

Q2 Market Sees Highest Volatility Since Pandemic, Says Debasis Nandy



The June quarter proved to be the most volatile period for the industry since the onset of the pandemic, according to Debasis Nandy, President and Group Chief Financial Officer (CFO) of Thomas Cook India. In a recent interview, Nandy highlighted that the quarter was marked by a confluence of challenging geopolitical and economic events that created significant market uncertainty, impacting businesses and investor sentiment. This assessment provides a key perspective on the recent performance of the market and the factors influencing it.

Nandy pointed to several specific events that contributed to the quarter's instability. The geopolitical challenges, including a recent attack in Pahalgam and an Air India plane crash, severely impacted the travel and tourism industry. The closure of airspace also added to the operational difficulties for companies in the sector. These events, according to Nandy, created a climate of unpredictability that forced businesses to adjust their strategies and brace for a challenging operating environment.

While the market faced these headwinds, Nandy noted that the company's performance was resilient in some areas despite the turmoil. For instance, while forward bookings for travel had slowed down, with people booking closer to their travel dates, the leisure segment did not see significant cancellations. This suggests that while consumers are becoming more cautious, they are not entirely abandoning travel plans. Nandy also mentioned the company's forex business saw a slight decline, largely due to the discontinuation of operations at Delhi airport, which contributed a small but notable portion of its revenue.

Looking ahead, Nandy stated that the company is actively seeking to mitigate the effects of these challenges. He mentioned that Thomas Cook has secured a new contract at the Bengaluru airport, and they are planning to expand their Sterling Hotels portfolio from 62 to 80 resorts over the next 12-18 months. These moves indicate a proactive approach to navigating the uncertain landscape and capitalizing on new opportunities. The remarks by Nandy underscore the continuing impact of global events on the economy and provide a window into how companies are adapting to a new era of market volatility.