

Biz NEWS

a commerce club initiative

GAUTAM ADANI

Asia's Richest Billionaire is drowning in debt?

The Adani Group is one of the most iconic businesses in the Indian business history and what's absolutely mind-boggling about them is that in the past 10 years, the Adani Group single-handedly went on to become India's largest private port operator, largest coal importer, coal miner, private power producer, city gas distributor and the largest edible oil importer in the country.

Long list, isn't it?

They have been buying giant companies as if you and I would buy a pair of sneakers! In 2018, they bought Reliance Transmission for ₹12,300 crores, JMR Chhattisgarh for ₹5,200 crores and Cutter Pulley Poured for ₹1,095 crores.

This one year of shopping alone adds up to a bill of around ₹20,000 crores and as we all saw this year, they bought Ambuja and ACC for ₹81,000 crores and went on to become the second largest cement manufacturer overnight.

As a result of this incredible speed of expansion in the past five years, very few people realize that the Adani Group is not sitting on a mountain of profits but a mountain of debt that amounts to ₹2.2 lakh crore.

So the question to think about is- how are the Adani's getting such heavy loans to buy so many companies and what is there business strategy to make a profitable business?

Devansh Agarwal
Class 11 A



After December 31, 2021 the euro has declined 11%, the British pound by 13% & the Japanese yen by 20% compared to the 6% decline in rupee's value.



Seventeen Indian banks were allegedly defrauded of ₹34,615 crore by DHFL, run by the Wadhawan brothers.



Higher Education Platform, upGrad, announced its plan this month to acquire the learning institution, Harrapa Education for ₹300 Cr.



FUTURE IS HERE, WELCOMING 5G

What is 5G basically?

Fifth-generation wireless (5G) is the latest iteration of cellular technology, engineered to greatly increase the speed and responsiveness of wireless networks. It is based on OFDM (Orthogonal frequency-division multiplexing), a method of modulating a digital signal across several different channels to reduce interference.

What are the improvements from 4G?

5G promises an array of enhancements, providing higher data rates that will download a movie in just 49 seconds! with ultra-low latency (near real-time interactivity), and increased network capacity (allowing for the connectivity of many more devices at once).

The auction of 5G spectrums in India received a record ₹ 1.5 lakh crore in bids. The amount will be received by the Govt. of India over a long period of time, and is similar to taxes paid by companies on production of goods. Jio cornered nearly half of all the airwaves at ₹ 88,708 crore and acquired the most coveted 700 MHz spectrum. Airtel made a successful bid of ₹ 43,084 crore and Vodafone for ₹ 18,799 crore. These were the bids for public telephony services, i.e. for commercially selling 5G services to the public. The Adani group bought spectrum in the 26 GHz band for ₹ 212 crore, useful for setting up a private network with end-to-end communications.

How Does 5G Work?

Wireless communications systems use radio frequencies to carry information through the air. 5G operates by using higher radio frequencies that are less cluttered. Which enables it to carry information at a much faster rate.

What is the latest update on 5G?

The Department of Telecommunications (DOT) has confirmed that 5G services will launch in India in 2022. The DOT has also revealed that the 5G services will be made available in 13 Indian cities in the beginning. It will then be rolled out in the remaining cities.

5G



Hrisheek Pragyan
Class 10 E



RUDRA ENVIRONMENTAL SOLUTIONS

Rudra Environmental Solutions is a social start-up by Medha Tadpatrikar and Shirish Phadtare, founded on 29th July 2009. Which aims at reducing plastic pollution by using plastic in a very constructive manner.

Let us know how?

Since petrol and plastic both are made up of crude oil, it makes sense to reverse this process to regenerate fuel out of the plastic waste. After some research, they figured out a way to do so. The process is called Thermocatalytic Depolymerisation. Through this process, every 100kg of plastic waste gets converted to 70-80 liters of fuel. The fuel thus generated is called poly fuel. But the primary obstacle in this was to collect abundant plastic and store them for the process to take place. So they started to collect plastic from some societies in Pune and established a plant on the outskirts of Pune to store the collected plastics. Till date, they have converted almost 70% of Pune's plastic waste into poly fuel. These are individuals that are the superheroes of today's world who help us build a better future for the coming generation.

Dhwaj Sinha
Class 10 E



PODCAST

The podcast I listen to is #TheRanveerShow, every single episode of which is filled with innumerable knowledge whether it's about technology, health, career guidance, or lifestyle advice. The guests of the podcast, being mostly actors, make it more interesting and add to its diversity. Ranveer shares life lessons and experiences on his solo podcasts. The show has enhanced my understanding of the real world.

Vaibhav Patel
Class 11C



So basically I have been following this page since class 9th to get a better insight on trending commerce and business related news across the world. The posts are well presented with catchy headlines and the facts in the posts related to the news are short crisp, to catch the attention of readers, and in layman's language, for early understanding of the more composite concepts of commerce.

The more prominent pages like The Hindu and The Times of India often overshadow these small but interesting pages but as more people find about this page, it grows more and its posts get better and better (the phrase the more the merrier suits it well).

@theinvestmenttimes

THE INVESTMENT TIMES

Shaikh Adnan Ahmad
Class 10E



ALUMNI CORNER

Explained: What is a domestic systemically important bank (D-SIB)?

The Reserve Bank of India (RBI) announced that the State Bank of India (SBI), ICICI Bank and HDFC Bank will continue to be identified as Domestic Systemically Important Banks (D-SIBs). According to the central bank, D-SIBs are financial institutions that are large enough where they cannot be allowed to fail.

What are domestic systemically important banks (D-SIB)?

Due to the way the D-SIBs become completely enmeshed in cross-jurisdictional activities, their complex financial structures, and the lack of other alternatives, they are considered systematically important. A failure of any of these banks can lead to systemic and significant disruption to essential economic services across the country and can cause an economic panic. As a result of their importance, the government is expected to bail out these banks in times of economic distress to prevent widespread harm. Additionally, D-SIBs follow a different set of regulations in relation to systemic risks and moral hazard issues. The system of D-SIBs was adopted in the aftermath of the 2008 financial crisis where the collapse of many systematically important banks across various regions further fueled the financial downturn.

How are D-SIBs determined?

Since 2015, the RBI has been releasing the list of all D-SIBs. They are classified into five buckets, according to their importance to the national economy. In order to be listed as a D-SIB, a bank needs to have assets that exceed 2 percent of the national GDP. The banks are then further classified on the level of their importance across the five buckets. ICICI Bank and HDFC Bank are in bucket one while SBI falls in bucket three, with bucket five representing the most important D-SIBs.

What regulations do these banks need to follow?

Due to their economic and national importance, the banks need to maintain a higher share of risk-weighted assets as tier-I equity. SBI, since it is placed in bucket three of D-SIBs, has to maintain Additional Common Equity Tier 1 (CET1) at 0.60 percent of its Risk-Weighted Assets (RWAs). ICICI and HDFC on the other hand, have to maintain Additional CET1 at 0.20 percent of their RWA due to being in bucket one of D-SIBs.



Pallavi Singh, ISC Batch of 1999
Vice President & State Head
Government & Institutional Business
HDFC Bank Ltd.

FOR

Pursuing higher studies usually involves high fees owing to which many students have to compromise on their choice of colleges. Education loan comes in as a handy solution here. Nowadays instead of selling their properties and jewellery, the parents have started accepting a paradigm shift of funding their children's education by taking an education loan which can either be taken by the parent or the child himself. There are numerous benefits of going for an education loan. It covers almost every necessary expense for education. The interest rates on study loans are lower with an additional concession of 0.5% for all female students. Unlike personal loans where a borrower is expected to start paying the EMIs very early, education loan schemes come with a moratorium period. Under Section 80E of the Income Tax Act, the loan applicant or the co-applicant can avail of the education loan income tax exemption. Education loan benefits your CIBIL as the timely repayment of EMIs will build the required score and will help you get a loan easily in the future like a home loan, etc. Most of all it liberates the parents from the financial burden and instills a sense of responsibility in the child.

IS THE LIABILITY OF THE EDUCATION LOAN WORTH IT FOR STUDENTS?

AGAINST

According to a recent study, the cost of modern education is increasing rapidly at an average of 12-18% per annum. However taking student loan does not always make life easy due to a combination of factors. When one takes a student loan, one has to fill the details of the course for which they are taking it. However once sanctioned, many of the banks don't allow student to change the course or college, which restricts the student from availing any opportunity that they may get. After taking the loan, students don't get the full amount required to meet all the expenses because of margin requirement. This means a student has to bear a certain percentage of expense out of his own, which is still a huge amount for many of the applicants. Even if a student overcomes all these challenges, ultimately they will still get into debt at an early age. This means starting life with huge debts due to which their focus shifts towards repaying loan rather than focusing on studies and career. They try to get a job as soon as possible. They generally compromise, by taking low paying jobs which do not match with their skills and capabilities rather than waiting for a better job. An individual should keep in mind the above factors as the decision will have long term impact on them.

ANSWERS TO THE PREVIOUS ISSUE

5	4	3	2	6	7	8	9	1
2	1	6	8	4	9	7	5	3
7	8	9	1	3	5	4	6	2
9	3	2	6	7	8	5	1	4
4	7	5	9	1	2	6	3	8
8	6	1	3	5	4	2	7	9
3	9	4	7	2	6	1	8	5
1	2	7	5	8	3	9	4	6
6	5	8	4	9	1	3	2	7

- ANSWER TO CROSSWORD
- 1) Psychologist
 - 2) Geologist
 - 3) Veterinarian
 - 4) Foreign trademanager
 - 5) Sports management
 - 6) Actuary
 - 7) Chemist
 - 8) Physicist
 - 9) Financial analyst
 - 10) Company secretary



Axis Bank
Hindustan Petroleum
Master Card
Vistara
Nestle



Ms. Shweta Khatri
Teacher

	7			2			4	6
	6						8	9
2			8				7	1
	8	4		9	7			
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	5	8					6	
4	3			8			7	

MATCH THE FOLLOWING

- | | |
|--|----------------------------|
| 1) Ministry of Commerce & Industry | a) Anurag Thakur |
| 2) Ministry of Education | b) Nitin Gadkari |
| 3) Ministry of Youth Affairs & Sports | c) Smriti Irani |
| 4) Ministry of Agriculture | d) Dharmendra Pradhan |
| 5) Ministry of Finance | e) Nirmala Sitharaman |
| 6) Ministry of Road Transport & Highways | f) Jyotiraditya Scindia |
| 7) Ministry of External Affairs | g) Piyush Goyal |
| 8) Ministry of Civil Aviation | h) Narendra Singh Tomar |
| 9) Ministry of Women & Child Development | i) Subrahmanyam Jaishankar |

SPORTS: THE UNNOTICED SIDE

The sports industry is often misunderstood to be related only and only with athletes and their game, but while it does constitute a major part of it, it's not the only career option. If you are interested in sports and have the required knowledge of business and management then you can seek inspiration from Dream11, Rooter, and Ballebazi. The current generation is more comfortable exploring the gaming strategy of fellow players hence online streaming and sports blog can also become a desirable alternative. Everyone wishes to collect the sports equipment of a famous sports person and fortunately for us Collectabilia, an online auction platform has made it easier for us. Truly this is what technology empowers us to do! Another example is the extravagant business of the Indian Premier League (IPL) Whose auctions are mind-blowing, where each Ball Bowled is worth almost ₹50 Lakh and then adding all other charges and rights. With all these examples presented before you, I am now sure that you would definitely reconsider your career options and change the stereotype that sports and money do not go hand in hand.

Arunima Mishra
Class 12D



THE COMMERCE OF LIFE

Ms. Gurpreet Kaur
Teacher



It is surprising how similar business is to our life. Both of them include exchange and inputs and outputs. The way in business we exchange goods and services similarly in life we exchange emotions. The inputs determine the outputs in business, in our life the inputs in form of the nurturing by our parents shape our being and influence the output. Our parents invest their love, care, and affection which leads to who we are today. The comparison teaches us that the fruits of our efforts can only be seen if we are consistent and believe in ourselves. We are capable of making long-term changes!

SHARING SECRETS FOR THE SUCCESS OF THE WELL-KNOWN BURGER KING.



Well, it was certainly hard work, but the marketing aspect can't be neglected. Daniel Schwartz, the Burger King CEO, revolutionized the company, as earlier it was facing a severe crisis in the early 20th century. Under his leadership, Burger King started trolling McDonald's, who dominated this market. "We Know How Burgers Should Be" was a famous tag line used by burger king to troll McDonald's.

In response to this McDonald's replied "McDonald's Is Closer to You". Burger King savagely replied to this by saying "It Was Not Even So Far", Before McDonald's could even react to this, Burger King started a trend with the tag, #EscapeTheClown. This rivalry resulted in mass publicity for Burger King which not only saved dollars but also time. The result was that Burger King became a prominent brand in the food sector.



Maneesh Awasthi
Class 11 C



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