KNOWLEDGE **PAPERS**

Series 6/2020

Handbook of 8th Quality Systems Excellence Awards

Good quality systems lead to systematic improvement in organization's performance thereby making them globally competitive. FICCI Quality Systems Excellence awards are presented to firms and companies for the recognition of their commitment to quality systems at workplace and putting in place good quality systems in the organization. The Handbook contains the details about the Award & its process, the organization who have been awarded for the robustness & excellence in quality systems in their industry and their best practices. The handbook is prepared to motivate and to act as a catalyst to encourage the industry to adopt robust quality systems and thereby making them face global competition.

http://www.ficci.in/publication.asp?spid=23381

FMCG and retail (e-commerce) REBOOT

FICCI and Deloitte launched the fourth edition of their joint report called REBOOT in the annual edition of Massmerize 2020. FICCI Massmerize is the flagship Retail and FMCG event by FICCI's Consumer committee that works towards collaborating with industry leaders and stakeholders from these industries.

Built on a six-step approach, this report emphasises the need for consumer brands to R-E-B-O-O-T their businesses in view of the disruption and the changing consumer behaviour. As businesses need to 'Realign' their business models and partnerships, 'Enhance' consumer experience through technology and Analytics, 'Build' resilient distribution, develop their 'Omni-channel' presence, 'Operate' efficiently, and 'Thrive' by focusing on sustainability.

This has created new opportunities for businesses to develop hyper-local delivery models, use conversational AI, build omni-channel retail, etc. to acquire and serve customers.

As brands adapt to the 'new normal', the key to sustenance and growth is likely to be an agile business model that minimises disruptions in the future.

Trends/lessons learnt from COVID-19

1. Acceleration in e-commerce sales as stay-home phenomena drove significant purchases through e-commerce.
2. Increased demand from rural: COVID-19 has led to massive reverse migration, which in turn has driven up rural demand, favouring companies with strong rural distribution.
3. Focus on health, hygiene, and nutrition: Health concerns and the need to build immunity have led consumers to buy home sanitation and immunity boosting products. As a result, these categories have seen major growth since March '20 and this is likely to continue into 2021.
4. Reconfigure distribution to explore omni-channel models: The pandemic, with frequent lockdowns, compelled companies to re-configure their distribution models within a short period, even forging new partnerships and alliances to achieve that.
5. Existence through phygital approach: As digital-savvy consumers look for a mix of digital and physical engagements, it has led to retailers building an omni-channel presence to provide best-in-class customer experience.
6. The COVID-19 crisis has put sustainability in the spotlight and companies are now seeing sustainability through the lens of growth as well as bottom line, and using their sustainability initiatives to better engage with their customers.

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Post-Lockdown Travel Preferences: A Survey by FICCI

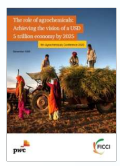
Conducted in October 2020 with most respondents belonging to major metropolitan cities in India, this consumer survey was aimed towards understanding the post-COVID preferences of Indian travellers and covered aspects like safety measures, accommodations, modes of transport, etc.

http://www.ficci.in/publication.asp?spid=23370

FICCI Quarterly Survey on Indian Manufacturing Sector

FICCI's latest quarterly survey on Manufacturing indicated recovery of manufacturing sector for Q-2 (July-September 2020-21) as compared to previous quarter (April-June 2020-21). The percentage of respondents reporting higher production in second quarter of 2020-21 increased vis-à-vis the Q-1 of 2020-21. The proportion of respondents reporting higher output during July-September 2020 rose to 24%, as compared to 10% in Q-1 of 2020-21. The percentage of respondents expecting low or same production was 74% in Q-2 2020-21 as compared to 90% in Q-1 of 2020-21. The survey covered wide areas of relevance for manufacturing like exports, capacity utilization, ongoing restrictions, availability of labour/workforce and others. In many of these areas there were signs of operations inching towards normal and in coming months could see better performance. FICCI's latest quarterly survey assessed the sentiments of manufacturers for Q-2 (July-September 2020-21) for twelve major sectors namely automotive, capital goods, cement and ceramics, chemicals, fertilizers and pharmaceuticals, electronics & electricals, leather and footwear, medical devices, metal & metal products, paper products, textiles, textile machinery, and miscellaneous. Responses have been drawn from over 300 manufacturing units from both large and SME segments with a combined annual turnover of around Rs 3 lakh crore.

http://www.ficci.in/publication.asp?spid=23374



The role of Agrochemicals: Achieving the vision of a USD 5 trillion economy by 2025

The Indian agriculture sector plays an integral role in the Indian economy and is responsible for the livelihoods of more than half of India's population. India is rich in agricultural resources, both in terms of size and diversity. The country is the largest producer of spices, pulses, milk, tea, cashew, jute and the second-largest producer of wheat, rice, fruits and vegetables. This paper identifies three major growth levers that will contribute to the growth of the agrochemicals industry, the agriculture sector and subsequently, the economy. The first level stresses on making improvements in trade and marketing of agrochemicals through promoting domestic consumption, exports and consumer awareness, and increasing technology interventions. The second lever highlights the need for focusing on increasing India's agrochemical production and improving the product offerings through research and development (R&D) in order to transform it into a global agrochemical hub. The third lever focuses on creating a favourable policy environment for the agrochemicals sector that would facilitate an increase in agrochemical exports, position India as an attractive destination for foreign investments and safeguard the interests of small and regional players operating in the industry. These three growth levers will have a synergistic effect on the industry and the performance of the agriculture sector as a whole, contributing significantly towards achieving the target of making India a USD 5 trillion economy by 2025.

http://www.ficci.in/publication.asp?spid=23379

India Workplace Equality Index Top Employers 2020 Report

FICCI has a sectoral Task Force on Diversity and Inclusion for steering its agenda towards enabling Diversity and inclusion work policies across India Inc. The D&I Task Force endeavours to ensure that Indian corporates have inclusive organizational policies in their companies with enough gender diversity, inclusion of people with disabilities as well as representation from the LGBTQI+ community. Under the aegis of this Taskforce, the first India Workplace Equality Index (IWEI) report was launched on December 10, 2020 by the Keshav Suri Foundation, Pride Circle and Stonewall UK with FICCI as the Industry Partner. IWEI is India's first comprehensive benchmarking tool to enable organizations to measure their effort for LGBT+ Inclusion from the Indian context. 65 companies participated in the survey and have been segregated as Gold, Silver and Bronze award winners in recognition of their leading work in LGBT+ inclusion.

http://www.ficci.in/publication.asp?spid=23384

Protecting India: Public Private Partnership for vaccinating against COVID-19

FICCI, in partnership with EY, held consultations with various stakeholder and developed a Strategy Paper- 'Protecting India: Public Private Partnership for vaccinating against COVID-19'. Some of the highlights of the paper are given below:

- India may need ~1.0 lakh healthcare professionals (as inoculators) and ~2.0 lakh support staff/ volunteers for mass-inoculation of –
  - prioritized individuals (30 crore people as identified by the government, includes healthcare professionals, frontline workers, people above 50 years and also people with co-morbidities) by August 2021, and
  - 50 crore (rest of the adult population) by the end of 2022- [i.e. the entire adult population (80 crore) by the end of 2022]
- India shall need about 200 crore doses of vaccine in the next two years requiring the key manufacturers to commit 30%-40% of their production for India.
- To meet the demand of 1.3 lakh-1.4 lakh centers, ~60% of the existing public health infrastructure will have to house a vaccination center.
- Private sector can adequately supplement the physical and human infrastructure supply in key capacity constrained regions, specifically in urban and semi-urban areas.
- A second line of inoculators among allied health professionals will have to be made available through training and credentialing process.
- In a dipstick survey conducted by FICCI, of 264 private healthcare participants, a high proportion of respondents stated their capacity and willingness to participate in the vaccination drive. 84% have earmarked inoculation facilities in their hospitals; and 88% have trained inoculators available for vaccination. A trained pool of 30,000 inoculators is also available for inoculation from amongst the participants.
- Private sector is also willing to provide storage infrastructure, freight vehicles and facilities with required technology and undertake capacity augmentation wherever required.
- The private sector would also be required to augment their IT capacities and adopt Track and Trace system to reduce possibility of counterfeit COVID-19 vaccine.

While private healthcare providers have shown willingness to allocate human resources for the vaccination exercise, especially in semi-urban and rural areas, actual execution of the program will be dependent on clear definition of roles and responsibilities of both government and private players as well as agreement on distinctive and well-laid out engagement models for collaboration.

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Bengal Innovation & Business Acceleration Center, Report for 2018-19

West Bengal Industrial Development Corporation (WBIDC) has set up Bengal Innovation & Business Acceleration Centre (B-IBAC) to support early stage entrepreneurs, innovators, start-ups and businesses having the potential to grow, scale and contribute to the economy of the state of West Bengal. Federation of Indian Chambers of Commerce & Industry (FICCI) has partnered with WBIDC to implement the project. The report outlines IBAC project activities in the first year.

Efforts have been made to assist small businesses and young entrepreneurs across diverse sectors from districts of West Bengal at different stages of their life cycle that have the potential to scale up. Bengal –IBAC, with its unique model, connects businesses from West Bengal with domestic market and overseas companies for exploring new markets, conduct capacity building activities, supports the enterprises with business development strategies and market research. IBAC also provides access to strong mentoring, networking support and industry connect. The programme has brought in international institutions and experts for business acceleration training, product development and handholding support to businesses to enter the international market and expand their businesses.

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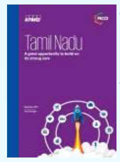

Tamil Nadu - A great opportunity to build on its strong core

Tamil Nadu is India's second largest by Gross State Domestic Product (GSDP). With a GSDP of USD 187.6 billion in 2019-20, its growth has surpassed the national average for third consecutive year and it continues to rank among the coveted investment destinations in India. It has consistently been positioned among the top five states for foreign direct investments (FDI) equity inflows, receiving a cumulative FDI inflow of USD 446.8 billion between January 2000 and September 2019, with major investments flowing in from Mauritius, Singapore, the US, Japan and the Netherlands.

Until September 2020, it bagged 42 projects worth USD 1.6 billion through the state's single window facilitation. Tamil Nadu is one of the top 10 automobile hubs in the world – with the capital, Chennai, widely known as the 'Detroit of India' and the 'Automobile capital of India'.

The state has the highest number of operational Special Economic Zones and factories as of 2020 with more than 37,220 facilities, making it the largest employer of industrial workers. It holds the top spot in Good Governance Index 2019 and ranks second in the India Innovation Index. It also ranked third in Export Preparedness Index in 2020 and is the third largest exporter among Indian states. Tamil Nadu with its skilled workforce, could play a vital role in the Atmanirbhar Bharat Abhiyaan. Across Industries, several recent policies introduced by the state, such as the Electronics Hardware Manufacturing Policy, Aerospace and Defence Industrial Policy, New Integrated Textile Policy and Electric Vehicle Policy can provide the required impetus for localization.

With COVID-19 triggering large scale realignment in supply chains across the globe, India has an unique opportunity to take on a more inclusive and proactive role in leveraging its vast pool of skilled resources, competitive costing and developed ecosystem for select sectors and gain an edge in the global supply chain reconfiguration race. Tamil Nadu, being among the most industrialized and urbanized states and second largest state by GDP is well-positioned to capitalize on this opportunity.

http://www.ficci.in/publication.asp?spid=23385

Non-banking finance sector in India – building resiliency'

The report titled – 'Non-banking finance sector in India – building resiliency' has been jointly developed by FICCI and EY and was released during the Annual FICCI NBFC Conference 2020 on October 29. The report provides a detailed narration of the growth and importance of the sector, captures the challenges faced by the players, and highlights some of the suggestions and action points for consideration of the policy makers and industry players.

The report points out that non-bank lenders are a significant part of the credit ecosystem of the country and are presently undergoing a change in their business model. This requires due support from the banking community to provide them timely leverage.

The report also mentions that the non-bank lenders on their part need to recapitalise themselves, build in the required governance and explore alternate forms of finance, while the regulator needs to look at governing large non-bank lenders akin to banks and at the same time consider regulations around short term liquidity support in addition to providing them with a path to becoming a universal or differentiated bank.

Released amidst the pandemic year, the report concludes that while it is important for the NBFC sector to tackle the immediate challenges emanating from the COVID-19 crisis, it is more important to address the structural issues and strengthen the regulatory and governance regime to build a robust and resilient non-banking finance sector that remains undeterred in any circumstances.

http://www.ficci.in/publication.asp?spid=23386

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