

SAPIENCE

IMNU'S ALUM BULLETIN



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August, 2017 Edition

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First Institute Seminar Series: Operations Management in a Startup Culture

The Institute Lecture Series for the Academic Year 2017-19 at the Institute of Management, Nirma University successfully kicked off with its first lecture on 'Operations Management in a Startup Culture'. We were graced by the presence of our esteemed guest, Mr. Sreejith Hrishikesh, Vice President – Operations, Zoomcar India. Mr. Hrishikesh is a mechanical engineer from NIT, Calicut and also an alumnus of IIM Ahmedabad.

In this interactive session, he shared his insights on the rapidly growing taxi industry in India. Zoomcar, carves for itself a niche market in 'Self-Drive' sector, being the first and the largest car rental company in the country. He briefed us about how in the inception stage, Zoomcar faced certain difficulties being a new concept in the market. What started as a small startup with 7 cars operating from 1 site is now a company that owns a fleet of more than 3000 cars operating across 25+ cities.

After briefing the audience about the overview of the company, he further explained how Zoomcar is different from other car rental services, be it affordability, ease of booking a car using the mobile application, or the comfort it offers to its customers of riding independently. He also told us how with time, depending upon the market requirements, cars from all segments have been added to the fleet, be it a Hyundai or a Mercedes.

“At Zoomcar, we believe in providing customers the experience.”

Then, he shared with us information about the working model at Zoomcar. He explained how the company utilizes 'Just in Time' approach for maximum customer satisfac-

tion at low costs to the company. This approach is successful due to varied customer behaviours across different cities. Then, he told us about the revenue model at Zoomcar. Almost 70-80% of the business came from the target segment of 20-35 years who book affordable cars in the Hatchback and Mini SUV Segment. They follow a real time booking system at Zoomcar in order to ensure a hassle-free experience for its customers every single time. Also, there is no compromise made on safety at Zoomcar. A real time car tracking system called 'Cadabra' is adopted at Zoomcar. Shedding some light on the customer segments, he told us how the company is working to rope in more female customers in order to tap the untapped market segments.

Then, he shared his views on the recent developments and innovations the company is working on. Zoomcar has recently started a new initiative called 'ZAP' wherein the customers can share their owned cars and make money out of it. Zoomcar guarantees the safety and real time tracking of the owner's car. Zoomcar is also expanding on various routes under its scheme of 'One Way' wherein a customer can rent a car for a to and fro trip on certain road routes across India. Mr. Sreejith also told us about a new segment they are working on i.e 'PEDL' – a Bicycle Renting Scheme; keeping in mind the eco-friendly trend.

The session ended with a brief Q&A round between Mr. Sreejith and the students. It was a value addition session and provided us with an insider's perspective on the working model at Zoomcar which would definitely help us in real life application of the theories taught in classroom.



Mr. Sreejith Hrishikesh,
Vice President – Operations, Zoomcar

Second Institute Seminar Series: E-Commerce – Perspective, Strategies and Way Forward

Beginning from how IRCTC taught India to book tickets online and created the first e-commerce revolution to Reliance-Jio being a major catalyst for growth in e-commerce, the highly informative talk by Mr. Avinash Parhi took us on a journey of the evolution of Indian E-Commerce ecosystem. Mr. Parhi, Senior Director of Marketing at ShopClues was the guest speaker for the Second Institute Seminar for the Academic Year 2017-19 at Institute of Management, Nirma University. Institute Lecture Series is a weekly interaction organised by Kaizen Committee where in industry experts are invited to address the students.

Mr. Parhi touched upon the antagonism between organised and unorganised retail in India. The problem of transportation, poorly evolved supply chain and storage facilities, untrained workforce and social factors like lack of acceptance of frozen foods are some of the hurdles for organised retail which has made the local kiranas gain an upper hand in India. However, with the entry of e-retail, the new darling of investors, took the game to another level after the next big wave of 2010- Cash on Delivery, Logistics and payment gateways.

“**The Uncle-Ji v/s Sakht launde** – The Gen Gap of India” was a hilarious yet clever way used by Mr. Parhi for explaining how focused targeting for each the generations is helping e-commerce in increasing its presence. What followed was a discussion on how the young India with a median age of 27, has an increased propensity to experiment with trends, gadget friendliness, and the “too lazy’ to step out of the comfort of our homes” attitude has given e-commerce a big opportunity in the 5th largest consumer market of the world.

He also elaborated on how ShopClues has kept itself apart by focusing on the burgeoning tier-III and tier-IV cities which presently contributes a major revenue chunk for the e-commerce unicorn.

The session was an enriching one and saw a huge participation and helped the students in understanding that despite the ongoing pressure on e-commerce players to make a profit, it will definitely have a bigger and brighter future as the Young India goes for shopping online.



Mr. Avinash Parhi,
Senior Director – Marketing, ShopClues

UTKRISHTA 2017: The Management Conclave

THE MARKETING CONCLAVE

Organised by Club Niche, the marketing conclave commenced on 18th August, 2017. The theme was “Management Philosophies and Dynamics in New Aeon”.

The inaugural address was delivered by Mr. Sandip Tarakas, Director at Songdew and an independent consultant for Future Group. He talked about two core challenges the students shall come across when they enter the corporate world – ‘Development of Artificial Intelligence and Robots’ and ‘The Challenges of Climatic Change and Terrorism’.

The second session was addressed by Mr. Aditya Singh, CEO and Founder at Brainpan Studio. Mr Singh started the session by talking about developments in the digital space and also shared the problem of ‘too many social networks’. He highlighted the trend of ‘First Entertain, then Educate’.

Commencing the next session, Mr. Setumadhavan N, CEO at Mad About Moviez spoke about ‘Marketing in Films with Special Emphasis on Content’. He spoke about the importance of expanding customer base and the inter-relationship between an outstanding film and a strong distribution and marketing. He also highlighted that in today’s times, the ‘content’ of the film is what differentiates it from the lot.

The fourth session was addressed by Mr. Manoj Chandra, Founder & CMO at Insperme Consulting. He discussed about the subject, ‘Product v/s Service’. He talked about

the complexities in product & service marketing. He stressed on the fact that for any brand to succeed, it is very important for it to provide experience to its customers, be consistent in its functioning and build trust that would ultimately help it to grow in the long run. With this, the marketing related sessions came to an end.

THE FINANCE CONCLAVE

Organised by Club Finesse, the first session of Finance Conclave was addressed by Mr. Sanjay Randhar, Managing director, GVFL. He spoke about “Fintech Revolution”. Fintech is an intersection between technology and financial services with major focus on six Fintech Innovations: Payment services, digital lending, savings and investments, remittances, point of sales and insurance. He ended the session by stating: “If you do not nurture brilliant minds, how will new startups come up.”

The speaker for the second session was Mr. Manminder Malhi, Vice President, Sales at Kotak Securities. The theme for the session was “Capital Market Instruments, Mutual Funds and Monetary Policy”. He started with the functions of banking industry and concluded by elaborating on different unconventional investment avenues available to us and how they can be highly beneficial to us.

The last speaker for the day was Mr. Deepak Prajapati, Executive Director and Group Head at CARE Ratings. The theme for the session was “Burning Issue of NPAs”. He spoke on the non-performing assets in banks and how it has become a major concern over the years. He shared many facts and the session was quite thought provoking.



UTKRISHTA 2017: The Management Conclave

THE OPERATIONS CONCLAVE

The second day of Utkrishta on 19th August, 2017 started with the Operations Conclave organized by Club Optimus.

The first session was taken up by Mr. Bhavik Chheda, Head of OYO Rooms, Gujarat. He shared his experiences and details about how OYO Rooms function. It was interesting to know how their operations are based on customer requirements and satisfaction.

The second session was addressed by Dr. Paresh Kariya, Director (Service Business), OTIS Elevator (India). He spoke on Operational Excellence and Importance of Standard Work in Process Management. He engaged the audience through a Case Study based on IS-NOT analysis for determining the magnitude of problem in the industry, and answered four important questions, What, Where, When and How Big.

The third session of the day was taken up by Mr. Yashowardhan Sowale, Associate Director, Capgemini. He captured the audience's attention by talking on 'Innovation: Driving Changes with Big Data Analytics'. He spoke on digital platforms, artificial intelligence and immersive experiences. . He concluded the session

and the Operations Conclave with a video on Internet of Things, and how it can become a part and parcel of life.

THE HR CONCLAVE

The HR Conclave was organized by Club Imprintz.

The first speaker for the session was Dr. Pankaj Singh-Group Head, Learning & Development, Adani Group. He spoke on the topic 'Designing Learning & Development to handle disruptive technology/business'. He stressed upon the fact that jobs made redundant by technology cannot be protected, but the ones that nurture the people can be.

The next speaker was Mr. Prasheel Pardhe, COE, Lead Talent Capability and HR Analytics at HCL Technologies. The theme of the session was 'Current Trends in HR'. He spoke on data analytics in the field of human resource or HR Analytics and diversity. The session was truly, a new learning experience for the students.

The valedictory address by Mr. Sandip Tyagi, Director Human Resources at Samsung India was indeed enlightening. He stated how we are living in a VUCA world: V- Volatile, U- Uncertain, C- Complex and A- Ambiguous. He concluded the session with the words: "Leader is the driver of organizational change".



“PEHCHAN KAUN??” - The Rotaract Quiz

All the filmy keedas and TV series lovers were thrilled, when Rotaract Club of IMNU organized their first event, “Pehchaan Kaun”. It was a 2 round event, with 1st one being the online round, in which a total of 37 teams participated from which 10 teams qualified for the offline round. Each team had 3 members, and the final round was awaited with great anxiety and enthusiasm.

The offline round, was further divided into two rounds. The first one was challenging as it tested the participants on their knowledge of TV series, Cartoons, Sports, and also had an interesting mix of Video and audio compilation that had to be identified. The highlights of the round was when participants relived their childhood memories and were made to recollect about the cartoon characters and names, which they all grew up watching.

The cumulative points of all these challenges decided the top 5 teams that would made it to the final part of the offline round. Then came the last and a tricky challenge wherein one member had to enact the character shown to him or her, while the other two members had to guess the name of the character as well as the film. Since it was a time based task, each team had to perform this task as early as possible. Top 3 teams with best timings were declared winners, and they were:

1. Team MAD
2. Team Muthacluckers
3. Team Metal

The event concluded successfully and was appreciated a lot.



COLOURS, MUSIC, MUD FIGHT- Nandotsav 2017

Amidst the busy life at IMNU, 15th August came in with a lot of excitement and thrill. The Cultural Committee came up with another event that was one of its kind, ‘Nandotsav 2017’- to celebrate the birth of Lord Krishna.

Around 300 students gathered at the Girls’ Hostel, H2, to begin the festivities. The beating of the dhols fuelled up the students for the most exhilarating part of the Janmashtami celebration, the ‘Dahi-Handi/Matki fod’ competition. By 10 AM, as the students gathered in large numbers, the jollification started with everyone playing with clay and colours and dancing to the songs played by the DJ. The matki fod session was a division-wise competition where there were 4 teams for the 4 divisions of the 2017

batch of MBA FT. The clubs and committees also took the challenge and came together to experience the thrill of this activity.

Matkis, or the clay pots had been painted by the SARAL kids who were also a part of this merry-making. While dancing and playing with mud with their friends, everyone enjoyed sips of Thandai. Students were having a wonderful time as they were grooving to the latest beats and were getting their pictures clicked in all exuberance. The merriment continued until 2 PM.

The festivity did not just stop there. A Pooja of Lord Krishna was also performed in the evening at 7 PM at the Student Activity Centre (SAC). Students who came for the

COLOURS, MUSIC, MUD FIGHT- Nandotsav 2017

religious ceremony were welcomed with tilak and were given prashad of sweet (Halwa) and Panchamrut after the pooja got over.

The Cultural Committee ensured that the day was memorable for every student who participated in the occasion and the colours, music and food all remain etched in their IMNU memories for years to come.



NANDOTSAV 2017

HR Connect 1.0 - Meeting of Minds

Imprintz – the HR Club of IMNU conducted its first session “HR Connect 1.0 – Meeting of Minds” on 8th August.

In this event, Mr. Srikanth D graced the session with his valuable guidelines and experiences. Presently, he is working as the Vice President, HR at Cadila Pharmaceuticals Limited.

The topic for the discussion was –“Getting Corporate Ready”. Most of us have entered this institute with the aspirations of getting into the Corporate World, and who better than an expert having years of experience in the area, to discuss it with. Mr. Srikanth started the discussion with why it is important for organization to have a separate HR Department, what HR Managers look for in a Candidate in an interview, how to face interviews and how to

convince the manager that you’ll add value to their organization.

He shared with us the four factors of utmost importance to be successful in the Corporate World. They are: Purpose, Communication, Knowledge and Attitude. He taught us how it is important to have a view of what our main purpose is, the pros of being an effective and impactful communicator, the clarity of concepts because Corporate life is all about delivering the knowledge you’ve gained at the right place and right time.

With this he concluded the session. The session attracted many students from both the batches and was appreciated by all.



Mr. Srikanth D.
Vice President, HR - Cadila Pharmaceuticals Limited

SLAMDUNK 2017- Inter Section Basket Ball Tournament

Dribble, Assist, Defend, Attack, Score!!

Slam Dunk, second event of the season organised by SportzzzCom was greeted with a lot of enthusiasm and energy by the Nirmayans. Sections were united, players geared up, videos were prepared, challenges were thrown to the rival sections. The build up to the event was enough to express that it was going to be an exciting event. FT, FBE, BBA-MBA, all were gearing to go and prove their mettle.

KNOCKOUTS:

The tournament started on 16th August, each fixture being a knockout one, which made the matches harder. Cheering, Sledging, Fouls, free throws, everything was experienced in these 4 days, but the spirit of the game was never breached. Some matches were close, some were one-sided, some made the adrenaline flow, and even the tight schedule couldn't let the enthusiasm of players and spectators fall.

After grueling fixtures of the knockout round, the four semi-finalists from boys and girls were:

Boys: Shahenshahs, Jr. A, Jr. FB, Jr. B

Girls: Conquerors, Jr. C, Shahenshahs, Bannerets

SEMI FINALS:

The 1st semi-final was between Bannerettes (Girls) and Shahenshas (Girls). The match turned out to be a low scoring one, as the FB girls comfortably defeated their counterpart by 4-1. Shahenshas scored early and successfully defended the lead, as they seldom gave any chances for the Bannerets to make a comeback.

Shahenshahs took on new tournament favourites' Jr. A in the 2nd semi-final of the tournament. Jr. A justified their favourite's tag as they easily entered the finals with a 23-12 wins over their opponents.

With already a foot in the finals, Jr. B (Boys) faced Jr. FB (Boys) in the 3rd Semi-final. Many expected it to be tough affair, but Jr. B completely dominated the game and eased their way into the finals with a 29-14 win over their challengers.

It was a battle of C sections, Conquerors (Girls) vs. Jr. C (Girls) in the 4th and final semi-finals here on the final day of the tournament. Section C continuing their brilliant form, put up yet another brilliant performance and defeated the senior section by 10-4 to enter the finals.

Boys: Jr. A, Jr. B

Girls: Jr. C, Shahenshahs

FINALS:

Jr. A (Boys) and Jr. B (Boys) faced off each other in the finals and the match turned out exactly the way one expects a final to happen. The contest kept the spectators on the edge of their seats, till the final whistle was blown. In the end, the teams were separated just by a difference of 3 points, as Jr. A clinched the slam dunk trophy by score of 32-29.

Unlike the Boys finals, which was an extremely close and hard fought contest, it was yet another comfortable outing for Jr. C (Girls) against Shahenshahs (Girls), in the second final of the evening. Skipper Divya Madaan scored a hat-trick, as Jr. C demolished Shahenshahs with 10-0 making it a one-sided affair. Jr. C displayed a perfect combination of attack and defence as they didn't allow their adversaries to make a comeback in the match.

Finally the fun filled days of Basket Ball came to an end, with **Jr. A (Boys)** and **Jr. C (Girls)** winning the tournament, the victory, which would be cherished for many days to come.

SLAMDUNK 2017- Inter Section Basket Ball Tournament



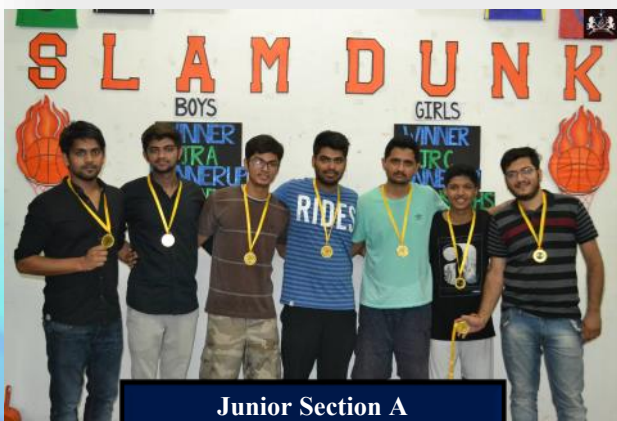
Knockout Round



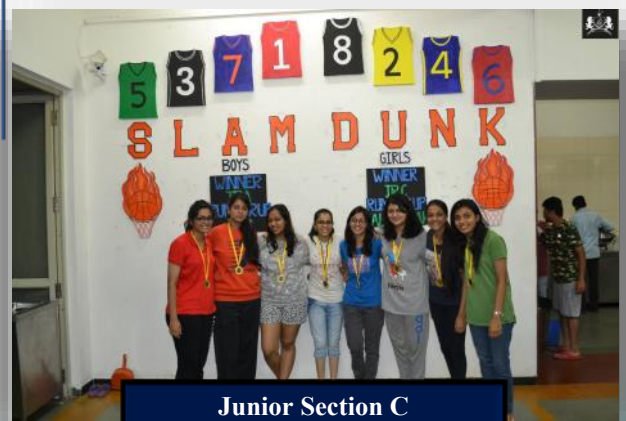
Semi Final Round



Final Round



Junior Section A



Junior Section C

SHOWDOWN - The Ultimate war of Sections

Expressions- The Fun Club of IMNU organised The Showdown, 2017 on 16th and 17th of August. It was an event where the students competed to prove their mettle in the ultimate battle of sections. The event saw a whooping participation of 200+ students.

The fun activities that were spread across three rounds tested teamwork, coordination and trust amongst the students.

Junior Sections B & C beat other sections to reach the final round which saw a fierce head to head competition. Section B emerged as the winners and were awarded with a rolling trophy and a pool party.

The second day of the Showdown held activities for the senior batch; Aristocrats and Deagles reached the finals and the Deagles emerged victorious.



JUNK TO JEWEL

On 10th of August SWAYAM – The Entrepreneurship club of IMNU organised Junk to Jewel, which was based on the concept of Upcycle. They gave IMNU the challenge of turning junk into jewels to which the students responded in massive numbers in teams across sections.

The idea behind this event was to bring out the skills of turning waste material into something productive and creative and all this while thinking on your feet. The teams were provided with inventory right out of the junkyard and they had to generate an idea of a product and had to make it using the waste materials. They were brimming with

ideas and showed superlative skills in their products. The event was full of excitement and intensity where all the teams displayed great character and enthusiasm.

Both the guest judges shared their expert opinions and ideas about their respective fields and imparted the students with the finer details. All the teams pitched great products which reflected the thinking skills, creativity, execution of ideas and overall presentation. The teams in Junk to Jewels who had an edge over the others were awarded on the basis of the jury's decision.

Winning Team: Scruptapper - Light Watch with Shelf



Spreading Happiness Through Clothes Drive

A very common sight in every country, city, town and village is the wide gap between the Haves and the Have Nots. Rising skyscrapers on one side, slums on the other; Starbucks on one side and a hungry child looking at it from outside; a gold jewellery shop at one place, a man sleeping on the road in the scorching heat in front of the same. There is no dearth of the examples one can give to describe this reality of the world.

A trip down the narrow lanes of a slum, and one would thank his/her fortune for giving him/her this fortunate life. While we luxuriously spend thousands of rupees on the clothes, shoes and accessories of our favourite brands,

there are countless who have to toil every day to earn clothes to cover their bodies. Saral, the Social Club of Institute of Management, Nirma University, organised a Clothes Drive on 12th August, 2017, to spread some happiness to the inhabitants of the slums surrounding the university by way of distributing clothes to them.

As the students took bags filled with clothes and footwear for them, people gathered in lines to receive the luxuries that we so conveniently take for granted. The success of the event could be fathomed by the sparks of happiness in the eyes of the people, and especially the children when they received the clothes.



Saral Team spreading Happiness

Break the Code 4.0

OPTIMUS, The operations Club of IMNU, organised fourth edition of their “**Treasure Hunt**” event “**BREAK THE CODE 4.0**”.

Around 120 students participated in this event, and were divided into groups of 3 or 4. The event was divided into 3 rounds. In first round, the participants were given pre-folded origami papers, and were required to identify the shape and the personality based on the clues present. Out of total teams present, 10 teams made it to the 2nd round of the event. “Break the Code 4.0 – Quiz” as Fillers were conducted by the club between the 1st and the 2nd round.

The 2nd round was an on field group activity, held at IMNU back lawn, in which, the 5 best timers teams made it to

the final round. This round mostly focused on team coordination, and accuracy with precision.

The last and final round was a “Treasure hunt”, which covered the entire Nirma University Campus. The team had to play with the clues given to them, and were required to reach the final destination. The Top 3 teams, which took least time in completing the task, were declared as the winners.

The teams which finished top 3 were :

Team Krogan

Team Metal

Team Bangst



Break the Code 4.0

71st Independence Day Celebration - A fervor of Patriotism

A patriotic fervor swept the campus on 15th August as Nirma University celebrated the 71st Independence Day in its campus today wherein the faculty, staff and students of the institute participated in the celebration in huge numbers. The programme started at 8:30 AM with the arrival of the chief guest, Shri Pankaj M. Shah, Vice President of Gujarat Cancer Society, who paid homage to the Father of our Nation and Bharat Mata with a floral tribute. The national flag was hoisted, followed by the National Anthem and the review of the Parade.

The Chief Guest was then invited upon the lectern to address the gathering. Mr Pankaj Shah inspired the audience with his speech recounting about the hardships during the pre-independence era, and how India has developed since 1947. He talked about the milestones India and we Indians have achieved, the initiatives taken by the Government for country's self reliant and economic security through innovative developmental programs like Make in India, Start up India, Digital India: Digitizing Education and their significant impact on the education scenario in our country. He also emphasized on the fact that though India is the

second largest populated country in the world; we are functioning in a deficit of blood units every year. Less than one lakh people donate blood annually due to which a lot of blood cancer and thalassaemia patients undergo with problems. Though blood donation is considered as a great selfless act, very few people in India actually take out the time to do it. He thereby motivated the youngsters to volunteer more in blood donation drives as they are major contributors to the blood donors' pool.

From the havoc wreaked Assam which hoisted the National Flag while standing in waist-deep water, to the PM addressing the nation from the ramparts of Red Fort, the patriotic spirit was booming as every Indian expressed their immense adoration for their motherland.

As the day ended, the students and the professors went back to perform their chores, but there was an unmistakable sense of pride, jubilation, victory and a re-ignited vigour to act on our promise of a better, healthier and safer India.

JAI HIND!



71st independence Day Celebration

The Construction business in India



Rajbir Singh

Batch 2011 - 13

**Executive Assistant to Chief Executive Officer,
Hindustan Construction Company**

The infrastructure sector is the key driver for the Indian economy and is at the heart of growth of India. It is important to focus on this sector as it is highly responsible for propelling India's overall development. Estimates suggest that the country needs close to INR 31,000 billion to be spent on infrastructure development over the next five years, with 70% of funds, needed for power, roads and urban infrastructure segments. Despite this need, India's rank on infrastructure development in the Global Competitive Index was at 68 in 2016-17 with an improvement of 19 places compared to the previous year. Though there is an enormous demand for physical infrastructure, there are many challenges that the sector is facing as the developers, the financial community and the government grapple with stalled projects, non-performing loans and widening gap between performance and targets.

The infrastructure sector raised a total of \$3.49 billion across 33 transactions in FY17 compared with \$2.98 billion raised in 31 transactions in FY16, highlighting the growing number of deals in the sector and majority of them led by power, roads and renewable sectors, according to data from investment bank Equirus Capital.

The present government has built 22 km of roads per day in 2016-17, missing its ambitious target of 41 km. The road transport minister had set an all-time high target of building 15,000 km of roads in 2016-17 but only managed 8,200 km of roads. This construction figure, however, is the highest that the ministry has achieved till date and more than double of what the previous government managed. Between 2009 and 2014, on an average 6 km to 9 km of roads were built per day.

India's construction growth in GDP terms has tapered off substantially since 2011-12. After an impressive growth of 10.8% in 2011-12 there has been much lower activity since and grew by only 3.1% in 2016-17. This slowdown has adversely affected Engineering, Procurement and Construction (EPC) companies across India. The projects have been impacted at various stages of their lifecycle from planning to operations making several of them unviable. The sector is plagued with significant cost overruns, regulatory bottlenecks and aggressive bidding positions taken by a few market players resulting in financial losses. Another important element is the massive build up of claims that are receivable from various government entities.

These are on account of several factors, such as change of scope of work, idling of resources like manpower and overheads, compensation beyond the original contract period, change in statute and loss of opportunity. The entire claims resolution mechanism has been substantially delayed and, consequently, blocked up large amounts of cash severely affecting liquidity across the value chain. Worried over the revival of construction sector, the government has decided to implement a year-old decision of Cabinet Committee on Economic Affairs (CCEA) to pay 75% of arbitral award amount to contractors against a bank guarantee in cases locked in litigation.

The Government of India has two very different challenges. First it has to deal with and resolve several of these legacy issues that plague the infrastructure and construction sector. Second, it has to provide a new round of growth impetus to the sector. On both these fronts, the government has made some headway in 2016-17. However these are initial steps and much of the developments on the ground are expected in the next few years.

Thriving Thriftily



Dr. Dhiren Jotwani

Assistant Professor

Area: Economics & Finance

<http://dhirenimnu.wordpress.com/>

Money saved is money earned. To be mindful of one's expenses is a very important trait to develop. Yet, frugality can be perceived negatively, if it is too extreme. Savings can be done by an individual, a household, a company, a state or even a country. The costs and benefits of savings differ at the individual level and the aggregate level.

A distinctive feature of most Asian economies has been that they have generally displayed a high affinity towards savings. However, over the last few years, India has seen a gradual decline in the gross domestic savings (GDS) rate. The GDS rate had touched its highest ever values about ten years ago. Though India's GDS rate is lower than many other countries, it is still higher than the global average, as per recent data from the World Bank database. On the other hand, economic growth has been encouraging, if the numbers are to be believed. With a growing economy, our consumption as a ratio of our income seems to be increasing – with savings decreasing. This falling GDS rate could cause problems in the future.

There can be two distinct views here: consumption increases as income increases; or, saving increases as income increases. This can be related to a paradox in economics, initially highlighted in the early parts of the 18th century, and in later years by J.M. Keynes, and other researchers subsequently. Referred to as “the paradox of thrift”, it offers an interesting insight into how individual and aggregate behaviour may differ. As a caveat, it doesn't always explain savings behaviour.

This paradox proposed that, during recessions the general tendency of individuals is to cut down on consumption, i.e., they save more. This reduction in consumption (or increase in savings) results into a fall in aggregate demand.

Falling aggregate demand implies that expenditures in the economy will fall, thus reducing the vibrancy of the economy. With this, income may fall even further; worsening the situation. The irony here is that, in recessionary times, the individual would seek refuge in the assurance of secure savings. However for the economy (which is nothing but the aggregate of all individuals), the Keynesian view emphasises on stimulating aggregate demand – save less and spend more.

There have been various criticisms of this explanation. For example, a recession may not always be due to demand side factors. Further, if we can safely assume that savings will translate to investments, there is no strong reason to save less. We also cannot ignore capital flows to and from other countries. If interest rates are lowered too much during a recession, it may only lead to a liquidity trap – ultimately discouraging both savers and borrowers – leading to a slowdown. So it is not true that higher savings today will cause a slowdown in the future.

Looking at the current situation, consumption seems to be rising and interest rates are falling. Inflation is under control, but the numbers are deceptive. Either this could lead to a slowdown, or it may be that the paradox of thrift may work in favour of India. This debate may never end, so how to react as an individual?

The impact of an individual's savings on the aggregate economy is difficult to quantify. It is not that if I consume more today, I will prevent a recession for my country. Hence, as an individual, it is still prudent to save wisely. It is no secret that thriving thriftily has always been our specialty.

GOT isn't the talk of the town this Monday, and we aren't surprised!



Student Article
Kaustuv Vatsyayan
MBA FT (2016-18)

I am sure you all might be knowing about this new trending thing on social media called Sarahah.com. If you have an internet connection and are present on some social media platform, you must have come across this "so called" constructive feedback provider platform called Sarahah. This platform has gone viral in the last 72 hours worldwide. Almost everyone is sharing their profile links and the feedback they have received on that platform. Whether the feedback are provided by others or by themselves is altogether a different issue, but you can't deny the fact that the platform has gone viral.

Let's analyse how have they been successful in doing so. Here are some thoughts which can be useful for marketers and entrepreneurs in becoming successful.

1. **The right timing** - This platform was launched just before a weekend that was a kind of an extended weekend in the sub-continent. Most of the people sharing the link have mentioned in their posts that they are on this platform just because they have relatively less or no work to do during this time period. The owners have successfully leveraged that factor and launched the product in the right time duration. They understand that the platform will fade away quickly and hence made sure that they make the most when it's trending.
2. **WoM publicity** - Over the years, it has been proven that Word of Mouth publicity has been the most effective tool for marketing the product. If the product is good, it will succeed even with low organic publicity like paid publicity. Some of the organisations that have leveraged this are Airbnb, Uber, Dropbox, OnePlus, Starbucks, Redbull, 3M etc. The people sharing the

feedbacks initially, basically the early adopters initiated the trend and that ignited the late movers to come on the platform. The feedback UI has been kept very clean and uniform across, so that anyone knows that it is a screenshot from Sarahah.com without waiting for long. The color also plays an important role which is vibrant and catchy to the eyes.

3. **The human emotions** - The platform uses a very important aspect which touches everyone's lives directly. They have leveraged the human emotions which helps each user to connect to the platform. Even if a user uses the product for once, he/she will be able to relate to that product for life. People usually listen and see what they want to listen and see, thus the feedback they share about themselves make them feel more valuable and worthy.
4. **Easy to use UI** - The user interface is as easy as something you do on regular basis. Keeping into consideration the quick decline of the platform, the platform has been designed in such a way that the users using the product even for the first time will have no issues in using it. Basically, it has been designed to focus on the "core product feature" than the add-ons. Providing feedback is so easy, you just have to write about the person and press "Done". It's like a cakewalk, instead of those platforms which have multiple buttons, multiple font options, color options, attachment options and the list can go on and on. Also, creating a profile to accept feedback is equally easy; it takes a minute to create a personal link and share it on various social media platforms. This attracts people of all age groups to discover the product even if they are not tech-savvy.

(This article was also posted on LinkedIn on 14th August, 2017)

Photos Courtesy: Pratikriti; Content Courtesy: Media Committee.

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