

THE GATEWAY

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Rotary
Club of Bombay



PRESIDENT'S MESSAGE



Fellow Rotarians,

Very Warm Greetings!

The great Indian '**Monsoon**' is also known as

'Varsha Ritu', 'Borsha', 'Varsham', and 'Kar' in different parts of India. The English word monsoon is believed to originate in the Portuguese '*moncao*', the Arabic '*mawsim*', and the Dutch '*monson*'.

Monsoon and *amchi* Mumbai have a poetic bond. The turbulent lashing sea, black clouds and dark overcast skies herald its arrival.

This is one season that many of us Mumbaikars, as residents of this coastal city, eagerly await after the scorching heat of the summer months. The scent of the first showers of rain on the parched sunburnt earth is always special and unique. It makes one shut one's eyes and breathe in that hypnotic and fresh earthy scent.

What is it about the monsoons that has this mesmerising effect on people? Watching the pitter-patter

of raindrops falling on your window pane and birds taking shelter at every conceivable place that they can find is enthralling. Looking at the raindrops on tree leaves is soothing and calming. Monsoon brings with it a feeling of happiness, a cool breeze, and nature drenched in rain.

The city becomes spellbinding, with nature weaving its magic; Marine Drive, otherwise serene, is beset by the sound, fury and lashing of the monsoon high tide, the picturesque Gateway of India through a watery haze, in which water droplets appear to travel hither and thither in the air, are sights to die for.

The sight of the arc of the rainbow ('*indra dhanush*') in seven colours ('*sat rangi*') of red, orange, yellow, green, blue/cyan, indigo/blue and violet in the sky are nature's gifts for all to marvel at and enjoy.

Young lovers walking on the beach under a single umbrella and children getting mucky playing football in the muddy Azad Maidan are common sights.

The first shower brings yet another expected change to Mumbai. Markets, as well as roadside stalls, get flooded with a sea of umbrellas of different colours, sizes and types from pocket and folding umbrellas

to umbrellas with long sticks, manual and automatic.

The monsoon weather is unpredictable. What begins as a mild rain may suddenly turn into a heavy downpour. Heavy rains through the night mean delayed trains and jammed roads, but then the Mumbai work culture rises to the challenge of the monsoon. If we were to ignore the traffic disruption, potholes and sewage problems, Mumbai is certainly a place worth being in during the monsoon. The poor weather department and weather man is always at the receiving end of anger and ridicule, for usually getting predictions and forecasts wrong.



And, during the worst of the wet weather, hot steaming cups of milky sweet or black *masala* cutting chai with crunchy, salty home-made *kandaa* or other *bhajias* complete the monsoon experience or even sitting next to the windows in a sea-facing restaurant while it rains and savouring nature's beauty.

A drive or overnight trip to Lonavala and Khandala are a ritual for many to enjoy the '*naisarg*' (nature), the lush greenery, the stunning sight of the hills under a thick blanket of cloud. In the good old days, a drive to Khopoli just to enjoy Ramakant's then-famous *batata wadas* was a must.

Music, too, can't be far behind. Classical Hindustani music: Ragas Megh and Malhar infused together to give Raga Megh Malhar. The ever-popular folklore of that great Indian Classical maestro and one of the '*navratnas*' in Mughal Emperor Akbar's court, Mian Tansen, having performed the intense Raga Deepak (Poorvi Thaati), suffering incurable heat and physical agony, roaming India, until he reached Vadnagar

Ajit Ranade, Group Executive President and Chief Economist, Aditya Birla Group casts an eye on the way ahead for the Indian economy



ROOTING FOR INCLUSIVE GROWTH

Our objective has always been to have inclusive growth.

But before inclusive growth you need to have economic growth, the expansion of opportunity, the expansion of income, revenues and profits. So, I am especially happy that so many of you are doing so well in business because if that does not happen then other things do not happen – such as inclusive growth.

In my column for The Mint, I wrote a column on the concepts of economic inequality and economic growth. One of your missions as Rotarians is to do well and do good. Our societies, whether here or internationally, are being increasingly exposed to the phenomenon of widening disparity and widening inequality whether in income, wealth, opportunity or access to public services, access to quality education and health. Whichever dimension you mention, these inequalities are widening and some of them are inevitable consequences of the way economic growth happens.

And unless we do something to reverse it, the ratio will get more skewed.

In my article, I have argued that the widening inequalities will ultimately hurt economic growth. If you want the Indian economy to grow at eight to nine per cent to reach a US\$ 5 trillion economy, you need to take care of the basic problem of inequality.

Back to the pandemic and what we have is a triple combination: a demand shock, a supply shock and a financial shock. Demand shock means, for example, that if the green vegetables selling in Mumbai are affected by e-coli or

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there is arsenic poison in some of the mangoes coming from the Konkan region, the demand for them will immediately go down because of the scare, panic or caution. A demand shock is when demand collapses. Presently, the demand for airlines, hospitality, and tourism are down.

textile factories that trucks could not reach to because of the shutdown and we could not get raw materials. So we had demand shock when the demand collapsed and a supply shock when the supply collapsed.

Then we had a financial shock when the stock market went down in March but thankfully, since the last week of March, that has gone up by 30 per cent. So we are now in a situation where we

quarantined. But those who do require hospitalization will remain there for seven to eight days. Say we have 10,000 hospitals in Mumbai. This means that at any point of the pandemic, we should not have more than 8000 or 9000 people in the hospitals. That is the complete strategy – that is what you are trying to do.

In doing so, the section that is worst affected is the small and medium entrepreneurs and the daily wage earners. If you have a reasonable company, you

can afford to not have a sales revenue for maybe a month or two. You do cost-cutting, cash conservation and maybe you defer paying salaries. But people who depend on their daily income have nothing to fall back on. Up to 40 per cent of the workforce in Mumbai are

are trying to come out of this triple whammy.

The economy was a little wobbly even before the pandemic. Last year, just before March, many sectors of the economy were slowing down. This time, the slowdown is because of a virus and there will be no cure until a vaccine is developed. Plus, the infection spreads fast. This means that there is a lot of pressure on the healthcare system. There are not enough beds and quarantine facilities in Mumbai or any of the other cities. The strategy is that we are trying to flatten the curve that is increasing so that the growth rate of infection is manageable. As the fatality is small, many people will not even need to be hospitalized – just

Next is supply shock. Suppose there is an earthquake and a chemical factory is destroyed. The production of chemicals stops until the factory is rebuilt – that is a supply shock. We have had the supply shock as well when the government announced a strict lockdown. Our factories could not function. Our group, for example, has several cement, metal and

economy. It is a very strange situation that on March 23rd, when the lockdown was announced, all of India had 190 or 191 cases and the fatality rate was two per cent. Two months later, the country has two lakh cases and the fatality rate is up to 3 and a half per cent. The daily count of fresh new cases of Covid is up to 8000 a day. And this is the time we are going to open up. You may argue that we closed the economy prematurely. This is an imported disease which is supposed to have originated outside India. So it came to India only through international travellers. Initially, in March, you could have focused on a detailed scrutiny of international travellers and kept the rest of the country open. Imagine if you are in Mizoram or Arunachal Pradesh or Uttarakhand or Chhattisgarh or Kerala – why should your economy be shut down? Of course this is all in hindsight – we cannot go back but the issue is that the economy is about to reopen.

Going ahead, no one has been spared. Globally, there are six million cases and nearly one-third of these are in just one country: America, the richest, biggest and most powerful country is now the epicenter of this endemic. The death toll has crossed one lakh. These are more deaths than in the entire Vietnam war. But until a vaccine is formulated, it is going to be difficult. The only way out is to keep the infection manageable, to adhere to social distancing, to observe hygiene and sanitation protocols, to do temperature monitoring and to do

such people. And they have little to no savings to fall back on.

Now, there is also a lot of pressure from businesses and small and medium entrepreneurs to reopen the

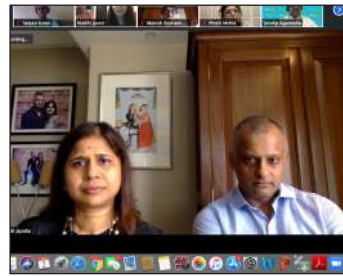
in Gujarat to be pacified by the rendition of Raga Megh Malhar by two sisters – Tana and Riri, related to the Poet Saint Narsinh Mehta or Narsi Bhagat said to be a Adi Kavi.

The lush, green, and alive monsoon is a sight and this beautiful form of nature has been used extensively in Indian cinema, particularly the ever-popular Bollywood cinema, for depicting passion, romance, drama, intensity, and poetry. Expressing Indian cinema's larger-than-life aspect, rain is one of the most loved props of storytelling in Bollywood. And some of the popular songs (good or masala types) are – 'Barso Re Barso Re' (Tansen in 1943 – K L Saigal); 'Pyaar hua iqraar hua' (Shree 420); 'Ek ladki bheegi bhaagi si' (Chalti Ka Naam Gaadi); 'O Sajna Barkha Bahar Aayi' (Parakh); 'Zindagi Bhar Nahi Bhoolegi' (Wo Barsat Ki Raat); 'Roop Tera Mastana' (Aradhana); 'Lakhon Ka Sawan Jaye' (Roti, Kapda Aur Makan); 'Megha Re Megha Re' (Pyasa Sawan); 'Aaj rapat jaayen' (Namak Halal); 'Lagi Aaj Saawan' (Chandni), 'Rim Jhim Run Jhum' (1942 A Love Story); 'Ghanan ghanan' (Lagaan), 'Barso re' (Guru); 'Give Me Some Sunshine, Give Me Some Rain' (3 Idiots).

Whatever be our feelings toward it, we cannot deny nor ignore the magic of monsoon in Mumbai, even when the magic gets a little dark at times.

Some hate it. Some love it. I love it!

President Preeti Mehta



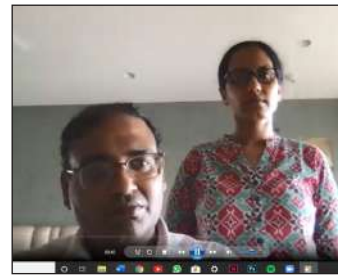
New Rotarian member Swati Jajodia with Rtn. Ptn. Vishal



New Rotarian member Riddhi Javeri with Rtn. Ptn. Sahil



New Rotarian member Rishi Dalal with Rtn. Ptn. Rachita



New Rotarian member Yogesh Mahansaria with Rtn. Ptn. Swati

extensive testing that's the only way.

Countries have poured a lot of fiscal support. In America, every adult citizen, except the very rich, except a tiny fraction of one per cent, every American has gotten a US\$ 1200-1500 cheque every month. Many of the small businesses have got support. Other countries like Germany and the UK have reimbursed small companies for salary payment so that they don't retrench workers. Different countries have adopted different things – and this is called a fiscal stimulus which comes from the government's tax kitty.

In India, what Prime Minister Modi announced, much of it is in the form of loans. He announced Rs 20 lakh crore but except for Rs 2 lakh crore, everything is in the form of fresh loans from banks and RBI.

But we need cash injection as well because we need people to run for the next one or two months especially the families who have lost livelihoods. In the next four to six months, each family should be given Rs 8,000 to 10,000 income monthly for their monthly expenditure.

In this pandemic, we have discovered that India spends not even 1.5 per cent of its GDP on public health which is way below the world average, not even half or one third of what China spends. We will also see a lot of growth in the digital sectors. Thanks to telecom and wi-fi, telecom companies are going to do well. The sectors which will unfortunately not do well for some time are: airline travel, public places like malls, hospitality, 5 star hotels and IPL. The one bright

spot is the rabi crop which had a good season last year and if we have a normal monsoon, we will see a very good growth in agriculture. Agriculture constitutes 16 per cent of India's GDP which means that 84 per cent comes from outside it. But it is a silver lining nevertheless.

India used to have the unfortunate distinction of having nine out of the 10 most polluted cities in the world but the sky is now very blue, the air quality index in Delhi which used to be at 440, came all the way to 45. I am told that at places like Haridwar and Rishikesh, the water of the Ganga is not only clean but it is also potable now. I don't know how much of this is related to the pandemic but it is a silver lining.

Unfortunately, because of the impact of April, May and June, the economy is going to suffer. Our GDP may only be zero but negative. But our national income is Rs 200 lakh crore. So next year the income, even if we grow at zero per cent, will be Rs 200 lakh crore but it will probably grow at -5 per cent so it will be Rs 190 lakh crore which is the big number by the way. We will be still producing three million cars, maybe 300 billion tonnes of cement, we still will be producing 100 million tonnes of steel. So we need not dismay, what we should look at is the next year the GDP will go up by 5%.

In the meantime, we need the strong support of the government and a dose of fiscal stimulus which will help small and medium entrepreneurs.

What happens whenever there is a downturn is that the customer starts delaying payments, the government itself delays payment,

so what do the SMEs do? That is why the government should intervene; our country has 63 million SMEs which employ 10-12 crore employees. And, as I told you, we need universal injection of say about Rs 10,000 each across households, urban poor, that will be somewhat 80 crore or 70 crore people. So, if our national income is Rs 200 lakh crore, Rs 2 lakh crores that is one per cent of the GDP. If we don't do a strong fiscal push at times like these, then when will we do it? If that happens, next year, I think we should come back seeing economic growth.

ROTARIANS ASK

If you had a freehand what measures would you take to help the economy get on track?

I would clear all dues to the SMEs. The government owes Rs five lakh crore to them, so I'd focus on paying off the pending payments.

Second, I would give all the income tax refunds right away, I would not wait till September and if the income tax wants to save some cash, they can give it in the form of refund certificates. An income tax refund certificate can be used to pay your advance taxes or your other dues.

A lot of people have input tax credits in GST, I would say that should be given instantly.

I would also allow minimum alternate

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tax, so if you are a company and because you are doing a lot of reinvestment and a lot of depreciation, if you have zero profit even then you are able to pay tax to the Government of India it is called MAT. Over the years, the accumulated MAT has become Rs 75 thousand crore. So, let us allow the companies to encash their MAT credit.

Lastly, the central government should immediately release all that is due to state governments. GST compensation is due to state governments. All the Covid-19 action at the state and municipality level means the state governments are struggling for money. Central government is the sovereign authority which has the right to print notes, the state government doesn't have that luxury. So, the last measure would be that the state government get all the pending GST compensation.

Taking forward your MSMEs point, do you think it is too late because today's Economic Times says that one third of MSMEs are shutting and, secondly, their decision to suspend the insolvency and bankruptcy code for one year – do you think it is rather harmful to the economy?

Unfortunately, my answer to both of your questions is yes. But I am a very optimistic person. So, if you ask me whether it's too late, yes, it is. The USA, a Republican government, announced a fiscal stimulus of US\$ 2.2 trillion which is practically the size of Indian economy. Whereas, we took a long time, a two-month gap, after which PM Modi announced Rs 20 lakh crore which turned out to be only bank funds. It is not a special fiscal stimulus; nothing is coming out of the treasury of the

Government of India. He is saying that banks will give you loans, but banks are so reluctant nowadays.

If an MSME is dying and does not have anything to eat, an MSME which is close to bankruptcy, will it go to the bank for a fresh loan?

Unfortunately, we have delayed it too much but I am hopeful because no case is too late according to me. And some MSMEs were going to die anyway. This pandemic is going to change some consumer behaviour. Some firms have to accept their fate and move on.

Suspending the insolvency code is not a good idea. You can put it on hold. The whole insolvency code was a fantastic reform because it was putting discipline. The insolvency code success is not how many cases come to their court – the NCLT – the success is how many cases don't even come there. The success is hidden. A lot of large companies are very careful to make sure that they pay the pending bills. We have a big crisis of pending payments so they should have not completely let them off the hook. I am going to be in touch with the

insolvency authorities because I am sure they would not have thought it a good idea to suspend the law for a year.

Nirmala Sitaraman in one candid interview, did not rule out the possibility of monetization. Maybe the government wants to do it in the next stage?

Yes, that's why I said that we need to be optimistic because the finance minister herself said that I am not done with it. She did a series of five press briefings and then gave

interviews to also newspapers saying that she is not done, more is expected so you are right maybe they will do some fiscal stimulus from the treasury. I am hopeful about that.



Rotary Club of Bombay



DISTRICT 3141

**PRESIDENT
PREETI MEHTA
AND GAUTAM MEHTA
REQUEST THE PLEASURE
OF YOUR COMPANY
TO REJOICE THE
MEMORIES OF THE
'YEAR GONE BY'
AT THIS UNIQUE**

**Shukriya
Nite**

**TUESDAY, JUNE 30, 2020
7.00 PM ONWARDS**

**CHIEF GUEST:
DG HARJIT SINGH TALWAR**

**PROGRAMME:
7.00 PM FELLOWSHIP
7.10 PM MEETING COMMENCES**

DRESS CODE: FORMAL

**ZOOM LINK WILL BE SENT ON
JUNE 29, 2020**

RCB AID FOR AY & BY



ANANDA YAAN

Life has been getting stressful for our Ananda Yaan seniors at the Byculla centre. The essentials provided by the ration shops were not enough for the full family. We, at Dignity Foundation and Rotary Club of Bombay, swung into action and arranged for 100 ration kits, each having 12 essential items of good quality for the full family. We are most thankful to JSW Foundation for providing 200 hand sanitizers for both the Byculla and Dr. E. Moses Road centres.

Our PP Rtn. (Dr.) Batra provided preventive homeopathic medicine as suggested by the AYUSH ministry. We are most grateful to him for taking care of all 200 seniors at both our centres. The distribution was done on May 31st. The entire community was grateful for the support.



BHAVISHYA YAAN

We are thankful to PP Rtn. (Dr.) Batra for providing the anti-coronavirus dosage suggested by the AYUSH Ministry for our Bhavishya Yaan children of G K Marg and their families. These 90 bottles were distributed with the help of Principal and the hall-in-charge Mr. Bappa.

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NEXT WEEK: HON. RTN. AJAY PIRAMAL

Ajay Piramal is the chairman of the Piramal Group, a conglomerate with interests in pharmaceutical, financial services, real estate, healthcare analytics and glass packaging.

Apart from India, the Piramal Group has presence in over 30 countries, including the US, the UK, the European Union, Japan, Asia-Pacific and South Asia, with its products being sold in over 100 markets.

The market capitalisation of Piramal Enterprises has grown four-fold in the last seven years, from an average of around Rs 10,000 crore in 2010-11, it has been moving around Rs 45,000 crore in April 2018.

In his spare time, Piramal pursues his passion for wildlife photography. He has also co-authored 'Light has come to me', a book about



management lessons inspired from The Bhagwad Gita, published by the Times Group. He has also written a dance opera, 'The Dance of Life', which premiered in Mumbai in 2004, with stories inspired by the history of Indian science starring Mrinalini Sarabhai and Mallika Sarabhai.

VENUE: ONLINE AT ZOOM.US (MEMBERS ONLY)

TIME: 12 NOON

ROTARIAN BIRTHDAYS



**JUNE 10
HON. RTN. RAHUL
BAJAJ**



**JUNE 12
RTN. S V
PRASAD**



**JUNE 13
PP RTN. GUL
KRIPALANI**



**JUNE 14
HON. RTN. KUMARMANGALAM
BIRLA**



**JUNE 14
RTN. JAYMIN
JHAVERI**



**JUNE 15
HON. RTN. LAKSHMI
MITTAL**

**ROTARIAN
PARTNER
BIRTHDAYS**
JUNE 10
RTN. PTN. NOSHIR
DESAI
RTN. PTN. SANDHYA
MITTERSAIN
JUNE 11
RTN. PTN. GULREZ
CONTRACTOR
JUNE 12
RTN. PTN. FIROZE
VAKIL

ANNIVERSARIES
JUNE 9
RTN. PTN. VAIDEHI &
ROHIT DHOOT
JUNE 12
RTN. PTN. MAYURI &
ALOK SEKHSARIA
JUNE 15
RTN. PTN. USHA &
SURESH AGARWAL
RTN. PTN. KASHMIRA &
DILIP DALAL

ROTARY CLUB OF BOMBAY 2019-2020

TRUSTEES 2019-2020

PP Rtn. (Dr.) Rahim Muljani	PP Rtn. Arvind Jolly
PP Rtn. (Dr.) Adi Dastur	PP Rtn. Arun Sanghi

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President	Rtn. Preeti Mehta
Immediate Past President	Rtn. Vijay Kumar Jatia
President-Elect	Rtn. Framroze Mehta
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Honorary Secretary	Rtn. Manish Reshamwala
Hon. Jt. Secretary	Rtn. Satyan Israni
Hon. Treasurer	Rtn. Jagdish Malkani

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Animal Welfare	Rtn. Priyasri Patodia

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Social media, Website & Bulletin	Rtn. Rhea Bhungara
Sergeant-at-Arms	Rtn. Hoshang Nazir
Interact	Rtn. Jaymin Jhaveri
Rotaract	Rtn. Zeenia Master

DIRECTOR-IN-CHARGE RTN. RAM GANDHI

Programme	Rtn. Farhat Jamal
Public Awards	Rtn. Suresh Kotak
Young At Heart	Rtn. Ramesh Mehta

DIRECTOR-IN-CHARGE RTN. PETER BORN

Water Resources & Sanitation	Rtn. Abhinav Aggarwal
Urban Heritage	Rtn. Natasha Treasurywala
Environment	Rtn. Madhusudan Daga

DIRECTOR-IN-CHARGE RTN. HIRANMAY BISWAS

Sports	Rtn. Sanjiv Saran Mehra
Yoga	Rtn. Manoj Patodia
Vocational Training	Rtn. Varsha Daiya
Night Study Centre	Rtn. Jamshyd Vazifdar

DIRECTOR-IN-CHARGE RTN. PRADEEP GUPTA

Attendance	Rtn. Bipin Kapadia
In-Camera	Rtn. Zinia Lawyer

DIRECTOR-IN-CHARGE RTN. (DR.) ASHOK KIRPALANI

Talwada Projects	PP Rtn. (Dr.) Rahim Muljani
Phiroze R. Vakil Eye Centre (PRVEC)	Rtn. Homi Katgara
Ajit Deshpande Medical Centre (ADMC)	Rtn. Tara Deshpande
Cancer Aid	Rtn. (Dr.) Ian Pinto
RCB – Medical Centre	Rtn. Manoj Patodia

DIRECTOR-IN-CHARGE RTN. VINEET BHATNAGAR

Fund-Raising	Rtn. Pradeep Chinai
The Rotary Foundation & Global Grant	PP Rtn. Pradeep Saxena
Gender Equality	Rtn. Arin Master
Skill Development	Rtn. S. V. Prasad

DIRECTOR-IN-CHARGE RTN. MEERA ALREJA

Literacy / Bhavishya Yaan	Rtn. Jamshed Vakharia
Child Welfare	Rtn. Rajesh Shah
Anand Yaan / Elder Care	Rtn. Alok Sekhsaria
Scholarships	Rtn. Roda Billimoria