

Discussion Point: How was the impact of 2nd Wave different from the 1st Wave?

Impact on Demand

Supply Disruptions

People Impact

Demand Revival post the wave

2nd Wave

Urban -Partial as no countrywide lockdown. Rural demand was hit hard

Partial as the supply lines partly remained open

Saving lives & healthcare took priority over business

Slow demand recovery for non-essentials

1st Wave

Urban- Significant due country-wide lockdown. Rural – No major impact

Complete disruption

Partial as people mostly stayed at home

Demand bounced back as lockdowns opened

Discussion Point: What were the key challenges faced in the 2nd Wave?

PEOPLE

- Severity of impact on people health and life was not anticipated
- Arranging oxygen, beds and hospitalization for employees falling sick
- Weekly Covid calls to assess the situation

ENVIRONMENT

- Products requiring use of oxygen or nitrogen for manufacturing got impacted
- State-wise lockdown and opening led to complexity in planning and increased uncertainty as situation changed from one week to another
- Many distributors & channel partners and their family members infected by Covid
- Fear in the Service Engineers' group to attend the service call

Discussion Point: How well was the preparation for the 2nd wave?

Learning from the 1st Wave, actions taken for the 2nd wave readiness:

PEOPLE

- Business Continuity Planning: Back-up Plan for people, should anyone fall sick
- Covid appropriate protocols in the logistics, manufacturing
- Insurance cover for the employees & CFAs' staff

PLANNING

- Granular level planning by each state / territory as each state was passing through a different stage of the lockdown
- Agile and frequent S&OP and scenario planning for demand, production, RM/PM availability
- Controlling build-up of seasonal stocks
- Prioritization of key SKUs as people non-availability led to capacity constraints

EXECUTION

- Closer coordination and back-up plan for the suppliers, service providers
- Additional hiring of factory manpower

Discussion Point: What mitigation actions should be taken for any future wave?

PEOPLE SAFETY

- Arranging vaccination for the employees and CFAs' staff
- Taking insurance cover for the CFAs' and Distributors' staff
- Lining up the supplies of oxygen and other support system in case the need arise
- No let-up in Covid appropriate behavior across the organization and operations

PLANNING & EXECUTION

- Review Business Continuity Plans considering the learning from the 2nd Wave
- Multi-Skilling people to take up additional responsibilities
- Higher collaboration and information sharing with the suppliers and service providers
- Scenario Planning, Agility and Granularity in planning and execution
- Cautious approach to the stock building

