

UNDERCURRENTS



A Note From The Union

The Union of GAEE India is pleased to present this edition of Undercurrents – a forum designed to foster ideas, showcase research and transform collective effort into meaningful impact.

This newsletter is more than a record of completed projects. It reflects sustained effort, collaborative exchange, and a commitment to intellectual rigor.

Our objective is clear: to strengthen GAEE's research capacity and uphold consistent analytical standards.

At GAEE, we view excellence as the result of accountability, responsibility, and proactive initiative.

As we move forward, we expect each member to assume responsibility, think critically, and act with commitment. The progress we achieve is driven by the dedication we demonstrate each day.

Undercurrents captures the momentum of our collective efforts, serving both as a record of achievements and as a reminder of the potential we can realize together.

The Union reaffirms its commitment to fostering structured inquiry, purposeful collaboration, and sustained intellectual contribution.

ECONOMY IN A NUTSHELL

GOLD AND SILVER MONTHLY REVIEW

- Early-Month Peak:
 - 24K gold opened above ₹17,300 per gram (~₹1.73 lakh per 10g), hovering near monthly highs.
- Sustained Downtrend:
 - Prices declined steadily through the month.
 - A sharp correction on March 23–24 saw gold fall by ~₹7,000 per 10g.
 - Silver prices dropped sharply to around ₹2,00,000 per kg on March 24.
- Monthly Low:
 - Gold hit a low of ₹14,291 per gram on March 24.

- Late-Month Recovery:
 - Gold rebounded to the ₹14,400–₹14,700 per gram range by March 25–27.
 - Silver recovered quickly to ₹2,25,000+ per kg by March 27.
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Key Drivers of Volatility:

- Geopolitical tensions: Escalation in the US–Iran conflict
- Crude oil fluctuations: Impact on inflation expectations
- Strong US dollar: Reduced appeal of gold as a safe-haven asset

STOCK MARKET OVERVIEW

- Record FII Outflows: ~\$12 billion (~₹940 billion) was withdrawn, marking the highest-ever monthly outflow, driven by geopolitical risks in the Iran region.
- Market Decline: The Sensex fell to 77,160.83, while the Nifty slipped below 24,000 during the second week.
- Sectoral Weakness: Banking and defensive stocks lagged amid uncertainty.

RUPEE DEPRECIATION



DISRUPTION IN ENERGY SUPPLY DUE TO CONFLICT IN WEST ASIA

- Severe Supply Shock: Conflict-led disruption in the Persian Gulf, including constraints around the Strait of Hormuz ($\approx 25\%$ of global oil flows), sharply reduced fuel availability and raised crude prices ($\sim +67\%$).

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- Logistics Breakdown: LPG supply chains were hit despite Operation Sankalp, with delivery timelines stretching from ~ 2 days to 25–45 days.
- Domestic Rationing: India prioritised households, PNG, and CNG, while restricting industrial/commercial supply ($\sim 80\%$) and reallocating LPG to essential sectors.
- Strategic Adjustments: A shift towards alternative sources (such as Bombay High) and supply diversification helped stabilise energy access.

INDIGO CEO RESIGNS

- The CEO of IndiGo stepped down following operational disruptions and mass flight cancellations linked to pilot roster issues.
- Co-founder Rahul Bhatia will take interim charge as the airline searches for a new CEO.

₹1 LAKH CRORE ECONOMIC STABILISATION FUND (ESF)

- Finance Minister Nirmala Sitharaman announced a **₹1 lakh crore** Economic Stabilisation Fund (ESF) to cushion the economy against global shocks.
- The fund will address supply chain disruptions, sectoral shocks, and fiscal risks, and will be financed through **₹57,381 crore** upfront along with future reallocations.

PLUM INSURANCE RAISES ₹193 CR

- Plum Insurance secured ₹193 crore in a Series B funding round led by Peak XV Partners.
- The funds will be used for AI-driven claims processing, technology upgrades, hiring, and HR/payroll integrations, following profitability in its first full year.

MODERATION IN INDIA'S ECONOMIC MOMENTUM

As per the Finance Ministry's March 2026 review, high-frequency indicators show early signs of slowdown after a strong start to the year.

- E-way bill generation fell 5.3% (MoM) by March 22, indicating moderation in goods movement (despite positive YoY trends).
- Flash PMI data points to softer output growth.
- Rising logistics and input costs are compressing margins across firms.
- Import-dependent sectors, particularly MSMEs and continuous-process industries (such as glass and ceramics), are facing production cuts and shutdowns.
- Sectors like textiles, leather, and gems & jewellery are seeing reduced competitiveness and weakening demand.

LAYOFFS AT META PLATFORMS

- Meta cut hundreds of jobs on March 25, 2026, as part of ongoing restructuring efforts.
- Reports suggest a broader overhaul (up to ~20% workforce impact, unconfirmed).

EXPORTS STRONG, GROWTH SOFTENS

- Export orders reached record highs across major markets, including the US, Europe, and Asia.

- Manufacturing PMI eased to 53.9, with firms absorbing input cost shocks, thereby squeezing margins.

HDFC BANK COMPLIANCE LAPSE

- Compliance Issue: HDFC Bank faced scrutiny over mis-selling of AT1 bonds to NRI clients, exposing lapses in internal controls and governance.
- Market Impact: Shares of HDFC Bank plunged ~26% in the March 2026 quarter, triggered by heavy FII selling (~48 crore shares) and governance concerns, eroding billions in market value.

UPI SCALE MILESTONE

- The Unified Payments Interface processed 22.64 billion transactions worth ₹29.53 lakh crore in March 2026.
- It accounts for ~85% of India's digital transactions and ~50% of global real-time payments.

RESEARCH SPOTLIGHT

-Research Brief

by Gorika Suri

INTRODUCTION

Over the past few decades, digital technology has become deeply embedded in economic activity worldwide. From online banking to e-commerce and cloud-based systems, economies now rely heavily on digital infrastructure. While this shift has improved efficiency and connectivity, it has also created new vulnerabilities. Cyberattacks such as data breaches, ransomware, and identity theft are no longer rare; they are recurring risks that individuals and organizations must manage.

As a result, cybersecurity is no longer just a technical issue but also an economic problem. Firms and governments must decide how much to spend on protection, how to deal with uncertainty, and how to respond when attacks occur. These decisions involve balancing costs and risks rather than attempting to eliminate threats entirely, which would be impractical.

COST OF CYBERSECURITY

Investing in cybersecurity comes with several types of costs. There are obvious direct expenses such as purchasing software, installing firewalls, and hiring skilled professionals. Beyond these, there are less visible costs that are often overlooked but can impact expenditure just as significantly. Employees need training, systems require constant updates, and stricter security measures can slow down operations.

From an economic point of view, these costs create a trade-off. Money spent on cybersecurity cannot be used elsewhere, such as expanding the business or investing in innovation. This reflects opportunity cost, which refers to the value of the next best alternative forgone when a choice is made.

This is where the idea of “optimal investment” comes in. A company will keep investing in cybersecurity only up to the point where the marginal reduction in expected loss equals the cost of that investment. Trying to achieve perfect security would be prohibitively expensive and, in most cases, unrealistic.

UNDERSTANDING CYBER RISKS

Cyber risks are difficult to measure. In theory, cyber risk can be understood as the probability of an attack multiplied by the damage it might cause. In practice, however, both of these are difficult to estimate. Attacks are unpredictable and many incidents go unreported or unnoticed for long periods.

Another complication is that cyber risks are not isolated. Systems are interconnected, which means a weakness in one organization can affect others. For example, a compromised network in one firm can be used to target partners, customers, or even larger systems. This interconnectedness therefore makes cybersecurity a shared concern rather than an individual one.

RESPONSES TO CYBER THREATS

Faced with these risks, organisations typically respond in a few common ways. First, they focus on prevention by investing in technologies and practices that reduce the chances of an attack. Second, they may pursue risk transfer, often through cyber insurance, where potential losses are shifted to another party. Finally, some firms simply accept the risk, especially when the cost of protection seems too high relative to the potential damage.

These choices reflect basic economic reasoning. Firms are not trying to eliminate all risks; rather, they aim to manage them in a way that minimizes overall losses. The decision often depends on the size of the firm, the nature of its data, and the potential consequences of a breach.

MARKET FAILURES IN CYBERSECURITY

One of the key reasons cybersecurity becomes complicated is because markets don't always function efficiently in this area. This occurs for several reasons.

First, there are externalities. If one firm has weak security, it can create risks for others, especially in interconnected networks. On the other hand, when a firm invests heavily in security, the benefits may extend beyond just that firm.

Second, there is information asymmetry. Customers often lack visibility into how secure a company's systems actually are, reducing pressure on firms to invest more in cybersecurity.

This became evident during the WannaCry ransomware attack (2017), where organizations with outdated systems were exposed, and the Equifax data breach (2017), where sensitive data of millions of users was compromised despite users having no visibility into the firm's security practices.

Finally, some aspects of cybersecurity behave like public goods. For example, national-level cybersecurity infrastructure protects many users at once and private firms may lack sufficient incentive to invest in such infrastructure on their own.

ROLE OF GOVERNMENT

Due to these issues, governments play an important role in cybersecurity. They set regulations, enforce data protection laws, and invest in national cybersecurity systems. They also encourage information sharing between organizations, improving overall awareness of threats.

Without such interventions, firms might underinvest in cybersecurity, leading to higher risks for the entire economy. Government policies aim to correct these imbalances and ensure a more stable digital environment.

CONCLUSION

The economics of cybersecurity highlights an important idea: security is less about eliminating risk and more about managing it efficiently. Firms and governments must constantly balance the costs of protection against the potential losses from cyberattacks.

Moreover, as digital systems continue to expand, this balance will become even more important. Just as clean air benefits everyone, robust cybersecurity infrastructure protects entire digital ecosystems. Understanding cybersecurity from an economic perspective helps explain why perfect security may be impossible, but efficient security remains indispensable.

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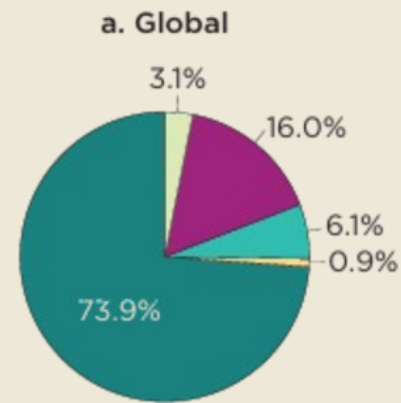
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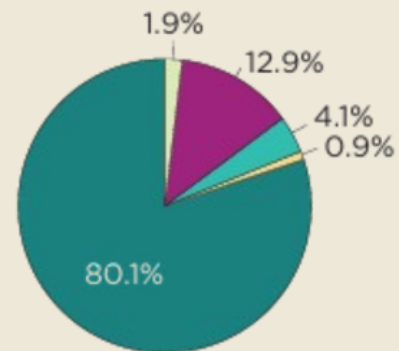
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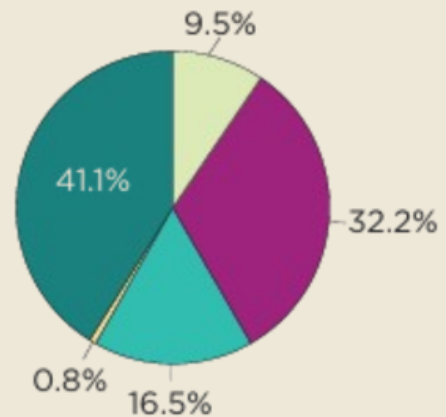
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b. High-income countries



c. Developing countries



Distribution of disclosed cyber incidents, by motive and income group, 2014–23

RESEARCH SPOTLIGHT

-Case Study

by Manvi Sinha

MANAGING CASH FLOW IN A FAST-GROWING E-COMMERCE STARTUP: A WORKING CAPITAL DILEMMA

In early 2025, UrbanKart, a Delhi-based e-commerce startup offering affordable lifestyle and home products, was facing a situation that appeared strong on paper but was increasingly difficult to manage in practice. The company had grown rapidly since its launch in 2023. Monthly revenues had grown from about ₹50 lakh in its early days to nearly ₹2.4 crore by March 2025, reflecting strong demand and steady market acceptance.

From an accounting perspective, the business appeared to be performing well:

- Sales were rising
- Gross margins were stable at around 30%
- The company was building a strong presence, particularly in Tier-2 and Tier-3 cities

However, the core issue was not sales or profitability, but the amount of cash actually being generated.

A major reason for this was the company's heavy reliance on cash-on-delivery (COD) orders:

- Around 65% of total sales came from COD
- Payments from these orders were typically received after 10–12 days
- Prepaid orders resulted in immediate cash inflows

At the same time, UrbanKart had limited flexibility on the payment side:

- Most of its suppliers expected payments within 7 days
- Some even required partial advance payments

To meet the growing demand and ensure quick deliveries, the company had also increased its inventory significantly, from ₹80 lakh to ₹1.6 crore in just six months. As a result, a large portion of the company's capital was constantly tied up in inventory and

accrued income from customers. Its cash conversion cycle had stretched to around 35–40 days. Additionally, the company had fixed monthly expenses of nearly ₹70 lakh, including logistics, warehousing, marketing, and salaries.

Despite strong revenues, UrbanKart began facing a monthly cash gap of ₹25–30 lakh:

- Short-term loans were taken at an interest rate of 14%
- Total short-term borrowings had reached ₹1.2 crore by March 2025

The management team now finds itself at a strategic crossroads.

One option is to moderate growth and bring greater discipline into operations to improve cash flow:

- Reduce inventory levels by about 20%
- Encourage more prepaid orders by offering small discounts
- Negotiate longer payment timelines with suppliers

This could ease the cash pressure, but it might also affect sales growth and customer satisfaction.

The alternative is to remain focused on growth:

- Continue with its current strategy
- Raise an additional ₹2 crore in working capital to support operations

This would help maintain momentum while fulfilling the customer demand, but it would also increase financial risk, especially if growth does not continue at the same pace.

Should UrbanKart adopt a more conservative approach to strengthen its cash position, or continue pursuing aggressive growth despite the increased financial risk?

RESEARCH SPOTLIGHT

-Visual Storytelling

by Shrishti More

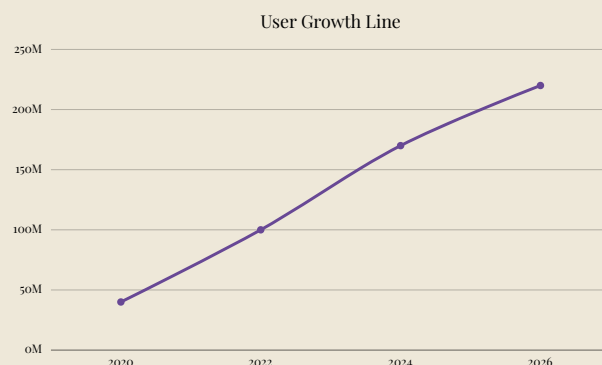
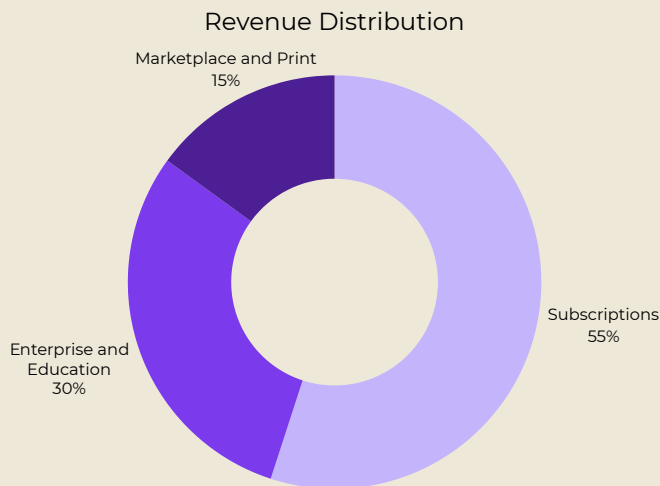
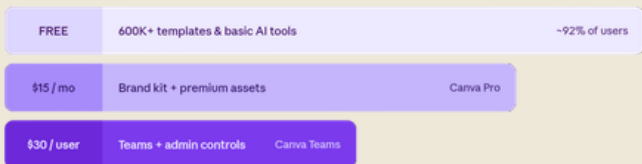
DECODING CANVA: AN ANALYSIS OF BUSINESS AND MARKETING STRATEGIES COMPANY OVERVIEW

Canva is a browser-based graphic design platform founded in 2013 by Melanie Perkins, Cliff Obrecht and Cameron Adams in Perth, Australia. Built to remove cost and skill barriers from design, it operates as a privately held SaaS company headquartered in Sydney.

Monthly active users 220M	Annual recurring revenue \$2.3B	Countries served 190+
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MARKET POSITION AND BUSINESS MODEL

Canva pioneered the freemium design model, replacing expensive software licences with a free entry tier accessible to anyone with a browser. It holds over 44% of the browser-based design market globally



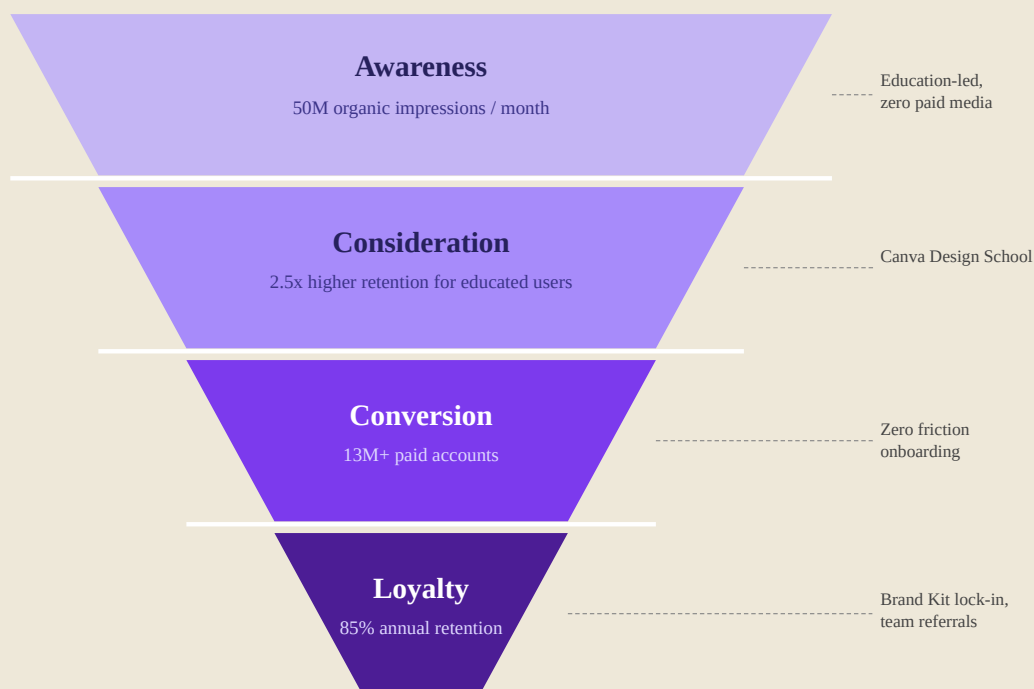
COMPETITIVE LANDSCAPE

Where Adobe optimised for professionals, Canva targeted everyone else — a market roughly 100 times larger. Its AI tools were bundled free before competitors could charge for them.

	Adobe CC	Canva
Entry price	\$55/mo	Free
Target user	Designers	Everyone
Learning curve	High	Minutes
AI bundled free	No	Yes
Templates	Limited	600K+

MARKETING STRATEGY • TOFU MOFU BOFU

Canva's customer acquisition cost has been near zero since 2019. Every shared design carries a "Made with Canva" tag, turning 220 million users into a passive marketing channel.



"Canva is not selling design software. It is selling the feeling of creative capability to people who never believed they had it."
— *Forbes, 2024*

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OPPORTUNITIES & GROWTH

The Last Man Standing Case Competition

Hosted by: Scale School of Business

Type: Case Competition

Mode: Offline

Location: Scaler School of business

Event Date: 9th May 2026

Duration: Approximately 5 hours

Team Size: 1-2 members

Overview:

A high-stakes, inter-collegiate and inter-B-school competition designed to identify well-rounded and strategic leaders through case simulations and real-time decision-making challenges.

Eligibility:

- Open to Undergraduate (UG) and Postgraduate (PG) students
- Students from all disciplines
- Inter-college and inter-specialisation teams allowed

Structure:

- Business case provided at the start
- Participants assume top management roles
- Focus on growth strategy and decision-making

Judging Criteria:

- Presentation Skills – 20%
- Feasibility – 20%
- Certificates, and cash prizes
- Research Depth- 20%

Prizes:

- Total Prize Pool: ₹ 10,000
- Trophy, certificates, and cash prizes

Rules:

- Same team throughout
- Strict time adherence
- Original ideas only
- Misconduct leads to disqualification
- Judges decision is final

Youth Marketing Associate- Internship

Company: Eduveda Academy

Type: Internship

Mode: Remote/ Work From Home

Duration: 2 Months

Stipend: ₹15,000-₹25,000/month

Work Type: Part-Time (5 days/week)

Application Deadline: Ongoing (8 days remaining)

Roles & Responsibilities:

- Assist in marketing campaigns
- Create social media content
- Conduct market research
- Support outreach events
- Track campaign performance

Eligibility

- Students/graduates in Marketing,Business
- Strong interest in marketing
- Good communication skills
- Basic digital marketing knowledge

Skills Required:

- Understanding of youth trends
- Creativity and communication
- Organisational skills

Perks & Benefits:

- Certificate of Completion
- Letter of Recommendation
- Flexible hours
- PPO opportunity

International Quant Championship 2026- Case Competition

Hosted by: WorldQuant

Type: Global Competition

Mode: Online

Team Size: 1-4 members (same university)

Domains: Data Science, Financial Analysis

Application Deadline : Ongoing (1 day remaining)

Overview:

A global quantitative finance competition where participants build predictive financial models using real market data on the BRAIN platform.

Eligibility:

- Open to individuals aged 18+
- Students from any discipline
- Some exclusions apply (e.g., employees ,past winners)

Structure:

- Stage 1: Qualifier (Alpha submissions)
- Stage 2: National Round & Finals
- Stage 3: Global Finals (Singapore, Sep 2026)

How to Participate:

- Register on Unstop
- Create BRAIN account
- Form team
- Submit and refine models

Prizes:

- Total Pool: Up to USD 100000
- Global Winner: \$20,000
- Additional prizes at national & global levels

Additional Benefits

- [Research webinars](#)
- Real financial data exposure
- Career opportunities

Business Development Internship-Pyoras

Hosted by : Pyoras

Type: Remote/Work From Home

Duration: As per role

Work Days: 5 days/week

Team Size: Individual

Overview:

An internship focused on sales, client acquisition and business strategy with real-world exposure.

Roles & Responsibilities:

- Generate leads and identify clients
- Conduct market research
- Assist in proposals and pitches
- Manage client relationships
- Support growth strategies

Eligibility:

- UG/PG students from any discipline
- Freshers eligible
- Interest in sales/marketing preferred

Evaluation Criteria:

- Communication - 30%
- Business Understanding- 30%
- Initiative- 20%
- Consistency-20%

Stipend & Benefits:

- Performance -based stipend
- Certificate
- LOR
- PPO Opportunity

Rules:

- Active participation required
- Original work only
- Deadlines must be met
- Final decision rests with the organisation

National Institute of Disaster Management Internship Programme

Hosted by : NIDM

Type: Internship Programme

Mode: Hybrid/On-site

Sessions: Summer & Winter

Stipend: ₹12,000-₹15,000/month

Overview:

A government internship providing exposure to disaster risk management, policy, and research under expert guidance.

Eligibility:

- UG/PG students
- Minimum 65% marks
- Relevant disciplines required
- Must be enrolled in a recognised institution

Structure:

- Research and project work
- Exposure to policy frameworks
- Final report/presentation

Evaluation Criteria:

- Research Skills-30%
- Project Contribution- 30%
- Conceptual Understanding- 20%
- Presentation-20%

Benefits:

- Monthly stipend
- Certificate
- Government exposure

Rules:

- Full duration mandatory
- Attendance required
- Original work only
- Final decision rests with the institute

Unstop Pizza Internship

Hosted by - Unstop

Type- Internship

Duration- Short-term

Team Size: Individual

Overview:

A creative internship offering hands -on exposure through real-world tasks in marketing, operations, and content.

Structure:

- Task-based assignments
- Content creation & business problem-solving
- Multi-round evaluation (if applicable)

Eligibility:

- UG/PG students
- All disciplines
- Freshers eligible

Evaluation Criteria:

- Creativity -30%
- Execution-30%
- Conceptual Understanding-20%
- Participation-20%

Benefits:

- Certificate
- Networking opportunities
- Practical exposure
- Performance - based rewards

Rules:

- Individual participation
- Original submissions only
- Deadlines strictly enforced
- Final decision rests with organizers

THANK YOU