

THIS DIWALI FAILED TO LIGHT UP INDIA'S ECONOMIC HORIZON

Sustained and punishing inflation leaves little money in common man's hands for his customary yearly celebrations; corporate captains' fears that customer spending would go south come true, says Dominick Rodrigues

The festival of lights lit up the country's commercial capital Mumbai with its brightness and flashes of fireworks that ranged from sparklers to spinners, cartwheels to Chinese rockets shooting into the skies and bursting into an explosion of rainbow colours — enchanting all who beheld it.

But the sparkle of the city's economic strength seemed to be missing this time around. Even the temporary flash of colours in the sky failed to lighten the mood of the city dwellers from the common man to its umpteen millionaires. The missing link was pinned down to the almost empty pockets of the spenders — ranging from footpath dwellers to Mercedes-borne homeshoppers — who were all concentrating on the vegetables and other essential commodities to feed

silver coins and bullion,' he said, adding that silver coins had gone for Rs 500 each while gold coins of 10 grams each had sold at Rs 31,000.

'I think the gold and silver market will remain at the same level till the elections are over,' he opined while commenting that his acquaintances in the firecrackers and *mithai* sweets gift business too had complained about a sharp drop in their profits due to a steep slack in sales this year.

However, the Chinese would have cause to rejoice in their goods doing brisk business in the Indian market. 'Diwali was a very good period for us, besides the fact that the last two months have been witnessing very good sales for us in our Chinese-made mobile sets,' said Dr Gaurav Somani, Executive Director

them in different names in India. Now the trend emerging is the mobile being both branded and manufactured in China itself as ZTE,' he said, adding that Chinese MNCs are eyeing the Indian telecom market very much in the globe.

Diwali also brought him a surprise gift in the form of a much needed additional boost to his company, said Somani. 'I am announcing the good news now first to you. The father of the Indian Telecom Industry Handsets — Mr Sunil Dutt — has joined Calyx as Managing Director and national partner for ZTE mobiles,' he said, adding that 'Dutt's experience leaves no stone unturned to make our company's business a success and we are looking to benefit from his experience.'

It is not just Chinese mobiles that are making its vendors have the last laugh.



MEANWHILE, UK CELEBRATED THE FESTIVAL OF LIGHTS WITH GUSTO

LONDON: Diwali, the festival of lights, was celebrated by the Indian community in the UK with much fervour and gaiety this year. Fireworks illuminated the sky in the night in most places as non-resident Indians (NRIs) distributed sweets and exchanged greetings to mark the festival that celebrates the triumph of light over darkness.

In the *Ramayana*, Lord Rama and his devotees return home after defeating the demon Ravana on Diwali. As the journey took place during the new moon, there was complete darkness. To their surprise however, thousands of local villagers lit up their route by hanging lamps, lighting diyas, candles and fires to help them get home safely.

British Prime Minister David Cameron, too, extended his best wishes to everyone on the occasion of Diwali. 'I send my best wishes to everyone in Britain and around the world celebrating Diwali and Bandi Chhor (Sikh Diwali). At this important time of year for the Hindu, Sikh, Jain and Buddhist faiths, we will see friends and families all over the country come together to celebrate these holy festivals,' Cameron said in his message.

'While the festivals of Diwali and Bandi Chhor have different origins, their universal

message of hope over despair, light over darkness and good over evil is something that we should all celebrate. Together with other autumn festivals of Eid al-Adha and Chanukah, Diwali and Bandi Chhor demonstrate many of the common values that we all share.'

The British Prime Minister also praised Britain's Hindu, Sikh, Jain and Buddhist communities for making 'enormous' contributions to the United Kingdom's economy.

'From hardworking families that are doing the right thing to entrepreneurs and businesses that are helping create prosperity, from excelling in science and public service to achieving in the arts and sport, your role in our nation is a shining example of how communities can integrate and succeed while retaining a strong and proud identity,' said Cameron.

NRI business leaders Hinduja brothers held a Diwali reception at their residence which was attended by several invited guests and business leaders. In one of the biggest celebrations of Diwali in the country, over 15,000 people came together at Bhaktivadanta Manor Hare Krishna Temple near Watford. The festivities included music, food stalls and drama performances, culminating in a grand firework display and a multi-media presentation.

AGENCIES



nese fireworks, including sparklers and 'Palm tree' rockets, drew more sales, especially among the youths. Chinese rice lights, which added to the sparkle of glowingly lit homes, too had been selling like hot cakes during Diwali due to their cheap rates, say other vendors.

The travel and tourism community had it reasonably good during Diwali, according to Ashish Das, Director of 'The Wanderers'. 'Business was booming and we have no complaints. Diwali was good for us as the travel market was moving and, compared to last year, we did 20 per cent more business in the Free Individual Travellers (FITs) and MICE categories. The destinations that attracted travelers and tourists more were Australia, New Zealand, a few African destinations including South Africa, Europe and Finland. We did good business also across Asia.'

Where domestic tourism is concerned, Diwali brought us good business in the North-Eastern states of Arunachal Pradesh and Assam which were the biggest sellers, besides the other states like Rajasthan and Kerala being the big draws for tourists. 'We did good festival discounts and sales during Diwali this year,' said Supriya Devgun, CEO of Evolution Sport.

'Besides managing a variety of sporting events like Evolution Golf and raising the bar in this context, we held the India Open Junior Table Tennis tournament before Diwali and also golf at the Willingdon Gymkhana, besides promotions in Evolution sports shops and putting competitions. Around this time, we hold 'putting' competitions — which are fun tournaments in which the regular top players are highlighting their participation. All in all, the concept was like 'Buy One, Get One Free' and we drew good business.'

The high-fliers too were not left out this Diwali. 'This Diwali was good,' echoed Rajeew Wadhwa,

Chairman and CEO of Baron Luxury and Lifestyles Pvt Ltd, whose Baron air fleet comprises of single and twin engine helicopters, cost effective and efficient turboprops as well as mid-size and large executive jets.

Wadhwa expressed happiness at not only Diwali but also the year being excellent for business. 'This has been a very unique 2013-14 as elections are happening in states and usage of aircraft has gone up. It's a political time as the elections draw near and during the Diwali festival, lots of our aircraft were being used for relaxation and other purposes this year. At this point of time and generally, we are in a position to provide the necessary aircraft since this is the peak period for private flying and every air charter operator looks forward to doing good business.'

'The general market trends are upbeat and the only important trigger at this moment for boosting business is the forthcoming elections in various states where politicians and others are hiring our aircraft since this is also campaign time — even during festivals like Diwali — where everything from helicopters to jet aircraft are being flown according to the needs.'

Meanwhile, adding to the Diwali gloom was something that made people weep and not just simply. Over the past one month and even continuing, onions made people cry not at their strong, aromatic, stinging strength but from their cost to the buyers who ranged from the humble housewife to the executive chef in the finest dining hotels and eateries. Retired company secretary and septuagenarian Stella Rodrigues said that while onions are available in Bandra suburb for Rs 70 per kg, she had the wisdom to buy them for Rs 60 per kg a few days earlier and somehow stretch it out for a few weeks — hopefully — the prices come down.

Mumbai BJP President Ashish Shelar described the market as being very down and sales very bad. 'There is no exchange of gifts taking place as has been commonly seen during Diwali festivals over the years. Today people are only shaking hands and wishing each other instead of exchanging gifts,' he said. Asked to explain this negative market phenomenon, Shelar replied 'This is because of the unsuccessful and faulty economic policies of Prime Minister Manmohan Singh and Finance Minister P Chidambaram. A change in Government is the only solution to this problem.'

'There was no exchange of gifts taking place as has been the common practice before, during and after the Diwali festival over the years. Today people are only shaking hands and wishing each other instead of exchanging gifts.... The inflation virus is screaming at us and shows absolutely no sign of respite'

their families after a hard day's work.

Prediction by market *pundits* had come several weeks before Diwali alongside captains of industry, not only in the city but also around the country, warning of customer spending likely to be going south in view of the spiralling prices that hit them below the belt. Those dealing in precious metals had warned of gold jewellery sales slumping — despite the demand — due to a stock crunch arising from import restrictions.

Sale of gold and gold jewellery in India, which is the world's largest consumer and importer of the yellow metal, would be very less compared to last year, according to former president of the Bombay Bullion Association Suresh Hundia, who attributed it to the galloping rate of inflation.

Echoing his views was well known city jeweller Dilip Punmia who chose wisely to take a 'Diwali sabbatical' to his native-place with his family and avoid the fears and tensions of a gloomy marketplace. 'Gold sales have plummeted to over 50 per cent lower than last year as there is no money in the market, despite all the show and glitz of business. The property market too is down and people do not have cash. The only things that are selling — even though in low quantity — are gold and

of Calyx Group while pointing out that the company has sold almost 20,000 units in the Western Region alone.

'With average selling prices of Chinese ZTE mobiles being Rs 7,500 — whereas Indian brands average a selling price of between Rs 3,00 to 4,00 only, service backup feedback revealed us as the best after Tier A brand,' he said. 'The overall market seemed to be not too good, hitting the telecom sector, and even top 'A' class brands were seeing dips in sales but the Chinese brand has seen very good sales and ZTE — in its recent individual foray into the Indian market — has acquired a 7 per cent market share in barely one and a half months time in Gujarat, as well as partly in Mumbai, Tamil Nadu and Karnataka.'

'The trend earlier in mobiles was manufacturing in China and branding

That country's fireworks manufacturers too are proving themselves to be more than a flash in the pan for vendors in Mumbai whose profits are bulging. Some shopkeepers and street-vendors said