THE EDUTECH EL DORADO

VIJAY SHEKHAR SHARMA'S FINANCE PIVOT

THE INDIA RICH LIST

BIOCON'S COVID-19 GAMBIT

MEET HATSUN AGRO'S ICE CREAM BILLIONAIRE

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NOVEMBER 20, 2020

Forbes INDIA

PLUS

CAN MURARI LAL JALAN PILOT JET AIRWAYS?

HOW JAY VIJAYAN SHAPED A UNICORN

(From left)
Zerodha
FOUNDER, CEO
NITHIN KAMATH &
CO-FOUNDER, CIO
NIKHIL KAMATH

STOCKS TO RICHES

HOW THE KAMATH BROTHERS BUILT ZERODHA INTO THE COUNTRY'S LARGEST BROKING PLATFORM AND, IN THE PROCESS, MADE THEIR DEBUT ON THE RICH LIST

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Two distinct themes emerge from a cursory glance at the list: Digital and health

The Billionaire Fast Lane

It has become a truism that the rich have got richer and the poor have lost even more of their privileges during the pandemic. The 2020 Forbes India Rich List is, at first blush, a manifestation of the rich-get-richer theme: The 100 richest of the country saw their wealth grow by 14 percent to $517.5 billion till over a year ago (the cut-off for the study was September 18). And, as Naazneen Karmali, *Forbes Asia* Wealth Editor and India Editor of *Forbes Asia* who spearheaded the study, writes: "More than half of that increase can be ascribed to one individual: Mukesh Ambani, who added $37.3 billion to his fortune—a surge of 73 percent—to a net worth of $88.7 billion." The numero uno on the Rich List for the 13th year now raised more than $20 billion for Reliance's digital arm Jio Platforms from investors that included Facebook and Google.

Two distinct themes emerge from a cursory glance at the list: Digital and health. Online business models that helped consumers pivot into the virtual world comprise one set of the big gainers. Take, for instance, the Byju's-led edutech brigade, which collectively raised some $1.7 billion so far in 2020, as against just $409 million last year. The co-founders of Byju's are up from No 72 last year to No 46, with their net worth burgeoning from $1.9 billion to $3.05 billion.

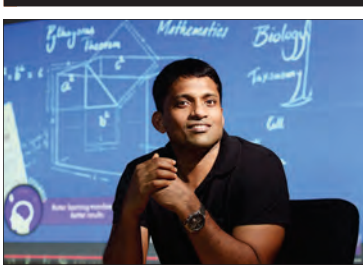
The *Forbes India* cover story this fortnight is on another kind of online business, a discount brokerage firm, which has emerged as India's No 1 in terms of active users. In the process, the brothers who founded Zerodha, Nikhil and Nithin Kamath, have debuted on the 2020 Forbes India Rich List at No 90 with a net worth of $1.55 billion. Don't miss Samar Srivastava's story on page 72 to find out what makes the brothers tick.

The other set of winners are drug firms, particularly those making medicines to treat the viral scourge as well as those holding out the hope of a vaccine to immunise the world. Biocon's Kiran Mazumdar-Shaw, the biggest gainer this year, is counting on a repurposed psoriasis drug, Itolizumab, whose sales shot through the roof after it received the nod for restricted emergency use for Covid-19 treatment.

And Serum Institute CEO Adar Poonawalla, whose father Cyrus Poonawalla is worth $11.5 billion and ranked No 6 on the Rich List (a jump of six places since a year ago), is pulling out all stops to produce a Covid-19 vaccine. In the past six months, Serum has sealed five licensing partnerships, the biggest of them with AstraZeneca of the United Kingdom. While Mazumdar-Shaw's wealth nearly doubled to $4.6 billion, Cyrus Poonawalla is 26 percent richer this year.

With humongous wealth also comes humongous responsibility. The first is of decisive leadership for business owners and CEOs, to ensure optimal economic activity, and with it employment and livelihoods. The other obligation that goes hand-in-hand is of rebuilding lives. Health crises of the past like the Spanish Flu of 1918 offer vital clues to what the super-rich can and should be doing at a time when global poverty is expected to increase in 2020 for the first time in two decades. It was, after all, the donations of billionaires like John D Rockefeller and Johns Hopkins that laid the ground for America's health and education systems. For more on what India's new breed of philanthropists are busy with, keep an eye out for the following issue of *Forbes India*.

STORIES TO LOOK OUT FOR



▲ (From left) Byju Raveendran of edtech platform Byju's has a net worth of $3.05 billion; Biocon founder Kiran Mazumdar-Shaw is the biggest gainer on the Rich List

Brian Carvalho
Editor, *Forbes India*

brian.carvalho@nw18.com

Best,

YOUR PERSONAL SPACE IS YOURS AND WE WOULD LIKE TO MAKE IT THE BEST!!


SICIS
THE ART MOSAIC FACTORY

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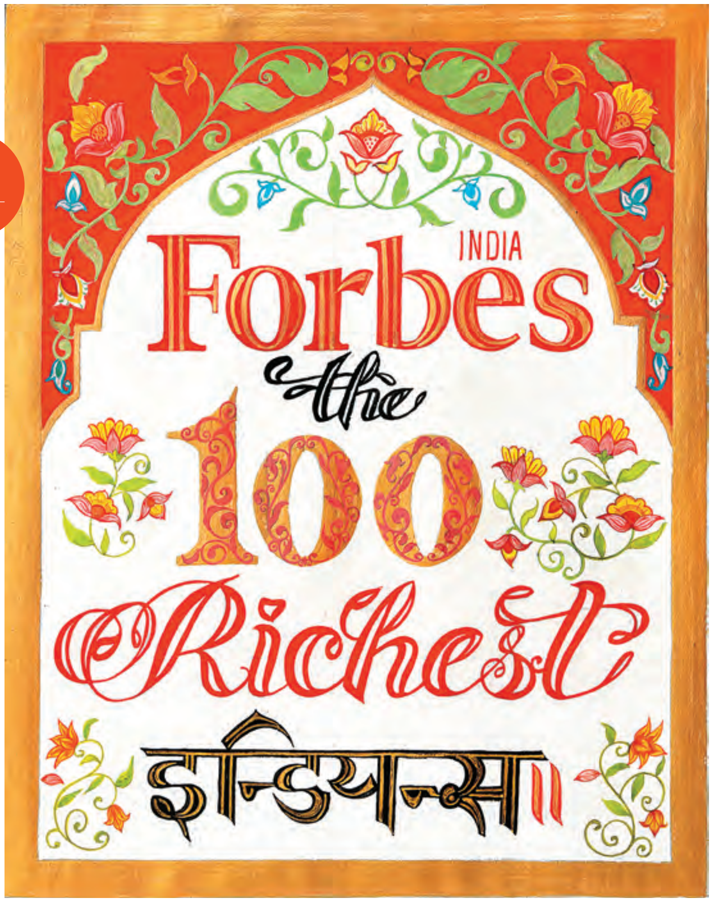

ARTWORK BY **AMLAN DUTTA**

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Nithin (left) and Nikhil Kamath, co-founders of Zerodha

Broking's Newest Stars

Powered by Zerodha, brothers Nithin and Nikhil Kamath are the Rich List's youngest new entrants

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Murari Lal Jalan has invested in diverse sectors, including real estate

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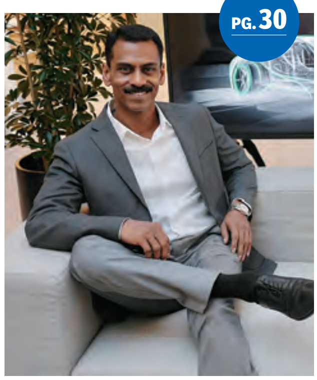

Jay Vijayan's Tekion became a unicorn in October after it raised $150 million in a Series C financing round

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Twelve-year-old Jihan Haria's video on a WhiteHat Jr advertisement was taken off YouTube for copyright violations

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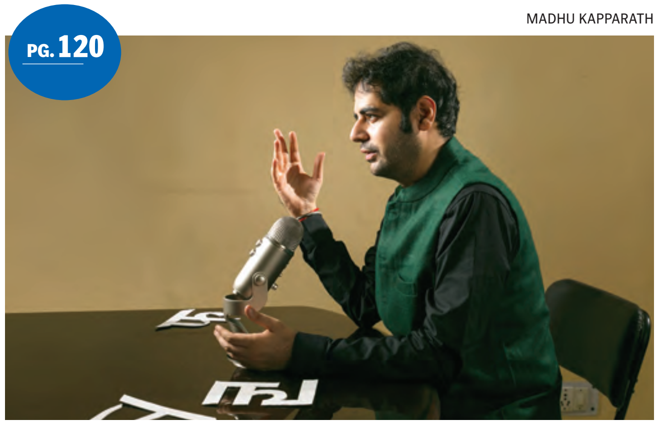

Audio is the natural extension for platforms providing text-based content, believes Jugal Wadhwani, head of audio at Pratilipi FM

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Editor: Brian Carvalho

Network 18

TO OUR READERS
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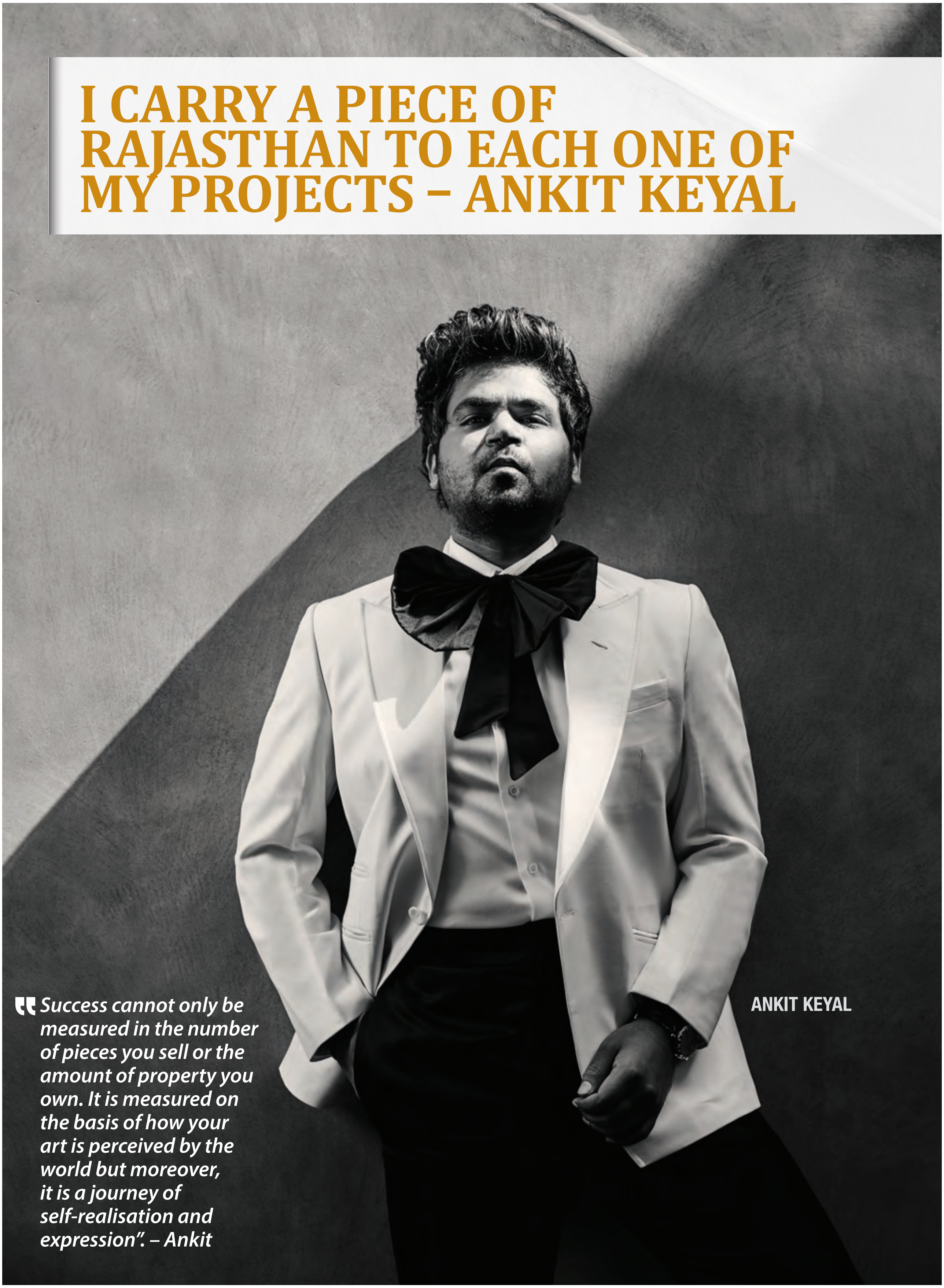
I CARRY A PIECE OF RAJASTHAN TO EACH ONE OF MY PROJECTS – ANKIT KEYAL



"Success cannot only be measured in the number of pieces you sell or the amount of property you own. It is measured on the basis of how your art is perceived by the world but moreover, it is a journey of self-realisation and expression". – Ankit

ANKIT KEYAL

Growing up in Nagaur, Rajasthan, Ankit always had an increasing endearment and affinity for design and art. Hailing from a heredity of Royal plunge, his ethics and morals in life have consistently been enlivened from those recollections and disciplinary qualities. He often takes inspiration from the things he sees around him – the cultural heritage and ethnicity of Rajasthan. His constant endeavour to achieve more and more and his love for the traditional arts saw a marriage of sorts in his ventures as an entrepreneur as well and intermingled into a global empire. The Keyal Empire is built on the diligent sweat and grit of this man and the upbringing his native village had bestowed upon him.

Ankit has incorporated a little piece of himself into his vast Empire. He often says," I carry a piece of Rajasthan to each one of my projects". One of his pet projects has been multibrand store entity, specializing luxury high fashion and wedding ensamble. The brand makes wedding masterpieces in the style of royalty, and are famous for bringing opulent wedding decadence in each of their art pieces. Asiana's sister brand, the Payal Keyal label is another grand success in wedding fashion. Both the labels are among the crème de la crème of wedding fashion industry and make bespoke pieces that are reflections of their own unmistakable luxé and richness. The market reception of both these brands have boosted the Keyal Empire to international fame as well, as Ankit works towards realising his dream of making his company go global.

Another inspired project of the magnate recently has been a real estate flipping business, wherein he acquires Havelis in Old Delhi, and revamps them, renovating them to be heritage properties. Among these Havelis is one palace in Udaipur as well. His modus operandi has been to acquire properties that have heritage structures like old palaces in ruins, and transform them into revived and artful reflections of the cultural aesthetics while paying a respectful homage to the history and tradition of the canvas of the art space. He builds these properties back from the ground up and puts in the designing work himself in collaboration with his Asiana Couture and Marwar couture labels. Ankit has become something of a savant in real estate restoration sectors, building a business that revolves around lifestyle. In these Haveli projects, he brings Rajasthani artisans, designs and textiles to the forefront. With the spotlight on the cultural aspect of his state, Ankit is steadily moving towards his goals.

When he isn't managing his multi-industry Empire, Ankit is an ardent Polo player and a seasoned equestrian. He is a proud owner of about 26 horses of his own, which reside in the ground's stables. Typically, he is up at 4 am, tending to the horses himself. According to him, "Success cannot only be measured in the number of pieces you sell or the amount of property you own. It is measured on the basis of how your art is perceived by the world but moreover, it is a journey of self-realisation and expression". His lifelong passions have been art and architecture – which he employs together and transforms into all his ventures, be it in designing exquisite garments or in putting together a heritage property.

His entrepreneurship ventures stem from a place of need to bring international acclaim to his enterprises. His ventures like the Payal Keyal label, Asiana Couture, and the upcoming Marwar Couture are going to be the crowning jewel of this business Empire for a long time to come. In a world that is obsessed with fast fashion, and where fashion changes every season, Ankit's empire is reviving heritage and timeless brilliance back to centre stage, where it truly deserves a position of indisputable honour and acclaim.

With great power comes greater responsibilities and Ankit is a firm believer in giving back to the planet as much as we take from it. He makes sure that his entrepreneurial ventures always follow the principles of minimum wastage and ethical utilisation of resources. Be it crafting his artful wedding attires that are fitting as a family legacy or his real estate projects, his goals are always complimented by a sense of understanding that is always working towards making sustainability as the core value of his management style.

His ambitions, when Ankit is asked, are clear. There is no looking back for him. His goals include making the Indian cultural heritage and textiles known and acclaimed across the world, and to purchase as many heritage properties that he can, to renovate them and leave them as artful masterpieces. He believes that with his vision and devoted efforts, he can revive our cultural heritage to a global platform of appreciation and respect like no other. Every ounce of hard work and dedication that has gone into these ventures pays homage to Ankit's childhood home – his Rajasthani dream.

An upcoming architectural project designed by Ankit

Rupee Rides Out The Covid Storm
The pandemic-induced slowdown is the first time the Indian currency has not depreciated in a crisis P/16

Donald Trump's Tumble
His net worth has dropped an estimated $600 million since last September, to $2.5 billion P/20

TOP OF THE LEAGUE

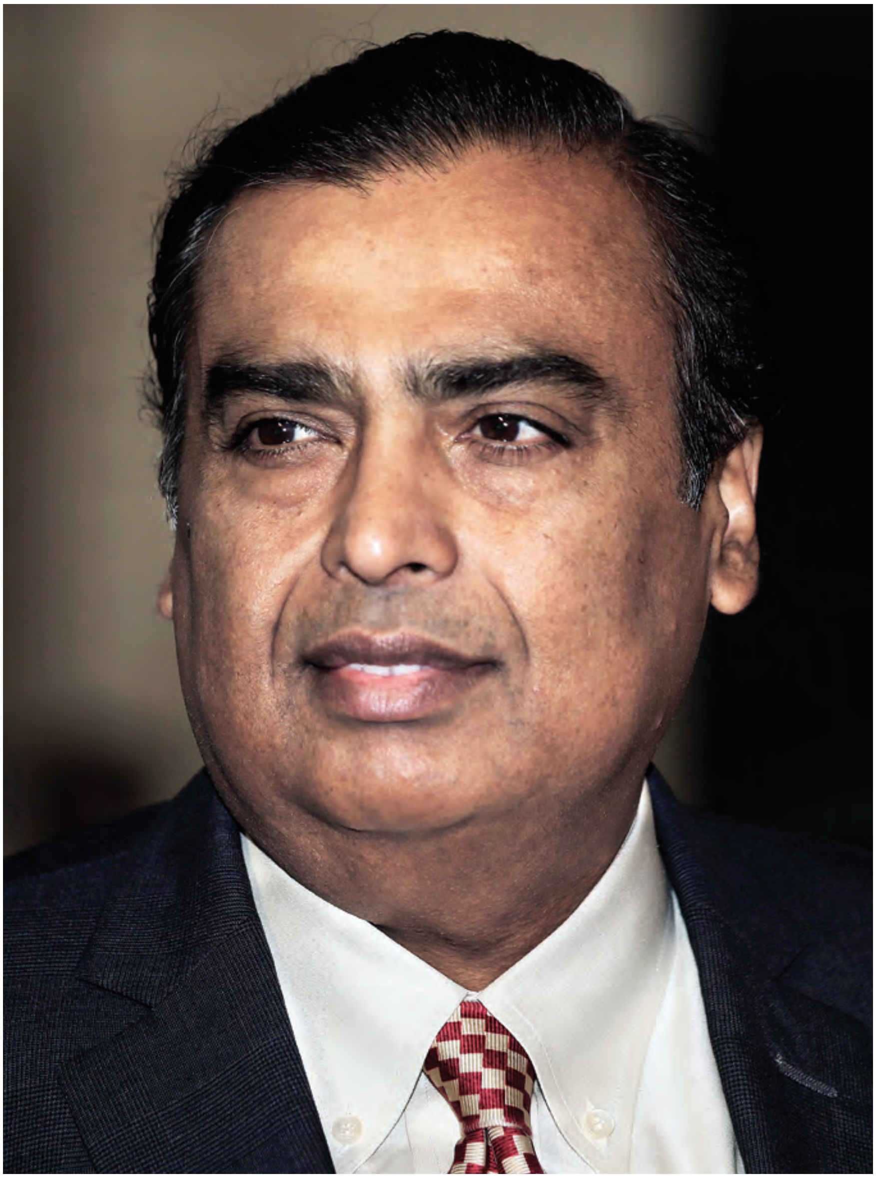
Ambani Cashes In

The market rewarded Reliance Industries for bringing in partners and deleveraging

IN 2020, MUKESH AMBANI aggressively monetised his stakes in the telecom and retail ventures that he'd spent much of the last decade building. The flurry of deal-making, which started in April, catapulted the Reliance Industries stock to an all-time high, taking Ambani's net wealth to $88.7 billion, up by $37.3 billion in the last year. He is No 1 on the Forbes India Rich List for the 13th year (*page 56*).

Asia's richest man has positioned his flagship Reliance Industries [owner of Network 18, the publisher of *Forbes India*] to be a major beneficiary of the consolidation playing out in telecom and retail. Both these consumer businesses have long growth runways ahead. In telecom, there is the opportunity to take prices up and cross-sell retail services while Reliance Retail has now reached the critical mass needed to take on consumer companies and negotiate better prices and pass them on to consumers.

It was the Facebook deal on April 22 that alerted the market to the potential in Jio's customer base. Its 405 million users who paid an average of ₹145 a month for its services were now a sizeable base for a global technology company to be interested in. Facebook, which had been trying unsuccessfully to roll out its payments platform in India, had decided instead to partner with Jio, thereby


FRANCIS MASCARENHAS / REUTERS

lessening the competitive intensity. The company paid ₹43,574crore for a 9.9 percent stake in Jio Platforms and signalled that it would work to integrate WhatsApp with Reliance Retail's ordering platform—a potential game changer as the messaging platform has 400 million users across India.

The next three months saw a clutch of global investors from KKR and Silver Lake to Mubadala and Google invest ₹152,056 crore for a 32.4 percent stake in Jio Platforms. On its part, Jio kept up the pressure in the telecom industry by not raising prices and starting a price war for broadband services.

Even though average revenue per user (ARPU) has risen to ₹145, it is still below the ₹300 that rival Airtel has indicated is needed for the industry to make infrastructure investments and a return on capital above its costs. Jio, on the other hand, is betting on making money from its ecosystem rather than tariffs. "Data prices are the new onion," says Ambareesh Baliga, an independent market expert, explaining that there is a limit to which tariffs for plain vanilla voice and data services can rise. Jio's plan to sell a 5G smartphone at ₹2,500 to ₹3,000 is likely to keep users locked into its ecosystem of apps that offer movies, education and conferencing while keeping the price of its monthly recharge low.

In time, just as the ability to negotiate low prices could emerge as a moat for its retail business, keeping consumers within the Jio ecosystem could emerge as a sustainable advantage for Jio. The company says it has developed 5G technology in-house and could plan to deploy it once bidding for those services is completed.

Reliance Retail has also tied up with global investors. And in September, it bought Future Retail's businesses for ₹24,713 crore. The deal has been challenged via arbitration by Amazon, which argues that it had the first right of refusal. Amazon has won an interim stay on the execution of the agreement. The Future Retail buyout would allow Reliance to expand its retail footprint and scale up its JioMart delivery service offering that serves 250,000 orders a day.

Ambani is also working on converting his legacy oil to chemicals business into a significant beneficiary of specialty chemical manufacturing moving to India, making it the third growth driver over the next decade. At present, only three products—petrol, diesel and jet fuel—which comprise 60 to 70 percent of output—command positive margins. Converting a majority of the balance can result in a 15 percent jump in Ebitda for Reliance Industries, according to an analysis by Motilal Oswal, a brokerage. The company has applied to make this business a wholly owned subsidiary. This move could also potentially give investors the option to invest in whichever business they choose rather than the consolidated holding company Reliance Industries.

RELIANCE HAS BECOME A ZERO NET DEBT COMPANY AND GOT A TECH FIRM VALUATION

In the 2019 annual general meeting, Reliance had indicated that Jio's investment cycle was now over. A year later, it has successfully deleveraged its balance sheet and become a zero net debt company. In June, the company raised ₹53,125 crore through a rights issue, its first in 29 years. The issue was oversubscribed 1.59 times and investors will have to pony up the money in tranches till November next year.

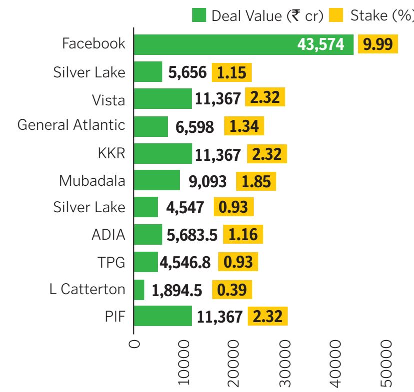
It has also managed to get itself a technology company valuation. Technology platforms once profitable require little capital to grow and there are indications that Reliance is thinking along these lines. For instance, it has chosen to expand through JioMart its delivery service, which will tie up with local kiranas for deliveries. This would make it faster to expand when compared to the traditional model of setting up stores. Its movie library would cost it the same whether one user watches or a 100 million watch.

In results announced on October 30, Reliance saw its sales decline by 22.3 percent to ₹128,385 crore between Q2FY20 and Q2FY21, and profitability fall by 6.6 percent to ₹10,602 crore. Profitability at Jio rose to ₹3,020 crore from ₹2,520 crore. Significantly, ARPU for Jio was at ₹145 a month compared to ₹127.4 in the same quarter of last year. In retail, the company's Ebitda fell by 14 percent to ₹1,986 crore. In the last year, its stock has gained 41 percent to 2,045 per share, outperforming the Sensex which has lost 1.2 percent in the same period.

• SAMAR SRIVASTAVA

SAMEER PAWAR

The Ten Partners



SOURCE Company filings

Right Price

Reliance Industries

1 share offered for every **15 shares** held
Priced at **₹1,257**—14 percent discount to April 30 closing price

Total amount raised: ₹ 53,125 crore

Payment Schedule

₹314,25 on application
₹314.25 by May 2021
₹628.50 by November 2021
Promoter stake before rights issue: **50.07 percent**
Promoter stake after rights issue: **50.29 percent**

CURRENCY WATCH

Rupee Rides Out The Covid Storm

The pandemic-induced slowdown is the first time the Indian currency has not depreciated in a crisis

SHUTTERSTOCK

IN 2008, DURING THE GLOBAL financial crisis, the rupee depreciated by 25 percent in six weeks. Capital flows had been hit and exports were down. The US dollar reigned, and gold rallied as a safe asset. The net result was a depreciation from ₹40 to the dollar to ₹50 at the end of 2008.

The intervening years have seen the rupee lose its value against a host of currencies (it moved from ₹50 to ₹75 to the US dollar between 2010 and 2020). High oil prices in the early part of the decade were to blame for this, as was a tightening in US interest rates—the US Federal Reserve signalled intentions to hike rates too. But, at the same time, the rupee held its own against emerging market competitors—its Bric counterparts, Brazil, South Africa and Russia, whose economies are built on commodity exports.

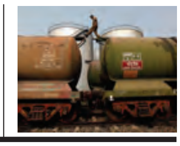
But as India entered the Covid-19 crisis, the previous depreciation playbook did not kick in. A host of factors resulted in the rupee holding its own against the dollar. From January, it has seen a mere 2.8 percent depreciation to ₹73.5 to the dollar. While this is equally on account of the dollar's weakness, it also points to an emerging strength in the rupee, which should stand India in good stead in the years to come. The flipside is that a strong currency is bad for exports—in particular, textiles, gems and jewellery, where countries typically lack pricing power. (Information technology exports are less price-sensitive.)

DOLLAR WEAKNESS

One clear plus point of the Covid-19 crisis was that global central banks reacted early and decisively. This helped in

$115 bln

India's savings in oil import bill as oil prices have dropped rapidly and stayed low during the Covid-19 crisis



REUTERS

Rupee's Strength

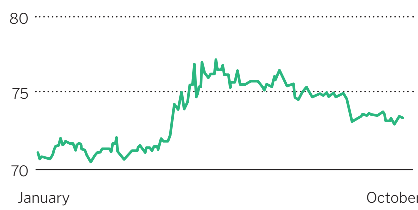
- Dollar weakness on account of the Fed's policy of Average Inflation Targeting
- Signals that interest rates will remain low for an extended period of time
- The Reserve Bank of India's shift in stance to control imported inflation
- Strong foreign direct investment this fiscal on account of the Reliance telecom and retail deals

stabilising financial markets and also gave investors the confidence that the government had their back. With a ready blueprint—interest rates cut, swap lines with other central banks set up—global central banks knew what they had to do.

But the key difference this time is the average inflation target that the US Federal Reserve has adopted. "That is a game changer as it is signalling low interest rates and an expanding balance sheet for a long time," says Anindya Banerjee, vice president (interest rates and currency derivatives research)-PCG, Kotak Securities.

In the previous crisis, while rates stayed low for four years, the Fed had never signalled that intention at the beginning. The Fed's inflation target has been set at 2 percent. The present difference between the US's 10-year bond yield and India's is 5.2 percent, making it worth the currency risk investors take in when buying Indian bonds. An added attraction for yield-hungry investors is that India has never defaulted on its sovereign debt, and that there is now about $15 trillion in assets yielding negative returns mainly in Europe and Japan. "The rate differential between the US and Germany (two major markets for global bond buyers) is at a historical low," says Abhishek Goenka, chief executive at IFA Global, which advises companies on forex strategies.

Rupee in 2020



The next few weeks are expected to see the announcement of an additional $2 trillion stimulus package by the US government, and this could increase pressure on the dollar.

THE CRISIS HAS SHOWN THAT, WITH SOME GOOD FORTUNE, IT CAN BE MANAGED

RUPEE STRENGTH

On the Indian side, the crisis has shown that, with a little bit of good fortune, it can be managed. This was the first time when both global demand and supply collapsed at the same time. This gave the RBI the leeway it needed to protect the rupee.

First, oil prices dropped rapidly and have stayed low. At the start of the year, Brent crude quoted at $59 a barrel. Currently, it's at $42 a barrel, allowing India to reduce its oil import bill of $115 billion (₹880,000 crore) by a third—and saving about $40 billion in foreign exchange. Second, low demand meant low imports, and the current account hit a surplus of $19.8 billion in the April-June quarter. There was also the $20.2 billion (₹152,000 crore) that Reliance's telecom arm raised.

With imports low, the RBI took a call to reduce imported inflation by keeping the rupee strong. "It decided to fight inflation through the rupee and not through the supply side," says Goenka. It did this by selling dollars in the spot market and buying forward contracts, thereby reducing the premium. This sent a strong signal to traders that the government would not allow an uncontrolled depreciation in the rupee.

Another reason was that a depreciating rupee would impact foreign exchange reserves and the RBI's balance sheet negatively, and not allow it to pay a sizeable dividend to the government at the end of the fiscal year. In a cash-strapped year, the government needs all the help it can get.

As world economies resume activity and trade picks up, it remains to be seen where aggregate demand in the Indian economy settles. A high current account deficit could see the rupee depreciate again—it is then that the government's resolve will be tested, as defending one's currency has typically been a losing bet for most sovereigns. "While there is no one-size-fits-all in a consumer-led economy like India, a strong currency is good as it improves the purchasing power of households," says Banerjee.

• SAMAR SRIVASTAVA

Real-life problems need a real-life solution

A story of every household

Ever since it was launched 17 years ago, Fenesta has been the market leader and India's No.1 brand of windows and doors. Naturally so, when plans were afoot to do it's first ever TVC, the team, instead of going to the drawing board, went and met the customer first. After all, that's been Fenesta's credo all along. The findings were along expected lines.

How many times have you dreaded the prospect of coming back to a dusty, messy home after a long vacation? Across the length and breath of the country, irrespective of where you live in the city, this is a problem, which everybody has to deal with. And this was the one problem that Fenesta overcame. Reason why, customer after customer sang paeans of just how their life transformed after they had Fenesta installed at home. Insulation from dust, noise and pollution were not just hollow claims of the brand but were for real.

Reason why, these were people who did not fear coming back to a locked house and they felt otherwise. They were not scared of going out either, whether it is for a week or a month. These were people who had foresight in their lives and Fenesta on their windows. These were people who had now become used to coming back to a spotlessly clean home - just the way they left it. No layer of dust. No tossed up papers around the house because of the old window, which lets in gusts of air on occasion. These were the people whose experience became the platform for the TVC.

How many times have you dreaded the prospect of coming back to a dusty, messy home after a long vacation?

This real-life problem is the narrative that drives Sharma ji's plight in the new Fenesta commercial that's just been released. Sharma ji is our guy next door, the happy go lucky gentleman, a character that we all easily associate and relate with.

So what's Sharmaji's problem?

Given the drudgery associated with getting the house back in shape, Sharma ji panics at the thought of leaving town for more than two days.

So be it a wedding in Bangkok, or a conference in Singapore or a holiday in Kashmir for Sharma ji, it's got to be 'Sirf, do din ke liye'…leading to uncomfortable and humorous situations in the commercial.

At one level the commercial will have you empathizing with Sharma ji and at another, it will tickle you with the reactions that he gets because of his quirk.

Shot at the height of the pandemic, it was a first for the team to do a long distance shoot over Zoom. What's more, there's a message in the end too that dissuades unimportant travel during the current times.

So go ahead and catch the commercial across various digital platforms and if you share your story of how you have evaded going out of town because of this problem you could end up with a surprise hamper from Fenesta.

For the complete story just scan the QR code

Fenesta
Better by Design
India's No.1 Windows & Doors Brand

$2.5 bln

Donald Trump's current net worth, down $600 million from last September

SHUTTERSTOCK

Presidential Properties

Trump owns more than three dozen significant assets, worth $2.5 billion. These eight have experienced big swings in value over the last year

555 California Street San Francisco
What he owns: 30% stake in three-building complex
Total value: $2 billion
Debt: $546 million Net value: $442 million
Change since 2019: ↓$35 million

1290 Avenue of the Americas New York City
What he owns: 30% stake in office and retail space
Total value: $2.1 billion
Debt: $950 million Net value: $342 million
Change since 2019: ↓$109 million

40 Wall Street New York City
What he owns: Ground lease through 2059
Total value: $401 million
Debt: $139 million Net value: $262 million
Change since 2019: ↓$65 million

Mar-a-Lago Palm Beach, Florida
What he owns: 100% of private club
Net value: $180 million
Change since 2019: ↑$10 million

Trump Tower New York City
What he owns: 244,000 square feet of retail and office space
Net value: $167 million
Change since 2019: ↓$70 million

Trump National Doral Miami
Total value: $153 million
Debt: $125 million Net value: $28 million
Change since 2019: ↓$114 million

Trump International Hotel Washington, DC
What he owns: 77.5% stake in ground lease
Total value: $168 million
Debt: $170 million Net value: –$2 million
Change since 2019: ↓$66 million

Trump International Hotel & Tower Chicago
What he owns: Retail, portion of residential space
Total value: $86 million
Debt: $95 million Net value: –$9 million
Change since 2019: ↓$13 million

Change in value is from September 6, 2019, to July 24, 2020.

THE FORBES 400

Trump's Tumble

The billionaire-in-chief's net worth plummets nearly 20 percent

SHUTTERSTOCK

IT HAS BEEN A TOUGH YEAR FOR President Trump. On top of impeachment and the pandemic, his net worth has dropped an estimated $600 million since last September, to $2.5 billion. That puts him at No 339 on The Forbes 400, down 64 spots from a year ago.

Blame the coronavirus, which has battered not only the president's poll numbers but also the very industries in which he holds his biggest assets. Values for office buildings have plummeted. Same with hotels, particularly ones in big cities. Trump has significant debt against his properties in DC and Chicago, both of which appear to be underwater these days. Doral, his golf resort in Miami, is worth $28 million, after accounting for its mortgages, down 80 percent in a year.

There are some bright spots in the portfolio, including garages. Trump has about 350 parking spaces in Manhattan, a nice investment at a time when people are scared to ride the subway. He also still owns the Mar-a-Lago Club in Florida and three nearby homes—prime properties in normal times but especially now that New Yorkers are fleeing the city and driving up prices in Palm Beach.

• DAN ALEXANDER

YOUNG SISTERS COMPETENT TO REFORM THE CONVENTIONAL STANDARDS OF ENTREPRENEURSHIP

Women of today are contributing to a gradual-yet-volcanic revolution in the business world. Two young, ambitious sisters from Central India, Dolcy and Simran, are such women leading visionary lives fanatically both as influencers and as creators of their retail brand, Swish Boss and a multi designer store. These vigorous opportunists of the modern day are simultaneously making a substantial difference in their workplace for their employees. It's fascinating how they've managed to acquire an attractive profession for themselves just at the spring of their lives whilst establishing a harmonious mixed gender work team.

Despite coming from affluent family background (and family-owned business), the sisters desired to launch their independent venture from scratch. One comes to think what can trigger the onset to such a large-scale entrepreneurship? A vision and essentially passion.

Dolcy, the older sibling and the fore-bearer of the company, has it all wrapped under her sleeve with sharp feministic and leadership personality. Diligently pursued her MBBS degree, and went on fulfilling her interest for fashion. She was able to share this interest with her sister. The journey began to actuate in Simran's freshmen year of college. At a time when people around her were inclined to spend leisure time with peers, this young blood was paving her way to accomplishing a fortune for herself. She brewed in her own charm for life and work, conducted herself uniquely, and eventually went on to becoming one of the pioneer fashion and lifestyle bloggers of the country. At the same time, she was equally driven by her sister's vision that commuted both to a brighter destination.

The sisterhood adapted their unanimous passion for working into a business brand, the Swish Boss. The brand portrays a style of fearlessness and originality availing to one and all. It became widely popular among the contemporary trends for youth rather quickly. Swish Boss along with their strong online presence, retails through more than 30 multi-designer stores all across the country. Both Dolcy and Simran adhering to their statuses as influencers aided their brand to reach extensively.

Simran mentions, "We as forerunners of the company deem to give equal voice to every working individual. There's equality in the vibe of the workplace, the collective energy spurs productivity, and that's when big things happen."

The duo really affirms to that fact that consumers of Swish boss are women with similar beliefs in terms of being confident in their own individuality. Effectively, the brand's designs equate to their sensibilities and needs.

Dolcy, when asked about her ideologies of running the business, responds, "Even though the right person is at the right job, I consciously am involved in every layer of our business. That is the source of our exponential growth." The success tale of the brand is a result of persistent dedication, goal-oriented attitude, an equality-at-work ambience and contented clients, who trust the brand.

Dolcy and Simran

With the present-day scenario of the pandemic, one may feel withheld to the loss of value of regular life. However, through every encounter of life these ladies made every hay while the sun shined, and even during these unprecedented times. Swish boss has well acquainted to the need of the hour. The brand effortlessly included their variety of comfort clothing viz, night wears, to their existing glamorous, occasional apparels.

It's the sisters' nothing-is-impossible kind of attitude and the support of their parents, which continues to facilitate their business to flourish in every circumstance. The two completely owe it to their parents with gratitude for their teachings, and constant support. They humbly say, "Our parents have always encouraged us that there's nothing that can't be achieved once you put your heart and soul to it with your hard work."

Something to realise that, it's women leading their lives with such independence and influence that inspires change societally. It is the enthusiasm for transforming constantly in our lifestyle and livelihood that makes it worth striving for. Such is the spirit of these sisters, which is nothing short of empowerment.

ROHA®

INNOVATING FOR YOU. WITH YOU.

www.roha.com

A PALETTE FOR GROWTH & SUCCESS

THE GENESIS OF ROHA IS ONE THAT TAKES US TO THE VILLAGE OF ROHA, MAHARASHTRA. A SMALL COLOR MANUFACTURING PLANT WAS SET UP DECADES AGO BY RAMAKANT TIBREWALA. IN THE WIDE SPECTRUM OF VENTURES HEADED BY THE TIBREWALA FAMILY, ROHA STANDS OUT AS THE MOST COLORFUL. ROHA HAS TRANSFORMED UNDER THE LEADERSHIP OF SONS BRIJESH AND MAHESH TIBREWALA, WHO TOOK THE REINS A FEW DECADES AGO WHEN IT WAS A VOLUME PLAYER IN SYNTHETIC COLORS.

Brijesh Tibrewala

Managing Director, Roha Dyechem Pvt. Ltd.

They've overseen a major professional transformation of the family owned company in the last 2 decades. No expense has been spared and no compromise made in this regard. ROHA sought to bring global talent in and at the same time has focused on local hiring in every region. Management professionals as well as technical experts are plenty in the ROHA ranks. The company is a well-managed global giant on 6 continents, and they can be proud of having over 100 technical experts in 14 labs around the world. Brijesh and Mahesh might love global destinations like London for their holidays, but they see every region they operate in with the same enthusiasm.

There's a lot going on at ROHA, and natural colors are on the frontline of ROHA's color spread. Natural colors account for about 10-15% of business and growth is very promising. It's not just natural colors. Dehydrated ingredients is a new space ROHA has started to operate in with the acquisition of the Italian company New Foods. It's what clients are looking for, Brijesh tells us.

"Initially there was only a market for synthetic colors. In the last 2 decades natural and clean label colors have evolved. The decision to expand our offerings is completely centered around our customers. We foresee clients using a balanced mix of synthetic colors, natural colors and clean label colors. Dehydrated ingredients will grow too as their customers continue to evolve in terms of lifestyle."

This understanding of clients sees ROHA make a dozen new products annually on top of continuous and vital improvements to processes and existing products.

Mahesh Tibrewala

Managing Director, Roha Dyechem Pvt. Ltd.

The support extended to customers goes a long way. It doesn't matter if a client needs a kilo of color or 100, ROHA will customize it. This degree of customization has seen ROHA's business become very balanced in a manner that even the biggest global clients account for only about 1-2% of revenue each.

The brothers knew their fundamentals had to be right when it came to the industrial colors expansion. The acquisition of Simpsons in Europe gave ROHA an entry into the industrial colors segment, but the game changer is their new plant in Dahej, Gujarat. In setting up a greenfield project, they've ensured they stick to the basics of good business and have the advantage of bringing in the latest technology to grow the Simpsons business. The Dahej operation is set to kick off in March of the coming year.

Brijesh and Mahesh have always been very future savvy. Brijesh for example loves his gadgets. This savviness extends to ROHA too. At a very early stage they saw the need to go green. ROHA has over the years invested in renewable energy to the tune of 96 megawatts and is a carbon negative operation. The group's diversification strategy has also seen ROHA explore financial services recently as Mahesh details.

> ***"We have Roha Capital which is the holding company for our financial services. The portfolio is based on financial inclusion and is tailored to the needs of every class of society and the financial needs of every customer. The entire portfolio is managed by the most experienced and competent professionals in the industry. ROHA Capital consists of asset and wealth management, currency and commodity broking, housing finance, end-to-end financial services to retail and corporate customers, and financial advisory services."***

Brijesh and Mahesh have ensured ROHA's stature is held high even outside of business and in the worst of times. When India was forced into the pandemic lockdown, ROHA supported several thousand income-deprived families with meals and distributed immunity boosting medication to help thwart the impact of COVID-19 in Mumbai. Elsewhere in the country they were very active in supporting quarantining efforts and ensured their own workers continued to be supported even though work had stopped. The pandemic has been tough but throughout this time ROHA has adapted. The company has continued to grow and the brothers are very optimistic about the brilliant work ROHA will achieve in the near future. The optimism is based on the fact that ROHA's fundamentals are right. If there were a company with bright future, it has to be ROHA under the leadership of Brijesh and Mahesh Tibrewala.

In Focus

Jet's Mysterious Suitor

Not much is known of Murari Lal Jalan, who leads the consortium that has won the bid for Jet Airways. Will he be able to turn around the company in a pandemic-ravaged sector?

By MANU BALACHANDRAN

CHAITANYA DINESH SURPUR

Within India's corporate echelons, Murari Lal Jalan remains something of an enigma. Not much is known about the millionaire who, along with London-based financial advisory firm Kalrock Capital, became the newest owner of India's oldest private airline, Jet Airways. Jet, previously owned by billionaire Naresh Goyal and Etihad Airways, had shut operations in April 2019 after its debt spiralled out of control.

"The resolution plan submitted by Murari Lal Jalan and Florian Fritsch has been duly approved by the CoC [Committee of Creditors] as the successful resolution plan," said Ashish Chhawchharia, the resolution professional appointed by the lenders of the airline, in a stock exchange filing on October 17. The consortium will now have to wait for clearance from the National Company Law Tribunal (NCLT) before officially taking over the reins. Last July, the NCLT had approved bankruptcy proceedings against Jet.

While Kalrock Capital is part of the Fritsch Group, an investment group founded by serial real estate and tech entrepreneur Florian Fritsch, 56-year-old Jalan remains a mystery. A casual internet search on Jalan is almost certain to take you to the website of a commercial and residential project being developed in Uzbekistan by the MJ Group, which envisages Jalan as "a man who has a global vision". MJ Group, as the initials suggest, is owned by Jalan.

"Traditional wisdom says 'don't put all your eggs in one basket' and it perfectly applies to Mr Murari Lal Jalan," says his profile on the website of Namangan Square, a residential complex being developed by the group in Uzbekistan's eastern city of Namangan. The complex is spread over 18 hectares, featuring 1,500-odd luxury apartments.

"An eminent figure in the business fraternity, Jalan is a veteran who has invested in diverse sectors like real estate, mining, trading, construction, fast-moving consumer goods, dairy, travel and tourism, and industrial works globally to name a few, minimising the risk factor," the website adds.

But Namangan Square is only the tip of the iceberg when it comes to Jalan's empire. Besides that, MJ Group is developing three other real estate projects in Uzbekistan, including a five-star hotel, and has sought permissions to set up Minerva City, something the group calls a "city within a city". The complex will have schools, colleges, and a university over some 100 hectares, with around 15,000 apartments, hotels, and shopping centres, costing over $500 million.

On September 17, the group laid the foundation stone for the construction of the Minerva World of Knowledge International University in the Sergeli district of Tashkent. The group plans to start the academic year in September 2021.

"MJ Developers is the world-renowned firm with over 15 years of real estate experience," the company says on its website. "Its headquarters is in Dubai and company executives got business experience in diverse industries spanning over 40 years in a range of countries including India, Russia, Brazil, UAE, and now Uzbekistan."

"I have never heard of Jalan. The business circle in Dubai is very small, everybody knows everybody. There has never been a mention of him. It doesn't add up."

MARK MARTIN,
FOUNDER, MARTIN CONSULTING

SHADOW FIGURE

Despite its newfound success in Uzbekistan, within the UAE, where a bulk of Jalan's business seems to have been based, business leaders say he remains relatively unknown or low profile. "I don't know him and hadn't heard of him," says BR Shetty, the billionaire who has been embroiled in a financial controversy in the UAE. "However, I congratulate the group for having come forward to revive the sinking company, which can be successful. There is a massive opportunity in the aviation space, and it takes a lot of guts as well as patriotism to pursue this."

Jalan is the chairman of Agio Image, a UAE-based firm that claims to have started with the distribution of photographic products in the early 1990s. "The group is today also involved in trading, construction and real estate and medical services," the company says on its website.

"I have never heard of him," says Mark Martin, founder of Dubai-based aviation consultancy Martin Consulting, and a former project director at Eastern SkyJets Dubai. "The business circle here is very small, and everybody knows everybody. But there has never been a mention of him. It doesn't add up."

"He seems like a very low-profile businessman," says a senior business executive at one of the UAE's biggest companies. "He is unknown within the circles here, and we are all trying to find out about him."

But back home, in Ranchi, Jalan and his family don a different image. The family owns charitable trusts, a school, movie theatres, and is among one of the best-known Marwari business families in the city. "He comes from the same community as I do," a Ranchi-based businessman said on condition of anonymity. "We know them quite well. They are rich, but certainly not rich enough to buy Jet Airways."

Murari Lal's brother, Narayan Jalan, is chairman of the prominent Bridgeford School and also runs the GP Jalan Memorial School for the underprivileged, named after his father, Ganesh Prasad Jalan. The senior Jalan had been engaged in the paper trading business before passing away in 1984. Murari Lal dabbled with the business for some time before foraying into the distribution of photographic equipment and setting up numerous photo labs in the city and outside. Murari Lal's other brother, Vishal Jalan, stays with him in Dubai.

In the early 1990s, as with many Indian businesses that forayed into the former Soviet Union that was fast collapsing, Murari Lal went to St Petersburg to set up a chain of photo labs. Around the same time, looking for a reliable partner there, the Japanese conglomerate Konica entrusted him with the distribution of their entire range of photographic products in Russia and The Commonwealth of Independent States (CIS) countries.

Since then, Jalan steadily expanded his business to Brazil, acquired Kolkata-based Kanoi Paper and Industries, before renaming it to

Agio Paper & Industries, and set up Orion IT Private Ltd, which owns Orion Techcity, a special economic zone (SEZ) spread over 155 acres near Kolkata. The stone-laying ceremony of the SEZ in 2008 was attended by former President of India Pranab Mukherjee, in his capacity then as the Minister of External Affairs, and then West Bengal Chief Minister Buddhadeb Bhattacharjee. The project is currently pending statutory approvals from the West Bengal government.

In the UAE, meanwhile, Jalan reportedly forayed into the real estate business, developing over 1 million sq ft that was then leased out to companies. He also built labour camps for workers in the port town of Jebel Ali. The Agio Image group handles the distribution and sales of photographic and consumer products of companies including Sony, Konica Minolta, and Panasonic. Apart from that, the group includes a business that's engaged in trading and construction machinery.

THE SOUTH AFRICA CONNECTION

Last year, however, Jalan's family was in the eye of a storm when his niece married into the controversial South Africa-based Gupta family. The Gupta family, comprising brothers Ajay, Atul, and Rajesh were among the richest families in the country, with businesses in uranium, gold and coal mines, hospitality, engineering, IT, and media, before they were forced to flee in 2016 over corruption charges.

The Gupta brothers, who had migrated from Saharanpur in Uttar Pradesh, had built enormous political and economic influence in South Africa, and were seemingly close to former president Jacob Zuma. The relationship had allegedly helped them secure large government contracts. In 2013, the Zuma presidency came under criticism after the brothers used a secure air force base to land their private aircraft. Since then, they had been at the centre of a scandal that has already brought Zuma down.

Jet Airways shut operations in April 2019. Three rounds to invite expressions of interest had not evoked a response; the fourth round saw Jalan and Kalrock Capital emerge as the new owners

FRANCIS MASCARENHAS / REUTERS

In early 2019, Atul's son married Jalan's niece and Vishal Jalan's daughter in a wedding held at the hill station of Auli in Uttarakhand. The wedding was attended by state Chief Minister Trivendra Singh Rawat, yoga guru Baba Ramdev, and celebrities including Katrina Kaif, Badshah, and Kailash Kher. Soon after, however, the Guptas faced flak for causing environmental damage after leaving behind 240 quintals of garbage after the four-day celebrations.

Around the same time, Jalan partnered with Kamal Singhala, Ajay Gupta's son, and Saharanpur-based Anil Kumar Gupta to set up Patanjali India Distribution Ltd, according to documents with India's Ministry of Corporate Affairs (MCA). Among others, the Delhi-based company's articles of association say the company will be engaged in trading, import, export, retail, distribution, and marketing of milk products, instant foods, health foods, and agro foods. Alongside, it also plans to carry on trading, import, export, retail, distribution and marketing of pharmaceutical and herbal medicines, ayurvedic cosmetic items, herbal cosmetics, and shampoo.

It isn't entirely clear if Patanjali India Distribution is linked to the Baba Ramdev-promoted Patanjali Ayurved, although Jalan is a follower of the yoga guru. Questions sent to Patanjali are yet to receive any response. A detailed questionnaire sent to Jalan is also yet to be answered.

"He holds a nominal stake of 0.1 percent in the company," says a person close to Jalan on conditions of anonymity. "However, the company never got off the grounds as its bank accounts have not yet been opened and has not been capitalised till date. The family of Jalan's brother has no relation to Jalan's business activities. The brothers are two separate entities, and their relationship has no connection with their business activities."

That's something Kalrock Capital reiterates. "We have no links with the Patanjali group, which is Baba Ramdev's," says Manoj Madnani, a board member at Kalrock Capital. "The consortium consists of only two members—Jalan and Fritsch, and the entire investments will be made between these two only. Jalan has no business ties with any of the Gupta family. Nobody from the Gupta family is involved directly or indirectly in the business."

Yet, industry insiders say there could be more than what meets the eye. "The Gupta family has had some tryst with aviation and owns New Delhi-based Heritage Aviation, which owns helicopters and a business jet and mostly undertakes pilgrimage trips," says Martin of Martin Consulting. "They mostly undertake trips to the Himalayas, including Vaishno Devi."

According to the MCA, Angoori Devi Gupta, a South African national, owns over 68 percent of Heritage Aviation. Angoori Devi is the mother of the Gupta brothers.

"With the new set of buyers, you never really know what's going on," says another industry executive. "If you wanted to start an airline, why did you wait this long? I won't be surprised if Kalrock could be the front end of a deal."

A spokesperson on behalf of Murari Lal Jalan has clarified that he "has no business association or ties with the Gupta brothers of South Africa and it is absolutely incorrect to link him to them or to any of their businesses".

"What we bring to the table is corporate governance and compliance, and Jalan was the one who came up with this entire idea," adds Madnani. "He [Jalan] sensed the opportunity and he said this is a sector, once it rebounds, will have a huge opportunity." While Jalan and Kalrock have had a relationship early on, a decision to jointly bid for the airline, Madnani says, was taken around the time the pandemic had begun to sweep across the world. "This is as opportunistic as it gets," he adds.

THE JOY OF FLYING, ONCE AGAIN

The new owners of Jet Airways come in at a time when three previous rounds to invite expression of interest had failed to evoke any response. The fourth round was issued this May, with a deadline of July 21. The applicants, particularly consortiums, required a lead consortium member with the single-largest equity participation. Besides, it also needed to have funds in excess of ₹500 crore.

A consortium comprising Abu Dhabi's Imperial Capital Investments, Haryana-based Flight Simulation Technique Centre, and Mumbai's Big Charter was also in the final race. Kalrock reportedly offered ₹866 crore while Imperial Capital Investments' bid was around ₹770 crore.

Madnani, a board member at Kalrock along with the director John Oram, had previously led and managed deals at Kulczyk

"What we bring to the table is corporate governance and compliance. Jalan came up with this entire idea... He sensed the opportunity."

MANOJ MADNANI,
BOARD MEMBER, KALROCK CAPITAL

Investments, an investment firm founded by Polish entrepreneur Jan Kulczyk in 2007, focusing on business opportunities in high growth markets. "My history has been in turning around businesses," Madnani says. "We have done a lot of turnarounds in the steel sector, and oil and gas. John [Oram] and I used to be part of the team that managed the family office of Jan Kulczyk. For us, human capital and brand value mean everything."

For now, Kalrock Capital says the company is complying with the ownership structure prescribed by the Indian government which requires the local partner (Jalan) to have a majority stake. It is also carefully navigating through all the regulatory hurdles, before laying plans to kickstart operations at Jet. "We want to get to a full-service airline, we want international routes, domestic routes, and we have a phased plan," says Madnani. "We have to go through the regulatory process." The company is also planning to operate on all the slots that Jet Airways used previously.

But staging a comeback may not be easy. "Given the market realities, India needs one less airline, not one more," says Satyendra Pandey, partner at the advisory firm AT-TV. "Experience has demonstrated that a team with on-ground knowledge, localised access and an ability to think in terms of investment returns is critical. Whether the bidder can round up such a team will be a test in itself."

Others agree that the current market situation, particularly in the aviation sector, is rather grim. "Private equities are looking at at least 20 percent return on their investments," says an industry executive. "To drive those returns, you need debt. Nobody is willing to lend to airline companies now. Jet also will need big money, mostly millions of dollars, to get itself to fly again. It may not be easy."

Liechtenstein-based Fritsch, the founder of Kalrock, is a self-confessed conscious capitalist and started as a paramedic in Red Cross. "From Tesla, Relayr and Delivery Hero, Florian focuses on investments that embrace technology to accelerate their impact in a sustainable manner," Fritsch's profile on LinkedIn says.

"When we looked at this situation and saw the value of this brand, we were overwhelmed by the love people had for it," adds Madnani. It also helped that India continues to be one of the most promising aviation markets despite the pandemic-induced slowdown in the sector. The country has already firmed up plans to allow domestic airlines to increase their operations to 75 percent of their capacity. In September, according to rating agency ICRA, the domestic passenger traffic stood at 3.9 million, as against 2.8 million in August 2020, indicating a 37 percent growth.

However, Pandey of AT-TV sounds a note of caution. "Current financing avenues for airlines are few and far between. There is little certainty on debt service coverage, creditworthiness, and collateral. The new Jet will have to navigate through all of this."

But Madnani doesn't seem worried: "The three words we look at—adaptability, flexibility, and optionality—fit well in this situation. India is a country of 1.3 billion people with a phenomenal opportunity for tourism. Then, there is also the opportunity in air cargo."

Only time will tell if the mysterious Murari Lal Jalan and Kalrock Capital, have what it will take. F

PROFICIENT AND DRIVEN EDUCATOR

Professor Dheeraj Sharma, Director of the Indian Institute of Management Rohtak, gives an outlook on the future of higher learning in India amid the COVID-19 crisis, and how institutes can step up to leverage technology for equal access to all.

Professor Dheeraj Sharma, Director, Indian Institute of Management Rohtak

You have taught as a professor in institutions across the world. Today, as Director of the Indian Institute of Management Rohtak, what varied experiences are you bringing to the table?

In my career spanning more than two decades, I have been privileged to work in a unique setting in Europe, Asia, and North America. I have made my honest efforts to give my best to the institutions that I was associated with and have tried to impact the lives of the people around me to the best of my ability. When I took charge at IIM Rohtak, I envisioned to provide the highest quality management education of an Institute of National Importance (INI) to the largest number of students. My view is to make high-quality education available to the maximum number of deserving students from various student groups, including undergraduates, graduates, working professionals, and researchers. At IIM Rohtak, we have endeavoured to provide this opportunity by introducing several new and innovative programs for the student community. I feel proud to have been able to increase the students' strength at IIM Rohtak from about 300 to 1,100 approx. and no. of programmes from 2 to 7 in a span of 3 years.

The COVID-19 pandemic has disrupted education all over the world. What challenges does it pose to higher learning, considering the delay in term reopening and the possible effects on the current generation of undergrads?

COVID-19 created the largest disruption to the education system in history, affecting over one billion learners globally. Even today, the crisis and the education disruption is far from over. However, the immense efforts made in a short time period to respond to the challenges in the delivery of education remind us that change is conceivable. Educators across the world have been compelled to embrace and leverage technology to do things differently. The crisis has also changed the role of the educator to more of a facilitator. Educators are expected to be guides and coaches who attempt to provide students with opportunities for holistic development. Although in the short term, COVID-19 has had a drastic impact on education, in the long term, it will bring much-needed innovation in the education sector and redefine the role of schools and colleges. Education would be much more accessible to all sections of society.

Apart from a classroom-learning environment, what other learning styles and models are being followed to make up for lost learning time if any?

If we take a philosophical approach to education, then attempting to read, acquire knowledge, and do something during this unique context of COVID-19 itself is educational. I wonder why we believe that 12 years of education is the only modus operandi for an individual to pursue higher education. The COVID-19 situation, coupled with the New Education Policy (NEP), can help us redefine the format, content, and methods of delivery of education. At IIM Rohtak, we have adapted a continuous assessment methodology, wherein students are assessed daily to facilitate the constant learning process in online mode. We have also adopted simulation-based learnings to make students better decision-makers. Our faculty and staff have done a great job in harnessing technologies and leveraging it to impart education in new and innovative ways. For example, some online platforms allow break rooms to put forth ideas and engage in meaningful discussions. We also have dedicated sessions for discussion of concepts and ideas.

Can you elaborate on the impact the COVID-19 crisis will have on present and future education?

The pandemic has hit the traditional classroom model of education, but the optimism in this current crisis comes from the fact that information technology advancements and the Fourth Industrial Revolution have given us the tools to combat such a crisis effectively. Though some proponents of the classical model will deny the role of online education models, one thing is profoundly clear, that it has already opened a plethora of opportunities to educators and learners. In the post-COVID-19 environment, we will witness a massive shift towards online learning and self-learning. I believe the ideal will lie in blended education; a combination of online and offline is probably the future. I believe blended education, which leverages technology, can allow institutions to expand without significant infrastructural constraints. Further, technology can also increase the reach of Indian institutions to access global educators.

What steps are being taken to mitigate the ill effects of the pandemic on education?

The UN Policy brief on the impact of COVID-19 on education suggests that around 24 million school students globally have dropped out. With more considerable attention given to the use of technology to ensure continuity in the students' learning process, there must be an expanded understanding of the Right to Education, by including digital access and connectivity as an entitlement to all. We need to ensure that all students, irrespective of their social status, learn with the changing methods of digital learning. Educators and students need free and open source technologies for teaching and learning. Thus, the government needs to step forward to develop open education resources, inexpensive devices, and digital essay access. The PM eVidya programme is one such initiative taken by the government to promote digital education and make e-learning accessible for students and teachers. Under this scheme of 'One Nation, One Digital Platform', school students will be provided with e-content and QR-coded energised textbooks. Organisations covered under CSR Act can help in development of digital infrastructure.

Do you foresee any ill effects of online learning and learning during COVID-19 crisis?

The isolating effect of lockdown may have impacted the mental health of students. This needs to be addressed adequately. Hence, institutions must engage with students through the student representative and faculty to make them feel better. Some funding support should be provided to institutions to set up 24-hour counselling phone lines. Particularly, school teachers must regularly interact with students and take counselling sessions apart from the regular knowledge sessions to provide psychosocial support.

To ease the financial burden on the students, government has directed banks to allow restructuring of the students' existing loans and granting some moratoriums on payments. Banks are also providing concessions in loan rates for students joining programmes in top-level higher education institutions. Furthermore, I have noticed a rise in availability of government scholarship to needy students. Finally, several NGOs are supporting digital education to the marginalised, with help from state and central governments, by providing access to digital infrastructure and devices. The government must expand the network of digital hotspots in villages where digital education may be delivered.

IIM Rohtak was the first institute to start its academic schedule well on time, since it already had the required technological infrastructure to start the curriculum via online mode. We hope that we will give our students exposure to the industry and its practices in online mode. We are organising regular webinars, online leadership lectures, and virtual field visits.

My view is to make high-quality education available to the maximum number of deserving students from various student groups, including undergraduates, graduates, working professionals, and researchers. At IIM Rohtak, we have endeavoured to provide this opportunity by introducing several new and innovative programs for the student community.

Considering the technology-reliant and automated future, how will managerial skills change and what can students do to thrive in tomorrow's environment?

Expectations from management students are never a set standard. The expectations at the time of the global crisis have increased multi-fold and management scholars shall lead the way out of the global crisis. Employers want students with impeccable domain knowledge, resilience and adaptability. Organisations in every sector are trying to create a digitised, automated, and AI-driven business environment. Hence, there will be a huge demand for a workforce that is more trained in analytical thinking, decision-making, and informed of the industry's latest trends and requirements. Students must be focussed and create self-goals. They must also motivate themselves to learn new skills continuously.

While the race to be the best has gotten a lot more intense, our students have been continuously adapting themselves. All students' activities are being conducted online, where students learn the dynamics of virtually working in teams. They learn to understand the scope of work and coordinate with their peers virtually to schedule activities, conduct tasks, manage teams, and create a continued peer-learning environment among students. I see a greater sense of self-discipline emerging out of working online.

Your primary research interests are concerned with 'relationships in business domain'. Do you see these relationships changing in light of how the office-going workforce has had to adapt to working from home? What critical skills will be expected from students in this light?

The current situation has made us reflect on finding new ways of working and achieving superior work outcomes using alternate methods of working. Earlier reports have suggested that remote-work opportunities have benefitted organisations, with telecommuters being more happy, significantly more productive, and less likely to quit their jobs. Telecommuting will require people to have a better work-life balance. Relationships are fundamental to the functioning of any organisation. The key to balanced relationships is communication. Organisations must develop evidence-based remote work programmes for their employees that will enhance their ability to communicate and build work relationships with their peers and superiors more effectively. It may be important to examine the impact of telecommuting on work-family and family-work conflict in Indian context. I am sure the students of IIM Rohtak are appreciative of the difficulties and challenges of the new work environment. This will help them adapt and navigate any challenging situation at work.

Driving Force

How Jay Vijayan—a politician's son, geology student and former Tesla techie—built Tekion, a billion-dollar company that will make its India foray next year

By MANU BALACHANDRAN

If it wasn't for his politician father, Jay Vijayan could have possibly been dabbling in Tamil Nadu's political arena today. Instead, the 48-year-old has built one the world's latest unicorns, the California-headquartered Tekion Corp.

In the 1990s, Jay's father K Vijayan, a long-time leader of the Indian National Congress in Tamil Nadu, tore away his son's candidature form for the local councillor elections to goad him into taking a salaried job. "He tore away my application form," Jay tells *Forbes India* over a Zoom call from California. "I was young... we wanted to change things and everybody told me that I will win by default since my father was a leader. But he pushed me to pursue a regular job."

Jay Vijayan's California-headquartered cloud technology company Tekion Corp achieved unicorn status in October. The 48-year-old entrepreneur has come a long way from his humble beginnings in Chennai, Tamil Nadu

Today, he looks back at his father's decision with gratitude. "He certainly did the right thing," emphasises Jay.

In October, Tekion became a unicorn after it raised $150 million in a Series C financing round. A cloud technology company that Jay founded in 2016, Tekion offers a software as a service (SaaS) platform for the automotive industry that helps connect customers, car manufacturers and dealers on its cloud-based platform, helping create seamless experiences from buying a car to managing its inventory and spare parts.

"There is a trust issue in the industry," says Jay. "Customers don't trust dealerships. Dealerships don't trust the original equipment manufacturer (OEM). And OEMs don't trust dealers. If the OEM and the dealer can provide transparency to the customer and the best experience, then it's a win-win situation. That's what we are solving with Tekion."

The cloud-based subscription service is currently used by 17 car manufacturers. The platform uses machine learning and artificial intelligence to suggest everything from purchase options for car buyers, availability of spare parts and service schedules, and also provides market intelligence to dealerships. At the centre of it all are the dealers who can use the platform to streamline operations. The company's investors include General Motors, BMW, the Renault-Nissan-Mitsubishi alliance, and Airbus Ventures.

"Today, manufacturers, dealers and consumers all operate in silos even though they are connected," explains Jay. The company had earlier raised $65 million in its Series B funding round from Exor, General Motors and Alliance Ventures, among others. Next year, the company plans to make its foray into India—where a significant number of its workforce is.

"I would say he is ahead of his times," says Vinay Piparsania, former consulting director for automotive at

Man Behind the Unicorn

Jay Vijayan
Founder, Tekion

EDUCATION
- BSc in Geology
- Msc in Applied Geology

EXPERIENCE
- Bahwan CyberTek, Oman
- City Developments Limited, Singapore
- Oracle, US
- VMware,US
- Tesla, US

Counterpoint Research. "Tekion can connect the two ends of the vehicle purchase journey, from pre-ownership to post ownership. And Jay has built a scalable model, which companies can look to adopt. Many of the global automakers are struggling with legacy issues, and haven't been able to move to make full use of the cloud."

Chennai to California

While Tekion has found itself in a rather covetable league in a short span of four years, Jay's journey hasn't been easy. In fact, he had to shut down a family-run business for lack of funds.

Born and brought up in a middle-class Indian family, Jay studied in Chennai where he went to schools that offered matriculation syllabus. His father ran a training institute for radio and television in the city, while also dabbling in politics. "He was doing alright," says Jay. "But, he was always busy in politics and didn't spend too much time in expanding the business. But we got by."

After schooling, Jay joined the illustrious Presidency College in Chennai, which counts Nobel laureate CV Raman and C Rajagoplachari among its notable alumni. He went on to study geology. "It was a time when there was no internet," says Jay. "There wasn't much guidance. But I always wanted to be unique." It also helped that a degree in geology could land him in a job in the lucrative sectors of oil and gas, and mining. Subsequently, he also earned a postgraduate degree in geology.

Around the same time, Jay began dabbling in computer science and enrolled in diploma courses at NIIT. "I wanted to learn computers," he says. "But I couldn't do my masters in computers after geology. So I began to do a diploma at the same time." Soon, he realised he didn't want to pursue a career in geology, and turned towards computers. Around the same time, his father set up a computer science training and coaching institute in Chennai on a property that the family had owned. The funds for running that institute were raised by mortgaging that property.

"I worked there as a programmer, and did numerous roles," Jay says about the family business. By 1995, he stepped into the job full-time, and also brought along his friends to scale up the business. "But we couldn't expand any further. We had hit a brick wall," Jay recalls. "We needed more money and we had already borrowed enough." With the interest rate on the principal growing, he knew that the business had to wind up. "I was too young and didn't have the right level of connection to raise capital," he says.

A few months into the closure, Jay found a job with the then-Chennai-headquartered Bahwan CyberTek. The company sent him on a project to Oman. "People told me that I shouldn't pay back the loan," recalls Jay. "But I was clear. I needed to pay up. It was about integrity."

The job in Oman soon led him to Singapore-based City Developments Limited, a global real estate company. "I spent another year in Singapore and also had permanent residency," he says. "But even then, more than half my salary went in paying my old loan."

In the meantime, he began learning certification programs in Oracle database and other tools for Oracle. "I was among the few people in Asia who had the latest and greatest certification in the database in Oracle tools," says Jay. "Soon, Oracle reached out, for a role in the US." While he was hesitant to

INFOGRAPHIC: SAMEER PAWAR

JUSTIN SULLIVAN / GETTY IMAGES

move to the US, primarily because of Singapore's proximity to India, he decided to give it a try for a short while. Jay joined as a programmer before becoming the lead, and then a senior manager. "The loan was finally repaid in 2006," he says.

Oracle, meanwhile, also opened up Jay's understanding of the complex world of business applications, including Enterprise Resource Planning (ERP). "The seed of my idea started from there," says Jay. "My thought process was: 'Why should these applications be so complex?' Large companies spent billions on building ERP. If I got a chance, there was a way to do it better."

Giant Leap

By 2006, Jay left Oracle for California-based VMware, a cloud computing and virtualisation software and services company, where he grew to be a senior director.

It was there that a recruiter from Tesla approached Jay to join them. "He reached out multiple times through LinkedIn and left messages on my phone," says Jay. "In fact, I didn't even bother responding." But he kept following up, before Jay agreed to go for an interview with the team that was just launching their Initial Public Offer (IPO).

"I spoke to Elon [Musk, co-founder and lead, Tesla]," recalls Jay. "Back then, nobody knew Tesla. He's not a man of too many words. He speaks less, but speaks to the point. We had a good conversation. I was intrigued by his vision and thought process...even if 25 percent of what he says could be implemented, it was going to be great."

But Tesla couldn't match his salary. "The offer wasn't attractive enough for me to join," explains Jay. "VMware was doing great. I was sitting on a stock of $2 million.

Jay Vijayan joined Tesla at a pay cut, back when nobody really knew its leader Elon Musk (in picture). The duo talked about building the central nervous system of a platform that would go on to change the auto industry forever

It was a big deal for me to leave. I had loans for a long time and money was something I felt was important." So, he ended up saying no to Musk and Tesla. A year later, however, Tesla reached out again.

"Elon told me he wanted me to join them yesterday," says Jay. "We talked about building the central nervous system of Tesla. I felt this is a great responsibility and a phenomenal opportunity to build a platform." He agreed to a pay cut, but negotiated more in stocks. "I thought, if I am taking a risk, let it be worth it," he says. "It looks like my calculation worked out multiple times more than I thought."

Joining Tesla gave Jay a deep understanding of the problems within the automobile industry. Tesla had specialised in building its own direct sales model, choosing not to go after the existing franchise model. Much of that was also because of Musk's belief that franchise dealers had a conflict of interest between selling gasoline cars and electric cars "My task was to replace SAP and build our platform, internally," says Jay. "The idea behind this is having a seamless vertical integration between all the departments with the closed feedback loop to the customers."

Building Tekion

Over the next four years, Jay saw first-hand the troubles within the industry when it came to vehicle retail.

"There are three aspects of the consumer journey when it comes to a vehicle," explains Jay. "It is perhaps the second biggest purchase after a house. There is sales, servicing and customer engagement. But there was a huge amount of friction between the customer, dealer and manufacturer. It would often take up to eight hours once you step into a dealership to finish buying your car."

Much of that is because many manufacturers and dealers depended on outdated technology. Dealers also used numerous software to run their operations, which often delayed the customer experience. "Today's consumers receive outstanding personalised retail experiences from companies like Amazon, Apple, Google and Disney," says Jay. "They are bringing the easiest experience to the customer. But in automotive, the experience is decades old. This is when I thought of an opportunity to change the experience."

Soon enough, he took a break from Tesla, and with his personal savings, decided to work on a prototype. "The first two years were the toughest for the company," says Jay. "After that, it started turning around because we put in the right steps." In February 2020, the company launched its flagship Automotive Retail Cloud platform, which it claims is the first end-to-end dealer management system on the cloud. Today, the platform helps integrate functions, including sales, finance, inventory management and customer service for dealers. The company follows a subscription-based revenue model, with dealers being allowed to choose from extra services.

> **"We want to grow to $1 billion in sales in the next three to five years. Think of the valuation we can achieve."**
>
> **JAY VIJAYAN,**
> FOUNDER, TEKION
>
> [redacted]

"If you are a customer, what the platform does is," explains Jay, "if you want to buy a particular model in a particular colour and it isn't available, chances are that the sales team will never give you a correct answer about its availability. They could push you to take another colour. With Tekion, you get transparency. The platform will be able to tell when the vehicle leaves the manufacturing facility, alerts the customer once it leaves, and makes it seamless." The same goes for a spare part or servicing. "You can monitor how the service is being done and offer customised tools to the customer."

For now, Jay is busy scaling up his business in the US and is looking to enter the Indian market in early 2021. The company has its Asia-Pacific headquarters in Bengaluru and of its 450-people-strong workforce, 300 are in its technology centres in Bengaluru and Chennai.

"From our studies, we realised that automotive customer journeys even today are quite bumpy and fragmented as opposed to, let's say, an ecommerce, airline or hotel experience," Harshvardhan Sharma, head of automotive retail practice at Nomura Research Institute Consulting & Solutions India, says.

"Auto OEMs need to realise that the car customer is interacting with many brands and is now conditioned to a smooth and seamless digital experience, and auto buying experience has to be at least similar, if not better. If Tekion can solve this problem and scale well, I am sure it will meet huge market success."

Meanwhile, the global pandemic has only accelerated the thinking among dealers and manufacturers to move towards more cloud-based technology, says Jay. "Covid-19 has accelerated the process," he adds. "There is a demand for contactless practices." For now, Jay is keeping his head low despite the recent success. "We don't spend money like crazy," he explains. "We spend on the right thing and our burn rate is low. Revenues are increasing month-to-month, and we are in a great position to scale the business using that capital."

Where does Tekion go from here with the latest round of funding? "We want to grow to $1 billion in sales in the next three to five years," says Jay. "Think of the valuation we can achieve then." F

WAF ENTREPRENEURS — AN EMPIRE OF YOUNGSTERS TAKING CONTROL OF THEIR DESTINIES

Indian kids grow up hearing, 'you are where you need to be, and everything will keep unfolding exactly the way it needs to.' A group of youngsters, Iqbal Singh, Jaspreet Singh, and Yadwinder Singh, from the tiny village of *Chota Jandwala*, Ferozpur in the Indian Punjab, close to the India-Pakistan border, sought to revisit that thought, and take control of their destiny. Gursewak Jassal, joined them along in Chandigarh, where they are currently running *WAF Entrepreneur*s as the core group members of the company.

Speaking of the vision & mission of *WAF Entrepreneurs*, Iqbal said, "We got tired of waiting around for destiny to play its course and decided to take captive their own lives, hopes and dreams, rather than wait around." Easily connect with Iqbal through this Instagram handle @Iqbalmallhi3001.

With that concept in mind, he stumbled upon - Rex Maughan's network marketing business, '*Forever Living*'. Understanding the global presence, the value of Forever Living products and the good that it stood for, Iqbal, Jaspreet and Yadwinder, started their journey as entrepreneurs with Forever Living.

In the coming years, they flourished beyond bounds and wanted to extend this hearty concept of rags to riches dreams for other young entrepreneurs like themselves at a large scale. Their drive to see youngsters become the master of their dreams, living life to the fullest, birthed - WAF Entrepreneurs (We Are Forever Entrepreneurs), in the year 2014.

They believed that showing youngsters a path, providing them with a platform to outdo their set limitations can build a generation of confident young men and women. By willing to choose their hopes and dreams instead of succumbing to societal and familial pressures of staying at a 9 to 5 unfulfilling job that seems more like a chore each day, they learn to live a fuller life, with much more control and freedom.

WAF Entrepreneurs, today upholds 'Forever Living' as the backbone of their entrepreneurial journey and continues to partner with them to create a cohort of youngsters who can take charge of their careers by adopting the entrepreneurial vision.

"Our goal is to create a platform where eager young entrepreneurs would find the courage to shed their inhibitions, look towards a future of security, that enables them to travel the world as they wish, and when they wish - without having to plan ahead. Our goal is to give them wings to soar as we have in the last couple of years, believing that a steady amount of hard work can help elevate their purpose on earth, sharing forward the good that's come their way through the business," continued Gursewak. To see how Gursewak keeps himself and his fellow WAFians motivated, look through his Instagram profile, @gursewakjassal.

To the query, how are you different from any other network marketing agency, "with a collective smile, and a glance at each other, Jaspreet answered, "We are the first ones who have managed to pull off a fully digitized format of training for our youngins."

To see the work that Jaspreet does at WAF Entrepreneurs, reach him on his Instagram handle, @jas_brar_0007.

WAF Entrepreneurs' core groups, unanimous decision to switch over from a people-to-people format to entirely digitally marketing their business at the end of 2018 has actually revolutionised the way the business and distribution functions today. Iqbal firmly believes that by changing the format of the game and taking it digital, it is not only cost-effective at every level of the marketing triangle but far more effective as well.

He says, "back in 2014, in order to explain the concept of the business to potential entrepreneurial youngins, it was necessary to make the journey to their place of residence, sit down, and invest time with them to help navigate them through the process. However today, with social media at the forefront of all marketing, we are able to specifically target youngsters on a larger scale, without investing as much time and effort as the old days."

"In fact, WAF Entrepreneurs biggest leap of growth has been during the COVID period. With many youngins losing their jobs as a result of the dearth in the business worldwide, many were deemed jobless overnight. Youngsters actually took the hardest hit, as they were the least experienced in the man-eats-man world of business. For us, this phase was actually the most profitable, as many youngsters came to a realisation that unapologetically working towards their own dreams was far more worthwhile than working away for somebody else's quarterly goals," added Yadwinder. Follow Yadwinder on his Instagram profile to see how he navigates through his WAFian goals, @yadwinderbrar00001.

WAF ENTREPRENEURS

"Even five years ago, we couldn't have envisioned these dreams for anyone else. Our focus was to live each day trying to better our yesterdays. Today, we focus on training enthusiastic youngsters into establishing themselves as entrepreneurs. We take a hold of their burdens, and instil in them a true sense of ownership for their lives."

As a result of the Coronavirus pandemic, more youngsters flocked towards our shared vision of creating a generation of leaders rather than workers. As the lockdown was in full force across the globe, we switched control to running WAF Entrepreneurs through social media outlets and establishing remote extensive training programs through virtual learning programs. This created far more opportunities for every one of our youngins, at all levels of the networking strata. We are conducting training sessions and running the businesses fully through our Facebook and Instagram platforms today.

"Even five years ago, we couldn't have envisioned these dreams for anyone else. Our focus was to live each day trying to better our yesterdays. Today, we focus on training enthusiastic youngsters into establishing themselves as entrepreneurs. We take a hold of their burdens, and instil in them a true sense of ownership for their lives."

One of WAFians major objectives in the coming few years is to facilitate more young women entrepreneurs to heed to their higher purpose in life by hustling hard to gain an independent lifestyle and support themselves. We believe that by giving women a platform to voice their goals and dreams, they will be empowered to evolve into their true selves, without conforming to the patterns of this world and its expectations from them.

The various studies on generational kinetics show that millennials and gen Z's are the most consistent groups of generations driven to succeed far greater than the previous generations. They are effective learners that communicate quicker and aim higher than their capabilities, forcing them to work harder at achieving their targets. The overachieving nature of our generations shows that we may reach at our target goals far quicker than anticipated. Taking these statistics into consideration, and seeing the escalation of growth incurred during the hardest of times - March through October 2020, we foresee the wonders the world has yet to see through youngins and their drive to achieve.

If there were one advice that we'd like to give our fellow entrepreneur aspirants, it would be to stop second-guessing yourselves. Stop trying to get ready to take the plunge into entrepreneurship. The key is to start before you feel ready, that way, you're willing to risk more and put more of yourself, you're more driven, you'll be more focused, there'll be nothing that holds you back, you'll not settle for comfort zones, you'll be more resourceful of your time, more accountable for your life, more productive each day, and above all else be your boss. You'll be working on the goals you set, nobody else's. The greatest reward, however, is watching yourself grow in discipline, being a beacon of hope for those around you. You'll be the kind of person that will make other people around you buckle up and up their games.

Everybody can go from rags to riches, the only thing stopping you today, is the limits you've set for yourself in your minds. Overcome them and you'll be the North Star guiding each one on their paths. Keep track with the development of WAF Entrepreneurs or join them in their journey as a fellow entrepreneur by heading to their Instagram profile, @waf_entrepreneurs.

BOMBAY REALTY
A BETTER LIFE

IT'S THE BEST TIME TO INVEST IN RESIDENTIAL REAL ESTATE

"Investing in real estate in not so good times can actually be a good time for customers," says Dr. Ashutosh Khatawkar, Business Head, Bombay Realty.

Dr. Ashutosh, who holds a PhD in Business Administration & Economics & MBA in Marketing, is absolutely convinced that this is the best time to invest in one's dream home. "With the lockdown easing, there is an apprehension about how things will unfold. However, every crisis presents opportunities too, and Covid-19 is no different. If you ever were inclined to invest in a home but kept delaying & waiting for the right time, then this is it," says Dr. Ashutosh and we couldn't agree more.

While living in Mumbai has its challenges and desirable homes which make for safe and well-connected abodes are hard to find, Bombay Realty is one real estate company that has made it a priority to provide the elite of Mumbai an international lifestyle with ultra-spacious luxury residences in an oasis that is secure and green.

Bombay Realty, the company which has redefined the Mumbai skyline with projects such as Springs, AXIS Bank HQ, and now Island City Center. Across all these constructions of international standards, they have always made quality a priority.

Bombay Realty is a division of Wadia Group, a name that stands for trust and excellence with a legacy of over 283 years. After creating successful brands such as Bombay Dyeing, Britannia and Go Air, Wadia Group has presented Bombay Realty, its real estate arm with a vision to transform and redefine luxury living in Mumbai. Bombay Realty's iconic development, Island City Center (ICC) is now ready for possession.

Island City Center

Island City Center is a reflection of the lifestyle people have in sophisticated metropoles across the globe. The vast, landscaped open areas are sure to bring Hyde Park and Central Park to the minds of the residents. This is just a confirmation that Bombay Realty is a name which Indians have come to identify as the definition of refined living and sophistication.

Situated in Dadar (E), living at ICC ensures easy connectivity with the entire city while ensuring that its residents can disconnect from the chaos, the moment they step back in. As the East is set to become the new West with the proposed Navi Mumbai International Airport, ICC will become the new center of the city. With the Eastern Freeway, the upcoming MTHL, Monorail, and Coastal Road all easily reachable, one can get to every corner of the city within minutes from ICC.

ICC spreads over 23 acres at Dadar, is a gate community with internal private roads, unparalleled security and world class infrastructure. The two super-structures of ICC, rise above the Mumbai skyline up to 59 and 65 floors, offering largest in class carpet areas of spacious 3 BHK and 4 BHK apartments.

Nestled amongst hundreds of trees, Island City Center is IGBC LEED gold-certified and built to the finest standards of 'Green-Design'. Here is where one can find a tranquil haven or an oasis of luxury in the heart of a bustling Mumbai. Island City Center uses smart designs and top innovative

Dr. Ashutosh Khatawkar,
Business Head, Bombay Realty

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technology which enhances the health and well-being of its residents. This environment-friendly development is energy efficient and water efficient.

Using cutting-edge technology, these glass facade towers are inspired by some of the world's most iconic towers, like the Burj Khalifa, Dubai, and The Ellipsis, Hong Kong. From energy-efficient glazing and lighting systems to organic waste converters, to highly eco-friendly landscaping and more, the 'green' features place ICC apart and make it the ideal space for a futuristic life in Mumbai.

Safety is ensured by following international security standards from the entry gate point; the superstructures being under 24/7 surveillance. With just two or three apartments per lobby, we also offer the largest-in-class carpet areas across Mumbai. These VRV air-conditioned luxe living spaces feature the finest of international marble, elegant wooden flooring, expansive walk-in wardrobes, and modular-kitchens; giving residents extravagantly appointed abodes with excellent panoramic views, while allowing for ample natural light.

The ventilation system also means that the air within the apartments is purified many times a day. This keeps up to 60% of pollutants out so that everybody living in these homes can breathe easy and build stronger immunity.

The extravagant clubhouse and welfare center at ICC are also amongst the largest in the city. Over 140,000 sq. ft. of recreational and open areas to be shared by the residents of merely 500+ apartments, adds to the exclusive experience.

Catering to multiple preferences, we have over 45 indoor and outdoor privileges to choose from. One could favor a jog across our internationally-designed track or take a relaxing dip in the pool with the family. All these privileges are ready-to-use so that nothing comes between our residents and their enjoyment of life.

An esteemed list of international partners with unmatched expertise across construction and infrastructure allows us to implement unprecedented quality standards at Island City Center, ensuring that we set a benchmark for 'International Living' in Mumbai.

With an esteemed list of national & international partners ICC ensures uncompromised quality with top-of- the-line expertise in design & construction, thus setting a benchmark for quality living in Mumbai.

With this unique mixed used development concept, Island City promises 'A BETTER LIFE.'

According to Dr. Ashutosh Khatawkar, Business Head, Bombay Realty, there are many reasons why it makes sense to invest in residential real estate during these times.

Sense of security: With uncertainties all around, everyone wants to own a home. A recent survey suggests that 92% of the respondents would like to invest in property during these times, not for immediate returns, but because it's less volatile.

Today, when work from home is gaining prominence and personal safety is vital, it also makes perfect sense.

Better performing asset: Given the uncertainties today, residential real estate has emerged as a safe investment option because of stability it offers compared to volatile stock market and fixed income options with frequent rate cuts. So when the economy starts recovering, one can expect a higher return on their real estate investment.

Ready-to-move in (RTMI) options: This is a great time for people who prefer ready projects by taking advantage of an all-time low home loan interest rates and no GST. They are also protected against unforeseen construction delays, stalled projects and liquidity crunch.

The New Normal: With work-from-home and social distancing emerging as the new norm, people prefer larger sized apartments where they can set up a small office too in low density developments with large outdoor spaces. Also a gated complex without sharing a pay & park facility helps the residents to maintain social distancing.

Lucrative Home Loan Rates: Current market conditions are conducive for home buying as the home loan interest rates are at an all-time low. Post lockdown, this has become a big trigger for end-users & investors. RBI recently announced reduction in REPO rate making home loans cheaper. This will spur investments and boost the sector through increased cash flows. Also, buying a property in India is more attractive for NRIs now as the rupee has depreciated considerably against the dollar.

"There are clear indications that positive consumer sentiment is gradually coming back in the current realty market. Also, the government relaxations due to COVID-19 actually make property buying more lucrative for both end users & investors. So, why wait for the right opportunity when your timing is just right for investing in a residential property," says Dr. Ashutosh Khatawkar as he signs off.

Decoding Censorship

Multiple people who have criticised kids coding startup White Hat Jr's methods or marketing campaigns have found their posts swiftly wiped off the internet. Experts say this could be a case of corporate censorship, which points to a larger debate around content moderation

By PANKTI MEHTA KADAKIA

SHUTTERSTOCK

Pune-based Jihan Haria is a 12-year-old like many others—bespectacled, chubby and energetic, eyes twinkling with mischief. He's found himself a lockdown passion: Making YouTube videos on everything from cooking to stop motion with help from his parents, slowly amassing 800-odd subscribers. He's also found himself in the midst of a controversy, as he faced a curious YouTube strike.

Haria filmed the first of a series of 'advertisement roast' videos in October, a format that dissects an advertisement that the creator considers meme-worthy, making jokes about the exaggerated plotlines and so on. He kicked off the series with speaking about an advert for

WhiteHat Jr, an edtech startup that offers coding courses for children as young as six; within 18 months of operation, the startup was acquired by ed-tech giant Byju's for $300 million in August.

The advert shows a group of people in suits charging into a home, punching and pushing each other in a race to get there. Out on the porch, a mother and father are watching the action with a smile, sipping their morning tea. A neighbour comes to see what the ruckus is about, and the mother is gleeful as she tells him that these are investors, rushing to bank on 'Chintu', their elementary school son who has built an app. The neighbour is visibly jealous.

Jihan Haria, a 12-year-old YouTuber, found his funny video roasting WhiteHat Jr's advertisement removed

Haria's video pokes fun at the cinematography, the acting, along with self-deprecating jokes about how he has "wasted six years of his life" not learning how to code. It was uploaded on his channel, called Just Jihan, in the afternoon on October 18, and Haria was pleased to see that it seemed to be doing well. But when he woke up from a post-lunch siesta, he was in for a shock: The video had been taken off YouTube for copyright violations, presumptively because it used footage from the advert itself. His channel had got one strike; with three strikes, the channel is taken down entirely.

However, experts say the copyright claim doesn't seem straightforward. "The law has an exemption for the purposes of commentary in the Copyright Act, where you can reproduce the content for reviews, for instance," explains Prashant Reddy, an independent lawyer specialising in intellectual property (IP).

"The video never dismissed WhiteHat Jr's product itself; it was just a comment on the advertisement," Haria says. "I was sad and discouraged to see it taken down, and I told my father we must react."

Haria's case is not an isolated one; multiple people who have critiqued WhiteHat Jr (WHJ) or its marketing campaigns have found their posts swiftly taken down, across social media platforms, including YouTube, LinkedIn, Reddit, Twitter and Quora.

Haria's father tweeted about the incident and got the attention of Pradeep Poonia, a former Cisco engineer and current UPSC civil services aspirant, who has been fighting against such takedowns by WhiteHat Jr for weeks now. Poonia posted a revised version of Haria's video, which includes an introduction by Haria about what happened with the Just Jihan video, on his YouTube channel instead, which he claims WhiteHat Jr has stopped policing since he garnered some media attention. At the time of writing, this video is still online. "It's got about 10,000 views already, which is a big deal for me," Haria says with a smile.

This channel, however, is Poonia's third. From his first YouTube channel, called WhiteHatSr, six videos were removed; another eight were wiped off his second channel, called Safed Topi Sr 2. This third channel, named Pradeep Poonia 3.0, stays away from the WhiteHat Jr references in its name, and saw two videos erased. The first two channels were suspended because of repeat strikes.

Poonia, who previously worked in edtech and found himself disillusioned with startups that chase money and numbers over education quality, began to post against WHJ in the middle of August. On September 11, his first video was taken down, and later several more posts.

Poonia's videos take on various claims that WhiteHat Jr has made. For instance, WHJ advertises a certain child called 'Wolf Gupta', who, after learning to code with the firm, got a job at Google that pays in crores. Poonia points out in his video that Wolf Gupta's age keeps changing across advertisements, from nine to 14, as does his salary package—from ₹1.2 crore to ₹20 crore to ₹150 crore. In another video, Poonia posts screen recordings of WHJ's app reviews on the Google Play Store to show how many of the 5-star reviews have very similar text and therefore appear fake.

According to notices from YouTube, which *Forbes India* has reviewed, violations against Poonia's videos have been raised by a company called AiPlex on behalf of either Byju's or WHJ. AiPlex is a Bengaluru-based anti-piracy company that also launched digital marketing and advertising verticals in 2019. While a contact request to AiPlex went unanswered, it lists Byju's among its clients on its website.

"I'm not a YouTuber, and I just started these channels to highlight issues that I thought were misleading parents," says Poonia. "So my videos got hardly 15 to 20 views to begin with. It was thus quite suspicious that they were being taken down."

Poonia's videos were being flagged for copyright infringement, including ones that had no footage from any of WHJ's own collaterals. For one that was taken down because 'WhiteHatJr logo is shown on top left corner of the screen', Poonia re-uploaded it with the entire screen blurred, and still got the same outcome. Soon, videos were being wiped out within

Advertising Body Asks Whitehat Jr To Pull Down Ads

ASCI finds five of its commercials in violation of advertising code, including making misleading claims

By RAJIV SINGH

In a major blow to WhiteHat Jr, the Advertising Standard Council of India (ASCI) in late October asked Byju's-owned kids coding startup to pull down its advertisements that it says made dubious and unsubstantiated claims.

"ASCI has processed 15 complaints against seven advertisements of WhiteHat Jr," Manisha Kapoor, secretary general of ASCI, the advertising self-regulatory body, tells *Forbes India*. Five of these advertisements, she points out, were in potential violation of the ASCI code. The advertiser, she lets on, agreed to immediately withdraw the advertisement when ASCI asked them for their response.

"One such advertisement was taken up suo motu by ASCI as well," says Kapoor. For two advertisements, ASCI didn't find any violation, and complaints against them were not upheld. One of these advertisements could be in potential violation of The Emblems and Name (Prevention of Improper use) Act, and the complainant was directed to approach the government for this potential violation, she adds.

The messaging in some of the startup's ads has been questioned

The aggressive claims made by WhiteHat Jr on social media have also come under the scanner. "In recent times, some advertisements have come under scrutiny on social media, and ASCI has been tagged," she says. The ASCI team connected with the advertiser, and was informed that some of the advertisements on social media were old and had already been withdrawn. "The advertiser also has assured ASCI of their cooperation to adhere to the ASCI code going forward," Kapoor adds.

Rabbit out of the Hat

WhiteHat Jr has been on an aggressive marketing spree, with TV and social media ads pushing coding classes for kids. Some of the messaging in these advertisements has been questioned. For instance, a testimonial on the company's website until early October shows a child touted to have built the world's first eye-testing app. "It's taking him to Silicon Valley, where he will meet top scientists, engineers," proclaimed the promotional messaging.

Another message was addressed to parents: "Your kid will be on the next flight to Silicon Valley, USA," it read, alluding to a programme that handpicks passionate early coders and sends them to meet scientists from tech giants such as Google and Waymo. "This (will) shape their future destiny as tech creators," the message underlines.

Forbes India tried to cross-check all the claims made by WhiteHat Jr and all the apps claimed to be made by the kids do exist on Google Play. However, many of the apps have a few thousand downloads and sub-par reviews, and most interestingly, are registered in the name of WhiteHat Jr, not in that of the child who developed them. F

INSPIRATIONAL SUCCESS STORY OF SELF-MADE ENTREPRENEURS: SEJAL JOSHI & VISHAL JAIN

The unprecedented situation resulted in lockdown which drastically took an uninvited turn of events.While most businesses have been struggling to survive and get through these tough times, there are some people who utilised this time and situation to their advantage and took their business to new heights. **One such story is of Sejal Joshi and Vishal Jain, the Founders of SunShy Digital Media Agency.**

Vishal has been a young hustler, from selling Pokemon and WWE cards in mid-school and organising events in high school to dropping out of college to build his business, his knack for unconventional life choices defines faith and courage. He started out with no financial help, learnt digital marketing from free platforms like Quora and YouTube and started providing social media marketing services on freelancing sites. As he saw a surge in customers, he created his own web store and started acquiring new clients for his services through his unique marketing approach.

On the other hand, **Sejal's multipotentiality is evident in her career choices so far from pursuing a business degree, being multiple pageant winner and starting an apparel store at the age of 18.** Her creative and unsettling side pushed her to try out unconventional ways of marketing. She excellently predicted the preferences of her ideal audience and used social media to market her brand. Effective use of content marketing, paid advertising and influencer marketing allowed her brand to connect with her audience on a personal level and within no time her store was attracting hundreds of potential customers every day.

While Vishal was establishing himself in the digital industry and Sejal was focusing on her apparel store, In 2018 they met and discussed their experiences and learnings of building their individual businesses. The similarity of mindsets and vision of the future got them together and they decided to combine their skillsets for establishing an all-in-one digital media agency where they started providing services like **Website Designing, Logo Designing, Social Media Marketing and Leads Generation through Paid Advertising and Influencer Marketing.**

Vishal Jain and Sejal Joshi, Founders, SunShy Digital Media Agency

In the first quarter of 2020, when pandemic resulted in global lockdown, Sejal and Vishal identified that local businesses won't survive in the long run and there will be a tremendous surge in demand for digital media services as all local businesses would want to be available online for their customers. Their farsightedness allowed them to grab onto this opportunity. They scaled their business operations by hiring a bigger team of experts and adding advanced services to their portfolio like **Public Relations and Communication, Search Engine Optimisation, App Development and much more. Their thoughtful move allowed them to provide employment to a lot of professionals who lost their jobs in these tough times and helped several local businesses to resume their business again. The added variety of services increased their revenue by 300% in just 6 months.**

Sejal and Vishal are not just digital entrepreneurs but are social entrepreneurs as well. They are dedicated to uplift the unprivileged but talented artisans of India through their jewelry brand named **SunShy Jewels. 20% of the net profit goes straight to these artisans so they can live a better life and create beautiful handcrafted pieces of jewelry. The rest of the profit is used to get more customers so they can help more talented artisans in India through their social startup.**

As they have been able to achieve success at a young age, they aspire to inspire other budding entrepreneurs who want to start a business or bring a change in the society but are limited by the conventional beliefs of their family and friends. **They are launching a magazine and podcast named "Journey To A Million Dollars" which will have their personal insights on numerous topics related to an entrepreneur's journey.** They will also interview other entrepreneurs who have achieved success in their life and find out in detail the challenges they faced and how they overcame them to get where they are today. It will soon be followed by a finance-focused youtube channel where they will educate people about personal finance, investments and a lot of other things.

35 to 40 minutes of being uploaded.

Poonia appealed to YouTube for most of the videos, and pasted these appeals in public posts on Reddit. They were taken down from Reddit and his account suspended. YouTube rejected the appeals, saying, "Thank you for your counter-notification. Unfortunately, it's unclear to us whether you have a valid reason for filing a counter-notification, so we won't be able to honour your request".

Meanwhile, Poonia also lost two Reddit accounts, one Quora account and a Twitter account. On Twitter, he has resurfaced as @WhiteHatSnr. He has uploaded all his videos to a decentralised platform called LBRY.

Forbes India reached out to both WhiteHat Jr as well as YouTube India with detailed questionnaires on October 21 around 3.30 pm. Before the companies responded, Poonia, after weeks of rejected appeals, received three emails from YouTube Copyright between 5.59 pm and 6.28 pm. Each of the emails now said, "The complaint lacks one or more legally-required elements of a copyright takedown notice, so we asked the requesting party to provide additional information to complete their notice. Pending their response to our email, we reinstated your video(s) and resolved your copyright strike". No fresh appeals were filed to prompt this action—in fact, Poonia says some of the videos reinstated weren't appealed for at all.

These emails are in *Forbes India*'s possession.

"This means they had no legal grounds to take them down in the first place," Poonia says. "I appealed for most of the videos across several weeks—how have all of them been reinstated in one go? Moreover, even the ones I hadn't appealed for have been restored. That shows the authority such companies have over Google and YouTube."

A total of 14 of the 16 videos were reinstated on October 21 in the evening, and his first two

Pradeep Poonia, who has been posting against WhiteHat Jr, had two of his channels suspended

channels restored. The two pending videos were reinstated on October 26. "Yet, they continue to remove others' videos," Poonia adds.

Two marketing and communications professionals, Krishni Miglani and Ayushi Mona, posted Episode 1 of a passion project on October 18, a video on what the internet is raging about in the week. The video featured the ladies discussing the controversy over WhiteHat Jr's advertisements and the clichés of the 'neighbour's envy, owner's pride' style campaigns, and was taken down within an hour for copyright issues. The duo has posted about the incident on their individual LinkedIn profiles, linking to the now-unavailable video. *Forbes India* has a copy of the video.

"I appealed for the videos across several weeks—how have they all been reinstated in one go?"

PRADEEP POONIA,
UPSC CIVIL SERVICES ASPIRANT

"We did reach out to the [YouTube] team with concerns via LinkedIn and put out posts, but haven't heard back," Miglani tells *Forbes India* via email. "We got a copyright violation reason mentioned but no specifics called out. YouTube is silent on the policy there as well as majority product reviews like movie reviews do feature them."

Watching the Watchdog

A statement from a WhiteHat Jr spokesperson in response to *Forbes India*'s questionnaire says the onus to take down posts lies with the platform itself, not the company or complainant.

"The right of deleting a social media post lies with the platform, no private organisation has it, and so the question of silencing dissent doesn't arise," the spokesperson said via email. "We have highlighted certain videos to respective platforms where inappropriate (read abusive) language was used. The final call on the video to be deleted is actually taken by the platform."

The company does acknowledge problems in its marketing in the next part of the statement: "Our vision is to inspire children to be creators of technology rather than

ARUBA: "PARTNERSHIP FIRST" APPROACH WITH GLOBAL SYSTEM INTEGRATORS TO DRIVE NETWORK TRANSFORMATION AT THE EDGE

Mayur Bharath,
Vice President, Global Ecosystem Sales, Aruba

So what is the EDGE? As a concept, the Edge can seem complex and intangible. But for most large companies, it is less a distant prospect than a rapidly emerging reality. The networks they are building, populated with connected devices that grow constantly in number, and the technologies they wish to leverage, from machine learning to 5G, all point in the same direction. To take advantage of this new data intensive era, enterprises need to move to the Edge.

This is where Aruba partners and innovates with leading ***Global System Integrators (GSIs)*** to deliver transformative edge solutions across Industry Verticals.

"Aruba's ESP (Edge Services Platform), the industry's first AI-powered, cloud-native platform that predicts and resolves problems at the network edge before they happen"

Digital is past, smart is present and autonomous is the future. The Intelligent Edge is the catalyst that will spark limitless possibilities for organizations and enterprises that want to accelerate transformation and ensure business continuity by leveraging their technology investments as their greatest asset.

The technology market for the last two decades revolved around delivering ubiquitous mobility followed by the move to cloud-based applications. Enterprises now are generating massive amounts of unstructured data at the edge which, if analysed and acted upon smartly, can be used to improve efficiencies, enhance experiences and enable new business outcomes. The key to turning these real-time insights into meaningful actions is to analyse and process this data at the point of origin – **the edge**. This ability to generate actionable insights based on data is especially pertinent today during this unprecedented time in history where businesses, employees and subsequently, the corporate network must adapt to rapidly evolving business and workplace needs.

Built upon guiding principles of ***connect, protect, analyse and act***, Aruba's ESP (Edge Services Platform), industry's first AI-powered, cloud-native platform predicts and resolves problems at the network edge before they occur. **ESP** unifies connectivity across campus, branch, data centre and remote worker through centralized management and operational services into the cloud platform. With its three pillars of ***AIOps, Unified Infrastructure & Zero Trust Security***, ESP delivers to customers an automated, all-in-one platform that continuously analyse data across network domains, ensures SLAs, identifies anomalies and self-optimizes using AI, while seeing and securing unknown devices on the network.

Aruba ESP is aligned with HPEs Vision of the EDGE TO CLOUD PLATFORM of the future. In an effort to continue to help customers navigate challenging times in 2020, with impact of COVID-19 pandemic, ESP is helping enterprises with solutions around Reimagined Workplace and secured Work from Home.

Re-imagine workplace: Return to Office "Reimagined":

The office will become increasingly smart using Wi-Fi, Bluetooth, IoT sensors, and other capabilities that were invested in during the COVID-19 reopening phase through Aruba-led innovations. These solutions use IoT and Bluetooth radios already built into Aruba access points and managed from a single pane of glass.

Re-imagine workplace: Working from Home:

Unlike solutions that use repurposed consumer network equipment, Aruba provides enterprise-class telework hardware [RAP] coupled with plug-and-play installation, identity-based security, and cloud native management for rapid, simple and scalable deployment.

Aruba Solutions has always been aligned to different domain verticals across Retail, Healthcare, BFSI, CME & Manufacturing Industry with a Customer First Approach. GSI's also globally align their offering & IP's around the same which makes this partnership stronger.

"Partnership First" has and will always be a core value of Hewlett Packard Enterprise. Aruba continues to embody that Value as they continue to collaborate and partner with Global System Integrators.

being passive consumers of it. At the core—learning to code helps in developing logical thinking and problem-solving skills. In fact, globally too, leading economies, including the US, Australia, the UK, Israel and more advocate coding. We acknowledge consumer feedback on our marketing campaign and will work towards articulating our company vision in a more pointed manner in the future."

Experts say while corporate censorship issues are not new, this points to a larger need for transparency in content moderation.

"This is more a comment on how YouTube and other social media are moderating their platforms," says Reddy, the lawyer quoted above. "If it's so easy for companies to censor critical content, that's the larger issue. Algorithms cannot distinguish between fair use and the copyright law."

"On YouTube, it's been an age-old issue over what is considered fair use and what is considered copyright," agrees Shashidhar KJ, associate fellow, Observer Research Foundation, who specialises in technology and policy. "YouTube has a Content ID system where it tries to identify who owns the copyright and tries to give it to the rightful owner of the IP. This was primarily created for the music ecosystem, where record labels were asking for fair compensation for IP that they owned when people used their music. This controversy has been coming up a lot for legitimate criticism."

"What's happening with WHJ is sort of an abuse of the Content ID system," he adds. "If you are reviewing or critiquing the company's marketing, you would have to show the advertisement you are talking about. Technically, those ads are copyright of WHJ, and YouTube has to comply with this. The Content ID system is heavily skewed in favour of the IP holder."

In response to *Forbes India*'s queries, a YouTube spokesperson sent this statement: "YouTube's copyright removal process complies with the applicable law. We strive to be fair to our users and protect their freedom of expression while also respecting the legal rights of copyright owners. Based on a copyright claim raised by a copyright owner or an agent authorised to act on their behalf, users have the option to file a counter notification when they believe their content has been removed as a result of a mistake, misidentification of the content, including fair use. The process further requires the claimant to provide evidence that they have initiated a court action within a specified timeline. In the event of any misuse of our process, we take it seriously and overturn removal decisions where we find evidence that a removal request was submitted without considering exceptions to copyright law such as fair use, fair dealing or other exceptions."

"If someone is losing here, it's WhiteHat Jr. I would never subscribe to a service for my kids that's in the habit of bullying people, even kids."

NIKHIL NARENDRAN,
PARTNER, TRILEGAL

[redacted]

Reddy adds that this is a good example of the limitations of social media. "It's probably time to fall back on legacy media, and this highlights why old-school journalism and activism are so important in raising such issues," he says.

This is a new issue in a sense, adds lawyer Nikhil Narendran, partner, Trilegal, as earlier, you had to go to court, get an order, and then get something pulled down. "Now, there are intermediaries controlling the flow of information using their community standards and guidelines," he says. "Technically, they still need a court order, but due to commercial relationships with companies giving them so much advertising, they may move muscle to bring content down."

"To my mind, if someone is losing here, it's WhiteHat Jr," he says. "I would never subscribe to a service for my kids that's in the habit of bullying people, even kids. They're losing a large amount of consumer goodwill when resorting to such tactics."

Where does the debate go from here? Back to mainstream media, spreading information by word-of-mouth, and making parents aware of potential issues, experts say. "If you spread awareness on WhatsApp, it might be more difficult for WHJ to remove, because technically your messages are end-to-end encrypted," Shashidhar KJ says.

Abhik Choudhury, marketing expert and chief strategist & founder, Salt and Paper Consulting, says a big part of the flaw rests with the marketing campaigns, and the damage control could have been better handled.

"WhiteHat Jr is a relevant product that can truly make coding sexy in a way it never was. But here's what it needs to do: Humbly accept the reality that it overdosed on advertising, go into product fine-tuning rehab and come back like a responsible leader who actually cares about the customer more than the sales target," he says. "There is not a single historical evidence of a corporate doing the former who survived. In a category like education, respect needs to be earned. This category it is trying to build is certainly going to thrive, with or without them, and its standing will depend upon its ability to empathise." F

THE MAN WHO MADE BIADA STRIVE, WHEN EVERYONE STRUGGLED

Rajesh Singh, Deputy Commissioner cum District Magistrate at Bokaro took over as Regional director of Bokaro Industrial Area Development Authority (BIADA) when the Industrial sectors looked for a new visionary eye. This articulate IAS officer saw to it that BIADA was able to continue despite the disastrous economic situation across the globe. Today, BIADA has become a success story for other clusters to emulate.

BIADA is an Industrial zone spread over the districts of Bokaro, Giridih, and Dhanbad. It houses crucial heavy industries which play a critical role to support small and medium enterprises including startups. Thousands of Blue and White-collar workers earn their livelihood in this industrial zone.

When the whole world was fighting the COVID-19 pandemic and the entire nation was under lockdown, BIADA too was struggling. But in these challenging times, Rajesh Singh brought in a new vision and breathed new life into the industrial body.

When Rajesh Singh joined BIADA, many challenges confronted him. First and foremost was to ensure that the heavy industries working beyond the ambit of BIADA could emerge successful during these testing times while ensuring a synergy between the heavy industries and other ancillaries.

There was already unrest amongst the labourers at BIADA, which was aggravated by the sudden inflow of migrant laborers due to the covid induced lockdown. Living in the face of persisting resistance coming from the already available workforce within the district, these labourers were already emotionally drained.

The humongous task in front of Rajesh SIngh was to make sure that they will fit in the existing opportunities.

Also, It became difficult as an administrator to persuade these workers to work as a registered MGNREGA beneficiary.

The relationship between the management and the labourers was at an all time low, posing an eminent threat in keeping the operations running. There were protests going on in many industries.

Rajesh Singh went to the root cause of the problem and adopted a multi-layer approach. On one hand, he ensured many welfare measures for workers, on the other hand, he provided cushioning to the industries. In this way, Rajesh Singh was able to help the industries to keep their furnaces working.

Another formidable challenge was to generate employment for the thousands of migrant laborers returning to their native state of Jharkhand.

Rajesh Singh quickly understood the unrest and the need to implement skill mapping exercise, which his team completed in a short time. Meantime, he approached various ancillaries and other MSMEs to restart at BIADA. The major problem before these ancillaries and MSMEs was the availability of working capital. For solving this problem, Rajesh Singh made them acquainted with economic packages being doled out by state and center governments. He was instrumental in the quick disbursal of bank loans to MSMEs.

Some MSMEs wanted to restructure their business seeing the market demand during the pandemic which required many governmental clearances. Rajesh Singh made sure that these MSMEs will get the necessary permissions and clearances without any hassle.

Rajesh Singh, Deputy Commissioner cum District Magistrate

BIADA is one of the few industrial complexes which has got huge investments during the pandemic period, thanks to the tireless efforts of Rajesh Singh. Recently Kolkata based BMW industries limited has invested heavily in BIADA.

Rajesh says, "In BIADA, the government provides electricity at an unmatched subsidized rate. In the vicinity, we are having critical natural resources. Coal mines are here. Iron ore, bauxite, and other minerals are available in abundance. The state has surplus power generation and Bokaro will get an airport very soon."

Rajesh Singh realised that there were no good medical facilities available in the region. He roped in a big healthcare enterprise to establish a multi-speciality hospital which will also bring huge investment and job opportunities.

In multiple roles, as a Regional director of BIADA and as the D.M. of Bokaro the biggest challenge Rajesh Singh had to face was to contain the spread of Covid-19 pandemic. He motivated the entrepreneurs and industrialists to come forward and help society fight the pandemic. Due to the vision and hard work of Rajesh Singh, the Coronavirus infections were lowest amongst the larger districts with minimum death rate which also reflected as the virus could not spread in the industrial cluster.

All the workers and their families, working in different industries have already been tested in a mission mode.

Under the able guidance and leadership of Rajesh Singh, the model developed at BIADA is going to be a gospel of true success for others to follow.

Rajesh Singh, Deputy Commissioner Bokaro is always thankful to the Chief Secretary and Chief Minister of Jharkhand for giving him this opportunity for the completion of this daunting task.

The Skies are Just the Beginning - The Global Group

*Ruling the skies for 45 years, Global Aviation Services is a company that commenced with the journey of one individual --- its Chairman and Founder — **Mr. H K Vithalani.***

As an eager 18-year-old, Hargovind Vithalani began working for a jewellery store in Kalbadevi and learnt the ropes of the business very early. He soon had his own costume jewellery business that started operations from a tiny room that had him working as the designer, production manager, export head and everything else in between. With a penchant for entrepreneurial success and refined creative sensibilities, he was well on his way to become the country's largest exporter of costume jewellery with clients like Harrods and Macy's. His social outreach and dedication earned him the Chairmanship of the Plastics Export Promotion Council of India (PLEXCONCIL).

"It is important to be updated, innovative and creative in business."

• Mr. H K Vithalani

His father Karsandas Vithalani served in the community Swami Narayan temple as an accountant for 45 years. Mr. Vithalani started his journey rooted in the excellent upbringing he inherited.

An Opportunity of a Lifetime!

As an exporter, Mr. Vithalani was always shipping large volumes of jewellery to clients around the world. Looking at his hard work, determination and professionalism, Mr. Vithalani was offered the GSSA for Kuwait Airways in Bangalore in 1975. From being a good customer to the airlines, his international standards of excellence transformed him into a partner!

Being the visionary that he is, Mr. Vithalani took this opportunity without any knowledge on aviation and started the first office of The Global Group at Devatha Plaza on Residency Road in Bangalore. He learnt the ropes of yet another business with the same flair & passion to establish a Group that soared and enjoys an international reputation dominating the air cargo industry in India today.

The Global Group

Every decision that the Global Group takes is imbued with a deep appreciation of its humble beginnings. Mr. Vithalani is a people's person. Being a part of the service industry, the business is relationship-based and has established precedent for delivering excellence in customer care. The Company acts like a large family and this very nature has made it a home for a dynamic MD & team, most of whom have completed tenures of 15-25 years, some even more!

Mr. Vithalani's wife, Indira Vithalani has been an anchor for him every step of the way. From being on the Board of Directors to keeping the finances & admin work running smoothly, she has played an important role and been the sounding board for Mr. Vithalani both professionally & personally. Mr. Vithalani considers his team his wealth, for his truest belief is that people are the greatest asset any business or person can have. This belief translates into his several international connections which have blossomed into long-standing relationships. The enormous goodwill he enjoys is due to his vision, ocean of knowledge and applaudable sense of commitment & values.

The company was founded with a strong commitment to become a leading player in Airline Representation, Travel, Transportation & Logistics services to Indian and international clients. Today, it is among the Top 3 GSSA organizations in India. It provides a comprehensive range of services that encompasses Airline Representation, Airport Services, Courier Consolidation, Road-feeder services, IT development and Travel. It has a PAN-India presence with 40 offices in 16 cities that has acquired the trust of clients, regulators and industry experts.

Global Aviation was the first Indian organization to be accredited as a GSSA agent by IATA. The Company's strong belief in good corporate governance and following the best business practices ensures the Group's synonymity with high-quality & reliable service.

Jalpa H Vithalani

Hargovind & Indira Vithalani with their daughters Jalpa & Toral

Today, the Group's bouquet of airlines comprises over 15 international airlines spread across South Asia, Europe, North America and Canada, with close to 18 plus cargo routes across these regions. Some of the notable airlines are Air Canada, Lufthansa Cargo, Finnair, Japan Airlines, Bangkok Airways, Drukair, Qantas, Air Mauritius, TAP Air Portugal and many more. On an average, The Global Group transports a cargo tonnage of approximately 50,000 tons per annum and manages a passenger volume of roughly 50,000. It deals with a diverse product range of more than 100 product categories sourced through more than 1,500 freight forwarders across India and specializes in transporting perishables & temperature-controlled products. In fact, during these pandemic times, the Company has been at the forefront in enabling logistics support for transportation of perishables & temperature-controlled cargo (especially pharmaceuticals) through its robust operational network.

The outstanding work done by the Global Group has received significant industry recognition, appreciation and acknowledgment. From being awarded the 'General Sales Agent of the Year - Region India', an International Award for Excellence in Air Cargo by STAT Trade Times five times in a row to Mr. Vithalani being felicitated with a lifetime achievement award for his overall contribution towards the Air Cargo industry in India, by Air Cargo Club of Bombay in February 2020. Global has received various performance awards and accolades from the International Airlines they represent.

The Global Group and its Founder Chairman have changed the face of cargo and logistics in India. Mr. Vithalani is an institution in himself. The Group enjoys a goodwill and repute that is unmatched.

Daughter turns Director

Jalpa Vithalani wears multiple hats and explores her potential with the same panache her father has. As a businesswoman, artist, farmer, gallerist, social worker and healer, Jalpa is Future-Fast and multi-dimensional in her thought process and mindset.

Jalpa is passionate about all that she is engaged in and this unbridled enthusiasm has made her succeed in many areas. She is the President of Business & Professional Women, South Mumbai; the Vice President of Western India Floriculture Association; State Director for NGO Humans For Humanity and has also been on the board of India-Netherlands Business Association.

Jalpa continually chooses to tap into her innate creativity to bring a personalized touch to all her ventures --- be it social work or business. Her self-belief in following her passions gets stronger with every project and every piece of work she puts out in the world. It is as if her work is not something she has to do, but rather a part of her DNA.

Like her father, she can look at the big picture. She channeled her inherited passion for travel & business and elevated her father's legacy to even greater heights.

Jalpa leads the Company with the same set of beliefs that the company was founded on --- to provide unparalleled excellence in service, nurture relationships and work within a set of values, principles and ethics.

New Horizons

The flagship Global Group grew to consist of subsidiary and associate companies that provide value-added services and add to the seamless working of the Group. JTB Jupiter Express Services Pvt. Ltd., is a PAN-India market leader in international courier consolidation and air freight forwarding. It was launched as a joint venture with Jupiter Global Ltd. — a Hong Kong-based Japan Airlines subsidiary affiliated with Mitsubishi Logistics Corporation.

Mr. Vithalani's second daughter Toral is at the helm of JTB Travels Pvt. Ltd. As the Managing Director, Toral has taken the company to new heights and it is one of the leading Tour Operators in the country today. The Company specializes in customized travel and has been a renowned name in the industry for the last 27 years.

Socially Conscious & Responsible Growth

A considerable part of the Company's ethos is to engage in activities that give back to the community. From the very beginning, philanthropic work and social enterprise has been a part of the company's leadership.

In the coming years, the Group holds an ambitious vision to grow its robust platform in the fast-growing Travel, Transportation & Logistics industry, focusing on facilities management. The Group aims to provide Skills Development for Aviation and allied industries to fulfill the talent requirements needed to achieve the industries' full growth potential.

Global Aviation Services is a company that has conquered the skies and will continue to do so, for it has the legacy of a celebrated veteran and the promise of a conscious, strong and ever-evolving future. The foundation of ethical business practices, a team of highly knowledgeable experts delivering exemplary services and grounding values that establish trust above everything else, are the discerning factors that make The Global Group, an organisation to be revered around the world. ■

Moneyball

Online fantasy sports platforms have seen user engagement and revenues grow, especially since the start of the IPL. But as questions are raised over their legality, can they survive in the long run?

By NAINI THAKER

Akshay Dashora pores over his colour-coded excel sheet with the concentration of an opening batsman. What gets his mother's goat, though, is that this dedication is reserved for studying analytics of different cricketers. She mocks him for not paying as much attention to his studies when he was a student. The 28-year-

CHAITANYA DINESH SURPUR

From left: Bhavin Pandya, co-founder and CEO, Games24x7 that runs My11Circle; Abhishek Madhavan, senior vice president, growth and marketing, Mobile Premier League; the app interface of Vancouver-based GoodGamer, which has forayed into India

old only offers a wry smile in return.

Since 2014, Dashora—an avid cricket lover—has been a regular online fantasy sports (OFS) platform user. As the sector has blossomed over the years, his options have increased too. From using only Dream11 back then, the Udaipur resident now tries his luck on six applications, including Howzat, Gamezy, Faboom, Sixer and LeagueX. He's become so adept at it now that it takes him under 30 minutes to make teams on two or three platforms simultaneously compared to the hours his friends and he would spend on the same when they were in college.

Most applications tell users to choose 11 players, including the captain and vice captain, after registering themselves for free. Eventually, they earn points based on the players' performance. "But this format has limitations... gamers cannot win, especially if the captain and vice-captain do not perform well," says Pratik Kumar, co-founder of Faboom Fantasy Sports, set up in March 2019. "We decided to level up Faboom for it to stand apart and created two innovative formats: Rank Fantasy and Boost Fantasy. In both formats, all the 11 players become important. In Rank Fantasy, you rank them all while in Boost Fantasy, you can apply different multipliers (boost) to all your players."

During the Indian Premier League (IPL) match between Sunrisers Hyderabad (SRH) and Delhi Capitals on October 27, Wriddhiman Saha of SRH scored 87 runs. Dashora, an assistant account manager at Adglobal360, had placed him in the 1.8x multiplier and earned ₹3,000—the highest he has got so far—for an entry fee of ₹99.

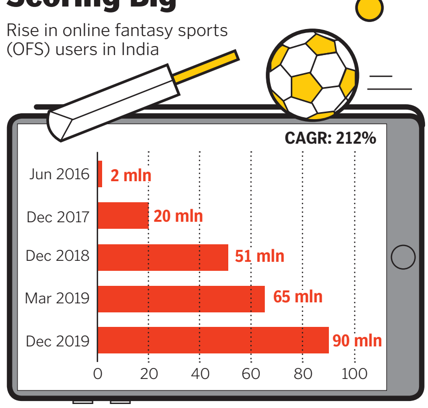
For sports buffs like him, the IPL has brought some much-needed entertainment during the pandemic. And OFS platforms have gained the most, with a massive surge in engagement. Depending on the platform they choose and the contests they participate in, users can win daily rewards, and even money in case there is an entry fee. Some practice contests can be played for free, but people can earn bonus cash by sharing referral codes and links.

"There were close to 90 million registered users on fantasy sports platforms at the end of FY20, which is likely to have exceeded 100 million on account of the IPL," says Girish Menon, partner and head-media & entertainment, KPMG India. "Of these, 15 to 20 percent of the active user base are paid users."

According to KPMG estimates, the market for fantasy sports is close to ₹16,500 crore in terms of the contest entry amount (CEA) and around ₹2,500 crore in terms of revenues of operators, as on FY20. KPMG data shows overall OFS operators' revenues stood at ₹920-plus crore

Scoring Big

Rise in online fantasy sports (OFS) users in India



SOURCE KPMG & FIFS Report: The Business of Fantasy Sports (July 2020)

BHAVIN: COURTESY: MY11CIRCLE; APP: COURTESY: GOODGAMER; INFOGRAPHIC: SAMEER PAWAR

Sanjit Shiag (left), COO and co-founder, and Vinit Godara, CEO and co-founder, MyTeam11

COURTESY: MYTEAM11

in FY19 and increased by almost 3x to ₹2,470 crore in FY20, driven by growth in user engagement and CEA.

"With live sports back in action, Faboom has seen an overall surge of 240 percent in terms of monthly active users. Revenue has jumped by over 5x due to the IPL," claims Kumar, adding that the platform currently has 800,000 users. The company clocked $1 million in revenue last year and hopes to grow it 4x by the end of the financial year.

And unlike other OFS platforms who have cricketers as brand ambassadors, Gurugram-based Faboom has opted for YouTuber Bhuvan Bam. Its unique offering—which is helping drive engagement—gives users a chance to play against him at ₹11.

Bigger players like Jaipur-based MyTeam11 has a user base of close to 15 million, with 1 to 1.5 million monthly active users on average. "We've seen massive growth due to the long break in live sports. We are currently looking at 3 million monthly active users on our platform," says Vinit Godara, co-founder and CEO, MyTeam11. Founded in 2016, the company is the second largest OFS player in the country after Dream11 in terms of users (over 9 crore). "Our core revenue model," says Godera, "is the platform fee on paid contests, which is 12 to 15 percent. Beyond this, we depend on our strategic associations to support the core revenue model."

With the fantasy sports space getting crowded, each player has no option but to bring its own USP to draw customers. For instance, My11Circle allows a player to make fantasy teams and play directly with legendary cricketers. This year, it brought on board Afghanistan leg-spinner Rashid Khan, former India cricket captain and Board of Control for Cricket in India (BCCI) President Sourav Ganguly and Australian all-rounder Shane Watson. "We are expecting a 900 percent increase in contest entry amount of users in IPL 2020 compared to IPL 2019," says Bhavin Pandya, co-founder and CEO, Games24x7. The online gaming company's portfolio includes RummyCircle and Ultimate Games, and is backed by investors like Tiger Global and The Raine Group. Pandya and co-founder Trivikraman Thampy launched My11Circle in 2019. "We are foraying into international markets soon, launching casual games exclusively for the US markets," adds Pandya.

Since the start of the IPL, Delhi-based BalleBaazi has seen a 4x increase in active users, with over 5 million of them on the application. "Our target is to add another million by the end of the tournament as we continue to introduce new features on the platform," says Saurabh Chopra, co-founder & CEO at BalleBaazi, which was founded in January 2018 and currently has a month-on-month growth rate of 40 percent. Chopra is not only confident about sustaining engagement, but hopes to grow 10x in the next 30 months. "We are entering a period called the 'Cricketing Sports Fiesta', where we will witness three IPLs and two World Cups being played in a span of 24 months," he says.

Like most of these platforms, BalleBaazi also sees a majority of its users willing to shell out money. "We are seeing 80 percent of users preferring the pay-to-play format

Conflict of Interest?

Tongues began wagging in the cricketing circles after MyCircle11 appointed BCCI President Sourav Ganguly as its brand ambassador. But My11Circle refutes allegations of conflict of interest. Says co-founder Bhavin Pandya, "In this particular instance, there is no commercial benefit we have or look forward to from the BCCI. Our association with Sourav Ganguly is purely due to his experience and prominence as a cricketer. He also does not have any conflict of interest because being a brand ambassador for My11Circle in no way gives him any benefits at BCCI. Also, ours is a pre-existing relationship with Mr Ganguly, and that has nothing to do with the BCCI. We appointed him in May 2019 and he was elected BCCI president in October 2019."

ANKITA OVERSEAS EMERGES AS THE FORCE TO RECKON WITH IN THE AGRO-INDUSTRY

The company is spreading its wings further with business expansion in the agro market.

Ankita Overseas emerges as the force to reckon with in the Agro-Industry The company is spreading its wings further with business expansion in the agro market.

Ankita Overseas, an exporter, importer, and supplier of a wide range of agro products, has emerged as a leading company in the realm of Agro business. The company has expanded its horizon by supplying high-quality agro-food products across the world. With the company's continuous business expansion, its agro-food products are reaching people in different countries and continents, including Africa, the USA, the Middle East, Asia, Europe, Russia, and others.

The Beginning of an Illustrious Journey

In the early 2000s, Mr. Anil Kumar, the owner of the company, decided to go against the tide by setting up a business instead of doing a job. Mr. Kumar was self-motivated from the beginning, and he has developed his strong work ethic through learnings from his parents, other family members, and society. From his parents, Mr. Kumar learned to help people whenever possible and has worked all his life to achieve this goal. Especially, Mr. Kumar's parents was his primary source of inspiration, who spent a lot of time with all the children and taught them the nuances of life. Mr. Kumar is also quite vocal about women becoming entrepreneurs to be independent. With such inspirations and goals, he began his entrepreneurial journey working with some small countries in Africa. Later, Mr. Kumar and his wife Mrs. Dr. Namita Anil set up Ankita Overseas in 2004 in New Delhi with zero capital. They named the company after their daughter Ankita. Initially, Mr. Kumar had to deal with the lack of basic infrastructure and logistics that are crucial for a business.

While running his Pharmaceuticals Company, Mr. Kumar realized the pain areas of farmers working on the field. He also noticed that the farmers were not getting reasonable prices while selling their crops on the market.

Mr. Kumar had set an objective to resolve farmers' plight and decided to travel to Africa. Shortly he landed a deal worth $5000 for exporting a range of indigenous products to Africa.

Throughout the 17-year long journey, Mr. Kumar has achieved many milestones, including the annual 'Rashtriya Udyog Ratna Award' in 2011, by the National Education and Human Resource Development Organisation (NEHRDO).

The Current Growth Story

Ankita Overseas primarily began dealing in products including Rice, Fox Nuts, and Lychee.

The company sells these products in nearly 43 varieties all over the world, including countries like England.

Currently, the annual turnover of Ankita Overseas is $30 million, and it is exporting agro products to nearly 18 countries across the globe. Mr. Kumar has also set more business goals for the future. He states, "As the owner of Ankita Overseas, I wish to become the largest exporter of organic products in the international market. I am confident that the day will come soon." Mr. Kumar has also thanked his team for their collective effort that has ensured the success of Ankita Overseas.

Giving Back to the Society through Philanthropy

In the early 2000s, while visiting Taiwan, Mr. Kumar observed the scarcity of Indian restaurants. Being a vegetarian and with no option available, he had to contact the Indian Embassy for vegetarian food to avoid starvation. This experience inspired him to become a merchant for exporting/importing food grains.

After becoming a successful entrepreneur, Mr. Kumar has been consistently carrying out social work for the lesser-privileged people of India. He has financially supported 150+ poor families in Bihar to marry off their daughters/widows.

Besides, Mr. Kumar has also set up a school for the specially-abled children in Bareilly, Uttar Pradesh. In addition, after school hours, he has arranged free computer classes for women in that region.

During the ongoing COVID-19 pandemic, Mr. Kumar has lent support to migrants so that they can return to their hometowns, and provided them facemasks as well.

About Ankita Overseas

Established in 2004, Ankita Overseas India began its operation with the motto: QUALITY, PRICE, and PUNCTUALITY. These core values are the foundation of the company's consistent success.

Ankita Overseas operates as a major exporter and buying agent dealing in a wide range of products such as Tobacco products, home furnishing products, handicraft items, garments, paper bags, products, foods & spices, and others. The company exports its products to various parts of the globe.

while the remaining 20 percent like to first put their skills to test and play the free-rolls on our app," adds Chopra.

Cricket lover Akash Jauhari has used multiple OFS platforms and juggled between three at a time, spending 30 to 40 minutes to make teams on them. "It's the little things that make you shift from one platform to another. For instance, the team names that appear on the application… all other platforms would only have 'Mumbai' or 'Hyderabad'. Only Dream11 has the right to use the exact team name," says the senior executive-digital marketing, Disney+ Hotstar. "Even minor technical glitches like points showing up late on the application due to a lag can put off the consumer."

New Entrants

From less than 10 such players in 2016, the number swelled to over 140 by end-2019. Apart from the smaller players, others who have made their debut include major business houses like Times Internet, Bigtree Entertainment (through BookMyShow), Living Media Group (through Aaj Tak) and Paytm.

The IPL proved to be a good time for many, including those headquartered overseas, to make an India foray. GoodGamer, for instance, launched its application on September 18, just before the tournament began. This is the first time the company headquartered in Vancouver has moved to the Indian market. It claims to see 16,000 to 17,500 downloads per day with over 8,000 new registrations daily. "At present, we have over 250,000 registered users in less than a month and we expect 500,000-plus registered users by the end of this IPL. We are growing with our ₹1 lakh guaranteed prize pool with only ₹1 as entry fee," says Charles Creighton, CEO of GoodGamer, which closed a seed funding round of $2.5 million in October.

Unlike traditional offerings, GoodGamer also offers its users proposition contests. "They are based on specific events during the game that are independent of the final outcome," explains Creighton. "Some of the new features being added include in-depth player injury reports and alerts, an artificial intelligence-based lineup optimiser and private contests where the creators can earn a commission for creating and managing contests."

Founded in January 2020, Fantasy Akhada is another new entrant. "The title sponsorship of IPL also moved to the OFS category and hence the acceptance level of this industry is at an all-time high. These factors have led to an increased interest from venture capitalists," says founder Amit Purohit. The startup raised $150,000 from angel investors in July. And, in September, commentator Harsha Bhogle invested an undisclosed amount. The platform claims to have seen a 3x increase in user base—it has 60,000 users on an average per month.

On September 18, sports-focussed digital media agency Sportz Interactive launched Fantasy Gully. The platform—not a fantasy application or website—allows users to compare fantasy cricket platforms, thereby helping them maximise their winnings. Arvind Iyengar, director, Fantasy Gully, and CEO of Sportz Interactive, says: "Our 'Menu Card' helps users discover and compare contests offered by top fantasy platforms, so that they can determine the options that best suit them. Second, the 'Lineup Builder' uses deep data and sophisticated algorithms to give users ideal player lineups for their fantasy game-play."

Through Fantasy Gully, users can play across three or more platforms. Though it is free now, Iyengar hopes to move to a freemium model soon. "We hope to generate subscription revenue from users willing to pay for premium content and personalised alerts and analysis," he says. Additionally, the platform hopes to generate sizeable revenue through partnerships with fantasy operators for collaborations around products and features.

Challenging times

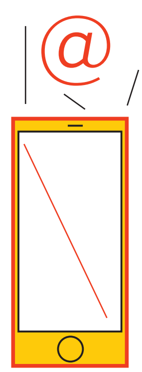
While OFS platforms seem to have forged a loyal partnership with users, they're fighting various other battles. One big setback is that Google Play Store's Developer Program Policy doesn't permit online fantasy sports played with real money on the Play Store in India. The policy states, "We don't allow content or services that facilitate online gambling, including, but not limited to, online casinos, sports betting and lotteries, and games of skill that offer prizes of cash or other real world value."

As a result, OFS platforms need

Growth Drivers of Indian OFS market

◆ Growth in digital infrastructure–internet and smartphone penetration:

Smartphone penetration in India has been growing at 13 percent CAGR from 2017 and its user base is expected to reach 850 million by 2020. The number of broadband internet subscribers in India grew from 482 million in September 2018 to 625 million in September 2019, and is expected to grow at a CAGR of 8 to 10 percent to reach 840 million by 2022

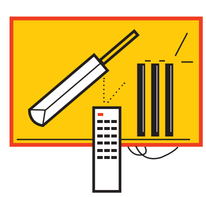


◆ Increase in digital transactions via payment wallets and Unified Payments Interface (UPI):

The transaction volume on UPI and digital wallets has grown at a CAGR of 469 percent over FY17-19, helping OFS users transact seamlessly on the platforms

Growing popularity of sports leagues:

According to the Broadcast Audience Research Council (BARC) India, IPL clocked 462 million viewers in 2019 on television and around 300 million viewers on Hotstar



SOURCE KPMG & FIFS Report: The Business of Fantasy Sports (July 2020)

INFOGRAPHIC: SAMEER PAWAR

MEGSAN: RESHAPING DIAGNOSTICS IN INDIA

Madireddy Jayapal Reddy, founder and Managing Director, and Jyothirmai Madireddy, co-founder and Director, are bringing about a paradigm shift in diagnostics testing in India with their company Megsan, a provider of industry-leading and global quality standard lab testing services.

Madireddy Jayapal Reddy, Founder & MD,
Jyothirmai Madireddy, Co-founder & Director of Megsan

Quality diagnostics is crucial for treating patients. Integrity, clear vision, readily understood are a few of the synonyms to describe Megsan. Precisely with the intention of putting into practice these very characteristics, a group of young individuals, from diverse fields of expertise, came together to conceptualise Megsan in the early part of 2014. The primary aim for the promoters of Megsan was to create an infrastructure on par with the best institutes in the world, with a focus on aesthetics, ambience and patient-friendly environment. Madireddy Jayapal Reddy is the founder and Managing Director of Megsan, who is also behind the idea of establishing walk-in outlets for diagnostics/pharmacy/clinics in Hyderabad. Jyothirmai Madireddy, co-founder and Director, realised the expansion potential behind Megsan's quick turn around time (TAT) and unique diagnostic quality. Today, the company offers services apart from diagnostic labs. Megsan has senior and industry-best healthcare experts, in its management and leadership teams, having 25+ years of experience.

DIAGNOSTIC BEGINNINGS

Megsan Labs performs a wide range of analytical laboratory tests across the pharmaceutical and packaging industries. Compliant with global industry standards and regulations, Megsan Labs is associated with Tentamus Labs (a renowned German lab, having global presence with approx. 100 labs). Megsan Diagnostics evolved from Megsan Labs as an industry-leading, global provider of laboratory testing services. It is a specialty diagnostic centre and pathology laboratory established in Hyderabad in a 25,000 sqft space, to address patient prescription needs. Megsan currently established state of the art walk in outlets for diagnostics/Pharmacy/ Clinics – fifteen (15) facilities at Hyderabad and serving laboratory testing needs to almost 400 B2B collection centres network. Megsan currently managing Lab , pharmacy and Radiology management services at major reputed corporate hospitals (around 10 hospitals) in Telangana and AP states.

QUALITY DIAGNOSTIC MADE ACCESSIBLE

Today, Megsan offers a wide spectrum of diagnostic tests, corporate check-ups, healthcare packages and more with uncompromising quality standards with faster TAT, all under one roof, along with the provision for blood sample collection at home and quality diagnostic service through a fully automated diagnostic equipment with capacity of performing more than 1,500 tests/hour. Megsan Labs is an ICMR-approved lab for Covid-19 testing, providing complete Covid-19 solutions like home swab collection, home care treatment, Covid-19 negative and positive health packages, supply of immunity booster pharmacy kits using India's first AI-driven 360-degree digital health platform.

BRANCHING OUT TO OTHER MEDICAL SERVICES

Megsan Pharmacies are well-stocked with genuine medicines, OTC drugs and FMCG products, and are manned by competent staff with computerised system, refilling of the prescriptions, cold chain maintenance and 24-hour service. Megsan Pharmacies also has more than 5,000 products in categories like vitamins and supplements, baby care, personal care, health supplements and OTC drugs. Megsan Clinics are neighbourhood clinics committed to provide consistently superior quality healthcare services. Today major concern in Tier 2 and Tier 3 locations in India is quality healthcare with faster TAT results. Megsan would like to reach consumers at the mandal level in each district by establishing quality diagnostic labs. Megsan diagnostics with its unique Quality and faster TAT as focus would like to establish 500 pharmacies, 100 Regional processing labs , Managing 50 hospitals for Lab, Radiology and Pharmacy services , Managing 100 Diagnostics outlets and serving almost 5,000 B2B collection centres in India.

GOING DIGITAL

Megsan digital clinics help consumers connect to senior or expert doctors for video consultations at anytime.This AI-driven platform helps to understand consumers all through their life stages, helping them to manage their fitness, wellness and illness effectively and efficiently, thus offering 360 degree healthcare services under one roof in each of our clinics, Pharmacies and Labs. Megsan is in the right direction to make Healthcare more affordable, accessible to bring healthy smiles to millions of consumers using digital platform.

to pay a higher customer acquisition cost, hence the massive push in terms of marketing, including signing top cricketers. KPMG's Menon explains: "They have to look at alternative means such as TV and digital advertising, sports sponsorships etc to attract users on their websites, resulting in a side-loading of the apps on user smartphones." According to KPMG estimates, the spend on marketing and brand building by OFS operators was ₹2,293 crore in FY20.

Indian OFS players are understandably upset. "The Indian courts of law have repeatedly passed judgments in favour of real money gaming and have categorised fantasy sports as a game of skill. Google, as a digital giant, should duly comply with the law of the land instead of adopting region-agnostic policies across the globe," says Chopra of BalleBaazi.

The recent changes to the Gaming Act by the state of Andhra Pradesh, which has decided to ban online gaming and betting platforms has proved to be another blow. Besides, the laws in Assam, Odisha, Telangana, Nagaland and Sikkim are unclear on whether games of skills can be played for a fee. Residents of these states, therefore, are not permitted to play any pay-to-play formats of online games. "This has definitely impacted our business. We have seen an approximate fall of around 8 to 10 percent in the overall scheme of things," says Godara of MyTeam11.

OFS platforms are trying to break the perception of illegality attached to these games. Says Pandya of My11Cricle, "The legality of fantasy sports has been examined and upheld as a game of mere skill by several high courts, including the Rajasthan, Punjab and Haryana high courts."

What next?

With the IPL ending on November 10, the new challenge for these platforms would be to sustain growth and engagement rates. "We know that post the IPL, there will be a slight dip in

The Challenges

- High dependency on cricket has been an issue, leading to a seasonality-based challenge for the OFS industry
- The 'game-of-skill' is mistaken for 'betting'—a perception which can hamper user acceptability and growth of the market
- Low-entry barriers
- Google Play Store listing limitation

Games People Play

Key statistics about OFS (real money games) for FY20

₹23-27 bln Market revenue for OFS real money games

₹160-170 bln Contest entry amount for OFS platforms

90-95 mln Number of OFS real money gamers

10-15% Average commission for online fantasy sports

₹6,000-7,000 Average spends per user/year on some of the leading OFS platforms

15-20% Average proportion of paying users as a percentage of active users

SOURCE KPMG in India's Media and Entertainment report 2020

the bullish nature of user engagement, so it is important to sustain and stay relevant in the remaining 10 months. But we account for this fact every year and strive to maintain a balance between the two," says Godara.

While players like MyTeam11 might lose out a little because it is focussed only on field sports, others like Mobile Premier League (MPL)—"an all-encompassing gaming platform with all kinds of games"—may be assured of a smooth run. The Bengaluru-based platform has 60 games, from esports to casual games and fantasy sports. "Since we are not a fantasy app, our funding, expansion and marketing outlooks are not solely tied to events like the IPL. The IPL, for us, is a great vehicle to reach the masses. Even when there was no cricket during the lockdown, our growth trajectory was fast and consistent, unlike other fantasy apps," says Abhishek Madhavan, senior vice-president, growth and marketing, MPL. The platform has over six crore registered users, with each user playing at least six games on an average.

Since the IPL, MPL claims its daily new user acquisition rates have gone up by 4x. "Our GMV (gross merchandise value) was at about $350 million in March 2020 and it is currently at $1 billion despite being out of the Google Play Store," adds Madhavan. By the end of the IPL, the platform hopes to cross eight crore users. MPL has India captain Virat Kohli as its brand ambassador, and is sponsoring Royal Challengers Bangalore and Kolkata Knight Riders in the IPL this year. "After the IPL, we have other brand-focussed engagements such as our partnership with (reality show) Bigg Boss as presenting sponsor and our upcoming partnerships on platforms such as YouTube," adds Madhavan.

While India remains a cricket-crazy country, people have warmed up to tournaments such as the Indian Super League (football), Pro Kabaddi League and Premier Badminton League too. Their popularity has prompted many OFS platforms to include sports such as football and basketball on them.

MyTeam11, in fact, plans to include games such as MyTeam11 Quiz, a knowledge-based quiz, and 13-card format—MyTeamRummy and MyTeamPoker. GoodGamer also has plans to foray into skill gaming in the near future to compete with the likes of MPL and Paytm First Games. Says Creighton, "We are adding Point Rummy and Ludo. In December, we will be adding 15 to 20 more casual gaming titles that are new to the Indian market. We feel that by adding new skill-based games, we will be able to attract a wider audience and earn revenue all year round." F

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LION DR KIRON – THE TYCOON WHO IS TRANSFORMING OUR TOMORROW!

It was the early 90s and corporate India was experiencing radical transformations; around the same time, an individual began his quest to evolve into a legend. The place was Warangal, Telangana where it all started. Kiron was an ambitious youngster with a dream in his eyes and fire in his belly. He had a penchant for thinking out of the box and influencing the future. Cut to 2020 and here's a man who exudes a rare combination of knowledge, service, style and adventure. He is the CEO of a realty conglomerate, an honorary Consul of Bulgaria for Telangana and Andhra Pradesh, an acclaimed philanthropist, a seasoned industry captain, a prolific author, a distinguished style icon, an adventurer who circumnavigated the globe and a mentor to aspiring youngsters. This is the epic success saga of Lion Dr Kiron, a realty mogul who is busy shaping our future lives and lifestyles.

Lion Dr Kiron

After garnering hands on experience for around 17 years, Dr Kiron took the plunge into entrepreneurship in 2005 with Suchirindia and the rest as they say is history! Suchirindia is headquartered in Hyderabad and is engaged in building world class, iconic projects spanning Infrastructure, Real Estate and Hospitality.

Shaping Suchirindia into an authoritative realty entity

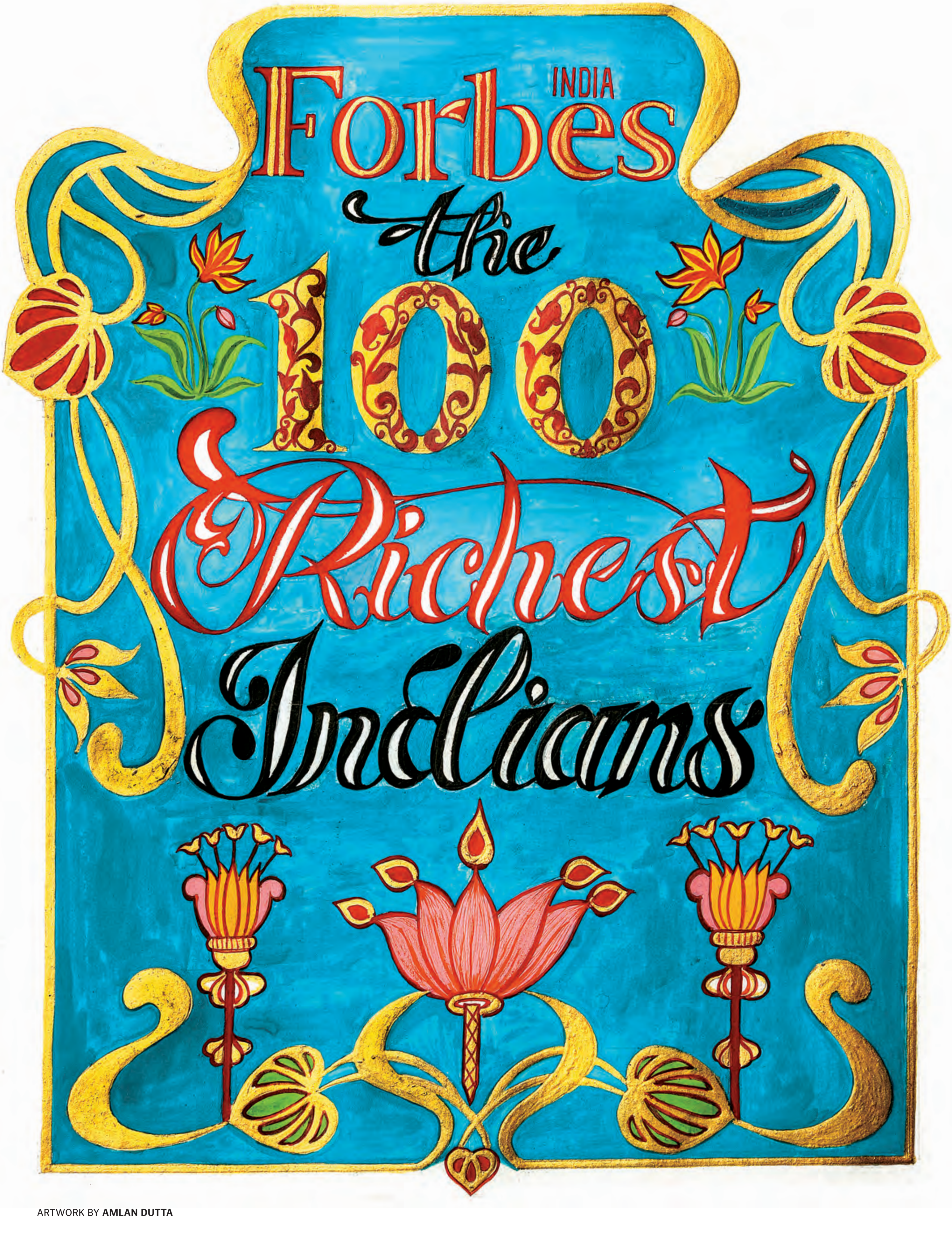
Dr Kiron kick started his career as an executive in a realty firm. He still reminisces the bygone days when he would go around on his YAMAHA Rx100 bike selling plots with unending gusto and unwavering enthusiasm. After garnering hands on experience for around 17 years, Dr Kiron took the plunge into entrepreneurship in 2005 with Suchirindia and the rest as they say is history! Suchirindia is headquartered in Hyderabad and is engaged in building world class, iconic projects spanning Infrastructure, Real Estate and Hospitality. The conglomerate believes in shaping ventures which are transformative and futuristic. As the CEO, Dr Kiron bets big on technology. Suchirindia is invested in infusing cutting edge technology into every venture with an eye on future trends. Pre integrating technology into residential and commercial projects is a priority area. Suchirindia is now on the cusp of entering into strategic alliances with various state and national governments as a subject matter expert on realty and allied areas.

Suchirindia Foundation, the CSR wing that reaches out

Lion Dr Kiron is first and foremost a humanitarian at heart. Philanthropy is a huge part of the grand legacy he is creating. The group's CSR wing, Suchirindia Foundation is a manifestation of transformative change for building an inclusive society. The foundation's core focus areas are rural transformation, education and social activities.

A farsighted statesman who personifies charisma, chivalry, style and success

Dr Kiron holds is admired as a small town boy who conquered the world leveraging unconventional brilliance, raw passion and sheer dint of hard work. He is idolized as a man who singlehandedly built a business empire with presence across the globe. He has now commissioned an incubation facility that grooms future entrepreneurs who look up to him. The Doctor of Philosophy in Urban Planning & Tourism Development is a prolific author with a host of bestsellers to his credit. Dr Kiron is also an avid traveler and adventurer. He has explored more than 97 countries and places including Arctic, Antarctica and the seven old and new wonders of the world. He loves adventure activities like skydiving and scuba diving. The tycoon also takes time out for horse riding, Tennis, Golf and Polo. And yes, he's renowned for his unique taste in haute couture and fine living. He pioneered his own lifestyle statement, the K style. Be it designer clothes or fast cars or cool gadgets, it's all part of the grand K style narrative. Dr Kiron's personal luxury collection sourced from all across the globe is a testimony to his class. His annual birthday soirees called as K parties are a rage with the city's socialites and elite. Lion Dr Kiron has demonstrated to the world how life should be lived. It's a seamless blend of hard work , ethics, philanthropy, wealth creation, partying and holistic living, K style!



ARTWORK BY **AMLAN DUTTA**

Rising Above Adversity

Mukesh Ambani is a big winner among the half who gained despite the pandemic

BY NAAZNEEN KARMALI

India has been hit hard by Covid-19, with more than 7 million cases—the world's second-highest count—and reported a 24 percent plunge in economic growth for the quarter ending June. Despite this adversity, half of the nation's 100 richest saw gains, rising a collective 14 percent to $517.5 billion, even as the benchmark BSE Sensex remained flat from a year ago. More than half of that increase can be ascribed to one individual: Mukesh Ambani, at No. 1 for the 13th year, who added $37.3 billion to his fortune—a rise of 73 percent—to a net worth of $88.7 billion. Shares of his Reliance Industries soared when, amid the nation's lockdown, Ambani raised more than $20 billion for Jio Platforms, Reliance's fast-growing digital arm, from a string of marquee investors that included Facebook and Google. Investors are now eyeing Reliance Retail, which has already raised $4.4 billion from investors and recently made a major acquisition.

At No. 2 again this year is infrastructure magnate Gautam Adani, who boosted his net worth 61 percent to $25.2 billion. Unfazed by the pandemic-induced travel slowdown, Adani, who aspires to be India's airport king, acquired a 74 percent stake in Mumbai airport, the country's second-busiest. Tech tycoon Shiv Nadar, who ceded the post of chairman of HCL Technologies in July to his daughter Roshni Nadar Malhotra, jumped three places to No. 3 with $20.4 billion as shares of India's third-largest tech firm surged.

Mukesh Ambani added $37.3 billion to his fortune, a rise of 73 percent from last year

With a global health crisis raging, it's no surprise that pharma entrepreneurs fared well. The fortune of vaccine billionaire Cyrus Poonawalla, whose privately held Serum Institute of India—led by his son Adar—has joined the race to produce Covid-19 vaccines, was up 26 percent to $11.5 billion. Listed companies making drugs to treat the virus saw their shares jump. The biggest percentage gainer on the list was Kiran Mazumdar-Shaw, founder of Biocon, which is set to start phase 4 trials of a potential Covid-19 drug. Her wealth nearly doubled to $4.6 billion.

There are nine newcomers this year. They include Sanjeev Bikhchandani, co-founder of Info Edge (India), which owns popular job and property websites; siblings Nithin and Nikhil Kamath, co-founders of discount stock brokerage Zerodha Broking; and three specialty chemicals producers: Vinod Saraf, founder of Vinati Organics, Arun Bharat Ram, the patriarch of SRF, and brothers Chandrakant and Rajendra Gogri of Aarti Industries.

More than a third of the listees saw their wealth decline, notably those with interests in real estate. A dozen dropped off this year, including Future Group founder Kishore Biyani, who sold the bulk of his debt-laden retail empire to Ambani's Reliance Retail in August. F

• ADDITIONAL REPORTING BY MEGHA BAHREE, SEAN KILACHAND AND ANURADHA RAGHUNATHAN

INDIA'S 100 RICHEST

1. MUKESH AMBANI
$88.7 BILLION ▲
RELIANCE INDUSTRIES **AGE:** 63

2. GAUTAM ADANI
$25.2 BILLION ▲
ADANI PORTS & SEZ **AGE:** 58

3. SHIV NADAR
$20.4 BILLION ▲
HCL TECHNOLOGIES **AGE:** 75

4. RADHAKISHAN DAMANI
$15.4 BILLION ▲
AVENUE SUPERMARTS **AGE:** 65

5. HINDUJA BROTHERS
$12.8 BILLION ▼
ASHOK LEYLAND **AGES:** 84, 79, 74, 69

6. CYRUS POONAWALLA
$11.5 BILLION ▲
SERUM INSTITUTE OF INDIA **AGE:** 79

7. PALLONJI MISTRY
$11.4 BILLION ▼
SHAPOORJI PALLONJI GROUP **AGE:** 91

8. UDAY KOTAK
$11.3 BILLION ▼
KOTAK MAHINDRA BANK **AGE:** 61

9. GODREJ FAMILY
$11 BILLION ▼
GODREJ GROUP

10. LAKSHMI MITTAL
$10.3 BILLION ▼
ARCELORMITTAL **AGE:** 70

11. SUNIL MITTAL
$10.2 BILLION ▲
BHARTI AIRTEL **AGE:** 62

12. DILIP SHANGHVI
$9.5 BILLION ▲
SUN PHARMACEUTICAL INDUSTRIES **AGE:** 65

13. BURMAN FAMILY
$9.2 BILLION ▲
DABUR INDIA

14. KUMAR BIRLA
$8.5 BILLION ▼
ADITYA BIRLA GROUP **AGE:** 53

15. AZIM PREMJI
$7.9 BILLION ▲
WIPRO **AGE:** 75

Out in the Open

HINDUJA BROTHERS

UMESH GOSWAMI

(From left): Hinduja brothers Prakash, Srichand, Gopichand and Ashok are in a legal dispute

A UK HIGH COURT RULING IN June revealed for the first time a dispute in the Hinduja family—between patriarch Srichand Hinduja and his three younger brothers Ashok, Gopichand and Prakash.

The ruling confirmed that Srichand's younger daughter Vinoo could represent her father in legal matters. One disagreement is reportedly about Srichand's claim that he alone owns SP Hinduja Banque Privée—a small Geneva-based private bank chaired by his older daughter Shanu.

Media reports on the dispute cite a 2014 letter signed by the four siblings declaring joint ownership of all Hinduja group assets—including the bank. Srichand, represented by Vinoo, is reportedly arguing the letter has no legal effect. After the June ruling, the three brothers said in an emailed statement that they would defend their ownership claims, and that the litigation would not affect the Hinduja's group businesses. A spokesman for Srichand and Vinoo declined to comment.

—MEGHA BAHREE

CHANGE IN WEALTH KEY: ▲ UP ▼ DOWN ◀▶ UNCHANGED ★ NEW TO THE LIST ↩ RETURNEE

INDIA'S 100 RICHEST

16. BAJAJ FAMILY
$7.4 BILLION ▼
BAJAJ AUTO

17. MADHUKAR PAREKH
$7.2 BILLION ▼
PIDILITE INDUSTRIES **AGE:** 74

18. KULDIP & GURBACHAN SINGH DHINGRA
$6.8 BILLION ▲
BERGER PAINTS INDIA **AGES:** 73, 70

19. SAVITRI JINDAL
$6.6 BILLION ▲
OP JINDAL GROUP **AGE:** 70

20. MURALI DIVI
$6.5 BILLION ▲
DIVI'S LABORATORIES **AGE:** 69

21. BENU GOPAL BANGUR
$6.1 BILLION ▼
SHREE CEMENT **AGE:** 89

22. SUDHIR & SAMIR MEHTA
$5.9 BILLION ▲
TORRENT GROUP **AGES:** 66, 57

23. HASMUKH CHUDGAR
$5.4 BILLION ▲
INTAS PHARMACEUTICALS **AGE:** 87

24. ASHWIN DANI
$5.3 BILLION ▲
ASIAN PAINTS **AGE:** 77

25. GIRDHARI LAL BAWRI, RAJENDRA AGARWAL & BANWARI LAL BAWRI
$5 BILLION ▲
MACLEODS PHARMACEUTICALS **AGES:** 73, 67, 61

26. MG GEORGE MUTHOOT
$4.8 BILLION ▲
MUTHOOT FINANCE **AGE:** 70

27. KIRAN MAZUMDAR-SHAW
$4.6 BILLION ▲
BIOCON **AGE:** 67

28. PANKAJ PATEL
$4.55 BILLION ▲
CADILA HEALTHCARE **AGE:** 67

29. M.A. YUSUFF ALI
$4.45 BILLION ▲
LULU GROUP INTERNATIONAL **AGE:** 64

Telecom Turf

SUNIL BHARTI MITTAL

AS INDIA'S SECOND-LARGEST telecom firm by subscribers, New Delhi-headquartered Bharti Airtel has seen its share price jump 42 percent in the past year. The net worth of its chairman, Sunil Bharti Mittal, was up 34 percent to $10.2 billion.

Increased data consumption by those stuck at home during the pandemic led to a 73 percent surge in Bharti Airtel's data use in the quarter ended June, boosting revenue 15 percent in that quarter to $3.2 billion compared to a year ago. Average revenue per user, a key industry metric, increased 22 percent to 157 rupees. Mittal declined to comment.

It's been four years since rival Jio, owned by Reliance Industries, unleashed a price offensive that thinned the privately owned telecom

Sunil Mittal's net worth jumped to $10.2 bln

sector from ten companies to three. Fellow billionaire Kumar Birla's Vi, formerly Vodafone Idea, got a crucial breather from a Supreme Court ruling in September that extends the time to pay $7.9 billion in government dues from a lump sum to a staggered payment over ten years.

—MEGHA BAHREE

All That Glitters

MG GEORGE MUTHOOT, G RAJENDRAN

THE WEALTH OF MG GEORGE Muthoot, chairman of gold-backed lending firm Muthoot Finance, rose by $1.75 billion thanks to a stock price rise of more than 60 percent since the last list. The Kochi-based lender offers loans using gold as collateral,

George Muthoot's wealth rose by $1.75 bln

and now holds 165 tonnes of it, worth over $10 billion. Gold-backed loan demand has surged amid a pandemic-induced cash crunch. "Many traders and small business owners who are trying to restart and get back on their feet during this pandemic are taking out gold loans," says Muthoot, 71. For the quarter ended June 30, Muthoot Finance saw a 16 percent year-on-year increase in consolidated loans to ₹465 billion and a 52 percent net profit rise to ₹8.6 billion.

Gold's popularity remains strong in India. G Rajendran, who founded Chennai-based GRT Jewellers in 1964, joins this year's the list with a $1.54 billion fortune. The 78-year-old's company sells diamond, gold, silver and platinum jewellery.

—ANURADHA RAGHUNATHAN

CHANGE IN WEALTH KEY: ▲ UP ▼ DOWN ◀▶ UNCHANGED ★ NEW TO THE LIST ↩ RETURNEE

SUNIL MITTAL: CHESNOT / GETTY IMAGES; M. G. GEORGE MUTHOOT: ARJUN SURESH

MANAB PAUL–THE MAN BEHIND THE INNOVATIVE IDEA "AFFORDABLE VACATION HOME"

Sree Balaji emerged as a leading construction developer in Eastern India who delivered more than 700 units in the past 11 years. Proposed 4000 units are already lined up for the next 5 years. Panthaniwas is one of its initiative offering vacation homes in places you would love to travel to. It offers residential projects in popular weekend getaway destinations in West Bengal- Dooars, Digha, Shantiniketan, Raichak and Puri few more popular destination are in que . Sree Balaji bagged the "National Builder Award" from 'Indian Achiever Forum' at Bangkok for their relentless endeavour to deliver and fulfil the aspiration of their customers. In 2019, two more feathers were added on their cap as they bagged REALTY+ EXCELLENCE AWARDS 2019 – EAST in the 'Environment-Friendly Residential Space – Non-Metro' and 'Villa Project of the Year – Non-Metro' categories.

Short breaks from city life, continuous flow of rental income and spending life after retirement in peace and solitude were the previous aspirations to own a vacation home. The virus outbreak has given rise to a more urgent motivation – the relative safety from infection away from the urban hot zones. It is Mr Manab Paul, founder of Sree Balaji and the inventive genius behind the idea of 'affordable vacation home' who changed the game for a vacation home in India. He is the first-generation Bengali entrepreneur who single-handedly established the brand with a vision to develop Real Estate with honesty and integrity and make it affordable to middle-class people. He has been honoured with 'Outstanding Achievement – Young Entrepreneur of India' at Goa in 2016.

THE JOURNEY:

Panthaniwas launched its first project at Shantiniketan in 2010 with a vision to let the citizens of Bengal own a part of the Red Soil and stay amidst a rich cultural heritage. It has successfully delivered more than 550 units at Shantiniketan. Only a few bungalows are left for the people to grab the opportunity.

Manab Paul, Founder, Sree Balaji

> *Urban homeowners are reconsidering their housing options in popular tourist destinations to ensure a guilt-free and stress-free holiday accommodation. Previously, second homes or vacation homes were only meant for the affluent who already have a permanent home in the city. But not anymore.*

The project is studded with all the modern amenities & facilities including a 'Club House' in the name of 'Panthashala'. It caters all the basic comfort & pleasures to be enjoyed by the owners or guests of Panthaniwas. Artistic landscapes at strategic locations enhance the beauty of the project. It stands tall abiding by the 'Green Building Norms' starting from planning to construction. The journey which was initiated in 2010 now became the most trusted brand in the platform of " Affordable Vacation Homes " in West Bengal .

Panthaniwas has been nationally recognised by 'Realty Plus Excellence Awards 2019 East' as 'Most Environment-Friendly Residential Space – Non-Metro', while Bon Bungalow has been honoured with 'Villa Project of the Year – Non-Metro' on March 14, 2019, at JW Marriott, Kolkata.

WHAT MAKES PANTHANIWAS STAND OUT?

The traditional second home clientele in India has been the HNI class who usually remains unaffected by economic uncertainties on the global and domestic fronts. As Covid19 happened, families who previously budgeted for and splurged on annual holidays are considering buying a second home seriously. As staying near the workplace is not a deciding factor anymore, many people who own a house in the metropolitan cities are letting-out their city homes and moving to a less expensive neighbourhood, preferably a tourist destination. Panthaniwas being the pioneer of 'affordable vacation home' is offering low-cost residential projects at unconventional destinations at pocket-friendly prices with all modern, luxury amenities. Anyone can maintain a healthy work-life balance while enjoying the peace and quiet of a mountain cabin or watching the sea waves for hours sitting in the balcony. Vacation homes experience market appreciation simply because of their desirability. So, owning a home by the hills or sea is not a daydream anymore but a sweet reality.

The pandemic may be giving a new lease of life to the previously insipid second homes market. Urban homeowners are reconsidering their housing options in popular tourist destinations to ensure a guilt-free and stress-free holiday accommodation. Previously, second homes or vacation homes were only meant for the affluent who already have a permanent home in the city. But not anymore. 2020 and the global pandemic has given rise to a new segment of property – Affordable Vacation Home and the pioneer of this new trend is Sree Balaji. They are the first to introduce good quality vacation homesmeant for middle-class and upper-middle-class people in popular weekend getaway destinations.

INDIA'S 100 RICHEST

30. KAPIL & RAHUL BHATIA
$4.4 BILLION ▼
INTERGLOBE AVIATION AGES: 88, 60

31. SINGH FAMILY
$4.35 BILLION ▲
ALKEM LABORATORIES

32. MAHENDRA CHOKSI
$4.3 BILLION ▲
ASIAN PAINTS AGE: 79

33. KUSHAL PAL SINGH
$4.26 BILLION ▼
DLF AGE: 89

34. VIKRAM LAL
$4.25 BILLION ▲
EICHER MOTORS AGE: 78

35. HARSH MARIWALA
$4.15 BILLION ▼
MARICO AGE: 69

36. NUSLI WADIA
$4 BILLION ▼
BRITANNIA INDUSTRIES AGE: 76

37. PAWAN MUNJAL
$3.9 BILLION ▲
HERO MOTOCORP AGE: 66

38. ABHAY VAKIL
$3.85 BILLION ▲
ASIAN PAINTS AGE: 69

39. KARSANBHAI PATEL
$3.8 BILLION ▼
NIRMA AGE: 76

40. VINOD & ANIL RAI GUPTA
$3.55 BILLION ▼
HAVELLS INDIA AGES: 75, 51

41. ANIL AGARWAL
$3.4 BILLION ▲
VEDANTA RESOURCES AGE: 67

42. YUSUF HAMIED
$3.3 BILLION ▲
CIPLA AGE: 84

43. REDDY FAMILY
$3.25 BILLION ▲
DR. REDDY'S LABORATORIES

44. GUPTA FAMILY
$3.2 BILLION ▲
LUPIN

WEALTH CREATION

India vs the Virus

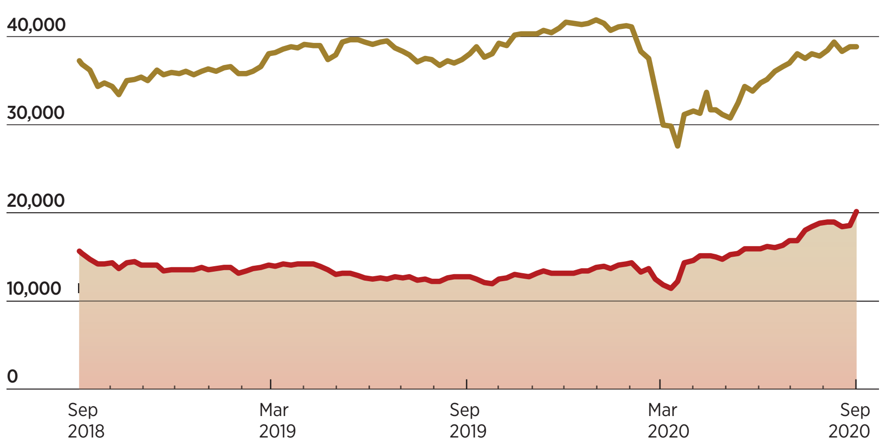
GROWTH IN THE WORLD'S SECOND MOST-POPULOUS NATION WAS ALREADY weakening when it recorded its first Covid-19 case on Jan 30, then saw its number of cases shoot above 1,000 cases in March. India's economy took a big hit after the lockdown on March 25, with first quarter GDP to June 30 shrinking by 24 percent year-on-year, the first contraction since publicly available records began in the mid-1980s. Consumer demand slumped. India still has the world's second-highest number of cases, over seven million, after the US. One bright spot: India's health care stocks have climbed about 50 percent so far this year.

—JEANHEE KIM

Health is Wealth

While India's benchmark stock index is virtually flat for the year to date, the index of health care stocks is up about 50 percent

(S&P BSE SENSEX AND S&P BSE HEALTHCARE INDEXES WEEKLY CLOSES, IN INDIAN RUPEES, SINCE SEP 2018)

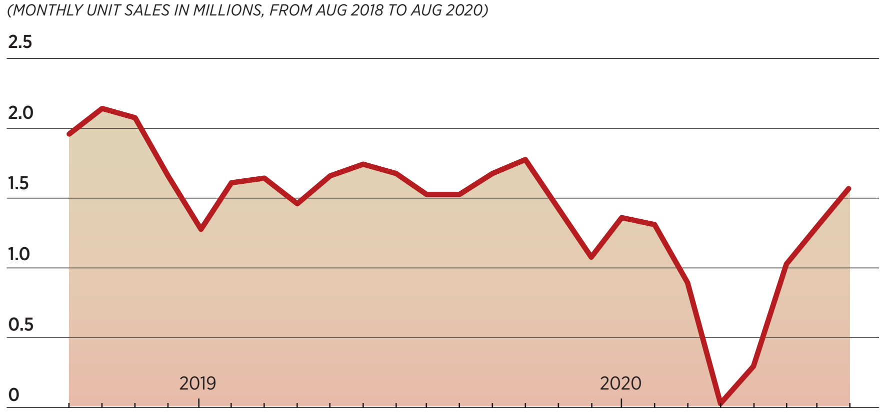


SOURCE *BSE*

Revving Up

In April, motorcycle sales fell to zero due to the lockdown, but have started to recover

(MONTHLY UNIT SALES IN MILLIONS, FROM AUG 2018 TO AUG 2020)



SOURCE *Society of Indian Automobile Manufacturers*

Education India
India's Academic Partner

SPREADING QUALITY EDUCATION IN REMOTE LOCATIONS AND VILLAGES OF INDIA

The company is enhancing the education reach under the leadership of Dr Manjeet Jain

Dr Manjeet Jain

Education India is changing the way schooling is perceived in India – especially in the rural areas. The company is developing schools through a team of 50+ multi-disciplinary professionals who take care of the project right from architecture to marketing. With an aim to help India "Grow, Involve and Thrive" they have already set up more than 100 schools in over 25 states across the country. Dr Manjeet Jain, as the Founder Chairman, believes that education is the cornerstone for the empowerment of people and is building it to respond to opportunities, challenge traditional roles, and change lives.

Delivering Real Outcomes

Taking over schools that are too sick to operate, Education India has given makeovers to the institutions, restoring their functionality and profitability. With personalized training centres, principals and teachers are imparted knowledge through the traditional and modern techniques that are being adopted globally. All pieces of training are based on sensory, emotional, intellectual and spiritual elements, covering the whole gamut of needs of a student. These trained professionals are further appointed to schools in completely remote areas and are tasked with increasing the accessibility to quality education.

Education India also houses a Teachers' Recruitment Cell, which places the educators as per the geographical, financial and growth point of view. School staffing is taken care of to disrupt overcome any gaps between the availability and accessibility of knowledge.

Meeting Convenience with Affordability

The company has incorporated a plan wherein the village schools are provided with a balanced mix of academic and skill enhancement education. Subject experts observe the operations for seamless functioning and maintenance of education standards. The programs are strategically defined to add value to society. An experiential learning-based curriculum is also put in place that is affordable for people from all walks of life. Both existing and new institutions are worked upon to ensure a higher level of understanding and enrolment among the classes.

Nishant Sharma, Director of Sunrise Group of Schools in Mathura, takes care of the North and East Zone operations. For the West and South Zone, Manish B, CEO SIS Mehsana is taking care. Education India currently has 12 branch offices with its head office in Belagavi Karnataka. Aiming for a PAN India reach, the organization hopes to increase literacy effectively and efficiently.

A New Era of Education

Setting up schools around the country, Education India has been undertaking end-to-end responsibility of planning, execution and operations. Creating a pathway for modern education, the company is resolving issues right from feasibility and commissioning at inception to marketing and PR for new admissions. Entering with a holistic approach, it has imparted infrastructural, managerial and academic inputs for proper growth. The company has been instrumental in kick-starting K-12 CBSE, ICSE, IGCSE, and IB schools in rural as well as the urban landscape.

Exceptional Models for School Association: For a flexible implementation, three models are being put to use. The schools can either be on lease, have revenue sharing or form an academic partnership with Education India. The company has proved its worth in the last few years and almost doubled the strength and income of every school they are associated with. Schools from different flagships like MT LITERA, DPS, LEAD, DAV, SCOTTISH, MANCHESTER, GD GOENKA have been allied with Education India for one or another reason.

> *With an aim to help India "Grow, Involve and Thrive" they have already set up more than 100 schools in over 25 states across the country. Dr Manjeet Jain, as the Founder Chairman, believes that education is the cornerstone for the empowerment of people and is building it to respond to opportunities, challenge traditional roles, and change lives.*

Dedicated Team of Academic Experts: A team of academic experts from across the globe is dedicated to uplift the level of education in village and semi urban areas. Online and offline expert sessions from highly qualified subject teachers are helping the students to gain the knowledge at par with city students.

About the Founder Dr Manjeet Jain

Dr Manjeet Jain is the brain and brawn behind Education India. A visionary educationist, social entrepreneur, and academician, he has been promoting the educational in Remote and Rural India for more than a decade. Best described as a man of vision and integrity, his goal is to building a platform for India's education system on a global level.

INDIA'S 100 RICHEST

45. PP REDDY
$3.1 BILLION ▼
MEGHA ENGINEERING & INFRASTRUCTURES **AGE:** 63

46. BYJU RAVEENDRAN & DIVYA GOKULNATH
$3.05 BILLION ▲
BYJU'S **AGES:** 39, 34

47. LEENA TEWARI
$3 BILLION ▲
USV **AGE:** 63

48. SHYAM & HARI BHARTIA
$2.95 BILLION ▲
JUBILANT BHARTIA GROUP **AGES:** 67, 63

49. PV RAMPRASAD REDDY
$2.9 BILLION ▲
AUROBINDO PHARMA **AGE:** 62

50. AJAY PIRAMAL
$2.89 BILLION ▼
PIRAMAL ENTERPRISES **AGE:** 65

51. NR NARAYANA MURTHY
$2.85 BILLION ▲
INFOSYS **AGE:** 74

52. MICKY JAGTIANI
$2.8 BILLION ▼
LANDMARK GROUP **AGE:** 69

53. CHANDRU RAHEJA
$2.75 BILLION ▼
MINDSPACE BUSINESS PARKS REIT **AGE:** 80

54. RAKESH JHUNJHUNWALA
$2.7 BILLION ▲
RARE ENTERPRISES **AGE:** 60

55. RAMESH JUNEJA
$2.65 BILLION ▲
MANKIND PHARMA **AGE:** 65

56. SENAPATHY GOPALAKRISHNAN
$2.6 BILLION ▲
INFOSYS **AGE:** 65

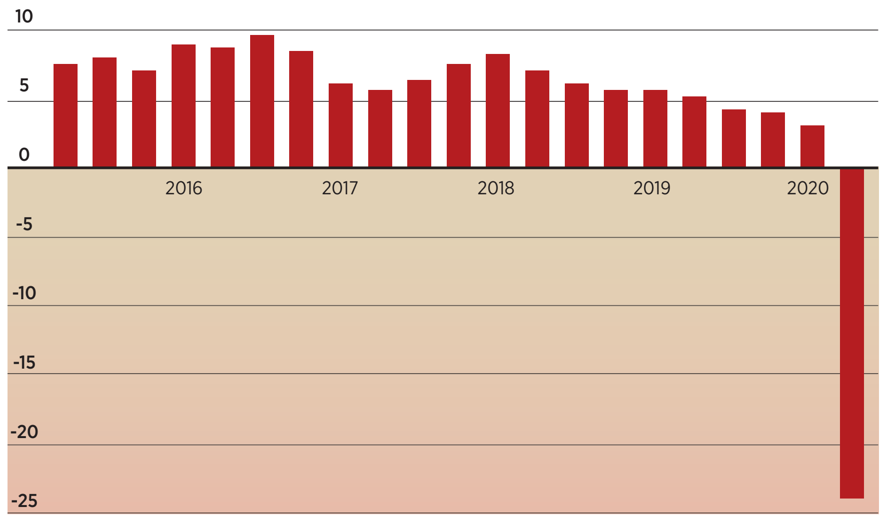
57. KALANITHI MARAN
$2.46 BILLION ▼
SUN TV NETWORK **AGE:** 55

58. AMALGAMATIONS GROUP FAMILY
$2.45 BILLION ▲
TRACTORS & FARM EQUIPMENT

Bad to Worse

Already slowing before the pandemic, India's quarterly growth rate turned negative for the first time in decades

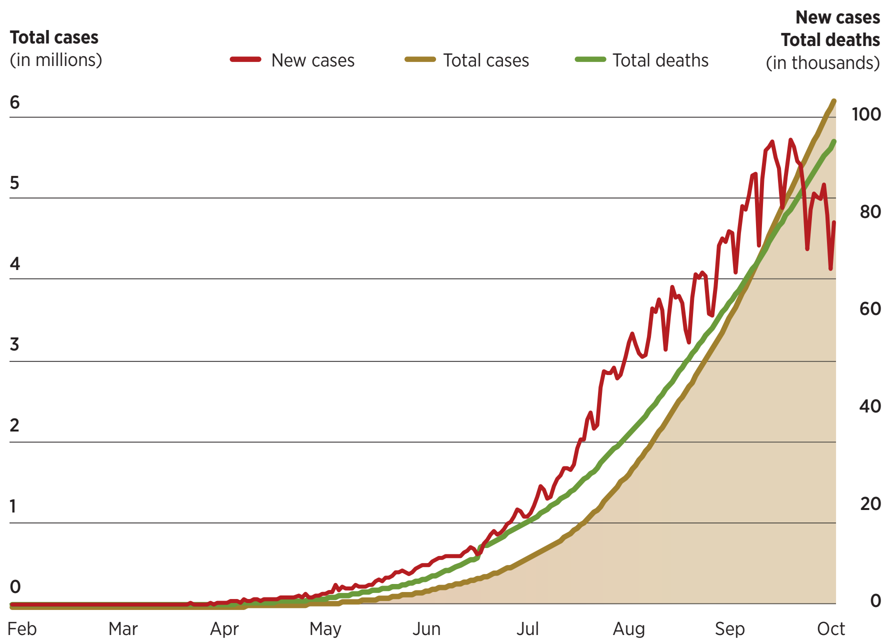
(GDP % CHANGE, YEAR-ON-YEAR, FROM Q1 2015 TO Q1 2020; FISCAL YEAR STARTS APRIL 1)



SOURCE *Ministry of Statistics and Programme Implementation; Bloomberg*

Unrestrained

India's Covid-19 cases have continued to grow despite a nationwide lockdown.



SOURCE *World Health Organization*

CHANGE IN WEALTH KEY: ▲ UP ▼ DOWN ◀▶ UNCHANGED ★ NEW TO THE LIST ⮌ RETURNEE

NATURAL DIAMONDS MATTER TO THE WORLD, AND YOU

Inclusivity & Diversity

Credit: Lucara Diamond

Natural Diamonds are treasured not only for their beauty and rarity but also for the emotional and heirloom value they hold which can be passed down through generations. Diamonds are not only one of nature's most wondrous creations, they are also precious for the people and the economies of the countries they are found in. The core focus for the diamond jewellery businesses is the conservation of the planet as we rightfully know "with authority comes great responsibility".

Working together for a better future and protecting our planet is crucial to all-Natural Diamond Council members. They have taken one step further and created common pledges, which are in line with the United Nations Sustainable Development Goals. Through these three pledges, they define a shared path to ensure a common focus for a greater impact and a lasting legacy for future generations.

A Pledge to Strengthen Local Communities

Every year, pledging companies infuse US$ 6.8 billion back into the communities around their mines by sourcing services and goods locally. They also partner with local governments to contribute to long-term development projects that will benefit the locality.

RZM Murowa, the majority owner and operator of Murowa Diamond Mines in Zimbabwe, has partnered with local authorities in maintaining roads, the electrification of health centers and schools, water reticulation, bridge, and road construction.

Rio Tinto is a founding partner of the Centre of Excellence for Indigenous communities in Canada, working to understand how they can support employment and participation of indigenous communities. Today, almost a quarter of Diavik Diamond Mine's workforce is aboriginal and 50% of the team are from Northern Canada.

A Pledge to Protect the Environment

To protect the biodiversity of mining areas, all mine-building and management decisions are preceded by in-depth studies on the biodiversity and environment of the area in consultation with indigenous communities.

Petra Diamonds optimizes the use of energy and water at its operations via reduction and efficiency strategies, which has ensured that 72% of the water used in their operations is recycled. Petra's Williamson mine in Tanzania supplies drinking water to local communities. In 2016 at the Koffiefontein mine in South Africa, Petra refurbished an emergency water pipeline which provided much-needed water to local communities during a long period of drought.

More than a decade ago, ALROSA developed the Living Diamonds of Yakutia Natural Park to protect the biodiversity of Western Yakutia, home to thriving populations of musk sheep, yaks, deer, Yakut horses, bears, reindeer, rabbits, and peacocks. At the 32-thousand-hectare park, ALROSA has funded wildlife preservation programs, including a reindeer migration initiative.

A Pledge to Promote Gender Inclusivity & Equality

Today, almost one-third of the people employed by leading diamond producers are women which was not the case a generation ago.

As part of its commitment to standing with women and girls, De Beers Group has partnered with UN Women to become a HeForShe Thematic Champion and pledged to make a tangible difference. The company is investing US$3 million in programs that support women and girls in southern Africa and Canada. It's accelerating Women-Owned Enterprises (AWOME) program provides mentoring, network, business, and life-skills training for women micro-entrepreneurs.

Lucara promotes the inclusion of women at the top of its business, with prominent examples including Eira Thomas, President and CEO of Lucara Diamond Corp, and Naseem Lahri, Managing Director of Lucara Botswana–the first woman to serve as the managing director of a diamond mine in the country.

Natural Diamonds stand as a true testimony to celebrating life's extraordinary moments and the focus of the natural diamond industry is to ensure sustainable way of living and utilizing the resources that are in harmony with Planet Earth.

Environment

Credit: De Beers Group

Local Community

Credit: Petra Diamonds

Credit: RZM Murowa

Credit: Alrosa

INDIA'S 100 RICHEST

59. SRIDHAR VEMBU & SIBLINGS
$2.44 BILLION ▲
ZOHO AGE: 52

60. SALIL SINGHAL
$2.42 BILLION ▲
PI INDUSTRIES AGE: 73

61. RAVI JAIPURIA
$2.4 BILLION ◄►
RJ CORP AGE: 65

62. VIJAY SHEKHAR SHARMA
$2.35 BILLION ◄►
PAYTM AGE: 42

63. MURUGAPPA FAMILY
$2.34 BILLION ▲
MURUGAPPA GROUP

64. JITENDRA VIRWANI
$2.3 BILLION ▼
EMBASSY PROPERTY DEVELOPMENT AGE: 54

65. ARVIND PODDAR
$2.25 BILLION ⮌
BALKRISHNA INDUSTRIES AGE: 62

66. ACHARYA BALKRISHNA
$2.22 BILLION ▲
PATANJALI AYURVED AGE: 48

67. SHASHI & RAVI RUIA
$2.2 BILLION ▼
ESSAR GROUP AGES: 76, 71

68. SANJEEV BIKHCHANDANI
$2.1 BILLION ★
INFO EDGE (INDIA) AGE: 57

69. NANDAN NILEKANI
$2.07 BILLION ▲
INFOSYS AGE: 65

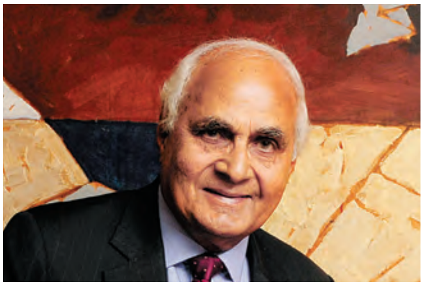
70. VIJAY CHAUHAN
$2.05 BILLION ▲
PARLE PRODUCTS AGE: 84

71. VIVEK CHAAND SEHGAL
$2.04 BILLION ▼
MOTHERSON SUMI SYSTEMS AGE: 64

72. BABA KALYANI
$2 BILLION ▼
BHARAT FORGE AGE: 71

Smooth Succession

KUSHAL PAL SINGH



KP Singh spent six decades building DLF

Singh's son Rajiv took charge of DLF in June

PROPERTY TYCOON KUSHAL PAL Singh, 89, passed the baton in June to son Rajiv at developer DLF, India's most valuable listed property firm. KP Singh joined in 1961 the company his father-in-law Raghvendra Singh established in 1946, then called Delhi Land & Finance. Rising eventually to chairman, he spent nearly six decades building what became DLF, amassing a $4.26 billion fortune. Rajiv, 61, takes over as the pandemic batters the property sector. The company's sales for the quarter ended June 30 more than halved to ₹6.4 billion, resulting in a roughly ₹726 million loss. While office rentals have held up during the crisis, malls have taken longer to reopen and shoppers remain scarce.

—MEGHA BAHREE

Expressing Thanks

HARSH GOENKA

RPG ENTERPRISES' CHAIRMAN Harsh Goenka, an avid art collector and patron, commissioned the "Wall of Gratitude" in May, to cover a 120 foot-tall exterior wall of RPG's Mumbai headquarters. The giant mural honors India's frontline workers fighting the pandemic, and was created by designer Elsie Nanji and artist Sameer Kulavoor.

CHANGE IN WEALTH KEY: ▲ UP ▼ DOWN ◄► UNCHANGED ★ NEW TO THE LIST ⮌ RETURNEE

KUSHAL PAL SINGH: RAMESH PATHANIA / MINT VIA GETTY IMAGES; RAJIV SINGH: HARIKRISHNA KATRAGADDA / MINT VIA GETTY IMAGES; HARSH GOENKA: MEXY XAVIER; WALL: COURTESY RPG GROUP

SWATI PASARI: *Pranic Healer to Painter*

They say that you have to be lost in order to be found! Artist par excellence Swati Pasari of Soulink --- an art brand renowned and recognized across the world --- loses herself in every new painting and enters a new dimension. She experiences an inner feeling of completeness and her 'voyage' gets completed only after she sees the complete form of the visualization or the thought that inspired her to start that particular painting! She looks at each painting as a mirror that portrays herself and all that she stands for! Today Swati is a sum total of her creative aspirations and intellectual pursuits!

PRANIC HEALER TO PAINTER

Being a Pranic Healer, the youthful and energetic Swati has a strong spiritual side and most of her paintings are made with the intention of spreading positivity. Hailing from a business family, Swati had a high spiritual and emotional quotient! But embarking on a career as an artist was not easy – it was Swati's talent and love for art that finally made her win the love and support of not just her family but art lovers as well. Her grandfather Mr. Nandlal Pasari and her brother Mr. Anant Pasari have been her biggest inspiration and critics too!

Swati's aesthetic creations display an immense artistic maturity. Pranic healing helped her find a way to express her inner soul link. Most of her creations are made with the intention of stimulating social or behavioural change. In her quest to express spirituality in a tangible form, she has taken help of both paintings and sculptures to put physical form to thought-process. Her works poignantly portray immortality, timelessness, inner stillness, peace and meditation.

MAKING INDIAN ART INTERNATIONAL

Since her first exhibition in August 2008, Swati's art has found its way to some of the eminent exhibitions in India and abroad. The Metropolis city girl displayed her paintings and sculptures at eminent venues/ art galleries such as Gallery Nvya (Delhi), Studio 3 and Cymroza (Mumbai), Sublime (Bangalore) and Emami Chisel Art Gallery (Kolkata). She participated in prominent exhibitions such as India Art Festival, World Art Dubai, Chewa Art Gallery Tokyo, National Art Gallery Jakarta and the Indian High Commission show at Muscat, Oman She is based in Mumbai now to engage discerning Indian and international art patrons. Thanks to her remarkable achievements at such a young age and early stage of her career, she has won national and international awards and acclaim such as the Pride of Bengal and Savvy Excellence Awards amongst others.

WHEN ART IS EMOTION...

For Swati, the act of creating a work of art is synonymous to following a particular chain of thought until the thought is translated seamlessly in her creations. When she paints, it is more like letting her emotions flow freely. The inner joy which she feels when her inner thoughts are translated into her painting --- that is when she knows, her work is done. She finds inspiration within herself, because her artistic thoughts have provided her with inner wholesomeness. And that inner calm creates an acute sense of awareness within --- inspiring her every day.

COLOUR IN COVID TIMES

Swati's artworks have given many patrons hopes and happiness during tough COVID times - simply because her paintings have bright and colorful hues, which instantly radiate happiness and peace. Swati also participated in a COVID-19 fund-raiser show with round table in April-May 2020.

Like a true artist, Swati believes in spreading happiness and shaping the world into a beautiful place. Most of her remuneration goes for the betterment of the society and the needy. This urge to spread happiness around is definitely a reflection of a beautiful and happy soul of the artiste!

INDIA'S 100 RICHEST

73. MAHENDRA PRASAD
$1.98 BILLION ▲
ARISTO PHARMACEUTICALS AGE: 80

74. ANURANG JAIN
$1.87 BILLION ▲
ENDURANCE TECHNOLOGIES AGE: 58

75. LACHHMAN DAS MITTAL
$1.86 BILLION ▲
SONALIKA GROUP AGE: 89

76. SUNNY VARKEY
$1.85 BILLION ▼
GEMS EDUCATION AGE: 63

77. RAJAN RAHEJA
$1.84 BILLION ▼
EXIDE INDUSTRIES AGE: 66

78. K DINESH
$1.83 BILLION ▲
INFOSYS AGE: 66

79. HARSH GOENKA
$1.82 BILLION ◀▶
RPG ENTERPRISES AGE: 62

80. ABHAY FIRODIA
$1.8 BILLION ▼
FORCE MOTORS AGE: 75

81. VIKAS OBEROI
$1.75 BILLION ▼
OBEROI REALTY AGE: 50

82. CHIRAYU AMIN
$1.71 BILLION ⮌
ALEMBIC PHARMACEUTICALS AGE: 73

83. SANJIV GOENKA
$1.7 BILLION ▼
RP-SANJIV GOENKA GROUP AGE: 59

84. RAMESH KUMAR & MUKAND LAL DUA
$1.65 BILLION ★
RELAXO FOOTWEARS AGES: 66, 71

85. DILIP & ANAND SURANA
$1.64 BILLION ⮌
MICRO LABS AGES: 54, 49

86. DEVENDRA JAIN
$1.6 BILLION ▼
GUJARAT FLUOROCHEMICALS AGE: 91

Edging Upward

SANJEEV BIKHCHANDANI

SANJEEV BIKHCHANDANI, co-founder of internet company Info Edge (India), debuts on the list with a $2.1 billion fortune thanks to a nearly 70 percent stock surge over the past year. The pandemic meant fewer listings on the company's classifieds websites, including Naukri.com, India's largest job site by traffic share, cutting net sales by 10 percent to ₹2.8 billion ($38 million) in the first quarter ending in June. In response, the Noida-based firm trimmed spending to recover from a year-earlier loss and posted a consolidated net profit of ₹937 million.

After getting an MBA from the Indian Institute of Management Ahmedabad, Bikhchandani started Info Edge to do salary surveys for human resources managers in 1990, adding online recruitment seven years later. Info Edge later launched sites for education, matchmaking and real estate. Today the company also invests in startups, holding stakes in two Indian unicorns: Insurance site Policybazaar and food delivery app Zomato.

—ANURADHA RAGHUNATHAN

MADHU KAPPARATH

CHANGE IN WEALTH KEY: ▲ UP ▼ DOWN ◀▶ UNCHANGED ★ NEW TO THE LIST ⮌ RETURNEE

LetsShave : Breaking Shaving Industry Monopoly

"A startup can never thrive in a monopolized market," A myth that has shelved hundreds of startups before they could even begin. Sidharth Oberoi denied to invest his labor in this belief and founded LetsShave.com. With a desire to offer an elite shaving experience to the Indian market induced in the veins of the brand, the startup thrived. The phenomenal team of the Chandigarh based startup passionately worked hard defeating all the odds. As a startup aiming to reach the peak of the industry, LetsShave worked with strategies to embark a dent in the monopolistic shaving market.

LetsShave took a leap of faith and summoned to secure a place in the industry that is under the domination of giants with a master plan. The stratagem was to find the gap in the market and penetrate the industry with the attainment of the gap. The anatomy of the plan included the launch of products to create an invincible need in the market and to oblige to existing desires of the customers. Catering the gap, the company pertained not one but two exemplary products in the industry.

First

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Second

After disrupting the men's shaving category, in 2019, the brand plotted to take over men's bathroom, then began to address the same challenge across other categories in men's care one shelf at a time. Beard trimmers, shower & face care were a natural leap for them because young men and millennials who aren't shaving their faces, are paying more attention to their hair and beards. Thus, foraying into the larger men's grooming market with a suite of shampoo, body wash, beard oil, beard styling cream and other products. This move of the company not only assured its sustenance in the market but also promised immediate and elongated success. However, the company's dynamics did not choose to settle just by establishing a unique place in the industry. The compa ny established its identity in 2020 and now was ready to jump on the higher pedestal of success. With the spike in need of a greater product in the market, LetsShave launched its advanced 3-in-1 Beard-Body-Head Trimmer. The company had an incredible expansion of more than half a million customers in India.

The stairs to success are still on its path of elongation for the startup. As determined by its vision, the company continues to focus on solving the grooming problems of today, making people feel good, stay sharp, while minimizing impact on the planet for tomorrow. They aim to create exceptional personal care products that are uncomplicated and easy to navigate. Rather than overdoing or overcharging they prioritize quality ingredients and thoughtful design.
LetsShave partnered with the best players in the international industry having the best research labs and know-hows. Its razor supplier company and also world's one of the largest razor manufacturing companies, Dorco, picked up 15% stake in LetsShave; a first ever investment made by Korean giant thus enabling LetsShave to mobilize its identity in the Indian market as the innovator. After Dorco, Wipro Consumer Care Ventures (a multi-billion-dollar FMCG conglomerate), has acquired minority stake in LetsShave. Armed with more than $6 million in funding since inception, according to sources, Wipro & Dorco owns minority stakes, giving LetsShave's Sidharth S Oberoi a majority of 65% stake in the company. After subsequently taking over the industry giants of the Indian shaving market, LetsShave is now prepared to perpetually create the same mark on the world shaving industry as well in coming years.

Sidharth S Oberoi, Founder and CEO

INDIA'S 100 RICHEST

87. SUNDER GENOMAL
$1.58 BILLION ▼
PAGE INDUSTRIES **AGE:** 66

88. ANAND MAHINDRA
$1.57 BILLION ▼
MAHINDRA & MAHINDRA **AGE:** 65

89. SD SHIBULAL
$1.56 BILLION ▲
INFOSYS **AGE:** 65

90. NITHIN & NIKHIL KAMATH
$1.55 BILLION ★
ZERODHA BROKING **AGES:** 41, 34

91. G RAJENDRAN
$1.54 BILLION ★
GRT JEWELLERS **AGE:** 78

92. BHADRESH SHAH
$1.53 BILLION ▲
AIA ENGINEERING **AGE:** 69

93. RAJJU SHROFF
$1.5 BILLION ▼
UPL **AGE:** 86

94. MANOHAR LAL & MADHUSUDAN AGARWAL
$1.45 BILLION ▼
HALDIRAM SNACKS **AGE:** 65, 64

95. VINOD SARAF
$1.4 BILLION ★
VINATI ORGANICS **AGE:** 68

96. CHANDRAKANT & RAJENDRA GOGRI
$1.39 BILLION ★
AARTI INDUSTRIES **AGE:** 74, 60

97. PREMCHAND GODHA
$1.36 BILLION ★
IPCA LABORATORIES **AGE:** 73

98. RAJESH MEHRA
$1.35 BILLION ▼
JAQUAR GROUP **AGE:** 62

99. ARUN BHARAT RAM
$1.34 BILLION ★
SRF **AGE:** 79

100. RG CHANDRAMOGAN
$1.33 BILLION ★
HATSUN AGRO PRODUCTS **AGE:** 71

DROP-OFF

Future's Future

KISHORE BIYANI

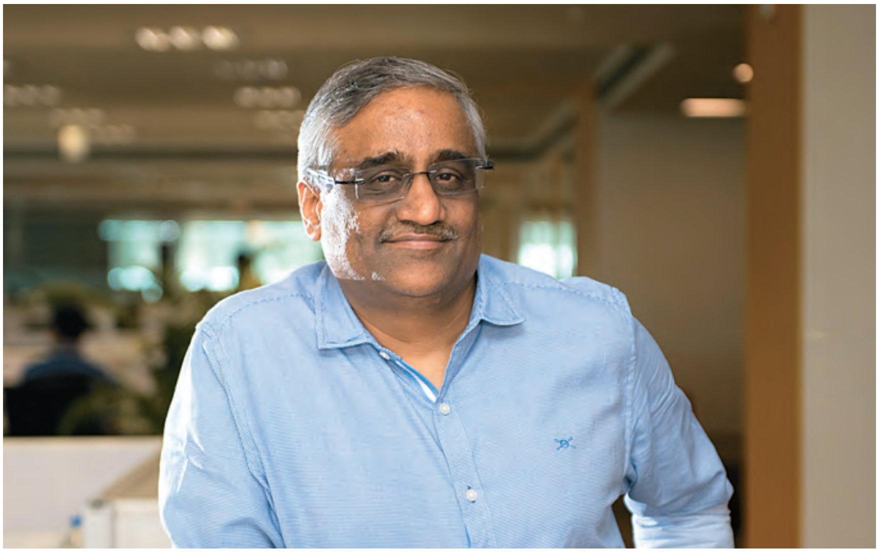
KISHORE BIYANI TOOK MORE than three decades to build Future Group into one of India's largest retailers, with over 2,000 stores in 437 cities. Yet his empire fell victim to the pandemic and Biyani sold it in late August for roughly ₹247 billion to Reliance Retail, controlled by Mukesh Ambani.

Pending shareholder and regulatory approvals, the deal will extend Ambani's retail dominance. His Reliance Retail is already India's largest retailer with $22 billion in sales—and, when closed, this purchase will add Future Group's retail and lifestyle outlets, wholesale business, logistics and warehouses. Biyani will retain interests in the manufacturing of apparel and consumer goods, and in two JVs.

Future Group had struggled under heavy debt amid falling demand during the pandemic. When the deal was announced, total group debt to be taken on by Reliance was estimated at ₹191 billion. "This business has been built on ambition and a lot of borrowed money," says Arvind Singhal, chairman of Gurugram-based consultancy Technopak Advisors.

In the quarter ended June 30, listed flagship Future Retail's net losses were ₹5.6 billion and Biyani fell off the list. Biyani did not respond to requests for comment.

—ANURADHA RAGHUNATHAN



MEXY XAVIER

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METHODOLOGY

This list was compiled using shareholding and financial information obtained from the families and individuals, stock exchanges, analysts and India's regulatory agencies. The ranking lists family fortunes, including those shared among extended families such as the Bajaj and Godrej families. Public fortunes were calculated based on stock prices and exchange rates as of September 18. Private companies were valued based on similar companies that are publicly traded.

CHANGE IN WEALTH KEY: ▲ UP ▼ DOWN ◄► UNCHANGED ★ NEW TO THE LIST ↩ RETURNEE

Mohit Kakkad charts ambitious growth plans for Tech-enabled NBFC - V. N. Finance

Young Turk Mohit Kakkad is a man on a mission and an ambitious leader in a hurry! COVID-19 lockdown may have put the brakes on the growth and expansion plans of several new-age BFSI companies but Mohit's tech-enabled NBFC V. N. Finance grew aggressively in double digits during the last few months. It strategized, adapted and adopted to the New Normal market realities and created new business opportunities galore!

V. N. Finance is an innovative financial company Incorporated as a Non-Deposit taking NBFC. 31-year old Mohit founded it with a vision to use technology to provide finance with ease & respect. Mohit is a young dynamic entrepreneur with a vision to reach out to every person, who is not able to fulfil his/her dreams for lack of finance. The Company is mainly engaged in providing the small and medium size ticket loans on secured and unsecured basis. V. N. Finance has put in place an interest rate policy, adopted by the Board, taking into account relevant factors such as, cost of funds, margin and risk premium, etc., and determines the rate of interest to be charged for loans. It has a robust KYC Policy, Fair Practices Code and Corporate Governance Policy.

Mohit Kakkad, Founder-MD, V. N. Finance, says, "We have grown exponentially in the last two years and now it's time to expand our network to get closer to our customers. We have a unique asset light-business model. We leverage technology to develop proprietary credit evaluation algorithms, which enable us to serve our target segment quickly with the right balance of managing risks. We are extremely fast in credit assessment and disbursal. More than 90% cases take less than 24 hours for final decision and disbursement." He adds, "Our next frontier is Gold Loan Segment. We shall soon unveil other loan related services by leveraging technology and digital tech. Of course, AUM will increase multi-fold in the gold, property loan and business loan segments."

Mohit Kakkad

Vijay Kakkad, Chairman, V. N. Finance, adds, "At present, we are targeting business loans, property loan and gold loan. Our unique value proposition for our target segments is to provide comfort to the client and quick decision." Vijay Kakkad is a sharp entrepreneur with unparalleled business acumen. He possesses more than 30 years of experience of running different businesses. V. N. Finance has been honoured with the prestigious ET Industry Leaders West Award 2020 recognised as Emerging Firm in Tech-Enabled NBFC category.

Mohit Kakkad, Vijay Kakkad and Rohit Chaturvedi

The senior management comprises highly qualified professionals. **Kishor K. Kalra, Professional Director,** is a senior banker with 33 years of all-round banking experience. He has worked with renowned MNC Banks; his last assignment was Senior Director and Head of North and East India with a leading European Bank. **Rohit Chaturvedi, Mentor,** is an experienced & senior professional with Extensive background in IT Business! He has helped built the brand V. N. Finance and enhanced brand equity and salience across key target groups.

Kishor K. Kalra

V. N. Finance seeks to deploy best-in-class cutting-edge technology and digital solutions to keep up with its mission of providing the best-possible customer experience and lightning fast decision making in loan appraisal and disbursal processes. It has created new benchmarks and set industry-leading standards/ practices for processes, which are monitored religiously and constantly upgraded to the next level.

V. N. Finance is launching its Business Loan App for automating the Business Loan process on this Diwali. ■

(Left to right) Brothers Nithin and Nikhil Kamath had been active traders for a decade before they founded Zerodha

Nithin Kamath and Nikhil Kamath

CEO and CIO, Zerodha

Age: 41, 34

Rank in the Rich List 90

Net Worth: $1.55 billion

The Big Challenges Faced in the Last Year:
Disruptions faced when their trading software went down during market hours

The Way Forward:
Working to minimise downtime with a strong technology backbone

The Broking Stars

Powered by Zerodha, brothers Nithin and Nikhil Kamath are the Rich List's youngest new entrants

BY SAMAR SRIVASTAVA

NISHANT RATNAKAR FOR FORBES INDIA

> **The story of the Kamath brothers is one of spotting an opportunity for disruption, taking it with both hands and then working to enhance their competitive moat**

A decade ago, high brokerage charges were a bugbear for active traders in the market. They were priced on the value of the trade. For those with heavy daily volumes, these charges added up.

Yet, if one looked at the broker end of the transaction, the work they needed to do was the same irrespective of the size of the trade. With physical order slips giving way to computers all that was needed were programmes to run the trade. The size of the trade by an individual client didn't matter and the incremental cost for the broker due to new clients was marginal. Trading costs had ceased to be linear.

And yet, for brokers, there was no reason to shake up this cosy arrangement. Clients with high volumes and good relationships would often negotiate rates with their preferred brokers that were cheaper than those advertised. Those deals were not available to everyone. They were dependent on how much commission the broker wanted to part with for a particular client.

In addition to executing trades, brokers provided other services like research, call and trade and margin funding. The money made from brokerage was used to subsidise these divisions. In short, there was no reason for them to reduce prices on what was a steady and dependable profit centre.

As it often happens in business, the disruption in the industry came from outside. In Bengaluru, brothers Nithin, 41, and Nikhil Kamath, 34, had been active traders for over a decade. They went on to start Zerodha, a broking platform with a flat fee that was aimed at traders. A decade on, with 3.5 million users, they are the largest brokers in the country, taking them past number two, ICICI Securities. They enter the 2020 Forbes India Rich List at rank 90 with a net wealth of $1.55 billion. (As a private business, they declined to share numbers on revenue and profitability.)

The story of the Kamath brothers is one of spotting an opportunity for disruption, taking it with both hands and then working over the past decade to enhance their competitive moat, which in any technology business is always razor thin. Nithin admits, "When you are number two, there is something to aspire to... when you are number one, there is always the risk of falling back."

SETTING UP ZERODHA

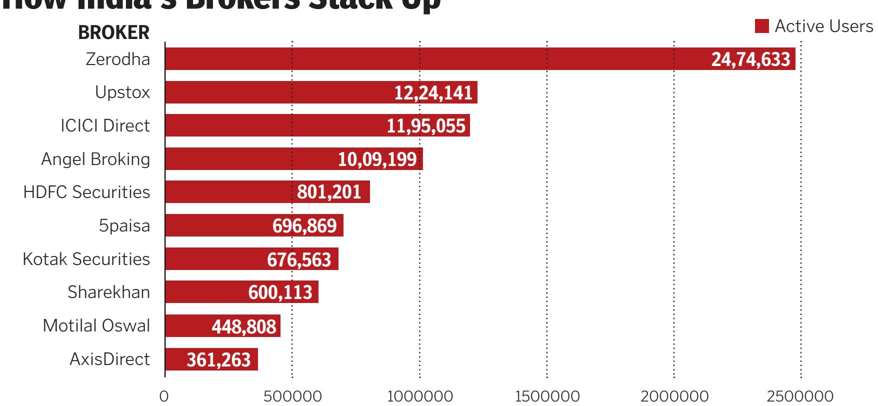
Both Nithin and Nihkil had been trading since their teens. The sons of a veena teacher and a Canara Bank manager grew up in Basavanagudi in Bengaluru, a neighbourhood with a lot of active traders. Nithin admits that it was "greed" that initially got him interested in trading. (Both didn't graduate, but say that may not be the right example as there is a fine line between passion and foolishness. "If you succeed, it is passion, if you don't, it is foolishness.")

They'd become sub-brokers for Reliance Money and Way2Wealth respectively. Their trading success had resulted in them setting up a firm, Kamath Associates, to manage money for others.

At the back of their mind, the trader brothers knew that the business was ripe for disruption. "If the work done per trade is the same, then why should fees be based on the value of the trade?" was a question Nithin often asked himself. Nikhil knew that the industry was not very transparent. What brokers charged as securities transaction tax or brokerage was often not clear to the client.

This was also the time when technology was increasingly entering into stock broking. Algorithmic hedge funds were making their mark in India and exchanges were becoming more and more digitised. Their traditional roles of being mere marketplaces for a broker had been surpassed. Technology now allowed anyone to become a broker

How India's Brokers Stack Up



SOURCE NSE

*Active user is defined as someone who has used the platform in September 2020

INFOGRAPHIC: SAMEER PAWAR

At Zerodha, there is no stock research and no employee in the organisation has any sales targets

COURTESY: ZERODHA

and trade with a software provided by the exchange or by the broker.

This was also a time when a battle between the National Stock Exchange (NSE) and Financial Technologies that had been started by Jignesh Shah was getting heated. Financial Technologies had signalled its intention to start a rival exchange MCX. While the NSE had been using software from Financial Technologies for a vast majority of its trades, news of the new exchange had it scrambling to support rival Omnesys, which was later bought by Thomson Reuters. Omnesys's API was better for traders and the software soon caught on among them.

In 2008, the Kamath brothers became members of NSE, which allowed them to become a broker using the NSE's Now platform. By 2010, all traders had to do was download Zerodha's software, which was based off NSE's Now platform (Omnesys) and trade directly with the NSE. This was the birth of Zerodha. NSE took care of the back-end infrastructure like sending stock ticks. As a result Zerodha was spared the cost of building a full-fledged client software from scratch.

Its fees were the game changer. Traders paid ₹20 per trade. It started small and had a core following of about 10,000 users in the first year, but for users who had been used to paying many times that, the lower brokerage fees were an instant attraction. There was no advertising and word-of-mouth was the only publicity Zerodha relied on. Till today, the brothers haven't advertised their service.

Deepak Shenoy, who runs Capitalmind, a portfolio management service, was one of the early converts. He remembers evangelising the service in its initial days, carrying the 20-page enrolment forms in the back of his car and passing them to other brokers. He then worked at a hedge fund in Gurugram and there was a fair amount of scepticism around the fact that if the product is so cheap, it must not be the best. Securities could be misused and the company was run by two unknown brothers. (It was a partnership and not a limited company.) The word on the street was that this was good for trades, but if one wanted to invest and hold for the long term, it was better to use a big-name broker like Kotak or ICICI Securities. Zerodha wasn't a registered depository participant (these are agents who hold securities on behalf of CDSL or NSDL) and used IL&FS's services.

But Nithin and Nikhil were well-known in trading circles. Nithin, the more extroverted of the two, was active on trading forums and their service served the needs of traders.

CAMFIL HELPS YOU TO BREATHE CLEANER AIR - AT WORK, AT HOME FOR LIFE

The world is battering with a plethora of environmental issues today; the falling index of Air Quality is one of them. As the days are progressing, the quality of air is rapidly deteriorating, and the sustainability of life becomes cumbersome. But to combat the issue of contaminated air, Camfil has given unprecedented solutions regarding the detrimental air we inhale. Let's dig deeper into Camfil and its phenomenal work.

The Camfil Group has pioneered the manufacturing of air filters and clean air products. With the unparalleled experience and expertise of over five decades, Camfil has widely covered a spectrum of Clean Air Solutions. Headquartered in Stockholm, Sweden, Camfil has spread its wings of operations across 51 countries. Adding to it, at present, Camfil has 30 manufacturing sites, 6 R&D centers, and local sales offices in 30 countries. Looking at its history, Camfil ventured as a family business in the town of Trosa, Sweden in 1963. The Company commenced its operations almost 57 years ago by developing Nuclear Air Filtration solutions, which are considered to be the toughest in the industry. Ever since then, Camfil has developed clean air solutions for almost all the segments of the industry, combating and creating breakthroughs in providing the best Indoor Air quality.

Camfil India started as a Joint Venture by Camfil AB, Sweden, in 2008. Presently, Camfil India has its two manufacturing units located in Gurgaon, Haryana, and 1 in Trichy, Tamil Nadu, which caters to a wide range of industries in PAN India.

PRODUCTS AND SERVICES

For more than five decades, Camfil has been strenuously putting efforts into making 'Clean Air-A Human Right' just like clean water. In these crucial times, their awareness campaigns have reached out to thousands of people and companies, which educate them on controlling the spread of the virus through the air.

Camfil has a diverse range of products ranging from a home air purification system to advanced Nuclear Air Filtration solutions, which are the most challenging Air Filtration solutions ever. They believe in "whatever air filtration challenge you have, Camfil can provide a solution", from Nuclear Air Filtration, Biosafety containment, healthcare, to space exploration expedition. Camfil also has a range of portable air purifiers which provides the best in class indoor air quality for homes and office spaces. This high-efficiency air filters help in lowering the risks of harmful viruses and pathogens present in the air. Best in class ISO 16890 certified air filters for pharmaceutical, biopharmaceutical manufacturing facilities, healthcare facilities, food, and beverage manufacturing, data centers, oil refineries, airports, railways, public buildings are their prime offerings. Owing to the complexity and criticality of operations in manufacturing industries, Camfil has the most advanced and sophisticated air pollution control equipment, which renders the solutions for all the industrial segments. Camfil specializes in high-quality HEPA and ULPA filters. Specialized terminal housings and bag in bag out (BIBO) containment units for critical exhaust applications are second to none. Molecular contamination control products that mitigate corrosion control and odor issues as per global standards are technically advanced products that we make available to our customers. Camfil USP is the fact that products and solutions are available for the

Shashi Shekhar, Managing Director, Camfil India

entire spectrum of filtration issues. Camfil's decades of industry experience and dedication towards research and development has helped the company to stand tall in this segment.

COMBATING WITH COVID-19

In recent publications, WHO (World Health Organization) has confirmed the short-range aerosol transmission of coronavirus in indoor spaces. The major cause of the spread of the SARS-CoV-2 virus is transmitted through droplets - the small droplets or nuclei which can remain suspended in the air up to four hours in the absence of proper ventilation. These fine droplets/nuclei/aerosols can travel large distances - up to 10 meters and can infect any healthy individual.

Camfil is in the business of saving and enhancing lives by providing clean air to protect people and processes. During this pandemic, Camfil envisions to save lives through impeccable clean air solutions. Camfil has reached out to thousands of people & organizations via standardized digital outreach programs and help them to understand the risks and measure to protect against the spread through the air.

INDISPENSABLE PROJECTS

Having pioneered a unique stature in the Indian Market, Camfil has expanded its footprint both physically and digitally through the length and breadth of the country. Camfil's vision is to make clean air- a human right. For several decades now, they have been investing in R&D and local manufacturing setups to take active measures in times like these. Their incredible air filtration products can help in preventing the spread of the airborne virus, and their local presence is helping them to be self-reliant. Even before the pandemic, India stands in the top 3 rankings of the World's most polluted countries. So the need for education for clean air indoors is essential for the years to come. They are well-equipped with all the men and machinery to take this forward. The clean Air industry itself will grow multi-folds, and they are extremely positive with their growth strategy. They have set a roadmap to grow, especially in the Pharma, Oil & Gas, and Food & Beverage segments. Currently, they are working with all the upcoming airports, railways stations, and the plan is to triple the growth in the next five years.

Soon people who bought and held shares (these are known as delivery trades) also came on and were offered a flat ₹20 per trade deal. In 2013, they had their first competitor when RKSV, another discount broking platform, set up shop.

That was when, as Nikhil explains, they realised their moat would soon cease to exist. What began was a quick exercise to roll out their own platform called Kite. The aim was to remove the clutter, provide the best user interface, order matching and analytics. Aiding them was chief technology officer Kailash Nadh, who is now an integral member of the team.

SCALING UP

As word-of-mouth spread, the company received a steady stream of customers to both trade and invest. But its differentiation was no longer there as several brokers started offering flat ₹20 trades. In late 2015, while waiting for a delayed flight to Kochi, Nikhil had a brainwave. Why not make delivery trades free?

Users who invested for a longer period were eight to nine million as compared to 0.5 million active traders within the country. (Traders, however, contribute to 98 percent of daily volumes on the exchange.) Making delivery trades free gave Zerodha virality for the first time and its user base of 75,000 at that point has grown by 50 times since then.

The next turning point came around demonetisation when Zerodha was able to make use of Aadhaar-based authentication to complete know your customer requirements. This allowed them to sign on users within hours compared to the seven days it would take earlier. There was also a move towards financial assets which opened up opportunities for brokers. Zerodha was able to ride this trend. "More recently, the decline in interest rates has resulted in more people exploring equities as on option," says Nikhil.

As things stand, it is the day traders that subsidise users who buy and hold whose trades are free. Investors in its newly launched mutual fund platform Coin can buy direct plans without paying commission. While Zerodha acknowledges that the latter is a loss centre for them, Nikhil says their trades result in data that is valuable. "Plus even investors sometimes engage in speculative trades," he says. The company is planning a product to lend against securities and this could make these users a profitable segment.

Over the last year, the company has come in for criticism when its systems have been down. For active traders, a snapped link to the exchange can result in a significant loss. The more vocal ones have taken to social media to criticise the company. While not defending the outages, both Nithin and Nikhil say their downtimes have been far less than those of other brokers and they are working on fixing the issues quickly.

> Despite the pandemic, Zerodha has had its best year with 1.5 million users signing on. It is now India's largest broker by number of customers

There is also the threat of disruption. In the 1930s, Merrill Lynch was ridiculed for taking out a full-page newspaper advertisement, saying anyone can now buy a mutual fund. Till then it was considered a product for the rich and well heeled. Then in the 1970s, Charles Schwab came in and disrupted Merrill. In the 1980s, it was ETrade with its $1 per trade brokerage, which in turn got disrupted by Interactive Brokers. Most recently, Robinhood has turned out to be the hottest new broker.

In India, Paytm has launched its own mutual fund and ETF platform where it is targeting users that traditional brokers have ignored. Paytm's tagline is buy a Nifty ETF for ₹16. "It wants users who can invest just ₹100 a month and this is a segment traditional brokers have neglected," says Shenoy. This could prove to be a disruptive force.

Despite the pandemic Zerodha has had its best year with 1.5 million users signing on. It is now India's largest broker by number of customers and the largest worldwide by volume of trades. The steady upward march of the markets since the collapse in March has helped in getting people interested in trading. Last year, Nihkil launched his own fund, True Beacon, that invests for high net worth individuals. With a corpus of ₹380 crore, it is still small, but has notched up an impressive 35 percent in gains in the last 14 months.

For now the Kamath brothers are focusing on what they know best: To provide the best experience to traders and a free option to investors. There is no stock research and no employee in the organisation has any sales targets as that leads to misselling. They've launched Varsity by Zerodha, which has tutorials on the markets. And there is still no advertising for the core broking service. Within the company, Nithin—who is CEO—takes the product decisions and is responsible for building them while Nikhil—who is CIO— handles risk management and trades on their account. They've bought stakes in several startups in the investing space and also given money to solutions to tackle climate change effectively channelising their broking profits for a worthy cause. F

With AE Group of Companies, Sunny Garg & Shaifali Jain Are Writing A New Vocabulary For Indian Start-ups

Elon Musk, one of the richest men on earth, once said, "The first step is to establish that something is possible; then probability will occur." Two young Indians, Shaifali Jain and Sunny Garg, having established the possibility for themselves are now on a mission to enhance the probability for others. After earning the moniker of being founders of a successful startup **YourShell,** one of the youngest Indian start-ups to be funded under Prime Minister's "Startup India Standup India" scheme, and selling their company to Stanza Living at a multi-million dollar valuation, Shaifali and Sunny, with the AE Group of Companies, their next venture, are now beginning to change the vocabulary of startups in India.

Background-YourShell

In 2017, while Sunny and Shaifali were still at college in Delhi University, they established YourShell, a student housing company aimed at providing co-living spaces to outstation students. At the time of its acquisition in 2019, YouShell stood at a tenant base of 595 students spread across 18 properties while generating a monthly revenue of Rs. 80,00,000, and a total turnover touching Rs 20 crore.

After selling their company to Stanza Living and earning a fortune out of it, these young college-goers have decided to put the money back into building a robust network of entities that would help cultivate a new breed of start-up owners, preferably students, who are still studying but are on the verge of a great idea!

In words of Shaifali Jain, "The value added to our lives through the experience of building and selling a startup by the age of 22 is far much greater than the amount we earned out of it. But a combination of wealth and value shall now help us help others grow."

AE Group – Change In Process

With AE Group of Companies, Sunny and Shaifali are enabling their diversified goals. In addition to investing in terms of money, they have begun mentoring, rather nurturing; these start-ups so that instead of years, these ventures could achieve their full potential within months. Speaking about their vision, Sunny Garg says, "We have decided to take the risk with our hard-earned money and invest it for better experiences, if not tangible returns. We wish to fuel the fire of entrepreneurship amongst the youth of India and to make sure that a lack of capital or right guidance doesn't come in the way of a bright and passionate mind."

Investments

The investment portfolio of AE Group (www.aecircle.com) majorly includes student startups innovating around the Marketing and Real Estate industry. Under their Real Estate brand, **Aekad,** they have invested in **HouseItt** (Founded by Rajat Malik & Bharat Bhatt) and **WeSettle** (Founded by Pragya Arora & Manas Garg) and under Marketing, they have invested in **Vaeral** (Led by Muneeb Ur Rehman, Mayank Sureka & Yash Gandhi) and **Caessette** (Founded by Shubham Singhal). Apart from these, the group is also planning to invest in a mobile food truck business **The Rajma Chawal Co.** led by Abhay Chaudhary & Harshit Goel.

For Shaifali and Sunny, the real satisfaction of being an entrepreneur lies in watching their mentees succeed. And to see that happen, this dynamic young duo is willing to bet their last penny!

AVINASH GOWARIKER

Shot At Success

Adar Poonawalla is betting big that his family's Serum Institute of India will be among the first to produce Covid-19 vaccines

BY MANU BALACHANDRAN & NAAZNEEN KARMALI

Cyrus Poonawalla

Chairperson & managing director, Serum Institute of India

Age: 79

Rank in the Rich List 6

Net Worth: $11.5 billion

The Big Challenges Faced in the Last Year:
Receiving requisite permissions for developing new products or getting into trials, buying latest technology and registering products globally

The Way Forward:
Focus on building quality infrastructure, talent and skilled workforce

When the coronavirus pandemic broke out earlier this year, Adar Poonawalla, CEO of Serum Institute of India, the world's largest vaccine maker by number of doses produced and sold, weighed the options: "Do absolutely nothing and watch how it unfolds, or take the risk and become a front-runner."

The 39-year-old chose the latter and went on a deal-making frenzy, which has put the privately held firm at the forefront of the global race to develop a Covid-19 vaccine, he says in a telephone interview in late September from the company's Pune headquarters, the latest of two interviews for this article. His father, Cyrus Poonawalla, worth $11.5 billion, founded the Serum Institute in 1966 and remains its chairman. "It's a huge personal risk I am taking," says Poonawalla. The firm, he says, is investing $800 million to help find, and then produce, a vaccine, and has already spent $300 million of that.

To beat the virus, Serum Institute has secured five partnerships over the past six months; the biggest is its deal with AstraZeneca. In June, the UK pharma giant licensed Serum Institute to manufacture a billion doses of a potential Covid-19 vaccine called AZD1222—with 400 million to be delivered this year. For comparison, Serum Institute's annual output now is over 1.5 billion doses.

Serum Institute's deal with AstraZeneca likely involves an upfront payment based on the expected number of doses needed, says a company insider who asked to be unnamed. The scale-up to produce them is a major financial commitment. "I decided to sacrifice three of my existing facilities, which make some very lucrative vaccines," Poonawalla says. That opportunity cost, Poonawalla reckons, could total millions of dollars. "I am afraid to even calculate that figure," he says. "But again, I'm only accountable to myself."

Cyrus Poonawalla founded the privately held Serum Institute in 1966

The vaccine is based on a genetically modified version of a common cold virus that infects chimpanzees, and was first developed by researchers at the University of Oxford, with AstraZeneca signing on to distribute it. "We are the only one [in India] who have the [manufacturing] capability," Poonawalla says. Half the doses are planned for India, which will be marketed under the brand Covishield, and the other half are earmarked for the rest of the world, in particular developing countries.

AstraZeneca launched advanced clinical trials for tens of thousands in Brazil, South Africa, the UK and the US, while Serum Institute started its own trials with 1,600 volunteers across India and dedicated three of its facilities to begin production of more than 60 million doses monthly of the vaccine—with plans to ramp up to 100 million doses by December. Trials in several countries, including India, were briefly halted, then resumed, after an unexplained illness in one patient in a UK trial in early September.

Despite that hiccup, on October 26, AstraZeneca said that its vaccine produced a robust immune response in adults and the young, raising hopes about the vaccine's potency,

SANJIT DAS / BLOOMBERG VIA GETTY IMAGES

and a subsequent rollout soon.

"We could have launched the vaccine early next year if the trials hadn't been stopped. That has really put a wrench into the works," says Poonawalla, estimating the trials could now extend to January. "We're trying everything we can to make up for lost time."

He's also hedged his bets by developing other Covid-19 vaccines. "We are working with multiple partners across the US, UK and Europe on four different vaccine candidates," he says. "We never assumed that only one vaccine candidate would work. Vaccine production is like a roller coaster ride with all sorts of probable results; you just need to be patient until the final result is out."

In February, Serum Institute teamed with Codagenix, a clinical-stage biotech company in New York, to co-develop a single-dose intranasal Covid-19 vaccine that removes the virus's harmful properties while keeping the antigens. Serum has since secured Indian regulatory approval to manufacture it. Meanwhile, work is underway with global pharma giant Merck to co-develop a vaccine by modifying a measles virus vector to carry coronavirus antigens.

For these two vaccine candidates, "we're co-developing, scaling it up and doing the trials ourselves", he says. In September, the company inked another deal with US pharma firm Novavax to develop and commercialise its Covid-19 vaccine candidate NVX-CoV2373 in low- and middle-income countries, including India. Serum Institute aims to deliver a billion doses of NVX-CoV2373 by 2021. "Along with these, we are working on two of our own candidates, which we hope should be available towards the end of 2021," he says.

To support all these initiatives, Poonawalla has set up and chairs a new company, Serum Institute Life Sciences, that is building a $300 million, first-of-its kind "pandemic -level" manufacturing facility in Pune, including research and development labs. It will be capable of producing one billion vaccine doses when it opens two years hence. He believes the world will likely see another pandemic in the next few decades. "That [next] pandemic could be even worse and deadlier

"Vaccine production is like a roller coaster ride with all sorts of probable results; you just need to be patient until the final result is out."

than Covid-19," he says. "The only lesson we have learnt from this epidemic is how underprepared we were in manufacturing, in our health systems, detection and testing."

In Serum Institute's home market of India, a vaccine is sorely needed. India has over eight million Covid-19 cases—putting it second worldwide in cases behind the US—and more than 100,000 related deaths. The pandemic is more than a health care crisis—the Indian economy saw a 24 percent contraction year-on-year in the June-ended quarter, due in part to nationwide lockdowns in April and May.

Serum Institute is also looking beyond vaccines. In April, the company partnered with Pune-based molecular diagnostics firm Mylab Discovery Solutions to expand production of its Covid-19 testing kits. "We

kept thinking about what we could do to help open up the economy, because a vaccine may or may not come, even after a year," says Poonawalla.

Working with multiple partners has other benefits: Even if only one vaccine candidate proves successful, Serum Institute and its partners can springboard off it to produce more effective variants. When a vaccine is finally found, demand from governments should be huge. "Governments will want to

Technicians monitor vaccine vials passing through a filling and capping machine at a Serum Institute plant in Pune

vaccinate their whole population, and stockpile," says Poonawalla.

Setting up these partnerships is a calculated move, says Anurag Rathore, a professor of chemical engineering at the Indian Institute of Technology (IIT) Delhi and a scientific advisor to several biotech companies. "Historically, companies that were the first to bring out a medicine have always had an advantage, even if a second drug was of better quality," he says. At the same time, "the challenge is to capitalise on the gains, and that means manufacturing at risk to start selling the drugs as and when the trials are over. In that sense, Serum Institute's call is a commercial decision, a bet that is like any other, which could go either way", he says.

"At this moment, we can simply hope that Serum Institute can deliver, and we are eagerly looking for an escape from the situation," says Arokiaswamy Velumani, chairman of Thyrocare Technologies, one of India's largest private testing laboratories.

The Poonawallas have been fierce advocates of increasing global access to immunisations, and their company is a key supplier of vaccines to the developing world. In September, Serum Institute clinched a $600 million deal to supply 200 million doses of Covid-19 vaccines at $3 per dose to the global vaccine alliance Gavi and the Bill & Melinda Gates Foundation for distribution in India and low- and middle-income countries. The Gates foundation will provide a total of $300 million to Serum Institute as an advance. "I see the next decade as the golden years for the vaccines industry worldwide," says Poonawalla.

In India, Serum Institute plans to cap the cost of a Covid-19 vaccine at $3 a dose, though Poonawalla concedes it could be slightly higher once all the approvals are in place. It will be up to the government to decide on how best to distribute nationwide an estimated 2.8 billion doses (it's a two-dose vaccine), he says, but he hopes the government will cover the costs. "We are not asking for any money for dedicating a manufacturing plant, including the manpower, energy cost, and other things, from the government. All we are saying is, buy the vaccine and give it free to everyone so that no citizen of India has to pay for a Covid-19 vaccine," he says.

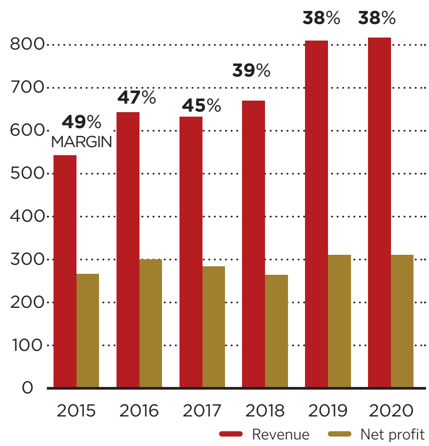
For more than five decades, his father Cyrus built this business empire on the back of affordable vaccines, which helped Serum Institute penetrate the export market without large-scale promotions or marketing. The company, which had $804 million in revenue in its latest fiscal year, estimates that about 65 percent of the world's children have received at least one of its vaccines. Cyrus started the company with a small factory on the family's stud farm.

Back then, the farm's retired horses were donated to the government-owned Haffkine Institute in Mumbai, which made vaccines from horse serum. With locally produced vaccines

In Good Health

Serum Institute is highly profitable with net margins well above 35%

(Revenue and net profit in $ million, in constant 2020 dollars, fiscal year to March 31)



SOURCES Ministry of corporate affairs, Serum Institute of India and Tofler

in short supply in India and imports commanding high prices, Cyrus saw an opportunity and launched Serum Institute. In 1974, it introduced a diphtheria, tetanus, and pertussis (DTP) vaccine for children, a serum for snakebites in 1981 and a measles vaccine in 1989. By the following year it was the country's largest vaccine manufacturer, and obtained accreditation from the World Health Organization. That accreditation "meant we could export our products and sell in other countries", says Poonawalla, who joined the family business in 2001 and became a director five years later. "That was the real turning point."

In 2012, Serum Institute bought Dutch vaccine maker Bilthoven Biologicals—its first international acquisition. With it came the technology to make an injectable polio vaccine, which then was available from only three producers globally. Five years later it bought Czech Republic-based firm Nanotherapeutics for $81.4 million and increased its production capacity four-fold. This business was sold in May for $167 million to Novavax.

"We're in 170 countries globally now. Until the Narendra Modi government came to power and started buying a lot of vaccines, exports contributed 85 percent of our total sales. Now it's about 60 percent exports and 40 percent local sales," Poonawalla says. Despite pandemic- led disruptions this year, the company is still on track to launch a new dengue drug in addition to a vaccine for malaria two years hence, he adds.

But over the next few months, Poonawalla warns production costs will rise. "With the extremely high GMP (good manufacturing practice) costs and regulations, we may have to slowly start increasing prices of vaccines." To mitigate the increase, he expects the Indian government to allocate more money to the health care sector. Between its Covid-19 partnerships, ongoing development of key vaccines and the firm's foray into testing kits and newer areas of business, Poonawalla has his hands full. "I don't imagine myself expanding in a major way, or diversifying in anything else," he says.

Going forward, Poonawalla sees the firm leading the industry. "The significance of what Serum Institute does—and what other vaccine manufacturers do—has always been understated and underplayed. Vaccines aren't recognised or spoken about like automobiles or the consumer sector," he says. "But, people have now realised how critical vaccine manufacturing and research really are to humanity." F

What Might Have Been

Serum Institute has been privately held by the Poonawallas from its start, but over the years, Poonawalla and his father Cyrus have been wooed to go public. One episode came five years ago when the family was in talks to sell 10 percent of the company, then estimated to be worth $12 billion. The deal that would have been India's largest-ever private equity investment by value.

"We had looked at a stake sale because people said, 'You've got so much value in your company… why don't you unlock a little bit of that and use it to acquire technologies or other companies','" says Poonawalla. "We then said 'forget it'." In hindsight, Poonawalla is glad about the decision. A sale, he says, would have eventually forced the firm to go public, and diluted the family's control over the company. "If we were a listed company, I would have to be accountable to shareholders, investors and bankers," he says.

Poonawalla now says he may take outside investments for the new Serum Institute Life Sciences company. "I may consider raising private equity funds if I can get a valuation of around $8 billion [for it]," he says.

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VIMAL MALU AND THE MALU GROUP STANDING TALL FOR SOCIETY'S GREATER GOOD

Vimal Malu,
Director, Malu Group of companies

The Brand Story recently recognised Vimal Malu, Owner, Malu Group of Companies, as one of "India's Top Minds" for his exemplary contribution to the field of business and philanthropy. The award brought into focus Malu's long journey from being a second-generation entrepreneur to a first-generation visionary whose philanthropic activities are legendary.

The Malu Group is one of the leading business groups in India with its business interests spread across sectors such as infrastructure development, biotechnology, and hospitality. The business group has multiple manufacturing locations at Karnataka, Goa, and Maharashtra, principally into manufacturing and supply of Pre-stressed Concrete Railway Sleepers for Indian Railways, Transmission Line Poles for Electricity Boards, Galvanised Steel Wires Alloy, and Non-alloy Products. They also undertake other EPC contracts.

One of the most significant contributions of Vimal Malu, has been the launch of a new product line that revolutionised infrastructure development in the country. He imported technology from the UK, to start manufacturing Pre-cast Walls that had designs on both sides and were available in different colours too. This first-of-its-kind product was launched with a tongue-in-cheek tagline, "Make Your Neighbours Happy." What made this product even more popular was that 80 per cent of the fencing could be reused or shifted by dismantling the Pre-cast panels easily.

While achieving new milestones in the business, Mr Malu says, "It is not just about business, but also about giving back to society." That defines his vision for tomorrow, which has made him a truly amazing business personality, whose contribution to the society has been identified as well as celebrated on multiple occasions.

The state of Karnataka recognised Mr Malu's revolutionary product of designer Pre-cast Walls for the beautification of state parks, the Malu Group has also been felicitated on different occasions by former CM Sri Jagadish Shettar and the current CM, Shri B S Yediyurappa for carrying out exemplary social work. In fact, during the present Covid-19 crisis, the Group has provided shelter and sustenance to migrant workers, they distributed water, more than 70,000 food packets, and relief kits along with providing health services to the stranded labourers around the city of Bengaluru. The founder and CMD of Malu Group of companies, Mr Nandkishore Malu and his entire family have volunteered to help people in the Covid-19 crisis. Malu Group has also donated to CM Relief Fund.

The Brand Story, Editor in Chief, Mr Abhay Kaushik, feels honoured to award India's Top Mind to Mr Vimal Malu for his business acumen, social activities, his commitment to help people in distress, and his continued support to the government in all possible ways.

IDREES ABBAS / SOPA IMAGES / LIGHTROCKET VIA GETTY IMAGES

A student attends an online class using his smartphone in Srinagar, Kashmir

Class Act

Pandemic lockdowns have boosted India's edtech startups, and the wealth of their founders. But can they keep up the momentum once the crisis ebbs?

BY VARSHA MEGHANI

Tanushree Nagori recalls a conversation she had with one of her users—a teenage girl from a small village near Saharanpur in northern Uttar Pradesh. Her father, a paddy farmer, had scrambled together funds to make their first ecommerce purchase, a smartphone, so that she could study online and not interrupt her education when the coronavirus crisis set in. "The majority of our users are children of farmers, labourers, vegetable and fruits vendors, cooks and hawkers. For them, education provides an escape velocity. It puts them in a different orbit altogether," says Nagori, co-founder of Doubtnut, an app that lets users upload pictures of their math-related queries, and receive step-by-step video solutions within moments. It's backed by marquee investors, including China's Tencent, Sequoia India and the Omidyar Network.

Talk of Doubtnut being acquired by Byju's has been doing the rounds for months now. The Bengaluru-based online learning giant is reportedly in late-stage talks to snap up the startup—it had $23,000 in revenue in FY19—for $100 million. The value of the rumoured, all-cash deal proves just how hot the edtech sector is at present. Byju's itself has had a bountiful year: It has seen 25 million new free users on its platform since March, when the lockdown was announced; total number of users are now 70 million—of which 4.5 million are paying subscribers—which is almost 30 percent of India's 250 million school-going children.

Investors have poured in around $1 billion dollars in the startup this year, catapulting Byju's valuation from $7.8 billion in January when it raised $200 million from Tiger Global to around $11 billion in June when it raised $300 million, led by Bond Capital, a venture firm founded by Mary Meeker, who's known for her bets on Facebook, Uber and Airbnb.

"The pandemic has brought online learning to the forefront, making it an integral part of mainstream learning," says Byju Raveendran, founder and CEO, Byju's. The 39-year-old eponymous founder along with his wife Divya Gokulnath, 34, who runs the company with him, are the youngest billionaires to feature on the 2020 Forbes India Rich List, with an estimated net worth of $3.05 billion.

Unacademy and Vedantu are the other front-runners in the funding race. The former turned unicorn after a SoftBank-led $150 million infusion this September, while Vedantu raised $100 million in Series D funding led by US-based Coatue and Shanghai's GGV Capital at a $600 million valuation.

Other startups in K-12 as well as the post K-12 segment have also attracted funding, including Toppr, Classplus and Eruditus. In all, more than $1.7 billion in funding has flowed into India's edtech sector in the first nine months of 2020, a 4x jump from the $409 million that was invested in the whole of 2019, according to Venture Intelligence.

Meanwhile, new startups have sprung up and smaller ones have been snapped up. Unacademy, for example, made four acquisitions this year. It bought PrepLadder, a medical education platform for $50 million and coding platform CodeChef in June, as well as online exam prep startup Kreatryx in March. Most recently, it picked up a majority stake in K-12 platform Mastree for $5 million. Byju's splurged $300 million in an all-cash purchase of coding company WhiteHat Jr in August.

Before the pandemic, RedSeer, a consultancy, had predicted that the K-12 edtech space was poised to reach $1.7 billion by 2022, while the post-K-12 market would touch $1.8 billion, a growth of 6.3 times and 3.7 times, respectively, compared to 2019. "We're now revising our estimates to factor in the pandemic," says Abhishek Gupta, senior consultant, education technology, RedSeer.

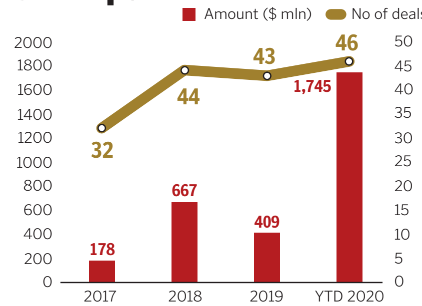
"Covid has been a watershed moment for edtech as a whole," says Arjun Mohan, India CEO of upGrad, the Ronnie Screwvala-founded startup that focuses on the post-K-12, higher education market.

Sure enough, subscribers have surged, investor interest is on the upswing and valuations have zoomed. But can the momentum be sustained post-Covid-19, when schools reopen and professionals trudge back to office leaving them with little time to pursue online offerings?

"Edtech is not a flash in the pan," says Sajith Pai, director at Blume Ventures, a Mumbai-based entity that backed Unacademy in 2015. The underlying drivers, he explains, are strong. Education is seen as a path to prosperity; technology solves the problem of access to quality education, especially in small towns, and rising incomes are leading to an increase in demand for private tuitions. Add to this the proliferation of low-cost smartphones, cheap data, and better infrastructure and it's clear that edtech was always poised to grow. Says Vamsi Krishna, co-founder and CEO of Vedantu, "Edtech has been growing for the last few years. We were always going to get to this point, but what would have taken two to three years has now happened in four or five months." Covid-19 has been the "catalyst" that helped bring about a shift in attitudes towards online learning, he says.

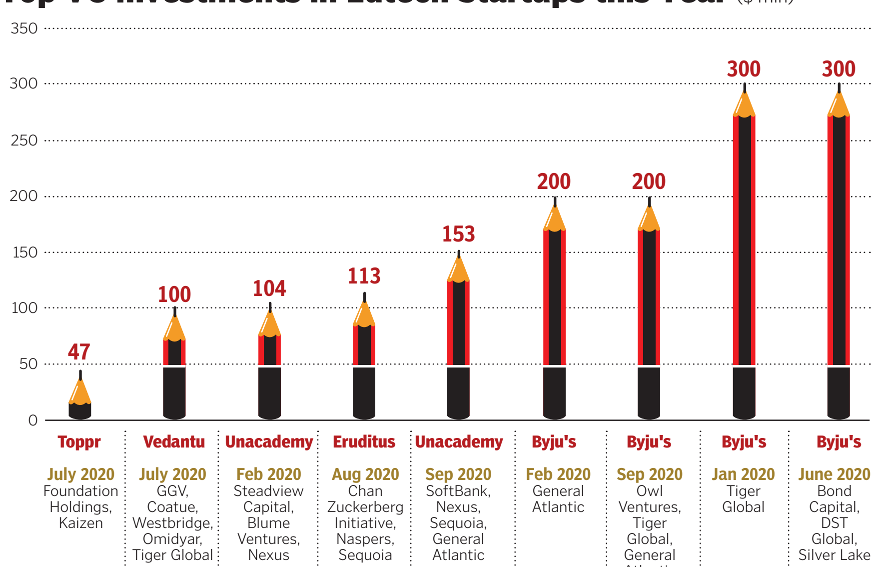
So it's unlikely that what happened in the foodtech space in 2015—when entrepreneurial activity surged, investor interest bubbled and funding flowed freely, only to see a slump and market consolidation in 2016 and 2017 when startups like Tiny Owl folded up—or in the hyperlocal services space, will happen in edtech as well.

VC Investments in Edtech Startups



SOURCE Venture Intelligence; YTD - Year to date

Top VC Investments in Edtech Startups this Year ($ mln)



SOURCE Venture Intelligence

INFOGRAPHICS: SAMEER PAWAR

While foodtech and hyperlocal services startups operate on wafer-thin margins, the gross margins in edtech are 60 to 80 percent. That's because the average revenue per user (ARPU) is high. In upGrad's case, it's about ₹2.5 lakh, while for K-12 companies it ranges from ₹50,000 to ₹2 lakh. Although, counterintuitively, customer acquisition costs have not reduced through the pandemic because most players amped up their sales and marketing spends to draw in more students, the unit economics are still attractive. Plus, the target market is huge, and largely untapped. According to RedSeer's Gupta, penetration for paid K-12 online learning is just about 2 percent in India. "We've merely scratched the surface," he says.

That said, most believe there will be a dip in growth post Covid-19. "Nobody expects to grow at this pace going forward... things will slow down," says Krishna. Vedantu, he says, has been seeing 400 percent growth month-on-month since March. upGrad's Mohan concurs. Traffic, he says, surged 5x to 6x in the early months of the pandemic; over time it has settled to 3x to 4x.

Yet others believe that while the number of users might not fall, the average time spent on the platform will go down. "As schools reopen, kids have less time on hand to spend on their devices, so naturally time spent on edtech platforms will fall," says Nagori. But a complete drop-off is unlikely because many—like the farmer's daughter from Saharanpur—have made an "investment for the future" by buying digital devices. Currently, Doubtnut's 1.5 million daily active users spend about one hour per day on the platform, she says, adding that the startup added long-form live and pre-recorded classes to its offerings in June.

Krishna Kumar, founder and CEO of Simplilearn, a digital skills training provider set up in 2010, says while Covid-19 provided them with "tailwinds", it was "not such a big game changer" as it was for companies operating in the K-12 space. Covid-19 has helped increase the size of their target market as professionals who are working from home or whose employers have shuttered operations have realised the need to acquire new-age skills in order to be desirable at the workplace, he explains. "It's a mindset shift that has come about, which is unlikely to reverse," he says.

"Even as schools reopen, growth in this business will not be muted... a hybrid form of teaching will emerge after Covid."

PRABHDEEP BEDI
CHIEF OPERATING OFFICER, TOPPR

"Whether or not you can sustain your growth after Covid-19 depends on how you spent the last six to seven months," says upGrad's Mohan, who previously served as chief business officer at Byju's. If it was spent on product improvement and strengthening one's sales and marketing efforts, then it's unlikely that users will drop off, he reckons. "Covid-19 gave the edtech sector an opportunity to service customers who had never used such platforms before. If their experience was good, they'll stick on," he adds. A concerted push on the sales and marketing front is also important, he says, because edtech's high ticket prices mean that customers need "hand holding". When asked about the hard-sell and aggressive tactics used by some companies, Mohan says, "In India, if you want to sell at a high ARPU, it needs to be an assisted purchase, which leads to continuous follow-ups. When you're building for scale and managing large teams, discipline and processes need to be set."

However, Toppr's chief operating officer Prabhdeep Bedi differs. "There's no reason for hard-sell if your product is good. Parents are not going to buy a product because some sales guys instilled in them the fear of missing out in a two-hour demo session. In the short term you might get users, but edtech is ultimately built on referrals. If users like your product, they will talk to others about it." Toppr, which raised $47 million led by Dubai-based Foundation Holdings in July 2020, has seen a 4x growth in users since February. The paid user base has also jumped 2x, says Bedi.

Toppr also launched a school operating system business during the lockdown to help schools teach online, create assignments and manage the backend. A hundred schools and one lakh students are using the platform on a daily basis. Even as schools reopen, growth in this business will not be muted, says Bedi, as a hybrid form of teaching will emerge after Covid-19.

So despite the "frothy" valuations—about 20 to 25 percent higher than what they should be, says Pai—and the growing roster of startups (around 20 percent of the pitches Blume now receives are edtech related, up from 8 to 10 percent pre-pandemic), edtech is set to become increasingly mainstream. Says Pai, "Edtech is to India what ecommerce is to China." F

docquity: FOSTERING COLLABORATION BETWEEN DOCTORS

Founders Amit Vithal & Indranil Roychowdhury discuss their network that brings together doctors for shared collaboration and real-world clinical discussions.

Please explain your venture to us in brief.
Docquity is Asia's largest network of doctors, with over 250,000 verified doctors. It has built a secure network for doctors to collaborate, share and learn. Our platform has over 55% of the doctors in Southeast Asia. It has also become the largest, digital, continuing medical education platform for doctors in the region, with over 50,000 course attempts and over 250 online lectures every month.

Are there competitors? If yes, how do you stand out?
Only a handful of companies globally that are consolidating their position regionally; Doximity and Sermo are consolidating in North America, and there are other networks in Europe. Docquity is consolidating its position in S.E Asia and now expanding into North Asia by working closely with official medical associations, medical universities, hospitals and medical enterprises and aggregating the ecosystem on its platform.

Give us a sense of the value of business done by your venture since its inception?
Docquity has business relationships with over 100 medical associations, 30+ global pharmaceuticals and over 10 hospitals in Southeast Asia. Revenue has grown by an average of 25% MOM since beginning of and we are on target to achieve net positive EBITA by Dec 2020. All our operating markets are currently profitable.

What is your revenue model?
We are working with the medical industry such as Pharmaceuticals, Medical Device companies and health OTC product companies to co-create private communities of interested HCPs on specific disease areas. We made a decision to not opt for the advertisement model and strived to create a brand neutral platform focusing on education, collaboration and consented e-detailing. We are now venturing into additional services including Patient Adherence Programs & Digital Clinics for our doctors. Our revenue model is an annual subscription model and pricing is on a pay as you grow model.

Who are the consumers that you are targeting?
Currently, our users are doctors. Generally, developing countries have a very low doctor to patient ratio, and the ratio is even more skewed in rural and remote regions. By enabling doctors to conduct real-world clinical discussions amongst themselves and the industry, we help doctors to take more informed decisions in delivering better outcomes for patients. We have now launched our Docquity Clinic application that is helping the members of our network to create their own private patient communities & remote care. With Docquity clinic, we will mark our entry of serving patients directly.

What is the potential of growth?
We measure growth on three aspects:

- Doctors – Docquity is growing at 1.5% of the Southeast Asian doctors market every month and now, we are expanding into North Asian markets. Additionally, Docquity is launching Medicquity – an Allied HCP app, focusing on nurses, midwives and pharmacists.
- Revenue – Revenue is growing at an average of 25% MoM. We see new revenue drivers coming up, which will increase the TAM by 3x within the next 1–2 years.
- New product adoption such as Docquity Clinic, the private doctor to patient communities.

Where did the initial capital for the innovation come from? What returns does it have?
We raised our initial seed round in mid-2016 from Purvi Capital, US, along with a few angel investors and additional seed capital came from Spiral Ventures, Japan, in late 2016. Genesia Ventures Japan & Singapore Press Holdings (SPH) Singapore led our Series A in 2017. We completed our Series B in Jan 2019 with ITOCHU Corporation Japan , leading the round. We are now doing our Series C and seeking to complete the round by Q1 2021.

Are you looking for funds? If yes, how do you plan to allocate the funds?
We are raising our Series C. Approx. 30% of the capital will go into growing our core asset, our HCP network. Another 30% will go into capability (Engineering) and capacity (Sales & Ops) enhancements to cater to growing scale and another 25% will go into expanding adoption for our new product launches. The remaining will go into our R&D and Experiment budget.

What is the strength of the organisation (team) and the scale of operations?
We have 170 people, spread across 5 countries, managing our network base and 3 core products. Operationally, we are managing close to 100+ medical associations and 30+ major pharmaceutical companies across multiple therapeutic areas. With IPO as the goal for 2024, we are focusing on short-term goals for the next 1–2 years, including having the right audit, compliance, structure and processes in place.

Pivot Play

Paytm founder Vijay Shekhar Sharma is leading a concerted effort to build on the success of his payments platform and create a large digital financial services growth engine for his venture. But competition is fierce and success is not assured

BY HARICHANDAN ARAKALI

Vijay Shekhar Sharma
Founder and CEO, Paytm

Age: 42

Rank in the Rich List 62

Net Worth: $2.35 billion

The Big Challenges Faced in the Last Year:
Delivering customer experience despite the teams working from home

The Way Forward:
To build Paytm into a large new-age financial services company that impacts a billion people, and empower MSMEs across India with digital financial technologies

Vijay Shekhar Sharma dreams of Paytm touching a billion lives. India's largest mobile wallet provider by users is making a conscious pivot to financial services, thereby providing small and medium enterprises (MSMEs) with digital financial technology that will help them grow their business.

"Paytm is revolutionising access to digital payments and financial services in India. We hope to be India's champion of new-age enterprises that is committed to proving the country's technology, product and scale on a global stage," Sharma, founder and CEO of Paytm, tells *Forbes India* via email. "Our focus is to democratise wealth, insurance and lending products that can cater to half a billion Indians."

Sharma's rank on the 2020 Forbes India Rich List fell to 62 from 56 in 2019. His net worth, however, remained unchanged at $2.35 billion even as some of his peers from other sectors did better. The 42-year-old bespectacled billionaire started Paytm—short for 'pay through mobile'— in 2010. He now aspires to build a large new-age financial services company offering banking, insurance, mutual funds, stockbroking and, of course, the payments platform not just to hundreds of millions of consumers, but also to millions of small businesses. He also operates ecommerce marketplace Paytm Mall, but that hasn't taken off the way he would have liked it to.

NEW GOALS

On October 19, Paytm announced it wants to capture 10 percent of the country's untapped credit card opportunity with a "next generation" product it was launching. A week prior to that, on its payment gateway operations, the company said it was offering "same-day settlement" to merchants who transacted on its platform.

A month earlier, the company claimed Paytm Money—its wealth management services unit—had served 6.6 million customers in two years of operation. Investments in mutual funds were soaring and Paytm's stockbroking service was seeing hundreds of thousands of customer registrations, it added.

In August, Paytm Payments Bank offered customers an Aadhaar card-enabled service that could be availed with any banking correspondent. And in July, the company said it had acquired Raheja QBE, an insurance provider, strengthening Paytm's operations in the segment.

Paytm recently announced it wants to capture 10 percent of the country's untapped credit card opportunity

By offering multiple and better payments services to its consumers and merchants, and adding new financial products and services, Sharma is trying to accelerate a pivot to financial services, which might have started way back in 2018, as the growth engine for his business.

Paytm has marquee investors, including early backers Elevation Capital (formerly SAIF Partners), Chinese ecommerce behemoth Alibaba Group Holding, Japan's SoftBank Group and America's Berkshire Hathaway. Sharma has raised about $3.5 billion in funding to date and his venture was last valued at $15.75 billion, according to Tracxn Technologies that tracks tech ventures and sectors in over 30 countries. The valuation makes Paytm India's most-valued unicorn.

NEED OF THE HOUR

Financial services becomes even more important today because Paytm's pure-play marketplace for online retail

AMIT VERMA

is now a distant third after Flipkart (a Walmart unit) and Amazon. "In online retail, Paytm is small and it's becoming smaller," explains Satish Meena, senior forecast analyst at research firm and consultancy Forrester. "Most of the growth in the market is being captured by Amazon, Flipkart, Myntra and BigBasket." Paytm has also "scaled down its ambitions" in online retail, and is not splurging anymore compared with the many cashback enticements it used to offer customers earlier, he says.

Paytm wanted to make a big bet on what it called 'offline to online'—to get millions of local stores to list on Paytm Mall and see customers buying from their own local stores via the marketplace. "But it never picked up," says Meena. The problem was not at the back-end, but at the front-end, meaning that while Paytm had the tech and the know-how to get the stores online, customers didn't take to Paytm Mall. Amazon and Flipkart became the default options.

"Customer traction was happening as long as it was giving cashbacks... after that, they just went away from the platform," adds Meena.

With Paytm Mall, Sharma wanted to build a pure-play marketplace where customers made purchases and the sellers also took the responsibility of shipping them. But that's not how India's ecommerce functions—Amazon and Flipkart are taking near-total ownership of delivering products from their own warehouses, providing customers a superior experience. That can't be replicated by a pure-play marketplace model.

In June, Paytm Ecommerce, which operates Paytm Mall, moved the marketplace's headquarters to Bengaluru and said the operation had reduced cash burn from $17 million a quarter to $2 million through the previous fiscal. "We would like to think of Paytm's ecommerce business as a Series A startup," newly appointed COO Abhishek Ranjan said in a press release at the time. It had $200 million in the bank to work with, he added.

Paytm raised a billion dollars last November, and Sharma may have more judicious plans for those funds—such as boosting financial services—than burning them to compete against entrenched players like Amazon and Flipkart. Paytm has established itself as a large player in the payments space, including customer-to-merchant payments, and offering the company's payments platform to businesses. Payments remains one of its biggest bets for now, even as it adds new revenue streams with financial services.

According to RedSeer Consulting, a consultancy in Bengaluru, mobile-based payments in India will see a five-fold increase through 2025. And Paytm is likely to benefit. The payment gateway aggregator market in India currently stands at ₹9.5 trillion and is expected to grow by 2.4x driven by large value transactions. It is expected to grow at a compound annual growth rate of 19 percent in the next five years to reach ₹22.6 trillion in 2025.

In a press release on October 13, Paytm claimed it was the fastest growing payment gateway. It has grown from 40 million transactions per month in fiscal 2015 to between 400 million and 450 million monthly transactions in the fiscal year ended March 31, 2020, the company said.

Paytm claims to lead in the new-age business space and has built strong traction in enterprise business. In a blogpost in September, it said some 17 million merchants were using its payments and financial services. And about 200,000 units of its Android software-based all-in-one point-of-sale device were in use with retailers.

One way the company makes revenue is by taking a cut or a fee from merchants based on the transactions they make on its platform. Some of this got hit after the government, in early 2019, mandated zero MDR (merchant discount rate) charges for certain modes of payments. Second, if wallet users want to transfer money from their wallets to various bank accounts or if they are recharging their wallets using credit cards, then Paytm charges a fee. Other sources include fees from telecom network operators when wallet users top up their phone plans.

Paytm also makes money on interest by offering credit to merchants. In August, Sharma hired senior banker Bhavesh Gupta to run Paytm's lending business vertical.

Over the last three years, Paytm has also built and grown the Paytm Payments Bank. In the long run, however, it will be looking for a full banking licence, says Meena, as the payments bank licence doesn't give it the breadth of options to make serious money. For example, payment banks can't offer loans or sell credit cards.

In December, Sharma told *The Times of India* that he was seeking regulatory approvals to convert Paytm Payments Bank into a small finance bank, which would give him more elbow room. For now, the Reserve Bank of India (RBI) hasn't issued any fresh licences. Given that many of the existing banks in the country aren't in good shape, RBI may not be in a hurry to offer new licences.

Overall, fighting back on the online retail front will be a tough ask, whereas banking and financial services hold promise, especially if Sharma succeeds in getting a full banking licence.

Payments is an area in which Paytm has to continue to build on the scale it has achieved. Competition has increased in the form of Google Pay and Flipkart's PhonePe which have overtaken Paytm when it comes to payments based on the unified payments interface (UPI) that India introduced in 2016. And Facebook's WhatsApp Pay—in the offing—could threaten Paytm's payments-to-merchants market too. WhatsApp doesn't have to put its QR codes in stores. Anyone who has WhatsApp can use it to make payments.

Google Versus Paytm

On September 18, Paytm's mobile app was taken down from Google's Play Store. Google's reason, Paytm said, was that a cashback campaign the fintech startup was running on its app violated the Play Store's policies on gambling. Paytm had to scramble to pull the campaign to get its app reinstated.

"This was the first time that Google was sending us a notification regarding our UPI (unified payments interface) cashback and scratch cards campaign. Contrary to accepted practice, we were not given any opportunity to respond to their concerns or put forth our views," Paytm said on September 20.

Without referring to Paytm, Google issued a statement the following day: "Offering cashbacks and vouchers alone do not constitute a violation of our Google Play gambling policies." It added that its policies didn't allow online casinos or support any unregulated gambling apps that facilitate sports betting, including daily fantasy sports in India. "If an app leads consumers to an external website that allows them to participate in paid tournaments to win real money or cash prizes, it is a violation of our policies," Google said.

That Paytm was promoting its gaming unit, Paytm First Games, which offers fantasy cricket, football and other games, was also something Google had objected to previously, on three occasions, according to Paytm's post.

Paytm said it had stopped that promotion as well, and added: "Conveniently, Paytm First Games can do a paid promotion on YouTube (which is owned by Google), but it is not allowed to do the same advertisement on the Paytm app, as per Google policy."

Other startups, including Zomato and Swiggy, have also received notices from Google.

A second issue that has raised not only Paytm's but the Indian startup ecosystem's ire is that Google recently announced it would enforce a policy that developers who sold in-app digital goods would have to necessarily use Google's billing system. And Google would take a 30 percent cut on such sales. Paytm founder and CEO Vijay Shekhar Sharma and several other startup founders in India have joined up in an alliance to oppose this. Google subsequently said it would postpone enforcing this policy in India by six months, but still expects to implement it.

Paytm added in its blogpost: "As a startup, we are running law-abiding businesses and building for India. Google and its employees are making policies which are over and above the laws of our country, and are arbitrarily implementing them."

CHAITANYA DINESH SURPUR

THE BIG FIGHT

Sharma, meanwhile, is fighting another battle. After the Paytm app was temporarily removed from Google's Play Store in September for what Google said were violations of its store policies, Sharma said India needs its own app marketplace. Paytm subsequently launched a 'mini app store' that some startups have joined, which takes users to app-like web pages that they don't have to download on their smartphones.

"There is a need to create a level playing field for Indian developers and startups," Sharma tells *Forbes India*. "Currently, large international companies do not follow Indian laws and make their own rules to protect their dominant market position. Indian entrepreneurs, businesses and technology companies need active involvement from the government and other stakeholders to build infrastructure and an ecosystem that does not stifle homegrown innovation."

This isn't the first time Sharma has taken on a 'Big Tech' company and Google isn't the only one he has criticised. In 2018, he had gone on a tirade on Twitter, arguing how Facebook unit WhatsApp Payments' foray in India wasn't taking place on a level playing field.

Sharma had understood that skirmishes between companies like Facebook or Google and up-and-coming challengers like Paytm were not about individual verticals such as payments. "This will be a fight among ecosystems," he had told *Forbes India* in March 2018. So, whoever controlled large platforms that potentially hundreds of millions of consumers would rely on controlled the ecosystem, and benefitted enormously.

Paytm's own ecosystem is an evolving one. In 2017, the parent company, One97 Communications, restructured itself. The mobile wallet service became part of the then newly-

FRANCIS MASCARENHAS / REUTERS

The company offers 'same-day settlement' to merchants who transact on its platform

formed Paytm Payments Bank, which leads the company's financial services foray for consumers. Paytm Money, another independent unit like Paytm Mall, offers the wealth management services, and the company has a lending business vertical as well.

The ecommerce business—selling everything from train and movie tickets to travel bookings, smartphones, air purifiers and washing machines—became part of Paytm Ecommerce Pvt Ltd, a separate company that runs the Paytm Mall online marketplace and mobile app. And there is Paytm First Games, which offers fantasy sports, including cricket and kabaddi, and card games like rummy, among others.

Paytm's revenue increased from about ₹780 crore in the year ended March 31, 2017, to about ₹3,310 crore in fiscal 2018 and ₹3,580 crore in fiscal 2019. Losses for these years rose from about ₹620 crore in FY17 to ₹1,604 crore in FY18 and ₹4,217 crore in FY19, according to Tracxn.

For FY20, revenue increased to ₹3,629 crore and overall transactions have grown by over 50 percent, Paytm said in a blogpost in September. "As we expand our financial services with lending, wealth management and insurance offerings, new revenue streams have opened up for us," the company said. "Optimising expenses has resulted in a 40 percent reduction in our losses as compared to last year and we are on the path to being profitable by 2022."

"We are also investing heavily in building digital services for our merchant partners so that they can benefit from technology and financial inclusion," Madhur Deora, Paytm's president, said in the blogpost. "Our efforts have started reflecting in the strong adoption of more profitable services by our consumers and merchants."

Sharma reiterates his vision for the company. "Our aspiration is to be a key contributor in building an Atmanirbhar Bharat and empower millions of MSMEs across India with digital financial technology that enables them to grow and expand their businesses," he says.

Clearly, the pivot to financial services is on in full swing. F

Pandemic-Proof

Kiran Mazumdar-Shaw, Biocon founder and the biggest gainer on the Rich List, calls for a national pandemic preparedness programme in India, and is confident that both her company and the global economy will bounce back soon

BY HARICHANDAN ARAKALI

Kiran Mazumdar-Shaw
Founder and executive chairperson, Biocon

Age: 67

Rank in the Rich List 27

Net Worth: $4.6 billion

The Big Challenges Faced in the Last Year:
Huge logistical and operational challenges in a sector where remote working isn't an option

The Way Forward:
To seek better and faster drug development overall, and help India build a pandemic preparedness programme

As the world starts anticipating the possibility of immunising people against the coronavirus infection, the next steps must include building a vaccine preparedness platform, says Kiran Mazumdar-Shaw, founder and executive chairperson of biopharma company Biocon. Eventually, India needs a strong pandemic preparedness programme that will equip the country to react swiftly and effectively the next time there is a viral disease outbreak, she tells *Forbes India* in an interview.

Preparedness must be top priority, she reckons, because after the first vaccines arrive in the market in India by January or February 2021, it will take another three months to start ramping up in volumes, and until the end of the year for the entire population to be vaccinated.

Biocon's own efforts to combat Covid-19 include repurposing its psoriasis drug Itolizumab, which was granted permission for emergency use in certain specific cases of people suffering with the coronavirus infection, such as those with acute respiratory distress, the company said in July.

Biocon has since initiated a larger (phase 4) clinical trial on the use of the drug. It is, however, yet to be part of the clinical management protocol of the health ministry, meaning the government has not yet recommended it as an effective treatment for Covid-19. The company is also manufacturing the drug Remdesivir—used for treating people with Covid-19—as part of a voluntary licensing agreement with US-based Gilead Sciences.

In addition to riding the wave that some pharma companies benefited from during the Covid-19 pandemic, several of its own milestones through this year helped Biocon rise in value, boosting Mazumdar-Shaw's standing among the richest as well. Her rank on the 2020 Forbes India Rich List jumped to 27 from 54 in 2019, making the 67-year-old entrepreneur the biggest gainer among the top 100 in percentage terms (at 93.28 percent). Her net worth nearly doubled to $4.6 billion from $2.38 billion last year.

THE VACCINATION GAMBIT

Mazumdar-Shaw identifies four to five challenges that India is likely to face while administering the Covid-19 vaccine. "First, this is the largest adult vaccination programme ever," she explains. For several years now, India has had a good track record on the orally-administered polio vaccination for children. In that case, with only children, the numbers were fewer compared to Covid-19, and delivery mechanisms were easy enough to train the Accredited Social Health Activists (ASHA) to administer the vaccine at the village–and-community-level.

With Covid-19, most vaccines need two injections to be given one month apart. Some of the vaccines have got adjuvants—substances added to help them work better—making it a complex exercise. Then, the injections are intra-muscular ones, which ASHA workers aren't trained to give. "We'll need an army of doctors and nurses. Where will they be available, especially in rural areas... which means we'll need to deploy students from medical colleges and final-year students of nursing colleges as well," Mazumdar-Shaw says. Moreover, they will all have to be trained to follow different protocols set for administering vaccines made by different companies.

Next, centres will have to be mapped out for government vaccination drives. Government programmes will need a vaccination schedule or calendar, and people will have to be given vouchers and made aware of when and where they will be vaccinated. State-wise procurement of vaccines, mapping of vaccination centres and scheduling of programmes will require deployment of human resources and technology to capture all vaccination-related data. "We will need that data because there

COURTSEY: BIOCON

are a lot of unknowns about these vaccines," Mazumdar-Shaw says, explaining that credible data, which will only be available by this time next year, would be required to determine which vaccine is working well.

A strong pandemic preparation plan at the centre and state-level also needs a robust surveillance programme on [all kinds of] viral diseases. If there is some outbreak in a particular area, "we should be able to pounce on it, find out what it is and contain it".

Mazumdar-Shaw believes that while vaccines are being developed at an unprecedented pace in the wake of Covid-19, in the future it can be done even faster. "We need to have a semi-prepared vaccine for every kind of virus. And when something happens, we need to be able to get it up to scale within a few months," she says.

ONE YEAR, MANY MILESTONES

Mazumdar-Shaw, who founded Biocon more than four decades ago, making enzymes, has built it into a strong biopharma company that has had some early successes in the field of biosimilars, which is considered to be a growing opportunity. This year, Biocon's Insulin Glargine, branded Semglee, was commercialised in the US, making it the third product in the collaboration between Biocon Biologics and Dutch company Mylan, to be launched in the US.

Biocon Biologics is a subsidiary of Biocon that focuses on biosimilars. The unit, which may be heading for a public listing, has been valued at $3.5 billion after a $30 million investment by Tata Capital Growth Fund for an equity stake of 0.85 percent during the second quarter-ended September 30.

Biocon's second-quarter revenues rose, but not enough to make analysts happy, as the supply chain and logistical disruptions from the pandemic hit operations. "Biocon delivered lower-than-expected performance for the quarter, largely weighed by operational challenges," analysts at Mumbai brokerage Motilal Oswal wrote in an October 23 report, a day after the company reported its quarterly earnings.

But the company remains on course to improve traction in commercialised products and build a product pipeline of both biosimilars and generics, the analysts noted. They cut their earnings-per-share estimate by 15 percent and 10 percent respectively for the current fiscal and the next, "factoring in a delay in the ramp-up of biosimilars (Pegfilgrastim/Trastuzumab) and reduced operating leverage".

Mazumdar-Shaw tells *Forbes India* that despite demand being strong, there were logistical challenges. "We could have done better." That said, she believes that the pandemic has helped her learn many positive lessons.

For one, maintaining business continuity in the face of a global calamity. Biocon experimented with various operational routes during the pandemic. For example, instead of three shifts, the company introduced two long shifts which improved efficiency. Then, based on remote working, it looked at the possibility of four-day work weeks instead of five- or six-day weeks. Mazumdar-Shaw believes that these evolving work models will ease up a lot of operational issues, including employee transportation and related costs. "With fewer people, we are also automating a lot more. Our digital transformation journey is accelerating."

> "I think the global economy will bounce back because once the vaccines arrive, there will be a calming effect."

The pandemic has also resulted in shifting of strategies and timelines. For example, Biocon licensed a digital therapeutics product Insulia and its marketing was going to be a mid-term implementation programme. But now, it's a near-term plan because the world has gone virtual and the pushback against digital therapeutics has disappeared. "So it's an idea whose time has arrived quite by chance because of the pandemic," Mazumdar-Shaw says. Similarly, the pandemic has made e-pharmacies and telehealth extremely popular.

Going forward, Mazumdar-Shaw expects regulatory changes that will help quicker drug development. "We've seen that it is possible to shrink regulatory timelines, with this vaccine development for Covid-19. Never in the past have they allowed phase 1, phase 2 and phase 3 trials to be done in such short time frames. Why can't we follow it after Covid-19?"

This will enable drugs and other medicines to get to the patients faster. In the wake of the pandemic, drug companies have made online submissions that have been simultaneously processed and reviewed by regulators. Other new models like emergency use authorisation should also be developed further, she says.

These shortened regulatory timelines that are helping Covid-19 vaccines get to the market at a faster pace will also help in a speedy economic recovery, even if immunisation of the world population takes a little longer. "I think the global economy will bounce back because once the vaccines arrive, there will be a calming effect," Mazumdar-Shaw says. "I feel it will happen within the next fiscal."

The number of Covid-19 cases and the fatalities are now declining because doctors know how to treat the virus better. Many businesses are in a position to become resilient and bounce back fast. Biocon's own experience is an example, Mazumdar-Shaw says: "We've demonstrated that despite the pandemic, we've delivered growth. And we've seen that our business continuity is very strong. That should give you the confidence that we'll bounce back really fast—not just us as a company, but as an economy." F

REIMAGINING THE INDIAN MSME ECOSYSTEM

The Covid-19 pandemic has taken an unprecedented toll on most segments of the economy. Worst hit, however, are the Micro, Small and Medium Enterprises (MSME), which majorly contribute to the country's economy, generate large-scale employment and earn export revenues. While the government has announced a number of stimulus measures to sustain and revive this sector, there is clear consensus among policymakers, industry leaders and other stakeholders that MSMEs must be given the right long-term support and enabling environment, if the country has to progress sustainably and equitably.

To highlight the challenges and opportunities before the MSME sector, and uncover ways to revive and propel this key driver of the Indian economy, CNBC-TV18 and Bandhan Bank hosted a thought leadership forum titled **Sashakt India – Powering Indian MSMEs.**

The initiative comprised six virtual panel discussions, featuring a diverse spectrum of thought leaders cutting across sectors. The luminaries that participated included: Chandra Shekhar Ghosh, MD and CEO, Bandhan Bank; Rajiv Kumar, Vice-Chairman, NITI Aayog; Pronab Sen, Programme Director, IGC India Programme; Suresh Narayanan, Chairman and MD, Nestle India and Chairman, CII National Committee On Food Processing; R.S. Sodhi, MD, GCMMF (Amul); Lavanya Nalli, Vice Chairperson, Nalli Sarees; Piruz Khambatta, Chairman and MD, Rasna; Piyush Patnaik, MD, Cargill India (Oil Business); N.K. Chaudhary, Chairman and MD, Jaipur Rugs; Arvind Mediratta, MD and CEO, Metro Cash & Carry; Sunil Kataria, CEO, India & SAARC, Godrej Consumer Products; Abhinay Choudhary, Co-Founder, BigBasket.

Vision for MSMEs

The event kicked off with a power-packed panel comprising of two personalities that are at the helm of innovating on solutions for a resilient and self-reliant India – Rajiv Kumar of NITI Aayog and Chandra Shekhar Ghosh of Bandhan Bank. Setting the tone for the discussions to follow over the next few weeks,

Rajiv Kumar
Vice Chairman, NITI Aayog

"There is a crucial difference in the way we, in the government, currently perceive MSMEs, as opposed to the past. Now, we consider it as a transient status; we envisage that these units should not remain MSMEs for long and encourage them to grow to achieve global scale and global competitiveness."

The panels that followed, showcased thought-leaders from four frontrunning sectors of the economy – agriculture & allied, food processing, textiles and small retail. The deliberations witnessed these stalwarts sharing their views on a host of issues that ranged from the impact of the current crisis on MSMEs to a vision for their future.

Surviving the pandemic

In the context of the adverse impact that Covid-19 and the resultant economic disruption has had on MSMEs, there are concerns that the survival of a majority of them may be threatened. Commenting on their ability to endure,

Pronab Sen
Programme Director,
IGC India Programme

said that ***MSMEs have a resilience "which is inherent to the sector". They are characterized by creativity and energy. However, a multi-pronged and sharply targeted stimulus is necessary to keep them afloat, he added.***

Sashakt India highlighted the need to focus on all-round rural development, as a bulk of Indian MSMEs are located in far-flung towns and villages. Various solutions emerged during the series. To accelerate access to credit and make available collateral-free small loans, digital technology could prove useful. Further, as the MSME ecosystem is evolving, there is a distinct need for facilitation on many fronts, beyond finance. MSMEs could benefit immensely from technology and marketing support, improvement in physical infrastructure and simplification of procedures and access to licences. The relationships between MSMEs and large corporates, to whom they are vendors, has to be improved; larger corporates should ideally nurture their upstream suppliers from the MSME sector.

"Ultimately, however, growth is the best solution," pointed out Chandra Shekhar Ghosh, one of India's foremost proponents of microcredit and someone who has done much to alleviate the sector and has a hand on its pulse. A pick-up in consumer demand will lead to better buoyancy and improve the prospects of companies in the MSME sector, Ghosh observed. While he perceived the range of measures initiated by the government to help MSMEs tide over the current crisis as very supportive and encouraging, he opined that the extent of government intervention necessary would be a function of how long the crisis takes to get resolved.

Opportunities in dairy, agriculture and allied activities

MSMEs are a crucial part of the fabric and foundation of the industrial sector and clearly the food processing sector too. With India being the second largest producer of fruits and vegetables, globally, and being the leader in production of milk, there is a great opportunity for MSMEs in these sectors.

Suresh Narayanan
Chairman, CII National Committee On Food Processing

suggested: ***"The post-Covid era presents a very opportune time for MSMEs, as consumers are seeking good quality products that provide nutrition with assured safety."*** If MSMEs can offer reliable and uncompromising quality, consistency in maintaining their proposition and develop a route to market which is reasonably sustainable, their prospects for harnessing this emerging opportunity are good. As the agriculture and allied sectors face severe setbacks because of lack of infrastructure, which impact pricing as well, getting suitable warehouses and logistics in place could do much to improve the operations and financial prospects of MSMEs engaged in this sector.

Highlighting the opportunity in the dairy space,

R.S. Sodhi
Managing Director, GCMMF (Amul)

said, ***"Dairy is food and the demand for food is directly proportionate to the number of stomachs that have to be fed."*** Dairy could be considered as India's biggest agriculture produce. The total size of the dairy industry in India is Rs. 8 lakh crore per annum. Out of this, the organized sector accounts for only 27%. The minimum investment needed to start a dairy farming business is marginal and banks and microfinance institutions are willing to offer loans for such ventures because they are confident that local cooperatives will lift the produce. ***"An entrepreneur, without land, can earn 45-50,000 per month after meeting all expenses,"*** said Sodhi. At the higher end of the dairy industry spectrum too, there is immense scope for MSMEs to produce chilling systems, milking machines, milk testing equipment, packaging, processing, transportation, bio-pharma products and a variety of other solutions from diverse sectors.

Resilience of small-format retail

The Indian 'corner store' has demonstrated great resilience in the face of the crisis. During the early phase of the pandemic, kirana stores played a vital role in ensuring that essential goods kept reaching households. These outlets adapted to accept e-payments, and conduct business by maintaining health and hygiene standards as per regulations.

Independent small grocery stores account for about 90% of all food and grocery sold to retail customers and constitutes about 65-70% of India's total retail sales. Before the pandemic, these stores were growing at a rate of 6-7%, and they grew at a much higher rate than modern retail, post lockdown, despite the shift of many retail customers to e-commerce. In fact, small shops even ordered through online stores to ensure they were well stocked during phases where logistics posed a challenge.

Because of the vastness of India's geographic landscape, the kirana model is very well entrenched. Further, it leverages hyper-local knowledge of preferences and interpersonal relationships. As FMCG networks expand and grow into the hinterlands, these valiant small enterprises are likely to become a vehicle for distribution in newer regions of the country.

Small-scale enterprise in textiles

The textile industry in India has a long and illustrious heritage. It has faced and overcome numerous challenges to emerge stronger. It finds its foundations in small cottage industries and in the hands of village artisans that form a critical part of the MSME sector. In recent times, cheaper synthetic materials and copy-cat competition from China have been posing a threat to the sector. Successful MSMEs have been innovating on their branding strategies and endorsing authenticity, socially-conscious and ethical practices to overcome such issues.

However, small-scale enterprises in the textile sector will also have to lean on technology, better infrastructure and robust marketing to achieve sustainable size and expand their presence, going ahead.

Building last mile connects

While numerous insights and experiences were shared during the course of the initiative, it became clear that institutions such as Bandhan Bank, which have an existing, deep connect with small enterprises and entrepreneurs, were the need of the hour. The government and the Reserve Bank of India have initiated several stimulus measures to ease the plight of the MSME sector. However, the challenge generally springs from implementation, in terms of establishing a credit delivery system that connects the targeted enterprises to reasonably priced credit, in a timely manner.

MSME financing, therefore, is likely to emerge as a major growth opportunity for banks and financial institutions that are well-entrenched in India's rural and semi-urban areas and understand those economies well. This segment of the financial sector would play a crucial role in lending greater sustainability to the MSME ecosystem and accelerating its contribution to nation building.

Providing a practical prototype

Against this backdrop, Bandhan Bank's model of inclusive banking provides a viable prototype of how stakeholders at the base of the economic pyramid can benefit from mainstream banking services. Referring to the role that Bandhan Bank has played in the formalisation of credit for MSMEs, especially in the rural and semi-urban areas, which are still untouched by regular banking services available to the country's urban population,

Chandra Shekhar Ghosh
Managing Director and CEO, Bandhan Bank

stated: ***"India needs as many as 30 Bandhan Bank-like institutions to address the demand-supply gap that exists in the country, when it comes to access to institutional credit for small businesses."***

On A Strong Footing

Utility footwear giant Relaxo's sensibly priced, customer-relevant footwear flew off the shelves during the pandemic, helping the company weather the Covid-19 crisis better than its peers

BY SALIL PANCHAL

AMIT VERMA

Ramesh Kumar Dua inherited a rubber business from his father and, with his brother Mukand Lal, built it into India's largest footwear maker

Ramesh Kumar Dua & Mukand Lal Dua

Managing director; Whole-time director

Age: 65, 71

Rank in the Rich List 84

Net Worth: $1.33 billion

The Big Challenges Faced in the Last Year:
Sluggish economic growth, labour management, rapidly changing customer preferences and early impact of the pandemic

The Way Forward:
With demand for utility footwear rising, Relaxo plans to achieve daily production target of 10 lakh pairs by March 2021; regular planned capex of ₹100 crore as new plant is set to come up next year

In mid-April, when the country was in phase 1 of a complete lockdown, wholesalers in parts of rural Rajasthan and Haryana had been approaching large distributors to pick up essential goods, which included dairy products, groceries, medical equipment and medicines. "In the tempos where wholesalers were stocking goods for sale, they also bought three to five cartons of Relaxo slippers, to be sold through their own channels," says Ramesh Kumar Dua, managing director of Relaxo Footwears, India's largest footwear maker.

Dua narrates this incident, which a distributor told him, while speaking to *Forbes India* from his corporate headquarters in New Delhi. It indicates the need for affordable footwear—so much so that it is considered an essential—for the public at a time when most services and factories were shut due to the pandemic. Relaxo exclusive stores and factories did not open until mid-May.

The company, which started operations in 1976 with just one product—the Hawaii slipper—continued to innovate and has grown to become the maker of over 300 different types of shoes, slippers and sandals across four brands: Bahamas (includes Hawaii slippers), Sparx, Flite and Schoolmate. The company has four additional brands—Boston, Mary Jane, Casualz and KidsFun—in its portfolio, sold only at Relaxo's exclusive brand outlets (EBOs).

The Indian footwear industry is estimated to be between ₹40,000 crore and ₹80,000 crore, of which the branded non-leather market is about ₹18,000 crore. Here, Relaxo holds a 9 percent market share by net prices, Dua says. In this space, the company battles with rivals such as Paragon Footwear, Khadims, Ajanta Shoes, Campus (Synergy Action Group), Bata India, VKC Footwear and Pantaloons across different regions, categories and segments, and has found its strength as a mass, utility-based and essential footwear maker.

India is the second largest producer of footwear globally, producing 220 crore units annually, behind China which manufactures 1,420 crore units each year. Despite this, the per capita footwear consumption in India is very low at 1.7 pairs, compared to six pairs in developed nations, according to the Council for Footwear, Leather and Accessories (CFLA).

In the post-Covid world, demand for utility-based footwear such as sandals and flip-flops has increased, so comfort and fit have become critical elements compared to style and exclusivity. This is where branded footwear from the organised sector are being favoured over small businesses from the unbranded sector.

> **In the post-Covid world, demand for utility-based footwear has risen; comfort and fit have become more important than style**

The scale of Relaxo's operations can be gauged from the number of pairs it sells. It sold 17.92 crore pairs in FY20. Compare this to Bata India, another listed footwear company in India, which sells in excess of 5 crore pairs each year. Unlisted Paragon Footwear is estimated to sell about 14 crore pairs while another unlisted brand Campus is estimated to be selling around 3 crore pairs.

Relaxo has a market capitalisation of ₹16,359.44 crore, very close to that of Bata India, at ₹16,708.58 crore, as of October 29. Consistency in growth remains Relaxo's strength—since inception, it has compounded its revenues by 25.25 percent each year. In the June-ended quarter, Relaxo reported a 48 percent year-on-year drop in net profit at ₹24 crore, on revenues of ₹364 crore, which also fell by 44 percent. In the September-ended quarter, its net profit edged up by 6.46 percent year-on-year to ₹75.1 crore, on revenues of ₹580.9 crore, which fell by 6.8 percent.

STRONGER POST-PANDEMIC?

No company was spared the impact of the Covid-19 pandemic, as factories and retail stores downed shutters. But, in a unique manner, Relaxo, whose mojo is manufacturing sensibly-priced, customer-relevant footwear, appeared to have weathered the storm better than most. Its basic Hawaii slipper (advertised by actor Salman Khan) and slippers in its Flite brand (with Ranveer Singh as brand ambassador) became essential products for millions.

As parts of the economy began to open up in phases across India, migrant labourers were moving back towards factories for work

Relaxo sells through more than 50,000 multi-brand outlets; it also sells through its exclusive brand outlets, ecommerce portals and exports

and farmers towards fields in the harvesting and sowing seasons. "The slipper became an essential commodity for people. The rubber chappal and our Flite EVA slippers moved off shelves fast," Dua says. The company had an inventory of 45 days when its factories closed in March.

Though not directly comparable, Bata India, a dominant player in the leather footwear and premium casual footwear segments, has been hit harder. The extended lockdowns meant a lower demand for leather shoes due to the closure of offices and schools and restricted travel and festive celebrations. Also, as the work-from-home culture grew, so did the demand for casual footwear, benefitting the likes of Relaxo. Bata India reported a loss of ₹101.2 crore and an 85 percent drop in revenues at ₹134.8 crore in the June-ended quarter.

The structure of India's footwear industry, which by value remains 70 percent unorganised, is also likely to emerge as a huge positive for companies like Relaxo. Emergencies such as the pandemic has meant several smaller footwear makers in the unorganised sector have factories and offices that are still shut or have completely disrupted distribution, logistics and finance cycles.

"If such an unorganised player was operating in 10 geographies, it will have no option but to now operate only in five. Companies such as Relaxo will gobble up that market share, as players in the unorganised sector weaken due to the disruption," says Rakshit Ranjan, portfolio manager at Marcellus Investment Managers, which has Relaxo in its investment portfolio since 2018.

"If an unorganised player was operating in 10 regions, it will now operate in five. Companies like Relaxo will eat up that market share."

Also, Relaxo relies on more than 50,000 multi-brand outlets (MBOs) for 80 percent of its revenues. The balance is through EBOs, online sales and exports. "Manufacturing and distribution are the two main competitive advantages Relaxo has," Ranjan adds. Relaxo has eight state-of-the-art manufacturing facilities, five in Bahadurgarh (Haryana), two in Bhiwadi (Rajasthan) and one in Haridwar (Uttarakhand). The company makes about 9 lakh pairs daily from all these units.

By July, the production capacity for Relaxo reached pre-Covid levels across its brands. Now all its factories are fully operational. Dua is also keeping a close watch on its labour force, most of which originate from the states of Bihar, Uttar Pradesh and Haryana. Relaxo's workforce (including contractors) is at 18,000 people, close to its pre-Covid level of 20,000. There were no salary cuts or job losses for its over 7,800-odd staff.

INNOVATIONS & NEW DESIGNS

Even while affordability and distribution have been strengths for Relaxo, the company has remained relevant by constantly innovating, listening to customer feedback and offering unique products.

Dua talks about the in-house product development centre where, based on feedback and market surveys from retailers and customers, the company continuously designs new products. There are tests prior to a launch and post-launch reviews. "Each brand is now supported by a separate team for focussed product design and development, enabling us to launch over 200 products in 2019-20," Dua says.

In the Sparx range—a brand promoted by actor Akshay Kumar—

COURTESY: RELAXO

Relaxo has launched a never-before air-technology sole in its range of sandals. These offer mid-sole cushioning and detachable straps to match a morning/evening mood. Priced around ₹1,500 a pair, these are among the models that Relaxo introduced this summer.

"Forty years ago, Hawaii slippers were a blend of natural and synthetic rubber. Now it is just 20 percent natural and 80 percent is ethylene-vinyl-acetate [EVA] polymer. Polymers determine the properties of the footwear, whether it is durability or comfort," says Dua, a London-trained rubber technologist. Along with his older brother Mukand Lal, he brings the expertise of building the rubber business they inherited from their father in the mid-1970s.

Relaxo has now started providing anti-skid features in its Sparx and Bahamas footwear range. "We have been developing anti-skid features over the past one year," Dua says. A Bahamas casual slipper model offers the feature, besides an embossed foot-bed for additional comfort. Acupressure features are also becoming popular in the affordable Hawaii fitness and ortho range of slippers.

With winter around the corner, Relaxo would see an improved demand for its closed-toe footwear, such as casual shoes. But the lack of demand for its Schoolmate brand of shoes for children is likely to drag down growth for the company. It has stalled fresh production of school shoes until schools reopen across different parts of India. "Till there is no demand for these shoes, it is prudent to wait a bit longer," Dua says. Relaxo has not disclosed its inventory data for the Schoolmate brand.

Without going into specifics, Dua forecasts Relaxo to close FY21 with a 10 percent drop in business revenues, compared to the previous year. "We should be back to 90 percent of pre-Covid production levels by then. That I believe is a good performance in the current business environment," he says. Relaxo also expects to touch the production level of 10 lakh pairs a day by March-end.

ONLINE SALES

Though a majority of Relaxo's business is done through its distributors and retail stores, it is strengthening its ecommerce presence. About 10 percent of its business is through ecommerce and it is growing at a faster pace than the traditional business. "When the lockdowns were imposed, we realised the need for a strong online presence," Dua adds. Relaxo sells its products through Flipkart, Myntra, Amazon India and DMart. The company is exploring the possibility of creating exclusive product portfolios, something it has been reluctant to do in the past. "We prefer to build our own brands and not create new ones for large global or retail giants," Dua says.

About 5 percent of Relaxo's business revenues is through exports. The strongest demand comes from Saudi Arabia, Papua New Guinea, Tanzania, UAE and the Panamas, through around 30 overseas distributors. Relaxo plans to strengthen their presence across Africa and the Middle East, where distribution will need to be backed by after-sales service.

Being a family-run business, it is critical for the company to have a diversified group of investors. The Dua family continues to hold a majority 70.98 percent stake, while the balance 29.02 percent is held by others, which includes 3.39 percent with foreign institutions, 6.96 percent with banks and mutual funds, and 4.02 percent with SBI Large Cap fund. To strengthen its human resources systems it has automated entire processes in 2017, and offers stock options to the top management to encourage professionalism.

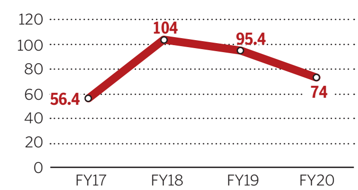
A range of verticals, which includes sports shoes and sports sandals, flip-flops (basic and designer) and school shoes, helped balance growth for Relaxo during disruptions such as the pandemic. For a stronger investor engagement, the company will need to continue to invest heavily in technology, systems and processes, while increasing automation.

Relaxo finds no need to overhaul its business strategy, which has worked so well for decades: Offering better quality than the competition at the same or lower price, and to keep spending towards building each brand. Dua summarises the philosophy best: "We believe in strengthening our strengths rather than trying to manage our weaknesses." F

Relaxo by Numbers

	FY17	FY18	FY19	FY20
Revenues	1,740	1,941.10	2,292	2,410
Ebitda margin (%)	14.2	15.6	14.1	17
Net profit	120	161.1	175.4	226.3

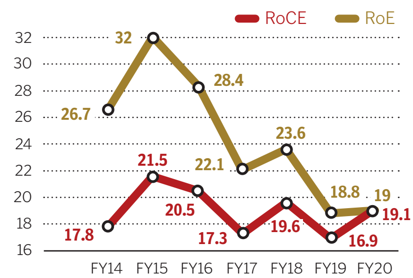
P/E ratio



Revenues, net profit in ₹ cr

SOURCE HDFC Securities, Relaxo investor presentations, JainMatrix Investments

Return Ratio Trends



SOURCE Motilal Oswal Financial Services

Leadership Collective Forward for Making

"The foundation that Lockheed Martin has built in India over the past 30 years. Over the years, the company has built established joint ventures in aerospace and defence and increased indigenization in products. It takes time to establish that supply base and build up an aerospace and defence eco-system. That's a good foundation but the improvements coming forth now with the 74% FDI gives us a great opportunity to find ways to invest more."

WILLIAM BLAIR
Vice President & Chief Executive, Lockheed Martin India

"Production Linked Incentive Scheme (PLI) is an attractive scheme. If PLI is extended to many more industries the kind of FDI we will witness will be meaningful, we will need minimum 4% of our GDP as FDI."

ZARIN DARUWALA
CEO, India, Standard Chartered Bank

"India must have a domain advantage in the food processing industry. There are a couple of reasons why companies choose to invest in India. Six Ms – Market advantage; Materials advantage; Manpower advantage; Maneuverability advantage; Manufacturing advantage; Mandate of viability, sustainability and acceleration."

SURESH NARAYANAN
Chairman, CII National Committee of Food Processing Industries

"We do not seek to protect inefficiency but create an environment that will allow world class industries to gain critical mass so that they develop resilience and flexibility to grab opportunities that will emerge in the new world order."

SANJIV SANYAL
Principal Economic Adviser in the Ministry of Finance, Government of India

ADVERTORIAL

sets the Vision and Way India an Investment Magnet

“For Vaccines, India already has massive capacities. So shifting vaccine capacities to India is not an issue. In fact, India is already a powerhouse for manufacture of vaccines for the world.”

SHARAD TYAGI
MD, Boehringer Ingelheim India & President, OPPI

“India does not have a cost of production advantage across the board. There are some areas where India competes very effectively and others where we lose out. We really need a comprehensive move if India has to become very competitive. We shouldn't miss the bus this time.”

ASHU SUYASH
MD & CEO, CRISIL Ltd.

“In the long term, the domestic market needs to be at a relevant and strong size only then will it attract investment in the auto industry and support exports. So it's a combination of domestic market development and export potential. The premium and luxury car markets still have a long way to go.”

MARTIN SCHWENK
MD & CEO, Mercedes-Benz India

“India is at the cusp of a transformative change. While the global pandemic may have hampered our efforts, our fundamentals remain strong; India's growth story is only beginning!”

AMITABH KANT
CEO, NITI Aayog

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The Ice Cream Billionaire

From a small ice candy factory, RG Chandramogan has steered Hatsun Agro Products to becoming the biggest private sector dairy company in the country. And, at 71, he is set to expand the business further

BY MANU BALACHANDRAN

RG Chandramogan

Chairman and managing director, Hatsun Agro Product Ltd

Age: 71

Rank in the Rich List 100

Net Worth: $1.33 billion

The Big Challenges Faced in the Last Year:
Covid-19 affecting milk procurement and sales

The Way Forward:
Expansion into newer markets in North India

RG Chandramogan loves numbers. In fact, back in school, mathematics was among his favourite subjects.

"Everybody around me knows that I am good with numbers," says the chairman and managing director of Chennai-based Hatsun Agro Products, India's largest private sector dairy company. "All my life I have been fascinated by numbers. There was a time when I used to remember phone numbers before mobile phones came by."

His close aides reckon the 71-year-old is a prodigy, almost like a human computer when it comes to calculations, down to the last decimal. "Many of us need calculators to do maths," says H Ramachandran, the chief financial officer of Hatsun Agro Products. "With him, however, all that calculation is in his head."

Perhaps it's ironic then that it was failing at mathematics that helped him make a tryst with destiny many years ago. Five decades ago, Chandramogan failed his mathematics exam while appearing for his pre-university course (PUC), a precursor to college education. He attempted it once again a year later, but walked out of the hall a few minutes into the examination.

"My mind was in turmoil while appearing for those papers," Chandramogan says. Much of the distress was due to his family's dwindling fortunes, after his father's small-time provision store closed. "That's when I knew I had to chart my path," he says.

A year or so later, with seed money of ₹13,000 from his father, he set up a factory to make ice cream candies. Today, Chandramogan is worth $1.3 billion, making him India's 100th richest person, and earning him a place on the Forbes India Rich List. His company Hatsun Agro Products has made giant strides in the dairy industry, and is today the country's largest private dairy company by sales. It procures close to 33 lakh litres of milk on an average from over 4 lakh farmers, and sells milk, curd, ice creams and ghee through its brands Arun Ice Creams, Arokya Milk, Hatsun Curd, Hatsun Paneer and Ibaco.

RC Chandramogan (seated, first from left) at the first factory of Arun Ice Creams, with pushcart vendors standing behind

COURTESY: HATSUN

Hatsun, a play on 'Hot Sun', exports its products to over 38 countries around the world, particularly the US, the Middle East and South Asian markets. Within India, much of the company's focus remains on the South Indian market, where it controls nearly 17 percent of all the milk sold, according to Chandramogan, and over 40 percent of the ice cream market.

"We are dominant in southern India," Chandramogan says. "Today, the turnover we make in 30 minutes is equal to what we used to make in the first 10 years of our business." Hatsun Agro Products was set up in 1970 with four employees in a rented facility in Chennai, with capital raised from selling the family's ancestral property. Today, the company has a market capitalisation in excess of ₹13,000 crore, with revenues clocking over ₹5,300 crore.

"We went from being a small company to a medium one and then to a big one," Chandramogan says. "Now we are in the middle of a transition into a large company."

PUSH-CARTING TO BILLIONS

Chandramogan's entry into the Rich List hasn't been an easy one.

Born in a poor family in the nondescript village of Thiruthangal in southern Tamil Nadu, Chandramogan says he always knew that he wanted to be an entrepreneur. "In my village, most of the successful people were businessmen," he says. "We were not exposed to successful people with a career in the corporate world in those days."

While the family owned a few ancestral properties in the rain-deficit village, there wasn't much income to sustain the household. So Chandramogan's father moved to Madras, now Chennai, and set up a provision store in 1956 near the Chennai Central Station. "But he was of a philanthropic mindset and his interest was in social work," Chandramogan says. "By 1968, we had to wind up the business and he went back to my hometown."

But Chandramogan's father had ambitious plans for his son—he wanted him to study and move to the US. "I argued with him, that I would join his business, which was closing, and work out a way," Chandramogan says. "He was staunchly against it and probably didn't trust me. One thing I was sure of was that he wouldn't be able to sponsor my ticket to the US. So there was no point in pursuing that dream. Every father has an ambition for his child, and mine did too, without the resources."

Soon, he enrolled at St Xavier's College in Palayamkottai for his PUC, where he failed in mathematics. "I was an outstanding student, but this particular turmoil hadn't helped," Chandramogan says about his father's business collapsing. "In my village, not many people go for college education, and it was more common for people to start a business."

His father then found him a job at a timber depot as an apprentice in Viluppuram, about 160 km from Chennai, on a salary of ₹65. "I worked there for a year, and then came back to Chennai," Chandramogan says. That's also when he decided he would focus on becoming an entrepreneur. "To accommodate the son, who wasn't up to his expectations, my father sold our ancestral land for ₹13,000," Chandramogan says. That became his seed capital, though his father believed the money was "marooned".

Chandramogan shortlisted about seven prospective businesses, including setting up a movie theatre and exporting dehydrated onions. "But there were budget constraints," he explains. "One has to look for a business that suits the capital. Beggars cannot be choosers." So he decided to set up a small ice candy factory in a rented 250-sq ft space in Royapuram with four employees in 1970. By then, Chandramogan was 21.

The factory could churn out 10,000 ice candies per day and he sold them under the 'Arun' brand in Chennai. Arun, Chandramogan says, was a shortened form of Arunodayam, which in Tamil means 'sun rays'. By night, the factory would also turn into his bedroom.

Back then, Chandramogan reckons there were some 40,000 companies selling ice candies across India. The candies were sold on pushcarts by vendors, and there were some 3,000 such factories in Tamil Nadu alone. "I wanted to prosper. I found there was no way I was going to [always] sell ice candy to vendors," he says. "I decided to move into the league of the biggies."

Back then, the ice cream industry in Tamil Nadu was dominated by Dasaprakash Ice Cream, followed by Mumbai-based Joy Ice Cream and Kwality Ice Cream, owned by Hindustan Unilever. To beat them, Chandramogan knew he needed enormous financial clout.

"We were the wrong people at the wrong time in the wrong market," he says. "But having come into it, we started adapting and made a lot of sacrifices, to become the largest dairy company."

With limited capital, the 21-year-old laid out elaborate plans. The ice cream market in Tamil Nadu comprised five major categories, he says. These included shops and supermarkets, hotels, wedding parties, colleges and ships that would come into Chennai. Of this, the shops, hotels, and wedding industries were largely dominated by the big players. "The first three businesses were capital-intensive," Chandramogan says. "We needed deep freezers, supply credit and customers also looked for a brand. We didn't have the muscle power or money. Even if we put in freezers, no customer was willing to buy my brand."

Together, these businesses accounted for almost 90 percent of the ice cream industry in Chennai. The remaining 10 percent were the colleges and ships. "The college messes were run by secretaries, who were 18 to 20-year-olds. I was around that age," Chandramogan says. It also helped that they were looking for reliable partners, with dependable supplies and good quality.

That opened up a huge market, and Arun began ploughing back the money into ramping up technology

COURTESY: HATSUN

A Hatsun ice cream outlet in Kerala. The company is a dominant player in South India

Dairy farmers line up at a Hatsun milk procurement centre in Dharmapuri, Tamil Nadu. The fresh milk is tested for quality and is weighed. A digital board (on the left) displays various parameters and procurement rates. An SMS is sent to the farmer's mobile phone with the details

COURTESY: HATSUN

and machinery. "The investment was huge and we got a technocrat to manage the factory," says Chandramogan. "Then we began to penetrate the college market. The big companies were looking at these colleges as small customers."

The same was true for the ships that docked at Chennai."As far as they were concerned, if the taste was acceptable, and the delivery was prompt, they were willing to buy," he says. "Suddenly, of the 10 percent market, we started holding a 90 percent share."

THE BIG BREAK

Over the next few years, the company largely remained stagnant, until they set up an ice cream parlour in Chennai in 1978, and then decided to venture into small towns and rural markets. "The ice cream market was confined to big cities because ice cream was still consumed [mainly] by the urban population. We thought, why not try the outstation market."

Over the next few years, the company ventured into towns such as Erode, Tuticorin, Tirunelveli, Salem and Kumbakonam. The company also developed a franchise model, with owners being asked to invest in the machinery, including deep freezers to store the ice creams that would be brought from Chennai. The franchisees were also given an exclusive territory. "All this while the three big players didn't know the rural market," Chandramogan says. "They dominated Chennai with their brands, we went to this market, and it started growing."

By 1984, he says, Arun Ice Creams was the largest manufacturer of ice cream in Tamil Nadu, and began to invest heavily in developing its Chennai market. "We became number one in Chennai in 1987," Chandramogan says. Soon, it also expanded to Kerala, Tamil Nadu and Andhra Pradesh, making it one of the largest in the South Indian market.

This also meant investing heavily in technology. "We never shied away from investing in technology," Chandramogan says. "We were highly leveraged then, and I used to joke that I was only a glorified employee of the banks because our debt-equity was around 1:5. But we kept using the money to invest in state-of-the-art technologies. While we borrowed from banks, we were never to borrow from suppliers."

In 1995 the company decided to foray into the dairy business by launching the 'Arokya' brand of milk in Salem, Tamil Nadu. The company already had a manufacturing facility in Salem and was procuring milk for ice cream for it. But the dairy business was dominated by cooperatives backed by the state government.

"It was considered a service industry to people," Chandramogan says. "The cooperatives were able to have a much lower price compared to private companies. They were running a non-profitable business."

It also meant that companies

foraying into the market had to match pricing, leading to serious losses. “Over time, people were shutting down [their business]. They either had to reduce the quality or price,” Chandramogan says. “All our people too said we should price our product lower than the cooperatives. But I said then we don’t stand a chance of running for long. So we will go for product differentiation.”

While most of the rivals were trying to sell a variant of toned milk with 3 percent fat, Chandramogan decided to sell milk with 4.5 percent fat. “If we went in without a product differentiator, we would have collapsed. Because the costs weren’t going to match. I was not going to compromise on the quality and reduce the price.” The company launched its milk at the existing rate of ₹7.50 and, over time, raised it to match the real cost. The idea behind selling milk with 4.5 percent fat was also because Chandramogan felt it was better for children’s growth.

Today, a bulk of the company’s sales comes from milk with 4.5 percent and 6 percent fat, while the 3 percent category remains minuscule.

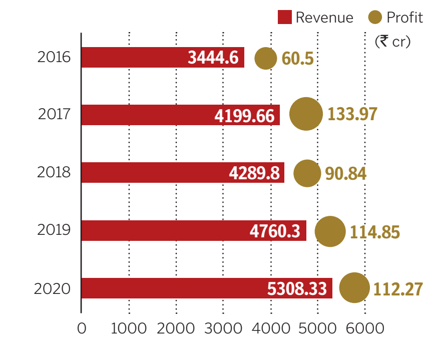
Besides, Hatsun began to procure milk directly from farmers. “Again there was opposition, saying it’s an expensive route,” Chandramogan says. “Milk is a perishable commodity. Once you collect, the variable cost will go out of control. Our people said it is foolish. But I insisted on this model. It took some time, but we established our credentials.” It also helped that Arun Ice Creams was a market leader, which meant farmers came on board more easily.

Over the next 10 years, Hatsun focussed on its dairy business, although it came at the cost of its ice cream business.

Today, it procures milk through its network of around 10,000 Hatsun Milk Banks. Every farmer has a unique producer code linked to their bank account and is paid once in 10 days. The company also claims to be the world’s first dairy company to develop and use thermal battery-based technology in its Bulk Milk Coolers for chilling milk immediately after procurement.

“We don’t invest in unwanted property, unwanted share investments etc. All our investment is only into this business. We don’t live a very extravagant life.” It also helped that the company enforced financial discipline, ensuring that all delivery was made against payments. “So, financially we were able to rotate the working capital much better,” Chandramogan says.

Hatsun’s Revenue Growth



SOURCE BSE Ltd

The ice cream business contributes about 11 percent of overall revenue. “The consumer base is bigger in ice creams, but the frequency varies,” Chandramogan says. “In the dairy business, it is a 365-day affair.”

THE WAY AHEAD

Now, with much of the South Indian market under its control, Hatsun is gearing up to boost its play in the rest of the country.

It has set up two manufacturing plants in Maharashtra and has forayed into Odisha. “We are focusing on expanding in one state at a time,” Chandramogan says. In all, the company operates 20 plants across the country. These include nine milk processing and packaging units, two milk product manufacturing units, and two ice cream manufacturing units, among others.

India is the world’s largest producer of milk and its dairy industry is worth around ₹6 lakh crore, according to an Edelweiss report. Only about 20 percent of the market is organised, with milk cooperatives, including Amul, Nandini and Mother Dairy, dominating the industry.

“There is tremendous opportunity in the dairy sector for Hatsun to grow,” says Nitin Puri, senior president and global head for food and agriculture research at Yes Bank. “Almost two-thirds of the industry is in the unorganised category. With the Covid-19 crisis, there is a massive disruption, particularly in customer preferences for buying milk. Hatsun has managed to crack the sector well, and has managed to build a scalable business.”

A bulk of that, Puri reckons, is also due to Hatsun’s early foray into direct procurement from farmers. “Much before many others forayed into direct procurement, Hatsun engaged with farmers directly. That helped them secure their back-end, and they also kept innovating, such as with the thermal battery-based milk coolers for areas with poor electricity.”

All of which means Chandramogan isn’t ready to hang up his boots anytime soon. “Since 2015, we began to focus on ice creams again,” the billionaire says. “We are now seeing faster growth in the business and we want to grow it further. Among the 40,000 similar ice candy manufacturers who ran a cottage industry in 1970 like us, we are the only ones who made it to the big league in the entire country.”

Has becoming a billionaire changed anything? “All this is notional wealth,” Chandramogan says. “I don’t consider myself to be a billionaire. In fact, the only asset I have is a house.” F

India's Retail Pioneer Moves On

Future Group's Kishore Biyani built an empire against all odds. But the pandemic was the last straw in an already challenging climate, leading to his exit from the Rich List

BY SAMAR SRIVASTAVA

It was around the turn of the century that the then 39-year-old Kishore Biyani made a bold bet. Phoenix Mills, an up-and-coming mall in Lower Parel, Mumbai's mill district, was looking for anchor tenants. Biyani, who had tasted success with Pantaloons, which he had launched in Kolkata a couple of years earlier, was keen to locate his value retail format Big Bazaar within the mall.

By then the astute observer of consumer behaviour had realised that Indian shoppers were unwilling to pay for parking. Malls were not part of the retail landscape and the idea of driving a few kilometres to buy groceries was unheard of. Paying for parking could have been a deal breaker. It was only after Phoenix Mill's owner Atul Ruia promised to waive parking fees for the next five years that Big Bazaar agreed to set up shop. The store went on to become among the highest grossing Big Bazaars in the country.

Passionate. Instinctive. Impatient. These are a few of the adjectives his colleagues and peers use to describe Biyani. His story is of a home-grown entrepreneur with no inherited capital going on to create what was once India's largest retail empire. He spotted the coming-of-age of India's consumer class, which was aspirational and unwilling to play by the rules of their parents' generation. Always on the prowl for his next big idea, he renamed his businesses as the Future Group. "He was very fast in conceptualising an idea and getting it off the ground," says BS Nagesh, founder of Trust for Retailers & Retail Associates of India (TRRAIN), who has known Biyani for the last three decades.

But his story is also a cautionary tale of how a large board of ideas needs patient capital—something Indian entrepreneurs don't always have access to. India continues to disallow dual classes of shares, which means entrepreneurs either need to dilute their shares quickly or raise large dollops of debt. Biyani chose the latter.

Every time this reporter met him over the last decade, Biyani had a new narrative for the business. One year regional food was big, the next year it was an expansion into online and omni-channel retail. Debt worries cast a pall in 2012 when he sold Pantaloons to the Aditya Birla Group. Soon after he set a stretch target of achieving ₹1 lakh crore in sales. Neighbourhood stores were another bet. Fuelling sales through instant financing and personal loans got him his most profitable year in 2018. "We'd finally hit the nail on the head. Big Bazaar was our cash cow, and other businesses were all showing signs of maturing," says a former company employee. The Covid-19 outbreak brought an end to that.

> His story is also a cautionary tale of how a large board of ideas needs patient capital

Biyani, a regular on the Forbes India Rich List, is a prominent dropout this year, as the pandemic resulted in his companies being unable to make interest payments on time. As things stand, the business has been sold to Reliance Retail for ₹24,713 crore. Amazon, an erstwhile partner, has challenged the sale and won an interim stay.

Those close to him say that the Raja of Retail is undaunted. Soon after the Reliance deal took place, Biyani addressed employees. There was relief that the business would see no job losses, that they'd be able to pay partners, vendors and landlords, and that the sliver of business that Biyani retains (private label food and fashion brands, through which he will supply to Reliance Retail as well as other retailers) can be scaled up. Those who were on that call got the distinct sense that the man who once raised money from investors through a single video clip of crowds waiting outside Big Bazaar was not done. Biyani declined to be interviewed for this article.

BIG BAZAAR'S SUCCESS

It's easy to overlook the challenges India's first modern retailer faced. As late as 2010, a good decade after Biyani set up Big Bazaar, the required ecosystem had still not developed in the country. Vendors lacked the systems, warehousing infrastructure barely existed, landlords were out

It was in understanding consumer tastes that Biyani was in his element

MEXY XAVIER

Passionate, instinctive and impatient are some of the adjectives colleagues and peers use to describe Kishore Biyani to squeeze every last bit of rent, and terms like 'fill rates' and 'inventory turns' were barely heard of.

"In the early part of the business the ecosystem was inefficient and he [Biyani] did a lot of experimentation on formats as well as creating the ecosystem," says Pankaj Jaju, who runs Metta Capital Advisors LLP, and in his previous avatar at Enam, did several rounds of fundraising for the Future Group.

The Future Group also ended up building retail infrastructure: A training school, a warehousing company, a mall management business, a supply chain company, and all this proved to be both time-consuming and expensive.

But it was in understanding consumer tastes that Biyani was in his element. He knew that Indians had a propensity to save, and when incomes rose they didn't automatically go towards discretionary spending. These occasions had to be incentivised. Marketing campaigns like 'Sabse Sasta Din at Big Bazaar', which was usually a five-day blowout sale period that coincided with Republic Day and Independence Day marked his first decade. On the fashion side John Miller, a brand that was both aspirational and affordable, turned out to be a big success.

This was also the time when Biyani evolved as a retailer. The 2008 global financial crisis was a humbling experience, and made him more circumspect and guarded. When *Forbes India* met him in 2010, he spoke about the pre-Lehman period excesses, saying, "Every day your stock price is rising and you look into the mirror and think you're so smart," he recalled. The credit crunch forced him to start thinking about business economics and profitability. There was a realisation that the man who had understood the art of retail needed to appreciate the science too.

It was during this period that

A numbers-driven person, Rakesh Biyani proved to be a valuable partner to his cousin Kishore

cousin Rakesh Biyani proved to be a valuable partner. A numbers-driven person, he had a sound operational background. Biyani is known to have said, "I leave the science [of retail] to Rakesh and focus on the art." Investors who met with the company pointed to how Rakesh could rattle off expected Ebidta numbers to the correct tenth of a percentage point. (Company insiders say that recent reports about Rakesh entering the retail business are incorrect as the non-compete clause Reliance Retail has signed includes all members of the Biyani family.)

Indeed it was during this time that he spoke about how he wanted Big Bazaar to be the most efficient and not merely the cheapest. Competing on price alone was not an infinite battle he planned to fight. The blend of both food and fashion—he launched a value fashion brand, Fashion at Big Bazaar, which inspired Lifestyle to launch Max and also proved to be the inspiration for the Aggarwals at V-Mart and V2 Retail—would prove to be an unbeatable combination.

But despite the optimism of the early part of the last decade, the wheels of the undoing of the Future Group were also set in motion soon after the post-Lehman period.

LIMITLESS CAPITAL (AND COMPETITION)

The decline in global interest rates and the access to large pools of capital to Indian ecommerce players proved to be tough for Biyani to fight. He often bemoaned the fact that global funds were proving to be the most efficient 'direct cash transfer service' to Indian consumers. "He had a very strong view against foreign capital and though he voiced his views repeatedly in public forums, that didn't stop the money from coming in and distorting the economics of the business," says the former company employee. The Future Group made a valiant attempt to fight with Futurebazaar.com but by 2011 they understood that this was not a business they could compete in.

There were myriad regulations for foreign capital: Investors could fund single-brand stores but not multi-brand ones; they could invest in back-end operations, but not front-end; cash-and-carry was permitted, but stores that sold directly to consumers were not allowed to receive investments from aboard.

Press notes 3, 5 and 18 that dealt with rules for foreign investment in retail sought to clarify but only muddled the regulations further. The net result was that companies like Amazon and Flipkart operated unhindered, with the distinction between front-end and back-end not apparent to the Indian consumer. Low interest rates and the fact that they have been shut out of China have meant that Amazon and Walmart have been able to put up with losses in the name of building the businesses in a market of the future. "Indian entrepreneurs who don't have capital have been hit by the pandemic. Global firms that have capital and the technology and learnings in retail as well as staying power are well placed," says Jaju.

For the Future Group this meant an inefficient structuring of businesses. Future Consumer, the company that supplied private label products, was kept separate as it could receive foreign money. So was Future Lifestyle Fashion. Foreign investors were allowed to invest up to 26 percent in Future Retail, the company that ran the Big Bazaar hypermarket. This quota was always full and whenever a window arose on account of someone selling their quota, it was filled within hours. "Ultimately the Indian market has only so much capital, and the heavy lifting has to be done by overseas investors," says the former employee. With investors shut out, raising expensive debt was the only option.

THE UNWINDING

Around 2012, Biyani found himself in a real fix. Debt payments were high and cash flows could barely support the interest outgo. Investors

JEFFREY GREENBERG / UNIVERSAL IMAGES GROUP VIA GETTY IMAGES

The Big Bazaar store in Mumbai's High Street Phoenix mall was among the highest grossing Big Bazaars in the country were losing faith in his flagship Future Retail stock, making it hard for him to raise money. He began a furious deleveraging exercise. No business was too holy to touch and as he scouted for buyers he had to sell the business he started his journey with. Pantaloons was sold to the Aditya Birla Group as was Future Capital to Warburg Pincus. That business is now IDFC First Bank. A deleveraged balance sheet gave him the elbow room to focus on his cash cow Big Bazaar.

Around 2015, Biyani had finally evolved the Big Bazaar model into an efficient retail chain. Companies would supply to his network of distribution centres at negotiated prices, cheaper than kirana stores. From there the goods would be sent to the Future Group network of stores. Fill rates, industry parlance for the availability of a particular product, were well above 90 percent. Private labels provided the margin kicker. Fashion brands that were sold to India's 150-million strong aspirational class were doing well. Fashion at Big Bazaar had evolved into a significant business. In all, his listed businesses were making ₹1,000 crore a year in profit, taking his net wealth to $2.1 billion on the 2017 Forbes India Rich List.

But it was a bet on neighbourhood stores that proved to be ahead of its time, and also proved to be a distraction. In 2015, the Future Group bought Easy Day and also the operations of Nilgiris, both retail supermarket chains. Biyani had bet that neighbourhood stores would give him the geographical heft to take on ecommerce players. Nagesh of TRRAIN recalls him saying that deliveries cost ₹70 per order and therefore it was very difficult to make money in an online business. It was better to do Big Bazaar Direct, which was an assisted model where the partner would be responsible for

GETTY IMAGES

"He was very fast in conceptualising an idea and getting it off the ground."

BS NAGESH, FOUNDER, TRRAIN

customer acquisiton and last mile delivery. There were also plans to rope in the Bharti Group from the telecom sector, for a tie-up with its 309 million subscriber base. But, with the Jio onslaught, Bharti's chairman Sunil Mittal decided to focus on his core retail and enterprise telecom offering.

By the time the pandemic hit, Future Group was already struggling. High fixed costs—employee expenses, interest and depreciation—meant the business was vulnerable to even a modest disruption in cash flows. All retailers use low-margin food and groceries to bring shoppers into the store. Once inside, they are also given the option to buy clothes, crockery and household items. These high-margin sales allow them to reach a blended Ebidta margin of 8 to 10 percent.

When the pandemic hit, stores were closed for 30 to 45 days in various parts of the country. And when they opened, general merchandise sales were disallowed. This meant Future Group had to default on its commitments to lenders and landlords. "In the end [Biyani] had to take a call on whether to continue to run this level of business for the next 12 to 18 months or to get out," says the employee. He chose the latter.

For now, Biyani is on course to hand over a well-running operation to Reliance Retail. He's told employees to ensure the businesses continue to run smoothly, and has implied that everyone's job would be protected. There has been no hint of rancour at having to sell out to a rival. "*Dena hai toh de denge* [if we have to give, we will]," is what he had told a long-time associate. Indeed, he is among a minority among entrepreneurs who always said every business is built to be sold one day.

Equally, unlike other entrepreneurs in the recent past, his failure was not on account of corporate fraud. His companies did not end up in bankruptcy court proceedings. But somewhere the system, with its repeated policy flip-flops, also failed him. No doubt as entrepreneur he was constantly distracted and moving on to the next big idea before perfecting the previous one. In a recent conversation at the Phygital Retail Convention he said that he'd learned not to experiment too much with one's own capital, especially when the payoff was a few years away.

The Big Bazaar at Phoenix Mills has since shut down but shoppers continue to browse its aisles at other outlets across India just as they have done for the last two decades. Biyani proved that he could take on the best retail models in the country. But the fight against global capital was always an inherently unequal one. In the end the bar was set so high that even a small stumble (one caused by an external event) proved ruinous. F

Trust As Currency

iD Fresh Food is experimenting with a business model based on trusting consumers. Will it pay off for the largest idli/dosa batter company?

By RAJIV SINGH

APRIL, OBEROI PARK VIEW, KANDIVALI, MUMBAI

The ritual starts around 7.30 am. Every morning, a white Maruti Omni enters Oberoi Park View, a gated residential community in Mumbai's western suburb of Kandivali. The driver, who is accompanied by a helper, parks the car, leaves the doors wide open and steps out of the society. Residents then make a queue while maintaining social distancing, pick up packed ready-to-make breakfast products such as idli/dosa batter, parota and paneer from the car—as many packs as they want.

The ritual is unusual for many reasons: There is no sales person collecting money; no security guard manning the van; no vending machine installed to deposit money. And there's nobody keeping a tab of how many packs each resident is picking up.

(From left) Cousins Shamsudeen TK, Jafar TK, Noushad TA, Musthafa PC and Abdul Nazer (seated) started iD Fresh Food in 2005

COURTESY: ID FRESH

COURTESY: ID FRESH

iD Fresh's Trust Shop delivers pre-ordered, postpaid idli/dosa batter at multiple locations in Mumbai. The model has earned the company ₹50 lakh since April

The vehicle is one of 42 at multiple locations in Mumbai that follow the same routine every morning. To an outsider, it would seem like a charitable act against the backdrop of the nationwide lockdown since March. Seven months on, the vans are still coming, and the goods vanish within an hour or so even as nobody really keeps a watch.

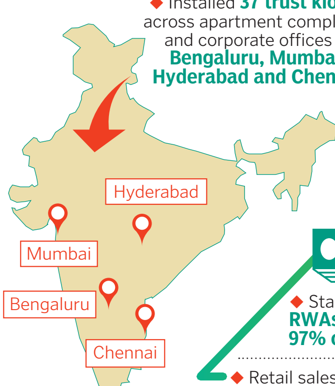
PC Musthafa, though, knows somebody is. "God is watching them," says the co-founder of iD Fresh Food, a Bengaluru-based ready-to-cook fresh food brand, which sells over 65,000 kilos of idli/dosa batter every day. Musthafa—who calls the vans 'Trust Shops'—started the pilot across 500 resident welfare associations (RWA) in Mumbai in April.

If the idea was simple—an innovative way to beat the pandemic blues as retail stores were shuttered—the thought behind it was equally elementary: Trust the consumers. "It has to be 100 percent trust, and 0 percent verification," smiles the 47-year-old entrepreneur. One RWA member coordinates with iD Fresh and places the order through WhatsApp or call. Once the vans deliver the products, the member informs the residents who collect the products, and pay at their convenience through e-wallets. "Nobody calls them for payment. Nobody knows

Trust as a Business Model

◆ Launched iD Trust Shops **(kiosks)** in 2016 in four cities

◆ Installed **37 trust kiosks** across apartment complexes and corporate offices in **Bengaluru, Mumbai, Hyderabad and Chennai**



◆ **Ran activation** for a year from these unmanned kiosks

◆ **Trust 2.0** in April 2020

◆ Started in Mumbai across **500 RWAs;** clocked sales of **₹50 lakh; 97% collection**

◆ Retail sales for the same quantity would have yielded **₹40 lakh**

Journey So Far...

◆ Founded in 2005 by **PC Musthafa and his four cousins**

◆ Started by selling fresh idli/dosa batter; added products like filter coffee decoction, vada batter, parota, paneer, tender coconut, grated coconut and curd over the years

◆ Available in 45 cities across more than 30,000 retail outlets in India, UAE & America

◆ Over 25% of the revenue comes from Dubai, Sharjah, Abu Dhabi and other cities in the UAE

◆ Claims to be profitable from Day One

2005
- ◆ Launched in Bengaluru from a 50 sq ft kitchen in the Indiranagar locality
- ◆ Sold only one product: Idli-dosa batter
- ◆ Turnover in first year: **₹8 lakh**

2008
- ◆ Adds three more products: Wheat chapatti, wheat parota, malabar parota
- ◆ Moves to one more city—Chennai
- ◆ Present across 600 stores; opens 1 factory
- ◆ Turnover was ₹50 lakh

2013
- ◆ Has 6 products, including 2kg batter pack, B2B packs for wheat and malabar parota;
- ◆ Present in 8 cities and 3,800 stores
- ◆ Opens 4 factories across Bengaluru, Mumbai, Hyderabad, Dubai
- ◆ Has a headcount of 320 staff members
- ◆ Starts first overseas operation in Dubai
- ◆ Turnover of ₹28 crore

2014
- ◆ One more product added: Mini parota
- ◆ Four more cities added, present across 5,600 stores in 12 cities
- ◆ Staff headcount increases to 450
- ◆ Gets funding after nine years from Helion Ventures
- ◆ Turnover is ₹45 crore

2018
- ◆ Has 14 products; 28 cities; 17,000 stores, and 1,230 staff members
- ◆ Gets funding from PremjiInvest
- ◆ Turnover: ₹186 crore

2019
- ◆ Has 16 products; 35 cities; 30,000 stores; 1,500 staff
- ◆ Launches in US with iD filter coffee decoction
- ◆ Turnover: ₹210 crore

2020
- ◆ Has over 18 products; 45 cities; 30,000+ stores; 4 factories and 2,000 staff
- ◆ Turnover: ₹250 crore

INFOGRAPHICS: SAMEER PAWAR

how much each of them bought. We just trust them," adds Musthafa.

The implicit trust, and with it the business model, seems to be working. Since April, iD Fresh has clocked sales of ₹50 lakh from such trust shops in Mumbai. Amazingly, only 3 percent of customers did not pay up.

The math, says Musthafa, works out brilliantly. Had the company sold the same quantity through the traditional retail outlets, collections would have been lower by ₹10 lakh due to retail commission and wastage. Aided by the pandemic tailwinds, the company clocked its best monthly sales in September at ₹24.2 crore. The target now is to become a ₹1,000 crore company in three years, up from ₹238.5 crore in fiscal 2020. The gritty entrepreneur, who quit a job at Intel in 2008 to join his four cousins—Shamsudeen TK, Abdul Nazer, Jafar TK and Noushad TA—full-time to sell idli/dosa batter, is confident of getting there. The secret recipe? Trust.

EARLY THRUST WITH TRUST

Rewind to 2005. A grinder, mixer, sealing machine, weighing scale, second-hand scooty, a 50 sq ft kitchen, and ₹50,000…that's how it all started for Musthafa and his four cousins who had been running a small kirana store at Indiranagar in Bengaluru. Idli/dosa batter supplied by a local maker was one of the many items available in the store. Customer feedback on the batter quality, however, was poor. And in that feedback lay the genesis of iD Fresh Food.

It didn't begin very well, as consumers didn't trust the new offering and iD was perceived to be yet another idli batter cottage operator. There was also a perception issue about packaged food. "Anything packaged, especially in wet form, was perceived to be unhygienic," Musthafa recalls. "It took us nine months to sell 100 packets a day." What didn't help is that the founders knew little about the food business. "Forget food technology, we were not experienced in making breakfast (items)," he adds.

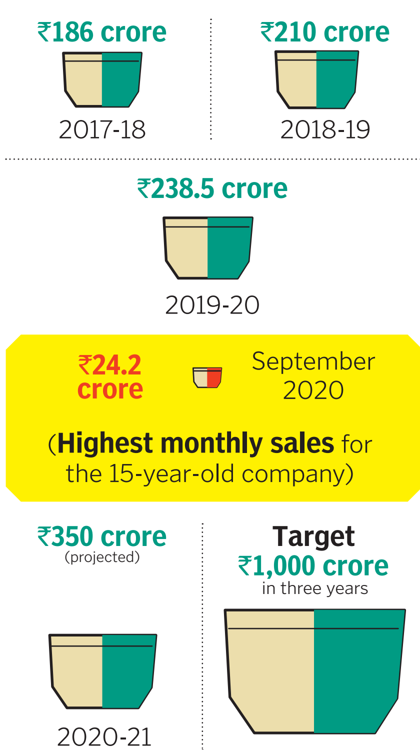
The business plodded along till 2008, when Musthafa quit his job and took the plunge full-time. The scale achieved was modest: Selling 2,000 kg of batter every day, and revenue of ₹50 lakh. In three years, the company grew, but there were mistakes made along the way; the most notable was trying to enter into multiple food categories. "We started trying everything. And we failed in everything," says the co-founder. The good part, though, was that the business was still profitable, with no debt or loans.

Then came the big Chennai experiment in 2009. The company was selling around 3,500 kg of batter in Bengaluru, and the aspiration was to go to the Mecca of idli-dosa: Chennai. Musthafa moved swiftly, invested all the savings of the company—₹20 lakh—opened a plant in Chennai and launched batter at ₹40 per kilo. The move flopped. Rivals were selling batter at half the rate, some even lower than ₹20 per kg. "Forget profit, their MRP was not even the cost of my raw material," he recalls. Musthafa didn't want to play the price game. The competitors, he explains, were buying rice from the public distribution system at as low as ₹1, and adding loads of soda to make the batter fluffy.

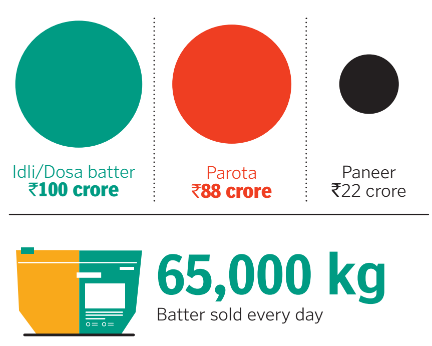
iD struggled to pay employees for over six months, as the focus on Chennai meant losing ground on the home turf of Bengaluru. Musthafa was fast running out of money. Taking loan from banks was ruled out. "We don't pay interest, we don't take interest. It's against our ethical values," he says. There was another reason to avoid a loan. "EMIs kill creativity in individuals and business," he says. The only option left was to exit a bleeding Chennai market, which he did after one-and-a half years. "We experimented, but killed the wrong project at the right time. I think that really worked for us," he says. The focus shifted back to Bengaluru, where more products were launched.

Innovation is what helped the company establish trust. "There is no rocket science in idli/dosa batter. Anybody can make it," says Musthafa. "But not all can innovate," he adds, sharing a string of innovations starting from packaging. A new

Revenues Set to Gallop Post Pandemic



Bestsellers and their Share in Revenue



sealable and reusable batter pack, inspired by a boat, was designed. Then came product innovations. A wet grinder that could churn out 1,500 kg of batter per hour; a proprietary machine that mimicked handmade layered parotas; paneer made from concentrated lemon juice without any chemicals or acids; and vada batter packs that helped users to get the perfect shape—including the hole in the middle.

Today, iD Fresh is present in some 45 cities with 18 products. Its backers are satisfied with the progress. For PremjiInvest, the family office of Wipro founder Azim Premji which reportedly invested ₹150 crore in 2017-18, iD Fresh is an exciting area of investment not just in terms of returns, but also long-term value. “iD Fresh has consistently and efficiently managed to leverage technologies and capabilities to develop innovative solutions,” said a spokesperson in an emailed response. Despite the Covid impact, iD has been successful in maintaining its business momentum. “PC Musthafa has been instrumental in building a brand that is based on trust,” the spokesperson said. The brand has an extremely loyal set of customers across cities (with minimal marketing expenses) who swear by the product quality, he added.

FLIPPING THE BUSINESS MODEL

India has historically been working on a trust-driven business model, says Anil Joshi, founder of Unicorn India Ventures. Much before the advent of modern stores and super markets, the country had—and still has—millions of small kirana stores (neighbourhood shops). “The business model was nothing but trust,” says Joshi. Consumers would go to the local store, buy their grocery and daily essentials and would pay after a month or so (the salaried would do so whenever they got their salaries). Musthafa, he reckons, has flipped the model. “He has empowered the customers by placing complete trust that they won’t default.”

AALOK SONI

“The business of trust is not easy. Musthafa has empowered customers by placing complete trust that they won’t default.”

ANIL JOSHI,
FOUNDER, UNICORN INDIA VENTURES

The business model, though, can be a double-edged sword. “The business of trust is not easy,” says Joshi. Musthafa knows a bit about that; in 2016, he first experimented with Trust Shops across Bengaluru, Chennai, Hyderabad and Mumbai. Though the pilot was encouraging, the cracks were visible. At some of the retail shops where the experiment was conducted, people deposited fake currency coins—even Monopoly coins—to pick up products. The malpractice continued for a while, but Musthafa persisted. After a few months, the same set of shops started showing better results. “Emotions work. Indians are trustworthy,” he says.

For marketing experts, the biggest advantage of a trust-based business model is emotional bonding. “It’s a glue. Once you trust consumers, they won’t go anywhere. They stick,” says Ashita Aggrawal, marketing professor at SP Jain Institute of Management and Research. Musthafa, she reckons, has understood the deep consumer insight that trust begets trust. So far consumers were asked to trust the brands. Now brands need to trust them. “The chances of striking success by taking such unconventional path are high,” she adds.

For Musthafa, though, the path to success started with hardship and failure quite early in his life. A failure in Class 6 proved to be a turning point. Except maths, he flunked in every subject. The failure haunted him.

What helped was support from parents and teachers. “I wanted my sweet revenge. I wanted to prove others wrong,” he says. In the first term exams the following year, he topped in maths but failed in other subjects. He persisted. “Success in maths gave me confidence, and confidence resulted in more success,” he recalls. By the end of year, Musthafa topped in all subjects. He then went on to do his engineering from the National Institute of Technology, Kozhikode, and an MBA from IIM-Bangalore.

“The failure in class 6 was the turning point in my life,” he says. Failure, he adds, is the best way to learn, whether at studies or in business. What made the journey more challenging for him was the financial background of his family. “My parents skipped a meal to pay for my expenses. But they trusted me, and I paid it back.”

Can trust be the new currency? Is such a model financially viable? Musthafa doesn’t have even an iota of doubt. ‘This model could be the future of the world,” he says. You get much better profitability and you become a much loved brand. “The best way for someone to trust you is to trust them,” the entrepreneur smiles, getting ready to go deep into the business of trust. F

Finding Their Voice

Homegrown non-music audio startups have been seeing a tremendous increase in user base since the lockdown, but getting people to pay for content and becoming self-sustaining are big challenges

By **DIVYA J SHEKHAR**

When Yogendra Saini, aka 'Technical Yogi', received his first paycheck of ₹8,300 from YouTube in 2017 for his videos on gadget reviews, technology news and tips for people in small-town India to build a social media presence, it was motivation enough for him to leave a career in journalism to create videos full-time. The resident of Alwar, Rajasthan, taught himself how to professionally shoot and edit videos, "sometimes through continuous trial and error till 3 or 4 am" and invested in a DSLR. He even worked on his performance skills and made an effort to write engaging scripts. As his popularity grew, the 33-year-old had numerous people reaching out to him for guidance on how to launch a digital channel and make money out of it.

Saini felt like he had to teach these people what he knew, but there were several problems: Many people did not have smartphones with good picture quality, the skills or resources to edit videos, or even the confidence required to face the camera. The women from small towns and villages who reached out to him, Saini says, "had the passion, drive and the talent to be successful content creators, but were not allowed by their families to make videos".

So in late 2018, when he came across Khabri, a recently-launched non-music audio platform, he decided to use the emerging digital medium to expand his audience base, and help people who could not create videos to capitalise on audio instead. The increasing number of people accessing audio platforms became evident when Saini did his first audio live on Khabri. "Within minutes, over 1,000 people joined in and started asking me questions. It was impossible to answer all of them," he says.

He admits that the visibility received through video and audio is not comparable at present: His YouTube channel Technical Yogi, has a million subscribers as of October, and his most popular videos have received over 2 million views. His podcast channel, on the other hand, has about 12,000 followers, and close to 291,000 listens.

While explaining that his video

The Voice Market

- Globally, India is the third-largest market of podcast listeners, behind the US and China
- Monthly podcast listeners stand at 57.6 million as of 2019
- Monthly listener base set to increase at 30.4% CAGR to reach over 200 million by 2024
- India's music, radio and podcasts market is projected to expand to a revenue of nearly $1.7 billion in 2024
- This revenue is expected to grow at a compound annual rate of 13.5% over the next five years

SOURCE Global Entertainment & Media Outlook, 2020-2024, PwC

INFOGRAPHICS: SAMEER PAWAR

MADHU KAPPARATH

(Left to right) Khabri co-founders Sandeep Singh, Aankit Roy, COO Dushyant Kohli and co-founder Pulkit Sharma. The non-music audio platform, which aggregates content across categories like news, government jobs, philosophy, leadership and motivation, has seen a 350 percent month-on-month growth since the lockdown in March

channel had almost a two-year headstart over audio, Saini believes that voice-based content is the future, and diligently creates at least one or two podcasts every week even though he does not earn money out of it yet. "India has openly embraced new technology, taking one giant leap after another very quickly. Just like we have developed a strong demand for video over the past few years, the obvious next step is to turn to audio because it is cheaper and more convenient. It's just a matter of time," he says.

Saini might be onto something here, since startups in the non-music audio space are reporting that things have been looking up for them. The Covid-19 pandemic, founders say, has been pushing digital consumption across various forms of media, increasing demand for audio content.

Khabri, for instance, has been registering a 350 percent month-on-month growth since the lockdown in March, the company claims. Co-founder Pulkit Sharma tells *Forbes India* that they had around 200,000 monthly active users before the lockdown, which has increased to over 700,000 now. The number of content creators on-boarded by the platform has increased from 15,000 in March to more than 45,000 in just the past six months.

A couple of recent global developments are bringing audio back into the big money game after it had been relegated as a medium that could not equal the popularity of and preference for video, says Sharma. "Globally, Spotify has spent more than $400 million in non-music audio, acquiring podcast networks like Anchor and Gimlet [in 2019]. In China, audio streaming startup Ximalaya FM is a unicorn [valued over $1 billion] and is engaging users up to two hours every day," he explains. "The biggest companies in the world, including Microsoft, Apple and Google, are investing in building podcasting platforms. The next tech war will be over voice."

India has the third-largest listener base for podcasts in the world after the US and China, according to the Global Entertainment & Media Outlook, 2020-2024, published by PwC in October. Although it might not be much on a per capita basis, the report states that the number of monthly listeners is expected to see a compound annual growth rate (CAGR) of 30.4 percent over the next five years, going from 57.6 million in 2019 to over 200 million by 2024. The music, radio and podcast industry in India is expected to have a revenue of nearly $1.7 billion in 2024, at a CAGR of 13.5 percent.

FAVOURABLE TIDE

"There is a blue ocean opportunity for audio in India, because it is the one medium that gets to capitalise on the time that the user is not looking at her phone," says Gautam Raj Anand, founder and CEO of Hubhopper, a platform that creates, hosts and distributes podcasts. He explains that if on an average, an individual in India actively uses her phone for about five hours a day, all the video and social media apps fight for her attention during that limited time, thereby increasing competition, attrition rates and overall cost of customer acquisition.

Audio is much more tenable, Anand believes, meaning that it can be consumed even when the individual is not looking at her phone and is engaged in other things like driving, getting ready, commuting, or even carrying out tasks at home. "The barrier of entry is not capital-intensive like in video, but medium-intensive," says Anand, whose platform has over 150,000 daily listeners—a 17 percent increase since the pre-lockdown days.

Individual content creators on Hubhopper put out at least one episode a week on a regular day. Podcasts being relatively easy to produce, the platform saw an 88 percent increase in content put out by 5,500-plus podcasters during the lockdown, across Hindi, Tamil, Bengali, Telugu and Kannada, Punjabi and English languages. According to Anand, the increasing user base from Tier II and beyond laps up motivational or religious/devotional podcasts, unlike Tier I users, who often listen to audio for upskilling and improving business acumen.

The story of young internet users in India is characterised by an initial frenzied consumption of social media and short videos for instant gratification, says Lal Chand Bisu, co-founder of Kuku FM. "Screen fatigue is real. Over the next three years, they will want to sift through the information deluge, and stick to meaningful content off-screen in order to make their digital lives more productive. Audio will help them there," he says.

The Mumbai-based startup offers

MADHU KAPPARATH

Gautam Raj Anand, CEO of podcast hosting, production and distribution platform Hubhopper, believes audio has an opportunity to capitalise on the time the user is not looking at her phone

What Works For Non-Music Audio Companies...

- Increasing smartphone ownership and adoption of digital interfaces
- Demand for original, personalised audio content, entry of foreign players
- Plurality and diversity of demography offers scope for varied content
- The history and nostalgia associated with radio and audio experiences

... and What Is Challenging

- Getting people to pay for audio content; launching successful subscription models
- Sustained investor interest as the latter get picky about startup portfolios during economic downturn
- Raising the bar of quality, differentiated content on individual platforms to make it unique
- Competing in a crowded market for sustained revenue sources like ads, collaboration with larger media companies etc.

INFOGRAPHICS: SAMEER PAWAR

audiobooks, stories, news, academic courses, quizzes and podcasts across various genres in Hindi, Marathi, Gujarati, Bengali and English. The number of users on their platform doubled from 400,000 pre-lockdown to over 800,000 around September, reducing their customer acquisition cost from ₹8 per instal to ₹5 per instal.

Audio is the natural extension for platforms providing text-based content, believes Jugal Wadhwani, head of audio at Pratilipi FM, which was launched last year as part of Pratilipi, a digital platform that publishes stories in regional languages. In April, the startup raised ₹76 crore in its Series C round led by Tencent, in which existing investors Omidyar Network, Nexus Venture Partners and Shunwei Capital also participated. Apart from Tencent, the startup has raised about $30 million from various blue-chip backers since its first funding round in February 2018. Pratilipi has been seeing two million daily active users,

MADHU KAPPARATH

Jugal Wadhwani, head of audio at Pratilipi FM, which is on-boarding content creators whose text stories have been popular on the main Pratilipi app, apart from engaging independent podcasters

about 20 percent of whom trickle down to their audio offerings.

A listener typically spends about 22 minutes every day on the platform, Wadhwani says. Pratilipi FM is on-boarding content creators whose text stories have been popular on the main Pratilipi app, apart from engaging independent podcasters. They are putting up audio ranging from news, interviews and story-based podcasts around the Indian Premier League (IPL) to fiction, meditation and mindfulness. "Experimentation is the key content strategy in the industry now. Everybody is trying to build up their markets through interesting formats," Wadhwani says.

The mood and loyalty of the audience toward a podcast can change depending on their frame of mind and what is happening around them, so it is important for content creators to stay alert and reinvent constantly, says Prathamesh Soni, a Hindi podcaster at Kuku FM, concurring with Wadhwani about experimentation.

"For example, given the tensions associated with Covid-19, everybody wants to listen to happy stories. So one has to balance the sanctity or seriousness of what one wants to offer with some positive messaging, and not sound alarmist," says Soni. The 28-year-old Mumbai resident has been putting up one podcast every week for the last year-and-a-half but has not made money out of it. He says his chief motivation for the time being is constant engagement with his listeners, most of whom belong to Tier II and Tier III cities.

India Wide Web

◆ The podcast boom in India is the result of a consistent, dynamic growth in internet access in both rural and urban areas

◆ Nine out of 10 internet users are expected to be Indian language users by 2021, which is why startups in the non-music audio space are investing specifically in building non-English content

Year	**Indian language internet users** (mln)	**English language internet users** (mln)	**Total internet users** (mln)
2011	42	68	110
2016	234	175	409
2021 (Projected)	536	199	735

◆ Indian language internet users are expected to grow at a CAGR of **18%** to reach **536 million** in 2021, while English users are expected to grow at a CAGR of **3%** to reach **199 million**

SOURCE Indian Languages—Defining India's Internet, a study by KMPG in India and Google; April 2017

WHERE'S THE MONEY?

Most of the startups in the non-music audio space are yet to monetise their offerings, with many formulating subscription plans and revenue channels only now as they acquire more customers. The monetisation strategies mainly include building user habits through personalised

Lal Chand Bisu, co-founder of Kuku FM. It creates content in Hindi, Marathi, Gujarati, Bengali and English, and is now building a paid subscription model for users

and localised content, creating brand awareness, and adopting a creator-led model where individual podcasters will build their own fan base that will in turn be loyal to the platform.

"People in India aren't completely ready to pay for even videos yet. So creating paywalls without forming a user habit of listening to audio is short-term thinking," says Anand of Hubhopper, who has raised over $750,000 across four funding rounds since the startup was founded in 2015, with the last fundraise being led by ITI Growth Opportunities Venture Fund in 2019.

Kuku FM, through various online polls and surveys conducted among lakhs of users, has ascertained that people will surely pay for a strong content game. Their subscription model currently in the works starts with ₹100 per month, ₹500 for three months and about ₹900 for an annual subscription.

Bisu realises that the market will get tougher in the wake of Covid-19, with investors tightening their purse strings toward startups that do not make revenue or earn profits. "Monetisation is the biggest problem, but we have been telling our users since we launched [in 2018] that they will soon have to pay for the content, and over 60 percent of our users are willing to pay," says Bisu, whose startup has raised $6 million in total, with $5.5 million being raised earlier this year in a Series A funding led by Vertex Ventures, in which existing inventors Shunwei Capital, India Quotient and 3one4 Capital also participated.

Most of these platforms are positioning themselves as 'knowledge providers', or a natural extension of education, Sharma explains. According to him, during an economic downturn that has resulted in alarming levels of unemployment, youngsters turn to upskilling and motivational content as they seek financial stability. "This is where we saw the trend of users consuming content around jobs, general knowledge, motivation podcasts etc. and we want to provide information that they find valuable in terms of livelihood and skill development," he says.

Khabri's monetisation strategy is banking on creating an "influencer economy", where their most popular content generators will monetise their followers through premium value offerings like live interactions and one-to-one chats. "This would enable micro-transactions on the platform through which the creator earns and we take a part of it. We have estimated a monthly yield of $2 per user through this model," says Sharma, who plans to roll this out next year. The startup is currently backed by American seed accelerator Y Combinator, Snapdeal co-founders Kunal Bahl and Rohit Bansal of Titan Capital, former Twitter VP Shailesh Rao and other angel investors.

Wadhwani says instead of positioning themselves as an "audio for knowledge" startup, Pratilipi FM is collaborating with creators who produce a wide range of content, including storytelling and entertainment, and is striking partnerships with larger media houses. "Established media companies are experts in creating good content, while we are a distribution platform that can make sure the content reaches an audience of audio listeners. It is a mutual benefit relationship," he says. He believes that the power and reach of these large media outlets will help the startup and audio consumption itself become more mainstream.

Anand of Hubhopper, much like all other startups in this space, wants to self-sustain and earn profits in the long run. While targeting subscribers and advertising revenue, apart from paid collaborations with media and other companies, he says it is important to "manage capital well and not overreach in anticipation that times are always going to be favourable. Do not hire indiscriminately and try to be as asset-light as possible".

Genres That Thrive

- Motivation / Skill-building
- Religion / Devotion
- Horror and romance stories
- Celebrity or influencer-driven podcasts
- News or knowledge-driven content

Aiming For The Big League

Bandhan Bank is working to reduce its exposure to microfinance, in which it was rooted, and is now focusing on deposits and loans to drive growth

By SALIL PANCHAL

It is a cloudy, humid day and Chandan Yadav (36), a dairy farmer is tending to his cows and buffaloes on the land his family owns in Kishanganj, in the north-eastern region of Bihar. Yadav's family-owned Akanksha Dairy Farm has more than doubled its sales of milk to 180 litres per day since 2016, thanks to the breeding of high milk-yielding animals at the farm. The milk is sold to the nearby Border Security Force camp in Khagra, besides two medical colleges and hospitals in the area.

INDRANIL BHOUMIK FOR FORBES INDIA

Chandra Shekhar Ghosh, CEO and MD of Bandhan Bank, is confident of making the most of the still low levels of financial inclusion in rural India

The dairy provides livelihoods to all the six Yadav brothers and their families, generating about ₹6 lakh in income annually, of which over 60 percent is saved. Much of the expansion in the dairy business is thanks to the loan the Yadav family took from Bandhan Bank, where they have had a current account since 2008. "We have taken a ₹5 lakh loan for our business," says Yadav, adding that he hopes to repay it by 2021. Yadav is also confident of banking in a more substantial manner with Bandhan Bank in the coming years: He plans to double the amount of loan he has taken in 2022 to "set up a milk-labelling and packing centre" at the same place.

Moumita Sur (25) first banked with Bandhan in 2013 as part of a women's group micro-loan of ₹10,000. By 2016, she had turned into a small entrepreneur: She and husband Biswajit set up a company, Ganpati Enterprise, in Howrah, Kolkata's neighbouring district, manufacturing steel and wrought iron furniture that is sold to retail firms in Bihar, Odisha and Jharkhand.

With a steady clientele and annual sales of ₹1.2 crore, Sur is confident of growing her business further. "Work restarted slowly in June and has picked up now," she says. Sur now has a business loan of ₹10 lakh from Bandhan, which she will repay soon. "There will be a need for more loans, though," she adds.

It is customers such as Yadav and Sur, whose business units have grown in recent years—and the trust factor they share with the bank—who give Bandhan the confidence that it can continue to build its deposit base and expand its reach.

Bandhan Bank claims that half of its 20.3 million customers are unique, which means they have not banked with any other institution before. Stickability of customers is always a positive for a bank and customers such as Yadav and Sur can rise financially and become the bank's emerging entrepreneurs, a new business vertical created by Bandhan Bank in September. The bank has identified this as one of its growth engines—besides mortgage lending—as several of its current micro-finance customers start setting up their own businesses.

The micro-and small-business enterprises segment—which is the Emerging Entrepreneurs Business—forms 4.2 percent (₹3,150 crore) of the bank's total loan book of ₹74,330 crore.

DEPOSIT FOCUSSED

After becoming a bank in August 2015, Bandhan is now in the midst of a transformation, diversifying its revenue base while gradually lowering its exposure to microfinance lending, which was once its roots. Bandhan is not only identifying and lending larger ticket-sized loans to emerging entrepreneurs, it is equally focussed on expanding its mortgage lending business. In October, the bank completed a year of mortgage lending after acquiring affordable housing firm Gruh Finance from HDFC in 2019. About 61 percent of its loan book still comprises micro-loans, while 27 percent comes from new businesses such as mortgage lending and retail. The bank has finalised plans to hire and train more people over the next year to sell these mortgage and small business loans. All of this will help the bank diversify its loan book and reduce concentration of risk in microfinance lending.

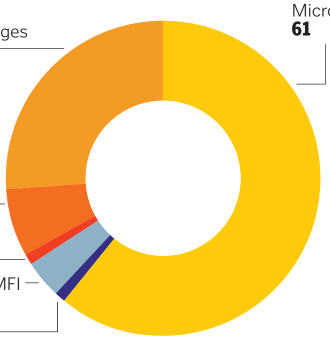
Bandhan Bank's Managing Director and CEO Chandra Shekhar Ghosh appears satisfied as he speaks to *Forbes India* from his Kolkata headquarters over Zoom. "This was a question posed even when we became a bank. I am confident that there is enough scope to grow deposits," he says, citing the still low financial inclusion factor in rural India. Only 11 percent of bank branches in India serve two-thirds of the rural population.

Bandhan has seen a steady pace

Chandan Yadav, a dairy farmer in Bihar's Kishanganj, is looking to take further loans from Bandhan Bank to expand his business

of growth in deposits. This has seen the bank boost its CASA (current and savings account) ratio to 37 percent, which is impressive for a young bank. CASA as a percentage of deposits is 33.7 for IDFC First Bank and 25.8 for Yes Bank. The

Loan Book Mix



bank's cost of funds is also improving. Higher deposits help a bank lend money to customers at a rate higher than its cost of funds. Bandhan's cost of funds stands at 6.4 percent, as against 7.1 percent in March 2018.

The bank has also built on its physical presence. "Bandhan is built on a high-touch model and trust in banking is built on a physical, not virtual, presence. We need more physical branches," Ghosh says. The number of branches has grown to 1,123 from 501 in 2015. It had about 2,022 micro credit-banking units, which have now grown to 3,541 across the country, to serve these category of customers. Ghosh hopes to increase the liability franchise (deposit-taking centres) to 3,000, and the micro credit units to around 5,500, in the next five years.

Ghosh is confident of the expansion

INFOGRAPHICS: SAMEER PAWAR

COURTESY: GANPATI ENTERPRISE

Moumita and Biswajit Sur set up a steel and wrought iron manufacturing unit in Howrah, West Bengal, with a loan from Bandhan Bank

plan. Setting up a branch in rural or semi-urban India could cost ₹10 lakh to ₹15 lakh, and ₹25 lakh to ₹30 lakh in the metros. In the coming years, the bank will reduce its exposure to micro-lending from the current 61 percent to about 40 percent. This will mean continuing to convert a portion of its micro-credit banking units into deposit-taking centres. The near-term plan is to convert 300 banking units into deposit-collection centres by the end of 2020.

Bandhan has also recruited 3,000 employees since the lockdown to boost deposit and EEB-based lending activity. It has 11 training centres across India, which trains over 3,500 employees each month. Stickability is strong in the Bandhan workforce too: 70 percent of its staff has worked only in Bandhan.

However, even a year after the acquisition of Gruh Finance, it remains a work in progress. Sale of affordable housing and disbursement for loans continue to be sluggish. The total advances in the mortgage lending business edged up just 3.9 percent to ₹19,561 crore in Q1FY21, up from ₹18,822 crore a year earlier. This is pro-forma as Gruh was a separate entity at that time.

But the acquisition of Gruh complemented Bandhan's activities: As the bank's borrowers' businesses grew, so would their need for loans, including for a house. Gruh's geographical strength is in western and central India, while Bandhan's is in the east and north east.

While realty developers continue to be wary of expanding their presence, or even launching new affordable housing projects, the activity expands through what is called family-led rather than developer-led construction. This is when a family with a plot of land gets a small contractor and builds a house. Prior to the merger with Bandhan, at least 50 to 60 percent of properties that Gruh financed were self-constructed in rural India, say former Gruh officials. The problem with this activity is that the pace of growth is sporadic, and demand for loans cannot be mapped. Historically, too, affordable housing developers have not set up offices in regions where population density and demand are weak.

"This business will take some time to grow," Ghosh admits. But the bank's growth plan is in place—Bandhan plans to open more mortgage lending branches, touching 400 by March 2021 from the current 106.

CHALLENGING TIMES

Like most lending institutions, Bandhan Bank too has had a rough three months of business after the pandemic-induced lockdowns. There were two months of complete lockdown, followed by a partial opening up in June, and substantial easing of restrictions in August and September. Now, the bank's collection efficiency—the number of people who have paid back loans out of the total borrowers—also continues to improve each month.

Collection efficiency for the bank is at 90 percent from near zero in April. Other microfinance lenders are seeing a collection efficiency of between 85 to 90 percent. "We hope to touch 98 percent by the year-end," says Ghosh.

Rural India, where the bank is more active, has seen a pick-up in business activity since June. This is despite the increase in the number of Covid-19 cases across states such as Maharashtra, Andhra Pradesh and Tamil Nadu. Retail trade too is starting to pick up, leading to a rise in the bank's activities.

"The bank's customers in agriculture and allied businesses, food processing, small retail stores and micro-credit are starting to take loans of ₹20,000 to ₹30,000 to restart business activities," says Ghosh.

Several of Bandhan's customers have kept their incomes consistent by switching jobs during the lockdown. But, as of June, around 24 percent of Bandhan Bank's total loan book is under moratorium. This is what needs to be monitored closely. Ghosh does not anticipate the number of borrowers who are unable to repay any instalment to be significant. But Bandhan, like rival banks, has decided to be prudent by increasing Covid-19-related provisioning.

The bank has made a high provisioning of 8.6 percent of the loan book, to cushion any losses that may arise due to non-recovery of loans on account of Covid-19. This is higher than ICICI Bank's 7.5 percent and HDFC Bank's 6.1 percent. Only non-banking financial company Bajaj Finance—which has a risky exposure of unsecured loans in its loan book—has maintained a higher contingency provisioning of 10.8 percent, as of June 2020.

Ghosh also believes that they understand their customers well and repayments are collected on the basis of electronic clearing services (ECS) debits. Therefore, if and when there are any ECS mandates that don't get honoured, it serves as an early warning system for the bank.

Ghosh has one contentious issue to deal with: To continue to reduce

As of June, around 24 percent of Bandhan Bank's total loan book is under moratorium. This is what needs to be monitored closely

the promoter stake in the bank from the current 40 percent to a final 15 percent in 12 years of starting the company, as mandated by the Reserve Bank of India (RBI). He has already reduced the promoter stake from 82 percent in 2018 to 40 percent. The RBI had restricted Bandhan from expanding its branch network and had put a freeze on Ghosh's salary in 2018 until the stake was reduced. These restrictions have been lifted in 2020.

These previous concerns and the lockdowns hurt its stock price, which fell 78 percent, from ₹702 in August 2018 on the BSE to ₹154.5 in March-end 2020. The stock has since doubled to ₹314.

Now, besides identifying growth engines, the bank is also building a succession plan. Ghosh is the face of Bandhan, but it has built a core team of veteran bankers who lead various operations and has put a business continuity plan in place. The team includes former State Bank of India veterans Deepankar Bose (corporate centre) and Sanjeev Naryani (business), former Development Credit Bank employee Sunil Samdani (chief financial officer), former Bajaj Capital CEO Rahul Parikh (marketing head) and former ICICI Bank veterans Kumar Ashish (EEB) and Biswajit Das (risk).

So far, the bank has managed to bounce back and grow from setbacks, whether it is the Andhra Pradesh microfinance crisis in 2010, the impact of demonetisation, or the Goods and Services Tax. And Ghosh remains confident that once the pandemic's impact wanes, business and economic activity will be back.

But unlike previous emergency situations, the path the Covid-19 pandemic can take in India is unclear. "How will India's businesses deal with the second wave of infections?" asks Alpesh Mehta, deputy head of research at Motilal Oswal Financial Services. "In microfinance, the willingness to pay is more important than the ability to pay."

This will obviously become a critical issue for all banks to deal with if business conditions become more difficult. HP Singh, managing director and chairman of Satin Creditcare, an NBFC-MFI institution, is following the prudent approach of servicing existing borrowers rather than chasing new loan growth. "We expect a much stronger bounce-back in rural India, even if the second wave of Covid-19 comes," Singh says.

So, although Ghosh is building the structure for a more robust bank by 2025, and most of Bandhan's businesses are expected to grow to normal levels in the next two years, he will have to bank on the hope that the fortunes of its low-income borrowers' do not get ravaged in the after-effect of the pandemic, which might increase asset quality concerns. F

The Story So Far

Key matrix	FY17	FY18	FY19	FY20	Q1FY21
Total deposits (₹ cr)	23,229	33,869	43,232	57,082	60,610
Net Profit (₹ cr)	1,112	1,346	1,952	3,024	550
Net interest income (₹ cr)	2,404	3,032	4,496	6,324	1,811
CASA ratio (% to deposits)	29.43	34.32	40.75	36.84	37.08
Total loan book (₹ cr)	23,543	32,339	44,076	71,846	74,331
Cost to income ratio (%)	36.31	35	32.58	30.82	27.9
GNPA (%)	0.51	1.25	2.04	1.48	1.43
CET1 ratio (%)	26.36	30.3	27.88	25.19	27.29
Branches	840	936	986	1,018	1,018
Customers (mln)	10.41	13.01	16.5	20	20.3
Employees	24,220	28,159	32,342	39,750	41,563

SOURCE Bandhan Bank investor presentations, annual reports, BSE

ON BEING RICH

SHUTTERSTOCK

Money has never made man happy, nor will it... there is nothing in its nature to produce happiness. The more of it one has, the more one wants.

—BENJAMIN FRANKLIN

Formal education will make you a living; self-education will make you a fortune.

—JIM ROHN

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The only difference between a rich person and a poor person is how they use their time.

—ROBERT KIYOSAKI

Before you can become a millionaire, you must learn to think like one. You must learn how to motivate yourself to counter fear with courage.

—THOMAS J STANLEY

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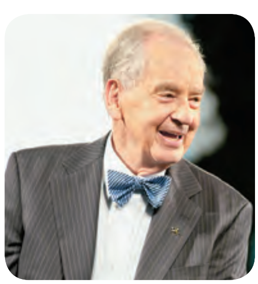
A business that makes nothing but money is a poor business.

—HENRY FORD

You can't work three hours a week and make $100,000. Get rich quick doesn't work. Crock pot mentality always defeats microwave mentality!

—DAVE RAMSEY



SHUTTERSTOCK

Rich people have small TVs and big libraries, and poor people have small libraries and big TVs.

—ZIG ZIGLAR

Fortune sides with him who dares.

—VIRGIL

All riches have their origin in mind. Wealth is in ideas, not money.

—ROBERT COLLIER

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I don't care what anyone says. Being rich is a good thing.

—MARK CUBAN

SHUTTERSTOCK

Wealth is largely the result of habit.

—JOHN JACOB ASTOR

What's keeping you from being rich? In most cases, it's simply a lack of belief. In order to become rich, you must believe you can do it, and you must take the actions necessary to achieve your goal.

—SUZE ORMAN


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MAXI YACHT ROLEX CUP


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ROLEX AND YACHTING

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