



COMMERCE MAGAZINE | 1ST EDITION



THE ANALYST

MUSOORIE INTERNATIONAL SCHOOL

ECONOMIC
DISTRESS

The Great Depression.

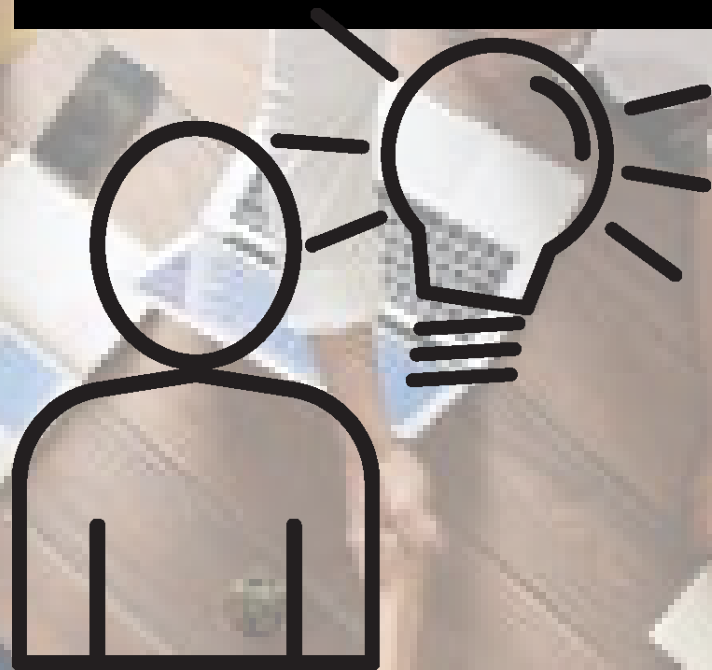
CONSUMER
RIGHTS

the Times
100 list in 2018



SCAN ME!

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"Given the nature of the crisis, all hands should be on deck, all available tools should be used."
~ Christine Lagarde



A SLOW AND STEADY PROCESS

By Sweety Mohanta

The Indian economic journey continues on its roller-coaster track because of the pandemic as NCAER - the National Council for Applied Economic Research think tank - claims that the April-June quarter will give us a recovery while SBI says the opposite. Neither of them is wrong per se. It is the international relationships that are playing a significant role in this.

Our country is active and ready to maintain and strengthen relationships but it is getting difficult to sail in problematic international waters. For example, with the rise in crude oil prices and the government's high taxation to balance it, an inflationary situation is getting created. Households are facing difficulties as savings are drying up at a 3% rate in the third quarter of FY 20-21. With a continuous loss of jobs and savings, the disruption in services will soon be lifted again to build up the economy.

But the recovery may not be that fast as consumption and demand are predicted to decline in the coming period due to the loss of livelihood. The government's intervention will be necessary to fasten the process with quick steps like new reforms, stimulus ready and make the money circulation faster to accelerate the growth; contrary to what had been done during the demonetization scheme. But this would also increase the prices of goods, making the poor the sufferers again.

The recovery will be slow and time-consuming and it may not even happen now. It may take some years to get back to pre-pandemic period.



Even before Covid-19 struck India, inflation rate in 2019 had crossed the upper tolerance level of 6% in December. Moreover, it affected the working class of India and the agriculture sector on large. Into the lockdown when inflation numbers in most countries eased, Indians did not see it going below 6%.

Economist Sreejith Balasubrahamin said that rather than supply bottlenecks, it is possible that the production itself has come down, especially those items manufactured and serviced by the small informal enterprises.

The current scenario of India shows that due to fuel prices and food prices, the transportation cost has increased. The constant increase in population of the country has been seen resulting to inflation.

Reserve bank of India projected retail inflation and consumer price index at 5.1% for the financial year 2021-22. But in India's case, supply pressures are so strong that inflation has remained high across the spectrum; muted demand during the initial lockdown, pent-up demand during the festive season, and even on the leeward side of the slight decline in pent-up demand.



INFLATION CONTINUES ON

By Zannat Chauhan

"A business that makes nothing but money is a poor business."

Covid & Economy

By Kamakshi Agarwal

The spread of COVID-19 has thrown the international market into a flux. It has left the global market in turbulence. Foreign Direct Investments help to provide an efficient supply of raw materials, energy, labor as the input, and facilitate the placement of products and services as the output in the most important markets in a profitable way which aids the production and supply levels. Due to the outbreak, the foreign investors are not that positive towards investing their money abroad. Global FDI is projected to decline by 40% in 2020 which could cause lasting damage to global production and supply.

The global trade volume could shrink by 13-32% according to the World Trade Organisation, which is expected to impact the availability and prices of goods like toilet paper. There is a struggle to acquire raw materials within the companies as well as providing finished goods to the consumers. As we can see, the pandemic had a profound impact on the international market. So, the countries need to make the most efficient strategies to tackle the outbreak and have thriving markets again.



THE RISK LIES AHEAD

The very popular misbelief namely, 'money doubled in 21 days!'

By Khushi Dixit

'The Share Market', commonly perceived as the swift and smooth gateway to the money-making world, but is that really how it works? Does it involve risk or not? And, if there is an abundance of risk then why do people invest in it and how do they end up making money out of it? To put an end to all the myths, well, there is ABSOLUTELY NO WAY one can have their money doubled in a few days, and NO, that's not how it works. There lies risk at every step one takes in the share market but knowing these risks is half the battle won. The key to survival in the business world is the ability of bearing risk, but one can definitely analyze and minimize risk. There exist various types of risks here and all have very distinct ways to be dealt with.



Most commonly people make the error of weighing investments in the share market and Fixed Deposits on the same scale.

Well, both result in making wealth gradually over time and not overnight but, the former is more inclined towards the secure and safe side while the latter is very conditional. Not at all times will the stocks of a company have an uptrend and similarly, will not always follow a downtrend. The share market walks on the concept of uncertainty. For instance, no one ever imagined that the pharma stocks and IT stocks would rise as high as they have recently, but then, the year of surreal events, '2020' happened and the rest is history. This took a toll on other stocks resulting in their downtrends.

Being aware of such risks, people usually find it safe to always start their journey here with a small amount of money. This helps them gain experience gradually and once they get the gist of it, there is no turning back. To step into the share market, one must have enough trusted knowledge of its working, possess analyzing skills and should know what they are signing up for; keeping aloof from all the misconceptions and myths and definitely not being influenced by herd mentality.



Covid-19, The Most Complex Challenge?

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By Stuti Borthakur

The pandemic has led to a dramatic loss of human life, presenting an unprecedented challenge to public health, food systems, and the work system. The economic and social disruption caused by the pandemic is devastating and really disrupting every individual's mind with millions of incoherent thoughts. This contagious disease has been leading to stress to our very fragile minds by decimating jobs and placing millions of livelihoods at risk. As breadwinners lose jobs, fall ill, and many are dying, the food security and nutrition of millions are under threat, with those in low-income countries - particularly the most marginalized populations - which include small-scale farmers and indigenous peoples, are being hit the hardest.

The disease outbreak is very dangerous to the

financial world where an economic turmoil has occurred across the globe due to reduced productivity, loss of life, business closures, trade disruption, and decimation of the tourism industry. The lockdown measures addressing the coronavirus spread are having serious economic consequences and unintended effects of exacerbating rather than mitigating health disparities worldwide. This outbreak even addresses the psychological issues of the people such as children experiencing anxiety, distress, or social isolation that can have short or long term effects on their mental health. Hence we can say, COVID-19 may be a "wake-up" call for global leaders to intensify cooperation on epidemic preparedness and provide the necessary financing for international collective action.

ICON

WHITNEY WOLFE HERD

Named in the Times 100 list in 2018 and one of the youngest woman to take a US company public, Herd is a self-made story for each woman to take the reins and define herself in her own way.



CHANGES IN E-COMMERCE

By Tannu Kumari

India has made several new changes to its e-commerce rules, making an impact on e-marketing in the country.

Some of the new changes are on the advertisement of goods by companies or display of the country of origin. With e-tailers unbothered in giving such details, sellers are not enthusiastic about this. To give customers a sense of trust and security, the government has brought customer consent into play and the need to stop the mis-selling of goods and services. E-tailers have maintained their argument that liability should be with the sellers and not on them.

Though how the search algorithm works in apps like Amazon or Flipkart is not known, e-tailers are asked not to manipulate search results to promote sponsored goods. Marketplaces like Amazon or Flipkart, which are the leading companies in e-marketing, should not abuse this position. Some states, especially non-BJP, are worried about this giving a negative impact on market access instead. But they have insisted that these suggestions do not hinder the consumer protection framework of these changes. Self-employed individuals are benefitting from the immense growth of e-commerce and if it suffers due to these new changes, there will job loss and growth will be hampered.

The government has invited suggestions for the changes in the same.

INTERNATIONAL ECONOMIC DISTRESS

By Shreya Gupta

As the world undergoes the Covid-19 Pandemic, its adverse effects on sectors other than health and medical science have also risen dramatically. As the health infrastructure of various countries has broken down in the pandemic, so has their economic stability and its impact on the international market are very evident. For example, the unemployment rate in India increased up to 7.11 % in 2020 from 5.27% in 2019, and India's GDP decreased by 7.3% in 2020-21 from last year. The same trend follows for the nations around the globe which took a hit from the pandemic. The IMF (International Monetary Fund) estimates that the global economy shrank by 4.4% in 2020. The organization had also described it as one of the worst declines since The Great Depression. The only country which saw growth in its economy during the year 2020 was China with a growth of 2.3%.

The recession in the global market is expected to continue till the spread of the virus is contained by the nations worldwide. The travel & tourism industry and retail are some of the hardest-hit industries and have suffered great losses whereas the case is just the opposite for some others.

E-commerce or online retail platforms have experienced a significantly huge growth with total global revenue of 3.9 trillion dollars in 2020. Even mobile apps and video conferencing apps have experienced quite good growth.

The Pandemic has pushed the world economy backward suddenly. The experts of various sectors collectively suggest that it may take us may be close to a decade to even cope with all the losses that have happened through the Pandemic. The decline in the economy that was caused by this pandemic, now can surely be called as the biggest of this century.



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*“Play by
the rules,
but be
ferocious.”*

~ PHIL KNIGHT

— BO
OK

Business & Budgeting

By Devanshi Agarwal

Budgeting is the basis of running a business and is an important step in planning. Successfully allocating funds and keeping the profit earned and expenditure recorded helps in coming up with future plans and performance expectations.

Budgeting also helps one to identify the flaws in the business and reduce costs or focus more on the returns gained. Controlling the financial flow to restrict unnecessary cash flow helps a business owner to improve on smaller but significant issues as well, like staff convenience or focusing on the current needs of the market.

Underestimating this is never a good idea as planning always helps to reach the defined targets. Successful reviewing and decisions can give good long-term results with better team dynamics and an understanding of how to allocate funds in an even better way.

"We don't have to sacrifice a strong economy for a healthy environment."

The Leading Indian Conglomerate

By Vanshika Choudhary



Jio's new arrangements with internet monsters,

Facebook and Google, have brought up a few issues. Facebook attempted to offer a free internet network in India as a component of its Free Basics program in 2016. It is a birth of a conglomerate that is prodigious in nature. In any case, this was restricted as the internet fairness banter shook the country.

Facebook has additionally been battling throughout the previous two years to get endorsement for the instalment administrations of WhatsApp, its informing application. Joining hands with Jio may make it simpler for Facebook to determine these issues. The meeting up of these two significant players might actually make a behemoth, administering everything from the local area to instalment to availability.

Incorporating WhatsApp Pay for different client exchanges is by all accounts the following intelligent advance. The media has featured security and antitrust issues.

Despite this, the Facebook-Jio bargain was as of late cleared by the Competition Commission of India (CCI) with no difficulty. A few components are by and large assisting India with transforming into a Jio monopoly.

The new boycott covering 59 Chinese applications, including Tiktok, UC Web, and Shareit, can just be an assistance to the Jio-Facebook consolidation to overwhelm India's computerized environment. The applications were prohibited due to pressure on the India-China line before 2020. While Jio may have rivals in various sections, as Airtel in availability, or cell phone producers in gadgets, it doesn't actually have an immediate partner – and that could unfavorably affect the country's whole advanced environment. More than this, Jio has effectively explored the Indian regulatory maze.

“

Elon Musk announced that we could buy the Tesla with Bitcoin! As astonishing as it seems, it is also a good step towards making the currency grow. Recently, the Indian rapper Raftaar became the first Indian performer to accept cryptocurrency in place of real currency as his performance fees. He did play a vital role in making Indians know about this cryptocurrency. So yes, Bitcoin may actually become a new world currency the way it is growing and gaining popularity!

**BUT WAIT THERE'S MORE: THE
FLAME THROWER IS SENTIENT, ITS
SAFE WORD IS
“CRYPTOCURRENCY” AND IT
COMES WITH A FREE BLOCKCHAIN.**

BITCOIN - THE NEW WORLD CURRENCY

By Gauri Garg

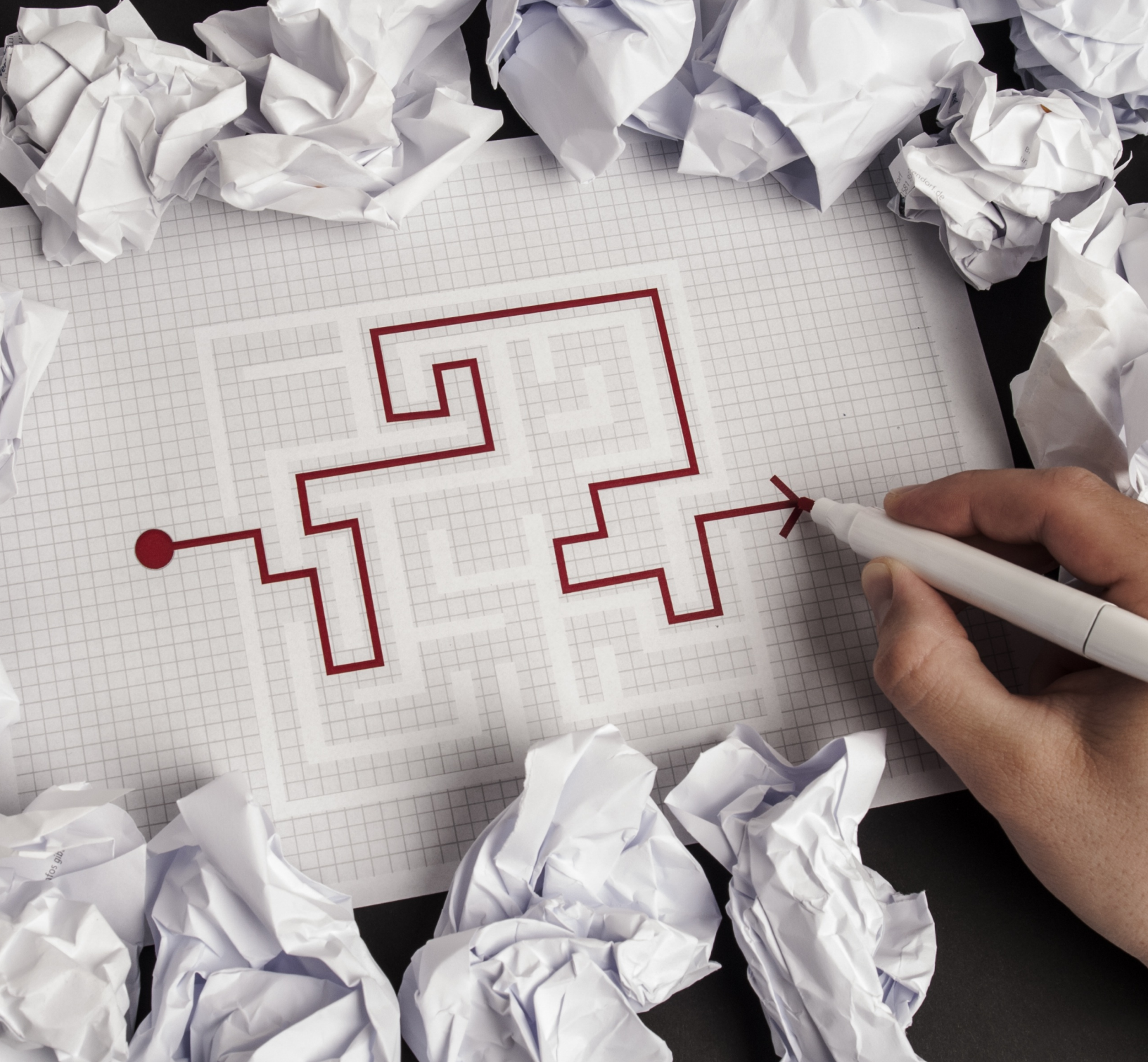
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Bitcoin is a decentralized digital currency, without a central bank or single administrator, that can be sent from user to user on the peer-to-peer bitcoin network without the need for intermediaries. In 2008, an unknown person/group of people using the name Satoshi Nakamoto invented this cryptocurrency. The use of this cryptocurrency began in 2009. It gained global popularity in 2021 when the global influencing personality Elon Musk tweeted about it. It went viral and people started investing in Bitcoin.

One of the reasons why Bitcoin may fluctuate against fiat currencies is the perceived store of value versus the fiat currency. Bitcoin has properties that make it similar to gold. It is governed by a design made by the developers of the core technology to limit its production to a fixed quantity of 21 million BTC.

Since that differs markedly from fiat currency, which is dynamically managed by governments who want to maintain low inflation, high employment, and satisfactory growth through investment in capital resources. When economies built with fiat currencies will show signs of weakness, investors may allocate more or less of their assets into bitcoin.





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