



Sadhana Education Society's  
**L.S. Raheja College of Arts & Commerce**

# **PENNY TALKS**

*Bachelors of Commerce (Financial Markets)*

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**L.S.RAHEJA COLLEGE OF ARTS AND COMMERCE**

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**NAME: PENNY TALKS**

**DEPARTMENT: BACHELORS OF COMMERCE  
(FINANCIAL MARKETS)**

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## The Golden Bird



A strong financial system builds the grounds to promote economic stability which in turn is a must for any country to prosper. Among the developing economies from around the world, Indian Financial market is one the best and witnessing a steady growth. Factual data attests that it is more than 200 years old and was established under the British rule. However, if we inspect the history to chart its growth, we shall realize its foundations dates back centuries before British even entered India.

Evidences suggest that between 1 AD to 1000 AD, India was the biggest economy of the world. It's GDP was 33.8 million dollars followed by China's whose GDP value was 26.6 million dollars in 1000. In 1500 AD it contributed 24.5% of world share and became second largest after China. The country's economy continued to prosper after the advent of the Mughals. Somewhere in the 17<sup>th</sup> century India's income was 17.5 million Pounds, which was greater than the entire treasury of Great Britain.

The country's trade and business practices were most advanced and progressive. Trade started flourishing in the country from the time of Indus valley civilization. India was one of the first countries to institute money based trade while the rest of the country was still dealing with the barter system. It introduced various forms of currencies. Around 600 BC, the *Mahajanapadas* – one of



the sixteen kingdoms that existed in the ancient India - minted punch-marked silver coins. The growth of Mauryan Empire brought most of the Indian sub-continent under one rule. Infrastructure developed and many trade routes were established. Raw material was plentiful and easily available. The fertile environment thereby promoted the growth of trade making India a global trade hub.

Another testimony to India's evolved trade practices has been the existence of texts mentioning Sreni. Sreni, which is dated back to 800 BC could be regarded as a modern day trade organization. It was a corporation of traders and had a centralized management that governed the conduct and working of its members. In many ways the trade unions of present times has a close resemblance to Sreni. Such Sreni were established for many different types of trade and craft activities and its members comprised of traders, craftsmen, artisans, etc. Like Sreni, there were other such economic organizations like Nigama and Pani too.

If this is not all there are other such lesser known facts about India and its splendour that is now forgotten in the folds of history. The fact that the Kohinoor jewel and the magnificent peacock throne once spread their splendour in the country is known to all. India, also known as land of gold didn't get this analogy because of the Indian's love for gold. The fact is that the precious yellow metal was first discovered in India. Whether it was the famous earrings of the beautiful Cleopatra or the pearls Julius Caesar gifted to Brutus' mother were traded from India.

Mark Twain summarizes why India is called a "Golden Sparrow". He quotes: *"The land of dreams and romance, of fabulous wealth and fabulous poverty, of splendor and rags, of palaces and hovels, of famine and pestilence, of genii and giants and Aladdin lamps, of tigers and elephants, the cobra and the jungle, the country of hundred nations and a hundred tongues, of a thousand religions and two million gods, cradle of the human race, birthplace of human speech, mother of history, grandmother of legend, great-grandmother of traditions, whose yesterday's bear date with the moderating antiquities for the rest of nations-the one sole country under the sun that is endowed with an imperishable interest for alien prince and alien peasant, for lettered and ignorant, wise and fool, rich and poor, bond and free, the one land that all men desire to see, and having seen once, by even a glimpse, would not give that glimpse for the shows of all the rest of the world combined."*

However, with the dawn of the colonial rule, Indian fortunes began to dwindle and the golden bird began to lose its sheen. Former Indian Prime Minister Manmohan Singh acknowledged this fact as he said, *"There is no doubt that our grievances against the British Empire had a sound basis. India's*

*share of world income collapsed from 22.6% in 1700, almost equal to Europe's share at that time, to as low as 3.8% in 1952."*

The once richest country of the world, India is today identified as a developing nation. But the question is, has the sheen of the sparrow really lost forever? In my opinion, not really! India's success and failure can't be studied in isolation. Post-independence era had posed many challenges to a country that was nursing its partition wounds. It's battling many opponents from within the country and outside. Yet, if we look at Indian economy, it's doing far better than it's counter parts. Liberalization and such policies have opened avenues for the Indian economy to prosper. As the world take notice, bit by bit, India is restoring its past glory.