



Arun Kumar Jagatramka is the Vice-Chairman and Managing Director of Gujarat NRE Coke Limited. Under his able guidance, Gujarat NRE Coke, established in 1994, has become the largest independent producer of Met Coke in India – the only Indian entity to have moved backward into coal mine ownership in Australia and forward into steel making, coupled with wind energy and waste heat power generation.

He is a member of a number of boards, including Australian listed Rey Resources Ltd and Pike River Coal Ltd, New Zealand, where Gujarat NRE group holds cornerstone stakes, and also Chairman of Gujarat NRE Minerals Ltd.

He has been appointed as an honorary NSW “Sydney Ambassador” to India by the Govt. of New South Wales, Australia. He is a member of the New South Wales – Asia Business Council under the department of State and Regional Development.

Bounce back is inevitable

Preparation for the full throttle holds the key

There is safety in numbers. And in India, those that call the shots, the industrialists, and those that dwell upon what shots to take, the economists, are both firm believers of remaining in groups. That is perhaps the reason why predictions are always the same, the tone and tenor undistinguishable. The herd mentality of analysts make sheep look like independent thinkers.

Take for example India's steel production target for the year 2020 and thereabouts. When the “feel good” factor was waving its magic wand, the experts were predicting 300 MT in unison.

Capacities both green field and brown field were being announced as though it was going out of style. And in their wake while investments were being tied up, all sectors ranging from infrastructure to finance were booming.

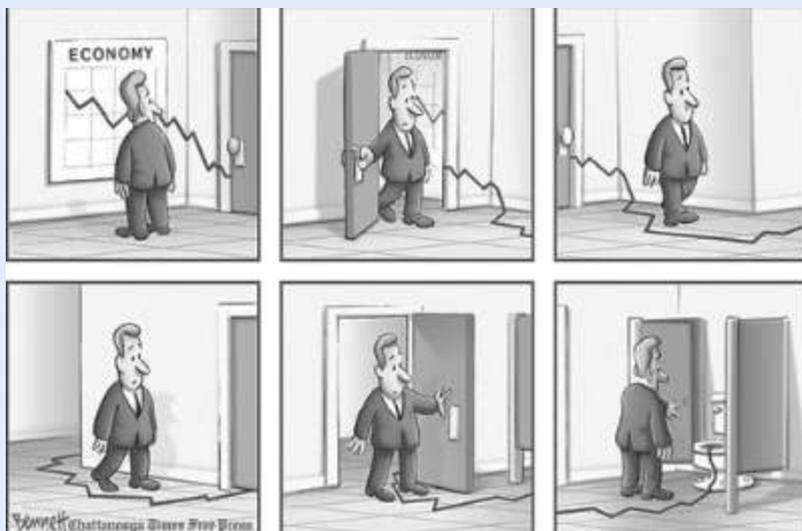
Then the toxic funds saga unveiled in the US and the malice spread at an alarming rate consuming one economy after the other taking the form of a worldwide epidemic. And almost overnight, the same soothsayers who were predicting everlasting economic prosperity became Cassandra's, pointing at the looming prospect of doomsday's arrival.

Overnight, a terrible cash crunch surfaced. Job losses and pink slips became the hottest topics of discussion. Projects were shelved faster than they were presented. Commitments began to be flouted. And the same set who were till the other day riding the crest of the bull run, started bottom fishing by mauling with the bears. The pall of gloom casting its shroud of despair, fueled by whispered gossip and feeding on the loss of confidence.

Where do we stand then? What are we to do? How do I perceive the world around? Simple. I am and I continue to be an optimist. To me, the economy's glass is just half full. And we at Gujarat NRE Coke are using this downturn to add to our capacities, to streamline facilities, to enhance productivity, to further augment efficiencies. Just the way we have used previous downturns to not merely conserve energies and safeguard resources, but to build on the muscles.

And why do we do that? This answer too is simple. For we believe that it is the darkest before the dawn. And downturns are inevitably followed by upturns. Thus, when there is blood on the street, we buy. For resources come cheap and we are able to use our energies gainfully. Besides, it is our belief in the self that prods us on: when the going gets tough, the tough get going.

There are more fundamental reasons for us to




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do what we are doing. That India is on her way to economic super stardom is a fact that even her worst critics will not contend. That India is poised to move up from the fifth to the second largest steel producing nation within the next couple of years too is uncontested. That this huge leap forward will create in its wake a multiplier effect in the economy, which will quietly gather its own momentum is not a matter of conjecture. And it is also a well known fact that when the core sector – steel and cement in particular – starts moving forward, it carries with it the entire economy.

By the time you read this piece, we would hopefully, have in the capital a stable government. A government that will take the necessary

steps to address the anomalies that have seeped into the economy. A government that will take adequate steps to kick start the economy so that it can chart its own course. Once these basics are taken care of, the same Cassandra's of today will again transform into the Shining India poster boys and girls. Economists and Industrialists will seek the safety of numbers and start sugar coating their pronouncements. Like they say, happy days will be here again.

Please note, even at the nadir, India's growth has remained above 5 percent, which is way above that of many countries in the world. As I see things, the early signs of recovery are already there and this rate will continue its movement northwards in the months to come. It may be a teeny bit too optimistic to talk of double digits now, but my firm belief is that it will hover very close.

There is another reason that deserves mention. When I talk of India, I talk of a billion hungry people. A billion people hungry for steel, cement, infrastructure, housing, healthcare, education, communication... everything. And this is India's latent demand. A colossal demand for everything that is simmering in the back burner because of a variety of reasons. A latent demand that is bound to surface sooner than later. And this is what makes me optimistic.

Mark my words. The India story is not over. The highway is not littered with the bodies of the dead and the destitute as it is being made out to be. Instead, it is just a traffic jam at the signal. There is a bottleneck in India's economic highway. Tempers are frayed as everyone wants the right of passage. Road rage is screaming abuses and things have come to a standstill. Granted.

Just remember that this too will ease. This blockade, this jammed traffic too is a matter that will ease over time. A bit of good policing by the government and a little co-operation from the principal protagonists is all that is needed to ease it out and restore the free flow of traffic.

And once that happens, my friends, think of the uncongested, traffic-less road ahead. And once that happens, think of the speeds at which the same vehicles that are now mired in a jam will zoom. Think of the road as the latent demand in



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the economy. The cars are the factors of production and the speed as the rate at which the econ-



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