ASSOCHAM
Celebrating 100 Years

India opening for Business – Suggested calibrated approach and potential SoP

April 10, 2020

Knowledge Partner

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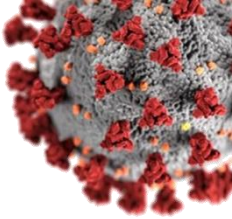


Suggested Gradual Opening

ASSOCHAM greatly appreciates the measures the Government has taken to protect the life of every Indian and also the work done by Government and Private sector front-line staff at this time of need. As we continue to work on controlling the pandemic, we also recognize the need to plan and take steps for gradual opening of the economy to protect the overall interest of the nation as well as help the most vulnerable. Suggested below are ideas for the gradual opening of the economy in five waves

Wave 1 (Immediate)

- Select manufacturing sectors (Annexure 1 has the logic for the sectors suggested). Essentially process industry with very high degree of Automation (less labor intensive) and where India is significant player in the Global Value Chain and does not want to get crowded out by rapid manufacturing build up by China post their end of lockdown. This should be only in notified approved industrial areas
- Construction where sufficient labour is already at site
- All export oriented units
- Government offices
- eCommerce
- Agriculture labour

Wave 2 (Aligned to effectiveness of Containment Plan)

- Other manufacturing sectors
- IT, ITeS and Professional Services
- Complete eCommerce
- Food / Food Retail
- Hotels
- Construction in Metros and cities, which could not start in Wave-1
- Within-city busses and metro | With reduced maximum allowed carrying capacity (50%)

Wave 3

- University and Colleges (subject to weather, allow 15 days of teaching to cover for the extended break)
- All retail (excluding, temporary, wholesale or unorganized markets)
- Intercity transport, but exclude cities with high hot spots
- Domestic air travel – Limited opening for young people who test negative

Suggested Gradual Opening (contd..)

Wave 4

- International air travel – Only direct flights and only to those that are considered safe (Asia to start with) | Large quarantine facility for any incoming passengers for mandatory 7 days of quarantine and then 7 days of home quarantine
- Al domestic transport
- All industries, shops and establishments
- Markets including weekly and wholesale markets
- Construction across locations

Wave 5

- Wider international airline operations – share possible timelines (based on situation unfolding) to allow airlines to plan better
- Easing up of hot-spots

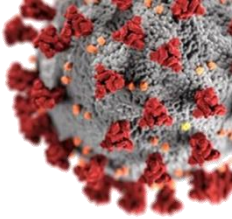
Prerequisites

- **Updated Social Distancing Guidelines (Outline SoP in Annexure 2)** for Workplace, Factories and Establishments for strict adherence and an immediate IEC campaign to ensure the same is done. Important to ensure people continue to use face masks (mandatory)

- Companies employing 50 or more people in a single location to take up **rapid testing protocol** and allow only those who test negative to start working. The testing to be done for employees **every 21 days for the next 3 months**

- We have seen **Airlines/Airports** to be major carrier of the virus. Accordingly, any person desirous of travelling (by air) to get a **antibody testing done**. This will be done for 3 months.

- Over the next 45 days, **staff to be deployed in three phases** (companies employing 50 or more people in single location):
    - Phase 1 | 15 Days | 50% of the work force (can be by rotation)
    - Phase II | 15-45 Days | 75% of the Work Force (can be by rotation)
    - Phase III | >45 days | 100% of the Work Force



Annexure 1 | Manufacturing Sectors for Immediate opening

Due to the severe spread of virus, governments across the globe had to deliberately enforce a lockdown, which has halted domestic and international trade. This has also disrupted routine activities of multiple nations brining the countries to halt thus having a huge impact on economic growth. **As a result, many disruptions exist across supply chains. Urgent interventions are required to restore critical supply chains**.

China's economy has been **sharply coming back online** in recent weeks as the government lifts lockdown orders. For India to be in the reckoning **its essential we plan ahead, and re-start operations cautiously and gradually** open-up – especially manufacturing. Suggested below are **select industries** that may be considered resume operations in **phased and gradual** manner.

The following industries have been chosen based on essentiality, in the **criticality of domestic demand and strategic importance in the global supply chain**. Furthermore, these are **large-scale industries located in industrial parks which are less congested**. Operations can be **restored with strict enforcement of social distancing norms and sanitisation** requirements.

Food Processing

- To maintain regular supplies, it is necessary that this sector is not put under any work and movement restrictions
- Supply chains for food are highly integrated; disruption to any one part will have a ripple effect and the impact would be felt back on the agriculture sector and also impact the citizens
- This sector has a massive potential to unlock the economic value of agricultural produce
- Degree of essentiality is high as this is considered as a critical industry
- Food processing industry has a medium to high potential for import substitution along with medium potential for export market creation

Automotive

- COVID-19, which has so far disrupted the global complex auto-component supply chains and immediate term automotive demand, could manifest into a demand shock lasting multiple quarters for the domestic industry
- Automobile or automobile component plants are spread across large land parcels which enable them to adopt social distancing norms and can be considered for opening
- Indian Industries are highlight integrated into the global chain and compete with China. The sector has high potential to be operated under regulated conditions.
- This sector can be immediately be opened as it has a medium to high potential for export market creation

Annexure 1 | Manufacturing Sectors for Immediate opening (contd.)

Textile

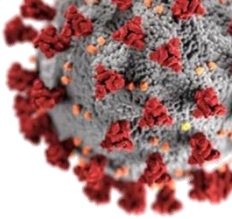
- Potential for catering the export market is high
- With the reopening of the Chinese market, a gradual uptick in the demand in the coming months can be expected. India can emerge as a ready supplier for such markets
- Given the labour-intensive nature of the industry, it will be essential to restart the industry in a phased manner. Preferably, beginning with areas where the presence of the virus is limited
- Initially the industry can work with 20-30% workforce and it should gradually be allowed to increase workforce

Tech Hardware

- Capability to operate under obstructed labor movement due its process-oriented nature, with very high degree of automation (less labour-intensive)
- Potential to operate under regulated conditions is high, allowing to enforce strict safety, sanitation, social distancing norms by the state
- This industry has a high potential on import substitution
- Furthermore, tech hardware and components industry is a possible export market too, since the global supply chains are looking to de-risk and looking at India as a potential geography

Heavy Engineering and Defence Manufacturing

- Potential for export market creation is high
- Potential to operate under regulated conditions is high, allowing the to enforce social distancing norms and sanitization requirements



Annexure 2 | Outline of SoP

In response to COVID-19 outbreak, Industries, under the guidance of Govt. of India, could define the Standard Operating Procedures (SOPs) and guidelines to ensure safety of employees and workers. All Protocols including Emergency Response to be laid out. Periodic sessions to be arranged to review site protocols ensuring social distancing norms. Everyone including workers will be informed about the safety guidelines and important updates. Necessary arrangements for announcements shall be made. Updated Social Distancing Guidelines for Workplace, Factories and Establishments for strict adherence and an immediate IEC campaign to ensure the same is done. It is important to ensure people continue to use face masks (mandatory). Over the next 45 days, staff could be deployed in three phases (companies employing 50 or more people in single location):
Phase 1 | 15 Days after the lockdown| 50% of the work force (can be by rotation)
Phase II | 15-45 Days | 75% of the Work Force (can be by rotation)
Phase III | >45 days | 100% of the Work Force

The following measures could be implemented and made mandatory for the industry:

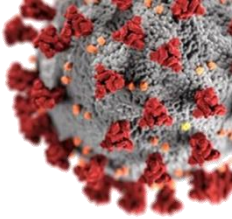
- Before resuming the work on site post lockdown period, mandatory medical check-up to be arranged for all workers. Only medically fit workers will be deployed at site and medical assistance will be arranged for unfit workers. Medical check- up should be arranged every month

- All areas in the premises including the following shall be disinfected completely using user friendly disinfectant mediums:
    - Entrance Gate of Building, Office etc.
    - Meeting room, Conference halls / Open areas available/ Verandah/ Entrance Gate of Site, Bunkers, Pota Cabins, Building etc.
    - Equipment
    - Washroom, Toilet, Sink etc.
    - Walls/ All other surfaces

- For Workers coming from outside, special transportation facility will be arranged without any dependency on the public transport system. These vehicles should be allowed to work only with 30-40% passenger capacity

- Bio-metric (Finger touch) swiping for attendance shall be temporarily discontinued. Alternate arrangements for attendance (Swiping with bar code or register) be made

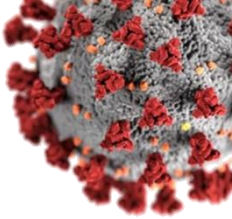
- All vehicles and machinery entering the premise should be disinfected by spray mandatorily



Annexure 2 | Outline of SoP (contd.)

- Mandatory Thermal Scanning of everyone entering and exiting the work place to be done
- Medical Insurance for the workers to be made mandatory
- Provision for hand wash & sanitizer (touch free recommended) will be made at all entry and exit points and common areas. Sufficient quantities of all the items should be available
- Large gatherings or meetings of 10 or more people to be discouraged. Stay at least 6 feet away from others on job sites and in gatherings, meetings, and training sessions. Not more than 2/4 persons (depending on size) will be allowed to travel in lifts or hoists. Use of staircase for climbing should be encouraged
- There should be strict ban on Gutka, Tobacco etc. and spitting should be strictly prohibited
- There should be total ban on non-essential visitors at sites
- Hospital/clinics in the nearby areas, which are authorized to treat COVID-19 patients, should be identified and list should be available at work place all the times

About ASSOCHAM



ASSOCHAM initiated its endeavour of value creation for Indian industry in 1920. Having in its fold more than 250 Chambers and Trade Associations, and serving more than 4,50,000 members from all over India. It has witnessed upswings as well as upheavals of Indian Economy, and contributed significantly by playing a catalytic role in shaping up the Trade, Commerce and Industrial environment of the country.

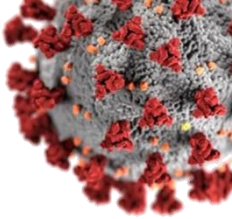
Our legacy has helped build a strong foundation for future endeavors wherein we serve as the Knowledge Chamber for the industry and become the conduit between them and the Government to foster development of a New India. Seen as a proactive and forward looking institution, ASSOCHAM is fully equipped to meet the aspirations of Corporate India in the new world of business.

ASSOCHAM has emerged as the fountainhead of Knowledge for Indian industry, which is all set to redefine the dynamics of growth and development in the technology driven cyber age of 'Knowledge Based Economy'. We aim to empower Indian enterprise by inculcating knowledge that will be the catalyst of growth in the technology-driven global market and helps them upscale, align and emerge as formidable player in respective business segments.

Aligned with the vision of creating a New India, ASSOCHAM works as a conduit between the industry and the Government. ASSOCHAM is seen as a forceful, proactive, forward looking institution equipping itself to meet the aspirations of corporate India in the new world of business. ASSOCHAM is working towards creating a conducive environment of India business to compete globally.

As a representative of Corporate India, ASSOCHAM articulates the genuine, legitimate needs and interests of its members. Its mission is to impact the policy and legislative environment so as to foster balanced economic, industrial and social development.

ASSOCHAM derives its strength from its Promoter Chambers and other Industry/Regional Chambers/Associations spread all over the country.



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