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INDIA Forbes

Rahul Agarwal

CEO & managing
director,
Lenovo India

“We may
move to
a hybrid
model.”



Nivruti Rai

Country head,
Intel India, and VP,
Data Center Group,
Intel Corporation

“I will
be much
freer in
giving
people
the choice
to work
remotely.”



— Restarting India —

HOME-HQ HYBRID

How India Inc's CEOs are coming to terms with work from home with sporadic jaunts to the office – not just as the Covid-19-triggered lockdown winds down but even beyond



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HR AND
WFH: A NEW
PARADIGM

A PEEK INTO THE
POST-LOCKDOWN
WORLD

CRANKING
UP AUTO AND
AVIATION

THERE'S
LIFE AFTER
LAYOFFS

Welcome to the
Forbes INDIA
Tablet Edition

Ready, Set...

Thirty-eight days into the lockdown, the nervy jokes had dried up, and fewer hipsters were asking the ‘what’s-the-first-thing-you’re-going-to-do-when-this-blows-over’ question. That’s because the realisation had seeped in: This isn’t going to blow over in a hurry.

Deadlines for lockdowns to end look silly in hindsight, in the face of the rising number of infections and containments in areas with high population densities. And, sure enough, on the 38th day came the order from the Ministry of Home Affairs (MHA) of an extension for two more weeks from May 4. Albeit with considerable easing, even in red zones.

Every day is a different day in Covid19 times. It’s now dawned that there is no end game—not until a vaccine is ready—and that Covid19 is an evolving phenomenon. Green zones can turn orange overnight, and orange to red in under 14 days.

Yet, the lockdown can’t go on forever, as the supply chains and demand for goods need to be fixed, businesses need to resume operations, call back workers and pay them. Export lines have to be restored with Covid19-hit countries and imports too particularly from China need to get going. Shops and restaurants need to reopen, public transport restarted and agricultural harvests reaped optimally.

To these ends, each Indian state and city will embark on that long road to normalcy, with the pace and agility the patches of red over their districts allow for. Mumbai, Ahmedabad and Delhi, the cities with the highest number of infections, have their task cut out, even as Punjab announced its exit strategy in April’s last week. A couple of days before announcing it would extend the lockdown till May 17, a state-appointed taskforce allowed, among a host of measures, industrial and commercial units outside

of urban containment zones to operate. Other states too are readying to restart activity in relatively unaffected districts.

The priority clearly is to get the wheels of the economy moving, and this fortnight’s package of stories delves into the many ways to do it. The MHA order allows for private offices to operate with up to 33 percent strength, with the remaining working from home. Taking off from our work-from-home (WFH) cover story a couple of issues ago, we discovered that India Inc’s CEOs are prepped for a hybrid mode of working: From home and the headquarters. As CP Gurnani, CEO of Tech Mahindra, told Naandika Tripathi and Pankti Mehta Kadakia, who put together this fortnight’s cover story: “I believe we will move permanently to a hybrid model [WFH and limited visits to office].”

If CEOs are buying into WFH, it’s up to human resources (HR) departments to ensure that the movement percolates down the organisation. Divya Shekhar tracks how HR has taken upon itself to manage the workforce remotely, and change the way of working—of both employees and the HR staff themselves.

Five weeks of lockdown are enough to change our behaviour as workers and consumers. Once we step out, we’re likely to encounter a whole new world. Kathakali Chanda picks up cues from global cities that have eased restrictions—from Beijing to Auckland—to paint a picture of life after lockdown.

The billion-dollar challenge, though, is to revive the economy. Salil Panchal zeroes in on sectors that are poised to bounce back faster, and Manu Balachandran analyses the plans of two critical sectors to restart operations: Automobiles and aviation. The buzzword clearly is calibration: In easing restrictions so that business can resume, as well as in controlling the virus.

STORIES TO LOOK OUT FOR



▲ (From left) CP Gurnani, CEO of Tech Mahindra, works from home during the lockdown; HR functions in companies are going virtual



Brian Carvalho
Editor, *Forbes India*

brian.carvalho@nw18.com

Best,

PG. 30

Home Ground Advantage

India Inc's top leaders are beginning to consider a hybrid model of work from home and from office



Tech Mahindra's CP Gurnani is looking at 25 percent of his employees working from home in the long term

4



PG. 18



Reliance Industries Chairman Mukesh Ambani (top) and Facebook CEO Mark Zuckerberg

FEATURES

ENTERPRISE 18 • FACEBOOK FRIENDS JIO

The deal gives Jio a technology company valuation and a long runway for its next leg of growth

86 • RIGHT FOOT FORWARD

With a revamp of products, stores and image, Bata India has been bringing customers back

BIG BET

24 • AMERICAN CHOP SUEY

Chinese money is the fuel for the Indian startup ecosystem. Can Covid-19 roll that back?

RESTARTING INDIA

36 • REDEFINING THE HUMAN TOUCH

The coronavirus outbreak is witnessing an evolution in the way human resources are engaged and managed

40 • BEGIN AGAIN

Countries that have eased the lockdown give us a glimpse of life after the restrictions are rolled back

46 • LIFE AFTER LAYOFFS

Your career is far from over even if you've got the pink slip. Five people who went through it explain why

52 • GLIMMER OF HOPE

The coronavirus outbreak has adversely affected several businesses, but not all is lost yet

ABHISHEK G. BHAYA

PG. 40



Beijing is inching back to normalcy. There's traffic on its roads, and malls and parks are open

56 • SUCH A LONG JOURNEY

Even as the auto industry prepares to get back to factories, the sector is unlikely to recover before 2021

60 • WAITING FOR TAKE OFF

The aviation sector will take a few quarters to get back to normalcy even after it resumes operations

63 • PLACE ORDER. PROCEED TO CHECKOUT

In the new normal, ecommerce is set to leapfrog its sales numbers on the back of groceries and social distancing

66 • ROAD TO REINVENTION

With a likely consolidation of vendors and customers, IT services firms must offer effective and targeted solutions

69 • OPPORTUNITY IN ADVERSITY

As consumer behaviour and requirements change, VCs are bullish about startups that'll thrive after the pandemic

72 • SHIFTING GEARS

How small businesses are adapting and innovating to survive



The stakes for Chinese and American investors in India are high

76 • NO COUNTRY FOR MIGRANTS

The lockdown has brought to light the plight of daily wage workers and the nation's apathy towards them

79 • THE SHOW MUST GO ON(LINE)

With venues shut, artistes are moving to digital events and finding new audiences

82 • GUARDIANS OF THE CITY

Mumbai's unsung heroes during the coronavirus pandemic

LIFE**90 • #GROUNDED**

With the pandemic shutting down travel and hospitality, influencers are staring at an uncertain future

94 • UNSCRIPTED TERRITORY

The theatre community is faced with uncertainty in a world of social distancing

97 • SILENCE OF THE LOOMS

The handloom sector has come to a standstill, and needs immediate interventions to survive

ANJAN DAS

PG. 82



Bus driver Sachin Dhuri at work during the lockdown

PG. 46



Protima Rodrigues became a yoga entrepreneur after being laid off

PG. 90



Melissa Hei of Singapore uses Instagram to post photos of food

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Network **18**

TO OUR READERS

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Kirana against Corona is the only exemplary approach to Rural Banking says Ram Shriram



Ram Shriram, Founder & CEO,
Mahagram Payments Pvt. Ltd.

The extremely contagious virus popularly known as the COVID-19, first appeared in China last year in December. Since then, it has spread to over 200 countries and has been the reason for an outbreak of serious respiratory illness and thousands of deaths worldwide. The WHO declared COVID-19 as a Public Health Emergency of International Concern resulting in lockdowns in different countries including India.

"For India, it was a double whammy as our nation was already reeling under an impending economic crisis due to recent events in the banking and financial sector. We were just not ready for a crisis like COVID-2019 and the lockdown," says Mr. Ram Shriram, a technology driven company focused on creation of the largest network of retail outlets to enable rural population to benefit from financial services.

While the lockdown was necessary to save the lives of millions, it has been no less than a gargantuan crisis in a country where 43.7 crore daily wage workers are employed in the unorganized sector. These workers suddenly realised that they neither had work, nor the money to sustain themselves. No one was prepared for the lockdown and it has thrown India's economy completely out of gear.

"Our Government must be lauded for acting quickly and sanctioning 17.5 lakh crore to be disbursed through Jan Dhan savings accounts through DBT system. However, with just 15,500 banks, a majority of 2,10,000 ATMs being in urban areas and the whole country in lockdown, it was never going to be an easy task. This is where an entity like Mahagram comes in and

saves the day for the citizens and the Government both," shares Ram Shriram.

Mahagram already had its presence in the rural pockets with its branchless banking and doorstep banking solutions. It had the reach to the far flung areas where it was needed. Mahagram quickly started to support those in need of crucial banking services and access to their funds.

"We were aware of the quick spread of COVID-19 worldwide since January 2020 and were monitoring it regularly. We could see the fast evolving situation in India and its repercussions if and when the virus arrived on our shores," confirms Ram Shriram. "With a massive network of 70,000 Mahagram Bank Mitra's enabled with technical infra and capabilities to handle cash disbursement, we knew we could serve our nation and our people in this hour of crisis." Mahagram made quick adjustments so that its executives could work from homes. The early move helped Mahagram when the lockdown was announced as its operations were least affected. The company made its Mahagram Bank Mitra outlets functional in a few villages. However, the going was not as easy as the company had expected.

"Our outlets faced a lot of resistance from the local authorities and our Bank Mitra's were not allowed to open the store despite banking services being a part of essential services. We had to quickly adapt. We saw an opportunity in the Kirana Stores as they were allowed to operate. So, we decided to make our services available through them," shares Ram Shriram. This unique approach helped Mahagram see a lot of traction.

"Some people came to withdraw money sent to them by their loved ones. Some parents rushed to these stores to send money to their sons and daughters studying in different cities. We couldn't help them all simply because we could not expect the Kirana Store to fully leave their primary business. Still, we are happy that we were able to help a lot many and that is our achievement," says Ram Shriram.

The Government soon realized the importance of the solution that fintech companies like Mahagram offered and eventually agreed to include Bank Mitra in the essential services list. This allowed free movement for the company's executives to complete their work.

"Our Bank Mitra's follow strict protocol regarding social distancing, wear masks, wash hands and use sanitizers and take other hygiene precautions as suggested by the government. Before entering our store, everyone has to wash their hands and sanitize them properly and wear a mask," says Ram Shriram, talking about the precautions his team takes.

Mahagram has eventually been able to provide major relief to the people in rural areas in these tough times. Due credit goes to the relentless and selfless service of its heroes, the Mahagram Bank Mitra's stationed at its 70,000 outlets and also the 1500 district level individual associates, all of whom, have joined hands in India's fight against COVID-19.

"Ours is a story of how a highly underrated banking service channel evolved into an essential weapon against the dire economic consequences of COVID-19, and we're proud of it," signs off Ram Shriram.

Reimagining Our Cities

Covid-19 has highlighted the need for a deeper introspection on the structural flaws in them **P/12**

FMCG Takes a Hit

Growth stood at 6.3 percent in January-March against forecast of 8-9 percent **P/14**

'No Assurance to Migrants'

Author Chinmay Tumbe on the need for an inter-state migration council for protecting migrant workers **P/16**

MUTUAL FUNDS

Risky Business

With Franklin Templeton India winding up six debt schemes, India's mutual fund industry has faced a major jolt apart from highlighting the risks investors face



Dynamic Accrual, Franklin Credit Risk Fund, Franklin Short Term Income, Franklin Ultra Short Bond and Franklin Income Opportunities Fund. Some of these Franklin Templeton schemes had invested in below AAA-paper in the corporate bonds of some high-risk companies.

This means that investors can no longer buy or sell in any of these schemes and their systematic investment plans and withdrawal plans stand cancelled. Investors are expected to recover their money invested, based on how the mutual fund house liquidates its portfolio and on the maturity of these schemes. Thus, it could be anywhere from six months to four years, said experts, declining to be named.

The AUMs of these six schemes constitute less than 1.4 percent of the aggregate AUMs of the total mutual fund industry in India, as on March 31.

Franklin Templeton Mutual Fund has a 26-year presence in India, with a third of its workforce operating from here and maintains that “its commitment to India and investors remains steadfast”.

Ratings agencies which track mutual funds and rival debt fund managers have all attempted to explain what went wrong with Franklin Templeton India. They have explained the risks investors face

HOW MUCH RISK SHOULD ONE

take with an investment decision to pursue a hefty reward? This is what investors to six debt schemes of Franklin Templeton India—which wound up in April due to growing liquidity concerns in the bond market and high redemptions in a weak economic environment—had to ask themselves.

India's mutual fund industry, particularly debt schemes, have been

jolted with higher redemptions after the US asset management company in April announced an unprecedented move of winding up \$4.1 billion worth of assets in six schemes.

Credit risk schemes have seen their assets under management (AUMs) come under pressure, falling by 27 percent to ₹40,000 crore on April 28, from ₹55,380 crore in March-end. The six schemes wound up are the Franklin Low Duration, Franklin

while not taking any blame directly for the events that have unfolded.

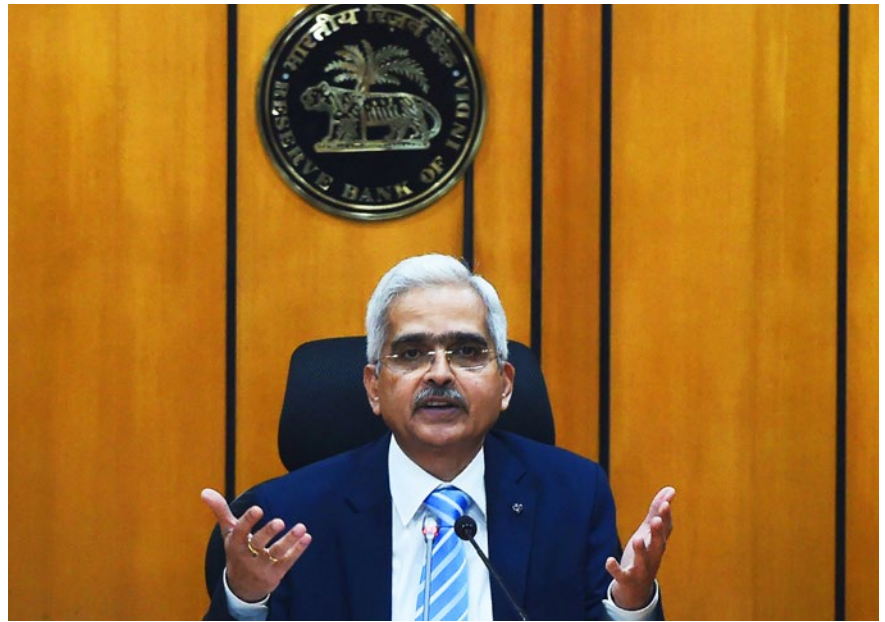
ONLY VIABLE OPTION

Sanjay Sapre, president of Franklin Templeton India, told *CNBC-TV18* earlier in April that the decision to wind up these six schemes was extremely difficult but “the only viable way to protect value for investors”. They considered suspending redemptions and even a distressed sale of assets as options.

In a column with financial daily *Livemint* in 2019, Sapre had explained the concept of risks that debt funds take. “Debt funds are not guaranteed but market-linked—they aim to maximise returns by buying corporate bonds vis-à-vis government bonds for better yields; buying AA- and A-rated bonds to gain from their higher yields and increasing or decreasing portfolio maturity to benefit from a rise or fall in interest rates,” he wrote. “Investors wishing to benefit from the potential for higher returns must be resilient, understand the risks and learn to mitigate these. A bigger solace is that even credit risk funds, which are believed to have higher risk have not delivered negative returns over any three- or five-year periods in the 15 years till April 2019, besides outperforming corporate bond funds.”

Morningstar India, which had rated these schemes positively in previous years, explained its stand and the conviction for its ratings on its website: “We do not attempt to take the role of policing when it comes to investment style. Neither do we adjudicate on the strategy.”

“The presiding learning is that if a fund is an outlier in its peer group, it would be better suited to be more cautious in our rating outcomes. While we do clearly articulate risks of a strategy, investors may tend to focus



RBI Governor Shaktikanta Das said the stress is confined to high-risk debt mutual funds

more towards the final rating and the return outcomes,” Morningstar said, about its learning from the Franklin Templeton fiasco.

QUALITY OF RISK CATEGORISATION NEEDED

What remains unresolved is that new investors, who plan to invest into debt or the riskier credit risk funds, might still not be able to interpret the risks. The Securities and Exchange Board of India (Sebi) defines categories on the basis of duration of the products outlined for investment but not on the basis of credit quality or risks. This underlines the belief that fund managers seek to imbibe: That market risk is temporary but credit risk is permanent.

Experts suggest that the redemptions which some of these schemes have seen will reduce in

coming days. “Whenever the liquidity tightens or the market has been disrupted by extreme circumstances, the performance of funds with a riskier portfolio goes haywire. [Franklin Templeton] took a decision to call off the business, which is an extreme call. It shows how deep the problem

is,” says a debt fund manager with an asset management firm on condition of anonymity.

“This will be a one-off case with no long-term implication. I expect the redemptions to last a week from now and then stop,” he tells *Forbes India*.

The Reserve Bank of India (RBI) in April announced a ₹50,000 crore (approximately \$6.5 billion) special liquidity facility for the mutual fund industry to combat any problems it may face. Under the new move, the RBI will conduct repo operations of 90 days tenor at the fixed repo rate. The scheme is available from April 27 till May 11 or up to utilisation of the allocated amount, whichever is earlier.

RBI Governor Shaktikanta Das said the stress is confined to the high-risk debt mutual fund segment at this stage while the larger industry “remains liquid”.

Fitch Ratings, however, feels that the RBI’s support plan for the mutual fund industry may not be too effective, as under-capitalised banks are unlikely to be tempted to extend liquidity to the sector without capital relief on the facilities. But if the market confidence is not restored, “fund gating” (when a firm decides to limit or halt redemptions) could occur.

• SALIL PANCHAL

NEW INVESTORS WHO PLAN TO INVEST INTO DEBT OR THE RISKIER CREDIT RISK FUNDS, MIGHT STILL NOT BE ABLE TO INTERPRET THE RISKS



INTERVIEW

'We've Adopted A Chasing The Virus Approach'

As Ahmedabad sees an exponential rise in Covid-19 cases, Vijay Nehra, the city's municipal commissioner, has a proactive plan in place to contain the spread of the coronavirus

MAYUR D BHAT

**IN A SHORT SPAN, GUJARAT**

overtook Delhi in terms of the total number of Covid-19 cases and became a coronavirus hotspot second only to Maharashtra. Ahmedabad, with over 2,700 positive cases and 135 deaths, has seen 90 percent of the cases in the state as of April 30. However, Ahmedabad Municipal Commissioner Vijay Nehra tells *Forbes India* that the situation is under control. Edited excerpts:

Q What is the reason for the spike in Covid-19 cases in Ahmedabad?

Since the virus has come from abroad, mega cities like Mumbai, Delhi and Ahmedabad with a dense population have been affected. Ahmedabad is 600 years old, so there is heavy population in the old city where a large number of families live in small houses, making social distancing almost impossible. Also a lot of people returned from overseas in March, so mega cities became natural targets for the virus to spread.

Q What is being done to contain the spread of the virus?

From April 9, we have adopted a 'chasing the virus' approach. We are on the field, proactively identifying as many cases as possible instead of waiting for them to be reported. We have put in place a big surveillance effort which is backed by aggressive testing on the lines of South Korea. We've done five times the number of tests that Japan has.

"WE ARE IDENTIFYING AS MANY CASES AS POSSIBLE INSTEAD OF WAITING FOR THEM TO BE REPORTED."



Q How does the proactive surveillance work?

We have formed more than 700 teams which visit all the zones and wards in the city every day. We're specifically targeting areas with dense population, slums, especially old city areas, and doing intensive surveillance there. Also we've formed about 50 teams which personally visit houses and collect samples for tests. We've started mobile sample collection and screening vans. Also we're implementing a 3S strategy: Super spreaders, senior citizens and slum areas will be our focus.

Q What is the plan to increase quarantine facilities in the city?

Much before the World Health Organization declared it a pandemic, we had got our first case in Ahmedabad. We had

anticipated that there will be a surge in cases, so we prepared 10,000 beds for quarantine facility. In March, 6,000 people came from abroad who had to be quarantined. So we requisitioned several clubs and three-star hotels to develop quarantine facilities. Now we've started to convert those facilities into Covid care centers.

Q By when will the number of cases come under control?

The situation is under control. Those 6,000 people could have led to lakhs of cases, but it didn't happen. We were looking at humongous numbers by end of May. If the rate of doubling continues, the city could have 50,000 Covid-19 cases by May 15 and 8 lakh by May 31. My focus is on ensuring that people behave in a responsible manner after the lockdown ends. They should not think 'everything is over'.

• NAANDIKA TRIPATHI

Intelligence Node – Reinventing Retail through AI-enabled Price Intelligence

With inputs from an interview with Sanjeev Sularia, CEO, Intelligence Node, on CNBC-TV18's show 'Startup Street', under the segment Elevator Pitch...

In the world of retail, data is veritably the new gold; it's what decides supremacy. Access to data has changed the entire purchase and pricing exercises of both consumers and vendors. Customers are beginning to research online before they buy; a case in point, 87% of millennial shoppers either compare product availability or prices online even if they are shopping offline. Vendors, on the other hand, are beginning to use data to tweak pricing, inventory and assortment strategies at every level. As a result, Big Data analytics is no longer a 'good to have', it's a 'must-have' in this disruptive market. Within this evolving environment, Intelligence Node has been revolutionizing retail decision-making for brands and retailers in every sector. With its award-winning suite of AI-driven, real-time analytics, it enables vendors to offer competitive prices, discounts, and the right assortment of products, every time.

Journey from start-up to success story

Currently backed by notable Venture Capitalists and Angel Investors, Intelligence Node was incorporated in 2012. It set out on a mission to build the world's largest, cleanest retail database. After becoming the world's largest product Retail Database in January 2016, it went on to establish unbeatable accuracy standards. The company then built easy-to-use business dashboards that could be used by retailers to stay updated on the competition's pricing and assortment moves in real-time. Finally, taking the next logical step, it powered these dashboards with Deep-Learning AI to optimize and automate retail decision-making with minimum upkeep and maximum flexibility. Sanjeev Sularia, CEO, Intelligence Node comments, "At the heart of the technology is a price intelligence AI platform, which has been proprietarily developed by Intelligence Node. This allows our clients to drive product level profitability and grow their margins, primarily using data competitive insights." With the world's largest pricing data set, his company fuels the growth of USD 600 billion in retail revenue globally, by facilitating its 150 odd clients in 21 countries to drive growth and product level profitability.

Insights drive the differentiator

The proof of the pudding is that while helping its clients expand their topline, Intelligence Node itself has been growing at a blazing 100% year-on-year, since its inception. Sanjeev Sularia explains, "When we looked around the whole space, which includes everyone from large consultants and IT service vendors to software players, they were missing a very simple but key driver while taking pricing decisions for their clients - The consumer always has the option to shop somewhere else. That's what fueled the idea of Intelligence Node." Today, Intelligence Node monitors 1.2 billion unique products, mapping across over 2 lakh brands in 1900 retail categories. It looks at every product live across the globe – the pricing, the motion fluctuations and covers this data set in 29 different languages. "That is what the secret sauce is; that's what differentiates us in the larger market space," shares Sanjeev Sularia.

E-Commerce in a new world order

During the past couple of months, with the pandemic and consequent lockdowns and social distancing norms mandated across the world, many predominantly



Sanjeev Sularia, CEO, Intelligence Node

off-line shoppers have finally gone online. Sanjeev Sularia is confident that this change in spending behaviour is not going to go away. "We are on the cusp of a new retail order. It will involve big online players trying to partner with offline legacy players to leverage their offline capabilities. Beyond technology infrastructure, creating unique customer experiences through digital transformation will drive the new retail order," says Sanjeev Sularia. Within this emerging scenario, the power of accurate, insightful and intuitive data and analytics increases manifold.

Looking ahead

During the COVID-19 pandemic, any technology that requires on-premise installations or subject matter expertise coming on premises, has become difficult. Sanjeev Sularia believes that this is likely to encourage more nimble, agile, cloud-based SaaS offerings and plug-and-play technology to become the order of the day. He also expects that with the use of good quality data and analytics, faster response times to reprice products based on competitor or consumer movements is another transition that will come about with technology. Against this backdrop, with its best-in-class market data and AI-powered business solutions, it's not difficult to see how Intelligence Node's innovations will play a significant role towards future-proofing retail businesses in this new retail era.

For more information, visit www.intelligencenode.com or write to us at contact@intelligencenode.com.



COVID-19 HAS LAID BARE URBAN

India's stark socioeconomic inequalities and it is no different from other epidemics that have shaped cities. Such shocks do not just transform cityscapes, but also alter the economic order and community structures in them. This crisis is an opportunity for a deeper introspection on the inherent structural flaws of our cities.

Covid-19 might reignite the debate on the trade-off between densification and sprawl in cities among urban planners. Space in a rapidly urbanising India is a premium, resulting in the preference for compact city-planning models. Such cities are generally more productive, manageable and energy-efficient, but at the same time are more vulnerable to contagion and strongly exhibit socioeconomic disparities.

On the other hand, urban sprawls may have greater liveability and well-being in such a crisis. Covid-19 will at least nudge planners to factor in mitigation strategies such as social distancing when conceptualising norms for all future planning.

This leads to a larger point about urban planning in India. Cities need to be thought of as a 'system of systems' and must adopt a holistic philosophy. On top of the list is the reimagined 'Master Plan'—the only statutory document used to plan urban infrastructure, land use and development control in cities.

Despite understanding the symbiotic relationship, most cities do not simultaneously plan for transportation alongside the Master Plan. Therefore, planning of cities needs fundamental reforms and must go beyond archaic Town and Country Planning Acts. They are not considered inclusive development instruments. Master Plans in India have not adequately addressed

SIMILAR TO INCLUSION, RESILIENCE ALSO HAS TO GROW BEYOND TRADITIONAL DEFINITIONS

COLUMN

Reimagining Our Cities

Covid-19 has highlighted the need for a deeper introspection on the structural flaws in them

PUNIT PARANJPE / AFP VIA GETTY IMAGES



the requirements of low-income households and the informal sector.

Even beyond the lack of foresight for the plight of the urban poor, they fail to capture the constantly evolving nature of cities. Only when the next Master Plan is prepared 20 years later does a city realise the shortcomings of the previous plan. These shortcomings are multi-dimensional: Low convergence with mobility planning; disintegrated infrastructure planning; disconnected economic planning; and lack of integration of resilience and climate action.

Covid-19 has also made us recognise the importance of communities and participatory governance in urban management. Cities must prioritise operationalising ward committees and area sabhas to full capacity. They must ensure diverse representation of all communities to drive inclusivity. With more cities going digital, there is a need to ensure that those with no digital access can equally benefit from

these technology platforms.

Despite all the planning, cities must also acknowledge that this not foolproof. They would always remain exposed to external shocks, unless they risk-proof the infrastructure. Cities often skip this because it can be an expensive and time-intensive process. Similar to inclusion, resilience also has to grow beyond the traditional definitions of responsiveness to a broader understanding that covers the five pillars of city growth: Infrastructure, service delivery, finance, governance and capacity. Across these pillars, both inclusion and resilience must be treated as foundational elements for cities to plan their growth.

These challenges cannot be addressed only through proactive and inclusive urban planning; economic growth is equally important. Such planning will need to prioritise the informal labour market, who are hit hard by most crisis situations. The answer, perhaps, lies in thinking about our cities differently.

• SHIVANSHU CHAUHAN
THE WRITER IS PARTNER-
URBAN INFRASTRUCTURE AT PWC INDIA

ALERT !!! CORRECTION HAS STARTED AGAIN IN INDIAN STOCK MARKET 2020

NIFTY WILL FALL AND REACH MINIMUM 5000 LEVEL SHORTLY



Lakshmi Narayanan Sundaram,
Research Analyst (SEBI Certified).

Correction has started again in INDIAN STOCK MARKET 2020. NIFTY will fall and reach minimum 5000 level shortly. Recently INDIAN STOCK MARKET has fallen very huge from life high which is nearly 40%, on the month of march 2020.

Again a deadly correction is started now. This correction is going to be one of the major correction in the history of INDIAN STOCK MARKET. During this correction Investors and Traders may face a huge loss, hence Investors and Traders needs more attention in the market said by the Research Analyst Mr. Lakshmi Narayanan Sundaram.





STRATEGIC PARTNERSHIP

'India-US Relations Will Strengthen'

Suresh Prabhu on the two countries maximising their potential despite the economic challenges

SURESH PRABHU BELIEVES

India-US relations are at their strongest point with India supplying medicines to the US during the coronavirus pandemic. "To have India as a strategic partner will help the US in a significant way... despite the current turbulence, the Indo-US relationship is expected to strengthen," says Prabhu, who is Prime Minister Narendra Modi's sherpa for the G20 Summit, scheduled to be held in Japan in June.

"Focusing on the current scenario relating to trade, India has a surplus situation [with the US]," the former minister said during a webinar on 'Indo-US trade cooperation post-Covid-19' organised by *Forbes India*

AMIT VERMA



and the Indo-American Chamber of Commerce (IACC). India procures defence equipment from the US and has started buying oil too. "Indian students in the US are also an investment amounting to over \$20 billion. This is a service export," Prabhu said. "US firms should look at India as a destination for investment."

Apart from Prabhu, the webinar was attended by Retired Lieutenant General Syed Ata Hasnain, chancellor of the Central University of Kashmir, Ajit Ranade, president and chief economist, Aditya Birla Group, and Naushad Panjwani, regional president, IACC West India Council.

Ranade said Facebook's nearly \$6 billion investment in Reliance Jio shows the confidence for foreign direct investment in India despite the turbulent markets. He added the world will see 'slowbalisation', but the benefits of globalisation are here to stay. "Collaboration as a growth model is the way forward now. The Indo-US partnership is best poised for collaboration and we have seen this happening in an accelerated way," said Panjwani.

Hasnain said the US will remain a world power despite the downturn and internal political challenges. He added that the US will face challenges from China, but the latter is also likely to face pushback from other countries in the aftermath of Covid-19.

• NAMRATA SAHOO

SLOWDOWN

FMCG Growth Takes A Hit

It stood at 6.3 percent in January-March against forecast of 8-9 percent

AFTER SHOWING EARLY SIGNS

of revival at the start of the year, the FMCG market took a hit in March with the onset of the Covid-19 outbreak and the subsequent lockdown. FMCG growth for Q12020 stands at 6.3 percent against Nielsen's forecast of 8-9 percent at the start of this year.

Nielsen has revised its full year 2020 growth forecast to 5-6 percent from 9-10 percent. It considers the January-December period for calculating growth numbers.

The market research firm noted "distinct signs of recovery" in January and February. Rural markets and metropolitan cities, in particular, showed signs of recovery during this

"pre-Covid" period, largely driven by food categories. March, however, brought with it a slowdown across FMCG categories, especially non-food categories. "The intensity, severity and longevity in terms of how this lockdown will be phased out will play a key role in determining the impact,"

MANSI THAPLIYAL / REUTERS



said Nitya Bhalla, data science leader, South Asia, Nielsen Global Connect, at a virtual press briefing.

That said the market research firm expects FMCG growth for the second half of 2020 to be 5-6 percent.

Bhalla, however, warns of headwinds, including a drop in consumption, especially discretionary spends; rising unemployment and its impact on disposable income and hence demand; widening fiscal deficit as a result of reduced tax revenue and increased government spending on Covid-19; and a fall in manufacturing and industrial production due to the lockdown. GDP as a result is expected to shrink to 1.5-2.8 percent in FY20.

• VARSHA MEGHANI



SHUTTERSTOCK

INTERVIEW

'There's a Lot To Learn From India For The Western World'

Thomas Piketty on his book *Capital and Ideology*, and the increasing inequality in the world

JOEL SAGET / AFP VIA GETTY IMAGES

Q What made you write this book, choosing to focus on five economies?

This is a book on inequality in different societies in history. The main difference [from previous books] is this one is more ambitious and brings in countries like India, Brazil, South Africa and the Middle East. We can learn, from inequality and historical regimes, about ideal economic systems. India is a peculiar case in terms of data availability. Income tax data used to be available, then it disappeared in 2002 and reappeared in 2015-16. There still is too much opacity in inequality measurement in India, but we are making progress.

Q There is a view that inequality is good for economic growth...

Historically, economic prosperity has come from economic equality; in fact, the true source of economic prosperity is education. The reason the US is more productive in terms of GDP per capita income is because it was an educational leader. But now, it isn't. Then there was a new theory of prosperity, proposed in particular by US President Ronald Reagan: To become the economic leader, we need more inequality and more wealth concentration among small groups. The problem is it did not work.

Q You write that if India plays a central role in the history of inequality of regimes, it's also because of its caste system...

The increased inequality in India is partly due to a decline in progressive tax... not enough tax resources invested in education and other services. There is a huge impact of British colonisation in India between 1871 and 1931, which

French economist Thomas Piketty says it is the right time to develop new systems of income compensation



probably contributed to rigidifying of boundaries of caste between people. Independent India tried to address some of these concerns by developing quotas and reservations. I don't want to idealise the system, but there is a lot to learn from India for the Western world to reduce inequality. But the problem is it is not enough. Land reform is also limited in India and marginal concentration of property has remained large. While reservation can be useful, for many people, access to land can be even more important.

Q There is a fear that coronavirus may result in sectarian conflicts...

In case of India, I think we need state and social policy laws for a lockdown. If you don't have a safety net and some minimum income so that poor people don't have to go out to get work, that's not going to work. This should be an opportunity to accelerate the development of a safety and minimum social security

system. I regret that the government today is not picking up on Universal Basic Income, because I think it will be the right time to reintroduce this discussion. Sometimes, governments do things that they do not plan to, but are forced to by certain shocks. I hope the government will stop playing with identity politics and try to find more inclusive solutions.

Q Do you think the pandemic will bring further to the fore inequalities in wealthy societies?

This is the time when governments should develop new systems of income compensation for people who lose due to the pandemic. To finance this income transfer, you have to have more progressive tax, automatic transmission of the banking ecosystem. In rich countries, the priority is not deficit or debt... it is to address social concern, to pay for the right social spending..

• POOJA SARKAR



INTERVIEW

'There Was No Assurance Given To Migrant Workers'

Author Chinmay Tumbe on the need for an inter-state migration council and protecting migrants during times of crisis



AMAL KS / HINDUSTAN TIMES VIA GETTY IMAGES

WITHIN DAYS OF THE

nationwide lockdown being announced to arrest the spread of coronavirus, scores of migrants were seen walking back to their villages in the absence of transport arrangements. Chinmay Tumbe's book *India Moving* encapsulates the history of migration and offers insights into its patterns. *Forbes India* speaks to the economics professor at the Indian Institute of Management in Ahmedabad about the plight of migrants. Excerpts:

Q So many migrants are left to fend for themselves. What could have been done to mitigate the situation?

There was no assurance given to migrant workers that their requirements would be met. That was a big mistake. For a lot of them, if there is no work, there is no money. So they wanted to go home, but

couldn't. The government did not realise the scale... there was time before the lockdown, so it should have told people to plan their travel. If the plan was to keep them in the city, a speech should have assured workers. Hopefully, this will be a learning for the future, and for other countries who face similar situations.

Q How can we make data collection on migrants foolproof?

The 2016-17 Economic Survey has a chapter on migration. Census numbers will tell you that 55 million people had reported that they were moving for economic reasons, but that report puts the number at upward of 100 million; that tells you about the serious underestimation. This

happens for a variety of reasons. A lot of construction workers live on sites that fall outside the Census framework. Also, at times, it does not take into account when households move. It captures data of in-migration, not out-migration.

Q What is the status of child labour in India?

Yes, unfortunately many of the children [walking back] are young. They might not be working, but the women are. The work is typically gendered and women are paid far lesser. Malnutrition among construction workers' children in India can be compared to that of children in sub-Saharan Africa, and that to me is a public health issue that should demand as much attention as the virus.

Q What policies should we have for migrant workers?

The government said these workers should be paid during the lockdown and rents should be waived. However, these are tough measures to enforce. The One Nation One Ration policy [to be launched on June 1] is fantastic. It has been tabled for 10 years and is finally being implemented, but the problem of funding remains. For example, for a Bihari worker in Mumbai, the law enables you to

access ration and a variety of other services that would be available in their hometown, providing a huge safety net. But the operational challenge is that historically, these benefits are at a household level and not at an individual level, so one has to make per capita ration benefits. The

biggest challenge will be inter-state coordination and getting the fiscal math right. Just like the GST regime has state councils, one needs to think of an inter-state migration council.

• POOJA SARKAR

"IF THE PLAN WAS TO KEEP MIGRANTS IN THE CITY, A SPEECH SHOULD HAVE ASSURED WORKERS."

GENERATING INCOME AMIDST PANDEMIC WITH UDo NOW

Amidst the COVID-19 crisis, where businesses are struggling to understand the short- and long-term impact, and take necessary actions to survive the big blow; people are turning to their phones more often while being at home to perform multiple activities, which presents an opportunity for many verticals. With job cuts being inevitable during and post COVID pandemic, GIG economy is likely to see a surge on a global level. The go-to solution for most businesses to stay relevant seems to be free webinars.

UDo—a revolutionary mobile application that changes the way freelance consulting works—has been helping its users monetise their video calls/ webinars and video conferences seamlessly. Unlike the any other application such as Zoom, Skype, Duo, WhatsApp, etc., UDo enables teachers, trainers, coaches, and even businesses to set-up paid video sessions or large group events effortlessly. As per the ongoing trend, experts and service providers start with advertising their event and after gathering enough audience they pursue them to complete their registration. Further, they collect payments before sending a webinar invite. However, UDo eliminates all of these steps. With UDo freelance professionals can simply list their fees and update their wallet details on their profile which will be visible to everyone on the UDo platform.

UDo is one-of-its-kind platform in India which brings a variety of freelance experts under one roof. It has also made it easier for knowledge seekers to find an expert in the desired field and connect with them for advice or a solution. People can connect either through an audio or a video call without any hassle after paying the consultation charges.

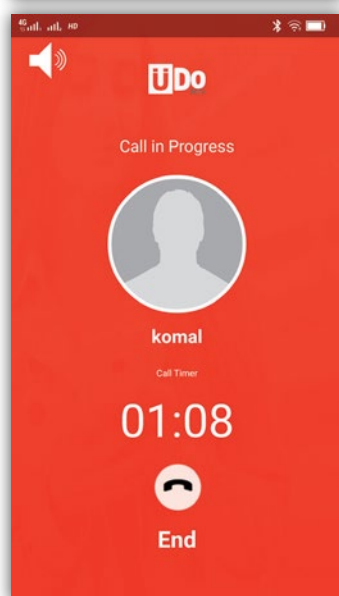
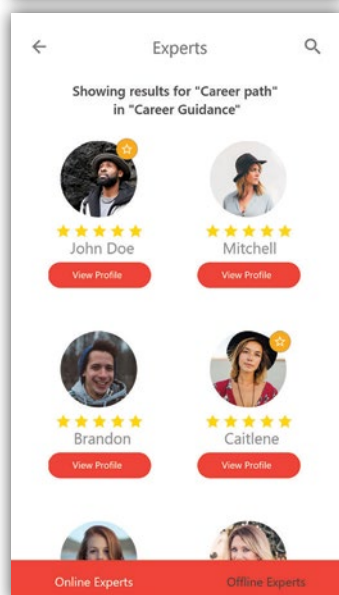
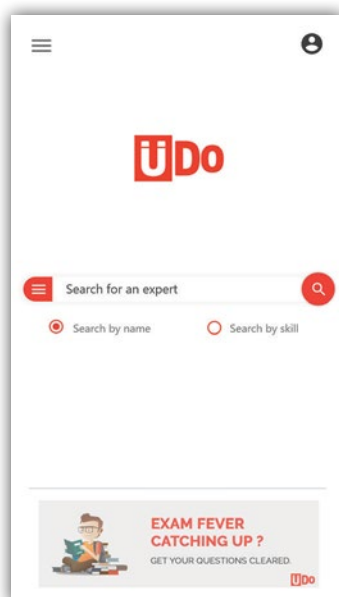
In its upcoming versions UDo also is launching a market place for webinars under one roof. Users will be able to search for and access webinars from a variety of free and paid choices. Experts and professionals willing to conduct webinars can now monetize their events, just like an actual, physical event where they can manage the number of seats and the charge per

seat themselves for any particular session and publish it. UDo then lists the webinar for users to join—the most unique feature that no other app currently in the market is providing.

UDo has certain key differentiators to its credit which sets it apart from the other usual conferencing and webinar hosting applications, such as:

- ▶ Ability for users outside of one's network to be able to join paid sessions (One-on-One/ small group or large group webinars)
- ▶ It is suitable for any professional willing to freelance or provide online consultations in any vertical through audio or video facilities (Eg: Start-ups, medical consultations, accounting help, counselling, fitness & nutrition, career counselling, executive coaching, musical instrument classes, tutoring, virtual coaching classes, schools & colleges, and large organisations)
- ▶ Experts / freelancers / consultants can monetise their efforts while sitting at home through one-on-one audio / video calls and monetize those calls or simply uploading their recorded sessions. The transactions for sessions happen through paytm wallets making the process smooth and risk free.
- ▶ Video Conferences – 25 people per host (Each seat can be offered at a charge)
- ▶ Broadcasting – Up to 8000 people at a time per host (This could be a free webinar or a paid webinar where the attendees are charged per seat)

The payments are made to the host once a week and the entire process can be managed with just a few clicks on their phone. UDo is a secure platform where each expert/ professional is validated through a KYC process as well. It is an absolutely secure, made in India application which promises to change the landscape of how Indian businesses function and channel the ability to conduct paid interactive consultations/collaborations across varied industry verticals. UDoNow is a free to use application till August, 2020.



In December and January the Ambani twins Isha and Akash were hard at work on a potential deal with Facebook. Over multiple trips to the US they negotiated the deal with Facebook executives, with Mukesh Ambani and Mark Zuckerberg coming in once it was almost ready to be signed. In late March the SARS Cov2 outbreak and a ban on international travel slowed things down. But nearly a month into the India lockdown Reliance Industries and Facebook Inc, in the last week of April, announced a \$5.7 billion (₹43,574 crore) partnership with Facebook, buying 9.9 percent of Jio Platforms. For Isha who looked after the customer experience at the groups retail and telecom businesses, and Akash who was in charge of the technological aspects of both businesses, the deal marked a clear acceptance of Jio as a tech business.

It followed up on May 4 by announcing a ₹5655.75 crore deal with Silver Lake, a global technology investor, for a 1.1 percent stake in Jio Platforms at a 12.5 percent premium to the price Facebook paid.

Unlike its rivals, Jio never saw itself as just a telecom company. The subsidiary of flagship Reliance Industries was acutely aware that while telecom giants Verizon and Vodafone had spent billions laying out 'dumb pipes' to carry data, it was the tech majors Google, Netflix, Facebook and Amazon that had reaped the benefits. It was not a position Reliance's Chairman Mukesh Ambani, who had spent an estimated ₹250,000 crore building Jio's network, wanted to find himself in. Monetising the customer was top on his mind.

In analyst meets around 2016-17, the company had begun to push this narrative. They wanted Jio to be valued as a technology business, according to an analyst familiar with the briefings. At that time there was plenty of skepticism and the market was unwilling to see beyond how the company could sell anything more

Facebook Friends Jio

The deal with Facebook gives Jio a technology company valuation and a long runway for its next leg of growth

By SAMAR SRIVASTAVA



RIL chairman Mukesh Ambani has spent an estimated ₹250,000 crore building Jio's network

than cut-priced voice and data. Jio (as a part of Reliance Industries) was accorded the relatively low multiple that telecom companies trade at. “There was little appreciation for the platform that Jio said it planned to create,” the analyst says pointing out that even today the company has neither been able to significantly monetise the movies its customers can watch on the platform nor Jio Pay.

There was, however, a small group of investors who saw it differently. The world over platforms—Google, Amazon, Alibaba—have been able to monetise seemingly disparate

businesses. These companies, listed in the US market, had seen their valuations soar and been responsible for a large part of the outperformance of the US market over the last decade. And unlike the first dot-com bubble, this time investors had picked a narrow set of stocks to ride the rally.

If Jio could place itself at the center of a technology platform story, Reliance Industries, which had spent a decade in the ₹400,000 crore market cap range, would rerate. Global investors also did not have much choice. Though India was a vast and untapped internet market, it presented

no investible opportunities in the internet space except for the tiny, by global standards, \$3.55 billion (₹27,000 crore) market cap Info Edge that owns Naukri.com and has a stake in Zomato.

Two large funds, Fidelity Management and Research and the Capital Group, took an early call in 2017 and started accumulating Reliance Industries’ shares at about ₹700 a share. They hold 268 million (worth ₹37,520 crore) and 111 million (worth ₹15,500 crore) shares respectively making them among the largest shareholders in the company.

The deal between Jio Platforms

Two large funds took an early call in 2017 and started accumulating Reliance Industries’ shares at about ₹700 a share

and Facebook could be the first vindication of their early conviction. According to information available so far, the transaction aims to marry WhatsApp ubiquity with Reliance Retail’s on-the-ground presence to create a retail platform. India’s retail industry worth \$792 billion (₹59,40,000 crore), according to CARE Ratings, has proven difficult for organised players who have a 12 percent share. If the Jio-Facebook combine manage this, it could put in place the building blocks to transform the company from a petrochemical and refining major to a new-age internet business with a large presence in telecom and retail. “So far Jio had received a valuation based purely on its telecom service provider business. This deal may now add more credence to Reliance’s fiber and digital service endeavour,” says Swarnendu Bhushan,



Facebook CEO Mark Zuckerberg has been denied permission to launch WhatsApp Pay in India

research analyst at Motilal Oswal.

CONTOURS OF THE DEAL

For both Reliance and Facebook, the handshake announced on April 22 was equally necessary.

In Menlo Park, California, the \$534 billion market cap Facebook was facing growth challenges of its own. Its user growth in the western world had begun to plateau and even though CEO Mark Zuckerberg had spent time learning Mandarin and made several trips to China, the company found itself shut off from that market.

India, with its 400 million users, presented the next big growth opportunity even though at \$3 per user they made a lot less for the company than the \$41 an American user made. Facebook had been stymied by regulations that nixed its Free Basics plan and had been denied permission to launch WhatsApp Pay.

Reliance, on the other hand, had ₹291,000 crore of debt on its books and had committed to becoming a net debt free company by March 2021. A deal with Saudi Aramco to sell 20 percent of its refining and chemicals business for \$15 billion had moved slowly. Jio, with its 388 million users and ₹21,000 crore in EBIDTA, provided an opportunity for both Reliance and Facebook to partner.

The deal gave Facebook a 9.9 percent stake in Jio Platforms, giving the company an enterprise value of ₹462,000 before the deal. Importantly, this meant that Facebook had bought into Jio at 21 times FY20 EBIDTA. Compare this to the 10-12 times EBIDTA that Bharti Airtel, its nearest rival, trades at and it becomes clear that Facebook sees a lot of potential in the Jio platform. "It also increases the sum of the parts valuation for Reliance Industries," says Jal Irani, senior vice president, wholesale capital markets, Edelweiss Financial Services.

The deal also allows RIL to work on its deleveraging. Jio Platforms pays ₹28,000 crore to Reliance Industries while ₹15,000 crore goes to Jio with



Isha and Akash Ambani had been working on the deal since December

a new enterprise value of ₹467,000 crore. "The proposed transaction kick-starts the deleveraging exercise for RIL at a time when the large net debt has remained a key concern over the past few years and there were apprehensions of a delay/derailment in the Saudi Aramco transaction," wrote Kotak Institutional Equities.

For RIL, the sum of the parts moves up to ₹1,620-1,770 per share based on FY22 estimated earnings, according to an analysis by several brokerages including Credit Suisse, Motilal Oswal and Kotak Institutional Equities with petrochemicals, refining and marketing accounting for an enterprise value of \$59 billion, retail \$42 billion and telecom \$57 billion post the Facebook deal.

THE RETAIL EDGE

The deal announcement had a strong retail subtext to it. Facebook spoke about connecting India's 60 million small businesses while Mukesh Ambani, through a four-minute video address, spoke about connecting India's small kiranas to customers through the power of WhatsApp of which he said, "WhatsApp in particular has entered our people's daily vocabulary."

Organised retail in India has faced a scaling-up challenge. Over a decade after retailers started expanding in earnest, the largest, Reliance Retail, has 26 million square feet under operation. Finding real estate, hiring staff and entering into sourcing agreements is a time-consuming

Sum of the Parts Valuation of Reliance Industries, March 2020

	EBITDA (₹ BLN)	EV/EBITDA (X)	EV		VALUATION
			(₹ BLN)	(US\$ BLN)	(₹/SHARE)
Petrochemicals	299	7.5	2,244	29	379
Refining and marketing	268	7.5	2,008	26	339
Upstream	43	7.5	321	4	54
Digital services	488	9.0	4,394	57	742
Retail	161	20.0	3,222	42	544
Real estate projects			225	3	38
Minority interest/others			(224)	(3)	(38)
Total enterprise value			12,191	159	2,057
Consolidated net debt			2,588	34	437
Implied equity value			9,603	125	1,620

SOURCE: Kotak Institutional Equities estimates

process. As a result, most retailers have adopted a cluster approach preferring to saturate a state or region before expanding. At the same time, kirana stores that offer credit, instant delivery and a reasonably wide assortment, have proved to be formidable competitors. Expanding a physical retail operation in India through stores can only happen in a linear manner.

Working with kiranas is an opportunity that organised retail is increasingly begin to tap. One such program is Metro Cash and Carry's Smart Kirana. It works with 15,000 stores and supplies products to them. "We use data analytics to improve footfalls and increase conversions and sales," says Arvind Mendiratta, managing director at Metro Cash and Carry India. Metro, which has a licence to sell only to businesses, gains through increased sales to kiranas.

A Jio-WhatsApp combination through JioMart aims to surpass the challenges of setting up stores allowing it to scale much faster. Here's how it would work. Orders would be taken on WhatsApp, which has 400 million users in India, and sent on to the nearest kirana store. The store would be responsible for making the last-mile delivery. Pilots have begun in Thane, Navi Mumbai and Kalyan. "Globally, grocery ecommerce is not sustainable as the margins are wafer-thin. Add to that transportation costs and it becomes unviable. In this case, the additional costs don't apply," says Abneesh Roy, executive vice president, Edelweiss Securities.

If executed well, JioMart stands to gain traction. Retail, particularly fast-moving household items like groceries, vegetables and oils, remain low-margin items (between five and seven percent) and it's unclear how the margin would be split between the kirana and JioMart. Reliance Retail has been silent on supplying stores through its wholesale business. For now, the model doesn't envisage a fleet of delivery boots on the ground like Swiggy and Zomato leaving the



What The Deal Does

- ◆ Brings Facebook, WhatsApp and Instagram into the Jio ecosystem
- ◆ Allows Jio to partner with WhatsApp to scale JioMart, its last mile retail offering
- ◆ WhatsApp Pay will give Jio a powerful wallet
- ◆ Apps for movies, music, media, shopping would allow Jio to keep customers within its ecosystem without having to venture out

stores to take care of the manpower (and costs) of last-mile delivery.

The most exciting aspect of the deal is the potential integration of WhatsApp's payment platform, which is still awaiting regulatory clearance, with the ordering experience on JioMart. That would give access to household spending patterns and allow Jio to sell commission-based services like mutual funds and insurance. "In effect they would have the data a credit card company has access to and that is a very powerful resource. If executed well it could mean that a customer may not need to leave the Jio ecosystem," says an analyst who declined to be named citing company policy. He also cautioned that unlike China, India lacks a superapp and WhatsApp is free to partner with Jio's rivals. (Net neutrality rules also mean that telecom providers cannot prioritise traffic for any app or website over others.)

A Jio-WhatsApp combination aims to surpass the challenges of setting up stores allowing it to scale much faster

VALUING THE NEW RELIANCE

On April 30, RIL announced plans for a rights issue— its first in 30 years. The company, which has so far grown through internal accruals and debt, plans to ask existing shareholders to subscribe to shares worth ₹53,125 crore at a 14 percent discount to its April 30 closing price. The money would allow Reliance Industries to get closer to its stated aim of a net debt free company by March 2021.

This also gives its balance sheet the flexibility to raise money for the next round of growth if needed. Reliance Industries approved the hiving off of the oil to chemical business into a separate division to pave the way for a potential deal with Saudi Aramco. Jio, valued at ₹462,000 crore, brings in an EBIDTA of ₹21,000 crore. An investment at 21 times EBIDTA would mean that the company aims to double EBIDTA in the next 12-18 months or risk a fall in valuation. At the 2019 AGM, Ambani had declared that Jio's investment cycle is now over, suggesting that there was ample scope to increase revenue and profitability through increased tariffs, fiber to home, and Jio's suite of apps.

As Jio and retail become the key drivers of growth the Reliance Industries stock has also started its rerating journey. In the six years since March 2013 Reliance Industries' profits are up 89 percent to ₹39,588 crore. In the same period the stock is up 262 percent. It has also beaten the 74 percent gain in the Sensex in the same period.

The world over, investors have been patient with giving internet companies time to build businesses. A key attraction of these businesses is that little investment is needed for incremental growth and these companies are mostly able to fund themselves leaving higher earnings for shareholders or for reinvestment in the business. Reliance's next phase of growth could be done with lower investment in fixed assets leaving a lot more on the table for its investors. **F**

LOCKDOWN WARRIOR – DR ANEEL KASHI MURARKA

An Industrialist who looks after needy while at Home Lockdown



Dr. Aneel Kashi Murarka

Dr. Aneel Kashi Murarka an illustrious industrialist and philanthropist, who believes that the purpose of life is to give back to society, pursue for excellence and eager to reach new horizons without fear. He is the Managing Director of Mirachem Industries, which recently was the ORGANIC TEXTILE PARTNER of Bombay Times Fashion Week 2020. Aneel is the man with different facets –a Common Man, Social Worker, New Age Philanthropist and

Founder of Social Awareness Organisation Ample Mission.

Today as the COVID-2019 crisis is unfolding in India, our political leaders, financial institutions, state and central governance structures are being severely tested. The pandemic has triggered a deep economic crisis worldwide. A large number of businesses in India are staring at unprecedented losses, while many other firms have gone out of their usual to not only tackle the growing health crisis but also to keep their business afloat in an opportunistic manner. “India has so far done reasonably well in efforts to halt the spread, in terms of declaring lockdown and quarantine measures. I believe that in such challenging times, it is very crucial for all the communities to come together and support the country we reside in to overcome this pandemic. Economies can recover later, saving lives should be our priority” Aneel affirms.

It is likely that many of us are more comfortable having stocked up in surplus all essential provisions before the lockdown was declared. We are at home surrounded by food which is easily accessible and now complaining of boredom and feeling caged from pursuing our routine activities. On the other hand, imagine several individuals and marginal communities are finding it hard to even manage one square meal a day on a daily basis since a lot of them, especially in a country like ours, rely on a daily wage income. “Whichever way you choose to help, remember that we are all in this together, and whatever we can do to ease the burden for some will make us feel the “warm glow” that sharing and caring for others brings” says Aneel with sincerity.

Aneel manages his company's affairs and various operations from his home desk, at times working for hours at a stretch. With all this ongoing work, he still has all the time for Covid-2019 relief work. He replies to every messages sent out to him for seeking help from across the section of the society, includes many of charities he supports of which he is Patron. Throughout the day Aneel is in coordination with various local support groups, joint partners, medical NGOs and district administrations; he has been able to effectively contribute for multiple ongoing relief initiatives through mobilisation of materials in different states by operating from home.

Carrying forward the core principles of social responsibility to reach-out to the needy. Dr Murarka with his teenage son Sidhaant Murarka (Co-Founder) along with Team Ample Missiion, spearheading many humanitarian initiatives across India at different levels both in terms of online awareness and field work, reaching out to hundreds of affected individuals and marginal communities at large. This include daily wagers, homeless people, stranded inter-state migrant labourers, transgenders, acid survivors and slum families of weaker sections of society by providing them with financial assistance, providing Dry Ration Kits with 9 daily use items, essential necessities that are required for survival including corona safety kits gloves, masks, soaps and sanitizers that can go a long way saving people not only coronavirus but also from starvation.

Aneel strongly advocates people to stay at home and strictly follow the lockdown and social distancing through his various social media platforms which have large number of followers. Although he has all the luxury and worldly comfort, yet he is thoughtful and



Aneel & Sidhaant Murarka

trying to reach out to the needy fellow beings in whatever way possible is truly appreciable. "We are all here for a reason, having a purpose makes it impossible to merely exist. When you have a definite reason for living, your passions and talents will drive you towards a happy, fulfilling destination" he says.

The COVID-2019 pandemic has created a unique set of needs and has exacerbated the needs we already had. With likely extension in lockdown period, more and more people may need financial, emotional, and resource help, are you ready to do your bit for the fellow beings? Let's be inspired and not wait for the worse to happen. "I am extremely pleased to offer my assistance to the state government in whatever way possible during this critical period and support the city that has continued to contribute towards our success and growth for the past 3 decades or more" says Aneel Murarka.

Every year Ample Missiion does 3 unique award shows, 'The Shoorveer Awards' is one of them. This show is for the real heroes of life - Common people who have done something brave & remarkable. There are so many unsung heroes or Covid Warriors out there like Doctors, Nurses, other nursing staff, Policemen, Municipal workers and many others who are tirelessly doing their best, risking their own life by ensuring that lives are saved and basic services are taken care of even during these tough days of Covid-2019. Aneel is planning to honour these Heroes in this forthcoming Edition of The Shoorveer Awards 2020. You can send in your nominations. Visit www.amplemissiion.com to know more.

Times of crisis historically have brought humanity together to help each other survive and get through difficult times and challenges. Helping others counteracts the stress, anxiety, and depression that a pandemic like COVID-2019 can bring more life satisfaction and happiness to oneself.



American Chop Suey

Though American Big Tech will have deeper strategic investments over the next few years, Chinese money is the fuel for the Indian startup ecosystem. Can Covid-19 roll that back?

BY RAJIV SINGH

September 19, 1994. The day Alibaba Group went public on the New York Stock Exchange—a \$21.8 billion IPO was bigger than Facebook’s \$16 billion in 2012, making it the biggest opening offer in US stock market history—founder Jack Ma made a gushing confession about his American hero Forrest Gump. “Well, I got my story, my dream from America,” Ma told *CNBC*. The hero, the maverick entrepreneur continued,

I had is Forrest Gump. The Academy Award-winning classic was released a few months earlier, with Tom Hanks in the lead role. “I really like that guy. Every time I’m frustrated, I watch the movie,” Ma professed. “I watched the movie again, telling me that no matter whatever changed, you are you.”

April, 2020. Back in India, Peifu Hsieh, a Chinese venture capitalist (VC)-turned-entrepreneur who co-founded fintech startup Karbon Card, based out of Bengaluru and

Shanghai last November, had his share of American dream. Peifu worked with American VC fund Kleiner Perkins for a few years before returning to India in 2017.

Ma’s American hero is also Peifu’s. Rating *Forrest Gump* as one of his favourite movies, Peifu parrots Gump’s famous one-liner: Life is like a box of chocolates. You never know what you’re gonna get. The 40-year-old smiles, takes a swig of filter coffee and digs into a dosa. “Dosa is the

most value-for-money for breakfast,” he effuses on a WhatsApp video call, explaining his venture. Karbon Card issues credit cards to startup founders; the fledgling venture raised \$2 million in seed funding from a clutch of angel investors, including Kunal Shah, founder of fintech firm Cred, and Pine Labs CEO Amrish Rau, in March. “India has fundamentally changed over the last few years,” he says, commenting on the recent Facebook-Jio deal. “US investors will now find India more appealing.”

In April, India unveiled what might turn out to be a box of bitter chocolates for Chinese investors. The new FDI (foreign direct investment) rule makes prior approval of government mandatory for foreign investments from countries that share a border with India. That China is responsible for letting loose the coronavirus has resulted in several countries, India included, seeing justification in attempting to exclude it from global trade dynamics. There’s also the ostensible threat of opportunistic takeovers of Indian companies whose valuations might have taken a beating due to Covid-19.

The fear is widespread. Europe had already pressed the alarm button after seeing what happened in 2008 when Chinese buyers took advantage of the global financial crisis to take controlling stakes in strategic infrastructure and mining companies. Peifu, though, contends such fear are misplaced. India will continue to be a hunting ground for anybody looking for the next big bet.

The big bet from American Big Tech—Google, Facebook, Microsoft and Amazon—on India comes at a time when a new geopolitical and financial landscape is taking shape in a post-Covid world. “The American big boys can give a tough fight to Chinese heavyweights in India,” reckons Vikram Gupta, founder of IvyCap Ventures. The reasons are not too hard to fathom. India is likely to be relatively better placed once the



“You need to be gritty, determined and have loads of patience to work in India... Chinese investors have all these in their DNA.”

PEIFU HSIEH,
CO-FOUNDER, KARBON CARD

China’s Tech Play is Predominant in Indian startups



\$4 billion

Estimated amount invested in startups



18

Number of unicorns, out of 30, funded by Chinese till March 2020



TikTok

Has 200 million subscribers; the video app has overtaken YouTube in India

The Big Three Americans and the Big Three Chinese

Facebook, Amazon, Google

VS

Alibaba, Tencent, ByteDance

What works for the Americans



Strategic investors; deep pockets; prefer to invest in proven companies and business models; deep presence in tech ecosystem through Google and Microsoft

What works for the Chinese



Financial investors; prefer early stage investment to have skin in the game; understand Indian markets better because of similarities back home

SOURCE Analysts

world comes out of the battering of the pandemic. Though the initial big bets from the US and Japanese investors are going to be placed on established companies and startups with proven business models, over the next few years, they will trickle down to deals closed at the level of early startups.

For Chinese funds, the new FDI rule adds an extra hurdle. “It might be frustrating for them and prolong the process of deal closure,” adds Gupta. In all, it looks like its advantage America as it looks to place more bets outside China, Gupta contends.

Yet, the new law on paper may do little to alter the ground reality of Chinese money fuelling the Indian startup ecosystem. Reason: The fundamental difference in the nature and mindset of Chinese and American investors. Mahendra Swarup, founder of Venture Gurukool, explains. Americans, he underlines, are strategic investors. They will invest in companies and ventures that are either established or have a sizeable market share. The Chinese, on the other hand, are financial investors, who spot early opportunities and build the entire ecosystem.

Out of 30 unicorns—ones with a valuation of \$1 billion and above—18 are heavily backed by Chinese funds (see box). Though America has an upper hand when it comes to FDI in India—\$28.3 billion versus \$6.2 billion by Chinese by the end of last year—the game shifts heavily in favour of the investors from dragon land when it comes to startups. The Chinese, Swarup underscores, have a better understanding of Indian conditions. As for takeover concerns and apprehensions about the Chinese intention, Swarup wants critics to look at the track record of how investors across the Great Wall have behaved in India. “Alibaba could have stopped Paytm from getting SoftBank (from Japan) on board. But it never happened,” he says. Though the government might be justified in coming up with

the new rules, there is no reason to be apprehensive about Chinese investors. “They have built the startup ecosystem in the country. The Chinese handset players, unlike Apple, have invested heavily in India,” he adds.

Back in Shanghai, Edward Tse contends that Chinese investors stand a better chance of making it big in India. “India is a major potential market,” says the founder of Gao Feng Advisory Company, a global strategy and management consulting firm. Expressing concern about the global negative sentiments against China, and attributing it to largely due to political posturing in the US and Western media, Edward finds the backlash unjustified. “China is not a bad guy,” he says. Though the perception might have percolated down to India, Edward is optimistic that the sentiments will improve in the country, which is likely to recover quicker than others from the pandemic. Stressing that there is a need to separate government posturing from corporate behaviour, Edward contends that American investors would still be actively looking for investment. What makes Chinese better placed in India, he lets on, is a high risk-taking appetite. “They bet on 10 early stage ventures in India, and look for one jackpot,” he says. The Indian startup ecosystem, he underlines, is where China was 13 or 15 years back. The Chinese have seen the transformation in their home country and they just are just replicating that success in India. “India will remain a good destination.”

Back in India, Amit Bhandari reckons that new FDI rules won’t choke investments into the startup world. “Mainland Chinese companies are just one of the many pools of capital investing in Indian startups,” says Bhandari, Fellow (Energy and Environment Studies Programme) at Gateway House, a Mumbai-based think tank. There are funds from the US, Europe and Japan as well. Closely scrutinising one pool of capital,



“Globally a wrong perception has been built that China is a bad guy. And this might have percolated down to India. Hopefully this sentiment will improve.”

EDWARD TSE,
FOUNDER, GAO FENG ADVISORY
COMPANY

he lets on, is not going to destroy Indian startups. The recent \$5.7 billion investment from Facebook in these trying times will send the right signal to the investing community that Covid-19 has had little or no impact on India’s digital economy.

In a recent report on Chinese investment in India, Gateway House underlined the inherent threat. “Chinese FDI into India is small at \$6.2 billion, but its impact is already outsized, given the increasing penetration of tech in India,” the report points out. The report outlines three reasons for China’s tech dominance in India. First, there are no major Indian venture investors for Indian startups. “China has taken early advantage of this gap,” it highlights, underscoring the point by highlighting how Alibaba’s investment in Paytm in 2015 paid off barely a year later after demonetisation. Paytm, the report stresses, benefited from Alibaba’s superior fintech experience, which it applied to India seamlessly,

making it a dominant player.

Second, China provides the patient capital needed to support the Indian startups, which like any other, are loss-making. “The trade-off for market share is worthwhile,” the note points out. Third, for China, the huge Indian market has both retail and strategic value. Therefore, companies like Alibaba and Tencent have different considerations and horizons for their investments. In contrast, Western venture money is mostly through funds like Sequoia and SoftBank.

There’s another segment where China has seen early opportunity in India: Electric mobility. India is the world’s fifth-largest auto market. China’s BYD, the Gateway House report asserts, has been pushing its electric buses in India, with limited success. In traditional autos, which is 99 percent of the market, China is using recognisable, but distressed, global auto brands like Volvo and MG, which it acquired to enter the Indian market. “So far, Chinese automakers have invested \$575 million in India,” the research paper highlights, adding that the competition in India is fierce with Indian and Asian automakers like Suzuki, Hyundai and Toyota, even as US automakers withdraw.

The fear of Chinese hostile takeovers in India, and across the world, might be exaggerated. According to a recent report by US-based research firm Rhodium Group, the virus outbreak brought China’s outbound investment to a halt earlier this year. Since 2016, China’s outbound investment has been on a downward trajectory. Outflows dropped precipitously in 2017 and 2018 after Beijing restricted irrational outflows, the report points out. In addition to domestic regulators, Chinese investors also were confronted with greater regulatory and political scrutiny abroad, as economies tightened investment screening regimes due to concerns about China’s compatibility with their democratic market economies.

Indian Unicorns With Chinese Backing

BigBasket

Chinese Investors: Alibaba, TR Capital

Estimated investment: \$250 million

Other investors: Sands Capital, Mirae Asset, Helion Venture Partners, Bessemer Venture

Byju's

Chinese Investor: Tencent Holdings

Estimated Investment: Over \$50 million

Other Investors: Sequoia Capital, Nasper Ventures, Lightspeed Venture Partners, Canadian Pension Plan Investment Board (CPPIB)

Delhivery

Chinese Investor: Fosun

Estimated Investment: Over \$25 million

Other Investors: SoftBank Group, The Carlyle Group, Tiger Global Management

Dream 11

Chinese Investor: Steadview Capital, Tencent Holdings

Estimated Investment: Over \$150 million

Other Investors: NA

Flipkart (Owned by Walmart)

Chinese Investor: Steadview Capital, Tencent Holdings

Estimated Investment: Over \$300 million

Other Investors: Microsoft, eBay, Tiger Global Management

Hike

Chinese Investor: Tencent Holdings, Foxconn

Estimated Investment: Over \$150 million

Other investors: SoftBank Group, Tiger Global Management, Matt Mullenweg (developer of WordPress)

MakeMyTrip

Chinese Investor: Owned by Ctrip

Estimated Investment: NA

Other investors: SoftBank Group, Tiger Global Management, Matt Mullenweg (developer of WordPress)

Ola

Chinese Investor: Tencent Holdings, Steadview Capital, Sailing Capital and China, Eternal Yield International Ltd, China-Eurasian Economic Cooperation Fund

Estimated Investment: Over \$500 million

Other Investors: SoftBank Group, Sequoia Capital, Tiger Global Management, Matrix Partners, Falcon Edge Capital

Oyo

Chinese Investor: Didi Chuxing, China Lodging Group

Estimated Investment: Over \$100 million

Other Investors: SoftBank Group, Lightspeed Venture Partners, Sequoia Capital, Greenoaks Capital, Airbnb

SOURCE: Gateway House

Paytm Mall (Paytm ecommerce)

Chinese Investor: Alibaba Group

Estimated Investment: Over \$150 million

Other Investors: SoftBank Group

Paytm.com (One97 Communications)

Chinese Investor: Alibaba Group (Alipay Singapore Holding Pvt Ltd), SAIF Partners

Estimated Investment: Over \$400 million

Other Investors: SoftBank Group

PolicyBazaar

Chinese Investor: Steadview Capital

Estimated Investment: NA

Other Investors: SoftBank Group, Inventus Capital Partners, Tiger Global Management

Quikr

Chinese Investor: Steadview Capital

Estimated Investment: NA

Other Investors: Tiger Global Management, Omidyar Network, Norwest Venture Partners, Nokia Growth Partners

Rivigo

Chinese Investor: SAIF Partners

Estimated Investment: Over \$25 million

Other Investors: Warburg Pincus, KB Global

Snapdeal

Chinese Investor: Alibaba Group, FIH Mobile Ltd (subsidiary of Foxconn Technology Group)

Estimated Investment: Over \$700 million

Other Investors: BlackRock, SoftBank Group, eBay

Swiggy

Chinese Investor: Meituan Dianping, Hillhouse Capital, Tencent Holdings, SAIF Partners

Estimated Investment: Over \$500 million

Other Investors: Wellington Management, Accel Partners, Coatue Management, Norwest Venture Partners

Udaan

Chinese Investor: Tencent Holdings

Estimated Investment: Over \$100 million

Other Investors: NA

Zomato

Chinese Investor: Alibaba Group (Alipay Singapore Holding Pvt Ltd & Ant Financial Services Group), Shunwei Capital

Estimated Investment: Over \$200 million

Other Investors: Sequoia Capital, Glade Brook Capital Partners

American Foreign Investment is Way Ahead of China's

Chinese FDI \$6.2 billion

US FDI \$28.3 billion

SOURCE: Gateway House; numbers are till December 2019 and don't include money that might have been routed via Singapore or Mauritius

Two Categories of Investors

◆ Dedicated VC funds, such as CDH Investments, Hillhouse Capital, SAIF Partners and Ward Ferry, mostly based in Hong Kong. They are akin to professional global investors, such as Sequoia or SoftBank, and look for financial returns

◆ Tech companies such as Alibaba, Tencent and Xiaomi (or their various arms), which want a serious presence in the Indian market, just as Walmart (via Flipkart) and Amazon do

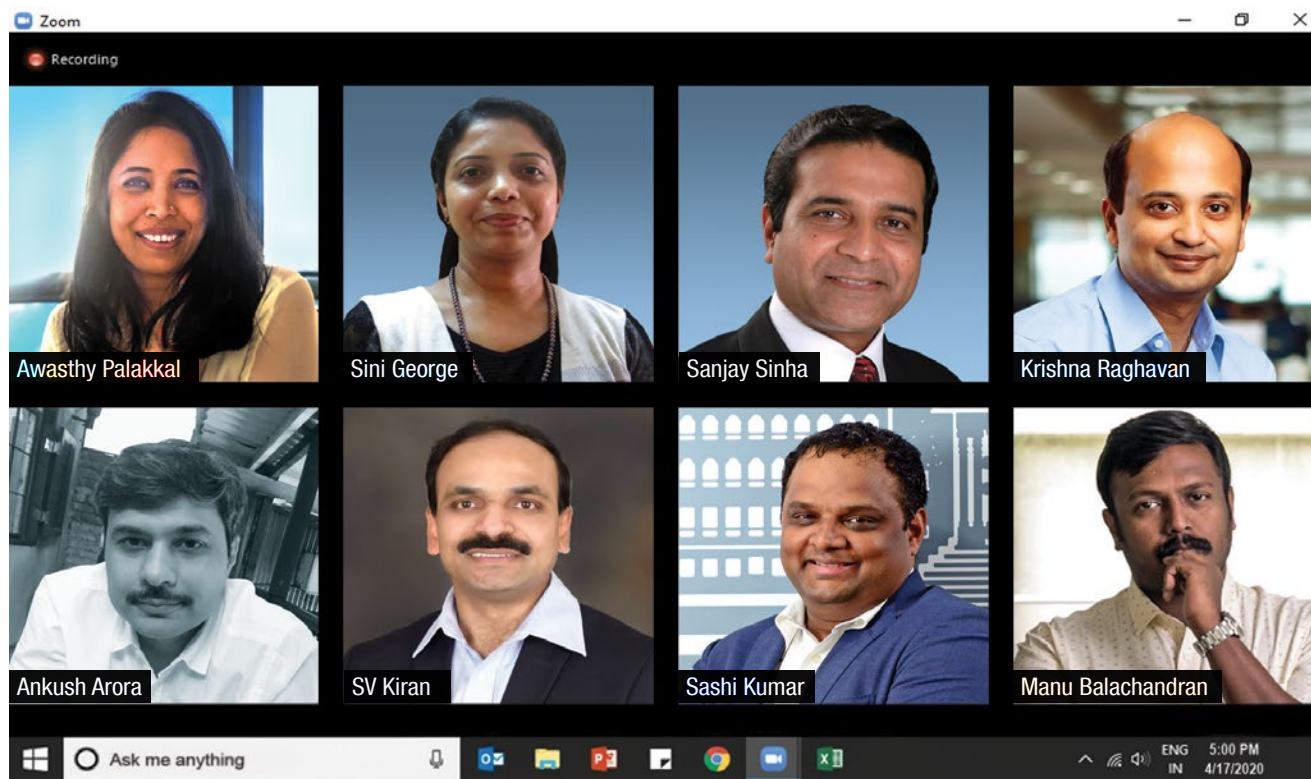
SOURCE: Gateway House

“This slowdown is visible across all available data sources and has changed the narrative of the inevitable rise of China as a global investor,” a Rhodium Group report outlines.

Meanwhile in Gurugram, Haryana, a top Chinese VC explains why India would need more Chinese money over the next few years. “America and Japan,” he says requesting not to be identified, “will become more insular.” Both these countries will look at investing more in their respective homelands to reduce their dependence on China. Add to it the fact that they have been badly battered by the pandemic from which China has started to recover, and India has been doing better than other countries in its fight. “So where is the money going to come from? It's China,” he says. “They always look for quick money, and would thus bet on known names.”

Peifu, for his part, reckons that stakes are high for both American and Chinese investors, as none can afford to lose the Indian market. Will then life for the Chinese investor and entrepreneur be like a box of chocolates? “Am looking forward to the future,” he signs off, much like the hero in *Forrest Gump* who used to swear by his mother's advice: My Mama always said you've got to put the past behind you before you can move on. **F**

COVID CRISIS CULMINATES IN NEW NORMAL WORK STRUCTURES



During the current lockdown, when the corporate world is entering rather unknown territories, the role of the Chief Human Resources Officer (CHRO) has gained importance. It is this CXO that must lead the way on various fronts – from ensuring a smooth transition to working beyond physical offices to keeping employees who are working in isolation motivated. As in regular times, organisations also look to these ‘people’s people’ to bring out the best in human resources and deliver the agenda of the company, even in unprecedented times.

Seeking to uncover the strategy, approach and planning that goes behind cohesively bringing out the best in teams, remotely, during this pandemic, Forbes India and Indeed hosted a virtual conference of CHROs from sectors that are fighting the battle against Covid on the frontlines. The event brought together HR chieftains - Sashi Kumar, managing director, Indeed; Awasthy Palakkal, human resources head, Dunzo; Sini George, human resources head, WhiteHat Jr; Sanjay Sinha, chief human resource officer, Fortis Healthcare; Krishna Raghavan, chief people officer, Flipkart; Ankush Arora, vice president and head human resources, Grofers and SV Kiran, chief human resources officer, Apollo Hospitals. Moderated by Manu Balachandran of Forbes India, they shared some revolutionary insights after first describing their new normal work ways.

Aswathy Palakkal began by recounting how her company has ensured a stronger mechanism of daily and weekly reporting, online, despite the challenges. This has given her an understanding of how her team's health is and how they manage their day. “However, coffee breaks and water cooler chats are getting replaced with getting your dishes or laundry or cooking done,” she said, describing the new work-life balance. She has also introduced a social hour every Friday to bring employees together, virtually; these get-togethers have fostered stronger team building. In terms of supporting employees, she said, “We have started an employee assistance program which endorsed our belief that people need a lot more assistance in terms of handling their emotional wellness quotient at times like this.”

In agreement, Sashi Kumar shared that in addition to ensuring that his teams are physically safe, he checks that they are doing well mentally too. From three meetings a week, he has been calling for 15 a week now. Pointing out a rather ironic development, Sashi Kumar observed, “I know my team members better than I used to. We have children walking into conference calls; we are able to see where our colleagues live. In a sense, with the distance, a sort of closeness has emerged and we’ve got to know each other a lot better.”

Being from the delivery business, Krishna Raghavan elaborated on the safety SOPs that had to be quickly initiated to protect the physical and mental wellbeing of his supply-chain workforce. With respect to non-delivery employees, he said, “Flipkart has had very flexible work-from-home policies for the longest time; the extended period of it is new to us.” He also emphasized the need for over-communicating during this time. “There must be a very strong cascade of communication about where the company is and where it is headed, what are the challenges and how we can emerge stronger from this crisis.”

Also from the delivery business catering to online customers, Ankush Arora expressed his amazement at the attitude of his young workforce, which has risen to the occasion. “We are not in a conventional war, but a warlike situation, and they are putting their best foot forward to safeguard fellow citizens.” He also talked about an initiative wherein his company partnered with industries that are forced to shut down temporarily and, therefore, have surplus staff or downscaled. Grofers offered employment opportunities to such people. “They are happy that they do not have to stay without work and, more importantly, they believe they are committed to a larger cause,” he said. “With no pre-determined SOP for this situation, we are doing the best we can by ensuring that we invest in PPEs, sanitizers, masks, ensuring that their handheld devices are sanitized regularly.”

Another great believer in over-communication Sini George shares how her organization celebrates every success on common communications channels. “This has helped us to bond within the team and maximize productivity.” She shared that her organisation is distance hiring and onboarding and training new employees, even during the lockdown. The demand for additional staff has been triggered by the demand for her company’s products. With schools closed, engagement for kids has declined substantially, making WhiteHat’s products relevant. “We are engaging kids within the safety of their homes. That’s why we had to start adding resources to cater to the demand and cover the market better.”

In contrast to the other HR honchos on the panel, SV Kiran revealed that being the CHRO of a hospital, where human interaction is essential, he did not have the luxury of mandating work-from-home. He and his management have taken up the fight against COVID on a war-like footing and they realized that unless they lead from the front, it is difficult to expect employees to be fully committed too. Beyond instilling a sense of work-pride among employees by explaining how they were actually warriors in the current battle against the virus, he has been busy ensuring their ultimate safety. “We procured enough Personal Protective Equipment (PPE), trained people how to use it, modified shifts to alleviate the discomfort of wearing PPE for long hours, etc. We also worked on their transport, logistics and their food and



Presented By



supplements to boost their immunity.”

Offering another perspective from the hospital sector, Sanjay Sinha remarked on how the medical services industry has had to learn-on-the-go as there is no playbook for the current crisis. “Based on past experience the medical team came up with Standard Operating Practices (SOPs) and protocols that should be followed with respect to patients.” He explained how his staff were empowered as a result of these SOPs since they did not have to wait for decisions to be made at higher levels. Various other modifications had to

be made in schedules and delegation of authority, to adapt better to this unprecedented situation.

Taking the discussion to a different human resource issue that has arisen during the current crisis, Shashi Kumar said, “People are concerned about losing jobs and income. At Indeed we’ve decided that the harder it becomes for people to find jobs, the harder we will work to help them find jobs. We’re working on a war footing.” He went on to narrate how his company is seeing reduced activity in most industries but sectors that are strong continue to hire, although on a much lower scale. “SMBs are getting impacted significantly, but also we’re seeing enterprises planning for the future. It is important for companies and jobseekers to remember that when this is over, there’s going to be very sharp increase in hiring activity. All of us need to be prepared for that,” he reassured.

The panel of CHROs went on to envisage how the current situation could change the future of work and people’s work habits more permanently. Most of the panelists concurred that it could result in more work-from-home opportunities in future, if this unintended ‘social experiment’ delivers positive results, in terms of productivity and cost structures and its impact on teams, individuals, families and the environment. If the outcomes are clearly beneficial, the current work-structures could become the new normal.

They also expressed views on how hierarchies would collapse and teams would become more relevant as leadership emerge based on the situation and great ideas come from anyone on the team. People have already begun to empathize with each other and see each other as human beings, rather than superiors and subordinates. They are realizing that everyone faces the same issues in their social worlds, thanks to online meetings that take place in their respective homes.

Hiring, on-boarding, training and upskilling would also become a whole new ball-game as it would shift online and e-learning would become more common as mindsets are changing. Greater speed in communication is also likely to emerge as people have become more familiar with online meetings and connects. Last, but not the least, the experiences gained in terms of quickly creating SOPs to manage crisis times will hold CHROs in good stead in the event of unexpected eventualities in future. ■

Home Ground Advantage

After over a month of the nationwide lockdown, India Inc's top leaders say they are beginning to consider a work from home or hybrid model even for the long term

By NAANDIKA TRIPATHI and PANKTI MEHTA KADAKIA



At 6.30 pm sharp, just as everyone else is winding up work, Damini Nair, 27, logs in to her desktop. Nair, who works with a global IT services major, has been working the graveyard shift from home for over a month. She does miss going to an office, though, considering she is working 11 hours now versus the regular nine because of poor internet connectivity.

Like Nair, most of the country has rapidly moved to working from home full time, thanks to the nationwide lockdown. The mode of work has received mixed reactions—some, like Nair, find it difficult to adapt to without adequate infrastructure; while others, saving on commute time and finding themselves more efficient, can no longer imagine sitting at an office desk all day.

A majority of companies—especially those in the tech space—are actively considering how this months-long transition might change the way they work in the long term. For instance, Tata Consultancy Services (TCS) recently said that as much as 75 percent of their 3.5 lakh employees will work from home by 2025. “We call this philosophy 25x25, which means only 25 percent of our employees may have to be in office to ensure that 100 percent are productive,” N Ganapathy Subramaniam, chief operating officer and executive director, TCS, said while addressing a press conference on quarterly earnings recently.

We spoke to corporate India's prominent leaders to get their views on whether the work from home (WFH) culture is here to stay at their companies, and whether India is prepared to embrace it. Here's what they had to say.



VIPIN RANA



31

'We would like 25% of employees to work from home long term'

CP Gurnani, MD and CEO, Tech Mahindra

We have had a formal work from home policy in place for a long time, and most of our leaders and associates have made use of it—but of course, not at this scale, and not all at once. Frankly, we were apprehensive in the initial days of the lockdown, but our teams have stood up to the challenge, and we are working at near pre-Covid productivity levels, and, in some cases, exceeding them. Currently, 94 percent of our work is being delivered from home.

Every model of working has its pros and cons. While circumstances

will force us to work in isolation for some time, we must also realise that human creativity and teamwork thrives on social interactions. So yes, a hybrid model will exist. It could be limited visits to office for social distancing reasons to start with and, as we use more collaboration tools and get used to lone working, I believe we will move permanently to a hybrid model. Technology solutions will quickly evolve but it is the human angle that will be important to watch.

The paradigm of leadership in this new normal has changed and the challenge for leaders is to adjust

their mindsets from 'command and control' to 'mentor and inspire'.

We ourselves are looking at about 25 percent of our employees working from home in the long term. In our industry, productivity and deliverables will not be impacted by this—and might be enhanced, in fact.

Covid-19 has enabled us to create a proven model that can serve a larger workforce of women and persons with disabilities, and enable tech firms to tap into talent from rural India—a workforce from Bharat. Yes, the hybrid model is here to stay.

MANISHA AGARWAL



'Changes in work culture were visible even before the outbreak'

Rahul Agarwal, CEO and MD, Lenovo India

The situation we are in right now is not only confirming that our technology investments have been valuable, but also that the workforce will move to a remote direction in the years to come. However, it is too early to measure a productivity impact.

There are, of course, challenges in working remotely. Lenovo research shows that people cite distractions (42 percent), and blurring work and life boundaries (32 percent) as top reasons to dislike WFH. Having said that, most people feel more peaceful and productive at home.

Lenovo also recently released global research on the impact of the coronavirus on workplace engagement, which shows that employees and businesses are ready to adapt to WFH arrangements. It's a pleasure to know that this is true for our Indian employees too. In the future, we may move to a hybrid model.

We have not been a remote working country culturally, and managers will need to rewire their thinking. Management will have to realise that good people will work well wherever they are—and the others will not,

wherever they are. You can't monitor people in the new world. The focus should be on output and not on the activity. By trusting employees, you empower and motivate them more.

I think the changes in work culture were visible even before the pandemic hit. Technology capabilities had already ushered in a new global workforce that stayed connected in a work-from-anywhere world. This will now accelerate, especially in new age and tech companies. I just hope there is more innovation in video conferencing soon, and we are able to have 3D interactions.



'I'm hopeful work from home will fix talent, gender and diversity gaps'

Debjani Ghosh, President, Nasscom

There's tremendous benefit to working from home. We've seen productivity go up and hopefully, it'll stay up in the long run. One thing we have found is that when you are working online, it is truly a collaborative process.

Having said that, some issues still exist—last-mile access, connectivity, cyber security and so on. This is also a good time for the government to focus on power supply problems. These are some issues India will need to sort out before work from home can become a long-term model.

We expect that most large companies will put a hybrid model in place. IT services companies

will dominate here, while business process management (BPM) and smaller companies might not be able to entirely. But I do think we will see a blended model becoming the new norm.

I'm very hopeful that work from home will fix the talent gap that companies and industries have. The thing to remember, as men and women work from home, is that men realise that work from home is not just to sit in front of the computer, but to equally pitch in with daily household chores. We will see a lot of changes towards bridging the talent gap, the gender gap and the other diversity gaps, to a very large extent.

'The future of WFH will depend on how long the Covid-19 outbreak lasts'

Ashish Chauhan, MD and CEO, BSE (formerly Bombay Stock Exchange)

A few weeks ago, work from home was a distant concept. Due to the Covid-19 outbreak, organisations and the entire stock market ecosystem, consisting of several lakh people across the length and breadth of India, had to resort to that on a day's notice. However, our IT team was well prepared.

Over the past decade, we have meticulously planned for disaster recovery and business continuity processes. And the results have shown: The market has not closed for a single second even with more than 90 percent employees working from home.

Today, the BSE is in a position to allow employees to work from home, thanks to the automation of the entire ecosystem. It's a 24x7x365 kind of organisation, so every employee has to be alert, whether they are working remotely or from an office location.

The future of work-from-home culture in India will depend on how long the scare of Covid-19 lasts. If it lasts long, most organisations will transform themselves to work in a newer reality. If the problems are resolved in the next few months, we may have slightly modified ways of doing things. One thing is for sure: Covid-19 has changed for ever the way we work; in India and in the rest of the world.

'We deliver our best from wherever we are, not just the office'

Hari Vasudev, country head and vice-president—technology, Walmart Labs

We had work from home policies in place but to ensure that this large-scale transition was smooth, we have tweaked them—providing financial assistance to buy office furniture at home, for instance.

However, the biggest concern we have today is long screen hours. We are educating our associates to be a lot more disciplined about work timings. It is important to respect the balance between work from home and work for home. Also, the long commutes are avoidable now, so we can organise our days a little better.

Working from home hasn't taken from us our spirit of engagement, however. Recently, we celebrated National Pet Day, where our associates shared adorable pictures; on World Innovation and Creativity day, associates took to the virtual stage and we had our very first live show. There was dance, music, drumbeats and inspiring tech presentations on how we are combating the Covid-19 impact and ensuring the safety of our store associates and customers.

We believe we deliver our best from wherever we are, not just from the office. Today, it is a source of pride and inspiration to see our associates act together as one Walmart family in serving customers through such tumultuous times. We put our best foot forward to support the steep peak in the volume of sales, deploying assistance to frontline associates—all while working from home. We feel location is just a factor, not a quantum to deliver.



'I don't see the old model of all employees working from office ever coming back'

Sandeep Kishore, CEO & MD, Zensar Technologies

Even before the Covid-19 outbreak, we had a flex policy of allowing our employees to work from home thrice a month, if they needed it. Nobody was prepared for a hundred percent work from home, of course. Post Covid-19, this will become mainstream.

I don't see the old model ever coming back. This pandemic will change industry forever. The whole philosophy of 'work means working from office' is done. Mainstream work will include a hybrid model. There will be a

fundamental shift, and the chapter of 100 percent employees going back to work, is now closed.

To enable more meaningful interactions, at Zensar, we've mandated that all calls should be video calls. I haven't touched my handset in a while. We recently did a company-wide Town Hall on video, with 10,000 employees, on Microsoft Teams. We're keeping our employees engaged and constantly checking on them, and are conscious of bringing them together as much as we can through these tough times.



'We have to be creative, personalise the WFH experience'

Nivruti Rai, country head, Intel India, & VP, Data Center Group, Intel Corporation

Almost all of Intel India has been working from home through the lockdown, and I can tell you we've been doing it quite efficiently. Having said that, it has not been easy—there are more things we need to do to enable WFH successfully. For instance, we need to find ways to personalise interactions and build relationships, as you would over *chai* at the office.

I realised that almost everyone is working longer hours from home, blurring the lines between work

time and home time, and without taking those breaks that you would in an office. So, we have now started to do casual virtual get-togethers—where we chat about our families, exercise, have cooking discussions or even play *antakshari*—and are beginning to realise their importance. We're all going to have to be creative to adjust to this new environment.

The new tomorrow, even after the pandemic, will be entirely different. I, for instance, will be much freer in giving people the choice

to work remotely. We'll be reliant on technology for the most basic things—for health care (telemedicine); for communication, both personal, professional, even educational; for retail; and in how we work. Not only is our work more efficient but if even 30 percent people work from home, that's 30 percent less traffic, 30 percent less pollution, 30 percent lower probability of accidents. Workplace harassment of all kinds will reduce. Gender challenges will be fewer, as technology will enable us to bring in more women.

The pandemic will have reset all the assumptions we have made in the past. Even for the naysayers, tech adoption will be the building block of life.



What this means for co-working spaces

With most of the employees working from home due to the Covid-19 pandemic, co-working spaces have seen a dip in footfall. Over the next few quarters, co-working is likely to see subdued demand but, as per experts, will also see the fastest revival as the pandemic pressures eventually ease out.

Many businesses will look to restart in these flexible workspaces, explains Ashutosh Limaye, director and head—consulting, ANAROCK Property Consultants. "Co-working spaces are not only the most cost-effective, but also offer flexibility in terms of time period of rental agreements. Co-working spaces can be rented on a monthly, day-to-day and even hourly basis," he adds. "For India Inc, the evolution of the WFH option is at least as exciting as that of co-working, if not more, considering its multiple benefits. That said, it will not work for every type of company," he adds.

What is certain is that commercial space requirements are in for a major upheaval, as India Inc will not hit a 'business as usual' equation for quite a long time. Tenants will recalibrate their space requirements, and the effective average monthly per-desk rentals at Grade A office spaces in some of the major business cities will be a central consideration, Limaye says.

Redefining the Human Touch

From digitally connecting with employees to reinventing job roles, the coronavirus outbreak is witnessing an evolution in the way human resources are engaged and managed

By DIVYA J SHEKHAR



CHAITANYA DINESH SURPUR

Anuradha Razdan knew she would have to think on her feet. It was not business as usual.

Days before Prime Minister Narendra Modi announced a nationwide lockdown on March 24 to control the coronavirus, Razdan, executive director of human resources (HR) at FMCG major Hindustan Unilever (HUL), put together a multi-

pronged business continuity approach. First, since 70 percent of the company's revenue comes from the sale of essentials, its 28 factories across the country had to be kept running.

This meant continuous coordination with state governments and local authorities to keep up with changing guidelines, finding alternative sources of labour wherever required, since some

employees had returned to their respective hometowns due to the outbreak, arranging for workers' accommodation on factory premises, providing for hygiene and sanitation, dispelling social taboos and misinformation around the virus, issuing early payments to small- and medium-scale suppliers, extending credit to small-scale customers, distributors and partners, and



building infrastructure for 18,000 employees to work virtually.

This was just the beginning of a series of measures that would change the way the organisation functions, including how teams are rebuilt and manpower is reassigned across critical business functions, how leaders look after the physical and mental well-being of their employees, and how crucial HR systems—traditionally mandating physical presence and interactions—are digitised. “The endeavour is ongoing: How do we keep the rhythm of the business going? How do we keep employees engaged and productive? How do we continue listening to them to keep the positive momentum going even in the midst of all the disruption and changes we are seeing to our ways of work and lives?” says Razdan.

Covid-19 is accelerating some of the greatest workplace transformations of our time. It is bringing about major shifts in the way people are hired, on-boarded, trained, assessed and promoted. There is a transformation in how companies communicate and connect with their employees, and help them re-skill and up-skill.

An April 2020 report by consultancy EY India titled ‘HR resilience planning—Covid-19 impact and preparedness’ indicated that 72 percent of organisations in the country feel that the impact of the coronavirus in business will be felt well beyond six months. About 55 percent of these organisations, the report states, foresee medium to significant impact on employee cost, while others are still unclear. This means corporations and startups will take calls about cutting costs and managing employee compensation.

Steering these transitions is a team of HR professionals. “During the pandemic, we have seen HR, which is usually seen as an enabler or a support function, transform into a business driver,” says Shanthi Naresh, India business leader, Mercer India. She believes that while rolling out any



“The endeavour is ongoing: How to keep employees engaged, and continue listening to them?”

ANURADHA RAZDAN,
EXECUTIVE DIRECTOR - HR, HUL

course of action during this time, whether it is supporting employees or handling costs, HR processes must balance economics with empathy.

TECH FOR TEAMWORK, LEARNING AND AGILITY

“Fear is common to all, be it an employee, delivery partner or leader. So we are all forced to explore solutions,” says Aswathy Palakkal, head of HR for Dunzo. While the Google-backed hyperlocal delivery startup has various virtual bonding initiatives (like meetups, discussions, webinars and games) to boost employee morale and well-being, they are also building product innovations to ensure safety of delivery executives.

After procuring permissions from local authorities for people to conduct on-ground deliveries and distributing hygiene kits among delivery personnel, the startup has trained them to make no-contact deliveries. Weekly walk-in interviews for delivery executives at Dunzo’s

offices are now replaced by online recruitment, on-boarding and training. Dunzo is also pilot-testing a drone delivery solution as a longer-term project, and has received an approval from the Directorate General of Civil Aviation for it.

The Bengaluru-headquartered startup has about 21,000 delivery executives (recruitments are taking place as per demand) who work for 6 to 8 hours every day. To keep them motivated, tweaks have been introduced on the Dunzo app through which customers can either tip their delivery executives extra or send out messages or gestures of appreciation.

“Apart from rolling out a new insurance policy that covers coronavirus-related expenses, we have constituted an online crowdfunding campaign from which the money raised will be directly sent to delivery partners and their families,” says Palakkal. The campaign to raise ₹3 crore on online platform Milaap has seen employees and the leadership team contribute between 50 and 75 percent of their salaries.

As HR streamlines the process for working from home, it is also essential to take into account the physical and mental fatigue that employees might experience from professional isolation, says Nitin Jain, managing director of consulting firm Alvarez & Marsal (India). “It is critical that the HR and leadership engage more actively and intently with employees, without any agenda,” he says. “We have chosen a bottom-up engagement, which focuses on the junior-most employees first.”

The EY India report, which incorporates inputs from HR heads from more than 100 organisations across sectors, states that apart from virtual methods of recruitment, more than 70 percent companies are experimenting with emerging technologies like artificial intelligence (AI), robotic process automation, and machine learning.

“There has been an incredible

amount of focus on cross-functional, horizontal interactions, planning, reviews etc going virtual. Companies are also experimenting with advanced digital tools to monitor productivity, but it is still early days for that,” says Anurag Malik, partner and India workforce advisory leader, people advisory services, EY India. “Monitoring employee productivity online is done mostly through maintaining a disciplined, structured work plan, a clear communication strategy, setting work expectations and reviewing it on a daily or weekly basis. It’s a more cultural thing.”

Krishna Raghavan agrees. The chief people officer of ecommerce giant Flipkart says his organisation is going beyond traditional hierarchies to drive ownership at all levels.

“During good times, communicate... and in difficult times, over communicate,” he says. “We have ensured that there is continuous and transparent communication to help our employees get a clear vision of the future. We support them with the right tools they might need to stay productive and, at the same time, inspire them to go the extra mile needed for the tough times.”

Some of the tools Raghavan is referring to include regular webinars on fitness, meditation, self-care, workplace ergonomics, stress and anxiety management. The HR team at the Walmart-owned company has a ‘digital chai break’ concept to help colleagues get together virtually as they work from home, apart from helping employees balance household and child care responsibilities with work, and offering online learning sessions for employees to upskill while working remotely. Flipkart has also on-boarded 150 interns virtually as part of its Flipkart Internship Programme, where work and mentorship sessions are conducted online.

Digital learning has seen a massive upswing among organisations big and small, across sectors, as more

How HR Functions Change During a Pandemic

E-entry to e-exit

From recruitment and on-boarding to resignation submission and exit interviews, all processes are being done online

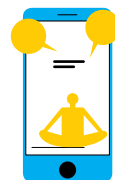
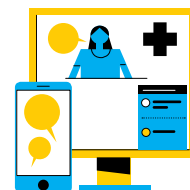


Learning & Training

HR leaders across sectors report an uptake on the number of employees willing to take e-learning and training lessons during the lockdown to upskill or reskill

Win for Wellbeing

HR teams have launched 24/7 helplines, AI-enabled chatbots to provide mental health self-care tips, access to counsellors

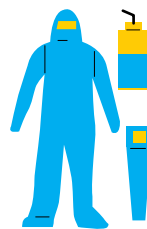
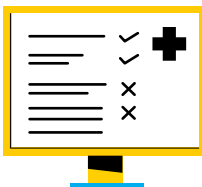


Engagement Tools

Through online clubs for fitness, meditation, dance, games, stress and anxiety management, or just sharing quarantine stories via video meetings, companies are organising bonding activities to keep up employee morale

Symptom Checks

Most companies have launched a comprehensive digital symptom tracker for employees that is sometimes linked to the government’s Aarogya Setu app

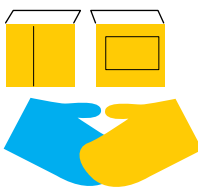


Sanitation

Companies where employees are delivering essentials are providing PPE kits, temperature check facilities, soaps and sanitisers, disinfection and fumigation of workplaces, sanitisation of entry points and touch points

Collaboration

HR leaders are initiating partnerships and resource-sharing arrangements with other companies to fill gaps along the supply chain and keep essential services going



employees are open to learning new skills during social isolation. “You can find a way of digitising all HR processes—e-joining, e-exit and everything in between,” says

SV Nathan, chief talent officer at Deloitte India. “For example, Covid-19 has set aside the notion that learning and development have to be instructor-led, in classrooms. We are considering doing almost 75 percent of our training and lessons online. These courses could be to do with technology, compliance processes or acquiring soft skills.”

Deloitte India, with a total workforce of 12,000, on-boarded and inducted new employees virtually when the lockdown was first announced. “Going online has saved us a lot of time, and all the boredom that one associates with on-boarding is now gone. You not only get things done before the employee joins, but also make the process more engaging and easy on the joiners,” Nathan says.

DIGITISING CARE

A recent global workforce research study, called ‘Human Resilience: What your people need to know’, undertaken by IT giant Accenture indicates that while companies are resetting their short- and long-term goals virtually in the wake of the pandemic, the need is to support employees in three basic areas: Physical, mental and relational—each focussed on fostering security, resilience, and a feeling of connection and belonging. “Tell a story. Don’t spew data,” was one of the practical recommendations for leaders to follow while hand-holding employees through this time. “Many companies are data rich and can provide people with metrics and predictions. But what people want as human beings is the larger story, the insights. People are wired to find meaning and respond best to stories and analogies during times of great stress and ambiguity,” the study states.

Lakshmi C, managing director and lead-HR, Accenture in India, tells *Forbes India* that working on these lines, their focus is to first enable employees to adapt and thrive in a disrupted work environment. For



this, the organisation is using digital tools like a 24x7 employee assistance helpline, online training sessions, virtual summer camps to keep children (between ages 5 and 12) of parents working from home occupied. “We are also expanding the use of an AI-enabled chatbot to provide mental health self-help techniques and access to mental wellness experts,” she says.

Shanthi of Mercer India says she has seen very few companies take a short-term approach of laying off employees, and are containing costs by other measures like hiring freezes and the leadership taking salary cuts. “There could also be industry-wide initiatives for resource-sharing between organisations. Companies in the US have already adopted this model,” she says.

Companies like Zomato and Flipkart have a few such measures in place. At Zomato, employees were requested to take up a voluntary pay cut, and 75 percent opted for it, according to Daminee Sawhney, vice president-HR, Zomato. “The world has come to a halt and unfortunately, the restaurant industry is one of the worst-hit. We made quick changes to enable business continuity, keeping in mind the need of the hour,” she says. This included cross-utilising bandwidth across teams. “We identified teams where business was slow due to the current situation and realigned them to businesses or teams that were seeing more action, such as grocery or Zomato Feeding India [an online fundraising campaign to provide grocery kits to daily wage earners],” Sawhney explains.

Flipkart, on the other hand, has forged partnerships with companies like Uber, Spencer’s and Tata Consumer Products to ensure essentials are made available to consumers. “We have also introduced Covid-19-focussed health insurance plans in partnership with ICICI Lombard and Digit,” says Raghavan.

Conglomerates like HUL have made larger social commitments.



“We are using an AI-enabled chatbot to provide mental health self-help techniques, access to experts.”

LAKSHMI C,
MANAGING DIRECTOR AND LEAD-HR,
ACCENTURE INDIA



“We’ve ensured continuous communication to give our teams a vision of the future.”

KRISHNA RAGHAVAN,
CHIEF PEOPLE OFFICER, FLIPKART

The FMCG giant, for instance, is committing ₹100 crore toward vulnerable communities with initiatives that include distributing soaps, sanitisers, hand wash, disinfectants, launching a food relief programme, helping the government with awareness campaigns, and upgrading testing facilities in health care centres. “Business continuity and social commitments go hand-in-hand,” says Razdan.

CHANGES BEYOND COVID-19

All HR leaders *Forbes India* spoke with agree that Covid-19 will leave long-lasting or permanent impacts on business functions. “The pandemic has made us realise that there are roles in which people can permanently work from home, saving them time and us resources. With corporate travel, we can re-evaluate if a physical meeting is even necessary or if it can be done online,” says Sudhir Dhar, executive director, HR and admin, Motilal Oswal Financial Services Limited.

According to Nathan of Deloitte India, Covid-19 has heralded a larger cultural shift that will give more agency to young, millennial workers, who, in the absence of traditional supervision, will collaborate and communicate more effectively. “This will engender trust, and lead to greater engagement,” he says, adding that companies will get more inclusive, diverse and sensitive. “Because organisations are more flexible about how roles are executed, women, who earlier felt they had to stop working when they got married or had a child, will feel more empowered.”

Palakkal of Dunzo believes that while every HR leader spoke about having a people’s mindset, they only realised what it was once Covid-19 hit. She says: “Now, suddenly, conversations are a lot more connected, emotional. We are able to work together, understand and empathise more while trying to chase business goals. This has to be our biggest win.” **P**

Begin Again

Countries that have eased the lockdown give us a glimpse of the life after once the restrictions are rolled back

By **KATHAKALI CHANDA**

Zhang, a freelance interior designer from Beijing, was in her hometown of Heze to celebrate Chinese New Year when the city of Wuhan, the first epicentre of the novel coronavirus outbreak, was put under a watertight lockdown to combat the pandemic that would later affect over 30 lakh people across continents. As the government amped up controls on the rest of the country and clamped down on

travel, Zhang's return to Beijing was delayed. When she did manage to take the train back on March 19, she had to upload every minute detail of her whereabouts on an app before boarding and take hourly temperature checks through her nearly-four-hour journey. Once in Beijing, Zhang went into immediate self-isolation. "I didn't even go down to the garden of my building compound to collect my delivery orders," she says.

In mid-April, Beijing was inching

back to normalcy—its parks had opened, so had malls and restaurants, and traffic on its ring roads, a barometer of the city's frenzied pace, had picked up to two-thirds of normal. Zhang, too, had gone out to socialise with her friends for the first time in two-and-a-half months. But the battle scars of a public health crisis remained—and not just in the masks they were mandated to wear every time they had to step out.

In the new world order following



Seen here is a restaurant in Beijing. The capital of China started inching back to normalcy in mid-April, with its restaurants and malls reopening



PHIL WALTER / GETTY IMAGES



People go fishing at Bucklands Beach in Auckland, New Zealand, in April, after the government eased lockdown measures to let people widen their social bubbles

the pandemic, Zhang and her friends couldn't just walk into a restaurant and grab a table—they first had to book one through an app to eliminate crowding on the spot. Most restaurants that had reopened had reduced the number of tables and set them six feet apart; enclosed, air conditioned spaces were out and seating was arranged open-air or on the rooftop. And every time anyone had to enter a public place, or even leave or return to their own apartment compounds, their temperature was taken. Thermal scanners were as ubiquitous as face masks and a green health code on the smartphone, tracked through an app, the new masterkey.

Despite the app triggering debates over heightened state surveillance by tracking citizens, it's this code—akin to a health certificate—that allows Husain Barma, the head of chemistry department at Shanghai Qibao Dwight

High School, into his gym every day. Barma has to pre-book his exercise slot and keep his mask on through his routine. "If you take it off because you are perspiring, they will ask you to put it back," he says. "Besides, they've turned off every alternate treadmill so you can't run on adjacent ones."

In the DiDi cabs that Barma and his wife frequently use, or that Zhang ordered to travel the 7-km stretch between her home in Andingmen and Beijing's entertainment district of Sanlitun, drivers hold the right to refuse a ride if the passenger isn't wearing a mask. Seating upfront isn't encouraged, a plastic sheet separates the front from the back, and windows are rolled down during the journey. Says Zhang, "Public transport is available, but I'd rather travel in a cab because there are more people on the bus and the metro."

Beijing has now lowered its alert level and, starting April 30,

is exempting domestic travellers from low-risk areas from the 14-day quarantine; it has also opened up a few tourist spots. Zhang, too, says she is no longer scared of the highly-infectious coronavirus that affected nearly 84,000 people in her country and killed over 4,600. "I'm just respectful of the new normal," she says.

New normal is a jargon that is often tossed about carelessly. But perhaps nowhere is it more appropriate than now and hereafter. India may begin a staggered rollback of its national lockdown after May 17, but glimpses of post-lockdown realities from across the world confirm that our perceptions of the normal have been upended and masks and 'social distancing' norms will begin to define how we go about our daily routine. While the WHO (World Health Organization) has enlisted a six-point formula to gradually exit restrictions, its immediate aftermath is expected to resemble what Judith Collins, a New Zealand MP, used to pithily summarise the downgrading of the country's alert level to 3: "A lot like Level 4 but with KFC."

In its early stages, the easing of lockdowns is going to be mere incremental—consider that Israelis since April 19 can venture within 500 mt of their homes for sports or prayer, instead of the earlier 100 mt; big malls and bazaars across Iran, which relaxed restrictions since April 11 despite being one of the worst outbreaks in West Asia with 90,000-plus cases, are still closed; areas around the driver will continue to be cordoned off on public buses in Norway's Stavanger and their front doors sealed; and New Zealand, lauded for being among the first countries to eliminate community transmission of Covid-19 through a draconian lockdown, is letting its citizens widen their social bubble from immediate to limited extended family. "I can now expand my bubble to my partner who lives elsewhere, and whom I couldn't meet when we

Glimpses of post-lockdown realities from across the world confirm that perceptions of the normal have been upended



were in Level 4. We are also allowed to go to the local beach and order food deliveries. Beyond that, nothing much will change for me. My daughter's school is located opposite Marist College, among Auckland's biggest clusters with nearly 90 cases linked to it; so despite going down to Level 3, it has asked them to continue online classes from home," says Paula Ray, a researcher who lives in Auckland.

In effect, the roadmap to normalcy begins as more of a psychological impetus, the kind that gave Martin Schnabl, a physicist with the Czech Academy of Sciences at Prague, the official licence to go biking or rock-climbing without a mask. Or to Danuta Kielar, a pharmacist from Krakow, the first feel of spring. Both Kielar and her husband, a technician at a government TV station, managed to go out for a walk on a crisp sunny day once Poland, which had 12,000-odd cases, began easing regulations on April 19. "But the fewer people who were out and the masks and the gloves they wore were a constant reminder of the times we were in," she says.

The rise of bicycles has been an indication of easing of norms. Conrad Egbert, a writer and columnist based in Copenhagen, now sees a lot more bicycles zipping up and down on the road visible from his window. Three weeks ago, there were zero, he says. Ofer Aharony, who teaches at the Weizmann Institute of Science in Rehovot, about 30 km from Tel Aviv where he stays, now faces traffic en route compared to the earlier 'green channel'. "But it's way less than 10-15 minutes that I would get in the pre-pandemic times," says Aharony.

When the lockdown was rescinded in Austria on April 14 and shops no



Restaurants in Israel have been allowed to open for takeaways. But despite easing restrictions, the country was put under complete lockdown and curfew on April 28-29 for Independence Day

bigger than 400 sq mt allowed to open, it took a while for Vienna, the capital city, to get back on its feet. In the early days, crowds were thinner than usual and only a handful of shops open at Mariahilfer Strasse, a shopping thoroughfare; the buzz only picked up in early-May. Says Amitangshu Acharya, a PhD fellow at the Konrad Lorenz Institute, who lives a few minutes off Mariahilfer Strasse: "In the first week or so, barely six to seven shops, except groceries, had opened on a 500-mt stretch. But now, many are open."

Of course there have been instances of the early, unfettered rush sparked by isolation fatigue—at hobby markets across Czech Republic and at hairdressers in Denmark, "much more than to dentists even though they opened

up on the same day", says Egbert. But Shanghai has set a template for converting that physical scramble into virtual—after its farmer and flower markets drew a throng soon after their reopening, it began to conduct them via WeChat groups, where pictures were posted and products delivered to the buyers seamlessly.

Whether the format would catch on in the coming days remains to be seen. But even in countries with fewer cases, governments have moved to limit gatherings that could trigger an explosion of numbers: Israel ordered a complete lockdown and curfew on April 28-29 for Independence Day, while Czech Republic, which became the first European country to ease restrictions, has resumed sporting facilities, like tennis courts and golf courses, with a cap on the number of participants—professional athletes are allowed to train in groups no more than eight and footballers can return too as long as they don't train in direct contact. "I don't know how they'll do it, maybe play with only long kicks," says Schnabl.

"One big takeaway from the pandemic is the heightened respect for others' space. Everyone is accomodating everyone else."



Besides, for most people, restaurants and eateries will be the last to evoke confidence. When they reopened in March and early-April, restaurants in Beijing were allowing only two at a table; smaller cafes hadn't still opened for dine-in customers and were letting in only one person inside at a time for takeaways. While China moves beyond the mitigation phase to containment now, some of those regulations have been relaxed in degrees while staying vigilant for a second wave. But even across lesser-hit countries like Israel and New Zealand, restaurants are allowed only deliveries, not dine-in. "Even then, I wouldn't like to order in. I don't know who's cooked the food, where the packaging has come from, how the delivery is being done," says Ray from Auckland.

Across countries that have lifted lockdowns, the number of people who can enter supermarkets or shops has been limited to conform to the norms of social distancing. Says Barma, "Even now, supermarkets in Shanghai aren't crowded. I have hardly seen more than two-three people at the cashier and if there are more, buyers automatically go for self-checkouts. One big takeaway from the pandemic has been the heightened respect for others' space. Everyone is accommodating everyone else."

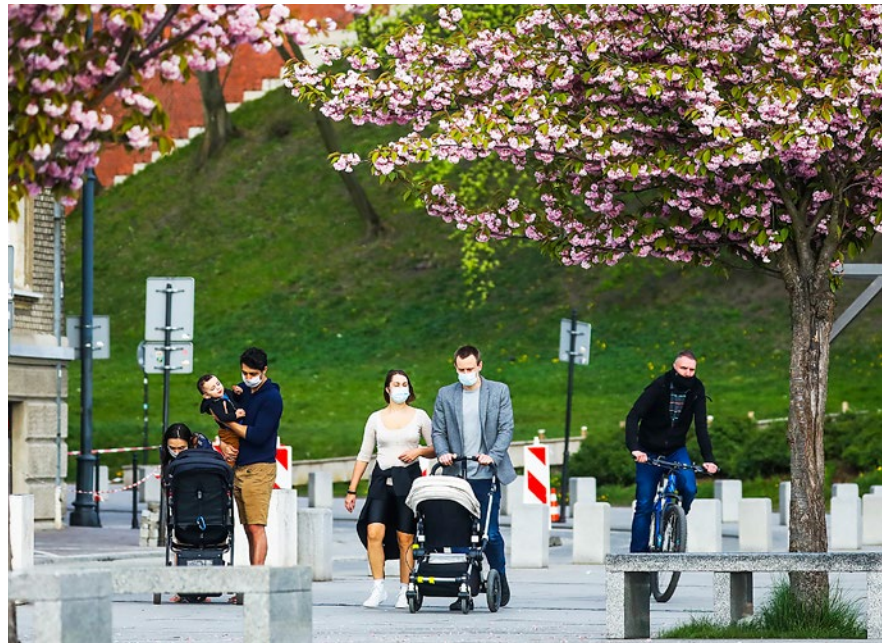
The palpable anxiety about reopening is triggered by the highly infectious nature of the pathogen and its ability to easily transmit from one human being to another. According to latest studies published in the journal *Nature*, particles of the novel coronavirus can linger in the air in crowded spaces or rooms that lack ventilation. Which will call for a rethink on how individuals interact with one another in confined spaces like offices and educational institutions.

Kevin Gouldmann, a 64-year-old self-employed master piano-maker

DAVID VISNJIC / ANADOLU AGENCY VIA GETTY IMAGES



Mariahilfer Strasse, a popular shopping street in Vienna, Austria, is slowly getting the buzz back after shops smaller than 400 square metres started reopening



Poland, which had 12,000-odd cases of the coronavirus, began easing regulations on April 18, but people must step out wearing masks

based in Beijing, is cautious about stepping out and avoids public transport when he has to. His wife, who works with Volkswagen China, worked from home for the greater part of February; even when she returned, she had to report in person only thrice a week, continuing to work from home for the other two

days. Now, not more than 60 percent of the workforce is allowed in the office at any given point and they are subject to multiple temperature checks. "At the canteen, their food is pre-packed to eliminate contact, and their company and a lot of other Chinese companies are encouraging employees to avoid public transport.



CONRAD EGBERT



People have started venturing out in Copenhagen, Denmark, after norms were recently relaxed

They either send pick-ups or reimburse taxi fare,” says Gouldmann.

Says Egbert from Copenhagen, “Once we start getting back to work, we will need to relook at the open-office plan, which has been adopted by most modern offices. You’ll need shifts, lesser attendance and reorganise seating arrangements if you have to implement social distancing.”

While the Konrad Lorenz Institute near Vienna has opened from April 27, only three PhD scholars can share the space on a floor instead of the earlier six and all canteens and kitchens have been shut. At the Institute for Research in Fundamental Sciences near Tehran, only two-thirds of the staff has returned—even those commuting on public transport have been advised to work

from home as much as possible.

The University of Stavanger in Norway also opened on April 27, but only for those who need equipment or the laboratories. “If you do not need to work from office, you do not need to go to the campus,” says Ipsita Mandal, an assistant professor at the university.

Not many nations have yet taken the plunge to open schools, merely thrashing out a timeline for a graded resumption

IT services behemoth TCS has begun to kickstart the process closer home, planning to let 75 percent of its employees operate from home over time, in the post-Covid era.

For many, schools remain the final frontier. And not many countries have taken the plunge yet, merely thrashing out a timeline for a graded reopening. Even China, where most schools have resumed through April, is treading with caution. At Shanghai Qibao Dwight High School, while the Grade 12 students have had their mock final year exams online, they will return for a staggered graduation ceremony from May 20, split according to the six houses.

“Instead of a big gathering at a banquet, we’ll have about 35-40 students on each day,” says Barma. The school will start classes for Grade 11 students on May 11 and is prepping with shut air conditioners, well-ventilated classrooms, temperature check at the gate and sans morning assemblies.

Troels Harmark, a professor at the Niels Bohr Institute in Copenhagen, has a six-year-old daughter whose classes have begun since Denmark reopened nursery and primary schools on April 15. The class of 25 kids has been split into groups of 12 and 13, with the same set of students every day. Harmark isn’t allowed inside the school to pick up or drop off his daughter, only till the front yard, to help the school eliminate large gatherings of guardians.

“There are some parents who didn’t initially want to send the kids to school. But they mellowed after they saw how the schools are trying to make this work. Now, I don’t know of anyone who’s not sending their kids to school,” says Harmark.

According to a report on *NBC News*, Danish schools are teaching their students a new routine in a game of tag: Of touching shadows instead of each other. That may well be the playbook for many for some months to come. **15**

EXPLORING THE DIGITAL-LED BUSINESS NORMAL THROUGH AND POST COVID-19

The current pandemic scenario has highlighted the critical role digital readiness can play in the ability of businesses to respond and thrive.

Forbes India brings together top digital leaders to share and learn how they plan to accelerate their organization's journey to reach the next normal sooner.

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Life After Layoffs

Your career is far from over even if you've got the pink slip because of circumstances like the Covid-19 pandemic. Five people who went through the ordeal in the past explain why it can be a blessing in disguise

By **NAINI THAKER & PANKTI MEHTA KADAKIA**

An Indian Institute of Technology (IIT) topper, a communications professional and an engineering graduate went through phases of self-doubt and despondency after they were laid off from their respective jobs at different times before and after the 2008 global recession. However, instead of wallowing in self-pity, they honed their skills and eventually found newer callings. Several others who went through a similar ordeal now look back at that time as a turning point in their lives. Many got lucrative jobs later while some others turned entrepreneurs. They realised the job losses were not a reflection of their professional skills, but a result of prevailing circumstances.

The coronavirus outbreak is proving to be a similar test for employees across industries. The unemployment rate in India zoomed to 26 percent in the third week of April compared to 7-8 percent in the first week of March, according to the Centre for Monitoring India Economy. After the nationwide lockdown was announced, the rate had spiralled to about 24 percent by end of March.

Recruitment consultant Randstad India estimates that about 70 percent of the workforce in travel and tourism could lose their jobs because of Covid-19. Other sectors that have been hard hit because of the pandemic include manufacturing, and auto and retail, which have already begun downsizing. More layoffs could be expected in the coming months, across

industries. However, experts say if employees get the pink slip, future employers will understand that this is a result of external factors, and not necessarily their performance. In fact, the silver lining is that sectors such as health care, pharmaceuticals, ecommerce and e-learning, for

instance, are expected to see more recruitment despite the economic repercussions of coronavirus.

"We're looking to on-board more than 1,000 teachers immediately apart from 200-plus employees each month for functions like recruitment, software development



Nisha Khetan with a senior colleague at the bank in 2006 where she worked, an open 'no-cubicle' office that made her feel as if she were in a glass bowl. Today, Nisha (left) runs a communication company with a partner, knowing 'sky is the limit'



and engineering,” says Sini George, HR head at coding education platform White Hat Jr—targeted at children—which has seen a surge in student enrolments since the lockdown.

“There’s a real opportunity for companies looking to come to India post the crisis because of the talent that’s now available,” says Paul Dupuis, Randstad India’s MD & CEO. “In the bounce back, we’ll see a lot of jobs being created; manufacturing companies from Japan in sectors such as auto, steel and textiles are now looking at India keenly, as are Korean companies that want to move out of China.”

While the light at the end of the tunnel may seem far, one could emerge stronger if one keeps some key lessons in mind despite the testing times. Five people who were laid off in the past for no fault of theirs tell *Forbes India* that it was, in many ways, a blessing in disguise in the long run.

‘IT WAS THE PUSH I NEEDED’

Communications professional Nisha Khetan was working at investment bank DSP Merrill Lynch and expecting her first child when the financial meltdown of 2008 hit. This was her fourth corporate job in an 11-year work experience. “The first few years there were good, but after the meltdown, the company went into cost-saving mode and slashed marketing budgets,” says Khetan, who was part of a two-member team. “Although the first set of layoffs started, there were laws around letting employees go while they were pregnant, so I stayed on.”

However, three days before Khetan was scheduled to rejoin work after her maternity leave, in June 2009, the company asked her to either resign or take a severance offer. She opted for the latter. “Of course, it was a shock. I had it all planned... my mother-in-law was coming to stay with us to help with the baby,” she says. “It took a few weeks for me to get out of this



At one point, IIT topper Shrikant Singh couldn't even afford the AC bus fare in Bengaluru. But things changed. While in 2009 he took a bike trip to Wayanad with his MuSigma colleagues, his recent expedition to Antarctica is a further reflection of his success at work and in life

mode after which I decided I didn’t want to go back to a corporate job.”

Along with an ex-colleague from ICICI Bank, Khetan started a communications firm called Cubic Communication in 2011, and turned entrepreneur at 41. “Even though we had a tremendous network between us, it took us six months to land our first client, Brickwork Ratings,” she recalls. “Our next big client, Seed Fund, took us to the startup space, which has worked out well for us. Not too many players were in this space in 2011.”

There has been no looking back since. The firm did hit a dip during demonetisation in 2016 when some clients had to fold up. “From six to seven clients, we were down

to three,” says Khetan. “That was also when I had my second child, so it took us some time to push ourselves back into the mainstream. But we were soon able to transform ourselves from just a media role to handling the entire communications for a client, including social media, creating videos and so on. Now, we have a battery of fintech clients.”

Getting laid off, adds Khetan, was the push she needed to wriggle out of corporate culture and politics. “It was a blessing in disguise,” she says. “The only advice I have for people who are being laid off right now is to remember that this is likely a factor of external circumstances. I never doubted my own performance or ability. I truly believe that if you put



Friends helped Lakshmi Ananthamurthy—then in a tech job in the US—bear the brunt of the dotcom bubble burst in 2001. Soldiering on, she has had a wide-ranging career in multinationals since, and currently heads finance for a part of Shell's IT business

the effort in the right direction, it will lead you to where you need to be.”

‘YOU CAN EITHER CRY OR MOTIVATE YOURSELF’

Shrikant Singh graduated as a topper from IIT-Kharagpur in 2009, but did not have a job in hand. Though he had received a plum offer via campus placement, it did not materialise as the world economy had plummeted.

After about two months of job hunting, Singh got a job with General Electric's plastics division in Bengaluru at a salary of ₹10,000 a month, an amount that barely covered his rent. His woes did not end there. The division was acquired by a Saudi company which started laying off all Indian employees except scientists and those with PhDs. Singh decided to resign while the rest of the team got pink slips. For almost seven months, he was depressed.

The only thing that kept him going was the advice of his college seniors: ‘Ten years down the line, no one will remember which company fired you’.

“I knew I had to let go of my ego when I couldn't even afford an AC bus ticket to get around the city,” says Singh, who realised that an IIT degree was not a ticket to success and that he needed to learn new skills. He eventually bought a second-hand motorbike. “It forced my brazen arrogance into humility,” he says.

With a fresh perspective, Singh aced a walk-in interview at data analytics company Mu Sigma despite not having a formal background in the field. After a three-and-a-half-year stint at the firm, he pursued his MBA at the Indian School of Business. A campus placement took him to Amazon in May 2014 and he has been a part of the Amazon ecosystem since then.

“You may have to take a pay cut after you've been laid off if market conditions are such,” he says. “But remember this is not the last job offer you will ever get. Be humble and earnest... you never know where you will end up. The choice is yours: You can either cry endlessly over losing a job or use it as a weapon to motivate yourself.”

‘FEELING DEPRESSED IS NATURAL’

A victim to the ‘last in, first out’ policy, Lakshmi Ananthamurthy—then a 26-year-old who moved to the US for a tech job—had to bear the brunt of the dotcom bubble burst in 2001. “As Indians we are not comfortable with the word ‘layoff’. We take it personally,” she says, adding that asking relatives for help invited more emotional trauma. “It felt like you are incompetent or useless.”

A month later, she got a job at a California-based tech firm, but another round of layoffs ensued, and Ananthamurthy got the pink slip again. This time she was jobless for almost a year.

Although she often thought of returning to India, Ananthamurthy

“You can either cry endlessly over losing a job or use it to motivate yourself.”

SHRIKANT SINGH, BUSINESS HEAD, APPARIO RETAIL



ALESSANDRO SIGISMONDI



For Protima Rodrigues, life was all about rushing between meetings in the PE world. A career decision to turn yoga entrepreneur and organise workshops for the like-minded has helped her find purpose in life

soldiered on. “For me, the fact that I had gone [to the US] as a single woman on an H1 visa was a matter of pride. Coming back to India would’ve felt like accepting defeat,” she says. She used the break to learn the latest technologies and keep herself up to date with industry standards. No longer wanting to be “held ransom” by the global economy, she decided to pursue an MBA in finance, from the University of Chicago (Booth). From IT, Ananthamurthy transitioned to a wide-ranging career, working over the years at multinationals such as BP, PwC and Shell, where she currently heads finance for a part of its IT business. “Feeling depressed after going through a layoff is natural, but you don’t have to be a superhero,” she says. “Seek professional help. And don’t take it personally; it has got nothing to do with you.”

‘BE OPEN TO OTHER OPPORTUNITIES’

In 2014, financial services professional Protima Rodrigues headed product (Cross Sell) at Future Capital, now called Capital First. The company was taken over by private

equity fund Warburg Pincus and some verticals, including hers, were shut down, resulting in her losing her job.

After three months of looking for product roles, Rodrigues decided to move into the uncharted territory of real estate private equity. Although it was “embarrassing”, she did not hide the fact that she had been laid off. “I did worry about the fact that recruiters would leverage that and offer roles with pay cuts,” she says.

She eventually joined a Mumbai-based private equity firm without having to compromise on her salary. “But the trauma of having lost a job stayed with me and I turned into a workaholic,” she says.

However, Rodrigues decided to take a few days off before joining the firm to attend a yoga retreat, to attend to her mental health, in 2015. “Being a woman in a man’s world like

financial services you’re expected to build a strong exterior and move further and further away from who you really are,” she says. “Connecting with myself spiritually made me realise the value of yoga in daily life.”

In 2019, Rodrigues, then 42, quit her private equity job to set up a company called True Bay India which focuses on Ashtanga yoga workshops and retreats. “In the three months that followed after I was laid off, I found myself in the rabbit hole of overeating and not exercising,” she recalls. “It feels like your whole world has come crashing down, but you have to ride the storm and remind yourself to be open to new opportunities. Swallow your pride and make that call. No one will ring your doorbell with an offer letter if you sit around. You have to keep trying.”

“The trauma of having lost a job stayed with me and I turned into a workaholic.”

PROTIMA RODRIGUES, FOUNDER, TRUE BAY INDIA



Sudeepta Sahu in her engineer's coat at the R&D department of a polymer bearings firm in the UK in 2011. Her layoff prompted her to study further—in 2016 she graduated from ISB with an MBA, which equipped her with the skills to start her own food business called Snackpot

'BE HONEST WITH FUTURE EMPLOYERS'

After graduating in mechanical engineering in Pune in 2008, Sudeepta Sahu took up trainee engineering jobs in the city. But her goal was to get on-site experience abroad. She was selected for an employment exchange programme conducted by India and Britain, and placed at a polymer bearings firm in Yorkshire, in the R&D department. The firm had plans to start an India office and a year later, Sahu was asked to be part of the team that led its India operations from Delhi.

Sahu negotiated a 'fancy' pay package—about 30 percent above market value—to relocate. "It was the kind of profile that would be extremely well paid abroad, but not in India," she says. However, nine months later, the company went

through a management change. The new bosses decided to shut down the office and laid off the team.

Sahu then moved to her parents' home in Hyderabad, a city without many manufacturing companies. "I wanted to continue in the bearings industry and in a similar role," she says. The search wasn't easy, but Sahu did not give up. "I knew I had good engineering design skills for which I got appreciation from clients across South Asia," she says. "I landed a small, part-time job with a US client that wasn't great for my experience, but it helped me hone my software design skills."

Finally, Sahu got a call from a Bengaluru-based company for a profile that she wanted without having to compromise on her pay package. "The interviewer asked me what I had been doing for the past

four months," she says. "I explained that it was unfortunate that I had lost my previous job, but showed him my part-time work, how I had enhanced my skills. He was impressed. I'll ask everyone in a similar position to be honest about being laid off because most people at the top will understand that such strategic decisions are not an indication of your work."

In October 2019, Sahu launched a packaged food manufacturing company that focuses on healthy snacks, currently selling B2B to corporate parks.

"I think this business ties all my skills together. We had great momentum till the lockdown began," she says. "What I learnt from being asked to go was that you have to learn not to take it as your own failure. It's a company decision, for whatever reason." 

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Glimmer of Hope

The coronavirus outbreak has adversely affected several businesses, but not all is lost yet. Many, especially those in the pharma and consumer goods space, are expected to bounce back strongly in the post-Covid-19 world

By SALIL PANCHAL

SAMEER PAWAR





Arindam Haldar, chief executive officer of private diagnostic services firm SRL Diagnostics, starts his day at the Gurugram headquarters with a video-conferencing call with 16 others from the region and Mumbai city. Updates about the coronavirus are taken daily as it is one of the private firms approved by the Indian Council of Medical Research (ICMR) for collecting samples, conducting tests and diagnosing people for the virus.

Apart from these and city-wise business reports, “about 200 doctors from across the country join remotely every day—on the MedGurukul platform—to discuss different therapies such as laboratory diagnostics for tuberculosis, approach for liver biopsy and newborn screenings”, Haldar tells *Forbes India*.

The 40-day nationwide lockdown to contain the spread of coronavirus meant that apart from Covid-19-related issues, SRL Diagnostics, which has a presence in 25 cities across 27 states, had little business coming its way. “We have seen an 80 percent dip in revenues,” says Haldar.

SRL Diagnostics reported a total income of ₹1,016.75 crore in FY19, up by just 2 percent from the year before. Its B2B activity has been impacted due to lower admissions across all hospitals and B2C due to fewer home collection samples and walk-ins for tests to its laboratories. Yet, the firm appears to be better positioned to ride out of the current crisis along with a few other well-governed health care laboratories. Covid-19 has made people anxious about their health, which means wellness tests are likely to go up.

Larger rival Dr Lal PathLabs (DLPL), another authorised private lab



“\$15.9 billion worth of funds left India in March. Over the next 6-12 months, I expect to see that money flowing back.”

SAURABH MUKHERJEA,
FOUNDER, MARCELLUS INVESTMENT MANAGERS

for Covid-19 tests, is among those that stands to gain from greater awareness about health issues. Brokerage Geojit Financial Services forecasts a revenue jump of 14 percent for DLPL in FY20-22E despite the last two months and Q1FY21 being weak. With zero debt (just like SRL Diagnostics) and cash equivalent of ₹775 crore, DLPL’s balance sheet is solid.

INCOME VS HEALTH

The government had no choice but to enforce the lockdown on March 24. Given India’s population—most of it low- to middle-income with limited access to diagnostic testing and quality health care services—and density, closure of public transport and commercial activity was imperative. Even when the lockdown was extended till May 3, the fragility of our health care system,

including lack of sufficient hospital beds, shortage of personal protective equipment and low percentage of Covid19-testing, was apparent.

In such unprecedented and challenging times, the economy was gasping for immediate relief. Unemployment was at 21.1 percent during the week ended April 26, according to the Centre for Monitoring Indian Economy (CMIE). And the labour participation rate had fallen by 7.2 percent in the same period. The working age population in India is a little over a billion. “The drop in labour participation rate implies that over 72 million people have quit the labour market in a month [from the March 22 level],” writes Mahesh Vyas, CMIE’s managing director and CEO, on its website.

Ratings agencies, investment banks, the International Monetary Fund and World Bank have sharply lowered India’s growth forecasts to between 0 percent and 2 percent for FY21. India’s economy grew by 4.7 percent in the quarter ended December 2019, its lowest pace in seven years. Data for the March-ended quarter is due on May 29.

The revival of business for April to September can be written off, but there could be a recovery in demand for some businesses in the second half of the financial year. However, this can happen only if India can keep the coronavirus spread under check. India has seen 35,043 Covid-19 cases and 1,147 deaths because of the virus, as of May 1. At least 9 lakh people (654 individuals per million) have been tested so far, according to ICMR.

In late April, the ICMR said that the rate of infection in India was linear, not exponential. With 4.1 percent (percentage of people who test positive for Covid-19) in mid-April, India’s rate

The rate of infection in India is linear, not exponential. With 4.1 percent in mid-April, the rate is lower than France, Spain and Italy

is lower than France, Spain and Italy. Also, the rate at which Covid-19 cases have doubled in India has slowed to 10 days from three prior to the lockdown. "The rate of positive cases and fatality is lower than other countries because of the early steps taken by the government," says SRL's Halder.

It is in this scenario that investment manager Saurabh Mukherjea believes that once Covid-19 cases stabilise, overseas funds could start to flow back into India sooner-than-expected, as economic activity picks up in some sectors. "\$15.9 billion worth of funds left India in March. Over the next 6-12 months, I expect to see that money flowing back," he says.

RECOVERY IN SOUTH ASIA

Mukherjea, founder of Marcellus Investment Managers, says the Asian economies of South Korea and the Philippines have already seen a 33 percent and 21 percent rise in their respective stock markets indices (see chart) from their 2020 low in March, aided by overseas investments.

South Korea—which has managed to flatten the curve of Covid-19 cases—went in for aggressive testing and contact tracing after a spike in coronavirus cases in February and early March. Select malls and restaurants are now open there. The Philippines, where the lockdown is expected to be partially lifted by mid-May, could see its economy contract in the second and third quarters of FY21 before gradually recovering in the fourth, its central bank governor Benjamin Diokno said, forecasting a U-shaped recovery in 2021. Emilio Aquino, chairman of the Securities and Exchange Commission, said some of the public offerings in the local capital market have been successful, which include the Bank of the Philippine Islands, SM Prime Holdings Inc and the Rizal Commercial Banking Corp.

As fears of a global economic recession persist, the 'home bias' theory—where investors pull out money from other markets to

take it to their home market—has started to play out. But in a near-zero interest rate regime, US-based funds will have to eye higher returns in Asia, as Covid-19 cases stabilise here and economies recover.

Gaurav Rastogi, Singapore-based founder and chief executive officer of online mutual fund investment firm Kuvera, tells *Forbes India*, "Overseas funds are looking at India. There is active conversation with fund houses... they are ready and able to deploy money, but this could take another two quarters, assuming the worst is behind us." Some pension fund houses and private equity firms will start looking to invest in startups which survive the Covid-19 crisis, he adds.

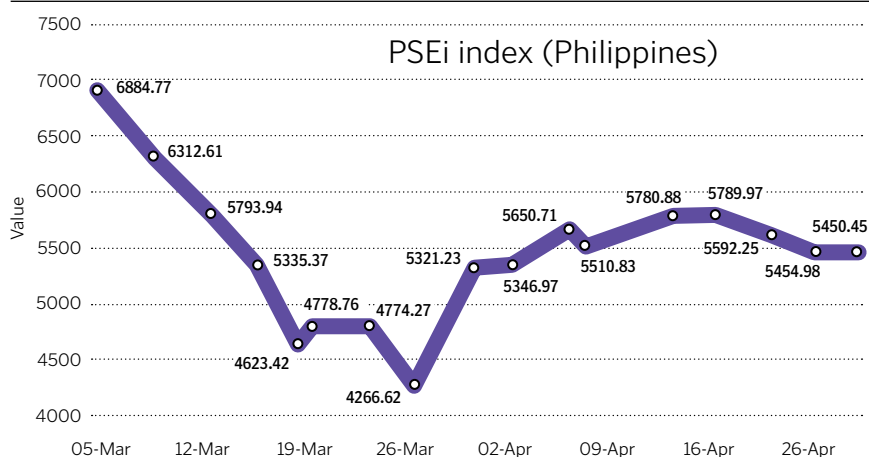
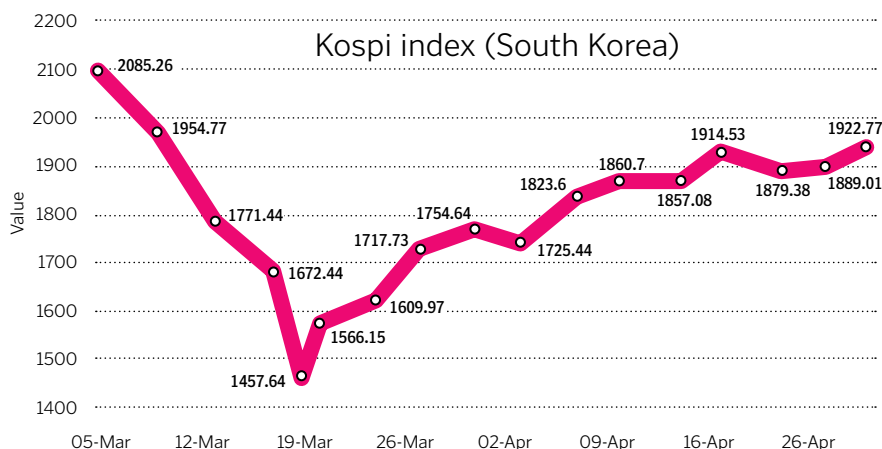
According to Rastogi, investments could be towards businesses which

have almost completely digitalised themselves. "These could be fintechs, edtech, insurtech, online pharmacy, online doctor consultancy... firms which have a minimum offline presence," says Rastogi.

Business activity has already gained speed for some of these startups. Edtech firms such as Byju's, Vedantu and Unacademy have seen massive traffic on their platforms though there is uncertainty regarding students' examination schedules. Individuals have even opted for Covid-19-specific or top-ups for health insurance policies. Online consultation and e-pharmacy firm Practo has partnered with private laboratory Thyrocare to provide Covid-19 home tests in Mumbai.

Over the long term, India will be

ASIAN EQUITIES RECOVER AFTER THE COLLAPSE



SOURCE Bloomberg



a net beneficiary, with low oil prices and the political voice against China growing, post Covid-19. Rastogi, who advises and manages funds worth ₹9,000 crore, however, warns that at a global level, there might be a disconnect between the economy and stock markets. Economies might move into de-growth in the coming quarters, but asset/stock prices may not reflect realistic prices or move in tandem. “Calling the markets will be definitely harder,” he says.

PHARMA, ELECTRICALS IN FOCUS

With the Covid-19 crisis into its third month, salaries have been down for individuals by an average of 10 percent, but expenses have tapered off even more. Despite considering some leveraging or fixed costs such as rent, individuals would tend to save more during an economic and health emergency. Some of this will flow towards consumption in coming months, once there is more certainty over their employment.

Mukherjea estimates that demand for daily essentials from fast-moving consumer goods is likely to sustain in the coming quarters, though logistical concerns might rise, considering that several parts of the country remain under a lockdown. “The main issue is whether the money that the RBI/government is racking up through stimuli leads to a rise in consumption for the low-income people,” says Mukherjea. Will this lead to increased supplies from corporates? Mukherjea believes so, instead of raising prices of goods and services.

It is a given that the work from home model is here to stay. As a result, people will invest more in hardware—laptops, notebooks, personal computers, broadband services, flexible camera and caller visibility—in the coming months. As corporate revenues and salaries remain uncertain, wherever there is an element of discretion, such as bikes, small cars, slippers or even innerwear, we could see a demand disruption of



“The rate of positive cases and fatality [in India] is lower than other countries because of the early steps taken by the government.”

ARINDAM HALDER,
CEO, SRL DIAGNOSTICS

four to six months, but it will start to recover after that, Mukherjea says.

He continues to be bullish about the future of pharma firms such as Divi's Laboratories and diagnostics firm DLPL, in the post-Covid-19 world. Pharmaceutical companies will be sought after as western pharmaceutical giants will resort to buying more active pharmaceutical ingredients from India rather than China, says Mukherjea. Halder of SRL Diagnostics is confident that his business will see a V-shaped recovery once normalcy returns.

“The demand for component parts for companies such as Electrolux, LG and Samsung will continue to be strong [as they would seek to reduce their dependence on China in the supply chain and look towards India],” adds Mukherjea. Just as other companies look for alternatives to sourcing from China, they will also aim to turn India into a regional manufacturing hub not just for the domestic market but

also the global market. India will, however, face competition from Malaysia and Vietnam in this space.

Experts are ruling out growth for the hospitality, airlines and tourism space in 2020, where job cuts and downsizing of operations are on in a massive way.

The next few months will be the toughest for micro- and small businesses in the manufacturing space as they seek to revive business. SKV Srinivasan, former IDBI banker and mentor to SMEs, says a lot of them will find it difficult to survive. “With fixed costs and no revenues from customers, managing salaries and erratic cash flows will be extremely difficult,” he explains.

A small recovery in business in the second half of FY21 can be assumed only if Covid-19 cases start to stabilise. Dr Anup Warriar, an expert in the control of infectious diseases at Aster DM Healthcare in Kochi, Kerala, fears that as India lifts the lockdown in a phased manner, “we could see community transmission and a peak in Covid-19 cases over the next 3-6 months”. The most workable solution for hotspots, adds Warriar, is for the lockdown for containment areas to continue for an additional 1-2 months.

Kerala has been a rare success story in managing to flatten the curve in Covid-19 cases, through aggressive contact tracking and testing. Warriar says emergency rooms at hospitals in the state are “not stretched”. In late April, new Covid-19 cases in Kerala averaged 3-6 per day compared to 15 in mid-April.

Covid-19 or not, the corporate world across the globe and in India will never be the same again. Business leaders and their decisions will become insular, promoters will continue to make their firms become leaner, more digitalized, and crisis management and business continuity plans will be common jargon.

But once they sail through the Covid-19 storm, 2021 could promise better fortunes. **F**

Such A Long Journey

Even as auto industry players prepare to get back to factory floors, they don't expect the sector to recover before 2021

By **MANU BALACHANDRAN**

The rough ride for India's automobile companies, which began with a two-year slowdown and will worsen with the Covid-19 outbreak and its aftermath, is unlikely to be over before 2021.

Once the pandemic hit the country, companies were asked to shut down manufacturing facilities, dealer showrooms, and service centres overnight. It led to the sales

of passenger vehicles crashing by 51 percent, and of two-wheelers by almost 40 percent, in March. In April, the fall could be even steeper: The Society of Automobile Manufacturers (Siam) expects the country's auto industry, the world's fourth-largest, to lose ₹2,300 crore in production turnover for every day of closure.

Now, into over 40 days of the lockdown, there is still no clarity on when companies could restart

operations. Maruti Suzuki and Hyundai India, the country's largest and second-largest carmakers, who control nearly 70 percent of the passenger vehicle market, have confirmed the uncertainty. "Production cannot start until the entire supply chain needed for manufacturing a vehicle is assured," says RC Bhargava, chairman, Maruti Suzuki. "Manufacturing cannot be on a stop-go basis. It has to be continuous and, at the moment, factories belonging to suppliers are in containment zones. While it is possible that some models could be produced, it is not possible to produce all the models until things are settled completely."

Hyundai Motors, which manufactures vehicles at its facility in Chennai, too will wait for more clarity on the lockdown. "We will review the situation after May 3 based on the new guidelines," says a spokesperson. Others such as Toyota,



A lone car drives through a Noida underpass during the lockdown. Demand is not expected to recover even after lockdown norms are relaxed



Tata Motors, and Honda Motors have not resumed operations either.

Uncertainty looms over the two-wheeler sector as well as the country's largest manufacturer, Hero MotoCorp, is yet to start working, while others such as Honda Motorcycle and Scooter India, and Yamaha are contemplating the road ahead post-lockdown.

Only Bajaj Motors has, so far, begun operations since the government announced a relaxation of lockdown norms from April 20; as have a few auto component manufacturers, including Uno Minda, Setco, Timken, Varroc, and Sebsros. "These plants shall be resuming at a lower scale and would gradually ramp up to align with the off-take from our customers, subject to compliance with standard operating procedures [SOPs] for social distancing," Varroc Engineering said in a statement while reopening its factories.

CHANGING SHOP FLOORS

On April 15, the Ministry of Home Affairs had laid out guidelines for companies to follow in order to open up factories; these include the disinfection of entrance gates, canteens, meeting rooms, equipment, in addition to arranging special transportation facilities with only 40 percent capacity in the vehicles. Additionally, these vehicles have to be disinfected upon entry and a thermal screening has to be carried out at facilities. While large gatherings aren't permitted, workplaces must have a gap of one hour between shifts and stagger the lunch breaks to ensure social distancing.

"This is going to be the new normal as far as factories are concerned," says Raju Ketkale, deputy managing director, Toyota Kirloskar Motor. "Everything will change going forward, including the way we operate, the facilities we provide, and even material procurement. Companies have to learn to work under such conditions, and employees have to ensure self-discipline."



"The automobile industry's recovery is only possible when the virus is entirely under control."

RC BHARGAVA,
CHAIRMAN, MARUTI SUZUKI

At Toyota Kirloskar Motor, the company has already put in place operating manuals for when the company resumes operations. This includes resuming production with just 50 percent of the workforce, before gradually increasing it to 70 percent and eventually 100 percent.

"Employees have to do a health check before leaving home, and once they are in the vehicles, there will be strict social distancing," adds Ketkale. "There will be a thermal check before getting into the vehicle, and if it reads above 37.5°C, then they won't be allowed to board. At canteens, we will have four lunch shifts instead of two, and masks will be compulsory in addition to sanitisers." The company is hopeful it can bring back 70 percent of its workforce by September.

Lumax Industries, which manufactures headlamps for automobiles, has taken baby steps to resume work. But, for now, the company is only focusing on maintenance and upkeep of its machinery. "While the safety and well-being of our employees take

precedence over everything, it will also mean that productivity will be altered and optimisation will remain low," says Deepak Jain, chairman and managing director, Lumax Industries. "What we are going to see is an entire redesign of the shop floor and more digital interventions. We cannot afford to be in a similar situation once again and that means focus on robotics and other low-cost automation."

Yet, even as companies undertake massive efforts to follow norms laid out by the government, experts reckon it won't be easy when it comes to practice, considering the nuances involved in the manufacturing process. "While many of these norms are likely to stay on for long, there are also challenges that come along the way," says Puneet Gupta, associate director of Automotive Forecasting at IHS Markit. "You need three people to push an engine upwards into a vehicle, particularly in companies where automation levels aren't very high. How is it possible to enforce such rules there?"

GOING CONTACTLESS

Meanwhile, even as factories undergo a transformation, sales channels too are beginning to see some dramatic changes.

On April 27, Volkswagen India announced it is digitising the sales and service portfolio, integrating 137 sales and 116 service touchpoints, to help customers choose their dealership while booking online. "We aim to provide our customers with the flexibility in choosing their preferred Volkswagen product through a contactless channel," says Steffen Knapp, director, Volkswagen Passenger Cars India.

Volkswagen isn't the only company shifting gears online. Carmakers from Hyundai to BMW and Mercedes have also begun offering various schemes to allow customers to make purchases online. "Since its launch in April 2020, we have seen a tremendous increase in customer engagement, configuration

requests, and virtual product presentations on this platform,” says Arlindo Teixeira, acting president, BMW Group India. “As business dynamics evolve post-Covid-19, the BMW Contactless Experience will play a crucial role in offering seamless sales and aftersales services to our existing and new customers.”

The sudden focus on the online model also comes largely due to restrictions likely on people’s movements once the government lifts the lockdown. “Even after the lockdown is lifted, sales volume will remain muted as consumers are unlikely to flock to the dealerships,” research firm Crisil said in a report. “Indeed, consumers may avoid shopping malls/markets due to the fear of infection for an extended period.”

Even then, companies such as Toyota Kirloskar aren’t shying away from putting together a dealer restart guideline that seeks to educate its dealer partners on safety and hygiene practices. “Given that the withdrawal of the lockdown does not in any way mean the pandemic is over and adherence to good safety and hygiene practices is the only key to keeping the virus at bay, the recovery phase will require unprecedented levels of caution,” says a spokesperson for Toyota Kirloskar. The measures include constant sanitisation of touchpoints and showrooms, in addition to the usage of face masks and sanitisers, regular thermal checking, and formation of a Covid-19 task force.

In addition, companies have also begun stepping in to help dealers facing financial stress. On April 21, Kia Motors India said it will support the interest-cost of dealer stocks, including vehicles in physical and transit stock. The company has already remitted unutilised dealer funds in its possession, along with crediting accepted service claims for warranty. “We are committed to offering our continued support in these testing times and will

undertake all necessary steps to help them navigate through the situation together with us,” says Kook-Hyun Shim, managing director and CEO, Kia Motors India.

WITH A RIDER

However, it isn’t likely until 2021 when sales could see some recovery. “It will take until August for car manufacturers to restore some normalcy in terms of manufacturing,” says Gupta of IHS Markit. “If there is government stimulus and the economy gets back on track, we will see some sentiments returning during the festive season. Banks will be looking to pass on the benefits of lower interest rates, and with the real estate sector in a crisis, the next opportunity will be in retail finance, and vehicle buyers could benefit.”

Gupta reckons the demand for automobiles usually stems from two factors: Natural demand, and replacement demand. “As far as replacement of vehicles goes, between 50 and 60 percent of buyers could

postpone their purchases as there is no urgency, and the economic situation, particularly job security, needs time to stabilise,” Gupta says. “As far as natural demand is concerned, the current crisis means people will be more careful about travelling in public. That means we could see a spike in demand for two-wheelers and entry-level vehicles.”

Meanwhile, the government’s plan to lift the lockdown across many parts of the country, barring hotspots, may not be enough to revive the sector. “Our analysis of automobile retail sales pattern and spread of Covid-19 across districts in India shows the level of risk for two-wheeler and passenger vehicles segments is considerably different in ‘very high impact’ districts, or districts where both automobile sales intensity and Covid-19 infection are significantly high,” Crisil says in a report. “These districts account for 50 percent of passenger vehicle sales in the country. In case normal business activity does not resume in these districts after the first week of May, half of passenger vehicle sales will be at ‘very high risk’.”

“Besides, the hotspot districts also account for 33 percent of two-wheeler sales, which means if normalcy does not return after the first week of May, a third of two-wheeler sales will also be at ‘very high risk’. ‘High’ and ‘very high impact’ districts together account for 56 percent of two-wheeler and 68 percent of passenger vehicle sales in India,” Crisil adds.

Hotspots, meanwhile, have also been hubs for manufacturing. “For us, about 20 percent of our supply chain is in NCR, another 15 to 20 percent in Pune, and some in Chennai. We have about 80 suppliers and some of them are in the red zone. We can’t start anything till things settle there,” says Ketkale of Toyota.

Much of that is because a vehicle is usually made up of thousands of components and a disruption in one could upset production. “The problem is there is still no clarity about the rate

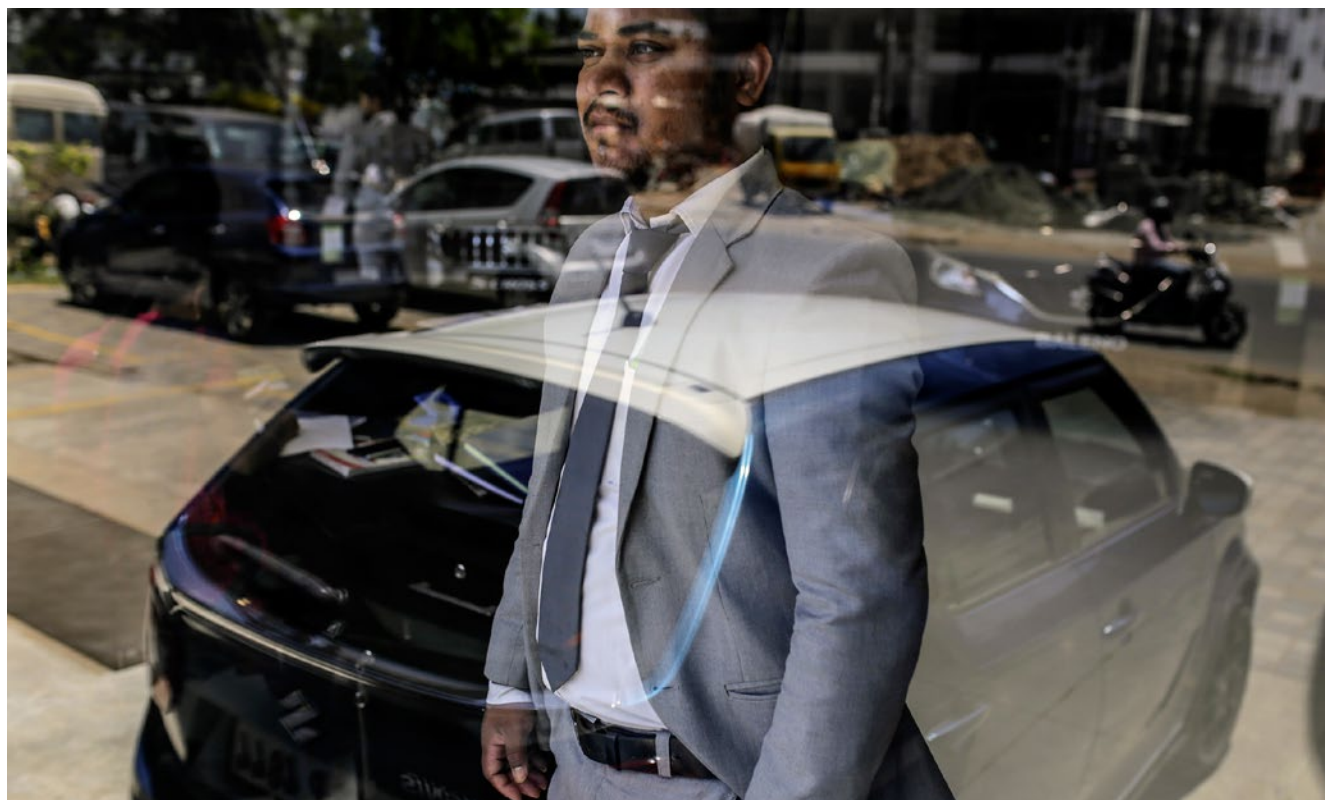


“Everything will change... the way we operate, the facilities we provide, even procurement.”

RAJU KETKALE,
DEPUTY MD, TOYOTA KIRLOSKAR MOTOR



DHIRAJ SINGH / BLOOMBERG VIA GETTY IMAGES



An employee at a Maruti Suzuki showroom in Chennai. With disruption in demand and supply the auto sector is looking at an uncertain future

at which businesses will open up in the country,” says Vinay Piparsania, consulting director—automotive at Counterpoint Technology Market Research, and former executive director at Ford India and. “The non-availability of one small spare part in a vehicle can disrupt the entire manufacturing process.”

“The automotive component industry is structured in such a way that even if one of the companies cannot function, the entire supply chain is disrupted,” says Jain of Lumax Industries, also the president of the Automotive Component Manufacturers Association. “We are facing ₹1,200 crore a day in losses, and we had spent over ₹30,000 crore in the past three years to shift from BS IV to BS VI.”

A LONG WAY OFF

That’s perhaps why Bhargava of Maruti Suzuki is still sceptical about a recovery. “As far as the possibility of selling cars go, the demand has to come up. We don’t know when it’ll

pick up, and as cities remain under lockdown, people won’t be willing to come to showrooms,” says Bhargava. “Vehicle purchases require finance, registration, and a lot of paper work. While some can be done online, it’s not entirely possible. When there are very few vehicles moving, the load on the workshop will also reduce. As far as the auto industry goes, recovery is only possible when the virus is entirely under control. Even if component makers come back, recovery has to be backed by sales demand. The government can’t make up for lost economic activity.”

Consultancy firm PwC now reckons that under a realistic scenario, two-wheeler sales are likely to decline by 18 percent to 14.2 million, passenger vehicles by 12 percent to 2.43 million and commercial vehicles by 21 percent to 1.06 million. It believes that in the two-wheeler segment, the used-vehicle market could play a huge role in reviving demand, in addition to online sales. “Passenger vehicles are expected to show strong

growth post-recovery,” a PwC report says. “While the shared mobility segment will remain subdued in the coming months, segment downgrades are likely by buyers.” That means consumers buying passenger vehicles and two-wheelers could opt for a lower segment or variant.

“This is a massive disruption, and it will all depend on the spending power of the people,” adds Ketkale. “People will travel less, and will be very cautious about spending. So, I would expect another six months before a recovery is possible and we expect action to come back around next January.”

With oil prices at record lows, experts reckon the government could be instrumental in reviving interest in the sector. “For the next two or three months, the scenario might be gloomy,” Gupta says. “After that, the sentiment will come back. And by the end of the festive season, we can start seeing some good recovery. For that, the government has a big role to play.” 

Waiting For Take-Off

The Indian aviation sector, hit hard by the pandemic, will take a few quarters to get back to normalcy even after it resumes operations

By **MANU BALACHANDRAN**



Delhi's Indira Gandhi International airport deserted on the first day of the national lockdown. Even when flying restrictions are withdrawn, India may take nearly a year to return to its pre-pandemic operational fleet of 650 aircraft



India's struggling aviation sector has just run into some severe turbulence. Even after the government relaxes lockdown rules and passengers are allowed to take to the skies once again, experts feel the much-needed recovery is months away, and could largely depend on the country's economic fortunes.

"For India to return to a pre-Covid-19 operational fleet of 650 aircraft is likely to take up to 12 months from the time restrictions are lifted, and this may be a conservative estimate," said Centre for Asia Pacific Aviation (CAPA), an aviation consultancy firm, in a report. "It assumes that Q1FY21 will be almost written-off, with traffic limping back during the weak second quarter, followed by a gradual trajectory towards normality during the second half of the financial year."

The Airports Authority of India (AAI) and private airport operators have begun drawing up standard operating procedures for airports. "Once the lockdown period is declared to be over, airports shall be facilitating limited domestic and international scheduled flights in phases, to start with maybe at 30 percent capacity to facilitate required social distancing," the AAI said in a note to airports. "Operations to their original levels are likely to be scaled up in a gradual manner." The AAI, which manages more than 100 airports across India, further added in the note: "Limited food and beverages and retail outlets to be made available to the passengers till operations of airlines gradually increase. Initially, they should serve tea/coffee etc with takeaway snacks in boxes."

The Chhatrapati Shivaji International Airport (CSIA) in

19 related travel restrictions and an economic downturn is likely to result in Q1FY21 being a virtual washout for the Indian industry," CAPA noted in its report. "The second quarter is historically the weakest period for demand and hence airlines are only likely to limp back into recovery. As a result, the majority of the fleet is likely to be surplus to requirement during the first half of the financial year."

In the meantime, however, airlines are also grappling with revenue losses, and have begun to cut salaries and, in some cases, even jobs. On April 29, SpiceJet, India's third-largest airline, told its pilots that the company will be unable to pay salaries for April and May. "We will not be getting any salary for April and May 2020. Those of us who have been flying cargo will get paid for the block hours flown," the airlines said in an email to pilots. SpiceJet is yet to respond

Domestic air traffic may decline from 140 million to 80-90 million, and international from 70 million to 35-40 million

Many of India's airlines are accepting bookings for travel after May 31. Earlier, IndiGo, India's largest airline by market share, had announced plans to begin operations by May 4, but the move was curtailed by the Directorate General of Civil Aviation (DGCA). Now, as and when airlines begin operations, they are expected to adhere to standard operating procedures laid out by the DGCA.

Ahead of the lockdown announced on March 24, the DGCA had asked airlines to ensure that middle seats in aircraft were kept vacant to ensure social distancing between seated passengers. "It is not practical for airlines to follow such rules and operate with 40 percent less capacity," says a senior executive at a domestic airline. "You can't expect airlines to make any money."

Mumbai, operated by GVK, has also made it mandatory for passengers to wear masks and gloves during travel, while also using card payments at airport restaurants and retail stores. "In the initial phase of resuming operations, the airport will be functioning with 50 percent staff strength as per the directives from the government," CSIA said in a press note.

Yet, despite all these plans to resume operations, recovery for the sector isn't likely anytime soon. CAPA already reckons that domestic air traffic will decline from an estimated 140 million passengers in FY20 to around 80 to 90 million in FY21, while international traffic is expected to fall from about 70 million in FY20 to 35 to 40 million in FY21. "The combination of Covid-

to queries from *Forbes India*.

Other domestic airlines such as Vistara, GoAir, AirAsia India and Air India have also taken steps to cut salaries. IndiGo, India's largest airline, had rolled back its proposed salary cut for April after executive committee members and senior vice presidents volunteered to take pay cuts. "This is perhaps the biggest mistake airlines are making at the moment," says Mark Martin, founder of Dubai-based Martin Consulting says. "It's not that India's growth will slow down forever. The economy will revive, and travel will swing back. But if you leave employees in the cold now and if they are forced to leave, you will have to pay them a premium when travel picks up."

Then, there is the anticipation that fares could see an exponential hike once the lockdown is lifted,



T. NARAYAN / BLOOMBERG VIA GETTY IMAGES



When operations resume, airlines will have to adhere to social distancing norms and fly at 40 percent less capacity, leading to losses

and airlines are forced to adhere to social distancing. “When the lockdown is eventually lifted, there will be a wave of travellers. First will be those students and passengers who will be willing to fly back,” Martin adds. “Then there will be the second wave that has business to finish, and they will be willing to pay additional for the seats. What we are seeing is a situation where, for the first time, the airline industry is struggling for no fault of its own.”

Yet, others expect the current situation to change the travel industry forever. “TCS has asked about 80 percent of its employees to work from home,” says KG Vishwanath, director at Trinity Aviation Consultants and the former head of commercial strategy at Jet Airways. “There are many others who could follow suit.

That means a lot of people who would otherwise travel to meet relatives or travel home will not do so anymore. Even from a work perspective, the current situation has ensured that work can be done remotely. So, there will be demand disruption across business and leisure categories.”

Besides, paranoia about the Indian economy and job security could also lead to lower discretionary spending. “In such a situation, airlines can’t quite increase the fares,” adds Vishwanath. “But at the same time, it will also lead to further capacity cuts. That will bring an equilibrium, and in that sense, the next 12 to 18 months will be quite dynamic, from a capacity point of view.”

CAPA reckons that the timing would be perfect for airlines to rationalise their fleet. “This may

be the best opportunity for Indian carriers to take difficult calls to rationalise their operations and clean up their balance sheets,” it says. “Consolidation, collaboration, and supply-side correction should enable airlines to move away from market-share driven strategies such as loss-leader pricing. Aggressive expansion without the necessary cash and balance sheet has been repeatedly shown to be a very high-risk strategy.”

That would also mean holding off on orders that airlines have placed earlier. India’s airlines have a combined order book in excess of 500 aircraft, of which IndiGo alone had asked for more than 300. “Starting from the end of April, Indian carriers are initially expected to seek to return up to 100 aircraft to lessors, especially older equipment and those that may be closer to the expiry of their terms,” CAPA says. “The number of returned aircraft will continue to increase significantly up until September 2020, possibly reaching 200-250, or even higher. Since aircraft lessors will have limited customers to whom they can remarket returned aircraft, they may be willing to negotiate temporary rental holidays.”

However, there seems to be some silver lining in terms of low fuel prices, which account for nearly 50 percent of operational costs for airlines. Prices of Brent crude closed at \$22 per barrel on April 29 in comparison to over \$72 per barrel a year ago “But it is only when airlines begin operations that they will benefit from lower oil prices,” Martin says. “With some level of precaution, around 40 percent of the fleet can be deployed by September.”

All this means the sector could take a few quarters to return to stability. “I would think that it will take another two to three quarters for the sector to return to normalcy,” says an executive at an airline. “If we were anticipating growth this year, what we are likely to see is capacity reduction. We have probably lost two years of growth.”

“This may be the best opportunity for Indian carriers to take difficult calls to rationalise their operations and clean up their balance sheets.”



The pandemic is forcing customers to change consumption habits, leading to a surge in online orders

MADHU KAPPARATH



Place Order. Proceed to Checkout

In the new normal, ecommerce is set to leapfrog its sales numbers on the back of groceries and social distancing

By **MONICA BATHIJA**

Every time Albinder Dhindsa returned home after his meetings with government officials and the police last month, the CEO and co-founder of online grocery service Grofers self-isolated

himself in his room for 14 days. Even as he ensured the safety of his parents, minimising contact with them and ensuring they didn't go out, he kept getting calls from family and friends, asking if he could arrange for essentials to be delivered to their

parents. The orders on his website, meanwhile, went through the roof.

"A lot of people have now seen the severity of the lockdown and the general consciousness of how seriously they need to take it has gone up," says Dhindsa whose platform

saw orders going up from 1 lakh a day pre-Covid to 1.9 lakh daily towards the end of April; the number is projected to increase by 50 percent this month.

Grofers also saw its average order value go up by 48 percent from ₹1,450 in the pre-Covid period to ₹2,160 by April-end. Similarly, Amazon added over 60 cities that get essential products through Amazon Pantry, its online grocery shopping store, taking the total number of cities to over 85. "Customer demand in all these cities is more than 2x pre-lockdown. Certain categories like staples and packaged foods continue to see more than 2.5x increase in orders over an average day pre-lockdown," says an Amazon India spokesperson.

As the country readies for life after lockdown, online searches are moving from basics to other home essentials. And ecommerce companies are gearing up to deal with the expected surge in demand.

Demand is expected to shoot up as people adjust to the 'new normal' of social distancing, avoiding crowds, working and studying from home, and making contactless purchases and payments. "In the next three months, ecommerce will see a much greater surge in demand than regular offline. It will be 2x of what it is normally, because there will be a lot of non-essentials that people need, like laptops, mobiles and electronics," says Srinivas Mothey, senior vice president of Paytm Mall. Searches on their website in the second phase of lockdown, he says, moved towards home essentials, electronics and personal care products.

Online retailer Amazon India has also witnessed a spike in searches for items such as books, toys, gaming consoles and fitness-related products as people try to keep themselves engaged, and air conditioners and coolers.

Online apparel stores like Limeroad expect massive demand for essentials within lifestyle, and are activating



"This lockdown has changed the buying habits of people. I'm sure the share of groceries in ecommerce sales will increase."

MANISH SAIGAL
MANAGING DIRECTOR,
ALVAREZ & MARSAL INDIA

supply networks around these. According to the company, these will include focus on innerwear, loungewear, basics and athleisure versus formalwear and eveningwear.

As the pandemic forces consumers to adopt new habits, re-evaluate priorities and shift consumption, two trends are expected to emerge. One, more and more brick-and-mortar stores will move towards having an online presence to make up for loss of business from footfalls. Two, a behavioural change towards the buying of groceries and essentials online, including tie-ups with local kirana stores, leading to an acceleration in the growth of ecommerce.

Companies like Zomato and Flipkart have already been enabling online delivery for grocery stores using their resources on ground. While such tie-ups have been on the radar of every delivery and ecommerce firm for quite some time, the process has only accelerated in

recent times. "The new normal is that your local kirana/departmental store is also available to order on the Zomato app. The pandemic has literally forced us to innovate solutions today, which may have arrived a year or two from now," says Mohit Sardana, COO, food delivery, Zomato.

The share of grocery in online in India has been relatively small with the majority of ecommerce sale coming from fashion and electronics, in value and volume terms. "But this lockdown has changed the buying habits of people, especially in favour of buying essentials online. So I'm positive the share of grocery in ecommerce sales will increase," says Manish Saigal, managing director, Alvarez & Marsal India, a business management consulting firm. He adds the sale of groceries or essentials will leapfrog by one to one-and-a-half years.

Just like food deliveries, Mothey also sees things becoming hyper-local on other fronts. The warehouse model, he says, with a warehouse in one city and delivery to another city, will start disintegrating into more of a pin code-level, hyper-local setup for regular essentials and non-essentials.

More and more offline retailers and brands will also be looking at online not just to find ways to liquidate their current stocks and raise cash, but also on a longer term basis, for discovery by users as well as establishing store-in-stores where fulfilment is done by e-retailers.

The offline-online and online to offline integration will possibly start showing results only next year, "but the digitalisation would have happened this year and the number of shoppers will also go up", says Mothey.

Besides local markets and local offline brands, as well as niche private labels, Suchi Mukherjee, founder and CEO of Limeroad, also sees opportunity on the exports front. The \$200 billion domestic apparel market in India breaks down roughly into \$130 billion of



exports and \$70 billion in domestic sales. “With exports being hit, these exporters will need to find markets domestically, and that again plays right into our sweet spot,” she says.

Discretionary spend is also expected to move online, adding to the ecommerce kitty. While earlier a person would simply walk into a mall and end up buying on impulse, that will change. “Discretionary or unplanned stuff will move online as the customer will go out only if it’s absolutely essential,” says Saigal.

Groceries are expected to push numbers in the short term and ‘non-essentials’ will add up in the near future. According to Saigal, online sales in India were anticipated to grow at about 30 percent this year before the lockdown happened.

“In my view, this may just go up to 35 percent to maybe slightly higher. Because the whole push for essential delivery through online has got significantly accelerated,” he adds. The numbers that would have been achieved in CY21 will now probably be achieved in CY20 on a run rate basis. “The run rate of monthly numbers you will see in November, December, maybe the last quarter, might be significantly higher and more in line with CY21 numbers,” he says.

The sector is not without its pain points. Disruption in manufacturing and supply chains due to the lockdown means ecommerce players will have to deal



“In three months, ecommerce will see a greater surge in demand than offline. It will be 2x of what it is normally.”

SRINIVAS MOTHEY, SENIOR VICE PRESIDENT, PAYTM MALL

with pent-up fixed costs, and higher delivery and manpower expenses. According to a KPMG report in April titled ‘Potential Impact of Covid-19 on the Indian Economy’, the ecommerce sector may see a dip in growth due to increased pressure on supply chain for deliveries. “There might be supply side constraints in terms of availability of stocks, turnaround time and higher cost of deliveries that may constraint the demand growth,” concurs Saigal.

Another challenge for ecommerce companies is that they will need to equip their employees with the appropriate resources to manage operations remotely with little or no disruption.

Perhaps the biggest challenge post the lockdown will be the dynamic delivery situation where containment zones emerge on a daily basis. “For the first month or maybe even two months, there will be just the sheer operating costs of figuring out on a daily basis whether a seller from a particular pin code can ship out today,” says Mukherjee. It could happen that a seller’s area becomes a hotspot and goes into containment, which means the orders the firms

had received for them would have to be cancelled and used elsewhere. “So there is that uncertainty, and the same problem will happen on the consumer side. The packet is coming to you, but somebody in your community gets it, your community goes into lockdown or containment. How do we get the package to you? There is going to be that operational challenge and that will have a cost in the system,” she says.

Scarce workforce will mean manpower costs, too, might be higher. “What you’re seeing in China, and I think it’s already happening in India as well, is that deliveries require manpower, trucks require drivers. I think workforce would be scarce because a lot of people who have gone back to their villages will not come back. And those who do will be in high demand,” says Saigal.

However, overall, there is a huge potential for ecommerce, says Harsha Razdan, partner and head, consumer markets and internet business, KPMG in India, “as we expect larger number of consumers to move towards direct supplies to home”.

Mukherjee, too, is confident. “Our view is that post-Covid, the world will really divide up into winners and losers. And that has already started happening in some of the video conferencing pieces. Zoom became the first B2B company to have seen a spike since the outbreak of Covid-19. And online commerce is in the top five winners list that I’ve seen in every single list I’ve seen globally, sitting right there alongside video streaming and video conferencing. That is going to be a reality.” 

“With exports being hit, exporters need to find domestic markets. That plays right into our sweet spot.”

SUCHI MUKHERJEE,
FOUNDER AND CEO, LIMEROAD

Road to Reinvention

With a likely consolidation of vendors and customers on the horizon, IT services firms must offer effective and targeted solutions to find gold in adversity

By **HARICHANDAN ARAKALI**



Most IT services have put in place business continuity plans to serve their clients, but they will have to innovate in the post-Covid-19 world

India's IT companies reacted swiftly to ensure business continuity during the Covid-19 pandemic, enabling employees to work from home so as to ensure disruption-free services to corporations worldwide. Organisations will have to go a step further in the quarters to come, say analysts and top industry executives, given that competition will be fierce, and consolidation of

vendors and customers is likely.

Discretionary spending—meaning spending on good-to-have tech, but not immediately necessary—will go away as clients focus on the here and now. So companies will have to keep an eye on the future and come up with targeted solutions that win customers' backing.

"Just as Y2K served as an inflection point for the IT services industry, I believe we are now

living through another period of significant change and opportunity," says Brian Humphries, CEO of Cognizant Technology Solutions. "This pandemic is creating new rules and a new normal."

Clients will seek companies addressing universal needs. In the short-term, they are reviewing everything: From solutions to bolster their liquidity and modern workplace solutions to omnichannel



and ecommerce enablement.

There will be an acceleration toward industry-aligned solutions, such as virtualised claims adjudication and virtualised medicine. Virtual agile will be embraced at scale [‘agile’ refers to software development methods that are iterative, and deliver speed and flexibility]. Cloud adoption will accelerate. Data modernisation will be prioritised. In short, companies are now entering the world of mobile, virtual and personal solutions, Humphries says, believing that in the process, some companies will undoubtedly emerge stronger than the others.

Most organisations are conserving cash, and will reorient spends to improve the ‘here and now’ that will help them navigate the next 12-18 months, says Jatin Dalal, president and CFO at Wipro. In the short to medium term, he expects opportunities to increase in areas, including modernisation, cyber security services, and robotic process automation. According to him, the focus will be on enterprise efficiency offerings.

The financial services sector could see an increase in spends, triggered by the stimulus provided by the government. Wipro anticipates investments in the new ways of distributed/virtual working through various collaboration tools. Today, organisations are looking for point solutions rather than large-scale transformation. For example, Wipro sees demand for solutions around ‘speed planning’. This involves building an environment to support real-time access and planning of data to take quicker decisions.

Dalal says Wipro will aim to expand its market share as he expects a pick-up in vendor consolidation. Large organisations will use this opportunity to accelerate their transformation journey to emerge stronger and leaner. This could open up huge opportunities for business



“Most companies are conserving cash and will reorient spends... that will help them navigate the next 12-18 months.”

JATIN DALAL
PRESIDENT AND CFO, WIPRO

transformation offerings.

Unlike the 2008 global financial crisis, the issue this time is the lockdown of economic activity across industries, which is why all of them are muted at present, says NG Subramaniam, chief operating officer at Tata Consultancy Services, India’s largest IT services provider. “Our belief is that when revival happens, most of the industry segments will recover almost simultaneously and instantly,” he says.

All things digital will accelerate in the medium to long term, be it automation, agility, resilience or cloud computing. “We have clients who are looking to accelerate their shift to cloud, pace up their digital and automation capabilities,” Subramaniam says.

Another opportunity that TCS expects will come up in the medium to long term scenario is mergers and acquisitions, both in the IT sector and on the customers’

side. As a technology partner, the company expects to participate in the consolidations its customers pursue. Subramaniam says it will be worth looking at an increase in intellectual properties and patents, besides industry-specific offerings of resilience and digital ecosystems.

In the first quarter of calendar year 2020, the tech services industry did very well before the effect of the pandemic on the economy started becoming apparent by the second half of March. Data from tech market researcher ISG, which tracks all outsourcing contracts with annual contract value (ACV) of \$5 million (₹37.5 crore) or more, shows first-quarter ACV for contracts given out in the January-March period rose by 7 percent, to a quarterly record of \$14.8 billion (₹37.5 crore). The pandemic is expected to completely reverse the trend.

ISG expects the ACV of managed services (tech services managed by IT vendors) to decline by 17 percent sequentially in the April-June period as overall spending slows in response to the pandemic. For the full year, ISG projects traditional outsourcing spending will be down by 7 percent from \$27.7 billion for 2019. This compares with ISG’s preliminary forecast in January of 3.2 percent annual growth for 2020.

ISG expects 60 percent of its enterprise clients to delay their planned technology spending for at least 90 days, in response to COVID-19 concerns.

“Indian IT companies are entering a challenging time,” says Peter Bendor-Samuel, founder of consultancy Everest Group in the US. The global economy could be heading into a potentially severe recession. This will eliminate much of the growth that has been driven by discretionary spending.

One can also expect a new round of price competition as companies look to lower cost. “We expect this to lead to a new round of portfolio



consolidation in which one vendor wins at the expense of the others,” Bendor-Samuel says. This will be a challenging time to grow sales, and in some cases, one could see revenue decline, he adds.

“The medium-term outlook is flat to negative 5 percent growth in sales,” estimates Ray Wang, founder and principal analyst at Constellation Research in the US. Most IT services firms have put in business continuity plans to support their clients. The challenge is that India is four to six weeks behind the rest of the world in the passing of the virus. Hopefully work-from-home policies will be enough for non-critical operations, he says.

“We expect that the second quarter (April-June) of the calendar year will be severely impacted, but there will be a return to recovery starting in the third quarter,” Wang explains.

In the medium-term post Covid-19, IT services will be fuelled by higher adoption of remote work and increasingly digitised operations of enterprises, says Naveen Mishra, senior director and analyst at Gartner.

The big opportunity will be in digital transformation projects which save the clients’ money. These contracts can often be quite large and there will be fierce competition to secure them, says Bendor Samuel. He adds that clients are unlikely to expand their offshore positions by hiring, making more labour-arbitrage-based growth difficult.

Post Covid-19, customers will seek help on moving to the cloud while optimising the cost structure. Rather than long-term digital projects, IT services providers should position short-term targeted digital initiatives deploying automation and artificial intelligence (AI). This, in turn, will bring changes to how deals are structured and operationalised, says Mishra.

Most Indian IT companies have done a good job adjusting their policies and partnering with



“Our belief is that when revival happens, most of the industry segments will recover almost simultaneously and instantly.”

NG SUBRAMANIAM

CHIEF OPERATING OFFICER, TCS

customers to support work from home with sensitive and critical data policies. They have also struck good partnerships with customers to support new work environments and business scenarios, Wang says. “We see a push to more automation, more analytics, more AI, and more digitisation.”

Remote monitoring, testing, and single pane support are important. All companies—not just the IT companies—will have to build a detailed playbook for how they will operate in the post-pandemic world, Wang wrote in a recent blogpost. Companies will have to consider everything from AI to new leadership models to the possible rise of nationalism in the new normal, he wrote.

On hiring, Bendor Samuel believes that clients are unlikely to expand their offshore positions, making more labour-arbitrage-

based growth difficult.

Wang sees some increases as the value of IT improves. “However, a potential 20 percent loss of the Fortune 500 and Global 2000 to mergers and acquisitions, bankruptcy and consolidation will reduce the number of buy side customs.” This will have the biggest impact on vendors, including IT services providers, he says.

Negatively impacted industries will put a hiring freeze on all open headcount in the short term. In the medium term, the hiring scene will slowly unfold with more targeted skills and job roles around recovery-enabling areas/technologies, says Gartner’s Mishra.

Post Covid-19, enterprises will go through four phases of recovery, he adds. To be proactively prepared, IT services companies are beginning to calibrate their plans by balancing their portfolio across areas relevant to the recovery pattern, he says.

There will be increased focus on areas like infrastructure as a service, automation, AI and machine learning, narrowly targeted robotics process automation, chatbots and business continuity. With cost concerns, areas such as applications, managed services, implementation services and business consulting will witness weaker demand in short to medium term, Mishra adds.

There will be demand for digital skills, particularly digital engineering skills, while other talent areas may take a step back, Bendor-Samuel says. If the Indian IT vendors can seize the day and pivot to the large digital transformation deals that save money, there is a good avenue for growth. However, it will need to offset the losses in the discretionary spending categories, which are substantial, he adds.

Wang reckons: “This is an important time for the IT services firms to consider a reinvention of their business models and to consolidate.” 



Opportunity in Adversity

As consumer behaviour and requirements change in the Covid-19 world, VCs are bullish about startups that will thrive after the pandemic

By **HARICHANDAN ARAKALI**

“If one looks at events like the dotcom bust or the 2008 crisis, VCs have been investing and getting better returns.”

SANJAY MEHTA
FOUNDING PARTNER, 100X.VC



On April 16, Yellow Messenger, a Bengaluru-based startup, announced it had raised \$20 million in Series B funding, from Lightspeed India Partners, an existing investor, and its US arm Lightspeed

Venture Partners. There are other startups, too, that have raised funding amid the Covid-19 crisis. Itilite and Zupee, for instance, raised money from investors, including Matrix Partners, Greenoaks Capital, Falcon Edge Capital and WestCap Group, while Camp K12 raised money from

Matrix and SAIF Partners. All of these were announced in April.

The coronavirus pandemic has impacted the venture capital (VC) industry in a way that will see VC firms not close for business or even wait and watch, but proactively chase deals in sectors

and with founders whom they see as potential winners in the post Covid-19 world. “We are working closely with our entrepreneurs to navigate these tumultuous times,” says Akshay Bhushan, partner at Lightspeed India Partners. “At the same time, we continue to look at new investment opportunities.”

In fact, in a survey by the VC firm 100X.VC, 70 percent of respondent VC firms said they are seeking lower valuations from founders, and that 86 percent of investors will now look at sectors that are positively affected by the crisis. “There will be a recalibrating of the investment theses from the VCs’ side,” says Sanjay Mehta, founding partner at 100X.VC. “We are clearly seeing that there are specific winners and losers, among the startups. From an overall VC industry perspective, there is going to be a reset.”

The pandemic is forcing companies to follow financial discipline and strengthen their core businesses, and they might emerge from this crisis in a stronger position, long term, says Bhushan. Lightspeed is seeing an uplift in categories such as e-groceries (both in business-to-business and business-to-consumer models), a pick-up in usage and downloads of edtech and content-plus-social media. The current situation is essentially forcing consumers to try digital services and the VC firm expects this trend to rise in the post Covid-19 world.

On the enterprise front, companies are being forced to evaluate how to ensure business continuity and are tapping technology for this. Zoom, a popular videoconferencing app, is a universal example, but this trend extends to customer support, sales and even on-ground functions like logistics. “We expect this increase in technology adoption by enterprises will lead to long-term productivity gains and should be a catalyst for the industry to adopt software in their operations at a greater pace even post Covid-19,” Bhushan adds.

Yellow Messenger, in which

Lightspeed has invested, enables artificial intelligence chatbots for enterprises. Given the remote working model in the current environment, Yellow Messenger helps companies continue providing customer support with less dependence on the traditional call centre model. The startup’s technologies are seeing adoption globally.

Freight Tiger, another Lightspeed portfolio company, offers a software-as-a-service (SaaS) platform to help large companies track their trucking supply chain with the help of smart location tracking technology. Given the various disruptions caused by the pandemic, customers are increasingly using Freight Tiger solutions to pinpoint blockages in their supply chain and troubleshoot in real-time.

On the consumer front, people are shedding their bias for touch-and-feel and embracing online options for

various needs. This will particularly benefit sectors like ecommerce in the long term where there is a pre-existing offline behaviour moving online, Bhushan says.

People are also much more comfortable with two-way videoconferencing, which will unlock all sorts of new use possibilities—from live-streaming platforms, online-only interactive events platforms and other new experiences. MyScoot, in which Lightspeed is an investor, offers a platform for home-hosted events that matches up groups of people with common interests. The venture has taken its business model online, where people from across the world can bond over video chat.

Economic recovery, however, is some time away. “It is now widely accepted that the current global health crisis will cause the largest annual GDP contraction globally in the last hundred years,” says Rajinder Balaram, a director at Matrix. “Businesses and startups will be deeply affected as their consumers, business partners and employees adjust to a new normal, which will last as long as it takes for a cure or a vaccine to emerge.”

VC-backed companies are stretching their cash to survive until demand recovers. Over the medium-term, Matrix is optimistic about companies that are able to navigate this crisis. Some behavioural changes during this lockdown period will become permanent, leading to a sustained shift towards online models in many categories such as health, education and commerce.

Among Matrix’s recent investments are industries like SaaS, online education, skill-based gaming and mobility. Early evidence from China, which has relaxed its lockdown conditions, suggests that the first three industries will see increased adoption post-lockdown, relative to the pre-lockdown period. Mobility will take a little longer, but given that it’s more of a utility than a luxury,



“We expect this increase in technology adoption will lead to long-term productivity gains.”

AKSHAY BHUSHAN
PARTNER, LIGHTSPEED INDIA PARTNERS



it will bounce back sooner than other industries, Balaram reckons.

The SaaS industry will have to weather some challenges in the short term, but will grow as more companies move towards remote-working models. This shift will create the need for new SaaS solutions around collaboration, security, infrastructure and productivity. Similarly, education is witnessing a massive shift towards virtual classrooms and personalised learning enabled by technology. “Parents are invested in this shift and recognise how these models can equip their children for a future where the use of technology is increasingly important,” Balaram says.

Grocery, as one the largest under-penetrated ecommerce categories, is also witnessing major changes. The shift towards digital payments and the recent Jio-Facebook deal will only accelerate the digitalisation of neighbourhood stores.

Fintech, especially lending, has been affected and companies are figuring out their defence strategies and keeping a close eye on cash flows. That said, India today has one of the most evolved fintech ecosystems in the world. This started with the Aadhaar-enabled payments system, eKYC and then the much-recognised launch of the United Payments Interface by the National Payments Corporation of India.

Today, countries across the world admire the sophistication of the Indian fintech landscape and the government’s role in shaping this ecosystem. Similar to this, India has an opportunity to innovate and lead again in health tech. All companies globally will have to think of health and safety as integral to their operations in the post-Covid-19 world. For example, Indian mobility companies are working closely with the ministry of health and family welfare and taxi drivers to create new guidelines to ensure safe rides for all. All industries, including ecommerce, e-health and e-pharmacy, are engaged

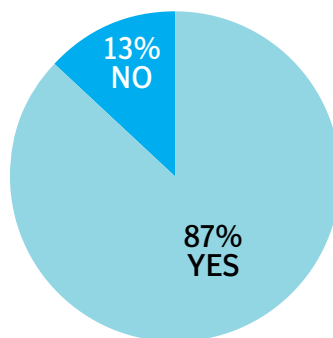


“Businesses will be affected as consumers and partners adjust to a new normal which will last as long as it takes for a vaccine to emerge.”

RAJINDER BALARAMAN
DIRECTOR, MATRIX

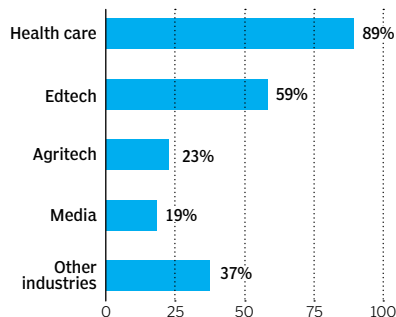
What Investors Seek

Are they looking for startups that are grabbing opportunities thrown up by the pandemic?



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Sectors Attracting Investors



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with the government in creating the Bharat Health Stack, a common digital infrastructure around health and safety for a billion-plus Indians.

In the short term, large transactional investors such as private equity firms, investment banks and large hedge funds, will slow down their investments and corporate VC firms within India will hit a pause, says Mehta of 100X.VC. On the other hand, firms that have VC investments at the core of their business will continue with business as usual because “there is enough dry powder available”, he adds. If one looks at other events such as the dotcom bust or the global financial crisis of 2008, VCs have been investing, creating more attractive deals and getting better returns, by taking advantage of the downturn, he says.

There will be lower valuations, leaner companies, less expensive talent and cheaper marketing costs. If one looks at how everyone is going digital, the cost of customer acquisition is going to come down. The cost of click-throughs on social media platforms has fallen by nearly 50 percent. Therefore money will be spent more efficiently and generate better returns for VCs, says Mehta. “VCs will continue to invest, but everybody will be rethinking where to invest.”

“We are seeing a new trend that we call the ‘home economy’.

Everything is now from within people’s homes,” he says. “Anything that touches your home is valuable, and the digital customer journey is starting at home.” All this changes every aspect of business. Earlier people would walk into stores or showrooms. Now it is from the confines of their homes, including work from home. “Any startup that gets the home engagement right will see revenues flowing in, and such startups will see investment upsides,” he concludes. **P**

• WITH INPUTS FROM VARSHA MEGHANI

Shifting Gears

How small businesses, devastated by the coronavirus pandemic, are adapting and innovating to survive

By **VARSHA MEGHANI**

up. Yet, many like Thakur are finding creative ways to survive.

“It’s amazing to see the kind of things SMEs are doing,” says N Chandramouli, a brand expert whose clients include several small businesses. “We’re consulting many such businesses right now, and they’re all looking at adapting their business models or



Angad Singh Thakur switched to manufacturing hand sanitisers at his factories in Himachal Pradesh in the wake of the Covid-19 outbreak

When the coronavirus pandemic broke out, Angad Singh Thakur had to cut production of his personal hygiene products. “It’s an essential commodity so we didn’t have to halt production entirely,” says the 28-year-old of his Himachal Pradesh-based contract manufacturing business.

Still, to keep business going, he switched to producing hand sanitisers, because it was “peripheral” to what they were already doing, he says.

But the going hasn’t been easy. Raw material prices—for the thickener and

alcohol, in particular—have shot up, transportation has been tricky and hand sanitisers have all but become a commodity. “Someone can easily price their product ₹2 lower than ours. That’s all that matters right now as consumer knowledge about sanitisers isn’t strong,” he says.

Unlike big businesses that have collateral, micro, small and medium enterprises (MSMEs), which contribute 29 percent to India’s GDP and generate close to 11 crore jobs, have been crushed by the coronavirus outbreak. Demand has slipped, cash flows have frozen and employee payrolls are piling

launching innovative products.”

FINDING NEW WAYS

Gauri Devidayal chose to temporarily shutter The Table, her fine-dining restaurant in South Mumbai, a few days before the lockdown was announced. “We just didn’t think it was safe for our customers or our employees,” she says.

But with revenue down to zero, it was hard. So two weeks into the lockdown, she decided to launch a takeaway service from Mag Street Kitchen, the restaurant’s central kitchen, bakery and events space.

The 2,500-sq ft space also



Gauri Devidayal started a takeaway service after she shut her restaurant The Table in Mumbai



Himanshu Aggarwal's Suman Traders made lab-testing equipment, but switched to producing PPEs. However, government guidelines have resulted in him facing significant losses

has accommodation facilities so convincing employees to return to work was easy, says Devidayal. Not only did they need the income, but most live in cramped chawls where social distancing is near-impossible; camping at work was a safer bet. Plus most of them were bored of sitting at home, she adds.

With 10 employees working at present—down from 170—the Mag Street Kitchen restarted operations. Baked goods as well as items from its Indian food service Iktara can be ordered via Scootsy, an on-demand delivery app.

“The response has been pretty

good so far,” says Devidayal, who expects the lockdown to last through May. Even after, it’s unlikely that people will feel comfortable coming to restaurants for a few months. So she plans to double down on the takeaway service, soon launching the same for items on The Table’s globally-inspired menu as well.

LAUNCHING ESSENTIAL PRODUCTS

The pandemic prompted Aryata Agarwal to temporarily pivot her Kolkata-based, family-run cement-bag making business.

As the demand for cement—and therefore the bags used to store it—

plummeted, Agarwal was quick to realise a more pressing need that her factory could cater to. “There’s no dearth of demand for essential goods. So we had to be innovative about using our existing resources to produce what was needed... bags used to store grains and other dry rations,” she says.

But food grains often need to be stored for longer than cement, so the bags need to have a longer life span, especially under direct sunlight since they’re often kept in open fields, explains Agarwal. So, using the same raw materials as cement bags, her team “re-jigged the input composition marginally” by adding a UV additive.

Production took off soon and even though there are entrenched food-bag manufacturers in the market, Agarwal has been able to find willing buyers and importantly, keep the tills ringing.

Similarly, Thakur who runs two hotels in Himachal Pradesh in addition to his manufacturing plants, had to rework his offering. Hotel bookings have dried up, especially in Shimla, a tourist hotspot, where one of his properties is located. The other hotel, located in the industrial town of Parwanu, has been able to cater to companies who want to restart their factories but as per government guidelines must house their staff close by. “We’re now offering them long term leases,” says Thakur, “so it’s somewhat redeeming.”

KEEP CUSTOMERS ENGAGED

With the ban on liquor sales, India’s first craft gin brand, Greater Than, has been a direct casualty. Even so, Anand Virmani, co-founder of Nao Spirits, the company behind the gin, says the blow hasn’t been that bad. “Our payment cycles [from bars and retailers who sell their gin] are anyway 60 to 90 days long, so we have the cash flow to keep going,” he says. The problem, he points out, is that he’s not sure his regular customers have enough gin stocked up at home.

To ensure brand recall and customer engagement, Virmani

ARYATA AGARWAL



Aryata Agarwal's family business has repurposed the cement-bags they manufacture for storing food grains

ANAND VIRMANI



Anand Virmani, co-founder of Greater Than gin, is creating Instagram tutorials on how to make gin-based cocktails at home

has launched 2-minute do-it-yourself cocktail-making tutorials on Instagram. Gin, obviously, is the base for all the cocktails. “Greater Gin is an essential of course,” notes the caption to every video. “Even if people use another brand of gin, it’s okay,” says Virmani. “The idea is to engage our community with good quality content.”

Since bars and restaurants comprise 40 percent of Greater Than’s sales, Virmani doesn’t see business picking up for another six months post-lockdown—unless a “miraculous

vaccine” is developed. In the meantime, Virmani and team are using the time to rethink their strategy. “We started what we call ‘Nao Upstream’ where we bring together our team and some experts [over Zoom] and ask ourselves difficult questions like, ‘How can we make the best sales pitch of our life?’, ‘What can we do differently?’ It’s all about internal learning, which we usually don’t get the time to do,” he says.

REVIVE AN OLD IDEA

Prior to the lockdown, RaseedBook,

a billing and record keeping service for local businesses, generated 800 to 1,000 bills a day from its 5,000 merchant-customers across 125 cities. Post the lockdown, business dipped so much that the Gurugram-based startup just about generated 20 bills a day.

“We realised we needed to offer an online ordering and delivery service,” says Vivek Kumar, co-founder and CEO. An IIM-Indore alumnus, Kumar had launched Alluzo, while pursuing his degree, to help students order groceries from



ABEL PHILIP



Reji Philip's travel agency, Cosmos Travels, is looking at large amounts stuck in cash flows since the pandemic has grounded the travel industry

nearby kirana stores. One of the learnings from running the startup was that small, neighbourhood stores were just not equipped to deal with online orders. They struggled with inventory management, book keeping and paper-based billing. Moreover, while the students using Alluzo were tech-savvy, regular customers weren't in the habit of ordering online from kirana stores. So upon graduation, Kumar withdrew the service and instead launched RaseedBook. "We thought we would first help local stores with the backend and once we have a base of 50,000 merchants using the platform, we would relaunch Alluzo," says Kumar, referring to his co-founder Ashutosh Pathak.

But the pandemic hit and business stalled. That's when the duo decided to revive Alluzo sooner rather than later. Customers—now forced to go online—can place orders to grocery stores via the app; the stores receive the orders and deliver the goods since most customers live within a 1-2 km radius. RaseedBook, meanwhile, continues to assist store owners with the backend. "Sure, customers can place orders using WhatsApp, but

the minute those orders increase from 10 a day to 50 a day, WhatsApp becomes cumbersome for the store owner," reasons Kumar.

Needless to say business has been booming. In fact, in Jalandhar where the startup has a large customer base, the district collector has allowed Alluzo to not just enable the online purchase of groceries but also medical tests. Requests for urine tests, for example, are relayed to a pathology lab that then fulfils them.

"Difficult times bring out the best business ideas and innovations," says Sandip Chhettri, COO of TradeIndia.com. The B2B platform that connects SMEs with buyers and suppliers, among other services, has seen companies adapt to the crisis by picking up new and essential lines of production or trading.

Sometimes though, warns Chhettri, business experiments can turn costly. Take for instance Himanshu Aggarwal, proprietor of Suman Traders, a Gurugram-based outfit that makes and trades in instruments and glassware used in laboratories. When demand for his products slipped, Aggarwal decided

to outsource production of personal protective equipment (PPE) gowns which he then planned to sell to medical distributors. Quick-footed as he was, he found designs online, sourced the raw materials and started production. After several hundred gowns were made, the government issued a guideline stating that only certified materials must be used in the production of PPEs. "They should have provided all the guidelines from the beginning. This guideline only came a week ago when we are already well into the crisis," he says.

Aggarwal is now staring at a loss of ₹20 lakh. "For a small businessman like me, this is a huge amount," he says. "Plus I don't know when my regular business will return to normal... all my payments are stuck there too."

In other instances, there simply isn't a way out. Reji Phillip of Cosmos Travels is looking at "lakhs and lakhs" of frozen cash flows. The Mumbai-based travel agency mostly caters to corporate clients who pay in 30-day cycles. Phillip made—and paid for—several of their flight bookings which now stand cancelled. But airlines aren't refunding the money—only deferring the booking to a later date, says Phillip, while customers are demanding full refunds. "I don't know when flights will restart, and even when they do people will be scared to travel," he says. Without any government relief measures for him to tap into, Phillip has taken a loan from family and friends to pay his staff. Going forward, he says, he might have to furlough some of them. "The government wants us to keep paying wages, but they are not helping us in any way."

An interest-free loan given by the government as opposed to a bank where loan applications can often languish for long, would be helpful, say most MSME owners. That, coupled with the agility many of them have displayed, should see them through the crisis. **F**

MADHU KAPPARATH

Migrant labourers from Delhi scramble onto buses heading for their hometowns in Uttar Pradesh, following the outbreak



No Country For Migrants

The lockdown has brought to light the plight of daily wage labourers and the nation's apathy towards them

By **POOJA SARKAR**

*"When the work is over
We are but coolies and sailors.
And yet when the boat is slink
We alone come to pull
it out of the mine.
We give everything like
the sacrificial cow
Only to find ourselves neglected now.*

*Song of the workers (Sramiker
Gaan) by Kazi Nazrul Islam*

slam, a rebel poet of his era, read this verse in 1924 at a peasants' conference in Krishnanagar on the outskirts of Kolkata. His words ring true even today.

After the government announced a nationwide lockdown on March 24 to prevent the spread of coronavirus, lakhs of migrant labourers and daily wage workers were stranded.

They couldn't go back to their villages as there was no transport arranged for them. Visuals of hordes of them walking back to their homes, thousands of kilometres away, with children in their arms, brought their plight in the open.

Ram Roop Sahani is among those who's stuck in Mumbai because of the lockdown. On a scorching Monday afternoon in April end, he and his co-workers are standing in a queue in suburban Mulund to collect food that was being distributed by local residents. Sahani hails from Gorakhpur in Uttar Pradesh (UP) and works at a construction site in the city. On a good day he earns about ₹600 while on other days he makes roughly ₹400 a day. "I don't have any work because of the lockdown. I have borrowed ₹5,000 from my seth [contractor]... I am waiting for work to start so that I can repay him and



go back to my village,” says Sahani, adding that some of his co-workers left for their villages in heavy goods trucks before the lockdown was enforced.

Sanjay Sharma, 24, lives with his watchman father in a small tenement near Sonapur signal at the Mulund-Bhandup crossing. The duo has been working in Mumbai for a decade, but has never experienced such testing times. “My work provider went home before the lockdown because of a personal tragedy. Now he cannot return... he hasn’t paid me either, so I am stuck here. I need something to go back home,” says Sharma, who hails from Basgaon village in Gorakhpur, and works at a construction site in Mumbai.

Forbes India spoke to at least 10 labourers who are finding it difficult to survive in the absence of work, adequate food and money. Mohammad Ashfaq Khan, 19, from Shalimar in Srinagar who works at a local restaurant in Mulund (West) is in a dilemma whether to stay here or go home once normalcy returns.

The ones wanting to go back aren’t just labourers who survive on daily wages. Rajan, for instance, who has been running a snacks corner in Mumbai for over a decade, has been wanting to go back to his village near Chennai, Tamil Nadu, along with his wife, both in their sixties. “I’ll come back only when things are normal. I won’t return till everyone opens their shops,” he says.

The government has asked employers to pay their staff regularly during the lockdown. Ashfaq is fortunate that his boss Jatinder Singh has been looking after him. Singh runs a QSR called Veerey Da Dhaba, which he bought four months ago, apart from manufacturing small cans for 32 years. Singh claims the lockdown has resulted in a monthly loss of nearly ₹10-15 lakh. “The factory is in dire straits and the business is facing mounting losses. I have 8-10 labourers of which half have gone back home... it will be difficult to find labourers



“We treat them [migrant labourers] as second-class citizens when they are an integral part of society... give them that respect.”

MAHESH VYAS,
CEO, CMIE

once things start to open up,” he says. Singh’s restaurant has eight workers and four of them, including those from Nepal and Kashmir, are with him during the lockdown.

The home ministry on April 30 allowed the inter-state movement of migrants by road. The migrant workforce is estimated to comprise a fifth of India’s total workforce. Most of them are from UP, Bihar, Odisha, Bengal, Jharkhand and Madhya Pradesh.

“Migrant labourers have been subjected to extraordinary hardship. They have been deprived of their livelihoods and the comfort of their homes. The first objective should be to take these labourers back home,” says Mahesh Vyas, managing director and CEO of Centre for Monitoring Indian Economy Pvt Ltd (CMIE).

According to a report by the International Labour Organization on April 29, as a result of the economic crisis created by the pandemic, almost 1.6 billion informal economy workers out of a worldwide total of 2 billion, and a global workforce of 3.3

billion, have suffered massive damage to their capacity to earn a living.

The first month of the crisis is estimated to have resulted in a drop of 60 percent in the income of informal workers globally. This translates to a reduction of 81 percent in Africa and the Americas, 21.6 percent in Asia and the Pacific, and 70 percent in Europe and Central Asia.

Closer home, CMIE said the labour participation rate fell to an all-time low in March, the unemployment rate shot up sharply and the employment rate fell to an all-time low of 38.2 percent. The fall since January is particularly steep.

“If you have less labour than what you require, the demand-supply chain is under pressure. But we need to take into cognisance that we treat them as second-class citizens when they are an integral part of society... they need to be given that respect,” says Vyas.

According to the 2011 Census, 300 million people migrated to India, especially women, due to marriage. Outside migration because of marriage, nearly 50 million people migrated internally in the country due to economic reasons and 10 million people moved towards the city centres for educational purposes.

Chinmay Tumble, professor at the Indian Institute of Management, Ahmedabad, who has authored a book on migration in India called *India Moving*, says, “The Economic Survey of 2016-17 has a chapter on migration; if you look at Census numbers, they tell you that 55 million people had reported that they are moving for economic reasons, but that report puts the number at upward of 100 million people... that tells you about the serious underestimation.”

In his book, Tumble explains seasonal migration is when people move away from their homes for a few months every now and then, with each spell not lasting more than six months.

Sahani, for instance, lives on construction sites and goes back home during the harvest season



to help his family with farming activities. There are 146 million land holdings in India as per the 2015-16 Agricultural Census, of which 70 million (48 percent) are less than half a hectare. So, farming only provides subsistence levels of existence.

“You can improve the situation of farmers, but you cannot make them prosperous in 10-20 years, taking about half of the current agriculture workforce out of this occupation,” says economist Arvind Panagariya.

This explains why daily wage workers are forced to go back to the cities in search of work. They usually move with their families, live in makeshift tents by the roadside with the constant threat of eviction or share a dingy room with scores of others.

As part of the government’s relief measures, Finance Minister Nirmala Sitharaman announced that under the PM Garib Kalyan Anna Yojana, additional 5 kg rice or wheat per household will be provided for three months and 1 kg of pulses per family. This will be beneficial to 80 crore people. The government also said workers should be paid their wages during the lockdown, rents should be waived off and labourers should be allowed to work for 12 hours instead of eight.

Some economists believe this is the right time for India to start a discussion on Universal Basic Income. “Particularly concerned in case of India... I think we need social state and social policy laws,” says

POOJA SARKAR



Construction worker Ram Roop Sahani from Uttar Pradesh (right) and a co-worker are stranded in suburban Mulund in Mumbai. Their food requirements are met by local residents

French economist Thomas Piketty.

“If you don’t have a particular safety net and some minimum income so that poor people don’t have to go out all the time to get work, that’s not going to work.”

While many migrants still await the journey back home, some others

like Shyam Sundar are lucky. The 27-year-old works as a taxi driver for a travel agency in Gurugram and lived in the capital for the last six years. It took him two days to return to his home in Barsana village near Mathura in UP, nearly 148 km from Delhi.

“I walked for a few kilometres and then my friend and me travelled by truck. After covering some distance, we boarded a tanker and then another truck to reach home,” says Sundar. He is the sole bread earner of his family comprising his parents, four siblings, wife and two children, and earns ₹14,000 a month. He is yet to get relief money from the government and says he is dependent on his little farm for basic survival. “I am not sure when things will be normal, but I will have to go back... how else will I earn?” he says. **F**



“I am not sure when things will be normal, but I will have to go back [from UP to Delhi]... how else will I earn?”

SHYAM SUNDAR,
TAXI DRIVER AT A TRAVEL AGENCY



The Show Must Go On(line)

With venues shut, artistes are moving to digital events and finding new audiences

By PRANIT SARDA



(From top left) Comedians Sahil Shah and Sorabh Pant were part of OML's *The Circuit*; singer Baba Maal, singer Vijayaa Shanker, instrumentalist Vishwa Mohan Bhatt, singer Lonnie Park, violinist Manoj George, drummer Arun Kumar, music composer Ricky Kej, singer Varijashree Venugopal, painter Vilas Nayak, and flautist Wouter Kellerman were part of *Ricky Kej Live*, by One Page Spotlight

In early March, before the country went into lockdown, Only Much Louder (OML), an artiste and event management company, cancelled *The Circuit*, a comedy festival scheduled for March 7 to 15 that was to travel to Mumbai, Delhi and Bengaluru. Within a month of its original plan, OML took *The Circuit* online. The show, conducted on online ticketing platform PayTm Insider's Zoom interface from April 22 to 26, didn't just get an audience that logged in, but also recreated the atmosphere of watching a live show where the audience laughed at a joke and everyone could hear each other. "It is the artiste's choice to keep the audio and video of their attendees switched on or not, to give a better effect of a live crowd. The feedback is going to the artistes and within the participants in real-time; it's not too different from going to an event other than the fact that you're sitting at home. You can see and hear the other participants," says Shreyas Srinivasan, CEO, PayTm Insider.

While an online event can't completely make up for the energy, laughter, cheering and applause of a real-life event, in a locked-down world, technology is helping entertainment come as close as it can to the real thing; a world where live performances, mass gatherings and sporting events are set to be on hold until the end of this year or perhaps even longer.

"It is going to take time to go back to normal and as a social responsibility we should not open any live entertainment till next March," says Ramani Iyer, co-founder of One Page Spotlight, a digital platform founded two years ago. On Earth Day, April 22, it organised a 60-minute concert, *Ricky Kej Live*, featuring 40 musicians, including five Grammy award winners, from six countries. "Companies like ours need to make sure artistes are engaged and are being able to make money online," he adds.

Programmed by Ricky Kej, and

"Not only have we found fans to pay for tickets, but it's nice to see that brands are opening up for this."

GUNJAN ARYA,
CEO, OML

keeping the theme of Earth Day in mind, the artistes performed from their homes and the songs were later mixed with the sound, and the concert was created and recorded. A bit more work was done to create an experience that gave the effect of a live concert. "You get the feel of a live concert," says Shilpa Ramesh Ramani, co-founder, One Page Spotlight. "In the middle of the concert, Kej actually said, 'I can't hear you guys'. He's waiting for applause," she adds.

OML successfully monetising the digital version of *The Circuit—The Roast*, one of its most popular acts, got an audience of 250—is just one of the examples of how things might continue for a while. "Not only have we found fans to pay for tickets, but it's also nice to see that brands are opening up for this," says Gunjan Arya, CEO, OML. Tickets were emailed to audience members with a code that could be used to dial into the Zoom call.

PayTm Insider, which averages over 100 events per week on its platform, is also the exclusive ticketing partner for some of the largest events in India, including four Indian Premier League (IPL) teams, which comprise its biggest sources of revenue. The platform saw most of its live music concerts and comedy shows in March cancelled, including the Lil Flea in Mumbai. It then quickly moved to launching

a platform for digital events, which allowed companies to list, create and manage digital events on the platform as OML did for *The Circuit*.

The events are accelerating, and Insider helps provide access to people from across the country to events via Zoom or an interactive video option on the platform, besides taking care of the ticketing and ticket security (ensuring only ticket holders attend the digital event). "We think a lot of real events will now become digital events," says Srinivasan. He and his team are also building tools to further improve the platform, and enable artistes to manage video conferences easily.

Besides, he adds, "We are getting interesting formats that did not exist as real events, but can only be created as digital events." He explains, for instance, the Bandersnatch concept of a play where the audience chooses the sequence of events and it proceeds accordingly.

Events where a large audience plays Ludo King, Housie and dumb charades are also among the many other games coming up on PayTm Insider.

Digital events also lower the barriers to taking events global. For instance, OML took one of its biggest properties, the Bacardi NH7 Weekender online, where various artistes' performances from around the globe are live-streamed through Instagram. While The Weekender gets a footfall of 1 lakh in Pune and Shillong, it got over 110 lakh unique views online. Though the event was free on Instagram, the artistes were paid. "Paying artistes is very important. Bacardi NH7 Weekender was built with their very necessary participation. And finally, it always helps the ecosystem. Our job is to grow the pie instead of simply taking a slice out of it," says Arya.

They also provide interactivity, where people can leave comments and feedback on the performances. For instance, *Tomorrowland Live*, already



in week 5, has been using Zoom to reach a global audience and its social media to increase interactivity, making it one of the most successful digital events, as it was on the ground.

Sporting events too are looking at virtual realities. Says Dhaval Ponda, global head, media and entertainment services, Tata Communications, “The live events industry has been disrupted. Not only the cadence of the sports event, but also the way interaction takes place, and the way sports events will take place for quite some time. All the sports federations are looking at ways to adapt to, and also exist in, these situations.”

Tata Communications does live video broadcast for a majority of global sports. Due to the Covid-19 pandemic, sporting leagues being cancelled or being played without spectators, virtual or via a simulator, have become common. “We are in talks with 90 percent of the sporting leagues globally. A majority of those are looking at carrying out events behind closed doors,” says Ponda.

Sportsmen, too, are working from home. For example: A virtual race with racers sitting at home and competing on a simulator. Through this, sporting federations are able to reach out to not only their existing audiences, but also a wider one that is interested in the novelty of the sport.

To broadcast the same, Tata Communication uses remote production. Ponda explains: “Suppose a race is going to take place at Phillip Island in Australia, and the core broadcast production team is in Barcelona. Within milliseconds, the live video is transported from Phillip Island to Barcelona where a team of 250 people, sitting at home, create broadcast-produced feed that goes out globally to all their rights-holding broadcasters.”

In a traditional scenario, the 250 people would’ve travelled to the location of the race, incurring costs of travel and logistics. Through remote production, not only does



“There is no substitute for experiencing a live performance, which has always had a dedicated audience.”

KHUSHROO N SUNTOOK,
FOUNDER, SOI & CHAIRMAN, NCPA

the cost go down, it becomes simpler and the money saved can be invested in technology and R&D.

While several entertainment firms have been streaming recorded performances for free, they are also helping artistes engage with the community with workshops and chats. “The intent is to spread positivity through art in these unprecedented times,” says Khushroo N Suntook, founder of the Symphony Orchestra of India (SOI) and chairman of the National Centre for Performing Arts (NCPA), in Mumbai.

The centre has been streaming performances, and has conducted a live Kathak dance workshop on World Dance Day on April 29; for International Jazz Day, it streamed videos featuring 70 artistes from the largest jazz hubs globally, on April 29 and May 1. SOI also released its first online recording of *Air* by Karl Jenkins on its Facebook page.

Globally, drive-in theatres and drive-in leagues are seeing a revival. It allows for community viewing while maintaining social distancing, as the audience is confined to their own vehicles.

The return to live venues will be a slow and gradual process. Experts believe that while some people might try and return to the pre-Covid-19 form of entertainment, a more cautious audience will maintain social distancing standards. Srinivasan says, “Till there is no vaccine, there’s going to be a risk of being at an event with anything above 50 people.”

Performance venues like the NCPA are putting measures in place. “Social distancing and hygiene will continue being the priority post the lockdown. Deep cleaning of venues is an important part of our operations,” says Suntook. “The cancellation of performances does come at a cost but more than the economics, it is culture that has had to take a backseat.”

An entire industry will also have to change its way of working to create content, be it for cinema or television. “Now to be able to plan an entire industry around it, is a mammoth task,” says Arya of OML.

She cites the example of a show in the West where an entire episode of a courtroom drama was shot remotely and then stitched together. The entertainment industry globally is likely to see innovations like these, to start creating content under appropriate conditions. “The first thing that is likely to start is the shoot, because there you can control the environment. That will be the most immediate measure before large-scale events come back,” says Arya.

Another major change is likely to be the rise of private viewings. The audience might see empty seats between two individuals—as in the case of airplanes—apart from the staff maintaining hygiene and being tested regularly.

Because all said and done, as Suntook says, “While virtual entertainment has helped people remain connected to the arts and artistes they admire in these times, there is no substitute for experiencing a live performance, which has always had a dedicated audience.” **P**

GUARDIANS of the CITY

Mumbai's unsung heroes during the coronavirus pandemic

The Covid-19 outbreak has altered our lives in many ways. While work from home has become the new normal for many, some others have to be at the frontline to ensure the disease does not spread or essential supplies are not hit. *Forbes India* features some bravehearts who are risking their lives outdoors so others remain safe within their homes.

Text & Photographs By ANJAN DAS

AASTHAA KHURANA

AGE: 31

DESIGNATION: Resident doctor, department of anaesthesia, Saifee Hospital

WORK DURATION: 8-10 hours

Most doctors and nurses who are working through the day and night in PPEs, risking their lives, skipping meals and challenging themselves physically and emotionally while treating Covid-19 patients, feel it's worth every minute. "That feeling of saving someone makes everything better," says Khurana. "It's a joy to know that, as medical workers, we have made a difference in people's lives."



PHOTO COURTESY: DR CATHERINE SAMRAJ



NISHA CHAVAN

AGE: 27

DESIGNATION: Sub inspector, Kherwadi police station, Bandra (East)

WORK DURATION: 12-15 hours

Chavan commutes 30 km each way everyday, from Vashi in Navi Mumbai to her workplace in Bandra (East), to report to work. The 27-year-old would have it no other way as she leads a team of constables in maintaining law and order during the lockdown.

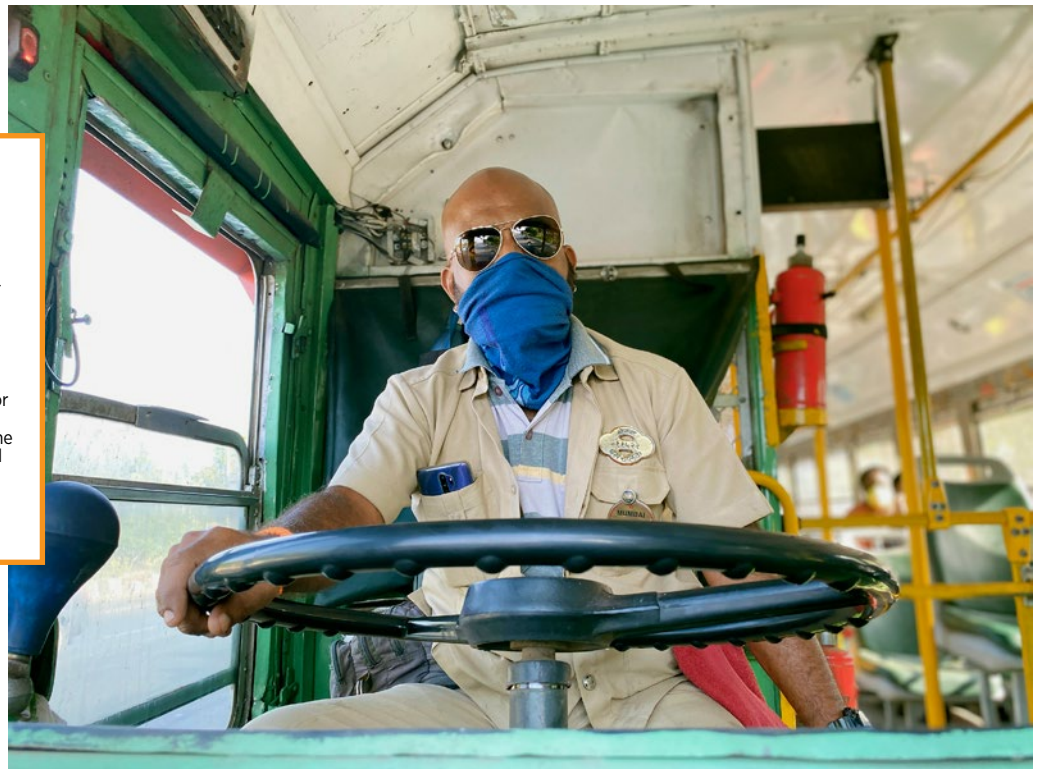
SACHIN ANKUSH DHURI

AGE: 43

DESIGNATION: Bus driver, BEST

WORK DURATION: 8-12 hours

While ferrying passengers on the highway, Dhuri keeps a steady supply of biscuits and water in the bus to feed the poor on the streets. Growing up in a household with limited means, he knows the value of every morsel for the underprivileged. He's happy that, in his own way, he's been able to help during these tough times.



COORDINATED BY: AMEYA DAMLE,
INEGA TALENT & PRODUCTION

PRAVIN SHIVAJI PATIL

AGE: 47

DESIGNATION: Police naik

WORK DURATION: 12 hours

A traffic cop, Patil patrols across Bandra throughout the day. Recently, he went beyond his call of duty to help an accident victim, rushing her to the nearby hospital. Helping people on the road during the lockdown is on his priority list, he says.



RAKESH SHARMA

AGE: 42

DESIGNATION: Owner, Jai Chemist, Santa Cruz (East)

WORK DURATION: 13 hours

Working at a medicine store can be challenging in times like these: With travel restrictions and limited supplies, it becomes tough to meet the demands of each customer. But Sharma thanks the authorities for the seamless allotment of emergency passes (like the one hanging from his neck) that have helped him and many others travel back and forth at odd hours to replenish stocks and help those in need.





VASANTKUMAR ARUMUGAM DEVENDRAN

AGE: 30

DESIGNATION: BMC worker

WORK DURATION: 9 hours

It's a tough life being a garbage and sanitation worker, going around neighbourhoods not knowing where danger lurks in the unhygienic conditions that he has to work with. But Devendran doesn't think twice about doing his job diligently. What's his motivation to risk his own health every day? "Many others will fall sick if we don't keep the neighbourhoods clean," he says.

SANJAY MANOHAR KHURAKTE

AGE: 47

DESIGNATION: Vegetable vendor and shop owner at Pali Hill market, Bandra (West)

WORK DURATION: 6 hours

For Khurakte, there are now two kinds of people: Those who appreciate him for the steady supply of essentials through the lockdown, and those who chide him for not giving a discount. Sleep-deprived, he ventures out for vegetables post-dinner, sourcing from three local markets between 10 pm and 2 am. He regrets not spending enough time with his wife and kids but making a living during these troubled times is equally necessary.



Right Foot Forward

With a revamp of product lines and stores, and its image, Bata India has been bringing customers back to the brand of their childhood

By MONICA BATHIJA

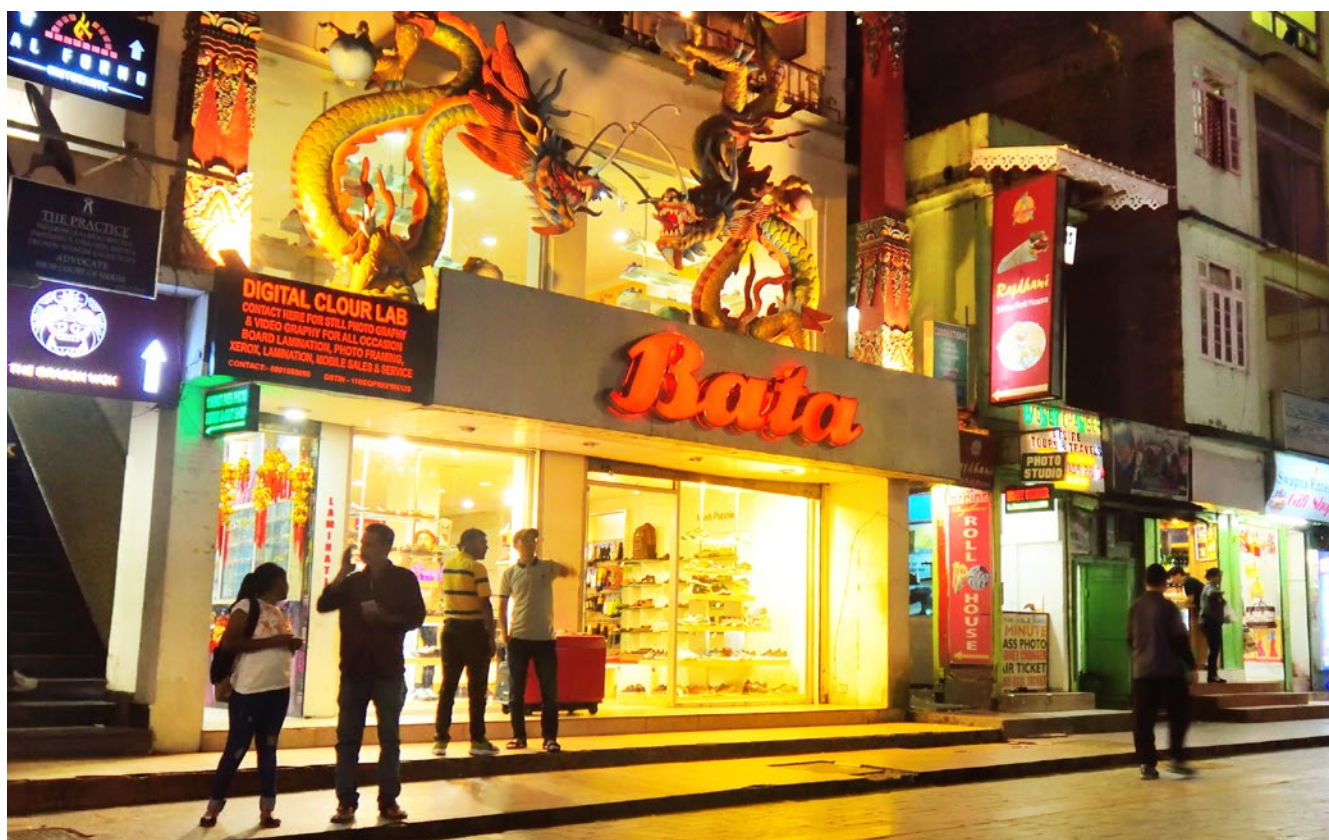
Ever since Sandeep Kataria took over as CEO of Bata India in August 2017, one of his favourite jobs involves driving into a small town and asking for directions to the Bata store there. “And very often there is a Bata chowk in the town, where the Bata store is,”

he says with a laugh. “So that itself is a nice, solid kick in the morning.”

It is the middle of the countrywide lockdown and like probably every other CEO in the country, Kataria has been planning scenarios and strategies for the omnipresent brand post-lockdown. But he is also glad to be doing something normal, like

discussing normal times. Which at Bata India have been good—not just over the past few years, but also through the economic stasis last year.

Bata India clocked revenues of ₹2,636.32 crore in FY18 and ₹2,928.44 crore in FY19, registering an 11 percent growth. In the same period, its net profits grew 47 percent from



Besides its own and franchise stores, Bata is available in over 10,000 multi-brand outlets across India

SHUTTERSTOCK



“Companies like ours have seen wars, pandemics, people moving out... the reality is we will come out of it, and take the company’s strong position forward.”

SANDEEP KATARIA,
CEO, BATA INDIA

₹223.58 crore to ₹329.66 crore. In Q3 of the current financial year, it reported revenues of ₹829.6 crore and a net profit of ₹117.2 crore. This took the total profit for the fiscal up

to December to ₹289.3 crore, a 20 percent increase over the ₹241.3 crore profit for the same period last year.

During the financial year ended March 31, 2019, Bata India opened over 130 own and franchise stores, strengthening its already strong distribution network to over 1,500 exclusive stores in 600 towns and cities. It has also launched a store refurbishment drive across 500 selected stores.

The changes started some years before Kataria took over. Around 2013-14, the company started bringing in new styles, more fashion and glamour pieces rather than the basic comfort wear the brand was known for, and upgraded its assortment, ensuring the design concept was in line with global ones. The stage for the reinvention of Bata India had been set and Kataria, who has earlier helmed big consumer-centric companies including Yum Restaurants, FMCG giant Unilever and Vodafone India, had his task cut out for the next stage—to get people to come into the stores to discover the changes.

“I was aware of all the good things that had been happening over the last few years,” he says about taking over at Bata India. “And we’ve been fortunate to be able to take some of that forward over the last two-three years. And take it to the consumers, to invite them back and show all the good work that had happened,” he says.

The company, he says, works in five-year cycles and for Kataria it has been a 2017-2021 plan, a lot of which reflected the global marketing strategy of “Sweeping Angela, or in India, Anjali, off her feet”. In other words, getting to know the ideal customer—Angela—and putting in efforts to create a ‘Bata world’ customised for her. The focus was on product lines and new designs, the store experience, advertising based on consumer insights rather than being fashion-led, and on distribution channels—

brick-and-mortar and online.

Though Bata has never been a brand focussed on the super premium market, it has upped its style quotient. And having an overseas pedigree—founded in the Czech Republic and headquartered in Switzerland—means Bata is able to make the most of the latest trends in fashion globally. “The biggest positive for us in India has been that we are able to, given our global MNC network [across 70+ countries], draw on the fashion trends, which we are then able to use and customise to Indian tastes,” says Kataria. The company’s 40-plus design team in India customises and innovates, and the company puts out 4,000 new articles every year.

Once the shelves were stocked, the next step was to refurbish the store. In 2018, soon after the launch of the ‘red store’ concept in Italy, the brand’s largest market, it was brought to India. In the same year, it also opened the world’s first Power store, as well as Bubblegumers and Bata Women stores.

Through it all, Bata has maintained focus on multi-brand outlets: Besides its own and franchise stores, Bata is also available in over 10,000 such outlets across the country. “The multi-brand outlets are relevant in smaller towns where a standalone store may not be economically viable. Finding the right partners in the field has helped us drive that part of the business, which has grown at 20 percent plus even in the current local stasis,” says Kataria.

Along with being cost-conscious and using economies of scale, the company has also been active on the data and technology front. Since 2018, Bata India has brought all their stores online. “We know the inventory in each of our stores and were able to use that inventory more productively,” says Kataria. Inventory for online also includes a separate range and ecommerce delivery happens in about 1,300 cities and towns, contributing to about 5 percent of overall revenue.

The company has also been using insights from analytics to fine-tune where it wants to invest working capital even as it continues to look at opportunities for new stores and 'right-size' existing stores to ensure they are available in the right trade areas and malls.

In the brick-and-mortar world, the upgrades didn't stop at merely stores. Taking it further, the company recently opened 'Bata Experience Centres' with services such as medicated pedicures, 3D foot scanning, customised insoles and a shoe spa. The first of these, spread over 6000-sq feet, was opened in suburban Mumbai last year.

All of this has been accompanied by an 'honest' advertising strategy to also revamp the image of the brand—though Bata India could almost be said to be a part of the DNA of the country, with even millennials being aware of the brand thanks to having worn its school shoes or later Hush Puppies to work, the association remained at just that. In 2018, the company roped in actors Kriti Sanon and Sushant Singh Rajput as brand ambassadors for their women's and men's range, respectively, and cricketer Smriti Mandhana for their sports brand Power.

"In some ways it was pretty bold advertising," says Kataria. In an advertisement, Kriti Sanon comes on the screen and says 'Bata? But isn't that school shoes', and then 'I thought I'll buy some for my mum'. "This was literally her first five seconds on television, and we realised this while talking to her... this was indeed what they were thinking and therefore it was good for us to reflect it. Instantly, we were seen as authentic for our customers, and they were ready to give us a second chance, come back into our stores, discover the new assortment, the innovations, the technology that we were bringing into our product," says Kataria.

In the advertisement, when Sanon sees the display, she goes on to buy



Actor Kriti Sanon became one of the faces of the Bata India brand in 2018

two pairs for her mother, and 20 for herself. Since then they have built on the campaign—'Surprisingly Bata'—and connected it to other sub-categories, from the men's casual wear to their women's 9 to 9 collection—a line that working women would find comfortable enough to wear to work and stylish enough for post-work outings.

For a company that for years was mostly associated with entry-level shoes, the strategies seem to be on point. Perceptions have changed and Bata has been attracting consumers, including the younger crowd, with its varied ranges, price points and brands.

According to the company, Bata India sold 47.25 million pairs of footwear in FY 2018-19 and today more than a quarter of its revenue comes from premium brands like Hush Puppies, Bata Comfit, Naturalizer and Scholl.

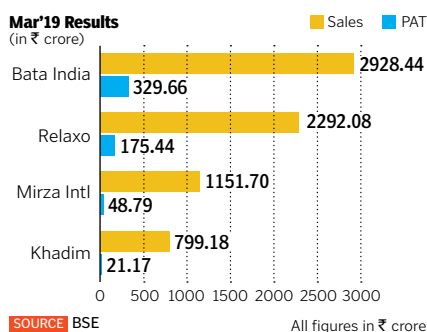
"The average age of people that come into a store is dropping, which is a good sign for us, reflecting millennials coming into the store. But that is work we need to continue to do more," Kataria says.

Brand consultant Harish Bijoor says Bata has succeeded in revamping the image of the brand, but only to an extent. "It's not been an overnight revamp. After having taken such a long time to test the waters, if they are confident enough they need to really make a disruptive piece (of advertising) happen now," he says. "Bata needs to go on to the 'Brahma, Vishnu, Maheshwara' format—creation, they have already done, and have been running for a long time; nurturing, they have played that game for a long time. What they haven't yet done is destroy the old bogey image of Bata."

Meanwhile, as Bata India prepares to meet the upcoming challenges in a post-Covid-19 world, it's the mix of the old and the new that will probably stand the company in good stead. "Companies like ours have seen the world war, we have seen pandemics, we have seen people moving out, we have had to change our headquarters a couple of times. So the reality is we will come out of it. It will end. And we should be able to take the company's strong position as we go forward."

The company had been drafting their next five-year plan but right now, the current one needs to be tweaked in line with the behavioural changes expected. "People's habits are bound to change a little bit as we come out of it. Will people be ready to go back in big numbers to the big malls or the crowded areas? Maybe there will be some hesitation, so we need to look at that and fine-tune and tweak our plan as we go forward."

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Network 18

#GROUNDED

With the Covid-19 pandemic almost shutting down the global travel and hospitality industries, influencers in the sector are staring at an uncertain future

By JASODHARA BANERJEE

Russian photographer Murad Osmann is best known in the world of Instagram as one half of the couple behind the 'Follow me to' series in which he travels the world with wife Natalia Zakharova. In the highly-stylised photographs, Osmann follows Zakharova, as they hold hands, through exotic locations, taking their 4 million followers with them.

But one of their recent posts showed Zakharova looking into a washing machine, as though she is looking out of an airplane window; in another, she is in the kitchen with a saucepan in hand, cooking. "We are now travelling within the house," laughs Osmann, as he speaks from his home in Moscow, where he is locked down. If the Covid-19 pandemic had not broken out across the world, the couple would have been in Peru. "A lot of travel plans have been cancelled, while others have been postponed," says Osmann, named among the top three travel influencers in the world by *Forbes* in 2017. "In May, we were supposed to go to the Cancun music festival in Mexico, but that has been postponed. There were other plans of travelling to Abu Dhabi, Dubai, Europe and the US. Everything's cancelled."

Over the last five years, the world of travel and food influencers had boomed, along with the tourism and hospitality industries across the globe. According to the United Nations' World Tourism Organisation (UNWTO), international tourist arrivals worldwide grew by 6 percent in 2017 as well as 2018, and by 4 percent in 2019, to reach 1.5 billion. Riding this wave of global tourism, and fuelling it in turn, are the thousands of food and travel influencers who market and promote destinations and events through the content they create for social media platforms.

According to *Business Insider*, the influencer marketing industry was worth \$8 billion in 2019; with millions of followers, especially among millennials and Gen Z, in December 2019, it predicted the market was expected to grow to \$15 billion by 2022. In January 2020, the UNWTO

MURAD OSMANN



K. Y. CHENG / SOUTH CHINA MORNING POST VIA GETTY IMAGES



▲ Top: Celebrity Instagrammer Murad Osmann is now "travelling within his house" because of the lockdown; a still from the 2014 'Girlfriend Series' by him and wife Natalia Zakharova, on a tram in Hong Kong



also predicted a growth of 3 to 4 percent in international tourist arrivals worldwide this year.

But that was in a pre-Covid-19 world.

By March 27, the UNWTO said it expected international tourist arrivals to decline by 20 to 30 percent in 2020, translating into a loss of \$300 billion to \$450 billion in international tourism receipts (expenditures by international inbound visitors), almost one-third of the \$1.5 trillion generated globally. On March 25, International Air Transport Association said it estimated revenues from passenger flights to plummet by \$252 billion, or 44 percent, below 2019's figure.

As airlines struggle to stay afloat, seeking bailouts from governments, and global tourism grinds to a complete stop, travel and food influencers are seeing their corporate partnerships come to an abrupt halt, and earnings dry up. Himanshu Sehgal, a Delhi-based food vlogger who travels the world to showcase regional cuisine to the 47,800 followers of his Instagram handle My Yellow Plate, says, "The pandemic and consequent lockdown have had a huge impact on work. The last trip I made was in December to Europe, and it was good to create content. Based on that trip, I planned to cover 10 new countries this year. But now I have to change my plans, and find new ways to create content." Sehgal has partnered with the tourism boards of countries such as Malaysia, Singapore and Germany. "But there are no such partnerships coming up right now," he says. "I have lost about

▲▲
Top: Bangkok-based food vlogger Mark Wiens orders street food via delivery services and eats on-camera; Himanshu Sehgal, a Delhi-based food blogger, travels the world to showcase regional cuisine to his followers



80 percent of my earnings because of this."

Looking at a similar drop in earnings is Eric Stoen, halfway across the world from Sehgal, in California, US. "In March, we were supposed to go to Italy, Turkey and Germany; Nicaragua in April for a family trip during the school break, and Greece in the first week of June," says Stoen, whose Instagram handle and website called TravelBabbo document his travels with wife and three children. Specialising in writing about family trips, he partners with various corporate entities such as tourism boards, airlines, hotels and credit cards. "My revenue year-to-date is down by 35 percent, but since January and February were good, it has helped," he says. "It's hard to compare specific months year-to-year since I could have \$15,000 in revenue in one month and \$2,000 the next month, depending on what campaigns I've completed. But if this [lockdowns] continues through the fall, I could see my total revenue being down by 80 percent."

Karan Dua, a food vlogger who started his YouTube channel Dil Se Foodie three years ago and now has a following of 1.21 million, says revenues from his channel have fallen by 40 to 50 percent. With a focus on street food and local restaurants, Dua travels extensively within India and his hometown Delhi, documenting the best places to tuck into kulchas, chaat,

"WHEN THE PANDEMIC IS OVER, INFLUENCERS WILL BE ONE OF THE KEY INSTRUMENTS IN REVIVING THE TRAVEL INDUSTRY."

MURAD OSMANN, Russian photographer and Instagrammer

kathi rolls, pakodas and the likes. And that entire sector has shut down overnight.

KEEPING FOLLOWERS HOOKED

Social media is a world where professional content creators need to keep posting fresh content to remain within the attention radar of their followers. A drop in quantity or quality often directly translates into a drop in followers and, in turn, their earnings. So when the source of content—the travel and hospitality industries—has dried up, how do they keep their followers engaged?

Stoen says although traffic to his blog is down, social media engagement has increased significantly because people are bored and are spending more time on their digital devices. “Just because people cannot travel right now, I am not going to switch my business to recipes and puzzle reviews. People still want to see pretty pictures and learn about new destinations. I am also highlighting some of the small, local businesses that we have found on our travels, and hoping that my followers are taking note of them, and patronise them.”

Melissa Hei, a Singapore-based blogger and Instagrammer with 375,000 followers who posts under the name GirlEatWorld, says travel Instagrammers are seeing a significant drop in engagement from followers; companies and brands too are not interested in partnerships this year, despite this being the peak season for travel.

Content creators who focus on food, or at least food along with travel, have adapted to the



ERIC STOEN

▲ Eric Stoen's Instagram handle and website called TravelBabbo document his travels with wife and three children. He specialises in writing about family trips; Karan Dua (below) has a YouTube channel—Dil Se Foodie

lockdowns in different ways. “When you are under lockdown at home, there are only two kinds of content that you can produce—comedy sketches or recipes,” says Dua. “But even with comedy, you need other people to edit the content. Videos of home-cooked food is what you can produce on your own.”

Dua has been posting videos of home-cooked dishes and, in the process, found a whole new profile of audience. “I made a video of chicken biryani and posted it on YouTube and Facebook. While on YouTube it got about 64,000 views, on Facebook it got 16.7 million,” he says. “This is because the audience on the two platforms is different. The ones on YouTube are more interested in street food and not in cooking. Whereas the ones on Facebook are more diverse. And given the lockdown, this audience is spending more time on social media.”

Roxanne Bamboat, who creates travel and food-related content under the name The Tiny Taster, also wants to follow Dua's template of focusing on simple recipes with ingredients that are readily available. “I just don't understand how bloggers can bake so much while living under lockdown,” she exclaims, speaking from her home in Mumbai, which happens to be a Covid-19 hotspot. “Where are they getting the cocoa from?” Because of the lockdown, Bamboat has decided to stay away from travel content—“it is almost a career suicide, but I feel this is not the time and place to do that”—and focus on comfort food in times of stress and anxiety. “I don't think anyone gives a hoot about fancy meals at this time, and would instead want to go back to something comforting, like a plate of rice and dal, or cutlets that my grandmother made,” she says.

Consequently, she is putting up posts about homemade comfort food, such as akuri, which is a part of her Parsi heritage. “It is a simple dish



KARAN DUA

made with eggs, and the response has been great. I am trying to avoid recipes with even meat, since I know it may not be available everywhere. I feel this is a time to be mindful,” she adds.

Sehgal, too, is trying his hand at home-cooking, along with partnerships with FMCG brands. “We are still getting partnerships with some F&B brands. But they are not the same as tourism boards; there is a huge difference in earnings. And even if F&B brands are promoting their products, these products may not be available in shops around you right now. So, Nestle might want to promote KitKat, and you can get it in a shop. But if ITC wants to promote a Dalgona coffee kit, I don’t know if it is even available in the shops.”

In countries where home deliveries are still working, there are a few more options for food vloggers. Mark Wiens is a Bangkok-based food vlogger with 5.92 million subscribers on his YouTube channel. “Times like these are about adapting to the situation, and being more flexible,” says the vlogger who travels around the world, exploring and sampling street food. “In Bangkok, street food and restaurants are open for takeaway orders. So I have done reviews by ordering food through delivery services and eating them on-camera. A lot of people are stuck at home and they relate to you when you make videos at home.” Wiens is also equipped with footage from a couple of trips he took earlier in the year, and is now putting them out to keep up engagement.

WHAT LIES AHEAD

As governments across the world look towards easing lockdown conditions in their countries, the impact on travel and tourism remains uncertain. Most influencers feel that travelling across countries will not be the same, at least in the foreseeable future, with new rules and restrictions coming into place.

“Where travel is concerned, it is going to be a tricky thing to decide if it is safe or not,” says Wiens. “Also because the situation in one country, or even in one city, is not the same as another.” He adds that even if he is not able to travel to other countries, he hopes to be travelling within Thailand and making new content.

Stoen feels people will travel differently once the travel restrictions are eased. “A lot of people will take smaller trips closer to home, especially to places where they can drive. And there will be a lot of people who will book tickets immediately after the lockdown is lifted. But they will prefer individual travel, and not with a lot of people



ROXANNE BAMBOAT

▲ Top: Melissa Hei, a Singapore-based Instagrammer, posts under the name Girl-EatWorld; Roxanne Bamboat creates travel and food-related content under the name The Tiny Taster

on buses, or cruise ships. People will appreciate travel more, and a slow recovery is preferable in some places such as Venice, which has seen over-tourism in recent years.”

But Hei is more pessimistic. “Travel may not recover until next year, and even after countries begin to lift their restrictions, people might be apprehensive about travelling unless there is a Covid-19 vaccine by then. Personally, I am pretty happy staying at home because I don’t want to contract anything!”

“When the pandemic is over, influencers will be one of the key instruments in reviving the travel industry,” says Osmann. “You cannot advertise on billboards now and spend huge budgets on ads. But if consumers see a blogger right there and right now, especially genuine content creators, it will build confidence. Bloggers are a quick remedy and have a quicker effect on the general audience to indicate that things are getting better.”

Bamboat feels that even after the lockdowns are relaxed, things will not normalise soon since the food and travel industries will take time to revive. “The influencer market gravitates towards whatever pays them. So instead of focusing on food and travel, it is possible they will become lifestyle bloggers,” she says. “Retail and fashion industries pay more, or moto-vlogging. No one will stop being food bloggers, but instead widen their repertoire.” **P**



UNSCRIPTED TERRITORY

The theatre community, based on the fundamental ethos of human gatherings, is faced with uncertainty in a world of social distancing

By **VIKRAM PHUKAN**

Like everything else, the world of creative arts has taken a hit in an economy brought to a standstill by attempts to contain the spread of the novel coronavirus, including strict lockdown measures nationwide. For some, this might take on the guise of an extended sabbatical, with books and charms at hand's reach, while for others, it is nothing short of cataclysmic.

The theatre ecosystem in India is a microcosm of society. It is far from monolithic, with people from vastly different backgrounds coming together to participate in models of artistic collaboration that range from the hierarchical to the egalitarian, with a skew towards liberal values. These differences have perhaps never been more in evidence than now, when the cultural landscape reveals a spectrum of maladies.

One group for whom this strikes particularly close

to home is the Delhi-based Aagaaz Theatre Trust, a community-driven collective founded by Sanyukta Saha with young Muslims from Nizamuddin Basti, an epicentre of the pandemic. They have created plays like the critically acclaimed *Bhagi Hui Ladkiyan*, on young girls coming into their own despite their conservative surroundings, and *Rihla*, a take on how the disenfranchised youth might claim a notional country for themselves. The lockdown has put a halt to Aagaaz's activities—which partly sustains the livelihoods of its repertory members—and has also brought it to the edge of an existential precipice.

On the surface, they've regrouped with the help of technology, like many other theatre companies. While video conferencing was a non-starter, given connectivity issues in the area, they've settled on a system of synchronised voice notes over WhatsApp. Checking in with each other has provided some

▲ A scene from Neel Chaudhuri's *Rihla*, at Black Box Okhla



▲ From above: Shane Shambhu in *Confessions of a Cockney Temple Dancer*; Shubham Chaudhary in Mahesh Dattani's *Snapshots of a Fervid Sunrise*; a scene from Sreejit Ramanan's *Misty Mountains of Mahabharata*

succour at a time of imposed severance. “For the girls especially, the group was a safe space that gave them a life away from their cloistered homes,” explains Saha. “Now, all of them are voicing their fears and anxieties about this time, and the uncertainty clouding Aagaaz’s future.”

The prognosis is clear: Cultural spaces are

likely to remain closed for the rest of the year. The actors have also been caught up in the maelstrom of events surrounding the Tablighi Jamaat in March. In mid-April, Aagaaz launched a drive that raised funds to support the families—eight households in all—of their repertory members for two months. “It has bought us time, but going forward, we want this to not be purely charitable, but a means to keep our practice alive,” says Saha.

Standing out among the many Covid-19-related crowdfunding campaigns is the Assistance for Disaster Affected Artistes (Adaa), set up by Hindustani classical exponent Shubha Mudgal, among others. In 40 days, Adaa overshot its target of ₹35 lakh by more than 20 percent, and will support 150 homes for six months, with the beneficiaries selected by groups with a long history of working at the grassroots level—from the Rajasthan-based Pehchaan Lok Sangeet Sansthan and the Manipuri rockband Imphal Talkies to the radical theatre outfit Chennai Kalai Kuzhu.

Questions of sustenance have prompted Puducherry’s Indianostrum Théâtre to initiate discussions with theatre groups across the country regarding a financial support system for artistes, along the lines of France’s intermittence du spectacle, a system of compensation designed for professionals who alternate between periods of employment and unemployment.

Black Box Okhla (BBO), a three-year-old theatre venue in Delhi, is one of the capital’s upcoming cultural centres. It provides residency support and performing fixtures to experimental projects like Anuradha Kapur’s ambitious Indo-Australian venture *Daughters Opera*, which opened in January; last November, it hosted the premier and several shows of *Rihla*, directed by Neel Chaudhuri, and based on the open script, *I Want A Country*, by Greek playwright Andreas Flourakis.

Very early into the lockdown, BBO created a strong digital presence with an interactive ‘graphic play’ on Instagram, before Mumbai groups like D for Drama and Kommune further opened up the digital domain. BBO followed with exhaustively curated lists of theatre-related digital content and details of grants and commissions. “It is our way of engaging and knowing our audiences better,” says founder Nikhil Mehta. “There’s a lot of talk about just how much content is now available, and what it even means to have theatre online.”

BBO is usually closed over the summer, so it wasn’t hit with a slew of cancelled shows like venues

with chock-a-block itineraries, but the uncertainty is something it is dealing with head-on as much as any other venue. “We have good days when we feel positive and excited about prospects, but often it is hopeless and confusing,” says Mehta. “I think it’s okay to admit that there is no clarity at the moment.”

Grappling with a similar uncertainty is the Mumbai-based QTP, a theatre group that doubles as an events management company. In March, it had to cancel performances of co-founder Quasar Thakore Padamsee’s production of its hit one-man show *Every Brilliant Thing* with Vivek Madan, as well as abort the India tour of British performer Shane Shambhu’s *Confessions of a Cockney Temple Dancer*, organised by the British Council. The blueprint to a prospective reopening or ‘going back’ isn’t as forthcoming as one might think.

“The lockdown might be relaxed in a tiered fashion, but there’s also the moral question of how do we ask people to come within close proximity of each other in good faith,” explains

attracted large audiences. In a post-lockdown risk-averse climate, most of these gains would’ve been frittered away. Months of quarantine might also push audiences towards easily accessible digital content, which Padamsee feels might warrant a drastic change in the content theatre-makers create to win audiences back. “We need to reinvent our idiom, and create a community experience, because I believe it is the live performing arts that will ultimately bring back a culture that relies on social engagements in person,” he says.

Elsewhere, despite Kerala’s ‘flattening of the curve’, cultural centres there are no closer to reopening than anywhere else. Thinking ahead is Malayalam director Sreejit Ramanan, faculty at the University of Calicut’s School of Drama and Fine Arts in Thrissur. His dream is that of an agriculture-based training model that would help sustain the course and individual practices, monetarily as well as creatively. “Even before the setback, funds for the school were hard to come by,” says Ramanan, whose process for the play, *Misty Mountains of Mahabharata*, involved his actors working in paddy fields each morning, imbuing them with a natural physicality that worked magnificently with a rendition of the epic set in the veritable outback.

Ramanan’s back-to-basics model, in which life is reduced to its essentials, might prove challenging for students not conditioned to privation, self-imposed or otherwise, but this radical scheme does have antecedents in Kerala. The Aranguttukara Pataasala near Palakkad and Ramanan’s former colleague Prabhath Bhaskaran’s Anandam space in Japan, both rely on a ‘farming theatre’ ethos, in which harvest rituals, community kitchens, and an intense physical theatre regime intersect in ways that are complementary to one another.

Delhi’s Aagaaz performed the last show of *Rihla* at Pune’s Yashwantrao Chavan Natyagruha in late February. It was around the time that rioters rampaged in North-West Delhi. Saha remembers the team being perturbed: “We didn’t know whether the riots would reach Nizamuddin; they were fearful about the homes they would return to.” The play, which deals with uprootment and statelessness, therefore acquired a larger-than-life poignancy.

The lockdown has, in effect, uprooted Aagaaz’s actors from a way of life they had taken for granted, shutting down the escape route from their usual lives. The safety net of their arts community is suddenly proving to be facile. This might be the case with others in the theatre sector as well, as they step into a period that could see them evolve in order to exist. **F**

Writers un-block

For some, the lockdown has proved to be a boon. For instance, playwright Mahesh Dattani seems to have entered a rather prolific phase. “I had been directing a lot. So with my time now being more structured, it allows for more writing,” he says. A short play he wrote during the lockdown has already been read online. *Untouchable* is set in 2033, and follows two men from disparate social worlds who meet up in the aftermath of pestilence. It was read by Jim Sarbh and Roshan Mathew, as part of Stream ON!, an online festival that showcased 10-minute plays written by six international playwrights. Dattani has also found time to finish scripting a web series, and has begun writing his next full-length play—his last being *Snapshots of a Fervid Sunrise*, on teenage revolutionaries martyred young. “We must embrace the fact that theatre is in a coma, given that we won’t have access to space, a major part of our canvas,” he warns.



Padamsee. This call for assembly, with its ethical implications, applies equally to both rehearsals and performances. Logistical parameters, like ensuring social distancing and proper sanitisation procedures, could be figured out—for instance, by selling only a third of tickets perhaps—but getting audiences back would be a hard sell. “This has effectively taken us back 10 years, in terms of audiences, infrastructure and creative manpower,” says Padamsee.

The past decade has seen a democratisation of theatre in Mumbai, with scores of alternative spaces setting up a parallel, if fringe, economy of arts practice, while larger venues pushed the envelopes in terms of big-ticket ventures that

SILENCE OF THE LOOMS

The handloom sector has come to a complete standstill, and needs immediate and meaningful interventions to survive

By SIVA DEVIREDDY

MEXY XAVIER



A handloom weaver of Balaramapuram near Thiruvananthapuram, Kerala

97

As Covid-19 continues its deadly spread, lockdowns and the resulting supply chain disruptions have significantly impacted the economy globally, especially the micro, small and medium enterprises. India has over 9 million weavers and artisans who are severely impacted due to a shutdown of sales and production

activities, resulting in a loss of livelihoods.

Handlooms are an important part of India's rich culture and tradition, and the sector is the second largest employment provider in the country, after agriculture. According to the 2019-20 National Census of Handloom Weavers, there are 31.44 lakh households engaged in weaving and allied activities, out of which 87 percent are in rural areas.

Over 66 percent of weavers earn less than ₹5,000 a month. The sector contributes significantly to women's empowerment, with over 70 percent of all weavers and allied workers being women.

The handloom sector has a deep interdependence with agriculture, as its raw materials include cotton, and in many states we see weaver households where farming and weaving are practised together, especially in the Northeast. In a country that relies heavily on the rural economy for job creation, the importance of handlooms is well understood.

At gocoop.com, we connect weavers, artisans, cooperatives and clusters directly with buyers across the world. Recently, we reached out to our weavers in different clusters to understand how the pandemic has impacted their lives and work.

GROUND REALITIES

Health and well-being: All the weavers we spoke to understand the importance of social distancing, using face masks and washing hands. They are stepping out of their homes only to buy groceries and essential items. Some are also making masks and distributing them to their friends and family. For sustenance, they are able to get groceries and other essential items, and some of them are being supported by the government's scheme to provide free ration for three months.

Complete stop in sales, production: The most significant impact of the lockdown has been the end of both sales and production activities. Most weavers and artisans hold huge inventories, which they had stocked up for festivals such as Holi, Ugadi and Vishu, as well as for exhibitions.

Very few weavers are able to continue production activities as they have limited raw material available, and cannot procure any because of the lockdown. This, along with uncertainty over demand in the near future, means most cooperatives and master weavers are unable to give production orders to other weavers. Most of the existing orders have either been put on hold or cancelled. With no work, weavers are unable to earn their weekly wages.

WHAT IS REQUIRED

Raw material sourcing: Weavers need support in sourcing raw materials to complete existing orders. If they can't complete them on time, it will lead to order cancellations and further losses. The National Handloom Development Corporation and other government agencies can identify clusters with acute shortage of raw materials and take necessary action.

"We have ongoing orders [received before

the lockdown] but are not sure when the buyers will pick them up. Payments take 3-4 months after the orders are picked up. In this crisis, we need some working capital to support ourselves and our weavers," says Akunuri Cheralu, a weaver and president of the Shatranji Nawar Cooperative Society in Warangal, Telangana.

Working capital and micro-loans: Most master weavers and entrepreneurs need working capital loans to sustain their livelihoods, and lack access to bank credits at favourable terms. Small, interest-free micro-loans of ₹10,000 to ₹20,000 directly to weavers could help them procure raw materials and also in sustenance. Similarly, for small entrepreneurs, subsidised collateral-free loans of ₹10 lakh to ₹15 lakh could enable them to continue production, and also support weavers and artisans they work with.

"It is important to get the looms started again. For that, we need, on one side, raw materials and, on the other, orders; weavers need working capital on both sides," says Nagaraja Prakasam, partner at Acumen, a non-profit impact investment fund, and

"IT IS IMPORTANT TO GET THE LOOMS STARTED AGAIN. FOR THAT, WE NEED, ON ONE SIDE, RAW MATERIALS AND, ON THE OTHER, ORDERS... WEAVERS NEED WORKING CAPITAL ON BOTH SIDES."

NAGARAJA PRAKASAM, partner, Acumen



angel investor in social businesses. "Government organisations like Sidbi, Nabard and public banks could include crafts among priority sectors, provide a corpus to NBFCs and encourage them to provide loans to weavers. Banks can also device business correspondent models for weavers."

Liquidating inventories: Master weavers and entrepreneurs are looking for wholesale or B2B buyers to liquidate their inventories. This will generate some cash flow to pay wages to weavers. The government can organise virtual buyer-seller meets and give a subsidy of 10 to 20 percent (directly to weavers) for retail and wholesale buyers, which will enable them to buy the stocks over the next two months. The government can also ask state and national handloom bodies to buy part of the inventories and make payments immediately.

The scenario post Covid-19 is difficult to comprehend at this point, but it is clear that demand patterns will change, the disposable income and purchasing power of the market will not be the same. “The immediate need would be to decipher and assess the product need and create products accordingly, rather than going on making what we did in the past,” says Shreya Bhattacharya, a designer with Baragaon Weaves.

“Just as this period has given time to businesses to pause, think and reshape in every sphere, craftsmen too need to be guided, according to their capabilities, to either produce the most exquisite or the most useful products,” says Manish Saxena, lead advisor at Aadyam Handwoven. “Meaningful design intervention is critical to avoid production beyond need. The product would sell either for its irresistible craftsmanship or its utility.”

Rebuild capabilities of weaver clusters: Civil society organisations and social enterprises can focus on capacity-building of weaver entrepreneurs through market research, creating awareness, product development and market linkages. Reverse migration is taking place to craft clusters during this crisis, and is an opportunity to create more opportunities and develop micro-entrepreneurs.

“Craft entrepreneurs can orchestrate fragments of the value-chain so that the impact of the whole becomes greater than the sum of its parts. By specialising in functions and firm positioning in the value chain, each entrepreneur can contribute to innovation, inclusion and investability,” says Pallavi Tak, head of Craft Catapult Programme, Startup Oasis. “The challenges are to weave the business and social impact together, and, at a macro level, to develop linkages that lead to a multiplier effect for the whole sector.”

The linkages would include developing agile supply chains for access to raw materials, designs, and finance; developing market linkages to directly sell products made by entrepreneur groups, thus increasing earnings; hand-holding weavers and entrepreneurs in adopting digital marketing platforms; enabling equitable value chains with weaver-entrepreneurs, social enterprises, designers, and NGOs.

Promoting ‘Handmade in India’: The most important thing that the government, civil society, entrepreneurs, weavers, and consumers can do together is build a strong brand for ‘Handmade In India’. There needs to be a renaissance of the handloom and craft sectors. In these moments of



▲ Women weave the traditional Assamese gamosa in Assam's Nagaon district

crisis, not only individuals but nations should look inwards for their core strengths, and handlooms and handicrafts have been our core strength for millennia. The government can spend a fraction of the ‘Make In India’ campaign budget on this; after all, handlooms and craft are the oldest made-in-India products and are famous all over the world.

Industry support: Industry bodies and corporates can support rural livelihoods and drive social impact by working towards women empowerment, family health and well-being. “Once markets resume, the focus needs to shift towards interventions with mid- to long-term impact. Artisans and entrepreneurs need to be supported with measures relating to business continuity, value chain strengthening, discovering new and local markets, and credit,” says Aarti Mohan, head of research and advisory at Sattva. “Much of this will need innovation capital as pivots will be tried out for the first time in a rapidly evolving post-Covid-19 economy. These interventions need diversified forms of capital, pooled-in funding and other support resources from philanthropy.”

Handloom weavers have been trying hard for generations to sustain their livelihoods, and continue to exist only due to their grit and determination. The lockdown and its economic impact have brought this industry to a complete standstill. This is when the government, industry, entrepreneurs, designers and civil society should strongly support this age-old industry and revive it in this moment of crisis. With strong focus, the handlooms and handicraft industry can contribute to creating lakhs of rural jobs and sustainable livelihoods. **F**

● THE WRITER IS THE FOUNDER OF GOCOOP, AN ONLINE MARKETPLACE FOR HANDLOOM COOPERATIVES AND ARTISANS

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Do what you can,
with what you have,
where you are.

—THEODORE ROOSEVELT

The foundation of
a financial fresh start
actually has nothing
to do with money or
specific financial
dos and don'ts.

—SUZE ORMAN

You may have a fresh
start any moment you
choose, for this thing
that we call 'failure' is
not the falling down,
but the staying down.

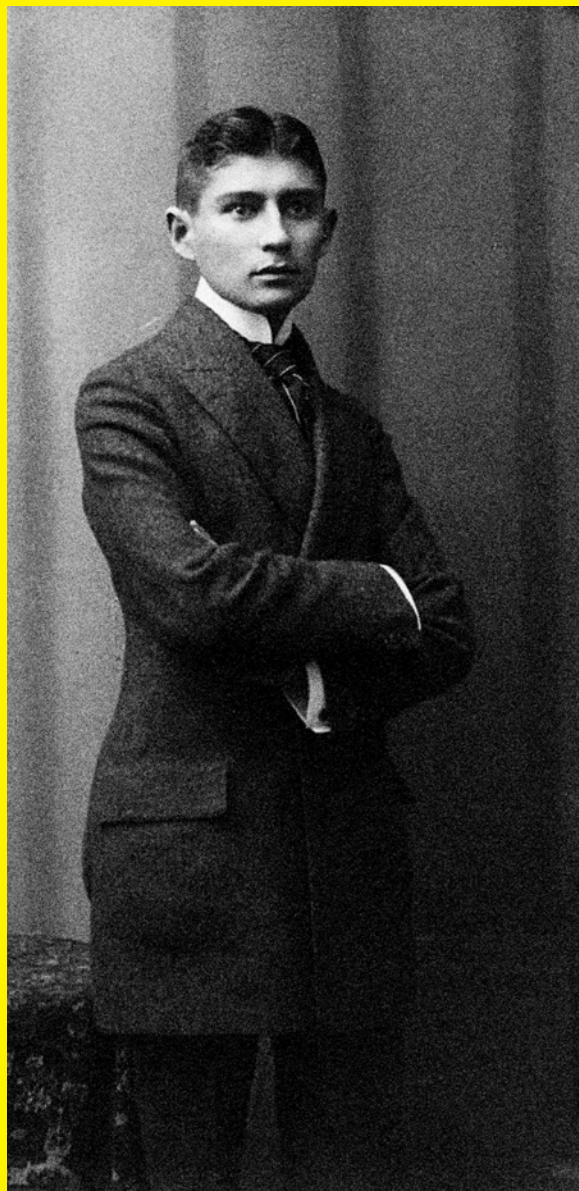
—MARY PICKFORD

Oh, my friend, it's not
what they take away
from you that counts.
It's what you do with
what you have left.

—HUBERT HUMPHREY

Do not wait until the
conditions are perfect to
begin. Beginning makes
the conditions perfect.

—ALAN COHEN



There are some things
one can only achieve by
a deliberate leap in the
opposite direction.

—FRANZ KAFKA

New beginnings are
often disguised as
painful endings.

—LAO TZU

Champions keep
playing until they
get it right.

—BILLIE JEAN KING

The secret to change
is to focus all of your
energy, not on fighting
the old, but on
building the new.

—SOCRATES



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Failure is the
opportunity to begin
again more intelligently.

—HENRY FORD



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Getting over a painful
experience is much like
crossing monkey bars.
You have to let go at
some point in order to
move forward.

—CS LEWIS

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