JULY 2026
EDITION

GAEE
Global Association of Economics Education
INDIA

UNDERCURRENTS

INVISIBLE FORCES. INEVITABLE CHANGE.

JULY 2026

GAEE INDIA PRESENTS

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

India's GDP Growth: 7.7% for FY26, Q4 at 7.8%

India's GDP grew 7.8% in Q4 FY26 (Jan-Mar), beating RBI and market forecasts. Full-year FY26 growth came in at 7.7%, up from 7.1% in FY25, keeping India the world's fastest-growing major economy. Real GDP for FY26 stood at Rs 323.12 lakh crore, up from Rs 299.89 lakh crore in FY25.

Sector-wise: services led at 11% growth (trade, hotels, transport, communication), manufacturing grew 10.7%, construction 7.4%, financial/real estate services 10.4%. Agriculture slowed to 3% (from 4.2%), and mining growth halved to 5.2% (from 11.7%).

The same day, RBI held the repo rate at 5.25% but raised its FY27 inflation forecast to 5.1% (from 4.6%) and cut its FY27 growth forecast to 6.6% (from 6.9%), citing the West Asia conflict and elevated energy prices.

Stock Market Overview: June 2026

June was a two-sided month that still ended modestly higher. The Nifty 50 rose 1.67% to 23,865.75 and the Sensex added 1.69% to 76,478.67, with mid and small-caps outperforming large-caps.

Banking and financial stocks did the heavy lifting, with Nifty Bank rising 6.41% and Nifty Private Bank rising 6.43%, while the technology sector was the clear drag, with Nifty IT falling 9.56% on weak tech-spend signals and a cautious outlook from Accenture. Gross GST collection for June rose 13.9 % year-on-year to ₹1,94,812 crore, underlining resilient demand. Foreign investors remained net sellers through most of the month, selling around ₹43,044 crore, while domestic institutions kept buying and steadied the market. Crude oil prices fell sharply after a pause in the Iran-Israel conflict, easing pressure on India's import bill and the rupee.

Gold and Silver Monthly Review

Gold fell over 12% in June, marking its fourth consecutive monthly loss and its biggest monthly decline since October 2008. As of June 30, spot gold was trading at $3,985.57 per ounce, and gold was also on track for its first quarterly decline since 2024, and its largest quarterly fall since 2013. The decline came as easing geopolitical concerns shifted focus to inflation worries, since the Iran conflict had pushed energy prices higher, strengthening expectations of higher US interest rates. A stronger US dollar also weighed on gold, as it was on track for its second straight monthly gain, making dollar-denominated gold costlier for holders of other currencies. Silver was not spared either, falling 1.3% to $57.53 per ounce on June 30, with platinum and palladium also headed for monthly and quarterly declines.

India–Oman CEPA in Force from June 1

The India-Oman CEPA came into force on 1 June 2026, giving Indian textile and apparel exporters duty-free access on all 945 tariff lines (up from a 5% duty), plus zero-duty access for handicrafts. India's textile exports to Oman stood at $95.1 million in FY26, against Oman's ~$598 million annual textile import market, where India is already the third-largest supplier. The deal also digitalizes Certificate of Origin processing and recognizes Indian GI tags. Amid regional tensions, Oman is also gaining importance as an alternate Gulf trade route bypassing the Strait of Hormuz.

RBI Holds Rate at 5.25%, Cuts Growth Forecast

The RBI kept the repo rate unchanged at 5.25% with a neutral stance, citing risks from the prolonged West Asia conflict. It cut its FY27 growth forecast to 6.6% (from 6.9%) and raised its inflation forecast to 5.1% (from 4.6%), citing elevated energy prices and monsoon uncertainty.

To ease pressure on the rupee, the RBI announced measures to attract foreign capital: wider FPI access to government securities, higher NRI/OCI equity investment limits, hedging cost support for banks raising foreign deposits, and extending exporters' proceeds-realization window to nine months (from 15).

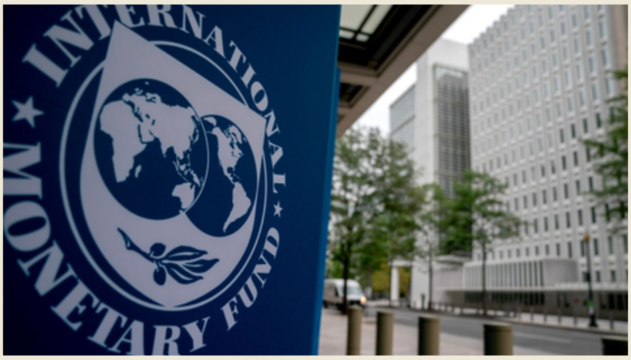
Key risks: a prolonged Hormuz closure pushing oil prices up, El Niño hurting the monsoon and food prices, and mild fiscal slippage risk from higher subsidy costs.

IMF Cuts 2026 Global Growth Forecast to 3%

The IMF trimmed its 2026 global growth forecast to 3.0% (from 3.1% in April), citing risks from the Middle East war, trade fragmentation, and possible AI-related market corrections. Growth is expected to rebound to 3.4% in 2027, still below the 3.5% average seen in 2024-25. The forecast assumes the Strait of Hormuz reopens in mid-July, normalizing by March 2027, with oil averaging $89/barrel.

The IMF raised its 2026 global inflation forecast to 4.7% (from 4.4%), citing energy prices that are 25% higher than pre-war levels. Global trade growth is projected to slow sharply to 3.5% in 2026 (from 5% in 2025), before rebounding to 4.3% in 2027.

Country-wise: the US forecast held steady at 2.3% for 2026; China was upgraded to 4.6% (from 4.4%); India saw a small downgrade to 6.4% for 2026 (from 6.5%), though its 2027 forecast was raised to 6.7%. The Middle East and Central Asia region, hit hardest by the war, was cut sharply to 0.7% for 2026, but its 2027 forecast was raised to 6.5%.



Emerging Startup Trends in India 2026

More than 6,58,000 startups registered in India in just the first three months of 2026, with 33.5K securing funding and 2.9K early-stage startups getting backed. Until March 2026, 402 funding rounds raised about $3.46 billion, a drop from $5.21 billion in the same period in 2025 — but that 2025 figure came from nearly double the rounds (790), showing investors are now making bigger, more selective bets rather than spreading capital thin. Almost 50% of Indian startups now come from tier-2 and tier-3 cities like Surat, Lucknow, Jaipur, Indore, and Coimbatore.

Fintech: India ranks 3rd globally for fintech funding (after the US and UK), with $2.4 billion raised in 2025, $1.2 billion of it in early-stage rounds. Decentralized finance and embedded finance are gaining ground.

Healthtech: The sector has 6 unicorns and 173 startups that reached Series C funding, with $665K raised in January 2026 alone. AI diagnostics, chronic disease management, and hospital SaaS are key growth areas.

Consumer-tech: Quick commerce, D2C brands, and AI-native consumer experiences are becoming mainstream, driven by a growing middle class and deep smartphone penetration.

Five sectors stand out for 2026:

AI startups: India's tech sector generated $280 billion in revenue in 2025, and the India AI Impact Summit 2026 secured $20 billion in investment promises.

Cleantech: Funding rose by 43% in 2024-25, with mobility and solar energy startups getting the most attention.

RESEARCH SPOTLIGHT

THE CONVENIENCE TRAP

How quick-commerce is reshaping India's relationship with time

THE QUESTION NOBODY IS ASKING

Ten years ago, waiting two days for a package felt remarkably fast. Today, a ten-minute grocery delivery can feel slow if it arrives in fifteen. But underneath these micro frustrations lies a more interesting question than delivery ETAs.
What happens when convenience is the rule, not the exception?
The rise of quick commerce in India, through platforms such as Blinkit, Zepto, Swiggy, and Instamart, has visibly transformed shopping. But it may be quietly transforming something deeper: our tolerance for waiting. The question is no longer whether goods can arrive faster. It is whether delay itself is becoming a cost that consumers are increasingly, almost viscerally, unwilling to pay.

Quick commerce may not simply be changing retail; it may be changing patience.

THE BEHAVIOURAL ECONOMICS OF WAITING

Two concepts from behavioural economics explain what is happening. The first is **hedonic adaptation**: the human tendency to normalise improvements quickly. The first time a delivery arrives in ten minutes, it feels remarkable. By the twentieth time, it is the minimum acceptable standard. The experience has not changed; the frame around it has. The second is **reference dependence**: we evaluate experiences not in absolute terms but against a benchmark.A consumer who once thought same-day delivery exceptional will, after repeated ten-minute deliveries, begin to experience a two-hour window as an inconvenience. The service has not got worse. The benchmark has moved.

These forces compound each other in an escalation: expectations move up easily and resist moving back down. Streaming services eliminated buffering as an acceptable norm. Smartphones made it strange to be unreachable. Quick commerce may be doing something similar to the concept of running out of groceries, converting a practical inconvenience into what feels like a system failure. The category that sponsored this shift does not need consumers to think about it consciously. It just needs the old standard to feel unacceptable.

WHY INDIA, WHY NOW

Quick commerce failed in markets where it seemed like it should work. Gorillas and Flink retreated across European cities, while Gopuff burnt capital in the United States. In India, the model did not just survive; it is scaling at a pace that surprises its own founders.

Three factors explain this. First, population density: in Delhi, Mumbai, and Bengaluru, a single dark store can serve hundreds of thousands of households within a 2-kilometre-radius geometry that simply does not exist in lower-density cities. Second, the wage difference makes delivery costs absorbable even on small orders. However, this raises a harder question: Blinkit's rider protests in 2022 over payout cuts showed what happens when the convenience layer's economics are stress-tested. The model's sustainability depends on whether riders are partners or just inputs. Third, UPI, the payment layer that, in many countries, is still a source of friction, has become nearly invisible in urban India. A purchase decision can go from impulse to confirmed order in under thirty seconds.

UPI did not just speed up payments. It collapsed the gap between wanting something and buying it.

THE INVISIBLE PRICE OF WAITING

Perhaps quick commerce is not making people less patient across the board, but rather allowing them to reallocate their patience away from low-stakes logistics and toward things that benefit from deliberation. A working parent in Gurugram ordering oil and eggs in eight minutes is not becoming impatient; she is optimising. Time-use research consistently shows that reductions in domestic logistics time are associated with increased time on leisure and caregiving, particularly for women. The problem is that both things can be true simultaneously. The person who has optimised away grocery planning may also find, after eighteen months of ten-minute deliveries, that a thirty-minute wait for anything feels unreasonable. What quick commerce may ultimately be creating is a patience inequality: consumers with disposable income are buying their way out of low-stakes waiting. Meanwhile, those without that access keep waiting in an economy of expectation that wasn’t built for them. The kirana owner watching footfall decline is not a nostalgic side note; he is absorbing the externality of someone else’s convenience.

THE ECONOMICS OF SELLING TIME

Someone earning Rs 60,000 per month, assuming roughly 200 working hours, values their time at around Rs 300 per hour. Paying Rs 40 to avoid a thirty-minute grocery run is, by that arithmetic, economically rational, not an indulgence, but basic time-value reasoning. The industry data confirms the revealed preference: daily orders across Blinkit, Zepto, and Swiggy Instamart exceeded 4 million in March 2025, more than double the previous year, with millions of consumers voluntarily absorbing delivery fees and markups on top of item prices.

A significant proportion of these order estimates suggest that 30 to 40 per cent are for items worth under Rs 300. These are not restocking runs. They are impulse completions: the missing ingredient, the craving at 11 pm. The product being sold is not the item. It is the removal of a small anxiety. When convenience becomes the default, competition shifts from product to reflex, and whoever owns the habit will eventually own the economics. Whether that habit survives the end of VC subsidy, as Dunzo's collapse suggested it might not, remains genuinely open.

People are not buying groceries. They are buying the relief of not having to plan.

A NEW CONCEPT OF TIME

The most significant consequence of quick commerce may not be faster delivery. It may be the disappearance of our relationship with waiting in favour of one where desire and fulfilment were separated by time. That gap was filled with planning, anticipation, or simply patience. Historically, running out of something meant that you planned better next time. The inconvenience was information. Quick commerce converts that information into a transaction, which is more comfortable but also removes the feedback loop that made planning feel worthwhile.

Future consumers may experience delay the way current users experience buffering, not as a neutral part of life but as a signal that something has gone wrong. In that world, patience will not have disappeared. It will have been re-priced: open to those who can afford to stay away from it, invisible to those who cannot. The end product of quick commerce is not groceries or medicine. The expectation is that almost nothing should have to wait, and whether that is progress or loss depends entirely on where you are standing and whether, in the first place, you have a smartphone in your hand.

OPPORTUNITIES & GROWTH

Flipkart GRiD 8.0 - Business Track

Hosted by: Flipkart

Type: Case Competition

Mode: Online

Registration Fee: Free

Overview:
Flipkart GRiD 8.0 is Flipkart's flagship business and engineering competition, where students solve real-world challenges in strategy, product management, operations, analytics, and customer experience.

Important Dates:
- Registration Deadline: 20 July 2026
- Competition: July–August 2026
- Grand Finale: To be announced

Eligibility:
Undergraduate students from recognised colleges in India, participating in teams as per Flipkart guidelines.

Focus Areas:
Business Strategy
• Product Management
• Operations
• Analytics
• Customer Experience

Rules:
- Team size as per Flipkart guidelines.
- Solutions must be original.
- All deadlines must be followed.
- Organisers' decision will be final.

Benefits:
- Certificate of participation
- Internship/PPI opportunities for top performers
- Mentorship from Flipkart leaders
- National recognition and industry exposure

E-Conjecture 2026 - The Economics & Public Policy Competition

Hosted by: IIM Indore

Type: Economics & Public Policy Competition

Mode: Hybrid (Online + Offline Finals)

Registration Fee: Free

Overview:
E-Conjecture 2026 is IIM Indore's flagship economics and public policy competition, where undergraduate students tackle real-world challenges in economics, governance, and policymaking through analytical and evidence-based solutions.

Important Dates:
- Registration Deadline: 20 July 2026
- Online Rounds: As per competition schedule
- Grand Finale: Offline at IIM Indore

Eligibility:
Undergraduate students only; teams of 2–4 members. Cross-college and multiple teams from the same college are allowed.

Focus Areas:
Macroeconomics
• Microeconomics
• Public Policy
• Fiscal & Monetary Policy
• Governance
• Economic Analysis

Rules:
- Teams must have 2–4 undergraduate students.
- Cross-college teams are permitted.
- Final round will be held offline at IIM Indore.
- Participants must follow all organiser guidelines.
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Benefits:
- Prize Pool: ₹25,000
- Certificate of Participation
- Opportunity to present at IIM Indore
- National recognition, mentorship, and networking opportunities

EY GDS Internship Programme

Hosted by: EY Global Delivery Services (EY GDS)
Type: Corporate Internship
Mode: Hybrid/On-site
Stipend: Paid

Overview:
EY GDS offers internship opportunities across consulting, assurance, tax, strategy, and technology. Interns collaborate on global projects while gaining exposure to international clients and industry-leading business practices.

Event Details:
- Mode: Hybrid/On-site
- Duration: Role-specific
- Focus Areas: Consulting, Strategy, Finance, Technology, Business Analysis
- Objective: To prepare students for professional careers through practical project experience.

Important Dates:
Applications: Rolling

Eligibility:
- Undergraduate students
- Postgraduate students
- MBA students
- Commerce, Economics, Management, Engineering, Finance and related disciplines

Benefits:
- Paid internship
- Internship Certificate
- Mentorship
- Networking opportunities
- PPO opportunities based on performance

THANK YOU