

IMPACT OF CORONAVIRUS ON INDIAN BUSINESSES

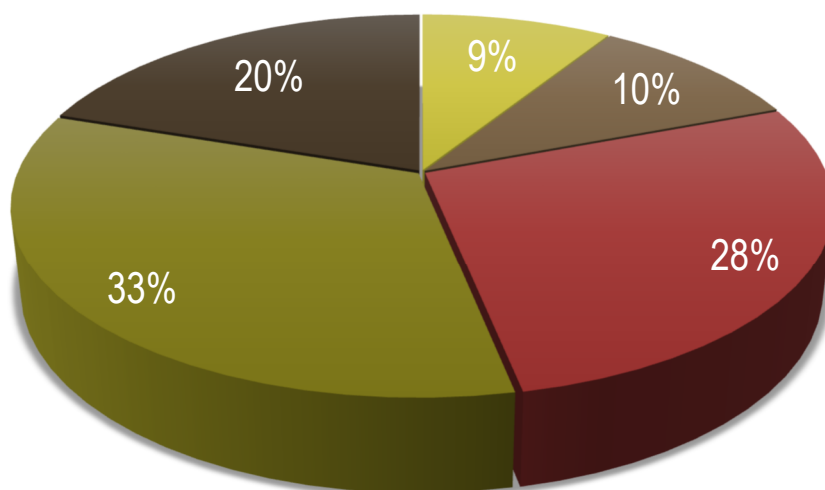
FICCI Survey¹

March 2020

THE IMPACT

A significant 53 per cent of Indian businesses indicate the marked impact of the Coronavirus pandemic on business operations even at early stages.

Please highlight the impact of nCovid-19 pandemic on your business

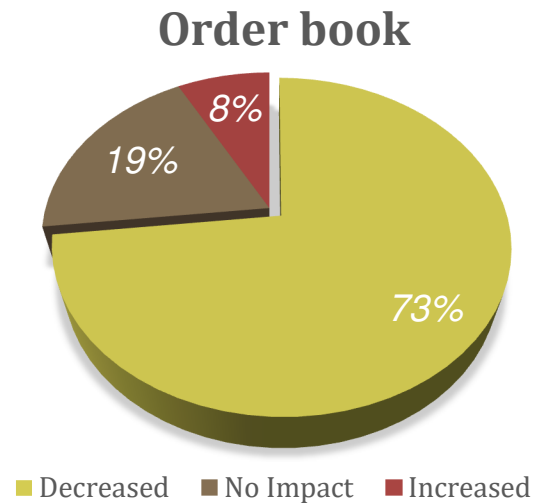


■ Very Low ■ Low ■ Moderate ■ High ■ Very High

¹ Survey conducted among FICCI member companies and associations between March 15 - March 19, 2020. A total of 317 companies participated in this survey.

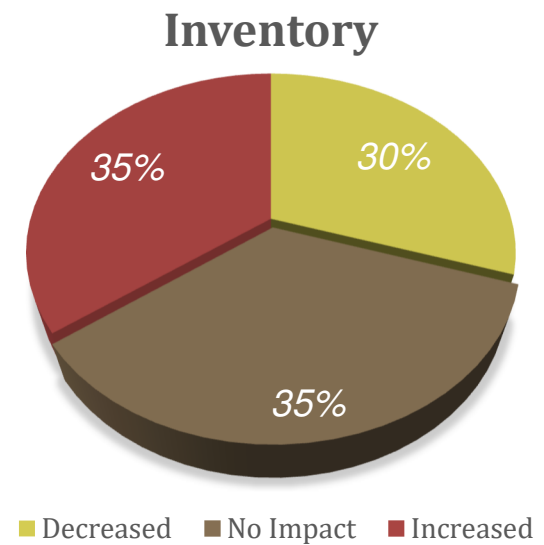
The Impact on Order Book

Almost three-fourth of the businesses in our survey indicate big reductions in orders. Of these, almost 50 per cent indicate a 20 per cent and more decrease in the orders.



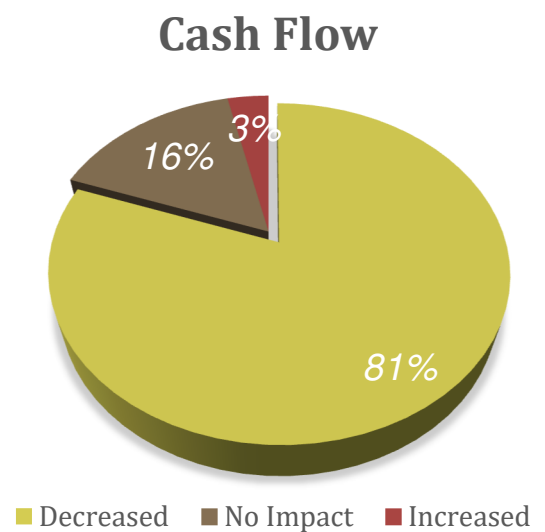
The Impact on Inventory

A significant 35 per cent respondents indicate an increase in inventory levels. Of these, another 50 per cent point that their inventory levels have risen by 15 per cent and more.



The Impact on Cash Flow

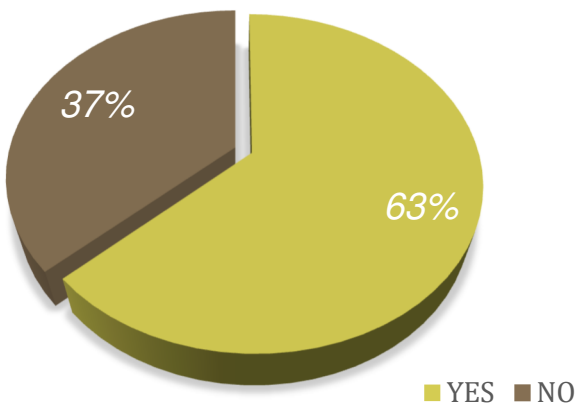
The pandemic has significantly impacted the cash flow at organisations with almost 80 per cent reporting a decrease in cash flow. A fall of 20 per cent or more in cash flow was reported by more than 40 per cent respondents.



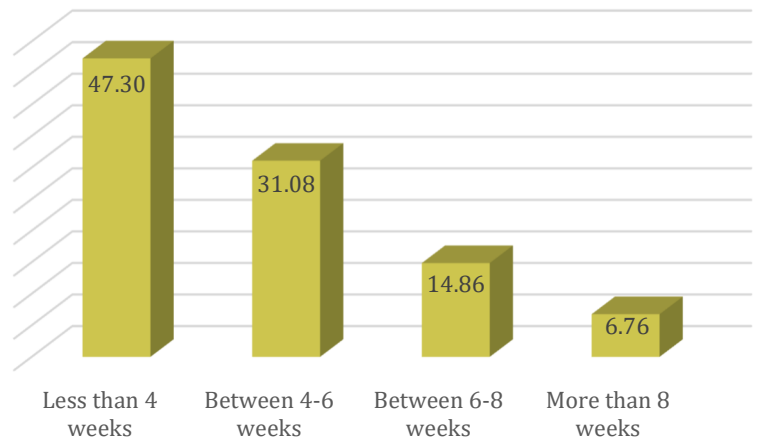
The Impact on Supply Chain

The pandemic has had a major impact on the supply chains as more than 60 per cent respondents indicate that their supply chains were affected. The companies also highlighted that they are closely monitoring the situation and expect the impact of the pandemic on supply chain to worsen further.

Is your Supply Chain affected due to the n-Covid19 pandemic?



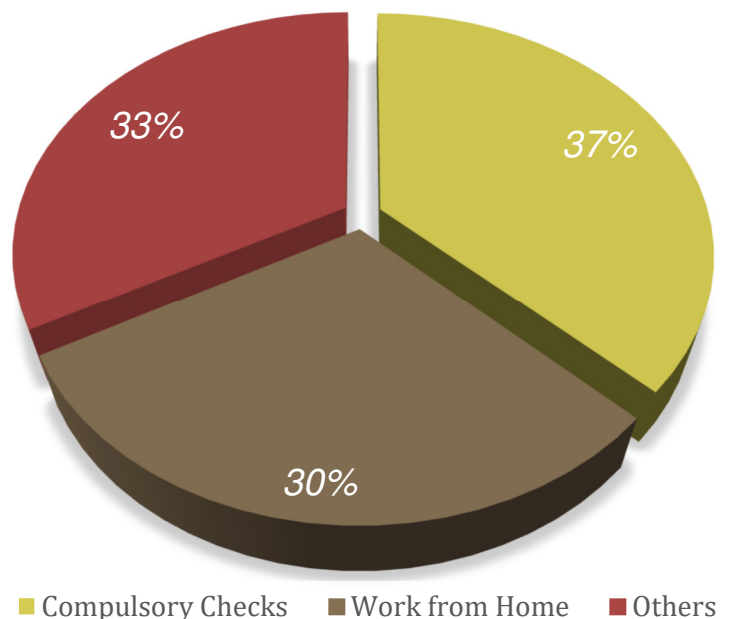
If yes, what is the delay you are facing in sourcing products? (%)



Safety

Organisations have brought in a renewed focus on hygiene aspects concerning the pandemic. Almost 40 per cent have put in place stringent checks on people entering their offices and disinfection. Nearly 30 per cent organisation have already put in place Work-from-Home policies for their employees.

Safety Measures under Implementation



Time to Normalcy

Almost four-fifth of the respondents feel that the situation would come under control by six-months.

