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Business Today

April 5, 2020 ₹100

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BEST COMPANIES TO WORK FOR

THE BT-PEOPLESTRONG SURVEY IDENTIFIES WHAT EMPLOYEES LOVE ABOUT THEIR COMPANIES IN INDIA

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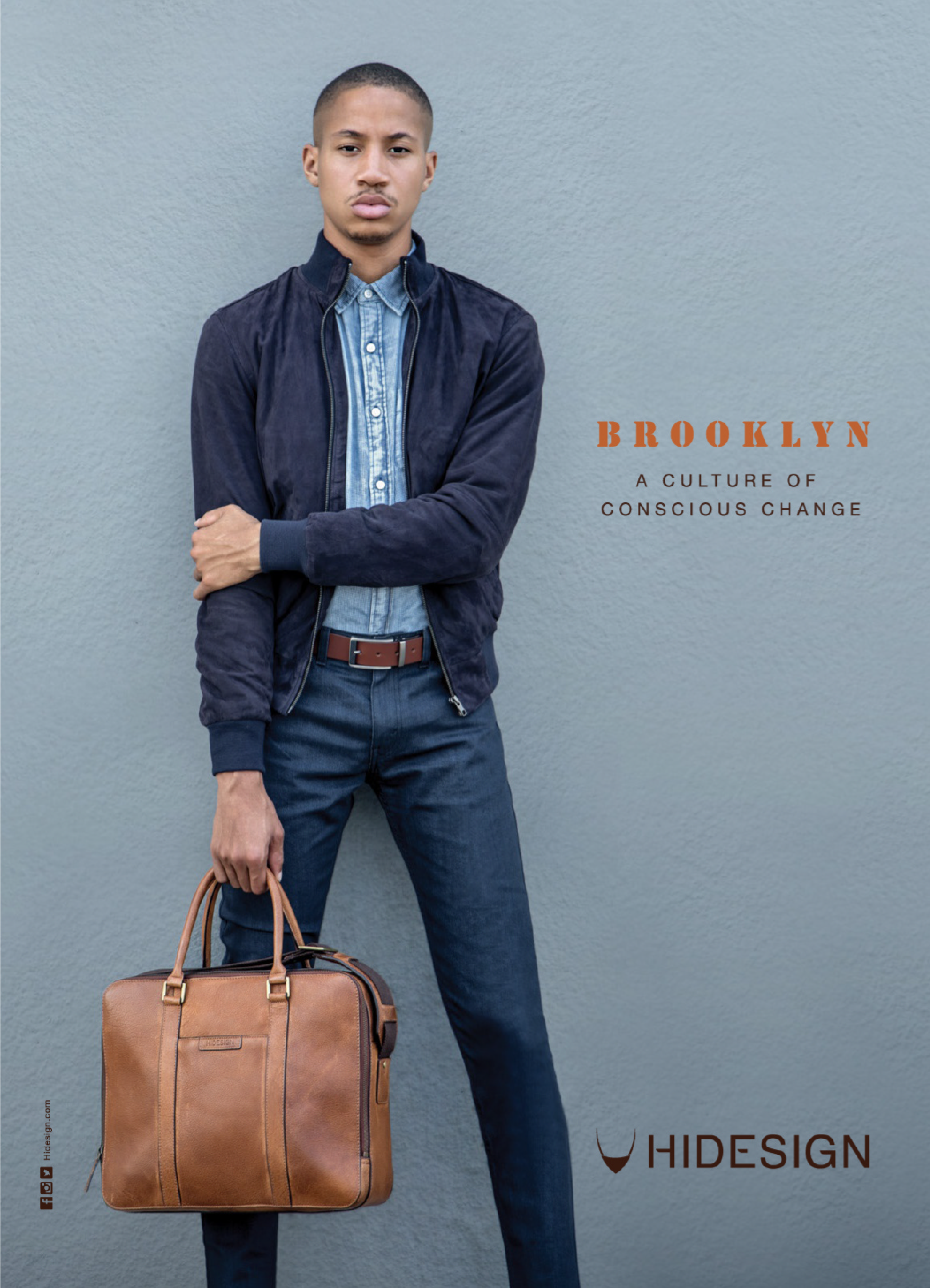
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From the Editor

Corona Blues

An ambitious, greedy banker ran his company aground by disbursing massive loans from the publicly listed bank in lieu of back-deals to enrich himself. That's how the Enforcement Directorate has presented its case against former Yes Bank promoter and CEO Rana Kapoor. It's the newest addition to the long list of corporate investigations the ED is pursuing in the ongoing assault on erring and defaulting promoters.

It is now faced with the arduous task of conducting forensics and connecting the dots – deciphering the trail of money and linking it to the motive of kickbacks or bribery. The latter, the hardest to prove. Having established a money trail of ₹4,300 crore loans and ₹600 crore of alleged kickbacks, ED says it's now zeroed in on ₹20,000 crore worth of loans and ₹5,000 crore worth of alleged kickbacks supposedly used to buy properties in India and abroad. An evidence that still needs to stand scrutiny in the courts of law.

Meanwhile, with coronavirus spreading to over 100 countries and WHO's decision to declare it a global pandemic, stock markets in India and around the world are in a free fall. A slump in demand, global disruption in supply chains, travel restrictions, containment and quarantine fears are all contributing to the dramatic fall. Since its peak on January 17, 2020, Sensex has lost 10,884 points, resulting in erosion of an unprecedented ₹38.9 lakh crore of investor wealth until March 16. Never in India's stock market history has the benchmark index fallen so steep, so fast.

So, what should the investor do under the circumstances? For the uninitiated, this is the worst time to start investing in stocks. Markets will continue to roil until the coronavirus outbreak recedes. The *Money Today* cover story this issue recommends extreme caution. Though, for regulars at investing, a subdued market is the time to buy quality stocks and to avoid exposing the investment portfolio to a specific stock or sector. However, if you decide to venture on your own, remember to stagger your investments. Debutantes should rather stay away, stay far!

This special issue in your hands is one of *Business Today*'s most extensive annual exercises – a dive into the world of human resources that powers the corporate world. And singles out a good company from the ordinary and the bad. For 18 successive editions, the *Business Today*-PeopleStrong survey has tapped employees across a cross-section of vintage, industry, location and job grades with the aim to capture the perception of workforce towards organisations. It provides deep insights into how companies and industry at large can align employer brands to aspirations and needs of the workforce.

This survey of *India's Best Companies to Work For* pings over a million employees through an Internet-based questionnaire. More than 17,000 respondents approached the survey page. More than 8,000 completed the entire questionnaire. One out of every 10 respondents was cross-verified. We surveyed eight sectors. The survey findings and corporate HR practices have several valuable takeaways in this year's coverage that India Inc can adopt.

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Fixed investment in the construction sector was 15.3% of GDP in FY19, off the peak of 19.7% in FY12


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The Point

GENEROUSLY (NOT) YOURS

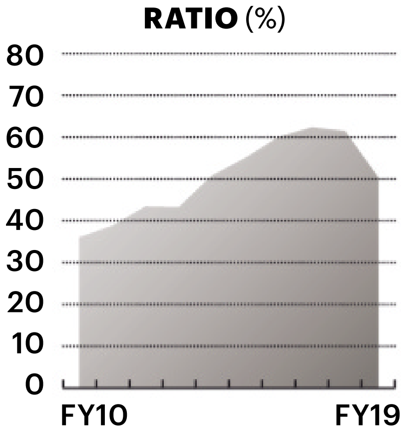
With cash reserves depleting, handsome payouts by Central Public Sector Enterprises (CPSEs) are now history

By **Niti Kiran** | Graphics by **Tanmoy Chakraborty**

THE MISSING BOUNTY

The dividend payout ratio of CPSEs touched a six-year low in FY19, though their net profit grew 15.2%

DIVIDEND PAYOUT RATIO (%)

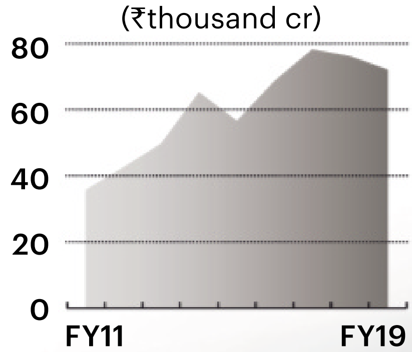


62.3%
Dividend payout ratio in FY17, a 10-year high

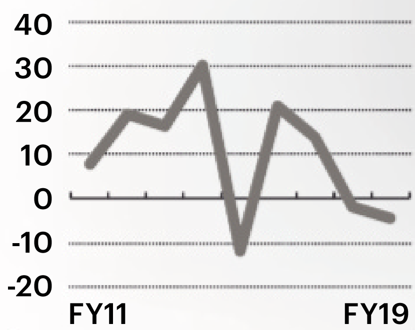
Holding Back

Government guidelines on capital restructuring of CPSEs in 2016 supported double-digit growth in payouts in FY16 and FY17

DIVIDEND (₹thousand cr)



Y-O-Y CHANGE (%)



Source: Public Enterprises Survey 2018-19

5.4%

Fall in dividends declared by 121 operating CPSEs in FY19, following a 2.7% fall the previous year

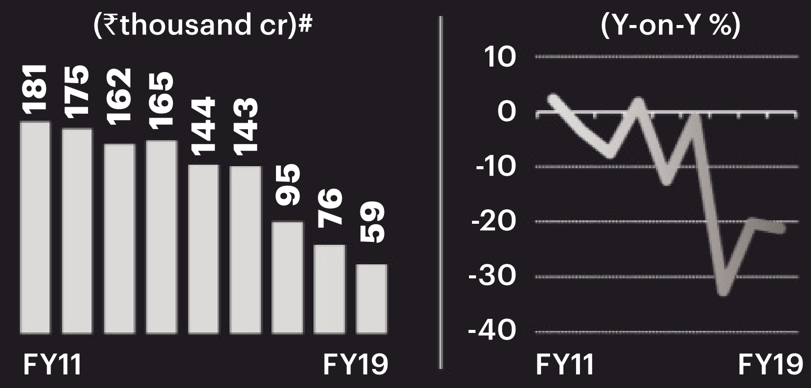
20%

Share of BSE CPSE Index companies that have seen a consistent decline in cash reserves over the past four years

Blame it on Dipping Cash Reserves

Combined cash and bank balance levels of BSE CPSE Index constituents (ex-BFSI) have been declining steadily since FY15

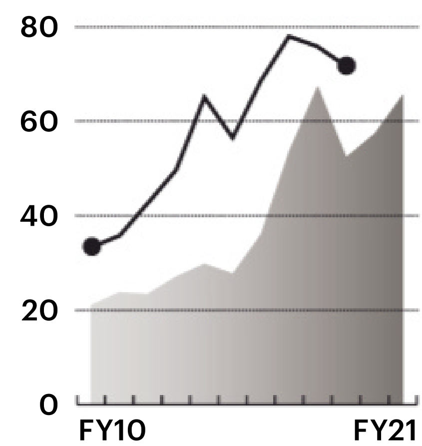
CASH AND BANK BALANCE



#Aggregate of BSE CPSE Index constituents (Ex-BFSI); Source: Ace Equity

MEETING TARGETS

Actual dividends have always exceeded the government's budgeted estimates over the past decade



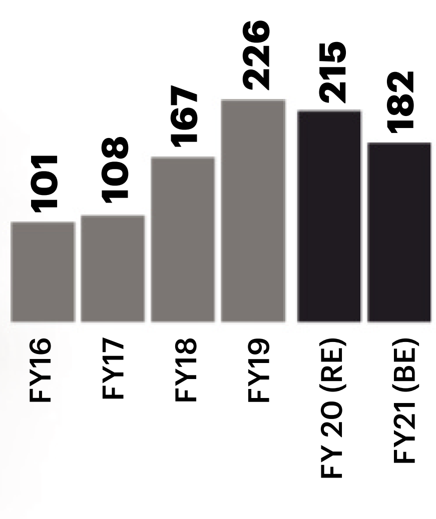
Budget estimates* Actual Dividend^ (₹ thousand cr)

* Dividends from public sector enterprises and other investments
^Actual amount declared by 121 operating CPSEs (FY20, FY 21 numbers not available): *Source: Public Enterprises Survey 2018/19 and CMIE*

REDUCED OUTLAYS

The proposed investment in public enterprises is lower in FY 21

(₹ thousand cr)



₹19,421
CRORE

Amount by which aggregate dividend surpassed BE in FY19

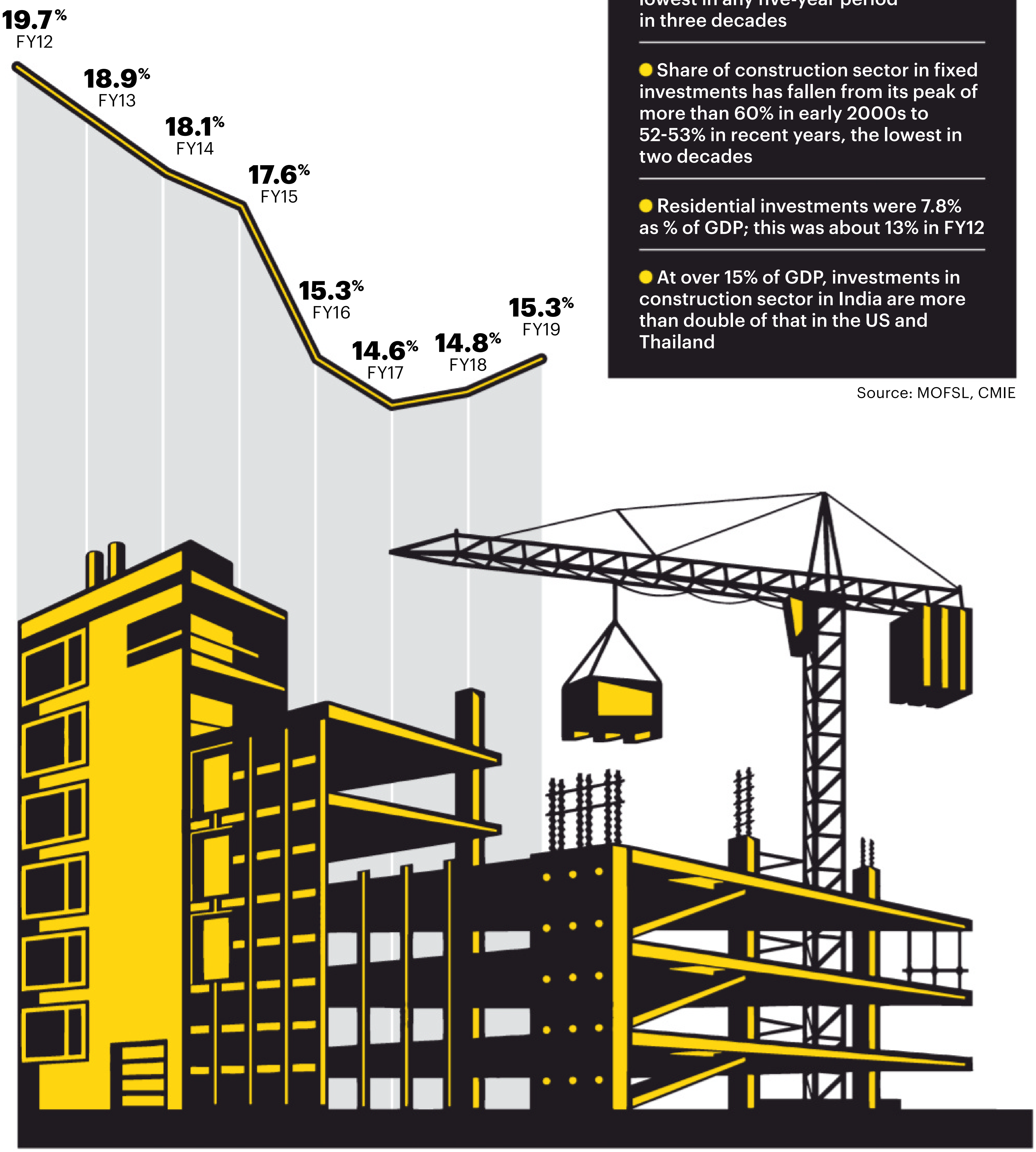
₹10,821
CRORE

Fall in budgetary support to public enterprises in FY20 (RE) from actual budgetary support in FY19

BE: Budget estimates
RE: Revised estimates
Source: Union Budget

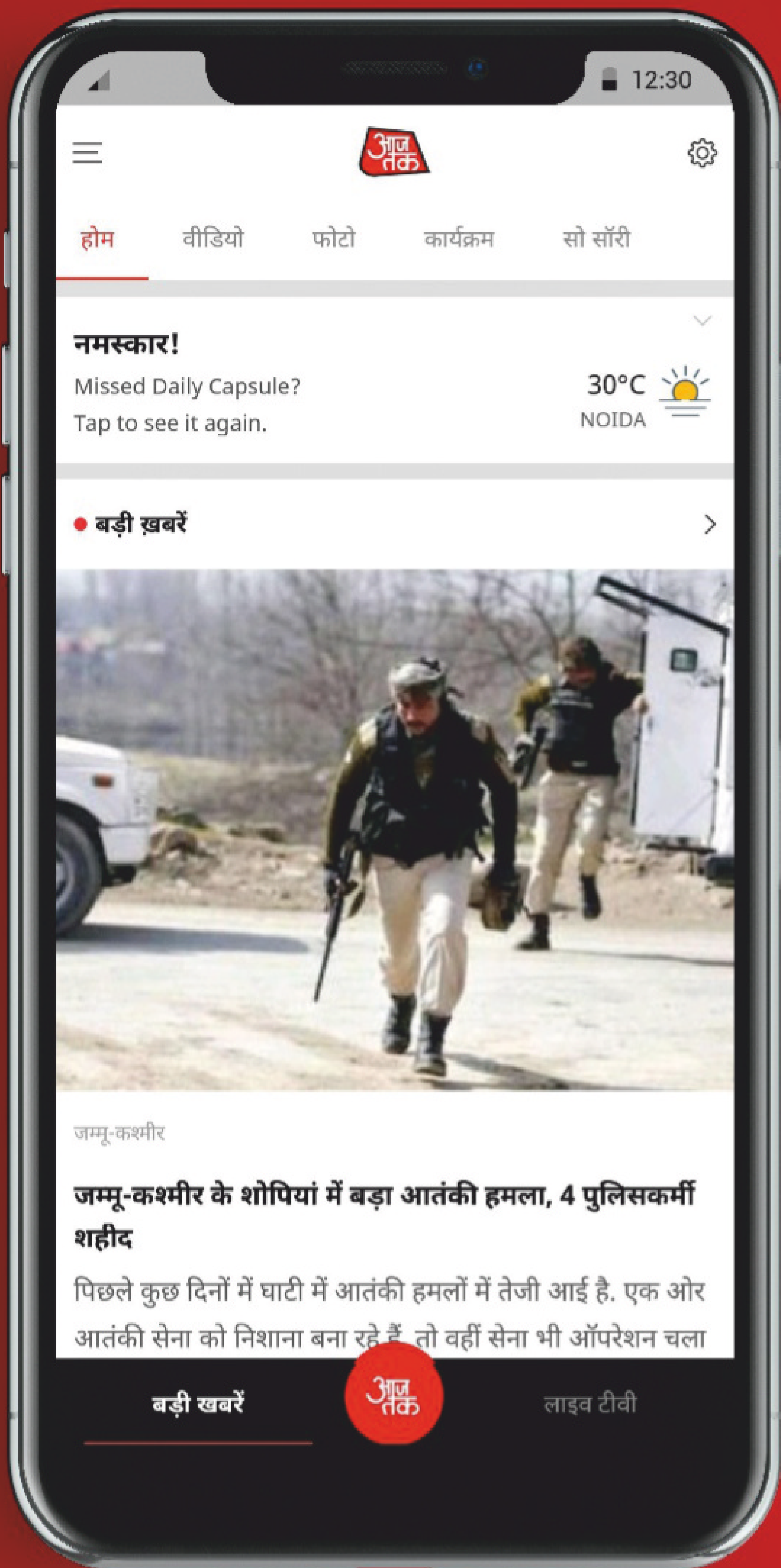
CORE OF INDIA'S SLOWDOWN

Fixed investment in the construction sector was 15.3% of GDP in FY19, off the peak of 19.7% in FY12



- India's investment rate is expected to fall from 29% to 28.1% of GDP in FY20, the lowest in 16 years
- Recent sharp decline in investment rate can be largely attributed to lower construction activity. In the past five years, CAGR has been only 7.5%, the lowest in any five-year period in three decades
- Share of construction sector in fixed investments has fallen from its peak of more than 60% in early 2000s to 52-53% in recent years, the lowest in two decades
- Residential investments were 7.8% as % of GDP; this was about 13% in FY12
- At over 15% of GDP, investments in construction sector in India are more than double of that in the US and Thailand

Source: MOFSL, CMIE



12:30
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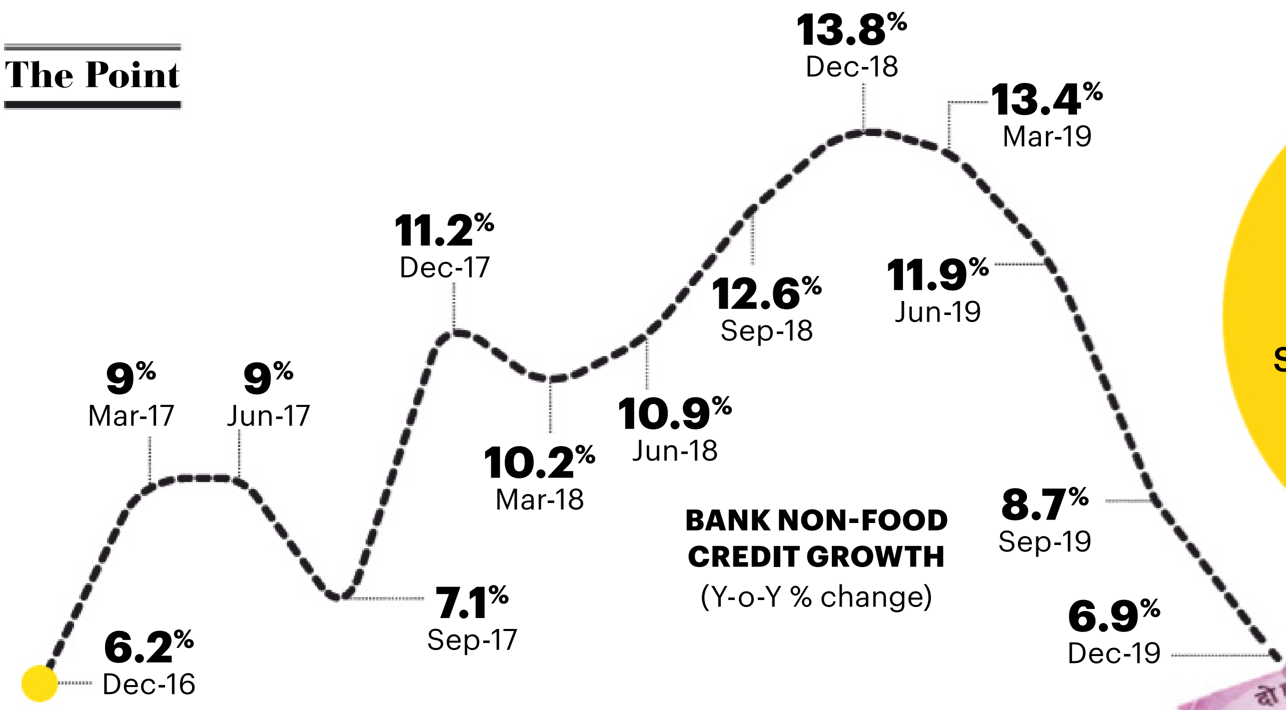
पिछले कुछ दिनों में घाटी में आतंकी हमलों में तेजी आई है. एक ओर
बड़ी खबरें
लाइव टीवी

AILING CREDIT OFFTAKE

Banks' non-food credit growth decelerated to 6.9% in 3QFY20, the second slowest pace since March 2017

BANK NON-FOOD CREDIT GROWTH
(Y-o-Y % change)



99.1
PER CENT
Share of non-food credit in outstanding credit of scheduled commercial banks

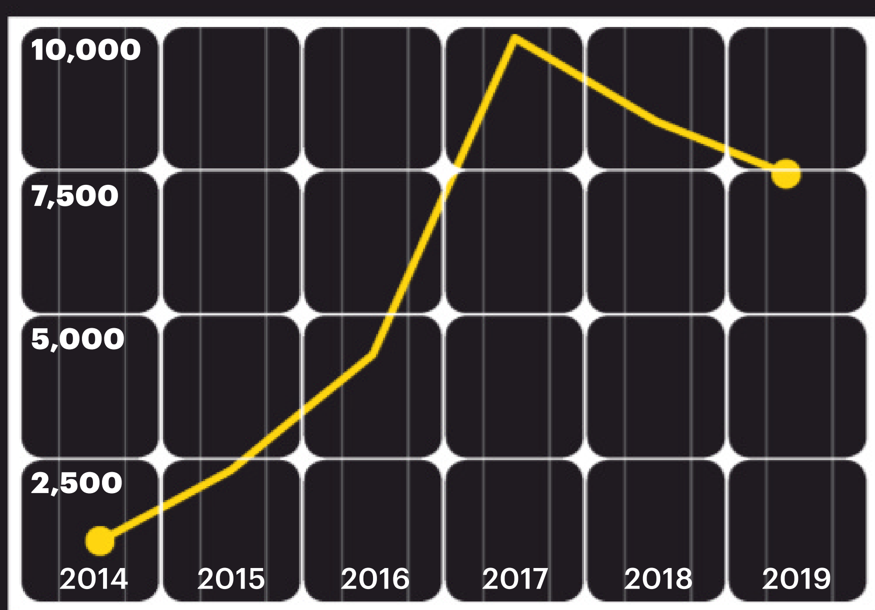
6.2
PER CENT
Record low growth in credit offtake, in third quarter of FY17; the FY19 number is only marginally higher

Source: CMIE

Lost Year For India's Solar Sector

Solar installations in India added a total of 7.3 GW in calendar year 2019, a 12% decline year-on-year, compared to 8.3 GW in CY2018

SOLAR INSTALLATIONS (MW)



85%
Share of large-scale projects; rooftop solar projects made up the other 15% in 2019

35.7
GIGA WATT
Cumulative solar installation capacity as of December 2019

1.8
GIGA WATT
Karnataka's solar capacity, the highest, followed by Rajasthan and Tamil Nadu

Source: Mercom India Research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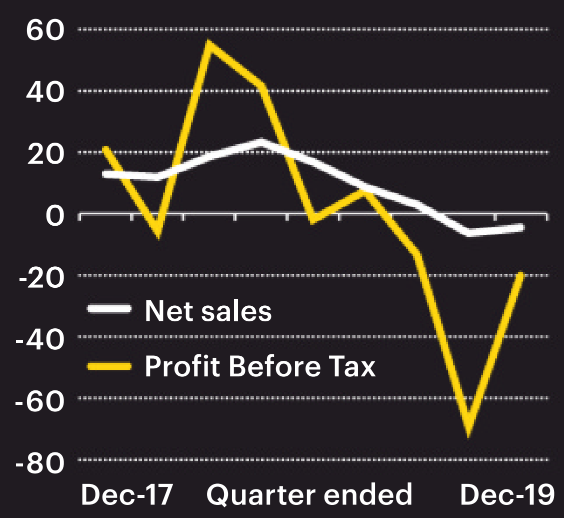
NO SIGNS OF REVIVAL

For the second consecutive quarter, non-finance companies recorded a decline in sales and profits

AGGREGATE OF NON-FINANCE COMPANIES (Y-O-Y Change %)



Source: CMIE

-4.6%

Decline in net sales in Q3FY20 after a 6.5% fall in the September 2019 quarter

20.2%

Fall in profit before tax in the December quarter; profit after tax slipped 21.2%

3

Number of consecutive quarters during which profits fell (y-o-y), both before and after tax

ASSESSEE BASE CRAWLS UP

Number of assessees filing income tax returns (ITRs) increased just 1.1% in assessment year (AY) 2020 compared to 18% in AY19

TOTAL NUMBER OF E-RETURNS
(excluding revised returns)

51.8 MILLION	AY16/17
53.2 MILLION	AY17/18
62.8 MILLION	AY18/19
63.5 MILLION	AY19/20*

*Up to 15 Feb 2020 Source: Lok Sabha

₹9

LAKH CRORE

Net tax liability involved in e-returns in AY19/20 (up to 15 Feb 2020) compared to **₹8.05 lakh crore** in the previous assessment year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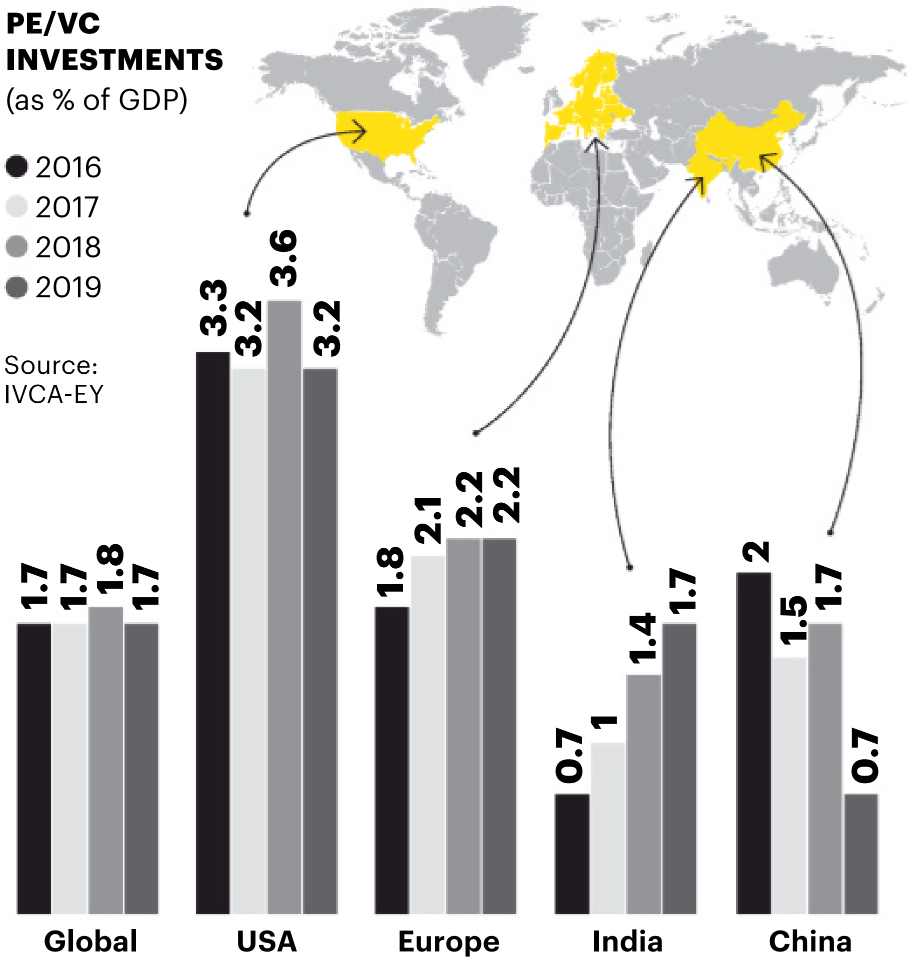
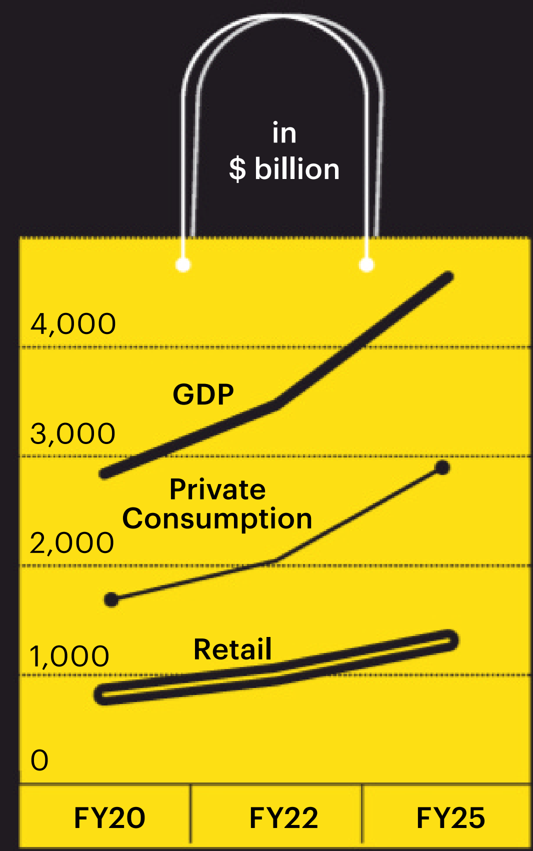
MATCHING GLOBAL MOVES

The contribution of PE/VC capital to India's economy has increased significantly. India received $48 billion in 2019 across 1,037 deals on the back of large investments in infrastructure



Merchandise Retail to Rise

Expected value of the merchandise retail market in India is $1 trillion by 2022

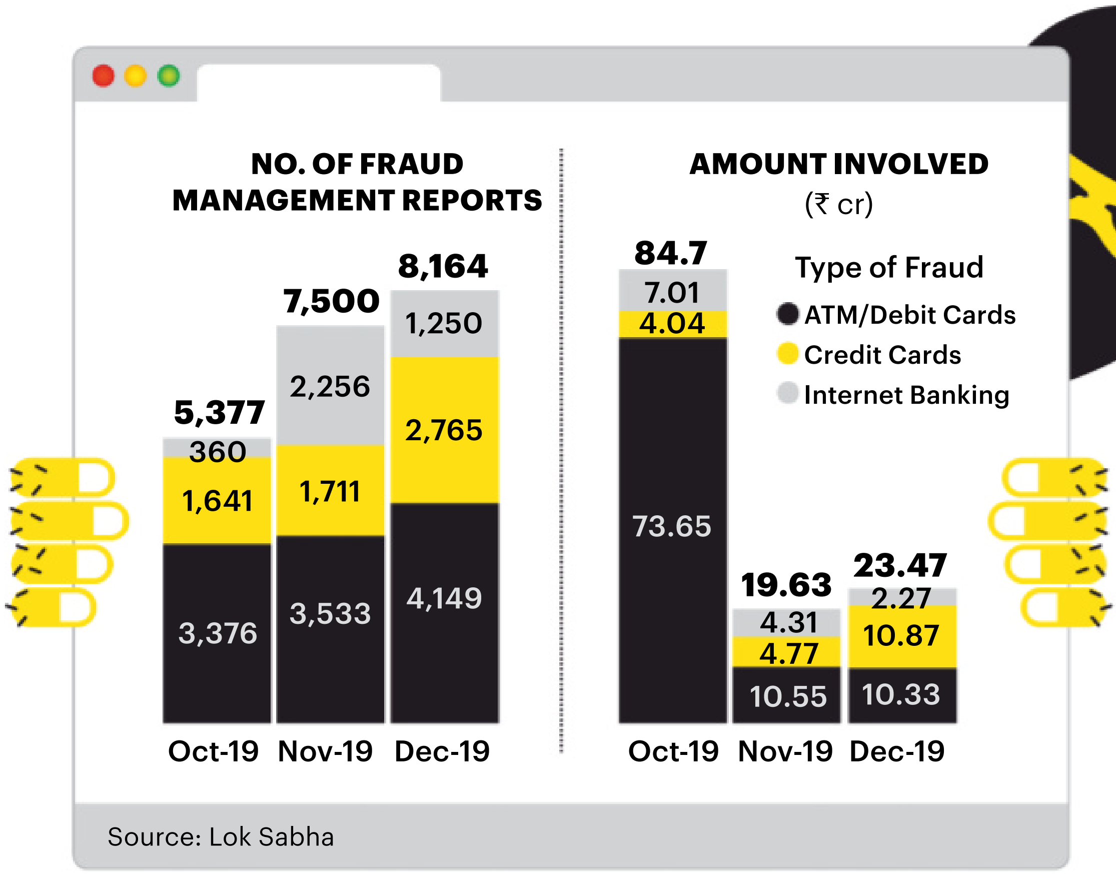


Source : Technopak Analysis

CYBER FRAUD ON A RISE

Increase of 1.5 times between October and December 2019

- There has been a **52%** increase in cyber frauds between October and December 2019
- The share of ATM/debit card frauds was the highest
- Though the amount involved decreased from ₹**84.7 crore** in October to ₹**19.63 crore** in November, it climbed up again to ₹**23.47 crore** in December

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DEDICATED MSME BRANCH
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ANI

What Next For YES BANK

The beleaguered **private sector bank** will soon be run by SBI-led consortium of investors. This is how things will pan out

BY ANAND ADHIKARI
ILLUSTRATION BY RAJ VERMA

At the height of the 2008 financial crisis, New York-based JP Morgan Chase agreed to bail out a troubled investment bank, Bear Stearns, after much prodding by the US government. The deal to buy the marquee bank at a measly price of $10 per share as against the market price of $30 per share (pre-crisis high of $133 per share) after the crisis looked attractive. JP Morgan's CEO Jamie Dimon initially put up a brave front by boasting about the strengths of the bank's $2.7 trillion-balance sheet and the marginal impact the acquisition would have on its capital. But as years passed, Dimon realised the big mistake the bank had made in rescuing Bear Stearns. Seven years after the global crisis hit the financial system, Dimon publicly expressed his regret. "No, we would not do something like Bear Stearns again," he wrote in a letter to shareholders.

This particular story is not to draw any parallel in India. The purpose is to make the point that things do go wrong as 'bailouts' are always risky, tricky and, at times, can threaten the very existence of the acquiring institution. Yes Bank's bailout by India's largest bank, State Bank of India (SBI), is one of the biggest in Indian financial system's history. The Indian market hadn't seen bailouts worth hundreds and thousands of crores. But that is changing. Take the ₹13,000 crore fraud at the public sector bank, Punjab National Bank, which created a big hole in its balance sheet, which the government then tried to fill by injecting fresh capital. Similarly, the weak IDBI Bank was handed over to LIC, which had to pump in over ₹35,000 crore fresh capital to put the bank back on track.

Yes Bank is next in line; seven more investors – HDFC Ltd, ICICI Bank, Axis Bank and Kotak Mahindra Bank, Federal Bank, Bandhan Bank and IDFC First Bank – have joined hands to rescue the private sector bank. SBI would be bringing in the largest capital of ₹6,050 crore followed by HDFC and ICICI Bank with ₹1,000 crore each. Thefive other private banks – Axis Bank and Kotak Mahindra Bank, Federal Bank, Bandhan Bank and IDFC First Bank – are bringing ₹1,850 crore.

"It is a strategic investment decision by State Bank of India, where, as per the draft scheme, which has been circulated and put in public domain by Reserve Bank of India, the boundaries for this investment have been set. What it does say is that State Bank of India will invest a minimum of 26 per cent that will be locked in for three years," Rajnish Kumar, Chairman, SBI, told *Business Today*.

Liquidity Risk Post-moratorium

Clearly, a bailout of an ailing institution requires continuous injection of liquidity and capital to put it back in good health. The beleaguered Yes Bank requires anywhere between ₹15,000-20,000 crore capital to absorb losses from further deterioration of its asset quality, and to grow its business. As of Friday, March 13, a capital of ₹11,000 crore is in place. In addition, ₹40,000 crore of liquidity will be required. The market fears that the depositors are likely to flee once the Reserve Bank of India (RBI) lifts the moratorium on Match 18 at 6 pm. There was a run on bank's deposits in the last one year. The bank's deposit base has reduced from ₹2.27 lakh crore in April 2019 to ₹1.37 lakh crore in March this year.

Currently, depositors are allowed to withdraw only ₹50,000, which could rise significantly once the private bank starts functioning normally. "There could be a scramble for withdrawal," says a Mumbai-based expert.

"The bank should get a credit line either from banks or the RBI," says Abizer Diwanji, Financial Services Head at EY India. Ideally, the bank should get funds from the central bank as it maintains a security liquidity account (SLR) with the RBI. The reason for maintaining SLR is to tide over liquidity issues in extreme conditions. Currently, the SLR investments of Yes Bank would be about ₹50,000 crore. "There should be at least some liquidity support, of ₹10,000-20,000 crore, to the bank," suggests Diwanji. The bank's liquidity ratio was at 114 per cent in September 2019 as against the RBI's minimum level of 100 per cent. The bank's liquidity coverage ratio has crashed from 114 per cent to 20.09 per cent. The RBI's minimum requirement is at 100 per cent. The bank had to prepay some funds which were linked to its rating , which got reduced and hence triggered prepayment. The bank claims the prepayment resulted in the fall of LCR. RBI Governor Shaktikanta Das has assured all the liquidity support to Yes Bank

The biggest challenge for new investors would be to create trust in Yes Bank as an institution. They have to open liquidity lines to depositors to withdraw whatever amount they want to from the bank. On its own, Yes Bank won't be able to create any additional liquidity as its investments are locked up in government securities and other instruments.

IMMEDIATE TASK: CORPORATE LOAN CLEAN-UP

- A thorough audit of the entire ₹3 lakh crore-loan book to look for stress signs
- Assessing value and quality of collateral
- Ask for more collateral in cases where the value has gone down
- Hiring to build recovery and resolution capabilities and using the best option – one-time settlement, ARC or NCLT
- Monitoring exposure to housing finance, NBFC, telecom, real estate
- Aggressive provisioning for stressed loans
- Increase in provision coverage ratio from 40 per cent to 70 per cent

Is ₹10,000 Crore Capital Enough?

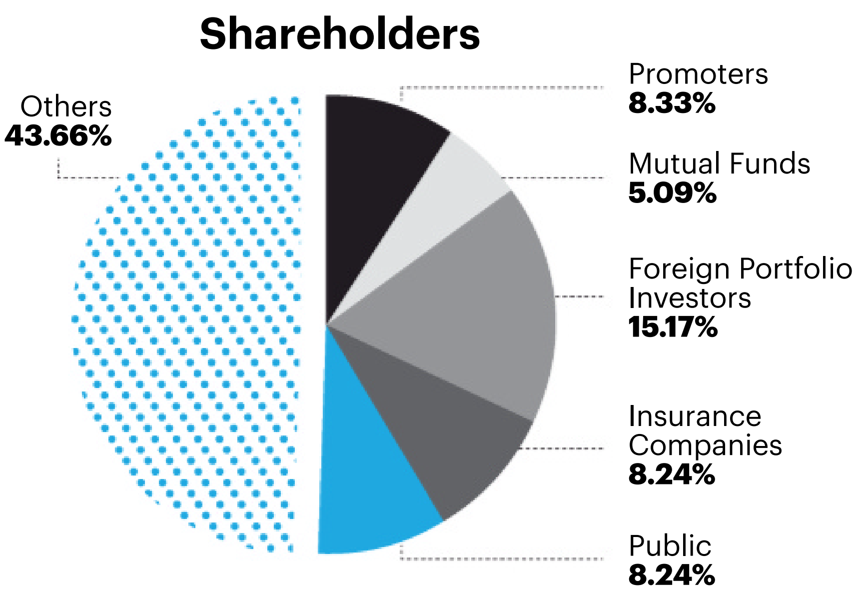
The bank needs big equity and debt capital to survive as its financials are already very weak. The capital estimates put out by a JP Morgan report states the requirement at anywhere between ₹17,000 crore and ₹21,000 crore. In its draft proposal, the RBI has made a provision of authorised capital of 4,800 crore shares at a face value of ₹2 per share. The seven large institutions led by SBI have already committed ₹10,000 crore. The amount is good to start with as it will take care of provisioning losses.

"The full ₹20,000 crore capital visibility has to be there on day one. It is extremely critical for everyone to believe in the Yes Bank franchise," says Diwanji.

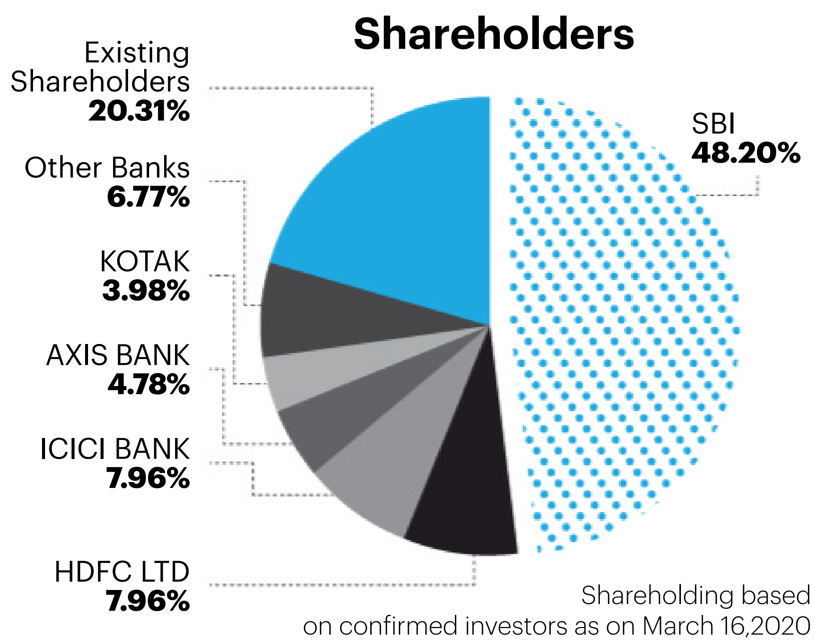
In terms of further infusion, SBI has already committed a maximum of ₹10,000 crore, out of which the bank is already putting in ₹6,050crore. The new capital has come at a price of ₹10 per share (₹2 face value and a premium of ₹8 per share). Yes Bank's stock price was at ₹37 per share on March 16.

Going forward, the biggest risk to the bank's capital comes from deteriorating asset quality. The gross NPAs have gone up massively from 7.39 per cent in September 2019 to 18.87 per cent, the highest ever amongst private banks. The absolute NPA figure is staggering at ₹40,709 crore. Ratings agency ICRA recently pointed out that the stressed loans could increase further in the near term, given the limited resolution in these accounts and

EQUITY STRUCTURE UNDER RANA KAPOOR AND MADHU KAPOOR



NEW EQUITY STRUCTURE UNDER SBI-LED CONSORTIUM



Shareholding based on confirmed investors as on March 16,2020

HOW RANA KAPOOR ENDED IN CUSTODY

High flying foreign banker Rana Kapoor, who stitched the Tata-Tetley deal in early-2000, got in the driver's seat when two other co-founders abruptly exited from Yes Bank. The 62-year-old pounced on the corporate lending opportunity in the post-2008 years. The economy was slowing and the corporate sector was highly over-leveraged. The bank's loan book grew 10 times to ₹2.24 lakh crore in the last decade.

But Kapoor's ambitions went beyond the highly regulated banking space. He became the President of industry body ASSOCHAM, and when the opportunity presented itself, he bought Rajiv Gandhi's painting for ₹2 crore from Priyanka Gandhi. Kapoor also started building a family empire with his three daughters and wife managing the show. He also bought properties in posh locations of Mumbai and Delhi.

But things changed dramatically when the then RBI Governor Raghuram Rajan started digging into the hidden NPAs in the banking system post-2013. Yes Bank's NPAs climbed up from 1 per cent to 7.4 per cent in September 2019. The RBI's inspection found that Yes Bank had been under-reporting NPAs for three years. A rating downgrade and a messy battle with co-founder Ashok Kapur's family made matters worse.

The pressure for more collateral was increasing as he built his family empire by pledging Yes Bank shares.

In September 2018, the RBI did not renew Kapoor's tenure as MD and CEO. Ravneet Gill took charge in March 2019. The RBI also dispatched its former Deputy Governor, R. Gandhi, to its board. But the new team failed to raise fresh capital of $2 billion and the stressed loan position ballooned to ₹50,000 crore.

Investigating agencies were already looking at Kapoor in the DHFL case, where he allegedly extended loans of ₹3,700 crore to get benefit for companies held by him and his family. Kapoor is under arrest for money laundering. According to the Enforcement Directorate, Yes Bank extended a loan to Dewan Housing, which in turn extended ₹600 crore funds to Rana family-controlled firms. In fact, ED has noticed loans of more than ₹30,000 crore to several companies, of which ₹20,000 crore have turned bad.

exposure to telecom, a sector that has incrementally turned vulnerable. The bank has increased its provisioning coverage ratio (PCR) from 43.1 per cent in September 2019 to 72.7 per cent in December 2019. In the just concluded December quarter, the bank has incurred a loss of ₹18,654 crore. The return on asset has slipped into negative zone with – 25.3 per cent. Post-capital infusion by banks, the capital adequacy ratio is improving to 13.6 per cent.

De-risking the Business

The government has set the tone for the management of the new-generation Yes Bank. A retired banker with public sector experience, Prashant Kumar will be the bank's MD & CEO. The former chairman of Punjab National Bank, Sunil Mehta, will be the non-executive chairman. Mahesh Krishnamurthy and Atul Bheda are two non-executive directors.

"The ceremonial roles of independent directors and the practise of putting random people on boards is going to be India's downfall," says Jaya Vaidhyanathan, who is on the global board of Altran, a global engineering and R&D research major. Many recent cases of large companies failing has already exposed the weak links and where the board has had to shoulder the responsibility.

Yes Bank will have to strengthen its senior management team with the required skill sets. Many are fearing senior-level exits from the bank. The big challenge is to hire talent from the market to man the bank rather than sending people on deputation from various investing banks and other institutions. "The private character of Yes Bank should be maintained. It should not be a name-plated private sector bank like IDBI Bank," says Diwanji.

"The bank will be managed and run as an independent private sector bank by a board which is competent, professional and of very high quality. There would not be any day to day interference from State Bank of India but we will stand behind it, having taken the decision to invest anywhere between 26-49 per cent," SBI's Kumar told *BT*.

To start with, the corporate book needs attention. The focus will have to be on assessing the value of collateral and reducing exposure to large accounts, troubled sectors, etc. In many cases, the collateral is in the form of shares of the borrower company or group companies. In fact, the bank was already in the process of reducing exposure to sectors like NBFCs, housing finance and real estate.

The new focus should be on high rated corporates. It also needs a balanced portfolio of retail assets, which are currently at 20 per cent. All major private banks have a retail assets portfolio of over 50 per cent because this segment typically has lower NPA and there is scope of doing more business by way of cross selling. "There is no harm in doing wholesale credit. Everyone (banks) can't be doing retail," says Diwanji. Yes Bank also has to shed high-cost wholesale deposits and increase the share of retail deposits. Its CASA is currently 30 per cent, which is very low compared to industry standards. Kotak Mahindra Bank, which started at the same time as Yes Bank, has a CASA of over 50 per cent.

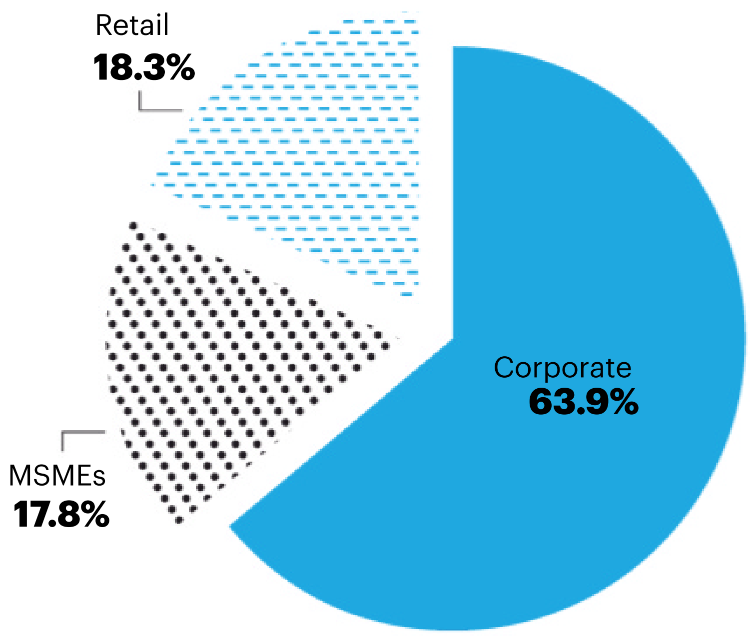
Lessons to Be Learnt

Existing retail and institutional investors would be the biggest losers in the deal as the equity of the bank is likely to jump big time. While the Yes Bank share is currently priced at ₹37, the expanded equity will put a huge pressure on its return on equity (RoE).

The new ground reality already reflects in its market capitalisation, which is at ₹6,500 crore, as against the bank's assets of over ₹3 lakh crore. The new investors will have to ensure they exit in time after reviving the bank. "They have to approach the deal with a private equity mindset. But in reality, public sector institutions seldom think in that manner," says a consultant, hinting that the bank would eventually land at their door if there is no timely revival.

YES BANK NEEDS TO DE-RISK BY POSITIONING ITSELF AS A CONSUMER BANK

Current Loan Exposure



Former RBI Governor Raghuram Rajan has gone on record saying there was time to put together a firm plan for Yes Bank's recovery as the problem it was facing was no secret to the authorities. In fact, investigations into the dealings of the bank should have started in the second half of 2018 when the RBI did not renew Rana Kapoor's tenure as MD and CEO. There was another option of putting the bank under the RBI's prompt corrective action (PCA) as a weak bank for monitoring. The RBI had earlier said they gave enough time to the new management under Ravneet Gill to find a market solution.

"The RBI is a watchdog and regulator. They should not wait for the new management if they see things are not on track. The RBI cannot be a wait and watch party. Currently, they are salvaging a situation," says Chakrabarti of Great Lakes Institute of Management.

There are also some who say the RBI should have acted much earlier when the bank was growing its loan book at over 30-40 per cent. Who will bail out if there is one more debacle? Government finances are already stretched. They have also put the responsibility on banks by hiking the deposit insurance limit by five times to ₹5 lakh. Some suggest that time has come to address the issue of liquidation of financial services companies. "Bailouts should be left to the market. The resolution can take place on commercial terms," reasons Diwanji. The Financial Resolution and Deposit Insurance (FRDI) Bill, which got embroiled in the political mess, has a solution by creating an institutional framework for dealing with bankruptcy of banks and insurance companies. And no government should have to ask a well behaving institution to bail out the bad boys. BT

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Radisson Blu Plaza Delhi Airport
The Best company to work

What makes Delhi's Radisson Blu the best company to work for?
We give employees the freedom to perform in a harmonious environment, and they are empowered to take decisions. We have robust reward program, **"Guest Delight Champions"**. There is a minimum guest satisfaction points to retain it.

Learning and development is being given to each one to grow further in company
The Hotel offers an inclusive culture where employees feel free to express themselves. The senior staff is approachable and helpful, if a junior faces difficulty. We tied up with an international learning program, TYPSY, which is the World's largest and fastest-growing library of expert-led video lessons. We ensure 60% positions are filled internally.

Define Job Security, Company Stability, Work Environment, Challenging Work & Opportunities.
It's a people oriented company with focus on retention. People work here since the beginning and it gives us delight when people with more than 10 years experience attend our annual townhall.

We follow seven beliefs:
1. Deliver memorable moments every day, everywhere, every time.
2. Enjoy serving with our "Yes I Can" spirit.
3. Grow talent, talent grows us.
4. Many minds, one mindset.
5. Value direct interactions to build trust.
6. Believe anything is possible.
7. Have fun in all that we do.

Team Radisson is a family where every employee feels secure. We value human resources as most valuable resources.

3. What is the differentiation \based on work satisfaction and HR policies?
We have listening to "Radisson Listens", which is an employee engagement tool. We have quarterly townhall where we show "You said it, we did it". We offer a work atmosphere where staff does not feel pressured or suffocated. There is a low voluntary attrition rate viz under 13% where 2% employees joined back on grounds of their happiness index.

We understand the value of family commitments. We offer flexible working hours, a structured and planned leave system, cross exposure, and opportunities to pursue educational accreditations with opportunity to pick up new trends. Everyone gets a fair chance to spread their wings. With the highest internal mobility rate among RHG India, we created 24 internal promotions last fiscal. With an inventory of more than 4000+ rooms, we are growing every day. We replaced the conventional notice boards with electronic ones, and added in house vending machine, smoke-free hotel HOH complex, cafeteria, corridors, admin offices in the premises. We encourage electronic suggestions.

4. Could you elucidate on the Women-centric policies?
We work to increase female ratio, which was:
2017-18 - 10.66%
2017-18 - 12.31%
2018-19 - 16.28%
2019 as on date - 18.47%
Our target for 2020-21 is 20%. The growth parameter of gender diverse organisation is doubled with the increased equality index.

We celebrate expecting women. There is paternity leave for men. There is complimentary use of hotel salon, and creche facility is in the pipeline.

5. There is a strong link between Learning, Innovating and Growth.
We are aligned with the RHG Global policies of internal movement & succession planning. We monitor vacancies & share available talent for reallocation. We have a rigorous & robust training evaluation for 3 months/6 month & one-year completion. Our evaluation \is based on experience, performance, qualification, & contribution. It is scientific & KRA based, which includes competency-based model, 9 box matrix & 360-degree feedback.

6. How will you define the Leadership commitment?
- Appreciate the efforts our employees put in and provide them with constructive feedback
- Discuss with them upcoming challenges and how they should overcome them
- Inform and update them with new strategies
- Encourage the team to promote unity and team spirit

7. What are your CSR initiatives?
We believe in sustainable CSR. We adopted girl education from SOS and provide monthly ration supply to "NaiDisha". It is based on voluntary contributions. We donate clothes to an old age home, "Saathi". We provide financial aid to employees at other RHG hotels.

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The Usual SUSPECT

Yes Bank's former promoter, his family are accused of using shell companies to **defraud the bank**

BY DIPAK MONDAL

Bliss Abode Private Ltd, a company incorporated on March 6, 2017, has its registered office at 40, Amrita Shergill Marg, New Delhi-110003. According to filings with the Registrar of Companies (RoC), one of the two directors of the company, Bindu Kapoor, is wife of Rana Kapoor, the founder and former MD and CEO of Yes Bank. The address curiously is that of the property previously owned by Gautam Thapar, the former promoter of CG Power and Industrial Solutions who was removed as company chairman over alleged financial irregularities. The property, now owned by Bliss Abode, is under the scrutiny of the Enforcement Directorate (ED), the agency that investigates money laundering cases, as also the Central Bureau of Investigation (CBI). The ED believes it has enough evidence to link purchase of this property to a larger 'scam' of quid pro quo between the then Yes Bank MD and CEO, Rana Kapoor, and corporate houses which took loan from Yes Bank.

Thapar's CG Power and Industrial Solutions had taken a loan of ₹400 crore from Yes Bank by mortgaging the property. The ED alleges it was later purchased by Bliss Abode for ₹380 crore. The agency also thinks that Bliss Abode was incorporated especially to buy the property and that it has no other economic activity. Bliss Abode is among the 30-odd 'shell' companies — which the ED says has established links with the scam — that the Kapoors floated to allegedly siphon off the kick-back money from corporate debtors of Yes Bank.

In a similar case, the CBI has filed an FIR against a

dozen companies and people, including Rana Kapoor, his wife Bindu Kapoor and three daughters — Roshini, Rakhee and Radha — alleging criminal conspiracy to receive kickbacks of ₹600 crore from DHFL in lieu of ₹3,700 crore loan to the Kapil Wadhawan-promoted company. The kickbacks were in the form of builder loan to a company called DoIT Urban Ventures (India) Private Ltd. As per RoC filings for FY19, Doit Urban Ventures is a retail trading company which has two directors, Roshini Kapoor and Radha Kapoor Khanna. DoIT is fully owned by Morgan Credit Private Ltd, which in turn is equally (33.33 per cent) owned by the three Kapoor daughters.

Like most corporate frauds in India, the fall of Yes Bank is linked to alleged funds siphoning by promoters, allegedly through layers of 'shell' companies directly or indirectly controlled by the former promoter and his family.

40
Number of companies in which Rana Kapoor's wife, Bindu Kapoor, is a director

Wading Through the Web

Morgan Credit, till June 30, 2019, held 3.03 per cent in Yes Bank. It now does not hold any Yes Bank share. Morgan Credit has three 100 per cent subsidiaries — DoIT Urban Ventures, DoIT Creations and Rurban Agriculture Ventures — and 22 indirect subsidiaries. An indirect subsidiary is one where the parent company may not have full control but enough interest to influence operations. Till FY17, DoIT Urban Ventures was a 100 per cent subsidiary of Rab Enterprises (India) Private Ltd, before it became a subsidiary of Morgan Credit.

Rab Enterprises has 16 subsidiaries including Bliss Abode Private Ltd, the Bindu Kapoor company that owns the Amrita Shergill Marg property, one of the many being probed by the ED. Bliss Villa (Delhi) Private Ltd, another 100 per cent subsidiary of Rab Enterprises with same directors as Bliss Abode, has its registered address at 18 Kautilya Marg, Chanakyapuri. This property is also under the ED scanner. Bliss Villa has the same directors as Bliss Abode Private Ltd — Bindu Kapoor and Ajita Potdar.

ED sources told *BT* that most of these 'shell' companies have no business activities to show and are a conduit to receive kickback money. The ED has zeroed in on several properties across Delhi, Mumbai, the UK, the US and France which it says were bought using the kickback money.

A look at finances of DoIT Urban Venture — being probed by the CBI for receiving ₹600 crore from DHFL for getting a loan of ₹3,700 crore sanctioned from the erstwhile Yes Bank MD and CEO — since FY16 shows a topsy-turvy financial performance. The company's primary business is retail trading. According to RoC filings, its turnover was ₹34.5 crore in FY19, zero in FY18 and FY17 and ₹55 lakh in FY16. However, its net worth continued to grow, from ₹10.5 crore in FY16 to ₹251 crore in FY19. During the same time, debt grew from ₹30 crore in FY16 to ₹600 crore in FY19.

Rab Enterprises shows a turnover of ₹11.7 crore in FY18 and ₹16.8 crore in FY19. Its net worth for both the years was negative ₹52 crore (FY18) and negative ₹97 crore. It had a debt of ₹746 crore in FY19, down from ₹1,217 crore in FY18.

Though these companies did not have much to show as turnover or business activities, they continued to receive money in the form of secured/unsecured loans, rights issue, etc. The loans they received were on the basis of sub-standard mortgages. The CBI, in its FIR against Rana Kapoor and family in the DHFL case, has noted that "loan of ₹600 crore was sanctioned by DHFL to DoIT Urban Ventures (India) Private Limited on the basis of a mortgage of a sub-standard property having very meagre value and by considering its future conversion from agricultural land to residential land."

Ankit Singh, Partner, Corporate Professionals, says this is a very common method for siphoning off funds. "Create companies with minimum capital, and no or very little business activities, but use them as conduit for funneling out funds from a profitable public company for private use of the promoters," he says. The idea is to create a multi-layered web of companies, and transfer funds through these companies — owned directly or indirectly by the promoters — so that the real beneficiary is not get caught easily.

Gopal K. Kedia, a Delhi-based chartered accountant who has also been a technical judge in Income Tax Appellate Tribunal Mumbai, says there are so many layers of these shell companies that one cannot go till the last layer to identify the real beneficiary. "You cannot scratch the surface beyond a few layers," says Kedia. However, in case of the Kapoors, the disguise was not that perfect, and these transactions easily led to Rana Kapoor's family. A simple search would show there are around 40 companies in which Rana Kapoor's wife is a director. Roshni Kapoor is director in 22 companies, Rakhee Kapoor Tandon in 16 companies and Radha Kapoor Khanna in close to 18 companies. Many of these have similar names — Bliss Abode, Bliss Villa, DoIT Urban Ventures, DoIT Creations, Imagine Property, Imagine Home, etc — and many share the same address. For example, many are run from the same address: 15th Floor, Tower 2, Wing-A, One Indiabulls Centre Lower Parel, Senapati Bapat Marg, Elphinstone Road, Mumbai.

Regulatory Failure?

Yes Bank, being a listed company, needs to disclose not just its subsidiaries but related-party transactions too. A related party could be promoters, directors, key managerial personnel, subsidiaries or relatives of directors. In its FY19 annual report, the bank says "there were no materially significant transactions with related parties during the financial year which could lead to a potential conflict with the interest between the bank and these parties."

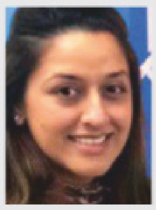
Sethurathnam Ravi, a chartered accountant and former BSE chairman, says the 'shell' companies owned by Rana Kapoor's family members did not qualify as related parties because their transactions never happened directly with Yes Bank. "They dealt with the borrowers (of Yes Bank), and hence never got qualified for related party transactions," he says

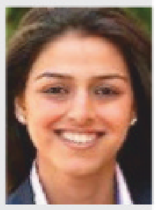
Though the government has tightened regulations for 'shell' companies, Kedia says the companies owned by the Kapoors did not qualify as shell companies because they filed returns with the RoC. But did the auditors also miss these transactions? Sources close to the company say while the auditors raised the issue with audit committees on some of the whistleblower allegations around September 2018, the auditors' scope of work did not require them to go deep enough into these allegations of kickbacks. So, the audit committee has asked for a forensic investigation of the kickback allegations; the report is yet to come. Whatever may be the explanation, it is a clear case of oversight at different levels. **BT**

@dipak_journo

ALLEGATION 1


Roshni Kapoor


Radha Kapoor Khanna


Rakhee Kapoor Tandon

The three daughters of Rana Kapoor run DoIT Urban Ventures Pvt Ltd (DUVPL)

DUVPL, till FY17, was a 100% subsidiary of **RAB Enterprises,** before it became a subsidiary of **Morgan Credit**

Yes Bank invested **₹3,700 crore** in DHFL. In return, DUVPL allegedly received a sum of **₹600 crore** against a property that was sub-standard but for which DHFL calculated an inflated value

Its calculation was based on future conversion **from agricultural land to residential land**

ALLEGATION 2

Gautam Thapar's CG Power and Industrial Solutions took a **₹400 crore** loan from Yes Bank by mortgaging its 40, Amrita Shergill Marg property in New Delhi

ED alleges it was later bought for **₹380 crore** by Bliss Abode Pvt Ltd in which Rana Kapoor's wife is one of the two directors

Gautam Thapar was **removed as company promoter** for alleged financial irregularities

2020 KOREA'S Most Admired Companies 한국에서 가장 존경받는 기업

What is Korea's Most Admired Companies?

Korea's Most Admired Companies (KMAC) refers to companies that have received favorable evaluation from all related Parties by researching companies that continuously strengthen their competitive capabilities through endless innovative Activity and faithfully carry out their social responsibilities as a citizen of a society with outstanding management and creativity. KMAC Inc. names two types of companies on 'Most Admired' list : companies from the individual industry and "All Star" companies For all industries combined. Candidate companies are evaluated on 5 attributes : Continuous Innovativeness, Shareholder Value, Employee Value, Customer Value, Social Value, and Image Value. They are collectively researched and surveyed by not only consumers, but also senior executives and financial analysts.

Your innovation leads to Korea's development!

Leading Global Companies have two things that form the foundations of their success : fundamental for steady present and innovation for extraordinary future.

Here are companies around us that have paved the righteous and different way with endless innovation based on fundamental and principles.

Under the honorable title of 2020 Korea's Most Admired Companies, we salute you for offering a new way forward for the righteous and innovative future of Korean economy as best as you can even at this moment.

For Innovative Korea

2020 Korea's Most Admired Companies

Korea's Most Admired Companies are the highest achievement in Korean economy presented to any Korean company with the ceaseless innovation and outstanding business performance laying firm foundations for common growth for everyone and the Korean economy.

Shinhan Card | HANIL CEMENT | YUHAN | Eye Level I am the key. | KOGAS

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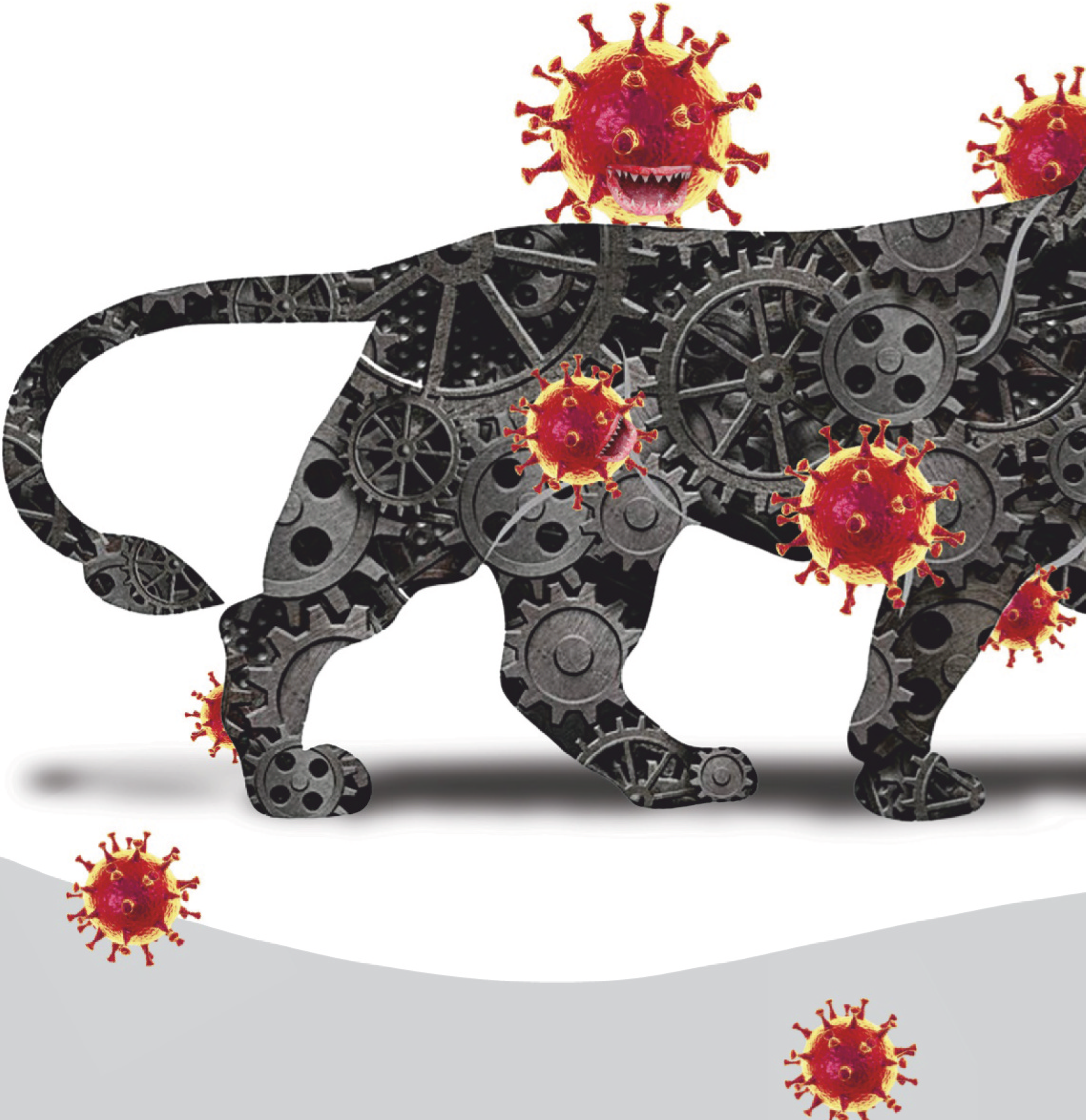
Industry



THE CORONA SCARE

The spread of **coronavirus** is not just a medical challenge; it poses an equally serious economic threat

BY TEAM *BT*
ILLUSTRATION BY RAJ VERMA

Just four days before the Ides of March, the gravity of the novel coronavirus outbreak (Covid-19) has hit home hard. Within a day, the World Health Organization (WHO) declared Covid-19 a global pandemic. Soon after, India revoked all visas issued to nationals of any country till April 15. To top it all, US President Donald Trump barred arrivals from 26 European countries that are part of the Schengen passport-free zone for 30 days to the US. The world's ninth-largest economy, Italy, is already in lockdown as the impact of coronavirus spreads globally. As countries lock down over the spread of Covid-19, economists now fear it may drive the global economy into a recession. Especially, if crude price and production war between Saudi Arabia and Russia causes a sustained spell of lower prices across other energy and metals baskets, triggering a global recession.

The economic fallout of the global coronavirus pandemic could lead to $2.7 trillion in lost output across the world, according to a Bloomberg report. That could include recessions in the US, Euro area and Japan and the slowest growth on record in China. The Indian economy that was showing some tepid signs of growth after a prolonged slowdown could hit the brakes again. This is driven by extended closure of businesses leading to lower consumption of goods and services. As India prepares to impose social restrictions to prevent rapid spread of the virus, at least six states – Uttar Pradesh, Bihar, Karnataka, Maharashtra, Delhi and Kerala – have shut schools, colleges, multiplexes and banned public gatherings and congregation. The 13th edition of the popular Indian Premier League has been postponed to April 15. According to an Edelweiss report, the coronavirus outbreak is expected to sting multiplexes in the near term due to waning footfalls as virus-wary consumers shun high density areas. The impact on movie hall footfalls is expected to persist for a long period.

Questions are being raised about India meeting the target of 6-6.6 per cent GDP growth during FY2021. In all likelihood, the target may have to be revised downwards. Economists have pared India's growth to in the region of 5 per cent in FY2021 from the original 6-6.5 per cent. The OECD has lowered India's growth target in the next fiscal to 5.1 per cent from 6.2 per cent earlier; while UBS has also lowered it to 5.1 per cent from 5.6 per cent. Fitch has reduced it to 5.5 per cent from 5.9 per cent earlier. The India Intelligence report of Bloomberg has lowered India's quarterly GDP growth estimates for 4Q fiscal 2020 (January-March 2020) to barely 4.5 per cent from 5.4 per cent, 'based on the results of large-scale economic model' and their 'nowcasting models for India's GDP and rural economy'. "We have cut India's GDP growth projections for 2020-21 from 6 per cent to 5.7 per cent", says D.K. Joshi, Chief Economist, CRISIL. A report by ASK Wealth Advisors states that the Indian market reacted sharply compared with China. The sharp correction has taken valuations to May 2017 levels. Should it take beyond a couple of quarters to contain, the economic impact could be substantial. It states that nearly 40 per cent of the economy from the supply side and closer to 90 per cent from the demand side could be affected with a potential of a 100 bps slowdown in GDP growth.

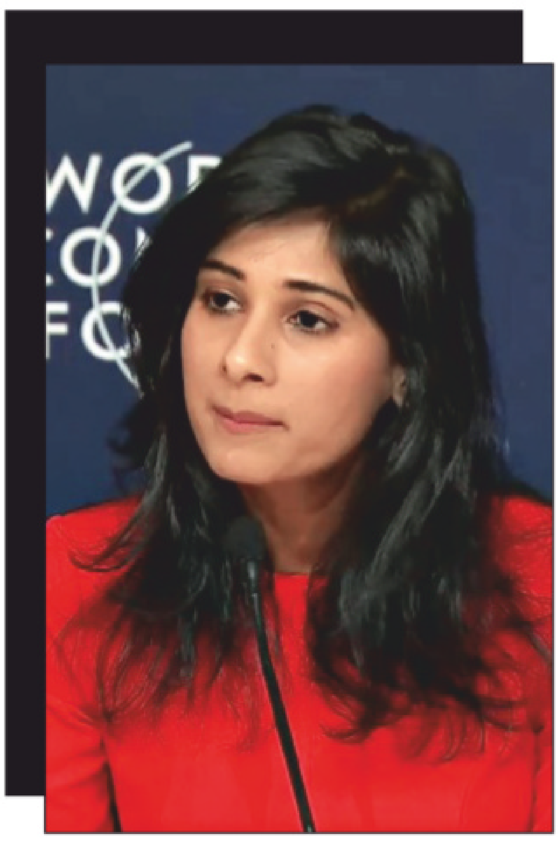
Chief Economic Advisor Krishnamurthy Subramanian prefers not to read too much into the Covid-19 crisis. He says India is in a much better position compared to other countries when it comes to the health impact of the virus infection. Stating that tourism and related sectors are likely to be impacted, Subramanian prescribes continuous monitoring of the economic situation in key services sectors. "The government is seriously considering and looking at all aspects of this emerging situation and the government, together with the regulator (RBI), will definitely be responding when it is necessary. Other central banks have certainly responded and as inflation data is suggesting a moderation, there is certainly scope for the central bank to consider this," Subramanian said. -Also, planned receipts from the privatisation of oil marketing company Bharat Petroleum could be down according to oil industry estimates. Similarly, at a time when the International Air Transport Authority (IATA) has projected that the global airline industry will lose up to $113 billion in revenues this year, the prospects of selling off Air-India has become all the more bleak.

As if all that was not enough, the meltdown in global stock markets has seen investor wealth disappearing in days. Since February 12, the benchmark BSE Sensex has fallen almost 8,400 points from 41,645 to 33,249 on March 12. In the process, investors have lost ₹34.9 lakh crore or over ₹1 lakh crore per day.

In an Impact Note on Covid-19 fallout, CRISIL had earlier said that its effect on India would be a mixed bag. "We expect the impact of the outbreak to subside in China by April 2020. That is the base case. In the worst case, the epidemic might well extend through the first quarter of fiscal 2021, intensifying the severity of impact. If not contained quickly, the epidemic will have a knock-on effect in the world economy and disrupt global supply chains. China is the world's second-largest economy and a major trade partner for many countries, including India," it said.

During 2018/19, India imported $70.4 billion worth of goods from China, while exporting $16.8 billion. A trade disruption could hit many industries, including pharma and chemical inputs, electronic assembly, consumer durables and solar panels.

While the complete picture on manufacturing is yet to emerge, Covid-19's impact on the services sector – especially tourism, aviation and hospitality, is very clear.



"CENTRAL BANKS SHOULD BE READY TO PROVIDE AMPLE LIQUIDITY TO BANKS AND NON-BANK FINANCE COMPANIES, PARTICULARLY TO THOSE LENDING TO SMALL- AND MEDIUM-SIZED ENTERPRISES, WHICH MAY BE LESS PREPARED TO WITHSTAND A SHARP DISRUPTION"

Gita Gopinath, Chief Economist, IMF

Taking a Hit

The Covid-19 outbreak will have a mixed impact on India's trade with China

DEPENDENCE ON CHINA | IMPACT

AUTO

- 18% auto components are imported; 30% of tyre imports
- Inventories sufficient in short term; but lack of even a single critical component can hurt OEMs

Local Indian auto-component manufacturers cannot immediately capitalise on void as it takes time to recalibrate supply chain

LEATHER AND LEATHER GOODS

- China contributes about 38% to imports
- Indian leather exporters are operating at 60% capacity, so they can absorb any sudden influx of orders from the US and the EU

CONSUMER DURABLES

- 45% completely built units of consumer durables

Bulk of consumer durables components

- Inventory already stocked so impact likely only towards end of Q4 FY20

Product prices could rise next month

AGRICULTURE

- About 50% of total pesticide input

About 10% of urea fertiliser consumed

- Procurement season for rabi crop has ended. No major impact

GEMS & JEWELLERY

- 36% export of diamonds is to China
- Diamond exports to the region have been declining, but rescheduling of Hong Kong International Jewellery Show plus Covid-19 will hurt exports and dampen the domestic industry in Q4 FY20

PETROCHEMICALS

- 34% of total petrochemicals are exported to China
- Exports to be hit. Indian petchem is unable to capitalise on Covid-19 effect due to high utlisation

Prices and margins to be under pressure

PHARMA BULK DRUGS

- 69% of total pharma bulk drug intermediates are imported
- Players have sourced raw material and have created buffer stock for 2-3 months

SOLAR PANELS

- 70% imported
- Supply disruption (80% global capacity is in China) for projects in India in next 4-6 months could lead to delays and invocation of force majeure clauses

TEXTILE COTTON YARN

- 27% of export is to China
- Fall in export to put further pressure on domestic prices of cotton yarn, effectively lowering margins

ELECTRONICS, INCLUDING MOBILE PHONES

- 67% electronic components
- Import dependency remains high; some critical components produced in China may face significant impact

CRISIL foresees business reducing drastically for airlines, hotels, malls, multiplexes and restaurants. In the services sector, information technology would be affected because of physical restrictions. Says Subodh Rai, Senior Director, CRISIL: "Lower business volumes and occupancies, and sub-optimal efficiencies will impact the profitability of companies. While some affected companies may initiate cost-curtailment measures, these may not be enough given high fixed costs. That could impair credit profiles."

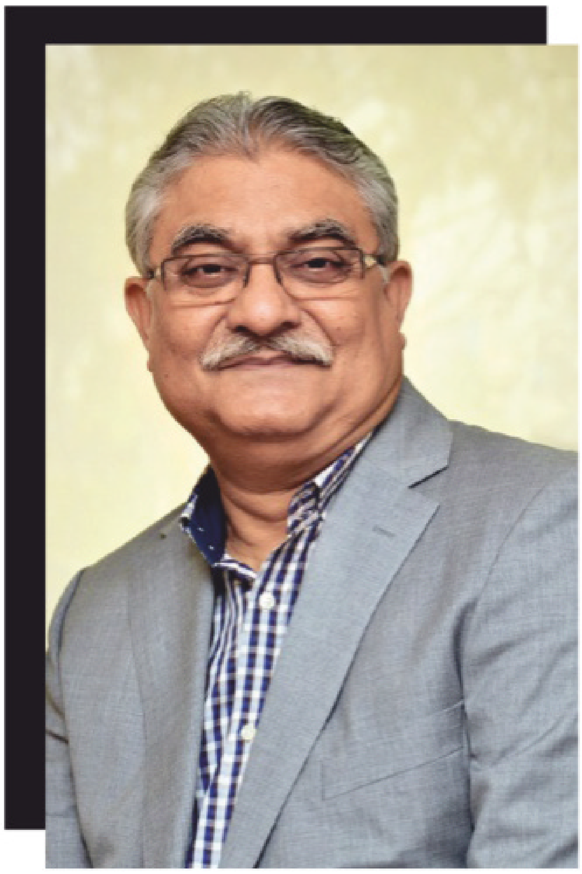
Big Hit to Travel & Tourism

The immediate impact of the global coronavirus outbreak within India is on the travel & tourism industry, airlines and hospitality. According to the World Tourism & Travel Council (WTTC), India is ranked third among 185 countries in terms of tourism and travel's contribution to GDP in 2018. The India Brand Equity Foundation (IBEF) states the sector's direct contribution to GDP is 7.1 per cent. That could get impacted as the government imposed curbs on international arrivals.

"Due to the coronavirus pandemic around the world, we have received close to 35 per cent cancellation queries from travellers planning their trip to foreign destinations," says Sabina Chopra, Co-founder, COO (corporate travel) and Head (industry relations), Yatra.com. Darshini Kansara, Deputy Manager, CARE Ratings, says that 30-50 per cent of the hotel bookings across categories in India during April and May, the peak holiday season, are cancelled or postponed despite lower airfares. "The Indian aviation industry could see international passenger traffic growth impacted because of suspension of flights to and from China, Hong Kong, Iran, Italy, Japan, Korea, Malaysia, Singapore and Thailand. This is negative for the Indian aviation industry, which is already reeling under significant passenger traffic slowdown, with international traffic growth for the April-December 2019 period, having declined 8.4 per cent," says Kinjal Shah, Vice President at ratings agency ICRA. As flights reduce, airports are seeing their cash flows dry up. Says Satyan Nair, Secretary General, Association of Private Airports Operators: "On one side, we need to pay the government a revenue share at the beginning of a quarter. On the other, our concessionaires are seeking a moratorium on the concession fee."

Domestic carriers have cancelled over 150 international flights. IndiGo said on Wednesday that it's witnessing 15-20 per cent decline in daily bookings over the past few days.

Analysts predict domestic carriers are closely monitoring developments, and will soon take a call on truncating their domestic flight schedules. "In metro routes like Delhi to Mumbai, IndiGo could curtail its frequency from about 16 now to 12-13, owing to weak demand. Reducing frequencies in non-metro routes could create hassle for passengers," says an analyst. As the world locks travel, people will travel less and spend less, hitting chances of future growth.



"MANUFACTURERS ARE EXPLORING ALTERNATIVES TO FULFIL SUPPLY CHAIN DEMANDS, BUT THAT WOULD TAKE A SUBSTANTIAL AMOUNT OF TIME TO REACH STABLE PRODUCTION SCALE AS THESE COMPONENTS WOULD NEED REGULATORY TESTING"

Rajan Wadhera
President, SIAM

Auto, Durables, Pharma to Take the Brunt

While initial fears were about supply chains getting hit as Chinese factories stopped production, today the world is heading to a demand shock as fewer people are venturing out to make big purchases. As the Indian automobile industry is moving to a BSVI regime, the coronavirus spread has resulted in a 45 per cent drop in footfalls to showrooms, according to the Federation of Automobile Dealers Association. As an auto industry official states, the real worry is what the March numbers will be like.

"The disruption in availability of auto parts is likely to critically hamper production across all segments, says Rajan Wadhera, President, Society of Indian Automobile Manufacturers (SIAM). According to him, the Indian auto industry had maintained inventory in beginning of the year, but with the current lockdown in China, supply for BSVI vehicles is likely to get impacted. "Manufacturers are exploring alternatives to fulfil supply chain demands, but that would also take a substantial amount of time to reach stable production scale as these components would need regulatory testing," Wadhera said.

Gurpratap Boparai, MD, SKODA Auto Volkswagen, says: "China accounts for 27 per cent of domestic automotive component imports across OEMs. The recent shutdown has hampered the manufacturing cycle. We planned our component imports well in advance and so the immediate impact of the pandemic has been minimal." Skoda is looking towards 95 per cent localisation.

45%
The drop in footfalls to automobile showrooms

Guenter Butschek, CEO and Managing Director, Tata Motors, says there is not a single company in the world that produces everything in one country. "It's the same with the automotive industry. You know we are rather weak as far as electronics are concerned. So, coronavirus might have an impact. We need to check to see what has been produced, what has been shipped, what is available for shipment, and then to do the math to see where we are against our production plan. This is currently an operational concern and we will discover it as our regular contacts get back to work. I hope it's not a threat but it is, at least at this point of time, uncertain," says Butschek.

Kamal Nandi, Business Head and Executive Vice President, Godrej Appliances, states: "The coronavirus attack had a negative impact on consumer durables due to depen-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Revenues from China

- **3%** Tourism
- **20%** Machinery
- **25%** Automotive
- **33%** Organic chemicals
- **45%** Electronic goods
- **70%** API, antibiotics
- **80%** Solar cells and modules
- **100%** Selective antibiotics and antipyretics

The Gainers

At a time when every business is in trouble, there are some bright spots. This includes makers of hand sanitisers and masks. As hand sanitisers are disappearing from store shelves, Philipe Haydon, CEO, Himalaya Drug Company, says: "People call me a hoarder. I have no reason to hoard a product that costs ₹30-50." Demand has shot up 10 times.

Other than packaging material, the input material has alcohol in it. You need an excise license to hold that amount of alcohol, he says. In the pre-coronavirus scare days, the company sold 250,000-400,000 units a month. Now it is done in a couple of days."

Haydon estimates the Indian hand sanitiser market to be in the region of ₹100 crore in the pre-coronavirus scare days. "Other players in the market include Reckitt Benckiser, ITC, Dabur India, Godrej Consumer Products and HUL," says Karishma Shah, Co-founder and Director at Pronto Consult, an independent market research firm.

dence on imports from China – be it for finished goods or components. We have received reports that plants in China are operating at 50-60 per cent capacity, but production has begun now. Prices for consumer durables especially in categories like ACs, televisions and refrigerators, are being revised by industry players."

The United Nations Conference on Trade and Development (UNCTAD) estimates the coronavirus outbreak could result in a $50-billion decrease in global exports. While the European Union ($15.6 billion), US ($5.7 billion), Japan ($5.2 billion) and Korea ($3.8 billion) account for the bulk, the impact on India is estimated at a modest $348 million. That includes $129 million of losses due to supply chain disruptions in the chemical sector, textile and apparels ($64 million) and automotive ($34 million).

India's solar, pharmaceuticals, machinery, gems and jewellery industries are highly sensitive to global supply chain and transit disruptions. While most of the goods manufacturers managed with their two to three months inventory so far, the crisis in Indian industry may balloon if supply sources (mostly raw materials) and markets (mostly for finished goods like medicines, fisheries, textiles, polished diamonds) continue to be disrupted by anti-virus actions by countries and trade blocs.

According to the the Gems and Jewellery Export Promotion Council (GJEPC), exports have dropped 20 per cent to ₹20,763 crore in February. This is a decline of 6.38 per cent to ₹2,36,839.34 crore during April 2019 to February 2020, compared to ₹2,52,973.24 crore during the same period. Sources said Hong Kong and Dubai – where finished jewellery and diamond deals are done – have come to a standstill following the corona scare. Already the 3,500 odd Surat diamond and jewellery industry representatives from India there have returned a month ago. All the key buyer-seller meets and expos in these sourcing centres have been cancelled. Surat, the largest diamond polishing and cutting centre, is still functional and is catering to the existing orders. "The impact will be known in the coming days and weeks and at present there is no clarity on how early these hubs come back to normalcy," said a member of GJEPC.

In pharmaceuticals, India imports $2.5 billion worth of active pharmaceutical ingredients from China. As things stand, most companies have reasonable supply of raw material. Krishna Prasad Chigurupati, CMD, Granules India, the Hyderabad-based producer of pain and anti-diabetes medication, says: "Our shipments through sea have been happening normally for the past three weeks now except for Ibuprofen API, which is sourced from near Wuhan."

In a bid to get the governments' help to minimise the collateral damage of Covid-19 prevention, the International Monetary Fund's Chief Economist Gita Gopinath suggested that "Central banks should be ready to provide ample liquidity to banks and non-bank finance companies, particularly to those lending to small- and medium-sized enterprises, which may be less prepared to withstand a sharp disruption". Governments could offer temporary and targeted credit guarantees for the near-term liquidity needs of these firms.For the time being, India's Central and state governments are busy tackling the virus. But they need to watch out for a spike in prices of imported raw materials due to supply constraints. Of course, all that comes after Covid-19 can be tamed. Hopefully, soon. BT

Industry – Oil

THE BIG GAIN

Crude oil price crash to benefit chemical, fertiliser, paint, tyre and detergent companies

BY P.B. JAYAKUMAR

March 9 was crude oil's Black Monday as Saudi Arabia upped the ante when Russia refused to reduce oil production as global oil demand fell with the coronavirus outbreak. It led to the steepest fall in crude oil prices – it crashed $14.25, down 31.5 per cent – to $31.02 a barrel. That's been the sharpest fall in crude oil prices since the start of the 1991 Gulf War.

The three-year pact between the Organisation of Petroleum Exporting Countries (OPEC) and Russia, called OPEC+, became invalid after Moscow refused to support deeper oil cuts. At $30 per barrel, crude oil is now priced at nearly half the average global benchmark price of over $60 per barrel during the last two years.

The steep fall in crude oil prices is a bonanza for the large Asian economies – China, India and Japan – that import the bulk of their oil needs and already facing a slowdown, are also feeling the impact of Covid-19 pandemic.

The India basket of crude is currently at $34.70 against an average of $65.52 in December. However, since Indian oil companies have already made provisions for March, the benefits will show only in the next fiscal. A $10 per barrel (bbl) decline in crude prices translates into a saving of $15 billion (₹1.1 lakh crore at ₹73.81 to a dollar) to the country's net oil import bill. If crude remains subdued in the $30 range, the potential import bill savings could be to the tune of $40-45 billion (₹3-3.3 lakh crore). However, till now (March 12) petrol prices have been lowered by ₹2.15 a litre and diesel by ₹2.16 since the big crash.

During the first 10 months of 2019/20, India imported 188.45 million tonnes of crude oil valued at ₹6.17 lakh crore ($87.7 billion) as opposed to 226.5 million tonnes worth ₹6.66 lakh crore ($95.27 billion) during 2018/19.

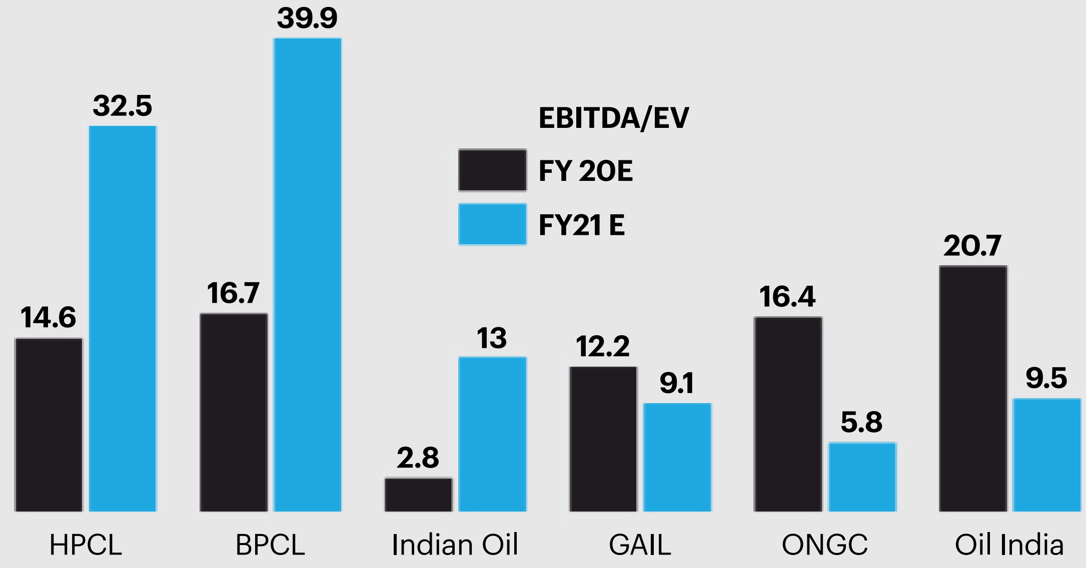
At a time when global crude prices are falling, the government increased the excise duty on petrol and diesel by ₹3 each, the steepest increase in eight years, on March 13. While that did not lead to an increase in prices for consumers, it could fetch the government an additional ₹43,000 crore in a year, which could help it meet the FY2021 fiscal deficit target. As far as this fiscal is concerned, the immediate impact would be raising an additional ₹2,120 crore. Post the excise duty hike, out of ₹69.59 for a litre of petrol in Delhi on March 16, ₹41.31 (59 per cent) is accounted for by excise duty (₹22.98), VAT (₹15.25) and dealer commission (₹3.55).

"If global crude oil prices continue at the current level in the longer term, prices of petrol and diesel could drop by ₹10-12 per litre in India, if government decides to pass on the benefit to people instead of helping oil marketing companies improve their profits and increase revenue to the exchequer", says Deepak

Import Bill - Crude oil

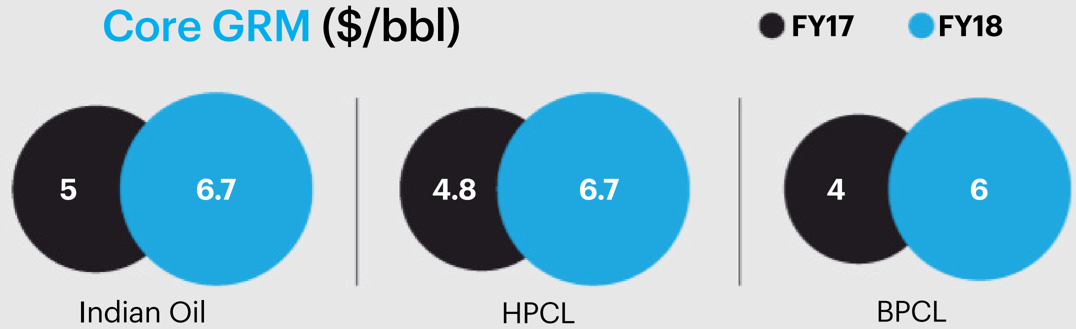
₹ crore; Source: Petroleum Planning & Analysis Cell

Refiners to Gain While Players Like ONGC/Oil India Will Lose



E: estimates; Source: Emkay Research

Core GRM ($/bbl)



Mahurkar, Partner and Leader, Oil & Gas, PricewaterhouseCoopers (PwC).

Crude prices have rebounded, along with equities and other global financial markets, lifted by hopes that US producers will cut output and the US may come up with a stimulus package to fight the corona-inflicted slowdown. However, experts say it is unlikely OPEC and Russia will again stitch a pact to control oil prices.

Who All Will Benefit

Ravichandran notes that since India is 85 per cent dependent on imported oil, the crash can lower the Current Account Deficit (CAD), apart from lowering inflation. It can also reduce the subsidy burden on the government for petroleum products. The CAD was 0.9 per cent of the gross domestic product (GDP) at $6.3 billion in the quarter ended September 2019. If crude oil prices fall $10 per barrel, the general assumption is that it could translate a reduction of 0.25 per cent of the country's CAD and dependence on foreign fund inflows. Similarly, the rising inflation could contain as a fall of $10 per barrel is estimated to reduce the wholesale consumer price index by 0.5 per cent. This in turn can result in reduction of lending rates by the RBI and help improve general spending, estimate experts.

"Lower oil prices should benefit oil marketing companies as higher product demand results in gross refining margin uptick, fuel and loss costs drop, working capital release, ability to raise marketing margins rise and sales volume recover," says analyst Sabri Hazarika of Emkay Global.

Other long-term gainers from this mayhem include downstream users of petroleum products like chemicals, fertilisers, paints, tyres, airlines, lubricants and soaps & detergents, says Ravichandran of ICRA. Besides, raw material costs and logistic expenses of the industry will come down to help revival of the economy, notes Mahurkar.

However, while oil marketing companies like Indian Oil, Bharat Petroleum and Hindustan Petroleum can cheer the crude price crash, most oil and gas players are going to be affected, especially those in the upstream business, especially the Gas Authority of India (GAIL), says the Emkay analyst.

Upstream players like ONGC and Oil India are obvious losers as oil realisations are going to drop 20 per cent in FY21, while H2 APM (administrative gas prices which are pre-determined and fixed) can see further downsides after a 25-30 per cent fall expected in H1. GAIL's liquid natural gas (LNG) portfolio, in which pricing is oil-linked but sourcing mixed (with US LNG being linked to the natural gas bench mark Henry Hub and $5 per mmbtu – Million Metric British Thermal Units, of fixed component), should see a hit on margins, coupled with decline in LPG realisations. Other gas utilities could also see adverse gas-to-oil economics which can affect demand. RIL Chairman Mukesh Ambani had lost $5.6 billion in networth on the day of the big fall in share prices of the company.

Ravichandran says oil exploration and production (E&P) companies and export-oriented companies in textiles, gems and jewellery, plantation crops and granites could be impacted as weak crude prices drive the global economy to lesser demand.

Will the Crash Sustain?

"I doubt", says Deepak Mahurkar, citing the global economy is in strain and efforts are on to pullback the downslide.

However, recoveries so far are way below the 30 per cent plus crash. A note from Goldman Sachs has already cut its second- and third-quarter Brent price forecasts to $30 per barrel, citing low probability of an immediate OPEC+ agreement with Russia. "Such volatility was earlier seen in 2008/09 and in 2014 and 2016. The recovery now hinges on the alliance coming back, US output peaking out or declining, global economic recovery and an economic stimulus", says Hazarika. Emkay estimates Brent crude prices to hover around $50/55 per barrel in FY21/22.

But all said, the crude price fall has come as a blessing for the Indian economy that apart from being in a slowdown was also buffeted by the global coronavirus scare.

@pb_pbjayan

A TIGHTROPE WALK

Companies are taking care of their star performers despite the slowdown

BY SONAL KHETARPAL and AJITA SHASHIDHAR

Karthik Raghavan, 30, was hired by a leading consulting company in 2016 in the final year of his MBA programme. He also had an offer from a large FMCG company but the consulting company was offering more money. Raghavan joined the consumer vertical and was soon among his team's top performers. Two years later, the economy was in the grip of a slowdown, with many companies asking their not-so-good performers to quit. In such a scenario, a meeting request from head of human resources (HR) gave him jitters. However, it turned out to be the most valuable meeting of his career. "The HR head said I was important for the organisation and since I had mentioned in my interview that I wanted to get a degree from a top American university, they were happy to fund me for it," he says. Now, he is back after completing a one-year master's programme at Yale, and the company has put his career on a fast track. "Due to the economic slowdown, increments haven't been attractive. However, they have taken care of my long-term career growth."

Raghavan is a typical case. In the latest Business Today-PeopleStrong Best Companies To Work For study, employees have listed career growth, compensation, challenges, work-life balance, flexibility and learning opportunities as reasons they love their organisations. This time, though, there has been a change in narrative — career growth doesn't necessarily mean an attractive compensation package. Companies are telling employees that higher designations and salaries are no longer indicators of growth. The aim is to make high performing employees future ready. "Companies are

Top 5 parameters that make a company the 'best place to work'

Career Growth Path

Compensation & Benefit Package

Challenging Work Opportunities

Work Life Balance & Flexibility

Learning Opportunities

For younger workforce (25-45 years): Career Growth Path

For older employees (46-55 years): Compensation and Benefit Package

telling employees that they are handling businesses that are not growing, so in these tough times, they need skills to handle these challenges. They are talking about preparing them for the future," says Aditya Mishra, CEO, CIEL, a HR services company. Just as Raghavan's organisation sponsored his higher studies, offering executive MBA courses or even partnering with institutions that offer skill-based training in areas such as artificial intelligence and machine learning has become the norm. Career growth includes offering employees learning opportunities outside their comfort zone.

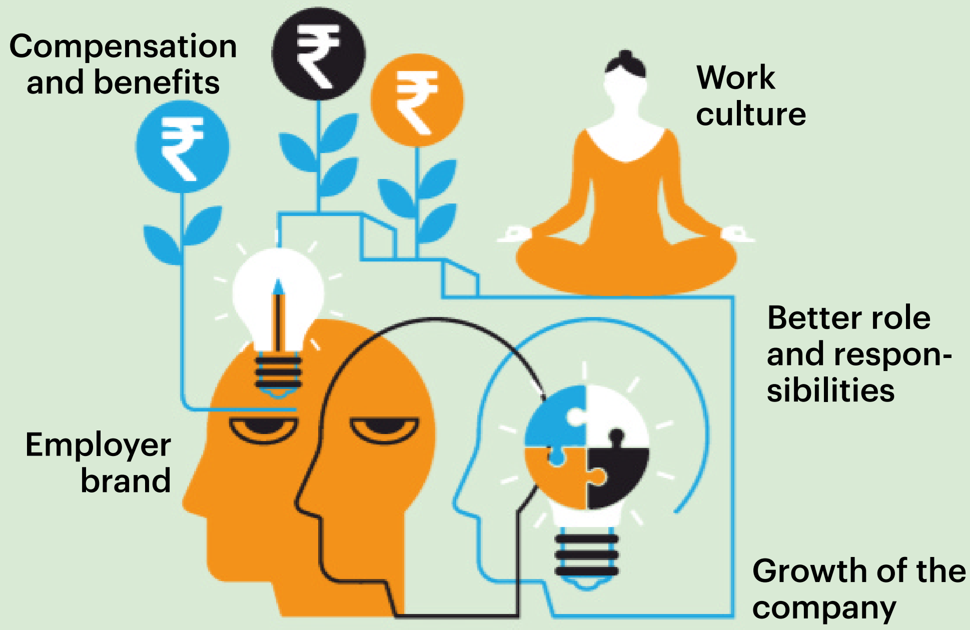
When Aarti Jain was offered a job as a supply chain trainee at Hindustan Unilever (HUL) in 2015 after her MBA, she had never imagined that she would take up a factory role. Jain, currently Manufacturing Manager at HUL's

Kandla factory, says a factory role has unique challenges. But it's been empowering too. It has enabled her to make a difference to the community around her. “When you are a woman in a leadership position (in remote locations, literacy levels are low and society is predominantly patriarchal), it requires immense patience and humility to not just find acceptance but also command respect,” she says.

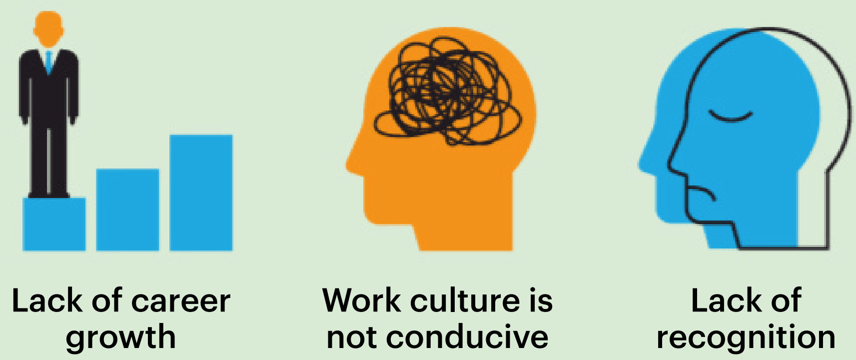
Laxmi Hatila, also from HUL, echoes Jain's thoughts. She was offered the role of Field Sales Officer at HUL's Project Ahilya (an initiative to include women in sales roles). Hatila says the learning on the field has been phenomenal. “I don't think anyone can prepare us for what we get exposed to when we are on the field. Each day, each customer, each market is different.”

HUL is among the top 10 employers in the Business Today-PeopleStrong Best Companies To Work For list. The company's Executive Director, Human Resources, Anuradha Razdan, says the strategy of building the company's culture around the value of ‘People with Purpose Thrive’ has made a difference. HUL, she says, has enabled its 13,000 employees to discover what they want to do. “We are creating meaningful experiences for them and building a growth mindset so that they embrace challenges as opportunities.”

Top 5 Parameters That Make a Job Attractive



Top Three Reasons People Look for Job Change



Employees Matter

Companies across the country, whether it is top retailers or firms in core sectors, are figuring out ways to reduce costs and improve profitability. Many have shut stores, pivoted business models and sacked employees. But they are also taking care of their star employees. Bangalore-headquartered fashion retailer Lifestyle International is offering employees growth within the organisation despite the slowdown. Instead of hiring fresh talent each time a new store is opened, it gives a chance to existing employees, especially front-end staff, to take up bigger roles. “We opened close to 50 Max stores and eight Lifestyle stores last year and ensured that at least 30 per cent employees at these stores were our own existing employees,” says B. Venkatramana, Group President (HR), Landmark Group. The company has introduced an app-based learning management programme that enables employees to acquire additional skills. As a result, in the last one year, Lifestyle International has substantially enhanced its employee engagement. The company's pulse survey shows that the engagement level of employees in the last one year has been 80 per cent vis-à-vis 60 per cent in the past few years.

Senior HR professional and former CHRO of TATA SIA Airlines (Vistara), Varadarajan S., says the answer to talent management in a slowdown lies in an organisational design that is flexible and agile. “A fungible workforce allows the company to redeploy people across roles as per business requirements.” Companies are adopting different strategies to redeploy their workforce. Varadarajan shares the instance of global BPO services firm Quatrro which, during the slowdown in 2008, chose to multi-skill employees. For instance, a finance person was trained in risk services. This allowed it to create an internal pipeline where each employee had two-three skills. It didn't hire anyone from outside unless it was absolutely necessary. During his tenure at Tata Teleservices, when the business environment was weak, they merged two job roles into one to control cost and reduce the need for layoffs.

Neeraj Sharma, Director (Human Resources), FourKites, says while the company has been conservative about hiring new talent in the last one year, it has enhanced its focus on management best practices. "Earlier, we were on a treadmill, took empathy for granted. Today, we are focusing on training and development. Upskilling of talent has been the way forward for us at the lower level. We are offering online learning programmes. We are offering training in artificial intelligence and management."

Smart Compensation

During economic crises, companies reduce payouts to employees. But smart companies use this as an opportunity to reward the deserving ones generously to retain high ROI employees. Sharma of FourKites says his company is offering stock options to its high performing employees. Many even use slowdowns to hire good talent laid off by others, says K. Sudharshan, Managing Partner, EMA-Partners. "Well-run companies are continuing to attract talent despite the slowdown."

A salary survey by professional services firm Aon India has found that corporate India will give salary increments of 9.1 per cent in 2020, the lowest in a decade, but continue to reward their star performers. The gap in pay hikes between top performers and average performers is becoming sharper every year. The top 10 percentile performers will get a 12 per cent increase while the relatively low performers will get 7 per cent.

While the overall payouts have reduced, organisations are identifying high performers and offering healthy retention programmes, says Rajiv Burman, Founder of HR consulting firm GrowthSource. These are essentially big bonuses that the stars get at the end of a year or 18 months. Around 7,000 respondents of Business Today's Best Companies survey felt that the most attractive jobs come with hefty compensation and benefits. That is why companies are increasing the share of performance pay in the compensation package. This way employee's earnings get linked to the company's performance and business costs balanced with employee expectations. DTDC's HR Head, Shiv Rawat, says instead of giving a 10 per cent fixed increment, they may offer a 6 per cent fixed increment and 8 per cent variable pay. "Such strategies solve two problems. One is motivation level of employees, as from 10 per cent, they're getting 14 per cent. Secondly, they are ready to take up challenges," he says.

To ensure only the highly productive employees get benefits, companies are incorporating strategies to differentiate talent. DTDC follows a practice called weekly action plan (WAP) and review weekly action plan (RAP). People share their WAP with reporting heads; it is reviewed on a weekly basis. "These practices keep our eyes open to see who is performing and who is not," says Rawat. WAP and RAP are now applicable up to the designation of regional functional head, the fourth layer from the top. Similarly, Fidelity National Information Services (FIS Global) has an internal tool for its India office called Return on Employee Cost (RoEC) that alerts managers about tenured employees with average ratings who continue to do the same work year after year. "Tenure doesn't count for anything, talent does. RoEC enables us to look at their performance critically and coach them to move up," says Mamta Wasan, Senior Vice President Human Resources at FIS Global.

30%

Workforce looking for better opportunities in 3-6 months; 80% of these are men

9.1%

Average increments expected in 2020, the lowest in a decade

Managing Layoffs

One of the toughest decisions firms have to take during a downturn is to lay off employees. If not done well, it can have a long-lasting impact on the company's brand and employee engagement levels. Several companies are now ensuring that workforce restructuring is fair and employees get a soft landing.

When Vodafone merged with Idea in 2018, there were quite a few exits post the merger due to duplication of roles. The organisation, however, ensured that it took care of its high-performing employees. So, if there was role duplication in a circle, it offered the high performing employee a role with a promotion in another circle. If the employee didn't want to move, it tried to get her another role within the same circle. Only if that role was not acceptable to the employee was she offered a severance package. "The firm went out of its way to accommodate them," a Vodafone employee told *Business Today* on condition of anonymity. They also offered handsome severance pay to high performers who opted to move out.

Rational competency mapping is another area that is becoming important. "There is a craze among leaders to hire super achievers for every role," says Wasan of FIS Global. "Not every role requires a go-getter," she says.

Pink slips have become a way of life in today's volatile economy. While many companies are trying to do their best to take care of their high performers, it is important that employees also make themselves relevant. "Am I adding value to the organisation is the question that employees need to ask themselves, especially during a slowdown?" says Sudarshan of EMA-Partners. BT

Inputs from Joe C. Mathew

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OVERALL RANK

1

ON MISSION MODE

India is getting to play a more impactful role for Google

BY E. KUMAR SHARMA

PHOTOGRAPH BY REUBEN SINGH

SCORES HIGHLY ON

Great Compensation & Benefit Package

Culture of Innovation

Career Growth Path

Google's mission statement has attained adulthood. Back in 1998, when two young founders – Larry Page and Sergey Brin – drafted it, the choice of words with an apparent all-time relevance, continues to enthuse its leaders even today. No, back then too, it did not say "search" but opted instead for a call to organise the "world's information" and to make it "universally accessible and useful."

Today, in an era of information overload, that written goal seems to have acquired an all-new relevance. A good reason perhaps that Anand Rangarajan, Site Lead for Google in Bengaluru and Engineering Director in Search, who joined the company a decade later and moved to India seven years ago, says: "When I look at all the projects, it is amazing how true that mission is today."

And, in this journey, India is beginning to play an increasingly important role. From a small team that met the two founders on their India visit in 2004, Google India has yet again retained its top position in the *Business Today*'s Best Companies to Work For list. Rangarajan says there are several reasons why Google remains an attractive destination for talent.

The three areas that India makes an impact for Google are payments, maps and search. "Google Pay, which did not exist few years ago, has been a huge success with users. This is a product built in India. Of course, timing, too, helped. Google Pay has grown from 22 million MAUs (monthly active users) in September 2018 to 67 million MAUs in September 2019, driving transactions worth over $110 billion on an annualised basis, with hundreds of thousands of offline and online merchants. The success of Google Pay is a huge vindication that you can do amazing products from India," says Rangarajan.

New Attractions

The success of Uber and Ola shows the impact of maps business here. Even in Search, too, he says, the entire gambit of "the Search, the Assistant and Discover feeds have important contribution from India, for India". But that alone is not keeping thousands of Googlers in India (no, they do not share the exact number) across four locations or continuing to attract more talent.

Now there is a new attraction. "The AI (Artificial Intelligence) lab we have created in Bengaluru does explorative research into specific problems. We have published our work on diabetic retinopathy which we are operationalising in some parts of India. We are looking at other problems. That gives you a sense of how India is contributing. We are looking at big problems closely," says Rangarajan.

If Google till yesterday was about bean bags and free food in popular perception, Jayashri Ramamurti, People Partner for Tech, Google India, will tell you how connect with talent runs much deeper. Ramamurti, who has been with Google for over 13 years and worked in Hyderabad,

"While externally there is a slow-down **kind of scenario, Google India** has seen a big growth phase in the last **12 to 18 months**"

JAYASHRI RAMAMURTI
HR Leader, Google India

NEW INITIATIVES

Google Pay has grown from 22 million MAUs in September 2018 to 67 million MAUs in September 2019, driving transactions worth over $110 billion on an annualised basis, with hundreds of thousands of offline and online merchants

With Google Station – a partnership with Railtel and Indian Railways, able to make fast, reliable and secure WiFi available across 400 train stations (May 2019)

Google Assistant expanded to nine Indian languages

With Bolo – a speech-based app that helps children learn how to read, around 800,000 young Indians have read stories more than three million times, and have spoken half a billion words

Has the girth to drive new growth: With few thousand employees spread across four locations in India

Artificial Intelligence lab, created in Bengaluru, is first explorative research into specific problems. It has already published work on diabetic retinopathy and now looking to other ailments

One of the unfinished agenda: Get more senior leaders (vice president and above) moving from other parts of the world to Bengaluru (read: India) to lead larger projects. The idea being to see people move to India, not just because they have friends and relatives here but to be able to do world-class work from here.

Gurgaon and Bengaluru offices, has seen things closely. Pointing to new initiatives that were taken in the last year or two, she says: "Last year we started a manager circle – an optional once-in-a-month meeting of managers – with the idea that there is a lot of peer-to-peer learning that happens. For these, managers themselves pick up themes and topics through this platform to meet and exchange ideas." Then there is G-2-G (Googler to Googler), launched earlier but gained traction last year. The idea is to get Googlers to share their knowledge in areas they are experts in. It need not be related to their work. Last year, there was one session on mindfulness.

Driven by the need for an enabling environment where employees could "bring their whole self to work", she talks of measures that address the concerns of not just Googlers but also their families. "This is about letting Googlers have the option to get second opinion from a panel of doctors from across the world in case of need." The list of other initiatives is long and across segments – from engaging with external community; about women and getting back those who after dropping out want to return.

Economic Slowdown Scenario

Given that most companies have had the complaint of pain in dealing with the economic slowdown, the question for Ramamurti was how the company rewards its high performers without demotivating those who have not. While externally there is a slowdown, she says Google India has seen a big growth phase in the last 12 to 18 months. But then, to handle this, she points to the company's performance management systems that continue to be quite robust and is about getting a well rounded and across-the-board feedback. In fact, she says, those, who feel strongly about what they have done, could even self-nominate themselves for a promotion.

Despite all the care and caution, one Google employee, who did not wish to be quoted, pointed out that the company despite all the bells and whistles, did not have crèche facilities. That apparently has changed and the task has been outsourced to select players. "We do have tie-ups and we work through a tie-up model. But that is something we are constantly looking at," says Ramamurti. So, why did it opt for this route? "It was the fastest way to extend day-care facility following a government mandate, and in the shortest possible time be compliant and also deliver value to a Googler. But this may change over time," she explains.

So, what is it that Google India employees would like to see done this year? Rangarajan is very clear: "One thing, which is still work-in-progress, is that we want to see more senior leaders (vice president and above) moving from other parts of the world to Bengaluru to lead larger projects. We have an internal mobility programme where we encourage people to move, but people now need to start seeing that India is a great place to go to grow. I would love to see a point where people are choosing to come to India, not because they have friends and relatives here but to be able to do world class work from here and not just for India."

@EKumarSharma

HCL Technologies

Building a workforce for the future: four steps to digitally up-skill employees

Kalyan Kumar
Corporate Vice President & Chief Technology Officer,
IT Services, HCL Technologies

As every business becomes a digital one, the risk of skills obsolescence is a growing threat, with the digital skills gap beginning to restrict growth. Traditional approaches to up-skilling are no longer relevant, which is leading many businesses to craft their skill strategies around the idea of a 'Digital Quotient': a concept created by McKinsey, which assesses an organisation's digital maturity based on its strategy, organisational structures, capabilities and culture. One of the core pillars of this is 'silo smashing' across virtually every realm of business and technology.

Whether it's DevOps, Design Thinking, or Agile, businesses are building teams that expand beyond specialised skills and focus rather on end-to-end skills and fundamental digital enterprise capabilities that can achieve enduring goals. When the teams are reconstituted to support an end-to-end process, the skills for any particular role typically look a lot different. A system admin may need to know a lot more about development, a developer may need to know about user experience, a line of business executive may need to know about the cloud. The skills to support a digital enterprise are comprised of these new stack skills along with foundational literacies, general competencies, and character qualities.

Arriving from the future

The idea of Digital Quotient captures this notion of reshuffling skills and rapidly acquiring new ones. It is effectively an IQ for the digital age. Improving a firm's Digital Quotient means hiring staff who don't operate within siloes but across them, and who are continuously aware of the latest disruptions in their industry. These staff are reflecting the experience of Hank Morgan, the engineer who was transported to the UK's Dark Ages in Mark Twain's novel, A Connecticut Yankee in King Arthur's Court. In Twain's novel, Morgan arrives with all sorts of scientific and engineering knowledge and uses it to wreak havoc on his medieval hosts.

In the modern world we need something very similar, people who seem as if they arrived from the future. We must create our own Connecticut Yankees who seem like they are arriving from the future because of their high digital quotient. They must be at once open to learning new skills and to adding new proficiencies to their roles. This means they must live in the world of value and of product, and master the skills needed to bring that vision to life. We cannot wait for this type of person to magically arrive at our companies - we must create them, using four key building blocks.

- **Converged Skills for the New Stack:** One result of silo-smashing is that there is convergence of skills across business and technology. But at the same time, a new set of technology skills must be adopted so that the creators of the unified digital platform are cloud native, infrastructure and security aware, and are able to perform converged infrastructure engineering to reduce the operational burden to as close to zero as possible.
- **Foundational Literacies:** We must seek to educate our entire workforce, not just individual teams, to be broadly literate in areas such as analytics, finance, IT, and cultural developments. This knowledge helps broaden the workforce's ideas and inspires them to build the products and services of the future.
- **General Competencies:** To create the springboard for innovation and creativity, we must train our staff in new methods for critical thinking, creativity, collaboration, and communication, all of which have become far better understood. Instead of just demanding innovation, we must teach practices like design thinking that synthesise these competencies.
- **Character Qualities:** Importantly, the organisation's culture must constantly teach and reinforce staff to think and act according to the highest values and standards. It must imitate disciplined organisations that have learned how to create leaders, to instill character traits like curiosity, initiative, persistence, adaptability, and social and cultural awareness.

Rowing in the same direction

While raising an organisation's Digital Quotient is a sizeable task, it's far too important to be overlooked. When digital quotients rise, so does business performance – for every type of organisation. Across each building block, it is important to define a clear re-skilling and training plan from a long-term perspective.

The benefits of doing so are huge, effectively doubling staff skill sets. A user experience designer usually has a key skill set that includes the usual suspects of graphic and User Interface (UI) design, but if their employer has been working on its Digital Quotient, they might also learn skills for data analysis, information architecture, and application architecture. A software engineer, meanwhile, may also be able to learn deeper competencies in cloud infrastructure, security, networking, and database design and optimisation. Having this wider set of skills means individual employees are more likely to be able to overcome problems, and work in a more innovative way, making the wider organisation stronger as a result.

What we are seeking is a new form of alignment, one that is incredibly challenging but once achieved allows creativity and energy to flow in a coordinated stream, like a crew that all rows together. People who have a product focus, broad skills, and deep alignment will seem like modern-day Hank Morgans, employees from a company of the future, as they work to create a better future for today's organisations.

OVERALL RANK

2

HI-TECH BUT SIMPLE

Amazon in India believes in scaling up faster using technology, simplifying processes and rigorously auditing itself to disrupt and reinvent HR industry standards

BY GOUTAM DAS

SCORES HIGHLY ON

Great Compensation & Benefit Package

Career Growth Path

Challenging Work Opportunities

Many pillars underpin the future of work. The eight-hour workday is nearly dead; working from anywhere is in vogue; physical work spaces are becoming less structured; independent contractors, or gig workers, are now an important part of the people mix in many companies.

If you were to scout for companies in India that appear ready for this futuristic world, Amazon would be one of them. The company today employs 63,000 full time in India, some of them at the cutting-edge of technology – in areas such as artificial intelligence and machine learning. Amazon also engages a large gig workforce, many of whom deliver parcels to our homes. Keeping employees happy across such a wide spectrum isn't easy, but then Amazon's human resources (HR) practice works much like other business units in the company. It is about scaling faster through technology, simplifying processes, and rigorously auditing themselves to disrupt and reinvent HR industry standards. The HR folks at the company like to experiment a lot.

Many of these experiments do work. Amazon has rearranged the pecking order in the 2019 *Best Companies to Work For* survey. The company ranks No. 2, behind Google and ahead of IT services exporter TCS. The year before, Amazon ranked behind Google, Accenture and TCS. A good benefits package, career-growth path, and challenging work opportunities propelled it up the ladder. Like other good companies, Amazon hires smart people, gets them excited, and then supports them. The culture is that of empowerment.

"I joined Amazon as an intern back in 2015," says Mohana Bhattacharyay, Marketing Innovations Manager, Amazon India. "This is a company of builders and for someone who joined straight from college, I was exposed to a culture of innovative thinking very early in my career. It is one of those few places where experimentation is a way of life and it is considered completely okay to fail in the process," she adds.

Nilesh Potdar, Manager – Software Development, Amazon, thinks the company's obsession with customers makes it a great place to work. Employees are in an environment where they can explore and create "game-changing products and solutions".

"Different teams try different models **depending on the need of** the business. One size fits all doesn't **work at Amazon**"

Deepti Varma
Director, HR, Amazon India

Future of Work

A part of the empowerment is the flexibility to work from anywhere. Depending on the business unit, employees can choose to work from home, from their home town, or even from satellite offices. "We came up with something called 'Project Harmony', where we said that employees can work out of their home town – you don't have to come to the city. A lot of women have used this platform to start working for Amazon. One can come to office for an X period of time; and the rest of the time they can work from anywhere," says Deepti Varma, Director, HR, Amazon India.

In cities like Bengaluru that are often traffic-choked, people spend too many hours on the road, which is a productivity killer. Satellite offices allow Amazon employees to operate from close to their homes. As of now, the satellite office concept is in Bengaluru.

"Different teams try different models depending on the need of the business. One-size-fits-all doesn't work at Amazon," Varma says.

With an eye on the future of work, Amazon is also busy reskilling and upskilling its workforce. For instance, the company has computer science graduates working in operations teams, in non-tech roles. There is now a pathway for them to graduate to technology roles if they desire to. "We realised that there is a pool of talent that desire to move into tech roles. Internally, we now have a test. Those who qualify, work for six months with a technical team internally to hone their skills before moving on to a full-time role," says Varma. Similarly, there is also a programme for technical employees to upgrade to becoming ML and AI experts.

Meanwhile, the company's massive 9.5-acre, 15-floor campus in Hyderabad, inaugurated in 2019, defies signs of rigidity. It is fashioned more like a co-working space with multiple breakout zones. Employees can work from any part of the building. Many millennials prefer spaces that are creative and where they can network. This office design mirrors the preference.

Experiments with Bots

In 2019, the HR practice at Amazon experimented a fair bit. One of the more interesting pilots was around Alexa and employee on-boarding. Alexa brings new employees up to date with the culture of Amazon.

"There is a global process, called 'Embark', for on-boarding people. It is a self-service tool using which employees learn about who they need to meet at the company, what to learn… This is the first step," says Varma. "There are hundreds of people joining across the globe, and we want a similar experience irrespective of the geography of joining," she adds.

Once an employee joins and uses Embark, he/she may have more questions. Alexa steps in here and helps them navigate and understand aspects of the culture they come across on a day-to-day basis. "Alexa is like a buddy who can assist you – make the transition easier. Alexa is not taking over the formal on-boarding process," says Varma. "One of our HR tenets is a frustration-free experience for the employee, either for a new employee or those leaving the organisation. We remove barriers," she adds.

Barriers are also removed when it comes to inclusion. Amazon offers same-sex partner insurance cover. It is a good place for fathers, too – both biological dads and those who adopt get up to six weeks leave. And there is no retirement age for any employee in India.

Other organisations, big and small, could take a leaf out of Amazon's books.

@goutam20

BREATHING NEW LIFE INTO HR PRACTICES

Globally, the medical device industry continues to see rapid growth as both innovation and technology is disrupting the healthcare landscape. The Indian market too, is moving in the same trajectory,valued at approximately USD 6 billion, enhanced by growing governmental support and increased funding.

Given these rapid changes, it becomes imperative for companies to priorotize the people agenda. Great workplaces consistently deliver higher shareholder returns as their employees are engaged and put up discretionary efforts. Achieving this state of engagement involves active work in the internal ecosystem. Smart leaders are quick to work on the attributes in an organization that enhances trust and much of their time is spent on building a culture that strengthens these attributes.

Smart Talent Acquisition

Organizations have understood talent is the key differentiator and companies are putting smart ideas and out of the box thinking into the process to acquire diverse talent and those with specific capabiliites. Studies have shown that among many factors, success of the company, work culture and brand are major considerations for selecting a company to work for.

Medtronic, a global leader in medical technology has been industry agnostic to a large extent and focussed on the roles these diverse talent have played in tranformation efforts in their industry. These employees with critical capabilities deliberate and take their time to make their choices of companies to work for. Making companies great places to work becomes a necessity and a value proposition that gives it a competitive advantage.

Employee experience

The situations that an employee experiences in his or her lifecycle from hiring to exit builds upon the employee experience. Pleasant experiences help in retention of talent, foster loyalty, improve performance and discretionary effort. Data and analytics provide an understanding and perspective that can be leveraged to provide employee experiences that would be cherished by them. At Medtronic, the use of human capital insights enable us to improve in areas like learning, development, turnover, High Potential management and trends in organization health. We have developed a simple model to predict attrition and have surveys to understand the pulse of employees. These initiatives enable us to improve engagement, inclusion and innovation.

Key processes like the onboarding process is run with a combination of technology enabled and in-person programs. A robust onboarding program makes the person feel welcomed, engaged and ready to put in that discretionary effort. For many, the first six months appear as if they have already clocked six years in the company. Technology has been leveraged to build a culture of thanking and recognition. These recognition platforms provide the scope for instant recognition and is often spoken about as positives by employees. Celebrating success and calling out key contributors are moments employees cherish.

Work life balance is another imortant area under employee experience. Flexible working , providing tools for ease of work and other conveniences are some ways organizations are making a difference to employees. Well being with Employee Assistance Progams and having dedicated resources to look into employee grievances enhance the employee experience.

Engagement and discretionary effort

Employee engagement has emerged as a critical factor of business success. Engagement, participation in the decision-making process and social impact initiatives nurtures a sense of pride that positively affects motivation and discretionary effort in employees. At Medtronic, through our program called Project 6, employees are given a chance to participate with their ideas, time and resources in social initiatives and this is truly a satisfying experience. An experiment is underway with a local school to understand the effect of positive reinforcement with a group of students and see its impact in their academic achievements.

Tenet 5 of the Medtronic Mission talks about our most important asset — our people. The broad range of ideas and diversity of experiences brought by our employees is what drives our innovation and problem-solving approach, which ultimately results in better outcomes for patients. We've recently been accorded The Great Place to Work® Certification and to be validated by our employees is gratifying.

TITUS ARNOLD,
Director – Human Resources,
Medtronic Indian Subcontinent

DRIVING HAPPINESS

OVERALL RANK

3

TCS uses four mantras — follow your passion, stay hungry, commit to lifelong learning and thrive together — to keep employees engaged

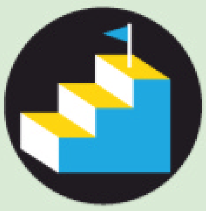
BY NEVIN JOHN
PHOTOGRAPH BY RACHIT GOSWAMI

Milind Lakkad, who has completed just nine months as chief human resources officer (CHRO) at Tata Consultancy Services (TCS), India's largest IT services company, has to pay attention to scores of issues every day. One issue of late has been the worldwide outbreak of coronavirus. It is not an easy task considering that TCS operations are spread across 46 countries and its 4.46 lakh-employee base is made up of people from 146 nationalities. The company has asked its employees to work from home and has created core groups to address their issues.

The grim news notwithstanding, the IT giant's focus has been to make each employee a "Happy TCSer" for which it drives four key behaviours — follow your passion, stay hungry, commit to lifelong learning and thrive together. "Learning is ubiquitous in TCS. Formal and informal learning opportunities are available to everyone. Our state-of-the-art learning ecosystem enables our associates to follow their passion, embrace continuous learning and consistently deliver high performance. Internal digital platforms such as Fresco Play gamify and encourage anytime, anywhere learning," says Lakkad. The company feels this is important as, considering the increase in focus on local hiring, there is an urgent need to build a "One TCS" culture globally. That is why TCS learning programmes are rolled out globally and employees are encouraged to learn new technologies, work with new customers and stay relevant.

SCORES HIGHLY ON

Job Security & Company Stability



Career Growth Path

Work Life Balance & Flexibility

"The culture of lifelong learning and innovation has given TCS the ability to cycle through technology and business model changes," says Lakkad. For example, it has reskilled 3.3 lakh employees in digital technologies. "The idea is that you should be able to learn things quickly, through nano courses, learn through nano videos (20 minutes), apply your knowledge, and move on to learning the next thing. We have virtual labs and an online playground for hands-on practise," says Lakkad.

TCS recently started an initiative called Linking Learning with Careers, under which it links learning performance with job performance to help employees decide their career path. "The framework helps us identify top talent across different experience levels and provides them with opportunities for accelerated career and leadership positions," says Lakkad.

TCS provides opportunities at different employee levels and enables differentiated career and compensation paths for those who excel at learning and do well in internal assessments and work performance.

In formative years, learning is more prescriptive and aimed at helping employees develop core skills and become full stack developers. At the mid level, they choose roles and career paths – whether they want to work on cloud architecture, security architecture, data science or emerging roles. At this level, learning is more subscription-based, and aimed at transforming leaders into specialists.

The company also has more experiential programmes based on soft skills for stakeholders at the customer front. "One must stay hungry, demonstrate the desire to learn something new and learn something different. The people who demonstrate this behaviour will continue to grow and drive their career growth by following their passion," says Lakkad.

Then there is the internal Digital Capability Assessment Test, offered to those with up to three years of experience. This gives employees an opportunity to move to higher roles. In many cases, after clearing the test, employees have been able to command double the compensation. As a policy, TCS emphasises customer centricity, giving equal importance to associate empathy. "We believe these are two sides of the same coin. We have implemented the 'Full-Stack' HR concept to build on the emotional connect we have with our people," says Lakkad. Full-stack HR professionals offer the full spectrum of employee solutions – be it onboarding or talent development or grievance redressal. There is one dedicated full-stack HR professional for 500 employees.

"Empathy has to be established. It will build through emotional connect, continuous connect and understanding the person, and not just getting the task done," says Lakkad.

"The culture of **lifelong learning and innovation** has given TCS the ability to cycle through **technology and business model changes**"

Milind Lakkad
EVP and Global Head – HR, TCS

The TCS Connect

The company has conceptualised Workforce 4.0 to rekindle the organisational ethos of pride, hunger and agility. The initiative is aimed at creating a sense of belonging among TCSers, says Lakkad.

Another initiative is Recoginising Contextual Masters, built on an understanding that some employees acquire deep knowledge of the customer's business and deliver exponential value. TCS has selected 3,500 contextual masters and shared their stories across internal social network platforms. Another programme, Inspire to Lead, is for first-level supervisors, about 20,000 of whom have attended the programme.

In the TCS National Qualifier Test (NQT), a national-level examination to qualify for campus hiring, those who perform exceptionally well in the online test also get an opportunity to take a shot at a digital skills-based examination, one of the toughest in the industry. Over 40,000 job offers have been made on the basis of NQT results in FY20. Gamified Hiring allows candidates to demonstrate skills. The latest TCS CodeVita, the flagship global coding contest, saw more than 2,00,000 registrations worldwide.

The initiatives are showing results. Attrition in FY19 was 11.3 per cent as against the industry average of 15-20 per cent. TCS is among the largest private sector employers of women — 36.3 per cent employees (over 1,63,000) are women. "Our initiatives for women revolve around four pillars: sensitisation and awareness, lifecycle management, grooming and development and networking and affiliations. We have customised these initiatives so that they appeal to women in different stages of their lives at personal and professional levels," says Lakkad. The policies for women employees include maternity leave, special maternity leave and adoption and childcare leave. "In addition, we also run programmes such as Women Discussion Circles and Workplace Parents Group to help women through mentoring, counselling and parenting workshops," says Lakkad.

The retention rate for women who go on maternity leave is 99 per cent, he adds. TCS also has a women leadership programme, iExcel, which grooms women in middle and senior levels to become leaders. It helps women employees interact with top executives within and outside TCS. The executives also act as role models and mentors. So far, over 600 women have participated in the programme. Under another programme, Network to Win, or nWin, TCS assigns mentors to women employees at junior levels.

TCS has been recognised as the Global Top Employer for the fifth consecutive year by the Netherlands-based Top Employers Institute. It is also the Number One Top Employer in three regions – Europe, MEA and APAC. In country-wise rankings, it was ranked as the best employer in 11 countries – Argentina, Australia, Belgium, Chile, Denmark, Germany, Hong Kong, Saudi Arabia, UAE, the UK and the US – and among the top three employers in eight other countries.

@nevinjl

OVERALL RANK

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SCORES HIGHLY ON

Career Growth Path

Challenging Work Opportunities

Compensation & Benefit Package

ONE TEAM, ONE GOAL

A massive HR transformation is under way at ICICI Bank to align all employees to one single aim – speed of delivery

BY ANAND ADHIKARI
PHOTOGRAPH BY RACHIT GOSWAMI

T**he senior general managers** of India's second-largest private sector bank, ICICI Bank, no longer sit in big cabins on a separate floor. They now work from lower floors at the bank's Mumbai headquarters where their teams sit. Similarly, the executive canteen for MD & CEO and executive directors has been thrown open for the 400 business heads. "These were some symbols of hierarchy we have done away with. We are trying to break old mindsets," says T.K. Srirang, Head (Human Resources), ICICI Bank. The bank, under Sandeep Bakhshi, the new MD & CEO, is undergoing a massive transformation. The aim is "One Bank, One Team and One Goal" to ensure speed of delivery. "We have crashed layers so that the speed of response is faster," says Srirang. The results are showing. The bank is among the top five companies in the *Business Today*'s Best Companies to Work For list.

The moves have come in response to challenges the bank faced after the sudden exit of Chanda Kochhar on allegations of wrongdoing. The tough business environment also created pressure on profitability. "The entire organisation is now working towards core operating profits," says Srirang. Brand ICICI has always been associated with latest technology (the bank was the first to scale up the ATM network), popularising retail products from home loan to credit cards and universal banking model (offering insurance, mutual funds, online stock trading, private equity, etc). In fact, the bank's talent has often been picked up by other industry players. Kalpana Morparia (JP Morgan), V. Vaidyanathan (IDFC First Bank), Renuka Ramnath (Multiples), Sonjoy Chatterjee (Goldman Sachs) are some example of ICICI talent going on to lead big organisations.

"The corporate office is actually the service centre. The job of the central team is to serve"

T.K. SRIRANG
Head (HR), ICICI Bank

The HR Question

The 48-year-old Srirang says the challenge is to put all the attributes (brand, product, distribution, people, etc) together to ensure that outcomes at the institution level reflect these attributes and strengths. The focus, as always, is on building a culture which differentiates the institution from others. "Our focus has been disproportionately on the culture of the institution – how to reorganise ourselves and improve some aspects of culture to leverage some of our strengths," says Srirang.

The bank has created a role-based leadership structure (the earlier one was based on grade). The 400 managers in the leadership team – comprising of SGM , GM and DGM – have a goal of "One Bank and One ROE". "Market dynamics are changing. Customers want one-stop solutions," says Srirang. Earlier, the bank used to approach customers, especially corporates, with a single product, say a working capital loan or a term loan. "Now we approach them as a bank and not a retail or corporate department," says Srirang. A manager who has a relationship with a large corporate sells transaction banking, corporate banking, trade opportunities, retail (salaries) and even insurance and home loans to employees. He or she captures all the opportunities and transfers the lead(s) to other businesses. All the leaders have a single objective of improving the bank's operating profit. The bonus of each and every member of the 400 plus leadership team will be equal.

The bank, with ₹12 lakh crore assets and 5,275 branches, is trying to reduce both vertical and horizontal hierarchies. It has removed the grades (DGM or GM) of the top 400 managers. "We are going by the roles the managers perform," says Srirang, adding: "The corporate office is actually the service centre. The job of the central team is to serve."

The bank is also empowering frontline teams. For example, the zonal head now has the freedom to decide how he wants to place the manpower. He also gets to decide whether to set up a branch in a certain geography or market. "It is a big change," says Srirang. The bank is also trying to clean up the processes. "The decision making has to be quick," adds Srirang.

Culture of Experimentation

There is no "one-size-fits-all' solution in banking. The bank has broken down the market into micromarkets based on PIN codes and is encouraging microexperiments. The idea is to take successful models to larger markets. Take, for example, an experiment in the wealth management business. For years, it was believed that the success of the wealth business was decided by factors such as hiring good talent from B schools, a lucrative incentive structure, stiff targets and guidance from a supervisor. But the bank decided to hire graduates from colleges such as Hindu College in Delhi and Jai Hind College in Mumbai. They were not given targets or incentives. In the past eight months, the new graduates have done far more business than other people of equal vintage. "Human ability can never be measured. The biggest challenge is to assess the market potential of a product or segment," says Srirang. The bank is now scaling up the culture of microexperimentation. "We are looking for people who are culturally fit. Banking is something we can teach," says Srirang.

In the last few years, there has been a big shift in hiring with digitisation and technology playing a larger role in banking. The use of data analytics, artificial intelligence and machine learning is creating new opportunities. "The bank has to prepare for the future," says Srirang. While it continues to go to B schools, it is also hiring more technical graduates and engineers.

In recent years, many banks have had to look outside to fill top vacancies. However, at ICICI Bank, smooth transition of Sandeep Bhakshi into the corner room created stability in terms of culture, ethos and understanding of the group's businesses. To ensure that this is the case in future also, the bank follows a rigorous process of assessing the bench of all leadership positions. "We have been doing it for the last one and a half decade. We do it even for the branch manager level," says Srirang. That is why the 400 leaders are even invited to board meetings. The teams are invited based on their roles (risk, treasury, retail, etc) and not grades (SGM or GM or DGM). Clearly, the "one bank, one team and one goal" agenda is moving apace.

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OVERALL RANK

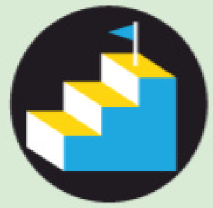
5

BEING ALL INCLUSIVE

Accenture India's focus on making lives better for employees is reaping dividends

BY ANUP JAYARAM

SCORES HIGHLY ON



Career Growth Path

Work Life Balance & Flexibility

Compensation & Benefit Package

At a time when inclusion is the byword for success, companies are going all out to ensure that no employee is left out or even feels left out in any way. That's what is being practised actively at global technology company Accenture. Over the past few years, the technology major has gone all out to ensure that inclusion is the norm. This includes people with disabilities (PwD) and those who have declared themselves to be LGBTQI (lesbian, gay, bisexual, transsexual, queer and intersex).

Robert George, a Technical Architect Manager with Accenture's Advanced Technology Centre in Bengaluru, has benefited from the inclusionary policies. George met with a motorcycle accident in Puducherry in 2000, which resulted in a spinal cord injury that left him paralysed below the neck. After a three-and-a-half-year rehabilitation process, George did a computer course and got certified. He started working in 2004, and joined Accenture in 2010 as a senior programming team lead. "My career is deeply rooted in programming. When I had my accident, I had to choose a profession that allowed me to sit and work. I thought IT would be the best choice," says George. Being physically challenged has not affected his work. "I have travelled to different countries from Accenture on work. The only thing that the company looks at is the person's knowledge," he adds. That's because policies ensure that requirements of people with special needs are addressed. The idea is to ensure that people do not feel different from anyone else.

In this post-digital age, where companies are adopting advanced technologies for business transformation, Accenture, which has over 200,000 employees in India, has been investing in four things – creating a culture of innovation, learning and equality, and focusing on well-being of employees.

Working Towards Equality

Accenture's commitment to being a gender neutral company started nearly three years ago with their CEO. Says Lakshmi C., Managing Director and Lead-Human Resources, Accenture in India: "We are working towards a gender balanced workforce by 2025. We are proud to state that we are well on our way to achieving that in India." As part of the equality plan, the company is among the first organisations to offer medical insurance to partners of employees who declare themselves be LGBTQI. Under the PwD programme, it has taken a wide definition of what is a disability and covers over 60 types of disabilities.

Accenture also has a 10-month leadership programme for people with disabilities. "They are not really doing back-end work. They are front-ending in client-facing roles," says Lakshmi. George points out that he was provided with a skip-level mentor for a year which accelerated his growth in the company.

The other big driver in Accenture has been innovation. "Innovation has been a big differentiator for us to develop talent. Internally we have been conducting technology innovation contests. This year we gathered over 50,000 ideas. A number of them are being developed into prototypes," says Lakshmi. The company also has a contest for students. It had 14,000 students from 50 business schools participate in a contest to solve some critical business problems.

Being in the technology space where change is the norm, it is important for employees to keep upskilling. "Our virtual lessons are available on phones, laptops, tablets... where we provide a rich connected learning experience," says Lakshmi. Over the last couple of years over 85 per cent of Accenture employees have successfully upskilled themselves. Quite like in innovation, the learning process for Accenture employees starts even before they join the organisation. In its 'Code Before you Board' programme, students from campuses can access quite a lot of the fundamental training programme even before they join.

Besides an employee's professional well being, the company also takes care of their mental well-being. As Lakshmi points out, "Before the programme really evolved, we started with focusing on things like my team, my career, my workplace, my technology. Last year, we upped it to look at passion, which is about people showcasing their talent." The other big discovery is the sense of volunteering that millennials have. "We are focusing on new habits. We created a third party app to build those habits. It nudges people to, say, drink water, take a break, walk around the office," says Lakshmi.

Mental health is increasingly becoming an important topic across India. Last year, Accenture introduced an AI-based mental health coach. It is private, it chats with the employee and guides them to a counselor in case they need one. "We were very skeptical when we launched it about whether people would adopt it. Our pilots have gone very well and we are looking at how we can launch it across all 200,000 people," says Lakshmi.

Each of the four areas that Accenture is focusing on has helped it retain its place among the top list.

"Innovation has been a big differentiator for us to **develop talent.** Internally, we have been **conducting technology innovation** contests"

LAKSHMI C.
MD and Lead-Human Resources, Accenture in India

@anupjayaram

Creating Purposeful Corporations, In pursuit of Conscious Capitalism

"More than 8 million metric tons of plastic leak into the ocean every year, so building infrastructure that stops plastic before it gets into the ocean is key to solving this issue," said H. Fisk Johnson, Chairman and CEO of SC Johnson. SC Johnson, an industry-leading manufacturer of household consumer brands, has launched a global partnership to stop plastic waste from entering the ocean and fight poverty.

"Working with SC Johnson, provides me with a global perspective and a greater purpose"

—— Imran Warrich, Sr. Director, Infrastructure & Operations, S. C. Johnson & Son, Inc.

In August 2019, after 42 years of its inception, Business Roundtable, that has periodically issued Principles of Corporate Governance, with emphasis on serving shareholders, has released a new statement of Purpose of a Corporation. This new statement was signed by 181 CEOs who have committed to lead their companies to benefit all stakeholders – customers, employees, suppliers, communities and shareholders. Jamie Dimon, Chairman and CEO of JPMorgan Chase & Co., is the Chairman of Business Roundtable. He went on to say, *"The American dream is alive, but fraying," "Major employers are investing in their workers and communities because they know it is the only way to be successful over the long term. These modernized principles reflect the business community's unwavering commitment to continue to push for an economy that serves all Americans."*

Today the definition of corporate purpose seems to be changing. Companies are now focused on the environment and all the stakeholders. There is a growing ambivalence about Capitalism that only promoted pursuit of wealth, according to a Harvard Business School survey.

But this is a far cry from when we were growing up in India as youths, in the 1980s. Our definition of personal success was to expeditiously acquire wealth. Most of us who were studying Engineering, Medicine or pursuing other professional degrees, were all looking for a job that would sustain us and support our immediate family. The other option was to emigrate to America or other developed countries, for further studies and make a life here – to celebrate Capitalism in all its glory.

In India we were quite steeped in religious festivals and rituals. We attended Baal Mandir and had moral science in school, but the concept of Service, Altruism, Seva, Sharing were largely platitudes and they were not a part of our daily lives. There was an inbuilt cynicism about charity and we never felt that when we grow up, we need to think about the greater good of the society.

And that is where Conscious Capitalism comes in. Instead of espousing Ayn Rand's version of scorched earth capitalism, *"Selfishness is a Virtue"*, or blindly following Gordon Gekko's *"Greed is good",* the media, parents, teachers, influence makers could promote and ingrain in all of the youth, students and people at large that there is merit in wealth creation, but it could be infused with altruism. We could celebrate the successful who also share. This could dispel the notion that charity and sharing of wealth is only for the rich and the famous.

America gets criticized for many things around the world, but often the world overlooks that the largest amount of charity and donations has been from USA. Bill & Melinda Gates Foundation, Warren Buffet, Larry Elison of Oracle who has pledged significant portion of his wealth to the Bill & Melinda Gates Foundation, Mark Zuckerberg of Facebook and many others have absolutely embraced the concept of Conscious Capitalism for their corporations. But what would really broaden the pyramid, would be when early entrepreneurs and upcoming executives are also engaged in sharing and giving, and not wait till they reach the pinnacle of success. We cannot expect only governmental initiatives to support the underprivileged. We need to celebrate Conscious Capitalism and entrepreneurs and business leaders who are pursuing their dreams and are also sharing some portion of their wealth with the society.

At GAVS and through the Private Equity firm Basil Partners we are privileged to have been involved in an initiative to nurture and support a small isolated village named Ramanwadi in Maharashtra, through a project named Venu Madhuri (www.venumadhuri.org). The volunteers involved in supporting this small village have brought success in several areas of rural development and the small hamlet is inching towards self-sufficiency. Basil Partners along with Apar Industries seed funded the Midday meal program, (www.annamrita.org) that feeds almost 1.26 Million school students per day in Mumbai; and have promoted the Bhakti Vedanta Hospital in Mumbai.

These are all very humble efforts compared to some of the massive projects undertaken by the largest of groups and individuals. However, they all make a difference. I truly believe that we need to internalize some of the credo and values that have been espoused by H Fisk Johnson & the work companies like SC Johnson is doing, emulate Azim Premji, Satya Nadella and many others. They are the true ambassadors of Conscious Capitalism and are creating purposeful corporations.

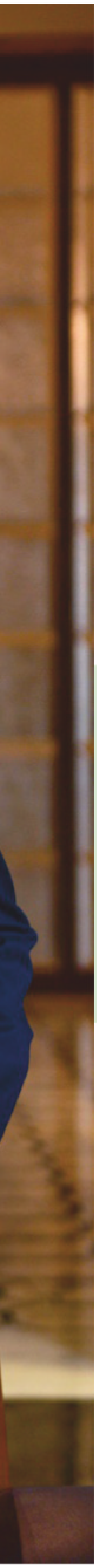
- **Sumit Ganguli**, CEO, GAVS Technologies

AMBIENT IMPACT

As a platform that aims to empower businesses, the company has enough innovations on its plate to keep talent occupied

BY E. KUMAR SHARMA

If you have started a religion, it helps to stay connected with your followers. At Microsoft, the seers from Redmond – from founder Bill Gates to current CEO Satya Nadella – know this well. As part of efforts to build a following, they have been systematically reaching out to India, following a similar pattern of interactions each time – meeting CEOs and addressing the developer community. Nadella followed the tradition during his just concluded visit to India. Only this time, the scale and level of engagement went much deeper



PHOTOGRAPH BY VIVAN MEHRA

OVERALL RANK

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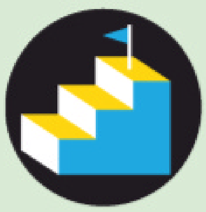
SCORES HIGHLY ON

Compensation & Benefits



Career Growth Path

Culture of Innovation

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The number of companies that Microsoft works with in India

considering that India matters both for talent sourcing (India operations have the biggest pool of engineers after the US) and business. Anant Maheshwari, President, Microsoft India, set the stage at the CEO Summit in Mumbai by pointing out that the tech giant works with some 3,00,000 companies in India. Nadella has characterised Microsoft "as a platform company" that was building each layer of the tech stack for the new era, and has written and spoken about the company "creating rich AI supercomputing; and we are making computing more ambient with multi-sense, multi-device experiences." To talent seeking to learn and grow, this means opportunities for developing technology for a far-reaching impact. That is why, apart from its compensation policies, the company has been ranked high on providing a clear career growth path and learning opportunities to employees.

The company is betting big on cloud and AI or 'intelligent cloud' in India, and plans to make its cloud computing platform Azure "the world's computer". Microsoft Azure has 57 data centre regions globally, with three centres in India, in Pune, Chennai and Mumbai. In fact, just a week before Nadella landed in India, Microsoft announced that with a view to advancing its commitment to invest in the country's engineering talent, it was launching its India Development Center (IDC) in the National Capital Region (NCR). The IDC NCR, as it is being referred to, "is Microsoft's third development centre in India, serving as a premier facility for driving cutting-edge innovation. The centre will build on Microsoft's commitment to tapping India's engineering talent to create solutions for global impact."

For Microsoft, it has been a long journey in India. In 1998, when it set up its first IDC in India in Hyderabad, it had just about 20 engineers and operated out of a facility rented from Natco Pharma. Today, it has a sprawling campus in the city's financial district housing thousands of people and a multi-layered parking lot for at least 4,000 cars and equipped with all the bells and whistles — ambience, recreation facilities, amphitheatre, cricket grounds, to name a few. Not to be missed is the Makerz lab where engineers can try out their ideas and build a better tomorrow.

The company, which positions itself as a platform and an ecosystem provider, operates all its technology groups in India - Artificial Intelligence, Cloud & Enterprise, Experience & Devices Group. "Going from a devices and services company to a mobile and cloud company, Microsoft has been has been creating a collaborative culture for software developers. It has been on a transition path from a culture of been-there-done-that to a culture of learning and experimentation with employees across the board working together. Therefore, there are opportunities to match one's aptitude and interest to the multiple venues for growing the business of the company," says S. Raghunath professor of Strategy and Chairperson, Centre For Corporate Governance and Citizenship at Indian Institute of Management, Bangalore, who has been following develoments in the IT and tech sector. BT

@EKumarSharma

ALL ABOUT PURPOSE

Hindustan Unilever's focus on being purposeful and accountable makes it a great place to work

BY AJITA SHASHIDHAR
PHOTOGRAPH BY RACHIT GOSWAMI

OVERALL RANK

7

The past few quarters haven't been good for the country's biggest FMCG company, Hindustan Unilever. The economic slowdown has resulted in the slowest volume growth in a decade for the ₹38,224 crore consumer goods company, and its Chairman and MD, Sanjiv Mehta, has even expressed his concern about this despite all their aggression in the market place. However, at its plush

headquarters in Mumbai, the mood is far from somber. The Bru Café at the HUL headquarters, a popular hangout of its younger employees, is bustling with activity. Ask any of the millennials over there if slow growth rates was coming in the way of their individual growth, the instant response is that they are lucky to be part of the Unilever network. Sikta Sampark Patnaik, Brand Manager and Digital Leader, Hair Care, instead of being worried about the muted volume growth, is excited about the phenomenal opportunity of reaching out to 250 million households in India. "We recently took our advertising (Clinic Plus) to our consumers in villages in Punjab and came back with a narrative of a 16-year-old girl who welled up when she watched the campaign and revealed to us about her mother's desire to have her daughter finish her education. This made me reflect on the impact I can make through a brand that strives to inspire women to raise strong daughters."

Patnaik's comment is a reflection of Unilever's three-pillar compass: Companies with purpose last, brands with purpose grow and people with purpose thrive. Unilever's motto of linking its business goals with the well-being of the society is well known. Anuradha Razdan, Executive Director, Human Resources, HUL, says that at a time when the going is slow, it's back to basics. "We are focusing on fundamentals of growth, making sure that our teams are closest to the consumer and the markets they serve, and as employers and leaders, we stay close to our employees. That is most important. As a culture, we believe that we are human, purposeful and accountable. Our focus during these times is to be even more so. Human is all about engagement, development and communication with our employees, purposeful is the way we do business and accountable is about a culture of feedback."

Razdan proudly says that the company's engagement scores were as high as 90 cent in a year in which business growth was muted. "When we asked our employees whether they believed we have the right strategy to grow, there were more than 90 per cent favourable responses." Be it communication from the leadership or team communication, there is a consistent and continuous set of messages shared about the company regularly. "We have open and honest dialogue. We are mindful that we need to continuously build people's resilience and well-being," says Razdan.

Driving Purpose

Though Razdan claims that the company's hiring has not slowed down, independent HR professionals confirm that fresh re-

SCORES HIGHLY ON

Great Compensation & Benefit Package | Career Growth Path | Learning Opportunities cruitments in HUL have been need-based in the last one year. Instead of hiring aggressively, in the past year, the company has focussed on enhancing the involvement of its employees in the business.

Last year, it ran a programme called Talent First, which focussed on the top 100 leaders of the company to be purpose-led and future-fit. It started with each leader going through an assessment, which included external and internal inputs, and then they were told where they stood as individuals in terms of functional capabilities and leadership profiles. At the end of it came an exhaustive and comprehensive report for each leader. "It translated into curated development plans, and specific coaching interventions for employees. For someone, it could mean an external immersion, or support with how they lead their team. The belief is to help leaders focus on their inner game, and as you drive more self-mastery in your leaders, they will be more effective in their outer game, which is how they run the business," explains Razdan.

"We are focussing on fundamentals of growth, making sure that teams are **closest to the consumer and the markets** they serve. As employers and leaders, **we stay close to our employees**"

Anuradha Razdan
Executive Director, HR, HUL

For the rest of the organisation, the company ran a programme called 'Discover Your Purpose'. "As a business, we have a purpose, which is to make sustainable living commonplace but we want to help and enable each of our employees to have their own leadership purpose. It's about what their passion is and the legacy they want to leave behind. That has nothing to do with their current job; it's to inculcate longer-term thinking," Razdan further explains. Brand Manager Patnaik's purpose, for instance, is to serve under-privileged girls, who she is trying to reach out to through the hair-care category she manages. Razdan firmly believes that it is Patnaik's larger purpose that will translate into higher growth for the category itself.

An integral part of the company's purpose agenda is also to make the workplace inclusive. This means not just having more women in the workforce, but also including the third gender and also people with disabilities.

The Unilever CHRO, Leena Nair, recently declared that women form 50 per cent of Unilever's workforce globally. In India, in 2010, this was only 18 per cent but today, it is 40 per cent. "We are committed to being gender-balanced in the next few years. We want to drive this balance across all levels of the organisation," says Razdan, citing the example of the company's colour cosmetics manufacturing unit in Haridwar that is run entirely by women.

Apart from communicating with employees and helping them find their purpose and integrating it with their long-term career growth, in the last one year, the company has also focussed on driving accountability. It has started a culture of two-way feedback between leaders and reportees. "We call it compassionate and direct feedback for growth. Over 50 of our leaders have opened themselves to feedback because, often, leaders focus on their bosses but do we really think about what our employees think of us. I sent out a survey to all my team members and asked them about the kind of impact I was having on their energy and motivation, and that's direct feedback," says Razdan.

Career Growth

HUL is known for the career growth opportunities it offers to employees, which has also reflected in the Business Today-PeopleStrong Best Companies to Work For study. The company has now taken its career growth strategy beyond its 18,000 employees. Last year, it partnered with Indian Institute of Management, Ahmedabad, to offer a programme for its stockists. It was a week-long programme that taught them skills to manage business effectively, and look at financial elements as well as people management. "We have over four lakh employees who belong to our 'outer core' – this includes people employed by our distributors and third parties. We firmly believe we need to invest time and effort on this group as well. Our distributor salespersons are our frontline who sell our products in the market every day. This population had over 40 per cent attrition. We have brought this down to 12-13 per cent voluntary attrition by looking at their capability, career and care initiatives for their family like education scholarships for their children and medical assistance," says Razdan.

@AjitaShashidhar

PUNEET AGGARWAL
VC - MIET

MIET Business School:
Unicorn of the year...

The year 2019 -20 has been a phenomenal year for MIET Business School, its meteoric rise is being applauded not only by the industry but all its stakeholders. Here is the excerpt of an interaction between Vishwas Gautam, Author & Brand Head, MIET Group of Institutions and Mr Puneet Agarwal, Vice Chairman, MIET Group of Institutions...

Vishwas: When last year we took the calculated risk of taking uncharted way of marketing through Strategic Content Placement & shun traditional marketing, I was sure it would work, but did you expect this meteoric rise…
Puneet: Absolutely, see our geographical location gives us an immense advantage and making use of that we made our geography, the classroom of our students. Being in the middle of India's most productive agriculture belt, the sports capital of the country and our proximity to Industrial Delhi NCR, and having the region's first AIMA Biz Lab allowed our faculty to make our students work on live projects. Helping farmers to draw business strategies and coming up with solutions to constraints and unforeseen hurdles, or building brand strategies for fledgeling sports companies or scissor makers, taking our students to Industrial visits and ask them to identify their assets and abreast them with their potential risks made MIET Business School student to have countries best pedagogy.

Vishwas: ***Isn't it somehow going the IRMA way.***

Puneet: Why only IRMA, I would say more than IRMA because we are not only working with communities but blue-chip companies as well. I don't see any other management college having this unique advantage

Vishwas: ***We also were discussing how archaic management colleges are falling like nine pins and management losing its sheen as a career option, where do you see it going henceforth…***

Puneet: My perspective about management sciences is not restricted to analysing the past and taking the decision based on the facts. Whatever data is available and whatever analysis you do it makes you an intelligent person but still you need to have that gut feeling, you need to have that forward-thinking, where you should be able to visualise what is going to happen in the near future and if you can develop your business or if you can lead your business or if you can adapt yourself to the unforeseen future that makes the difference. whatever the future is it will always be new there would be no precedent of what has happened in the past so ultimately whatever facts whatever analysis you do it only adds to your knowledge but knowledge should not be restricted, you should always try to pre-empt what is going to happen. I see management colleges following rigid academic structure.

Vishwas: ***There can never be one shoe fit all model when it comes to management isn't it?***

Puneet: Absolutely, in a country as diverse as ours, the language of management changes from one place to another and if you will train managers to have uni-dimensional approach, you are already putting them at a huge disadvantage. Managers should be able to understand the language of the geography and come up with a strategy according to that language. Also, rules of the games today are changing rapidly and demands of the recruiter's too, gone are the days of training on the job but today they want managers who can be in the driving seat right from day one. MIET having state of the art labs of SAP, AWS, IBM, Oracle and many more positions our students with the very best.

Vishwas: ***There is also this prevailing problem of confusing Brand with marketing, marketing with sales, media management with PR and the emergence of specialised management programs like celebrity, international, IPR management. Tell us how you converged all these,***

Puneet: Most of these areas have got their relevance; the relevance may vary from industry to industry. Each could be independent but again if you see they are dependent on each other it again varies from geography to geography, industry to industry and business to business. for example, Let's take our education sector it is not about sales, it is about marketing and branding. people fail to realise who their customer is, what they want, where they want when they want if you see all the five-question that you should ask about your customer that is not being addressed by any education sector even in the sector it varies from kindergarten to primary school to secondary school to higher education to post-graduation. Each pocket could be different, they should be addressed differently. It could be a joint effort but It could be handled by a single person also provided that person knows the difference. Look at you are you not handling all these collaterals single-handedly. MIET Business School is training our students to have the holistic knowledge not limited to just one role but a multi-faceted one.

Vishwas: ***What Now?***

Puneet: Put Meerut on the map of Investors and hopefully provide the city not only academic excellence but generate business and employment for our community and not stop there but keep coming up with curriculums that are innovative and futuristic. MIET Business School has just begun, and I hope every year we are talked about as we have been this year.

VISHWAS GAUTAM
Brand Head

MIET | BUSINESS SCHOOL

READY FOR MORE

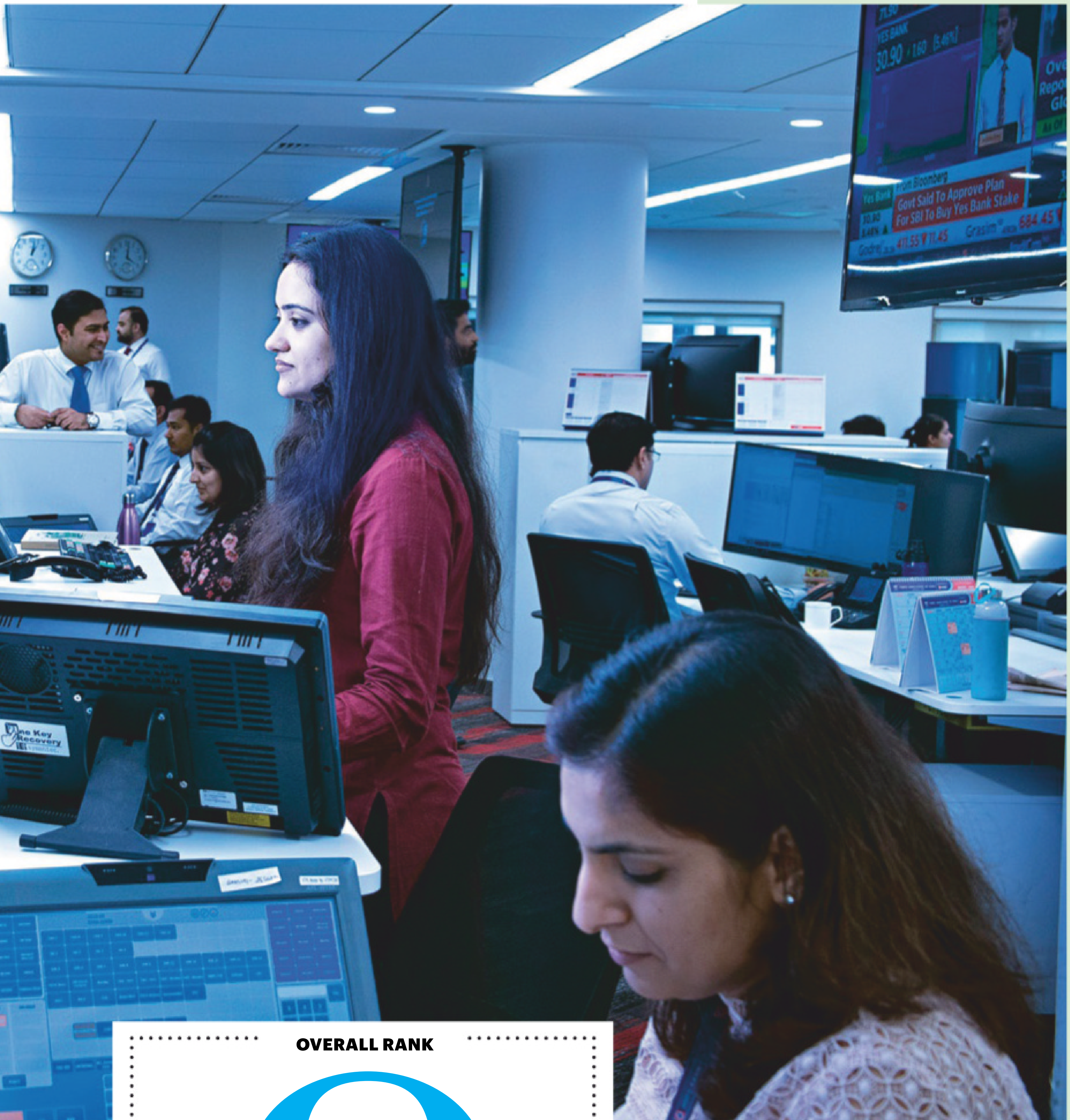
The largest private sector bank, HDFC Bank, is rebooting for the next phase of growth

BY ANAND ADHIKARI
PHOTOGRAPH BY RACHIT GOSWAMI

I **want a happy** organisation." That was the big 'mandate' in the shortest possible sentence given by 69-year-old Aditya Puri, MD and CEO of HDFC Bank, to the new Chief Human Resources Officer (CHRO), Vinay Razdan. An HR veteran of three decades, during which he worked for marquee names like ITC, HCL Technologies and Idea Cellular, Razdan connected well with Puri's message. "I thought it was a very aspirational and worthy goal," says Razdan, who joined the bank a year-and-a-half back.

Razdan's entry into the bank has happened at a time when the bank is gearing up for its next phase of journey. There is a leadership transition that is going to happen by the year-end with Puri – the man who built the bank with assets size of over ₹12 lakh crore – hanging up his boots. Moreover, banking itself is changing with digital banking moving the customers away from branches to mobile (app banking), kiosks, net banking, ATMs and more. There is also the challenge of handling the size of the largest private bank in India, with about 1.2 lakh employees spread over some 5,100 banking outlets across 2,800 cities.

The 25-year-old HDFC Bank is rebooting its Human



OVERALL RANK

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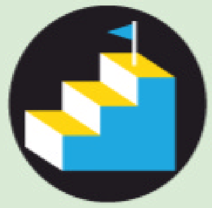
SCORES HIGHLY ON



Career Growth Path

Compensation & Benefit Package

Challenging Work Opportunities

Resources for the next phase of growth by focusing on creating individual experience for its workforce. Corporate history has enough examples of organisations that grew in size but lost the game (of managing people). "Such large organisations tend to deal with 'mass' as 'numbers' and the individual connect gets lost," says Razdan. To avoid going down that path, he says, the bank has to create a strategy that is enabled by the right structure based on which appropriate employee experiences can be created. "We are trying to keep individual employee at the centre of everything."

Employee Centricity

Customer centricity is the buzz word in banking, but HDFC Bank is creating the building blocks by first creating a happy employee. "I believe in the concept of virtuous cycle which means success feeds success and brings in a higher level of success," says Razdan.

The bank has redrawn its entire HR strategy into three heads. First, there are centres of excellence (CoE), which are essentially corporate based functions which design HR strategies. The second is deployment and execution. "We as HR have one face to the business (corporate centre) and below that we have created four regional leaders to head the regions," says Razdan. The decentralisation is important as more than 50 per cent of the bank's branches are in rural and semi-urban areas. So while the metro branches are catering to tech-savvy customers, the rural and semi-urban branches will need workforce to do business in areas like affordable housing, micro personal and business loans, consumer durable loans, etc. "Our execution engine is horizontal at a region level," says Razdan.

The CoEs are in the area of talent acquisition, talent management, employee engagement and organisation effectiveness. For instance, the CoE for technology looks at various tech solutions for the organisation.

The bank is also working on a employee self-service module. Under this, the employee will have ready approval letter formats for things like applying for a passport or updating degree, etc. "Employees don't have to wait or make rounds to get a letter," says Razdan.

The people approach of the bank has always been on acquiring the right talent, career management, providing connect programmes, training and development and rewards and recognition. Given the technological changes, hiring is also shifting to get the right fit. The bank has already taken a lead in digital initiatives. In fact, the bank also experimented with a physical robot to welcome customers at branches and also facilitated some transactions. The deployment of software robotics is also taking place in a big way to handle repetitive transactions. The bank is already offering pre-approved loans in five seconds.

Leadership Transition

A big event that HDFC Bank is soon going to undertake is the succession to Puri as MD and CEO. The man who everyone thought that the bank is grooming – Paresh Sukthankar, the Deputy MD – recently left the bank, citing personal reasons. There are three top internal contenders already in the board. Kaizad Barucha, Sashidhar Jagdishan and Bhavesh Zaveri are all in their mid-50s and therefore have 10-15 years to give to the organisation. It will, however, be business as usual for the bank even during the transition, thanks to the next layer of senior management after Puri being stable. "They all have decades of experience. They all are people who built the bank," says Razdan.

The bank is also on a look-out for an external candidate. Will an outsider be a good cultural fit or will an internal candidate be able to manage the mammoth organisation as it faces a new set of challenges? The coin could fall either way.

"The way the organisation is poised, this may be the **best place for people to be** because of the **size of opportunity** in financial services"

Vinay Razdan, CHRO, HDFC Bank

Another challenge that Razdan would face is managing attrition, if any, at the senior management level. ICICI Bank, for example, saw big exits when Chanda Kochhar emerged winner in the succession race. "Our people are much sought after," says Razdan, adding that the bench strength of the bank is deep. In fact, Razdan did an extensive study of this by analysing the people data at every level based on vintage and retention level. "The way the organisation is poised, this may be the best place for people to be because of the size of the opportunity in the financial services," says Razdan. In the last quarter of a century, the bank has grown from scratch to having advances of ₹8.19 lakh crore and profits of ₹21,078 crore (FY19).

The litmus test of any large organisation is commercial success and longevity. "If you look at cult organisations, they have commercially sustained themselves and profitably grown over a length of time," says Razdan. And that is only possible by having happy employees.

@anandadhikari

OVERALL RANK

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MASTERS OF ALL

Tata Steel promotes a culture of internal hiring with focus on employees getting exposure to multiple operating locations, business verticals and roles

BY NEVIN JOHN

It was early 2015 when Tata Steel launched its diversity and inclusion initiative, called Mosaic, for its Indian operations. One of the first discussions on the platform was the problems that women face in manufacturing companies and the need for equal opportunity for them in the company. The company got the state government's approval to allow women in mines in all three shifts at the Noamundi iron ore mine in Jharkhand. It has also started two shifts for women at its Jamshedpur plant shopfloor from April last year. Another unique move is its menstrual leave policy, called 'Raahat'. Suresh Dutt Tripathi, VP, Human Resource Management, Tata Steel, says that they are not able to deploy women employees in all three shifts in many manufacturing locations due to legal constraints. "If the permissions are in place, we will implement the pro-women policy in all operating locations of Tata Steel." The company plans to increase the share of women employees to 20 per cent by 2020 from 11 per cent now, and to 25 per cent by 2025.

The steel maker wants to build an inclusive and progressive work environment through employee-friendly initiatives. "We have introduced flexible work hours from this financial year, which is considered diffi-

SCORES HIGHLY ON

Work Life Balance & Flexibility

Job Security & Company Stability

Healthy Work Environment

> "We are in multiple industries... If an employee desires, he or she **can have multi-industry exposure**"
>
> **SURESH DUTT TRIPATHI**
> VP, Human Resource Management, Tata Steel

cult for a manufacturing company. We have also rolled out a new HR policy that enables our colleagues from the LGBTQ+ community to declare their partners and avail HR benefits, which are applicable to the spouses of the employees," says Tripathi.

The company exercises positive discrimination to induct as many people with disability (PwD) as possible. "But we still have some distance to cover in this in the facilities. While it is not particularly difficult, it can be unsafe unless we are 100 per cent sure where we can deploy specially-abled people," he adds.

New Frontiers

Tata Steel has 30,000-plus employees in India. The steelmaker has been reducing manpower in the UK because of reduced business, but has recruited about 4,000 in India in past six years, primarily for its 3 million tonne plant in Kalinganagar. Tripathi says that 42 per cent of the workforce in India is millennial and shows the vibrancy.

The company also offers opportunities that only a few others do. For instance, when IIT Mumbai graduate Hemant Gupta wanted to pursue a career in adventure, after completing two years at Tata Steel, in 2013 he shifted to Tata Steel Adventure Foundation. Trained under Bachendri Pal, the first Indian woman to climb Mount Everest and the foundation's director, Gupta climbed the Everest in 2017.

"We promote a culture of self-learning and discovering career possibilities in Tata Steel's ecosystem, amplifying and expanding roles to bring impact and value. To support talent, we introduced a career conversation framework which focuses on 'Know Talent, Flow Talent, Grow Talent'. It helps employees to achieve their career aspirations with the help of seniors and mentors," says Tripathi.

These changes are in tandem with the company's own growth. Over the last couple of years, it has expanded the Kalinganagar plant and acquired Bhushan Steel (renamed as Tata Steel BSL) and Usha Martin's steel business. The acquisitions have led to a multitude of opportunities for employees. "We have developed policies that take care of the ambitions of shop-floor employees to senior executives," says Tripathi.

Tata Steel ensures that the values of the company are an integral part of the culture and the HR policies are framed according to the country and local laws. When the company had to cut the workforce in Europe and renegotiate the pension scheme about two years ago, "we took employees into confidence before making any changes. The employees and the unions were also well aware of the business scenario and it helped our process easier."

Tata Steel looks to create an ecosystem that enables innovative thinking with respect to work, workforce and workplace. "We are in multiple industries: mining, steel making, marketing and sales, logistics, services and finance. If an employee desires, he or she can have multi-industry exposure. We have internal job postings and rotations, which helps us source talent internally," says Tripathi. With business getting diversified in view of expansion and acquisitions, they expect more opportunities to be available to employees across roles. "We don't differentiate based on the criticality of the business. We ensure that performance is measured based on impact created by the role holder," says Tripathi.

Strategies are re-visited frequently to suit business requirements. Employees are required to submit their developmental plans at the beginning of the financial year, and depending on requirement, they are sent for different kinds of programmes and coaching.

A strong and consistent culture is also why the company has "people from the fifth generation of families of our past employees, who worked when the company was established in 1907," he says, adding that the retention rate at the company is 96 per cent, better than the industry average.

@nevinjl

 PHOTOGRAPH BY SANDESH RAVIKUMAR

OVERALL RANK

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SCORES HIGHLY ON

Learning Opportunities

Job Security & Company Stability

Work Life Balance & Flexibility

DRIVEN BY SKILLS

With an eye on redesigning work around new capabilities and offering a slew of learning opportunities, Infosys retains its edge as an employer of choice

BY E. KUMAR SHARMA

India's IT giant Infosys is unique in more ways than one. A company that took off as a technology icon and helped spawn an IT services revolution in India has found itself on a bumpy ride in recent years. Be it 2013, when Infosys founder N.R. Narayana Murthy had to step in again, or 2017, when the then CEO Vishal Sikka made an exit, and more recently, the whistleblower controversy. But the company bounced back every time.

The latest quarter (Q3) results show

"The focus is on **empowering managers** through analytics-based, customisable learning tools and initiatives that focus on **continuous learning**, re-skilling and **refactoring talent**"

Krishnamurthy Shankar,
Executive VP and Group Head-Human Resources, Infosys

nine months' revenues at ₹67,524 crore, a year-on-year growth of 10.4 per cent, and operating profit at ₹14,447 crore, up 1.3 per cent y-o-y. In addition to that, the company saw a fall in its attrition rate, a problem that many leading IT companies have been grappling with for the past few quarters. In the earnings call post the results, Pravin Rao, the company's COO, said, "Our efforts to stem attrition continued to show results. On a standalone basis, attrition reduced by another 1.8 per cent sequentially to 17.6 per cent. Voluntary attrition was even lower at 15.6 per cent." He attributes this to an "enhanced focus on increasing employee engagement, performance and skills-driven value proposition for employees". Analysts feel some of the employee stickiness has to do with the efforts aimed at redesigning work around capabilities and investing in learning and career advancement programmes. There is a palpable sense of pride when Krishnamurthy (Krish) Shankar, Executive Vice President and Group Head of Human Resources at Infosys, speaks about a slew of initiatives the company has been taking to prepare talent for the future with niche skills.

The company that has seen the IT sector transition from body-shopping to brain-shopping to niche skill tapping now, is acutely aware of the need to bring in differentiation riding on skill capabilities. Last year, Infosys rolled out its 'Skill Tags' initiative. It identifies an employee's skills associated with a specific digital or "agile work" area, such as 'AI Professional', 'IoT Professional', 'Big Data Professional', 'Cloud Professional' and others. It imparts a skill identity that sets an employee apart and makes him eligible for associated rewards, and a stronger career profile. Employees aspiring for a 'Skill Tag' need to complete relevant certification and experience to get awarded. All of this is in keeping with times and business needs that require specific skills such as full-stack developers, scrum masters, polyglot engineers, power programmers and pod specialists. In all, Infosys has identified 36 skill areas that are important and are the future of the company. About 3,000 have got skill tags. "This is a big area of driving skill upgradation of our employees," says Shankar.

Continuous Learning

Two years back, Infosys undertook a big survey within the organisation. The focus group was employees with one to three years in the company and about 1,000 employees who were less than six months in the company. "The idea was to know what is it that they really want in the first three to four years. One of the things they came up with continuous learning and career development as the biggest need – about 50 per cent wanted that. Around 30 per cent wanted good compensation; another 20 per cent wanted a great en-

“Talent has many choices today and therefore the question is how should a company make sure that the best people join it”

T.V. Mohandas Pai, Former Director, Infosys

vironment,” says Shankar.

The company matched what it was good at with its employees’ professional aspirations and “there were two areas that came out clearly in terms of perception – one was investment in people and training and the second was the whole culture and environment.”

Employees at Infosys have various learning programmes to choose from. “There is the bridge programme, the fast track programme or the Lex initiative, which is a scalable, mobile-first, modular learning platform that allows employees access to learning content from anywhere, any device, at any time. The company has about 700 courses on Lex, in addition to over 1,500 courses in what are called ‘instructor-led training mode’,” adds Shankar.

Strong Foundation

Another focus area is middle managers. “We believe in strengthening them, retraining them for the future and also leveraging their experience. The focus is on empowering managers through analytics-based, customisable learning tools such as Manager Quotient (MaQ), and initiatives such as MPACT, MSPEED and Pravesh, that focus on continuous learning, reskilling and refactoring of talent. Significant rewards await the managers who ace the challenges,” says Shankar.

Infosys has been driving gender diversity in its workforce. Of the 2,43,400-plus employees, women form 37.8 per cent (December 2019). In 2018 December, women formed 36.7 per cent of 2,25,500-plus employees.

Central to making the company an attractive destination to pursue a career, Shankar says, is the need to ensure that talent is able to see the impact the company or their work has. “Knowing the purpose of the job is crucial. For instance, a person is working on an account of a leading petroleum company. We talk about the objectives and get the teams to talk about it and look at what one can do better to meet that objective.” Here kicks in the ‘Be The Navigator’ or BTN initiative. “An employee could look at what is the improvement idea that he or she has and then the teams come together and put it across to the customer directly; some of it is monetised too,” explains Shankar.

The employee focus extends to wellness. Shankar himself has run some half marathons. The wellness initiatives at Infosys include HALE (Health Assessment and Lifestyle Enrichment Program), online wellness tools and health challenges.

In 2001, while participating in the launch of the Indian School of Business in Hyderabad, T.V. Mohandas Pai, former director, Infosys, and who led many people initiatives during the company’s early years, had declared: “Trespassers will be recruited”, referring to the newly built Infosys campus across the road. He says the biggest question for any IT company is what will keep people up at night would be: “Are we going to miss a technology trend that is going to hurt us badly and therefore miss a chance to lead the next technology wave? Talent has many choices in the industry today and therefore the question is how should a company make sure that the best people join it.” A strong supporter of higher compensation for freshers, he says, “You cannot keep body and soul together with what the IT industry pays its freshers today. It should at least be ₹5 -6 lakh per annum.” Last year, Infosys, as also a few other leading companies, raised the entry level salaries to around ₹3.6 lakh from about ₹3.3 lakh earlier. BT

@EKumarSharma

WITH THE TIMES

Fifteen companies that have successfully balanced employee aspirations with demands of the business

BY TEAM BT

SCORES HIGHLY ON

- Compensation & Benefits Package
- Challenging Work Opportunities
- Career Growth

S.V. Nathan, Partner, Human Resources, Deloitte India

OVERALL RANK

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DELOITTE INDIA

MILLENNIAL FRIENDLY

Policies focus on needs of millennials who account for 85% of its employee base

DELOITTE INDIA is a young company — over 85 per cent of its employees are millennials — and over the past couple of years, the consulting company has been trying to understand what they want. "They need to have a voice on the table," says S.V. Nathan, Partner, Human Resources, Deloitte India. Leading the wish-list was flexible work hours, which led to the launch of a programme called 'My Flex'. It allows the employee any-time work (as long as they are available during the core hours of between 10.30 am and 4 pm), and the option to work four days a week. "Our millennial employees want that kind of flexibility. You can work as many hours, on whichever days you wish, as long as you serve your clients and make sure they are alright with it," says Nathan.

In an era of instant gratification, younger employees don't want yearly appraisals. "They want regular feedback and not wait till the year-end. We did away with ratings. We said employees need to meet their superior manager at least once a month and spend time getting feedback and having a meaningful conversation," explains Nathan.

While Deloitte earlier had sabbaticals of two to three months, now two-year sabbaticals to pursue higher studies are also allowed. "When they come back, we recognise their additional qualification. This has got an extremely good response," says Nathan.

At a time when companies across industries are becoming conservative about hiring and are even laying off people, Nathan proudly announces that Deloitte India's employee strength has grown by 10 per cent.

—AJITA SHASHIDHAR

OVERALL RANK

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SCORES HIGHLY ON

- Career Growth Path
- Healthy Work Environment
- Compensation & Benefit Package

Deepshikha Mukerji, Regional HR Director- Abbott India

PHOTOGRAPH BY RACHIT GOSWAMI

ABBOTT INDIA

Growing With the Leader

Employee value proposition strategy focuses on nurturing and developing a strong bench of future leaders

Talent is a key priority area for India's second-largest drugmaker which has an India-specific talent strategy in place since 2014. "We focus on exceptional performance, a hallmark of Abbott employees world-wide, especially because our work impacts people's

SCORES HIGHLY ON

- Challenging Work Opportunities
- Career Growth Path
- Learning Opportunities

Yogi Sriram, Senior Vice President, Corporate HR, L&T

OVERALL RANK

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L&T

Taking Pride

Development programmes groom engineer-managers into leaders

lives. The consistent recognition of Abbott as "Best Company to Work For" continues to be rooted in a simple, clear and powerful, value proposition-'Grow with the Leader'," says Ambati Venu, Vice President, Pharmaceuticals, Abbott India.

A majority (85 per cent) of Abbott's frontline and senior sales management vacancies are filled through internal assessment and development route, says Deepshikha Mukerji, Regional HR Director-India at the company, noting that attrition at Abbott is less than 16 per cent, while the industry average is about 22 per cent.

Through the Employer Value Proposition (EVP) programme, Abbott engages senior business leaders to influence high potential talent to pursue a career in healthcare and selectively targets reputed campus institutions.

The "Be Inspired by What You Do" campaign helps its employees take pride in the work they do.

This year, Abbott launched two volunteering initiatives – "School transformation" and "Food Packaging and Distribution" – and has also created a volunteering platform, an e-portal that offers its employees an opportunity to contribute and give back to the society.

–P.B. JAYAKUMAR

The employees of Larsen & Toubro, be it Chairman A.M. Naik or shop floor employees at its numerous factories, take immense pride in the iconic projects they have executed over the years. Yogi Sriram, Senior Vice President, Corporate HR, L&T, says the company has been consciously branding these achievements among students of key NITs and IITs in recent years to attract high quality engineers. "Academic excellence is only one part. We look equally at their extra curricular achievements and leadership skills, as most of the projects we do require quality professionals who can mitigate challenges and can efficiently lead a team," says Sriram.

The company recruits about 1,200 engineers and 60-70 MBA graduates every year. "We have a robust leadership development factory to groom the skills of our 47,000-plus employees," says Yogi.

L&T also has a seven-level leadership training programme to transform engineer-managers into leaders and corporate entrepreneurs. It has programmes for managers at all levels by IIM Ahmedabad; Stephan M. Ross School of Business, University of Michigan; INSEAD; Harvard Business School and others.

–P.B. JAYAKUMAR

OVERALL RANK

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SCORES HIGHLY ON	Healthy Work Environment
Career Growth Path	Compensation & Benefit Package

Rajkamal Vempati, Head - HR, Axis Bank

AXIS BANK

Pincode Hiring

Talent acquisition is aligned with the bank's new business strategy

India's third-largest private lender, Axis Bank, under its new chief Amitabh Chaudhry, has woven a people-centric strategy around the delivery of three important vectors – growth, profitability and sustainability. The entire organisation, with a workforce of 62,000-plus, is working towards the goal.

The bank has seen a lot of changes in the past owing to transition at the top. Its new goal is to become a preferred banker for all. Under its people-centred approach, the private lender is aiming at reinforcing its core values, creating a workforce of the future because of digitisation and market changes, ensuring diversity and inclusion, and enabling learning and development thereby enriching employees' experience in the process.

"Customer experience equals employee experience," says Rajkamal Vempati, Head - HR, Axis Bank. The bank, which has 4,415-plus branches across the country, has also taken its first step towards introducing 'Pin-code' hiring, especially for the branches where candidates are hired as per their current location.

The bank is reinforcing its core values, creating a workforce of the future because of digitisation and market changes

Similarly, the bank is aligning the talent acquisition approach with its overall business strategy. Under this, in one year alone, it has hired 600 management graduates, engineers and chartered accountants across levels.

"We visit select B-schools to recruit talent in roles across payments, analytics, cybersecurity and technology," states Vempati.

Axis Bank is already using extensive data analytics and technology to hire people. For instance, the lender has an interview-less skill inventory algorithm-based hiring process in place to recruit its frontline staff.

–ANAND ADHIKARI

IBM INDIA

Big Blue Beckons

An enabling environment and women empowerment make the company tick

OVERALL RANK

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The IT giant is taking quick and nimble strides to ensure it remains an attractive destination for career growth.

On January 30, IBM's board of directors elected Arvind Krishna as its new CEO. The move had a positive impact in India. "There is a lot of exuberance and it brings a lot of positive energy to the workforce," says Chaitanya N. Sreenivas, Vice President and HR Head, IBM India and South Asia. Sreenivas feels IBM provides its employees with several opportunities to learn and grow, given the need for skillsets such as cloud security, IoT or blockchain. He sees the company as a place to grow and "to stay relevant."

IBM has done a lot over the past year to build on an enabling environment for its employees in India. For instance, it has introduced a travel policy that allows a new parent to take his or her child (0-2 years) and a caretaker along on work-related trips. The whole travel and stay cost is borne by the company. CharisMA is a programme that offers training, coach on call, buddies and related information to new parents through a portal. Its Disha programme, piloted in 2017, aims to empower young women and reskill them on digital capabilities.

–E. KUMAR SHARMA

PHOTOGRAPH BY RATHEESH SUNDARAM

Chaitanya N. Sreenivas, VP and HR Head, IBM India and South Asia

SCORES HIGHLY ON

- Work Life Balance & Flexibility
- Career Growth Path
- Learning Opportunities

Ashwani Prashara, CHRO, RIL-Hydrocarbons

OVERALL RANK

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RELIANCE INDUSTRIES

Building Ownership

A digital approach along with gender parity at work has held the company in good stead

SCORES HIGHLY ON

- Compensation & Benefit Package
- Career Growth Path
- Challenging Work Opportunities

Reliance Industries (RIL), India's most profitable company, has onboarded about 130,000 employees in the last two-and-a-half years as part of building Reliance Jio's digital ecosystem. It launched a mobile app and an online interface to shrink the pre-boarding process to 5-6 minutes. The digital infrastructure helps candidates to walk in without any documents and join.

RIL has about 500,000 employees across its petroleum, retail and telecom businesses. The behemoth traces the roots of its people-philosophy to what Dhirubhai Ambani used to ask his employees: "Are you having fun?" RIL wants to create a workplace that is geared towards being exciting, thriving, dynamic and challenging. "People are encouraged to take ownership of their work," says Ashwani Prashara, CHRO, RIL-Hydrocarbons. RIL wants to be an equal opportunity employer. With this in mind, it is looking at allowing women employees to join night shifts at the company's Jamnagar refinery. Last year, RIL launched a programme called Learning Trek to build soft skills and digital capabilities in new hires. Its Dronacharya scheme offers a structured transition of entry-level employees to bigger roles. RIL creates future leaders through intensive leadership development programmes as well. –NEVIN JOHN

CISCO

People Power

A healthy work environment built on core values

Titles do not necessarily convey the whole story. But if Anupam Trehan is referred to as Head, People & Communities, and not CHRO, there is an embedded message. Cisco has an "environment of safety and trust, where you are heard and respected," she says. Over the past year, the company took new initiatives around leadership, learning and discussions about wellness. "We had a global Mental Health Awareness Week. Cisco's senior leadership, industry experts, and medical professionals discussed mental well-being at various forums. A few employees also volunteered to share their personal stories," she says.

The company follows a practice it calls 'Blind Hiring' – to reduce or eliminate any bias in the selection process. "The interview happens without going through/looking at the person's profile. The focus is on assessing skills and capabilities required. This has helped us improve diversity," Trehan says.

The approach towards performance has changed from appraisal cycles and formal performance ratings to weekly meetings. The effort is to move from jobs and careers to experiences.

–E. KUMAR SHARMA

Anupam Trehan, Head, People & Communities, Cisco

OVERALL RANK

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SCORES HIGHLY ON

- Work Life Balance & Flexibility
- Healthy Work Environment
- Compensation & Benefits Package

OVERALL RANK

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FACEBOOK

Raising the Game

Remains a preferred employer, thanks to its employee-centric approach

SCORES HIGHLY ON

- Compensation & Benefits Package
- Career Growth Path
- Culture of Innovation

While Facebook has often hit headlines for all the wrong reasons, but there is no denying the perks, flexible work options and best of technology to work on it offers, which are some of the top reasons for it to be a preferred employer. "The company is designed with great employee programmes. They really pamper you," says a Facebook employee.

Another positive factor, the employee adds, is its focus on mentorship. Senior as well as junior managers get access to professional mentors. "Facebook has partnered with global companies to provide professional coaching to its workforce. They do online sessions on the basis of requirements. The duration can vary for each individual. Often, seniors can have as long as three-month-long programmes," states the employee. The coaching programmes can be on a variety of topics such as leadership, team management, boss management, among others. The 'Leap Programme', for example, is a three-day residential mentorship for senior women leaders in Facebook to help them move up the corporate ladder.

–SONAL KHETARPAL

SCORES HIGHLY ON

- Career Growth Path
- Work Life Balance & Flexibility
- Learning Opportunities

B. Venkataramana, Group President (HR), Landmark Group

OVERALL RANK

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LIFESTYLE INTERNATIONAL

Hand-holding Employees

Enhanced employee engagement helps reduce attrition and raise productivity

Krishna Raghavan,
Chief People Officer, Flipkart

OVERALL RANK

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SCORES HIGHLY ON	Challenging Work Opportunities
Learning Opportunities	Compensation & Benefit Package

FLIPKART

Enabling Growth

Many industry-first experiments and an employee-centric 'fail early, fail fast' approach keep employees engaged

The journey of Krishna Raghavan, Flipkart's new Chief People Officer (CPO), is characteristic of the career growth opportunities that the e-tailer offers. He was the senior vice president of engineering till early this year. "Lateral movements across different business units are not only supported by the organisation but are also encouraged," says Raghavan.

Flipkart has an internal mobility portal with clearly defined career paths and work expectations that facilitates lateral job movements. The reason is simple. It not only adds to the repertoire of skills an employee possesses but also gives him a holistic perspective of the business, he says. This is made possible due to the culture of risk-taking and innovation where talent is given opportunities to fail early and fail fast. Flipkart has several hack days at the company as well as function level where every employee is given an opportunity to solve problems in his domain to improve business processes.

"This helps bring in a bottom-up innovation culture where the voice of every employee is heard and they are given space to solve problems. This has normalised failing so that people continue to take challenges head-on," says Raghavan.

Flipkart has also introduced many industry-first experiments that have reached scale. One of the key contributions by the e-tailer has been its Cash on Delivery feature that was then taken up by other players as well. –SONAL KHETARPAL

It's been tough times for most retail companies as consumption fell last year and fashion retailer, Lifestyle International is no exception. B. Venkataramana, Group President (HR), Landmark Group, is thankful for his organisation's lean people structure. At a time when peers shut stores, laid off people and cut salaries, Venkatramana proudly says they didn't have to do any of that. "We had seen double-digit growth in the last 7-8 years, but last year's growth was much lower. However, we kept our people informed," he says. In the last one year, it has enhanced its employee engagement programme. "We believe employee engagement has a direct correlation to attrition and productivity," he says. The company is taking care of employees' growth within the organisation. Instead of hiring new talent each time a new store is opened, it gives a chance to existing employees. "We opened close to 50 Max stores and eight Lifestyle stores last year, and ensured at least 30 per cent of employees at these stores were internal movements." –AJITA SHASHIDHAR

Saurabh Govil,
President and CHRO, Wipro

SCORES HIGHLY ON

- Career Growth Path
- Compensation & Benefits Package
- Learning Opportunities

WIPRO

People and Purpose

Arming talent with greater learning opportunities

OVERALL RANK

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On January 14, in his earnings call after announcing the third quarter results of IT major Wipro, Abidali Z. Neemuchwala, the company's CEO and MD, highlighted efforts made to improve people practices – enhancing campus hiring, deepening employee engagement and making significant investments in training and skill development. These measures "reflected in attrition rates, which improved to 15.7 per cent for the trailing 12 months," he said. The company reported "a strong quarter both on revenues and margin," said Neemuchwala.

"Wipro is a purpose-driven organisation. Sixty seven cents of every dollar of profit Wipro makes goes towards funding various social causes," says Saurabh Govil, President and CHRO, Wipro. "To keep up with the global nature of our work, we invest significantly in training – upskilling/cross skilling in new-age technologies – to provide employees the opportunity to engage in a wide range of projects." These, he says, are backed by the company's longstanding commitment to sustainability, inclusiveness and strong values (internally called the Spirit of Wipro).

The company uses industry best practices as the benchmark and offers employees learning experience through internal initiatives. "For example, Digital Awareness is a culture change initiative enabled through learning... And it applies to every employee. This initiative has covered over 130,000 employees," says Govil. –E. KUMAR SHARMA

OVERALL RANK

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COGNIZANT

Talent Hungry

Ramped up hiring despite a slowdown and sharpened focus on upskilling to build talent

Ramkumar Ramamoorthy,
Chairman and MD, Cognizant India

PHOTOGRAPH BY JAISON NG

In January 2019, the New Jersey-headquartered IT services provider Cognizant celebrated its silver jubilee in India.

Starting operations in 1994 with just ₹10 crore revenue and 200 employees, the NASDAQ listed company concluded 2019 with ₹1 lakh crore in revenues and a 200,000 strong workforce. There are about 100,000 women employees in the close to $17 billion corporation, of which 75,000 are in India.

Picturing the company as one that is about growth and career advancement, Ramkumar Ramamoorthy, Chairman and MD, Cognizant India, says, "2019 was a watershed year for us. Cognizant emerged as the first multinational company to cross 200,000 employees in India."

He adds that Cognizant takes pride in having a strong female representation across the company with as many as four women directors on its board.

Talking about upskilling talent, Ramamoorthy adds, "In the last 18 months, Cognizant has upskilled and reskilled around 1,50,000 employees in newer digital technologies. We have publicly stated that we are going to double our investments in learning and development in 2020."

Srini Raju, the founding CEO of Cognizant, says, "The big attraction about the company all along has been the fact that it was always been led and run by professionals. Cognizant finds its strength in its technical and managerial capabilities."

–E. KUMAR SHARMA

SCORES HIGHLY ON

- Compensation & Benefit Package
- Career Growth Path
- Challenging Work Opportunities

PFIZER

Tonic for Talent

Flexible work culture coupled with all-round support to employees

OVERALL RANK

23

Shilpi Singh, Director, HR, Pfizer

PHOTOGRAPH BY RACHIT GOSWAMI

Last year, Pfizer Ltd, the Indian subsidiary of $53.6 billion global biopharmaceutical giant Pfizer Inc, introduced an intervention called "kill a stupid rule". Employees were asked to share their views on rules that were not creating space for meaningful work. Everyone, including the leadership team, could suggest ideas to increase productivity. Based on these, a few rules were scrapped.

The intervention was a part of the larger agenda – simplicity for growth. It seems to have worked well with the drugmaker's Indian employees. Shilpi Singh, Director, Human Resources, Pfizer, says the company has "repurposed the organisation to align with Pfizer's core values: courage, equity, excellence and joy". The company offers organisational exposure – growth opportunities through portfolio expansion. This has helped employees grow into being well-rounded professionals. Pfizer also boasts of a flexible work culture that allows employees to maintain a healthier work-life balance, which results in better productivity. Singh adds that Pfizer's benefits philosophy provides all-round support to employees, addressing their physical and mental well-being. With over 2,500 employees and annual sales of ₹2,030 crore in FY19, Pfizer is the third-largest multinational pharmaceutical company in India. –JOE C. MATHEW

SCORES HIGHLY ON

- Compensation & Benefits Package
- Work Life Balance & Flexibility
- Career Growth Path

Sukhjit Singh Pasricha, President and Group CHRO, Kotak Mahindra Bank

OVERALL RANK

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KOTAK MAHINDRA BANK

Phygital HR Strategy

Approaching the digital as an interplay of physical and digital

SCORES HIGHLY ON

- Career Growth Path
- Learning Opportunities
- Compensation & Benefits Package

Uday Kotak, Chairman and MD, Kotak Mahindra Bank, says a mix of digital and physical is leading to a change in the nature of jobs and also bringing new skill sets in the banking sector. The entire HR strategy of the bank is aimed towards finding the right mix to serve customers across the country. "It is multi-pronged to build a team with a mix of young and experienced professionals with new skill sets," says Sukhjit Singh Pasricha, President and Group CHRO, Kotak Mahindra Bank.

The bank is hiring in domains such as Big Data, AI, Cybersecurity, Design Thinking, Blockchain, API and Connected Banking. The private lender is moving towards an aligned and agile cross-functional, multi-skill team for development and management of digital platforms. "Apart from hiring external talent, there is a focus on training, upskilling and re-skilling of current teams," says Pasricha. The bank is also driving innovation through crowdsourcing among employees. It has a mobile app, Klapp, that focuses on performance and learning. "While the learning platform is extensively utilised by the consumer bank team to educate employees on product and process-related updates, we have also enabled the online onboarding module for new joiners," adds Pasricha. –ANAND ADHIKARI

DTDC EXPRESS

Chasing Excellence

An employee outreach approach helps reduce attrition rate

If you are in the parcel service industry, doorstep delivery has to be an integral part of your business plan. But what about an internal programme called 'HR Aapke Dwar'? Under this initiative rolled out by DTDC Express, its HR managers reach out to every employee to understand their problems and offer solutions. Shiv Rawat, National Head, HR, DTDC, says these visits allow them to share information about the company and developments within, thus creating a sense of trust, which helps reduce the attrition rate significantly. He adds that DTDC's attrition rate fell 12 per cent this year (till January 2020). Apart from this, career growth opportunities are also a reason why the company has a lower churn rate. DTDC has started a programme to train its employees in different functions.

Established in 1990, DTDC operates one of the largest parcel delivery networks in India through its strategic partnership with Europe's DPD group. The company handles more than 12.5 million shipments every month through a network of 11,000 franchise-led field workforce. –JOE C. MATHEW

Shiv Rawat, National Head, HR, DTDC

SCORES HIGHLY ON

- Challenging Work Opportunities
- Career Growth Path
- Learning Opportunities

OVERALL RANK

25

SIX WAYS TO BE THE BEST COMPANY

As India's young workforce is rapidly changing, its demands from employers are also changing. Can employers match their needs?

BY PRAKASH RAO

The Business Today-PeopleStrong Best Companies to Work For Survey has been a sounding board for not just us but to employers in general for over a decade. Capturing the deepest insights from the salaried employee base of India, the survey has helped bring out perceptions and aspirations of India's talent, which shape their workplace preferences. This year was no different. In a year which has seen a not so encouraging job scenario, over 17,000 respondents participated and shared their views.

While this year's report had lots of interesting insights, we received some fearless recommendations from people on what companies should do if they would like to be the best in the eyes of the young, independent, digital-native workforce. So, here are six things you need to ace for being the best company to work for:

#1 Pay for outcomes. In a world where pay packages are dependent on so many things apart from the capability of a person to deliver outcomes, today's workforce demands pay performance equity. The basic premise is, whether it is a young employee, a woman, or an old one, if she/he can deliver, the pay should be same. Today, more than 50 per cent of women across age-groups and experience seem to be dissatisfied with pay-performance parity. The organisation's pay policies need to reflect the same. Perhaps, this is not an easy feat to achieve, but aspirational employers are mindful of this and make it happen.

#2 Help deal with change: We are living in dynamic times. Every four years, skills needed to do a job change completely. India's young workforce is not scared of change but expects employers to help them navigate. This is visible in the current year's responses too, where respondents from the top 25 organisations feel their companies are more focused on re-skilling compared to the rest of the pool. Organisations also need to focus on helping employee's individual training needs. Contextualisation of re-skilling for each employee is the way to go.

#3 Give visibility of where the company is going: Almost 60 per cent of employees across industries are unaware of what they are doing as part of their day-to-day tasks. A similar number complains of not getting visibility of the impact of their work. Today's workforce is ready to go the extra mile but expects leaders to share the vision of what they are spending their efforts on. The ask from their leaders are:

- Give us clarity on the organisation's vision
- Help us understand by breaking down the big vision into my goals
- Help us plan our career growth

#4 Discuss performance, regularly: Almost 67 per cent of this year's respondents mentioned lack of objectivity in performance management. Almost 42 per cent said the process is conducted just twice a year and even then, constructive feedback is often missing. They want agile performance management, done with talent development in mind.

#5 Build gender-equal workplaces: This is something that most organisations are still figuring out. Women respondents mentioned that the two things that hinder these initiatives are: lack of pay parity and measures that encourage women to come back to work post-breaks. These initiatives will help address one of the biggest issues organisations face – of having women participate across levels.

#6 Take employee experience at work seriously: While many companies focus on employee experience, a lot still needs to be done. Be it onboarding, time off, payroll or exit, the number of satisfied employees in most organisations is about 50 per cent. As per this year's responses, 60 per cent believe organisations have still not got the "good-byes" right and the exit process needs an overhaul. This can get worse if the employers don't think like the digital native workforce which is going to take charge soon. If your employees can't manage HR transactions related to pay, time and performance from their mobile devices, you might want to rethink your HR Tech strategy.

The Indian workforce is rapidly changing and demanding more from its employers. Talent is and always will be the competitive advantage for businesses. Wouldn't it make sense for us to act on these asks before it is too late?

The author is Founding Member and Chief Experience Officer, PeopleStrong

HOW WE DID IT

An analysis of the various aspects that go into making a company a great place to work

This is the 18th edition of the Business Today Best Companies to Work For survey conducted in collaboration with HR solutions company PeopleStrong. The survey aims to understand the perceptions and aspirations of India's employees across industries. It provides an insight into how industry at large and in specific verticals can align their employer brands to aspirations and thoughts of the Indian workforce.

This year, too, we followed a survey open to employees from various industries. To cross-check the authenticity of respondents and to ensure that the quality of responses were of acceptable standards, checks were done by calling a certain proportion of respondents randomly. The PeopleStrong Study Team then constructed a ranking of companies and analysed the various aspects that make a company a good place to work.

We reached out to salaried employees across eight sectors that include BFSI, core sector, automotive, retail, manufacturing, software-hardware and IT, pharma and healthcare. Around 17,000 potential respondents came to the survey page. PeopleStrong then constructed a ranking of companies and analysed the various aspects that go into making a company a great place to work for by deep diving into the aspirations and perception of employees.

The basic idea was to see how employees rate different employers across a set of specific parameters.

The parameters include fairness and objectivity (performance and how conflicts are managed), learning opportunities, work-life balance and flexibility, compensation and benefits, career growth path, communication, job security and company stability, challenging work opportunities, work environment, culture of inclusion, culture of innovation and leadership's commitment to business.

Respondents were asked to rank companies across industries first and then within their own industry.

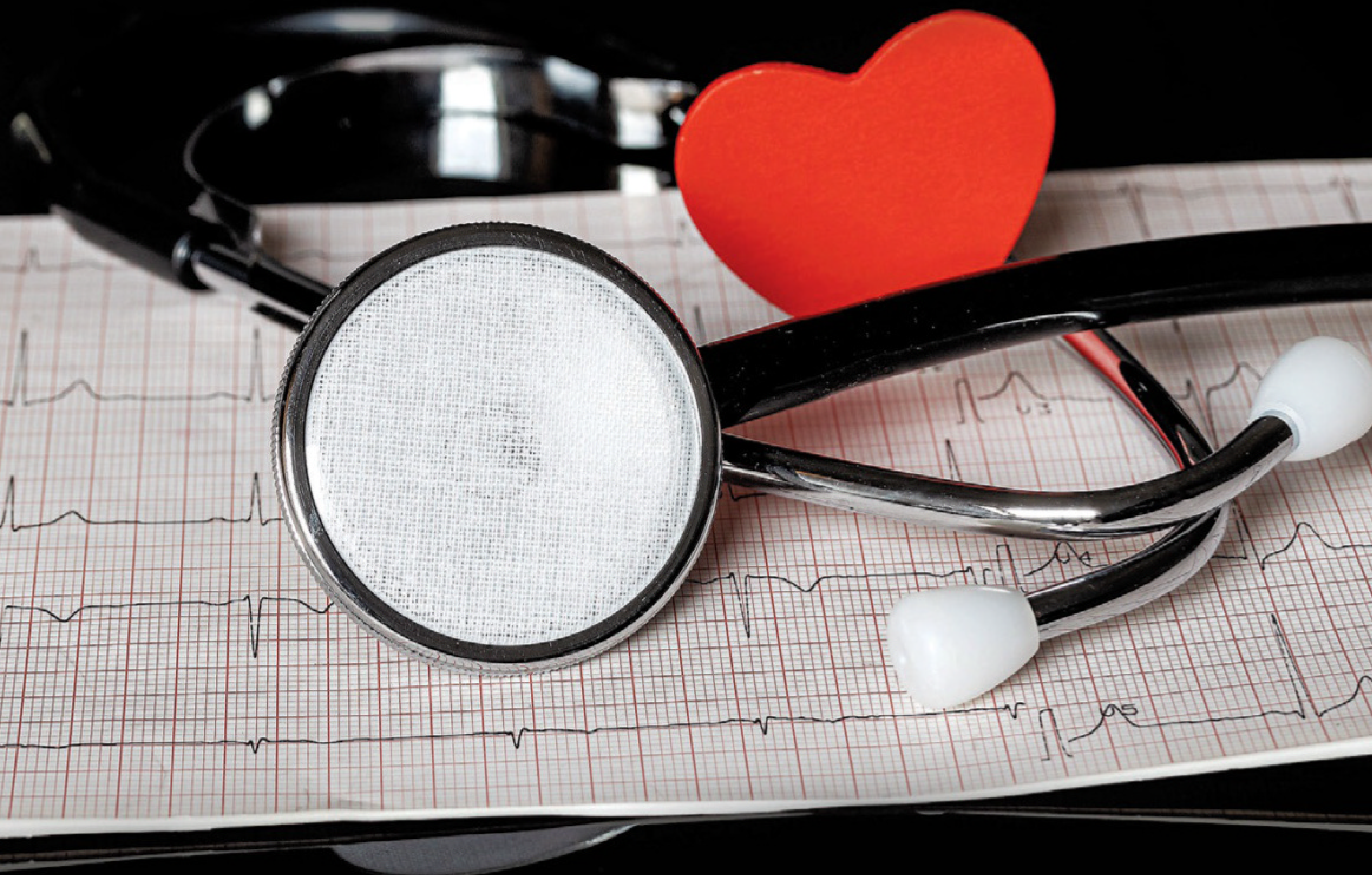
This year's survey also looks at how satisfied women employees are at their workplace and the reasons that make them stay at the job.

The survey resulted in identifying the Top 25 Best Companies to Work For in India, and the factors that make employees choose a job or a workplace over others. BT

8

Number of sectors from which employees participated in the study

HEALTHCARE



An IMPACT Presentation

Knowledge Partner

HEAL HEALTH CONNECT SOLUTIONS

Easing Accessibility & Affordability of Healthcare Delivery in India via Health-Tech

The healthcare industry in India is at the throes of change in the wake of technological advancements in tandem with Healthcare 4.0, which seems to be the next digital revolution sweeping over the healthcare industry touching almost all the spheres of healthcare delivery. The wide spectrum of digital technologies has been underpinning Healthcare 4.0 to deliver more effective and efficient health care services, and also helping significantly in multiplying the range of accessibility and the affordability by its cost-effective measures.

With the announcements made in the first Union Budget 2020 of the 2nd decade of the 21st century to increase the budget allocated to the healthcare sector also clearly outlines the significance of a digital-first India in realising the country's potential, highlighting that the technology-enabled innovation can play a leapfrogging for the nation. Likewise, on announcing Rs. 6,000 crore for the Bharatnet programme to link 100,000 Gram Panchayats, the Finance Minister observed that technologies like Artificial Intelligence (AI), Internet-of-Things (IoT), 3D printing, drones, DNA data storage, quantum computing, and robotics etc., are all set to re-write the world economic order. This alludes that health authorities and the medical fraternity can target disease with an appropriately designed preventive regime using Machine Learning (ML) and AI in the Ayushman Bharat Scheme.

As the government also believes that the way the transition from traditional methods to technology-driven advanced methods in various fields of healthcare ranging from the use of Artificial Intelligence (AI), Machine Learning (ML), Internet of Medical Things (IoMT), new medical devices and point of care diagnostic solutions to the various technologies that make healthcare more accessible and affordable has been redefining the healthcare landscape, it is pivoted to make a turnaround. But how to capitalise on these technological advancements to the full swing is a glaring question to ask? Observably, the upskilling of the healthcare providers where India still lags behind is required to be accelerated in tandem with the tremendous strides of the technology.

Evidently, there is an urgent need to invest for upskilling healthcare professionals to adapt to new technologies and discoveries, and to bring the change in the way we train medical students. As per the WHO report, there will be a global deficit of about 12.9 million skilled health professionals by 2035. The dearth of tech-friendly doctors as opposed to its large population and the limited resources at its disposal, the Indian healthcare system currently struggles to remain on top of the healthcare needs in the country. Hospitals are overcrowded and patients often have to wait long durations before receiving treatment. This throws a plethora of business opportunities to the Indian healthcare industry at its disposal, which can contribute to overall growth in the sector.

Although, businesses operating in the healthcare sector have been scripting their growth story, yet marrying the emerging technology with the upskilling of the healthcare professionals have the potential to bridge the remarkable gaps in numerous ways. Let's us take a sneak peek that how the fast-emerging low-cost innovative health-tech straighten out the accessibility and affordability of healthcare delivery to 70% of the people who are somehow deprived of it.

Healthcare 4.0 is all about capturing the vast amounts of data and putting it to work in applications

Digital data from the healthcare sector of the digital universe is growing at a 48% annual rate and the challenge is to translate that flood of data into meaningful information

AI can cast-off hundreds of thousands of cases to calculate where a heart patient fits into risk stratification to inform cardiologists' decision making

To get to the WHO recommended minimum of a doctor-patient ratio of 1:1000, India will need 2.3 million doctors by 2030

Use of Artificial Intelligence & Machine Learning in Healthcare Delivery

In the wake of digitisation, Artificial Intelligence (AI) and Machine Learning (ML) have taken a leap in the healthcare industry. AI is the use of complex algorithms and software to emulate human cognition in the analysis of complicated medical data. The AI programmes are applied to practice diagnosis processes, treatment protocol development, drug development, personalised medicine, patient monitoring and care whereas Machine Learning (a subset of AI) has come to play a pivotal role in the realm of healthcare – from improving the delivery system of healthcare services, cutting down costs and handling patient data to the development of new treatment procedures and drugs, remote monitoring and so much more. Whereas ML is helping transform the healthcare industry through its cutting-edge applications.

Like developed countries, India has also started using AI in healthcare. The adoption of AI in India is increasing with new start-ups and large Information & Communication Technology (ICT) companies offering AI solutions for healthcare challenges in the country. Such challenges and solutions include addressing the uneven ratio of skilled doctors to patients and making doctors more efficient at their jobs; the delivery of personalised healthcare and high-quality healthcare to rural areas; and training doctors and nurses in complex procedures. The companies are offering a range of solutions including automation of medical diagnosis, automated analysis of medical tests, detection and screening of diseases, wearable sensor-based medical devices and monitoring equipment, patient management systems, predictive healthcare diagnosis and disease prevention.

In India, assistive AI enjoys the most potential for growth. The focus of most AI-based healthcare initiatives have been to extend medical services to traditionally underserved populations such as in rural areas that do not have the required infrastructure or enough primary physicians, and economically weaker sections of society who may not be able to afford certain medical facilities. This is how AI will turn instrumental in addressing issues of economic disparity and making healthcare delivery accessible and affordable to the lowest rung of society.

With glaring lack of trained healthcare clinicians and infrastructure, and low government spending on healthcare, India is one of the countries in the world with the most room for innovative, sustainable and scalable healthcare technology to improve lives. AI in healthcare in India is currently augmenting human capacity rather than replacing human labour.

With large amounts of data and a burgeoning start-up community, India has the opportunity to address many healthcare-related problems through the use of AI.

Remarkably, NITI Aayog is working on early diagnosis and detection of diabetic retinopathy and cardiac risk based on the AI models. Such initiatives would in the long run help patients on proactive medication in early stages rather than reactive healthcare in advanced stages - bringing down healthcare costs and better chances of recovery. Aiming to foster growth for India's nascent AI and machine learning ecosystem, NITI Aayog and Google have come together to work on a range of initiatives to help build the AI ecosystem across the country.

State governments are also providing support to AI start-ups. Karnataka State government is mobilising Rs 2000 crore by 2020 toward supporting the same

Microsoft has announced a partnership with Apollo Hospitals to build an AI-centric cardiology network

Max Healthcare, one of the leading hospital chains in North India are deploying AI to monitor critical care

Internet of Medical Things (IoMT) in Healthcare

Considering certain impediments to the healthcare system's growth such as the burgeoning population, lack of adequate infrastructure and shortage of medical professionals, poor accessibility to quality healthcare in remote and rural areas, increasing incidence of chronic disease and rising cost of care, 'The Internet of Things (IoT)' enabled connectivity has the potential to catapult this ailing healthcare system into an integrated, efficient and patient-centric system.

IoT has the potential to help change the current focus of curative care to wellness and wellbeing, thereby reducing the burden of healthcare cost through holistic measures. With the integration of medical "things" — devices, smart sensors, mHealth apps, artificial intelligence (AI), etc. — via the Internet, the possibilities are endless.

The healthcare space in India is conducive to the adoption of IoT. With the prevalence of mobile devices across the country, digital communication is now available in the remotest of rural areas, establishing connectivity between different care settings. Smart watches, fitness bands, monitoring patches, and heart rhythm detectors are examples of IoT-enabled devices that already exist to capture and monitor healthcare data, thereby increasing the accessibility.

With its numerous features, IoT is positioned to usher in a new era of holistic healthcare solutions, with a focus on preventive and therapeutic care.

Thus, IoT in Indian healthcare will help meet the demands of today's increasingly informed patients such as:

- **Doctors and hospitals, by cutting cost through real-time access to patient data and improving workflows via sensor -based smart chips, real-time location systems, etc.**
- **Health insurance companies by reducing claim payments.**
- **Pharmaceutical companies by allowing patients to begin medications sooner (due to early detection of illness and diagnosis of medical condition) and track and ensure compliance to treatments.**
- **Governments, by monitoring and sustaining population health.**

Healthcare and Advancement in Diagnostics

As the digitisation has been enveloping every space of healthcare with breath-taking pace, diagnostics is no exception to this. With the rise in health consciousness in the society and the rising burden of chronic diseases, the diagnostic market will swell to approximately INR 860 billion in revenues market by 2020.

Experts believe that the industry is expected to grow at a CAGR of approximately 16 per cent accounting to approximately INR 802 billion in the financial year 2020. Within the diagnostics market, the pathology segment is estimated to contribute approximately 58 per cent of the total market, by revenue.

Technological advancements in the devices and equipment sector also play a significant role in reducing healthcare costs which is critical to make healthcare services more affordable to the masses in India. New-age surgical equipment has enabled doctors to treat highly complex and critical cases and reduce the length of extended hospital stays. This has tremendously helped in lowering the costs of treatment.

The online convenience has successfully made people's lives easier and hassle-free, making the accessibility and affordability feasible to the patients coming from remotest areas. Online procedures have made services cost-effective.

The diagnostic business is indeed an opportunity as there is a huge gap of quality players especially in tier II, III, IV markets. There is scope to record high growth rates in both routine and specialised segments.

Indian Medical Devices: An Overview

Lately, the Ministry of Health & Family Welfare has announced that Medical Devices to be sold in the country from next financial year would be treated as drugs. Presently, 23 medical devices have been classified as drugs. Of these, only a few including cardiac stents, drug-eluting cardiac stents, condoms, intrauterine devices, have been brought under price control.

The medical devices industry in India consists of large multinationals, with extensive service networks, as well as Small and Medium Enterprises (SMEs), which is presently valued at USD 6 Billion and is growing at 15.8% Compound Annual Growth Rate (CAGR). Currently, India is counted among the top 20 global medical devices market. This is the 4th largest medical devices market in Asia after Japan, China and South Korea and is poised to grow to USD 50 billion by 2025 as per industry estimates.

The Indian Medical Device industry is highly fragmented. Currently, this sector is dominated by MNCs with 70-75% of demand being met through imports. Medical devices are segregated into six major segments, of which equipment and instruments (surgical and non-surgical) form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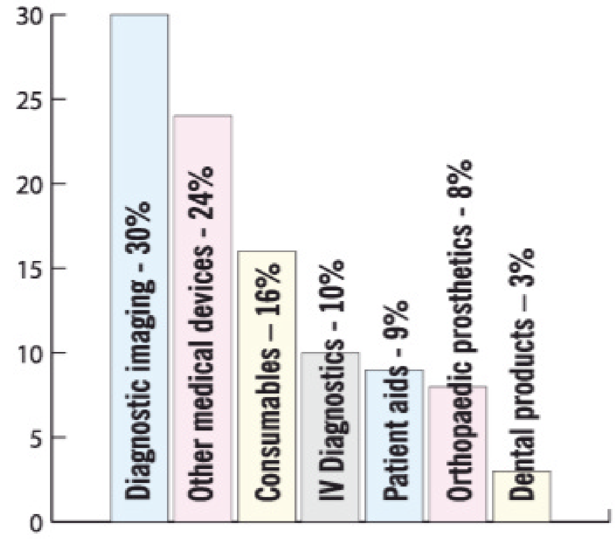

the largest portion (53%) of the pie in India. Around 65% of the manufacturers are mostly domestic players operating in the consumables segment and catering to local consumption with limited exports.

The medical device industry is at a critical threshold where growth can be significantly accelerated to ensure that India embraces the benefits of advancing medical technology to uplift standards of healthcare sharply in the next decade.

- Medical devices industry in India has the potential to grow at 28% p.a. to reach $ 50 billion by 2025

Key market shares out of the total medical devices industry

Road to Making Healthcare Accessible & Affordable

Mere technological advancements can't bring any change unless care providers are trained properly as how to use these technologies effectively. While the digital revolution will continue to help bridge the labour shortage in some regions, it is still a matter of debate whether Indian healthcare professionals are prepared to deal with the sudden shifts in technology and business models. Thus, facilitating the nationwide adoption of such technologies and training the doctors with the changing trends will allow the Indian government to address numerous existing challenges in the healthcare system, thereby improving the quality, affordability and access to healthcare services throughout the country.

Dr. Lal PathLabs Ltd. India's Trusted Healthcare Partner

Established in 1949 Dr. Lal PathLabs Ltd. has been customers delight by delivering highly accurate, routine and advanced pathology solutions. It is the largest & trusted diagnostic service provider in the country, having made forays in radiology and cardiology services. We have over 200 labs, over 2600 collection centres and over 6400 pick-up points across the nation. Supported by state-of-the-art technology, sophisticated equipment and professional expertise, we offer over 4600+ tests and packages that confirm to the highest international standards. It is our incessant passion to deliver timely, accurate and error-free results from the widest test menu every time & all the time. This effort has been applauded repeatedly by prestigious medical institutions and clinicians all over India.

Future of Healthcare Industry

Madan Krishnan,
Vice President, Medtronic Indian Subcontinent

"India has witnessed a healthcare revolution over the last four decades, with access to the latest technologies and talent that is among the best in the world. India offers the best in class therapy and quality treatment with great outcomes at affordable rates and has witnessed a medical tourism boom. In its 40 years, Medtronic in India has consistently innovated new ways of transforming healthcare and improving lives of patients in India. We are proud of the progress we have made in these past 40 years in India and are excited about what the future holds for us with the advent of artificial intelligence and robotics. This would ensure higher precision, leading to increased success rates, improved patient outcomes and overall quality of care. Virtual and Augmented Reality can also be used to simulate real time healthcare environment for improved healthcare professional training."


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INVESTING IN TIMES OF CORONAVIRUS

THE WORRIES OVER SPREAD OF THE VIRUS HAVE CREATED MAYHEM IN STOCK MARKETS GLOBALLY. HERE IS WHAT LIES IN STORE FOR EQUITY INVESTORS IN THE YEAR TO COME

ILLUSTRATION BY RAJ VERMA

Investing in Times of Coronavirus

THE WORRIES OVER SPREAD OF THE VIRUS HAVE CREATED MAYHEM IN STOCK MARKETS GLOBALLY. HERE IS WHAT LIES IN STORE FOR EQUITY INVESTORS IN THE YEAR TO COME.

BY KUNDAN KISHORE
ILLUSTRATION BY RAJ VERMA

There has been a bloodbath in stock markets globally. Indian equity indices are no different. The trigger is the rapid spread of coronavirus that is leading to shutdown of businesses, lockdown of big industrial towns, even entire countries (such as Italy), apart from snapping of supply chains, across continents. A further spread will trigger an even sharper correction, say experts. "At the start of the year, only companies with dominant China exposure were affected. Later, as the pandemic spread, stock prices of Indian exporters also corrected, primarily on demand concerns. If the virus continues to spread and results in a contagion in India, stock markets could face a sharper correction depending on the intensity of the spread," says Nimesh Chandan, Head Investment Equities, Canara Robeco Mutual Fund. As we go to press, the BSE Sensex and the NSE Nifty are down over 17 per cent this year. Small and Mid-cap indices, considered more volatile, have also corrected. BSE-Mid-cap and BSE

Small-cap indices are down 15.56 per cent and 14.14 per cent, respectively, this year.

Though coronavirus is the immediate trigger, it has come on top of other worries, albeit not as deadly as the pandemic that has killed 4,000-plus people globally. The Indian economy has been experiencing a sharp slowdown for several quarters now with GDP growth touching 4.5 per cent in the September 2019 quarter, the lowest in six years. Despite this, stock indices kept rising, with the Sensex closing at a record high of 41,952 on January 14. "India has been trading at extremely high valuations. Hence, the correction is justified, with coronavirus being the scapegoat," says Umesh Mehta, Head of Research, Samco Securities. "The fall is panic driven (due to coronavirus) and is causing pressure on D-Street," he says. The virus preyed on the nervousness that was already there among market participants. "India is part of the emerging market asset class. Significant money comes into India from Emerging Market Exchange Traded Funds (EM ETFs). China has the largest weight in EM ETFs. Hence, if the Chinese economy is seen to be suffering, money moves out of these ETFs. The selling is across the holdings and, hence, Indian stocks also see selling pressure," says Prateek Agrawal, Business Head & CIO, ASK Investment Managers.

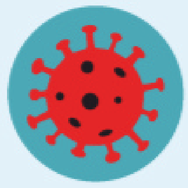
Blessing in Disguise?

As coronavirus fears fade a few months into the new financial year, as is being hoped, can India turn this crisis into an opportunity? Experts say as global companies learn from the current crisis and reduce their dependence on supply chains with origins in China, can India provide them an alternative as a supply base considering its cheap labour and talent base? "In many sectors, Indian companies have strong capabilities to compete internationally. In the past few years, due to rising costs in China, Indian competitiveness has improved," says Chandan of Canara Robeco Mutual Fund. In September last year, the government had announced tax incentives for setting up manufacturing facilities in India. "There will be quite a few global players who would want to diversify their sourcing base and add Indian suppliers to mitigate (country specific) risks in the future," he adds. Others agree. "There has been a huge global supply chain disturbance. China accounts for 24.8 per cent of global manufacturing capacity while India's share is just 3 per cent. In the long run, India can see a supply chain shift if the government is proactive," says A.K. Prabhakar, Head of Research, IDBI Capital. "India is likely to be a prime beneficiary of this shift. However, this will happen over the medium to long term. Also, in case of India, a lot will depend on how quickly the government can address land and labour issues (biggest impediments to manufacturing in India) and woo global manufacturers," says Alok Agarwala, Head, Research & Advisory, Bajaj Capital.

"We expect current issues in China to be a double-edged sword. On the one hand, India has to rapidly shed dependency on Chinese imports, and on the other hand, it has to strategically ramp up production to cater to the cost-effective global raw material demand/needs. We believe India is strategically placed to cater to excess demand in certain sectors," says Mehta of Samco.

Some see things differently. "It is difficult to say if a slowdown in China is a blessing in disguise for India as shutdown of manufacturing plants there is creating supply chain rifts across the globe," says Ajit Mishra, VP Research, Religare Broking. He says India's auto and metal industries also depend on China for key components and are getting hit. "A few pockets can benefit. For instance, textile, sanitaryware and ceramic players may gain as exports increase due to supply constraints in China. Also, decline in oil prices due to outbreak of the virus could benefit India's oil marketing, paint and aviation companies by re-

The Big Picture



CORONAVIRUS PANDEMIC:
Markets are likely to be highly volatile till the fear fades away

GLOBAL SLOWDOWN:
Weaker global growth may hit sentiment

LOWER CRUDE PRICE:
Oil is India's largest import. A lower oil price will reduce the import bill. This will gives a fillip to GDP

ALTERNATIVE TO CHINA:
Supply chain disruption will force companies to think beyond China, an advantage for India

INTEREST RATE CUT:
Lower interest rates bode well for economic growth

BETTER MONSOON:
Favourable weather conditions will push up rural demand

ducing their input costs," says Mishra.

Tap Into Opportunities

After every major market fall, a broad-based rally is expected

In almost every sector, quality stocks are available at a reasonable price

Mid- and small-caps haven't underperformed large caps in this correction. This shows valuation support in these segments. As growth recovers in future, these might lead the rally

India's economic slowdown is bottoming out. Announcement of growth revival measures by the government could help in demand revival

Sectors that May do Well

FMCG sector is facing a slowdown; but revival is expected in the medium to long term

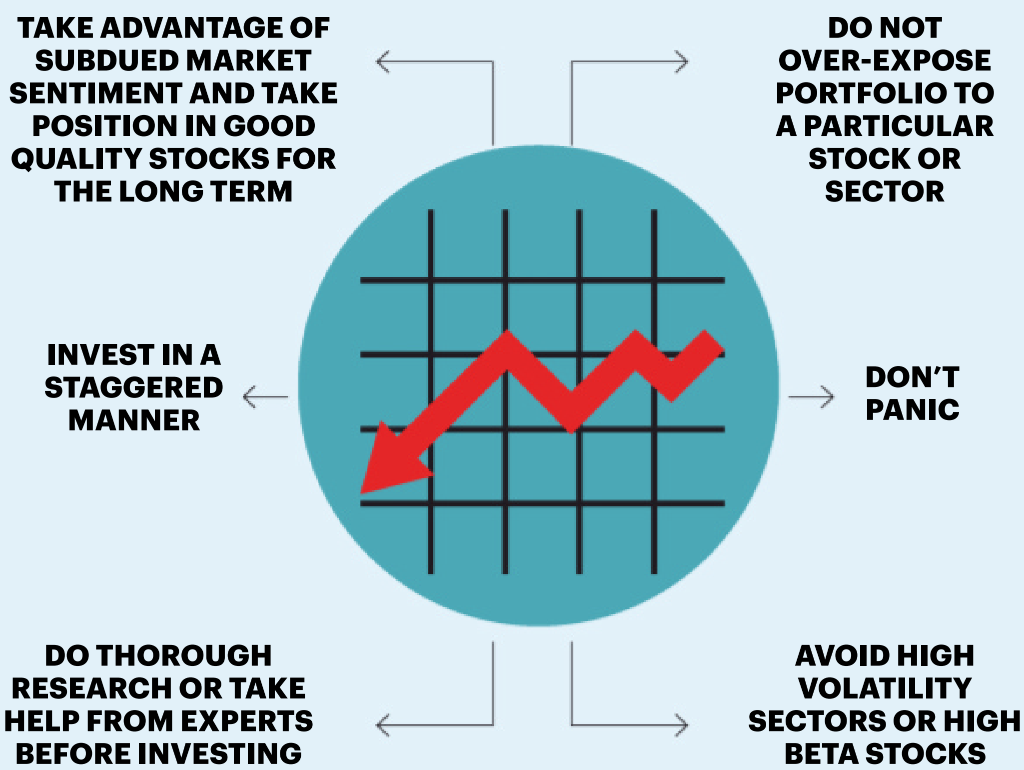
As liquidity improves and demand rises, auto and auto ancillary sectors are expected to improve performance

Slowdown in import of tyres from China will help domestic players such as MRF and Apollo

Textile companies with major focus on exports will also benefit from China slowdown as the country accounts for a huge chunk of global apparel and textile exports

Paint companies heavily dependent on crude oil will benefit from declining prices

What You Should Do



Investment Opportunities

The Indian economy has been facing a slowdown for long. However, things started looking up after the corporate tax rate cut in September 2019. The Index of Industrial Production rose 2 per cent in January. It had contracted 0.3 per cent in December last year, after recovering in November post three months of contraction. Transmission of lower interest rates, too, had started, as noted by the RBI in its monetary policy statement on February 6, while credit growth was just about to turn the corner, when coronavirus struck.

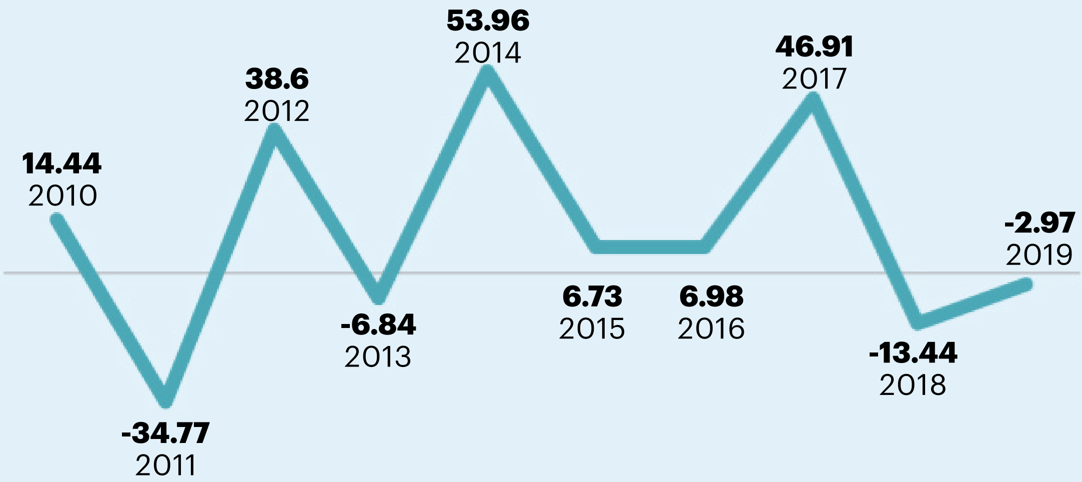
While markets will remain under pressure in the next few months, the supportive fiscal and monetary policies will start showing results in the second half of 2020. The government and the RBI have taken several steps to stimulate demand and investments. "The headwinds that had slowed the business cycle in the past few years are turning. The banking sector has provided for historical NPAs, GST has stabilised, liquidity is back in the system, and the worst seems to be behind for the NBFC sector" says Chandan.

Globally, too, governments and agencies are taking measures to stabilise the situation and restore investor confidence. Last week, the Federal Reserve cut rates by 50 basis points. The other central banks are likely to follow suit. "This is a well-timed move that should underpin financial market confidence. Investors were expecting a response from the US central bank, and the Fed showed itself ready to act promptly and decisively," says Sonal Desai, Chief Investment Officer (Fixed Income), Franklin Templeton Mutual Fund.

Experts say most of the weakness in macro conditions had been priced in and it was coronavirus that had taken everyone by surprise. "We believe with India's slowdown bottoming out and government announcing growth revival measures, we could

Advantage Small Caps

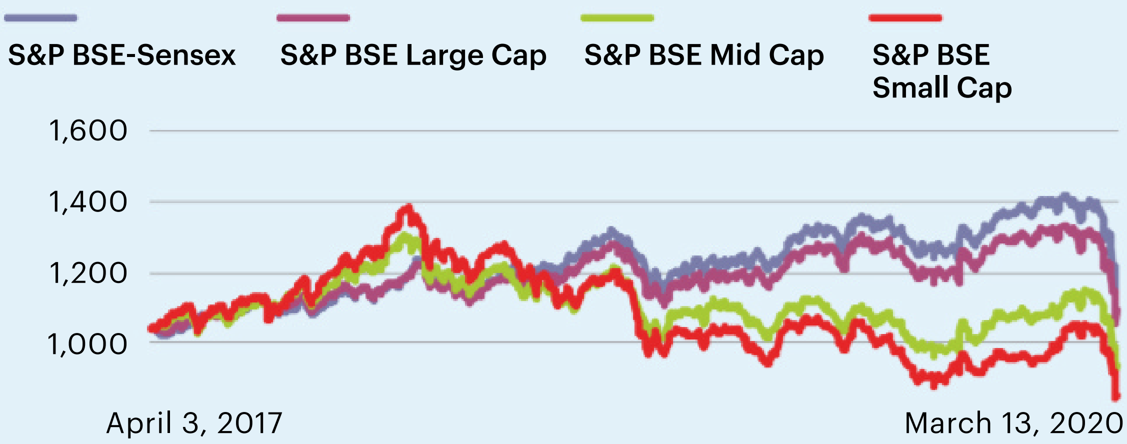
Small-cap stocks have been volatile but have rewarded investors handsomely after a gap of a year or two



BSE Small-Cap Index returns (%); Source: BSE & Money Today Research

How Broad Indices Have Fared

Large-caps have outperformed small-cap and mid-cap indices



Base taken as 1,000
Source: BSE & Money Today Research

see revival of demand in the coming quarters," says Mishra of Religare. All stock market indices, including the large-cap index, have fallen sharply, led by cyclical sectors such as banking, automobile and energy, due to fears of sharp slowdown in growth. After the correction, valuations look attractive across the broad spectrum of the market. "We believe that while there is a growth slowdown, the valuations are sustainable if one takes into account the reduced interest rates," says Prateek Agrawal of ASK. He believes the economy is improving incrementally with recovery being led by agriculture and related areas. This will be aided by improved current account deficit and lower oil prices. "We believe current market levels should be sustained. Given the sharp correction in valuations of the high quality part of the market (on account of earnings growth), we believe investors should focus there, particularly when the overall global situation is weak," he adds.

Falling oil prices will also be a boon for India. "The drop in oil prices will counteract some adverse effects of the virus shock by lowering input costs for businesses. Any inflationary impact from potential supply disruptions ahead is likely to offset by the disinflationary effects of lower gasoline prices. Additionally, sharp decline in global bond yields are also supporting lower domestic borrowing costs," Bloomberg has said in a recent report.

"We believe India's economy is bottoming out with expected FY20 GDP growth of 5 per cent likely to mark the bottom. However, recovery is likely to be weak and gradual as multiple segments of the economy are still in a difficult phase. While FY21 GDP growth is expected at 6 per cent, it is still lower than potential. Improvement in strained segments such as real estate, SMEs, autos, NBFCs is imperative for sustainable recovery," says an HDFC Securities report.

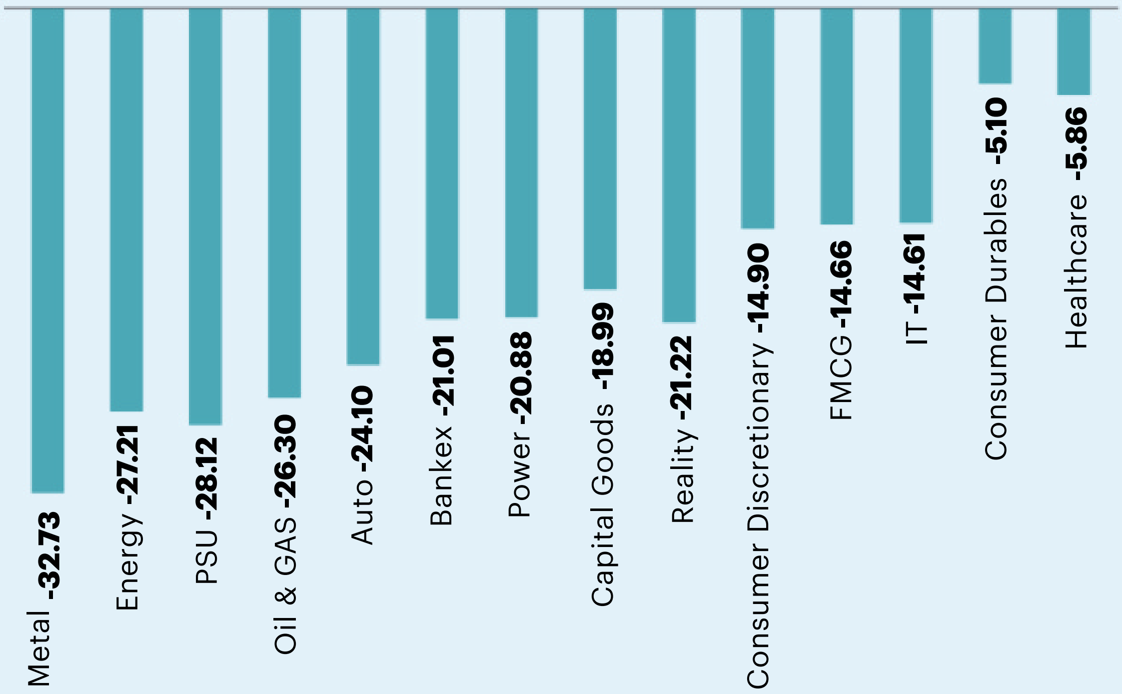
The Beneficiary Sectors

Here are some sectors that experts believe are likely to do well. "Given the impact of coronavirus on the global front, sectors such as textiles, tyres and specialty chemicals may experience higher demand," says Mehta of SAMCO. He says a few players such as Raymond and Trident may benefit in the textile space. Also, players with huge dependence on crude oil will benefit from declining crude oil prices. One such company is Asian Paints.

FMCG: Experts say India's economic slowdown is bottoming out and announcement of growth revival measures could revive demand in domestic-driven sectors. FMCG is one such sector. "Sectors like FMCG should do well as they are not impacted by the virus-related slowdown, if any. Moreover, they stand to benefit from lower input prices. Commodity prices are falling on expectations of lower global growth," says Agrawal. Also,

Melting Metal

Metal sector has recorded the steepest fall (%) since the beginning of the year



Source: BSE & Money Today Research

oil prices have fallen sharply of late. This should allow FMCG companies to compensate for any volume pressure with margin expansion.

BANKING AND FINANCIAL: Rate-sensitive sectors such as retail banks with deep penetration and NBFCs with properly managed ALM (asset-liability mismatches) are expected to do well as credit growth picks up. Given the global monetary easing, lower inflation and global slowdown, experts expect interest rates to fall further. "Lower interest rates will enable this space to deliver a net interest margin increase that can compensate for any decline in AUM growth," says Prateek Agarwal of ASK. The recent market fall means many quality consumer and retail financing businesses are available at attractive valuations. "In the banking space, one can buy Axis Bank as it posted decent numbers for Q3FY20. Its loan growth, as well as asset quality, improved. We remain positive on the bank's long-term plan," says Mishra.

CHEMICALS: Chemical companies are expected to benefit as buyers develop a second source after China. A small swing in buyer preference could mean a large percentage gain for Indian businesses.

What You Should Do

Don't Panic: Let the dust settle before taking a decision. "It is good to see that midcaps and smallcaps haven't underperformed largecaps in this correction. This shows valuation support in these segments. As growth recovers, these segments may lead the rally" says Alok Agarwala of Bajaj Capital.

STICK TO QUALITY: At this point in time, when global markets are in a selloff mode, "a prudent approach will be to stick to quality stocks, strong promoter record and good growth prospects. Further, considering the volatility, invest in a phased manner," says Mishra. "Invest in companies which have resilient balance sheets and operate with sufficient cash. Hunt for companies where conversion of sales into free cash flow is easy and visible. Investors should cherry-pick quality stocks in a staggered manner as every dip seems to be a good buying opportunity. Selling stocks in this fall will turn out to be more harmful than anticipated," says Mehta.

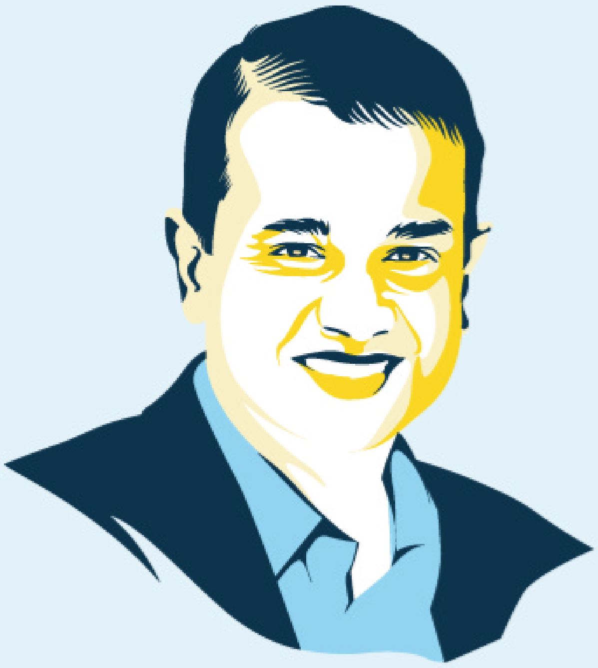
SCOUT FOR BETTER VALUATIONS: The volatility will continue in the near term. This, however, presents an opportunity for investors to build a portfolio of stocks that are not richly valued. "This strategy should result in a good upside once the fear around coronavirus subsides," says Harsha Upadhaya, CIO Equity, Kotak Mutual Fund.

LOOK BEYOND LARGE CAPS: Some experts believe the recovery, once it starts, is going to be broad-based. "The last rally was highly polarised with only a few stocks from the large cap space participating. We believe that when the market starts recovering, it is going to be a broad-based rally," says Deepak Jasani, Head of Retail Research, HDFC Securities. Given this situation, it makes sense to invest in quality stocks from the mid- and small-cap space. Historically, mid- and small-cap spaces have rewarded investors handsomely after a major fall, which is the case now.

MAKE VOLATILITY YOUR FRIEND: Volatility is going to be the norm. If you are planning to invest for three-five years, take the benefit of subdued market sentiment and buy companies with good growth potential and managements.

You should stagger your investments over different price points or take the SIP route to average out the cost of acquisition and remain invested for the rest of the investment period to maximise returns. An ace investor has rightly said, "Time in the market is more important than timing the market". Do a thorough research before zeroing in on the stocks or take help from experts before committing serious money. BT

(Kundan Kishore is a Mumbai-based journalist)



Stay Immune to Market Viruses

INVEST SYSTEMATICALLY AND IRON OUT VOLATILITY TRIGGERED BY DISRUPTIONS SUCH AS THE COVID 19 PANDEMIC

BY JIJU VIDYADHARAN

T**he rapid spread** of the novel coronavirus (Covid 19) across the globe has got investors worried about the impact this will have on the financial markets, especially equities. In such a situation, the question on the minds of investors is whether to stay invested or exit.

Equity indices worldwide, including India, is having a tumultuous 2020. The Dow Jones and FTSE 100 indices tanked about 26 per cent and 31 per cent, respectively, while emerging market indices RTS (Russia) and Bovespa (Brazil) plunged 38 per cent and 37 per cent, respectively, on year-to-date (YTD) basis.

The story was no different back home with the Indian benchmark indices (S&P BSE Sensex and Nifty 50) down 17 per cent and 18 per cent, respectively, YTD. On March 12, 2020, trailing the manic global sell-off, the domestic benchmark indices saw their biggest one-day point fall with the S&P BSE Sensex down 2919 points and the Nifty 50 declining 868 points, giving a massive jolt to investors' confidence. On March 13, domestic indices hit the lower circuit when the market fell another 10 per cent, prompting a halt in trading for 45 minutes, though by the end of the day it closed in the positive.

Varied Sectoral Impact

The coronavirus outbreak has the markets in a tizzy, but an assessment of sectoral macros shows a mixed picture. CRISIL's assessment of the economic casualty of the outbreak, especially for India, as things stand, shows that Covid 19's impact will be a mixed bag.

With import volumes reducing, domestic manufacturing sectors that are highly dependent on imports from China, such as ceramics and plastics, are expected to benefit. Moreover, India's steel, paper, leather and textile, readymade garments segments have a window of opportunity to expand exports, as China's own exports from these sectors account for a sizeable pie in global trade, which has been impacted due to the Covid 19 outbreak.

The interim impact of supply disruption is likely to be neutral for sectors like auto components and pharma bulk drugs dependent on supplies from China. But a delay beyond 2-3 months due to continued low production or an extended lockdown, would impact Indian corporates severely.

Consumer durables, electronics, and solar panels would be the worst hit, as they depend heavily on imports from China, with no immediate alternatives available. In addition, some impact on exporters of products such as cotton yarn, seafood, petrochemicals, gems and jewellery is inevitable, given that China is among the biggest markets for these products.

2,919

POINTS
Fall in BSE Sensex on March 12, its biggest till then

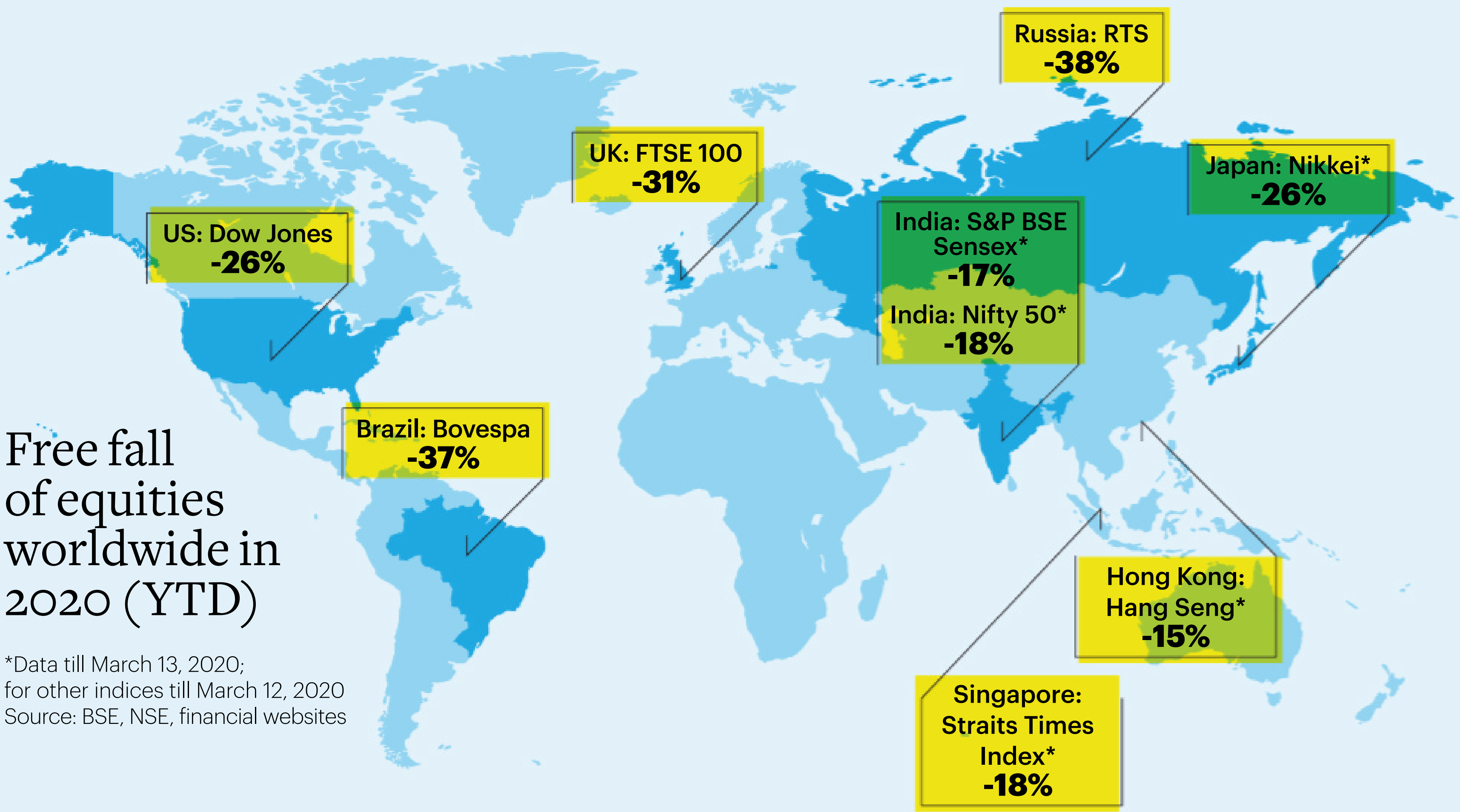
Panic Sell-offs

While everything looks like doom and gloom, investors should note that markets, especially equities, tend to be volatile in the short term. Such bouts of negativity have been witnessed previously during health scares such as swine flu (2009) and pneumonic plague (1994), and economic downturns such as the global financial crisis of 2008 and the Harshad Mehta scam of 1994.

Sharp corrections in the equity markets often result in investors taking hasty investment decisions such as exiting the market by redeeming investments, or mimicking the actions of a larger group (herd mentality: everyone is selling, so let's sell, or stopping investments). These, however, are not prudent ways of investment management. Such movements derail the long-term financial goal planning of investors and affect their risk-return profile.

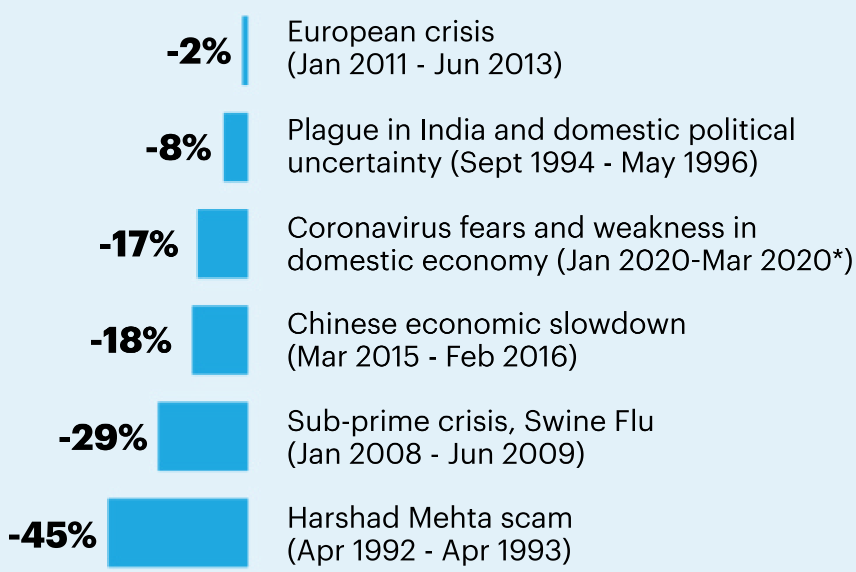
Investors should avoid falling prey to emotional biases (fear) and should instead stay invested for the long term to derive optimum returns. A look at the rolling returns of S&P BSE Sensex starting with a short horizon (one-year rolling basis) and the long term (15-year rolling return) on a daily basis, shows that returns in the shorter horizon are more volatile, and this

Free fall of equities worldwide in 2020 (YTD)



*Data till March 13, 2020;
for other indices till March 12, 2020
Source: BSE, NSE, financial websites

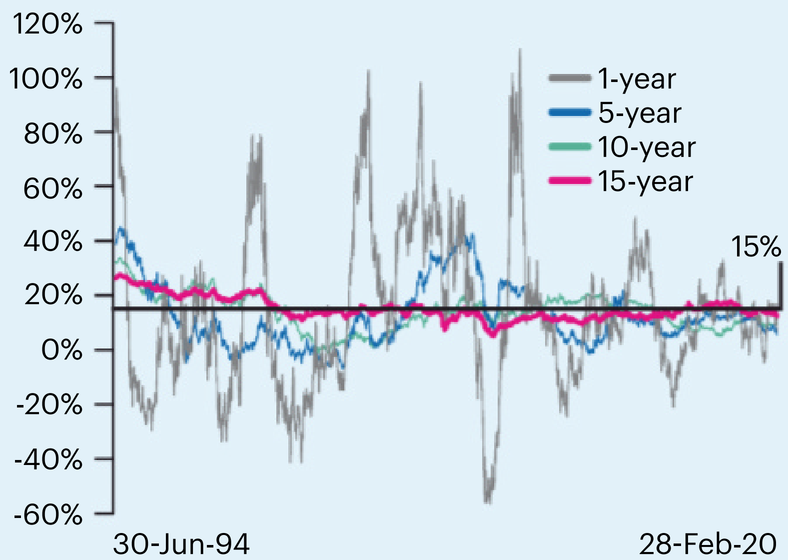
Market Performance During Critical Events



CAGR returns for periods more than one year, otherwise absolute, *YTD data till March 13, 2020.
Source: BSE, CRISIL Research

Long-term Investments Iron Out Volatility

Rolling return averages for period between June 1994 and February 2019, even though the underlying index values pre-date that; Source: BSE, CRISIL Research



smoothens out as the investment horizon increases, with the 15-year period yielding the most stable returns. (Data used was of rolling return averages for the June 1994 to February 2019 period, even though the underlying BSE index values pre-date that.)

Market corrections will come and go. But it is important for equity investors to stay invested for the long term.

By doing so, investors will also stay focused on their long-term goals such as retirement planning, and children's higher education and marriage, among others. Systematic and disciplined investment is the key to achieve this. Systematic investment plans (SIPs) are an efficient and easy way to invest in equity mutual funds over the long term.

Warren Buffett, the legendary investor, once said, "Someone is sitting in the shade today because someone planted a tree a long time ago."

The fruits of investing in equities ripen in the long term. Investors can follow this sage advice and stay immune to short-term volatilities in the markets. BT

The author is Senior Director, Funds & Fixed Income Research, CRISIL

Money Today – Column

When Equities Are on Sale

A MARKET FALL MEANS QUALITY STOCKS ARE AVAILABLE AT ATTRACTIVE VALUATIONS

BY C.S. SUDHEER

The BSE Sensex crashed 2,919 points on a Thursday of mayhem. More than ₹11.4 lakh crore of investor wealth was wiped out in a matter of hours. The spread of coronavirus across the world; a 45 per cent crash in oil prices, the biggest drop since the Gulf War; and the Yes Bank crisis led to panic selling in stock markets. So, is this the right time to buy select stocks?

The sharp market correction has made available quality stocks at attractive valuations. This is expected to continue, making it the right time to accumulate stocks. Buy these stocks and hold them for the long term. Analysts see the ongoing crisis as an investment opportunity.

But don't buy stocks blindly without doing ample research or try to time the markets. It's better to buy stocks at, say, 10 per cent higher price than move blindly.

Select the right stocks using financials and pick only those companies you understand. Look for an economic moat (a concept popularised by American business magnate and investor Warren Buffett), which is the ability of a business to maintain a competitive advantage over its rivals. Learn what a company is doing better than the competitors and find its unique selling point.

Pick companies with low debt and use financial ratios like return on equity (RoE) and return on capital employed (RoCE) as filters. RoE measures how well a company uses investments to generate earnings growth, while RoCE shows how efficiently a company makes use of the available capital. Look for an honest and competent management with a long tenure. Big debts in a company are like a hole in a boat. Read the financials carefully and avoid companies with huge debts or banks with high non-performing assets.

Invest in stocks and mutual funds for the long haul. You can invest in mutual funds through systematic investment plans or SIPs, which encourages disciplined investing to avoid timing the market. Invest in a time-bound manner without worrying about market dynamics. Understand the benefit of rupee-cost averaging and the power of compounding.

Investors dream of buying low and selling high to maximise returns. The problem is you never know when the market has hit the bottom or may plunge further. Studies show the best way to maximise wealth is by investing small amounts regularly over a period of time. This is why mutual funds promote investing through SIPs.

₹11.4

LAKH CRORE
Investor wealth lost on March 12

If you have got a bonus or a windfall and don't need the money immediately, invest a lump sum in equity or mutual funds, following the liquidity and longevity approach. Here's how:

- If you don't plan for liquidity needs, you would be forced to sell the high-potential investment at the wrong time. Create an emergency fund with 3-6 months of living expenses as a buffer against a financial emergency. The liquidity strategy is designed to satisfy short-term cash needs.
- The longevity approach is staying invested in stocks and mutual funds for the long term, based on risk appetite to meet financial goals.

Investing a lump sum may yield slightly better gains. But you must be comfortable with the market crashing even lower and not let emotions take control. Investing a lump sum can catch a high point or a low point. In a generally ascending market, like the one we had in 2003 to 2008, SIPs are a better choice. Lump sum investments tend to be better in a drifting equity market. BT

The author is CEO and Founder, IndianMoney.com

Money Matters

MANAGING YOUR MONEY CAN BE TRICKY. SEND YOUR QUERIES, AND PERSONAL FINANCE EXPERTS WILL HELP YOU RESOLVE ANY ISSUE

TAXATION

Rajesh Uttam Motiramani

I am 50, single, work with the central government and am in the 30 per cent tax slab. I want to gift my niece, who turned 18 on January 29, 2020, a cheque in favour and open an auto-sweep savings bank account in her name with her father/my brother as guardian. (a) Can I get a Permanent Account Number (PAN) in her name? (b) Would it be a normal PAN card? (c) What would be the tax implications for interest earned on such an account — whether interest income up to January 28, 2020, would be clubbed with my brother's income or taxed in the hands of my niece for the whole financial year?

Archit Gupta, *Founder and CEO – ClearTax*

You can gift money to your niece by cheque. It will be covered under 'gift from a relative'. Relative covers the brother of the parent of the individual (receiving the gift). Hence, the income will not be taxable in the hands of your niece. You can get a PAN for a minor. It is a regular PAN and can be used for investments and other transactions. It will be issued under the signature of the minor's parents. You can open an auto-sweep account in her name with her father as the guardian. However, she will own the account after attaining majority. The income tax law prescribes clubbing of income of minors with income of the parent who is earning more. But these provisions will not apply from the financial year in which the minor turns 18. Your niece will be an adult for FY20. Hence, the interest earned on the auto-sweep bank account will be taxed as her income. If your niece's annual income for FY20 exceeds the threshold of ₹2.5 lakh, she will have to file an income tax return. There is no need to club your niece's income with the income of her parent from FY20.

HEALTH INSURANCE

Romesh Sahni

I want to buy a health insurance policy for my mother who has just turned 60 and is diabetic. What are the best options available in the market? I am willing to take the co-pay option.

Naval Goel, *CEO & Founder, PolicyX.com*

There are many health insurance plans you can buy for your mother. However, as she is a diabetic, you need to be more careful with your choice. You can go for National Insurance Varishta Mediclaim under which you can get the diabetic cover along with the basic health insurance plan by paying an additional 10 per cent premium. This is one of the best options. Other than this, you can see Star Health Diabetes Safe, Religare Care Freedom, HDFC ERGO Health Energy and ICICI Prudential Diabetes Care. You must check all inclusions and exclusions.

MUTUAL FUND

Meha Gupta

I have two SIPs – ₹5,000 in UTI Nifty Index (G) and ₹2,000 in Franklin India Equity Fund (G). So far, I have invested ₹2,49,000 with gains of ₹18,300. I am willing to close both the funds and start ₹5,000 SIPs in the Nifty index fund and the NiftyNext50 index fund. What should I do with the savings so far, a systemic withdrawal for new SIPs or a lumpsum investment? Do you have any other suggestion?

Suresh Sadagopan, *Founder, Ladder7 Financial Advisories*

You may shift the funds accumulated to Mirae Asset Large Cap Fund. I would suggest a simple cashout with lumpsum investment into the suggested scheme. The new SIPs can be started in Nifty and Nifty Next 50 funds, for a long period, beyond five years. BT

Please send your queries to moneytoday@intoday.com

ILLUSTRATION BY RAJ VERMA

Network

PHOTOGRAPH BY RAJWANT RAWAT

A Different Track for Jindal

Polo is not just a sport for **Naveen Jindal**, it is his way of life. The Chairman of Jindal Steel and Power (JSPL) discovered polo at the age of 18 and there has been no looking back since. Jindal has been playing the sport for 30 years now.

But Jindal's first love was riding. His father, Om Prakash Jindal, had gifted him a horse when he was six years old. An ace horse rider in school, Jindal made a natural progression to playing polo.

A regular at all major polo tournaments in Delhi and Jaipur, he is also the owner and captain of one of India's top polo teams, Jindal Panther. He owns a polo farm and ranch too near Delhi, called Jindal Farms, which houses three polo grounds. Amid his busy schedule, Jindal makes sure he finds time to visit the farm at least twice a week. He reaches the farm at 7am sharp to ride horses and practise with his team-mates. Jindal believes that the sport has taught him the values of collaboration, hard work and patience. His love of the game runs so deep that he has opened up the farm to anyone who wants to learn the sport and practise, which is also his way of encouraging young, aspiring players. – SONAL KHETARPAL

STAY FIT, STAY RELEVANT

When interviewing a candidate, K. Sudarshan, MD of executive search firm EMA-Partners, tries to gauge the fitness level of the applicant. He believes physical fitness is important for leadership roles. "Physical fitness leads to mental fitness. In today's dynamic business environment, while not explicitly stated, physical fitness becomes a critical parameter when you evaluate a candidate for a leadership role," he says.

Sudarshan walks the talk too. His plush Mumbai office is studded with an array of marathon medals. He has run the half marathon at the Mumbai Marathon every year for over a decade now. Sudarshan also ran the half marathon in Amsterdam last year.

A frequent traveller, Sudarshan's running shoes are always part of his travel kit. When he is in town, he makes sure he runs at least 2-3 times a day. "This is the time I get to de-stress and recharge my batteries without clouding my mind with work related stuff," he adds.

He has also been playing squash over the last 12 years and his weekends are usually reserved for a game or two of the sport. Playing a demanding game like squash, according to him, is a source of adrenaline to compete in the real world. Sudarshan also believes that fitness is a great way to keep up with the younger generation at the workplace and beyond. With most workplaces being dominated by the millennial and GenX, Sudarshan believes that looking fit and knowing all the sub-plots of Game of Thrones have become extremely important to stay relevant. "Staying fit also means more options in terms of what one can wear to work or otherwise! Good fitting attires add to the confidence of an individual too," he says.

– AJITA SHASHIDHAR

PHOTOGRAPH BY RACHIT GOSWAMI

Back in the Game

Like most children, Vivek Bhargava, CEO of DAN Performance Group, dreamed of becoming a sports star when he was a child. And he had the skill to back it up. A table tennis player, he went on to compete at state and national level championships. However, Bhargava gave up the sport to focus on studies.

He began his entrepreneurial journey in 1997 with digital advertising agency Communicate 2, which was acquired by Dentsu Aegis Network in 2012. Around the same time, Bhargava caught up with an old friend and after reminiscing about the good old days, they ended up playing table tennis together after almost 15 years. That is when Bhargava realised what he was missing in his life.

Bhargava was soon back in the game – that too with a blast. He now plays competitively. The entrepreneur bagged two bronze medals in the National Table Tennis Championship in the men's and mixed categories in 2015. In 2017, he won two silver medals in the same categories.

Bhargava focuses his CSR activity on building an ecosystem for the sport in India. He promotes Kamgar Academy in Central Mumbai for table tennis where he himself also practises 3-4 times a week. Bhargava has also invested in table tennis clothing and equipment start-up, Spinart, and bought a team called iProspect Challengers. In 2017, iProspect was the title sponsor for the first two seasons of Mumbai Super League, a table tennis tournament that has already four seasons old. His dream now is for India to win gold at the 2024 Olympics.

– SONAL KHETARPAL

Business Today-Money Today Financial Awards

Banking for the Future

BT-MT HONOURS THE BEST IN INDIA'S FINANCIAL SERVICES

BY TEAM BT

 PHOTOGRAPHS BY MILIND SHELTE

Leaders: Chief Guest R. Gandhi (centre) with winners of the BT-MT Financial Services awards, other dignitaries and Rajeev Dubey, Editor, Business Today

In the end, it was a tie for the title of the Bank of the Year at Business Today-Money Today Financial Awards 2020. State Bank of India (SBI) and private sector major HDFC Bank jointly bagged the award. HDFC Bank won for the sixth year running, while for SBI, it was the second time. HDFC Bank also bagged 'Best Large Bank' and 'Best Fintech Engagement' awards. SBI was also awarded for being 'Best in Rural Outreach'.

The BT-MT Financial Awards identify winners across four financial categories – mutual funds, pension funds, insurance and banking. The awards were conferred by Chief Guest R. Gandhi, Former Deputy Governor, Reserve Bank of India (RBI).

Delivering his keynote address on 'New Vistas in Indian Banking', Gandhi said retail credit demand will continue growing as India moves towards becoming a low inflation economy. "Going forward, India will have low inflation. Naturally, interest rates will also come down, so will returns from savings instruments. This is what is making people borrow more and enjoy goods and services now rather than investing in savings instruments. Many countries have followed that pattern. It is now happening in India," he said.

The ceremony was preceded by a panel discussion on 'Finding the Right Asset Mix in 2020'. The panelists included Sunil Singhania, Founder, Abakkus Asset Management Company; Swarup Mohanty, CEO, Mirae Asset

Bank of the Year (joint winners): Sashidhar Jagdishan and Kaizad Bharucha from HDFC Bank, R. Gandhi, former Deputy Governor, RBI; A.K. Purwar, former chairman of SBI and jury member; and P.K. Gupta, MD, SBI

Global Investments (India); Lovaii Navlakhi, Founder and CEO, International Money Matters; and Somasundaram P.R., Managing Director - India, World Gold Council. Lovaii Navlakhi said investors should avoid the greed to earn extra income from debt instruments. "The objective of investing in fixed income is safety of principal and inflation-beating returns. But people focus more on earning higher returns. The intention to make extra money is what causes harm," he says.
World Gold Council's Somasundaram said gold reserves held by global central banks are just 10 per cent below the peak seen around 1965. Mohanty of Mirae Asset Global Investments advised investors to keep it simple and reduce mistakes. Singhania said he sees value in sectors such as IT, pharma, consumption, infra, chemicals and metals.

The Best Banks were selected in collaboration with KPMG. A jury comprising Vinayak Bahuguna, MD and CEO, ARCIL India; Arun Purwar, former Chairman, SBI; Shailesh Haribhakti, Chairman, Desai Haribhakti Group; Seshagiri Rao, Joint MD, JSW Steels; and Sandeep Chiber, India Head, FIS Global, identified the winners. For the Money Today Awards, ICRA Online was the data partner for identifying nominees in mutual funds, while Policybazaar shortlisted candidates in insurance. A jury comprising V.K. Sharma, former Chairman, LIC; Ashishkumar Chauhan, MD and CEO, BSE; Sunil Rohokale, MD and CEO, ASK Group; Sandesh Kirkire, IMC PVG Chair in Banking and Finance, JBIMS; and Vishal Dhawan, Founder, Plan Ahead Wealth Advisors, identified the winners.

Demand for loans will keep growing as individuals now prefer credit over allocating money in savings instruments that are fetching low returns

The awards for the 'Best Fund House Overall' and the 'Best Fund House Debt' were bagged by Kotak Mutual Fund. Axis Mutual Fund won the award for 'Best Fund House Equity'. HDFC Pension Management was awarded the 'Best Pension Fund

Best Life Insurance Provider of the Year: R. Gandhi, former Deputy Governor, RBI; M.R. Kumar, Chairman, LIC (the winning company); T.C. Suseel Kumar, MD, LIC; V.K. Sharma, former chairman, LIC and jury head, and Rajivan Nair, Executive Director (Corporate Communications), LIC

House' tag, while HDFC Short Term Debt Fund and Mirae Asset Emerging Bluechip Fund were given the 'Best Value Creator Fund Debt' and 'Best Value Creator Fund Equity' awards, respectively. Deepak Agrawal of Kotak Mutual Fund and Neelesh Surana of Mirae Asset Mutual Fund won the Best Fund Manager award in debt and equity categories, respectively.

ICICI Lombard General Insurance bagged the award for the 'Best General Insurance Provider'. Life Insurance Corporation of India was given the title of the 'Best Life Insurance Provider of the Year'. Star Health Insurance was given the 'Best Health Insurance Provider of the Year' award, while Bajaj Allianz General Insurance and ICICI Lombard General Insurance were joint winners in the 'Best Motor Insurance Provider of the Year' category.

Perfios won the best fintech award in value-added services, while Paymate and NeoGrowth won in payment and lending categories, respectively.

The Best Small Bank award was conferred on Bandhan Bank, the Best Mid-Sized Bank was IndusInd Bank and the Best Foreign Bank title was given to JP Morgan India. The 'Best Innovation Award' went to ICICI Bank.

Even as lending by fintech players is minuscule compared to lending by commercial banks, the magnitude will grow. Gandhi said demand for loans will keep growing as individuals now prefer credit over allocating money in savings instruments that are fetching low returns.

Among other trends in the economy, investors will keep moving to riskier instruments such as equities and mutual funds. As for micro, small and medium enterprises (MSMEs), they are also shifting to fintech players. "New business models are emerging. They are gathering data from alternative sources and helping MSMEs access funds," said Gandhi, adding that banks will not give large loans. "With rising NPAs, banks are being forced to be limit credit disbursal. Big corporations will have to approach capital markets for large funding," he says. Meanwhile, Gandhi doesn't see India getting back to double-digit credit growth. Credit demand from services has slowed. It is one of the key reasons for low credit growth. According to the RBI, growth in bank credit dropped to 8.5 per cent in January compared with 13.5 per cent in the same month a year ago.

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Best Advice I Ever Got

"BET BIG ON TECHNOLOGY TO MAKE QUALITY HEALTHCARE MORE ACCESSIBLE"

MEENA GANESH, MD AND CEO, PORTEA MEDICAL

PHOTOGRAPH BY REUBEN SINGH

Q. What was the problem you were grappling with?

A. When faced with handling out-of-hospital care for my father, we came across a complete lack of institutional solutions for taking care of elderly chronic patients. While the potential opportunity was very clear, creating an entirely new category or sector was daunting. Some challenges that we were trying to find answers to revolved around creating a new segment of healthcare market from scratch, convincing customers to trust and adopt, and attracting employees to the nascent market. Other areas we needed clarity on included scaling up such a venture using technology and ensuring quality of services at scale.

Q. Who did you approach and why?

A. We approached Nandan Nilekani, whom I have known for over 25 years now. He is a very strategy-minded professional with an astounding ability to build from scratch, as seen from his experience with Infosys and UIDAI.

Q. What was the advice?

A. We spent time with him discussing various aspects, once a quarter. His inputs not only changed how we thought about the venture but also gave us insights into what we needed to ensure in terms of service quality and the relationship with stakeholders and the medical community. He advised on use of technology and we decided to bet big on it to make quality healthcare more accessible.

Q. How effective was it in resolving the problem?

A. The quality of the advice and the need for out-of-hospital healthcare is evident from the growth we have experienced. Since our inception in 2013, we have completed more than 3.5 million patient visits across 16 cities in India. We work with more than 70 leading hospital partners and 15 pharma majors, and leading insurers. We manage about 150,000+ patient visits each month. BT

– P.B. JAYAKUMAR

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