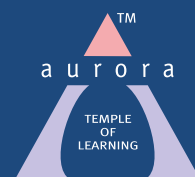


akshara

NEWSLETTER

Vol.X | Issue.4 | April 2020



AURORA'S BUSINESS SCHOOL

Dwarakapuri Colony, Hyderabad - 500 082

+91 40 2335 1892, 2335 0062

www.absi.edu.in



Director

Dr. Raghu Naga Prabhakar

Editor

PNS Datta Sarma

Assistant Editors

C Kameshwari

Dr. V. Sree Jyothi

P. Pratyusha Reddy

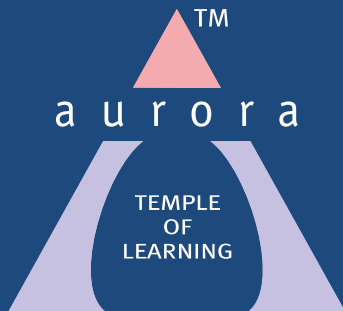
Editorial Team

Jyothi

Abhishek Sharma

Venkata Ragavan

Sneha Malani



akshara
NEWSLETTER
Vol.X | Issue.4 | April 2020

TABLE OF CONTENTS

APRIL, 2020

4-6

**BUSINESS NEWS OF
APRIL, 2020**

7-9

**DIGITALISATION IS THE
SOLUTION TO GO AHEAD OF
COMPETITION**

10

**NEWS & EVENTS@
AURORA'S BUSINESS SCHOOL
APRIL, 2020**

11

**BIRTHDAY GREETINGS
TO STUDENTS**



FROM THE DIRECTOR'S DESK

Hi readers,

It gives me pleasure to place the April-2020 issue of the newsletter Aksharain your hands. This issue along with other regular features, has a piece on how to manage Covid-19 pandemic that is hurting the world with ever increasing ferocity. We are still in thick of this global pandemic that has changed almost every aspect of our daily lives, including the way we eat, rest, sleep, work and learn. As the concern over the spread of COVID-19 increasing, the Aurora's Business School has transitioned to fully online classes. Faculty and staff had already begun tentative plans for remote learning, and students are gearing to take all of their exams from home. We are proud of their strength and resilience to adjust and brace with the change. I wish all our students, faculty, staff and their families stay away from Covid by taking all the needed precautions.

Happy reading and best wishes to you all

DR. RAGHU NAGA PRABHAKAR
Director
AURORA'S BUSINESS SCHOOL



April, 2020

India's budget under strain on day one of new fiscal year

India kicks off its fiscal year with revenues under severe strain. A prolonged slowdown in the economy depressed tax collections in the financial year that ended Tuesday, latest official data show. As India now conducts the world's biggest lockdown, budget pressures are set to worsen. Finance Minister Nirmala Sitharaman has already outlined a virus relief package of Rs 1.7 lakh crore (\$22.5 billion) and may be planning more support. That could push up the government's fiscal deficit target to as high as 6.2% of gross domestic product in the current year, according to Fitch Solutions, compared with the government's target of 3.5%. Others, like DBS Group and Nirmal Bang Institutional Equities Pvt., see a deficit of 4.5%.

RBI may continue its curbs on HDFC Bank

HDFC Bank's wait to get back to the issuance of new credit cards is likely to get longer as back to back technical glitches it faced last month may prompt the Reserve Bank of India to continue with the ban, experts said. The outages are likely to trigger an adverse audit report by the RBI-appointed firm as the central bank, which has moved to a 24x7 payments cycle, has little tolerance for outages, they said. "Due to the recent outage, we believe the chances of an adverse report increases and hence the ban on issuance of new credit cards and launch of digital 2.0 banking could further get delayed," said Suresh Ganapathy, associate director at financial services firm Macquarie Capital.

Share market update: FMCG shares trade higher; ITC gains 3%

FMCG shares were trading higher. Shares of VBL (up 5.42 per cent), TATA CONSUMER PRODUCTS (up 4.21 per cent), Marico (up 3.07 per cent), United Breweries (up 3.0 per cent), ITC (up 2.99 per cent), United Spirits (up 2.71 per cent), Emami (up 2.63 per cent), Dabur India (up 1.63 per cent), Jubilant Foodworks (up 1.51 per cent), Colgate Palmolive (India) (up 1.18 per cent), Britannia Industries (up 0.83 per cent) and P & G Hygiene (up 0.41 per cent) were among the top gainers. The Nifty FMCG index was trading 0.09 per cent up at 28866.5 around 02:21 pm. Benchmark NSE Nifty 50 index was up 290.10 points at 9038.85, while the BSE Sensex was up 1000.79 points at 30894.75. Among the 50 stocks in the Nifty index, 44 were trading in the green, while 6 were in the red. Shares of Tata Motors, Vodafone Idea, SBI, ICICI Bank, ITC, Axis Bank, JSPL, Ashok Leyland, Vedanta and IDFC First Bank Ltd. were among the most traded shares on the NSE.

E-commerce, supermarket players hiring people from other retailers

E-commerce and supermarket operators have stepped up hiring from other retailers severely hit by the Covid-19 lockdown, such as fashion chains to consumer electronic companies, to cater to increasing demand for home delivery across the country.

Gurgaon-based online supermarket Grofers earlier this month hired about 200 people from apparel exporter Orient Crafts while Amazon is in talks to hire temporary employees from other retailers, industry executives said.

RBI raises states' short-term borrowing limit by 30%

Reserve Bank of India has provided relief to state governments by raising their short term borrowing limit by an additional 30 per cent. This move is likely to rein in state's borrowing costs as they would not bunch up auctioning of bonds. This is estimated to create a space for Rs 12,000 crore for state

governments looking to raise money. The central bank had announced a rise in the ways and means advances (WMA) limit of states by 30 percent. It has now been decided to increase the WMA limit of states by 60 percent over and above the level as on March 31, 2020. This is "to provide greater comfort to the states for undertaking COVID-19 containment and mitigation efforts, and to plan their market borrowing programmes better," RBI said.

ITC to expand presence in hygiene and disinfectant space

ITC NSE -0.83 % Ltd has expanded its pace of innovation in personal hygiene and disinfectant space riding on the Savlon brand. The conglomerate has already launched two new such products during the nationwide lockdown to curb the spread of Coronavirus and more are in the pipeline. The company's chief executive (personal care products business) Sameer Satpathy said the pandemic is changing consumer behaviour and needs. "The innovation teams in ITC are identifying these unmet needs and racing against time to craft effective and innovative products in the health and hygiene space to serve these requirements,".

RBI Governor expects a V-shaped recovery for India in 2021-22

The Reserve Bank Governor Shaktikanta Das expects a sharp V-shaped recovery for India as projected by the IMF in 2021-22. Quoting IMF's projection of 1.9% growth for India in current fiscal, Das said that India is among the handful of countries that will cling on to positive growth. This is the highest in G20 countries as is estimated by the IMF. The RBI Governor said that the inflation is also expected to fall within the comfort zone of the RBI and will provide policy space for further action. It expects India to record a sharp turnaround and resume its pre-Covid pre-slowdown trajectory by growing at 7.4 per cent in 2021-22. The RBI announced a slew of measures to boost liquidity to NBFCs and other financial institutions. It also reduced the reverse repo by 25 basis points to 3.75 per cent. The RBI governor said that the promising IIP print should not mislead us as this does not capture the impact of Covid-19.

72% companies to take a Covid hit, 61% to defer expansion: FICCI survey

Almost 72% of companies see their businesses being highly impacted by the emerging situation of the impact of Covid-19 and the lockdown, according to a business impact survey released. Data from a Federation of Indian Chambers of Commerce & Industry (FICCI) survey said 70% of surveyed firms saw sales declining by more than 20% this fiscal. "The Covid-19 pandemic is causing deep economic harm and could reverse the gains made in the industrial economy over many decades. There is a need to render immediate and sizable support to industry to protect people, jobs, and enterprises," said Sangita Reddy, president of Ficci. The Ficci-Dhruva Survey, conducted firms saw sales declining by more than 20% this fiscal. "The Covid-19 pandemic is causing deep economic harm and could reverse the gains made in the industrial economy over many decades. There is a need to render immediate and sizable support to industry to protect people, jobs, and enterprises," said Sangita Reddy, president of Ficci. The Ficci-Dhruva Survey, conducted.

Bharti Infratel climbs 3% ahead of Q4 results; here's what to expect

Shares of Bharti Infratel NSE 0.04 % advanced over 3 per cent trade ahead of its financial results for the quarter ended March 31 later in the day. The scrip traded 3.10 per cent up at Rs 172.70 at around 9.30 am (IST), while the benchmark BSE Sensex was up 61 points, or 0.19 per cent, at 31,429 at around the same time. Kotak Institutional Equities projects a 33.30 per cent and 1.1 per cent YoY growth in adjusted profit after tax and net sales for Bharti Infratel in Q4FY20. ICICIdirect sees a 27.80

per cent YoY rise in net profit at Rs 776.80 crore. On the other hand, Dolat Capital believes that the company due to annuity model will be least impacted from Covid-19.

RBI may raise promoter holding cap in private banks

The Reserve Bank of India (RBI) is looking to raise the 15% ceiling on promoter shareholding in private sector lenders as part of new rules that are being drawn up, said people with knowledge of the matter. Voting rights will however be capped at 15-20%. The move to balance ownership and control comes as some private sector banks have sought a relaxation in licensing norms, citing the regulator's recent decision on Kotak Mahindra Bank. The RBI didn't respond to queries. "The central bank has been reworking the shareholding norms to ensure parity among all players," said one of the persons. "The new rules were in the works but delayed due to the Covid-induced lockdown, and might be issued in a few weeks." In January, the RBI allowed UdayKotak, Asia's richest banker, to hold a 26% stake in Kotak Mahindra Bank as long as the lender didn't raise capital through a share sale. The promoter's voting rights were restricted to 15% from April. The rules also stipulated that UdayKotak will not be allowed to top up his stake if it falls below 26%. The bank recently announced a fundraising plan of nearly Rs 7,500 crore that will allow UdayKotak to bring down his stake by a percentage point. Kotak has time until September to prune his 30% holding to 26%.

DIGITALISATION IS THE SOLUTION TO GO AHEAD OF COMPETITION

Dr RAGHU NAGA PRABHAKAR,
Ph.D, M.Phill, PGDPM, MHM, Director, Aurora's Business School, Hyderabad
(He can be reached at prabhakalepu@gmail.com)

On July 4, 2019 Forbes India one CEO club leaders assembled at The oberoi in New Delhi, to review their digital journey, the innovations they have created and inculcated at their organisations and the differentiating digital factor that will set them on to a growth path. The second edition of the ForbesIndia one CEO club, in association with Google cloud India was allowed by Shashank Sri Vatsava, Executive Director, Marketing and Sales, Maruthi Suzuki; Anil Parashar, President and CEO, Inter globe Technology Quotient (ITQ); Bharat Gupta, CEO, Jorgan New Media; Manish Sharma, President and CEO, India and South Asia, Panasonic; and Dilip C Oommen, Managing Director, Essar Steel. They unanimously opined that differentiation is the only concept which can lead them to success in a digital world.

For the last two years, digital transformation in organisations has been making its mark, in every e-suite corridor. It has been embracing the key-sectors like new strategies, investments, rethinking processes, transparency and access to information. The Digital leadership round table attempted to get insight into what comes after millions of dollars are invested in digital technologies. It discussed the measures to be adopted to make the most of new innovations, strategies and to cater to the right audience, with the right set of products. In the words of Brian Carvalho, editor, Forbes India,

**“Making investments worth millions
of dollars to improve digital
capabilities and integrate digital
technology into all areas of business
may still be the easier Part. The
tougher part may be still to come”**

These opening words were self-explanatory digitalisation is easy but what separates one from competition, as the forerunner is the differentiating factor. All the global business is impacted by digital transformation. Maruthi Suzuki has cut down design-to-road cycles considerably. Essar Steel used its digital capabilities for scaling operations, without compromising on quality and getting the loyalty of its customers. To Quote its M.D, Dilip Oommen

**“We move 7.2 million tonnes of
steel every year; digital technologies
help improve efficiency, transparency,
remove leakages, reduce cost,
While maximising margins”**

Manish Sharma, CEO, Panasonic's President for India and South Asia described the change in eloquent terms. He aimed that previously change was the only constant. He felt that there are many asset light business models, there is so much disruption. This is happening both in the evolution of new products, the way the business and processes are happening, and the way the new business models are coming up by the advent of digital technologies. Nitin Bawankule, Google cloud India country head expresses an important aspect. He said that there are three angles for the digitalisation of Google. They are consumer, business and the ecosystem players. He reiterated that digitalisation and business transformation must be customer-centric, to ensure success. To quote his words,

“To Succeed in your business digital strategy, it is important to understand where your consumer is, in our journey of digital adoption “

If we take the example of media-houses, the digital has no doubt opened up a variety of revenue streams, but at the same time it has also created the problem of plenty. It makes the customer the prime concern.

Mr. Gupta, of Jorgan New media explains this catastrophe in somewhat clear terms. He says that India has 400 million internet users, each of them is going to consume different content. The elite group want pure information; the middle urban class wants content that can be used rather than only inform. The rural users will have completely unique content needs. Majority of the internet users are consumers of language. Gupta feels:

“This changes the game for us Completely. Our first step was to understand the audience bucket we can cater to.. it gave us insights to shape our product and product proposition “

Today, every prime minister and president are aware of the importance of the platform. They tweet, to communicate with their people. It is necessary for their present and future survival. The digital capabilities collect huge data, which can act as a game changer, if analysed correctly. Analysing and listening to data correctly will help companies shape their future strategies. The audience of Maruthi Suzuki has online searches about autonomous cars and shared mobility. This will influence the company's decisions in future.

Individualisation has replaced personalisation in business. The consumer demands.

“How do I get a predictive Model for me? “

The new challenge rests here. It is how we are going to fulfill that brand or product promise for a customer. When the products are successfully individualised. Business will thrive. For example in hospitality sector there must be a one point solution that can cater to the individual travel needs and

queries of a customer and he or she need not go to separate windows to find answers.

To Quote,

“If the relevant data is available to employees at the click of a button, we can be sure of faster decisions “.

But Mr Bawankule Aims that there is a need for a larger cultural change. Teams should make cross sharing of data a norm, for the larger benefit of the firm and the customer. To conclude:

“Unless you as CEO use analytics to make data driven decisions regularly, your term will never embed the culture “

Source:

“Forbes India” Aug 16 2019

**News & Events@
Aurora's Business School - April, 2020**

| S. No. | Date | Event |
|--------|------------|--|
| 1 | 02.04.2020 | Director Dr Raghu Naga Prabhakar's Article "Quality: Concept and Dimensions" included in the book Financial and Materials Management published by Dr. B. R. Ambedkar Open University, Hyderabad, 2020 |
| 2 | 03.04.2020 | Faculty Member Dr Datta Sharm's poem Karshakuni Harsham published in the Anthology entitled "Rythu Bandhu" |
| 3 | 04.04.2020 | On-line Guest Lecture on 'Forex Operations in Banking Sector' delivered by Shaikh Abdul Shafi, Assistant Manager, Oriental Bank of Commerce |
| 4 | 18.04.2020 | Dean Prof. G. Sreenivas Reddy delivers "On-line Guest Lecture on Research Methodology' to the Students and Faculty of Department of Human Resource Management and Public Administration, Kakatiya University, Warangal. Some Students of Aurora's Business School also log in to the lecture programme |
| 5 | 26.04.2020 | PGDM I Year students are given 25 topics each, specialization wise, relating to Finance, Marketing and HR specializations for selecting topics for the Online Summer Internship Projects (SIPs) |

Happy Birthday

**Dear April Born,
Happy B'Day to You All !**

| | | |
|----|---------------------------|------------|
| 1 | TOOPU SRI LAKHSMI | 02.04.1998 |
| 2 | SHRUTHI MODANI | 09.04.1998 |
| 3 | HEPHZIBA T | 10.04.1997 |
| 4 | JAHNAVI E | 10.04.1997 |
| 5 | VEDHAVYAS SAI RAM | 11.04.1998 |
| 6 | SACHIN RAJ BASA | 14.04.1996 |
| 7 | KANDIKURWAR VARSHINI | 16.04.1997 |
| 8 | RAMANI ADARSH KUMAR PATEL | 16.04.1999 |
| 9 | NAVEEN REDDY S | 16.04.1997 |
| 10 | SREEBALA I | 21.04.1997 |
| 11 | SHEETAL SENGANI | 22.04.1998 |
| 12 | MOTE SHRAVANI | 24.04.1998 |
| 13 | DHARMENDAR REDDY MUDEM | 27.04.1995 |
| 14 | BANDI AVINASH GOUD | 30.04.1998 |

