the firm is taken with short-term goals, where market pricing, allocating and training decisions are controlled directly by economic variables rather than any regulations. There is stability in the internal market and instability in the external market. The two markets are inter-connected, and movement in and out of the internal labour market occurs through ports of entry and exit.

**Dual labour market:** This is the most noted among the segmented labour market theories, which was developed by Doeringer and Piore. Here the labour market is divided into primary and secondary sector. The primary sector contains the better-paying, steady and preferred jobs in the society. Those employed in this sector possess job security and opportunities for advancement, high wages, good working conditions, employment stability, equity and due process in the administration of work rules. Whereas the secondary labour market comprise of workers who follow a 'much more random series of jobs and are generally denied opportunities for acquiring skills and advancement' (Edwards, 1975, p.16). The existence of secondary sector is important for the maintenance of the marginal jobs.

The neo-classical approach views the functioning of labour market as any other markets, the more the investment on the human capital, the more the return. As per this theory, a person who works in a risky job would get more wage than the ones working in a safe environment. This is not so, and leads to dissatisfaction of the explanation provided by the traditional approach. Segmented labour market theory tries to view labour market as differently. The underlying theme of these approaches is that the labour market should be viewed as a collection of parts or segments. It takes into account the roles of employer's strategies and unions into account.

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## **India's Crude Oil Requirements: Demand Projections for 2022**

**Ms. Deepti Sethi and Ms. Sakshi Bansal,  
Assistant Professors, Economics Department**

### **Introduction**

For the period 1990-2014, growth in India's energy use registered 4.2 % as against 2.1 % of the world's average (WDI, 2017). Total Energy consumption is quite low in comparison to China and US, with India consuming 884 million tonnes of oil equivalent (mtoe) as against 3123 mtoe and 2204 mtoe respectively. Nevertheless country ranks 3rd in terms of primary energy consumption accounting 5.4 % of the global commercial energy demand in 2016, according to BP Statistical Review 2017. Between the periods 1971 to 2017, its Total Final Consumption (TFC) of energy has increased by almost more than four folds. However, energy supply has not kept pace with its demand.

After coal, oil and gas are the next most important fuels in India. Oil accounts for about 36 % of India's total energy consumption (Energy scenario, Chapter 1). Since the end of last decade, the increasing industrialization of the developing world has been the primary catalyst driving the demand for global crude oil. Among non-OECD nations, China and India have led the charge, with Chinese oil demand growing at a 6.7% per annum rate and India's oil demand growing at 4.0 % per annum. In terms of consumption of petroleum products, the transport sector is the largest and the fastest-growing consumer in India. Owing to this sector only, China and India continued to be the main source of growth accounting for almost half of the 2016 increase in total oil demand (Global Energy Statistical Yearbook 2017). Energy Information Administration (EIA) projects India and China to account for the lion's share of Asia's energy demand growth through 2035.

Unfortunately, a large portion of the demand of oil is met through imports constituting more than 80 percent of India's total domestic oil consumption in 2016, where nearly 70 per cent of its total crude oil requirements were imported from Middle East countries. This makes country vulnerable and puts pressure on the economy when oil prices rise. Currently India is fifth largest importer of oil in the world and The International Energy Agency (IEA) expects that we would become the fourth largest net importer of oil in the world by 2025 after the US, China, and Japan (and ahead of Germany).

On prices front, between the period 2007 to 2013, i.e., from starting year of the global recession, crude oil prices have gone up by almost 50 % (Brent crude oil price rose from US\$ 72.70 per barrel in 2007 to US\$ 108.86 in 2013 (World Bank Pink Sheet Data, 2018). Since 2014, crude oil prices have been plummeting roughly by 45 percent registering US\$ 54.39 per barrel in 2017, indicating downturn in oil industry. These falling prices are enough to increase appetite for oil, making country more dependent on imports.

But given the emerging evidence on the stronger links between energy and non-energy commodity prices, increased demand for non-energy commodities (food items) from emerging economies especially China and India, could exert pressure on crude oil prices, unless there are major new oil finds or technological breakthroughs in alternative energy sources.

This clearly shows that crude oil maintains great importance in energy mix (as petroleum products are derived from crude oil) and expected to remain the most dominant fuel worldwide till 2030 as per International Energy Outlook 2012. This is important in securing India's energy security as well.

This paper attempts to calculate demand projection of crude oil for the terminal year of Thirteenth

Economic Plan i.e., 2022. Projections have been made by simple extrapolation of past trends since 1970 for three reasonable scenarios of GDP growth: 7%, 8% and 9%. The data for India's crude oil was collected from the Ministry of Petroleum and Natural Gas, Government of India (MoPNG) and GDP at factor cost (in 2011-12 prices) is used as a proxy for real national income. This data is collected from the Handbook of Statistics on Indian Economy (Reserve Bank of India 2017). From the calculations, crude oil demand for India is expected to be 405 mtoe (GDP growth 7%); 478 mtoe (GDP growth 8%) and 559 mtoe (GDP growth 9%) in the terminal year of Thirteenth Economic Plan (projection by IEA 2017 is 300.46 mtoe in 2022). In 2016, the figure stood at 212.7 mtoe[1]. Correlation coefficient has also been calculated and strong correlation (0.98) has been established between oil consumption and GDP.

Given the very high correlation between crude oil consumption and GDP, one can expect high energy needs of the country. With the huge gap between demand and its production, it becomes crucial to come up with efforts to expedite the process of exploring domestic avenues and to avoid excessive reliance on external sources along with reducing regional dependence. India's high dependence on oil imports indicates the economy's vulnerability to adverse impacts of sudden oil price shocks. To address this, Modi government had set a target of bringing down the import dependency to 67% by 2022 currently which is more than 80 %. Without a doubt, reduction in the oil consumption can prove a way out but it would mean exploring some other substitute of oil. Development of non-conventional sources (which include renewable) can be that substitute and will help in moderating the degree of dependence on crude oil imports for meeting energy needs. Adequate availability of capital is prerequisite for this purpose but it is short in supply. According to the International Energy Agency (IEA) estimates, in order to boost energy supply and improving infrastructure, India would need investments close to US\$600 billion during the years 2011–2030 across various segments of its hydrocarbon chain. This provides ample opportunities for companies across the hydrocarbon value chain.

Therefore, it is enormously crucial for the country to take substantial measures for improving efficiency in the use of petroleum products and at the same time, developing non-conventional sources as Western European countries have been doing. The Integrated Energy Policy of India has noted that lowering the energy intensity of GDP growth through higher energy efficiency is critical for India to meet energy challenge and ensure energy security.

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## **Inflationary Expectations: Concept and Relevance with special reference to India**

**Ms Trisha Jolly,  
Assistant Professor, Department of Economics**

Inflation Expectations, in simplest terms may be understood as how people anticipate prices in an economy to move in future. The relevance of understanding inflation expectations in an economy is not new. It ranges back from 1967 when Milton Friedman, in the eighteenth Annual meeting of American Economic Association noted that economic systems will work best when producers and consumers, employers and employees, can proceed with full confidence that the average level of prices will behave in a known way in the future. That is, expectations matter a great deal in the real economy.

However the idea of modelling expectations to understand the real economy was introduced by John F. Muth in the year 1961 which was further made influential by Robert Lucas and other such economists to incorporate behaviours of individuals, firms and other agents while making their choices. (Bruno Solnik, 1983) Hence incorporating expectations formed by different agents while study in aggregate stochastic macroeconomic models holds a significant place. On realising the importance of inflation expectations as a center of modern

macroeconomic theory, various specifications of Phillips curve have also been suggested by different schools of economic thoughts- that is the expectations-augmented Phillips curve<sup>i</sup> (Friedman, 1968; Phelps, 1967), the New Keynesian Phillips curve<sup>ii</sup> (NKPC, Goodfriend & King, 1997) or the hybrid New Keynesian Phillips curve (HNKPC, Fuhrer & Moore, 1995; Galí & Gertler, 1999; Roberts, 1997) – predict that inflation expectations have a direct impact on prices.

The significance of having a deep understanding of inflationary expectations spread like an epidemic in the pool of world economists who could then clearly bring out its hold on making changes in the actual variables supported by empirical analysis. Lewis Johnson (1976) clearly explains the overt role played by inflationary expectations in shaping the macroeconomic variables using the Mundellian argument<sup>iii</sup>. Following the suit, major economies of the world started incorporating inflationary expectations in their policy making process. About 25 developed nations welcomed inflation anticipations with open arms in their macroeconomic policy sphere by 1980. This number swelled to 45 by the end of 20th century. (Stephen Figlewski, Paul Watchel, (1981))

Having understood the importance of expectations about price movements in the economy, it further opens doors for the researchers to find out how are these expectations formed. This room for researchers was explored by economists in the first world right after they took up inflationary expectations as an important subject matter. It was further identified by the econometrician across the globe that different countries had varied specifications that affected how people anticipate prices for future. However, these determinants may be clubbed under same net for similar nature of countries. On digging deep, the studies carried out in different parts of world like United States, European zone, Israel, Norway, Brazil, China among the others there were some variables found in common that may be tested for other countries as well. Emerging market economies like India for how their finely tuned sensitivity to world macroeconomic movements hold more acute connotation of understanding the determinants that affect their residents' behaviour and thereby anchor inflationary expectations in these economies.

This urgency of incorporating inflationary expectations in policy framework has been understood by numerous central banks across the globe, especially while targeting inflation. Reserve Bank of India, following the suit also started considering inflationary expectations while targeting inflation from 2008 onwards. It made use of survey-based measures of households of 12 cities, three each from north, south, east and west that revolved around four metropolitans. The sampling technique tried to have geographical coverage making use of quota sampling to have ample representation of different categories, age groups and gender. The results of these quarterly survey rounds tried to sketch a rough picture of price movements in the country. It was identified that prices level in the economy followed a

similar pattern of that of its expectations. It was later in 2014 when the economy adopted a clear cut inflation targeting monetary policy with its first round of targets to be achieved by 2021; it started with its formal quarterly survey on households to provide for directional information on near-term inflationary pressures. These expectations are formed by individuals based on their consumption basket across 16 cities in the country. <sup>iv</sup> Since then the central bank conducts a household survey on inflation expectations every quarter and reports it on its official website. The following table provides a glimpse of the results presented every quarter by the Reserve Bank.

Year [K11]	Quarter	Number of Respondents	Cities Covered	Base	Expected Three Months Ahead (Median, expressed in percentage)	Expected One Year Ahead (Median, expressed in percentage)	Actual (Median, expressed in percentage)
2014	July	4931 Urban households	16	Individual Consumption Baskets	14.0	15.0	13.3
2014	September	4933 Urban households	16	Individual Consumption Baskets	16.0	14.6	13.8
2014	December	5000 Urban Households	16	Individual Consumption Baskets	8.9	8.3	8.8
2015	March	4966 Urban Households	16	Individual Consumption Baskets	9.1	8.5	9.0
2015	June	4994 Urban Households	16	Individual Consumption Baskets	10.3	10.1	9.5
2015	September	4901 Urban Households	16	Individual Consumption Baskets	10.8	10.5	9.9
2015	December	4828 Urban Households	16	Individual Consumption Baskets	10.5	10.3	10.3
2016	March	5404 Urban Households	18	Individual Consumption Baskets	9.4	8.1	7.9
2016	June	5360 Urban Households	18	Individual Consumption Baskets	9.6	9.2	8.0
2016	September	5300 Urban Households	18	Individual Consumption Baskets	11.4	9.5	8.5
2016	November	5233 Urban Households	18	Individual Consumption Baskets	10.1	8.2	7.3
2016	December	5162 Urban Households	18	Individual Consumption Baskets	8.3	7.3	6.5
2017	March	5084 Urban Households	18	Individual Consumption Baskets	8.8	7.5	6.8
2017	May	4732 Urban Households	18	Individual Consumption Baskets	8.5	7.3	6.3

*Compiled by the author, data taken from RBI quarterly report on inflationary expectations in India.*

The table brings out quite a clear picture of how actual prices vis-à-vis inflationary expectations move in Indian. A closer examination reveals that there is a synchronised movement between the two showing how actual inflation rate moves in line with expectations formed by people. The table further reveals that people anticipate lower price rise for one year ahead than that of three months ahead. The table brings out bewildering buoyancy between people's anticipations and actual inflation figures wherein the latter are always found to be lower than that of former. Such a pattern of movements for expectation figures and actual inflation figures provide a big room for the policymakers to cater how people make inflationary expectations. Once policies are targeted towards the factors that determine how people make expectations, people would anticipate lower prices in future and the actual rate of inflation in the economy will be checked.

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*i The expectations-augmented Phillips curve modifies the original Phillips curve by introducing adaptive expectations into the equation and hence being able to explain the relation between unemployment and inflation rate in a better way. This gives monetarist explanation of Phillips curve. This is sometimes called accelerated Phillips curve as well.*

*ii Lucas and Sargent further criticised monetarist Phillips curve because of including adaptive form of expectations which restricts agent's process of making inflations in an optimal manner. They introduced the concept of rational expectations in the trade off faced by policymakers to target inflation or level of output in an economy. The basic rationale put forward by the new theory is stickiness of prices in the short run. The hybrid form of Phillips curve explain how monetary policy with sticky prices in the short run can boost purchasing power of people thereby increasing the level of real output in any economy.*

*iii In a seminal 1960 article Robert Mundell proposed a model of balance-of payments crises in which confidence in the continuation of a currency peg depended on the observed holdings of foreign reserves. We examine the implications of a reformulation of this view from the perspective of an equilibrium business cycle model in which the probability of devaluation is an endogenous variable conditioned on foreign reserves. The model explains some business cycle regularities of exchange-rate-based stabilizations while also producing devaluation probabilities that capture some features of those estimated in the data. The analysis aims to explain both the real effects and the collapse of temporary fixed-exchange-rate regimes in a unified framework, and provides an economic interpretation for the evidence that foreign reserves are a robust leading indicator of currency crises.*

*iv <https://rbidocs.rbi.org.in/rdocs/Publications/PDFs/WDIESH300914.pdf>*

## Social Security for Informal Sector Workers

*Ms. Puja Pal,  
Assistant Professor, Economics Department*

Conceptually, Social security notion is quite complex and open ended. The term “Social Security” has no common recognized definition as it has evolved over the years. In simple words, social security means providing protection to people against socio-economic risk. Social security is used as a social means to prevent vulnerability and deprivation (Dreze and Sen 1991).

ILO in 1952 had adopted Convention No-102, “Social Security (Minimum Standard)” which had specified 9 important component of Social Security as: medical care, sickness benefit, unemployment benefit, old-age benefit, employment injury benefits, family benefit, maternity benefit, invalidity and survivor's benefits.

India is one of the founding members of ILO. India has ratified 43 ILO Convention[1] as on 31st December 2013. India has ratified ILO, “Equality of treatment (Social Security) Convention No.118 in 1962, which grant coverage and right to benefit in every branch of social security[2]. Most of the laws relating social security in India are adopting Recommendation and Convention of ILO, but there are many Conventions of ILO on Social Security still to be ratified by India.

India has ratified ILO’s Convention of workers right to social security but still Indian Government has not provided any comprehensive provisions for social security to the workers in an Informal sector. In India among nine branches of social security defined by ILO, none of these are institutionalized as a part of an official policy for the entire country. Social security schemes in India are generally classified into- Preventive measures, Promotional measures and Protective measures.

The importance of introducing social security schemes for the workers in the unorganized sector is justifiable on the equity and social justice grounds. Long back in 1950’s Government had started initiative like Community Development Programme to address the issue of providing Social Security for Informal Sector workers but till now there is no comprehensive well defined Social Security scheme or legislative at Centre or State level especially for Informal sector workers. However, it was after 1991 that Government had paid more attention in providing Social Security to Informal workers. The process of Globalization had adverse impact on welfare of workers, as formal sector also started employing workers in contractual basis, as a result need was felt by Government to revive the social security schemes for workers in Informal Sector (Dhas and Helen 2008; Rodrik 1997; Ramesh 2007). It was only after 9th Five Year Plan; Government explicitly raised concerns on providing social security benefits to Informal Workers.

There are various Acts implemented both at Central and State Government which improves welfare of the poor in general and informal sector workers in particular like Minimum Wages Act 1948, Bonded Labor Abolition Act 1972, Child Labor Act 1986, Payment of Gratuity Act 1982, Inter- State Migrant Workmen Act 1979, Building and Other Construction Act 1996 and many more but these Act have not adequately protect the employment, job security, working conditions, safety & health issues for informal sector worker either because their coverage is very low or they are for specific category of workers.

Recommendation of “First National Commission on Labor in 1969” ensured that workers in the unorganized sector must get a minimum wage through Minimum Wage Act. Government constituted “Second National Commission on Labor in 1999” to address the social security issue in a detailed manner. Among several recommendation submitted by Commission, one was pilot “Unorganized Sector Workers Social Security Scheme 2004” which was to strengthen the existing social security system in India. UPA Government in 2004 had set up National Commission for Enterprise in the Unorganized Sector (NCEUS), which submitted its recommendation to Prime Minister in 2006 for Draft Bill, “The Unorganized Workers Social Security Bill 2006”. Under the draft bill NCEUS

recommended “National Minimum Social Security” which would cover all workers in informal sector within five years and suggested the formation of “National Social Security Board” to execute schemes including health, maternity, disability and old age pension. The NCEUS bill is one of the major step towards the well-defined, comprehensive social security for Informal Sector workers in India (Kannan 2007).

Recently the Government to extend the coverage of social security benefits in informal sector introduced “Unorganized Sector Workers” Social Security Act 2008” on the basis of recommendation by NCEUS. The Act came into force on 14th May 2009. The main aim of the Act is to regulate the working condition and provide adequate social protection and health care benefits to informal sector workers. On 18th August 2009, “National Social Security Board” was constituted to provide social security benefits to the workers in unorganized sector. This Act could be considered a big step forward towards ensuring legal right to social security in informal sector. “Unorganized Sector Workers Social Security Act, does not provide for a national minimum to be provided to all unorganized workers within a definite time frame” (Srivastava 2013, pp-88).

Other important initiatives taken by the Government which need special mention on ongoing discussion are implementation of National Rural Employment Guarantee Act (NREGA)-2005, Right to Information Act (RTI) 2005 and Right to Education Act (RTE) 2009 etc. Implementation of NREGA by the Government was a big move towards Right Base Scheme ensuring Right to work and it is one of the significant promotional and protective social security schemes for workers in Informal Sector.

In addition to the Central Government assisted social security schemes, there is plethora of social security programmes launched by State Government which includes constitution of various Welfare Boards or Social Security Boards for specific categories of workers in unorganized sector. Other is formulation of specific schemes such as pension fund schemes and social protection programmes by number of states for workers in unorganized sector.

## **Conclusion**

India has performed reasonably well since 1980s in terms of economic growth but still large proportions of the Informal workers are outside the realm of social security provisions. Indian Government has not provided any comprehensive social security provisions to the workers in an Informal sector. Despite of plethora of social security schemes both at center and state level for informal workers, Government has failed to provide even minimalist social security provisions to the India’s informal workers. Only 6 % of working population has access to the social security benefits while 94 % have little or no access at all.

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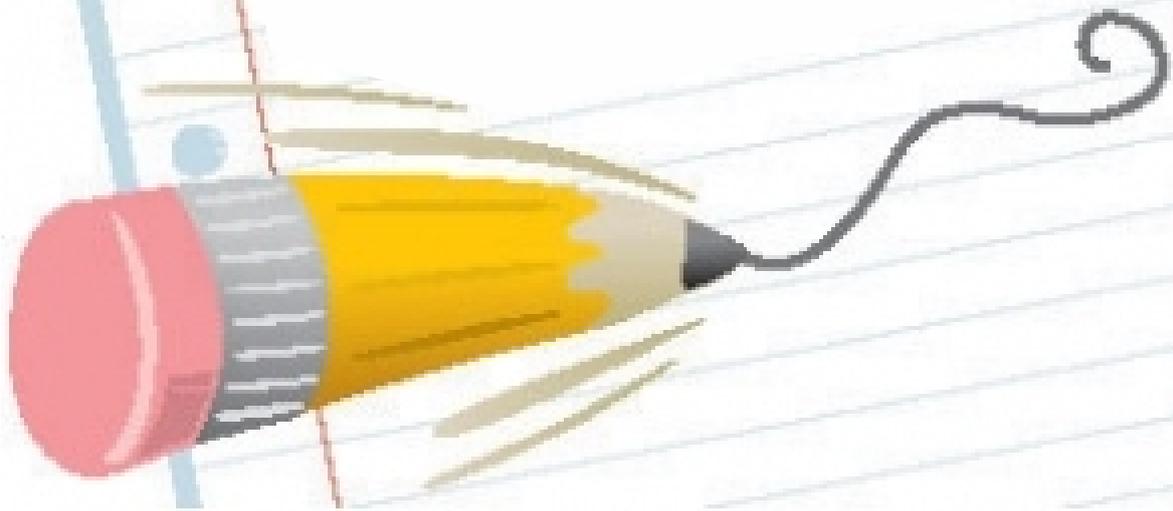
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[1] Ratifying ILO Convention means India is legally bound for obligations.

[2] India has accepted branches (a) to (c) and (g) and (I).

# Students' Articles





## Safe Water and Sanitation in India

Everyone in the world wants to live where there is safe drinking water and adequate sanitation facilities. Water and sanitation are both critical to the survival of people and the planet. Universal access to clean water and sanitation at an affordable price is a basic human right. Goal 6 of Sustainable development not only addresses the issues relating to drinking water, sanitation and hygiene, but also the quality and sustainability of water resources worldwide. As per MDG (Millennium Development Goals) 2015 Report, India is on-track for achieving the MDG target for sustainable access to safe drinking water. The overall proportion of households having access to improved water sources increased from 68.2 percent in 1992-93 to 90.6 percent in 2011-12. However India, which is one of the most densely populated countries in the world, has not recorded similar progress in improving sanitation facilities over the last decade. In India, still majority of rural households defecate in the open. Therefore, progress is slow for the sanitation coverage indicator.

Let's see some facts:-

1. India is the second most populous country of the world. Roughly half of India's population, i.e. around 522 million practice open defecation.
2. As per World Bank, 21% of communicable diseases in India are linked to unsafe water and lack of hygiene practices.
3. More than 500 children below the age of 5 die every day because of diarrhea.
4. In India there are more people in rural areas, about 63.4 million, who are living without access to clean water than any other country, according to Wild Water, State of the World's Water 2017, and a new report by Wateraid.
5. Only 26.9 million out of 167.8 million households (16%) in rural India have piped water, according to data provided by the Ministry of Drinking Water and Sanitation.

There exists a market for water, despite being a public good. This results in scarcity and inaccessibility of water. There exists a demand and supply gap in the availability of clean drinking water. Water supply, sanitation and health are related to each other. Lack of drinking water available in terms of quality as well as quantity and sanitation facilities has resulted in millions of deaths across the world. Mainly, affecting the poor people.

The government has implemented programs such as National Policy 2012, National Rural Drinking Water Programme (2009) aimed at ensuring water availability in terms of portability, adequacy, convenience, affordability and equity. For access to safe sanitation and end to open defecation and to clean our surroundings, Swachh Bharat Abhiyan has been introduced.

### WAY FORWARD

It's not the role of the government alone that can bring about the desired change or improve the situation, it has to be an integrated approach that also requires contributions from the citizens. We are the ones who want clean surroundings, but it's also us who are actually polluting the rivers, throwing off garbage and making our surroundings unclean. The government can implement policies, but the gap of policy implementation has to be filled by the citizens. Constructing water supplies and sanitation facilities are not enough, its maintenance is also required. Swachh Bharat Abhiyan aims to build toilets in every house, in spite of that people don't use them and defecate in open, there has to be a change in mentality of the people and they need to realize that this open defecation is not only affecting their health but also increasing the chances of getting sick more often. Various awareness programmes have to be introduced so that everyone is aware about the importance.

There exists a gap between the infrastructure and the service. Improving the reliability of service would require to first identify the actors in the sector, such as policy makers, regulators, service operators, so that a contractual relationship could be built which could increase transparency in decision making. Sound principles for pricing water supply and sanitation services are required so as to meet the financial and economic objectives.

Therefore clean water and sanitation facilities will help the people of India to be more productive and be happier as they will not fall sick that often. A more productive labour force can contribute more towards country's development and growth. Government should not only focus on better infrastructure, but should also ensure that the facility reaches everybody. There are lots of accessibility issues. As compared to other developing countries India ranks very low in terms of sanitation facilities, a country that is expected to reap demographic dividend by 2030 and become one of the strongest world power doesn't even have basic water and sanitation facilities. Therefore, this is the need of the hour. I feel that an integrated approach by the government and the people of India can do a lot of good in this respect.

**Pranjali, III year**

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## **‘Protecting’ Indian Markets**

The India-China competition-cooperation relationship recently became intense when the countries which once invited each other to strengthen their bilateral ties and signed pacts of cooperation to assure each other's development, engaged themselves in a dispute over the border. When all this was happening, it seemed as if there is no end in sight. An argument stating China's standoff with Sikkim as being the only cause of difference between the two seems bogus. But, whatever the cause would have been, for Indian producers and retailers, this seemed something paving way to a blissful period because it was as if the growing ties and free trade among the two countries couldn't achieve what the growing distance would.

Millions of domestic craftsmen ran out of business and shut down with the foreign entry in domestic markets decades ago. They aspire to regain position and survive, but their aspirations seem to have a long way to go. An earlier attempt to boycott Chinese goods in India had corroborated the situation. And during this time as well, any such strong boycott would not have affected China as much as it would have affected India. China exports barely 2% of its total exports to India, thus reflecting on the fact that India is not such a big market for China.

However, due to the non- existence of Indian toy industries, our kids still play with Chinese toys. Chinese lights which shun durability, light our houses during Diwali only because they are cheaper. Household products like kitchenware, furniture, electrical fittings, office appliances, are all bestowed upon us by these neighbours. In fact the mobile industry in India, which somehow survived the foreign wrath with the growing demand of Indian Micromax over the Korean Samsung few years back, was again hit by the ‘cheap’ and ‘loaded with features’ Chinese Xiaomi, whose exuberant chiming ringtone jingles at all public places, after all, it is so affordable!

Is it so difficult to make a country with the largest youth population in the world tap its human resource? Is it so difficult to be independent for a country so rich in resources that two countries are already laying their eyes upon two of its jewel states? Of course not! With so many development programmes such as 'Start-up India-Stand up India', 'Make in India' and 'Skill India' in effect, our direction is apt. The need of the hour is to make such skill development programmes successful with immense public participation and right implementation. Bring in policies that restrict the entry of these outsiders laying eyes on the livelihood of the domestic manufacturers. And a feeling to make “India First” right from the heart of every political worker, social worker or any Indian individual for that matter.

**Mahima, III Year**

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## What future for education?

A well read person is a well informed citizen. Education is and has always been a stimulator of economic growth. With increased globalization and opening up of International trade in so many countries, not only is education a pre-requisite for countries aiming at greater international integration but also a channel for extracting positive externalities from our more educated counterparts. Even after so many years of Independence, India has not been able to witness the ‘Standing on shoulders’ effect of education until now i.e reap the benefits of global integration stemming from large inequalities in education. Taking baby steps towards its goal of education for all, India has not been able to enrich its residents with quality education.

The all-India dropout rate as per Lok Sabha 2014-15 report is 17.21% for boys and 16.88% for girls. What is the opportunity cost of giving up on education by a number of Indian households? The traditional and orthodox customs along with other sociological aspects have always been a hindrance in collectivization of action. Heterogeneity in population is a major reason why collective efforts by government are at a standstill and why there are huge inequalities in education across states. A democratic setup is one which does not work with flow of services and incentives from the governments’ part only. It is a political setup whose base is the people who make them. Due to inadequate education among masses, the country has been unable to reap the benefits of being a democracy and the burden of uniformed citizens falls heavily therefore on uneducated politicians who through the vicious circle of corruption and failed promises are re-elected thereby putting the country’s growth to a standstill. One of the ten principles of economics states that ‘People respond to incentives’. Why despite government incentives, the impact of education on growth has been stagnant along with large inter-state disparities? The economy of India is into a state of demographic transition and it is very evident that education will play a key role in helping India make maximum use of this window of opportunity.

Let’s start by looking at a few important facts- India’s literacy rate as per census of 2011 is 74.04% with 65.46% literacy among women and 82.14% among men. As per the Union Budget 2017, the funds allocated to the education sector are roughly Rs. 80,000 crore but this funding is not only for schools, it is for universities as well. This accounts for approximately 3.65% of total expenditure as opposed to 7.3% spent by USA and 6.3% which is the average of other OECD countries. These numbers might look promising to the government or people in general but before I draw any conclusions I would like to point out that there are various anomalies in the way that literacy rates are computed in India. So, these numbers might not be the best judge when we are trying to assess learning outcomes or the status of education in India.

A different perspective: So what do we look at if not these numbers? Maybe we have been looking at the wrong indicator and failed all along. Let’s take out a minute and analyze that we have been preparing our children for the future and yet we have no idea what it looks like. We have seen the rapid technological progress and it is not far fetched when I say that we might be heading to a future where the concept of school teaching becomes obsolete. With the development of artificial intelligence, creativity now is as important in education as literacy ever was.

All kids have a talent but we squander them ruthlessly. As children grow up, we start teaching them progressively from the waist up and we focus on their heads. We don’t grow into creativity, we are educated out of it. (Ken Robinson)

We need to look at education as richness in human capacity. Our education system which is based on academic abilities is something that might actually be technically acquired by artificial intelligence in the near future. So what will we be worth then?

What is the way forward? How do we prevent ourselves from becoming useless in future?

We need to humanize our classrooms and dwell on our creativity. We ought to encourage critical thinking in our students and move towards a world of progressive teaching where we don't always follow a national curriculum rather adopt the science of meta-learning. We regularly revise our syllabus in accordance with the research and development in a specific domain, then I don't see why we can't revise our teaching methodology with changing environment and increased technical progress. It can be argued that the propositions I have made can be uneconomical but what if we integrate technology formally into our teaching methodology and move away from traditional classrooms to the ones where the students do more and teachers do less. We need to stop penalizing students for failure and encourage mastery. This idea in a way emphasizes on the intellectual work of teachers and differs from the technical view of teaching.

For a country like India with a large number of uneducated children, we can easily use technology and take education in areas where teachers can't go. Our problem is remoteness and quality of education. Teacher motivation might be less in remote areas affecting learning outcomes. Educational technology will have a great impact on such remote schools.

As Daphne Koller says, 'Big breakthroughs happen when what is suddenly possible meets what is desperately necessary. Education is desperately necessary and online education is suddenly possible.'

The concept of online education points to personalization which is key to learning outcomes and moves away from building on a national curriculum. A computer can replay a concept as many times as we would want and not get tired. Is this not enough to understand why technology integration in education is the need of the hour. It points at the organization of students in a global classroom where gaps between learning outcomes can be bridged. But does this mean that we don't need teachers? No, it does not. Because when we say progressive education, we view teachers as facilitators of the learning process and as skill enhancing educators.

Let's think upon why governments fund education? The answer is simple and twofold. There are two reasons. One is that education is a way of managing a large and diverse population. And two, it is important to create an internationally competent labor force that can contribute to the nation's development. Maybe educational technology is what India needs to enhance its learning outcomes and become globally competent in a cost effective manner. We still need to understand where and how to start but first, we need to think critically about the need for a transformed education system for ourselves and our society as a whole.

**Shruti Mehta, III Year**

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## **Youth Driving Growth India and the Sustainable Development Goals**

India is home to a huge chunk of the world's population. Living in a country with so much of diversity and experiencing it at every step of life is definitely enriching and enlightening. It only adds to your understanding of people's lives all over the world and helps you realize that somewhere deep within, we are all one. We are connected to each other by something known as the universal soul that resides in each one of us.

Talking of the Sustainable Development goals that we strive to fulfil, the first in line would be '*Life on Land*', because we would not be sitting here and discussing the future of mankind if nature would not have been kind to us. The desire that nature should remain kind to us seems sound only when we understand our limits and remain kind to her. It is nature that nurtures life in all its glory to bloom. Likewise, it is only sensible to make sure of the existence of the flora and fauna that is threatened, with

almost 8% of known species becoming already extinct. Let's not have the Earth, the only habitable planet in the solar system, die out.

Hence, as the youth, it is only intriguing to see how people around show their support for the cause. With school students taking out parades to increase awareness in widely destructed areas, college students going out to plant saplings in the capital city Delhi that has managed to be in the list of the top ten most polluted cities of the world, the alarm bell strikes hard in the minds of policy makers and people alike. All this is possible only when the youth of the nation has been empowered to come forward and act. Charity begins at Home. With education, children bring home the lesson in keeping our surroundings clean. This is the place where it all begins- the minds of the youth who are the drivers of change.

This leads us to another very important SDG, which is '*Quality Education*'. It is immensely sorrowful to know how India is unable to fight illiteracy with national literacy rate at 74.04%. This is not where it ends, because this is according to the definition of literacy by the United Nations, which is quite basic. We must have a compulsory paper at all educational levels talking about the environment and its link to other disciplines. This way if one person makes even five people literate, it will make a huge difference. The issue of quality education must be attentively taken up, with school curriculum focusing on creation of a stronger intellectual base in students. It is our responsibility to keep a check on the education that is being imparted. The youth can be actively employed in this regard, as they will be better able to explain their problems and suitable solutions based on their understanding, which might help bringing in new and innovative techniques into play.

As these form the basis of our goals, if left unfulfilled, the other goals will fall, like a pyramid of cards.

The third important SDG is ensuring '*Zero Hunger*'. With education, people not only become eligible for employment, but are also sensitized enough about the society and its needs. This works like a two-way process.

Firstly, it fights hunger as with employment, they earn the basic minimum required to feed themselves. Secondly, to feed a population of 10 billion that we are estimated to be, we need to evolve techniques to counter hunger and education acts like a catalyst in the process, with revolutionary thoughts and techniques getting generated by the youth if they are supported.

A small gesture of preventing food from getting wasted and spreading awareness on environmental issues like was done recently in states like Meghalaya where the ill effects of shifting cultivation were explained to the people and they were urged to discontinue this practice. Such steps help us acknowledge the interconnectedness of all beings, driven by the idea of '*Ubuntu*' or 'I am because we are'.

It is not only at the local level but at the global level that we all strive to eradicate hunger and demand food security. Also, it is not the responsibility of the governing body solely but of each and every individual. Only if we save our natural resources, will the human race survive. It is the need of the hour that we act globally on the issue of land being an abode of all living beings. As Gandhiji rightly said, "*There is enough for everybody's need but not for anybody's greed.*"

Education plays a major role in creating sensitization among the youth which leads to the realization of equal rights for not only every human but also for every living being residing on this planet. This will also eventually lead to removal of inequalities based on gender, color or caste.

'*Fighting Inequality*' is the last SDG to be discussed. Locally, we see that in India, the infamous caste system that was prevalent, has been completely removed with good governance and with increase in awareness. Moreover, it has been observed that the youth have actively raised their voice against inequality in different parts of the world.

Concluding, we should try to reach the grass root level, by giving incentives to farmers, so that people are encouraged to do farming. Educating them to use mechanisms to increase their land productivity and providing free facilities can help. Also, we should try to keep a check on all intermediaries who are employed to distribute food to ensure food security even in times of a drought.

With self-motivated beings coming together for the protection of the environment and the earth for posterity, there will be no need for strict laws to be introduced as this brigade will be up working for the wellbeing of the larger, global space that we all belong to.

**Nayan Jhangiani, III year**

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### **Interest rate cut: A good policy?**

The Inflation Targeting policy has been an inherent part of most of the developed economies and some developing economies of the world. To talk about the policy of interest rate cut, it is important to understand that the monetary policy is under the control of the central bank of the country and in our case RBI has been using this as a tool to tackle our only target, inflation. We decided to formally opt for inflation targeting back in 2015.

We witnessed a historic low consumer price index of 1.5% for the month of June, which is far below our target inflation level of 4% and even below the lower limit of the band of 2-6% which is assumed to be fine in our inflation targeting system. This was supposed to be a call for RBI to cut interest rate so that inflation shoots up. But, there are several historic evidences which may make us reconsider our decision taken in 2015.

The Bank of England was one of the first banks to adopt inflation targeting and this bank, has had a history of failures in achieving its targets by leaps and bounds. But, why? Is it because it has tried to take care of other economic parameters as well like employment and exchange rate? This cannot be the case because no bureaucrat would want to be in a position where he has to explain the authorities the reason of its failure to achieve self set targets every time.

USA and Eurozone too show the evidences that inflation targeting isn't working. The market based inflation expectations of 2016 in these regions clearly reflect that long term inflation expectations are sagging and not meeting the target.

Considering the performance of the RBI in this context, it is found revealing in its early days. But, the manufacturing sector, which is the sector directly under the control of what RBI does, was showing a continued decline after 2015 when the Index of Indian industrial production was looked into. It was seen that while inflation has been within the target range of 2% to 6% and sometimes even close to 4%, but the industrial production index was fluctuating upwards and downwards between 2015-2016 and very recently, declining continuously, indicating a poor growth in the manufacturing sector. The data from economic survey 2017 indicated the extremely low industrial production index of 1.5.

The above scenario may make you blame our policy makers who brought such a policy in place at first, and then might also lead us to blame them responsible for not being able to handle the only task they are supposed to, but mind you this might be really early despite the fact that it seems to be already late. Confused? Well, looking into the model on which the policy has been based makes us think that the policymakers were in fact extremely bewildered while adopting it, so much so that they couldn't see that the inflation targeting policy is completely invalid in our case. Let me prove it step by step.

*The model of inflation targeting*

The model of inflation targeting is based on Taylor's Rule which gives a direction to achieve the inflation target. It can be shown by the following equation:

$$it = i^* + a(\pi_t - \pi^*) - b(ut - un)$$

Taylor argued if central bank chose nominal interest rate, then it should follow the above equation, i.e. if inflation is equal to the target and unemployment rate is equal to the natural rate then central bank should choose interest rate equal to the target interest rate.

If inflation is higher, central bank should increase the nominal interest rate it above the target  $I^*$ . This high interest rate will increase unemployment which will lead to further decrease in inflation.

*Drawbacks which have been completely ignored:*

First, it is completely based on policymaker's faith of potential output and unemployment because both the variables are actually unobservable. Second, this potential level is believed to be subjected to a change by the proponents of the model only, which is not a sound basis of governance.

*Prerequisites of the model:*

- One of the pre-requisites is that central bank should be able to conduct monetary policy upto some degree of independence. No central bank can be entirely independent of government influence, but it must be free in choosing the instruments to achieve the rate of inflation that the government deems appropriate.
- We all know how independent Indian central bank is, at least at present, taking into account the demonetization of higher denomination without central bank having any say in the decision.
- A second requirement is that a country cannot exhibit symptoms of "fiscal dominance" that is fiscal policy considerations cannot dictate monetary policy. Freedom from fiscal dominance implies that government borrowing from the central bank is low or nil, and that domestic financial markets have enough depth to absorb placements of public debt, such as treasury bills.
- For this, all that needs to be said is that India is currently having a loan over 57 lakh crore from RBI.
- The third requirement for inflation targeting to work is the willingness and ability of the monetary authorities not to target other indicators such as wages, the level of employment or the exchange rate. Now this got violated the day, India chose flexible exchange rate targeting keeping other economic parameters in mind.

### **Conclusion:**

The policy framework discussed so far needs to be dug deeper with alternative approaches and perspectives. The one we have adopted so far, taking lessons from the first world, seems to be a misfit in India's case.

**Mahima, III year**

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## **Behind the veil of your searches**

Does the term "filter bubble" ring a bell in your mind? If it doesn't then blame no one but yourself, as it is a bubble most of us are living in. You don't believe me? Reflect for a minute, did you ever feel that the universe conspires to make you buy the triangular pendant of deathly hallows that you just pinned to express your loyalties as a true Harry Potter fan, by making it appear on your Amazon recommended feed in a fraction of seconds? And you found it on your Facebook feed too! It certainly cannot be just a coincidence but is definitely a conspiracy, a plot by tech giants.

To put things in perspective, my fellow netizens it is a kind of an unintended consequence of personalized search. It means you see advertisements from companies or their competitors whose websites you have visited, and for products and services you have searched for in the past. You're shown the news you've exhibited an interest in previously and even see social media posts that fit in with your tastes.

Eli Pariser, calls this “filter bubbles”. A filter bubble is the intellectual isolation that can occur when websites make use of algorithms to selectively acquire the information a user would want to see, and then give information to the user according to this assumption. Just like Snapchat, you get to choose your filters based on your searches!

While the internet can be a source for all information, these echo chambers we create on social networks actually foster confirmation bias. This is a type of selective thinking wherein we tend to look for everything that endorses our beliefs and ignore or undervalue the relevance of what contradicts our ideas. The more we consume our own interests, the more we move closer to an oblivious state of being. This may also lead to further polarization of certain sections of society, pertaining to the evidently striking discretions that already exist.

Ultimately, democracy works only if we as citizens are capable of thinking beyond our narrow self-interests. However, the filter bubble pushes us in the opposite direction — it creates the impression that our narrow self-interests are all that exist. While this is great for getting people to shop online, it’s not great for getting people to make better decisions altogether

You may not be able to carry the tiara Snapchat filter with you everywhere but you certainly carry this filter bubble all the time. It is not just a part of the virtual world but also has its roots present in your day to day life. As a basic observation, we tend to find like-minded people wherever we go and usually get comfortable with them too quickly. It happens because living in bubbles is the natural state of affairs for human beings. People seek out similarities in marriages, at the workplace, in their neighbourhood and peer group. Similarity breeds affection.

Consuming information that conforms to our ideas of the world is easy and pleasurable; consuming information that challenges us to think in new ways or questions our assumptions is frustrating and difficult. Certainly, “A world constructed from the familiar is the world in which there's nothing to learn.”

Talking of jobs as well as of relationships, getting out of your particular bubble is uncomfortable and therefore explains why people always prefer to recreate the bubbles they are accustomed to.

You can't escape from self created filter bubbles, they will keep chasing you .The only way out, is to burst the “filter bubble” yourself.

So, resolve today to visit more graveyards than ever and shed your ignorance to wave at a 5 year old on the street and sit down to talk with a 60 year old man. Ask questions that challenge your existing paradigm and compel you to think deeply and differently.

To dilute the bubble effect, we should start by trying to read from sources that could offer an alternate view. These might not always be welcomed by your very own thinking but will definitely open you to new opportunities and help you to leap out of the many “#ME TOOs” that exist.

Understanding that what we see is not all that exists, will help us realize that we're living in an extremely manipulative world and it's time we take off our glasses and build our own opinions.

**Pooja Sachdeva, II year**

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## Tax Evasion in India

*Paying tax is not a punishment. It's a responsibility.*

-CHRIS MATHEWS

Out of 125 crore Indians, only 1.7% paid income tax in the assessment year 2015-2016 as stated by the IT department. This shocking data throws light on one of the key problem of Indian economy - Tax Evasion. Tax evasion refers to the illegal practice where a person, organization or corporation intentionally avoids paying his true tax liability. Huge amount of revenue is lost through this way for government because of which we cannot climb from economic stagnation.

The Finance Minister, Arun Jaitley, made a sweeping statement in his Budget speech in March 2017 claiming that India is “a tax non-compliant society and too many people evade taxes”. This not only tells us that few people pay income tax but also that most Indians under-report their incomes. He placed, before the Parliament, some revealing data indicating India’s direct tax collection is not commensurate with income and consumption pattern of the economy. Among the 3.7 crore individuals who filed tax returns in 2015-2016, only 24 lakh people declared income above Rs. 10 lakh and the number of people showing income more than 50 lakh is only 1.72 lakh. This data contradicts with the fact that in the last five years, more than 1.25 crore cars have been sold, and number of Indian citizens who flew abroad for business and tourism is 2 crore. With so few Indians willing to own up to their wealth, the government has to scuffle every year for revenue resulting in staggering economic growth.

### Reasons behind Tax evasion

According to Gary Becker, the Nobel Laureate in economics, the tax evasion is determined by the tradeoff between tax rates and the cost of punishment for non-compliance. From this relationship we can conclude that if tax rates increase, the incentive to cheat also increases as one wants to save more money from evasion which raises the problem of tax evasion. However, both of these factors differ noticeably across countries. For example, in India, tax evasion is a criminal offence whereas in Switzerland, it is a civil offence.

Apart from these factors, the psychological factor of citizen trust is also an important determinant of tax evasion in India. In India, we see a crisis in trust between the citizens and the government regarding the use of money collected through taxes. It is the fundamental duty of the government to provide services and facilities like infrastructure, law and order etc. to the citizens which they cannot procure for themselves for which taxes are necessary. But citizens do not see their taxes being used efficiently. For example roads are worse, public transportation is broken, police are viewed as widely corrupt, and government schools and hospitals are the last resort.

Also lack of simplified procedures, and organized and systematic administration structure force people to escape from tax liability. It is easy to evade taxes in an economy such as India where cash is the primary mode of payment. Due to this the self employed doctors, lawyers or factory owners don't declare their true income. The problem in India is that no one thinks that it's a blatant lie to cheat on your taxes.

### Measures taken by Indian government to curb Tax Evasion

Tax evasion causes economic disparities where some people become richer and others are getting poorer. Many reform measures and initiatives have to be set aside due to tax evasion. Several steps have been taken by Indian government to avoid tax evasion as given below:

- In India, tax evasion is a criminal offence. So prosecution and penalties are imposed under different acts by government.
- The Income Declaration Scheme has been introduced by Income Tax Department which gives rewards to informers about tax evasion.
- Tax Administration Reform Commission has been set up by the government to make structural reforms to tax matters to simplify and streamline tax procedures.

- The PAN number has been made mandatory for filing tax returns.
- The Double Taxation Avoidance Agreements (DTAAS) has been signed by government with tax havens like Mauritius and Cyprus.

A good tax policy should aim at moderate rates, a wider tax base, simplified procedural rules and securing greater compliance. There is a need to increase awareness to bring about a change in the attitude of the taxpayers, so that taxpayers should connect the duty to pay taxes with the right to receive government-provided services.

**Poonam Ingale, I Year**

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## **India's Water Crisis vs Israel's Water Management**

Water crisis in India is often attributed to centuries of mismanagement or lack of government planning, increased corporate privatization, industrial and human waste and government corruption. To that end, global water scarcity is expected to become a leading cause of national political conflict in the future, and the prognosis for India is no different. India is experiencing a perfect storm in managing water.

Despite many improvements made by India over the past decades to improve both quality and availability of drinking water, its large population has stressed planned water resources and rural areas are left out. In addition, with a diverse population that is three times the size of the United States but one-third the physical size, India has the second largest population in the world which is expected to increase to 1.6 billion by 2050. This has stretched government solutions, which have been compromised by over-privatization. India is facing a freshwater crisis. It comprises of 16% of the global population - but has just 4% of the world's fresh water. Half of India's water supply in rural areas, where 70% of the country's population lives, is routinely contaminated with toxic bacteria due to which about 600,000 Indian children die every year of diarrhoea or pneumonia, often caused by toxic water or poor hygiene.

India is falling short on drinking water. Surface water conditions in India are bad; the groundwater situation is even worse.

As water is becoming scarce day by day, the crisis will grow more severe in the coming years. Water shortages will soon lead to increasing political instability, displacement of populations, and, more likely, political unrest and war.

**ISRAEL:** Israel is a world leader in water conservation. It is the only country in the world which has created an efficient infrastructure of water supply and conservation that can now function without rain. Israel has become one of the foremost technology superpowers in use of oceanic water for irrigation in the most dry lands. India, which is frequently hit by unruly monsoons, can learn from it. Israel is a country which has faced extreme scarcity of water but has now turned this scarcity into an opportunity using technical expertise, scientific methods and most importantly, long term planning taking view of 50 years ahead. Israel could not have achieved all this without its incredible innovations in water conservation technology.

As India faces extreme water stress, the country is looking to harness Israel's expert water management and technical innovations. India faces various challenges in the management of its water resources. As the world becomes more aware of the importance of conserving water, they are turning to Israel for its

technology and exports. Earlier Israel had a basket full of problems, 60% of its land is desert and the rest is arid. Israel's rainfall pattern has fallen to half of its 1948 average, due to climatic change, and as global warming progresses, Israel and the whole Levant are expected to become even drier. From 1948, the population of Israel has grown 10-fold, while its economy grew 70-fold during the same time.

India, having 70% of its total urban sewage discharged untreated into water bodies, can learn from Israeli companies which have developed technological advancements in the field of cleaning polluted rivers. Israel's innovations can largely help India solve its water crisis. With around 9 million hectares of land under micro-irrigation; there still remains a big void and a potential to improve water availability.

**Aqsa Qureshi, III year**

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## **FATCA – An Invisible Ball and Chain around Every American's Ankle.**

“FATCA - The worst law that most Americans have never heard of”  
- James Jatras (lawyer)

Thousands of Americans are announcing their US citizenship every year, and no, you guessed it wrong, Trump is not the reason behind it, the American taxing system is. Beyond that, the cost and hassle of maintaining tax compliance has grown worse ever since the US government passed the Foreign Account Tax Compliance Act (FATCA).

The Foreign Account Tax Compliance Act (FATCA), enacted in 2010 as part of the Hiring Incentives to Restore Employment (HIRE) Act is an important development in the U.S. In an attempt to combat tax evasion by U.S. citizens holding investments in accounts outside the United States, the US Internal Revenue Service (IRS) and the US Treasury introduced a new withholding tax regime which was supposed to enable the US government to recoup money it was losing to overseas tax havens.

Under FATCA, foreign financial institutions (banks, hedge funds, pension funds, insurance companies etc.) are required to report to the U.S. tax Authorities (the IRS) certain information about foreign accounts held by U.S. taxpayers and people living abroad who may be considered US citizens. Failure to become compliant with FATCA will cause non-US financial institutions to be subject to 30% withholding on certain US source income, and may make it difficult for them to do business with other financial institutions that are compliant with FATCA. Faced with this threat, more than 77,000 financial institutions and 80 countries have agreed to pass information to the IRS so far. Even the tax havens have joined up and Russia and China are on board as well.

Those who will be directly affected by FATCA include anyone who the IRS deems a "U.S. citizen". This includes U.S. passport holders, dual citizens, green card holders or anyone with a joint bank account with a U.S. citizen, not to mention any U.S. company or any company with an American investor. According to this law, US citizens must pay tax on their worldwide incomes regardless of where they live and steep financial penalties apply to individuals who don't comply with complex tax-reporting rules.

Intended to crack down on wealthy tax cheats with hidden foreign accounts, the law is having ruinous and apparently unintended consequences for a large number of ordinary low and middle-income U.S. citizens living abroad. The ambiguities and complexities of reporting under FATCA mean that many expats, most of whom are not wealthy, spend thousands of dollars every year to ensure that they are in compliance. However, rather than risk the consequences of accidental non-compliance, many banks are

simply refusing to do business with American customers, American investment firms are refusing to let U.S. citizens living abroad trade securities, American-born workers with fiduciary responsibilities are losing their jobs.

And rather than deal with FATCA, Americans are renouncing their U.S. citizenship in record numbers. It's the fourth record-breaking year in a row. The U.S Treasury Department announced that the number of Americans who have chosen to renounce their US citizenship in 2017 is projected to be more than 20% higher than 2016. This number was 5,411 people in 2016, which was substantially more than 2015, which previously held the record for the highest annual total (4,279). Following this increase in the number of US citizens renouncing their citizenship, the fee for renunciation was raised from \$450 to \$2350 recently. And moreover, renunciation is a very complex and lengthy legal process that involves a lot of paperwork and personal interviews. And it is very important to agnise the fact that in most of the cases, renunciation of your citizenship is an irrevocable act, which means that you will not be able to regain your citizenship if you change your mind afterwards. Despite these facts, more and more Americans are renouncing their US citizenship every year.

Citizenship Based Taxation (CBT) is an invisible ball and chain around the ankles of every American and FATCA is its enforcer. The reporting burdens placed on foreign financial institutions could even have long-term negative effects on the U.S. economy. The United States is the only industrialized nation that taxes citizens on income earned abroad, even if they are taxed in their country of residence, leading to a problem of double taxation for the American expats. In fact, Eritrea is the only other country in the world to practice citizen-based taxation and it ranks 174 out of 178 countries in the 2015 Index of Economic Freedom.

FATCA is an unfortunate outgrowth of the United States' policy of citizen-based taxation. Taxing U.S. citizens living and working abroad undermines individual liberty as well as the sovereignty of other nations. Every other developed nation in the world practices residence-based taxation. The solution is simple. The United States needs to abandon CBT and adopt residence-based taxation as its principle of income taxation like the rest of the world. This and only this will allow Americans to have real freedom in the 21st-century mobile world.

**Sonia Rathi, II Year**

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### **Interest rate cut: The After-effects**

Repo rate is the rate at which RBI lends money to the commercial banks usually against government securities. A cut in the Repo rate implies that borrowing from central bank has become cheaper. It is usually done at the time of recession or deflation when the economy is going through stagnant or low output growth.

Setting Repo rate is equivalent to setting money supply in the economy. By changing money supply, Central bank affects the interest rate. This is done by Open Market Operations. An open market purchase leads to an increase in money supply and a subsequent fall in interest rate. Similarly an open market sale of bonds leads to a decrease of money supply and a subsequent rise in interest rate. In periods like the aftermath of Demonetization or GST, a cut in the interest rate can be a good policy to boost the economy.

Apart from this, there are many other impacts of a cut in interest rate like change in investment in bonds, change in lending rates, change in Aggregate Demand (AD) and output and change in savings and deposits.

### 1. Change in Investment in bonds

Bond prices are determined in the bond market and then interest rate is inferred thereafter.

Eg. Consider a 1 year bond then,

Interest rate on bonds =  $\frac{\text{What you get from the bond} - \text{Price today}}{\text{Price of bond today}}$

$$i = \frac{100 - p}{p} \quad \text{or, } P = \frac{100}{1 + i} \quad \text{where } 100 = \text{Final payment}$$

So, if interest rate falls and bond price increases and since bond price reflects value of the yield left within the bond, Investment increases.

### 2. Change in lending rate.

Since Repo rate determines the cost of borrowing of commercial banks, a cut in repo rate implies a fall in the cost of credit. So now with the available deposits, banks can lend more and charge less for that. As a result, lending rate will fall. This will make loans more affordable. This will increase the demand for loanable funds which will lead to injection in the Circular flow hence stimulating the output and hence income.

### 3. Change in AD and output

Transmission mechanism is the process by which changes in the Monetary policy affect the level of AD.

There are two steps in the transmission mechanism:

- Increase in real money balances generates a portfolio disequilibrium i.e. at the prevailing rate of interest and level of income, people are holding more money than they want. This makes them reduce money holdings by buying other assets leading to a rise in P and hence a fall in i
- In the second stage because interest rates have fallen, this leads to two effects:
  1. Rise in investment as now the cost of borrowing is less.
  2. Rise in Consumption demand as due to a fall in interest rate, for a given level of income, saving may fall and consumption rises.

Accordingly, fall in the interest rate leads to a rise in the AD.

Now, to match higher Aggregate demand, firms increase the level of production hence output increase so, According to transmission mechanism, a fall in “i” leads to a rise in AD and output.

This transmission mechanism works well in the short run when prices are sticky.

Because here an increase in money stock will lead to an increase in real money balances (prices are fixed), so to maintain equilibrium “i” fall and “output” rise.

But, when prices can change, in the long run, change in money supply with a similar change in price leaves real money balances unchanged.

So, change in “i” and “opt” is 0.

### 4. Change in savings and deposits

Due to a cut in repo rate, income increases. Since saving is directly related to income, saving also increases. One way to save money is through deposits. So, as a result deposits increase.

Now since dd (Deposits) increase considerably, interest rate on deposits fall.

Also since saving(S) = I + (G + TR - TA)

Where the term in brackets is Budget Deficit, now the expansion in saving makes it possible to finance a larger budget deficit without completely displacing private saving.

So to conclude interest rate cut has the following impacts:

- Increase in investment in bonds
- Fall in lending rate
- Increase in AD, output & income
- Increase in saving, fall in deposit rate & easy financing of budget deficit.

**Shreya Kapoor, II Year**

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## **Zero Interest Rate Policy – A Post Recession remedy or a Trap?**

We all have studied about liquidity trap and its consequences. It usually persists at zero interest rate. Injections of cash into the private banking system by the central bank fail to decrease interest rates. People start hoarding money leading to fall in aggregate demand. All the conventional monetary policies become impotent; bonds pay little or no interest rates, which make them nearly equivalent to cash. Seems like a crisis?

Then why do some governments deliberately follow Zero Interest Rate Policy (ZIRP)? I am talking about big economies like US, Japan, UK. **Zero interest rate policy** is an unconventional monetary policy usually used to stimulate the economy after a deflation or recession and to promote economic recovery by making the supply of money cheaper. Under this policy, the central bank maintains 0 or close to 0 nominal interest rate. The logic is simple – make credit so cheap that people are willing to take more risk and more credit, thus reviving growth.

Let's talk about why some economies used this unconventional policy and to what extent it was successful.

ZIRP was first used by Japan in 1990s in defense to its asset price bubble collapse as part of its monetary policy during the subsequent 10 years (known commonly as *the lost decade*). They adopted ZIRP to combat deflationary pressure, accompanied by quantitative easing (large scale asset purchase). The result is that Japan now has the highest government debt to GDP ratio (approx 243.2%) among developed countries. The inflation rate moved into negative from 1999 to 2005. They failed to achieve the inflation targets. The economy got into a liquidity trap. Despite the relative ineffectiveness of the policy, Japan continues to use it. Japan's current interest rate is -0.1%, i.e. negative interest rate policy (NIRP) in which case, instead of receiving money on deposits, depositors must pay regularly to keep their money in the bank and their current target for the 10-year government bond yield is fixed at 0%.

In another case, in the USA, in order to save the economy from an economic collapse after the infamous 2008 financial crisis, Fed implemented ZIRP in order to have positive effects on investment, consumption and employment. In 2009, USA experienced an inflation rate of -2.1%, unemployment at 10.2% and GDP growth at -2.8%. By 2014, after the implementation of ZIRP and quantitative easing for almost 5 years, inflation, unemployment, GDP growth reached to 1.8%, 6.6% and 3.2% respectively. Thus showing positive effects of ZIRP. Current interest rate in the USA is 1.5%.

While the result of ZIRP varies, showing both positive and negative results, where the positives include cheaper credit, more consumption and more jobs. But in my opinion, the implementation of ZIRP induces individuals/businesses to take more and more risk even to those people who are naturally risk averse and can lead to chances of loan defaults in the long term. At 0%, risk management becomes extremely important. Moreover, the policy behaves differently in short and long term. In the short term, the policy stimulates the economy, but in the long run, the asset prices may soar due to huge demand in the economy, loan defaults, may affect bank's profits, etc. Fixing interest rates to 0% attracts firms to

hold the higher leverage ratio and creates a culture of ‘debt financing’ instead of ‘equity financing’. Too low interest rates can also create asset price bubbles which, when exploded, can lead to further deflation. Not to forget, ZIRP ensures that you get nothing on your money market funds and saving account. With this trend, how will banks lend if there will be less deposits? The role of the central bank should not be to increase uncertainty and inflate asset prices but on the contrary.

**Simran Singh, II year**

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## **Can a service dominated growth process solve India's employment problem?**

There is an old and wise saying, “If you do not know where you are going, you will end up somewhere else.” There would be “Achhe Din” in the lives of Indians when they will have upgraded livelihoods with decent incomes.

The services sector is the dominant sector in India’s GDP and has also attracted significant foreign investment flows. It has provided large-scale employment as well as contributed significantly to exports. In the year 2016-17 the sector contributed around 53.8 percent of its Gross Value Added and employed 28.6 per cent of the total population. The services sector has been the main driving source of India’s economic growth. India’s net services exports reached US\$ 67.5 billion in 2016-17 while the sector attracted 60.7 per cent of total FDI inflows in India.

Some examples of developments and investments by companies in the services sector in the recent past are as follows. An Indian home services start-up, UrbanClap, has raised US\$ 21 million in a series C funding round led by Vy Capital, which is an internet investment fund. The company will use the funds for expansion, investment in research and development and addition of workforce. Piramal Finance Ltd, invested Rs 485 crore (US\$ 74.92 million) in the subsidiary of Apollo International Ltd, called Apollo LogiSolutions (ALS) which is a logistics solutions provider. A consumer and retailer data analytics startup, Mpaani Solutions Pvt. Ltd, raised US\$ 1.35 million in a pre-series funded by IDG Ventures with the goal of spending more on marketing and sales, deploying capital for advanced technology and better data science functions.

However, few facts need to be considered with respect to jobless growth in India taking service sector into point of view. India saw growth over the last few decades because of service sector-led expansion (post the 1991 liberalization package), where both wages and employment rose. While service sector-led growth contributed greatly in increasing the GDP levels, it still employs less than 30% of the total Indian population. Most of the population in India is still employed in the agriculture sector, the share being almost 45% of the total population.

The nature of Indian manufacturing (particularly in heavy-industrial base) has, from the very beginning of 2000s moved towards capital-intensive methods to expand production and productivity levels. As a result, mainly skilled people were employed in the labor force. So, employment levels did not rise despite rising economic growth and output. The labor intensity of MSMEs (medium small-manufacturing enterprises) is high but their potential to grow has been limited because of worsening credit credibility, poor investments, and lack of aggregate demand for their products.

**Khushboo Ahuja, II Year**

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## Trump's Economic Scorecard

Donald John Trump born June 14, 1946 is the 45<sup>th</sup> and current President of the United States, in office since January 20, 2017. Trump's economic plan focuses on "making America great again." He negotiated "the biggest deal of my life" with those voters who felt they had lost the American Dream. Trump's policies follow economic nationalism. The parameters taken into consideration here are: *GDP growth rate, job creation, stock market position and taxes and trade.*

GDP is the most important economic indicator because it tells you the health of the economy. The U.S. debt to GDP ratio describes whether America produces enough each year to pay off its national debt. The gross domestic product of the United States ran at a rate of \$19.501 trillion a year from July through September 2017.

The U.S. GDP growth rate was 3.2 percent for Q3 2017. This indicator measures the annualized percent increase in economic output since the last quarter. The U.S. economy expanded at a 3 percent annualized rate between July and September, advancing President Trump's goal of faster economic growth and potentially providing a tail wind to Republican efforts to overhaul the tax code.

Unemployment under Trump plummeted to 4.1 percent as of October 2017 jobs report which is a 16-year low. Under Obama, through Fed chair Janet Yellen's zero-interest-rate policy; it hovered at around 4.9 percent. Trump said, "Companies are moving back, creating job growth the likes of which our country has not seen in a very long time." Overall, job growth is strong, particularly this long after the recession, but the gains are not much different (and maybe a little worse) than they were during the last six years of Obama's tenure.

President Trump touted the fact that 1,074,000 jobs have been added to the economy since he took office. While that number is accurate according to numbers from the Bureau of Labor Statistics, experts warn that it may not be the best measure for taking the temperature on the economy, and certainly not an accurate reflection of Presidential efforts.

Combined with a *strong labor market and record highs in the stock market* - the Standard & Poor's 500 index is up 15 percent year to date - the economy is proving to be an ally of a president who is otherwise suffering from unusually low approval numbers and political conflicts. But opinions vary greatly over whether Trump should take credit for the uptick in growth.

"He gets zero credit because he hasn't done anything. There's been zero change in economic policy," says Mark Zandi, chief economist at Moody's Analytics, a research firm. "This uptick is happening across the globe. It's not just the U.S." Conservatives, however, point out that Trump has dramatically scaled back regulations on businesses, which is helping to spur more corporate spending, they argue. Economists express concern that the administration's embrace of protectionist policies on trade and immigration could put a drag on future economic growth. "I would say that the economy and the markets have done well in spite of the presidential turmoil that's been part of the administration, at least to date," said Yung Ma, chief investment strategist for BMO Wealth Management.

He initially focused his attention on immigration reform, calling for a wall to be built between Mexico and the United States and demanding the deportation of 11 million undocumented immigrants. He has wavered on that last point, now promising to initially focus on criminal undocumented immigrants, but he has stuck to his guns on the wall. He later rolled out other policies and positions: a major tax code overhaul; repeal and replace Obamacare; renegotiate or "break" NAFTA; stop hedge funds from "getting away with murder" on taxes; reforming the Veteran's Administration; and impose import tariffs as high as 35%. All while keeping the deficit in check, growing the economy and leaving entitlement programs like Medicare and Social Security untouched.

**Khushboo Ahuja, II year**

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## India and the GDP Fudge

GDP i.e., Gross Domestic Product is defined as the final value of goods and services produced within a country in a specific time period - monthly, quarterly or annually. As per Samuelson and Northadaus in their seminal textbook, 'Economics', GDP gives an overall picture of the state of an economy just like a satellite in space surveys the weather across an entire continent. GDP enables policymakers, central banks, economists and businesses to analyze the impact of various policies and decisions made by the government for the economy.

The task of measuring the economic activities of India and further releasing the GDP of the country is taken care of by the Central Statistical Organization (CSO) which releases the GDP quarterly in every financial year. So, when CSO released the GDP of Q3 of FY16, there were many debates about the fudging done by the government to prove demonetization as a big success. Some were of the view that the government was trying to fudge the actual GDP by changing the base year for GDP calculation. A few stakeholders were in support of the government for a change in the base year as it is required from time to time for accurate measurement of economic growth. And according to the government, change in base year facilitates understanding (data) for analysis and international comparability. Even though demonetization created a cash crunch in the market leading to less money in hands of the people, the government took adequate measures to manage the money supply in the market and the problem gradually declined. But the ongoing debates about fudging by the means of changing the base year didn't cease. There were claims that GDP of Q3 of FY16 would be around 4-5% rather than 7% which arrived due to the change in base year. Such claims didn't arise when the base year was changed in 2010 and then in 2013. According to the recent revisions by CSO, FY16 GDP growth revised up to 8.2% while FY17 GDP growth remained unchanged at 7.1% which shows that GDP was high in FY16 as compared to that in FY17 and this makes the claim of fudging by the government, irrelevant.

GDP is a widely used measure to analyze the decisions made by the government and to compare the economic growth of a country with that of other countries. However, as each coin has two sides, GDP can't be called the accurate measure of the economic growth of a country. GDP has some drawbacks and some of them are-

- It does not account for the underground economy.
- It emphasizes economic output without considering economic well-being.
- Non-market Production isn't included.
- GDP is sometimes influenced by Externalities.
- GDP does not take into account leisure time, nor is consideration given to how hard people work to produce output.
- Changes in quality and the inclusion of new goods aren't accounted by GDP.

**Amisha Garg, I Year**

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## What is seen and What is not seen

When we see a shiny new object we tend to get attracted to it and start the quest to own it. However, it is not necessary that the object is as valuable as it seems. Thus, one should take decisions after having a good evaluation of all the alternatives available.

While most people are aware of the direct costs attached to their actions, many ignore the indirect costs that their choices bring along. There is a trade-off associated with every choice of ours, even with our financial decisions. These associated costs are called OPPORTUNITY COSTS.

Opportunity cost is what you lose by choosing one alternative over another. In other words, it is the next best alternative foregone. People face trade-offs. Life requires you to choose among mutually exclusive alternatives. Everytime you select something you forfeit other alternatives.

For example, let us say, you take Rs. 300 out of your wallet to buy a chicken burger. Now, you can choose between eating a chicken burger or putting Rs. 300 into savings. Each choice has some benefits and drawbacks. If you choose a burger you are likely to have a good lunch. If you choose to save money, give up good food, you get the chance to earn interest on that money. That will give you more money in future. Either way you stand to gain and lose something.

Everytime you make a decision, you are weighing the opportunity cost of that action. It allows economists to examine the relative monetary values of various goods and services.

Opportunity cost always gives you a bigger and a better picture of your financial decisions.

However, Opportunity Cost is not always concerned with the financial matters, but also include the real cost of making one choice over another, including the loss of time, energy and pleasure/utility.

Though it is not wise to think about Opportunity Cost everytime you buy a candy bar or go on a vacation, it is an important tool in order to make the best use of your money. Once you recognize that these costs exist it becomes easier for you to make a better personal financial decision.

Therefore, it is important for everybody to understand the concept of Opportunity Cost to make the best decision for themselves.

**Diksha Chauhan, I Year**

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## **Century's Biggest Contest**

The economies of India and China are among the world's largest economies. Perhaps, the two economies are famous for often being at loggerheads. It has been palpable on various accounts observed before. For instance, there is divergence of interests between the two countries on border-related issues, water-related woes etc. It hurdles the relations among the two Asian Giants and cripple their dreams to serve as the bigger players alongside the United States.

*The bigger and broader BORDER issue:* China and India have duly withstood each other on border-related issues. The issue is embroiled in the disputed status of the McMahon Line, which defines the border between India and Tibet. India avows this agreement as the basis for the territorial claim while China objectifies the authenticity of this line. The line was drawn in the 1914 Simla Convention and China's belief system says that it was not a party to the Simla Convention and hence it is not bound to accept the boundary line demarcated therein.

*Water related disputes:* The owndom in geopolitical mechanics makes water a strategic commodity. Thus, the resource is a source of both contest and cooperation in the contemporary world. In case of China and India, water issues pose a potential threat for future contention. In a strategic move by China to construct big dams for its advantage and diverting the water flow as a move against India has surely reignited the rivalry. There are total four rivers that flow from China to India. India being the lower riparian will be at a downside to any major storage project planned. Amidst the unfavorable political situation, it is unlikely that China will act responsibly and be a generous upper riparian.

*Dalai Lama's controversy:* India has provided shelter to Tibet's spiritual guru and China's adversary Dalai Lama in Dharamsala which is just 200 miles away from China's border. It is a continued source of irritation in China-India relations. Also China has alleged that the spiritual leader and his disciples provoke suicides by publicizing a "self-immolation guide" on the internet and encouraging Tibetans within Chinese borders to do the same. So, Dalai's anti-China activities in India have negative implications for China-India relations and a strong cause of dissension.

The territorial disputes between the two countries have long been on the dialogue table. No light is visible at the end of the disputed tunnel as neither side looks to a resolution. In future, China is likely to pressurize India making water as its tool. Thus, water will be a prime issue apart from the longstanding border issues between the two countries. These bilateral issues have certainly ruffled some feathers between two already hostile nations of the world. However, it would be interesting to see how India manages to diplomat China's diplomacy to emerge victorious in the century's one of the biggest contests.

**Richa Bansal, III Year**

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## **Doubt**

I started as me,  
Then someone made fun,  
Of how I look,  
How I dressed,  
How I talked,  
Even the way I walked.  
Those things affect you,  
Slowly but eventually,  
I started lacking,  
Lacking the confidence,  
In being myself.  
No one can be better than me,  
Because there is only one me,  
I will be an example for myself,  
Still, those words make me,  
Doubt in my own self.  
I tried to copy,  
Copy the ideal vision of what they like,  
I tried but it was hard,  
Because it was not me,  
I started behaving like,  
The one I'm not,  
I became more like a failed ideal,  
Which is not perfectly ideal,  
So moreover I became a failure,  
Failure at being the ideal version,  
And failure of being myself,  
A doubt can make you change,  
Don't hesitate to be yourself,  
There is no you better than yourself,  
You're your own ideal version.

**Akshita Yadav, III Year**

## A dig deeper into AI

Artificial intelligence (AI) is a branch of computer science that focuses on creating intelligent machines that have the ability to think and often act & react like humans but only if they have sufficient information & programming relating to the world.

The research activities done with AI are highly technical and specialized nature. Some of the core traits include knowledge, reasoning, problem solving, learning, planning, ability to manipulate and move objects. The very rationale behind its creation is to make the lives of humans easier. It's a result of a complex combination of programming, computer science, mathematics and other complex science. Every innovation brings pros as well as cons along with it as there are always two sides to a coin.

### *Advantages*

- It surely helps in error reduction by ensuring greater accuracy.
- Difficult explorations are easily done by overcoming human limitations.
- Daily applications such as human errors in spelling are much efficiently sorted out due to machine intelligence.
- Repetitive jobs can be smoothly carried out using machine intelligence.
- No (frequent) breaks are required by machines unlike human beings thus, saving time & resources.

### *Disadvantages*

- Development of AI requires initial greater costs and even after-costs (repairs & maintenance) are also high.
- Machines do not possess emotional & moral quotient of humans. So, they either outperform or breakdown in unfamiliar situations.
- Usually with experience, machines do not show improvement unlike humans.
- Original creativity is hampered as it is not a forte of AI.
- Unemployment is most probably going to take place due to human replacement with machines.

### *Global impact*

According to Price water house Cooper's Global Artificial Intelligence report released recently revealed that it can potentially contribute to around \$15.7 trillion to global economy & up to 26% boost in GDP can be seen for the local economy by 2030. China (26%) and North America (14.5% boost to GDPs) will be the greatest gainers from AI accounting for almost 70% of global impact.

### *Impact on India*

It has been predicted that job landscape would consist of automation, AI & increasingly redundant humans in the coming years. So, the question arises would there be layoffs and the answer is YES, layoffs are inevitable going forward, however, the future will also shake hands with employment creation including jobs that, as yet, do not exist.

There is a recent study on 'Future of Jobs in India' done jointly by FICCI & Nasscom with EY. It took a deep insight onto the impact of advanced technologies on five key manufacturing & service sectors in India, namely IT/ITES, retail, financial services, textile & apparel & auto - that contribute a lot to the creation of jobs. The key findings of this report are:

- Around 90% of India's workforce (estimated 60 million) would try hands on new jobs that are as yet unheard of, whereas 37% would be doing jobs that demands altogether or changed skill sets.
- Time is coming when no one can afford to 'rest on one's laurels' but needs to develop a continuous learning culture.
- Quite surprisingly, the expectations of employment in organised manufacturing & service sector are rising (from current 38 million to 46-48 million) by 2022. In fact, many new kinds of jobs will develop and are expected to give a further push to the workforce by 20-25%. Another report reveals that it could add USD 957 billion to Indian economy (almost 15% lift in GDP) in 2035.

## *Conclusion*

Innovative AI technologies will provide an economic boost by enabling people to use their time and things that humans do best (create, imagine and innovate new thing) more efficiently. But the need of the time is to have a more clear, far-sighted vision and a multi-purpose stakeholder plan to equilibrate growth with moral and ethical questions raised by AI. India needs integrated and coordinated effort by the private sector, society and policymakers to realise above predictions such as by building an AI blueprint, bolstering R&D, democratizing data, preparing the next generation and embracing smart regulation.

**Divyanshi Jain, III year**

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## **My idea of Feminism**

Feminism, we all know what it means, and personally, I have always been fascinated by the idea. I have seen and heard a lot of people say that it has become a whole new form of taking undue advantage of situations where otherwise, a woman would have no chance of winning. I have seen memes on social networking sites saying that feminists are actually feminazis, a term with negative connotations used in the same reference. I have seen many people asking whether we really need feminism.

At first, when I got to know about this term, I was pretty sure it was about women fighting for their rights along with equality with the other gender. As it is famously touted as a women's movement, I thought it really was just that. But I realized that there is so much more to it. Feminism isn't about fighting against each other for equality, it's fighting together for. Because how can you wish to be equal if you just want to look down upon the other gender? While the whole idea of women being superior to men has appealed to many women including me, I am aware that's not how the disparity between the two genders is going to narrow down.

I feel that feminism is not just a women's movement, it is for the whole society, for men as well. While the women issues are more actively publicised and supported, we need to be as much sensitive to the issues going on with men too. While we complain that in a patriarchal society, the burden of restrictions and sacrifices falls on a woman, isn't it that we should see how every man is pressured to be the bread earner of the house. Today, if a girl chooses to be a housewife, it's her choice, because the women's movement has made us aware that we are free to make career choices, while it is still not okay if a man volunteers to be househusband, not that I have personally heard of any such instance. But I know that a househusband is a still a taboo.

We all grew up in a patriarchal society, conditioned since the very beginning to serve the roles that were set for us, because apparently that is how the rules have been set. Even when there has been a lot of progress in women being relatively less deprived of education, employment and choices in life in general, there is still the idea of a man being the protector of the family and a woman being the nurturer running right through our generation's subconscious mind. I don't know if we can blame it on someone or rather we should blame it on someone. The time for blame game is long gone, I feel. What we can possibly do is try to make it right within ourselves first, not all things can be accomplished by proving some else's mind-set wrong. And my only point of writing this article is not to prove that many people have had the wrong notion of this very famous term, but to try and make them see that may be, there's a second side to the coin as well.

Many feel that the so called women's revolution is not something required for our society where already women are worshipped as Goddesses, and considered pristine and pure. The whole purpose of fighting

for equality remains futile when we continue to bolster such beliefs. It is time we admit that any woman is as human as any man. Can we not idolize any gender and just be humans? This often sparks the debate of the new generation aping the west and letting go of their culture and age old traditions, but a realisation is in order that there's a lot of good things in both and it's better to take up the positives and leave behind the negatives. Although it sounds a lot easier to say than to practice, but wouldn't it be better that we at least know and try.

So, when people stop celebrating the efforts of a man who chooses to be a househusband to support his wife with her job, his decision to change jobs because of his wife's transfer, his decision to pitch in money for his wedding, and his decision to say no to dowry; I will feel that we don't need feminism. When it is okay for the society that there are people making such decisions with sound mind, and that those decisions are not wrong; I will feel that we don't need feminism.

Feminism is a much broader topic, it might have been even misused by some, but all the more it remains a thought process, the true meaning of which needs to be shared. When anyone who is denied equality, whether it is a woman or a man, the victim is not just that person, not just the gender of that person, but the whole society. We don't have to establish who is better than whom, we don't need merely support on social media saying #feminism. We just need to open up our minds.

So, let's not be Gods and Goddesses, Protectors and Nurturers; let's be humans.

**Priyanshi Chaudhary, III Year**

### **Her Intuitions**

Taking every step tiptoeingly  
Walking in the dark, alone and lonely.  
Having the fear of someone stalking,  
Glowing street lights,  
Still the fear of walking.  
The lights are a ray of hope,  
To reach home until they drop.  
The teaching that changed her vision,  
Those dark nights are not her sensation.  
Every other turn is full of people staring.  
But she just moves on without any daring.  
She will be daring and brave one day.  
To remove everyone who comes her way.  
She's born with the power of God.  
To live her life and make it bold.

**Amisha Garg, I Year**

### **My Best Buddy**

So the story starts a few years back. I was walking in the garden to find an object for my painting. The wind was blowing, the birds were chirping and the sun was scintillating. It was the time of my school holidays and I had to complete this painting for my project work. I had so many objects for my painting but my mind was still wondering, it seemed as if I was fanatically waiting for something I didn't know what was. I sat on the bench started the artwork but was unable to draw anything.

Disheartened, I decided to go back home but then I heard some sniffing, it was a dog. A cute small dog. It was surely not a street dog but then, where was his owner? Was he dead, did he disown him or were they drifted apart. All these questions just vanished when I looked into his eyes. That cute little thing

was looking at me so strongly as if he knew me already or something. Then I dabbed his back, comforted him and gave him some biscuits. We started to bond. It was getting late so I went back home. Next evening I came to this park along with my sketchbook and wow! The dog was sitting right beside the bench. He got excited to see me and I too got immensely happy. We played a lot and then I thought this would be the perfect object for my painting. I started the sketch work. For days this dog would show up in the same place at the same time. I finally completed my painting and somehow it looked animated!

Then days passed by and I daily went to the park and we played a lot. I kept this from my mother as she was not fond of dogs. It became a huge part of my life. We kind of developed a strong bond. I can't express the moment of delight when I used to see him waving his tail at me. His eyes full of shine and my heart full of gay. Days passed on and my school reopened. I submitted my art project and got an A+. I was so happy that day. I went to the garden as usual and I decided that I'd bring him home.

But, he was not there. I waited for long but I found no sign of him. I was shocked. My grim was unexplainable. It was dark so I went back home. I told no one about him. I just cried, cried my eyes out in bed. Next day again he was not there. Where would he go? Why did he not show up? What has happened to him? Had his owner found him? Or, did he just left?

Oh my god! These thoughts disturbed my mind. I felt wretched. Why did he come if he had to leave like that? It was miserable and I was extremely pathetic. Years passed on and there was no sign of him. I then, stopped looking for him. I never went to that garden after that. I still remember him. He was the best gift to me. That was the best phase of my childhood. I still wonder where he went. I just hope he's safe and in good health. He was and will always be my best buddy, and I'll never forget him.

**Shreya Kapoor, II year**

### **What to Listen and What to Hear?**

They say "something is better than nothing" but, is it?

Is having judgemental friends really better than no friends?

When you can understand yourself to improve .

Is having lunch with backbiters really better than quiet time alone ?

When you can reflect on the whole wide world.

Is laughing with ones waiting for you to fall better than smiling in your own company?

When you care for no one but yourself.

Is sitting with someone who does not appreciate you better than sitting with your conscience?

When you can further improve your worth.

But I don't know and funnily, I don't even want to know .

For they also say "quality is better than quantity".

But to most "quantity" time with mindless friends seems better than "quality" time with self.

But then I don't know.

What to listen and what to hear.

**Priyanshi Nagrath, I year.**

### **A Giver Becoming Extinct**

Just passing by,

I glanced at him.

Woebegone and emaciated,

Fierce, but

He was alive.

Once, he was my happiness.

The sole reason of my life.  
He was and will always be.  
But little did, I realize.  
Majestic was his beauty.  
Sacrosanct was his heart.  
Neither did he expect,  
Nor did he enunciate his part.  
Recusant he was, in his job.  
Always a giver but never a taker.  
Only demanded love from me.  
But that too, I couldn't cater.  
Compunction is what I have now.  
Inconsiderate and selfish, was I.  
Obstinate on my own needs.  
Intrinsically, beheaded him by.  
Realized his importance on his senility.  
But he still was, placid and meek.  
Hoping for some vicissitude,  
In all the humans' stance so bleak.  
Plant and grow his friends.  
For, he is our only comrade.  
None other than, 'Our Tree'  
Due to whom we last a decade.

**Amisha Garg, I Year**

### ***Ecophoria for a Rookie***

*ECOPHORIA*- our annual inter-college academic department fest, as it is called, is the pride of our department. I heard each and every senior chanting about how big Ecophoria is, how much hard work it requires, how famous it is, etc. But did I know anything about it? Absolutely not. Of course, being a first year student, I didn't even know about the student elections and the various posts offered. Forget about Ecophoria.

But yes, I finally got place in Students' Union of our department without even knowing what my duties were, as a 'Coordinator'. An irony, indeed. Then started a series of Union meetings in which I was usually sitting quietly and listening to whatever others said. My being a fresher says it all. Slowly and steadily, I started learning things. Everything started happening in a very smooth way.

Then came the hill of my college life, 'Ecophoria'. I could see each and every person of the department trying to climb up that hill. Ecophoria was something very special to them, for which they could put in all their efforts. Seeing their dedication for making Ecophoria a huge success, I also became one of them. I started working dedicatedly for Ecophoria. We did everything we could to make Ecophoria the best. From sponsorships to decoration, we wanted everything to be perfect. But climbing this hill wasn't an easy task.

Calling people and going to offices for sponsorships, making all tech related arrangements, gathering a huge footfall, popularizing our fest, spending hours for discussion and work, all seemed to be worth it when the day came, 26 September, 2017, the day when Ecophoria finally took place, the day when everything seemed to be perfect, the day when our hard work paid off, the day when we were all smiling and finally, the day when we call climbed up the hill.

I never knew that a fest could mean so much to me. After those Ecophoria days, I sensed a belonging to

this place. I grew more close to the college and more close to the department. Now I also call Economics department, my pride, just like the seniors who love chanting about Ecophoria.

Cheers to us and our department!

**Amisha Garg, I Year**

## **The Magical Idea of Writing**

Every time I find myself bored or alone in the house, I wonder how automatically my heart starts pointing towards my red diary kept in the upper left corner of my cupboard and how within a few seconds I feel the urge to jot down all ideas I have been waiting to write about since last evening. I know I may sound insane to some but there are many who will be able to understand how beautiful it is to feel the world around you and write about it, when you can use your imagination to build a cake factory to the left and pizza club to the right of your house. And how you can imagine yourself dressed in a beautiful red gown paired with your favourite jewellery. And the best part is there are no limitations when you are writing your heart out. You can be a critic, an optimist hoping for everything to get better one day, and you can be just you.

But before you start writing you must have a clear consciousness about what you are going to write and as your article progresses and takes turns, the reader must be able to relate to it. Also, to make your article leave an impression on the mind of the reader, always, always, always know who your target audience is. It will not only help you to use your vocabulary effectively but also will help you to write in the style that appeals to the reader.

A good writer always chooses a topic that is close to her heart because the worst you can expect from a writer is writing just to complete the deadline. Another quality of a good writer is including minute details in the text to make it lively, so that reader can engage with the situation depicted and is emotionally attached to the text. Also, it is important that the writer writes freely, without feeling any sort of pressure.

Now that's enough spark to get set and write!

HAPPY WRITING!!!

**Ankita Chawla, III year**

## **Mobile Phones- A Devilish Boon**

When Martin Cooper invented the mobile phone, his parents must have been proud that their lives would no longer be strangled with the cables of their telephone. However, they would have never dreamt that his invention will be used to practically do anything- from searching one's favorite recipes to entertain oneself with various games. Motorola introduced portable phones in the market with a pure intention of making the world a smaller place and bring people together by helping them to have conversations with their friends sitting thousands of miles away (mainly about the latest gossip in town). However, the evolution of mobiles raised the eyebrows of many intellectuals, not only because they had problems to grasp and keep up with the latest technology, but also because it was capable to destroy the youth by make them addicted to their mobiles, thanks to the internet, which soon became an integral part of this invention, and made mobile phones the Genie in the lives of our Aladdin-like youngsters.

In 1973, when mobiles were introduced, they could only be used for making phone calls and sending short messages. However, now it is not only a mode of communication, but also keeps us on time, thanks to the alarm and calendar, and keeps us thoroughly entertained by games and music.

Applications like Skype have made long distance relationships easier to maintain. You can book a cab, your favorite pizza or movie tickets at a single click! Not only that, it has become a fashion statement in the world. According to me, mobile phones have made it to the list of the basic human needs, having become as important as food, clothing and shelter.

However, too much of anything is bad. It seems that once again in the history of mankind there'll be something to regret, the ruining of a perfect invention, about which we can do nothing but feel sorry. Our irresponsibility has made this important resource a devil, from an angel. The overuse of social-media platforms like Instagram, Facebook and Snapchat has compelled parents to snatch the phones away from their kids during exam time. The young guns of the country are so reliant on them that on any occasion, they can blame the phone for having banged themselves into a tree because the GPS never cautioned them. What's really ironic is that the invention which was supposed to make people stay connected, is actually driving them closer to the doors of isolation because they prefer making mobile their best friend. It's a headache for parents nowadays to deal with the growing demands of their children. Because Sharma Ji's daughter has Iphone X, they want it too.

A great man from a Spiderman movie once said that with great power comes great responsibility. If we somehow manage to make the most out of this great invention and eliminate the negatives of it from our lives, then it can act like a true friend to us. Otherwise, the hazards related to its overuse will grow over time.

**Devina Sharma, 1 year**

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## **What if I say Reservation is not really bad?**

'To be born Indian might be a privilege, but to be born 'privileged' in India is an entirely different story.' The question still remains unanswered considering the requirement of 'Reservation' in today's situation.

In the view of Dr. Ambedkar, the idea for a democratic nation was "Liberty, Equality and Fraternity" and the vital part was the necessity of education to every person. Isn't it requisite for a country like India, in which 'Diversity is Strength', to upbringing every citizen by defining the terms of preamble into reality? Our constitution clearly promises equality to every citizen. In central-government funded higher education institutions, 22.5% of available seats are reserved for Scheduled Caste (SC) and Scheduled Tribe (ST) students (7.5% for STs, 15% for SCs). This reservation percentage has been raised to 49.5% by including an additional 27% reservation for OBCs. This ratio is followed even in Parliament and all elections.

Birth of the *Varna* system way back in the Vedic ages is still deep rooted in our society in the form of casteism, which completely depends upon one's birth, which is the basis for today's reservation system. As stated by the drafter of our constitution, Dr. Ambedkar, "Political democracy can't last unless there lies at the base of it social democracy." As an oppressed child, the basic Fundamental Right was a distant dream for Ambedkar. He was discriminated in every step of his life for being from the unprivileged class and this eventually made him to fight for education and reservation. The sole purpose was to provide basic education to the socially and educationally backward communities and the scheduled castes and tribes.

Considering the present day situation, seats are reserved in the public sector units, union and state services, union and state government departments and in all public and private educational institutions for this segment of the society, who are inadequately represented in these services and institutions. To ensure the spirit of constitution, reservation is required for the fulfillment of the 'right to equality of opportunity.' It is not that bad how people make it look like. Though it dissolves or pays no heed to

merit, the vision of Ambedkar still remains the same. Meritocracy is meaningless without equality. On the contrary, the *creamy layer* people of this segment are enjoying special provisions in the name of reservation. Thus what really the vision of reservation was, must be realized. And in accordance, the reservation should be based on idea of Ambedkar along with the economic status of such people.

**Swetashree Samal, I Year**

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## **How do you convince yourself to call that a life?**

Just for a moment, stop. Just stop. Drop everything and walk outside, stand there, look up at the sky, feel the wind rubbing against your cheeks and playing with your curls, smile at the sun, get inspired by those free birds fearlessly flying high and high, appreciate the clouds, let the soul sing its old melody, close your eyes, take a deep breath and contemplate how amusing and artful life is. I do not understand how people call this one life that they have, boring and unexciting! Boredom can only be inside us, inside those small, cosy bubbles of our comfort zone that most of us prefer living in, just too lazy or perhaps scared of pushing ourselves out of them, dragging ourselves with the routine life, living thousands and thousands of identical days, without even realizing when these days turn into weeks and then months and years. *Tell me, how do you convince yourself to call that a life?*

Life is what you haven't tasted yet, the unknown, the wild adventures, inexperienced feelings, the excitement and apprehension of trying something for the first time and then end up falling in love with it, taking the wrong train, making mistakes and then pushing yourself to create something better out of it, walking down an unknown path, following your craziest dreams because yes, dreams do come true if you don't give up on them, finding your true self, doing absolutely insane things, and on and on and on because life can't be described in a few sentences. But you already know what I am talking about, don't you?

There is just so much to see and do and achieve in this small world of ours that just sitting back and letting life pass by, dreaming and planning and waiting for that "*one day*" in our life is not even an option, for there is no such one day. It never comes. It never will. It's just a fantasy of our minds, unless, we force ourselves to get up, step out and actually do something that just makes our hearts skip a beat. Do that something *right now* because *now* is only what you have. Do what you want, whatever fills you with happiness, anything and everything, no matter how silly it sounds. Stop caring about the people for once and forever. Listen to your heart and send the brain on a vacation. Explore life. Travel the world. Run away. Escape the reality!

Discover what it means to be alive in the actual sense. Dance in the rain, sing in the shower, jump into those shiny puddles on rainy days, eat some snow, kick those fallen leaves while walking down the streets, play with children, dive into the ocean, leave tracks on the untouched sand, climb the mountains, create memories, smile to your reflection, feel the breeze in your hair, follow the sun, catch a few snowflakes and feathers, count the stars, fall in love, laugh at your thoughts, lose yourself and set out on a journey to find something new and then, feel lost again. Be surprised. Be real. Be you.

**Sonia Rathi, II Year**

## **I have heard too many goodbyes**

Life isn't about meeting people and bidding goodbyes.  
It's about knowing them and reliving their story.

Every person you meet has a purpose in your life; they complete it and leave, sometimes even without bidding any goodbye.

You know which are the hardest of all the goodbyes I have heard till now, is from whom I have never expected.

From whom who made me believe that I really mattered.

But the bitter truth is goodbyes are meant to be sad and meant to be felt.

They just leave a person behind left with some handful of memories to relive those moments again.

Maybe this is what life is about.

Maybe that's the reason I am afraid to say hello.

**Muskan Jain, II Year**

## **Mountains Calling**

What is the best thing about mountains? “They are formidable, they make you humble.” Formidable in a way that they evoke a sense of respect towards them due to their grandeur. The mountains in their totality are so massive, that they make you question your existence as a little creature. When one achieves all that they want to, they start believing that planets revolve around them and not the sun. A mere sight of these grand rocks gives the person a sense of humility and a realisation that it is truly the nature that has an empowering effect on the man and not the other way round. I went on a trek few days back and just could not get my mind out of it even after returning back. A friend of mine told me that it was a four day experience and that this where we are living, is the reality. I replied back that the experience was not away from reality, but just a transcendence to a better reality. A better reality that gave me a sense of perspective about where I am in my life and what are the necessary changes that I need to make. Mountains make you interact with your inner self, make peace with what's outside, in order to make peace within. When I completed my first trek to Triund after walking restlessly for 8 hours, it seemed like an eternity had passed. But as soon as I got to the top and looked down to what lay below, I realised that it is by far the best thing that I have done for myself. On a deeper level, it gives the realisation that when you undertake an arduous journey, no matter how long it takes to tread that path, you will emerge as a better version of yourself. If self-introspection is the need of the hour, which I feel is for each one of us, then a visit to the mighty rocks would prove beneficial. If not, then a little beauty is always a pleasure to behold.

**Priyanka Sarda, II Year**

## **How to be the best version of yourself?**

This is the question we all seek answers to. We all want to be the best version of ourselves. But the problem is, where to start from? What is our best version? And how can we achieve it? Is it when we achieve our goals, or when we feel satisfied with our life or when we are at our happiest?

There are four main dilemmas that we all face:

- a) How to make right decisions?
- b) How to solve problems?
- c) How to be happy in difficult time?
- d) How to be productive?

First question, how to make right decisions? All the teenagers, especially at this stage, are scared of making wrong decisions in their lives. This is the time when we are supposed to make some big decisions and are bombarded with plenty of opportunities and we have to choose the most beneficial option for ourselves. The most efficient way of doing this would be to rank them according to our

preferences and eliminating them. In this way we will be left with the ones which are the best. Still, if we feel like we have made a wrong choice its okay because we all are human beings and as humans we are bound to make mistakes. Accepting your mistakes and learning the lesson is the most important thing.

Our second question, how to solve problems? We all face problems in our life. Sometimes we get stuck into these problems so badly and are left with no hopes, and one goes into depression. But giving up your life can never be a solution to anything. Every problem has a solution, it's just a matter of time to find an answer to it. Thus, we can survive every problem by accepting the fact that every person has problems in his/her life but some have it bigger than others. No life is a walk in the meadows or all sunshine, it has its own storms. Accepting this fact might not solve the problem, but will surely give us the strength to face it.

Next, how to be happy in difficult time? We are not robots, we have feelings, we get hurt and our heart feels that pain, we cry, we get angry and how can we smile when things around us are gloomy. Our mind is like a small baby. A baby who does things that we stop him from. If we will tell our mind to stop thinking negatively, Yes, you are right! It will just think negative. But accepting the fact that our mind does play games with us, will help us to come out of our emotional turmoil faster.

Last, how to be productive? We work all day but still sometimes at the end of the day we don't feel satisfied with our work. This dissatisfaction may come from efforts in activities we are no longer interested in. Maybe we are just doing the work for the sake of doing it. Thus, choose things that you are passionate about; things you can put your heart and soul in. So that when you go to bed, you will at least have one person who is satisfied with what you do.

**Bhavya Dureja, II year**



# IN-DEPTH

## CRYPTOCURRENCIES





## What is a Cryptocurrency?

Cryptocurrency is a medium of exchange that is created electronically in the blockchain, using encryption techniques for controlling the creation of monetary units and verifying the transfer of funds. Legible information is converted into an encrypted code to track purchases and transfers. It is a decentralised form of currency, not controlled by any central bank, unlike rupees or dollars used for transactions. Bitcoin is the best and widely known example of cryptocurrency. Other examples include Litecoin, Ethereum, Ripple, Monero etc.

## What is mining?

Units of cryptocurrency are created by a process called Mining. Anyone who wants to generate a cryptocurrency needs to use computer power, and solve complicated mathematics problems, passing which he/she can generate coins. For those who want to buy these coins, several cryptographic wallets are now available, which facilitate purchase, sale and storage of coins for future use.

There is fixed limit upto which any cryptocurrency can be mined. Let us consider Bitcoins. Like Gold, it cannot be created arbitrarily. It has a limited and finite supply. Only 21 million bitcoins can be mined in total. As of March, 2018, the number of bitcoins in circulation reached around 16.95 million. Once this limit is reached, more coins can be mined only if the Bitcoin protocol is changed to allow a larger supply.

Following are the key terms useful for better understanding of cryptocurrencies.

- *Adaptive Scaling*: It means that cryptocurrencies are built with measures to ensure that they work well in both large and small scales.
- *Altcoin*: It is the community accepted name for any coin but Bitcoin. It include Dash and Monero.
- *ASIC Miner*: Application Specific Integrated Circuit (ASIC) is a crafty method of mining various coins at a much faster rate than any normal desktop might allow.
- *Blockchain*: It is a data system that permits the creation of a digital ledger of transactions on a non-centralised network. Cryptography is the main operator that allows for users to engage with the ledger without requiring any central figurehead.
- *Fork*: A fork is the permanent divergence of an alternative operating version of the current blockchain which comes into existence when more than half of the system is bugged out.
- *Multisig*: Multisig, or multisignature refers to having more than one signature to approve a transaction.
- *Node*: A node is essentially a computer connected to the Bitcoin network.
- *Oracles*: It work as a bridge between the real world and the blockchain by providing data to the smart contracts.
- *P2P*: Peer to Peer is a decentralised interaction between two participants or more in a highly interconnected network.
- *Smart Contract*: A two way smart contract is an unalterable agreement stored on the blockchain that has specific logic operations akin to a real world contract. It can never be altered if signed once.
- *SHA-256*: It is a cryptographic algorithm used by cryptocurrencies such as Bitcoin.
- *Testnet*: It is used by developers to prevent expending assets on the main chain.

## How do miners create coins and confirm transactions?

Every cryptocurrency has a network of peers, each one having a record of all the transactions taking place, and thus, the balance of every account.

Let's take an example to understand the process of how a transaction gets confirmed. A transaction is a file that says, "Jane gives X Bitcoin to Grey", though the names of the participants in the transaction are not actually known by the other peers in the network. This is signed by Jane's private key which is her basic public key cryptography. After signing, the transaction is broadcasted to every peer in the network; this is basic peer-to-peer technology. The transaction takes some time to get confirmed. A transaction stays pending and can be forged until it is not confirmed. On confirmation, it becomes an unchangeable record of historical transactions of the blockchain.

Only miners can confirm transactions. They stamp them as legit and spread them in the network. Every node then has to add it to its database. The transaction then becomes a part of the blockchain. For this job, the miner gets a reward in the form of cryptocurrency coins.

### **The History of Cryptocurrency**

In 1983, the American cryptographer David Chaum conceived an anonymous cryptographic electronic money called 'ecash'. Later, in 1995, he implemented it through 'Digicash', an early form of cryptographic electronic payments which required user software in order to withdraw notes from a bank and designate specific encrypted keys before it can be sent to a recipient. This allowed the digital currency to be untraceable by the issuing bank, the government, or a third party. In 1996, the NSA published a paper entitled "How to Make a Mint: the Cryptography of Anonymous Electronic Cash", describing a Cryptocurrency system in an MIT mailing list. Satoshi Nakamoto created Bitcoin back in 2008 and it's value exploded without question. Back when it was first created; it had a value of a little over a single cent. However, the value quickly grew and in late 2009 had already reached \$27 for a single bitcoin. Jordan Kelley, founder of Robocoin, launched the first bitcoin ATM in the United States on February 20, 2014. By September 2017, 1574 bitcoin ATMs were installed around the world with an average fee of 9.05%. Now, in 2017, a single bitcoin has a value of over \$7,500.

### **Cryptocurrency in India**



Source: kryptomoney

India, a country with population over 1 billion is the world's fastest growing economy, as declared by the IMF. More than 40 percent of the country's population has access to telecoms and internet services. Bitcoin and other cryptocurrencies have been operating within the country for a number of years now.

As early as 2012, small scale Bitcoin transactions were already taking place within the country. By 2013, Bitcoin was beginning to gain a level common practice for some to buy larger orders of Bitcoin or other cryptocurrencies and then sell them at a later date.

The general level of prices of cryptocurrencies in India is on the high side. Market rates are relatively higher by as much as 5 to 10 percent compared to the global average because it has no international price policy. Also, with strict government restrictions on the international money flow, it becomes significantly difficult for Indians to transact with many of the large foreign crypto exchange platforms. But the emergence of local platforms have helped to alleviate this issue to some extent as it is now a little easier for lower income citizens to gain access to cryptocurrencies.

However, the cryptocurrency enthusiasts are in a tizzy since government policies remain nebulous in recognising Bitcoins as a legal tender.

### **Possible impact of using cryptocurrency as money**

Cryptocurrency aims to revolutionise the way we transact in a world no longer only physically, but also virtually. It has aimed to remove middlemen such as our central banks and to give much power back to the people in the money market. And as expected, our governments are fighting back. There is a lack of clarity and homogeneity in how the states treat and think about cryptocurrency. A legitimate form of virtual money? A commodity? Or a financial security? All these terms and labels have different ramifications because of which the values of cryptocurrencies have fluctuated so massively. While both sides of the debate on cryptocurrency fight, the world deals with its consequences.

The use of cryptocurrencies does not require authorization by any middlemen, which means there is no surveillance on why it is used. Transaction fees are minimal, as low as a couple cents for some cryptocurrencies adding to the allure of privacy and anonymity associated. By cutting out the middlemen, cryptocurrencies are causing disruption in the global payment system as it becomes difficult to trace and ascertain the identity of the participants which further means that it is difficult to prevent money laundering, terrorist activities, the illicit trade of commodities like drugs and ammunition. This is because documentation of the person in the eyes of the government is only done when the cryptocurrency is converted into a legal tender. Silk Road, dark web marketplace infamous for such trade, was closed down in 2013, but more such websites have sprung up. Dark web is a part of the internet that does not show up on search engines like google or bing, and is not easily accessible, but it is a menace. It is scary to think about what would entail if the dark web can use cryptocurrencies.

Cryptocurrencies have no intrinsic value, most of them are not backed by the state nor are they based on assets like oil or gold. What this means is that there is no institution that has a vested interest in maintaining their value, which makes cryptocurrencies sort of immune to government induced fluctuations. Its value depends on the willingness of people to believe it legitimate and secure, and to use it for transactions.

This has a lot of effect on the money market. With no control on a currency, governments lose control of the amount of money in circulation, which in turn threaten their use of monetary policy to keep inflation in check. This is why central banks are issuing regulations to impose control. Russia's central bank said it would criminalise the use of bitcoin as a money substitute and would block websites selling it and its rivals. The European Central Bank has warned EU of the same risk of lost control of money supply, thinking of cryptocurrencies along the same lines as the tulip, i.e a bubble. At present there is a limited market cap of cryptocurrencies, take for example bitcoin. The supply of bitcoin is limited like gold, which is problematic because it means that the price of bitcoin will continue to fluctuate which bolsters the view that bitcoin and the likes are a bubble, that it will burst and the hit will be ugly. Furthermore, new cryptocurrencies are being 'born' every day, which means we really do not and cannot know about the supply of cryptocurrencies.

Meanwhile, Japan has recognised bitcoin as legal tender and approved several companies as operators of cryptocurrency exchanges given they register with the government. United States has taken a positive approach towards cryptocurrency, while setting up several agencies to prevent illicit crimes transactions through it. Bitcoin and other cryptocurrencies are treated like property and are taxed alike.

But cryptocurrencies can and could de-dollarize the world. The global economy is interconnected in a very complex manner, but we can say that it is the US dollar that is the lynchpin. If the financial world is the internet, the US dollar is Google Chrome which makes the United States Treasury a de facto central bank of the world. This is an oversimplified statement but also shapes the dynamics of international trade, foreign relations, diplomacy and economic sanctions. It is also one of the reasons why the US has such a huge dominance in the world. Cryptocurrencies challenge all that by decentralising transactions without any recourse back to the US dollar. Many countries are considering the adoption of state owned cryptocurrencies to move the country out of difficult economic situations brought on due to sanctions by the US. For example, Venezuela has launched its own oil-backed cryptocurrency which helped them reduce inflation caused due to these sanctions. North Korea is another such country which has tried the same. This provision is a massive attack on the dollar. These attacks are serving the countries that are under fire with sanctions. But if the dollar really takes a hit, more than the US and other advanced countries, it is the smaller and emerging economies that will suffer.

In the business world, cryptocurrencies have caused two kinds of effects. The first one is of Initial Coin Offerings (ICOs) in crowdfunding process for startups. Another is the sudden boom in valuation of businesses. ICOs are a way to crowdfund new cryptocurrency in which the creators offer 'tokens' of that cryptocurrency in exchange for capital in the form of legal tender. It has provided an escape route for the rigorous rounds of funding startups go through, hence reducing their cost. Although ICOs can provide fair and lawful investment, a word of caution for investors - to beware of scammers and the high risk and lack of security - is required. The second more serious effect is that of the boom in share market prices which are associating themselves with cryptocurrencies or blockchain technology. One such example is of LongFin, a New York based fintech, which experienced a 1000% stock rise after they took over a cryptocurrency company. These market caps are not justified, as they show volatile investor behaviour and could harm the security market, once cryptocurrencies start losing confidence if deemed illegal or restrained.

As cryptocurrencies continue to experience growth in price, market capitalization, and mainstream adoption, they are providing features and functions that are revolutionising the way we operate in the global economy. We may longer face the question if cryptocurrencies are disrupting the global economy, but we do need to question ourselves on how much and ask what the future holds. Only time will tell.

### Issues associated with the use of Cryptocurrencies



Source: bitwala.com

With the astronomical rise of crypto currencies like Bitcoin and Ethereum, there seems to be an influx of people into the market. The market seems to be growing in popularity every day, but despite all of this; there are a number of major problems that plague the market. The following are some of the major problems in the cryptocurrency market.

### ***Price Manipulation***

One of the biggest issues in the cryptocurrency market is the excessive volatility. It is quite intuitive that high volatility coincides with high volume and a price drop. When markets panic, prices can drop massively that brings in even more sell-orders as everyone tries to close their positions. It is still important to note the relationship of these three factors and their co-movement.

*Whales* are the number one reason why markets are volatile. Whales are individuals that have large cryptocurrency holdings. They are able to swing the market by manipulating the price of a cryptocurrency. They do this by means of “buy and sell walls.”

### ***Cybercrime***

The cryptocurrency market has right from its inception been beset by the activities of hackers and cybercriminals. There have been a number of high-profile cryptocurrency hacks and heists that have resulted in millions of dollars being stolen.

Most attacks involve creating websites or social media accounts that sound similar to the real ICO project. ICOs are digital token sales typically that raise ether, with users transferring the funds to addresses provided by startups. Investors, sometimes eager to get early access to new token offerings have been tricked into providing their credentials to fake websites through targeted email campaigns, twitter posts and slack messages.

### ***Transaction Delays***

The cryptocurrency market is plagued with a litany of delays across almost every type of transaction. Experts identify scalability issues as the cause of transaction delays. As the block chains become longer, more transactions are being held up in the queue awaiting approval. The market is volatile and as such, delays can be costly.

### ***Pump and Dump ICO Schemes***

Pump and dump ICO schemes continue to be a problem for the market due to lack of regulation. The promise of quick money works like a giant magnet sucking in thousands of first time cryptocurrency investors into Pump and Dump chat rooms on Telegram app. Many tokens are introduced to the market via ICOs with investors buying these tokens in exchange for fiat money. There are literally thousands of people being duped by Pump and Dump groups every day. Pump and Dump campaigns are designed to increase the price of a low volume crypto currencies and tokens in a matter of seconds and to create “buy” positions at certain price points which then the organizer of the Pump and Dump will use to exit their position, leaving everyone else with a few worthless coins.

These are just some of the badgering issues in the cryptocurrency market that threaten to affect the quality of the trading experience. It is crucial that key stakeholders in the market continue to work on efforts to combat these issues.

### **FUN FACT!**

*On 22nd may 2010, Laszlo Hanyecz made the first real world transaction with bitcoin and traded 10,000 btc for two Papa John's pizzas. This day is now celebrated as the Bitcoin pizza day around the world!*

### **Contributed by:**

**Anoushka Chawla, Shreya Kapoor, Khushboo Ahuja, Shubhangi Bansal and Muskan Jain  
(II year)**

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## **The Current Status of Cryptocurrency in India**

Cryptocurrency is a virtual currency that converts legible information into an indecipherable code to secure transactions such that they are virtually unhackable. Known to be developed by Satoshi Nakamoto, transactions in cryptocurrency take place directly between individuals, eliminating the bank's role of an intermediary. All cryptocurrencies rely on a technology called blockchain (a digital ledger where all transactions are recorded). Bitcoin, the first cryptocurrency created in 2009, was created to avoid centralized banking and government currency, it reduces the cost of transactions and can potentially be used as a centrally banked currency. Bitcoin, unlike fiat money, is inflation proof that is, it cannot suffer a loss in value due to inflation. Also, cryptocurrencies are not affected by monetary policies of governments and by central bank decisions.

With the rising value of Bitcoin and other cryptocurrencies like Ethereum, there has been a tremendous rise in the use of cryptocurrency around the world; the market cap of Bitcoin increased by 20 times in 2017. However, cryptocurrencies are risky because of their speculative nature as wealth can be gained and lost very quickly. Since, the whole transaction process in cryptocurrencies are recorded on a digital ledger, it is susceptible to hacking. The decentralized nature of virtual currencies is both a blessing and a curse as their worth can fluctuate wildly as per the demand. There has been increasing concern regarding the anonymous nature of investors of cryptocurrencies, it may be used for drug deals, arms deals and money launderers.

In India, the Finance Ministry recently issued a statement warning against investing in Bitcoin and other virtual currencies pertaining to the above mentioned risks. This came after three other warnings issued by the RBI. Emergence of cryptocurrencies poses a challenge to states and central banks in terms of control and regulation because of the decentralizing technology behind cryptocurrencies. In spite of the warning statements issued, Bitcoin is not illegal in India. The craze for Bitcoin is only rising and as of January 11, the Income Tax Department in its first ever survey on trading of cryptocurrencies, found that there are over six lakh active cryptocurrency users in India. There have been attempts to assess the regulations of cryptocurrencies by the Indian government. In April 2017, an inter-disciplinary committee led by Special Secretary (Economic Affairs) was set up to examine the legal and regulatory framework of virtual currencies in India as well as globally. The committee was expected to submit its report within three months suggesting measures to deal with cryptocurrencies as well as issues relating to consumer protection, money laundering and other related issues. In the meantime, the SEBI (Securities Exchange Board of India) said in December 2018, that if Bitcoin is a commodity derivative, then SEBI might regulate it. However, there are still no proper guidelines or regulations but the Income Tax Department has made it clear that tax has to be paid on cryptocurrency transactions and any gains accruing from such transactions.

Reports in January 2018 suggest that the Indian Government wants to formulate a law for the regulation of cryptocurrencies and has formed a committee to fast track the process. The two main challenges that the law is expected to address are: regulation of exchanges of the cryptocurrency, and the source of money being used to trade in them. This concern rises from the Indian government's worries that black money is being used in such transactions and that post demonetisation, it was channelled into

cryptocurrencies. Meanwhile, certain reports have been doing rounds that India's largest and biggest conglomerate, Reliance Industries plans to launch their own cryptocurrency called Jio Coin with Mukesh Ambani's elder son Akash Ambani leading the project. Reliance plans to build a 50-member team of young professionals to work on blockchain technology. With the advent of Jio Coin, there are going to be important implications for the country. Firstly, it is expected that the legal status of cryptocurrency can get a major boost if Reliance creates its own cryptocurrency and with that, India's investment and trading into virtual currency will be transformed. Secondly, the blockchain technology will get a power boost in India as JioCoin can be expected to work for smart contracts, for logistics, for inventory management and a lot more. Thirdly, Internet of Things (IoT) application will also get a boost in India since Reliance aspires to get into IoT which is based on blockchain technology.

With some advancements towards the age of cryptocurrency in India, both from the consumer side in the form of increasing active users and the producer side with a big firm like Reliance planning to invest in the blockchain technology, India is set to witness major transformations in the virtual currency platform. The cryptocurrency frenzy doesn't seem to die down so soon and the recent developments calls for regulatory interventions sooner than later.

**Priyanshi Chaudhary, III Year**

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# STANDPOINT

## NON-PERFORMING ASSETS





## **Implications of the NPAs problem on India's growth**

**Ms. Bijoyata Yonzon,  
Assistant Professor, Economics Department**

The Non-Performing Assets (NPA) for banks (both public and private) have been accumulating over the years. The figure is very high for the public sector banks (PSBs). High NPA implies that the banks have fewer resources and would not be able to lend, affecting the investment and thus the growth of the country. Most of the NPAs are from the advances to the top corporates. The gross NPAs or bad loans of scheduled commercial banks as on December 31, 2016 due to loans to industry accounted for 20.41 per cent of the gross domestic advances. This was followed by the loans to services sector which was 5.77 per cent and agricultural and allied sectors which was only 6.53 per cent (Economic Times). The share of the priority sector in total NPA was 24.1 per cent while around 75 per cent was from the non-priority sector in 2017 (<https://www.rbi.org.in/scripts/PublicationsView.aspx?id=18061>). The loans forwarded to the top corporates in many cases have been siphoned towards financing the luxurious living of few people. The government in order to bail out the banks would be using the tax paid by the larger part of the population for better infrastructures in the economy. It would also put a pressure on the fiscal deficit of the country. One of the solutions floating around is that of privatisation of PSBs. This would lead to lesser credits towards priority sectors which include agriculture, education, micro and small enterprises. The objectives of PSBs are different from that of the Private Banks and the private banks are also suffering from the accumulating NPAs. Keeping a ceiling to the credits advanced and bringing the defaulters into account through better regulations should be the way forward for the banking sector.

## **Non- Performing Assets: A Critical Analysis**

**Dr. Devendra Kumar,  
Assistant Professor, Economics Department**

The recent episode of default and fraud at the Punjab National bank has once again highlighted the problem of non-performing assets (NPAs) in India. At the end of fiscal year 2016-17, gross NPAs of the scheduled commercial banks in India were Rs. 7,918 billion which was 9.3 per cent of the gross advances of scheduled commercial banks.[1] After this episode main focus in the public discourse has been on the corruption element. Certainly, corrupt practices may account for some inefficiency in the credit market but I doubt if all the recent increase in NPAs (and earlier as well) is only for this reason.

The observation, that a big number of housing projects in national capital region (ncr) have been delayed for years has led me to think that such a situation would have economy wide implications. The delays in housing, commercial or manufacturing projects may also have some impact on the credit market as these delays would affect profitability and viability of any enterprise. I think that the rise in NPAs is related to economic performance. If a business is profitable then it would not be difficult to meet the liability obligations and if the profitability declines the difficulty in meeting the liability obligations would increase. To analyse the relationship between economic performance and NPAs, I have used the statistics related to gross NPAs as percentage of gross advances, growth rate of gross national income (GNP), gross fixed capital formation (GFCF) and growth rate of industrial production.[2] The data has been used to draw the following diagram.

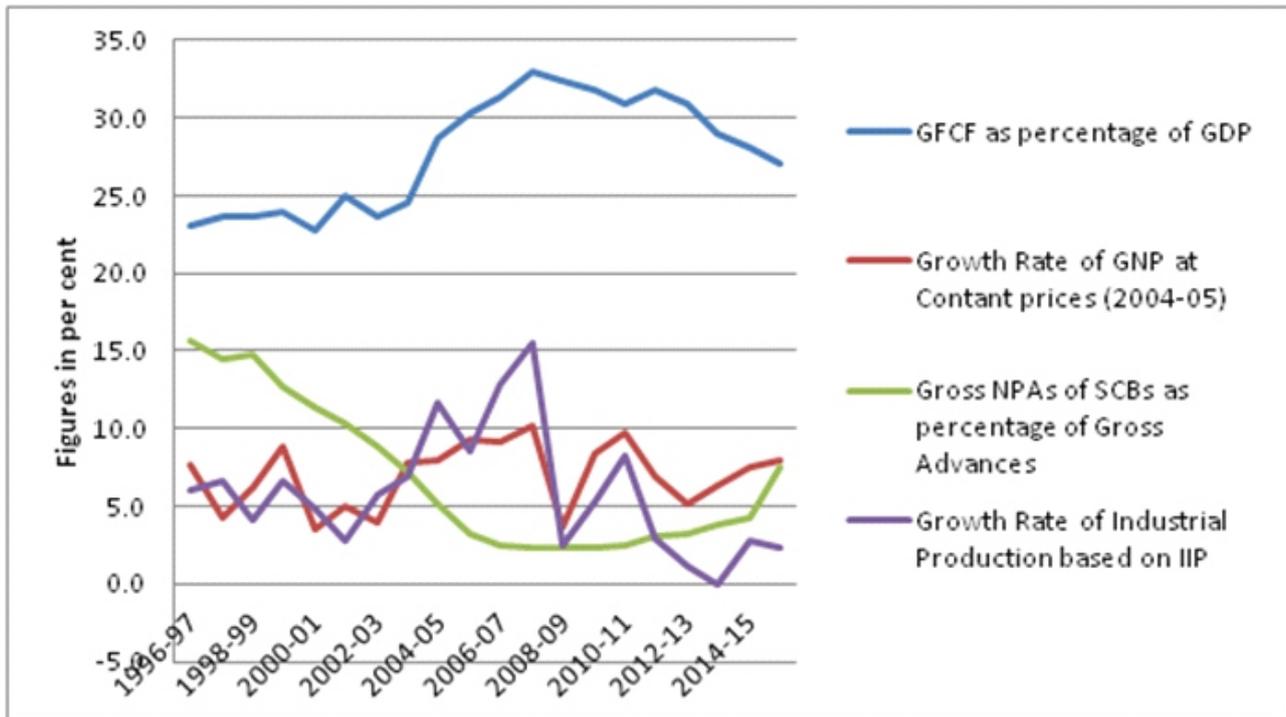


Figure: NPAs, GNP, GFCF and Industrial Production

The statistics given in the figure also confirm (up to some extent) the idea that changes in NPAs are related to economic performance. We can see that gross NPAs of the scheduled commercial banks as percentage of the gross advances, that declined from 1996-97 to 2006-07, stabilized around 2.5 per cent between 2006-07 and 2010-11. Thereafter NPAs started to increase and reached at a level of 9.3 per cent at the end of fiscal year 2016-17. During the period from 1996-97 to 2015-16, the growth rate of GNP has been very fluctuating. Although from 2001-02 to 2007-08 the improvement in growth rate is associated with a decline in the NPA ratio, but in the later period increase in growth rates is accompanied by an increase in the NPA ratio. On the other hand, gross fixed capital formation seems to be negatively, clearly and significantly, related with NPAs. We can also see a downward movement in the growth rate of industrial production[3] 2011-12 onwards when NPAs started to increase after being stable for few years.

[1] Report on Trend and Progress of Banking in India 2016-17, Reserve Bank of India, Mumbai, 2017.

[2] The statistics have been taken from Economic Survey of India- 2018, Ministry of Finance, Government of India; and Handbook of Statistics on Indian Economy, 2017, Reserve Bank of India.

[3] Statistics for Index of Industrial Production was not available for a single base year. The index values for different base years has been converted into a single index series with 2004-05 as the base year, after that year-on-year growth rates have been calculated from the series.

## Non- performing Assets: A Menace to the Indian Banking System

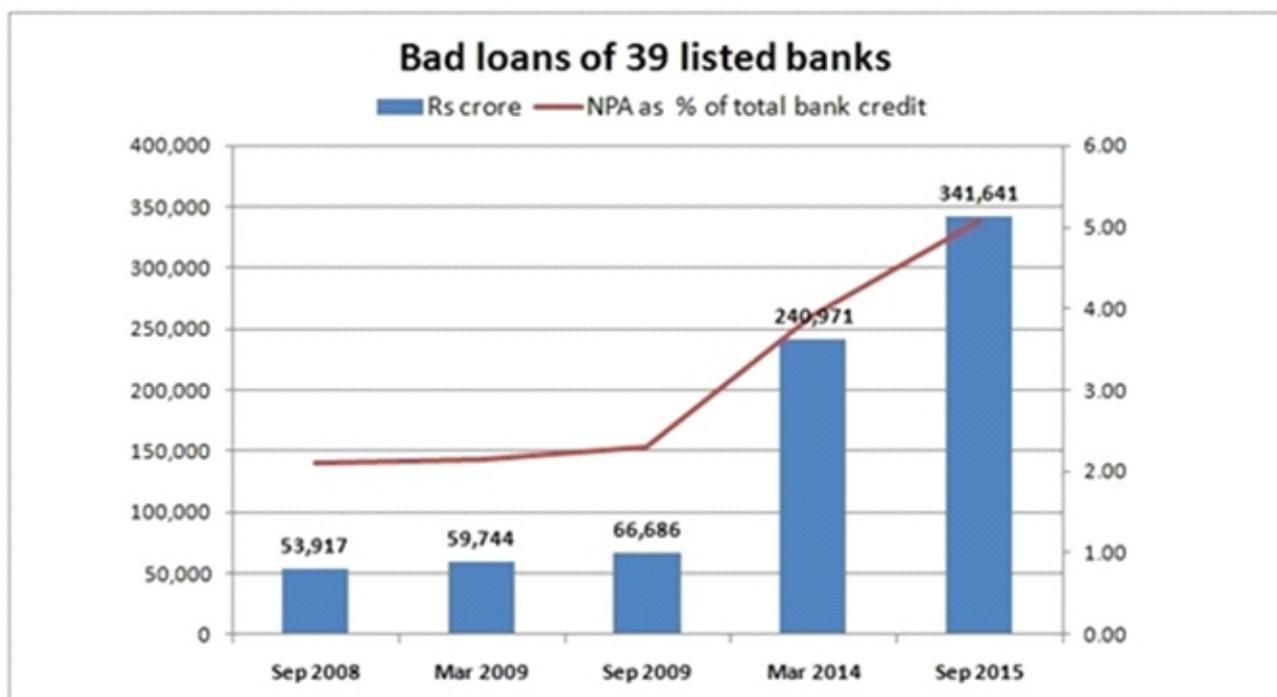
India is emerging as one of the fastest growing economies in the world and is likely to be one of the top three economic powers of the world over the next decade or so backed by its strong democracy and a ‘secret weapon: a large young population.

Yes, India seems to be winning but the WRONG RACE.

One of the biggest talking points of the Indian economy nowadays is the Non- Performing Assets' (NPAs) situation at banks. NPAs have become the latest blot on India's economy. Based on the recommendations of the Narasimham committee, the concept of NPAs was introduced in 1991 as a part of the Indian economic reforms by Dr. Manmohan Singh, the then finance minister.

Loans given out by the banks whose repayment has been delayed beyond a certain time are termed as NPAs. It's not always the bank's poor lending decisions that lead to creation of NPAs. But, also borrower's willingness to pay, general economic conditions, industry-specific issues and government policies also contribute to the health of the account. It is also alleged that banks are forced to give loans by politicians and higher officials.

In the last few years, the lenders have come under more pressure due to growing unpaid loans. The problem itself is far from disappearing, thus needs measures for improving the health of the ailing banking sector. The extent of the problem can be seen from the following graph:



Source: Firstpost

Non-performing assets (NPAs) also threaten to hinder growth and jeopardise the health of both state-owned, as well as private banks. Stressed assets held by Indian banks amount to around Rs.10 lakh crore (\$150 million), roughly twice the GDP of Sri Lanka. NPAs affect not only the investors' confidence and interest in the bank; it also adversely affects the banks' individual growth.

Banks failing to recover their money from big defaulters is primarily due to the lack of clear and efficient legal recovery mechanism. It is extremely hard for creditors to liquidate a defaulting company.

Measures to make the banks robust enough to solve the problem of NPAs would require some law interventions, which could release most of the economic and financial stress on public and private lending institutions. Apart from this, recovery of loans also needs to be tightened and political interventions like loan waivers must be given a second thought. Previous attempts to do this have been moderately successful.

To recover outstanding loans, following acts were instituted:

- IBC (Insolvency and Bankruptcy Code)
- SARFAESI (Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest) Act

- RDDBFI (Recovery of Debts due to Banks and Financial Institutions)
- Debt Recovery Tribunals (DRT) were also set up to fast-track proceedings.
- The Financial Resolution and Deposit Insurance (FRDI) Bill is the latest attempt at mopping up the bad loans.

However, the value of recovered assets from these acts constitutes only a tip of the NPA iceberg. Next came, Recapitalisation of PSU Banks. In 2016, the government allocated Rs. 25,000 crores for the recapitalisation of PSU banks. This figure has been reduced to Rs. 10,000 crores for the present fiscal year. This measure was necessary as banks needed to overcome the stressed assets and NPAs. The recapitalisation will help banks cover their stressed assets with the fiscal deficit target set to 3.2%. The provision for NPAs has been increased from 7.5% to 8.5%. This will reduce tax liabilities of the banks. Though, the experts are still undecided in choosing their preferred side of the table.

But, much more needs to be done if the problem needs to be fixed once and for all.

**Swastika Jain, III year**

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## STUDENTS' OPINION

India's increasing non-performing assets pose a major problem for the entire financial system. This affects the availability of funds for other good borrowers and companies who are genuinely in need of funds. But in my view, the banks can't stop lending to big borrowers because lending is critical to channelize investment in the country. Certain strict measures should be taken to ensure the credibility of lending. Checking the past credit history of the borrower, ensuring that the banks keep a close check on their accounting statements for regular updates, etc. could be some of them. Also, in reference to the recently held Nirav Modi case, it should be made compulsory to link the Core Banking Solution (CBS) network of banks to the SWIFT account to ensure that such frauds in the future can't take place. Such measures can ensure that the fiscal deficit caused due to the NPAs can be reduced significantly, thus improving the financial health of the country.

-RITIKA JAIN, III YEAR

NPAs are one of the most severe problems plaguing the Indian banking sector especially the PSBs, affecting their liquidity, profitability and productivity. Asymmetric information problems associated with bad debts formation needs serious attention as it leads to adverse selection of projects for lending. The government needs to strengthen credit appraisal, introduce better collateral management and tighten the lending norms especially for corporate big guns. NPAs hinder private investment, hence choking economic growth. Government needs a systematic approach in identifying the major defaulter sectors and then developing an appropriate solution because with NPAs stuck in the balance sheet of the country, long run growth will be hindered.

-SIMRAN SINGH, II YEAR

The non-performing assets (NPAs) mess in the country's banking system is politically incorrect and equivalent of “Wham-Bam-thank-you-ma’am”. It is the metaphorical nine-months-later consequence of "take the money and run". Briefly, NPA is outlined as an advance where payment of interest or repayment of installment of principal (in case of term loans) or both remains unpaid for a certain period. So the rise of non-performing assets in the banking sector should be considered as a curse for the Indian economy.

-MUSKANBHOLA, I YEAR

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-MUSKANBHOLA, I YEAR

NPAs emerge when people who took loans from banks default. And thus the bank's value of assets decreases, leading to a fall in their net worth. Improper screening and monitoring by banks may lead to NPAs.

India ranks second amongst the economies having highest NPAs. A reason of concern, this is because rising defaults in a country like India, where some people still hesitate to trade in financial securities make them to invest/deposit majority of their wealth in banks, and if banks value of assets decreases with rising defaults, there may be chances that banks won't pay an interest rate as high as before to lenders/savers. With inflation the real interest earned on savings would fall.

Even after seizing collateral and getting money out of it doesn't suffice the amount of default. Thus, emerging NPAs will lead to economic downturn in the long run.

-NIKITADUA, II YEAR

To deal with the problem of Non-Performing Asset, the government of India introduced the bank Recapitalization i.e. injecting capital into public sector. The government plans to inject the capital of rupee 2.11 lakh crore by 2017. The Reserve Bank of India, asked the public sector for the recovery of 50% of NPA in 2017, but this process is taking long time and by that time we will need more capital in this field.

The idea of recapitalization will yield result only if the banking sector holds assets. Unless and until government wants to hold 51% of its equity in public sector, we cannot have periodic injection of capital.

The amount that is allocated for the injection of capital is too little in comparison with the amount of bad loans in India. As the amount allocated is already niggard, late actions will drain the liquidity of the banking sector.

-BHAWNASAHU, III YEAR

For any nation, banks play a very crucial role in sustainable growth. But unfortunately there is always a risk associated with lending. When a borrower stops paying loan, lender loses money and it is termed as Non-performing asset. According to Financial stability report recently released by Reserve bank of India, it is expected that the conditions of the Indian financial system are expected to collapse further beyond any improvement. Gross NPAs have risen from 9.2% in September 2016 to 9.6% in March 2017. Due to these increasing NPAs, the situation of public sector banks is especially worrisome. The public sector banks can not alone be blamed since the convolute working of the bureaucracy, delays in land acquisitions and politically inspired agitations have played a major role. And ultimately the burden has to be bore by the taxpayers.

-TANYA BHATIA, III YEAR

Indeed India is going through hell with regard to the NPAs. Loans worth more than rupees 7 lakh crores are classified as Non-Performing in India. This is a huge amount. This means around 10 % loans are actually never paid back which is a critical issue. India's NPA situation is on a verge of worsening.

-DIVYA SHARMA, III YEAR



# FINDINGS

STUDENTS' RESEARCH





## **Parental Pressure**

We conducted a research on the topic 'Parental Pressure'. We conducted a primary survey in Delhi of 45 students aging between 17-21 years belonging to a middle income earning group. The objective of this report was to find out if students face any kind of parental pressure.

Parental pressure means the mental stress or anxiety faced by the students due to the pressure put up with their parents for them. In our survey we made respondents fill a questionnaire containing questions regarding the demographic dividend, any kind of pressure experienced, participation in sports/ extra-curricular activities (ECA) and also regarding their weekly expenditures.

Our results showed us that the students do not really face any such kind pressure from their parents or family and respondents actually appreciate their parents for helping them emotionally and physically. Most of the students chose subjects either due to better career opportunities or because of their own interest and passion. When asked about their parents' attitude, most of them responded that their parents don't pick friends for them and are liberal towards their expenditures. Also, parents were seen to be supportive towards ECA.

In our report, we also took secondary data of countries such as China and Japan to compare parental pressure faced by students in these countries. We found that 63% of people in China thought that children were under too much pressure by their parents for better academic performance followed by 61% of people in India and 59% in Japan.

Parental pressure may vary from city-to-city and the socio-economic conditions of the family. Since our survey is Delhi-based, one of the most developed and resourceful city. So, from our report we can conclude that parental pressure may exist but is not overpowering. Parents are there to guide and support their children.

**Bhavya Dureja, II year**

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<https://goo.gl/mWSKpV>

## **Feminism in India- Opinions of the youth**

Feminism is a range of political movements, ideologies, and social movements that share a common goal: to define, establish, and achieve political, economic, personal, and social equality of the sexes. This includes seeking to establish educational and professional opportunities for women that are equal to such opportunities for men.

The objective of the project is firstly, to know what the youth thinks about everyone having equal civil rights, liberties and opportunities regardless of gender. Secondly, testing their opinions on issues of gender inequality like gender pay gap, gender roles pertaining to household labor, men's issues under feminism, promoting women's reservation as a solution to reduce the gender inequality.

The research used only primary source of data via questionnaire. Since the main objective of the research was to find out what the youth thinks about Feminism and Feminists, our target audience, broadly were people from the age group of 15 years-25 years, the sample size is 109.

The following is the summary drawn from the findings:

While many people label themselves as either Feminists or someone who believes in gender equality, garnering their opinions on issues related to gender equality presents us the reality. While opinions on different issues are not correlated and do not lead us to a collective common narrative, they push us in one of the two directions: egalitarian or sexist.

- 17% of the respondents do not believe in gender equality which is alarming for the demographic i.e. young educated people.
- Almost every respondent claimed to know the meaning of the word Feminist and a majority of the population identified themselves as Feminist.
- Out of those who do not identify themselves as Feminists, 39% believe in equality but think Feminists don't. This reveals the misconceived opinions people hold about Feminists.
- 93% said yes when asked if they know the meaning of Feminism but when asked what Feminists fight for only 84.4% said social, political and economic equality of the sexes, this means 9% have some misconceptions.
- There are many inconsistent answers by the population regarding their opinions for example: 81.7% people think that government needs to work more to reduce gender pay gap but there are only 67.9% people who think gender pay gap exists.
- About 23% people think that careers are not gender-neutral while about 22% have an ambiguous opinion. Quite a few think that it's impossible for men to face domestic violence, which is quite a misinformed opinion. When it comes to body image issues, many believe only women faces this problem, a few think only men face these and majority thinks both face these.
- Some of the people believe patriarchy has no effect on men, while majority thinks that it affects them both positively and negatively.

Social media has given people the ability to connect and share information. Whether Twitter, Tumblr or Facebook, people can search for articles, pictures or gifs related feminism. The availability of feminist materials and role models on social media keeps the movement relevant. But also we see on social media a trend that can be rather harmful to the movement. People tend to agree to popular opinions and trends on social media while in real life they may hold different opinions and this bandwagon effect often leads to misconceptions, contradictions and contortions.

And yes, that is exactly what we found in our research. That misconceptions exist, that people are still unclear about what Feminism means, about what equality truly means in its purest and truest forms. There is much awareness that needs to be spread, and it is not only a job of the government but also ours, as people who hold that information and can spread it.

**Khushboo Ahuja, II year**

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## **Does Higher GDP Mean Better Health? A Comparative Study of India, Sri Lanka and United States**

Human capital is an important factor that determines the output of a nation. We know human capital is dependent on various factors. Our study focused only on health sector. We aimed to find relationship between health sector and GDP per capita of India in comparison with United States and Sri Lanka. A nation where people are not having basic health facilities cannot use their skills and knowledge for the growth of the nation if they are not healthy enough to work as human capital. And if a nation is having good health facilities, then the people can be a part of better human capital provided they have opportunity to contribute in the production of goods and services. So for sustainable growth of a nation, there should be GDP growth as well healthier people. It was a comparative study on the basis of GDP per capita (US \$) and the following health parameters for the time frame 2003-2013:

1. Life expectancy at birth (years)
2. Death rate (deaths/1,000 population)
3. Infant mortality rate (deaths/1,000 live births)

We took India as our central country and compared it with Sri Lanka- having GDP much lower than

India whereas on the other hand we took USA- having GDP much higher than India; thereby presenting the contrast between India and Sri Lanka and between India and USA.

This study gave us the conclusion that though higher GDP implies that the country should be performing better in terms of health than those with lower GDP as there is positive relation between health and GDP. But in reality we came across countries like Sri Lanka which is performing better than India on the health front. Though there are countries that do go with this perception. We have come across various factors because of which countries like India fail to perform better than Sri Lanka. This comparison of India with other countries gives a reality check and motivation to perform better. This gives insight to Indian government what policies it should adopt to perform better.

**Nancy Singla, Pragya Singh, Mansi Kalra (II Year)**

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## **The Scope of Ayurveda in India**

Ayurveda medicine is a system of medicines with historical roots in the Indian sub-continent and its benefits have been proven over centuries of use. People are getting attracted towards these products because of lack of chemicals usage and increasing consciousness for health. India came up with a separate department in September 2014, i.e. the Ministry of AYUSH (Ayurveda Yoga Unani Siddha Homeopathy) with an objective of promoting ayurveda medical system through cost effective services.

We conducted a primary research on people of age group between 18 and 55 years. We collected data from 96 respondents, within different parts of Delhi. The aim of this report was to investigate the trends of Ayurveda consumption (products and medicines) and the type of other medicinal treatment along with it. The three main objectives for our study and their findings are as follows:

*First, proportion of people consuming ayurveda:*

From total diseased population, very few preferred to take ayurvedic treatment i.e 25% and rest 75% rely on other type of medical treatment including allopathy and homeopathy. The survey also observed that ayurvedic medicines provide comparatively less satisfaction (37.6%) than other medical treatments available (62.4%).

*Second, proportion of people finding ayurveda products reliable.*

The survey shows people's attitude towards ayurvedic product. Using Likert's scale, the ratings given to ayurveda products have been clubbed here: scale 1 to 3 depicts non favourable attitude and scale 4 to 5 depicts favourable attitude. The study found that 66.7% have favourable attitude towards ayurveda products. We also observed that users of ayurveda product are more than users of ayurvedic medicines.

*Third, proportion of people satisfied with their current treatment*

It shows that 92.8% of surveyed population is satisfied with its current treatment and rest wants to shift to other. Out of population who agreed to shift to any other treatment comprises 17.1%, and 82.9 % want to use same treatment.

We finally concluded that ayurvedic products are coming in trend but ayurvedic medicines are still a step behind because of it's time consuming effects. Majority of people are satisfied with ayurvedic products but not medicines.

**Nikita Dua, Ritika Jain, Sakshi Mukhi, Nishtha Aneja (II year)**

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## **Single Child and the Sibling**

Siblings play a unique role in one another's lives that stimulates the companionship of parents as well as the influence and assistance of friends. Children with much older or younger siblings may also have a similar family environment to only children.

The objective of this project is to identify the effects of being an only child and to examine the relationship of siblings. This research study used primary sources of data. We prepared a questionnaire that was filled by sample size of 40 respondents. Age group we have considered is from 17-25 years and from which 25.8% are males and 74.2% are females. There are 31 responses of having a siblings and remaining 9 do not have siblings.

Our main findings are:

- 25.8% are always getting in fights with siblings, 64.5% sometimes get in fights and 9.7% are never get in fights.
- 90.3% of respondents feels that their siblings are protective towards them and 9.7% do not feel the same.
- And 32.3% of respondents do not believe that their siblings motivate them and 67.7% of respondents feel that their siblings motivate them.
- 55.6% of respondents, without a sibling, wished that they had a sibling. 44% of respondents with siblings said that they wished they did not have a sibling.

Since we did an online survey, so some of the questions were skipped by some respondents. We can compare the behaviour of two categories, but we cannot compare who is more happy whether an only child or a sibling case as many preferred the other case.

**Adarshdeep Kaur, II year**

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## **Menstrual taboo**

Periods! Menses! Dates! “I am down” How many times have you heard these words and felt uncomfortable? Or how many times were you not feeling good but couldn't tell your male friends what the problem was? Well, just like any other girl, we have all been there. Menstruation is a natural process which is an indicator of the onset of puberty among girls but this entire process is surrounded by taboos and myths, which disbar women from various aspects of social and cultural life. India being a developing country, most of us usually believe that such myths are no longer prevalent in the modern day urban societies, but giving a closer look to this issue, we discover that menstrual taboo exists in almost every part of our country.

Attempts to explain the origin of the taboos, or to connect the severity and laxity of such taboos with other features of the society, have varying orientations. In India, even mere mention of the topic has been a taboo in the past and even to this date, the cultural and social influences appear to be a hurdle for advancement in knowledge of the subject. Culturally, in many parts of India, menstruation is still considered to be dirty and impure. Many girls and women are subject to restrictions in their daily lives simply because they are menstruating. Not entering the puja room is the major restriction among urban girls, whereas, not entering the kitchen is the main restriction among the rural girls during menstruation. It is further believed that menstruating women are unhygienic and unclean, and hence, the food they prepare or handle can get contaminated.

Based on the available evidence, it is pertinent to follow a strategic approach for combating the myths and social taboos associated with menstruation in order to improve the reproductive health of adolescent girls and women. Young girls often grow up with limited knowledge of menstruation because their mothers and other women shy away from discussing the issues with them. Empowerment of women through education and increasing their role in decision making can also aid in this regard. Increasing the education status of women plays an important role in improving the health status of the community at large and overcoming the cultural taboos, in particular.

The objective of our study was to analyze the existence of different myths and taboos related to menstruation in an urban setup and about the general awareness regarding menstruation among urban teens, and to see whether the society still hesitates and is somehow reserved towards talking openly about menstruation in general. We did a primary research by asking people to fill out a questionnaire prepared by us. We conducted this research on the young girls of Delhi aging between 16 to 22 years old, as that is the age when people start using their own thinking capacity to make life decisions.

The results, well, only 41% of the respondents were aware about what menstruation is when they menstruated for the first time, and only 38% feel confident about discussing this topic openly in public. When it came to the television advertisements of sanitary napkins, nearly 85% girls said that they keep looking at the television screens. While 8% girls agreed that they change the channel in this situation. Around 70% girls were aware about the myths related to menstruation that are followed in our society and more than 50% of these reported that they found out about these myths from their mothers. However, nearly 83% respondents said that no matter whether these myths are followed in their family or not, they don't believe in such myths. But still, 43% of the total respondents agreed that they are made to follow them just because their families still follow and believe in these myths. Knowing what myths people still follow related to menstruation even if it's their family that forces them to follow it or their own beliefs, we wanted to know how much does "being educated" really changes the thinking of a person.

The study was overall very informative. The new generation has to follow its own rules to lead a successful life. The old ways cannot be incorporated into the hectic schedules today. So, women must be made aware about these taboos and they should stop following these myths. No matter how educated you are, if you are being told to do something, there will be a second thought in your mind, for sure, and it is completely up to that individual whether he/she wants to believe it or not.

**Sonia Rathi, Shivangi Kalra, Arzoo Yadav (II Year)**

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## Health and Economic growth

### Introduction

Economic growth and public welfare are some of the most important macroeconomic goals of any country. Health is recognized to be an important element of economic growth and human welfare. Now a days, people rate health as a priority. Health has become as important a determinant of economic growth as other economic and social factors such as poverty, low wages, unemployment etc. As is correctly noted by Bloom, Canning, & Sevilla (2004), “the most basic human capability is leading a long life, being knowledgeable, and enjoying a decent standard of living” (UNDP, 1990). Health, education and income are considered as three most important pillars of life. Improvement in health may be as important as improvements in income. Good health can be thought of as a goal in its own right independent of its relationship with income.

There are links between health and income that are important for policy making. To the extent that health follows income, income growth should be the priority for developing countries. To the extent that income is a consequence of health, investments in health, even in the poorest developing countries, may be a priority. This argument for health as an investment good is particularly relevant since there are cheap and easily implementable health policies that can improve health dramatically even in the poorest countries. High level of population health and economic growth goes hand in hand. Empirical evidence has shown that if the population health improves, it helps in the growth of an economy.

### Health and Economic growth- A descriptive model

Population health is often measured as a proxy by various health indicators such as life expectancy at birth, infant mortality rate, under-five child mortality rates, total fertility rate and death rate. The two-way causal relationship between health and economic growth can be explained in the following two ways-

1. Health influences GDP per capita
2. Greater wealth or higher GDP of the country lead to improvements in health

As several empirical evidences suggest, both the statements are found to have individual significance as well. A report by WHO’s Commission on Macroeconomics and Health states that:

*The linkages of health to poverty reduction and to long-term economic growth are powerful, much stronger than is generally understood. The burden of disease in some low-income regions, especially sub-Saharan Africa, stands as a stark barrier to economic growth and therefore must be addressed frontally and centrally in any comprehensive development strategy. (World Health Organization 2001)*

### India and China comparison

China and India have much in common. India and China are the most populous countries in the world. Both have rapidly developing economies and large populations. Together, their more than two billion residents account for one-third of the total world population. They both have almost similar kind of GDP trends but exhibit a lot of difference in health patterns. In terms of life expectancy, China has much higher life expectancy as compared to India, that is, people in China tend to live much longer than people in India.

One reason for the vast differences in health performance of the two countries is that China has much higher spending on health as compared to India. Another reason could be that China emphasizes more

on public sector health systems whereas India has a mixture of both public and private players in the healthcare system.

In addition to life expectancy and mortality rates, significant differences exist between the two countries' other important health indicators. For example, India has many more deaths due to communicable diseases. If we summarize death rates, categorized by cause in both countries in 2000, in China, non-communicable diseases accounted for 77 percent of all deaths. Heart disease, chronic obstructive pulmonary disease, and cancer accounted for approximately 67 percent of all deaths. Among infectious diseases, only lower respiratory infections, hepatitis B virus infection and tuberculosis, and prenatal conditions contributed to relatively significant mortality. In India, on the other hand, communicable and non-communicable diseases each caused more than 40 percent of all deaths.

### *What Can India Learn from China?*

Although India's health system was ranked higher than China's by WHO in 2000, Indian health is far poorer. The recent history of the Chinese health care system offers two particular lessons for Indian health policymakers:

(1) increased spending on health and (2) better control of communicable diseases and improvements in maternal and infant health. In comparison to China, India's spending on healthcare, especially on infrastructure, health providers and basic necessities is too little, and the basic national health infrastructure, which includes clinics and preventive care services, lags behind. We suggest that the government make health care its top priority and allocate more resources at the village level. Better control of communicable diseases and improvements in maternal and infant health is needed. A high proportion of deaths in India result from preventable causes. China outperforms India on almost all health indicators, especially birth outcomes and the control of communicable diseases. To show similar results, India's government must commit more resources to preventive and basic health care and coordinate efforts to improve hygiene, water quality, nutrition, and education and to reduce poverty reduction.

### *Conclusion*

Economic growth of a country is affected by various health indicators and vice-versa. Life expectancy plays a very vital role in the economic development of a country. The country which tends to have higher life expectancy tends to have higher GDP, and a country having higher GDP has higher life expectancy such as USA.

In case of total fertility, studies have shown that high fertility rate will result in low economic growth, reflecting negative relationship with economic growth. In comparison between rich and poor nations, total fertility rate of poor countries has significantly stronger negative effects on the economic growth of such countries as compared to the richer nations.

And comparisons of infant mortality rate and child mortality rate show the countries having high mortality rate have experienced low economic growth in their countries. Also, countries with higher GDP tend to have lower infant mortality rate and child mortality rates reflecting the fact that developed countries characterized by high GDP have better health conditions.

If a country has a healthier population, then it can achieve high growth. On the other hand, if a country is well developed, it is bound to have better health system and population compared to other countries. But there can be some factors responsible (such as more expenditure in health sector than other sectors, more emphasis on public sector health system) for good health conditions even if the country is not very developed.

**Tanya Bhatia and Shubhi Mittal (III year)**

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## **Impact of Reliance Jio on Consumers and Telecom Industry**

Reliance Jio Infocomm limited or Jio is an LTE mobile network operator in India is a wholly owned subsidiary of Reliance Industries headquarters in Navi Mumbai, Maharashtra that provides wireless 4G LTE service network without 2G/ 3G based services and is the only VOLTE-only (voice over LTE) operator in the country which lacks legacy Network Support of 2G and 3G with coverage across all 22 Telecom circles in India. Services were first beta- launched to Jio partners and employees on 27th December 2015 and later was commercially launched on 5th September 2016.

The main objective of the study was to identify consumer's satisfaction level with the previous network, to observe consumer's consumption pattern when JIO was paid and free, to examine the impact of the entry of JIO on Indian telecom industry and the resultant change in the strategies by them. Seven papers were considered for literature review to gain knowledge about service quality, customer preference and customer satisfaction. The study has used both primary and secondary data. Primary data included a structured questionnaire. The sample size was 101. Secondary data has been collected from scholarly articles, magazines and newspapers etc.

From the research, we found that majority of the respondents were Airtel users. Out of our sample around 58% used Jio. This number is expected to rise due to the introduction of new feature phone by Jio. Out of the sample 70% are present Jio users.

- 53% of our respondents are satisfied with their respective networks so they didn't try Jio.
- Previous consumption of present Jio users and non Jio users ranged between 500MB-1GB.
- 54% users used data between 500MB-1GB.
- Nearly 42% of free users rated Jio very good with 4 points.
- 40% discarded Jio due to bad quality, 30% due to Wi-Fi availability and rest due to other reasons.
- Considering paid users, more than 60% used data between 500MB-1GB.
- Out of present users 58% rated Jio with 4 points, 18.6% with 3 points and none of them gave them 1 point.
- Out of our sample 83.7% were unwilling to port their main number to Jio network.

We concluded that although there has been an overall increase in the level of consumption due to the introduction of Jio but, consumption past 1GB has fallen by 2.8% when Jio was introduced and again by .2% when it was made paid which is a bit contradictory taking into account the low prices the company has offered and the way it disturbed the telecom industry with its free services, and kept the pressure on competitors by announcing lower data plans and free voice calls and roaming. This could be due to many reasons, like: maybe people were initially unable to trust a new brand, or due to bad quality of Jio post 1GB, due to plans offered by other companies etc.

According to the data collected,

- 40% of free users discarded Jio due to bad quality,
- 30% due to Wi-Fi availability

which is contradictory as 41.75 of respondents rated Jio as very good and the shares of RIL had jumped 13% in a week. In case of paid users, around 59% rated Jio as very good and none of the respondents gave it less than 2 points which is also contradictory as 83.7% of the present users are unwilling to port their main number to Jio. Also, it significantly affected other networks.

Analysts and govt. officials said the free offers and continuation of data and voice tariffs of promotional nature by the new entrant, Jio, forced rivals to respond with bundled voice and data plans which could

be one of the reasons of the observed consumption behavior. Price cuts on data are in the range of 45-67% alone, besides free local and STD calls. This had led to a decline in revenue and adversely impacted the capacity of the operators to invest in capex. This will in turn impact investments in network and technology. After the tough competition given by Jio, many acquisitions and mergers are on the way.

**Shreya Kapoor, Simran Singh, Shruti Jindal, Ishika Jain,  
II year**

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## **Impact of GST on Middle-Class Businessmen**

Goods and Services Tax (GST) is an indirect tax which was introduced in India on 1st July 2017 and was applicable throughout India. It seeks to replace multiple cascading taxes levied by the Central and state governments. It was introduced as GST Constitution (One Hundred and First Amendment) Act 2017, following the passage of The Constitution 122nd Amendment (GST) Bill. The GST is governed by a GST Council whose Chairman is the Finance Minister of India. Under GST, goods and services are taxed at the following rates, 0%, 5%, 12% ,18% and 28%. There is a special rate of 0.25% on rough precious and semi-precious stones and 3% on gold. In addition a cess of 15% or other rates on top of 28% GST apply on few items like aerated drinks, luxury cars and tobacco products. GST was initially proposed to replace a slew of indirect taxes with a unified tax and was therefore set to dramatically reshape the country's 2 trillion dollar economy.

There are 3 applicable taxes under GST: Central Goods and Services Tax (CGST), State Goods and Services Tax (SGST) & Integrated Goods and Services Tax (IGST).

- CGST: Collected by the Central Government on an intra-state sale (Eg: Within Karnataka)
- SGST: Collected by the State Government on an intra-state sale (Eg: Within Karnataka)
- IGST: Collected by the Central Government for inter-state sale (Eg: Karnataka to Tamil Nadu)

A primary survey was conducted in mid-September 2017 on a sample consisting of 25 short scale operational retailers or firms in Delhi to know the effect of GST on their business. Data was collected using both questionnaire and interview method.

With this research, we planned to study the following :

1. The effect of GST tax on the short scale operational firms .
2. Check whether GST had turned out to be profitable or non profitable for them.
3. Its impact on their productivity.
4. How much time will they take to accommodate to GST in their regular day to day business.

We conducted a primary survey including questions such as:

- Were people aware of the GST act and its implication?
- Are they aware that there is no registration fee?
- Are they tech savvy?

- Did they attend any training programme to help file the GST return?
- Who files their return and at what cost?

We asked them to rate GST according to various costs (time cost, psychological cost, inconvenience cost, cost of production etc.) and to give their suggestions to improve this tax regime.

From our research we found that small scale businessmen are either indifferent to this new tax regime or dissatisfied with GST act. It had not only raised their cost of production but had also created a psychological pressure on them. Respondents are facing inconvenience to be able to adapt to this new tax reform. Most of the people were aware or partially aware about the GST Act and 70% the people on whom we conducted our research paid a huge amount (up to Rs. 4000) for registration under GST whereas registration was free from the side of Government. Most of the people were not aware (approximately 60%) about the free registration which shows inherent corruption from in the Government system.

We also found that the purpose of GST- that was self dependence in filing returns, was not being fulfilled as 76 % businessmen were either dependent on CA's and 12% businessmen on their employees. According to the respondents the Government should have given training programmes prior to the implementation of GST and the tax slabs should also be reduced.

So, finally we conclude that Government should improve this tax regime and should organize GST training programmes especially for businessmen to make them more aware about GST. Although now, government has introduced some changes in GST for the ease of businessmen and moreover they have reduced the tax slabs for the benefit of consumers as well. According to our findings, GST has had a negative impact on middle class businessmen before the changes in the act came into being.

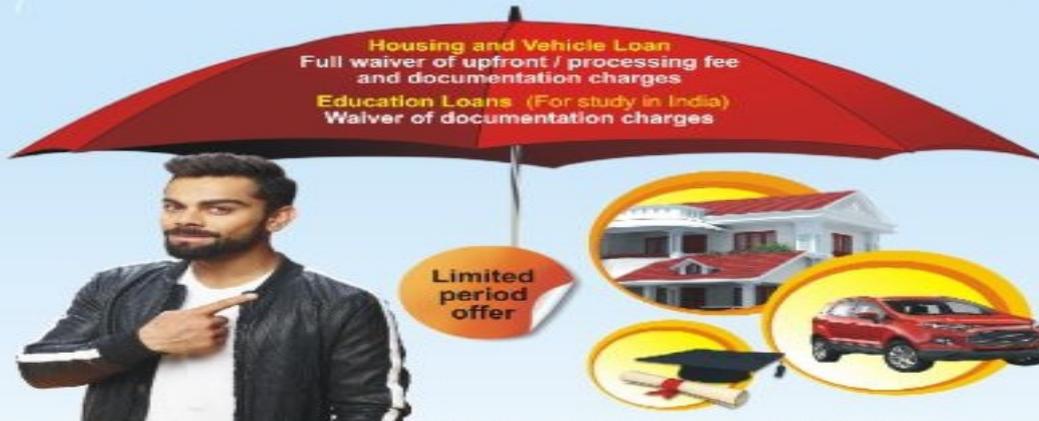
**Priyanka Sarda, Eshita Goel, Anushka Agarwal,**

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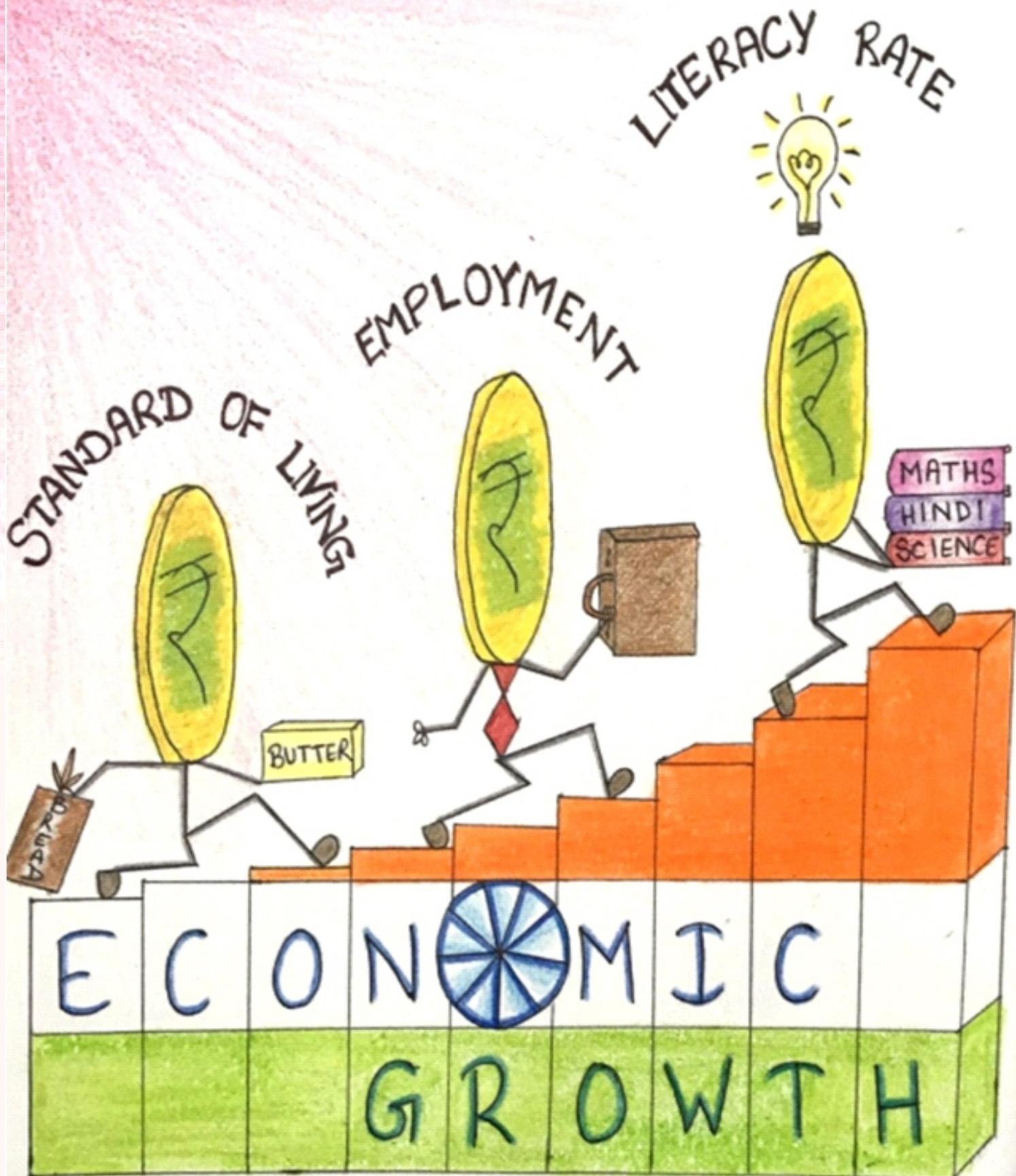


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**JANKI DEVI MEMORIAL COLLEGE**  
(University of Delhi)

Sir Ganga Ram Hospital Marg, New Delhi - 110060  
Tel. : 011-25787754 Fax : 011-25710832  
E-mail : [jdmcollege@hotmail.com](mailto:jdmcollege@hotmail.com), Website : [www.http://jdm.du.ac.in](http://jdm.du.ac.in)