

14TH ANNIVERSARY SPECIAL

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Forbes INDIA

TEEN SPIRIT

As *Forbes India* enters its 15th year, 15 personalities who had graced covers of the past 14 years pick up from where they left off

In July 2021, **TV Narendran** spelt out how Tata Steel had recovered, with record profits, from the Covid-19 crisis. Now, he writes on the opportunity in the next decade via sustained infrastructure creation

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In December 2018, **Kiran Mazumdar-Shaw** spelt her vision for building a deep R&D-based biotech firm. Now she writes about transformative technologies that are creating huge new opportunities



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In July 2010, **Viswanathan Anand**, India's first Grandmaster, wrote about what it takes to win. Today, as another 80 Indian GMs join the elite club, many from the next-gen seem to be learning from his illustrious career



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Cover to Cover

National Lampoon, an American humour magazine, was born in 1970, and lived on for another 28 years. A blend of parody and surrealism, it reached its peak of creativity in the first half of the '70s. That's when it had some of the most provocative covers—Argentinian revolutionary Che Guevara splattered with a cream pie; a replica of the starving child on George Harrison's charity album 'The Concert for Bangladesh', only here the child was in chocolate with a part of its head bitten off; and a dog with a revolver at its head, with the cover screaming: 'If you Don't Buy this Magazine, we'll Kill this Dog'.

National Lampoon was a breeding ground for creativity, although many of its covers would qualify as click-bait of the pre-internet era. It was an old trick of magazines in their heyday, going back to the 1920s—when covers in loud, bold colours with provocative photographs, illustrations and typography were used to draw the attention of potential buyers—and they reeled them in, in millions.

Magazine covers, and indeed magazines in their physical form, don't matter as much these days. But getting them noticed digitally in the internet age in a smaller format on social media is still critical; so many of the old rules of bold colours and provocative images may still hold true. And the virality of a provoking and pithy cover may even bring in more views than newsstand sales in the '...we'll Kill this Dog' era.

Forbes India's first issue was launched 14 years ago, dated June 5, 2009—a time when the world was just beginning to recover from the global financial crisis and when print publishing, at least in India, was mostly still considered the primary pillar.

Magazine covers over a sufficiently longish period tell a story. And, as *Forbes India* celebrates its 14th

anniversary, a journey back to issues of the past 14 years tells an inspirational tale of gutsy entrepreneurship and leadership: Of companies and their helmspersons who endured and persisted with their vision and values; and also of a few that didn't quite make the long haul.

As we enter our 15th year, the team at *Forbes India* picked out 15 personalities who featured on our covers and requested them to join the dots from the time they were featured. For instance, Francisco D'Souza first made it to the cover in May 2012, christened 'Chief Emerging Officer' for his efforts to reinvent Cognizant and his role (of CEO).

Eleven years later, D'Souza, now co-founder of private equity firm Recognize, writes about another transformation: "Recognize sees an opportunity to work with the next generation of services winners to create new models to deliver technology services and respond to the trends of technology innovation, specialisation, fragmentation, new human capital models and AI-driven business models." To read the entire essay, turn to 'The tech services industry is at a unique moment' on page 22.

A favourite cover—and I wasn't editing *Forbes India* then—is the one with India's first Grandmaster (GM), Viswanathan Anand, and his lessons for winning. GM at 18, in 1988, and arguably one of India's first sportspersons with a killer instinct, Anand gave a whole generation of players after him the assurance that they can become GMs. India had 81 GMs as of end-May. Anand writes: "I suspect that absolute acceptance of India's prowess in chess came in the last 10 years, where more and more Indian youngsters were present in tournaments. And as these kids started to play top players and defeat them, people started to acknowledge India as a powerhouse." For more on what you can still learn from Anand, turn to 'Indians no longer want to just play chess, they want to be the best' on page 46.

STORIES TO LOOK OUT FOR



▲ (Left) Francisco D'Souza co-founded Cognizant Technology Solutions; (above) Viswanathan Anand became India's first chess Grandmaster at 18

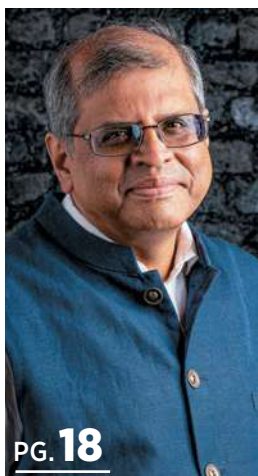


Brian Carvalho
Editor, *Forbes India*

brian.carvalho@nw18.com

Best,

Forbes India @14



PG. 18

Amit Chandra



PG. 20

Arundhati Bhattacharya



PG. 22

Francisco D'Souza



PG. 24

Girish Mathrubootham



PG. 26

Inder Jaisinghani



PG. 28

Kamal Haasan



PG. 30

Kiran Mazumdar-Shaw



PG. 32

Kunal Bahl & Rohit Bansal



PG. 34

Neera Nundy



PG. 36

Rohini Nilekani



PG. 38

Sunil Vachani



PG. 40

TV Narendran



PG. 42

Varun Berry



PG. 44

Varun & Ghazal Alagh



PG. 46

Viswanathan Anand

IN FOCUS

48 • ONDC: INDIA'S NEXT BIG BET AFTER UPI

The open network is re-inventing ecommerce to level the playing field between online and offline players and loosen the grip of Big Tech

54 • WEB OF OPPORTUNITY

India has the potential to lead the Web3 revolution, but lack of regulations can be a killjoy

60 • INDIA'S 'PHARMACY OF THE WORLD' MONIKER IS UNDER THREAT. HERE'S WHY

Regulatory issues and pricing pressures continue to haunt Indian generics manufacturers even as they diversify into specialty generics and geographies outside the US

66 • HOW TO BEAT THE MARKET

The total AUM of domestic quant funds rose nearly 180 times in five years. Can eliminating human emotions help fund managers outperform the market?

70 • OUT OF THE WOODS

Small Finance Banks staged a smart recovery last year. With a more diversified lending model, some of these unlisted banks are now getting ready to tap the capital markets

74 • BOLT vs BOULT

Fire-Bolt and Boulton Audio are locked in a battle for dominance in India's booming wearables and audio market

80 • BIG SHARKS AND THEIR STOCKS

High networth individuals held on to their equities in companies even as overall markets tanked in the three months ending March 2023



Rosbin PB, ONDC user and owner of Green Mart in Bengaluru



Still under construction, Web 3.0 is said to be the decentralised web



Anubrata Biswas, managing director and CEO, Airtel Payments Bank



Faf du Plessis, the second-highest run-getter in IPL 2023, has come out with his memoir, *Faf Through Fire*

FORBESLIFE

88 • LUXURY IN THE GREAT OUTDOORS

Spas, jacuzzis, private chefs and butlers are all part of the glamping experience and living it up in the wild. And post-Covid, the travel segment is only set to grow

93 • 'WHEN THE CHIPS WERE DOWN, I WAS AT MY BEST'

Former South African cricket captain Faf du Plessis on his memoir, *Faf Through Fire*, captaincy lessons and how IPL has changed the landscape of cricket

96 • OF GENIES AND MAGIC CARPET RIDES

A glimpse into the world of luxury concierge services that arrange for exclusive experiences and make the almost-impossible possible

REGULARS • 10/LEADERBOARD • 98/FROM THE FIELD

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'Multiple Technologies will Come Together for Sustainable Flight'

GE's Alok Nanda on the next decade of growth in the aviation and aerospace industry **P/14**

On the Job

Coursera is piloting a hiring platform from India to match users with skill-based digital jobs **P/16**

CHINA EQUITIES

The Curious Case of China's Confidence Trap

Sceptical of China's macroeconomic data, as corporate guidance remains tepid and stock returns disappointing, investors are looking to shift allocations to India for higher long-term returns

THE BIGGEST GLOBAL

investment theme of the year seems to have gone sour.

When China reopened its economy, six months ago, after nearly 1,000 days of lockdowns due to its zero-Covid policies, investors widely expected the Year of the Rabbit to mark a strong revival of the world's largest economic juggernaut. Broadly, the underlying thesis was that excess savings to the tune of RMB 7 trillion accrued over the past three years would boost China's consumption levels to the pre-pandemic level of 8 percent and GDP growth of 5 percent in 2023.

But investors' mood has quickly changed from "unabashedly bullish" to "fatigued scepticism" as they try to decipher the puzzling disconnect between the strong headline economic data and the dismal performance of China stocks. In fact, many investors are doubtful if China's recovery has legs and if they can meaningfully profit from the reopening in the medium term.

"Confusingly, most top-down numbers are good, but bottom-up feedback from companies is very negative, and investors generally



As of last week, China stocks had lost most of the gains made since January and the Shenzhen Component Index had shed 9.5 percent from its peak in early February.

believe more in the company feedback. The second big concern is geopolitics. Investors worry that if relations continue to deteriorate, it might be difficult or impossible to take their money back out of China," says Mark Matthews, head of research, Asia, Julius Baer Group.

Moreover, a recent investor survey shows that less than half the respondents are hopeful of a strong

revival of the Chinese economy in comparison to 79 percent investors a month ago (see table). For years, China has been the favourite emerging market for foreign investors despite lacklustre returns. But, as the survey indicates, investors overweight China dipped by 19 percentage points to 9 percent in May from 27 percent in April and 39 percent in March.

A Citibank report sees China

on the brink of a confidence trap: “There seems to be a persistent lack of confidence among consumers, homebuyers, corporates and investors. Weak expectations could be reinforcing each other and become entrenched and self-fulfilling.”

Against this bleak backdrop, investors, giving China the cold shoulder, are re-shuffling their portfolio allocations to other Asian countries. Notably, India, Indonesia, and Japan have emerged as attractive markets for fund managers in the last couple of months. As per the survey mentioned earlier, in April and March, 19 and 16 percent investors said they were overweight India. In a turnaround, in May, 4 percent investors were overweight India.

For example, although the valuation of Chinese equities is cheaper than Indian equities, Matthews expects India to give better returns in the long term. “In Asia we like India, we also like high quality Japanese companies that are world leaders in their sectors,” he adds. In general, however, he continues to prefer the US market over emerging markets.

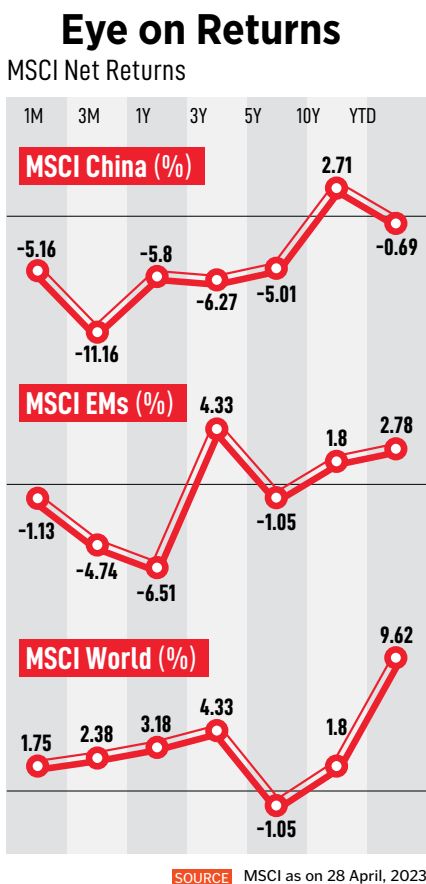
Bank of America says long-term emerging market investors want some indication of the “new normal” of China’s growth outlook to assess if the past three years have fundamentally impaired business and consumer confidence, and if not property, then which other sectors could drive growth in the coming years, and so in this situation, investors are impatient to buy and hold, and would prefer to invest when there is more clarity. “European investors are frustrated with the sluggish performance of the China markets,” state its economists.

As of mid-May, China stocks had lost most of the gains made since January and the Shenzhen Component Index had shed 9.5 percent from its peak in early February. The MSCI China Index covers about 85 percent of China’s stocks across large and mid-caps. Its one-month returns, as of April 28, traded down over 5 percent while MSCI Emerging Markets Index fell by

Investor Sentimeter CHINA EQUITIES



SOURCE: BoFA Global Research



1.13 percent (see table). China ETFs were also under pressure: KraneShares CSI China Internet ETF, Global X MSCI China Consumer Discretionary ETF were down 6.16 percent and 7.49 percent each.

“People [are] questioning the accuracy of the macro data, as bottom-up corporate earnings and guidance remain soft. Also, some investors are tracking high frequency data closely which showed some weakness in April. We expect the debate on the bull/bear case to continue, and [the] market may only get more clarity by June/July, when base effect normalises, and corporates provide Q2 earnings guidance,” add Bank of America’s economists.

In this mayhem, the top investment themes in China over the medium term largely hinge on consumption recovery, artificial intelligence, internet, green economy and reform measures to improve state-owned enterprises (see table). For instance, over the past one month, Matthews points out, share prices of the three big telecom companies rose after the government said it would raise their dividend payout ratios.

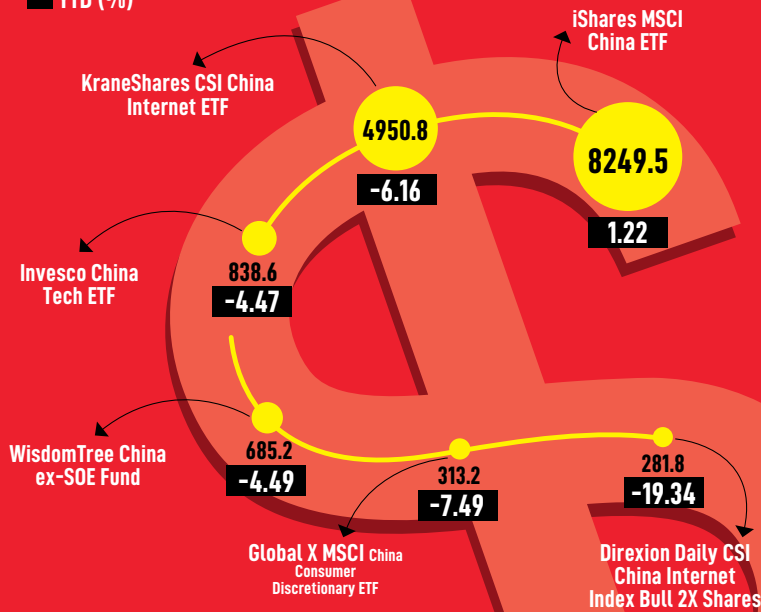
“Shares in state-owned enterprises have been outperforming the broader market. They have lower profit margins and returns on equity than private sector companies in general, but the government has been clear it believes they are undervalued, and wants to see their valuations boosted. Even if the price-earnings ratio of state-owned enterprises only rises



China ETFs

Performance of a few funds

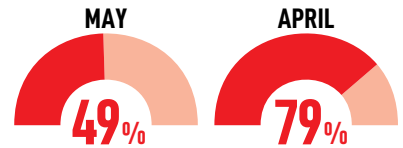
● TOTAL ASSETS (US \$MILLION)
■ YTD (%)



SOURCE VettaFi ETF Database as on May 17

China: Market Jitters

Investor expectations of a strong economic revival in the next 12 months



SOURCE BoFA Global Research

percent poses a big economic and social concern for the government.

To add to the woes, the slowdown in the property market continues, declining 16.2 percent in April against a drop of 7.2 percent in March. China's National Bureau of Statistics, reportedly changed the base for property sales data, distorting the interpretation of the numbers.

In March, China's GDP growth of 4.5 percent y-o-y beat analyst estimates by a wide margin since many economists and brokerages had forecast the economy would contract by 0.5 percent y-o-y in Q1. The faster-than-anticipated recovery in the first quarter, coupled with robust high frequency economic indicators, led the IMF to raise its GDP growth outlook for China to 5.2 percent from 5 percent earlier. Also, the IMF estimates that Asia will contribute 70 percent to global growth, and it believes China will contribute half of this growth to the world economy.

Yet, impact of a low base effect aside, by and large, the economic data has failed to meet consensus and indicates weak momentum and an uneven recovery. Despite the surge in pent-up demand for services, domestic consumption is likely to remain tepid. "Households are reducing their leverage. That's not a good sign for consumption, which is over half of GDP. It suggests they lack confidence in the future. Having said that, if the Chinese economy really were to take a turn for the worse, the government would respond with stimulus measures," Matthews says.

• NEHA BOTHRA

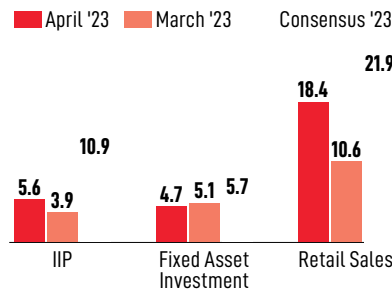
from 6x to 8x, that is still a 30 percent return," Matthews adds.

Nomura's chief China economist, Ting Lu, believes Beijing may have to introduce a new round of support measures for the economy in the second half of the year, including lowering benchmark lending rates, to rekindle the economy's animal spirits. Barclays noted concerns around the sustainability and recovery in housing and consumption and pared China's GDP forecast to 5.3 percent from 5.6 percent.

In April, industrial production, fixed-asset investment, and retail sales growth disappointed on the downside and stoked jitters in the market. Despite a low year-ago base, investment and consumption were weak: Industrial production increased to 5.6 percent y-o-y in April but was below consensus of 10.9 percent; fixed-asset investment dropped to 3.9 percent y-o-y in April from 4.8 percent in the previous month (see table). Besides, the record high level of youth unemployment at 20.4

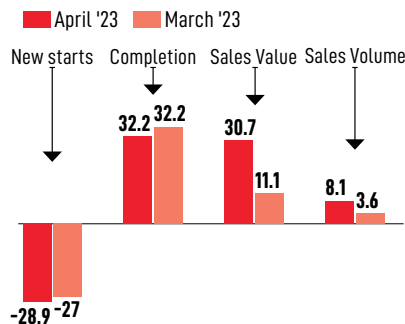
China: Feeble Recovery

ECONOMIC ACTIVITY (YoY%)



SOURCE NBS, Bloomberg, BoFA Global Research

PROPERTY SECTOR (YoY%)



SOURCE NBS, CEIC, BoFA Global Research



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INTERVIEW

‘Multiple Technologies will Come Together for Sustainable Flight’

Alok Nanda, CTO of GE South Asia and CEO of GE’s India Technology Center, on the next decade of growth of the aviation and aerospace industry—a lot of which will happen in India

Q Tell us a bit about your career and the GE India Technology Center?

I started my career with DRDO (Defence Research and Development Organisation), where I spent nine years working for various labs and enjoyed the research-oriented environment that was focussed on making India self-reliant.

After that, I joined GE Research and worked for GE Plastics for a while before moving to GE Gas Power, where I worked for eight years in heavy-duty gas turbines. I’ve been with GE Aviation for the last 23 years, where I started leading the aviation engineering team in India, and have been leading the entire site in Bengaluru since 2018.

The centre here is an iconic research centre that hosts teams from various units of GE, including Vernova for energy, gas power, onshore wind, GE Digital, LM Wind Power, for engineering technology, aerospace, and health care. It has around 5,500 technologists who conduct research. The aerospace team consists of around 1,200 engineers.

Q Give us a sense of GE Aerospace’s history and work in India.

GE Aerospace’s presence in India

started in 1999 with the Engineering Analysis Centre of Excellence joint venture with TCS (which later GE acquired fully), and since then, the centre has grown to become a strong technology team in aerospace.

One of the first engines that the team worked on was the GE90, which was getting towards certification at the time. Subsequently, the team contributed to several new product introductions (NPI) like the GENx

and the GE9X engines, which are successors to the GE90. Almost 60 percent of the GE9X engine has been designed from conceptual design to certification at the Bengaluru centre.

The team at the centre has progressed from

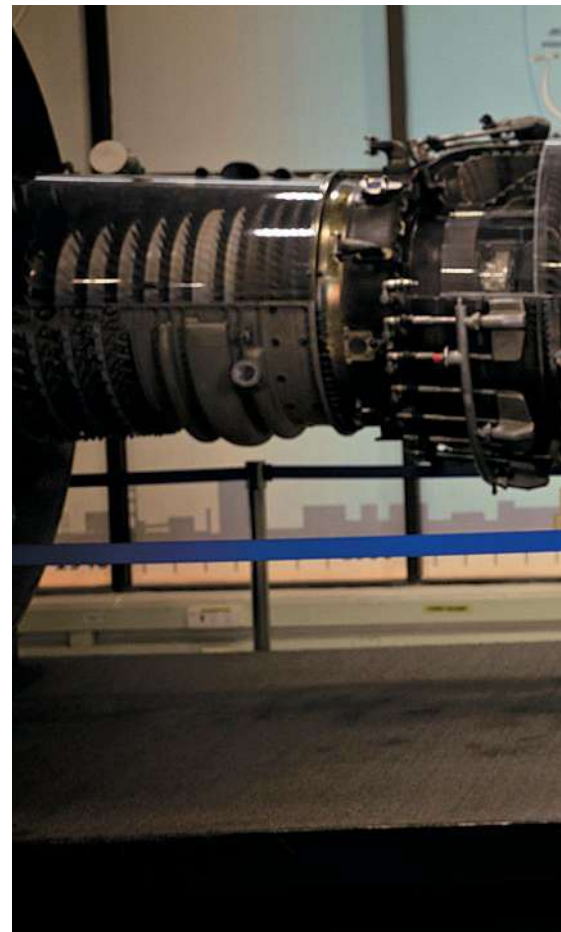
doing engineering analysis to owning the hardware, subsystems, and modules of the engines they work on. The talent in India is rich in physics, problem-solving, high-performance computing, finite element analysis, building big models, and solving tough physics-related problems, making them an ideal fit for GE Aerospace’s technology work.

Our global integration is what allows us to deliver some of the most advanced and complex technologies

in the world, such as aircraft engines.

For example, our ATO (advanced technology operations) work is primarily done in India, where we focus on technology maturation before the product is actually announced. Our wide body aircraft development is predominantly done

“Our global integration is what allows us to deliver some of the most advanced technologies.”



Alok Nanda has been with GE Aviation for 23 years



through Bengaluru, where we own and develop engines for aircraft with two aisles, such as the Boeing Dreamliner.

Q Today there is growing interest in sustainable aviation. Tell us about GE Aerospace's work in this area.

Sustainability is a crucial element for GE Aerospace. We are very excited about the future and the RISE platform that we have developed—revolutionary innovation for sustainable engines. The RISE platform has several dimensions, and it is capable of using sustainable aviation fuel, hydrogen, and electrification with a hybrid electric part. The platform integrates all these technologies to make them efficient and productive.

We are working on the RISE platform to create open rotor technology and make the architecture of the engine core more efficient, not just in propulsive efficiency but also in

thermal efficiency. We are working to achieve a 20 percent fuel reduction.

We are also focussed on larger aircraft that can benefit from electrification. Today, we believe that the fastest way to achieve carbon neutrality is through the use of sustainable aviation fuel, where we do not need to change the infrastructure or the engine of the aircraft.

Our research team has created a solution called foam wash, which is even more effective than water wash and gets us to a point where we do not lose engine efficiency but regain it. In the future, we plan to create more AI-based solutions integrated with the best combustors and the most durable engines.

The RISE platform was developed as a response to the need for sustainable engines in the aviation industry as a formal programme that integrates new technologies

and innovative design to create engines with a completely different architecture.

Our partners include industry leaders such as Airbus, NASA, and Boeing. Our goal is to develop technology demonstrators over the next decade that will showcase the potential of these technologies for sustainable aviation.

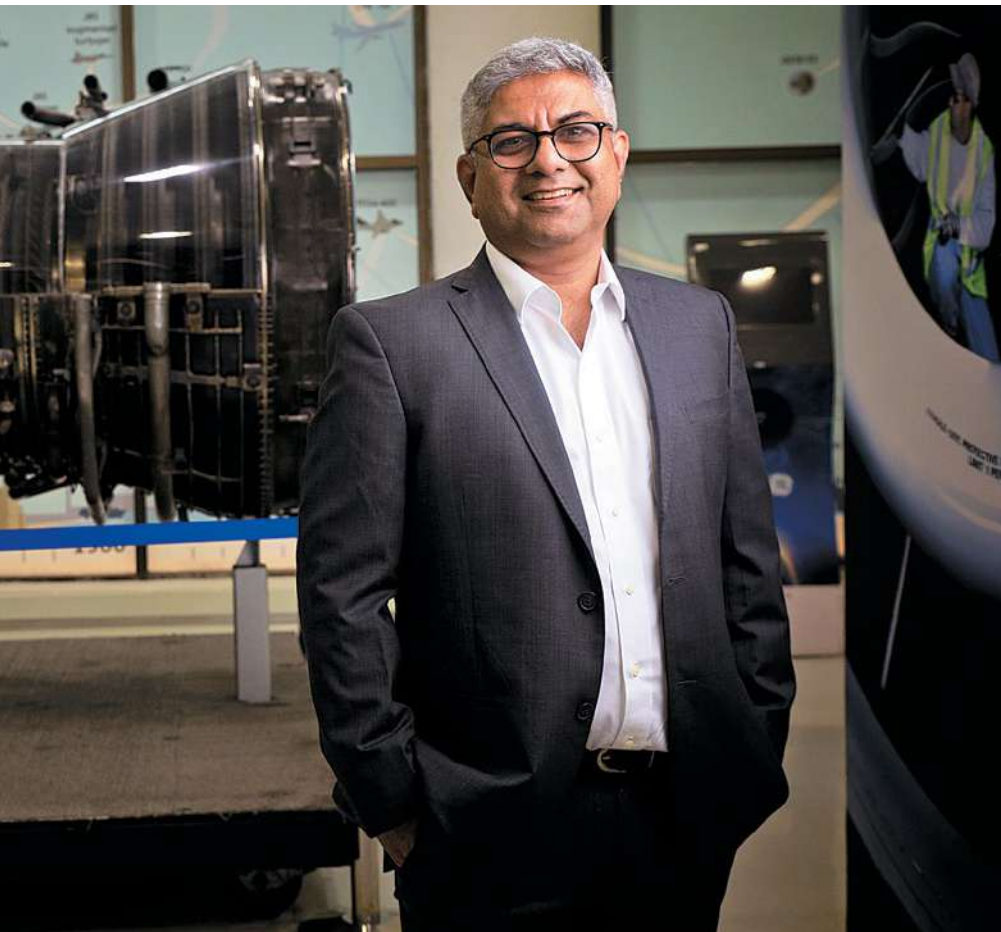
Q What is the timeline for commercialising the technologies being developed through the Rise platform?

As of now, we are focusing on demonstrating the technologies through the Tech Demo programme. Within the next decade, we plan to have technology demonstrators for all three areas, including open fan, hybrid and hydrogen. These technology demonstrators will help us determine which technologies to integrate into our next commercial-scale product.

In our industry, the aircraft and engine have to go hand in hand to achieve maximum efficiency. All of these demonstrators are commercial scale, meaning they are not small. For example, our hybrid electric is a megawatt-scale demonstration. We call it EPFD (electric powertrain flight demonstrator), which we are working on with Boeing and NASA. The hydrogen demonstration is also commercial scale, as it's being developed for an aircraft at the aircraft level, in collaboration with Airbus.

Over the next five to 10 years, as these technology demonstrations mature, we will be able to determine the best direction to take that will have the maximum impact for the environment and our customers. While we cannot say exactly when these technologies will be commercialised at scale, we are confident that our focus on sustainability and collaboration with industry-leading airframers will lead to significant advancements in the industry as a whole.

● HARICHANDAN ARAKALI



SELVAPRAKASH LAKSHMANAN FOR FORBES INDIA



On The Job

Coursera is piloting a hiring platform from India, one of its key markets, hoping, in a tight labour market, to match users with skill-based digital jobs that factor in the impact of Generative AI

OF THE TOTAL WORKFORCE, just 3 percent of Indians are professionally skilled—a number that stands at 52 percent in the US and 24 percent in China—according to data from Coursera. “This equation will not change in a linear fashion. You have to think of a breakthrough model. How can we enable skilling in massive volumes, but still, with relevant skills, and qualify these individuals for emerging jobs?” asks Shravan Goli, chief operating officer at Coursera, the US-based massive online open course provider, founded by two Stanford professors in 2012.

On May 18, the global edtech giant launched Coursera Hiring Solutions, a recruitment portal. Here, learners can register profiles and choose target professions. So, if person A chooses to target a data analyst position, for instance, she or he will be shown a detailed job description, along with a bevy of skills required for it. Person A can gain all the skills needed for an entry-level job as a data analyst from the platform, certified by universities or by industry leaders that publish their courses on Coursera. This theoretical knowledge will typically take a few months to build, after which candidates will be given hands-on projects, which need working

Bharat Leads The Way



At the current rate of growth (**26 percent YoY**), there are likely to be more learners from **India** on **Coursera** than all of **Europe** by the end of the year

The **highest growth** is happening in the remote/non-urban areas, indicating a growing percentage of learners from all parts of the country (**in 2022 versus 2019**): **Manipur at 670 percent, Andaman and Nicobar Islands at 650 percent, Bihar at 530 percent**

Mobile is a key tool in bridging the digital skills divide: **70 percent** learners in states like **Nagaland, Bihar and Odisha** access **Coursera on mobile** (versus **58 percent in India overall and 49 percent globally**)



knowledge of the industry-standard software, to finish.

This portal is piloting in India first globally, and Axis Bank is the first recruiter, having hired three engineers from Dehradun using Coursera’s hiring solution.

Ten-year-old Coursera is seeing India emerge as a key market, with 26 percent year-on-year growth. About 4.2 million new learners registered on Coursera in 2022, bringing up the total number to 19.8 million, or nearly 2 crore people.

“At this rate of growth, India alone will surpass all of Europe by the end of the year, in terms of our registered user base,” Goli says. Demographically, an estimated 183 million Indians will be added to the working age group (15 to 60 years) by 2050—22 percent of the global workforce will come from India.

“If we were having this conversation six months ago, for instance, we would not have mentioned Generative AI even once. Now, it’s here to change the job market entirely, and most of us will need to be re-skilled,” says Goli.

Edtech in India has been through a rough patch, after a skyrocketing boom in 2020 and 2021, with layoffs seen across Byju’s, Unacademy and others, and a funding drop in the sector.

“The turbulence is more likely attributed to a post-pandemic course correction, a sort of blip that occurs in the cycle for any emerging market, and not necessarily a reflection of whether there is a market, and its future,” says Narayanan Ramaswamy, partner and head-education, KPMG in India. “Other developed markets have always had community colleges and further education that place the focus on jobs and employability. In India, we haven’t had a sharp focus on specific careers, other than a few vocational skills development institutes. India is a ripe market and still shows huge potential for edtech. It can help India lead the world.”

• PANKTI MEHTA KADAKIA

Forbes India @14

New Beginnings

As Forbes India enters its 15th year, we get 15 stalwarts from the world of business, sport and cinema, who had previously graced our covers, to reflect on the India success story and their learnings. They also shed light on what lies ahead as innovation and disruption keep everyone on their toes



Amit Chandra



Arundhati Bhattacharya



Francisco D'Souza



Girish Mathrubootham



Inder Jaisinghani



Kamal Haasan



Kiran Mazumdar-Shaw



Kunal Bahl & Rohit Bansal



Neera Nundy



Rohini Nilekani



Sunil Vachani



TV Narendran



Varun Berry



Varun & Ghazal Alagh



Viswanathan Anand

'Giving as a percentage of wealth emerging highest among professionals'

In 2020, **Amit Chandra**, chairperson of Bain Capital India and co-founder of the ATE Chandra Foundation, was featured on our cover signifying how philanthropy is moving beyond billionaires to include professionals. Three years later, he reflects on how things have moved forward, and why he is optimistic about professional giving in India

The pandemic resulted in a lot of professionals and first-generation entrepreneurs coming together and forming collaborations to solve a societal problem.

One example is ACT Grants, which was established by professionals from the VC industry, including Shekhar Kirani from Accel, Mohit Bhatnagar from Sequoia India and Anjali Bansal of Avaana Capital, to support Covid-19 relief measures. We worked with them on cutting-edge initiatives like conducting seroprevalence studies and establishing genome labs. I also remember during the first and the second waves, we collaborated with leaders like Noshir Kaka (McKinsey India), Vicky Oberoi (Oberoi Realty), Banmani Agarwala (Tata Sons), Abhay Soi (Max Healthcare), and the late Rakesh Jhunjhunwala in solving very specific scale problems in a timely manner. Whether it was supplying 10 million meals during lockdowns or helping the municipal corporation in Mumbai and others set up health care centres, ICUs, and genome labs. If it weren't for the pandemic, many of these collaborations would not have happened. I guess when the going gets tough, you'll discover a lot of people who want to get going.

The good news is that some of this momentum has not fizzled out

post Covid. I wish there was a better institutional mechanism of tracking what everybody is doing. However, I know that when there is a framework like ACT, it's grown in strength and new networks like Accelerate India Philanthropy (AIP) and GivingPi have emerged to support high net-worth individual (HNI) giving.


Post Covid, I've also seen a spurt in professionals and first-generation entrepreneurs making impressive philanthropic commitments. That said, we are still in the early stages of a very long journey.

New-age professionals seem to care more deeply about outcomes as opposed to simply building an asset that has their name on it or writing a cheque. For many, this is much more about learning and contributing to a theory of change, rather than just wanting a seat on the board to control because they've given money. That's a very different approach to giving.

There is not enough data around how much professionals are

giving, given cut-offs in lists tend to be higher and therefore most do not get featured in philanthropy lists. An exception is a movement called LivingMyPromise where nearly 150 Indians who are not billionaires (mostly professionals) have publicly pledged to donate more than half their wealth by the end of their lifetime.

My suspicion is that when we get data on percentage of wealth or income, we will find that first-generation entrepreneurs, professionals and the middle class give more generously. They are also more likely to give more as a percentage and the numbers can run into millions. Therefore, I am optimistic about the future for Indian philanthropy.

It is going to be easier for the percolation of the notion among professionals and first-generation entrepreneurs that they can help change society with what they are blessed with: Money, skills and networks. That's because many who are inheritors of wealth also consider it their responsibility to make sure that a large amount of that wealth is preserved and passed on to the next generations. This is a burden many professionals and first-generation entrepreneurs don't necessarily feel. They do have the desire for a good life, to keep something for family commitments, but at the same time, a reasonable percentage feel they want to do something more with their wealth and intellectual capabilities in their lifetime. I see this a mega trend that bodes well for Indian society. 

(AS TOLD TO DIVYA SHEKHAR)



From the Cover Story

"Philanthropy is to lead by example and care for people from your heart."



'I have matured more as a leader'

Salesforce India CEO **Arundhati Bhattacharya** on her experience of leading SBI, how she has changed since featuring on our cover in 2014, and why we must try harder to keep women in the workforce

I remember my appointment as 'chairman' of State Bank of India (SBI) vividly. I didn't understand if I was dreaming or if it was really happening.

During my tenure, I experienced significant growth and transformation. Looking back, I can see how much I have matured through the journey. When I took on the role, I was naive, and my expectations were not always realistic. However, as time went by, I gained a deeper understanding of the challenges and opportunities that lay ahead.

From focusing on improving technology and virtualising each branch to enhancing customer experience, it was not a cakewalk. I recognised that one area that hadn't received much attention was performance management. I revamped the assessment process, making it more detailed and data-driven. This shift allowed us to evaluate employees more objectively and fairly.

To address the bank's challenges, I made organisational changes. I created a position for a managing director of risk and compliance, elevating the importance of these functions to the board level. We also paid attention to improving the bank's physical infrastructure.

While I led these initiatives, it was

not a solo effort. I had the privilege of working with dedicated teams who shared the vision of transforming the bank. I am proud of the steps we took and the progress we made. However, I also recognise that there is always room for improvement, and subsequent chairmen have continued to build upon our foundation.

What I leave behind will not remain static. It will continue to evolve as new leaders bring their ideas to the table.


As a leader, I have grown and become more patient or, let's say, less impatient about timelines. I understand that much more needs to be done in the area of personally appreciating people. I don't think I do that enough. When something goes wrong, I tend to concentrate solely on that and overlook the things that are going right, and that's not good. I'm striving to ensure that the people around me know that I appreciate them.

I have also realised that a leader can't solely focus on bringing about a change only from the bottom. The vision and direction must be set at the top, and good practices should flow from there to the bottom. However, it's crucial to involve the entire organisation in the process.

I am also more focussed on self-learning. I have been a strong advocate for creating a learning

organisation, and today, in the face of constant change and evolution, learning has become even more crucial for all of us. I am actively putting self-learning into practice, and I find that leading from the front and modelling the behaviour I want others to adopt truly works.

From the time I was pushed into leadership, to today, things are changing at a rapid pace. For instance, the participation of women in STEM. They are doing quite well, but is the representation enough? No. I think that will take a few more years to get there. We are seeing 45 percent of women are now going into the STEM areas of education, but when it comes to the workforce, we see around 20 to 30 percent of them. Around 15 percent are disappearing and companies need to take accountability for that by ensuring better policies upon return from breaks and for caregiving responsibilities.

Flexibility, a learning attitude, and a strong team-player mentality are crucial in today's dynamic career landscape. Employees need to be open to new ways of doing things and continuously embrace learning opportunities. Often, I encounter individuals who left their careers at a certain level and wonder how they can rejoin at the same level. It's essential to recognise that the world has changed during their absence, and new skills need to be acquired. Initially, they may need to accept a lower position, but with their experience and knowledge, they can quickly progress. Don't let the fear of taking a step back hold you back from returning to work. If you're competent and dedicated, you will rise again. 



From the Cover Story

"Other than the various roles I performed at the bank, I have also been to various locations across the country. I have been able to observe the strengths and challenges. To that extent, it has been a very good preparation for this role."



‘The tech services industry is at a unique moment’

When *Forbes India* first put **Francisco D’Souza** on the cover in May 2012, he was christened ‘Chief Emerging Officer’ for his efforts to reinvent Cognizant and the role of the CEO. Eleven years later, D’Souza, now co-founder of private equity firm Recognize, writes about another transformation: Of the technology services industry that’s today being driven by radical technology innovation and the prospect of artificial intelligence, among other drivers



History has shown that technology innovation, macroeconomic cycles, and business model shifts have been the primary drivers of change in the technology services industry. We're at a moment when all these forces are impacting the industry simultaneously—creating opportunities for disruption and a reshaping of the industry.

Technology innovation has always been the main change driver in the tech services industry. Each new tech generation triggers a parallel change in the tech services industry. What's different this time around is the tremendous fragmentation and speed of technology innovation. The underlying components of 'digital technology' like cloud, artificial intelligence (AI), 5G and Internet of Things (IoT), to name just a few, could not each be more distinct and profound.

Macroeconomic cycles like the great recession and the brief Covid recession have equally been drivers to reshape the structure of the tech services industry. The pandemic changed the relationship between employees and employers, and this will impact the services industry, changing the model of managing people and enabling a greater number of gig workers from around the world to join the industry.

Finally, in the last three decades, we witnessed a single instance of a fundamental change in the business model of tech services as 'offshoring' became mainstream, driven by the convergence of high-quality global talent and low-cost bandwidth. Today, AI is initiating another business model shift, transforming what and how services are delivered to clients, and automating internal operations.



"He [Francisco] was so international even then."

-Sullaja Firodia Motwani of Kinetic Engineering, to *Forbes India* in May 2012

This realisation and the opportunity to innovate at the intersection of these three powerful change vectors for the industry led me to co-found Recognize. The pace of innovation and change in the industry in the past five years has been breathtaking—perhaps even more so in the last 12 months.

Recognize sees an opportunity to work with the next generation of services winners to create new models to deliver technology services and respond to the trends of technology innovation,

From the Cover Story



"I realised we hadn't been paying enough attention to emerging technologies. Intellectually we understood what needed to be done. If you lay out the case, any rational person will say it makes sense. The problem was when it came to day-to-day choices."

specialisation, fragmentation, new human capital models and AI-driven business models.

We believe that the next generation of services winners will be companies like Ciklum, Blend360 and SpringML that embed ever more intellectual property into everything they do. This intellectual property will take the form of software, data and AI algorithms. AI promises to reshape what we deliver to clients (every application will be an AI application), how we deliver to clients (using productivity tools like Copilot and CodeWhisperer) and how we run our businesses (hyper automation of internal activities).

We are also investing in companies that have a new approach to human capital—tapping new talent pools around the world and bringing them to bear in new functional areas or business domains. We call this 'New shoring', and our investments in TORC (along with their developer productivity IP, Codealike) and Qubika are focussed on bringing new talent pools to the fore.

Lastly, services businesses need to focus on results for clients, pricing and creating commercial relationships based on outcomes, instead of the traditional input-focussed model. This will be even more critical since firms will need to capture part of the benefits of advanced AI-based automation. Our investments in 2X, a marketing-as-a-service company, and AST are great examples of this thesis.

Recognize is focussed on building a set of services company winners that are focused on AI and other IP embedded with services, the future of work, and outcome-based models. It is an exciting time in the industry, and we look forward to being at the forefront of these changes. **F**

'We have the potential to nurture champions'

In 2022, **Girish Mathrubootham** made it to the cover of *Forbes India* after he took Freshworks from a small Chennai-based outfit to a \$400 million revenue Nasdaq-listed Silicon Valley company. A year and a football academy later, the CEO of Freshworks writes about how making things possible takes just a few people to take the bets no one else dares to

With a heart brimming with pride, I watched the young Flying Squirrels of FC Madras football team take command of their newly inaugurated field, on the outskirts of Chennai. The growing crowd, bubbling with palpable excitement, eagerly anticipated the clash against Bengaluru FC.

Their presence reminded me of the sceptics who doubted my investment in Indian football, convinced it stood no chance against the European and Latin American titans. Yet, looking into the sea of hopeful faces, I found a thriving ember of faith, challenging the naysayers, flickering in each pair of eager eyes.

My journey in constructing the academy was not a solitary endeavour. Friends and experts from diverse backgrounds shared my dream of finding the next Messi from Madras. In many ways, the match unfolding that night was not just a game; it was the beginning of a grand odyssey. A journey to illustrate that we don't have to choose between education and sport, but rather focus on education AND sport, and create champions for life.

Against the monumental odds, where do we find the courage to hope? I believe the answer

holds the key to India's potential to emerge as a global hub of world-class products. Our nation thrives on aspiration, a powerful force sparked by those daring to dream and gamble on possibilities that others are too timid to grasp.

Let's take badminton as an illustration of Indian aspiration triumphing over daunting odds. Today, PV Sindhu, an Olympic champion, shines as one of the luminous stars in our nation's sporting universe. However, as a child, her journey was met with criticism from neighbours who believed in books over games.


Undeterred, Sindhu's father undertook a daily 60 km commute to ensure her training was never compromised. Her mother retired early, dedicating her life to her daughter's dream. Sindhu's journey was further bolstered by coaching from the legend, Pulella Gopichand, who dared to mortgage his house to build an academy, despite scepticism surrounding badminton's international prospects in India. They all held onto hope,

long before millions of others who cheer for Sindhu and swear by Indian badminton now.

This fiery aspiration also ignites our economic propulsion. In 2010, when I dared to start a global software product company from Chennai, I was met with resistance. India was mainly recognised for IT and IT-enabled services. However, I was stubborn in my belief that we had the potential, the talent and the learning mindset to win.

Today, a decade later, we are seeing record VC fundraising with colossal India-focussed funds like Sequoia's \$2 billion India Fund VIII, Lightspeed India's \$500m India and SE Asia Fund, Accel India Fund and Together Fund.

The common investment thesis for all of these funds is the massive opportunity of building global B2B SaaS products from India, fuelling the hope of seeing India as a product nation.

When opportunity dwindles, hope withers and dreams fade. While it is true that hope alone cannot fuel survival, and India still has battles to fight to manifest its grandest dreams, our history is a testament to our spirit of resilience. We have the potential to nurture champions across diverse fields. All we need is a few people to have hope and belief before everyone else, to take the bets that no one else dares to. Then we can turn IMPOSSIBLE to India Makes it Possible. 

24



From the Cover Story

"Companies don't scale as long as you don't create a scalable culture. And if you have a scalable culture, the culture manages people."



‘The vision is to surpass ₹200 billion in sales by FY26’

In November 2021, when chairman and MD of Polycab India **Inder Jaisinghani** made his debut on the Forbes India Rich List and on the cover, Polycab had identified ways to expand its presence in international markets and future-proof the business. Two years later, he writes about how international revenues make up 9.8 percent of the total sales of ₹140 billion in FY23, and how diversifying into global markets has made the company more resilient

The success story of India's manufacturing sector is unfolding with remarkable momentum, positioning the country as a leading global production hub. With the increasing emphasis on the 'China Plus One' strategy and evolving dynamics in the global economic environment, India has emerged as an attractive destination for companies seeking to diversify their supply chains and mitigate risks associated with over-reliance on China. India's strong infrastructure, skilled labour force, and supportive government policies further enhance its appeal as a preferred investment destination.

Embarking on a journey fuelled by India's remarkable growth story, Polycab India has carved out its own path to success. The company's international business has witnessed a remarkable growth of 54 percent CAGR over the past four years, solidifying its position as one of the largest exporters of wires and cables in India. The company's focus on obtaining global quality certifications, strengthening the distribution network and expanding geographically have been instrumental in its success

in international business.

At the core of its strong fundamentals lies a solid foundation built upon strong manufacturing capability, a high degree of backward integration, an extensive product portfolio, and a seasoned management team. The company's commitment to quality, customer-centric approach, and adherence to global standards have established it as a reputable brand in the wires and cables industry.

THE GROWTH STORY

With an impressive revenue growth

From the Cover Story



“Given the strengthening macroeconomic fundamentals, we see a massive opportunity to spread our wings across B2B as well as B2C categories.”

rate of 15 percent CAGR and a staggering 27 percent CAGR in profitability over the past five years, Polycab India's rise to prominence is a testament to its unwavering commitment to excellence. The company's extensive portfolio of quality products is a testament to its commitment to meeting the needs of both institutional and retail customers. Polycab understands the unique requirements of different industries and strives to deliver tailored solutions that cater to their specific applications.

Whether it is powering infrastructure projects, providing reliable control systems, facilitating seamless data transmission, serving the needs of defence projects, catering to wiring requirements for households or supporting renewable energy initiatives, Polycab's range of wires and cables plays a crucial role in diverse sectors.

Looking ahead, Polycab India is poised for an exciting future as it embarked on a multi-year transformational journey under 'Project Leap'. With a vision to surpass ₹200 billion in sales by FY26, this ambitious programme aims not only to unlock the company's latent growth potential but also to strengthen its organisational capabilities through data and technology utilisation. Under Project Leap, the company is poised to transform its operations, leverage digital advancements, strengthen customer relationships, have increased higher-margin B2C businesses and expand its presence in key markets.


These initiatives demonstrate the company's commitment to staying ahead of market trends, delivering superior products and services, and creating long-term value for its stakeholders. On the back of initiatives taken under Project Leap, the company registered its highest ever revenue and profitability, surpassing the



threshold of ₹140 billion and ₹12 billion respectively, in FY23.

Furthermore, the company's international business has witnessed an exceptional growth trajectory, multiplying more than five times in the last four years, and now constitutes a substantial 9.8 percent of the company's total revenue, a substantial rise from the 3 percent recorded in FY19. A goal for the company under Project Leap is to achieve 10 percent contribution of overall company revenue from the international business.

Geographical expansion has been a key strategy for Polycab India's international business growth. By identifying and entering new markets with high demand for wires and cables, Polycab has been able to capitalise on emerging opportunities. The company has witnessed considerable growth in regions such as the USA, Europe, Asia, Australia, Africa, and the Middle East. Its products are exported to 70 countries, a testament to its ability to cater to diverse international markets and meet the demands of customers worldwide.

This expansion into global markets has not only diversified Polycab's revenue streams but also reduced its dependence on specific regions, making the company more resilient to market fluctuations. Polycab India's strategic focus in the international business is to position itself as the preferred provider of electrical and wiring solutions, by delivering superior products, exceptional service, and transforming from an institutional-led business model to expanding its distribution network for faster delivery. Polycab is currently among the Top 10 global wires and cables company, aiming to be among the Top 5 in the near-to-medium term. 

‘Indian cinema is at the precipice of its own Hallyu movement’

When **Kamal Haasan** was featured on our January 2020 cover, he was leveraging his success in films to steer his political ambition. Three years on, balancing his “passion” for politics and “profession” as an actor-filmmaker, he reflects on how the current political climate and cultural expression are likely to evolve over the next few years

Today, India stands at a crossroad, one with huge implications. After officially becoming the world’s most populous nation, we have an opportunity to finally take our place as a civilisational power with a self-sustaining economy, due to our advantageous demographic dividend. To unshackle the potential of our young population, it’s imperative that our politics needs a tectonic transformation.

Politicians today behave as modern-day feudal lords with the misuse of the unholy trinity of money, might and media, giving them an impunity from the rule of law. Come election time, they retain power with token welfarism towards the downtrodden, and on and on the wheel keeps turning. As long as this political reality exists, we will never truly imbibe the democratic spirit of our Constitution and, in turn, unleash the true potential of our people.

We have witnessed economic democratisation since 1991, and, I believe, with the advent of internet and improving educational standards, we will witness ‘knowledge democratisation’ as a country. An informed electorate automatically acts as

a natural check against misuse of the state’s mandate by our elected representatives.

I envision an informed polity where religious- and caste-based identities dilute, giving rise to ideological political identities. A reawakened India, with its people whose national consciousness and pride are not centered on religious nationalism but one based on civic nationalism. This transformation will be nothing short of a second freedom struggle.

While politics is my passion, cinema is my profession and its future in India is equally bright. Indian cinema stands at the

precipice of its own Hallyu movement. Korean entertainment has seen an explosion in its popularity worldwide leading to increased cultural soft power for the country.

Across the world, there is a newfound interest in Korean culture, language, food etc, especially among the younger generations. But Korea has also successfully converted this soft power into hard dollars. Its entertainment industry is a revenue-generating export for the economy.

The worldwide success of regional blockbusters such as *Baahubali*, *RRR* and *Vikram* are early signs of Indian cinema’s very own Hallyu movement. Today, regional entertainment industries are at the forefront of cinematic innovations in India.

The Indian entertainment industry with its regional diversity is the largest movie producer in the world with up to 2,000 movies made each year. It is critical that the government creates safe spaces of creative self-expression for the industry. The industry needs support and not direction from the government whose motto for the industry must be ‘certify, not censor’.

We Indians must all introspect as responsible citizens to ensure what we can each do. These next 50 years can either be a poisoned chalice or a golden one. The choice is ours. **F**

From the Cover Story



“I have been the biggest advocate of change, be it politics or cinema.”



‘The Indian pharma industry can become a significant value creator’

Kiran Mazumdar-Shaw, executive chairperson of Biocon & Biocon Biologics, was featured on the cover of the Rich List edition in 2018. The self-made billionaire feels that transformative new technologies are creating new opportunities for the growth of Indian biotech and pharma companies

Over the last four decades, biotechnology in India has gone from being a nascent sector to a sunrise industry. This ‘Bio Revolution’ has had significant impact on the economy and our lives, from health and agriculture to consumer goods, and energy and materials.

An entrepreneurial culture led Biocon to identify opportunities in biotechnology, which was still in its nascency as an industry in the 70s.

Biocon in its first avatar was an export-driven enzymes company. It forayed into biopharmaceuticals in the late 90s by leveraging capabilities in fermentation technologies derived from its experience in manufacturing enzymes. The transformation was aligned to the global imperative of driving greater health equity through a diversified and differentiated portfolio of biopharmaceuticals.

Biocon then evolved into a company making fermentation-based small molecule generics, followed by a metamorphosis into a biopharmaceuticals group with businesses spanning bulk drugs and finished formulations at our generics vertical, novel biologics and biosimilars

at Biocon Biologics, and research services at Syngene.

Biocon is again undergoing a transformation that will take us closer to patients and steer us into new growth paths. The acquisition of Viatris’s biosimilars business by our subsidiary Biocon Biologics is creating a fully, vertically integrated biosimilars company with a direct commercial presence in advanced and emerging markets. Our generics business is growing through portfolio and geographical expansions, capacity additions, improved cost competitiveness and operational excellence. Syngene is moving beyond a traditional research services outsourcing model expediting innovation for its customers towards true end-to-end discovery, development and manufacturing collaborations.


Biocon’s transformation

comes at a time when advances in biotechnology are enabling the biopharmaceutical industry to find new ways to reshape disease treatment paradigms, increase equitable access to health care, create value, prepare for future pandemics, and remain competitive in an ever-changing business landscape.

Transformative new technologies are creating enormous new opportunities for growth for Indian biotech and pharma companies. With an extensive pipeline of products under development, the Indian biopharma industry is well placed to tap into the huge opportunity being offered by biosimilars, novel biologics, and new age biotherapeutics etc.

From a volume player in generic medicines, the Indian pharma industry can become a significant value creator by developing and manufacturing advanced biologic therapeutics.

To ride the new wave of opportunities and make a significant impact on global health care, we are leveraging our scale and cost advantages to gain world leadership. We are creating a business with a deep commitment to quality compliance, high ethical standards and a robust corporate governance structure.

We are harnessing digital and data analytics to get closer to patients, as well as reach a larger patient population. Each of our three business segments—generics, biosimilars and research services—is well positioned for future growth. 



From the Cover Story

“We have the potential to deliver innovation at scale, but the biggest challenge is to fund startups to scale up.”



'India is destined for a new era of greatness'

Snapdeal co-founders **Kunal Bahl** and **Rohit Bansal** featured on our Ecommerce Special cover in January 2016 on the valuation jackpot for the industry. Now the co-founders of AceVector Group and Titan Capital, they write about how India has emerged as a vibrant market for online businesses and the country's rise as a leading player in the global business landscape

An ancient land of immense wealth and untold riches, India, famously known as the 'sone ki chidiya' or the Golden Bird, held the position of one of the world's top two largest economies for centuries, spanning from the early eras through till the 17th century. However, India experienced significant changes in the last few centuries that have shaped its trajectory in the modern world. Today, after 350 years, India stands tall as one of the largest democracies with a vast young population that is steadily climbing the economic ladder. It stands on the verge of being the third-largest economy in the world after centuries. With the implementation of advanced technologies like 5G and the upcoming advancements in connectivity, India has become a seamlessly connected nation, fostering a thriving ecosystem where digitalisation has played the role of a great enabler and socioeconomic equaliser.

These recent developments have profound implications for digital commerce in India. Ecommerce has evolved rapidly in the country, and become an integral part of hundreds of millions of Indian households. With over 600 million internet users and counting, India has emerged as a vibrant market for online businesses. The convenience and accessibility offered by ecommerce platforms

have revolutionised the way people shop, enabling them to connect with a wide range of products and services at their fingertips.

Snapdeal's success and endurance can be attributed to its focus on serving Bharat, the heartland of India, where a significant portion of the population resides. The company has closely aligned itself with the needs and aspirations of these consumers, understanding their preferences and offering a customised experience that relies on intuitive visual layouts, vernacular interfaces and user assistance on tap—collectively ensuring a seamless and pleasurable shopping experience. Furthermore, Snapdeal continues to integrate the latest technologies across all parts of its business—to

enhance user experience, streamline logistics and improve efficiency. This commitment to innovation has been instrumental in the steady progress towards profitability.

Recognising the value of technology for digital-savvy entrepreneurs and businesses, our group company, Unicommerce, specialises in providing advanced ecommerce-enablement solutions. We have expanded our offerings to thousands of merchants across seven countries, helping them create much-loved brands, efficient supply chains and setting new benchmarks that exceed customer expectations. With our robust platform, we process over 600 million ecommerce orders annually. Now, we are extending our services to other businesses in need of cutting-edge ecommerce solutions, enabling them to optimise their supply chains and also align with an increasingly omnichannel retail environment.

In addition to our journey of building and growing Snapdeal and Unicommerce (both part of the Acevector Group), we have also had the privilege of supporting and nurturing new-age companies and founders through Titan Capital, our early-stage investment firm. Our efforts have been focussed on strengthening the startup ecosystem in India, with investments in companies that are revolutionising various industries. In this endeavour, we



"We don't do any discounting because most of our selection is incomparable. When comparability comes in, that's when discounts become a critical element."

- Kunal Bahl to Forbes India in 2016

(From left) Kunal Bahl and Rohit Bansal



have had the privilege of supporting over 250 technology startups, consumer brands, and software-as-a-service (SaaS) platforms, recognising their potential to reshape various industries and drive economic growth for the country.

India's rise as a leading player

in the global business landscape is undeniable. As entrepreneurs and investors, we firmly believe that India is destined for a new era of greatness. The immense potential of the Indian market, coupled with the entrepreneurial spirit and innovation that permeates the country, makes it

an exciting time for all stakeholders.

As we witness the resurgence of the 'sone ki chidiya', entrepreneurs, businesses, and investors must seize the opportunities presented by this remarkable journey and contribute to the nation's continued success.

What a time to be alive in India! **F**

'Indian philanthropy is growing from tradition to innovation'

Dasra Co-founder **Neera Nundy** was on the cover of the W-power special in 2020 for streamlining the social sector and helping bolster the philanthropic ecosystem in India. As those initiatives find more takers, she notices a turning point in the giving behaviours of inter-generation and first-generation wealth creators

Indian philanthropy is evolving rapidly, with families accumulating more wealth over time. According to the India Philanthropy Report 2023 by Dasra and Bain & Company, cumulative net wealth of ultra-high-net-worth individuals (UHNI) in India climbed by 9.2 percent in FY22, with the top level of greater than ₹50,000 crore wealth witnessing a 19 percent jump. HNIs and affluent givers are emerging as a high-potential segment with a 12 percent increase in the affluent population and a 7 percent increase in the HNI population. While UHNI giving has not kept pace with their increasing wealth, the combined contribution of HNIs and affluent givers increased by 11 percent over FY21 to ₹25,300 crore.

Fast-growing wealth of family philanthropists is, however, only one part of the story. As multi-generational families transfer responsibility and decision-making to the next generation (inter-gen) and first-generation wealth creators (now-gen) enter the philanthropy landscape, there is a shift from traditional charitable giving to a more proactive approach that emphasises supporting portfolios and collaboratives.

We are witnessing

positive directional shifts among the giving behaviours of inter-gen and now-gen givers. This cohort has a "learning mindset" and embraces innovation and risk in philanthropy, seeking knowledge to take affirmative action and deploy capital at a faster pace.

We are seeing a clear shift from philanthropy based on personal motivations to bolder aspirations of building a stronger India. This is reflected in their giving behaviours that are integrating an intersectional lens through a focus on GEDI (gender, equity, diversity and inclusion), climate action, and a greater interest in strengthening the philanthropic infrastructure that has the potential to trigger a new era of bold and innovative philanthropy.

Through our work with 300+ families, we have observed a greater intent and an appetite among some families towards 'market-building' initiatives aimed at

driving systems change to address complex developmental issues and accelerate giving in India.

Narrative building is also being recognised as a catalyst for shifting perceptions and mindsets of key stakeholders to unlock greater funding, foster collective action, and embrace more equitable philanthropy. Trust-based philanthropy is gaining momentum, and families are recognising their responsibility towards investing in more complex and systems-focussed outcomes, working with partners such as governments, non-profits, corporates, foundations among others to drive collaborative action.

The ecosystem to support philanthropy in India has matured and strengthened, with networks such as GivingPi, creating a community among philanthropists and enabling learning, intermediaries advising Indian families on their giving, and research reports providing sharp insights and actionable data around philanthropy. Wealth management firms have philanthropy advisory desks, and the number of Indian collaborative funds that philanthropists can contribute to has risen sharply in the last few years such as the Rebuild India Fund.

With family philanthropy expected to grow at approximately 18 percent CAGR from FY22 to FY27, families have a unique opportunity to shoulder long-term patient capital and build bridges by working at the intersection of government, businesses, foundations, civil society, and communities to build a resilient India where no one is left behind. **F**



From the Cover Story

"If you support other NGOs and help them grow, their impact will grow. And then, we'll solve the largescale problems in the country."



'No longer are we confined to the conventional and familiar'

In 2013, **Rohini Nilekani** was featured on the cover of our Heroes of Philanthropy edition alongside husband Nandan, co-founder of Infosys, for backing social causes others may find risky. The founder of Rohini Nilekani Philanthropies reflects on how far she has come, and how Indian philanthropy has changed along the way

When I look back at how far we've come, I feel cautious optimism for the future of Indian philanthropy. There has been a subtle but significant transformation in the approach to social causes. No longer are we confined to the conventional and familiar. Today's philanthropists, especially those with first generation wealth, have begun to venture into uncharted territories. Whether it is mental health, scientific research, access to justice, or art and culture, they are investing innovative, patient capital for serious transformation.

More importantly, people are thinking together, and at the scale of the problem.

Take, for instance, the Grassroots, Resilience, Ownership, and Wellness (GROW) Fund, an initiative pioneered by the EdelGive Foundation in partnership with a generous cohort of dedicated funders. This ground-breaking endeavour aims to fortify 100 impactful grassroots organisations over two years.

What's remarkable about this is the spirit of collaboration. We are not just pooling resources; we are a unified front of philanthropists saying, "We can do

more together." By reaching out to grassroots organisations that often miss out on the spotlight of traditional philanthropy, we hope to create a new trend.

A similar story unfolds with the India Climate Collaborative (ICC) that we too are a part of. Here's an initiative that understands the urgency of climate change and is committed to establishing an India-specific narrative. Launched in 2020, the ICC is a beacon of hope, inviting "diverse voices, innovative solutions, and collective investments". Many well-known philanthropists and organisations, such as Ratan Tata, and esteemed institutions like the Ashoka Trust for Research in Ecology & the Environment (ATREE) are part of this collaborative.

Even where the efforts are in traditional areas, there is much more work at scale and in the spirit of true collaboration. Examples are the Anamaya collective for

tribal health, spearheaded by the Piramal Foundation, the work on water security by ATE Chandra Foundation with partners like Caring Friends, and leadership development in education through Shikshalokam, primarily supported by the Shibulal family.

Hopefully, the philanthropic scene in India is on the cusp of great change. With the multitude of interconnected challenges India faces, from the widening inequality gap to the impending climate crisis, philanthropists are leaning more towards multi-stakeholder partnerships and holistic strategies that strike at the heart of these complex social issues.

In our own philanthropy, we have learnt to take a more ecosystems approach. With the Societal Thinking team, for example, we are trying hard to help the best social entrepreneurs to be even more effective. Through our mental health portfolio, we hope to deepen both research and practice in an area of extreme vulnerability and inadequate resources. On the environment issue, we are broadening and deepening our support to the many excellent non-profits working on improved resilience and restoration.

There is so much more to do in this country, as old problems morph into new ones, and traditional solutions seem inadequate. This is the crucial time for Indian philanthropists to really step up and give forward in a faster, bigger and bolder manner. Luckily, the green shoots are visible. **F**



From the Cover Story

"I try out high-risk ideas. I am not afraid of failing. I am trying not to fail but I am fine with trying out mad stuff."



‘The electronics manufacturing sector needs to be self-reliant and invest heavily in R&D’

For the July 2022 cover story that featured **Sunil Vachani**, we looked at the entrepreneur’s journey in building Dixon as one of India’s largest electronics manufacturing companies. Close to a year later, he writes about how the company is working on various innovations and planning its expansion into newer sectors

Dixon Technologies has gone through a complete transformation in the last 14 years, in many different aspects. Back when we started, Dixon was focussed on just one product category: CRT televisions. This meant a major chunk of our revenue was coming from a single customer.

Over time, we have evolved as a complete solutions provider. We decided that we are going to focus on being the brand behind the brand, and not compete with our customers. That is how we discovered our core. Dixon has also expanded to multiple product categories, such as LED lighting, home appliances, mobile phones, security systems and many more.

But as Dixon has grown over the years, so has the electronics manufacturing sector (EMS) in India.

When I had just started building Dixon, the thought process was that our strength as a country lies in software. But over time, people have realised that we need to have strength

both in services and manufacturing. Another transformation was the change in the mindset of financial institutions and investors. I remember when I was going through my IPO roadshows, investor interest was lukewarm. That has changed now. I think there are six companies in the Indian EMS sector that are listed, and they are the darlings of the stock market in terms of the huge returns provided to investors.

The focus for the next 14 years is going to be on global markets and setting up manufacturing units in global markets too. If India has to turn into a global electronics manufacturing hub, we need mega factories employing more than 50,000 people. So, one can expect a lot more consolidation in the coming decade.

The production-linked incentive scheme has been hugely beneficial for certain sectors such as smartphone manufacturing. But, as an industry, we need to start looking beyond that: The sector needs to start becoming more self-reliant. For that, the sector and Dixon will have to invest heavily in research and development and in the component ecosystem, which needs a drastic transformation.

Artificial intelligence is going to play a key role in manufacturing in terms of processes. Dixon is also working on a lot of initiatives and smart manufacturing, which includes automation, artificial intelligence and machine learning. We are also working heavily in the space of data analytics and decisions being made based on data, rather than gut and instinct.

For Dixon, the big thing that we are looking forward to is designing our own products. So far, the company has been more of a prescriptive manufacturer, so that will change. We are hoping to enter many new product categories too. Dixon’s product portfolio has always been high volume and low margin. We want to now start looking at product categories that are high margin, such as electric vehicles, defence, drones, medical electronics, and telecom infrastructure. Indian electronics manufacturing will definitely be a sector to watch out for in the next 14 years, and a lot of big changes are expected. **F**

(AS TOLD TO NAINI THAKER)



From the Cover Story

“Every time someone thinks of outsourcing for electronics, they should think of Dixon.”



'Economically, India has come out better than most others thought'

Forbes India put **TV Narendran** on the cover in July 2021 when Tata Steel, flush with reporting record profits, was paring down debt at a record pace. The stock had once again come in favour as investors fancied its chances over the next decade as the Indian steel industry consolidated around five large producers. The managing director of Tata Steel analyses the business and economy post Covid

Back in 2021, we were recovering from the disruption that China caused to the global steel industry between 2014 and 2016. We were seeing a period where steel prices were stabilising at higher levels. And 2021 must have been after Covid.

In some sense, we would've been quite positive about the post-Covid recovery. Governments across the world were spending a lot of money on post-Covid recovery. India had also started spending more and more on infrastructure, which was good. As the budgetary allocation increased, the spend on the ground followed that.

Since then, India has been a strong story. I think India has handled the situation (well) over the last couple of years—the impact of the war on the macroeconomic situation, the geopolitical issues, etc. Economically, India has come out better than most others thought. So I think the India focus on growth through building infrastructure and investment continues, which is positive for the industry.


If you look at the

Indian market, you need to split it between the flat products business and the long products business. The flat products business is quite consolidated, I would say, because the top five people will account for maybe 90 percent of the steel production, which makes for a structurally stronger and a more stable business. But it's a highly capital-intensive play. So, it's not easy for someone to come in and build capacity. You have a better chance of global players like ArcelorMittal coming in or a POSCO or somebody else, rather than somebody starting from scratch and building big capacities, because it's not easy to build steel plants in India.

The second part of the business is what we call the long products business. There, I would say, the top five people would probably account for 40 percent of the

capacity or less. That is highly fragmented—a lot of smaller players in clusters of Chhattisgarh, in Punjab, in Gujarat. There would be buckets or pockets where there would be lots of smaller plants operating. This is a high variable cost business, it's not a high fixed cost business. So, there is room for some consolidation, but there is always a play available for the smaller players in the long products business.

On the overseas front, the UK business is where we have a challenge, that's three million tonnes. One thing is that because we've grown in India now, it is less material than it was earlier. Earlier it was 10 million tonnes out of 25 million tonnes of Tata Steel, UK business. Today, it is three million tonnes out of 32 million tonnes. So, it's a much smaller part of the business. So, while it's a problem, its materiality is reduced.

So, if you see Tata Steel this year—which has been an extremely challenging year—we finished at ₹8,000 crore in profit, which is not bad. It looks really bad compared to ₹40,000 crore that we had last year. But ₹8,000 crore is in the 120-year history of Tata Steel, I would be in the top five, and in a downcycle. 

(AS TOLD TO SAMAR SRIVASTAVA)



From the Cover Story

"In capital-intensive businesses, you focus on Ebitda—perhaps the best indicator of a business's earnings—and not on cash."



'One of the big moats of our business has been our ability to drive cost efficiencies'

The last time Britannia's **Varun Berry** was on a *Forbes India* cover was in September 2020. We wrote about how he steered the company during the lockdown and helped it pose record growth. Three years later, the executive vice chairman and managing director tells us how Britannia has sustainably taken the story ahead and is getting closer to its vision of becoming a total foods company

Our performance during the lockdown was not serendipity. It came on the back of a well-crafted strategy that gave us room to navigate the challenges of the pandemic. We stayed true to the core principles of our strategy, and they have rewarded us with enduring, sustained growth.

Britannia grew during the pandemic. Our margins are at their healthiest today, at 16 percent. And we are well on our way to achieving our vision of becoming a global total foods company. The principles of our growth strategy are focussed on distribution and marketing, innovation, growing adjacencies, cost efficiency and embedding sustainability in every aspect of business.

Well before the pandemic, we had charted a course to improve rural distribution. Through the lockdown, we stayed true to that plan and increased our rural distributor base by more than 20 percent—from 19,300 in March 2020 to 23,500 in March 2021. Our direct reach increased from 19.7 lakh to 23.7 lakh outlets in that period. Over the past seven years, our rural distribution has tripled and

today, we reach 28,000 distributors and 26.8 lakh retail outlets.

We have also made systematic investments in production capacity to give heft to distribution. We are commissioning two state-of-the-art greenfield biscuit factories in Uttar Pradesh and Tamil Nadu and a brownfield expansion of our facilities in Odisha. We have added new product lines, spruced up our marketing to reflect the voice of the customer and are making investments in digital infrastructure to enhance customer engagement. Our growing distribution strength

and various other investments have resulted in our market share increasing steadily. As of March, our rural market share gain is 1.4 times of what we have for all of India.

The second principle we have been focusing on is innovation. We anticipated and later noted the emergence of two distinct trends in consumer preferences. One is the desire for healthier-yet-tasty snacks at the top of the consumer pyramid.

The second is the demand for affordable indulgences at the middle and bottom of the pyramid. With these insights, in the last two years, we have introduced several new products, including biscuits like NutriChoice Herbs, NutriChoice Seeds, and Biscafe, a coffee-flavoured cracker. Recently, we launched a millet bread, and Winkin Cow milkshake. Our Treat Croissant brand crossed ₹100 crore within a year of its national launch last year.

Our aim is to cover the entire bakery segment in our portfolio, and this is where focus on adjacencies becomes important. We are present in baked snacks such as rusks, cakes and croissants, and are exploring some big snacking categories.

From the Cover Story



"The biggest story for Britannia over the last decade would be margin."



43

Eventually, we want to be present in every snacking category possible.


Dairy is another category we are focusing on. Our fully backward-integrated dairy factory became operational in 2022. In November 2022, we established a joint venture with France's Bel SA to develop, manufacture and market cheese products in India. Today, our total milk collection from dairy farms is 200,000 litres per day, and we are partnering with nearly 3,000 farmers.

One of the big moats of our business has been our ability to drive cost efficiencies. We have been relentless in our efforts to save costs, since we largely operate in a

low-margin category. Year-on-year, we have systematically cut our fixed and variable costs, and have saved 2 percent annually on a total revenue basis. We are reducing the distance to market between products and consumers as well as reducing the distance travelled by supplies to factories. The journey on reverse auctions for our procurement is moving quite well, along with our supply chain replenishment and sales productivities.

Our last area of strategic focus is sustainability. As an industry leader with a storied legacy, we are deeply conscious of our responsibility to our consumers. Today, all our

products are 100 percent trans-fat free. More than 50 percent of our portfolio is fortified with essential micronutrients. We have aggressive targets for reducing the sugar and sodium content in our products. Our renewable energy usage is up to 36 percent in FY23 compared to 30 percent in the previous year. We became a plastic waste-neutral company in FY23.

I believe that Britannia is operating on a strong wicket. With the resurgence of domestic demand, favourable policy environment and the continuing love of our consumers, Britannia is poised for greater glory. 

'India scripting a personal care story for millennials'

In August 2020, Mamaearth co-founders **Varun** and **Ghazal Alagh** were on the cover of our D2C special at a time when that market was at an inflection point, and the startup was taking baby steps in its transition to a personal care brand. Three years later, the transition is complete, and the maverick duo is busy building a house of brands for millennials

In today's fast-paced digital era, India has emerged as one of the strongest markets for personal care consumption, and millennials have emerged as a powerful consumer segment that cannot be ignored. Millennials have grown up in a world shaped by technology, connectivity, and instant access to information. Hence, digitisation has helped new brands break the clutter and establish themselves in the minds of the consumer. The real disruption in this segment came with digital allowing a brand to connect with its consumer directly, democratising the channel and presenting a plethora of options of new brands.

For years, Indian consumers have been geographically discriminated by physical distribution—most brands which were aspirational were limited to a handful of cities in India and expected consumers from Tier II and beyond to travel to these cities and purchase them. Today D2C (direct-to-consumer) and ecommerce have disrupted this distribution challenge by allowing a consumer from 25,000 PIN codes to fulfil their brand aspirations while sitting in the comfort of their homes.

As a market, we are moving away from a family consumption pattern to individual consumption, leading to a greater need for choice, and a wider opportunity

for brand creation. Customers are far more experimental with the brand offerings today than ever before. In order to effectively build brands for millennials, it is crucial to understand their unique mindset and preferences.

Millennials value authenticity, purpose, and experiences over material possessions. They are more likely to support brands that align with their personal values, such as sustainability, social responsibility and inclusivity. Additionally, they crave personalisation and customisation along with seamless interactions across various touchpoints, both online and offline. Understanding that millennials today invest in 'why'-

based brands instead of 'what'-based brands, we have created a 'house of brands' that is striving to build brands that cater to a wider purpose that has a lasting impact on society and goes beyond just the product and brand propositions.

Technology and data have truly helped us disrupt the conventional, and have been at the heart of our business and the core differentiator for us. With technological advancements, communicating with these millennials is efficient, targeted, and personalised. Digital content has generated geographical democracy and digital media now has the ability to reach like a sniper rather than bazooka. Earlier, the media was available only in bulk, at very high costs and with a wide audience base. With the advancement in technology, we are able to utilise targeted packets of media, and create sharper, effective and personalised communications that are crafted for them.

We have realised that millennials are most influenced by other millennials and respond better to content that is meaningful and contextualised to their specific needs and preferences as compared to traditional content formats. Word of mouth and voices of influencers have emerged as key sources of driving brand awareness and consideration.

The tastes, preferences and habits of each millennial or generation-Z consumer are different. In order to reach the target consumers, through our data warehouse, we capture customer data across demographic, behavioural, and transactional variables and leverage

From the Cover Story



"We understand millennials and we will build brands for them. The journey has just begun."

- Ghazal Alagh



this data to segment our user base into micro-cohorts and power our personalisation engine on our direct-to-consumer platform.

We intend to constantly learn and further refine our personalisation engine to deliver a more tailored, contextualised experience to our users, deepen brand connect and drive consumer retention and repeat. For instance, our ability to integrate technology with our purpose-driven initiatives such as geo-tracking of the trees planted under our Plant Goodness initiative enables visibility and transparency for our consumers and strengthens trust. We have launched a strong purpose for each brand that is core to its proposition and helps

add value to the lives of customers and the people it impacts.

Through technology, we have been able to innovate collaboratively with our consumers wherein we use our proprietary tool to follow and analyse search trends, run consumer surveys with over two thousand inputs before we start working on any innovation.

In fact, technology has been pivotal in hyper personalising and nano marketing. From single-pen profiles that brands used to make advertising for, we have moved to thousands of micro profiles and contexts with variation of core message, language and now even the ability to use weather as a marketing message. Our

platforms have been created to show personalised products that are relevant to the consumer.

Building successful brands for millennials requires adapting to their unique mindset and leveraging technology to disrupt traditional marketing and distribution practices. Our distribution landscape has grown to sell over 30 million units to over 5 million consumers across 18,000 pin codes across the country.

As the beauty and personal care industry evolves, brands that embrace technological advancements and understand the millennial consumer will have a competitive edge in this ever-changing landscape. **F**

‘Indians no longer want to just play chess, they want to be the best’

Viswanathan Anand, India’s first Grandmaster and our cover personality in 2010, has bounced back from setbacks and mastered the art of winning. The five-time World Champion, who is now at the forefront of handholding the next generation to the top, reflects on how India has come to be recognised as a global chess powerhouse

Before I became India’s first Grandmaster (GM), the biggest barrier was probably mental. No one had become a GM and it had a climb Everest kind of feel to it.

In those days, it was much harder to be a GM, since you had to compete against other GMs to become a GM. And the world supply of GMs back then was far more limited. One had to organise special tournaments to play GMs, and those had a far stronger playing field than today. So, we had to take every chance we got.

We did get some support from the government, which gave us air tickets to play a couple of opens a year. If you applied for the special tournaments in the Soviets—which would be a big help for us because their chess federation would send three to four GMs—you would also get a travel grant.

My big break came in 1987 when I won the world junior championship, the first Asian to do it. And the next year I became a GM. Once that happened, the possibilities really opened up for me to take up chess as a serious career. The tournament organisers would look after my expenses and I would also get invitations to play at very good tournaments like the Tata Steel event in The Netherlands.

Around mid-1990, I qualified for the Candidates, the contest which decides the challenger for FIDE’s elite world championships. That was

the ultimate breakthrough because, from then on, I started going to the absolute best tournaments. So you might consider the GM as the stepping stone to this world.

I was fortunate to become a GM at a time when training wasn’t absolutely essential to becoming one. Computers didn’t exist back then. In 1987, after I won the World Junior, I saw the first database programme had appeared. And I got my first computer only after a couple of months after becoming the GM. Nowadays, training, coaching methods tilt the field a lot and you’re unlikely to become a GM unless you are able to invest in these things.

But I didn’t think the lack of infrastructure or the awareness about chess were handicaps for me because I was getting stronger by playing against better players. It

forced me to keep making the tweaks necessary to improve. And it helped me put off formal coaching till very late—after the Candidates—because improvising made you resilient.

What also changed along the way was the attitude of other GMs. I met Anatoly Karpov in 1988, and he spoke to me like a colleague. Same with Garry Kasparov, with whom I even shared a manager. The world of chess accepted me and it was game-changing.

Within India, the real impact was felt in the chess ecosystem as it got a lot of people, especially the group just behind me that comprised the likes of Dibyendu Barua, Pravin Thipsay etc, excited at the possibility of becoming a GM. Barua became India’s second GM just three years later.

But even in 2000, we were only at six GMs. It was a slow climb, but a climb alright as we started to hear anecdotal stories about how even school tournaments were running out of chess sets and clocks. These were the very first signs of a chess wave. But even then, the world didn’t recognise India as a rising power in chess. That came in the last 10-15 years where the organisers of a number of open tournaments in Europe suddenly realised that one-tenth of the participants were from India.

A few years ago, I launched the Westbridge Anand Chess Academy, starting with players who had become GMs under the age of 14.

46

From the Cover Story



“Working in India was spontaneous and improvised. I wasn’t used to working systematically.”



And there were already five of them. No wonder we already have 81 GMs.

I suspect that absolute acceptance of India's prowess in chess came in the last 10 years, where more and more Indian youngsters were present in tournaments. And as these kids started to play top players and defeat them, especially in the last five to six years, people started to acknowledge India as a powerhouse. Even Magnus Carlsen, the world champion who has thrice been defeated by teenager R Praggnanandhaa, has said the next World Champion could probably be from India. Before, such statements would refer to me, now it refers to one of the others.

In India, one wave has facilitated the next. The first generation of youngsters, who took to the game right after me, typically joined public sector companies, banks—that was

valuable support because it meant financially they were stable. A lot of them went on to start coaching centres and, slowly, activities for those who wanted to play chess started increasing. Through these, the earlier generation was also able to pass on its expertise to the next.

So, when I started the academy with Westbridge Capital, the idea wasn't just to get Indians to play chess, but to see how we can get Indians to the very top. Because, by now, only that is aspirational. We've set our sights higher because once you have a World Champion, you can't get too excited about achievements below that level.

When I hit the top 10, I suddenly realised I needed to work with the best trainers. At that point, it could only be done in

personal sessions. So I travelled to Europe often, I started living there partly since I needed a base in Europe. Indian players don't have to do this anymore. Travel has become easier, they've developed friendships across distances, and coaching methods in India have risen to a point where they can be called world-class. Now we have kids from other countries learning from Indian coaches.

When do we hit 100 GMs? It could happen very fast. We were rooting for 75 during the Olympiad in July-August to time it with the 75th anniversary of Independence, and we are already at 81. So, it might just go very fast. Maybe in the next year and a half? [F](#)

(AS TOLD TO KATHAKALI CHANDA)

ONDC: India's Next Big Bet After UPI

The open network is re-inventing ecommerce to level the playing field between online and offline players and loosen the grip of Big Tech. The opportunity is massive but so are the obstacles

By VARSHA MEGHANI

When Rosbin PB, a 32-year-old shopkeeper, joined hands with the owner

of a 450 sq ft local convenience store in Bengaluru's Indiranagar, it had a small but dependable customer base. IT workers living in the neighbourhood bought their groceries and daily supplies from the shop. But Rosbin wanted more.

He borrowed money, expanded the shop, and registered on Dunzo. Orders routed through the hyperlocal delivery service shot up to 700 per day in a matter of months.

Then, Dunzo decided to open its own dark store in the neighbourhood. Rosbin says the number of orders fell to 80 per day. "They give preference to their own store, naturally," he says. "We have to accept whatever these companies decide. We have no choice."

That's changing now. Rosbin has registered on the Open Network for Digital Commerce or ONDC—a network that enables his little shop to be visible to online shoppers on any app, as long as that app is aligned with ONDC.

So when customers open their favourite shopping apps—Paytm, for example, which is part of the network—and click on the ONDC icon, they will be able to find products from all sellers who are part of the

network, not just sellers registered with Paytm. So far, 36,000 sellers across 236 cities have registered on ONDC including large ones like HUL and ITC, as well as smaller setups like Rosbin's Green Mart.

"It's only been a few weeks since we registered, but we already get 40-50 orders per day from ONDC from Monday to Thursday. On weekends we get 100+ orders per day," says Rosbin. "We don't have to depend on Dunzo anymore. We now have other options to grow online."

And that is the point of ONDC: To give offline retailers like Rosbin, who have been left out by the ecommerce wave sweeping through the country, a chance at levelling up.

"We're not trying to be a Swiggy or Zomato-killer or an Amazon or Flipkart-killer," says Shireesh Joshi, chief business officer of ONDC, a government-backed, not-for-profit entity, whose funders include Quality Council of India, Small Industries Development Bank of India (SIDBI), National Bank for Agriculture and Rural Development (NABARD) and a number of financial institutions including State Bank of India, ICICI Bank and Kotak Bank.

"Our aim is not to take away 10 or 15 percent market share from Swiggy or Zomato," Joshi continues, referring to the buzz on social media in the recent past on the price differences between these giants of food



delivery and ONDC. A cold coffee from McDonalds, for example, was available for ₹208 on Swiggy, ₹226 on Zomato, and ₹108 on ONDC on May 8.

Customers are currently being offered discounts of up to ₹50 per order if they shop through ONDC. While restaurants are being charged commissions of 2 to 5 percent versus the 25 to 30 percent charged by Swiggy and Zomato. “The incentives are just triggers to jumpstart the network,” says T Koshy, the chief executive of ONDC who previously set up and ran the

National Security Deposit Council (NSDL) for over a decade. “We don’t believe that the network will scale based on such incentives; it isn’t a long-term strategy,” he clarifies.

Instead, the long-term strategy is to bring into the digital fold people like Rosbin and still others who have never sold anything online. After all, ecommerce penetration in India is a mere 5 to 7 percent. The remaining 93 to 95 percent of India has never purchased anything online even as Amazon and Walmart-owned Flipkart have ploughed through the

country, investing billions to bring people into the ecommerce fold.

“It’s this undigitised population we are going after,” says Joshi, which will result in ecommerce penetration rising to 25 percent in two years. The logic being that ONDC will create a vastly larger pool of sellers and consumers and result in lower costs. This in turn will turbocharge ecommerce growth. Besides, while India is home to the third-largest online shopper base of 140 million, behind only China and the US, according to McKinsey, the market is still largely untapped given India’s internet-user base of about 750 million.

WHY DOES ONDC MATTER?

The launch of ONDC in November 2022 came as India was aggressively pursuing anti-trust cases against large US tech companies, including Amazon, Google and Meta. It may have been coincidental, but the message it sent out was loud: India was going to build and leverage its internet-user base in a fair, inclusive and democratic manner.

“ONDC has been built to address the fundamental problems of platform-centric models that lead to market concentration leading to a few gatekeepers with practices not in the best interest of the larger merchant ecosystem. It’s a problem all over the world,” says Koshy.

Consider this: 42 percent of global ecommerce is owned by four companies—Amazon with a 13 percent share of the market, Chinese companies TaoDao (15 percent), TMall (14 percent) and JD.com (9 percent), according to data compiled by *Forbes USA* in 2020. In India, foreign companies Amazon and Walmart-owned Flipkart control 63 percent of the market. Each claim a near equal 31.5 percent market share as of 2021, followed by Myntra (4.7 percent), Paytm (3.3 percent) and Snapdeal (1.9 percent), as per Grant Thornton.



Rosbin PB, ONDC user and owner of Green Mart in Bengaluru

“While governments in the US and Europe are trying to loosen tech giants’ grip through laws and regulations, India has chosen a tech-based solution supported by markets and enabling regulation,” says Koshy.

ONDC is a “network-centric” ecommerce model built atop digital public goods. So unlike Amazon, which is a closed private platform where everything from seller onboarding to customer acquisition, fulfilling deliveries and solving grievances is controlled by the tech giant, here the entire chain of services is broken up or “unbundled”. Seller apps help onboard sellers like Rosbin on to ONDC, helping them with registration, cataloguing, building an online store front and inventory management. Buyer apps, like Paytm and Magicpin, bring buyers on to the network through their platforms. Logistics companies like Shiprocket and Shadowfax fulfil deliveries if the customer chooses so and multiple payment partners help complete the transaction.

“It’s just like the physical world where different building blocks of the value chain are built by different players. Think of the auto industry. Does a single automaker manufacture everything from tyres to engines to seats?” says Koshy. “They don’t. They outsource the components and then assemble everything together. That’s exactly what we are doing for ecommerce.”

ONDC’s ambition is to bring 30 million sellers and 300 million shoppers on to its network by the end of 2024. Presently, there are 36,000 sellers on the network who process around 15,000 transactions daily. Roughly, 11,000 of these are



(From left) Rahul Handa, VP-strategic initiative; T Koshy, MD & CEO; Shireesh Joshi, CBO & president-network expansion; Vibhor Jain, COO & president-network governance; Nitin Mishra, CTO & president-network enablement

in the food and grocery vertical, the balance includes mobility, fashion, apparel, electronics and agri products like seeds and saplings. The plan is to expand into all manner of goods and services in the months to come.

“The scale is miniscule at present,” says Swapnil Potdukhe, assistant vice president, JM Financial. Swiggy, for example, delivers 1.5 million orders per day, while Amazon India fulfils 1.6 million orders per day. Even so, Nandan Nilekani, who built the Aadhaar digital ID system, calls ONDC “the most exciting business transformation happening in the country.”

That’s not just because ONDC will promote fair competition for the millions of small retailers like Rosbin. Or give them a fighting chance like the roadside chole-batura seller in Gurugram’s Iffco Chowk area, who has seen a spike in orders ever since registering on ONDC through Magicpin.

But also because it will foster innovation. Magicpin, a hyperlocal discovery startup, for example, shifted its focus to helping sellers get

on to ONDC when the opportunity sprung up. It has helped onboard 44,000 sellers so far with the number doubling every month, says Anshoo Sharma, co-founder and CEO. It doesn’t charge sellers an upfront fee but takes a cut from the sellers’ earnings through ONDC. Presently, the “bulk” of ONDC’s 15,000-odd daily orders pass through Magicpin, says Sharma. Similarly other seller-side apps like SellerApp, are focussed on “digitally enabling” retailers who have never sold online, says Dilip Vamanan, co-founder and CEO. SellerApp onboards 10 sellers per day, up from two-five sellers a few months ago.

“ONDC could be India’s next unicorn catalyst,” says Susmit Patodia, capital director at Antler India, a Bengaluru-based venture capital firm. Just like startups built on and innovated using the UPI [Unified Payments Interface] protocol built by the government—think GooglePay, PhonePe and the numerous other startups that used the UPI rails to build atop—the opportunity for startups to build on and innovate for ONDC is massive, he says.

According to some estimates, ONDC could add \$60 billion to \$80 billion to India’s economy by 2030. That’s because unbundling services will allow niche players to spring up and build specialised apps. Think of selling furniture online, for example. Items can be



“The incentives are just triggers to jumpstart the network.”

T KOSHY
CHIEF EXECUTIVE, ONDC

clunky to transport from seller to buyer. Shipping a chair is different from shipping large wardrobes or glass table-tops. “That’s why penetration of furniture ecommerce is extremely low,” says Patodia.

ONDC can encourage startups to build and thrive in such niche areas.

Moreover, as data on buyer behaviour is made available to sellers through ONDC, unlike in the case of Amazon, Flipkart or Swiggy, which hold on to customer data, sellers will be able to better cater to their customers. “Data masking is a big issue. Today restaurants who serve customers through Swiggy or Zomato have no clue who their customers are, so how can they better serve them and improve their margins? This is one big advantage of ONDC over marketplaces that are merely looking to maximise profits,” says Varun Khera, a restaurateur and Noida chapter head of the National Restaurant Association of India.

But sceptics worry that just like UPI gave rise to the oligopoly of Google Pay and PhonePe, which together process nearly 80 percent of all digital payments, ONDC won’t so much democratise commerce but monopolise it in a few hands.

Koshy brushes off such claims. “UPI had only one SKU—money. ONDC has millions of SKUs from goods to services to things we can’t even fathom as yet,” he says. “How can one or two players dominate every single SKU. It’s impossible.”

SCALE, SCALE, SCALE

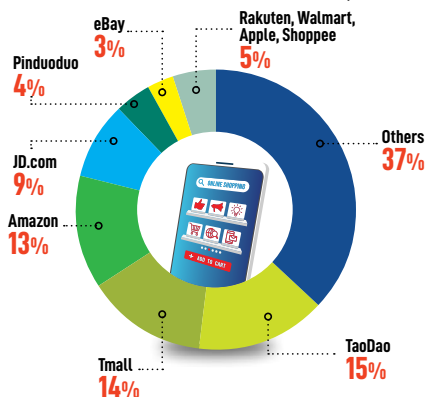
Yet there are other challenges.

First, there’s the “cold start” problem, as Patodia puts it. For ONDC to succeed, the participation of all players is key, which in turn will result in scale. At present, Paytm and Snapdeal are the only large buyer-side apps that have aligned with the network. Amazon and Flipkart have noticeably stayed away. “They’ve invested billions of dollars into building their platforms and systems.

In Ecommerce, Markets are Dominated by a Few Players

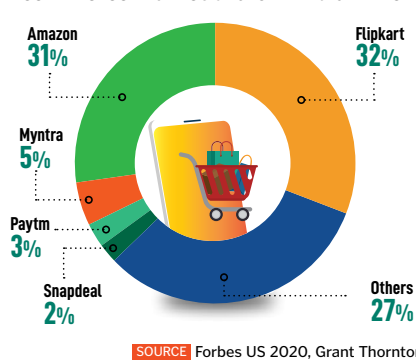
42 percent of global ecommerce is owned by 4 companies

Global ecommerce market share, 2020



Two large international companies control 63% of the market in India

Ecommerce market share in India in 2019



SOURCE: Forbes US 2020, Grant Thornton

Joining ONDC will cannibalise their business so it’s natural for them to stay away,” says Magicpin’s Sharma.

Again, Koshy is unfazed. “They will all join at their own time,” he says. If you look at the way disruptions are adopted, you will see leaders and laggards. We experienced this with UPI adoption. Eventually, the market compulsion is what will drive adoption. That’s the beauty of a network-centric approach.”

For others to come onboard they need to overcome the “intellectual challenge” that ONDC poses, says Joshi. “Most people—buyers and sellers—are unable to

get their heads around an open, interoperable network. Getting them to understand how it works is our biggest challenge. Once they understand it, they will join.”

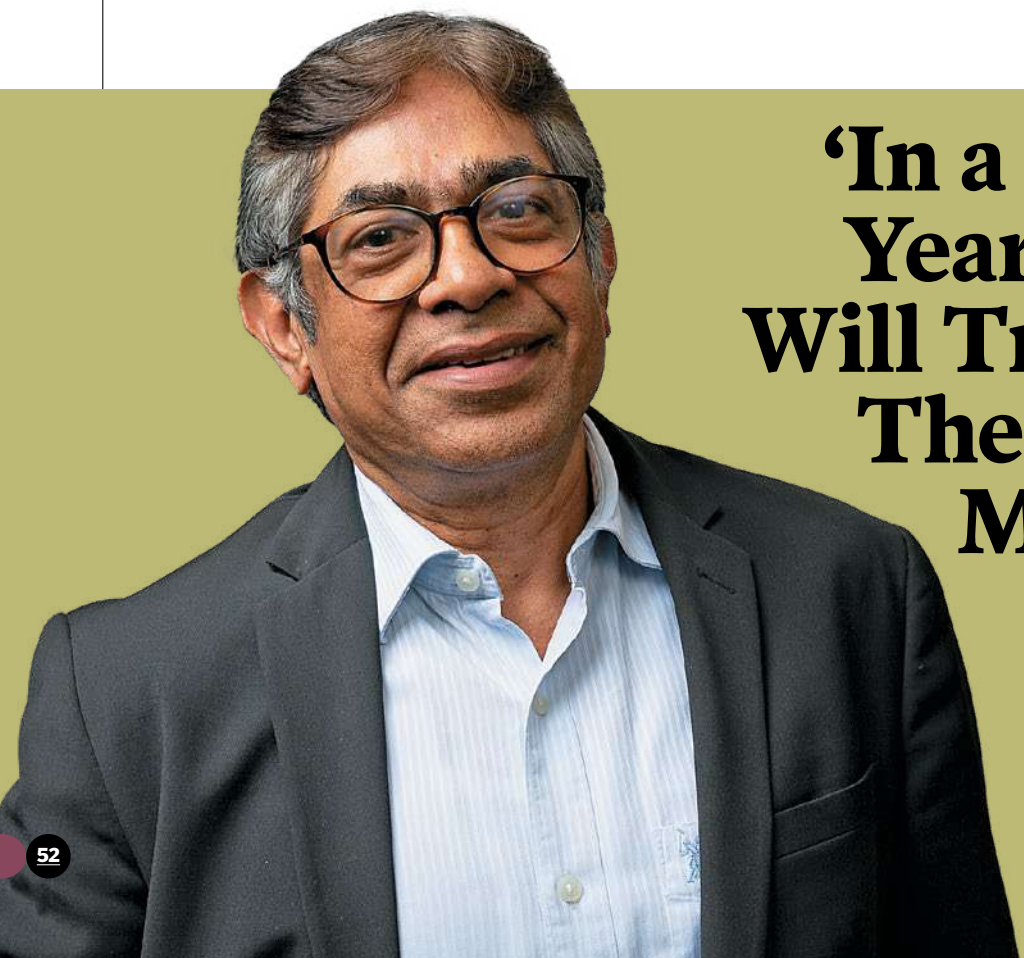
Second, ensuring a seamless user experience is imperative. One user who ordered food via ONDC over the last week, for example, took to Twitter to complain about the speed of delivery: “Food is cheaper but also cold,” he tweeted.

“Customers are habituated to use Amazon or Flipkart. They offer a sophisticated user experience which has come after years of money, time and effort spent. ONDC will have to play catch up here not just in ensuring quick deliveries but also timely refunds, exchanges etc. This will take time,” says Lloyd Mathias, a business strategist.

Third, closed platforms like Amazon or Flipkart can control or prohibit the sale of certain items. As an open network, ONDC might not be able to do so, says Prateek Waghre, policy director, Internet Freedom Foundation. “Take the sale of acid, for example. How will ONDC control who is selling what on the network? And where does the buck stop if acid is indeed sold?”

Fourth, discovery is an issue. If sellers aren’t paying advertising dollars like they do on Amazon, for example, to feature atop a search query, how will ONDC’s algorithm’s decide what search results show up first? According to Mathias, items will mostly likely be listed on the basis on geographical proximity and popularity, that is, how many times have they been bought by other customers.

All said, everything centres on the buyer. The sellers will follow them. As Rosbin, the shopkeeper, says, “Five years ago we started accepting payments through UPI because our customers demanded it. Now as they switch to ONDC, they’ll see that we are already there. You have to change with the times.”



‘In a Couple of Years, ONDC Will Truly Reflect The Physical Market’

T Koshy, chief executive of ONDC, on how the platform will democratise and transform ecommerce, why the network won't scale on incentives alone, and the biggest challenge—getting the industry to adopt this new model

52

Q Over the last fortnight, social media has been abuzz, comparing the prices of food ordered on Swiggy and Zomato versus those routed through ONDC. In many cases ONDC was cheaper by 50 percent. Can the momentum on ONDC continue without such incentives?

The incentives announced by ONDC, and some of our participants and sellers are triggers to jumpstart the network. We don't believe that the network will scale based on such incentives. But the important point to note is that, unlike the platform-centric model (like Amazon or Flipkart), ONDC's network-centric model will provide freedom to each of the ecosystem partners to design and roll out their own incentives and offers. So, for example, a kirana store owner can say, I can deliver the items ordered because it is just next door.

That way, he is able to optimise, lower costs, drive efficiencies, and as a result, offer better discounts to customers. It's in his hands to decide that.

The advantage of this approach is that once you have a captive set of users, you have significant control. We

“Think of it like a physical market where different brands, sellers and merchants compete together with equal opportunity and succeed based on the smartness of their offer.”

realised the need to prime the pump, as they call it. Will we continue the incentives ad infinitum? The answer is no, because that is not a sustainable proposition in the long term. We will continuously assess the situation and see if any tweaking is needed.

The idea is to trigger trials for a short period of time and then it'll pick up its own momentum. For example, at the end of March, we clocked 1,000 orders a day. At the end of April, it was 10,000. In May it went up to 25,000 orders a day and then came down. But it won't go back to 1,000. (ONDC presently gets roughly 15,000 orders a day.)

Q But consumers tend to be fickle...

Think of it like a physical market where different brands, sellers and merchants compete together with equal opportunity and succeed

based on the smartness of their offer. Eventually, in a couple of years, ONDC will truly reflect the physical market. What I mean is that everyone will have their own catalogue of products visible in this open network. Different smart buying applications will come which will help their customers buy relevant products. Let's say SBI wants to offer ecommerce to their clients such as booking airplane tickets, buying financial products etc. They know their clients the best—so as a buyer side application on ONDC, they will make every effort to help their clients buy the right product, without promoting any product. If a client gets that kind of service, he won't want to shop anywhere else. This kind of innovation and specialisation by different entities on the platform will democratise and transform ecommerce as we know it.

Q But can ONDC truly democratise ecommerce? UPI, for example, set out with the same aim and while it has transformed digital payments in the country, it has also led to the two tech giants—Google and Walmart-owned PhonePe—dominating transaction market share.

One of the biggest challenges of our times is that of power being concentrated in a few hands. Big tech dominates ecommerce globally and in India, Amazon and Walmart-owned Flipkart dominate 63 percent of the market. Governments in the US and Europe are trying to loosen the tech giants' grip through laws and regulations. India has chosen a tech-based solution supported by markets, letting loose innovation and enabling regulation.

Google and PhonePe do have the predominant share, but there is also Paytm. And more will come. For example, I use all three payment applications based on whatever is convenient. I'm indifferent because they are interoperable. But if one of them tries to act smart with

me, I'll just dump them. It's very easy—there is no exit cost. That is the power of democratisation and an open network. This is the biggest thing to keep in mind.

Second, all said and done, UPI has only one SKU—money. ONDC has millions of SKUs from goods to services to things we can't even fathom yet. How can one or two players dominate every single SKU? It's impossible.

Q What would you say is the biggest challenge when it comes to the adoption of ONDC by various participants?

Convincing people about ONDC and getting the industry to adopt this

Bombay, they had to convince factory owners that this is a better source of energy. The factory owners had all built out their factories for horizontal transmission coming from steam engines. It took some time before they understood the advantages of this new offering and realigned their factory layouts to handle electric motors and vertical power drives. So, nothing happens like Abra-ca-Dabra.

Q If ONDC is truly a win-win for everyone aligned to it, why have Amazon and Flipkart not joined the network yet?


As of now, Amazon and Flipkart have developed their models of walled gardens, which give them rent-

“Governments in the US and Europe are trying to loosen the tech giants' grip through laws and regulations. India has chosen a tech-based solution supported by markets, letting loose innovation and enabling regulation.”

is our biggest challenge. Especially people who are not yet digitised and not yet on digital commerce; less than 2 percent of sellers are in digital commerce. They need to get comfortable thinking about this new model. We are working with SIDBI and the Ministry of Small and Medium Enterprises to see how we can handhold smaller retailers.

Even when ecommerce started, it was challenging at the outset. Similarly, when the internet came, it was a challenge. With the pandemic we all learnt how to do Zoom meetings. It's a slow and steady process of bringing adoption and it's going to be a journey, not an event. Any change takes time. I'll tell you an interesting story. A hundred years ago, when the Tatas first introduced their commercial electricity conversion motors in

seeking, profit maximising capability. They will be thinking, 'why should we change anything?' That said, most entities, except these few who can be counted on one's fingers, have shown an interest in joining ONDC—it is only a question of when they will jump in.

Think of it in this way. Suppose I say I'm going to buy 10 acres of land on the moon. There will be three kinds of people. The first set of people will say, 'what is the price, I will also come'. The second set will say, 'has a rocket been made? Show it to me, only then I will come'. The third set will say, 'when a colony is made, I will buy a flat'. The point being that everybody has a different mindset for innovation and risk. The only thing is that the person who buys a flat will end up spending 100 times more than he would have had he been a part of the exploratory journey. 

Web of Opportunity

India has the potential to lead the Web3 revolution. Experts hope to see the transition from Web2 to Web3 within this 'techade' despite the challenges, but say lack of regulations can be a business-killer

By NAANDIKA TRIPATHI



CHAITANYA DINESH SURPUR

Fun fact: If Apple had not fired Steve Jobs in 1985, we may not have seen Web or Web3 today.

Jobs founded NeXT Computer after he was sacked from Apple. In 1989, he sold one NeXT machine to a computer scientist working at CERN, the European organisation for nuclear research. This move would forever change the world. Tim Berners-Lee invented World Wide Web (WWW) using this machine, and it became the world's first web server and ran the first web browser. The main purpose of Web 1.0 was to share information—it was read-only and excluded a large portion of the population as it was difficult to use.

This limitation prompted a Web 2.0 movement. Popularly known as the social web, Web 2.0 is something we experience on a daily basis through various internet companies like Google, Facebook, Twitter, Anchor and more. Everything was going fine until people started doubting the competence of these tech giants. A lot of them have been accused of selling user data, some have suffered security breaches, and others have attempted invading user privacy. All these concerns gave rise to Web 3.0 to give back to the users control of their data on the internet.

Still under construction, Web 3.0 is said to be the decentralised web. The idea here is to establish trust on the internet without the intervention of any central body like the government and large companies. This trust is established using blockchain technology, a decentralised way of storing and sharing data using cryptography, distributed networks and ledger systems. Last year, a report by Vantage market research stated that the global Web 3.0 blockchain market revenue is expected to reach a value of \$23.3 billion in 2028.

Companies from developed nations were at the forefront of the Web1 and Web2 evolution. This scenario is



Primary Challenges Indicated by Web3 Startups in Operating in the India Market

80%

Absence of regulatory clarity and comprehensive regulatory framework

40%

Absence of institutional upskilling resources and centres

28%

Negative social image created by focus on cryptocurrency trading

28%

Absence of awareness about benefits of Web3

SOURCE NASSCOM-Zinnov analysis

likely to change in Web3. As the most populous economy, experts suggest that India has a potential to be the global player in the Web3 market. Eleven percent of global Web3 talent is in India, making it the third-biggest talent pool in this sector, after the US and China. This pool is growing at the fastest rate worldwide, at 120 percent likely in the couple of years,

according to a study by NASSCOM. There are over 450 Web3 startups in the country that have got \$1.3 billion in investments in the last two years. Over 160 of these startups were founded between 2021 and 2022. However, due to a lack of clarity on regulations, 60 percent of Indian Web3 startups are registered outside, but hire tech workforce in India.

Achyuta Ghosh, head of NASSCOM Insights, suggests that Web3 applications should be regulated instead of the technology itself. “The moment something new comes up, people want to regulate it. They want to control it and put guard rails. We should regulate applications, not technology. There’s no framework from the government. So, people don’t know really whether they want to go full steam into this or want to hold off, wait and watch. This approach doesn’t work for emerging tech. We only end up losing on the opportunity.”

India is one of the fastest emerging countries in Web3 from a developer and provider standpoint. But there is still a long way to go in terms of adoption and user base. And the biggest stumbling block of regulatory concerns has been looming large for years. Addressing regulatory concerns can provide a clear path for innovation. It is crucial for ensuring stability in the industry and fostering further innovation in India, explains Neeraj Khandelwal, co-founder of CoinDCX, a crypto trading platform which is now expanding its focus towards bridging the gap between individuals and Web3.


“For stability and mass adoption, it is crucial to establish a robust regulatory framework for the Web3 industry. Clear regulations that govern the boundaries between the real world and crypto will enable safe intersection between the two worlds, bringing innovation to the real world economy and value to the decentralised finance (DeFi) and Web3 economy,” says Khandelwal.

WEB3 STARTUPS IN INDIA

Web3 startups in India have grown six-fold since 2015, as investments in them soared since the beginning of 2020. The founders are leveraging blockchain technology in adaptable ways to solve a multitude of problems across segments. The focus area is on BFSI, enterprise tech, consumer tech and edtech, among the others. These Web3 startups have focussed less on cryptocurrency trading, and more on building diverse Web3 solutions across all major application areas in finance, entertainment and infrastructure.

One such startup is Gurugram-based Cypherock which has built a hardware wallet to empower people to be self-sovereign, and have the same peace of mind and control with their crypto and personal data that they have with their savings in bank vaults. Their hardware wallet, Cypherock X1, is designed to allow individuals to self-custody their crypto and improve crypto security by mitigating any single point of failure in private

Investments Raised by Indian Web3 Startups



	2019	2020	2021	2022 (till April)
Seed	95%	72%	78%	71%
Seed A	5%	18%	16%	26%
Seed B		5%	2%	
Seed C		5%	4%	
Seed D				3%
Total	\$14 mln	\$35 mln	\$532 mln	\$765 mln

SOURCE: NASSCOM-Zinnov analysis

key management. It claims to be the first hardware wallet without a seed phase backup, and it never stores private keys in a single place, making it the most secure wallet. Founded in 2019 by Rohan Agarwal and Vipul Saini, the Web3 security company raised \$1 million in December last year, co-led by a bunch of investors.

“We are currently monetising through hardware sales only. We will soon be launching a recovery service that, if set up, will allow users to pass on their Web3 assets to their loved ones in case something happens to them without Cypherock ever in control of the assets itself. That will be an optional annual subscription that users can subscribe to if they want,” says Agarwal.

Web3 business models reward the users with a token, and the value is shared between the users and companies. There are other revenue streams as well. Web3 startups are monetising in various ways starting from traditional internet models like SaaS fees, transaction

Betting Big on Web3

Two former CEOs, Manish Agarwal of Nazara Technologies and Tarun Katial of Zee5, are aiming to disrupt the status quo with their new startups by giving back control to gamers and content creators

In December, Manish Agarwal stepped down as the chief executive officer of diversified gaming and sports media company Nazara Technologies. After spending seven years at the company, Agarwal decided to launch his own startup in the Web3 world.

Agarwal, along with Ishank Gupta, an angel investor, has come up with a new Web3 gaming venture called Kratos Studios. They also recently acquired IndiGG, an established brand, for access to marquee Web3 ecosystem partners. Kratos Studios has raised \$20 million from Accel, Prosus Ventures and Nazara Technologies, among others.

IndiGG, a part of Kratos Studios, is building a Web3 gaming DAO (decentralised autonomous organisation) to onboard over 500 million Indian gamers onto the Web3 gaming ecosystem and enable earnings for its members. It partners with gaming studios and developers globally, increasing their chances of success by creating relevant micro communities.

IndiGG's mission is to make it easy for millions of gamers in India and other emerging markets to onboard their activity log (micro history) on blockchains without them being bothered about tech friction or

knowing what blockchain is. Agarwal says the adoption will be driven by a strong sense of underlying utility which a gamer's micro history unlocks for them in the form of asset ownership, reputation ownership and interoperability. “We are solving for friction in wallet creation, on-ramping and off-ramping besides educating gamers on how to leverage their disposal time and skill to earn micro income or supplementary income.”

IndiGG seeks to unlock the value of gamers by making them owners of their identity and enabling their identity on-chain. This way, game developers can pay users for their skills and their time with engaged communities and generate higher ROI. IndiGG does this by leveraging Web3 for asset and identity ownership, and disrupting the traditional model of in-game asset purchases where gamers do not own these assets.

“We are offering curated and engaged cohorts to game publishers and game developers and enabling them to change their UA (User Acquisition) spends from cost per impression or cost per click



fees to Web3 native models like charging for network usage, treasury tokens, asset monetisation, and engagement revenue like advertising, explains Pareen Lathia, co-founder of Buidlers Tribe.

Web3 as a journey is hard. The ups and downs are steep compared to Web1 and Web2. For instance, in Web3, the downs come so fast that one falls off a cliff or shoots up like a rocket. The founders who have seen this for the last three cycles over six years, and the ones who stick to their mission by getting through that winter and don't burn out, end up creating good value, explains Nitin Sharma, general partner and global blockchain lead at Antler. Sharma was the first venture capitalist in India who started investing in Web3 startups and has been doing so for the last six years.

In the past some years, many new Web3 startups emerged in India and joined the bandwagon as they saw the investors pouring in money into the sector. "90-95 percent of tokens in the world are probably worthless.



"Many founders in Web3 are just in it for the money. But the good founders are taking a view, going deeper into the technology stack, and actually solving a hard problem. Otherwise, what's the point?"

NITIN SHARMA

GENERAL PARTNER AND GLOBAL BLOCKCHAIN LEAD, ANTLER

It's just a matter of how long it takes before utility is proven or disappears. One of the problems in Web3 is that it attracts both the smartest people on one hand, as well as a lot of scammers and speculators. Another aspect is that you have to be globally competitive as a product or an ecosystem. I may have come across perhaps 500 Indian startups. Only 10 or so have actually made it big in the sense of having global consumers and developers. And that's because those founders

understood the power of collaboration and community," says Sharma.

WHAT IS WEB 2.5?

Web 2.5 will serve as a bridge between Web2 and Web3. Decentralised technologies and the user interface of Web2 are integrated into Web 2.5 to facilitate a smooth transition to Web3. Every product of Web3 will be Web 2.5 in some sense. According to experts, Web3 is not a replacement for Web2. Just as Web2 is built on

to cost per value by only paying when a gamer crosses certain in-game events," says Agarwal, talking about the revenue streams. "This reduces effective customer acquisition costs (CAC) for the game developer and offers monetisation to the gamer for their time and skill. IndiGG charges a fee for every quest listing from the game developer."

The challenges are multidimensional but not very different from any other time when a new technology aims to disrupt the status quo. "The challenges are across 4Ps: Policy, perception, paranoia, proposition, and with patience and perseverance the Indian ecosystem can overcome all these Ps to make India a global leader in blockchain adoption," says Agarwal.

Similarly, Tarun Katial, former chief executive officer of ZEE5, the video streaming service owned by Zee Entertainment Enterprises Ltd, quit the company by the end of 2020. He was exploring different avenues, when an incident occurred with his wife, which made him build his new startup. Katial's wife was trolled on WhatsApp by a stranger, who kept sending her offensive messages and the episode made the couple realise that many women face similar trolls on a daily basis. In October 2021, Katial set up Eve World, a women-only platform. And after months of research, in January, he launched a Web3 app called Coto, short for coming

together. Katial also roped in his ex-colleagues Aparna Acharekar, Rajneel Kumar and Avi Kumar to build this safe space for women.

Coto is a social community app exclusively for women to have authentic and interesting conversations with each other. It provides synergy between content creation and community building, in which every user holds actual value and ownership of the content that they create.

Women can create their own online public and/or private communities on the app, share video, audio and text content, and interact freely with their peers. Members can discover the communities easily and join them to network, discuss topics that interest them, and learn from one another. The app already has 200,000 subscribers, and over 4,000 communities. The company has raised over \$7 million from Singapore-based Jungle Ventures, Polygon and other angel investors.

"One of the key differences we wanted to make in the life of the creators were out of the pain points that are very apparent in the current social ecosystem. Creators create all the content, they create all the network effects, entire piece of marketing and promotion, and in return they get caught up in hard algorithms, making it difficult to monetise their own content," Katial tells *Forbes India*.

Content creators have a tough time building their reach on a platform and there are apparent creator pain points in the economy. Coto wants to help the creator economy by rewarding them for everything they had not been rewarded for—content creation, engagement, network effect, referral, all of that. "We want to make sure they are a part of the platform, they have skin in the game, for all their effort. Helping creators overcome this entire pain point of monetisation led us to build it on Web3, which is decentralised, where the content creators have control over their own content," adds Katial.

The Coto app rewards community creators with referral points and a bonus for every member that joins the community. There is also something called the Coto gains programme, a referral programme where women can earn 1 Coto gains per referral. The objective of the programme is to acquire users organically based on a network effect.

"As the creator benefits, she creates a network effect on the platform. We create growth on the platform through that, so more content, more referrals create a more network effect, and that gives us a wider reach for the platform," says Katial.

— NAANDIKA TRIPATHI

the original Web1 protocols, Web3 is a layer of decentralised data that travels through the internet. So, the base still remains the same: Phones, browsers, apps and protocols.

For instance, US-registered-but-from-India Huddle01 is a decentralised video conferencing platform that enables synchronous and asynchronous communication for wallets, dApps, DAOs, communities and users for free. It is similar to the likes of Zoom and Google Meet. Founded in 2020 by Ayush Ranjan and Susmit Lavania, the startup leverages blockchain technology to enable real-time communication.

Indian startup funding is seeing a dry spell and yet Huddle01 managed to raise \$2.8 million in a seed funding round from blockchain investment firm Hivemind. So far, the startup has raised \$4.5 million in funding across multiple rounds from 19 investors. According to the startup, it has clocked in more than one million minutes of meetings.

“Huddle01 platform is Web 2.5. We are neither completely decentralised nor completely centralised. So, we have taken all the good components of the Web3 world, and plugged it into Web2 platforms, and offer best of both worlds. For example, on an audio and video level, Huddle01 is still on a centralised server. But the meeting recordings are stored on filecoin, which is a decentralised storage network. This combination works better because still the centralised servers tend to perform better for us,” explains Ranjan.

ROADBLOCKS IN WEB3

Every new technology comes with its share of challenges and hiccups. After some major events like the FTX fiasco, a lot of people are sceptical about the whole industry. To begin with, it will be crucial for the Web3 founders to spread awareness about this new sector. Mass adoption is another concern, the user experience



“All the Indian Web3 startups registered outside will eventually come back. I’m very bullish on what’s going to happen in the next five to 10 years in India.”

ANIL KAKANI

VICE PRESIDENT AND INDIA COUNTRY HEAD, ALGORAND

of the Web3 products needs a lot of improvement. It will take seconds for Web2 users to give up on trying any new Web3 product if it’s difficult to navigate. Web2 apps like Facebook, Google and Instagram are user-friendly, and easily accessible compared to the Web3 products.

Adoption, in fact, is a different ball game altogether. A lot of POC (proof of concept) pilots are happening in India, but very few production systems are happening in the enterprise or the government space, explains Ravi Chamria, co-founder and CEO of Zeeve Inc, an enterprise blockchain company. “We still lag behind in terms of adopting a new technology. Unless there are some proven use cases from the outside, we don’t tend to put in big investment. In our interaction with various enterprises, we have seen that. But I’m optimistic about the Indian market. In the next five years, we’ll start seeing a lot of adoption happening in the blockchain space.”

With India having both a critical mass of consumers and the tech talent, for the first time, there is an opportunity to play on a level-playing field with global companies, says Rajesh Jain, who has been in the tech space from the last three decades, and is the founder and managing director of 25-year-old Netcore Cloud. “Having seen the early days of the internet, I sense a similar excitement with Web3. But uncertainty and excessive regulation are business killers. Given a history

of retrospective actions and taxation by Indian governments, it is the rare brave entrepreneur who will create a Web3 company based in India. And when capital moves, so do people—and so does eventual wealth creation.”

Recently, two major global Web3 companies, Algorand and Polkadot, jumped into the Indian Web3 space with AlgoBharat and PolkadotNow India initiatives. To expand its global presence, the popular blockchain protocol Algorand has set its sights on India, making it a new hub for technological advancements. Algorand aims to transition India from Web2 to Web3. It has created ‘AlgoBharat’, a wing dedicated to India, to expand the Web3 ecosystem in the country and support related startups.

Not only are the developers going to come from India, but the solutions are going to be built in India and for India. India will be the hub of innovation, says Algorand’s vice president and India country head Anil Kakani. “And those solutions are then going to be taken to other markets. We don’t see the same Web3 innovation and solutions in a market like America because things there are so developed... it’s hard for disruption to happen. Contrarily, in India, there’s so much room for disruption, because millions of people still don’t have access. But I’d predict those solutions will have great utility and eventually be adopted outside India as well. I’m very bullish on the solutions that will be built on blockchain in the next ten years.”



TRANSFORMING A CHANGE: FROM HUMBLE START TO A POWERHOUSE FURNITURE NAME

Through the past decade Royaloak has pioneered the concept of 'international furniture at unbeatable prices'.

Royoalok was founded in 2010 by furniture mogul Vijai Subramaniam with his brother & Co-founder Mathan Subramaniam. The brother duo founded the company with a vision of elevating the customer's lifestyles with their tasteful furniture range. From the very start the company's focus has always been on delivering world-class quality and international designs. But Royaloak has always been conscious about selling these furniture and home décor products on an affordable price tag. The intention was always to make the furniture range more accessible to people across the country.

Driven by this intention, Royaloak has established itself as a leading player in the Indian furniture industry ever since. Growing with power and focus, presently the company runs 150 stores across the country (from Delhi to Nagercoil, Guwahati to Ahmedabad) and has over 75 franchises in the roster. Moreover, the brand has been on an expansion spree since the pandemic and their robust portfolio has only strengthened with time to become more customer centric.

Building with creativity

Royoalok is known for its marvelous 'Country collections' which are the amalgamation of the finest furniture from America, Italy, Turkey, Malaysia, etc. these collections are an ode to the creativity and craftsmanship of the country they bear the name of. The brand stands testimony to many more wonders and the craft of Royaloak is very inclusive of international designs and style. The brand stands testimony to many more wonders and the craft of Royaloak is very inclusive of international designs and style. The brand owing to its superlative work has been felicitated numerous times by the Indian & international platforms for its leadership in the furniture industry.

Crafting the right business environment

The designs or the style that Royaloak brings to the front is just one factor. However, what the brand intrinsically builds is the right company culture. The company is geared towards making its employees & vendors happy. It functions with a focus of delivering happiness with its services and even when it is expanding, the brand does not leave behind its principles of growth. Rather it stands tall on these pillars and creates a strong foothold on its business stakeholders at every aspect.

Today, with its corporate headquarters in Bengaluru and a strong PAN-India presence in 116 major cities, Royaloak has expanded from a workforce of 2 to over 1500 employees, 3000 partners, and over 3 million happy customers. This



Vijai Subramaniam

vast and growing circle of trusted employees and customers stands testimony to the mission and vision of the company. Further, Royaloak is always looking to expand its reach and horizon of sales. Today the brand has an exhaustive delivery potential spanning across the length and breadth of the country and across the international shores as well.

Growing with power

Royoalok has been building a strong revenue stream as well over the year and the company boasts of a revenue of around 1000 cr per annum and the expected year on year growth for the company is 45%. Further, the team and the founders aspire to grow bigger and stronger with time and the company in the next 2 years wants to open 150 retail stores and 100 more franchise in India, 10 international franchises across Asia, Africa, Europe & America.

Royoalok's success is deeply rooted in Subramaniam's life story. A self-made entrepreneur, his life posed many hurdles on his way to success, but his "never give up" mentality helped him find the light even in the darkest moments. He always played smart and bet on his experience in innovation & his instincts. For instance, he came up with the idea of tea distribution business through his familiarity with tea estates in Kerala's Munnar. Similarly, when the exhibition trend was rising in India, Subramaniam quickly turned it into a profitable business. He repeated the same formula with his furniture business. With market liberalization policies in place in the early 2000s, he knew India was open to the world. Subramaniam took this opportunity to enter the furniture market and within a few years opened outlets in many cities in India.

India's 'Pharmacy of the World' Moniker is Under Threat. Here's Why

Regulatory issues and pricing pressures continue to haunt Indian generics manufacturers even as they diversify into specialty generics and geographies outside the US

By NAINI THAKER



In August 2002, Ranbaxy filed an Abbreviated New Drug Application (ANDA) with the US Food and Drug Administration (FDA) to manufacture atorvastatin, the generic version of cholesterol drug Lipitor—the world’s top-selling drug, generating over US\$10 billion in annual revenue. In 2011, it joined a long list of Indian generics makers who have been getting the go-ahead to sell in the US since the 90s. Selling generics got Indian pharma giants access to the US drug market, the world’s largest, and Americans got access to affordable versions of medication. [ANDA contains data that is submitted to FDA for the review and potential approval of a generic drug product].

At the same time, as Katherine Eban writes in her book *Bottle of Lies*, “the world’s greatest public health innovation also became one of its greatest swindles”. In an attempt to formulate a generic version of Lipitor, the company was found to be using lower-quality ingredients to save money, manipulating data, and allegedly selling drugs that could potentially endanger patient safety. In 2013, Ranbaxy’s US subsidiary pleaded guilty and paid about \$500 million in fines. “To minimise costs and maximise profits, companies circumvented regulations and

resorted to fraud: Manipulating tests to achieve positive results and concealing or altering data to cover their tracks,” writes Eban.

A decade later, much has changed. There has been a drop in the number of significant violations, but quality compliance and data integrity continues to be an issue.

In December 2022, after an unannounced US FDA inspection of one of Intas’ manufacturing sites in Ahmedabad, Gujarat, the company was given a list of observations on FDA Form 483—around data integrity and quality compliance. “...We found a truck full of transparent plastic bags containing shredded documents and black plastic bags mostly containing documents torn randomly into pieces by hand mixed with other scrap materials...” stated the FDA’s compliance record. In a statement sent to *Forbes India*, the company said: “Intas responded to the FDA within the mandated time frame, has since provided two updates and is working with external Good Manufacturing Practice (GMP) consultants on a baseline assessment and robust remediation plan to fully address the observations.” At the time of writing, sources state that there was another ongoing US FDA inspection at one of Intas’s manufacturing plants.

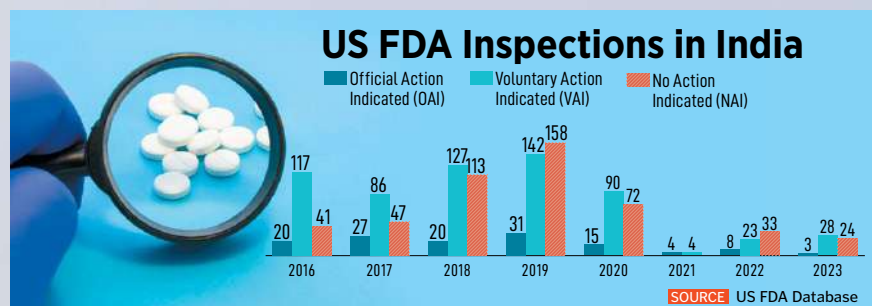
A few weeks ago, Sun Pharma announced that it has hit pause on releasing US-bound drugs produced at its Mohali manufacturing operations in India, after receiving a ‘Consent Decree Correspondence/Non-compliance Letter’ from the US FDA—it is an agreement or settlement that

resolves a dispute between FDA and a company without admission of guilt (in a criminal case) or liability (in a civil case). The regulator has “directed the company to take certain corrective actions at the Mohali facility before releasing further final product batches into the US,” Sun Pharma said in an exchange filing, adding that “the company is taking required corrective steps but there will be a temporary pause in release of batches from Mohali until US FDA mandated measures are implemented.”

Of all the major foreign markets, India has seen the highest number of US FDA inspections—64 in 2022 and 55 in 2023 (so far). This is also because outside of the US, India has the highest number of US FDA approved manufacturing plants: 1,079. While the volume of drug manufacturing activity in India stands out in terms of its scope and scale, the manufacturing and quality challenges encountered by the FDA’s investigators here are largely similar to those seen around the world. But the stakes are higher here due to the sheer scale, and India’s title of ‘pharmacy of the world’. So what can be done to protect India’s moniker?

REGULATORY CHALLENGES

Indian pharma has often been under the regulator’s scrutiny—either there are Form 483 observations on certain facilities, warning letters issued or import alerts. The US FDA has mandatory planned inspections every couple of years as well as unannounced investigations. Recently, there have been quite a few, mostly due to the lack of inspections



Number of Inspections by the US FDA in Major Markets

Year	United States	India	United Kingdom	Canada	Germany	Other countries
2016	1583	178	40	67	76	703
2017	1459	160	50	76	70	649
2018	1463	260	23	61	66	706
2019	1396	331	43	86	75	668
2020	792	177	19	33	33	239
2021	721	8	17	1	24	91
2022	811	64	21	29	26	170
2023	291	55	3	24	6	105

SOURCE US FDA Database

during the Covid-19 pandemic.

Even then, why the repeated lapses in regulations?

In the US generics market, every innovator drug has a period of exclusivity. When this period is about to end, generics makers file for an abbreviated new drug application (ANDA) for the review and potential approval of a generic drug product. “There is an exclusivity period of about six months—where no other company can enter the market—for the company that files the ANDA first,” explains Sanjit Singh Lamba, managing partner, Trillyum Consulting and Advisory, adding, “This is what makes companies do whatever it takes to be first.” Often this exclusivity is shared by multiple players in the market—depending on how many file. Lately, the number for certain generics’ ANDAs have been as high as 15-20 companies.

Innovator companies take close to three to four years to develop a particular formulation. “But,” explains Lamba, “there are companies that attempt to develop that same drug within 9 to 12 months.” According to Lamba, for most planned inspections pharma companies tidy themselves up but it is during the unannounced inspections that they may get caught. Experts say failure to comply with the US FDA regulations is likely to endanger the opportunities for Indian companies in the generics market.

The US FDA over the years has constantly been raising the bar

on compliance norms to improve the quality of drugs. The regulator stated in an email to *Forbes India* that, “The FDA is committed to collaborating closely with industry and governments to support access to safe, effective, and high-quality medications manufactured in India. We believe it is critical that India’s regulatory infrastructure keeps pace with the growth of the drug manufacturing industry in India to ensure that relevant quality and safety standards are met.”

Pharma companies reckon they are doing everything in their power to live up to the US FDA’s regulatory standards. Priyanka Chigurupati, executive director of Granules Pharmaceuticals and Granules USA says, “We are working in a regulatory

environment in which adherence to standards of quality and compliance is mandatory, the failure of which could adversely affect our business performance and loss of business. Our mitigation strategy is directed towards strengthening our capabilities by continuous learning and development initiatives on best practices and regular audits to stay in tune with ever evolving regulatory expectations.”

The company is a 100 percent generics player and supplies pharmaceutical products to 300+ customers in 80+ countries—88 percent of its total revenue comes from exports, of which 50 percent is from the US market.

Maintaining good manufacturing practices, however, adds to the cost of manufacturing—both capital expenditure and operational expenditure. Eban writes: “Some in the industry claim that it costs about 25 percent more to follow good manufacturing practices required for regulated markets like the United States... How can you maintain quality when a brand-name pill that costs \$14 one day is going to cost 4 cents as a generic the next day?”

“Costs are increasing, but prices are dropping due to increased competition and growing bargaining power of buyers. In an attempt to cope with the drop in value, companies have been trying to increase the volume of products, which makes managing regulatory compliance even tougher,” says Vishal Manchanda, senior vice president - Institutional Research, Systematix Group.

Sources suggest that the increasing regulatory scrutiny could have something to do with the US Big Pharma lobbying against Indian generics manufacturers. Additionally, there is the ‘Failure to Supply’ clause, “which means that if a company has committed a certain volume, and fails to supply the same they will be charged a large penalty—usually 2x or 3x of the committed volume. It often becomes challenging for companies to manage compliance under such

Common Citations by the US FDA for Indian Pharma Manufacturing Plants*



Absence of written procedures



Lack of scientifically sound laboratory controls



Procedures for sterile drug products not established, written and followed



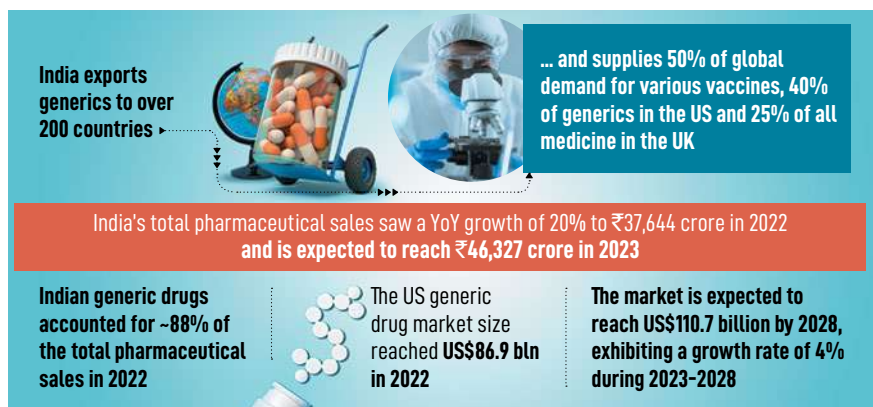
Lack of training and education for employees engaged in manufacturing processes



Equipment and utensils are not cleaned, maintained and sanitised at appropriate intervals

*Plants in India

SOURCE US FDA Database



SOURCE IBEF; GlobalData Healthcare Forecast; IMARC Group

immense pressures. Companies fill their capacities to the best utilisation levels which leave little or no flexibility in managing production schedules to deal with compliance or quality problems that need detailed investigations,” Manchanda says.

GROWING PRICING PRESSURES

Regulatory scrutiny is only one part of the problem.

More recently, pharma giants are facing massive pricing pressure in the United States, leading to reduced profitability. Reason? “The pricing pressure is the result of customer consolidation, increased competition, and recent measures by the US government to lower drug prices for customers. We believe the resulting price erosion will lead to consolidation towards the stronger generics players,” says Chigurupati.

There are three main wholesalers, AmerisourceBergen, Cardinal Health, and McKesson Corporation that account for more than 90 percent of wholesale drug distribution in the United States. With multiple suppliers, wholesalers end up having a lot of bargaining power. “Additionally, there are always new suppliers, who are willing to drop prices further to enter the market. So wholesalers negotiate with the existing players to offer the same price, for them to retain their existing market share—hence constantly hitting the prices,” says Manchanda. This leads to almost

90 percent price erosion, from the price at which the innovator sold the drug versus the generic drug prices.

“It’s not just the wholesalers or the price wars, but also pressure from the US government to lower drug prices, making health care a lot more affordable for American people,” says Shyam Bishen, head, Centre for Health and Healthcare and member of executive committee, World Economic Forum. The US government is currently highly reliant on India for generics, and according to experts, is looking to reduce their dependency on India, but promoting pharma companies from emerging markets, too.

Channel consolidation in the US has led to the sharp headwinds for this industry, causing the market to erode by about 10 percent over five years. “Similarly, a patriotic fervour in several geographies is causing the industry to refresh their strategic priorities... Further, inflation in recent times has caused imbalances in the cost structure which the industry is finding difficult to pass on to channel partners,” says Ramesh Swaminathan, executive director, global CFO and head of corporate affairs, Lupin. To deal with these increasing pricing pressures, the company is trying to improve operational efficiency and reduce costs throughout the value chain. “This includes optimising supply chain management, streamlining manufacturing processes,

and reducing administrative expenses,” adds Swaminathan.

As prices are dropping, costs are only increasing. According to sources, it costs almost \$5 million to formulate one generic drug, before filing for the ANDA. Apart from the five-year exclusivity that the innovator-led company gets, they also have multiple patents that have been filed per innovator drug. The only way to get past those patents is a litigation battle, meaning a large chunk of the huge sum also includes these litigation fees, for the generics company. Once they settle, the generics maker sets up a facility that the US FDA comes to inspect. It is only post clearance the manufacturing begins.

HIGH RELIANCE ON API IMPORTS

While prices are dropping, cost of manufacturing is on the rise.

Raw material imports is a massive challenge for Indian pharma. “Chinese manufacturers continue to own most key starting materials and Active Pharmaceutical Ingredients (APIs)—which is the main ingredient for drug making—which forces Indian pharma to depend on them heavily for raw materials,” adds Bishen. According to news reports, nearly 70 per cent of the country’s APIs are imported from China; this dependence is around 90 per cent for certain life-saving antibiotics such as cephalosporins, azithromycin and penicillin.

As per data from the Ministry of Chemicals and Fertilisers, the import of bulk drugs or APIs and drug intermediates from China rose 20 per cent from FY21 to ₹23,273 crore in FY22, which was 66 percent of India’s total imports of medical products. Says Bishen, “The country needs to figure out a way to bring back manufacturing of key APIs and bulk drug intermediates to India. Some companies have already started doing this, but this would need strong government support.”

In an attempt to reduce dependency on China, many large pharma players are acquiring API players in India or setting up their own API production units. This allows cost of manufacturing per generic pill to drop significantly, hence increasing volumes. The government is also pushing for the Production Linked Incentive (PLI) scheme for promotion of domestic manufacturing of critical Key Starting Materials (KSMs)/ Drug Intermediates (DIs) and APIs in India.

Cost of manufacturing has been increasing and prices are dropping, which means value per generic drug is low. In an attempt to compensate for this, drug makers are trying to increase volume—either formulating various forms of the same drug or increasing the number of generics sold. This in turn leads to a lot more quality compliance measures. “It is a vicious cycle. The generics drug industry is a volume game, not a value game,” says Manchanda.

HEDGING ITS BETS

Experts reckon that the US generics market has delivered muted growth in the last couple of years. “Of late large generics manufacturers in India reported sizeable impairment losses and discontinued certain products or segments due to lower earning potential leading to muted revenue growth,” adds Roma Garg, managing consultant at data analytics and consulting company GlobalData.

In an attempt to find a way around this, many companies are now moving into the space of specialty generics to decrease their dependence on generics—which means there are fewer chances of price erosion. Sun Pharma—one of the largest generics players—has now built an innovation-led global speciality business as an additional engine of growth. The speciality generics business accounts for 13-15 percent of its revenue.

“We are currently marketing 26 specialty products across markets, including the US, Europe, Japan,

Australia, Israel and India. In FY22, our global specialty sales grew by 39 percent to reach US\$674 million. Our global specialty sales in the first 9 months of this fiscal were US\$627 million,” a Sun Pharma spokesperson said. The company is investing to scale up this business, especially in its core therapy areas of dermatology, ophthalmology and onco-derm.

Similarly, Lupin has a portfolio of over 200 products, including several complex generics and niche products. “The focus in the US is however pivoting to more complex therapies

value chain,” adds Chigurupati.

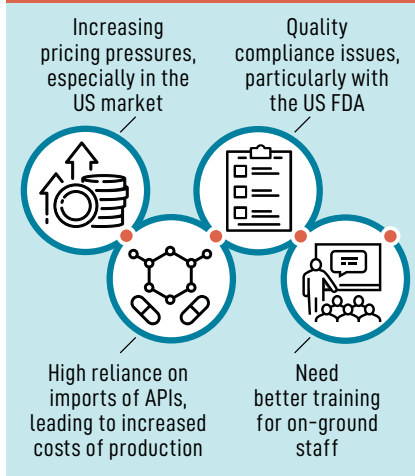
Indian pharma is also trying to hedge its bets by looking at geographies outside the US. “To repair these losses [in the US] Indian pharmaceutical generics manufacturers are trying to diversify their focus more on emerging markets such as Russia, other developing EU countries etc,” explains Garg.

While companies are looking at emerging markets, the US generics market touched US\$ 86.9 billion in 2022, as per IMARC Group, hence it cannot be avoided. “Companies have been consistently trying to reduce dependence in the US. But it’s very difficult, because about 30-40 percent of their revenue comes from the US,” says Manchanda. For large companies such as Lupin, the US market continues to be the largest revenue generator for the company, accounting for approximately 36 percent of its total revenues as per Q3 FY2023 financials.

Pharma players are also looking at ways to improve digital adoption for sales and marketing and optimising research and development spends through technology advancement, such as leveraging AI-enabled drug discovery to help with faster market entry. Additionally, says Garg, “Certain Indian pharma companies have taken initiatives to invest in health care adjacencies, like Lupin and Torrent Pharma invested in diagnostics while Zydus started the acquisition of a multi-specialty hospital. This could help to cater to underserved tier II and III cities in India,” he says.

Though generics manufacturing is far more expensive, and far less profitable, the volumes, particularly from the US markets, are allowing pharma giants to make a large chunk of their revenue from generics. But will this continue? In the near future, probably. Adds Manchanda: “Generics as a segment has a cap to how much it can grow. Eventually every pharma company will need to get into innovation to grow beyond a point.”

Challenges Indian Generic Makers are Facing



like inhalers, complex injectables and biosimilars,” says Swaminathan. These drugs typically face less competition, allowing companies to maintain higher prices and margins. “Additionally, Lupin has been expanding its pipeline of specialty products, including biosimilars and inhalation products, which have higher barriers to entry and lower competition,” he adds.

Granules is also expanding by venturing into new businesses beyond oral solid dosage forms. So far their growth in the US has been in prescription drugs and the OTC segment. “We are moving from offering API to pure play formulations and making our presence felt and moving up the



GJEPC ARTISAN AWARDS: ART MEETS JEWELLERY DESIGNS



Artisan Award winner Arunava Chakraborty receives trophy from Ms. Mira Kapoor, Mr. Vipul Shah, Chairman, GJEPC (2nd from Right); Mr. Milan Chokshi, Convener of Promotions & Marketing, GJEPC (Extreme Left); & Mr. Sabyasachi Ray, ED, GJEPC (Extreme Right).

In a grand event held in Mumbai, the Gem and Jewellery Export Promotion Council of India (GJEPC) unveiled the winners of the highly anticipated 6th edition of Artisan Awards 2023, the country's esteemed jewellery design competition.

This prestigious event, organized by GJEPC, showcased the exceptional talent and creativity of jewellery designers from across the nation and around the world. Artisan Awards is an endeavour that aims to provide a platform for creative jewellery designers and industry professionals to maximise their individualistic and creative ideas in jewellery design.

Artisan Awards 2023 is powered by GIA - Gemological Institute of America, The World's Foremost Authority in Gemology.

Since its inception, the Artisan Awards has received a total of 4,200 submissions. This year, Artisan Awards witnessed over 600 entries pouring in from 26 cities across India, as well as from regions abroad, including the Middle East, North America, and Europe.

The Theme of The Artisan Awards 2023 was indiamoderne - the world of art meets modern jewellery. The theme was further divided into three distinct categories with each focusing on different genre, namely, Art of Abstraction, Art of Sculpture, and Art of Print.

Vipul Shah, Chairman, GJEPC, commented, "While India's global leadership in the gem & jewellery business is an established fact, we need to shape the future where India is revered for its aesthetic artistry, design innovation and commitment to exquisite craftsmanship. To cater to the evolving demands of the global market, we need a fresh wave of young and talented designers who eulogise the preferences of the millennial and Generation Z consumers. Their innovative approaches and creative sensibilities will shape the industry's future trajectory."

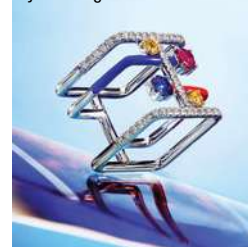
Milan Chokshi, Convener of the Promotion, Marketing & Business Development Sub-committee, GJEPC, added, "Every year, we strive to exceed expectations and inspire participants to unleash their creativity and showcase their individuality through The Artisan Awards. By pushing the boundaries of conventional jewellery-making, we seek to create designs that captivate both the domestic and global markets. May the passion, dedication, and creativity of our talented designers ignite a flame within us all, propelling us to pursue excellence and redefine the boundaries of artistic expression!"

The esteemed jury members for Artisan Awards 2023 were Mira Kapoor, Content Creator & Jewellery Connoisseur; Aparajita Jain, Director and Co-owner, Nature Morte Gallery; Priyanka Khanna, Author; Nikhil Mehra, Fashion Designer, Shantnu

& Nikhil; Sajil Shah, Jewellery Artist & Founder, Sajjante; Pernia Qureshi, Co-Founder, Saritoria; and Sriram Natarajan, Managing Director, GIA India.

Mira Kapoor, Content Creator & Jewellery Connoisseur, commented, "Jewellery has always been integral to our culture, and we've seen it evolve over time. The Artisan Awards is actually spearheading this initiative, and lending support to jewellery designers to think out of the box, and not be limited by money or by what sells in the market, but just think freely when it comes to creativity. That's when the magic happens. I've seen some truly unique pieces, which I've never seen before and I'm really happy to part of the jury. It's great that GJEPC is giving this kind of platform to upcoming jewellery designers."

ART OF ABSTRACTION
Winner - Art of Abstraction
Mahima Kothari, Manufactured
by KP Sanghvi Jewels Pvt. Ltd.



Shruti Agrawal
(Student, IIG)
Manufactured by Laxmi
Diamonds, Bengaluru



HERE ARE THE WINNERS & FINALISTS OF THE ARTISAN AWARDS 2023:

ART OF ABSTRACTION

Winner - Art of Abstraction: Mahima Kothari
Manufactured by KP Sanghvi Jewels Pvt. Ltd.

First Runner-up – Art of Abstraction
Tuhin Ghosh (Student, IIGJ Mumbai)
Manufactured by Laxmi Dia Jewel Pvt. Ltd.

Second Runner-up – Art of Abstraction
Gopal Pramanik, Manufactured by Romil Jewellery

ART OF SCULPTURE

Winner - Art of Sculpture: Arunava Chakraborty
Manufactured by Titan Company Limited

First Runner-up – Art of Sculpture
Priya Das, Manufactured by KP Sanghvi Jewels Pvt. Ltd.

Second Runner-up – Art of Sculpture
Shruti Agrawal (Student, IIG)
Manufactured by Laxmi Diamonds, Bengaluru

ART OF PRINT

Winner - Art of Print: Bhautik Sakadasariya
Manufactured by EON Jewellery

First Runner-up – Art of Print
Jatin Kohli, Manufactured by Laxmi Dia Jewel Pvt. Ltd.

Second Runner-up – Art of Print:
Suryadeb Ghosh,
Manufactured by Gehna Jewellers Pvt. Ltd.

How to Beat the Market

The total AUM of domestic quant funds rose nearly 180 times in five years. Can eliminating human emotions of greed and fear help fund managers consistently outperform the market?

By NEHA BOTHRA



In 1987, the Oracle of Omaha, Warren Buffet, wasn't enthused about the emergence of high-tech stock picking. In a letter to Berkshire Hathaway investors, he wrote, "In my opinion, investment success will not be produced by arcane formulae, computer programs or signals flashed by the price behaviour of stocks and markets. An investor will succeed by coupling good business judgement with an ability to insulate his thoughts and behaviour

from the super-contagious emotions that swirl about the marketplace."

For context, this was the time when early quantitative or tech-powered strategies were being tested by US money managers. In contrast, over 30 years later, around 35 percent of the total US market capitalisation of over \$25 trillion is owned by quant-driven funds, and active and passive funds roughly comprise 15 percent and 50 percent respectively.

The story in India is strikingly different. In 2007, the AUM of quant

funds was ₹163 crore, and increased to ₹260 crore in 2017. In 2018, the corpus of quant funds leaped from ₹136 crore to ₹24,330 crore in 2022. The 180x rise in five years is due to the interplay between several key developments.

WHAT IS QUANTITATIVE INVESTING?

"Quantitative [or quant] investing uses algorithms to analyse data (such as valuations, quality, liquidity, yields and the speed of price changes) and systematically makes trades based on this analysis. By definition,

it means trades are grounded in historical data,” explains Morgan Stanley’s global head of quantitative research, Vishy Tirupattur.

In the early ’90s, Punita Kumar Sinha, co-founder of Pacific Paradigm Advisors and ParadigmARQ Advisors, witnessed the evolution of quant methods in the US first hand when she worked with one of the pioneers in the field of quantitative investing—Legg Mason at Boston-based investment firm Batterymarch. A first of its kind, the Batterymarch Emerging Markets Fund deployed several multi-factor quant models in the mid-’90s.

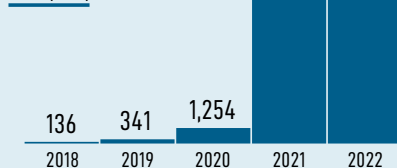
“But we found there was not enough quality data in emerging markets and in India, in those days, and a lot of fundamental work was required, but now there is much better quality data available and much more liquidity and depth in the markets and the derivative markets as well. The reporting practices of companies have improved and we can model financial data to uncover patterns and relationships which you can then exploit in a portfolio context,” Sinha says.

In 2012, Sinha set up Pacific Paradigm Advisors, an investment management firm focussed on fundamental strategies in Asia. Now, Sinha feels the stage is set for quantitative methods to meaningfully pick up in India. In line with this, along with Ray Prasad, a veteran quantitative investor who was the head of emerging market investments

Quant Funds in India

TOTAL AUM UP ~180X IN 5 YEARS

AUM (₹ cr)



SOURCE: Ace MF as on 27 January, 2023; Prabhudas Lilladher

at Batterymarch, Sinha co-founded ParadigmARQ Advisors, a boutique quantitative investment firm, last year.

Although domestic funds have been late entrants in this domain, Siddharth Vora, head of quant investment strategies and fund manager, PMS, Prabhudas Lilladher, believes quant investing is the future of investing.

“Better talent, technology and availability of data are the starting points for the quant ecosystem to explode. These, coupled with under performance of actively managed funds and more awareness of the consistency, predictability, and sophistication of quant investment strategies compared to actively managed strategies will pave the way for quantitative investing to become mainstream in India,” asserts Vora.

Sankaranarayanan Krishnan, quant fund manager, PMS and AIF schemes, Motilal Oswal AMC, says many fund

houses have started incorporating quantitative methods. “They have a quant desk or one or two people working on quant strategies. There is incremental interest in how it evolves and no one wants to be left behind. There are a few firms that have done more than others but others are trying to catch up,” he explains.

The total AUM of mutual funds is to the tune of ₹40 lakh crore and quant funds comprise less than a percent in India. Quant funds are available to HNIs and small retail investors across several asset management segments including PMS, AIF, and factor-based index funds.

THE EDGE

Unlike active or fundamental investing, which relies on the skill and judgement of a fund manager at each stage of the investment process, quant investing is driven by tech-enabled investment models and minutely defined rules that are rigorously tested to generate alpha or superior risk-adjusted returns. These strategies can also be powered by AI/ML models to predict outcomes using extensive historical data patterns.

“Active investing is like cooking without a recipe. You will have to rely on your art or experience to cook a dish with a possibility that the taste might differ every time. But quant investing is like cooking with a recipe; we collect data and follow rules to work on that data. The rules or processes ensure consistency in investment returns,” says Vora.

Once the extensive range of data is synthesised and the model is designed to achieve a stated objective, the ‘output’ or buying and selling decisions, is put to test across market and economic cycles to gauge the effectiveness of the model in terms of risk and return, for instance, and is fine-tuned. The risk and return are primarily driven by macro factors such as interest rates, inflation, GDP growth, and equity factors like a company’s m-cap,

“Now there’s better quality data available, much more liquidity and depth in the markets, and we can model financial data to uncover patterns and relationships in a portfolio context.”

PUNITA KUMAR SINHA, CO-FOUNDER, PARADIGMARQ ADVISORS



All About Returns

Snapshot of a few quant funds

Scheme	Inception year	Corpus (₹cr)	Return since inception (%)	3M return (%)	6M return (%)	1Y return (%)	2Y return (%)	3Y return (%)
Axis Quant Fund (G)	2021	972	7.29	5.46	1.33	18.38	NA	NA
DSP Quant Fund (G)	2019	1,227	12.96	2.46	-1.14	11.30	7.4	21.4
ICICI Pru Quant Fund (G)	2020	56	17.65	2.14	1.37	13.23	9.82	NA
IIFL Quant Fund (G)	2021	60	4.97	5.6	1.78	21.83	NA	NA
Nippon India Quant Fund (G)	2008	36	10.33	3.52	3.06	22.66	13.52	25.96
SBI Equity Minimum Variance Fund (G)	2019	660	9.71	3.07	1.81	23.61	NA	NA
Tata Quant Fund (G)	2020	37	3.03	4.31	3.75	16.71	5.12	14.78
Quant Value Fund (G)	2021	3,533	14.63	3.16	-6.5	15.41	13.23	43.5
Quant ESG Equity Fund (G)	2020	4,062	18.6	3.37	-3.95	16.58	12.16	40.02

SOURCE ACE MF as on 15 May 2023; Prabhudas Lilladher

volatility, value, and momentum.

Vora says quant investing is a better strategy in relation to fundamental investing as it is enabled by a consistent and predictable model, based on data processing, which leads to faster and accurate investment decisions that can be reliably back-tested in different market conditions. “It is not emotional and does not base decisions on greed or fear. The disciplined and unbiased exits thereby reduce downside risks,” he adds.

Prasad believes ParadigmARQ is a pioneer in using the latest techniques and tools in quant investing. He is

reluctant to divulge details. “We put a lot of effort to have clean data and how you construct the model can make a huge difference in how your quant strategy will operate and give returns. Our models add alpha on the long side, stock selection on the short side, as well as on selecting the stocks and asset classes,” Sinha says.

A more preferred ‘quantamental’ strategy is based on human judgement to develop rules and frame the model, and, in effect, combines fundamental, technical, and quantitative methods. Another example of a quant strategy is math and statistics-based models

that hinge on in-depth understanding of data science versus financial markets. Likewise, AI/ML strategies depend on complex algorithms and fundamental data for stock picking.

Sinha believes active, passive, and quant investing styles will co-exist, but quant strategies will have an edge.

“As there are more companies, which have much more data, it is not possible for a fund manager to cover 5,000 to 6,000 companies. As Indian markets become deeper, and the cost of hiring people goes up, you will have to use quantitative methods,” Sinha observes. Vora agrees: “With this, there lies a sweet spot between low-cost passive quant and high-cost active strategies, what we call active quant strategies.”

At present, according to industry data, there are less than 50 quant schemes available to retail investors in India. Quant Money Managers has the largest quant AUM of over ₹14,000 crore, which is roughly 0.1 percent of its total AUM. It has over a dozen quant schemes.

In fact, the Quant Value Fund launched in 2021 returned 14.63 percent since inception and outperformed the benchmark by a wide margin with a three-year return of 43.5 percent (see table). The Quant ESG Equity Fund has among the lowest expense ratio in the industry at 0.5. It was launched in 2020 and returned over 40 percent to investors over a three-year period. Nippon India Quant Fund, one of the earliest domestic quant funds, was launched in 2008 and has returned over 10 percent since its inception.

In general, Morgan Stanley’s quantitative strategists believe markets will continue to be driven by macro themes in 2023 as the global economy transitions from rising policy rates to one in which inflationary pressure recedes and global growth slows. Against this backdrop, value stocks offer better investing opportunities.

“As long as the environment



“Quant investing doesn’t base decisions on greed or fear, so the disciplined and unbiased exits reduce downside risks.”

SIDDHARTH VORA

HEAD OF QUANT INVESTMENT STRATEGIES AND FUND MANAGER- PMS, PRABHUDAS LILLADHER

continues to be favourable for value investing, with market volatility remaining high, investors should concentrate on undervalued stocks of high quality—crossing value filters with quality filters, in quant speak. Value-investing benefits extend to fixed-income value strategies as well,” Tirupattur notes.

THE DARK SIDE

“The strategies based on AI/ML are usually black-box optimisation techniques or models where it’s difficult to attribute the final stock selection to any particular factor,” says Vora. What this means is that AI/ML-based quant models can wreak havoc as fund managers do not have full control over the strategy because it is challenging to pinpoint the factors affecting the trade outcome.

In fact, there are instances of AI-based investing going wrong. For example, recently, two fund houses bore the brunt when markets corrected, and lost 45-50 percent due to optimisation models, says an industry insider.

Though quantitative investing cuts out human bias to refine outcomes, the success of a quant model critically depends on human judgement at the stage of constructing the investment model and the experience of a fund manager in sorting through data and eliminating distortions. “A big risk for quant managers is that it’s easy to get blindsided by data and historical tests, which look interesting and meaningful



“If a quant strategy becomes very popular it can get crowded and lose its edge, but as an investor I must know how to tactically pivot the model.”

SONAM SRIVASTAVA
SMALLCASE MANAGER AND
FOUNDER, WRIGHT RESEARCH

but are actually traps,” says Krishnan.

Another big hurdle, which partly explains why quant techniques are often shrouded in secrecy, is that as more investors implement a strategy it loses its edge in the marketplace. “Let’s say one quant investing strategy, for example momentum, becomes very popular and everybody adopts it. Over time, that strategy will become crowded and it will stop working. My job as an investor is not just to try to find the best strategy, but also to know how to tactically pivot,” says Sonam Srivastava, smallcase manager and founder, Wright Research.

The model is inherently based on volumes of data, which is not indicative of black swan events or unforeseen calamities. Such events can throw the model out of gear and lead to unfavourable outcomes and returns. Besides, active fund managers have their ears to the ground and are quick to respond to market intelligence and qualitative information that

cannot be readily built into quant models on a here-and-now basis.

“The model’s robustness may go down if the quality and timeliness of data isn’t optimal and the model may also be irrelevant if it is not tested for different market cycles,” cautions Vora.

A case in point, in the US, are actively managed funds backed by humans that profited from tech stocks amid an avalanche of liquidity that fuelled growth stocks even as most quant-driven funds were among the top losers as they succumbed to the chaos of an unprecedented pandemic and leading funds such as Renaissance and AQR lost over 30 and 20 percent each.

Once again, in 2009, Buffet wrote in a letter to investors: “Investors should be sceptical of history-based models. Constructed by a nerdy-sounding priesthood using esoteric terms such as beta, gamma, sigma and the like, these models tend to look impressive. Too often, though, investors forget to examine the assumptions behind the symbols. Our advice: Beware of geeks bearing formulas.”

And, for the record, despite decades of heft and clout of quant funds among US investors, it was the Oracle of Omaha’s wisdom and keen understanding of perpetually true investment principles that withstood the testing times of extreme uncertainty and volatility induced by the pandemic in 2020. **F**



“A big risk for quant managers is that it’s easy to get blindsided by data and historical tests that look interesting and meaningful but are actually traps.”

SANKARANARAYANAN KRISHNAN
QUANT FUND MANAGER, PMS AND
AIF SCHEMES, MOTILAL OSWAL AMC

Out of The Woods

Small finance banks staged a smart recovery last year. With their feet on the ground and a more diversified lending model, some of these unlisted banks are now getting ready to tap the capital markets

By SAMAR SRIVASTAVA & SALIL PANCHAL

A year ago, an investor would almost certainly have chosen to go short on small finance banks (SFB). As the pandemic took its toll on borrowers, asset quality had trended south. On the other hand, a rising interest cycle threatened to take their cost of funds north.

This perfect storm had resulted in the market pummeling their stocks. The listed universe (except for AU Small Finance Bank, the largest of its type) traded at or below book value. In effect, the market was valuing these



Munish Jain, CFO at Capital Small Finance Bank, says the bank aims to be a middle-income specialist

businesses only on the basis of the cash they had today. Simply put, it was unwilling to pay for future profits.

Fast forward to the fiscal gone by and these banks have staged a sharp recovery. “Most of these SFBs still have a reasonably large microfinance portfolio and the key reason for their performance being better is the improvement in the operating dynamics of that sector,” says Krishnan Sitaraman, senior director and chief ratings officer at CRISIL Ratings.

Net non-performing assets are down sharply for the sector and profitability has rebounded aided in part by write backs (see chart). An improving business environment could see the banks doing a lot better in FY24. The market has in the last month started pricing in future growth.

Equitas SFB hit a record net profit of ₹190 crore for the quarter ended March 31, as loan disbursements grew by 80 percent in the quarter. The smaller Suryoday SFB swung into a net profit of ₹50.2 crore, against a net loss of ₹63.6 crore in the March-ended quarter, reflecting investor confidence in the bank. Suryoday now trades at ₹139, close to its 52-week intra-day high of ₹140 on May 17. Same for Equitas. At ₹82, it trades at its highest ever price. The stock has doubled in the last year and the market now values it at 2.5 times book value.

Rival Ujjivan SFB has also seen a year-on-year 145 percent jump in net profit to ₹309.5 crore, on revenues of ₹1,364 crore.

Banks have also used this opportunity to diversify beyond their core microfinance offering. Personal loans, financial institutional group (FIG) lending and housing reflected the sharpest annual growth. AU SFB (AU and Capital SFB are the only two banks with no microfinance portfolio) beat analysts’ expectations with a 23 percent y-o-y jump in net profit of ₹424.6 crore for the same March-ended quarter.

THE MIDDLE-INCOME SPECIALIST

This is also a time when banks are further honing (and differentiating) their business strategies. Take, for instance, Capital Small Finance Bank. The Jalandhar-based bank was the first SFB to receive a licence. Prior to that, it was a local area bank operating in three districts of Punjab. The bank started spreading its operations across Punjab and in the last five years has grown its income from ₹293 crore to ₹725 crore—a growth of 19.8 percent a year. In the same period, profits have moved up from ₹19 crore to ₹93 crore—a growth of 37 percent a year. Net worth has climbed from ₹232 crore to ₹610 crore. Asset quality has been stable through the pandemic with a net NPA ratio of 1.4 percent over the last three fiscals.

The bank realises it cannot be all things to all people, and it would have its task cut out in competing with large universal banks due to their lower cost of funds. “We aim to be a middle-income specialist,” says Munish Jain, chief financial officer at Capital Small Finance Bank. The bank will aim to cater to customers

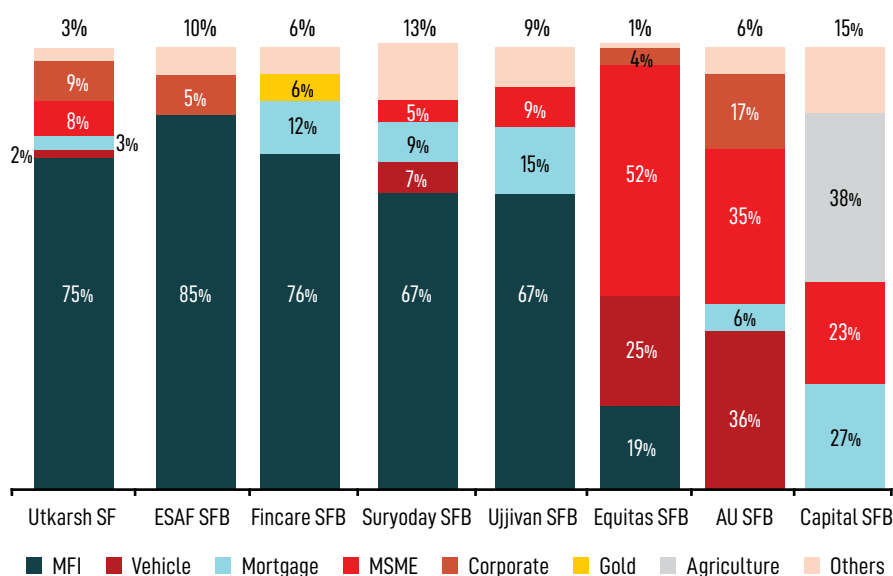
with income of ₹4 lakh to ₹40 lakh per year and build a relationship on both the asset and liability side. “This way we get an early warning if something is going wrong with the customer,” he tells *Forbes India*. It plans to expand close to Punjab where it has a majority of its branches. Its next target is to turn Haryana into a similar success story as Punjab. It also has a presence in Himachal Pradesh, Delhi and Rajasthan.

With the 97.9 percent retail-centric deposit franchise and a CASA (current and savings account) ratio of 42 percent in FY23, it is better placed than several mid-sized regional banks.

Capital SFB’s managing director and CEO Sarvjit Singh Samra believes that as the SFB expands into other states, it would retain its focus of serving those in the semi-urban and rural regions.

The team is quite likely to retain its customer-centric focus, with a strategy to bring the “customer’s cash flows towards the bank”. All of this would help Capital climb in the preferred wallet space of its customer base.

SFBs Move Towards Diversification of Portfolios



• Each segment has witnessed multiple cycles
 • Diversification enables lower systematic risk as compared to industry

SOURCE: Crisil Research Report (Figures as on March 31, 2022)

FROM MICROFINANCE TO SECURED LENDING

The fact that several SFBs have emerged from being microfinance lenders means a majority of their loan book is skewed towards microfinance or MSME loans. Both these portfolios of unsecured loans are harder to make recoveries from when the cycle turns for the worse. Borrowers ask for moratoriums and the new norms from the Reserve Bank of India (RBI) mean instalments must be paid fully before the loan is classified as current.

Unlisted Fincare SFB—which was predominantly a microfinance-focussed entity—has been diversifying its book further to reduce its dependence on this one segment. When Disha Microfin (rechristened Fincare) got a banking licence in March 2017, it had just a 6 percent unsecured lending book and the majority 94 was unsecured (microfinance). This has now become a little more balanced 39:61 percent, but with the majority still unsecured.

Fincare SFB's CFO Keyur Doshi believes the bank has crossed the



Keyur Doshi, CFO, Fincare Small Finance Bank, says the plan is to grow the secured book at a faster pace than the unsecured one

SFBs Gaining Financial Strength

Small Finance Banks	Revenue FY23 (₹Cr)	Revenue FY22 (₹Cr)	% gain	Profit FY23 (₹Cr)	Profit/loss FY22 (₹Cr)	% gain	Mcap (₹Cr)	Listing status
AU	8,205	5,922	38.6	1,428	1,130	26.3	50,858	listed
Equitas	4,162	3,460	20.3	574	281	104.3	9,109	listed
Ujjivan	4,165	2,813	48	1,100	-415	0	6,470	listed
Suryodday	1,184	942	25.7	78	-93	0	1,447	listed
Fincare	1,970	1,644	19.8	103	8	1,187.5		unlisted
Capital	725	632	14.7	93	62	50		unlisted
Shivalik	NA	NA	NA	NA	NA	NA		
Utkarsh	2,804	2,033	38	404	61	562.3		unlisted
ESAF	3,141	2,147	46.3	302	54	459.2		unlisted
Jana	3,699	3,050	21.3	255	5	5,000		unlisted
Unity	NA	NA	NA	NA	NA	NA		
North East	NA	NA	NA	NA	NA	NA		

SOURCE: Company filings, Moneycontrol

phase of “being overdependent on the microfinance sector”. “The MFI sector faced three crises in the last 12 years, but there is an underlying fact that this business has proved to be scalable, economically viable and for social good. One cannot eye this sector from just a limited commercial angle. The sector is slowly evolving, and the joint liability group concept is also getting evolved,” he tells *Forbes India*.

With its roots in microfinance, Fincare's focus to serve the base-of-the-pyramid customers will continue. “But the journey of being a bank will also evolve. From a predominantly MFI-driven entity, we will be going towards a secured business. Over the next three to five years, the unsecured part of the book will go down and secured book will go up. The journey is halfway and there will be further progress. The plan is to grow the secured book at a faster pace than

the unsecured one. Secured products would allow us to build a more diversified lending portfolio,” Doshi says. He is, however, less inclined to share a specific target for the dilution in the microfinance activity.

Fincare SFB has about ₹9,911 crore of assets and ₹8,033 crore of deposits, as of FY23. It operates 1,231 banking outlets in 19 states and three Union Territories, serving 4.5 million clients.

The RBI, too, from a perspective of lowering risks for lending institutions, in March last year granted microfinance firms the ability to lend more towards segments beyond microfinance, by reducing the minimum limit of microfinance loans of total loan assets to 75 percent. This has allowed lending institutions to get a more balanced lending portfolio and lower their exposure to MFI-related risks. As a result, most SFBs are now in the process of reducing their microfinance exposure.

SEEKING GROWTH CAPITAL

Of the 12 SFBs that came up mainly through the microfinance route, almost all have been able to reduce

the cost of their borrowings, diversify into new business areas (commercial vehicle loans, small business loans, personal and gold loans) and take small steps towards becoming universal banks. The RBI mandates that a new SFB must have 25 percent of its total branches opened during the year in rural areas. They also need to allocate 40 percent of their overall advances towards priority sector lending.

In the current set-up, among the 11 banks, the North East Small Finance Bank (concentrated in the seven Northeastern states of India and North Bengal) and Shivalik Small Finance Bank—which transitioned from a co-operative bank—are the two which might be limited in their reach or structure, to expand in a rapid manner. The two have no known plans to tap the capital market.

But for the others, with business models largely intact, some of the SFBs, including Fincare, Capital, ESAF and Jana SFBs, have plans to list in the coming years. As per RBI norms, SFBs have to list within three years of reaching a net worth of ₹500 crore.

In May, Fincare refiled its draft red herring prospectus (DRHP) with the regulator Securities and Exchange Board of India (Sebi), seeking to raise ₹625 crore through a fresh issue and an offer for sale (OFS) of 1.7 crore equity shares by the promoter and investors. The exact timeline for the offering was not disclosed, but it is likely that the bank will not go for another round of private market funding.

Jain and Samra say Capital SFB plans for a listing, but will wait for the “markets to get stabilised”. The bank had filed its red herring prospectus, but the one-year timeline to list expired in February. In the meantime, Capital plans for a smaller offering to private equity investors. “We are looking for growth capital rather than regulatory capital,” Jain says. In April, the bank raised ₹64 crore from a host of investors, including Max Life Insurance, Amicus Capital and Pi Ventures. The fundraising was made easier by a stellar performance in FY23 as well as a 5.1 percent cost of funds (the lowest among any SFB) that allows the bank to be as competitive with its loan products as its larger rivals. ESAF SFB has also filed its DRHP with Sebi.

Most SFBs are well-capitalised at this stage, with a capital adequacy ratio in the 23 to 30 percent range for the listed small finance banks, much higher than the 15 percent capital adequacy ratio (CAR) mandated by the RBI. So, they could wait for some more time until investors start to appreciate the SFB story better.

The shift towards a secured lending book will obviously reduce risks for these banks. And a diversified portfolio will bring some amount of predictability and durability to an SFB’s earnings. If some of these smaller SFBs can replicate their recent successes as they expand operations to other states, it will boost the confidence of their potential investors and price them at par with their (much) larger rivals. **F**



Jalandhar-based Capital Small Finance Bank was a local area bank that now has branches all across Punjab

Boltt VS Boult

Two young brands, Fire-Boltt and Boult Audio, are locked in a high-pitched battle for dominance in India's booming wearables and audio market. Can they outpace market leaders boAt and Noise?

By RAJIV SINGH

Greater Noida, May 12

It was a bolt from the blue for many, including the top dogs, Noise and boAt. An unassuming rival sprinted at an electrifying speed and cornered a staggering market share in smartwatches. From a paltry 0.3 percent in 2020, this little-known bootstrapped brand from Delhi-NCR had grabbed 11.6 percent of the market, making it the third-biggest in the pecking order after Noise and boAt in 2021. "We spread like a wildfire," smiles Arnav Kishore, who co-founded Fire-Boltt along with sister Aayushi in 2015.

For the next five years, the siblings did nothing startling with their wearables brand. Fire-Boltt remained under the radar, and a largely anonymous life suited the co-founders. Then something changed in 2022. "Last year, many did label us as a 'bolt' from the blue," 29-year-old Kishore breaks into a loud guffaw on a Zoom call from Maldives where the second-generation entrepreneur



has been camping for over a week to celebrate his birthday. Last year, the challenger brand notched up 24.8 percent market share, pipping boAt, and was just a step away from the crown. "We knew the party would start soon," he says, alluding to the aspiration of becoming

"Our products are unique compared to our competition. We provide premium quality at a reasonable price."

VARUN GUPTA
CO-FOUNDER, BOULT AUDIO

the biggest in the segment.

In May, the party did start on a big-bang note. In its latest quarterly wearables ranking released by IDC India, Fire-Boltt toppled Noise to become the biggest smartwatch brand in the first quarter of this year. Kishore, though, points out one more and a bigger reason for the wild celebrations. In the overall wearables category—which includes smartwatches, TWS (true wireless stereo), wristbands—Fire-Boltt has become the second biggest by logging a 12.4 percent market share.

DHONI'S HELICOPTER, SKY'S SCOOP, & BRISK SALES

What is startling, though, is the year-on-year leap. Fire-Boltt was 6.6 percent in the first quarter of 2022.

Varun Gupta (left), co-founder of Boulton Audio, and Arnav Kishore, co-founder and CEO, Fire-Boltt

Wearables vs Smartphones



creating a buzz. In the fourth quarter of 2020, the Delhi-NCR-based brand notched up a 4.3 percent share in TWS, making it the fourth-biggest after boAt, Realme and pTron. Over the next few months, its performance got amplified. Last year, Boulton emerged as the third-biggest TWS brand. And in the first quarter—January-March 2023—Boulton toppled Oppo to emerge as the fourth-biggest wearables brand with a 9.3 percent market share. In the TWS segment, where it started its journey, it was the second biggest. In smartwatches, Boulton ranked fifth after Titan.

“Boulton is the second-largest audio company in India selling a headphone every seven seconds,” claims co-founder Varun. The company, he lets on, has sold over 8 million units so far, had actor Vicky Kaushal as an endorser for three years, and has now roped in actor Saif Ali Khan and cricketer Suryakumar Yadav as brand ambassadors. “We are bootstrapped, and yes, very much profitable,” he says, grinning.

HEAR, WEAR, EVERYWHERE

It’s not hard to decode his delight. Thanks to the pandemic, India is in the midst of an explosive growth in the wearables’ market. From just 14.9 million units in 2019, the

“You can call the jump as a helicopter shot,” says the founder, alluding to the trademark shot of MS Dhoni, a brand ambassador for Fire-Boltt.

But when contrasted with the performance of others in the top five wearables brand charts in the first quarter—which includes boAt, Noise and Oppo—there is another unpretentious brand that draws attention for two reasons. First is its name, which sounds similar to Bolt. And the second is its game. It is the fourth-biggest wearables brand, fifth-biggest smartwatch player, and second-biggest TWS brand.

It’s Boulton Audio, a consumer electronic brand rolled out by siblings Varun and Tarun Gupta in 2017. Just like its homophone rival Bolt, Boulton Audio too had a

less-than-modest beginning, and started its innings by launching products in TWS. Even after two years of toil, the newbie didn’t have sufficient numbers to make noise. In 2019, Apple continued to lead TWS with a 43.1 percent market share.

A year later, though, Boulton started

“An explosive product portfolio, aggressive marketing and innovation give us an edge over our competitors.”

ARNAV KISHORE
CO-FOUNDER AND CEO, FIRE-BOLTT

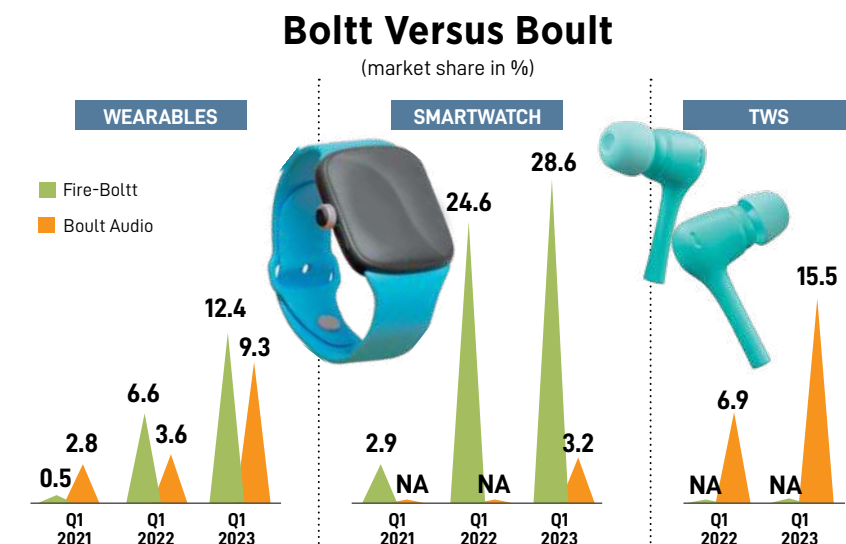
market ballooned to 100 million units last year. And a chunk of the growth is driven by the earwear segment, which saw a massive 68.8 million shipped in India in 2022. The corresponding number for 2021 was 53.7 million. The second-biggest item in the wearables was smartwatches with 30.7 million last year compared to 12.2 million in 2021.

But this monstrous expansion in the wearables market is not just because of the pandemic. Had it been so, smartphones would not have registered a pedestrian growth during the same period. In fact, the mobile market dipped last year. From 152.5 million smartphones in 2019, the market swelled to 161 million in 2021, and then fell to 144 million last year. What explains the hockey-stick growth of wearables?

A boom in wearables has money behind it. Their selling price (ASP) of smartwatches has continuously crashed from a high of \$122.1 (around ₹10,035) in 2020 to \$61.2 (₹5,034) in 2021, and \$42.5 (₹3,495) in 2022. In fact, in the first quarter of 2023, when smartwatches was the fastest-growing wearables category and shipped 10.4 million, the ASP dipped to \$29.2 (₹2,401). The share of basic smartwatches—unlike Apple and Samsung, basic ones don't support third-party apps, and carry a price tag of as low as ₹999—has grown to a staggering 98 percent. This explains why brands like Apple and Samsung are conspicuously missing from the top pecking order.

Analysts explain how Indian brands are fuelling the growth of wearables. Improved supplies, leaner inventory, multiple new launches, faster portfolio refresh, and affordable products are the magic ingredients behind the eye-popping growth story, they reckon.

Brands, analyst Upasana Joshi points out in IDC India's quarterly update, are bringing a variety of smartwatch models with metal straps and casing, circular dials, rugged



finish, and premium designs. Clubbed with advanced communication features like LTE (it helps you receive calls and messages without being connected to a phone), digital payment options, and more accurate sensors and algorithms, brands are attracting new smartwatch consumers as well as fuelling refresh buying. "In 2023, the smartwatch market will

cross 50 million units," Joshi predicts. Earwear, too, has a similar story. The average selling price in TWS nosedived from \$43.6 (₹3,586) in 2020 to \$20.4 (₹1,678) in the first quarter.

Meanwhile, Fire-Boltt and Boulton are on an upswing. Navkendar Singh, associate vice president (devices research) at IDC, explains what works for them. Fire-Boltt has sharply focussed on smartwatches, has an expansive and deep offline presence, keeps a high inventory, has a much faster portfolio refresh as compared to rivals, and specialises in dozens of launches per month. "It has rolled out over 40 models till April," he says. Add aggressive marketing, strong promotions and competitive pricing, and you get the biggest smartwatch brand, and the second-biggest wearable brand in India.

Though Boulton Audio started with audio (TWS) products and is relatively new to the smartwatch party, it has grown at a rapid clip to corner 3.2 percent market share and become the fifth-biggest in smartwatches and fourth-biggest in wearables. What's helping Boulton, Singh explains, is its dominant position in TWS, a vigorous online play, low-inventory model, rapid portfolio refresh and rolling out affordable products that have a

The X-Factors

FIRE-BOLTT

- Sharp focus on smartwatch
- Deep offline presence
- High inventory
- Faster portfolio refresh
- Dozens of launches per month

BOULT AUDIO

- Traditionally an audio brand and new to the smartwatch category
- Is dominating TWS (true wireless stereo)
- Aggressive online presence
- Products have premium feel
- Works on low inventory stock

premium feel and look. “They (Bolt and Boul) are mavericks and price warriors. They have identified the gaps in the market, are aggressive and nimble,” he reckons.

PRICE WARRIORS OR BRAND CREATORS?

They are mavericks, price warriors, aggressive and got big names to endorse their products. But are they brands? Or are they merely playing their cards well in a market that has been commoditised beyond recognition? Or are they beneficiaries of a trend in the wearables market that has an insanely low-entry barrier, and where anybody loading rich features and selling it cheap can become a volume killer? Yunus Khan, Ravi Yadav and Kusum Gupta in Greater Noida, Uttar Pradesh, perhaps have an answer.

A security guard at one of the gated housing societies in Greater Noida (west), Khan, 26, earns around ₹10,000 per month. He recently swapped his analog watch for a maiden smartwatch. There were three reasons. First, his friends bought one. Second, he wanted to keep track of his steps, blood pressure and fitness. And third, it came cheap. “I bought one for ₹999 from Flipkart,” he says, adding that the watch came at a discount of 85 percent. “Which brand is it?” I ask? “I was looking for the cheapest watch. This looked good and is working well,” he says, flaunting his watch, which happens to be one of the top five brands.

Yadav, 19, too went for the lowest price model. Preparing for his engineering exam, he was looking for an affordable wireless headphone. Though there were many under ₹300, Yadav settled for one priced at ₹900. “I wanted something that looked classy,” he says, but doesn’t remember the name. He is certain that he will soon buy another one. “I’ll use it for a few months and then go for a new one. It won’t burn a hole in your pocket,” he adds. Gupta, 36,

How The Challengers are Climbling up The Pecking Order...

2022

TOP 5 WEARABLES BRANDS (2021 market share in bracket)

- 1 boAt: **29.3%** (39.3)
- 2 Noise: **12.2%** (7.6%)
- 3 OnePlus: **8.7%** (7.9%)
- 4 Fire-Boltt: **8.1%** (2.1%)
- 5 Realme: **4.2%** (6.4%)

TOP 5 SMARTWATCH BRANDS

- 1 Noise: **27.2%** (27%)
- 2 Fire-Boltt: **24.8%** (11.6%)
- 3 boAt: **18.8%** (25.1%)
- 4 Samsung: **2.6%** (2.6%)
- 5 Titan: **2.4%** (0.1%)

TOP 5 TWS BRANDS

- 1 boAt: **38.5%** (39.3)
- 2 Noise: **8%** (7.5%)
- 3 Boul Audio: **6.4%** (4.3%)
- 4 Seminole (Mivi): **6.3%** (1%)
- 5 OnePlus: **5.5%** (3.6%)



...And How The Pace Has Gathered Steam Over The Last Two Quarters

TOP 5 WEARABLES BRANDS Q12023

- 1 boAt: **25.6%**
- 2 Fire-Boltt: **12.4%**
- 3 Noise: **11.9%**
- 4 Boul Audio: **9.3%**
- 5 Oppo: **4.7%**

Q4 2022

- 1 boAt: **23.9%**
- 2 Noise: **11.2%**
- 3 OnePlus: **10.2%**
- 4 Fire-Boltt: **8.7%**
- 5 Realme: **2.5%**

TOP 5 SMARTWATCH BRANDS

- 1 Fire-Boltt: **28.6%**
- 2 Noise: **21.6%**
- 3 boAt: **17.5%**
- 4 Titan: **3.3%**
- 5 Boul Audio: **3.2%**

Q4 2022

- 1 Noise: **24.6%**
- 2 Fire-Boltt: **23%**
- 3 boAt: **18.2%**
- 4 Samsung: **1.8%**
- 5 Titan: **3.1%**

TOP 5 TWS BRANDS Q12023

- 1 boAt: **38.6%**
- 2 Boul Audio: **15.5%**
- 3 pTron: **7.3%**
- 4 Oppo: **6.4%**
- 5 Noise: **6.4%**

Q4 2022

- 1 boAt: **32.8%**
- 2 Noise: **5.3%**
- 3 Boul Audio: **11.9%**
- 4 Seminole (Mivi): **7.5%**
- 5 OnePlus: **5.2%**

SOURCE IDC

is a chef, who runs a small kitchen, and makes over ₹35,000 every month. “Every smartwatch looks the same from the outside,” she says. “So why spend more on buying a brand?”

Marketing and branding experts explain this curse of the wearables market. “It’s a white label market. And everybody looks the same,” reckons Harish Bijoor, who runs an eponymous brand consulting firm. A white-label market, he

underlines, is one where products are made by a third-party, and the companies just have their branding.

Over a decade back, he lets on, the smartphone market in India mirrored a similar picture. An army of homegrown Indian brands cropped up, bought phones from China, assembled them in India and sold them under their respective branding. Maxx, Supermax, Micromax and all me-toos looked the same. “The

Thunderbolt Behind Fire-Boltt

How Anil Jagasia-backed Savex Technologies is helping Fire-Boltt master the retail game



From a meagre 0.3 percent market share in 2020 to a dominating 28.6 percent in the first quarter of 2023, Fire-Boltt's race to the top of the smartwatch ladder has been staggering. If you are wondering how the spark morphed into a wildfire, here's the wind that played its part: Savex Technologies.

What's the connection between Fire-Boltt and Savex? The answer lies in an inconspicuous sentence buried under the 'terms & conditions' section of the website of Fire-Boltt. "This website is operated by Savex Technologies Private Limited," reads one of the clauses. Arnav Kishore, co-founder of Fire-Boltt, joins the dots. "Fire-Boltt is incubated and exclusively distributed in India by Savex Technologies," he says, adding that the company doesn't have any equity in Fire-Boltt.

Started in 1988 and promoted by Anil Jagasia, Savex is one of the largest ICT (Information and Communications Technology) product distributors in India that counts Samsung, HP India, HP Enterprise, Lenovo and many other brands

and companies as its key principals (clients). Based out of Mumbai, Savex has 86 sales offices, 42 warehousing and stocking locations catering to over 750 cities in India, and an operating revenue of ₹23,725 crore in FY22, according to a credit rating note by Crisil in January.

The group doubled its revenue—from ₹11,975 crore in FY19 to ₹23,725 crore in FY22, Crisil highlights in its note. The company's product portfolio is spread across mobility, desktops, notebooks, enterprise, printers, peripherals and other IT products and services. While Samsung, HP India, HP Enterprise and Lenovo contribute around 80 to 90 percent to the sales of the Savex group, product categories such as mobiles, notebooks and desktops contribute 80 to 85 percent, points out the report by Crisil.

A rich history in the telecom distribution business has helped Savex build its empire. While Jagasia, the note says, has an experience of over three decades in the business, the management team's track record in technology and telecom products' distribution business has helped it develop strong relationships with distribution partners. Raunak Jagasia, the second generation of the promoter family, is actively involved in the daily operations. Raunak is married to Aayushi Kishore, co-founder of Fire-Boltt.

same trend is getting repeated in audio and wearables," he says, adding that white labels have wiped out quality brands such as Bose, JBL, Harman out of the market.

"What you see in the market today and ruling the charts are labels. They are not brands," he continues, adding that on one hand, customer stickiness is missing, and on the other, there is no brand love and aspiration. "The cheapest survive, and flourish," he says.

For Fire-Boltt and Boulton Audio, manoeuvring the white-label market is going to be their biggest trial by fire. Faisal Kawoosa, founder of techARC, explains. "If brand A has got X, Y and Z, then brand B also has X, Y and Z. There is no differentiation," reckons the analyst. And if price is the only factor, then anybody can enter the market, bring down the price, and gain volumes.

Kishore and Varun reckon that they are not in the business of selling products. "Fire-Boltt is a brand that has consumers' love," says Kishore. If selling cheap was the only trick, he underlines, the brand would have become the biggest from the first year,

Quite Earful, Watch This Space

Earwear and smartwatches have grown at a brisk pace over the last two years. In the first quarter of 2023, the trend has only gathered pace

12 months versus 12 months



Q1 versus Q1



and not in its eighth year. One of the biggest drivers of our growth, Kishore points out, is the ability of the brand to foresee gaps in the market and capture those segments by innovating on first-in-segment wearables. "We have been constantly introducing newer categories in the budget segment. This gives a personalised experience to the users," he says, adding that the company recently introduced the luxe category that targets fashion-conscious customers who see smartwatches as more than just a tech product.

Varun says the brand has always been consumer-centric. "We keep ourselves updated with the latest technology and evolved consumer needs," he says, adding that the brand has over 185 service centres spread across 146 cities. The brand, he underlines, plans to have over 70 percent localisation of raw materials by the end of the current fiscal. "The passion for creating exceptional experiences has led us to become one of the top three audio brands in India," he says.

With Fire-Boltt and Boulton in no mood to settle for a second place, it's a battle royale in the offing. **P**



Avanish Singh Visen
CEO & Director, Encraft India

“SUSTAINABILITY IS NO LONGER AN OPTION, IT'S A NECESSITY,” SAYS MR AVANISH SINGH VISEN

between economic growth, social development, and environmental protection.

There are many ways we can work towards sustainability in our daily lives. Some of the most effective steps we can take include reducing our use of single-use plastics, conserving energy and water and supporting sustainable businesses. By making small changes to our lives, we can collectively make a big impact on the environment

As a CEO & Director of Encraft India, I can proudly say that we are dedicated to promoting sustainability in all aspects of its operations. Sustainability is critical to the long-term success of the business and the world we live in. As such, the company is constantly exploring new ways to reduce its environmental footprint and minimize its impact on the planet.

This commitment to sustainability is not just a corporate responsibility but a personal one that the company takes seriously.

The company's efforts to promote sustainability come in many forms. For example, it has implemented or started implementing a number of initiatives to reduce its carbon footprint. This includes the use of renewable energy sources, such as solar and wind power, to power its operations. The company has also invested in energy-efficient equipment and technologies to reduce its energy consumption.

"Sustainability is the Future" is a powerful statement that underscores the importance of taking action to reduce our impact on the environment. But what exactly does sustainability mean? At its core, sustainability refers to the ability to meet the needs of the present without compromising the ability of future generations to meet their own needs.

In addition to reducing its carbon footprint, the company is also committed to reducing waste

and promoting recycling. It has implemented a number of recycling programs to ensure that as much waste as possible is recycled. This includes programs for recycling paper, plastic, and other materials. The company also encourages its employees to reduce waste by using reusable containers and utensils.

ENCRAFT INDIA and our staff are very committed to promoting sustainability in its supply chain. It works closely with its suppliers to ensure that they meet the company's sustainability standards. This includes requiring suppliers to use sustainable materials and processes in their operations. The company also works to reduce the environmental impact of its transportation and logistics operations by using more efficient transportation methods and reducing the number of miles its products travel.

Finally, the company is committed to promoting sustainability in the communities where it operates. It works closely with local organizations and community groups to promote environmental awareness and sustainability. This includes supporting local recycling programs, sponsoring environmental education programs, and volunteering time and resources to local environmental organizations.

In conclusion, ENCRAFT INDIA is a company that is dedicated to promoting sustainability in all aspects of its operations. Its commitment to sustainability is not just a corporate responsibility but a personal one that the company takes seriously. Join the company in its efforts to create a more sustainable future for generations to come.

As the world's population continues to grow, the demand for resources also increases. To ensure that future generations have access to the same resources we enjoy today, we must adopt sustainable practices. Sustainability is not just about protecting the environment, but also about creating economic opportunities and maintaining social stability.

By embracing sustainable practices, businesses can reduce their carbon footprint, enhance their brand reputation, and attract environmentally conscious consumers. Furthermore, governments around the world are implementing policies to promote sustainability, such as carbon taxes and renewable energy subsidies. By aligning with these policies, businesses can take advantage of new opportunities and stay ahead of the competition. In short, sustainability is the future and those who embrace it will thrive in the long run."

"Sustainability is the Future" is a powerful statement that underscores the importance of taking action to reduce our impact on the environment. But what exactly does sustainability mean? At its core, sustainability refers to the ability to meet the needs of the present without compromising the ability of future generations to meet their own needs. In other words, sustainability is about finding a balance

Big Sharks And Their Stocks

Topping the chart is Radhakishan Damani, promoter of Avenue Supermarts that runs and operates retail format stores D-Mart. At the end of March, Damani's cumulative holding was worth ₹1.53 trillion

By NASRIN SULTANA

Even as the dramatic events of 2022 brought in sudden, unprecedented changes and behavioural bias in investment strategies, a few remained persistent. Steep inflation, a long unwinding cycle of interest rates, abrupt geopolitical factors wrecking capital markets and global financial crisis with an anticipated recession in history did little to wither the wealth or portfolios of large individual investors of Indian stock markets, often referred to as ultra high networth individuals

(UHNI) or the super rich.

A *Forbes India* analysis of India's super riches' portfolios in the three months ending March 2023 based on data provided by Prime Database reveal that these masters-of-the-game held on to their equities in companies even as overall markets tanked in the period. The analysis is based on shareholding patterns filed by 1,838 of the total 1,864 companies listed on the National Stock Exchange (NSE) (main board) for the quarter ending March 31, 2023.

The analysis includes portfolios of individual investors whose

combined holding across multiple companies is more than ₹250 crore, as on March 2023, and may include promoters as part of public shareholdings in a few cases.

Topping the chart is Radhakishan Damani, promoter of Avenue Supermarts that runs and operates retail format stores D-Mart. At the end of March, Damani's cumulative holding was worth 1.53 trillion. However, over the last quarter, it has declined 16.14 percent from ₹1.83 trillion in the October-December period.

In percentage terms, his top holdings were Avenue Supermarts—where he cut exposure to 67.51 percent from 67.53 percent—the share price of which fell 16 percent during the three-month period. His other top holdings were VST Industries, India Cements, Trent and Sundaram Finance.

In value terms, Damani has raised his stake in 3M India, Trent and Aptech. The share prices of those stocks climbed 1-5 percent in the period.

Next, with a wide margin gap, is the late Rakesh Jhunjhunwala, whose cumulative holding was ₹32,296 crore in March, falling by 3.61 percent from ₹3,506 crore in December. Jhunjhunwala invests in stocks through entities like Aryaman Jhunjhunwala Discretionary Trust, Aryavir Jhunjhunwala Discretionary

Big Sharks

Here are portfolios of top five large individual investors as on March 2023



Radhakishan Damani

Cumulative worth

₹ 1.53 trillion

(QOQ)
16.14%

Top holdings (%)

Avenue Supermarts

67.51

VST Industries

30.71

India Cements

20.78

Advani Hotels & Resorts

4.18

Aptech

3.03

Trust, Nishtha Jhunjhunwala Discretionary Trust, Rare Enterprises, Rare Equity Pvt.Ltd, Rajeshkumar Radheshyam Jhunjhunwala and his wife Rekha Rakesh Jhunjhunwala.

Jhunjhunwala's love for the Titan stock is no secret, in which his stake was raised to 5.29 percent in March (from 5.17 percent). His holding in Sun Pharma Advanced Research also climbed to 1.94 percent, which was below 1 percent in the quarter-ago period. Jhunjhunwala has the highest exposures in Aptech, Star Health and Allied Insurance Company, Metro Brands, NCC and Rallis India.

The top five companies in which Jhunjhunwala reduced his stake (by percentage terms) are Dishman Carbon Amcis, Autoline Industries, Edelweiss Financial Services, DB Realty and Nazara Technologies. Except Dishman Carbon Amcis, the stock price of which jumped 31 percent, the other four fell 10-31 percent in the three-month period.

Third is maverick investor Hemendra Kothari, whose cumulative holding was ₹7,978 crore, a fall of 13.73 percent from the preceding three months. Kothari's investment entities include Aditi Hemendra Kothari Desai, Anjali Yogesh Kothari, Nini Yogesh Kothari, Shuchi Hemendra Kothari, Suneet Yogesh Kothari and Yogesh Mathradas Kothari. His top five favourite stocks in the portfolio are Alkyl Amines Chemicals, Sonata Software, Veranda Learning Solutions and EIH Associated Hotels.

Akash Bhansali is the next with a cumulative holding of ₹3,616 crore (fell by 4 percent QoQ). He is the son of veteran investor Vallabh Bhansali's late brother and Enam co-founder Manek Bhansali.

"No doubt, uncertainty is a deal breaker in stock markets, yet a deep assessment of these portfolios will show you consistency and discipline in the investment strategy, even when markets were in rough weather in the March quarter," says a research analysts on condition of

MEXY XAVIER



Late Rakesh Jhunjhunwala

Cumulative worth

₹ 32,296 cr

(QOQ)
3.61%

Top holdings (%)

Aptech

44.34

Star Health & Allied Insurance

17.32

Metro Brands

14.4

NCC

13.09

Rallis India

10.3

Hemendra Kothari

Cumulative worth

₹ 7,978 cr

(QOQ)
13.73%

Top holdings (%)

Alkyl Amines Chemicals

62.34

Sonata Software

9.13

Veranda Learning Solutions

2.04

EIH Associated Hotels

1.23



UMESH GOSWAMI / THE THE INDIA TODAY GROUP VIA GETTY IMAGES

anonymity. The person adds that these portfolios also reveal a deep love for certain stocks that, to some extent, become an obsession and are seldomly sold off completely for years.

Indian markets, in tandem with its global peers, were in a tough situation in the January-to-March quarter. Benchmark indices Sensex and Nifty declined nearly 3-4 percent, while smaller stocks had taken a heavy beating. Foreign institutional investors (FIIs) were heavy sellers of Indian stocks in the three months: They sold shares worth ₹35,048 crore from oil, gas and consumable fuels, and financial services sectors during the quarter, while investing ₹12,994 crore in the services and capital goods sectors. Domestic institutional investors (DIIs) were net buyers of stocks worth ₹83,200 crore in January to March.

"Looking to 2023, investors are still confronted with higher inflation, though the overall pressure has eased somewhat. Global central banks have reduced the pace of interest rate hikes, but the focus remains on reducing inflation," says Daniel Rupli, head of single security research, Credit Suisse.

Rupli adds that geopolitical tensions and social instability have continued to make personal security concerns among the top worries for many individuals around the world.

Now a sharp deterioration in the affordability of essential goods and services, from food, housing and heating to health care and education in response to last year's inflationary shock poses yet another challenge.

SPOTLIGHTS

The analysis shows that there are 27 large individual investors whose cumulative holdings were over ₹250 crore at the end of March 2023, despite a downturn in markets. We throw some light on the portfolios of UHNIs who are not so well known.

Anuj Anantrai Sheth, promoter of Anvil Share & Stock Broking Pvt, with a cumulative holding of ₹1,139 crore has seen a decrease by 11.04 percent in a quarter. His top stocks are Themis Medicare, Bannari Amman Spinning Mills, Bannari Amman Sugars, Finolex Industries and Asahi India Glass.

Investor Tejas Trivedi's cumulative holding is ₹1,132 crore, which fell by 8.46 percent in three months. His top bets are AstraZeneca Pharma, Centum Electronics, NOCIL, Atul and Asia Hyper Retail.

Sachin Bansal's cumulative holding, as on the quarter ending March 2023, was ₹523 crore (also including Anandam Enterprises, Navodya

Akash Manek Bhansali

Cumulative worth

₹ 3,616 cr

(QOQ)

4.15%

Top holdings (%)

Sudarshan Chemical Industries

8.1

Ramkrishna Forgings

5.83

Arvind Fashions

5.51

Gujarat Fluorochemicals

4.92

Inox Wind Energy

4.9

Mukul Mahavirprasad Agrawal

Cumulative worth

₹ 2,638 cr

(QOQ)

4.94%

Top holdings (%)

Gati

5.38

Zota Healthcare

5.24

Infobeans Technologies

5.15

Arman Financial Services

4.71

MPS

4.46

SOURCE primeinfobase.com

Enterprises, SPV Enterprises, SPV Traders, Parveen Kumar Bansal, Seema Bansal and Vivek Bansal). Over the last quarter (since December 2022), this has decreased by 19.12 percent from ₹647 crore.

LONE WOLVES


The analysis showed that there are 69 other large individual investors who have significant public shareholding in just one company, with value of holding more than ₹250 crore. Some of the names are Ignatius Naval

Noronha (Avenue Supermarts), Vijay Shekhar Sharma (One97 Communications), Harindarapal Singh Banga (FSN E-Commerce Ventures), Deepinder Goyal (Zomato) and Sunil Sachdeva (Global Health).

According to stock exchange data, Noronha holds 1.97 percent in Avenue Supermarts, Sharma holds 9.13 percent in One97 Communications, Banga owns 6.41 percent in FSN E-Commerce Ventures, Goyal 4.32 percent in Zomato and Sachdeva holds 12.64 percent in Global Health.

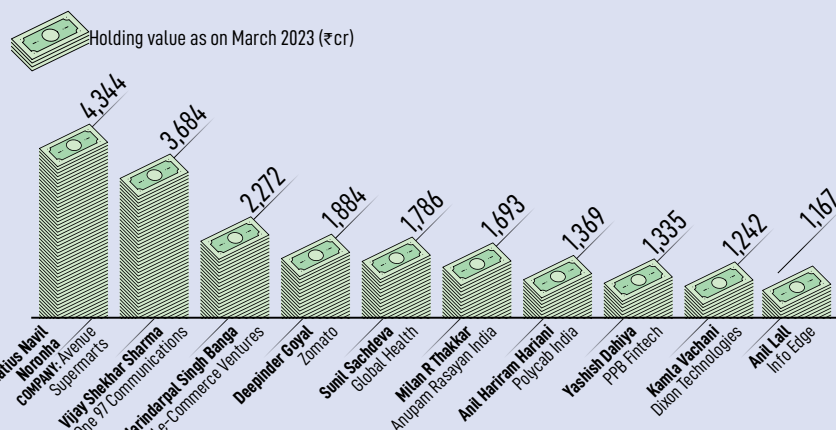
However, the number of these large investors has seen a decline as the market eroded wealth during the downturn. In the three months from October to December, there were 75 other individuals whose shareholding in just one company was more than ₹250 crore.

Analysts say that as markets navigate through muddled waters, these large individual investors' value may decline, but they continue to hold on to their conviction stocks over the years.

There were 3.1 lakh HNIs in India in the financial year ending March 2023, up from 2.77 lakh in FY22, which has been steadily increasing. There were just 1.24 HNIs in fiscal year 2019, implying a massive 150 percent rise in just five years. 

Lone Wolves

Top 10 large individual investors who have significant public shareholding in just one company



SOURCE primeinfobase.com

PULKIT SETH, TRANSFORMING THE FASHION INDUSTRY WITH SUSTAINABLE SUPPLY CHAIN SOLUTIONS

Founded in year 1987 by the visionary businessman Dr. Deepak Kumar Seth - Pearl Global Industries Limited (PGIL) is a ready to wear manufacturing business for leading apparel retailers across the world. Today with his vision business has scaled into a worldwide network of over 20 manufacturing facilities spread across India, Bangladesh, Vietnam and Indonesia specializing in high-quality bulk output employing 32,000 people and generating annual revenues in excess of USD 400 million.

Under the leadership of PGIL's Vice-Chairman, Pulkit Seth The company is pursuing its next phase of growth aiming towards a billion-dollar revenue.

PGIL's diversified product offering and talented team of designers across USA, UK, India and Spain ensures on-trend collections and a product available for rapid delivery in multiple time zones. The company's factories in India specialize in woven and knit products, Bangladesh specialize in sustainably washed and processed denim pants and knitted tops. In Vietnam the company manufactures outerwear, athleticwear and swimwear. In Indonesia, it focuses on women's tops, dresses, and outerwear.

"The beauty of our business is its entrepreneur model – our success has enabled us to attract the best talent from across the world," says Pulkit Seth, the Vice Chairman of Pearl Global.

THE MEANING OF LEADERSHIP

Pulkit shares, "For me leadership is being able to inspire, motivate and create an environment where people can flourish and achieve great results for the organization and their teams. I keep thinking of ways to strengthen the foundation by refining business processes and upgrading the current business with the latest infrastructure and technology"

THE ACT OF DECISION MAKING – AS A LEADER

As Vice Chairman of Pearl Global, Pulkit is responsible for the company, its employees, customers and importantly the shareholders. He ensures and guide the business heads with the correct decision-making with a focus on Environment and Social Governance (ESG).

PEARL GLOBAL
Exceeding Expectations...Always



Pulkit Seth,
Vice Chairman, Pearl Global

Consistency is the key to success. If you will look closely, there is nothing like an overnight success. With hard work, the right intention, and persistence any dream can be achieved.
– Pulkit Seth

THE CHALLENGES OF THE INDUSTRY AND THE FUTURE

"I go back to the most basic problem-solving method - I connect with people, engage in ideation with my team or clients to help me reach the clarity to deal with the issue at hand."

The Pearl Group is aiming to double its revenue in the next 4-5 years with various projects. We are also working towards strengthening our new business, The Pearl Unlimited, Inc. focused on the development

and growth of branded businesses throughout North American markets via licensing and proprietary brands.

THE MOTIVATION FACTORS

Pulkit is passionate about the company and his work and that keeps him motivated. He wants to diligently work towards the vision of the group which is: To be the Global leader providing end-to-end supply chain solutions to the fashion industry.

TECHNOLOGY AND SUSTAINABILITY

Technology and sustainability form an integral part of the seamless manufacturing process at PGIL. Protecting environment, recycling all forms of wastes and minimizing carbon footprint is getting increased mindshare in all its daily decisions and activities.

PGIL continues to upgrade itself with various automations, digitization initiatives in the factory operations, thus ensuring that they are scalable. PGIL's skilled workforce comprises of industrial engineers, factory associates, compliance personnel, designers, and product developers along with the management and analytics team. They work on updated technologies of 3D software like Clo, Browzwear, Optitex, eDesigner, and believes in the concepts of industry 4.0 in its manufacturing units.

PHILANTHROPIC INITIATIVES

Pulkit is a passionate philanthropist and has created multiple initiatives to help the uneducated and the underprivileged. Programs like Her Health, for women's health and hygiene, Arpan - education for underprivileged children, Meena Seth Foundation, a medical aid to the needy, Read Aloud initiative, tackling the learning loss that children had during the 2020 pandemic, scholarship programs, and more are part of the commitment that Pearl Global has towards the community.

FEATHERS IN THE CAP

PGIL is listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange of India (NSE) and has won numerous accolades from industry councils. Recently, PGIL won the Most Preferred Workplace 2022-23 by India Today and The Best Organization for Women 2022 by Economic Times.

Payments Banks: Eyeing A Bigger Pie

Around six years since starting operations, some payments banks have emerged profitable.

While questions remain over their model, they have adopted innovative strategies to acquire and retain customers, and the path to convert to small finance banks beckons some

By SALIL PANCHAL

The success of India's open, free and real-time payment platform, the Unified Payments Interface (UPI), which provides inter-bank, peer-to-peer and person-to-merchant transactions, has been well-documented. UPI operates 75 percent of the retail digital payments volume in India, Reserve

Bank of India (RBI) data shows, and this will only continue to grow.

Adopting digital financial services to further the goal of financial inclusion remains paramount for the RBI. It has to be achieved under the overarching need to provide a seamless payment experience while ensuring financial security and minimising privacy risks. But

in a crowded world where payment aggregators, payment gateways and fintechs are trying to boost transaction volumes to be relevant, it is payments banks (PB) that have an edge over them by owning the customer account.

PBs were set up as niche entities to facilitate small savings, and to provide payments and remittance services to migrant workers, low-income

“A payments bank account became a natural conduit for someone to open an ancillary bank account and keep some money aside for online transactions.”

ANUBRATA BISWAS,
MANAGING DIRECTOR AND CEO,
AIRTEL PAYMENTS BANK



households, small businesses and other unorganised sector entities.

Around six years after most payments banks went live in India, three of the existing six—Airtel Payments Bank, Paytm Payments Bank and Fino Payments Bank—are profitable, according to data available from them and the RBI. India Post Payments Bank is likely to break-even by FY24. The RBI continues to restrain PBs from issuing loans directly, which impacts their ability to earn more interest and build a sizeable balance sheet.

Further, 75 percent of the deposits earned (a maximum end-of-day limit of ₹2 lakh per individual customer) has to be parked with government securities of one-year maturity and the balance can be kept with commercial banks. The higher interest rate regime has meant improved yields from these bonds. The PBs also need to maintain the statutory cash reserve ratio (CRR), as decided by the RBI.

PBs earn revenues through transaction charges, earnings from micro-ATMs for providing remittances and cash withdrawal services, providing business correspondence services to other banks, cash management services, and commission on transactions through PoS (point of service) terminals and MDR (merchant discount rate) charges, and para-banking activities.

The ecosystem within which PBs operate should be considered testing in some ways, where income from payments is still the biggest earner for most banks, followed by income from cross-selling financial products and then interest income.

FINDING THEIR DIFFERENTIAL

In this scenario, each of the PBs has identified its own strategies for growth and a differential (see table), which have kept them relevant.

The unlisted Airtel Payments Bank (APB), which forms part of the broader Bharti Airtel telecom group, is one of the fastest-growing PBs. APB

has shown a profit of ₹21.7 crore on revenues of ₹1,291 crore for FY23. The bank turned profitable in FY22 and “has been rapidly growing with a 40 percent CAGR on revenues over the last three years”, says its managing director and CEO Anubrata Biswas.

APB is a largely digital banking operation, with just seven physical branches, serving over 56 million customers. The bank has a base of 3.44 lakh monthly active merchants along with a network of 3.7 lakh monthly active banking points, who are business correspondents (BCs) rewired from the large base of Airtel’s original retailers. The BCs deal with customers in tier 5 or 6 parts of India, where they are assisted with opening of bank accounts, sending money and carrying out transactions at micro ATMs.

Biswas claims that in this rural landscape, APB is the largest inclusion bank with 20 million users monthly, while rival Fino has about 7.5 million across the country. Paytm, though, has a large transacting user base of around 90 million, but the dedicated Paytm Payments Bank customer base is difficult to assess.

For urban Indians, Biswas’s strategy to attract customers is linked towards ‘safety’ and ‘digital banking’ rather than payments. “A payments bank account became a natural conduit for someone to open an ancillary bank account and keep some money aside for online transactions,” Biswas says.

One of the unique India-First

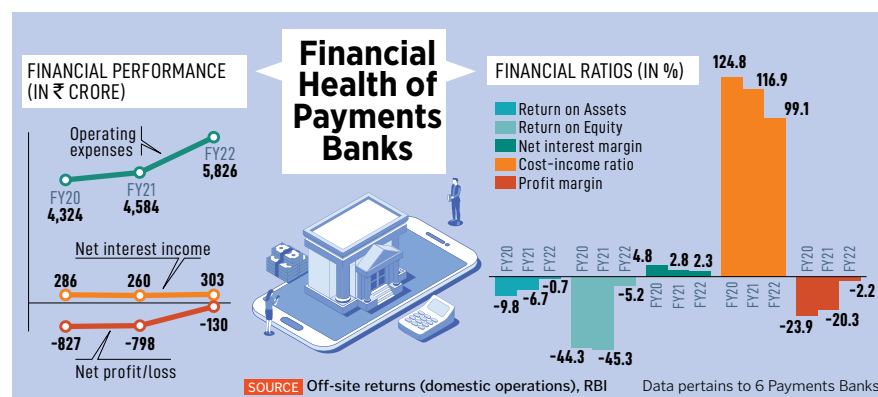
innovations, Airtel ‘Safe Pay’, serves as a third layer of authentication—compared to the industry’s two-factor authentication norm—and a high level of protection from potential frauds such as phishing, stolen credentials or passwords and phone cloning.

The thrust to grow CASA (current and savings accounts) and deposits has continued for APB. In FY23, it opened 9 million savings accounts, reflecting a 17 percent year-over-year (y-o-y) growth, and customer deposits growth of 59 percent y-o-y to ₹1,865 crore. “This growth has been fuelled by rising consumer interest and increased adoption of the bank’s core propositions of digital safety and omnichannel convenience, across India,” he says. The digital presence for APB is real: The PB’s GMV stood at ₹2.01 lakh crore in FY23 and it now processes over 7 billion annualised transactions across its platforms.

Cross-selling of financial products is something where it competes with Paytm Payments Bank, but Biswas claims APB is one of the largest distributors of micro-insurance in India.

Almost 77 percent of the bank’s revenues come from payments, followed by 16 percent from fee income and 7 percent from consumer deposits. “This mix has and is rapidly changing as the bank grows its users and usage,” Biswas says.

As APB continues to expand across India, Biswas is confident of a still-largely-untapped digital banking opportunity. “There are 500



million people who are underserved in banking and will upgrade to formal banking or digital banking. Of this, there is a 200 million user opportunity in urban and semi-urban India, who use smartphones but are yet to upgrade to digital payments,” Biswas adds. Every year, India opens 80 to 90 million new bank accounts and APB opens one in 10 bank accounts each year

Fino Payments Bank occupies a unique spot in the PB ecosystem: It is the only listed entity and one of the few not promoted by a corporate entity. Fino (Financial Inclusion Network & Operations) was incubated as a business correspondent by ICICI Bank in July 2006, before getting the nod for a payments banking licence in 2017.

Its strength was its reach and the rich experience of servicing customers on ground in remote locations. This meant having a largely physical presence, unlike other PBs, that are more digital focussed. Currently, Fino, besides a 7.5 million customer base, has a 1.4 million merchant base, which it plans to grow to 2 million by FY26.

Continuing to focus on its TAM strategy—which is transaction, acquisition and monetisation—the PB is already well into the phase 2 and 3 of its strategy, focusing on customer acquisition and monetisation. It had built its transaction phase by offering a range of simple products such as remittances, cash withdrawal products, domestic money transfers and micro ATM and AEPS (Aadhaar-enabled payment systems) to hook customers into the Fino ecosystem.

Fino continues to see growth through its CASA and cash management systems (CMS), with 75.2 lakh CASA accounts in FY23, a 45 percent y-o-y jump in new accounts. Deposit growth has risen by 66 percent y-o-y in FY23 to ₹1,200 crore. Fino added over 2.5 lakh new CASA accounts every month in the three months to March 2023.



Rishi Gupta,
MD & CEO, Fino
Payments Bank Ltd

While continuing to build on CASA, Fino PB, like its peers, is now concentrating on cross-selling financial products. This had started with gold loans and insurance, but it only caters to a small segment of customers and needs to scale up where the model becomes business-to-business-to-consumer (B2B2C).

Fino Payments Bank's offer of a sweep account facility along with Suryoday Small Finance Bank, which started in 2019-20, has worked well for its customers. The partnership allows customers to transfer the excess amount from their deposit account in Fino to Suryoday, helping them earn more on their account.

Rishi Gupta, Fino Payments Bank's managing director and CEO, says the focus will be to convert the walk-in transacting customer ('off us') to a CASA customer ('on us'). "This also results in a shift of our revenue pie from transaction business to higher-margin ownership business," Gupta says. Renewal income for Fino has surged by 167 percent to ₹73.1 crore in FY23 from ₹27.5 crore a year earlier. CMS throughput has grown by 10x from ₹4,300 crore in FY20 to nearly ₹46,000 crore in FY23.

While the focus will be to also grow transaction volumes and CASA accounts, Gupta says Fino's main advantage is that it has a low customer acquisition cost, since it does not advertise aggressively or offer massive cashback offers.

Sanjay Khan Nagra, partner (corporate and commercial practice group) at Khaitan & Co, believes that

customer acquisition and retention—rather than pure earnings from payments transactions—will be the differentiator among PBs. "NBFCs have a loan-based relationship, but banks have a savings-based relationship. If a payments bank can ensure that an individual is a regular and credit-worthy user, they could leverage on such individual's data to empower them to access customised products," he says.

"Cross-selling, bundling of products/services and offering payments commissions are all value-adds and solutions for these banks. Customer acquisitions and retentions are the first steps towards a long-term financially viable businesses," Nagra tells *Forbes India*.

The strategy of customer acquisition and retention is what Paytm has built over the past decade across its platform—what started several years ago with offerings such as paying utility bills, internet data card charges and postpaid mobile bills. The business engine was obviously propelled by demonetisation, but the parent company had already solidified its base through the acquisition of wallet customers by then.

The Paytm Payments Bank (PPBL) continues to leverage on the success of Paytm's wallet customers and on the strong merchant relationships which Paytm has built over the years. For payment services, Paytm earns revenues from the transaction fee it charges

merchants based on a percentage of transaction value and consumer convenience fees from consumers, for certain types of transactions

The PPBL does not need to tweak its business model too much, having a mix of ecommerce business, cross-selling and distribution of loans and insurance and payments, to retain its customer base. The percentage of income from pure payment transactions—as seen for several PBs—is likely to continue to diminish in value, as the UPI platform continues to grow.

In February, PPBL went live with a UPI Lite app feature, which allows users to make transactions for as low as ₹200. Official data from the National Payments Corporation of India (NPCI) shows that more than half of the everyday UPI transactions in India are less than ₹200.

“Paytm Payments Bank is aggressively expanding into tier 3-4 towns. But the core wallet product is losing value to UPI, and customer acquisition cost and rate of customer addition will be a concern, particularly considering that customer acquisition is through the parent company,” says Bhavik Hathi, managing director, Alvarez & Marsal. The strategy for growth under

the new CEO and veteran banker Surinder Chawla, who joined them in January, needs to be tested. PPBL declined to participate in this story.

Financial performance for the other three PBs, Jio Payments Bank, India Post Payments Bank and NSDL Payments Bank, for recent years was not readily available. India Post Payments Bank CEO J Venkatramu told the *Financial Express* last month that the bank is “expected to break-even” by 2024-25, after having been in losses for the FY18 to FY22 period.

PATH TOWARDS SMALL FINANCE BANKS

The relevance for PBs and their ability to grow, in some ways, depend on whether the RBI considers allowing them to lend small-ticket loans. While this has often been extended to the regulator to consider, there is no signal that the RBI will allow PBs to start lending.

If we assume that this proposal stays on the backburner, PBs have another option. RBI guidelines say a PB can apply for conversion into a small finance bank (SFB), after five years of successful operation. SFBs take deposits in CASA and fixed deposit accounts, besides also providing a range of retail loans. These

avenues would help boost a PB’s profitability, once they become an SFB.

Alvarez’s Hathi says as businesses get bigger, “it remains to be seen how much capital and efforts will be made by the parent firm to make this business grow, compared to the core business”. Airtel’s possible plan for a listing of the payments bank venture indicates the need to bring in capital and monetise the business.

Hathi adds that in some cases, there could be a possibility where the models could morph or get absorbed into the ecosystem. “Paytm, Airtel and Jio will continue to focus on the core business of payments while the value proposition as a standalone payment bank play for India Post Payments Bank and NSDL Payments Bank remains a question.”

PBs as a model always had question marks and they remain. The players will rethink whether they need to carry on business with the banking licence (with higher cost structure and more compliance) or go down the path of fintechs who, except for raising CASA, can do the same with more flexibility and agility given how business models and regulations are changing, Bhavik adds.

Khaitan’s Nagra says upgrading into an SFB could be an option for some PBs. “But some may also choose to remain a payments-first type of fintech, where the focus is on technology, which would help them leverage with whoever is the best-suited regulated entity—a lender, an insurance partner, etc—and offer the relevant services to their customer.”

In the current stage of their business journey, most PBs are focussed on not just customer acquisition but also retention. Paytm and Fino could consider the SFB route at some point, while APB is more likely to grow further and seek to unlock shareholder value at a suitable time, over the next one or two years. Till then, PBs will continue to be tested in their endeavour to become stronger and bigger. **F**

Payments Banks: Strategies for Growth

PAYTM PAYMENTS BANK

It has grown and ensured stickiness of its customer base through a mix of ecommerce business, cross-selling financial products and payments. With a large merchant base too, the strategy ahead from the new CEO Surinder Chawla is yet to be seen. In the wake of some regulatory breaches by PPBL and the parent Paytm, the road to acquire an SFB licence from RBI might get a bit rocky.



FINO PAYMENTS BANK

India’s only listed payments bank, it continues to build on its ‘TAM’ strategy of transaction, acquisition and monetization. Maintaining ownership of customer has been reflected through CASA growth. Fino is expected to consider applying for a Small Finance Bank licence down the line, with a focus to create a digital data-driven bank.

JIO PAYMENTS BANK

Yet to spell out its exact strategy, but point of sales and the massive customer base from Jio Platforms and Reliance’s retail venture, will be what the PB will leverage upon.

INDIA POST PAYMENTS BANK

Plans to leverage on the deep network of India Post and digital platform of India Post delivered by postmen/Gramin Dak sevaks. Yet to leverage on its potential.

AIRTEL PAYMENTS BANK

It has a strong nationwide presence of over 3.7 lakh banking touchpoints through Airtel’s network and an equally strong merchants’ base, which gives it an edge. The PB sees a large opportunity to tap the universe of 200 million people in urban and semi-urban India who are yet to use digital financial services. APB sees safety and digital banking as its differential.

NSDL PAYMENTS BANK

Offers the usual mix of products which other PBs do -- and has a digital current account for small businesses. The path to profitability is going to be difficult hurdles for the PB at this stage.

LUXURY IN THE GREAT OUTDOORS

Spas, jacuzzis, private chefs and butlers are all part of the glamping experience and living it up in the wild. And post-Covid, the travel segment is only set to grow

By DARIELLE BRITTO



Picture this: A night out in the wilderness of India enjoying a freshly prepared bush dinner as the sounds of the forest come alive—birds returning to their nests and frogs croaking in the distance. After you have sipped your post-dinner drink you move to a camping tent, complete with a comfortable bed, jacuzzi, private bathtub and outdoor area, all designed to provide an ultra-luxurious experience in the midst of nature. This is the definition of glamping—glamour camping.

Interest in glamping rose among domestic travellers during the pandemic when many were in search of alternative ways to satisfy their travel bug as international exploration

was on a temporary but long pause.

Now, this travel segment is expected to grow as the desire to explore more open spaces gains momentum and the offerings made by glamping sites get more enticing.

▼
(Clockwise from left):
SUJÁN,
Sher Bagh,
Ranthambore;
gazing at
the Jawai
landscape at
dusk; private
luxury bath
area at SUJÁN
Jawai Bandh

ATTRACTING DOMESTIC TRAVELLERS

Many properties offering luxury tented accommodation have seen a shift in perspective in recent times in the way people want to enjoy their holidays—from wanting to immerse themselves in natural environments to exploring wildlife areas.

“We have seen an incredible rise in numbers over the last five years and this is primarily due to Covid,” says Shaaz Jung, managing director





of The Bison Resort, a luxury ecotourism resort situated on the banks of the Kabini backwaters at the confluence of the Bandipur and Nagarhole National Parks, Karnataka. “Post-Covid we’ve had the highest occupancy rates ever,” he adds.

Initially, The Bison Resort was heavily reliant on international tourism. However, in the last five years, domestic tourism has skyrocketed. “Ninety percent of our traffic now is domestic and only 10 percent is international,” says Jung. “The last five years The Bison Resort has seen some of our highest occupancy rates, between 85 percent to 95 percent through the year.”

The domestic market also grew due to the pandemic for SUJÁN, a family-owned and managed group of three camps with just 45 rooms in Rajasthan. “We are delighted that 50 percent of our guests are now Indians with the remaining 50 percent international,” says Laura McGowan, global brand director, SUJÁN.

INTO THE WILD

Stepping into the wild to discover the wonder of India’s national parks is alluring. However, it’s the thoughtfully curated activities and an out-of-the-box creative atmosphere designed by glamping sites that help their guests connect and immerse themselves in the natural surroundings.

For Jung, Kabini is the real Jungle Book. “It’s got incredible diversity of Asiatic wildlife,” he says.

His resort has created various opportunities to catch glimpses of these incredible sights. The African-style tents overlook the forest so guests can come across a local in action straight from their room.

▲
SUJÁN,
Jawai
guided
safari walks;
spotting a
leopard is
part of the
glamping
thrill

They also have the option of leaving their luxury tent to have a real camping experience in a small dome tent on the property in a wooded area close to the backwaters, which includes food cooked by a private chef.

One can also get up close to see black panthers, tigers and leopards on safaris or take a boat ride to explore the backwaters and the local colour.

Up north lies tented camp Aman-i-Khás in the Aravalli Hills on the fringes of Rajasthan’s Ranthambore National Park—an important domain for the Bengal Tiger.

Tiger sightings and surprise nocturnal visits are part of the thrill. But Aman-i-Khás also curates experiences that make for memorable moments in the forest—dinner under the stars with the moon as the only source of light, fireplace storytelling and surprise breakfast locations such as the guava orchard, breakfast in the bush, and camel safaris.

To celebrate 50 years of India’s Project Tiger and 20 years of Aman-i-Khás this year, guests can experience the national park with wildlife conservationist Daulat Singh, who has spent 33 years with the Rajasthan Forest Department working with threatened and endangered species including Bengal Tigers and leopards.

THE GLAMPING EXPERIENCE

You may be out in the wild, but if you are glamping, there is no room for roughing it out. A luxury wilderness tended experience would not be complete without the highest level of quality and comfort as people get closer to the natural world.

Each of Aman-i-Khás’ 10 soaring guest tents, which starts from ₹119,958.50 (\$1,450) per night,



features classic and decorative furnishings—king-size bed, large daybed, stone soaking tub—with the sleeping and bathing spaces divided by white cotton drapes, Mughal-style. A personal butler is also assigned to each tent. “In between daily jeep safaris to catch a glimpse of tigers and other wildlife, guests can enjoy rejuvenating spa treatments or a dip in the traditional step-well pool, before drinks around a communal firepit and dinners lit by flickering candles under a canopy of stars,” says Harry Fernandes, country manager-Aman, India-Aman-i-Khás (a unit of Guardian International Private Limited).

At SUJÁN, rates start from ₹59,000 to ₹3,69,000 per night for up to two guests depending on the type of suite and season. “We have designed all three camps in-house, each experience from the culinary to the cultural, from the fabrics to the food, allowing us to connect our guests, uncontrived, to the very soul of our natural

▲ (Clockwise from left): Aman-i-Khás tent interiors; a lounging tiger spotted during a Ranthambore National Park safari; folk musicians perform at SUJÁN The Serai Jaisalmer, and plated dessert served at the property

and cultural heritage, whilst savouring our inimitable art de vivre,” says McGowan.

GIVING BACK TO THE REGION

Having a positive impact through wildlife conservation, sustainable initiatives and local employment to protect and nurture the wilderness is given just as much importance as providing guests with world-class accommodation and memorable experiences.

The Bison Resort, whose ethos is to give back to the area, uses alternate sources of energy. Their temporary structures are built with wood and use very little concrete and RCC. “So our carbon footprint is very low,” says Jung.

The lodge also employs 95 percent people from the local area. “So the service we offer is incredibly indigenous and in support of the local people,” says Jung.

Aman-i-Khás camp has implemented



▲ (From left): SUJÁN Jawai fireplace at dusk; Ranthambore Fort; the spa tent at Aman-i-Khas

several initiatives to reduce environmental impact, including using solar energy, growing majority of the ingredients used in its kitchens on its organic farm on the property, rainwater harvesting, and recycling. “Additionally, the team is trained in sustainable practices, and the camp works with local communities to promote sustainability as a way of life,” says Fernandes.

GROWING SPACE

While the world of glamping has a lot to offer hunters of the woods seeking extraordinary experiences there is much more to explore.

The golden days of glamping are still ahead, according to Pankaj Dhingra, managing director, Jumping International LLP, parent company to Bengaluru-based company CampKing that provides glamping tents and glamping consultation.

“Developing a glamping resort with multiple suppliers, options, and research takes a long time, generates problems and costs money,” says Dhingra, whose companies have been involved in over 1700 projects setting up glamping sites and adventure set-ups in India and abroad.

The Oberoi and Breathe Resorts and Villas are among the Indian companies CampKing has helped launch glamping sites for.

“We get customer requests and enquiries from more than five lakh customers per year out of which 2500+ clients visit our experience centre from all over the world,” he adds.

At the CampKing experience centre in Bengaluru is a showroom that displays glamping products, which include a range of tents in various shapes, like the Mushroom tent, also known as the dome tent that elevates the natural landscape

with its big bright window and the Studio style tent, which is an improved version of a safari tent. These tents cost upwards of ₹3,80,000.

Dhingra believes that India’s glamping market will bloom in the next five years. “We believe that people are looking for unique experiences in nature where they can reconnect with their lives and the environment,” he says.

PRESERVING THE ENVIRONMENT

Glamping is a great opportunity to highlight the importance of conservation and preservation to ensure that our ecosystems remain healthy and balanced.

“We need to be more conscious of the impact our actions have on the environment and strive for ways to reduce it,” says Fernandes. “This can include activities such as reducing waste production, promoting renewable energy sources, and investing in green infrastructure.”

“It is important to ensure that our sustainability initiatives are aligned with modern technology and traditional ayurveda,” says Fernandes. “By combining the best of both worlds, we can create a natural and wellness-centered approach to our sustainability efforts,” Fernandes adds.

SUJÁN believes in making a difference and a measurable positive impact through tourism that can raise awareness about the need to nurture nature and contribute to conservation and community development projects in the area. “We have always believed that the right kind of tourism can actually save India’s endangered wildlife and habitats, promote and preserve our rich cultural heritage and provide livelihood to our local communities,” says McGowan. **F**

‘WHEN THE CHIPS WERE DOWN, I WAS AT MY BEST’

*Former South African cricket captain Faf du Plessis on his memoir, **Faf Through Fire**, taking over the reins from Virat Kohli at Royal Challengers Bangalore, captaincy lessons he imbibed by observing MS Dhoni and how IPL has changed the landscape of cricket*

By **KUNAL PURANDARE**

Former South African cricket captain Faf du Plessis lays bare the vulnerabilities of a professional cricketer in his recently released memoir and gives more than a glimpse of how things unfolding outside the field can affect a player. *Faf Through Fire*, published by Penguin Random House India, documents the journey of the 69-Test, 149-one-day internationals veteran, who led the Royal Challengers Bangalore (RCB) in the Indian Premier League (IPL) and was the second-highest run-getter in the T20 tournament with 730 runs in 14 matches.

Regarded as one of the finest white-ball players, du Plessis emphasises on integrity, values and relationships as he opens up about some defining moments of his career in the book.

In an interview with *Forbes India*, he speaks about being at his best under pressure—“I enjoy my cricket most when I play

at the Chennai Super Kings (CSK)—his first IPL team—observing MS Dhoni at the franchise, and his biggest Test as captain. Edited excerpts:

Q In your book, you write about battling two voices—negative and positive—regularly. How did you condition yourself to be an optimist?

I think it comes with experience. Cricket is a sport



for something or there's purpose behind my cricket," he says—his equation with ex-RCB skipper Virat Kohli who is now his opening batting partner, how he overcame jealousy for teammate AB de Villiers, his stint

where you have a lot of failures, and you learn how to deal with them. The first step was to understand that you have some great days and bad days, and you have to treat them equally. I felt there was a real growth and improvement in the way that I started to think about the game, and the language that I speak to myself. Over time, I was more aware of trying to force myself to be an optimist, to listen to the positive side. And, also to speak to myself in a way that is uplifting.

Q You reveal that you thrive under pressure. When the chips are down, I am at my most lethal, you write. Was it always about proving a point?

The process around it has got to do with the way I was raised initially. My father's style of parenting was hard-school. That would have been something that would have helped me. I was prepared for things that were maybe ahead of me in terms of my age. I was always trying to be the guy who wants to prove people wrong. It was evident throughout my career. When the chips were down or when the team was under pressure, I was probably at my best. That comes from a thing inside me of wanting to be someone whom people can trust and depend on in difficult situations. When we were under pressure or I was with my personal game, it just gave me a sense of real focus.

Q Your relationship with former South African captain AB de Villiers is beautifully documented. You write about being jealous of him initially, but then he was also your best friend.

I spoke very honestly about that relationship. All of us go through those emotions as friends, and as people. You might have someone you are great friends with, but there is still a human element in terms of a competitive side. AB and I grew up in the same school, and we were always in a sense competitive—to try and outperform each other. It wasn't healthy for me because I was jealous of him, his performances. The feeling that it gave me was that I was spending so much energy into something that was absolutely out of my control. I got to a point where I realised it was a waste of time... and that I am better off being a very good friend and supporting him. That put me in a better frame of mind to not bother so much and just support people. I write about how it helped me



▲ Faf du Plessis emphasises on integrity, values and relationships as he opens up about some defining moments of his life in his memoir, *Faf Through Fire*

with my own captaincy. It was a case of making sure you want the best for other people, even sometimes if it might seem like a threat to you. You just give your everything. That makes you feel like you are in a better place.

Q In the same vein, you mention how warmly Virat Kohli welcomed you as skipper of RCB. What is your equation with him?

That was an important transition to have... he's one of the greatest captains of India and obviously RCB, so the shoes were extremely big to fill. The most important thing for the guy who would take over the

reins from Virat at RCB would be his relationship with him. Even when the auction happened, the first message I got was from him—to welcome me. Walking into the RCB setup, the relationship was one of respect. We quickly became very good friends and it's a relationship I am very grateful for in many ways. The support that he's given me at RCB has made life a lot easier for me because he is genuine in his support for me. He wants the best for the team, and he cares a lot about the team, and he cares about supporting me as captain.

Q Kohli and MS Dhoni are diametrically opposite personalities. What did you take away from the latter when you played for CSK?

I speak about it in detail in my book. I am extremely grateful for my time in Chennai because it was at a time when I was really hungry to learn about leadership. In my first season, I basically sat next to Stephen Fleming [former player who is now head coach] and asked him stuff about captaincy. And I just observed MS and the way he was going about things... it was a great lesson for me. MS was different to what I thought great captains would do. He changed and opened my mind to the fact that there is not just one way of doing things—there are multiple ways in different cultures, but it's important that you do it in a way that is most authentic and real to yourself. It was great to observe the way he trusts himself on the field, tactically, reading the game really well, and obviously being a calm influence on the group at all times. It's something I pride myself on as a leader—to remain calm, whatever happens, in any scenario. With Virat, it's the passion around playing cricket... it's something infectious, the way

he plays the game. When you field with him, you feel the passion that he has. These are two different styles, but both good and effective.

Q You describe yourself as a compassionate leader with a people-centric approach.

I have always looked at myself as not necessarily the most talented cricketer. Cricket is not always the easiest game, and you have to figure out a way to get through it. Empathy is one of my strongest attributes as a leader in terms of what people go through in this game.

Q What was your biggest test as captain?

My biggest test as captain was my last year-and-a-half with the national side. A lot of things were happening outside our team, within Cricket South Africa (CSA), and I felt there was a lot on my plate. My personality is one that goes in every area that it feels like it can help improve. I think I outstretched myself too much in those 18 months. I was playing part-time director of cricket, selector, assistant coach, part-time everything. I felt there was so much happening off the field... and one had to protect the team from all the noise outside. I possibly went into a burnout, outstretching myself too much. From a playing point of view, the 2015 World Cup loss would be the toughest... sitting in the dressing room was the most pain or hurt I have experienced in my cricketing career.

Q Tell us about the impact of the IPL on world cricket and you.

The IPL has changed the landscape of cricket dramatically. It's pioneered the game which is now probably moving a little bit away from international cricket to the strength of T20 leagues around the world. The IPL changed all our games completely. The players have gotten better at playing in these conditions because of what the IPL has done.

Q How was your stint with CSK?

It was a great opportunity. We made some unbelievable relationships, great friends, a lot of people I care about deeply. It's a great franchise... I've been lucky to have been a



▲ du Plessis finds Virat Kohli's (right) passion for the game infectious. He replaced the Indian legend as RCB captain

part of CSK. They run things pretty well over there.

Q What was the lowest point in your career—not being able to play in the 2021 T20 World Cup?

It was the process that was the low point than not being there at the 2021 World Cup itself. It was a difficult process to go through... the lack of communication around that time.

Q Your rocky relationship with CSA is a case of lack of communication. Is communication something that you deliberately focus on as a senior player/captain?

I won't describe it as a rocky relationship. I would say the period of communication was a rocky period of communication with the people in charge of making decisions around the World Cup. That was a frustrating period. My relationship with CSA today is still a respectful and good one. Communication is good, and honest communication is even more important. I always tell players exactly where they

stand and what they need to do—whether it's the playing members or non-playing ones.

Q You focus on mental wellbeing of a sportsperson and write about the travails during the bio-bubble. What can players do to improve their mental health?

As players, you don't hear a lot of it being discussed. The game is getting better for it, but there's still lots of room for improvement though. It comes from a place of players feeling like they can be honest about how they are feeling. As a captain or a coach, when people speak about how they are feeling, their vulnerability, you can't see it as a weakness... it should be seen as being honest. You can turn that vulnerability into strength. It's all about the approach that people have.

Q You say writing this book was a vital distraction. Any regrets when you look back?

No, everything that happens to us is an opportunity to grow, get better and learn from. I wouldn't change anything. Everything happens for a reason. As long as you look at obstacles or challenges as opportunities to grow, you keep moving forward. **F**



OF GENIES AND MAGIC CARPET RIDES

A glimpse into the world of luxury concierge services that arrange for exclusive experiences and make the almost-impossible possible

By JASODHARA BANERJEE

Luxury concierge services promise to fulfil their clients' every whim. Whether it be access to exclusive experiences—for which mere mortals wait for months to get a toe-hold in—or the most elusive of products. Want to waltz into the most exclusive of nightclubs? Want to get your hands on the latest 'it' bag? Or dine at an almost-impossible-to-get-into restaurant? You got it all!

Karan Bhangay, founder of Indulge Global, a by-invitation-only Indian luxury concierge service, takes us into the world of over-the-top, last-minute and almost-impossible-to-get requests

▲ A client surprised his wife with a private helicopter visit in Paris (left) and booking the Suite Coco Chanel (bottom right); Club Gascon in London

that he has successfully fulfilled for his clients. All for a ₹4-lakh annual membership fee.

- We got 10 luxury Versace silverware Diwali hampers made and delivered within 12 hours in Ahmedabad as a last-minute request which was made a day before Diwali. Each hamper included Versace champagne glasses, a serving tray, a bottle holder, a dessert bowl and a candle holder, and cost ₹30,000.
- We arranged a birthday celebration for a client to surprise his wife in Paris. It included a full Parisian experience, from booking the Suite Coco Chanel at Ritz Carlton (where Coco Chanel spent 34 years



of her life in luxury and elegance), a private stylist with VIP showings at Hermès, Saint Honoré, for leather and prêt-à-porter collections, and booking tables for the couple at Le Fouquet, Guy Savoy (the world's sixth-most renowned and expensive hotel) and Le Pershing Hall. We also arranged a private helicopter for a visit to the château de Versailles, which overlooks beautiful gardens.

- Booked a table at Club Gascon in London within 24 hours. It is one of the busiest and most renowned French Michelin-starred restaurants in the UK. The waiting time for a table here is at least a month.
- We arranged a pair of Fendi Flow Sneakers (₹80,000) and a Hermès Birkin bag (₹8.7 lakh) within a day, which usually has a waiting time of close to three months in India.
- We arranged a breakfast for a couple at the Mount Everest Base Camp. It was a pit stop at Kathmandu and then a chopper ride to the Base Camp. A lavish American breakfast was served with a touch of Indian flavours. It included eggs, bacon, potatoes, hash browns, pancakes, croissants, pain au chocolat, waffles, pahaadi Maggi, momos, toasts and breads, cheese, jams and jellies, juices and Veuve Clicquot champagne.
- Got immediate entry for a group of eight to Berlin's exquisite and popular underground clubs—Berghain, Sisyphos and KitKatClub—which

▲ Clockwise from left: The Guy Savoy in Paris; a popular underground pub in Berlin and an air ambulance used to ferry a patient

do not have a guest list or online bookings and are very selective of the crowd they allow in.

- Booked more than 50 VIP tickets to the Fifa World Cup despite them being sold out. Our team assisted our clients in Qatar, along with the Fifa community. We arranged the most exclusive match-viewing experiences for our clients, along with after-parties in private yachts and VIP dining with Michelin-starred chefs.
- We arranged VIP access to different parts of India for an American couple aged between 50 and 55 years. This included a private cooking class, a hand embroidery class, VIP access to forts in Jaipur and Udaipur, and private shopping at Sabyasachi with a personal stylist.
- One client reached out to us at 3 am with an emergency: One of his relatives had been in an accident in Thailand, suffered a serious injury, and needed to return to India right away, for which he wanted to charter an air ambulance. Within 30 minutes, our international team organised it with a group of capable medical professionals.
- One of our celebrity clients asked us to get a trustworthy domestic help within a day. We arranged for one according to our client's wish, got her background check done, and all necessary legal and administrative documents processed and cleared in less than a day. **F**

‘Authenticity And Belief Make a Leader’

Eoin Morgan, England’s World Cup-winning cricket captain, on building winning teams

‘Be yourself, and embody what you say’

My first England captain was Sir Andrew Strauss. Watching how he operated and what he did shaped the captain I am today. But there’s no script or guideline on how one should lead. There are three basic things that I tried to adhere to as a captain. One, be authentic. Humans are very good at identifying when you’re lying. You can’t fool people. Second, give a clear and direct message. And, last, embody that message. But there is one attribute that overrides all three and is the foundation of all three: Listen. Listening allows you to build great relationships.

‘It’s empowering for leaders to admit their mistakes’

It is more important than ever to give honest feedback. We’re often being told to mask over by encouraging people to do the same thing when they don’t know what mistakes they’re making. But part of my journey in either identifying good feedback or being ruthless is having the ability to be honest about myself in front of others. If I made a mistake or the team made one as a consequence of my decisions, I would be honest about it. When it comes from the top, it is powerful enough for people to say, “I like this environment. I will take this on.”

‘Belief takes you far’

When I took over as captain, we wanted to play an aggressive brand of cricket. In one of the matches in the first series we played against New Zealand in 2015 with the new-look English team, we were bowled out for around 300 and lost a lot of wickets in a short space. I was asked that you got bowled out in a 50-over game, don’t you think you should have batted out your overs? And I said, “Absolutely not. We were trying to get 350. We fell short this time, next time we’ll get better at this.”

‘In a crisis, give yourself time’

England lost the T20 World Cup final in 2016, when Carlos Brathwaite hit Ben Stokes for four consecutive sixes. That incident taught me so much about taking time. If you watch the footage, you’ll see that between overs, I run over to Ben, talk to him, chuck him the ball and run away. Whereas I could have allowed him more time to control his breath and just calm the situation. Fast forward to the super over in the 2019 World Cup final with Jofra Archer, I walk over, walk back, hold the ball, and then hand over the ball. It’s a small thing, but one that I’ve learnt from a previous big mistake.

‘A happy team is a winning unit’

To build a good team, you need to create an environment in which people feel comfortable to be themselves.

Ask someone why they’ve had a good time, and they’ll talk about the intangible things—the joking in the changing room, or something funny someone said during an over. People need to feel comfortable enough to be vulnerable.

If people are timid in a culture, they are going to be afraid when you ask them to perform in big moments in the game.

‘The toughest journeys are often the best’

We got hammered in the 2015 World Cup, and later in the summer, we were starting out—a new team, great energy, a huge amount of uncertainty. I would love to relive that journey because it was unbelievably enjoyable. The cornerstone of my beliefs in the game were developed and built during the 2015 World Cup when we were so far behind everybody that we were being humiliated on a regular basis. A lot of my belief and energy came from that scar, and the will to try and change that. **F**

Kathakali Chanda



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