

managementVoice

(A Thrissur Management Association Publication)

A MEMORABLE GRAND FINALE TMA'S AWARDS NIGHT ON 27 JULY 2021 ANNUAL MANAGEMENT CONVENTION ON 28 JULY 2021



Dr. Sibichan K Mathew IRS Keynote Speaker TMA Awards Night 2021



29th Annual Management Convention Inaugural Address by Mr. Bhaskar Bhat Former MD Titan



Dr. K Radhakrishnan (Former Chairman ISRO) Recipient of TMA – Manappuram Life Time Achievement Award 2021



Mr. Murali Ramakrishnan (MD & CEO) South Indian Bank) Guest of Honor of the 29th TMA Annual Convention



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Note: Management Voice solicits original articles (published/unpublished) from its members. Kindly email your contributions to The Honorary Secretary at tma.tcr@gmail.com with "Article for TMA Voice" in the subject line.



From The Chief Editor



A fitting finale

The term of the present team of office bearers of TMA under the leadership of Dr. V.M. Xaviour, President, is about to come to an end. It is fitting that they hand over their positions to their successors with the satisfaction of having presided over yet another year of accomplishments for TMA. In the month of July, TMA hosted two star-studded programmes back-to-back, the TMA Awards Night on July 27, followed by the Annual Management Convention on July 28. It was the grand finale to a year of hectic activity.

Inside this issue

We have some very interesting and insightful articles lined up for you. Remarkably, all of these articles are original contributions from our members and once again, there are a few names making their appearance in these pages for the very first time.

In our regular “policy” column, TMA’s Past President, Mr. V.P. Nandakumar, takes on the much talked about topic of the recent jump in US inflation. In “The US has an inflation problem” he notes that the US economy is indeed facing an inflation problem and there is the risk that if it is not handled with care, it can get out of hand with grave implications for the world economy. It would be sensible for policymakers around the world, particularly of the vulnerable economies, to be prepared for the possibility of US interest rates rising sooner and faster than currently predicted.

Mr. T.N. Ramaswamy, a member of TMA’s Managing Committee, has contributed a thought-provoking article about retirement and the retired life. In the words of the author, “The right attitude is necessary to succeed in any role, and retirement is no exception.” The retiree seeking a happy outcome needs to adapt to the new set of realities quickly and fully. Unwillingness to do so can cause grief and mental distress which usually manifest themselves in the form of an identity crisis.

In the article, “India’s economy and its growth story,” TMA’s Past President CA V. Venugopal examines the past, present, and future prospects of Indian economy. He points out that the Indian Economy is now the 6th largest in the world measured by nominal GDP and third largest by Purchasing Power Parity (PPP). It is among the fastest growing major economies of the world. India, he believes, is poised to become the World’s 3rd largest economy by the next decade.

Dr. M. N. Gopinathan Nair (Retd.) is an alumnus of the Armed Forces Medical College, Pune and a recently joined member of TMA. His article is titled “Doctor-Patient relationship: What next?” He stresses that the medical profession is going through difficult times, with very heavy work pressure due to the Covid-19 syndemic (defined as “a set of linked health problems involving two or more

afflictions, interacting synergistically, and contributing to excess burden of disease in a population”) and the increasing incidence of workplace violence. A few adverse comments about patient care can substantially negate the excellent work put in by most healthcare professionals. The public needs to be educated on this aspect and they should not resort to social media for redressal of grievances.

Mr. Aravind Nair’s regular column “Jest Saying” gets a serious makeover and becomes “Just Saying” as he has chosen to depart from the usual light-hearted impressions to some serious musings on the many dilemmas confronting senior citizens. “To be or not to be” is the title of his article and in the words of the author, “I am a weird person. Almost always, I seem to think and behave in a way different from the societal norms, or at least unlike the so-called normal people.”

CA Prasanth G Menon, a Partner at M/s Varma & Varma (Chartered Accountants) and a life member of TMA has contributed an article on exit strategy. He explains that an exit strategy is a method by which entrepreneurs and investors, especially those who have invested large sums of money in start-up companies, transfer ownership of their business to a third party, or by which they recoup money invested in the business.

In the article, “Markets – A fundamental analysis”, Er. Alex P George, an alumnus of the Indian Institute of Management Kolkata and a life member of TMA, makes the case that markets are becoming extremely difficult to understand. Whether it is the stock markets, the commodities market like gold, oil etc, we find it increasingly harder to understand and predict markets. However, he makes a valiant effort to deconstruct the fundamental forces driving markets to help us understand its flaws and limitations, and in the process, realise our own limitations.

Needless to add, we also have the usual complement of our President’s message and the Secretary’s report with its comprehensive record of all activities of TMA during the last couple of months, and the advertisements by our sponsors. We have given a miss to our regular Quiz column for lack of space and to give priority to all the articles contributed by our members.

Happy reading!

Ranjan Sreedharan,
Chief Editor

Message From The President



"We are not here to curse the darkness, but to light a candle that can guide us through the darkness to a safe and sure future." –

John. F. Kennedy

Esteemed Members of TMA,

It gives me immense pleasure to inform you that during the last year, we were able to collect articles and contributions by our members required for the Management Voice without any difficulty. All the contributing authors are very learned and experienced in their respective fields. I take this opportunity to congratulate and appreciate the brilliant authors who have contributed their insightful articles to the Management Voice. I must also appreciate the many Institutions that have generously contributed in support of Management Voice.

This is the fourth and the last issue of the Management Voice during my tenure. TMA is proud of its members who have contributed articles for publication in the Management Voice. Indeed, this time around, the editor of Management Voice, Shri Ranjan Sreedharan did not have to repeatedly ask members to contribute articles for Management Voice as many have eagerly come forward without need for periodic reminders. Mr. Ranjan Sreedharan, chief editor of Management Voice, has put in a lot of effort to ensure that the content is of high quality, and on behalf of TMA, I express my gratitude to him.

In June 2021, TMA conducted a philanthropic activity for the warriors of Covid-19 at which 300 food kits were served to the frontline Covid warriors in association with Rotary Club, Thrissur. TMA also conducted one International Webinar, two joint National Webinars and three programmes as part of its Student Chapter activities.

The topic for the International Webinar was **"Storytelling for Business: The Power of Narrative"** and the speaker was **Mr. G Riley Mills**. TMA is very thankful to **Er. Francis George** who had arranged to bring in such an excellent speaker for the Webinar.

TMA organized two joint National Webinars with ICAI, ICSI, and CMA. One of the programmes was **Insolvency & Bankruptcy Code** and the speakers were **CA (Dr) Gopal Krishna Raju, CS (Dr) S Dhanapal, CA Anil Goel and Adv. CA Ashish Makhija**. The final webinar in June was on the topic **Recent Amendments to Companies Act, 2013, CARO, and Schedule III**. The speaker was **CS (Dr) Yashree Dixit**.

July 2021 was again a month of hectic activities for TMA; on 10th July, we conducted a programme with **Mrs. Maria Kuriakose**, a startup entrepreneur.

A webinar with the title **"Humbled by Travel"** was conducted by **Mr. Benny Joseph (Regional Director of Technology, Field Services – Australasia, Hilton Hotels Group Sydney, Australia)** who has worked in more than fifty cities across the world. He had shared his cultural experience while working in those cities.

Another important programme of TMA in July was the Awards Night on 27th July. It was for the first time in TMA's history that an exclusive programme to honour the award winners of Thrissur Management Association was arranged. A total of 12 awards were presented and the Chief Guest for the programme was **Smt. Haritha V Kumar (Dist. Collector, Thrissur)** and the Guest of Honour was **Dr. Sibichen K Mathew IRS (Commissioner of Income Tax)**.

The Annual Management Convention was also conducted on 28th July. Last year, due to the pandemic, the Annual Convention was not held, so this time TMA decided to conduct it virtually. The Chief Guest for the Annual Convention was **Mr. Bhaskar Bhat (Former MD of Titan Industries Ltd.)** and the Guest of Honour was **Mr. Murali Ramakrishnan (MD, CEO, South Indian Bank)**. They spoke on the topics "Responsible Business" and "Principles of Success" respectively. At this convention, TMA bestowed the **TMA-Manappuram Group Lifetime Achievement Award to Padma Bhushan Dr K Radhakrishnan**, Former Chairman of ISRO. It was an honour and privilege for us that Dr K Radhakrishnan accepted the award.

The last programme was the Annual General Body Meeting and election of new Office Bearers. I would like to congratulate the new president Er. Vinod Manjila and his team. I wish them all success and I hope they will take TMA to new heights.

On this occasion, I am very much grateful to all the Office Bearers of TMA, **Er. Vinod Manjila, Mr. K Paul Thomas, Mr. Prathap Varkey, Er. Francis George, CA. Shaji P J, CA. Geo Job, CA. Manjo Kumar M**, the Management Committee members of TMA, members of TMA, our office staff, **Mr Shoby & Ms Bindu**, and other stakeholders of TMA for their relentless support.

Once again, I assure you that I will continue my support and guidance to TMA in the coming years.

With Warm Regards,

Dr. V M Xaviour
President, TMA

Secretary's Report



Dear Member,

Greetings from TMA!!

I am delighted to present before you the various activities of TMA during the period from June 2021 to July 2021

Membership and Induction of New Members

Life Members

1. Ms. Meera Rajeevan
2. Mr. Jose Kavalakat
3. Mr. Rajesh Jack

Demise of TMA Life member Mr Raphel Vadakkan

Mr. Raphel Vadakkan, Life member of TMA, passed away on 18th June 2021

To condole his sad and sudden demise, TMA conducted a Condolence meeting on 19th June 2021. Members of TMA Managing Committee members and president of TMA spoke of the valuable services and contributions made by Mr. Raphel Vadakkan to the activities of TMA. The meeting was chaired by President, Dr. V Xaviour, and members observed one minute silence as a mark of respect to the departed soul.

Managing Committee Meetings

During the period Two Managing Committee meetings were held

29th Annual Management Convention

29th Annual Management Convention flagship event of TMA was held on 28th July 2021 virtually. Former MD of Titan Industries, Mr. Bhaskar Bhat, was the speaker of the event. The theme of Annual Convention is **'Management in the age of New Normal**.

Mr. Murali Ramakrishnan (MD&CEO of South Indian Bank) was the keynote speaker of the session.

At the function, TMA Manappuram Group Lifetime Achievement Award was presented to Padma Bhushan Dr. K Radhakrishnan (former Chairman ISRO).

TMA Awards Night 2021

On 27th July 2021, TMA organized Awards Night to present the various Management Awards of TMA. Smt. Haritha V Kumar, District Collector, Thrissur, was the chief Guest of the day
Mr. Sibichan K Mathew IRS, Commissioner of Income Tax was the keynote speaker of the day.

TMA Management Awards 2021 Winners

TMA Manappuram Group Lifetime Achievement Award 2021	Padma Bhushan Dr. K Radhakrishnan (Former Chairman, Space Commission/Secretary, Department of Space &; Chairman, ISRO)
TMA Leo Pharma Group Management Excellence Award 2021	Mr. P K Jaleel (Managing Director, BEST Group of Companies)
TMA T R Raghavan Memorial Best Management Student Award 2021	Ms. Aditi Anoop (Sahrdaya Inst. of Management Studies)
TMA P N K Unni Memorial Women Entrepreneur Award 2021	Ms. Sushma Nandakumar (Managing Director , Manappuram Jewellers Ltd)
TMA-Beeline Award for Disabled Person	Mr. M T Shaji
TMA Florence Nightingale Award 2021 for Nursing Excellence	Rev. Sr. Merly Mathew (Deputy Nursing Superintendent) Jubilee Mission Medical College & Research Institute, Thrissur
	Nrs. Daisy C V (Nursing -In- Charge, COVID19 ICU, Sun Medical and Research Centre, Thrissur)
	Nrs. Jessy Samuel (Nursing -In- Charge , Multidisciplinary Critical Care Unit, Daya General Hospital Limited)
	Nrs. Trinimol K S (Nursing -In- Charge, Amala Institute Of Medical Sciences, Thrissur)
TMA Aquastar Green Project Award 2021	Rev Fr. Davis Chirammel (Founder, Kidney Federation of India)
Mrs Geetha Ravi Memorial Award 2021 for Best Mathematics Teacher in Thrissur District	Smt P.S. Geetha (Retired Teacher, HSS Panangad)
TMA Award for the Best Woman Manager 2021	CA. Chithra H (GM-Chief Financial Officer, South Indian Bank)

Inauguration of TMA-Sahrdaya Institute of Management Studies Students Chapter

The inauguration of the TMA-Sahrdaya Institute of Management Studies was held on 5th June 2021 through ZOOM. TMA's President, Dr. V M Xaviour, inaugurated the chapter activities.

World Environment Day webinar: Ecosystem Restoration for Sustainable living

TMA has organised a world environment day webinar on the topic "Ecosystem Restoration for Sustainable Living" on June 5th 2021. Dr. Ignatius Antony (Principal (Retd.) St Thomas College (Autonomous), Thrissur was the session speaker of the day. Around 110 students have attended this session.

TMA Student Chapter: Virtual Panel Discussion on Challenges of Learnings During Covid & Career Opportunities Post Covid

TMA Students Chapter, in association with Nehru B-Schools, had organised Virtual Panel Discussion on "Challenges of Learnings during Covid & Career Opportunities Post Covid" on 12th June 2021.

CA. T S Anantharaman (Former Chairman, CSB Bank & Past President, TMA), Dr. Sheela Srivastava (Director, NSM) and Er. Francis George (Management Consultant & Former Vice President, Citi Bank & Standard Chartered Bank) were the panel members for the event. Mr Sreeranjana Menon Associate Professor of NSM moderated the discussion. Around 120 members and students attended this lively session.

TMA Students Chapter Webinar: How to Develop an Effective Business Plan

TMA Students Chapter has organized a webinar on “How to Develop an Effective Business Plan” on 18th June 2021 through ZOOM.

TMA's immediate Past President CA Sony C L was the session speaker of the day. Around 100 students attended this event. CA Manoj Kumar, Student chapter convener, introduced the chief guest.

Panel Discussion in association with TMA and Thrissur branch of ICAI, The Thrissur Chapter of ICSI & the Thrissur Chapter of ICMA (CMA)

TMA organised a joint session in association with Thrissur branch of ICAI, The Thrissur Chapter of ICSI & The Thrissur Chapter of ICMA (CMA) on 12th June 2021

The topic of the session was Insolvency & Bankruptcy code. CA. Dr. Gopal Krishna Raju, CS. S Dhanpal, CA Anil Goel and Adv. CA Ashish Makhija were the panel members of the programme. CA V Sampath Kumar moderated the session. Around 180 members attended this event.

International ZOOM Webinar: Storytelling for Business: The Power of Narrative

TMA in association with Pinnacle Performance Chicago, USA has conducted an International ZOOM Webinar on the topic Storytelling for Business: The Power of Narrative on 17th June 2021.

Mr G Riley Mills, Co-Founder & COO, Pinnacle Performance (Chicago, USA) was the session speaker. Nearly 200 members including students and corporates attended this fabulous session.

Joint ZOOM Webinar: Recent Amendments to Companies Act, 2013, CARO, and Schedule III

TMA has organised a joint session in association with The Thrissur branch of ICAI, the Palakkad branch of ICAI, the Thrissur Chapter of ICSI, the Thrissur Chapter of ICAI (CMA) on Saturday, 26th June 2021 at 4:00 PM IST.

CS Dr Yashsree Dixit was the session speaker. Around 200 members attended this session.

Joint ZOOM Webinar: Panel discussion on Micro, Small and Medium Enterprises in India and Various Schemes and Incentives to MSME Sector

As a part of International MSME Day, TMA organised a panel discussion in association with The Thrissur and Palakkad branch of ICAI and Thrissur branch of ICSI.

Er. G S Prakash IEDS, Jt. Director, MSME Development Institute and CA Vipin K K, past Chairman of Thrissur branch of ICAI, were the panel members for the programme. CA Sony C L, Imm. Past President, TMA, was the moderator of the session. Around 150 members attended this event.

COVID-19 Relief Work

TMA has actively participated in COVID-19 relief work. TMA Contributed meal kits to CFLTS and to Gov. COVID-19 camps. Additionally, we are continuing efforts to promote awareness on COVID.

ZOOM Webinar: An Entrepreneur's Journey

A ZOOM webinar on the topic An Entrepreneur's Journey conducted on July 10. Ms. Maria Kuriakose Founder, Thenga was the session speaker of the day. Around 75 members were attended this session.

Humbled by Travel: Zoom Webinar

Another webinar on the topic Humbled by Travel conducted on 16th July 2021. Mr. Benny Joseph Regional Director of Technology Field Services - Australasia Hilton Hotels Group, Sydney was the speaker of the day. Around 110 members attended this session.

Release of TMA Management Voice

3rd issue of TMA Management voice released virtually on 10th July 2021.

My term as honorary secretary is coming to end

I express my sincere gratitude to each and every one of you for providing me with an opportunity to serve you. It has been a great learning as well as humbling experience for me.

I do not want to bore you with specific details but would like to assure all of you that TEAM TMA has done the maximum during the last one year to make our organization a few notches better! Thank you, once again.

With best wishes for your good health and safety.
With warm Regards,

Prathap Varkey
Hon. Secretary, TMA

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THE US HAS AN INFLATION PROBLEM



By V.P. Nandakumar

A jump in US inflation may pressure the Fed to tighten monetary policy sooner than expected. How would India fare in that scenario?

There is no doubt that the US economy is facing an inflation problem. And the risk is that if it is not handled with care, it can get out of hand.

According to the US Labour Department, Consumer Price Index (CPI) in June 2021 increased by 5.4% from a year ago, the highest 12-month rate since August 2008. Earlier, the consumer price inflation for the month of May showed a 5% increase over the year, which was also the highest 12-month rate since August 2008. But the run-up in inflation had begun in April this year when consumer prices registered a 4.2% increase over the year. For the record, the US Federal Reserve (Fed) has long targeted an inflation rate of 2%, so these numbers are clearly well above their comfort zone.

Indeed, the US Fed has acknowledged that inflation is stronger and perhaps more durable than they had anticipated. When the Federal Open Market Committee (FOMC) met in June, they revised their estimated consumer inflation for the whole-year to 3.4%, which is 1 percentage point higher than their March projection, and double of what they had forecasted in June 2020. However, they insist there is no need to press the panic button as higher prices are transitory and related to the peculiarities of an economy getting back on its feet after the unprecedented lockdowns.

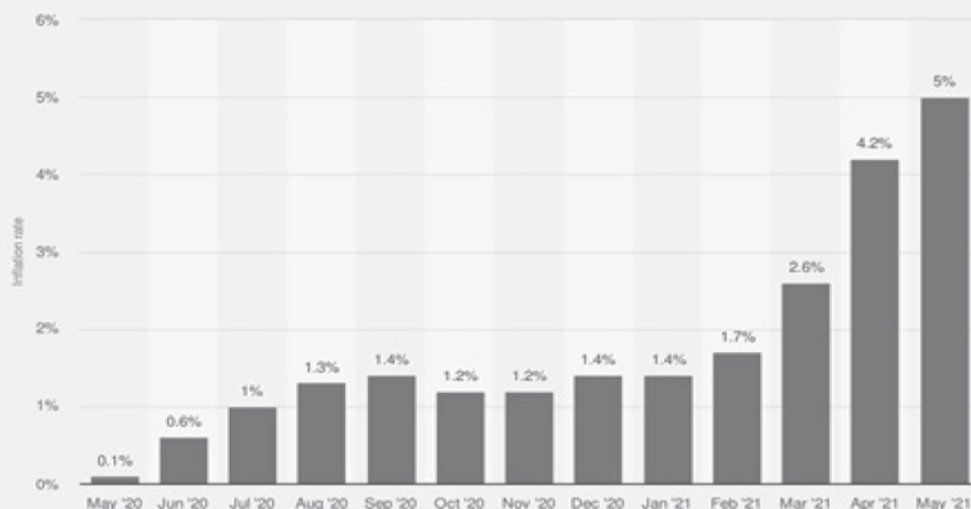
It can be argued that comparing today's price levels to those prevailing a year ago is subject to the base effect given that large parts of the economy were shut down last year. While that is true, the fact remains, inflation measured on a

month-on-month basis also offers no comfort. US consumer price inflation jumped 0.9% month-on-month in June after recording a 0.6% gain in May that in turn followed a 0.8% increase in April and 0.6% in March. The strong run-up of month on month (MoM) readings over the past few months makes the Fed stance of inflation being 'transitory' open to question, if not outright doubt.

Predictably, these numbers have led to increasing calls for a faster winding down of the massive monetary stimulus the Fed has been injecting into the economy. It may be recalled that in March 2020, in response to the economic shock of the pandemic, the Fed had cut its benchmark federal funds rate sharply. The target for this rate (that banks pay to borrow from each other overnight) was brought down to near zero, to a range of 0% to 0.25%. Further, from June 2020 onwards, the Fed started buying US treasuries worth \$80 billion and mortgage-backed securities worth \$40 billion every month (a monthly injection of liquidity worth \$120 billion) which continues to this day.

The rising prices point to strong consumer demand boosted by the good progress in vaccinations, the easing of restrictions on business as the virus recedes, the trillions of dollars in federal pandemic relief, and ample household savings that have surged in recent months (after liberal handouts from the federal government). Housing and shelter prices in US continue to increase at a frantic pace, strengthening the belief that inflation could be sticky. Housing costs have an undue bearing on inflation risks as primary rents and owners' equivalent rent account for a third of the CPI basket.

Monthly 12-month inflation rate in the United States from May 2020 to May 2021



Source:
Bureau of Labor Statistics
© Statista 2021

Additional information:
United States: May 2020 to May 2021

The current increase in inflation has other structural causes that are not entirely related to the pandemic. Driven by all the stimulus money, the economy is growing at a fast pace, and demand is outpacing supply as the production capacity of the economy limps back to normal after the pandemic shock. Wages have risen significantly against a scenario of firms reporting acute difficulties in hiring suitable labour to operate their businesses. For instance, in May this year it was reported that more than nine million Americans wanted jobs but were unable to find them while at the same time companies reported they had more than nine million unfilled job vacancies, a record high. This explains why wages have risen even as the unemployment rate which stood at 5.9% in June continues to be above the pre-pandemic rate of 3.5%. This dichotomy has come about because of overly generous unemployment benefits which have made labour choosier about the jobs they accept. However, the current series of benefits are set to expire in September 2021, and labour shortages and the pressure on wages should ease somewhat, even though wage increases are

known to be sticky.

The Global Financial Crisis of 2008

It is a fact that US monetary policy has been on an expansionary path ever since the global financial crisis (GFC) of 2008. GFC was a watershed in the economic history of the world, because of the resort to unconventional methods by the central banks of the advanced economies. The idea of quantitative easing (QE) emerged that to restore growth and employment, central banks should stimulate the economy by injecting as much money as needed and cutting interest rates sharply. At the start of the meltdown in 2008, the US Federal Reserve held assets worth about US\$870 billion. By 2015, with successive rounds of QE, it had ballooned to US\$ 4.5 trillion. Many predicted inflation but it did not happen. However, asset prices (stocks, bonds, commodities, and real estate) did go up sharply along with equities in emerging markets including India. In 2018, the Fed decided to normalise its monetary policy and began by targeting a US\$ 10 billion monthly reduction of its bond holdings that would gradually increase to US\$ 50 billion.

Within a year, the Fed had succeeded in bringing down its balance sheet size to US\$ 3.8 trillion. But in the aftermath of the pandemic, the US Fed restarted bond buying and today its assets have shot up to over US\$ 8 trillion. All of this has a direct bearing on the supply of money in the economy and gives strength to fears of inflation. Against this backdrop, the US government's \$1.9 trillion Covid relief bill signed into law by President Biden in March will put more money into the hands of people without necessarily adding to output.

Likely consequences of higher US inflation

Should higher US inflation be here to stay, what would be the international consequences? In other words, what would be the consequences if the Fed is forced to tighten monetary policy well ahead of schedule? Afterall, it would be sensible for policymakers around the world, and particularly of the vulnerable economies, to be prepared for the possibility of US interest rates rising sooner and faster than currently predicted.

History tells us that if US interest rates were to rise sharply, countries with large foreign-currency debt (particularly short-term debt maturing within a year) and holding relatively low foreign-exchange reserves would become vulnerable to a currency and debt crisis. In this context, the experience of 2013 is quite relevant. That was when the US Fed made a serious attempt to raise interest rates, in what later came to be known as the "taper tantrum." The world had come out of the global financial crisis, and the Fed decided to reduce, or taper off, the quantitative easing begun in 2008. Essentially, this meant reducing the purchases of treasury bonds and thereby the quantity of money being pumped into the economy. However, by this time investors had come to depend on Fed support for sustaining asset prices, and they responded to the prospect of decline in bond prices by hitting the sell button in panic.

The result was that bond prices fell, and yields shot up. The consequences were felt all over the world as investors pulled their money back to the safety of the US dollar, leading to sharp outflows from emerging markets (including India) which forced central banks to hike interest rates. As foreign portfolio investors began to pull their money out of India, the rupee fell by over 15 percent between late-May and late-August 2013. India found an unwelcome mention on Morgan Stanley's "fragile five" list along with Brazil, Indonesia, South Africa and Turkey. The Reserve Bank of India was forced to raise interest rates to cap the outflow. However, success was limited and eventually India had to

borrow about US\$ 30 billion at a high cost under the FCNRR route to restore stability.

India, how vulnerable?

Can something like that happen again? The chances are unlikely because as against \$275 billion in forex reserves in August 2013, India's forex reserves currently stand at over \$600 billion. Hence, there is greater confidence among policymakers today that the economy can deal with a taper tantrum like situation should it arise. However, that does not rule out short-term volatility and pain.

As interest rates rise in the US and other advanced economies, there will be an initial period when emerging market economies will see capital stampeding back to the US attracted by the higher interest rates. Almost certainly, there will be turbulence in the capital and currency markets with falling stock prices and the rupee shedding value. To counter the outflow, the RBI would have to raise interest rates besides drawing down on its accumulated forex reserves to support the rupee. A weakened rupee can have an inflationary impact as cost of essential imports especially petroleum goes up. Further, higher interest rates also add to overall inflation by pushing up the cost of business. The turbulence will gradually wind down once the rupee is stabilized and international investors come to realize that potential returns from investments in India outweigh what is on offer in the advanced economies.

One of the bright spots for the Indian economy in the gloom of the pandemic age has been corporate India's remarkable success in cost cutting which has led to earnings beating estimates. In recent years, India has made great strides with its Digital India campaign, having emerged as the second-fastest digital adopter among seventeen major digital economies. The digital infrastructure has added to the resilience of India's corporate sector and it was a key enabler for cost cutting during the pandemic. Besides, start-ups in India's tech-enabled services sector have become a magnet for foreign investors. The potential for growth here is enormous and unlikely to be missed by international investors.

The other good news is that after the introduction of the goods and services tax (GST) in 2017, we appear to have overcome all the teething problems and stabilized the system. Over the last 10 months, GST collections have consistently exceeded the Rs.100,000 crore level barring collections pertaining to June 2021 which was affected by the second wave. India has now become one common

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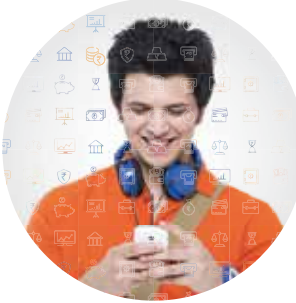
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market for most goods and services and that has given a boost to e-commerce. GST has also served to accelerate the formalization of the Indian economy which has helped the organized sector increase its market share and reap economies of scale. That is one reason why in the recent earnings seasons, most companies have beaten estimates and why the economy has rebounded so well, both after the first and the second waves. Moreover, India's infrastructure has undergone major upgradation, and our roadways and railways are in much better shape now. In the coming years, major gains will accrue from this improvement by way of lower costs for business which in turn improves export competitiveness. Recently, it was announced that India had exported goods worth a record \$35.2 billion in July 2021 while exports in Q1FY22 stood at a record \$95 billion. Importantly, India's merchandise exports in July 2021 represented a significant increase of 34% over what was achieved July 2019, before the pandemic.

The taper tantrum of 2013 was an unhappy experience for India and one reason was that the economy was already overheated then. That

was because the government had delayed rolling back the generous fiscal stimulus provided after the 2008 global crisis setting off prolonged high inflation. In contrast, in the current crisis, India has been something of an outlier in terms of its fiscal and monetary response to the pandemic which has been faulted for inadequacy. However, this may well turn out to be the right response given the storm clouds gathering ahead.

Summing up, the global economy would face significant headwinds if US inflation gets out of hand. As for India, barring an initial period of turbulence, we are likely to emerge stronger and better off. The Indian economy has entered a virtuous cycle where digital and physical infrastructure combine with structural reforms of recent years to improve efficiency and bring down costs all around. We will continue to remain attractive for foreign investment.

Yes, there will be a taper ahead, but no tantrum.

(V.P. Nandakumar is a Past President of TMA and the MD & CEO of Manappuram Finance Ltd. Views are personal.)







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MINDMINE

ABOUT RETIREMENT



by T.N. Ramaswamy

This article is about retirement and retired life. It is not intended to be a serious guide to planning and living the retired life, or even a collection of tips that can be converted into a checklist. It is an unstructured, contrarian and mildly irreverent take on certain aspects of retired life, and hopefully makes for some casual and light reading.

This article only deals with retirement from full time employment. All employees have to retire at some time – due to compulsion, choice or circumstances. Others such as artists, sportspersons, businesspersons, scientists and so on will have a different set of issues, considerations and compulsions relating to retirement but I do not propose to deal with these.

Assuming the financial aspects are planned well, successful retirement is a function of attitude, adaptability and adjustability.

The right **attitude** is necessary to succeed in any role, and retirement is no exception. Not long ago, the typical image of a retired person, and a favourite of cartoonists (at least in certain Western countries) was that of a grumpy old man with a scowl on his face, sitting in his balcony all day and hurling choice invectives at passers-by. This picture is obviously not true today, but it illustrates the point. General attitudes towards retirement vary from country to country and from region to region; and are best encapsulated in certain catchy phrases. The best of these that I have come across is the one commonly used in Canada's French speaking province Québec, which simply describes retirement as "toujours samedi", meaning "always Saturday". Saturday is considered THE day of pure relaxation and enjoyment, the one day in the week when life is really lived fully and well. Friday

is the day of winding down, and Sunday is when thoughts of the working week ahead start filling up the mind.

The happy retiree chooses and gets involved in simple activities that give pleasure and satisfaction, fully aware that the pleasure and satisfaction come from engaging in the activity, not from its outcome. The retiree who takes to painting should not expect to see his work displayed in any Art Gallery. The retiree who chooses to engage in singing should not expect the neighbours to genuinely enjoy his output. In his book "Aging Well" George Vaillant says this about retirement pursuits: "Mindless bowling on the green, atrocious golf, and amateurish watercolours can provide great pleasure and, equally important, freedom and meaning".

The retiree seeking a happy outcome needs to **adapt** to the new set of realities – and do so quickly and fully. Unwillingness or refusal to do so can cause much grief and mental distress, which usually manifest themselves in the form of an identity crisis. For most people, their job is the centre-point of life for much of their adult life. It gives them their income, lays down their routines, and defines their identity. Retirement disrupts all of that. The realistic retiree does not hanker after this bygone identity. Instead he has a changed mind set ready when he wakes up on the first day of retirement, and is all set to enjoy the newly created vacuum. This may fly against conventional wisdom, but the wise thing to do would be to make a clear and complete shift upon retirement, away from the same field, industry or environment. Avoidable disillusionment is the most likely result of not doing so. Psychologist Nancy Schlossberg, as part of a wide-ranging study, identified six distinct types of retirees based on their approach

to retirement. She labelled them as continuers, adventurers, searchers, easy gliders, spectators and retreaters. Continuers are those who continue using their existing skills and interests; and all the other types either pursue new interests or just take it easy. Ranking these different types in terms of how successful their retirement was, the continuers were found to have fared the worst. The reason is that they did not make the clear and complete shift.

The well-known author Gurcharan Das was a very successful CEO of a leading MNC when he decided to “hang his boots” at the age of 50 to take up writing. Chetan Bhagat quit his investment banking job at age 35 to take up a different genre of writing. There are other well-documented cases of people quitting high-profile corporate positions to become artists, politicians, social workers and even monks. These people quit their jobs long before their scheduled retirement date, but the principle is clear – they made the complete shift.

The average retiree does not have the luxury of a well laid path when he staggers out of his job on reaching retirement age. It is precisely such people who should resist the temptation to hang around in the same space by taking up part-time jobs or consulting assignments in the same field or industry. They will do well to look elsewhere for their purpose in life. Most retirees find it. The few who do not, instead of ending up like the grumpy old man, could look at downshifting. There is a growing movement, called the “slow movement” that promotes the concept of downshifting, defined as the “adoption of long-term voluntary simplicity in life” leading to “a life filled with passion and purpose, meaning, fulfilment and happiness. A life to look back on with no regrets”. After all, as a famous aphorist pithily put it: “retirement is a one-way trip to insignificance”.

The need for adjustability – or the ability to imaginatively tweak known tools and techniques – typically comes up in relation to time management. An issue that many retired people face is the surfeit of time. It should be really called “a shortage of tasks” because time does not somehow expand when one retires. The issue truly boils down to managing the time-task matrix – something that all of us do (mostly efficiently) during our working life. The important point, understanding of which is central to sorting out this issue, is that the matrix needs to be turned on its head. For most retired

people, the constraining element in the matrix is not time, but tasks. During working life efficient management of the time-task matrix is all about assigning time to the various tasks on hand, so that all the tasks are dealt with effectively within the time available. In retired life the process needs to be reversed. The efficient retiree has to assign the tasks on hand to the time available, and ensure that, when these tasks are completed, no spare time is left. In other words, go about the tasks on hand slowly, thereby stretching the time spent on each task. An even better approach would be to make sure that some tasks remain undone at the end of each day, just to safeguard against the possibility of running out of tasks the next day. After all, tasks are precious, and need to be used up with care.

The bottom line: switch from time management to task management; and from such things as Priority Pyramid and Pareto principle to productive procrastination.

The problem is that we have all been taught and trained to accept time as the only scarce resource - completing tasks quickly is a virtue, and delaying is a vice. Parents, teachers, mentors, leaders and wise men have, over the years, drilled this idea into our heads, leaving little room for flexibility or for an alternative approach. The Bard of Avon, otherwise known as William Shakespeare, advised us that “there is a tide in the affairs of men, which, taken at the flood, leads on to fortune”. Closer home, our own Kabir Das was even more blunt when he said “काल करे सो आज कर, आज करे सो अब”. The prescient retiree would do well to ignore all such exhortations because, good intentions notwithstanding, they were meant for a different context and for a set of people to which he no longer belongs. He should instead accept and adopt the following adage, which has not emanated from a famous literary person or sage, but is reportedly regularly used and diligently followed in our Eastern State famous for tea and Tagore: “do not postpone to tomorrow what you can postpone to day-after-tomorrow”.

Then there is the art of doing nothing without feeling guilty. The practitioners of this “art” will tell you that it is not the same thing as being lazy. They will point out the difference between doing nothing and not doing anything – the former being a conscious choice, and the latter the absence of a conscious choice. The Dutch have perfected “doing

nothing” into a fine art, and even have a name for it. They call it “Niksen”. An experienced specialist in this art form actually has the following helpful advice: “the Art of Doing Nothing cannot be mastered overnight. It will take hours and hours of practice, of hard work (doing nothing isn’t easy!)”.

And so it is with retired life. Success in retirement does require thought and effort. But the retiree has (or can easily acquire) all the information, tools and techniques needed for achieving this success; and all that is required is a clear vision, realistic

goals and an imaginative use of the available resources. There is no set formula or universal template for successful retirement. Each retired life could possibly be a unique story. A wise man once said: “while there are lots of books available on retirement, the only book that really matters is the one that you write yourself!” □

Mr. T.N. Ramaswamy is a Managing Committee member of TMA

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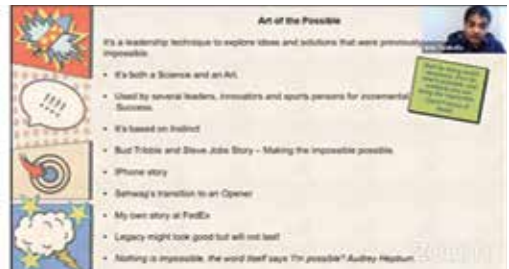
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Mr. V P Joseph, Past President of TMA, introduces the Guest of Honor, Mr. Murali Ramakrishnan, MD and CEO, South Indian Bank Ltd.



Mr. Prathap Varkey, Hon. Secy., proposes the vote of thanks



Dr K Radhakrishnan (Former Chairman ISRO) Winner of TMA-Manappuram Life Time Achievement Award 2021



Er. Alex P George (TMA Member) introducing Chief Guest



Inaugural Address by Mr. Bhaskar Bhat, Chief Guest



Dr K Radhakrishnan (Former Chairman, ISRO) is awarded the TMA-Manappuram Lifetime Achievement Award 2021

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TMA's leadership team and dignitaries at the Awards Night



Welcome Address: Er. Vinod Manjila (Sr. Vice President, TMA)



Presidential Address by Dr V M Xaviour



Inaugural Address by Mrs. Haritha V Kumar IAS,
District Collector, Thrissur



Mr. K Paul Thomas
(Vice President, TMA) introducing the Chief Guest



Dr. Sibichan K Mathew IRS (Commissioner of Income Tax)
Keynote Speaker



Presentation of TMA - P N K Unni Memorial Women
Entrepreneur Award 2021 to
Mrs. Sushama Nandakumar, MD, Manappuram Jewellers



Presentation of TMA - Leo Pharma Group Management
Excellence Award 2021 to Mr. P K Jaleel (Best Group of
Companies)

TMA AWARDS NIGHT 2021 27 JULY 2021 (VIRTUAL)



Presentation of TMA- Mrs. Geetha Ravi Memorial Award 2021 for Best Mathematics Teacher to Smt. P.S. Geetha (Retd HSS Teacher)



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TMA-Beeline Special Achievers Award 2021 presented to Mr. M T Shaji



Presentation of TMA Florence Nightingale Award 2021 for Nursing Excellence



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CA. Chithra H (GM-CFO south Indian Bank)



Mr. P K Vijayakumar IRS (TMA MC Member) introducing the Chief Guest, Dr. Sibichan K Mathew IRS



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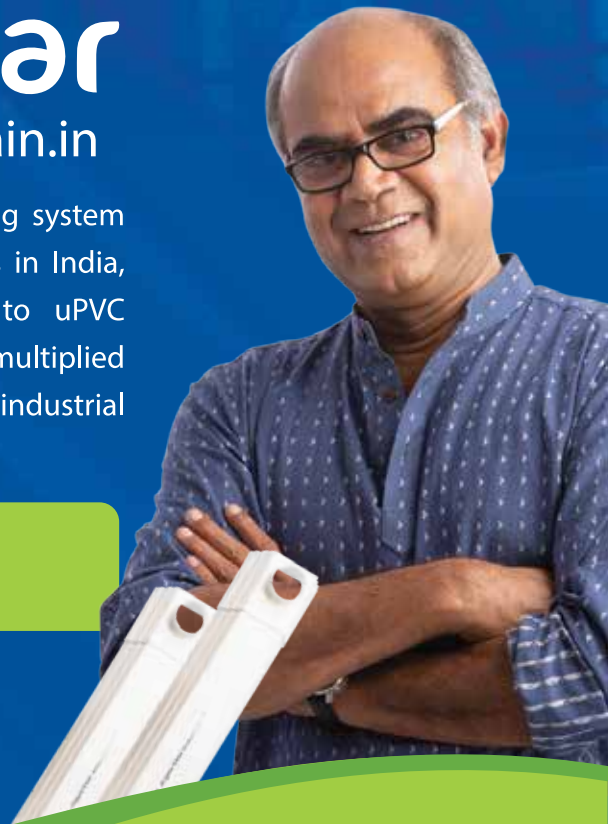
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INDIA'S ECONOMY AND ITS GROWTH STORY



By CA Dr. V. Venugopal

The Indian Economy is now the 6th largest in the world measured by nominal GDP (Gross Domestic Product) and third largest by Purchasing Power Parity (PPP). India is now a member of the G-20 group of nations and also one of the BRICS countries. It is among the fastest growing major economies of the world. India may become the World's 3rd largest economy by the next decade. According to IMF, the Indian Economy is the 'bright spot' in the Global landscape. India is also trying hard to become a permanent member of United Nations Security Council.

HISTORY: BRITISH ERA (1793- 1947)

During the British rule of 154 years (1793 to 1947) India's share of world income collapsed from 22% to 3.8% and India became one of the poorest countries in the world. During the British rule significant transfer of capital took place from India to England, which led to massive drain of wealth. At the end of the colonial rule, India was unable to feed its rapidly growing population.

PRE-LIBERALISATION PERIOD (1947-1991)

After independence, India's economic policy was formulated by the then PM Pandit Jawaharlal Nehru. The Economic Policy was rooted in Socialism based on Soviet model and "5 year plans" were formulated. The rate of growth of Indian economy during the first three decades after independence was only around 3.5%, which is sometimes called the Hindu rate of growth. Income tax rates rose to a maximum of 97.50% during this phase. However, in the late 1970s, the Morarji Desai government pushed through some relaxations to restrictions on expansion of capacity, removed price controls, reduced corporate taxes and promoted small scale

industries. Still there was a long way to go. Before 1991, India would depend on western powers for food aid if the monsoon failed. Two successive droughts in 1965 and 1966 led India to the verge of starvation, which could be averted only by US food aid.

POST LIBERALISATION PERIOD SINCE 1991

The collapse of the Soviet Union, India's major trading partner, and the Gulf War which led to huge increase in oil price, resulted in a major balance of payments crises for India. During early 1991, India had to physically pledge 67 tonnes of its gold reserves and avail an IMF loan of 1.80 billion US dollars to overcome the crisis, and to avoid defaulting on its payments. The IMF, in turn, demanded de-regulation. During 1991, the then Prime Minister Narasimha Rao along with Finance Minister Dr.Manmohan Singh, initiated Economic Liberalization. The reforms did away with Licence Raj, reduced tariffs and interest rates, liberalized economic policies, and allowed automatic approval of FDI in many sectors. Since then, the Liberalization process has been continued by all the successive Governments. The Green Revolution, pioneered in the late sixties, had improved India's food production and slowly India become self-sufficient in food.

PRESENT SCENARIO

By the turn of the 21st century, India had progressed towards a free market economy with substantial reduction in state control and increased financial liberalization. This policy, in turn, increased life expectancy, literacy rates and food supply. However urban residents benefited more than rural residents. India's life expectancy

is 70 years now while the same was at 35 years in 1950.

After independence, India took 60 years to move to the status of a trillion-dollar economy. The next trillion took 10 years, and it took only 5 years to move from two to three trillion. Our prime minister wants to add another 2 trillion in 4 to 5 years. Due to the impact of Covid-19, Indian economic growth slipped into negative territory, degrowing by 7.3 % for FY 2021. However, for 2021-22, the growth forecast by RBI is 9.50%.

Before liberalization it took years to get a landline telephone connected at your resident. Today, India has more than a billion cell phone connections with the cheapest call and data rates in the world. In 1991, only 20% of Indians had TV sets which showed only one Doordarshan channel; now, two thirds of the population have TV sets and we have over 900 TV channels.

At the time of opening up of our automobile sector, India manufactured only 3 brands of cars, viz. Ambassador, FIAT and Standard. During the eighties, there was a long waiting period to get hold of a Fiat Premier Padmini car. During the 1960-70 period, one had to book and wait for more than 10 years to get a Bajaj Chetak scooter. India is now the world's largest tractor manufacturer, second largest bus manufacturer, largest two-wheeler and three-wheeler manufacturer, and the fourth largest car manufacturer. India is expected to be the world's third largest automotive market in volume terms by 2026.

India enjoys an important position in the global pharmaceutical sector. India ranks third in terms of pharmaceutical production by volume. Our domestic pharmaceutical industry includes a network of 3,000 drug manufacturers and 10,500 manufacturing units. Indian pharma exports reached US\$16.28 billion in 2020.

MANUFACTURING & INFRASTRUCTURE

The Indian government's priority is maintaining and managing high growth through investment in infrastructure. The government plans to spend Rs.102 lakh crore (\$1.4 trillion) on infrastructure projects covering the power, railways, irrigation, education and health care sectors over the next 5 years. The government has set a target of

constructing roads worth 15 lakh crores (US \$ 212 billion) in the next two years. The present government has been laying 36 km of highways a day on an average, as against the earlier Government's achievement of 8 to 11 km a day.

Zurich International Airport has won a bid to build a new airport for Delhi to be called the Jewar Noida international Airport (56 km from Noida). Work on the new Navi Mumbai International Airport is going on. Privatization of airports is gathering pace. Six airports have already been privatized and another six airports will be privatized soon.

The Mumbai-Nagpur Super express way has received funding of Rs.28,000 crores from banks and work is in progress. Indian Railway plans to allow private train operations on nearby 150 routes. The installed renewable capacity of solar and wind has doubled in 5 years.

IT- SECTOR

Information Technology in India is an industry consisting of two major components, IT service and Business Process Outsourcing (BPO). The domestic revenue of the IT industry is estimated at US \$ 45 billion and export revenue is estimated at US \$ 150 billion in 2021. India's IT workforce accounts for 4.36 million employees. The IT industry constitutes around 7.7% of the country's GDP and is expected to contribute 10% by 2025.

FOREIGN EXCHANGE RESERVES

India's foreign currency reserves have reached a comfortable level of 608 billion Dollars and India occupies the fourth position, next to China, Japan and Switzerland. Our imports were at 479 billion dollars during last year and exports stood at 323 billion dollars, while the trade deficit was at 156 billion dollars. China's foreign exchange reserves are the largest in the world at 3,362 billion dollars which is 5.53 times that of India. In terms of projected imports for 2021- 22 the current level of reserves provide cover for a little less than 15 months of imports.

GROSS DOMESTIC PRODUCT (GDP)

India enjoyed an average growth rate of 9% during 2003 to 2007 and there was no steady growth afterwards. Gross Domestic Product (GDP) of a

country provides a measure of the total monetary value of goods and services it produces during the year. GDP is the single most commonly referred to figure to measure a country's economy.

The Indian economy, which is characterized as a developing market economy, is the sixth largest economy by nominal GDP. The nominal GDPs and share of world GDP of leading economies are given below:

Country	Nominal GDP	Share of world GDP Trillion dollars
United states	22.67	24.2
China	16.64	17.7
Japan	5.37	5.73
Germany	4.32	4.60
United Kingdom	3.13	3.33
India	3.04	3.25
France	2.93	3.13

World GDP is 93.86 trillion dollars

India's GDP in 2021 as per PPP is \$10.21 trillion and India is ranked in the 3rd position. The US economy is 7.45 times bigger than India and the Chinese economy is 4.47 times bigger.

FISCAL DEFICIT

Fiscal Deficit is the difference between total revenue (without including borrowings) and total expenditure of the government. It is an indication of the total borrowing required by the Government. Every developing country will have deficit.

The Fiscal Responsibility and Budget Management Act has set a target to bring down fiscal deficit to 3% of GDP by March 2021, but the post-covid situation has totally altered the landscape. India's fiscal deficit for 2020-21 is the highest since liberalization in 1991 at 9.5%, and the targeted fiscal deficit for 2021-22 is 6.8%.

EASE OF DOING BUSINESS

The World Bank group has created an indexing system for Ease of Doing Business of different countries. India is now ranked 63 out of 190 countries, much improved from the 134th position in 2014. The Central Government has taken up the challenge to improve India's position considerably,

and targets to bring it down to 50th place. New Zealand tops the list followed by Singapore, Hong Kong, Denmark, South Korea, United States and United Kingdom. China's ranking is 31.

MAKE IN INDIA

Make in India is a formidable initiative started by our PM Narendra Modi in September 2014 to encourage multinational as well as domestic companies to manufacture their products in India and to make India a manufacturing hub. The major objective behind this initiative is to focus on job creation and skill enhancement in 25 sectors of economy. Now 49% FDI is allowed in defence and 100% in railway infrastructure. With this initiative, India has now emerged as one of the top destinations globally for FDI.

FOREIGN DIRECT INVESTMENT(FDI)

Foreign Direct Investment (FDI) flows into India grew by 10% in 2020-21 to touch a record \$81.72 billion, with FDI equity inflows rising by 19% to almost \$60 billion. Gujarat is the top FDI destination with 37% share followed by Maharashtra with 27%, and Karnataka with 13%, with the balance 23% for the rest of the country.

Today, India is called a potential superpower by the international media. India is thought of as the only Asian power that can check China in the

21st century. However, the Chinese economy is five times bigger. India has now become a donor country with a line of credit of \$10 billion to Africa and \$2 billion to Bangladesh.

INDIA’S YOUNG POPULATION

India’s greatest asset is its young population. India has more than 50% of its population below the age of 25 and more than 65% below the age of 35. The average age in India is 29 years compared to 40 for China, 38 for USA, 47 for Japan, and 40 for Russia. India is the home to one-fifth of the world’s youth. India’s 600 million young population is set to change the world.

CONCLUSION

India is considered one of the potential superpowers of the world and among the world’s fastest growing economies. India is expected to

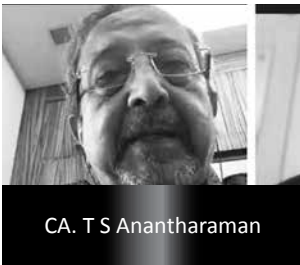
overtake the United Kingdom to become fifth largest economy in 2025 and is further expected to race to the third spot by 2030 by overtaking Germany and Japan. The main factors contributing to the future growth of our economy are:

- a. Young population - 65% population below the age of 35
- b. English speaking skills – the world’s largest English-speaking population
- c. Large and influential constituency of overseas Indians - 32 million Indians live in other countries around the world.
- d. World’s largest democratic republic - helps to improve ties with the majority of nations in the developed world. □

CA V. Venugopal is a Past President of TMA and a practicing Chartered Accountant.

TMA STUDENT CHAPTER: VIRTUAL PANEL DISCUSSION ON CHALLENGES OF LEARNINGS DURING COVID & CAREER OPPORTUNITIES POST COVID

CA. T S Anantharaman (Former Chairman, CSB Bank & Past President, TMA), Dr. Sheela Srivastava (Director, NSM) and Er. Francis George (Management Consultant & Former Vice President at Citi Bank, were the participants.)





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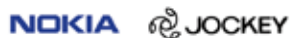
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DOCTOR-PATIENT RELATIONSHIP: WHAT NEXT?

By Maj Gen (Dr) MNG Nair (Veteran)

It was Dorothy Canfield Fisher, educational reformer, social activist and bestselling American author who said “some people think that doctors and nurses can put scrambled eggs back into the shell”. This has become more relevant in the present times, when the medical profession is going through difficult times – very heavy work pressure due to the syndemic Covid 19 and the increasing incidence of workplace violence.

The noblest of all professional relationships - the doctor patient relationship has shown continuous deterioration over the times. The paternalistic (doctor controlled) relationship from the ancient times between the doctor and the patient has passed through the mutual (equal participation) to the blatantly consumeristic (patient controlled) and many times to default. Unbridled access of the public to unfiltered information from the web leading to increased awareness and very high expectations (in the absence of training in medical sciences/ experience of treating patients) is an important reason for the present state of affairs. Adverse posts in social media carry more weight in perpetuating patient dissatisfaction than complimentary remarks promoting good healthcare. Malpractices and unethical practices in the field of medical care, resource crunch, poor accessibility and affordability for the common people have also contributed to the malady.



“You're paid to do what I tell you!!”
From my own experience, a very important contributing factor is the poor communication between the healthcare professionals and the

clientele. Lot of effort has been put into improving the communication skills of the doctors and other healthcare professionals from undergraduate level and also be regular training sessions in the institutions. The process of briefing the patients and relatives (through videoconferencing with close relatives abroad) has been streamlined in many institutions and the sessions are even being videorecorded. It is very satisfying to see the slow but steady improvement in this aspect.

Emphasis is always placed on the “*Rights of the Patients*” and the responsibilities of the doctor as evidenced by the “*Hippocrates Oath*”. These are being taught at various stages of education. These are also prominently displayed in all hospitals along with famous words of Father of the Nation MK Gandhi “We are not doing him a favor by serving him. He is doing us a favor by giving us an opportunity to do so”

Very little focus has been given to the equally important subject of “Patient's responsibilities and “*Doctors Rights*”. Educating the public and the healthcare providers about these is equal, if not more, important as legislation and prompt and befitting action by the law enforcement agencies.

Patient's Responsibilities

- Provide accurate and complete information about medical problems, past illnesses, hospitalizations, medications, pain and all other matters relating to their health.
- Follow the treatment plans recommended by those responsible for their care
- Responsibility for refusing treatment or for not following the healthcare team's instructions
- Trust your doctor and respect their education and experience. Do not question the care provider based on information gathered

from the web.

- Fully understand that human being is a dynamic living organism unlike robots. Every individual is unique in his/her response to illnesses and treatment. Never interpolate the treatment response of one person to another for the same illness, treatment modality and the doctor. Understand that unlike machines, a damaged part cannot be repaired or replaced with same functionality as the original in the human beings. A doctor/nurse cannot put scrambled eggs back into the egg shell and do not expect him/her to do it.
- Do not lose your temper, raise your voice, use violence or damage property. Remember that the doctor loses more sleep than anybody else when the patient does not respond to treatment and deteriorates. Doctors are generally inclined to give a patient hearing and willing to provide all information, when approached in a cordial manner.
- Remember that running a healthcare facility needs investment. Be responsible for paying the bills as promptly as possible. Any clarification about the bills should be sought in a cordial manner.

Doctor's Rights

- Rights to equal treatment and equal benefit of the law in all applications and dealings with the government, private sector and others. Substantial equality implies that family responsibility, rural services, historic disadvantages are relevant factors.
- Not to be unfairly discriminated by any patient, medical faculty, medical school, government, individual, or institution on the basis of race, gender, origin or any other ground. Doctors have the right not to be subject of harassment.
- Right to his/her life to be protected. This includes the right not to be placed in disproportionately life-threatening environment. They have the right to work in an environment that is not hostile in terms of gender, sexual orientation, race or ethnicity.
- Right to freedom and security. This includes the right to physical autonomy and protection from violence.
- Right to reasonable accommodation of their religious beliefs, short of causing undue hardships to others.

- Right to clinical independence.
- Right to fair labor practices including fair dispensation of overtime, extra duties, leave and working conditions. This also encompasses the right to have their grievances to be addressed promptly in appropriate fora. Doctors have the right for legal assistance to state their side of the case in disciplinary inquiries and an impartial inquiry committee.

Legislation, prompt punitive actions, improvement in communication skills are not sufficient to bring back the much-maligned doctor patient relationship and the highly cordial environment in provision healthcare. These measures will definitely have a small deterrent effect. ***Need of the hour is creation of awareness about their responsibilities and the rights of the healthcare professionals among the vast population of the public.*** This needs to be imparted early in life in schools, colleges and other community groups with a concerted effort and refreshed regularly. These need to be prominently displayed in all healthcare institutions with relevant laws. Highly negative impact of few adverse comments about patient care substantially negates the excellent work of majority of the healthcare professionals. The public needs to be educated on this aspect and not to resort to social media for redressal of grievances.



If not putting back into the eggshell, the doctor/nurse will be able to make a useful, tasty, appealing product from a broken egg. Help them to do that. □

Dr (Major General) M. N. Gopinathan Nair (Retd) DCH, MD, FIAP is an alumnus of the Armed Forces Medical College, Pune. He has 45 years of experience in specialty, academics, and administration in Armed Forces, major Healthcare Institutions, Universities and National Board of Examinations.

JUST SAYING:

TO BE OR NOT TO BE...



By Arvind Nair

They say that young people are directionless. They allege that the youths are a confused lot. It's said, children don't know what to study, and as youth they are clueless about finding a job. They are crass, and that they are unaware of how to conduct themselves, how to behave etc.

Apparently, I am a weird person. Almost always, I seem to think and behave in a way different from the societal norms, or at least unlike the so-called normal people.

When I was young I had no such confusion or uncertainty. My thinking was clear and straightforward. My one and only objective as a youngster then, more than four decades ago, was just to acquire a qualification, any skill, and find a job, any job! Period. No confusion, no puzzle.

But, after all those years of experiencing the ups and downs of a career, watching life from close quarters, and interacting with countless people of diverse backgrounds and character, I am supposed to be wise and mature, right?

Society expects seniors, retired people, to be the epitome of maturity, sanity, insight, understanding and wisdom. Instead, I am a confused person now.

Funnily enough, if I were left alone, I could perhaps have had some intelligence and good judgment.

But I am left in the lurch thanks to all the "good advice," counsel, and guidance from friends, the WhatsApp University and others. In fact, people of all age groups suffer from the oversupply of guidance from these know-all, the smart alecks that we see all around us.

After retirement, one wise guy says, you should stay engaged. You should be occupied, keep yourself

busy, find things to do, learn a new language, do farming, start a new hobby, become more spiritual etc. The list is as endless as the manifestos at election time. They all sound reasonable, rational, sensible, and doable too.

Then there is another school of thought, which is supposed to be equally valid and credible. It advocates that once you shut shop, it is time to enjoy life. Votaries of this theory suggest that you should get up late, snooze in the forenoon, spend lazy afternoons with old pals, freak out with friends in pubs, and generally should have a whale of a time doing nothing.

They argue that you have worked hard for long years to earn your living, bring up your children and take care of the family and now it is time to reap the rewards.

This contention also sounds logical, sensible, extremely appealing and definitely practicable too.

Now, that's my problem. I am confused. Where do I turn to? Keep myself busy or give two hoots about doing anything?

On the one hand, you are not sure why you should waste your time when you can probably learn a new language or polish up your talents in chess. On the other hand, you wonder why you should stress yourself after toiling for years and years. During those years, you did pick up new skills, learnt new techniques and acquired new knacks. Generally, you were a receptacle of new knowledge, new data and new abilities. And so, now is the time to relax and have fun, isn't it?

You see, I was a happy-go-lucky person until I

came to know that there were all these options available to a retiree. The wise do-gooders advised me that now I had to choose between the various possibilities. Maybe, I should thank them. After all these counsels, guidance and well-meaning advices, I have become like a youth again – confused, aimless and directionless.

This will probably prevent me from thinking that I should express my opinion on all matters; that I should advise today's youth, and that I should always poke my nose into other's business.

Now I realise that phrases like "seniors are the most wonderful source for inspiration" is a load of... you know what. When someone tells you that they "are truly blessed to have seniors around them as you teach them things, give them advices", it actually means, it is time for you to go in and take a nap.

Thank you, friends, for making ME feel like a greenhorn again! □

{Send in your brickbats (or bouquets) to arvindnair11@gmail.com}.



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EXIT STRATEGY AND SUCCESSION PLANNING FOR SMALL BUSINESSES

By CA Prasanth G Menon FCA ,DISA (ICAI)

Introduction

1. All businesses have a life cycle. They start, grow and mature. It is very crucial for any type of business to have a well-defined plan of action at each of these stages. Businessmen may conduct market analysis and may develop strategies to plan and grow their business. But one thing they are less likely to have done is planning an exit strategy for their business. Like in all other professions or employment, there is retirement from active business also. Most people write plans on how to start a business but majority fail to write plans on how to exit their business.

What is an exit strategy?

2. An exit strategy is a method by which entrepreneurs and investors, especially those who have invested large sums of money in startup companies, transfer ownership of their business to a third party, or by which they recoup money invested in the business. This holds good for small businesses also.

Even if an entrepreneur is enjoying good proceeds from his firm, there may come a time when he wants to leave and venture into something different. When such time comes, the business can be sold, leave in the hands of new management, or acquired by larger companies.

When Are Exit Strategies Used?

3. An exit plan may be used:

- When there is no successor to take over the business of the owner
- To sell an investment or a company
- To close a non-profitable business
- To execute an investment or business venture when profit objectives are met.
- To close a business in the event of a significant change in market conditions
- To reduce ownership in a company or give up control.

Why is it important?

4. Nobody prays for bad events or circumstances, but one reality of life is that one never knows what is coming ahead of them. The same holds true in business also.

Even though there are a lot of business owners who think it is unnecessary for them to have an exit strategy, some of the reasons for having an exit strategy in place are as follows: -

- Unforeseen unpleasant events may happen forcing to transfer the business with lesser value. What happens to the business if the owner dies today or get involved in a ghastly accident that incapacitates him? The value of the business with no proper exit strategy can be imagined and instead of shutting down the business it may be sold for lesser value.
- Secondly, if the owner is seeking an

investment from venture capitalist (VC) or angel investors, then an exit strategy is a must have. Even for a small company, it is good to plan and to have an idea about transfer of ownership down the line, sell the business, or make a return on the investment made in the business.

- Outside investors want to collect their return. Remember that equity investments are not like loans with interest. The investor sees no return until he cashes out, or the company is sold. Even three years is a long time to wait for any paycheck.

So, just as one had a plan for starting business, one should also have an exit strategy for transforming their business into cash, should in case they lose interest in the business or run into problems later.

What are the exit options?

5. Although there are many variations, there are only a few realistic exit strategies for most business owners. Most strategies only make sense for certain classes of business, so for any given business, even fewer options are viable.

Pass on to legal heir –

This is the common method of exit seen in India. The business is transferred to legal heirs of the owner(s). It should be ensured that the legal heirs who are expected to take over the business have the prerequisite skills and are competent and have the success and future of the business at heart.

Merger/ Acquisition –

A merger is where two businesses combine to form one entity whereas an acquisition occurs when one business acquires another business.

Sell the company –

Selling the business is the common business exit method especially where there are no legal heirs to take over the business. If the aim is to eventually sell the business, one should keep in mind the value at which the business is intended to sell, introduce best practices in the conduct of the business and should thrive to achieve the value on happening of the sale.

Liquidate –

This is the last resort but sometimes most necessary and will quickly bring in lumpsum cash with least negotiations. Most of the time, business owners liquidate their assets because of huge debts.

Initial Public Offer (IPO)

Going public provides an opportunity to the companies to raise cash for setting up a project or for diversification/ expansion or sometimes for working capital or even to retire debt or for potential acquisitions. This is called fresh issue of capital where the proceeds of the issue go to the company.

Companies also go public to provide a route for some of the existing shareholders including venture capitalists to exit fully or partially from the company's shareholding or for promoters to partially dilute their holding. This is called an offer for sale where the proceeds of the issue go to the selling shareholders and not to the company.

Since IPO route is affordable to larger companies, another option available to smaller companies is to list in SME exchanges.

As of 31.03.2021, the following is the status of companies listed in SME exchanges: -

As of 31.03.2021, the following is the status of companies listed in SME exchanges: -

Exchange	Number of companies	Capital Raised (Rs. in crores)
BSE SME	332	3384.62
NSE SME	216	3298.55

Succession Planning

6. Succession Planning in an ongoing process, which needs careful planning and preparation for smooth transition of ownership and leadership. Management and transition of the family business and family assets to the future successive generations is one of the key objectives of succession planning of a family business. It helps in pinpointing key needs for leadership and intellectual talent throughout the organization over time and preparing individuals for present and future work responsibilities. A good succession plan also prepares the business to handle unexpected events, helps in maintaining lifestyle of the owners after retirement and provide financially for legal heirs.

How to develop a good succession plan?

7. The following questions are to be kept in mind for developing a good succession plan: -
- (i) The owner's vision-How do you want to spend your "golden" years? Do you want to keep the business in the family? Can you make the shift from "me" to "we"?
 - (ii) The family's vision- Do members of your family have a vision for their own lives? Does the next generation wish to own and/or operate the business?
 - (iii) Aligning the business & family strategies -Does the company's strategic plan support the family's vision and values? Is the business positioned for long-term viability and succession? Could the business survive your untimely death or disability?
 - (iv) Preparing successors - Which family members will enter the business? How will you prepare them? Are they having requisite professional skills to run

the business? If not, how will you train them?

- (v) Leadership transition - Who will run the business? How will you ease the transition?
- (vi) Ownership transfer - When will the change in ownership take place? Who will own the business?

8. Conduct a business valuation

Another important aspect when exit plans are decided is to arrive at the value of the business. Valuation ensures understanding the exact value of the business. This will help when an interested party approaches for purchase of business or at the time of merger. Understanding the value of your business is important, regardless of any near future transactions. Even if you have not thought about selling your business, it is never too early to start planning. It helps in better knowledge of the assets of the company, helps in revealing the weaknesses that may be present in the business, preparing plans for future, etc.

9. Review the plan regularly

Lastly, you should review the plan regularly. Preparing an exit strategy and succession plan is a big accomplishment. But do not just file your plan away and forget about it. Over the years, key employees may leave your business, family members may lose interest in taking the reins, and your own plans for your future may shift. Reviewing your strategies and plan with your team of advisors will help to ensure a successful and seamless transition — no matter when or under what circumstances it happens.

10. Conclusion

An exit strategy is an important part of the business plan which should be there in the business plan from the beginning. This will help in avoiding costly

mistakes and limited options in the future.

So, in the nutshell, the following points may be kept in mind for a smooth, professional, profitable, and easy way of retirement from the business: -

- i. Make the entity attractive for a stake holder, build a real management team independent of the owners, set up and document process and systems professionally.
- ii. Prospective investor may do a due diligence audit. Clean up the books. File tax returns correctly and make it up to date always. Conduct an inventory of

all physical assets and ensure adequate insurance coverage for all assets.

- iii. Please bear in mind that corporate entity is more attractive to an investor.
- iv. Prepare plans for smooth succession, form an advisory board, conduct a valuation of your firm to have a knowledge of the assets and to arrive at the accurate value of the business.
- v. Get out and network, look for an exit opportunity. □

CA Prasanth G Menon is a Partner at M/s Varma & Varma, Chartered Accountants, Thrissur. He is a life member of TMA.

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MARKETS – A FUNDAMENTAL ANALYSIS



By Er. Alex P George

Markets are becoming extremely difficult to understand. Whether it is the Stock Markets, the commodities market like gold, oil etc, we find it increasingly difficult to understand and predict markets. Is there a fundamental flaw in our understanding of the Markets or is it a fundamental flaw in the markets itself. This article tries to understand the fundamentals of markets to help us understand the markets, to get to know its flaws and limitations and our own limitations in the process.

Market is a place where buyers and sellers come together to effect a sale. The Seller offers his product for sale at a price which covers his cost and a certain reasonable profit and a buyer will buy the product at a price where he can utilise the product to produce something which he can sell at a reasonable profit. The price of purchase will reflect the economic value of that product. A Sale will take place if the selling price and the purchase price converges and is profitable to both the Buyer and the Seller.

Let us now try to understand Market behaviour. Markets will sustain itself only if both the buyer and seller continue to make reasonable profits. If unreasonable profits are being made, market forces come into play. More number of players will come into the markets. Competition will come into play and the price will continue to adjust till such time that both the buyer and seller make only reasonable profits.

If the Seller is making unreasonably high profits, a number of sellers will come into the Markets, attracted by the huge profits. The resultant competition will bring down the price so that markets will stabilise at a price where the profits

are reasonable. If competition becomes too high and prices drop below reasonable levels, the weak players will quit the markets leading to increase in prices and prices again stabilising at levels where reasonable profits are made by the sellers. A similar scenario works on the Buyers side as well. A perfect market is a market which is totally free, where there are no restrictions in entry and exit. The price of the product will reflect the true economic value of the product, which is sustainable and prices will be stable. The price will ensure that the equilibrium is maintained and is in the best long term interest of both the buyer and the seller.

In a free market, no monopoly or oligarchy can be created. No single player can control markets. As soon as a monopoly tends to be created, because of free entry, new players will enter the markets and creation of monopolies will be foiled. If at all monopoly or oligarchy is created, there is an external hand in it and free markets forces are not allowed to act. Generally it is observed that in most cases, there is a government hand in it. Governments, world over, try to interfere in markets to derive unusual power, revenue or control over markets. So, the first essential requirement for Markets to be beneficial for common good is that they must be free.

An essential characteristic of any system is stability. Markets, like any other system, be it biological, environmental, economic, physical, mechanical etc strives to bring stability to the system. The system must be robust enough to withstand major changes and minor changes should be absorbed by the system without any significant changes. The design of the system must be such that it encourages stable environments and has

the resilience to keep the system stable without violent gyrations. A well designed market system will exhibit stable prices and changes in prices will happen in a more orderly and predictable fashion. Reactions to changes in market conditions will also be such that no major disruptions in the market will take place.

In an ideally free market, there will be only genuine buyers and sellers and the product will reflect the true economic value of the product and markets will be stable. Especially in big markets, where there are a large number of buyers and sellers, price variations will be very less and the normal curve can easily be used as a benchmark to predict market behaviour and trends.

In real life markets, where only actual buyers and sellers are present and trade as per their requirements alone, liquidity tends to be poor. Enter the speculative element into the markets. Speculation helps in improving liquidity and a small speculative element in markets makes markets more liquid, dynamic and interesting.

To make markets more stable, the concept of future trading is very useful. The primary purpose of future trading is to ensure that future requirements are also brought within the ambit of the present markets, thus bringing more stability to markets. Let us try to understand futures by taking an example. You are a buyer of a flat. A flat will take two years to complete. You would like to buy it at a fixed price right now without the uncertainty of inflationary forces. The builder can give you a fixed price if he can get his inputs at fixed prices over a two year period. The builder gets into a futures contract with the producer of, say steel, to supply him at a fixed price over the two year period. The producer of the steel is also assured of a sale at a fixed price over the period. By entering into a futures contract, both the seller (producer) and the buyer(builder) bring stability to the market over the period. All the players, including you, the flat purchaser, are assured that uncertainties of the future do not affect you and the markets reflect stable prices.

Now introduce the concept of options. If you are not very sure of your requirements of steel but you would like to reduce the uncertainties, you

would not actually buy the steel but enter into an options contract wherein you have an option to buy the steel, if required, at a fixed price. These instruments, if properly used tend to bring in more flexibility and help reduce volatility.

In today's world, Markets encompasses genuine buyers and sellers, speculators, futures and options traders. The interplay of these forces determines the behaviour of the markets. A healthy balance must exist between these players for markets to be stable and predictable.

The Design of a System plays a major role in determining the stability of the System. The design must be such that the system must come back to stability quickly and without excess volatility and should preferably be predictable as well. Otherwise, the system is flawed and needs correction in its design.

Coming back to Markets, can we say the same with respect to Markets today. Do we have the essential requirements of a well designed Market. The answer is "No". We are witnessing wild swings in prices intraday as well as in the short term. Oil reaches negative and bounces back within a day. When commodities reach negative values, it clearly is a manifestation of deep distortions in the design of the market and can lead to even a collapse of the system.

Speculators are overwhelming markets to such an extent that genuine buyers and sellers have been pushed to the sidelines and have no role to play in determining prices. The primary players in any well designed market should be the genuine buyers and sellers as they determine the true economic value and all other instruments must be to support the markets to be stable and remain stable and to absorb changes without being volatile. Markets, in these conditions, will be predictable and amenable to analysis.

Presently, we find some players buying and selling a million barrels of oil within hours. They have never seen a barrel of oil, do not know its use and have no idea of what the product is all about. Naturally, for them the price of the product can be anything, even negative and their interest is purely speculative, focussing on the difference between

the buying and selling price. Now, add futures, options, derivatives etc to this mix and we have a potentially very highly explosive mix.

Market must necessarily correct itself if markets have to go on. Will it require a collapse or a crisis or will there be an orderly transition, only time will tell. Considering the pace of changes and transitions taking place in the digital world of today, it will not be a surprise if we move to a whole new way of doing business like the way we do banking now.

The question that confronts us is 'what do we do

with our investments in these markets?' There are very few investment avenues available and stocks still fetch returns higher than other investments. Risk is inherent in any investment. Continue to invest but not everything you have. Keep in mind the fundamental flaws. Be cautious. Observe markets closely and protect yourself. Covid 19 is teaching us many lessons on how to live with uncertainty. Take that learning to the markets as well. □

Er. Alex P George is an alumnus of the Indian Institute of Management and a life member of TMA.

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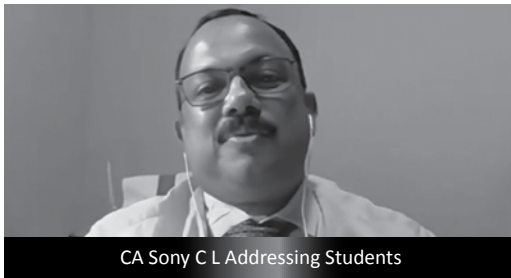
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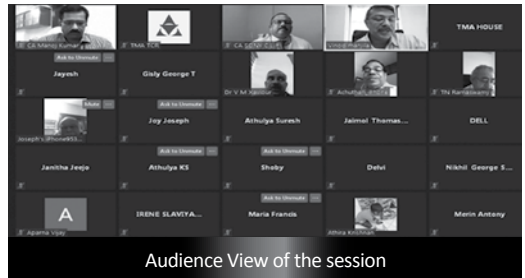
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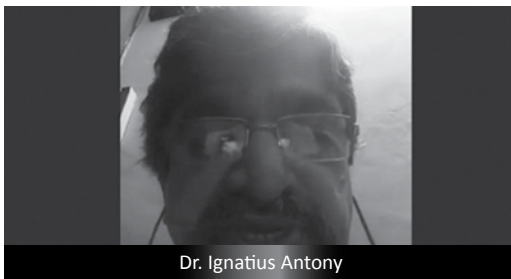
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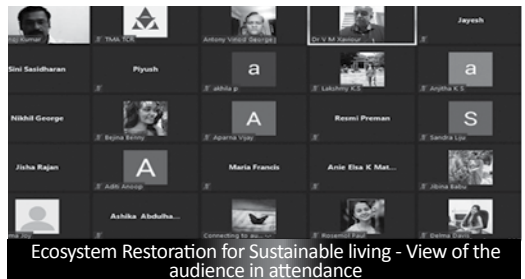
Audience View of the session

INAUGURATION OF TMA-SAHRDAYA INSTITUTE OF MANAGEMENT STUDIES STUDENTS CHAPTER & WORLD ENVIRONMENT DAY WEBINAR: ECOSYSTEM RESTORATION FOR SUSTAINABLE LIVING

Dr. Ignatius Antony (Principal (Retd.), St Thomas College (Autonomous))



Dr. Ignatius Antony



Ecosystem Restoration for Sustainable living - View of the audience in attendance



Presentation of Prizes to winners of the 11TH TMA-Hykon Business Plan Contest at TMA's Awards Night



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