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A correction period for India Inc.

While organisations across the globe took their time to come to terms with the recession, experts say that India Inc. did not over-react to the situation

It has been more than a quarter since the world economy came to terms with the slowdown and recession. While corporations of the world dealt with it with pink slips, lay-offs, salary cuts, etc. India Inc., too, followed the suit. However, though one could say that these corporations were 'under threat' from the economy, India Inc. was just 'being cautious'. So the question here arises is - Was India Inc. over-reacting to the slowdown or were they just being cautious and used this time as a correction period?

The right moves

While many organisations believe that they made 'all the right moves' to deal with the slowdown, experts believe that this may not be the case with India. Many concur that organisations of India Inc. may have over-reacted to this entire period, as many of the mother companies were taking such harsh measures.

So the question here that rises is, did India Inc. overreact to the slowdown with their pink slips

and layoffs? While some may believe so, many say that India did not overreact to the slowdown. "I don't think so. Some sectors felt sudden and sharp pain, and they naturally concluded the skies were falling - which for them they perhaps, were. But most sectors reacted in a level-headed manner, in my opinion," opines Manas Fuloria, co founder & executive vice president - corporate

has done a good thing by not overreacting to the slowdown, rather it took precautions to manage the things under control."

A spokesperson of Tesco HSC adds that India did react reasonably well. "The recession is real in most countries. And in light of this situation, India Inc. did react in a natural way and the reaction was real," he adds.

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development and strategy, Nagarro Software Pvt Ltd.

Concurring with Fuloria, Bhaskar Bhattacharya, DGM-HR, MIRC Electronics Ltd says, "As our economy is still under advance stage of development, so as a whole, the slowdown doesn't affect much. I believe India Inc.

The right reaction

While many say that organisations had their own reasons to react the way they did, experts say that so did India Inc. Bhattacharya explains, "Some of the actions were reduction in marketing spend, overall cost control, cutting down



unwanted expenses, optimum utilisation of manpower, etc. Further, the reaction was also due to the fear of the failure of large corporate houses of the US and other countries."

Though this was not over-reaction on the part of the

organisations, experts say that this was merely a correction period for companies. They say that this was the perfect time for them to correct the mistakes of the past.

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