

Fasttrack

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BEST IN-HOUSE MAGAZINE



Distribution Redefined

INSIDE



Learning marketing

Ad Guru, Prahlad Kakkar talks about how to learn the rules and then rewrite them to create value.

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Future planning

Succession planning should be a core strategic issue for companies today, sadly not many are taking it seriously.

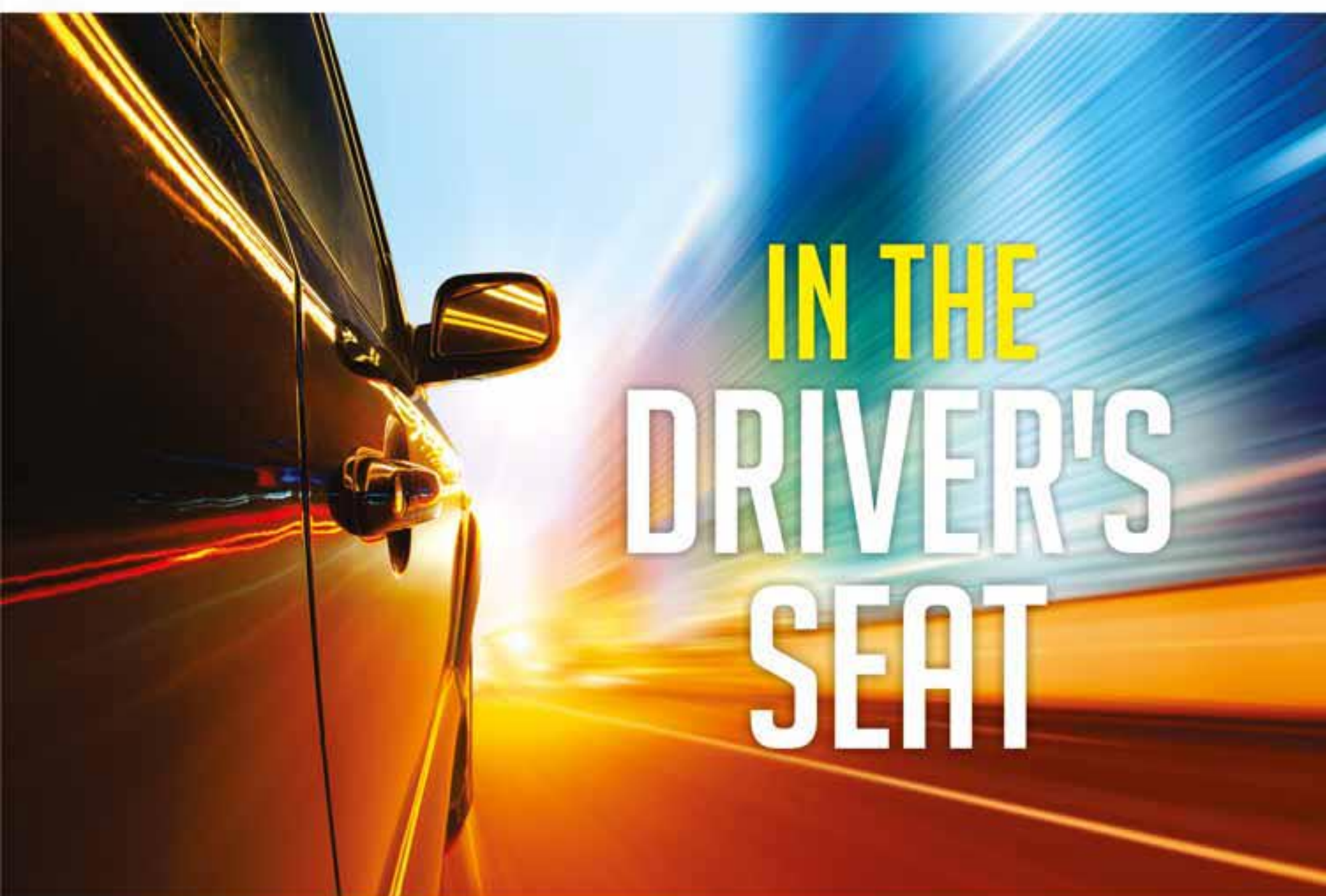
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A healthy distraction

Running has become a favourite pastime for many business executives and entrepreneurs today.

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The complex auto industry in India is at crossroads – there are high growth indications, albeit volatile; sustainability and profitability is set to return, but only after addressing several issues, of which supply chain & logistics takes centre stage. Will the industry manage to drive through?

Prerna Raturi

According to a report by Ernst & Young early last year, India has emerged as an important automotive market and offers huge growth potential due to low vehicle penetration and improving economic fundamentals. With good reason, since the auto sector is one of the most important contributors to GDP and employment in India. The sector accounts for 7% of India's GDP, 4.5% of manufacturing GDP and employs about 1.9 million people both directly and indirectly. Further, the sector contributes around 4.3% to India's total exports and 1.3% to the country's excise revenues. Over the years, the Indian auto industry has emerged as one of the world's largest, with annual sales of 19.8 million vehicles in FY15. It is also one of the fastest growing

auto markets, with production of 23.4 million vehicles in FY15 and a leading position in several sub-segments.

No wonder then that most global original equipment manufacturers (OEMs) have an established presence in the market along with Indian players; Japanese players account for around half of the passenger vehicle sales. In the coming years, the auto component industry is expected to witness double-digit growth owing to huge demand from both domestic and export markets.

With such a positive outlook about the auto industry, there is an urgent need to set the house in order. The government's Automotive Mission Plan (AMP) 2016-26 is a step in the right direction. Moreover, the government wants to push manufacturing in India with its Make in India campaign. The gaps in the success story are several, however, and include lack of better

regulatory environment, better infrastructure, more competitive research & development facilities and culture, and better supply chain & logistics competitiveness. A closer look and you realise that all these factors are interrelated and supply chain & logistics either plays an integral role in each one, or is affected by each one of them. It is a sad truth that India ranked a dismal 54 out of 160 in the Logistics Performance Index 2014.

Gaps in supply chain & logistics compound the cost for manufacturing companies in India, especially in the auto sector. It may sound repetitive but great supply chain & logistics forms the backbone of any strong economy. Unfortunately, India lags behind in most elements, be it transportation, warehousing,

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MESSAGE

LOOKING FORWARD TO A BRIGHTER FUTURE



"It was the best of times. It was the worst of times..."

Charles Dickens, A Tale of Two Cities

Just when 2016 promised to close on a quiet note, we had demonetisation take the country by surprise. Suddenly, there was news about crores worth of currency notes floating in rivers and being burnt in gunny sacks. There was talk about how peace and quiet had suddenly descended upon the state of Jammu & Kashmir, and how demonetisation had recapitalised banks in a few weeks. At the same time, one can't but sympathise with the common man who had to stand in frustratingly long queues, trying to withdraw money for daily survival.

The government's aim behind demonetising Rs 1,000 and Rs 500 currency notes was to curb black money and fake notes while also address the funding of terror activities. And although there seems to be progress in these areas, let's hope the woes diminish soon and the economy is on the highway to fast growth.

Talking about the economy – it is waiting with bated breath for the government's master move to implement the Goods & Services Tax (GST) in 2017. Set to replace all indirect taxes levied on goods & services by the centre and states, GST is so crucial that Finance Minister Arun Jaitley has said that if it is not in place by September 2017, the country won't be able to function. The new tax regime will bring about the much-needed winds of change in the supply chain & logistics sector as well. Apart from introducing a unified market in India, GST will help the manufacturing industry tremendously by cutting high logistics and warehousing costs.

As we wait anxiously for positive changes in Indian economy and business environment, the current issue takes a look at the auto sector and the trends and challenges in its supply chain & logistics function. After all, the auto sector is an indication of a country's economic performance. We also address the pertinent issue of succession planning in our Inside Out section, and discuss how and why it is so crucial for a healthy business today.

Happy reading!

Pawan Jain

PAWAN JAIN
Founder & Chairman
Safexpress Pvt Ltd

"Our analysis suggests that the fundamentals for the automotive industry's growth drivers are intact, and we are likely to see greater uptick in demand in FY17 as the economic environment improves further."

Rakesh Batra,
Partner and National Leader,
Automotive Sector, EY India



communications or networks. The auto industry needs to see a number of changes to become more competitive to stand up to the challenge ahead. Industry numbers say there are more than 700 suppliers in the organised sector for the automotive supply chain, and support the operations of nearly 35 global and Indian OEMs.

According to yet another report, "Revving up! - Indian Industry at Crossroads", by Ernst & Young in September 2015, the Indian auto industry is indeed facing testing times. Rakesh Batra, Partner and National Leader, Automotive Sector, EY India, said, "Our analysis suggests that the fundamentals for the automotive industry's growth drivers are intact, and we are likely to see greater uptick in demand in FY17 as the economic environment improves further. To translate the growth potential into reality, automakers need to identify profitable niches and introduce exciting new models, offer improved customer experience, invest in localisation, and create flexible production capacity & supply chains to quickly respond to changes in the demand mix."

Trends in auto supply chain & logistics

Industry research and sources such as Automotive Component Manufacturers Association of India (ACMA), Society of Indian Automobile Manufacturers (SIAM), LMC Automotive, and EY Analysis point out some trends in the auto supply chain & logistics today. Here are some of them:

- Strong long-term growth alongside volatility in demand.
- Indian suppliers are acquiring scale and capabilities, thanks to global acquisitions.
- OEMs are looking at consolidating direct vendors, which will lead to suppliers owning development, manufacturing and assembly of critical components.
- This will also lead to suppliers having better control of their research & development, which will mean a faster response and process innovation.
- With an increase in vehicle proliferation, the supply chain is set to become more complex now. Thus, from about 150 models in 2015, the Indian market is set to see more than 180 models by 2020!
- The replacement market will grow, as will component exports.

To ride these trends better, the auto industry needs to carry out a number of steps. For instance, there is an urgent need to come down heavily on the spurious parts market that is flourishing despite the government machinery taking steps to curb it. For this, the stakeholders in the industry need to become more organised and put their weight behind the organised sector. Also, industry bodies such as ACMA and SIAM should come up with more aggressive awareness drives among the end-consumer as well as the auto parts replacement market.

According to a study on "Building world-class automotive supply chains in India" by the Confederation of Indian Industry (CII) and A T Kearney, escalating costs of supply chain operations would also have its impact in the supply chain & logistics industry, as India's logistics costs are 30% higher than those in China and other large auto markets. "As supply chain functions become more strategic, the industry is likely to face a major shortage of senior professionals having supply chain & logistics capabilities," it said. To address this gap, OEMs, suppliers, academic institutes and industry bodies should collaborate and facilitate supply chain specific skill-development programs. The report also underlined how long-term secular growth and volatility can be capitalised on by accelerating collaboration across the value chain; escalating costs of supply chains can be countered by innovation in cost management; growth of exports can be encouraged by developing tailored value chains and competencies for exports; and a fast-growing aftermarket can be addressed by developing capabilities to exploit aftermarket opportunities.

That India's infrastructure for smooth functioning of supply chain & logistics leaves a lot to be desired is no secret. A major limitation for better supply chain & logistics, there is a lot that can be done in terms of infrastructure, be it better roads, warehousing, communications, technology support, and so on. Industry bodies should keep the pressure on the government and policy-making bodies for better infrastructure, while also looking at out-of-the-box solutions for working their way around problems.

Role of technology

With the changing Euro norms, the industry is witnessing

an increase in the rate of new product introduction at the component level. Technology and automation can go a long way in managing automotive product complexity, which is only going to grow in the coming times. For instance, tracking and monitoring can be done with the help of global positioning systems, RFID tags, and data loggers. Transaction processing can be made more robust by barcoding, RFID, advanced supplier relationship management tools, mobile devices and personal digital assistants. Handling and operations can be made efficient by robotic material handling, multilevel storage & handling, and voice picking systems. Planning and decision support can be addressed through advanced planning & optimisation tools, demand forecasting tools, online vendor portals, and warehouse management systems.

Additionally, data mining can help make supply chains leaner and more proactive. For instance, data mining of spare parts consumption can help a company reach better supply chain decisions, which can be done with the help of coding and unique

reducing inventory levels, shortening lead times and fostering a spirit of collaboration with suppliers and dealers.

Making supply chain & logistics more visible

It might seem like a poor analogy but it rings true - when you make something more visible, your propensity to keep it in a better shape also increases. That supply chain & logistics is a mainstay of any manufacturing industry is not untrue. And yet, it needs to be put under the spotlight and lauded, improved and approved of more.

For instance, General Motors India honoured its top-performing suppliers at its annual Supplier Quality Excellence Awards last year. Recognising and appreciating best practices in the field not only encourages those who have worked hard, but also proves to be an inspiration for others. Thus, the one held in July last year was attended by no less than 200 top suppliers in India. Johnny Saldanha, Vice President, Global Purchasing & Supply Chain, General Motors Corporation, said, "We have a strong plan to launch at least five

"We have a strong plan to launch at least five new Chevrolet models within the space of 24 months, including a new Trailblazer, new Beat, new Beat Activ, new Cruze and Essentia. Hence, the support from our suppliers is extremely important."

Johnny Saldanha,
Vice President, Global Purchasing
& Supply Chain,
General Motors Corporation



identification. For this and more, the automotive industry needs to increase its investment in information technology and process improvements. After all, research shows that technology is seen to be a supply chain enabler,

new Chevrolet models within the space of 24 months, including a new Trailblazer, new Beat, new Beat Activ, new Cruze and Essentia. Hence, the support from our suppliers is extremely important to ensure timely, on cost and flawless launch of these very critical entries."



BUSINESSES ARE SLOW TO REACT TO GROUND-UP CHANGES

One of India's best-known commentators, and advertising & marketing professionals, Santosh Desai is also a columnist with several prominent publications. He is the Managing Director & CEO of Futurebrands, a brand and consumer consultancy company, and has been the President of McCann Erickson India. Desai's principal area of interest lies in examining the evolving nature of consumer culture in India. He is a thought leader in understanding the relationship between culture and brands and

the consumer as a product of her cultural context. With his weekly column "City City Bang Bang" in The Times of India, Desai takes a look at contemporary Indian society from an everyday vantage point. His book "Mother Pious Lady: Making sense of everyday India", is about an emerging India, and a changing urban middle class. "These are exciting times when social metrics are in the process of being formed, and you can write your own script," says Desai, in an interview. Edited excerpts:

SANTOSH DESAI OF FUTURE BRANDS, COLUMNIST, WRITER AND SOCIAL COMMENTATOR, ON THE RELATIONSHIP BETWEEN BRANDS AND CONSUMPTION PATTERNS.

Perna Raturi

According to you, "Nothing is mundane – it is merely a (profound) truth we have got used to." As a brand expert and columnist on everyday India, how do you try to stay in touch with the world that is not mundane?

It essentially involves being a little mindful of what happens around you. In an everyday sense, it is about the ability to observe. What happens is that with time, your spheres of interaction start becoming narrow. So there's a deliberate attempt to travel and look around more. In fact as an organisation, we do this Bharat Darshan annually. Over a three-week period, we go travelling in India without a commercial agent, and we have been doing it for five years now. We attempt to look at things from a different lens. So that's one way of seeing what happens around you, what might be and to keep doing projects that are interesting. To argue, newness doesn't lie essentially in what you see but how you see.

In your opinion, what are some of the biggest changes that have happened with respect to the Indian consumer's thought process and his mental and emotional well-being?

There is a better sense of how you regard self and life itself. The generation before this one, my generation, always worked with the assumption that future was a darker place. Everything that was

good, the best time was in the past – India's glorious past. This is the first generation that thinks that the future will be great and that I have control over it. They know their life is not a given script – it is one they can write themselves.

It's a fundamental shift that has happened. I think now the responsibility of creating an identity is yours. Back then, you were born into an identity. We were born into a family, a caste, a community that determined my reality. Today, I can, through my actions and acts of consumption, define myself to not what I was, but what I do with myself. Therefore, consumption becomes an important part of who I am, where I have reached in life, what I am doing with myself, and how I communicate with the world. Thus, consumption is a device to communicate with the outside world, particularly in a world where your social metrics are in the process of being formed. Along with that, I think the big change that is happening because of technology is the fact that some of the conventional hierarchies are breaking down and access is non-linear. Earlier, it was more gradual; so the wealthier you were, the more educated you were, and the more opportunities you could access. Not that it has changed completely, but it has begun to change. There are several such kinds of shifts that are taking place.

The end consumer that we are talking about is someone who

wants a particular soft drink, or buys a brand of ice cream. How do these consumer expectations and mindsets change when it comes to B2B selling?

B2B is a world that behaves differently. And yet, these are organisations that, at the end of the day, are human creations. So you find that in the B2B space as well, the benchmark standards of efficiency, transparency, and

EARLIER, BUSINESSES WERE IN A STATE OF CONSTANT NEGOTIATION BETWEEN THE ORGANISATION AND THE OUTSIDE WORLD. NOW THERE IS A GREATER SENSE OF FORMALITY, NOT IN TERMS OF CULTURE, BUT IN TERMS OF BUSINESS AS A MORE FORMAL DISCIPLINE.

therefore how you imagine your own idea of business, are changing. Earlier, business was all about being in a state of constant negotiation between the organisation and the outside world. You were forever trying to negotiate. Now there is a greater sense of formality, not in terms of culture, but in terms of business as a more formal discipline. It now has clearer rules, so even when you talk about buying in a

B2B context, you are more likely to attempt to have a cleaner and a more organised business. Second, there is greater recognition of the fact that it is a human activity and that the idea of storytelling and the rationality that was always supposed to be a part of the B2B process is needed.

You talk about social metrics changing, and how active consumption is defining people. How can brands use this to improve and increase their reach to customers? Also, are they taking maximum advantage of this shift in consumer's thinking, or are they falling short?

In a country like India, which is so complex, more often than not, with some exceptions, most brands follow rather than lead. And therefore, in a lot of cases you find that brands are not in a position to take advantage of these shifts. They don't understand it very often because a lot of times, business practices come from global learnings, and from multinationals that have gained experience in foreign markets and have their own ideas on how global businesses should be managed. And these are sometimes slow to trickle down to India, or sometimes are not applicable at all. Also, ground-up changes are taking place and businesses are slow to react. A number of times, you find that it is those in the organised business who are much more on the ball. And the organised business is slow because they are afraid of risk. Most times, it is more

difficult for them to manage internal challenges than the external environment.

How does Futurebrands come into the picture here?

We are essentially a brand creation and a brand management company. We are a part of the Future Group and, as a result, a lot of work comes from the company itself. And then we have an advisory business for brands across India in terms of helping them with consumer and brand issues, and we do our own work with Future Group, which makes us an engine to create original understanding.

In your recent work with brands, what is the one primary thing that brands fail to recognise, but which could be a game changer for them?

As I mentioned, if you look at what is happening in areas such as food and fashion in India, there is a ground-up shift that is taking place, and you are having a dramatic amount of change. For instance, take a look at packaged breakfast options in India. It's mostly corn-based cereals. It is an unfamiliar flavour for the Indian taste buds. Barring MTR to some extent, there's no one else who has tapped into the market. Look at fashion, which is run from a mindset of international fashion and runways. Whereas that is not how it should be in India. There is so much that can change, but isn't.

Even for those who may not have a personal vehicle at their beck & call, travelling in and around a town or city is a whole new experience today. Thanks to taxi aggregator companies such as Ola, Uber, Apnacabs and others, a minute or two on your smartphone means a car will arrive to take you to your destination within minutes. Don't have cash in hand? Even better. Pay by mobile wallets such as Paytm and Mobikwik and you get a discount on your ride!

Gone are the days when you would have to stand on the roadside trying to hail down an auto, keeping your fingers crossed he'll say yes, and will go by metre. Or take a taxi and try not to look at the metre. The taxi aggregator industry has changed how a common man commutes. Now it is not only convenient but affordable and, in some cases, cheaper than taking an auto rickshaw. For the taxi owner/driver, there are lucrative incentives schemes as well.

The industry has also changed the space in that it has disrupted the ecosystem by innovating and creating something that was unheard of less than a decade ago. This innovative disruption means more and more entrepreneurs entering the space – as taxi aggregator companies, and as those who have chosen to own these taxis.

What has helped the industry is technological advancement and penetration by way

of smartphones, GPS and data usage. Most of these taxi aggregator companies are app-based and you need data to use these apps. Once you book your taxi, you can not only track where it is and how long it will take to arrive, you can also check the route it is taking or even ask your friend / family member to keep a tab on the route that is being taken. Once you arrive at your destination, the money simply gets deducted from your taxi aggregator account or your mobile wallet. Simple – both for you and the taxi owner. Clearly, technological backing here is as important as the taxi that picks you up.

According to Softbank, the organised taxi market in India will be worth \$7 billion by 2020. Multimillion dollar funding, frequent mergers and acquisitions, and that the industry has directly impacted millions of Indians, means it has become a hot industry at present. Fasttrack does a quick analysis of the industry and throws light on the road ahead.

REVVING THE ENGINE

Before taxi aggregator players changed the dynamics of commuting, people had to leave a lot to chance, or pay that extra buck for a superior and reliable ride. The taxi

industry in India is largely unorganised, and includes individual car owners, small travel agencies, car agencies as well as individual agents. The organised industry includes taxi agencies and aggregators. Further, the taxi aggregators can be divided into those that have a web presence and / or an app, and radio taxis.

It was the radio taxis that were the next big thing before Uber and Ola took over. Those such as Easy Cabs, Mega Cabs, TABcab, and Meru Cabs ruled the roost for a few years. The model was simple. You had to call at a number to book a taxi. The call centre would then get in touch with taxis in your area through a radio and connect the taxi driver with you. These taxi rides may not have been cheap but they were reliable and comfortable. Plus, it saved the customer the hassle of having to call different cab companies. You just called one number and the call centre did the rest. With time and growing competition, the pricing became more competitive and, consequently, the popularity of radio taxis grew. The company earned from not only fares but also by putting up advertisements of other companies in its cars. The challenges: the supply couldn't match the demand. Plus, there were government regulations and high maintenance costs of these taxis, which slowed things down a bit. Not just that, after a while, the taxi owners and operators felt

they didn't need to give the radio taxi company a significant amount for merely getting them a customer.

It was around this time, in 2010 to be precise, Bhavish Aggarwal and Ankit Bhati, Co-founders of OlaCabs, started their own venture. Bhati, currently the Chief Technology Officer of Ola, along with Aggarwal, brought about the technological innovation to the company in 2010. So, you could not only book by calling a number, but also ask for a taxi through a website, or a mobile phone app. Their first round of funding from Kunal Behl and Anupam Mittal gave them the confidence that they were on the right path.

Simultaneously, Taxiforsure was creating a buzz and going strong as well. Meanwhile, Uber, the American company started by Garrett Camp and Travis Kalanick, and which has operations in 528 cities worldwide, noted the growing market in India and decided to jump right in, with its launch in Bengaluru in 2013. Initial days were a struggle for the San Francisco-based company, since it was solely app based and did not accept cash – all this at a time when taxi apps and going cashless hadn't become as popular as they are today, in 2017. Taxiforsure and Ola, on the other hand, were home-grown companies and made these concessions.

As competition increased, the price wars

began. Ola started offering rides for Rs 10 a Km. Taxiforsure gave better incentives to drivers, and Uber revisited its strategy by accepting cash and opting for mobile wallet payment as well. To counter, Ola acquired Taxiforsure for \$200 million in a cash and equity deal. With this, Ola became the market leader. To counter the move, Uber increased its market penetration aggressively and announced a budget of \$1 billion for India. Ola continued to get funding as well, and the competition became really stiff. Sometime in 2014, Ola also started an on-demand auto rickshaw service on its mobile app for a few cities that included Pune and Bengaluru.

MILESTONES & SPEED BREAKERS

At present, Ola still rules the roost, and has double the marketshare of Uber. But it's no time for it to get comfortable as the war continues. Uber, the world's largest startup company with a valuation of \$69 billion, will focus more on India, what with its merger with Didi Chuxing in China.

Ola can't afford to take its eye off the ball since it will face the same challenge that Uber faced in China – the competitor having deeper pockets. Uber has no paucity of funds; while Ola may boast of \$1.2 billion in acquisition, Uber just got even richer from its deal with

China's Didi Chuxing. Replying to Aggarwal's comments about "American concepts going only so far in the country", on his India trip in December, Travis Kalanick shot back saying, "If it is about whether I am personally Indian, I will apply to be a citizen of India if this is what gets us over the hump. At the end of the day, it is about the innovation that is being brought, about how we are serving. Are we bringing efficiency and positive outcomes for our riders? I think we are," adding how he respected competing with Ola and that Uber has competed well & fairly and would continue to do so.

Ola, on the other hand, is busy strengthening its team and processes. Just this February, the company strengthened its core technology leadership with the appointment of Pranav Tiwari, erstwhile CEO of Cellworks, as Vice President – Engineering, and Sanjay Kharb, earlier VP – Production Engineering at InMobi, as Vice President – Engineering Infrastructure. While Tiwari will work towards optimising growth and profitability by bringing in necessary efficiencies in the supply chain function, Kharb has been brought onboard to strengthen Ola's technology infrastructure, including site operability, compliance and data system. Ankit Bhati, CTO & Co-founder, Ola, said, "Ola has consistently invested in technology, consolidating supply chain and building a robust technological backbone, by bringing onboard world-class talent. Both Pranav's and Sanjay's roles are critical and essential to steer Ola to its next phase of growth." Today, the company is present in 102 Indian cities and can book from over 450,000 vehicles across taxis and autos.

They have failed to get a loyal customer base, however, feels Lokesh Bavra, Founder, 360Ride, in his column for nextbigwhat.com. "A cash burning strategy is essential for acquiring the initial customer base, but after that the aggregators

are supposed to draw a line. Here, by offering heavy discounts, the cab aggregators are losing around Rs 10-20 crores everyday. So, even if they have raised such a huge amount, the money will not be sufficient if they continue with this strategy. The moment they revive their pricing as per the normal industry standards, it will become impossible for them to stick to the same market shares," he feels.

CARVING A NICHE

Also, not having a loyal customer base means there are other smaller players that continue to nibble away on the pie. However, there are some that are going solo with specialisation. Apnacabs, for instance, launched last year and has signed up with the regular black-and-yellow taxis in Mumbai. These taxis are not only fixed with GPS but also have a panic button that activates two-way speakers within the taxi, which can be monitored via a command centre at a central location.

"The prevailing taxi service scenario in the country struggles with two challenges: customer security and compliance with government rules. With Apnacabs, we are targeting at plugging both these gaps. Besides being government licensed cab aggregators, we also have a patented (pending) solution for the safety of customers. Our focus is on offering the most economical, secure, convenient and cost-effective form of travel for all customers in the city," said Srikanth Lingidi, Founder & CEO, Apnacabs.

There is also She Taxi, Viira Cabs, WomenCabs, all catering to women travellers. These have women drivers who cater to women customers and have found a loyal client base, considering the spate of incidents in other taxi companies where women's security was at risk. Not only do these companies inspire trust in women travellers, they also give women a chance at entrepreneurship and becoming financially independent. They break gender walls and make a statement in today's world of women being equal to men. To conclude then, it will be no exaggeration to say that what started with small, unsure steps has now turned into a roar of taxis vying for their share of the road, giving disruptive innovation a whole new meaning.



At the end of the day, it is about the innovation that is being brought, about how we are serving. Are we bringing efficiency and positive outcomes for our riders? I think we are.

Travis Kalanick, Co-founder & CEO, Uber



Ola has consistently invested in technology, consolidating supply chain and building a robust technological backbone, by bringing onboard world-class talent.

Ankit Bhati, CTO & Co-founder, Ola



Besides being government licensed cab aggregators, we also have a patented (pending) solution for the safety of customers. Our focus is on offering the most economical, secure, convenient and cost-effective form of travel for all customers in the city.

Srikanth Lingidi, Founder & CEO, Apnacabs

KEEP YOUR EYES ON THE ROAD...

...and your hands upon the wheel. Jim Morrison might as well be singing this to the taxi aggregator companies in India, where the industry seems to be growing more and more competitive.

Ritu Raj

Yes, most of our offices are paperless now, and we try not to print that ATM receipt or email, and feel guilty about throwing away notebooks and diaries, even if they are a decade-old. "Save paper" has become a common catchphrase at work and at homes. And understandably so. After all, depleting natural resources, and a thinning green cover – not to mention how energy-intensive the paper industry is – are big reasons to not ball up a sheet of paper and aim it at the dustbin.

Yet, the handmade paper industry in India is flourishing, and is attracting buyers from all over the world for its guilt-free creations. The Khadi and Village Industries Commission (KVIC) states that the combined production of about 310 handmade paper units in India is nothing less than 7000 tonnes a year. This is a significant growth from 1953, when the industry had just about 35-40 units in India. It is also estimated that the industry provides direct and indirect employment to 18,000 people, most of them in rural India.

It's not just about guilt-free paper and giving employment to rural India. Handmade paper is one of the most beautiful things you can hold in your hand. Available in brilliant shades or subtle off-whites, rough or silky smooth, smelling of flowers, or with flowers embedded in the texture, you can get anything you want. Plus, you can use it in many different ways – from stationery and gift-wrapping, to lining, packaging, and various design needs.

But what exactly is handmade paper and how is it made? Handmade paper units are usually manually operated, and paper is manually pulped rather than with the use of chemicals. Most handmade paper is produced with secondary sources. It is also important here to mention and compare the energy usage of regular and handmade paper. Industry figures show that large-scale paper units consume about 2.5 tonnes of forest-based raw material for every tonne of

Creativity with paper

India's handmade paper industry has a special place on the global map. A little more help from the government, and it can reach bigger heights.

paper produced and small-scale units need 3.5 tonnes of raw material. Handmade paper units, on the other hand, need just 1.1 tonnes of raw material per tonne of paper produced. As mentioned above, the handmade paper industry does not use forest raw material but cellulose-rich material such as cotton, cotton rags and waste paper. Some enterprising units are also experimenting – and succeeding – by making paper out of cow dung, bamboo, wood grass, biomass material and agricultural residues such as rice husk, grass and straw. The icing on the cake – the cost difference between mill made paper and handmade paper is not too much. This is one of the major reasons handmade paper is becoming increasingly popular.

Handmade paper supporters also highlight how in-plant recycling is a possibility and an important process in these units. This significantly saves costs, and products for packaging, printing and industrial filters are made from these byproducts.

Yes, there are challenges in terms of the amount of handmade paper that can be

produced, but with government's help and encouragement, this can be addressed, too. For instance, there are government funds for handmade paper supplying councils such as KVIC. These organisations have alliances with banks to provide loans to entrepreneurs who wish to become a part of the industry. KVIC also goes beyond lending a helping hand financially. The council also holds national-level exhibitions, buyer-seller meets, seminars and workshops.

However, you wouldn't be able to tell that a significantly large SME sector such as handmade paper – and the world's largest – is tucked away neatly in a village near Jaipur. It is said that the art of handmade paper was introduced to the region in the 15th century, when Babur brought with him paper experts all the way from Turkey. Today, known as the kagazis of Sanganer, these village people keep the bustling handmade paper industry alive with sheer ingenuity and hard work.

Handmade paper units are also present in clusters at Kalpi (Uttar Pradesh), Pune (Maharashtra), Kurukshetra (Haryana), and Mahabubnagar (Telangana). On an average, the production capacity of these units is anywhere between 50 to 700 Kg on a daily basis. Apart from Sanganer, Kalpi is

a prominent handmade paper cluster. It has a place on the global map as well, since most of the units here cater to the export market. Industry experts warn, however, that it is not the time to sit on our laurels and applaud the success of an industry that has been there for a few hundred years. That is because we have still utilised only 60-65% of our capacity in the market. Handmade paper market is expanding significantly the world over. Southeast Asian countries such as Indonesia, Malaysia and Philippines have made a mark in the market and are constantly innovating and creating a buzz in the global market. Similarly, the demand for handmade paper across the world has increased, especially in western countries such as the US, UK, Australia, Germany, and other European nations.

There is also a need for some aggressive advertising for handmade paper, both for the domestic as well as international market. That is because until now, handmade paper industry has remained a B2B industry. Most of this paper is bought by companies that add value to different kinds of handmade paper and then sell it to the end consumer. However, the industry needs smart marketing so that consumers make a conscious choice of asking for it rather than take what is offered to them. Once there is an understanding amongst the end consumer on how this kind of paper is more eco-friendly, and nearly the same price as mill made paper, and has far more variants, the industry will flourish. Be it wedding cards or buying paper for stationery, handmade paper could just be what the consumer wants.

Large-scale paper units consume about 2.5 tonnes of forest-based raw material for every tonne of paper produced and small-scale units need 3.5 tonnes of raw material. Handmade paper units need just 1.1 tonnes of raw material per tonne of paper produced.

DID YOU KNOW?

- The history of paper is nearly 2000 years old. It is said that paper was invented by the Chinese around 105 AD.
- The name paper comes from the ancient Egyptian writing material called papyrus, which was woven from the papyrus plant. In Europe, animal skin was used to make parchment and vellum.
- The oldest trace of papyrus has been found in Egypt, dating back to 3000 BC.
- Every tonne of paper recycled means 20 trees are saved, as are three cubic yards of landfill space and 7000 gallons of water. It also amounts to 73% less air pollution. It is also estimated that this saves enough electricity to power an average household for six months.
- The US and Canada are the world's largest producers of paper and paper products, followed by Finland, Japan and Sweden.

So Long YAHOO!

Once known for its savvy search engine, great email service and messenger, Yahoo recently got the brickbats for data breaches. Now, the erstwhile \$125 billion-in-valuation company is being sold to Verizon for a measly \$4.83 billion.

Verizon will merge Yahoo with AOL, the company it bought over for \$4.4 billion last year, under Marni M Walden, EVP and President of Product Innovation & New Businesses at Verizon.

Perna Raturi

Everyone had seen it coming. But that doesn't take the edge off the pain, and will still hurt when it happens. After all, for innumerable internet users today, Yahoo.com was the first website address they gingerly typed into the address bar. In a few weeks, "Yahoo" will become "Altaba". Already, the name-change features under the "Worst company name changes" category. Twitter reacted with guffaws and giggles at the probable rechristening. "Altaba is Latin for 'We should have taken Microsoft's \$45 billion offer in 2008'," said a cheeky Twitter user, referring to the time when the latter had, indeed, offered to buyout Yahoo. There were angry tweets, too, such as, "How can we crush the company? Let's toss the brand name we've built over 20 years! You're a goddamned genius, Gump!"

Let's hope that this may not be so, as is reported in some sections of the media. They say only the investment arm of the company will be named Altaba, and the main brand name will stay the same.

Even if the name stays the same, it will be the end of an era for the company that will be bought over by US mobile network and communications company, Verizon, for \$4.83 billion. The latest news reports, however, suggest that due to the two big data breaches at Yahoo, the sale may be revised and the

price may be lowered by about \$300 million.

The deal has come through after a four-month selling process. Marissa Mayer, CEO, Yahoo, said, "Yahoo is a company that has changed the world, and will continue to do so through this combination with Verizon and AOL." She added how the transaction also sets up a great opportunity for Yahoo to build further distribution and accelerate its work in mobile, video, native advertising and social.

For a company that paved way for the likes of Google, it is indeed sad the way Yahoo seems to have gone. Verizon will merge Yahoo

with AOL, the company it bought over for \$4.4 billion, under Marni M Walden, EVP and President of Product Innovation & New Businesses at Verizon.

Once a clear favourite and trendsetter, the business has been an also-ran for a long time, with its acquisitions not giving it the burst of energy it needed. It is worth mentioning here that there was a time when the portal was worth a whopping \$125 billion. While its content sites have lost the race to savvier, quicker, and more agile websites, the company's recent acquisitions – 48 to be precise – under Mayer's rule didn't give it the much-needed

traction either. The acquired companies include Polyvore (\$230 million), BrightRoll (\$640 million), Bookpad (\$8 million), Flurry (\$240 million), Lexity (\$35 million), Ztelic (\$40 million), Qwiki (\$50 million), Snip.it (\$10 million), Summly (\$30 million), and Tumblr (\$1.1 billion).

Having said that, you can't write-off its strengths. The company connects and entertains a global audience of more than 1 billion monthly active users – including 600 million monthly active mobile users – through its search, communications and digital content products. On the business front, Yahoo also connects advertisers with target audience through a streamlined advertising technology stack that combines the power of their data, content, and technology. The amount of user data Verizon gets through Yahoo is staggering. The more data a company has, the more strength it gathers to stay relevant and compete with giants such as Google and Facebook. Lowell McAdam, Verizon Chairman & CEO, said, "We acquired AOL to enhance our strategy of providing a cross-screen connection for consumers, creators and advertisers. The acquisition of Yahoo will put Verizon in a highly competitive position as a top global mobile media company, and help accelerate our revenue stream in digital advertising."

The deal will mean Mayer will step down as CEO, and while she is being congratulated for leading the company towards a competitive deal, she can't shrug off the blame of not being competent enough in the four years she has led the company. She took over the beleaguered Yahoo at a time when the company needed a shot in the arm. What she delivered was a leaner workforce, weak acquisitions for a lot of money, and didn't really gain the trust of Yahoo insiders. The company was in a colossal mess when she took over, and maybe she wasn't the turnaround specialist Yahoo needed.

Yahoo's yesterdays

1994: David Filo and Jerry Yang launch a catalogue for managing websites in January and call it "Jerry's Guide to World Wide Web". In March, they change it to Yahoo, acronym for Yet Another Hierarchically Organised Oracle.

1996: Yahoo goes public after being valued at \$848 million.

2000: Grabs headlines for hitting its highest valuation of \$125 billion in the dot-com boom days.

2002: Bids to acquire Google. The search engine turns down the offer.

2005: Sees east and invests a hefty \$1 billion in Alibaba, a Chinese e-commerce player, buys 40% stake in it.

2008: Microsoft wants to buy it out for \$44.6 billion. The offer is turned down.

2011: Gets into web video with Yahoo Screen, a hub of original content. (The channel shut down in January, 2016). Revenues continue to erode.

2012: Yahoo gets a new CEO, Marissa Mayer of Google as the youngest CEO of a Fortune 500 company.

2013: Mayer acquires social network site Tumblr for a whopping \$1.1 billion.

2014: Eleven digital magazines launched, which included those on food, tech and lifestyle. (Seven of them shut down in February, 2016). Also acquires Flurry, a mobile analytics company, and BrightRoll, a video advertising software firm. AOL shows interest in acquiring Yahoo.

2015: The company makes a deal with Google to place some ads and search features on Yahoo search listings.

2016: Verizon, a broadband and wireless telecommunications company, agrees to buy Yahoo's operating business for \$4.83 billion. A data breach is detected in December, which affects 1 billion user accounts and is to be the largest discovered in internet history.

2017: Marissa Mayer announced in January that she will step down from the board of directors and the company to rename itself to Altaba.

PRIORITY

ICONIC BRAND

The JFM quarter started with many exciting initiatives and achievements. Safexpress took part in several events including World Book Fair at Pragati Maidan, Women Economic Forum at Hotel Leela Palace, CII Logistics 2017, and Delhi Literature Festival, all held in New Delhi. Safexpress also participated in the India Food Forum at Bandra Kurla Complex, and Manufacturing Supply Chain Summit at The Westin Hotel, both held in Mumbai.

In the month of January, Safexpress joined hands with PHD Chamber of Commerce as a Go Green Partner for driving the Swachh Paryavaran Campaign.



This campaign is being led by Honourable Prime Minister, Mr Narendra Modi. Under this campaign, a Swachh Paryavaran Walk was organised at Rajpath in New Delhi, where over 10,000 students participated actively. Also, a Go Green Recycling Workshop was organised at the Safexpress Corporate Office in New Delhi. The workshop imparted knowledge about How, What and Why of segregation of Recyclable Waste in the right way.

Safexpress was recognised by Limca Book of Records 2017 as India's largest supply chain & logistics company. Safexpress is the only supply chain &



logistics company to be featured in Limca Book of Records 2017. Safedute Container School has also been honoured by Limca Book of Records for being India's first Container School. This Container School by Safedute, the education & training arm of Safexpress, was inaugurated by Honourable Prime Minister, Mr Narendra Modi.

International Women's Day was celebrated at Safexpress on the 8th of March. On this occasion, a special ceremony was organised at Safexpress offices all over India. The women staff were thanked for their invaluable contribution by respective Business Heads and presented with flowers and gifts.



Like every year, Holi was celebrated with lots of joy and enthusiasm at Safexpress Corporate Office. Holi brought in a feeling of affection and fraternity amongst the employees. It was a day of fun and rejoicing.

On the 24th of March, Safexpress was conferred with the highly prestigious ET Iconic Brand Award. This honour was bestowed upon Brand Safexpress by Economic Times in a glittering ceremony held at Hotel Taj Santacruz in Mumbai. Various Iconic Brands like Dabur, Amul, etc., were also felicitated in this ceremony.



OFFBEAT



PEOPLE HAVE BECOME
ADDICTED TO THEIR DEVICES,
THEIR TECHNOLOGY AND TOOLS
IN SUCH A WAY THAT IT IS
STRIPPING AWAY THEIR HUMANITY.

BRENDON BURCHARD,
AUTHOR, MOTIVATIONAL SPEAKER

Perna Raturi

Even while you are reading this article, chances are extremely high that you will check your email at least twice, your WhatsApp messages thrice – reply to a couple of them, even – and flip through your Facebook account.

"Well, maybe it's because this article isn't so interesting to read," you say. Well, what about the time you were watching your favourite football team play? While enjoying your favourite meal? Or having an important meeting at work? Did you never unlock your phone to check your messages and mails even once?

You aren't the only one who confessed to doing so. Nearly everyone with a smartphone today feels forced to stay connected. With data prices dropping to the floor, we have information and fun just a few clicks away. Want to complete watching a movie? You can do it as you take an auto ride back home. With today's traffic, God knows you can even start another one. Have to send some mails before 9 am? Do it on the way to the airport for an early morning flight. You can play video games, watch YouTube, read the newspapers – the choices are endless.

And then there is social media – the attractive yet addictive world of Facebook, Twitter, and Instagram. As of May 2016, India overtook the United States with over 195 million Facebook users to the United States' 191.3 million. What's more, in 2018, the number of Facebook users in India is expected to reach 254.9 million. The number of Twitter users in India at present is estimated at around 26.7 million, and is expected to grow to 34.4 million users by 2019. As of November last year, there were no less than 16 million Instagram users in India. In the same month last year, WhatsApp hit 160 million active users in India, its biggest market.

But you don't have to believe the statistics to realise how big messenger services such as WhatsApp and social media sites are in India. One look around you – or a look at your own pattern – will tell you that we are absolutely hooked.

We also know that this isn't such a good thing. Forget the strain on the eyes and the burning pasta on the stove, addiction to gadgets is sucking away precious time from us, taking away our happiness and diluting our relationships at home and at work. No wonder there's a definition for internet addiction: An impulse control disorder, which does not involve use of an intoxicating drug and is very similar to pathological gambling.

As if our work hours in front of the computer weren't enough, now there is internet addiction to think about as well. Too much time in front of your computer,

phone or tablet screen, and it may overwhelm you.

Thus, a growing concern and call for addressing internet addiction or compulsive gadget usage. Delhi-based All India Institute of Medical Sciences (AIIMS), set up a psychiatric unit for cyber addicts in October 2016. It's for those who can't seem to get off social media, video games and the internet in general. Talking to The Times of India about the unit, Dr Yatan Pal Singh Balhara, the psychiatrist heading AIIMS's Behavioural Addiction Clinic said depression, anxiety and substance abuse was common in patients addicted to the

internet. He said, "These addicts are counselled, their access to the internet is controlled and in rare circumstances, admission is required for their well-being." Currently, the ward has 6-10 patients on a daily basis and Dr Balhara feels the numbers will go up as awareness increases.

Gadget addiction isn't just an Indian phenomenon, however. The world over, people are falling prey to staying connected at all times, 24x7. Thankfully, it isn't just something that is being felt by social scientists and psychiatrists such as Dr Balhara. We have all seen or felt the repercussions of staying connected in our own lives. Thus, there is a growing awareness for the need to switch off that smartphone, unwind, uninstall apps and take life away from the fast lane.

Renowned American author, motivational speaker and popular podcaster Brendon Burchard says on his website, <http://brendonburchard.tumblr.com>, "People have become addicted to their devices, their technology and tools in such a way that it is stripping away their humanity." He also offers advice on how to fight this addiction. (See Box: HOW TO UNPLUG?)

It isn't just about losing your humanity. Gadget addiction leads to poor physical and mental health as well. You don't spend time with people you love, your body clock goes for a toss, and you either eat too much or too little. And where's the time for any exercise? Except when you can post it on, say, Facebook – which defeats the purpose, say experts. Even fun things such as attending weddings, partying, and travelling seem to have become chores, what with uploading photos, taking selfies, posting updates, and checking and replying to messages about these activities.

But is there a way out? Is there really a way to strike the balance between spending quality time without gadgets, while also not missing out on all the work and some online fun? The answer is a resounding yes. However, like all addictions, this one has to be fought with a determined mind and lots of will power.

HOW TO UNPLUG?

1. Don't check email the first hour of your day. When you do check it, have an intention for how long and what must be accomplished. The inbox is nothing but a convenient organising system of other people's agendas. So, beware jumping into the sinkhole that is your inbox during the first hours of the day – it can only lead to a reactive life. Instead, stretch or workout, think, eat well, then sit down and plan your day as if your time were as valuable...because it is.
2. Don't look at TV, social media or email 90 minutes before bedtime.
3. Walk outside 30-45 minutes per day without your phone.
4. Take several "digital diet" days per month, when you don't look at anything digital whatsoever.
5. Don't look at your phone during meals or when interacting with a person.

Source: <http://brendonburchard.tumblr.com>