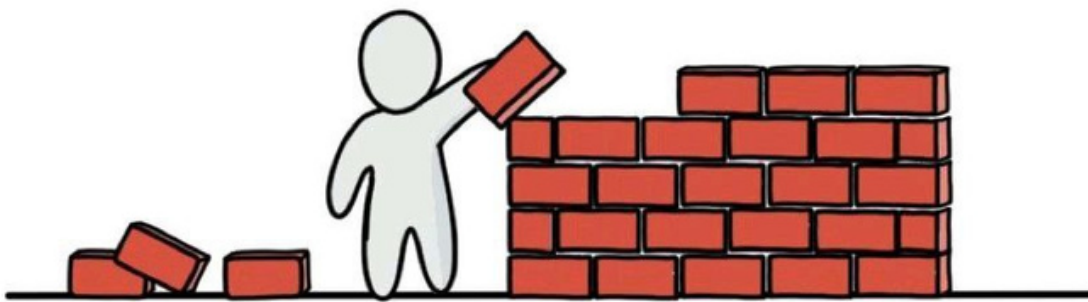


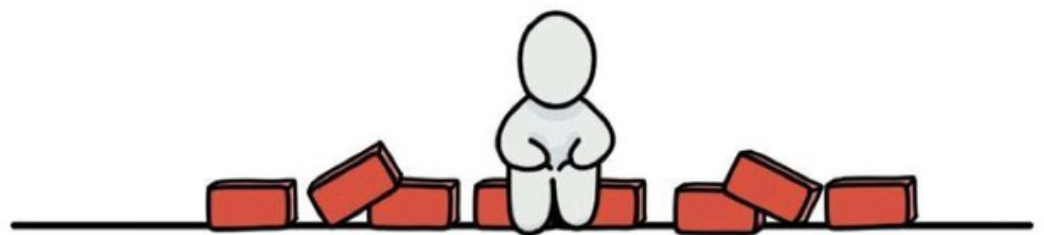
# THIS FISCAL

THE MONTHLY NEWSLETTER BY SIMANDHAR ENGAGEMENT COUNCIL

“  
CONTINUOUS IMPROVEMENT



IS BETTER THAN



DELAYED PERFECTION”

- MARK TWAIN -



## INSIDE THIS ISSUE:

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# SUCCESS STORIES FROM SIMANDHAR

## TOPPER OF THE MONTH



Kanchana Diwakar

REG - 97 | FAR - 95 | AUD - 89 | BEC - 96

## PLACEMENTS

👛 Sri Charitha Reddy - EY



👛 Samyuktha Ravichandran - EY



👛 Ankur Yadav - Infosys



## SPECIAL SHOUTOUT

Student of the Month



JATAN BHATT

## CPA ALUMNI CELEBRATION



# Congratulations

## US CPA ALUMNI OF SEPTEMBER



**Sirin Rathod**



**Renu Ravi  
Krishna Reddy**



**Jay bhanushali**



**Anupama  
Ghoshal**



**Mahima Jain**



**Kanchana  
Diwakar**



**Sahej Khurana**



**Niharika Sharma**



**Tanay raaj bahl**



**Saksham Rawal**



**Sarath kumar  
Menath**

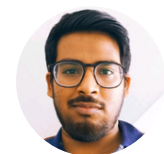


**Jay Samant**

# RUPEE INTERNATIONALIZATION

The recent announcement by the Reserve Bank of India (RBI) to allow cross-border trade transactions in rupee is a timely move and a step towards the internationalization of the currency. Now if someone in another country wants, it can choose to pay us in INR and take our goods or services. And conversely, we can pay INR for goods or services we import. This move is a game changer and a step towards internationalization of the currency.

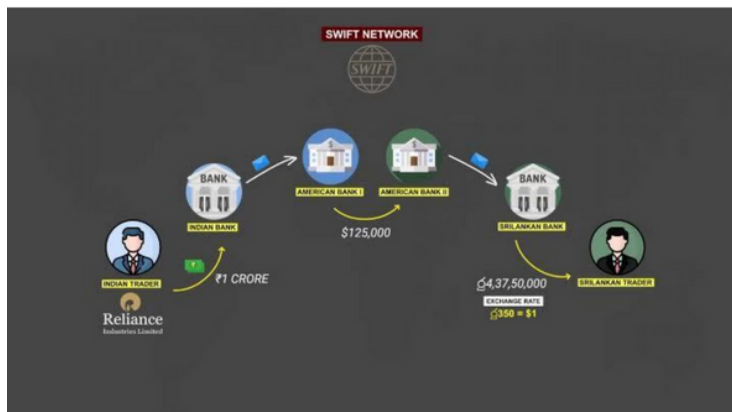
Contributed by  
**Abhik Kumar Das**



## How the traditional US Dollar based trade works?

US Dollar system works through the SWIFT SYSTEM. The Swift system has 6 components:

1. Indian Trader
2. Indian Bank
3. US Bank - A
4. US Bank - B
5. Foreign Bank
6. Foreign trader



Example: Reliance Industries Ltd (an Indian trader) purchased goods worth INR 100 cores from Russia and pays INR 100 cores from their Indian Bank account, Indian Bank has to convert these INR 100 cores to equivalent USD and transfer them to US Based Branch (US Bank - A). Now, US Bank - A, will transfer this amount to Russian bank's US Branch (US bank - B). Further the Russian bank's US branch transfers this amount to a Russian bank (foreign bank) and that Russian bank converts this amount to Russian currency and pays the Russian trader (Foreign Trader) from which Reliance Industries purchased goods.

The Swift system is highly controlled by the American government and if they want to remove any country from the Swift System, they can do so. This was seen recently in the Russia-Ukraine War, US prohibited Russia from their Swift System.

## How does the Indian Rupee-Based Trade Work?

Think of the same scenario in India. Assume that all banks in the world created accounts with Indian banks. If someone wants to transact in INR, they contact their bank in whichever country they are in, and say, "Take my local currency, convert to rupees, and give INR to Reliance, through Reliance's bank". This allows Reliance to export services or goods and receive money in INR. Great, isn't it?

### SPECIAL VOSTRO ACCOUNT:

Any country that wants to use this system should have a dedicated bank account called a Vostro account.

Example: If Russia and India wanted to trade with each other, then Russian banks should have a Special Vostro account in an Indian bank. Since the account is in an Indian bank, the account is denominated in INR.

Assume an Indian refiner wants to import crude from a Russian company. Indian importer pays say INR 100 million by telling its bank, "Listen, pay this Vostro account of Russian bank all this money from my account. It's for the crude shipment that I've received". The Russian bank, on the Russian side, says "Hey, my Indian Vostro has INR 100 million, so if the exchange rate is INR 2 to a RUB, I will pay RUB 50 million to the Russian exporter of crude" The Russian exporter gets 50 million RUB in his account. Simple enough? But wait, how does the Russian bank give RUB? It only has INR! You have to understand this: Banks print money. The Russian bank can say I now have INR 100 million in my account in the Indian bank. Against that, I can print 50 million RUB, and give that to the Crude Oil Company.

## What will the Russian bank do with the INR?

Let's say a Russian medicine chain needs to import medicines from India. It tells its bank: "Please pay Indian pharma exporter INR 10 million – and take from me RUB 5 million". Russian bank gobbles up the RUB on the Russian side. It then tells the Indian bank, "Listen, there's this Pharma Company, just give him INR 10 million from my Vostro account". Indian banks say, "okay, done deal"

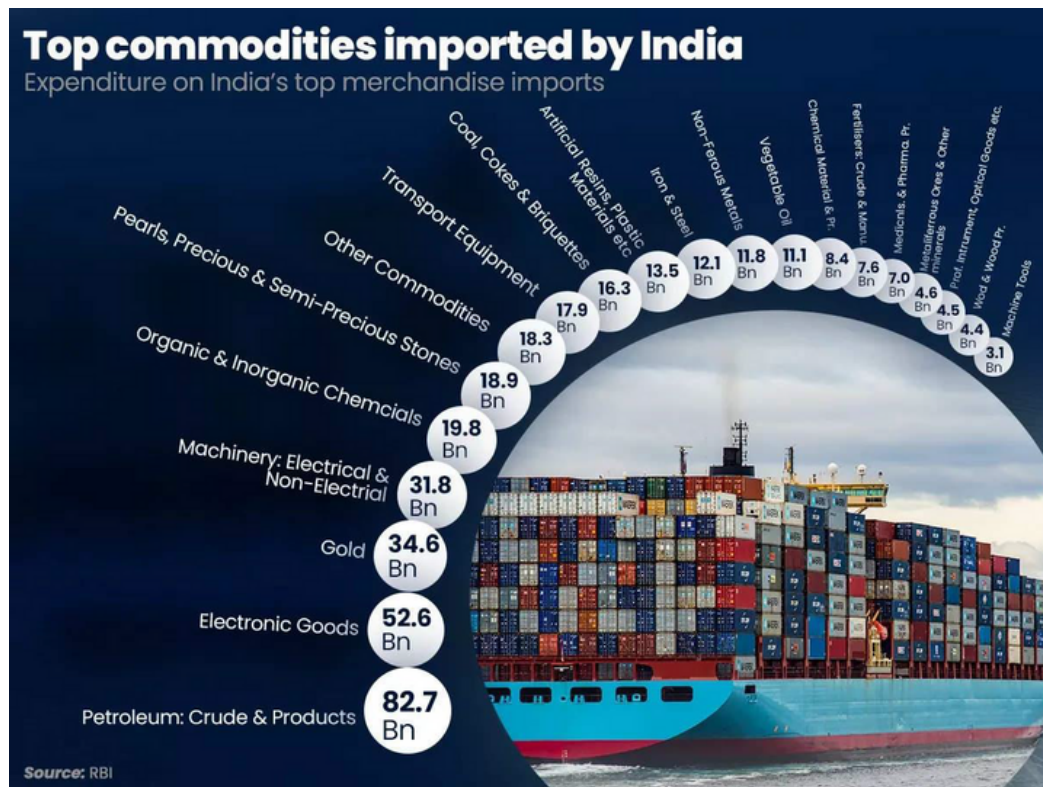
Importantly, all the INR is on the Indian side of things. It sits in Indian banks. There is no currency risk in the Indian bank – it just holds rupee deposits. The Russian bank takes the currency risk – every day, if the RUB-INR exchange rate changes, the profit/loss on foreign exchange fluctuation is borne by the Russian bank.

What if there's an excess rupee balance? India imports more than it exports to Russia, so if all trade goes this way, the Russian banks will have an excess INR balance. Then, the Russian banks can choose one of two things:

- ◆ Trade with an Indian bank to convert their INR to a different currency (say, Chinese Yuan). This will just involve them paying INR, but receiving CNY in a bank in China where they and the Indian bank have a Vostro account.
- ◆ Invest in Indian Rupee securities (like government bonds or T-Bills). Currently, this isn't allowed in India.

## How will this help the INR?

The core objective of this mechanism is to reduce the invoicing of trade in The United States Dollar (USD) by shifting to the INR. Such shifting will make it much easier for Indian exporters and importers to trade with countries facing difficulties in invoicing trade in the US dollar. These include countries like Russia and Iran. Due to prevailing Western sanctions, traders from these countries find it tough to mobilise the US dollar for invoicing exports and imports. An arrangement enabling the pricing of trade in the INR will overcome these difficulties and accelerate their trade with India.



If more of India's external trade gets invoiced in the INR, then the internal demand for the US dollar would decrease, reducing the price of the US dollar against the INR in the long run. The INR settlement mechanism is a great move by the Indian government to make the Indian Rupee a Global Currency.

# BLUE OCEAN STRATEGY

Contributed by  
Deepti Sasikumar



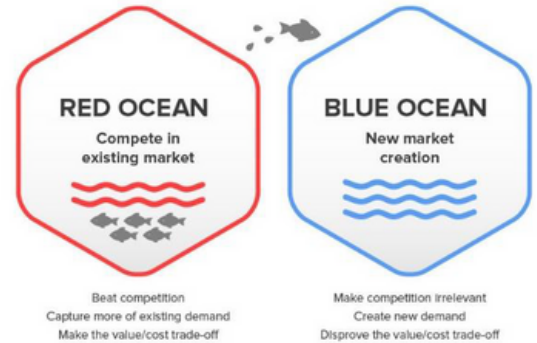
## What is the Blue Ocean Strategy?

The term was coined by INSEAD Professors **Chan Kim & Renée Mauborgne** in their classic book, **Blue Ocean Strategy: How to Create Uncontested Market Space and Make Competition Irrelevant**, to describe the market universe.

The chief characteristics that define **the Blue Ocean Strategy** are- **Divergence, Focus, and a Compelling Tagline.**

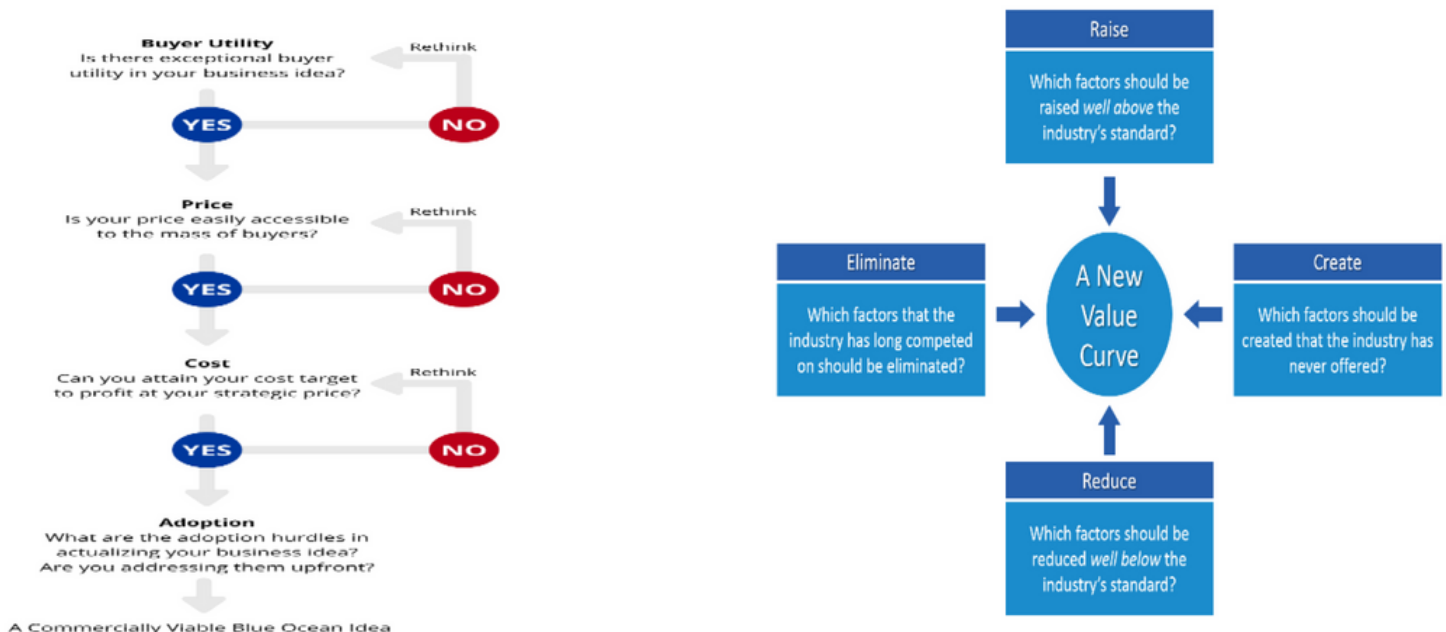
A **blue ocean** is vast, deep, and powerful in terms of profitable growth and brand equity. In a blue ocean, demand is created rather than fought over. It is untainted by market competition. Companies can either give rise to a completely new industry, as **eBay** did with the online auction industry or in most cases, alter the boundaries of an existing industry like the circus company **Cirque de Soleil** did.

The blue ocean is created from within a **red ocean**, which is swarming with vicious competition. The blue ocean strategy represents the simultaneous pursuit of high product differentiation and low cost, making the competition irrelevant.



**Cirque de Soleil** is one of the most famous examples of the blue ocean strategy in action. In breaking through the boundary traditionally, separating circus and theatre, it made a new and profitable blue ocean from within the red ocean of the circus industry. It reinvented the circus industry, giving it a modern appeal, by simultaneously pursuing both low cost and differentiation. Cofounded by Canadian businessmen Guy Laliberté and Gilles Ste-Croix, Cirque du Soleil combines the circus with sophisticated adult theatre. The show features acrobatics and jaw-dropping physical feats, set to original music and fresh storylines, that appeal to both families and corporates. Their new audience of corporate clients is also willing to pay higher prices to watch this extraordinary spectacle. Despite a long-term decline in the circus industry, Cirque du Soleil **profitably increased revenue 22-fold** over the last 10 years by reinventing the circus.

## How can an organization shift to / adapt the Blue Ocean Strategy?



- ◆ Assess the current situation your company is in.
- ◆ Look for verticals to find new sectors where they can enjoy uncontested market share.
- ◆ Stop competing and start creating.
- ◆ Explicit focus on attracting non-customers.
- ◆ Break the enemy resistance without fighting.



## Few Organizations that successfully adopted the Blue Ocean Strategy and captured the imagination of their consumers:

### 1. The Ford Motor Co.

With its introduction of the Model T car, The Ford Motor Co. in 1908, created an automobile that was less expensive and more reliable. It created the mass-producing manufacturing process, offering cars at a fraction of the price offered by competitors. **The company captured 61% of the market share by 1921**, also replacing the principal mode of transportation, i.e., horse-drawn carriages.

### 2. Apple Inc. iTunes services

Apple Inc. created the first legal music downloading format in 2003 with iTunes. It effectively curbed the pirated music industry and created a new stream of revenue. The downloading service offers high-quality music with easy navigation functions. iTunes has dominated this market space for years and is largely credited with driving the growth of digital music.

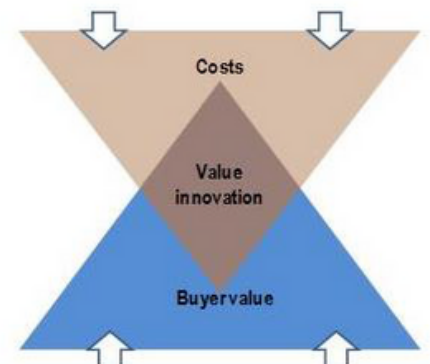
### 3. Netflix

Netflix first came on the scene when Blockbuster was at the top of the video rental game. Netflix reinvented the market by creating an entirely new kind of online DVD rental service. It utilized postal mail rather than brick-and-mortar stores. It initiated a fixed fee subscription model. Netflix has continued to innovate since then by switching from DVDs to creating the first movie streaming platform, creating their own shows and movies. By using the Blue Ocean Strategy, Netflix has been able to constantly move to new, uncontested spaces to capture demand. It created a new market space for on-demand streaming of films and TV series and successfully transformed the way that we consume media.

### 4. Airbnb, Starbucks, the Indian Premier League (IPL), and OYO

They are some of the other organizations that have successfully implemented the Blue Ocean Strategy, entered uncontested market space, and implemented **Value Innovation**, and attracted non-consumers.

### Why the Blue Ocean strategy might not work for some organizations?



- ◆ Opting for a different ocean entails risk, requires a lot of patience, persistence, preparation, and faith. It is also extremely paramount to look at initial indicators for confirming the fact that “fishing” is not being done in a dead sea.

- ◆ On finding a new ocean, other sharks from the Red Oceans and other adjacent oceans will be lured to the new market.

## What makes the Blue Ocean Strategy relevant in today's business climate?

- ◆ It will help companies as they struggle to thrive in an accelerating and expanding business universe.
- ◆ It is insight-driven and scalable.
- ◆ **Prospects in most established market spaces — red oceans — are shrinking steadily.**
- ◆ The traditional competition-based strategies (red ocean strategies) are **not sufficient to sustain high performance.**
- ◆ This strategy is based on proven data rather than unproven theories. The Blue ocean strategy is based on a decade-long study of more than 150 strategic moves spanning more than 30 industries over 100 years.

### Final Word :

“Skilful leaders subdue the enemy’s troops without fighting; he captures their cities without laying siege to them”. The Blue Ocean Strategy has created new frontiers of opportunity, growth, and jobs, where success was not about fighting for a bigger slice of an existing, often shrinking pie, but about “creating a larger economic pie for all.” There is no perpetually excellent industry; relative attractiveness is driven largely by the creation of blue oceans from within them. Blue and red oceans have always coexisted and always will.

# BOOK RECOMMENDATION OF THE MONTH

## THE MAGIC OF THINKING BIG

Contributed by  
**Deepti  
Sasikumar**

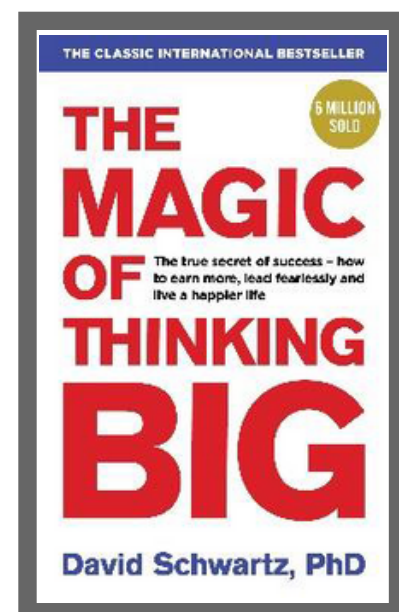


“As you think, so shall you be.” – Wayne W Dyer

“When you believe, your mind will find a way.” – David J Schwartz

The Magic of Thinking Big by David Schwartz, is one of the best self-help books I have read. It was first published in 1959 and is still relevant today, six decades later.

It is written in very simple, lucid, easy-to-understand language. It broadens your mindset and can be read at any stage in life, especially if you are beginning your career, feel stuck, or are uncertain about what is ahead. It starts with the most basic lesson. “**Believe in yourself**”, without being preachy. The author incorporates several real-life stories that make the book engaging and relatable.





## Key takeaways from the book :

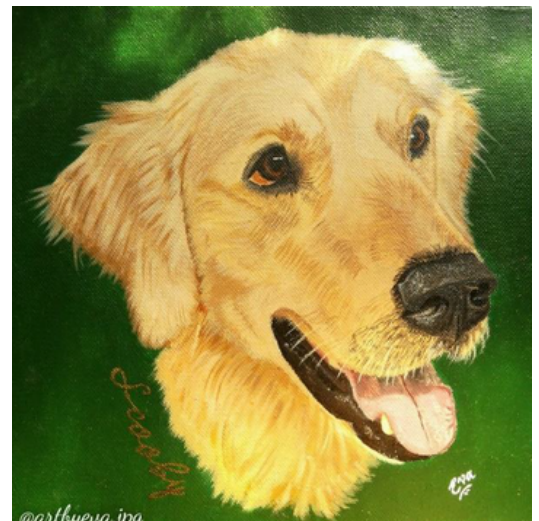
- ◆ Life is longer than people think it to be. Look forward to new horizons. Your age isn't a handicap unless you make it one. When you beat down these limitations, you add years to your life as well as success. Do not entertain excuses based on age, luck, or security.
- ◆ Have a balanced view of people. Be kind and human. Believe in progress. Set high standards.
- ◆ Speak up. Make eye contact. You are bigger than you think. The power of visualization. See what can be and believe it can be done.
- ◆ Stretch your mind. Get stimulated. Keep negators at bay. Refuse to fight petty people. When people drive you down, stay big and be immune. Work to add value. Don't sell yourself short. Think big.
- ◆ Make your attitude your ally. Be enthusiastic and positive. Consume good-mind food.
- ◆ Dig deeper to know more about a new topic. Knowledge is power. Use it constructively. It is not enough to be intelligent, but how you use the intelligence to work for you, and better you're thinking.
- ◆ Build your brand. Create a pitch to sell yourself.
- ◆ Dealing with conflicts: Arguments are inevitable but consider if it is really important to argue about.
- ◆ In life, when you hit rough spots, don't retreat.' And 'Pick the lesson, Learn from it. When you feel defeated, think big. Pick the lesson. Learn from it. Do not commit success suicide through self-depreciation. Rise above and manage your environment.
- ◆ All exceptional leaders follow this, helps build clarity and deal with whatever life throws your way.
- ◆ Trade minds with who you emulate and influence you.

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# RECLAIMING THE PASSION

Eva has always been drawn to fine arts since childhood but she didn't have the opportunity to put her God-given gift of painting until April of 2020. She had been occupied with her Board examinations and Chartered Accountancy exams since 2011. She created a portrait of a dog in April 2020, which garnered much appreciation from friends and family. Soon after, she received her first order of a custom pet portrait through a friend. Fast forward to 2022, she created over 30 pet portraits for clients within India & abroad and earned over 400 followers on her Instagram (@artbyeva.jpg).

Creating art has helped her focus better on her studies by channelizing negative emotions into something beautiful in the form of an art piece. She encourages everyone reading this to pursue their hobby, however simple it may be, as it helps one de-stress and you never know when something great will come out of it. ☺



Contributed by  
**Eva Panchal**





## CORPORATE TIEUPS OF THE MONTH

### A NEW BENCHMARK!!!

Simandhar Ties-up with CohnReznick  
for Recruitment

"Transforming Careers Together"

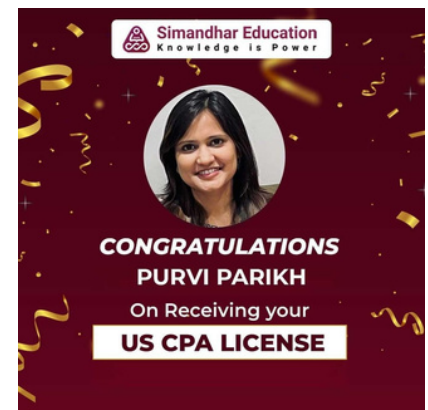


Simandhar Education Ties-up with Steadfast  
Business Consulting LLP for Recruitment

Expands CPA/CMA opportunities for  
Placement and Career Growth



## US CPA LICENSE OF THE MONTH



### [Additional Resources - Access Here](#)

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**Contributors** - Abhik Kumar Das, Deepti Sasikumar and Eva Panchal

**Special Thanks** - Sripal Jain , Abhishek Khanra, Nikhil Asrani, Sukrut, Tanmoy, and Meera

Note - If you have access to Corporate Leaders in your network who would be interested in interacting with the SEC community and students, do reach out to the Corporate Relations Cell.

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