

Monday, January 15, 2024

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Green bonds may make it to Union budget ▶P1

Can't stop exits for better incentives, says TCS boss ▶P1

DSPL-543


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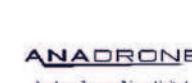
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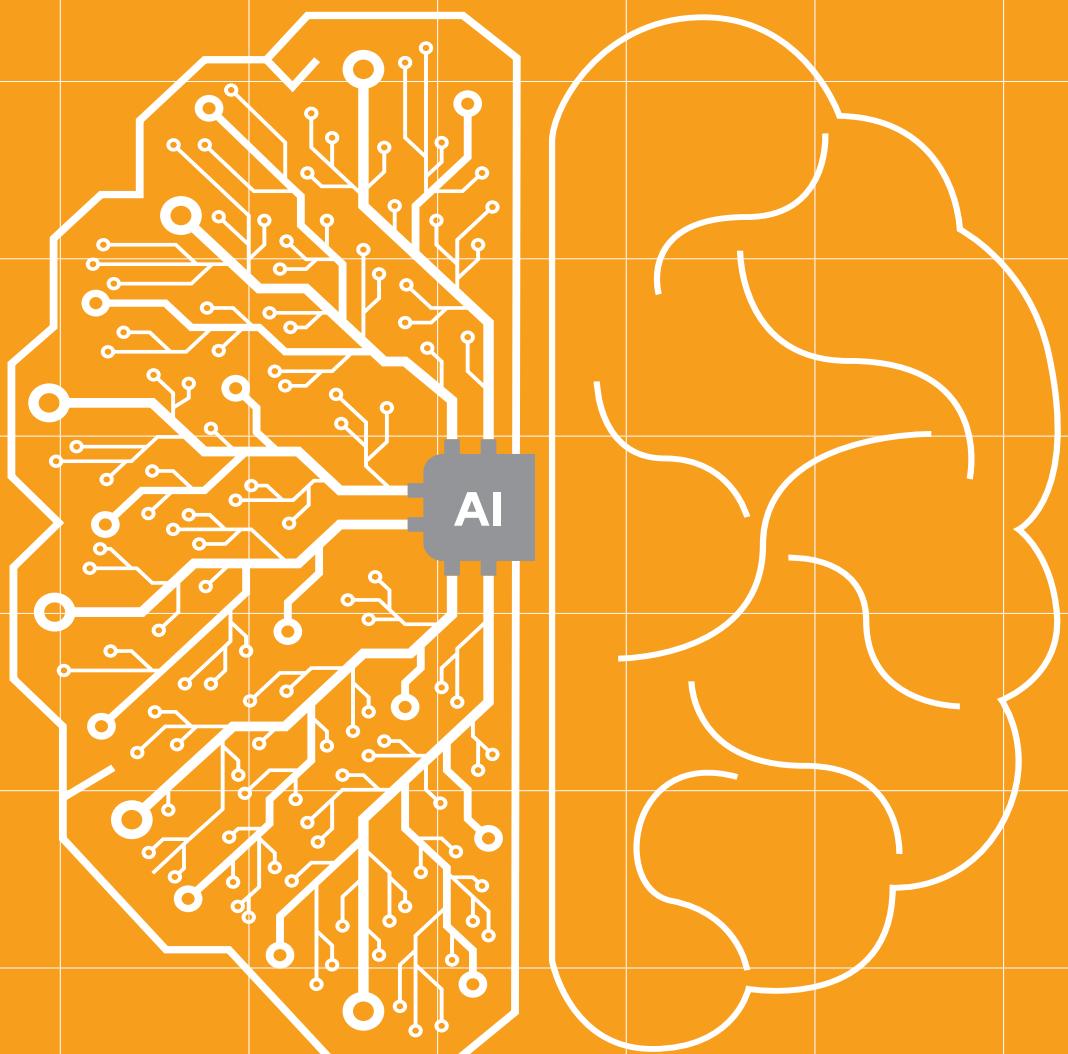


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*Think Ahead. Think Growth.***mint primer**

What to expect from the grand Davos meet

BY SUMANT BANERJI

Leaders from across the world will congregate in the picturesque Swiss town for the 54th annual meeting of the World Economic Forum (WEF) against a backdrop of rising geopolitical tensions, high inflation and tepid global growth. *Mint* explains the agenda this year:

**1 Is there a theme this year?**

"Rebuilding Trust" is the theme, to resurrect globalization after global supply chains were disrupted due to the pandemic and the wars in Ukraine and Gaza. With other problems such as climate change, business leaders are expected to brainstorm on long-term solutions and the role of cutting edge technologies such as artificial intelligence (AI). Sub-themes this year include achieving security and cooperation, creating jobs and growth, and a long-term strategy for climate, nature and energy.

AFP

2 What are the likely outcomes?

The summit allows leaders to sit and discuss divisive issues. Besides the usual flashpoints (the presence of Ukraine President Volodymyr Zelensky is one) it will try to restore transparency in world affairs. One impact could be from the AI Governance Alliance, which WEF launched. It brings together tech players, governments and the civil society to find a way to govern AI.

The First Movers Coalition, which aims to decarbonize heavy-emitting sectors, is likely to gather further momentum.

4 What will be India's role this year?

India's delegation will be led by Smriti Irani, minister for women and child development. She will lead a 100-member business delegation. As the fastest growing economy in the world, India will seek to woo global investors and highlight its ambition to become a \$5 trillion economy in the next few years as it chases a developed nation status by 2047. India is likely to use the forum to make a pitch as the most attractive market for companies looking beyond China. India will also showcase its success in renewable energy.

**5 Is Davos still a big deal?**

Davos has drawn criticism from activists as a cabal of the rich who only seek to further corporate interests. Activists say business leaders strut about in their carbon-emitting private jets and then talk about climate change. The more fundamental shift is in how the world is moving away from globalization. Countries are aligning themselves with like-minded partners—forums like the Quad, for instance. These forums might make Davos less important in the future.

Turn the page for more data, trivia.

QUICK EDIT

No pivot just yet

India's latest inflation and industrial production numbers released last week have been a mild let-down. Retail inflation in December climbed to a four-month high of nearly 5.7% on-year, up from almost 5.6% in November, while industrial output growth slumped to an eight-month low of 2.4% on-year in November from 11.7% in October. Sobering as these are, both were influenced by unfavourable base effects. As these normalize, the indicators are expected to show better readings. Inflation, a key policy-input variable for the Reserve Bank of India (RBI), has lately been driven by food prices, although the winter harvest reaching markets in this quarter should help broaden price pressures cool. Industrial production should also stabilize once a statistical aberration that was caused by the festive period falling in different months in 2023 and 2022 fades. That said, elevated inflation would keep talk of RBI rate cuts at bay for now. Unless inflation shows signs of durably reaching RBI's targeted level of 4%, the central bank is unlikely to shift focus to perking up the economy with cheaper credit. With the economy seen growing 7.3% in 2023-24, it needs very little help anyway.

BUDGET EXPECTATIONS

We anticipate that the 2024 interim budget will adequately make NBFCs part of sustainable economic growth towards achieving the \$5-trillion economy milestone. We expect the accent on infrastructure capex to continue with a focus on logistics improvement which is essential for "Make in India" to be a big success. Likewise, the government would do well to persist with its privatization thrust as it professionalizes the business environment."

UMESH REVANKAR
EXECUTIVE
VICE-CHAIRMAN,
SHRI RAM FINANCE

**THE WEEK AHEAD**

15JAN

FEEDBACK ON 'ONE POLL'

It is the last date for the general public to send suggestions to the panel on 'One Nation, One Election'.

17JAN

UK INFLATION DATA

UK will out inflation data for December. Its November stats were the lowest since September 2021.

15JAN

WPI INFLATION DATA

Wholesale price inflation data for December 2023 will be released.

19JAN

RAJYA SABHA ELECTIONS

Elections will be held for four Rajya Sabha seats—three from Delhi and one seat from Sikkim.

15-19JAN

DAVOS 2024

The global elite converge at Davos, Switzerland, for World Economic Forum's annual summit.

19JAN

US GOVT SHUTDOWN

It is the deadline for US government shutdown unless leaders reach a deal on spending for 2024.

16JAN

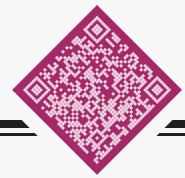
FTA TALKS

India and Oman will begin next round of free trade discussions.

20JAN

SPL TRADING SESSIONS

Indian bourses BSE and NSE will hold special live trading sessions.



The week when all roads lead to Davos

BY SHUJA ASRAR & NITI KIRAN

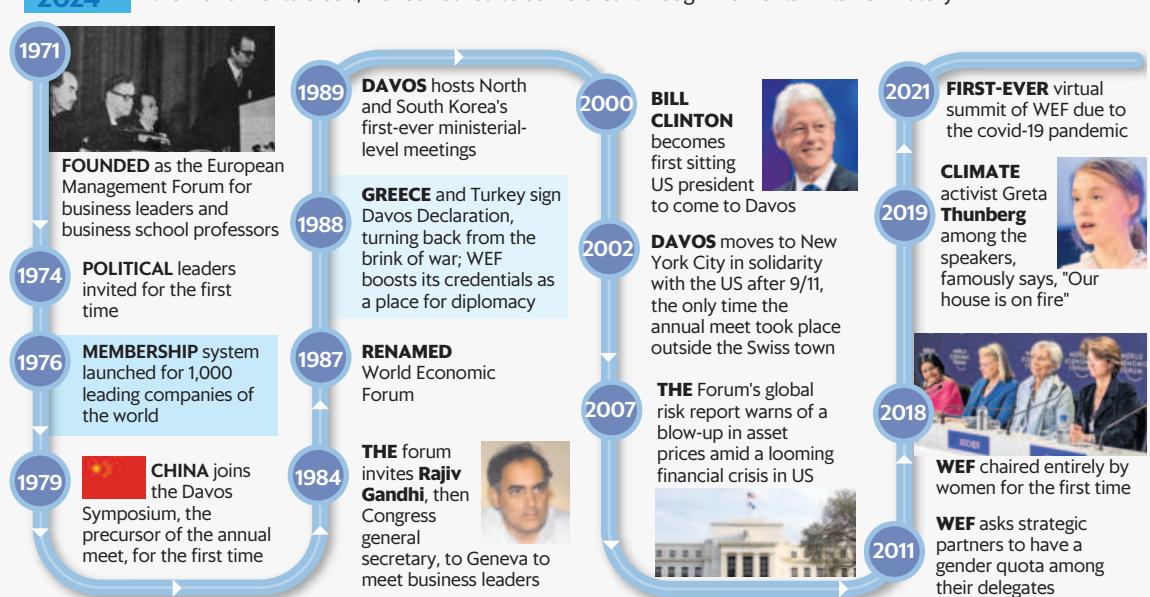
Every year, the who's who of the corporate and political world from over 100 countries descend on the snow-clad ski resort town of Davos in Switzerland to strike business deals, frame agendas, get investments and talk about geopolitical challenges.

This year's meeting of the World Economic Forum (WEF) starts on Monday and will run until Friday, with over 2,500 delegates in attendance. A slowing economy, climate change, and the trade impact of the wars in West Asia and Ukraine are expected to feature on the agenda. *Mint* explores the nuts and bolts of the Davos summit.



Five decades of Davos

An international nonprofit founded in 1971, the WEF holds events across the world throughout the year, but none gets the eyeballs that the one at Davos does. In this week, Europe's highest town, with just over 10,000 residents, gets flooded with delegates who meet and greet, talk and party in the hope of changing the world. To its credit, Davos has led to some breakthrough moments in its rich history.



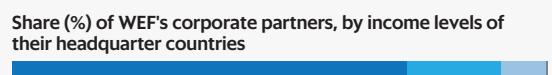
A costly affair

But to get all this, a member company wanting to attend the world's most famous summit needs to splurge thousands of dollars for the weeklong trip, which some have come to term as a "vacation" for the ultra rich. Past research has found that participation in Davos does little to create share market value for these companies. The benefits are mostly reserved for executives in the form of networking and career progression.



Group of elite

Out of WEF's hundreds of partner companies, only one comes from a low-income country (Yemen's HSA Group). (These are the companies that fund the foundation through various membership tiers.) During 2008–2019, over 75% of the attendees at the forum came from high-income nations. Of the 1,009 companies listed as partners on the WEF website, 74% were based in rich countries and 17% in upper-middle-income ones, a *Mint* analysis showed.



\$32 million
WEF's rough annual earnings from membership fees paid by over 1,200 companies

100
Number of WEF's 'strategic partners', the highest level of membership, which includes Amazon and Google

\$281 million/year
A major portion of the WEF's funding comes from these strategic partners

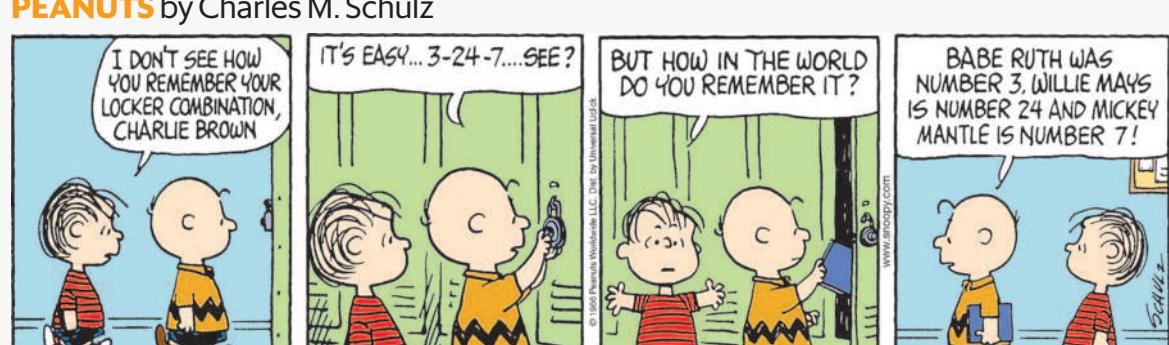
\$5 billion
The minimum turnover of a company looking to become a member of WEF

All currency values have been converted from latest available data in Swiss francs to US dollars at current exchange rates.

Source: Switzerland's Federal Council, WEF website, World Bank, Greenpeace International, Swissinfo.ch, CNBC, Quartz, BBC, Harvard Public Health, Mint analysis

PARAS JAIN/MINT

PEANUTS by Charles M. Schulz



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'Can't stop staffers quitting for better'

Companies must offer value to employees: TCS CEO Krishivasan

Varun Sood & Devina Sengupta

MUMBAI

Krishivasan took over as chief executive officer (CEO) of Tata Consultancy Services Ltd (TCS) on June last year, after the previous CEO, Rajesh Gopinathan, stepped down abruptly in March. Krishivasan, 59, who joined TCS in July 1989, had taken over in April 2007 as the president of the banking, financial services and insurance (BFSI) division, which accounts for a third of the company's total business. In his first short sit-down interview with Mint, the soft-spoken Krishivasan came across as guarded. Under his watch, TCS has done better than smaller rival Infosys Ltd for two straight quarters, with the boss sharing that the company is now focusing more on growth and expects the next financial year to be better than the current one. Edited excerpts:

PEOPLE POWER



You need to retain people by your values. Why don't senior executives leave TCS? Because we ensure that there is a long-term value we offer.

K. Krishivasan, CEO, Tata Consultancy Services

wanted to know if we are more optimistic about FY25 than FY24. The answer to that was yes, we are more optimistic about FY25 than FY24. I think that is what is reflected in the market. We are not saying that Q4FY24 or Q1FY25 will be strong. We are saying that we believe, based on

what we see in the environment right now, that FY25 will be better than FY24.

What is the reason behind this optimism?

We said that the demand environment in Q3 has not deteriorated further compared to Q2. We have

TURN TO PAGE 9

INTERVIEW

IBC route sets cash registers ringing for creditors in 2023

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Creditors invoking IBC realized about ₹67,000 crore in calendar year 2023. MINT

For businesses and lenders resorting to bankruptcy action in the face of payment defaults by their clients, 2023 has turned out to be a great year, going by the outcome of debt resolution under the Insolvency and Bankruptcy Code (IBC).

Creditors invoking IBC have realized about ₹67,000 crore in calendar year 2023, a 221% jump from the year before. In 2022, creditors had realized about ₹20,860 crore by initiating bankruptcy action under IBC, a senior government official said. The recovery includes both repayment of debt after turning around a distressed company as well as liquidation proceeds.

The sharp improvement in realizations comes from a jump in the number of cases resolved by National Com-



Institutions too have sold options, but these are against physical holdings; so their losses would be offset by gains in stocks. MINT

Tech surprise traps retail option sellers

Ram Sahgal
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MUMBAI

Retail traders who took huge punts ahead of the tech pack results are in serious trouble if they don't hold the underlying stocks, market analysts said.

Shares of Infosys Ltd and Tata Consultancy Services Ltd (TCS) shot up on Friday after they posted better-than-expected third quarter results the previous day, while Wipro Ltd and HCL Technologies Ltd, which released earnings after market hours on Friday, are expected to open higher on Monday.

Sellers of call options took up the huge bets on expectations that information technology (IT) companies' earnings would disappoint and

their share prices would correct. But the results came out better than expected, and the stocks were rewarded by the markets.

Interestingly, both foreign and domestic institutions as well as proprietary traders have also sold call options, but these are against actual physical holdings; so, their losses in options would be offset by the gains in their stock holdings, said Kruti Shah, a quant analyst at Equities Securities.

"Retail tends to punt before results and they do it through options," Shah said. "Since most of these bets are naked (without underlying shares), they would bear the brunt of the gap-up the most."

The pain felt by retail investors solely punting on the

TURN TO PAGE 4

Budget likely to feature sovereign green bonds

Rikh Kundu &
Subhash Narayan

NEW DELHI

The Union budget may propose to issue sovereign green bonds worth at least ₹20,000 crore as part of the borrowing programme for fiscal year 2025 (FY25), two people aware of the matter said. A large chunk of these bonds may be sold in the second half of the next fiscal year, one of the two people said.

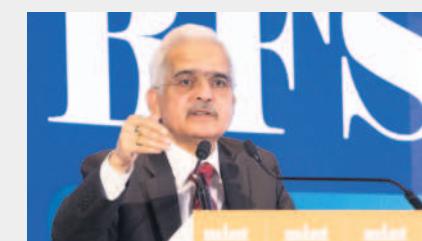
Green bonds address the funding requirements for projects in solar, wind and hydro-power sectors. With several

IND.AI SURGE
INTERIM BUDGET 2024

financially viable projects in the public sector in the pipeline, policymakers feel that funds raised through this route will be easily utilized.

The Union budget for FY24 did not mention sovereign green bonds. However, the government later included a phased ₹20,000 crore green bond plan for the second half of the borrowing calendar. Of this, bonds of ₹ 5,000 crore with a tenure of five years were sold in November 2023, and

DON'T MISS



Mint BFSI Summit & Awards

Reserve Bank of India governor Shaktikanta Das, insurance regulator Debasish Panda, Sebi whole-time member Kamlesh Varshney and veteran banker K.V. Kamath were among top leaders who graced the Mint BFSI Summit and Awards 2024. ➤P11, 12, 13

Tata Consumer to integrate its new acquisitions in four months

Tata Consumer Products Ltd will continue to look for new opportunities to expand business in India and integrate its latest acquisitions Organic India and Capital Foods in three to four months, Sunil D'Souza, MD and CEO, TCPL, said. ➤P6

Maldives sets 15 Mar deadline for India to pull out its troops

The Maldives has asked India to withdraw its troops stationed in the country by 15 March, said Abdulla Nazim Ibrahim, a top aide to President Mohamed Muizzi. "Indian military personnel cannot stay in the Maldives," Ibrahim said. ➤P2

Kirloskar Ind files fresh affidavit vs Kirloskar Brothers

Kirloskar Industries Ltd (KIL) has filed a fresh affidavit before the National Company Law Tribunal (NCLT) against Kirloskar Brothers Ltd, disputing statements made by the latter in a recent affidavit regarding a six-year-old case between the factions. ➤P7

GPS toll test from Feb, in beginning of end for FASTag

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The Centre plans to begin testing GPS-based toll collections on five to 10 highways from next month, a top government official said. GPS tolling, which is faster and more efficient, is expected to ultimately replace the existing FASTag-based tolling system.

The new system will be piloted on limited highway stretches before it is rolled out nationwide, roads ministry secretary Anurag Jain said.

"Highway developer National Highways Authority of India (NHAI) is working on satellite- or GPS-based tolling that would introduce a more equitable way of collecting tolls on highways. There are a few concerns on the new system that would be addressed and the learnings from initial projects would make way for devising a foolproof system of tolling that would later be available on more and more highway stretches," Jain said.

Under the new system, toll will be collected on the go, ending the need for dedicated toll plazas. This will require geofencing of highways using global positioning system (GPS) or radio frequency iden-

tification (RFID) technologies to create a virtual geographic boundary, which would enable the software to trigger a response when a mobile device enters or leaves the fenced-off area.

So, under GPS-based tolling, vehicles will need to be fitted with a device that can track their movement, and toll will be charged based on the distance travelled at the exit point of a highway. This will allow commuters to pay a lower toll if the distance travelled is less, unlike the present system where tolls have to be paid for a fixed distance at toll plazas even if the vehicle has to travel after a shorter distance.

The new system is based on sensors, so commuters won't have to stop at toll plazas to pay toll. Under the system, highway users will have to get themselves and their vehicles registered, and link bank accounts to transfer toll payments.

"The road ministry has amended the National Highway Fee (Determination of Rates and Collection) Rules, 2008, allowing for the collection of toll fee based on distance travelled by the vehicle on the national highway. This

TURN TO PAGE 4

"I expect to be the president," he said in an interview as he crisscrossed this state ahead of the presidential caucuses Monday that will start the 2024 nomination battle. But that expectation rests on hopes for a dramatic change in the race: Donald

TURN TO PAGE 6

Vivek Ramaswamy has a strategy, but it rests on Trump's exit

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For those who speculate about what Vivek Ramaswamy really wants out of his long-shot Republican presidential bid—perhaps a podcast or a television contract—the wealthy biotech entrepreneur has one answer.

"I expect to be the

president," he said in an interview as he crisscrossed this state ahead of the presidential caucuses Monday that will start the 2024 nomination battle. But that expectation rests on hopes for a dramatic change in the race: Donald

Trump's departure.

Ramaswamy's plan is essentially to wait it out to take over the former president's voter base, should the former president become ineligible to run due to his many legal challenges. The political elite want to eliminate Trump from contention and trot in their puppet to the White House," he said.

"I think that our base should not fall for that trap," Ramaswamy said. "I'm here to make sure they don't, that we don't. The America First agenda cannot end with Donald Trump." The former president faces 91 criminal charges related in large part to his handling of

classified documents and efforts to overturn the 2020 presidential election.

Ramaswamy, a brash 38-year-old, said he would consider 10% support in Iowa's caucus results to be a victory—though he thinks he'll do better—and plans to continue to use his nearly \$1 billion fortune

to continue campaigning into the later-voting states.

Asked whether the campaign might give him a platform beyond the GOP race, he said: "I already have a podcast. It's not that hard to start one. It's called opening a social-media account."

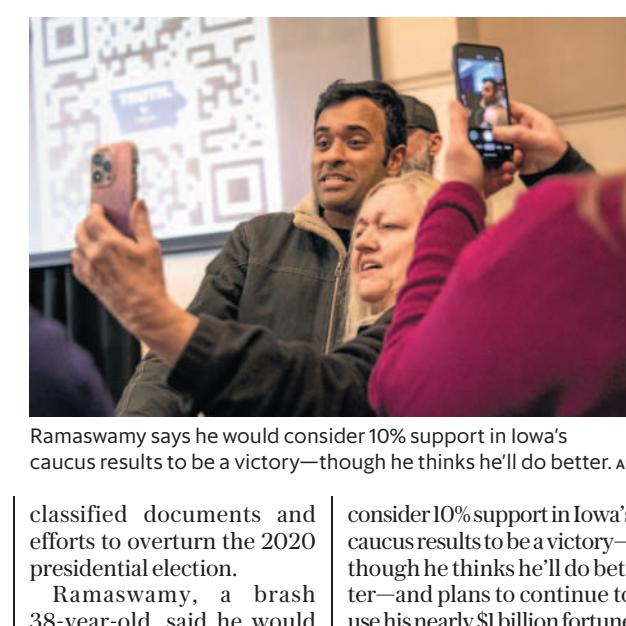
Trump leads all early state and national polls by wide margins, while Florida Gov. Ron DeSantis and former South Carolina Gov. Nikki Haley are in a bitter fight for second place. Ramaswamy, meanwhile, polls in fourth place. He is usually in the single-digits, including in Iowa, where he has focused his efforts.

Ramaswamy has called Trump the "best president of

the 21st century" and has been one of his most vocal defenders against criminal charges and criticisms.

The political novice first dismissed a question about whether he'd consider being Trump's running mate and said he'd offer the former president a job in his own administration. Pressed again on the running-mate question, Ramaswamy said he would think about it and that anybody who says they wouldn't consider the job "is being dishonest."

On Friday and into Saturday, a blizzard scrambled plans for the major presidential candidates just days before the caucuses. But Ramaswamy

**TURN TO PAGE 6**



m THE MONDAY QUIZ

1) WHICH major global player is currently in talks to acquire Juniper Networks?

2) WHICH company has overtaken Apple as the world's most valuable company?

3) WHAT is the name of the marketplace launched by OpenAI for personalized AI applications?

4) WHICH recent noteworthy technology event occurred in Las Vegas?

5) WHICH music streaming app is set to shut down its service in India by 31 January?

GLOSSARY

API shadow: API shadow, also known as undocumented application programming interface (API), is an independent API within an organization that is not authorized or monitored. It may have been created by programmers to speed up their work, or it could be a remnant from previous software versions.



Overclocking: Overclocking is the process of forcing your computer to run faster than it's intended to go. You can overclock both your CPU and graphics card, which can help you run advanced programs on an older PC. Although overclocking is largely safe, it's possible to run into overheating and crashing issues.

LAM: A Large Action Model or LAM is a model that can take actions based on prompts. LAMs are capable of understanding any type of user interface and navigating through it like a human. For example, your assistant is on leave and you need to update an important spreadsheet, LAMs can do that.

Overfitting: Overfitting occurs when a machine learning model becomes overly tuned to the training data, rendering it less applicable to other data sets. A model is considered overfitted if it is too tailored to the original data, resulting in problematic or erroneous outcomes when applied to future data and leading to suboptimal decisions. In comparison, a more generally fitted model will be more accurate when presented with new, similar data, even though the overfitted model may appear to have higher accuracy when applied to the training data.

'VCs conservative on edtech, content firms'

Edtech in India, China not looking good these days, says Coursera CEO

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NEW DELHI

The downfall of Byju's, once a \$22 billion giant and India's leading edtech startup, has sent ripples across the tech industry, triggering caution among venture capital (VC) and private equity (PE) funds. This has led to a persistently challenging market, Jeff Maggioncalda, chief executive officer of US-based edtech firm Coursera, said in an interview with *Mint*.

"How the Byju's crash affected the overall edtech industry depends on the stage each company is at, and where in edtech it caters to. Edtech in India and China are not looking good these days. China had their policy changes, and India has had challenges, too. From during the covid-19 pandemic and now, financing went from as much money as one could ask for at incredibly high valuation, to much higher conservatism," Maggioncalda said.

The worst, according to him, are content creator-based edtech startups. "No investor will presently invest in local content firms—the language is no longer a differentiator, and neither is content domain expertise. New startups have no distribution, making this one of the worst segments to be in—especially in edtech's parlance," he added.

In early 2022, Byju's was gearing up for an initial public offering (IPO) with a reported valuation of about \$40 billion. However, it witnessed a swift downturn in its fortunes the following year. On Thursday, BlackRock slashed Byju's valuation to a mere \$1 billion, down by over 95%. The investment firm, which holds a 1% stake in the edtech firm, however, did not offer a reason behind the sharp devaluation of what was once India's startup poster boy.

The reported reasons for Byju's downfall, include corporate misgovernance,



Jeff Maggioncalda, chief executive officer of US-based edtech firm Coursera.

mounting debt exceeding \$1 billion, high-profile exits, including three board members, auditor Deloitte, and chief financial officer Ajay Goel. Its struggle to secure the capital needed in today's cautious edtech landscape has also led to the devaluation, Maggioncalda said.

However, this has not impacted some of

quarter of this year."

For the September quarter, Coursera reported revenues of \$165.540, up 21.4% sequentially, while its net loss declined by nearly 11% to \$32,090. The firm is trying to script a turnaround by the end of 2024.

Coursera follows a January to December financial year. The company's stock price on the New York Stock Exchange has more than doubled. Starting from a one-year low of \$9.91, Coursera shares were trading at \$19.38 at the time of publishing this report.

The company is exploring inorganic growth avenues to boost profitability, amid the challenging environment for small startups to secure funding. "Not just us, every company is likely to look for it. The rate of innovation is unprecedented, but not all of it can happen in-house. Much of it is happening adjacent to us, and larger firms will use M&As as R&D strategy. That makes sense for us, as well," he added.

NAVIGATING ROUGH WATERS

CONTENT-creator
focused edtech
startups saw most
significant impact,
Maggioncalda says

BLACKROCK has
slashed Byju's
valuation to a mere
\$1 billion, down over
95% from its peak

US-based company
Coursera expects
consistent global
growth despite
challenges

the other major players in the edtech sector. Coursera, for instance, expects consistent global growth despite challenges.

"We've done over 20% revenue growth last year, and we add 5-6 million new users every quarter. This has remained steady. We have \$700 million of cash, we have no debt, and we'll be profitable by the fourth

Xponentia Fund II surpasses target, closes at ₹1,095 cr

Malvika Maloo
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BENGALURU

H omegrown mid-market private equity firm Xponentia Capital has marked the final close of its latest fund. Xponentia Opportunities Fund II, a category-II alternative investment fund, raised ₹1,095 crore, surpassing the initial ₹750 crore target set in 2022 by 46%, confirmed P.R. Srinivasan, its managing partner.

The fund had achieved its first close in July 2022, and in December, it hit the final close.

The PE firm, which backed the likes of Barbeque Nation, and Easy Home Finance, will deploy its second fund across financial, business services, healthcare and consumer sectors. It has invested nearly 25% of its capital (about ₹270 crore) in electric vehicle (EV) maker Altigreen, fintech firm Zype; clothing brand The Souled Store and education financier Auxilo.

"It intends to back eight more ventures, with about ₹150 crore, each. In November, it was in advanced discussion with hair care company Traya. The second fund attracted commitments from existing investors, and domestic entities, including high net-worth individuals, family offices, non-resident Indians, and insurance companies. Apart from participating in the Small Industries Development Bank of India (Sidbi)'s Fund of Funds programme, its limited partners also include the likes of HDFC Life Insurance and Bajaj Allianz. "We like Xponentia due to their sharp focus on mid-market space, value creation framework and keen focus on exits," said Sampath Reddy, chief information officer, Bajaj Allianz.

"Its focus on financials, consumer and healthcare, gives us the opportunity for exists with good returns, on the back of robust domestic demand and economic growth," he added.

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JANUARY 2024
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SECTORS

IT & TELECOM BROADCAST IoT FINTECH EMS MOBILE STARTUPS
GREEN ENERGY BUILDING & INFRATECH WATER & CLEANTECH SMART MOBILITY

EXPO HIGHLIGHTS

55,000
ATTENDEES

1,200
PARTICIPANTS

250
STARTUPS

50
CONFERENCE
SESSIONS

35
COUNTRIES

25
AWARDS

SOME EMINENT SPEAKERS



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PVSM, UYSM, AVSM, VSM
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Hon'ble Governor
Govt. of Uttarakhand



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Minister of State
Ministry of Housing &
Urban Affairs (MoHUA)



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of Moscow, Head of Dept.
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Joint Secretary and Mission
Director, Smart Cities
Mission, MoHUA



RAHUL KAPOOR
Joint Secretary
(NULM & PM SVANidhi)
MoHUA



A. DHANALAKSHMI
Joint Secretary
Ministry of Science
& Technology



GARIMA MITTAL
CEO
Faridabad Smart City



ATHAR AMIR KHAN
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Chairman, India Cellular &
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HASIT TRIVEDI
CTO, Digital Technologies
and Global Head - AI
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NEWS
IN
NUMBERS**1,080****THE NUMBER** of aircraft movements at the Agatti Island airport in Lakshadweep between April and November 2023, the lowest in eight years, according to AAI.**300,000****THE NUMBER** of temporary residents who arrived in Canada in the third quarter of 2023, amid rising political pressure to put a cap on international students.**\$94 bn****THE DROP** in the market valuation of Tesla in the first two weeks of 2024, after its good run in 2023 when its share price more than doubled in 12 months.**₹3,864 cr****THE AMOUNT** foreign portfolio investors invested in Indian equities in the first two weeks of Jan, as they slowed down amid uncertainty over interest rates.**\$63.21 mn****THE TOTAL** compensation earned by Apple CEO Tim Cook in 2023, down from \$99.4 million in 2022, according to the company's proxy filings with the US SEC.

HOWINDIALIVES.COM

'Hope airfares come to sweet spot'

Emphasizing that airfare is a function of supply and demand, full-service carrier Vistara's chief Vinod Kannan has expressed hope that ticket prices will come to the "right sweet spot where customers will travel and airlines can make money".

Vistara, a joint venture between Tata Group and Singapore Airlines, currently, operates around 320 flights daily. To a query on concerns in certain quarters about air ticket prices going irrationally high, the airline CEO said the thing with airfares is that people complain when it goes high and no one compliments when it goes down. "There are times in the year due to seasonality...our fares in 2023 were even lower than 2022," he noted.

During an interaction with PTI, Kannan said that certain measures are in place to ensure that airfares are not irrational, especially when there are natural calamities or when something unfortunate happens.

PTI



India's economy is projected to grow by 7.3% in the current fiscal year.

'India withstood geopolitical shocks'

The Indian economy has withstood all geopolitical shocks in the last couple of years and it will also be able to navigate the uncertainties that lie ahead, RBI Monetary Policy Committee (MPC) member Jayanth R. Varma said on Sunday.

Varma further said he expects a benign outcome in 2024 where inflation comes down and growth remains robust.

"The Indian economy has withstood all these shocks (Russia-Ukraine war, Israel-Hamas war, rising oil prices, Houthi attacks) in the last couple of years, and I do not believe that the geopolitical situation will be significantly worse in coming months than what we experienced in the recent past," he told PTI in an interview.

Moreover, Varma, a professor at the Indian Institute of Management, Ahmedabad, said the continued slowdown in China has led to sharply reduced demand for energy and other commodities, and this too has ameliorated the adverse effects of supply shock. India's economy is projected to grow by 7.3% in the current fiscal, higher than 7.2% in 2022-23.

PTI

Succession auction nets over \$600,000 as fans flock to props

Hey Buddha, nice Tom Fords," says Roman Roy, pointing to Kendall's sneakers in episode two, season four, of the HBO drama Succession. For a final price of \$2,125, those Tom Fords could have been yours, spiritual teachings not included. The shoes were among 236 lots of memorabilia from the hit series auctioned by US Heritage Auctions on Saturday, fetching a total of \$627,000. The priciest item: pink notecards scribbled with the eulogy that Roman (Kieran Culkin) left undelivered at his father's funeral in the final season. The cards sold for \$25,000.

Succession, the story of three uber-rich siblings vying to take over their father's media company, ended in May and is currently dominating the awards season. A week ago, the show scooped up four Golden Globes including best TV drama series. One of the most iconic items listed was the "illiciously spacious" Burberry bag carried by an outsider to a family event, which sold for \$18,750. The sight of which made Tom Wambsgans, played by Matthew Macfadyen, famously quip, "What's even in there, huh? Flat shoes for the subway?"

BLOOMBERG



This undated image provided by Heritage Auctions shows a Burberry bag prop from the HBO series "Succession."

AP

'Can't stop people leaving for better incentives; cos must offer value'

FROM PAGE 1

close to \$40 billion of order book as of Q3. We are continuing to execute as per plan. Some of the work that we started in the past is not coming in or getting deferred (as much as before). This brings us to the classic leaking bucket theory—are we losing more business now than we are winning? The answer to that is no. We are continuing to add more business because of our strong TCV (total contract value) and that is why there is reason to be optimistic about FY25.

Has TCS got its mojo back under your watch?

I don't want to look at my watch and compare it to any of

my predecessors. This is because TCS is a continuum at play. Our strategy continues. We have not gone for drastic changes. We've been trying to push the sales teams to win more because eventually, in a tight market, you must gain marketshare. If you don't gain marketshare, you cannot sustain growth. And hence, we have increased the focus on market share. Increased or sustained margins are a by-product of operational excellence.

What do you say on the role of Tata Sons chair N. Chandrasekaran?

He knows the industry better than anybody else. We don't expect him to make decisions on our behalf nor do we expect

him to do our operating plan on our behalf. We don't go to him seeking direction on individual RFPs (requests for proposal) or opportunities also. There are strict lines that we don't cross.

We seek him out as an advisor, a mentor and our consultant. Probably the best advisor available to us and he's always willing to give us time. To say I speak with him

every day will be a stretch. I started working with him in 1992 and he has been my boss for most of these years. When you work with someone for three decades, your relationship is both formal and informal. I'm comfortable talking to him any time. But I need to respect his position. Because as CEO, I have a job to do and I cannot expect him as the chairman of the board and the company to do that job. There are areas where we take his guidance. For instance, the conversations around generative AI (artificial intelligence). We discuss the kind of investments we are making in gen AI and seek his opinion, but seeking guidance on operational issues is not fair on my part and

I do not do that.

On talent mobility...

Like most TCSers, the thought of working outside has never crossed our mind. It's not something we debate or think about at all. Organizations must provide the right work environment. People have the freedom to work where they want to and where they feel they are valued and cherished. You need to retain people by your values. Why don't senior executives leave TCS? Because we ensure that there is a long

term value we offer. All CEOs before me joined this company as trainees. Anybody who joins TCS knows that they have a shot at becoming the CEO, at least

I can tell you that our retention among trainees is higher than the experienced professionals.

K. Krishivasan

CEO, TCS

tives elsewhere, they will leave the company and we cannot stop people from doing that.

On slow campus hiring...

We are doubling down on going in person to campuses for hiring. Last year, we hired about 40,000 freshers. This year, we will start with a smaller number and see how it plays out based on the demand situation. But our belief remains that we should go to the campuses. I can tell you that our retention among trainees is higher than the experienced professionals. Also, if all companies are only going to hire experienced professionals, then who is going to make the freshers experienced?

varun.sood@livemint.com



TCS is a continuum at play, says CEO K. Krishivasan.

PTI

IT'S PONGAL

Prime Minister Narendra Modi offers prayers as part of Pongal festival in New Delhi on Sunday.

ONGC finds gas in Mahanadi basin

State-owned Oil and Natural Gas Corporation (ONGC) has made two significant back-to-back natural gas discoveries in a Mahanadi basin deepwater block in the Bay of Bengal as its calculated game plan of venturing into high-risk deep water exploration starts yielding results.

The firm made the discoveries in the block MN-DWHP-2018/I, which it had won in the third round of auction under the open acreage licensing policy in 2019, two sources with direct knowledge of the development said. ONGC has notified the discoveries to upstream regulator directorate general of hydrocarbons and is now doing pool size and commercial viability assessments, they said.

India is targeting raising the share of natural gas in its energy basket to 15% by 2030 from the current 6.3% and more domestic production will aid that.



Milind Deora quits Cong for Shiv Sena

In a setback for Congress in Mumbai ahead of Lok Sabha polls, former Union minister Milind Deora on Sunday quit the party "to walk the path of development" and joined the Shiv Sena led by chief minister Eknath Shinde, ending a "55 years old association" of the Deora family with the Grand Old Party.

The former Mumbai South MP announced his decision to resign from the primary membership of the party on social media platform X in the morning hours on Sunday.

In the afternoon, Deora joined the Shiv Sena in the presence of Eknath Shinde in a function at Varsha, the official residence of the chief minister.

Earlier in the day, when Deora stepped out of his residence 'Ramalayam' in south Mumbai, he told reporters that he was "going to walk on the path of development".

Uttarakhand to implement UCC

Defence minister Rajnath Singh on Sunday said Uttarakhand is likely to become the first state in the country to implement a Uniform Civil Code. A Uniform Civil Code (UCC) for Uttarakhand was one of the major poll promises made by the BJP in the run-up to the state assembly elections held in 2022.

Addressing a gathering at the "Uttarayan Kauthik" programme organised by people who hail from Uttarakhand, Rajnath Singh said, "I think if some state is going to become first in implementing uniform civil code, it will be Uttarakhand."

He, however, did not elaborate on this. After being voted to power for a second consecutive term, Uttarakhand chief minister Pushkar Singh Dhami gave his nod to setting up a committee headed by retired Supreme Court Judge Ranjana Prakash Desai to draft the UCC at the very first cabinet meeting headed by him.

PTI

Yatra needed due to injustice: Rahul

Embarking on the Bharat Jodo Nyay Yatra from Manipur, Congress leader Rahul Gandhi on Sunday said this was needed as the country was going through a period of "great injustice" and asserted that a vision of India based on equitability, brotherhood and harmony will emerge from the yatra.

Noting that during the Kanyakumari to Kashmir Bharat Jodo Yatra, they used to walk during the day and have a speech in the evening, Gandhi said the idea was to listen to farmers, labourers, small shopkeepers, women and youth. This is the aim of this yatra (Bharat Jodo Nyay Yatra) as well, he added.

PTI

whole family decides. I believe that if organizations must retain people, they need to do so through positive incentives. If somebody finds more incen-

BUYING HOMES: WHY TAX POLICIES NEED A TWEAK

Current terms encourage speculation in real estate, which doesn't work well for those looking to buy homes to live in



File photo of a residential property in Bengaluru. Availability of affordable housing in cities plays a huge role in uplifting a family economically. But affordable housing in India isn't going anywhere.

MINT

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MUMBAI

India's income tax system is built in favour of the non-salaried rich. One facet of this is income tax laws encouraging investment in real estate. Many investors buy residential homes and then keep them locked. They drive up home prices and a few end up cornering a good chunk of the residential real estate market. They also make renting difficult. And this is not environmentally friendly as well.

Given these reasons, income tax laws that incentivize investing in real estate need to be rewritten. The agenda can perhaps be set with the interim budget which is due on 1 February and then moved further once the budget for 2024-25 is presented in July after the Lok Sabha elections. In this piece, we will look at why this needs to be done and what exactly the government can do.

HOME LOANS

Take a look at the chart. It plots two curves. The ratio of priority home

than was the case in the past.

The chart considers loans given by HDFC as a part of the banking system starting from July 2023. In November 2023, the ratio of priority home loans to overall home loans stood at 28.5%, and that of non-priority loans stood at 71.5%. (If we leave out HDFC loans, the ratio of priority home loans and non-priority home loans to overall home loans was at a very similar 29.5% and 70.5%, respectively.) What the chart clearly tells us is that the ratio of priority home loans has been falling over the years and that of non-priority home loans has been rising.

Now, what does this mean? This basically means that more home loans are being used to finance the buying of more expensive homes. In fact, the percentages don't reveal the gravity of the problem over the last few years.

Over the last three years, the total increase in outstanding home loans given by banks (without taking HDFC's loans into account), has stood at ₹7.7 trillion. Of this, more than 87% are non-priority loans. Over a period of five years, close to four-fifths of the incremental outstanding home loans are non-priority.

Clearly, banks have been funding higher-priced homes of people who are in a position to pay higher EMIs. People investing in homes and indulging in conspicuous consumption (particularly non-resident Indians)—that is rich individuals buying homes to show off their wealth—and keeping them locked, add to demand and push up home prices, in the process making things difficult for those who want to buy homes to live in.

THE ENVIRONMENT

Different materials go into building a home, everything from steel, bricks, sand, concrete, ceramics, plastics, glass and even a lot of water. Production of these materials requires the burning of fossil fuels. Vaclav Smil explains this in detail in *How the World Really Works*, where he points out that concrete, plastics and steel are the three of the four pillars on which human civilization is built (the fourth being ammonia). As he writes:

"The mass scale production of all of them depends heavily on the combustion of fossil fuels." He further points out: "Iron ore smelting in blast furnaces requires coke made from coal (and also natural gas); energy for cement production comes mostly from coal dust, petroleum coke, and

heavy fuel oil." Cement is "the indispensable component of concrete". Iron ore is used to make steel. And all of this leads to the emission of greenhouse gases. Also, construction leads to the generation of dust, which adds to pollution. Take the case of Mumbai. As a report by research firm Liases Foras points out: "The annual incremental construction in the BMC [Brihanmumbai Municipal Corporation] limit of Mumbai has grown 68% since 2022 and 142% from 2021. The Mumbai Metropolitan Region (MMR) also shows a 36% growth since FY22 and 98% growth since FY21."

Now, after all this, if a new home is bought and locked up, what's the point? It leads to the emission of greenhouse gases, which possibly wouldn't have emitted otherwise. It generates construction dust. It leads to the usage of a lot of water, which isn't exactly available in abundance to start with. It leads to the digging up of more sand than is required, and given that a good portion of sand mining isn't exactly organized, it leads to an increase in illegal sand mining.

AFFORDABLE HOUSING

Raghuram Rajan and Rohit Lamba talk about Rajan's experience as the Reserve Bank of India (RBI) governor in *Breaking the Mould—Reimagining India's Economic Future*: "When Rajan served as governor of the RBI, one of his most enjoyable experiences was the annual party for the RBI drivers, cooks and waiters and their families at his home. These workers proudly introduced their children—one a software engineer, the other an officer working for a multinational bank. These families had made the jump from lower middle class to upper middle class in one generation, in part because the RBI had employed someone in the family in a low paying but steady job with decent housing and health-care benefits."

The point being that the availability of decent affordable housing in cities plays a huge role in uplifting a family economically. But affordable housing in India isn't going anywhere. A recent news report on *livemint.com* quoted Ravi Subramanian, the managing director and chief executive officer of Shriram Housing Finance Ltd, as saying: "The government should raise the cap on the affordable housing segment... Now, the upper limit or ceiling is ₹45 lakh, which is quite inadequate."

₹45 lakh in a country with an expected per capita income of ₹2.13 lakh in 2023-24, is a lot of money. Also, as data from Stats of India, based on the World Inequality Database, points out, 90% of Indians make less than ₹25,000 per month. Of course, the situ-

mint SHORT STORY

WHAT

India's current tax policy incentivizes buying homes as an investment. Many rich people who buy homes keep them locked, add to demand and push up prices.

SO

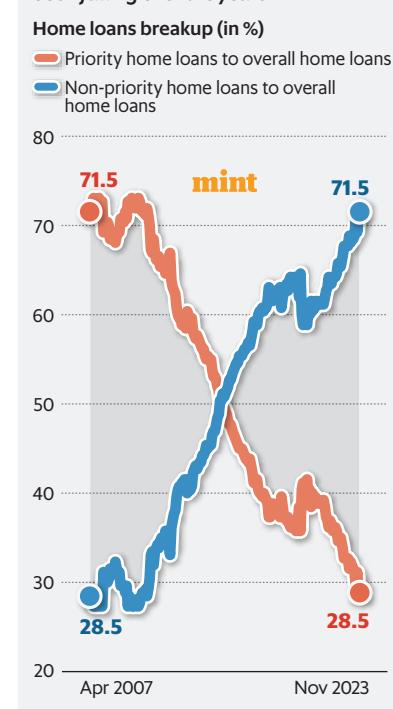
Capital gains from the sale of homes could be taxed at the marginal rate of tax. But this will lead to loud protests from those who benefit from the current regime.

AND

The government needs to encourage those who own homes to rent them out. On the tax front, this can be achieved by taxing rental income at a lower tax rate.

HIGH-PRICED SHIFT

The ratio of priority home loans has been falling over the years



Source: Author calculations on data from Centre for Monitoring Indian Economy

SATISH KUMAR/MINT

Of course, moving towards a simpler tax regime will lead to loud protests from those who benefit from this (read the non-salaried rich and chartered accountants). As Jonathan Haskel and Stian Westlake write in *Restarting the Future—How to Fix the Intangible Economy*: "Small groups have a particular advantage when the matter at stake is not obvious, as in the case of income tax rates and income tax exemptions. Income tax rates, which are usually progressive, take a larger percentage of rich people's income, but income tax exemptions are typically much more generous for richer groups."

At the same time, the government needs to encourage those who own homes, to not keep them locked and rent them out. On the tax front, this can be achieved by taxing rental income from homes at a lower tax rate. This will also discourage those landlords who insist that tenants pay them in cash (at least in part).

Of course, this will only be a very small step in making residential real estate in cities across India a little more affordable, given that the sector is too complicated and too convoluted to be set right only through incentives and tax policy.

REAL ESTATE INDEX

The government also needs to come up with a proper real estate index that the country currently lacks. The RBI's House Price Index is released once every three months. As of now, the latest data available is for September 2023. Further, the coverage of the index is limited to just 10 cities. It doesn't cover large cities like Hyderabad, Pune, Surat, etc. Also, there is no detailed breakup available for individual cities, at least not in the public domain.

It is important that a monthly index is developed. This will be very helpful given that people won't just depend on hearsay while deciding to invest in real estate, but will have access to real data. Also, the calculators which allow people to calculate the real returns they earn on investing in real estate need to be developed. Currently, most individuals calculate real estate returns by subtracting one large number, the price at which they had bought, from another large number, the price at which they had sold. They fail to take into account several important factors like the time value of money, the interest paid on the home loan, the property tax paid over the years and the maintenance charges paid to the society. This leads to the mistaken belief that real estate always delivers fantastic returns, which many people who invested from 2011 to 2021, found out wasn't the case.

Vivek Kaul is the author of *Bad Money*.

tion in cities might just be a tad better than the overall scenario.

So, even at ₹45 lakh per pop, the so-called affordable housing is a luxury in India. This is clearly visible in the home-loan data shared above, where a bulk of the loans given out in recent years have been non-priority ones. In this scenario, if investors and the conspicuous consumers continue buying homes, it only makes the situation worse.

TAX POLICY

Tax policy in India incentivizes buying homes as an investment. Income earned from the salary or business income of an individual is taxed at the marginal rate of tax. The highest marginal rate of tax, even without taking the different kinds of surcharges for higher income into account, is 30%. At the same time, long-term capital gains made from selling residential real estate is taxed at 20% with indexation benefits being available. Indexation allows the consideration of inflation while calculating the price of buying a house as well as improvements made on it over the years, in order to calculate capital gains. Long-term capital gains on selling a home come into the pic-

ture if the period of holding between the buy date and the sell date is more than 24 months. This effectively means that the tax on capital gains (a form of income) made from buying and selling of homes, is significantly less than even 20% (it can be even lower than 10%). Plus, the holding period of two years is way too low.

This is something that the coming interim budget and the full budget need to take a look into. The current terms encourage speculation in real estate, which doesn't work well for those looking to buy homes to live in. The government should consider taxing capital gains arising from the sale of homes at the marginal rate of tax, like it now does in the case of debt mutual funds and like it has always done in the case of interest earned on the home fixed deposit.

Also, this does not hurt those looking to upgrade their house, given that capital gains are exempt from income tax, if they are used to buy a new home or two new homes, to the extent that the investment is made one year before the sale or within two years of the sale. Also, this option can be exercised by the taxpayer only once in their lifetime provided the amount of long-term capital gain does not exceed ₹2 crore.

'Corporates are investing through cash accruals'

Cash is not going out to repay bank loans, but to fund the business, says K.V. Kamath

Ranjani Raghavan
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MUMBAI

Veteran banker K.V. Kamath, 76, the former chief of BRICS countries' New Development Bank and known primarily as chairman of National Bank for Financing Infrastructure and Development, spoke at the Mint BFSI Summit and Awards last week. Kamath touched upon a variety of topics including the growth of the Indian economy, possible challenges, the private investment cycle, recent RBI regulations and the fintech ecosystem. *Edited excerpts:*

On the India growth story

I think we have clearly proven several things to ourselves that we could ride, first, the covid crisis, because it now looks like it is a distant memory. But for me, it was fresh because that was probably the first event in my life, where I did not know where we would head.

The pleasant surprise was how quickly the Indian industry bounced back, and how well the economic conditions and the whole process of stabilizing was done, both by the Centre and the Reserve Bank of India.

And within six months, corporates came back, more efficient than they were. I think the hidden gain there was probably a 25% productivity bump, which yet no economist (has) talked about.

On private investment cycle

We are used to looking at banks' numbers as proxies for what's happening on the ground investment. I think we need to move to looking at the sum of corporate fixed asset growth, plus working capital and working process growth, and that will tell us much better numbers because today, you will have not only bank borrowings, but a



Veteran banker K.V. Kamath.

very strong cash accrual that is coming through corporates because they are deleveraged and profitable. That cash is not going out to repay bank loans, but to fund the business. And if you need something more, you then always have the capital market to look at... So, the reliance on banks is going down.

On RBI's decision to curb unsecured lending

If you look at the numbers, probably, the worries are right because you had, what one can in banking terms call 'unbridled lending' and 'unbridled growth'. If you have a deep conversation with the credit scoring companies, they will tell you a story as to what's happening with the individual borrower. If an individual borrower is being lent at scores well below 700,

which most bankers would see as a threshold, and then, that borrower has three or four loans. As a banker, you figure out what's happening, there is clearly an evergreening happening there.

On bank attrition and retaining talent

At ICICI Bank, we had to build the talent to grow our business... we did not have people to put into the branch because suddenly from 50 branches a year, we were told, you can open any number of branches. Let's say I want to open 500 branches. Where do I find 5,000 technically skilled people? We codified our training programs, gave it to NIIT (now, Coforge), and said you run it for free. We don't charge, you can charge whatever you charge. And when the graduate

comes out, we will underwrite, to start with, 5,000 a year. Very soon, that number increased and we said, anybody can pick them from NIIT.

Then we didn't have managers. We tied up with Manipal University to do a one-year program in Manipal, in-house. We saw there were no people.

My HR head told me: "You are wearing blinds, you are thinking of the urban people in rural India." I thought he had a point. I gave him a very interesting challenge, said you will advertise only in vernacular press and then let us talk. Then we advertised. He had 100,000 applicants the first year, for the 1,000 slots that we had.

On banks waking up to fintech disruption

The regulator, having put an emphasis on technology, is really right. The problem as I see it is not necessarily investing more, but I would think the challenge for banks is renewing the technology that they have.

We have already seen systemic challenges in a few banks because of technology which creates problems. We have seen that in the past, going very long back, to what sort of rigidity is the mainframe cost.

Of course, now everybody has forgotten what a mainframe was. But then, we were working with nimble machines, it was state-of-the-art for that time.

But in the last six, or seven years with not only cloud but now open-source coming in, your competitors are going to be much more nimble, and you are going to be more and more stodgy.

If I were a bank, I would say what would I do to become nimble, which would mean that large parts of my technology platforms will have to be replaced. The good news is, it can be done virtually at no cost, I repeat, at no cost today.



(L to R) Karthi Purushothaman, partner at McKinsey & Co; Mahavir Chopra, founder, Beshak.org; Anuj Tyagi, joint MD, HDFC Ergo; Prasun Sikdar, MD and CEO, ManipalCigna Health Insurance; and, Mahesh Balasubramanian, MD, Kotak Mahindra Life Insurance.

Insurance industry embraces digital transformation

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MUMBAI

In a shift towards digitalization, insurance companies have started to embrace changes and rethink business models to move towards a compliant, secure, and digitally enabled operating model to enhance stakeholder experiences.

This comes after discussions regarding the industry still being intermediated, as only 5% of policies in the country are being sourced digitally, said Karthi Purushothaman, partner at McKinsey & Co., at the Mint BFSI Summit and Awards 2024.

"The industry predominantly operates through intermediaries, with only 27% of premiums sold through agents, in contrast to countries like Thailand or Korea where the figure stands at around 40%," Purushothaman added. "But efforts are underway to empower agents with digital tools and technology... Significant work is being done to streamline claims processing, leveraging technology like blockchain to detect fraud more efficiently although this may take another four to five

years."

The prevalent trust deficit in the industry, Mahavir Chopra, founder of insurance platform Beshak.org, said is because insurers still relied on customers for data as they continued to grapple with the task of capturing just 28 minutes.

"In the realm of messaging, there's a discernible gap between customer expectations and what insurers deliver. There is also a systemic gap in handling complaints," he said.

"There's a need to address and streamline these gaps in data, communication, and complaint resolution across the industry."

This, the industry experts believe, to be not true, as the insurance industry they say has already implemented many of

the changes, transitioning into being digitally equipped, while enhancing customer and other stakeholder's experience.

"Despite the prevailing external perception that the insurance sector remains tethered to traditional pen-and-paper methods, and ongoing discussions about incorporating digitalization, AI, blockchain, and other innovations, the industry has, in fact, wholeheartedly embraced these

technologies," said Anuj Tyagi, joint managing director at HDFC Ergo general insurance. "An illustrative example is the swift processing of straight-through processing claims in a cashless scenario, averaging just 28 minutes."

The health insurance sector, too, is actively working on integrating their digital channels with the open-source National Health Claim Exchange platform, said Prasun Sikdar, managing director and chief executive of ManipalCigna Health Insurance Co. Ltd. This, he believes would ensure complete digitalization and significantly decrease the time required for a patient to secure discharge at hospitals. Sikdar also said that the health insurance industry disbursed nearly ₹90,000 crore in claims last year, with a substantial portion—₹30,000 crore—dedicated to covid-related claims.

On the notion of persistent delays in customers obtaining or surrendering their claims, Mahesh Balasubramanian, managing director of Kotak Mahindra Life Insurance, clarified that the industry had made notable improvements in this aspect through digitization.

"When a customer decides to surrender, efforts are made to engage in a digital dialogue, steering away from the traditional home branch visits," Balasubramanian added.

AWARD WINNERS PRESENTATION



1) Best Small Finance Bank: AU Small Finance Bank; 2) Best Small Bank: CSB Bank; 3) Best Mid-sized bank: Kotak Mahindra Bank; 4) Best Large Bank: ICICI Bank; 5) Best Mutual Fund (Fixed Income): HDFC Mutual Fund; 6) Best Mutual Fund (Equity): PPFAS Mutual Fund; 7) Best Mid-sized Life Insurer: Kotak Mahindra Life Insurance Company; 8) Best Large General Insurer: SBI General Insurance Company; 9) Best Large Life Insurer: HDFC Life Insurance Company; 10) Best Health Insurer: Niva Bupa Health Insurance Company; 11) Best Small NBFC: CreditAccess Grameen; 12) Best Mid-sized NBFC: Manappuram Finance.

'India has become an investment country'

Samiksha Goel
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MUMBAI

The mindset in the country has changed from save and spend to spend and save, R. Subramaniamkumar, MD & CEO, RBL Bank, said at the Mint Annual BFSI Summit. In the session titled 'Banking's growth juggernaut: can it keep growing?', Subramaniamkumar said there aren't signs of weakness similar to two decades ago. "The economy is growing. We have enough opportunity for growth. Two major factors that will trigger the growth this year are that the living standards for individuals are growing, which will lead to demand in consumer and retail products. Secondly, this demand will trigger the supply side demand." He added: "India was only a savings country. Now it has become an investment country."

Ashwini Kumar Tewari, MD, SBI said geopolitical volatility hasn't had a substantial effect on India. "We are actually seeing a pick-up in demand for loans. Talking to industry players, we found that everyone is looking to expand capacity. Overall I see our bank and gen-

erally banking growing."

"Initially most of the action was in renewables, then roads, and some logistics areas. Now it has moved to a broader economy like steel, cement and others," Tewari said, adding that post elections, some of the capex will pick up.

On governance issues, Pralay Mondal, MD & CEO, CSB Bank said banking does not have the largest governance issue. "The point is we cannot afford to have governance issues because we are dealing with public money."

He, however, said that the regulator putting governance as the largest agenda has brought in more accountability. "When we look at the board and now that two statutory auditors have come in as a mandate, more accountability has come in."

Baldev Prakash, MD & CEO of J&K Bank, also noted the importance of branch networks as well as customer service in the banking ecosystem. "Branch networks are important because the customers want to interact with you before depositing money. But the comfort and convenience of the customer is even more important," he said.



OUR VIEW



BLOOMBERG

'After me the flood' has not marred our budgets

India has largely been fiscally responsible and our post-pandemic economy requires us to maintain that record. Sitharaman's interim budget of 1 February should make that clear

Every budget poses a dilemma for the government. If Hamlet's question was "to do or not to do," the one before every elected administration is how far it should throw caution to the winds on populism. Should it take the '*après moi le déluge*' (after me the deluge) approach of Louis XV of France, spend its way to popularity and election victory? Or should it take a long-term view and do what is eventually best for the country? Economists call this the 'time inconsistency' problem. This annual tug-of-war plays out in New Delhi every year before the Union Budget. But it comes to the fore more starkly if the budget is interim, with its stakes driven up by looming Lok Sabha polls, after which a new government must present the actual plan of inflows and outflows for the fiscal year. Such a vote-on-account is not meant to propose any changes in the tax structure, nor announce any major policy initiative. But giveaways are always a temptation. Recall the Manmohan Singh administration's farm-loan waiver on the eve of 2009's general elections. Or the direct cash transfer scheme for farmers announced a decade later under the Narendra Modi government.

Let's accept it. The electorate likes freebies. Why should it not? It is human nature to want something in return for nothing. The political class, on its part, likes doling them out. So this is a win-win game. The hapless taxpayer, however, must pick up the tab for free water, electricity, debt waivers, you name it, while politicians romp home at the hustings. The moment of reckoning comes later, by which time it is usually too late to undo the damage. We have seen this happen at the sub-national level, with some state governments showing scant

respect for fiscal prudence, their re-adoption of the old pension scheme being a case in point. Fortunately, our record at the national level has been far better. For all the opprobrium we in India love to direct at our political class, it must be said our leaders have behaved far more responsibly than their counterparts in other parts of the subcontinent. Which explains why even as Bangladesh, Pakistan and Sri Lanka had to go, hat in hand, to the International Monetary Fund in 2023, we maintained macro stability. The last time we approached the Fund for help was back in 1991.

Sure, the Fiscal Responsibility and Budget Management Act of 2003 has helped; though critics might say it has been observed more in the breach than in practice, with successive governments pushing the Act's fiscal-deficit target—3% of GDP—further into the future. Yet, while the law could be amended for more Keynesian flexibility, to the extent we do have it on our statute, it serves as a Lakshman Rekha for governments. It certainly has for the Modi administration, which, to its credit, had reduced the fiscal gap to 3.4% of GDP in 2018-19 before covid upended its efforts and it widened to 9.2% in 2020-21. This was in response to a crisis that justified a huge fiscal expansion. A glide path for reversal has since been laid out. This year's Budget estimate is 5.9% of GDP, and even for Finance Minister Nirmala Sitharaman's modest aim of 4.5% by 2025-26 to be met, the government will have to bank on its political capital and not let 2024's elections deflect her from that goal. It was with Sitharaman as FM that a welcome new level of fiscal transparency was achieved. Her track record gives us reason to hope that the long view will prevail.

MANU JOSEPH



is a journalist, novelist, and the creator of the Netflix series, 'Decoupled'

Like you, I have been trained to believe that adaptation to environment is life. Something about the word 'adaptation' gives us the sense that it is the smart thing for an organism to do. And who can have a quarrel with 'the environment', the lovely blue and green brine in which we pickle, which leaks into us now and then and alters us to be better? So, when I read a paragraph that rubbished this view in an off-hand way, I was startled in the way other people's insight could affect me in my teens.

The paragraph is in *A Promised Land: The Triumph and Tragedy of Israel* by Ari Shavit, who uses it to explain why Israel resisted its Arab brine. He writes: "The mid-nineteenth-century French physiologist Claude Bernard was the first to overturn the conventional understanding that life is an adjustment to the environment. Adjustment to the surrounding environment is death, argued Bernard; the phenomenon of life is that of preserving an internal environment contrary to an outside environment."

This is a persuasive interpretation of Bernard's observation: "The constancy of the interior environment is the condition of free and independent life." This phenomenon later came to be called 'homeostasis.' His insight was that life is resistance to the external environment. A minutely perfected internal clockwork protects the body from the environment, which is actually very harsh.

If air on Earth, which is mostly nitrogen, breaks through the body's protections, it will kill us. Pure oxygen, too, can kill us. An ambient temperature of 22°C Celsius is pleasant, but the same thing inside our body will be the end of us. Life emerged on Earth, or perhaps it was seeded from another world but it bloomed here. Nevertheless, Earth is a lethal planet for all life, only somewhat more benign than other planets. Life survives in a vessel that does not 'adjust' to the environment, but defies it. This portends our colonization of other worlds. We have always lived on a toxic planet inside a self-regulatory suit.

You know that I am saying all this to drive home something else, but let me dwell on the analogy a bit longer.

The writer and physician Siddhartha Mukherjee, in an article in the *New Yorker*, explained how precarious the internal settings of the human body are. "Consider tem-

MY VIEW | THE INTERSECTION

Indians should eat together to fortify a national consciousness

Inter-dining offers us a pathway of least resistance to build fraternity and social capital in India



NITIN PAI

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the same thing, but also documented the sophisticated caste rules that caused it. In her brilliant doctoral dissertation, Divya Narayanan recounts the story of how Anand Ram Mukhlis, a Mughal-era chronicler, took his home-brewed beverage to the new coffee houses of Delhi so that he could enjoy the conversations without crossing dietary borders.

The consequence of such an inter-dining culture is that India's stock of cross-cutting social capital is weak. Like a family, a nation that eats together stays together. That traditional wisdom has been backed by evolutionary psychology in recent decades. Communal eating creates social bonding. Our sense of 'us' depends on who we eat with. The more we eat with 'them,' they become 'us.' Religion and caste impose severe limitations on our choice of dining companions and limit us to very small, exclusive communities. It is not surprising that the Buddha, Guru Nanak, Sahodaran Ayyappan and various social reformers through the ages sought to shape egalitarian communities by breaking inter-dining rules.

As I have argued in recent columns, the lack of bridging social capital imposes severe costs on India's national development and economic growth. I could go so far as to identify weak social capital as the single biggest factor that undermines our constitutional aspirations, economic competitiveness and national power. So the weak tradition of communal dining is not just a cultural quirk that we can afford to live with. To the extent that it is one of the most effective ways to build a national community, we must eat together more.

There has been progress towards this. The hierarchical, discriminatory caste structure is no longer considered legitimate. We are a long way from an egalitarian society, but as the title of M.N. Srinivas's last paper declares, the Indian republic has written the obituary of caste as a system. That does not mean castes and *jatis* are dead. Unfortunately, they have flourished anew in the politi-

cal economy of democracy as identity groups, jostling against each other for their share of power, privilege, rights and entitlements. India continues to comprise a large number of small communities.

Inter-caste marriages hover at around 5% of the total and in some parts of the country are met with significant social disapproval. It is difficult to see how inter-caste marriage rates will increase dramatically if the sense of 'us' remains restricted. Building good public schools and civic spaces where people can build a shared sense of community takes time. More importantly, it requires intention, which is absent because we lack a sense of community. I think communal dining is a simpler, low-cost and low-risk way to break these vicious cycles.

But how? Tagore abhorred caste, but being a liberal was reluctant to impose inter-dining in Shantiniketan hostels. Sabysachi Bhattacharya writes that "It was Gandhi's presence and forceful persuasion, which persuaded the Santiniketan community in 1915 to accept inter-dining, much to the delight of Tagore."

Educational institutions, factories and workplaces should have common canteens where people with different food preferences can sit together at the same table (albeit loading their plates from different stalls). Municipal corporations could make space available for street food stalls with common seating areas, much like food courts.

National holidays like Republic Day, Independence Day and Gandhi Jayanti are excellent opportunities to have feasts around our national and civic identities. As our society becomes more insular and exclusive with home delivery and eating in front of smartphones, we must create new occasions for eating together.

And if restaurant owners reading this were to install a few big round tables, they would be performing a national service.

10 YEARS AGO



MINT METRIC

by Bibek Debroy

In Unnao's SBI branch,
A stray bull made customers blanch.

It entered and stood,
To check if the service was good,
Financial inclusion gave it carte blanche.

MY VIEW | MODERN TIMES

Life isn't about adjusting to one's external environment

MANU JOSEPH



is a journalist, novelist, and the creator of the Netflix series, 'Decoupled'

perature: the normal human body maintains an extraordinarily narrow range—somewhere between ninety-seven and ninety-nine degrees (Fahrenheit)—despite enormous, often unpredictable variations in the environment. The level of sodium in your blood is tightly regulated between 135 and 145 milliequivalents per liter—a number controlled by exquisite sensors in the brain coupled with an equally accurate mechanism that retains or dispenses salt and water in the kidneys."

This view of the human body reminds me of the definition of art by E.M. Forster that I have heard my mother chant all through my childhood—that art is something that possesses "internal harmony in the bosom of this disordered planet." (I realize now that she always omitted 'bosom,' probably because the word was X-rated at home.) Art as resistance to its external environment is an explanation of pure art without sanctimony. Finally, a definition of art makes sense to me. And I can see

why pure art is fated to be niche. Art that 'adjusts' to its circumstances is a kind of death. It transforms into something else—still enjoyable perhaps, but not art.

I am fascinated not by the internal harmony part—or art, or the human body, or everything that homeostasis now reminds me of.

That beautiful systems have internal harmony was never a surprise. I am fascinated by the disordered brine. And that a system is a system because it is not an extension of the universe, rather it has been designed in resistance to it.

The survival of Israel, too, was cultural homeostasis. Shavit writes that in the 1930s and 40s, Zionism came to the conclusion that its "surrounding environment is extremely cruel... Under these conditions, adjustment is death. The only way to maintain life is resistance." And Israel came to be the "lonely desert fortress casting the shadow of awe on an arid land."

Homeostasis also explains the meaning of an institution in a true democracy, why

something is an institution only if it is independent. And why the US has institutions and India lacks them. American institutions have survived politics and a president who did not believe in them. They were built in resistance to their political environment. Indian institutions are too new to be sophisticated enough to maintain their own internal harmony. They have 'adjusted' to their environment, to a new India.

The same phenomenon also explains why movements that become too practical are doomed. Practicality is 'adjustment' to the environment. For instance, 'agreeable' feminists, who do not make men uncomfortable, are never as effective as those who have an ascetic focus on their agenda to resist a world created for men.

It may appear that 'adjustment' to circumstances can prolong a movement or a human entity. But that is a misunderstanding of evolution. We have two fallacies about evolution. One is that it is a progression. But in reality, evolution is merely change. The second fallacy is that evolution is an opportunistic transformation of life. What homeostasis tells us is that evolution is the death of a species. Something ends for something else to begin. You may say that is life; but it is actually the definition of death.

A minutely perfected internal clock protects the human body from a harsh environment



| MY VIEW | GENERAL DISEQUILIBRIUM

RBI's new regulatory framework relies on significant self-policing

The broad goal is to not only enable early risk recognition and mitigation but also reduce the regulatory burden for everyone



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S haktikanta Das, Reserve Bank of India (RBI) governor, deviated from his prepared speech while delivering the keynote address at *Mint's* recent BFSI Summit and provided a couple of interesting asides. The governor's office, he said, had been encouraging one-on-one discussions with bank chief executives and a spirit of free exchange had allowed RBI to pick up industry trends that would have otherwise reached the central bank much later. Consequently, the central bank's regulatory actions were occasionally based on such inputs. Das also mentioned in passing that many bankers had been complaining to him about the ever-increasing RBI-imposed regulatory and compliance burden.

These two digressions, taken in conjunction with his speech, provide pointers to the central bank's evolving regulatory architecture. Specifically, Governor Das's stewardship is attempting to make regulation functional at two elementary levels: encourage self-regulation at both the entity level and industry level. The understanding is that since both the entity and industry collective have more knowledge and information than the regulator, pre-emptive actions at these stages will be more timely and effective. Both, though, might need some rethinking and reformatting.

RBI's focused attention on action at the first level is evident from Das's past refrains about the corporate governance gap in banks and non-banking financial companies (NBFCs). This theme was evident even at the BFSI Summit. If, by and large, banks are able to tighten their governance hatches and keep the information pipeline between senior management and board members open, there is a possibility that the board-level committees will be able to stave off emergent risks and crises. However, the prospects get a bit skewed in public sector banks where loyalty is divided because the government hand-picks both senior management and board members and RBI is left wielding residual moral authority. There is, therefore, little incentive in state-owned banks to improve governance structures and processes on issues relating to regulation.

Financial institutions also have to contend with problems that afflict board-level committees—such as risk management or internal audit, responsible for safeguarding shareholder interests—in non-financial companies. For one, in many private banks, the chairman and chief executive decide appointments to these committees, creating an inherent conflict of interest and sowing seeds of possible prejudicial outcomes. Another organizational problem is a topsy-turvy incentive structure, with the marketing and business origination teams accorded priority over the teams in assurance functions, such as risk management.



The second level of regulation finds expression in RBI's attempts to promote self-regulatory organizations (SROs) for each industry vertical—one each for banks, NBFCs, fintech firms, among others. The central bank has also published a draft omnibus framework for recognizing SROs across all regulated verticals and invited stakeholder inputs before finalizing an operational version. But the draft framework has some gaps—specifically with relation to an existing SRO, as well as emerging SROs—which may need closure before norms are finalized.

The draft framework may have to close the organizational gaps in the financial services industry's only functioning SRO: the Indian Banks' Association (IBA). Even though it lacks the teeth to be an effective SRO, the IBA is considered an SRO only by default because it has been around for over 75 years.

The IBA is seen more as a representative of public sector banks, with only a passing nod reserved for private and foreign banks. In fact, some foreign banks even constituted a parallel body during the early 1990s (which was wound up soon thereafter) because they felt that the IBA did not adequately represent their interests. Over the years, the IBA's primary function has been reduced to conducting wage negotiations with public sector bank employees (State Bank of India, however, conducts its own wage talks). The

IBA is also responsible for implementing some RBI regulations by drafting rules and agreements. The central bank may have to revisit its framework to make IBA fit for purpose.

The second problem lies in the emerging fintech lending industry. The 2021 report of a working group on digital lending had recommended the setting up of an SRO for this industry. The working group had also recommended that the government take similar action for digital lending business carried out by entities which are not regulated by RBI. But the fintech lending industry is split down the middle with effectively two SROs—the Digital Lending Association of India and the Fintech Association for Consumer Empowerment—calling the shots and essentially competing with each other. The presence of multiple SROs presents an opportunity for regulatory arbitrage and compliance shopping. The RBI framework on SROs is silent on this aspect, but will have to eventually evolve some norms for selecting a single industry-wide SRO.

RBI's new regulatory architecture is a work-in-progress. It is focused on making regulation a community effort which aims to not only enable early risk recognition and mitigation, but also reduce the regulatory burden for both RBI and regulated entities. It will be interesting to see what other columns, arches or balustrades RBI adds to its existing super-structure.

RAMIN JAHANBEGLOO



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M artin Luther King, Jr.'s birthday is celebrated on 15 January every year to honour the life and legacy of the civil rights leader who was assassinated in 1968 at the age of 39 in Memphis, Tennessee. King's dream of freedom and rights for African-Americans was closely linked with the Swaraj dream of Gandhi for Indians. King often referred to Gandhi as "one of the half-dozen greatest men in world history." He read Gandhi in the mirror of Sermon on the Mount and other teachings of Jesus, and approached non-violence through the doctrine of love, while Mahatma Gandhi found his path to the philosophy of non-violence through the idea of Truth. King affirmed: "Non-violent resistance does call for love, but it is not sentimental love. It is a very stern love that would organize itself into collective action to right a wrong by taking on itself suffering." As such, King remained first and last a Christian thinker and his view of suffering was inspired by the Gospels. He argued: "Like the Apostle Paul, I can now

humbly yet proudly say, 'I bear in my body the marks of the Lord Jesus.'

King was aware of the fact that violent struggle, even if briefly victorious, can never permanently be successful. Thinking of the future of American society and the world, he observed: "The aftermath of non-violence is the creation of the beloved community, while the aftermath of violence is tragic bitterness." In King's eyes, the faith that kept the non-violent resister going through all the humiliation and suffering was fuelled by the conviction that the universe is on the side of justice. For King, justice meant an improvement of the social order by the enforcement of goodness and love among humankind.

So, though King often referred to non-violence as a pragmatic tactic, he realized that it cannot last long without love and justice. King went to great lengths to make it clear that the arc of the moral universe bends towards justice. It was King's great hope that African-Americans would transform their condition of powerlessness into creative power. As he underlined in his book, *Where Do We Go From Here?* "Power at its best is love implementing the demands of justice. Justice at its best is love correcting everything that stands against love."

In his struggle for non-violence, King was radically engaged with the process of self-examination and self-realization of African-Americans. He combined ideas; love, justice, beloved community, a worldwide fellowship and revolution of values. But the central idea behind all was the concept of interconnectedness. He wrote: "All men are interdependent. Every nation is an heir of a vast treasury of ideas and labor to which both the living and the dead of all nations have contributed... We are everlasting debtors to known and unknown men and women. When we arise in the morning, we go into the bathroom where we reach for a sponge which is provided for us by a Pacific Islander. We reach for soap that is created for us by a European. Then at the table we drink coffee which is provided for us by a South American, or tea by a Chinese or cocoa by a West African. Before we leave for our jobs we are already beholden to more than half of the world. In a real sense, all life is interrelated."

THEIR VIEW

The civil rights leader led a Gandhian movement of non-violent dissent with lasting influence

In his struggle for non-violence, King showed America the moral force of a non-violent struggle. He saw non-violence as a community creating force which shaped the balance between means and ends. Hence, King's idea of democracy included all races, classes and religions. He knew well that the American dream was central to US democracy. So, unlike Malcolm X and radicals of the Black Panthers, he insisted on "inalienable rights" in the 1776 Declaration of Independence as the point of distinction between American democracy and totalitarian regimes. In an interview, King affirmed:

"People cannot devote themselves to a great cause without finding someone who becomes the personification of the cause. People cannot become devoted to Christianity until they find Christ, to democracy until they find Lincoln and Jefferson and Roosevelt, to Communism until they find Marx and Lenin..."

King never lost faith in democracy, even though he and his companions had to endure deep injustices. Democracy could be

democratized, he held: "History has thrust upon our generation an indescribably important destiny—to complete a process of democratization which our nation has too long developed too slowly, but which is our most powerful weapon for world respect and emulation. How we deal with this crucial situation will determine our moral health as individuals, our cultural health as a region, our political health as a nation, and our prestige as a leader of the free world. The future of America is bound up with the solution of the present crisis. The shape of the world today does not permit us the luxury of a faltering democracy."

For King, a moral leader was one who knew how to love others and listen to and learn from them. It was his way of stating that a beloved community was a real Christian brotherhood in action, where a spirit of interconnectedness and solidarity replaced exclusion, segregation and enmity. King's vocation as a drum major not only helped him take many risks in his struggle for civil rights, but also examine in a Socratic way his role as the leader of a mass movement.

King is the only leader of non-violence in the 20th century who strengthened "Black Consciousness" by turning it into a massive Gandhian dissent movement in the US.

MINT CURATOR

Inner strength for resilience is overrated by self-help advisors

External support in the form of friends and money matters more



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'How to bounce back' is a boom segment of America's self-help market ISTOCKPHOTO

external resources. Sometimes no amount of personal stamina is a sufficient replacement for outside help—whether in the form of practical assistance, emotional support or structural change.

As the management world has embraced the reality that any success is made up of numerous failures, a booming market has emerged for advice on how to bounce back, often with insights culled from elite military forces or extreme athletes. I should know; over my nearly 20 years in the world of management thinking, I've edited and interviewed scores of such influencers.

But I've become uncomfortable with two false impressions left by these well-intentioned advice givers: first, that resilience is rare; and second, that it almost entirely stems from within. Neither is true. Most people recover from what life throws at them, even after experiencing horrific events such as mass shootings or natural disasters, says George Bonanno, a professor of clinical psychology at Teachers College, Columbia University, and author of *The End of Trauma*. After a traumatic event, two-thirds will return to their baseline level of well-being, many quickly.

What's more, the emphasis on resilience through mental toughness fails to recognize the importance of external resources, from friends to family to money, in easing the way through difficult situations, says Kimberley T. Johnson, a Ph.D. candidate in clinical psychology at the University of Utah. Try this thought experiment: Imagine you've moved to a new city for a job. Your new CEO is impossibly demanding. The board is rife with clashing egos. Everything is more expensive, leaving you feeling cash-strapped despite a promotion; stock options don't pay tuition bills. You're now living far away from everyone you know. When small problems crop up—an angry client or sick kid—they feel huge. Now consider how different this situation would feel in a cheaper city with friends and family living nearby. Your new job would still create stress, but you'd have plenty of practical and emotional support. The lower cost of living would make it easy to paper over the stresses and minor emergencies of daily life. Small problems would stay small.

In each scenario, you're the same person with the same inner traits—the same level of optimism or grit. But in the second situation, you're a lot more resilient thanks to

what you've learned from your surroundings.

Bonanno says that despite what thought leaders preach, there aren't a handful of traits or behaviours that lead to resilience; on the contrary, there are many.

Off-suggested practices such as meditation and journaling might work for some; for others, it might be more effective to keep busy or even play video games, says Bonanno. As for deeper changes, business self-help authors—who often make their real money not from selling books, but from paid speaking and consulting gigs at large companies—aren't about to tell you to quit your draining job and take a (perhaps lower-paid) role at a less-demanding organization.

Nor do most of them suggest policy changes that contribute to a more resilient workforce—such as paid sick days, parental leave or flexible staffing models—that cost companies money. It's safer for their business model to keep emphasizing inner strength. And maybe, too, that message plays well with an audience that hates to admit there can be trade-offs.

But overall, too much career advice gives the impression that if we're struggling, we just need to dig deeper.

We should be wary of that message. It's only half the story.

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The office needs smart workers, not workaholics

Mini breaks and creative hobbies are the antidote to overwork, which can take a toll on your personal as well as professional life

Reem Khokhar

Over three years ago, Wayne Bento felt something was off. From being able to handle stress by letting it dissipate, he was now holding on to it. The chief operating officer of Bengaluru-based marketing communications company Veeville worked intensely for long hours. "I'd start working as soon as I woke up, constantly checking on work communication until bedtime," says Bento, 39. He traced the origin of his downward spiral to 2019, when dengue affected his ability to deliver an important project on time. "My team at the time botched it up to a point where we had to restart the whole process from scratch," he recalls. He felt helpless and upset over losing control. When the pandemic hit shortly after, he started overworking. "I put on weight, my temper was frayed, and my life, work and personal, was deeply affected."

Supported by his company, last year, he took a 45-day break at an Ayurvedic centre to destress. Still a recovering workaholic, Bento is gradually slowing down, admitting it is a challenging process.

Such experiences are not unheard of in the corporate world, where long working hours are par for the course. But most do not realise the signs or dangers of being a workaholic, a term that describes those who feel an uncontrollable need to work incessantly and prioritise it above everything. "Working hard is generally considered a positive attribute in society, and early on in life we understand that giving our best is a good behavioural trait," says Bengaluru-based counsellor Shabari Bhattacharyya. Workaholism, she explains, is currently not classified as a diagnosable addiction disorder.

"Many people mistake workaholism with being passionate and dedicated to their job."

Unlike other forms of addiction, workaholism is socially acceptable and rewarded, making it difficult to detect



"I was unhappy to go home. At work, I felt in control and would take on extra shifts and work Sundays," says Shankar, who has a wellness and life coaching business, Breakthrough Transformations.

Five years ago, Shankar realised she lacked an identity beyond work. At parties, she felt like she was wasting time. Anxiety was a long-time companion. "I did not invest time in relationships with family or friends. I am 33, and have barely dated," she says. "An ex-partner asked me that if I spent Monday to Saturday at work, and Sunday to prepare for the week ahead, then where did 'he' or 'we' exist? I didn't like what he said, but it made sense."

Radiologist Monica Chhabra's disciplined work ethic was inspired by her mother's. "I can't say no. I have gone to work just after fracturing my elbow, and chikungunya. In the middle of parties, I would start working on my laptop." The 49-year-old loves her work, consulting with various clinics and hospitals in Delhi, and does

not feel workaholism has affected her negatively, yet. But when her mother had a stroke a few years ago, Chhabra realized she needed to slow down and develop interests beyond work.

Workaholics may not recognise the warning signs. Bento lists some of them: unexplained weight gain, constant headaches, restlessness when waiting for a task done by others, constantly checking messages, irritability even with small things. When seeking professional help, not many people identify or admit their problem is working too hard, says Bhattacharyya. "We see it in other aspects when clients come for anxiety or issues related to family or health."

STRIKING A BALANCE

Disengaging from compulsive behaviour is a challenging process. "I enrolled in dance classes to make myself get away from work," says Chhabra. She has started socialising more, going out

DRAWING A BOUNDARY

Like any other addiction, work addiction or workaholism is the inability to stop the behaviour. It may be a symptom of an underlying mental health or psychological condition, or an escape from other pain points in one's life. Besides seeking professional help, here's how you can spot and address it:

LOOK OUT FOR THE SIGNS

Extreme behaviour or the manifestation of seemingly unrelated symptoms could signal a problem. Unexplained weight gain, restlessness when delegating work to others, frequent headaches, and the inability to think beyond work. Communicate and ask for help from friends and family. Some companies also have support systems like grievance redressal platforms or mentorship programmes that allow for discussion and guidance.

WORK-LIFE BALANCE

Create separate personal and professional calendars, disable communication alerts on your phone after a certain time of the day, and build in personal and family time into your schedule and stick to it. Find interests and things to do beyond work—making time for hobbies, friends, travel and socializing.

for lunch with friends, trying to rest for an hour in the afternoon, and attempting to not work after getting home or between Saturday afternoons and Sunday mornings.

Workaholism may also be motivated by underlying emotional issues, says Bhattacharya. "Family and friends can help someone who is dependent on work for their emotional needs to see there are perhaps other needs that are not being met, or that their needs can be met in other ways. Mental health professionals can be a part of the process, but the person affected needs to recognise there may be a problem."

Shankar was aware of her workaholism, but ignored addressing it until much later in her late 20s. "Fortunately, because of my mentoring profession, I was able to recognise these patterns. I feel like I am in a good place now, but I still have a long way to go." She has changed her work process, prioritising her time and herself. It involved letting go of old thought patterns, clientele, and friendships that did not serve her.

Bento has started meditation, but believes visible results will take time. "Though not easy, I have started letting go," he says.

Organizational support is crucial, explains Sanjeev Jha, head (human resources), Research & Ranking, a research-driven equity advisory brand. He suggests some initiatives, like those in place at his company, including mentorship programmes to provide outlets for sharing experiences and seeking guidance; counselling and grievance redressal platforms to help employees navigate stressful situations; flexible working hours; and paternity, bereavement, and exam leave apart from regular time off.

Though companies can help, individuals need to understand the importance of setting boundaries. "You can make great money and connections, but if you continue in this pattern you are abusing yourself," says Shankar. "Mindlessly multitasking impacts your work quality, listening abilities, relationships, and being really present, even if you are physically there."

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A blueprint for designing a greener office

Prioritizing sustainability while planning workplaces is key for several reasons

Manisha Bajaj

Sustainable workspaces have become imperative in the modern business landscape, serving as a response to environmental challenges. According to a report by Adobe, released in April 2023, 41% of executives ranked sustainability at the workplace as one of their top three metrics for business success. The *Adobe Sustainability Report* is a survey of 1,009 Indians, aged 18 and older, who are employed, either full or part-time. By prioritising sustainability, workplaces not only reduce ecological footprints but also enhance brand reputation and image, appealing to environmentally conscious consumers and investors. The allure of conscious workspaces extends to talent attraction. Here are five ways one can make their workspaces greener.

1) Optimize energy usage: Streamline energy usage by investing in efficient lighting systems with sensors. These lighting systems contribute to energy savings by adjusting illumination based on occupancy and natural light levels. By responding to real-time conditions, these smart lighting systems prevent unnecessary energy consumption and reduce electricity usage.

2) Green break rooms: This involves purposeful design to provide employees with relaxing and environmentally conscious spaces within the office. These areas are designated for rejuvenation, fostering a sense of well-being amidst the demands of the workday. By integrating nature-inspired aesthetics, like potted plants or living walls, green break rooms bring the outdoors inside, promoting a calming atmosphere.

3) Waste reduction strategies: Effective waste reduction strategies play a pivotal role in shaping a green workspace. By implementing comprehensive recycling programs that cover paper, plastic, and electronic waste, you can significantly reduce your carbon footprint. Encouraging the use of reusable materials further enhances eco-friendliness. By prioritising waste reduction, businesses not only contribute to a healthier planet but also foster a culture of environmental responsibility among employees.

4) Sustainable office furniture: Opting for furniture crafted from recycled or responsibly sourced materials is a key step in minimising the environmental impact associated with manufacturing. Thus, businesses can contribute to a more eco-friendly workplace while fostering a culture of responsible consumption and design adaptability.

5) Efficient space planning: This involves strategic layout designs that optimise functionality and flow within the workspace. By thoughtfully organising furniture, workstations, and communal areas, the design maximises the use of available space, creating an environment where every square foot serves a purpose. Promoting resource-sharing initiatives within the space also ensures a more collaborative, adaptable workspace.

In the face of pressing environmental challenges, the shift to conscious workspaces is a necessity, not just a choice. The imperative lies not just in acknowledging environmental consciousness but actively implementing eco-friendly practices.

Manisha Bajaj is associate director for design at WeWork India.

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CREATIVE CORNER

A private workspace where art and meditation meet

In her Delhi and New York studios, artist Tara Sabharwal creates work that links the conscious and the subconscious

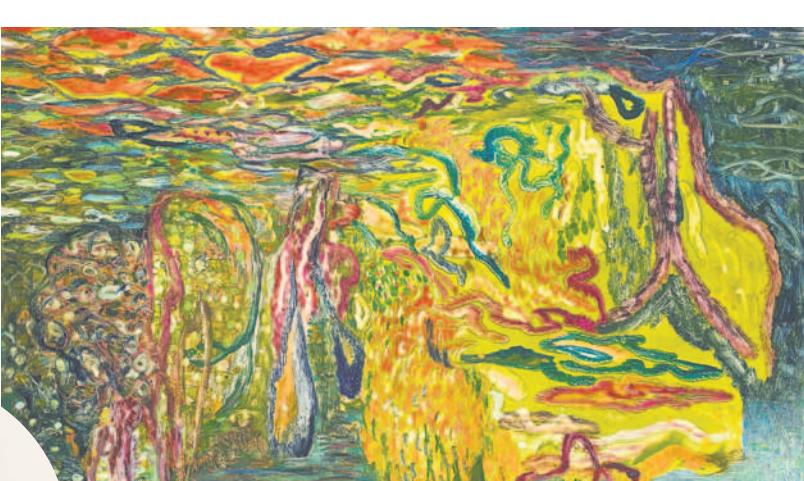
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Sabharwal's art, meant to connect the conscious and mind with the subconscious, is hugely influenced by the Buddhist Zen philosophy—the artist maintains a Korean Zen practice at Chogyesa in New York City. An alumnus of the MS University Baroda and the Royal College of Art in London, the artist uses a myriad of materials and mediums ranging from watercolour, pastels, ink, collage and found objects.

In an interview with Mint, Sabharwal talks about how her private sanctuary in New York and Delhi allows her to unfurl surreal landscapes on her canvas. Edited excerpts:

Describe your current workspace to us.

My current workspace is a large 12th-floor studio overlooking the Hudson river in upper Manhattan, New York City. Clear light filters in during the day from its large windows that open out to skyscrapers, river barges and spectacular sunsets. The room has several large tables and ample wall space for working



'Fertile Evening' by Tara Sabharwal.

and viewing work. Although my paintings begin their life as mono-printed paper in a communal printmaking workshop in the city centre, I complete them slowly within the silent walls of this private sanctuary.

I am fortunate to have a second studio in New Delhi, where I spend part of the year. It is a large room on a fourth-floor terrace, with a view of lush vegetation, white-

washed houses and a constant flow of people walking to and fro. The room is filled with vibrant energy and sharp light.

Has it always been this way? Or has it evolved over the years?

While my New York studio has evolved over 30 years, there was a time when I had to improvise with less space and privacy. These days, it keeps piling up with projects made there or brought back from

workshops and residencies abroad, and exciting new material to explore.

How would you define your daily relationship with this space?

I spend most of the day in the studio, sometimes extremely focused while looking at paintings with a directed focus, and sometimes just hanging in there with an empty mind. I begin the day there with my morning tea, gazing at the previous day's images with fresh eyes. I end the day lingering with them a little more, noticing how they change in artificial light. During the day I put in several energetic bursts of work time, interspersed with outdoor walks and chores.

Tell us about some of the eureka moments you have had.

I have had many eureka moments from just sitting around in the studio. Sometimes when I suddenly turn to an unfinished painting, after watching the clouds or slow barges outside my window, I "wake up" knowing exactly what to do! One part of me "makes" the other part "listen" to what it is saying/becoming. I remember a tired painting that had lost its flow and gotten put away for months—when I took it out again, I was able to catch its essence in a quick flash, and finish it with a few brushstrokes.

How does the Buddhist meditative

discipline impact your work?

Meditation clears my busy "monkey mind" with its endless chatter. I can shed my ego and go deeper into calmer layers, where I can be playful, curious and empathetic. At a recent Zen retreat, when we meditated continuously without sleep for 57 hours, the Zen Master instructed us to get out of our mind and focus on the heart, and ask ourselves a question, "What is my true unknown face?" This is how I paint.

If you were to trade in this place for another, what would it be?

Although I love both my studios in New York and Delhi, sometimes it gets isolating to work on my own, and I crave working alongside other artists to generate new ideas and make fresh connections. I enjoy going to art residencies in different locations; changing my workspace leads to formulation of new questions, and redefining expectations from my practice.

I also crave working in a rougher space, where I can paint more freely, especially with oil paint and solvents, and on a larger scale. For short periods, I would happily trade my private studio for such settings.

Creative Corner is a series about writers, artists, musicians, founders and other individuals and their relationships with their workspaces.