

Monday, January 17, 2022

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Company bond sales slow on
rising yields ►P1



India Inc weighs price hikes
as high input costs pinch ►P1

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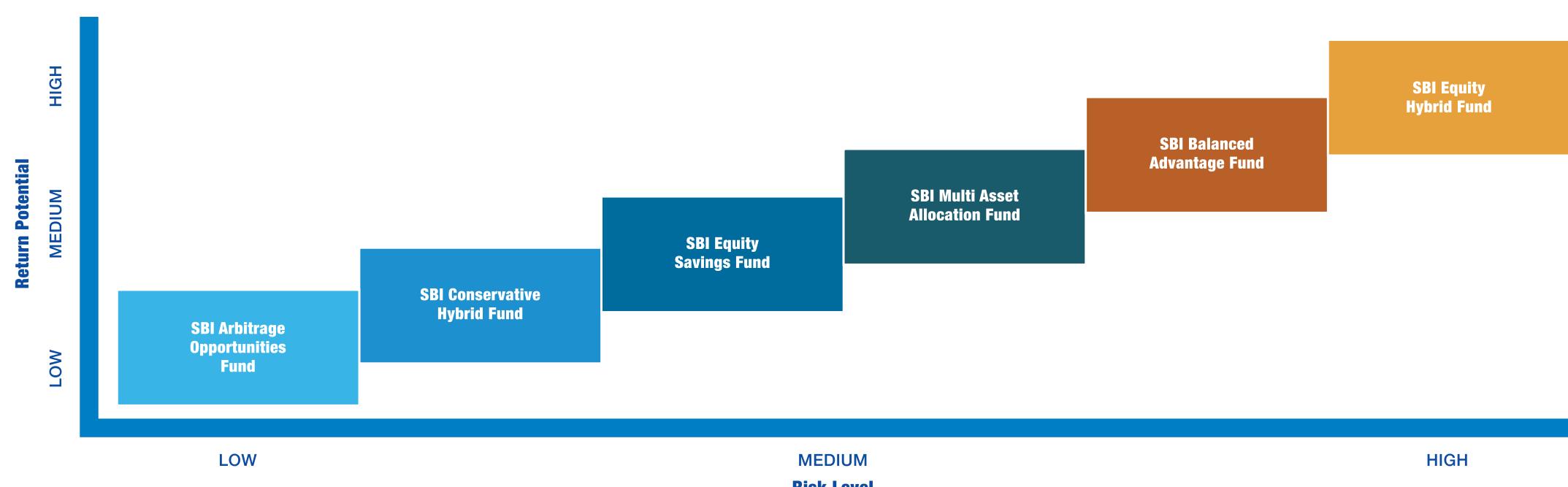
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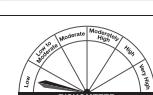
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This product is suitable for investors who are seeking*:

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Equity: 65 - 90%



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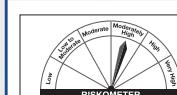
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Equity: 0 - 100%



This product is suitable for investors who are seeking*:

- Long-term capital appreciation
- Dynamic asset allocation between equity and equity related instruments including derivatives and fixed income instruments

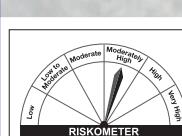
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Debt: 75 - 90%
Equity: 10 - 25%



This product is suitable for investors who are seeking*:

- Regular income and capital growth
- Investment primarily in Debt and Money market instruments and secondarily in equity and equity related instruments

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

SBI MULTI ASSET ALLOCATION FUND

An open-ended Scheme investing in equity, debt, and gold & gold related instruments including ETFs and such other asset classes as SEBI may prescribe from time to time

- Invests in a dynamic mix of equity, debt, and gold & gold-related instruments including ETFs and such other assets as prescribed by SEBI from time to time
- Suitable for investments for 3 years and above

Debt: 10 - 80%
Gold: 10 - 80%
Equity: 10 - 80%



This product is suitable for investors who are seeking*:

- Long term capital growth with potential for regular income
- Investment in a diversified portfolio of equity, fixed income and gold and gold related instruments including domestic and overseas ETFs; with a minimum allocation of 10% in each of the asset class and units of REITs and InvITs with an allocation of up to 10%

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

SBI EQUITY HYBRID FUND

An open-ended Hybrid Scheme investing predominantly in equity and equity related instruments

- An aggressive hybrid fund investing predominantly in equity and the rest in debt instruments
- Suitable for investments for 5 years and above

Debt: 20 - 35%
Equity: 65 - 80%



This product is suitable for investors who are seeking*:

- Long-term capital appreciation
- Investments primarily in equity and equity related instruments, with exposure in debt and money market instruments

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

***Subject to terms & conditions. For detailed information on asset allocation, refer to the Scheme Information Document of the respective schemes. The above information is for reference purposes and investors are requested to consult their investment/tax adviser before making an investment decision.**

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mint primer

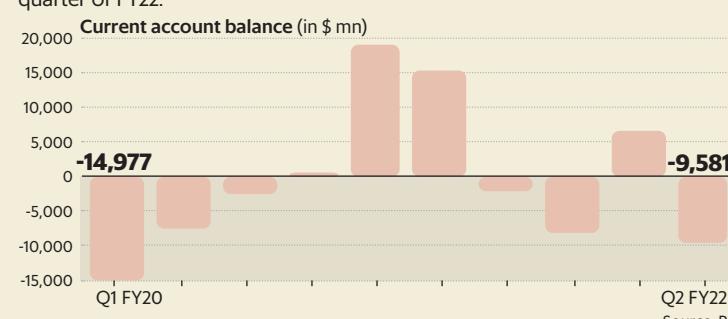
How do SDRs help maintain balance of payments?

BY JAGADISH SHETTIGAR & POOJA MISRA

Of the accretion of \$31.2 billion in July-September 2021 in foreign exchange reserves, \$17.86 billion was by way of Special Drawing Rights (SDR) support received from the International Monetary Fund (IMF) on 23 August 2021. *Mint* explains:

Gap widens

In the July-September quarter of FY22, India's current account slipped into a deficit of \$9.58 billion as against a surplus of \$6.57 billion in the April-June quarter of FY22.

**1 Why were SDRs created by the IMF?**

SDRs, created by the IMF in 1969, are an international reserve asset and are meant to supplement countries' reserves. Adding SDRs to the country's international reserves makes it more financially resilient. Providing liquidity support to developing and low-income countries allows them to tide over the balance of payments (BOP) situations like the one India has been experiencing due to the pandemic and the one it faced earlier in 1991. SDRs being one of the components of foreign exchange reserves (FER) of a country, an increase in its holdings is reflected in the BOP.

REUTERS

**2 What are the key components of BOP?**

The BOP divides transactions of a country with the rest of the world into two accounts: the current account and the capital account. The current account consists of net trade of exports and imports of products and services, net earnings on cross-border investments and net transfer payments. The capital account constitutes a country's transactions in financial instruments i.e. assets and liabilities constituting of direct investment, portfolio investment, loans, banking capital, and other capital. International reserves and IMF transactions are also a key component of the BOP.

In the July-September 2021 quarter, India's current account slipped into a deficit of \$9.58 billion as against a surplus of \$6.57 billion in the April-June 2021 quarter. In the January-March quarter of FY20, the country's current account had recorded a surplus on the back of a higher decline in imports.

4 What does the SDR support signify?

Countries worldwide are going through one of the worst health and economic crises, and India has been no exception. The present support of \$17.86 billion in August 2021 by way of SDR has helped cushion the worsening current account deficit. It is also indicative of the fact that the domestic business environment is failing to attract foreign direct investment. This might also point to external factors such as the US Federal Reserve's plans to increase interest rates, which make FPIs move away from host countries such as India.

5 Is dependence on SDR a matter of concern?

A BOP dependent on an SDR-dependent capital account surplus to cushion the country's widening current account deficit is not a comfortable position to be in. Importantly, IMF support comes with a baggage of conditions as was the case in 1991—the support came with the condition that India initiate big ticket economic reforms. Any democratic country would be more comfortable with sovereign rights to design its policy strategy.

Jagadish Shettigar and Pooja Misra are faculty members at BIMTECH.

QUICK EDIT

Nudge vs coerce

Mumbaikars will have to share their Aadhaar card details with chemists to buy covid self-test kits, mayor Kishori Pednekar said on Saturday, a day after the city's local authorities made it mandatory for buyers to share test results with them and also upload the same on the Indian Council of Medical Research's website, regardless of the outcome. Kit sellers were asked to keep on record addresses and phone numbers. Ward staff will scan those reports and may visit residences for spot assessments.

India has seen cases spike to a seven-day rolling average of nearly 230,000 from under 20,000 within the span of a fortnight, pushing administrations into rule-heavy mode in various parts of the country. But Mumbai's move, while aimed at strengthening surveillance, is both intrusive of privacy and needlessly burdensome. Globally, testing strategies are being reassessed in the context of Omicron's lower health risk and service capacities crushed by strict quarantine norms. We should indeed capture cases as accurately as possible, but not at the cost of people in need going untested, which Mumbai's new rules could result in. It would be better for Mumbai to abandon coercion and use nudges.

MINT METRIC

by Bibek Debroy

Simon Bramhall was a doctor grand,
Proud of his surgeon's brand.
Left his name on organs transplanted,
Patients and rest weren't enchanted,
An ex-doctor now, fined and banned.

QUOTE OF THE DAY

India's overall macroeconomic situation is in recovery mode...
The worry stems from the fact that this growth is concentrated at the top end.



KAUSHIK BASU
EX-CHIEF ECONOMIST,
WORLD BANK

STOCK TALK**CESC**

BUY
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CURRENT PRICE ₹92.55
EMKAY GLOBAL (ON 13 JANUARY)

CESC's flat standalone earnings in Q3FY22 came largely owing to the delay in tariff order for the Kolkata licence area. We believe once the tariff order comes, there will be decent growth in standalone earnings.

PRABHUDAS LILLADHER (ON 13 JANUARY)

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NIRMAL BANG (ON 13 JANUARY)

We note that Escorts is undergoing a significant change in its shareholding structure, with global company Kubota Corporation poised to become the major shareholder. This partnership could potentially lead to material benefits.

NIRMAL BANG (ON 13 JANUARY)

MINDTREE LTD

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PRABHUDAS LILLADHER (ON 13 JANUARY)

Mindtree is one of the few companies powered by strong sustainable growth and steady rise in margins. Aggressive fresher hiring since last few quarters is also aiding margin through pyramid optimization.

PRABHUDAS LILLADHER (ON 13 JANUARY)

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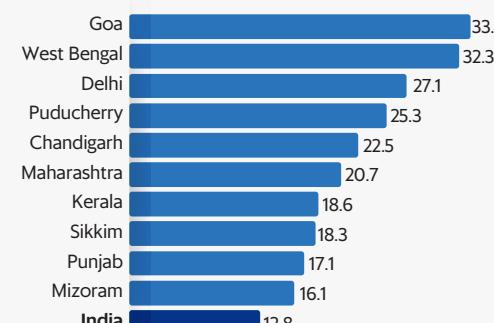
Week ahead: Covid-19 news, Australian Open

BY TANAY SUKUMAR, NITI KIRAN, & PRAGYA SRIVASTAVA

Every Monday, *Mint's* Plain Facts section features five key data releases and events to watch out for during the coming week. The third wave of the pandemic in India has spread rapidly and the Omicron outbreak could peak in large cities soon, according to experts. Earnings for the December-ended quarter are due from Bajaj Auto and ICICI Bank. Tennis fans will be glued to the Australian Open starting Monday. The things to look out for are:

More than one in four covid-19 tests turning positive in Goa, WB, Delhi

Highest test positivity rates in last seven days (in %)



Test positivity rate refers to share of covid-19 tests that turned positive during 9-15 January.

Source: covid19bharat.org

1 Covid Updates

INDIA MARKED one year of its massive vaccination drive against covid-19 on Sunday. However, it is in the grip of a strong third wave of infections fuelled by the Omicron variant. The country now has more than 1.5 million active cases, the highest since early June 2021, and nearly 13% of the samples being tested for the virus are turning positive.

But good signs are emerging. There are early indications that the wave may have peaked in Mumbai and is plateauing in Delhi. Projection models show the coming two weeks may bring a peak at the national level, too, even as infections begin to surge in some rural parts as well.

However, some states such as West Bengal, Delhi, Maharashtra and poll-bound Goa still have a positivity rate of more than 20%. Daily new cases are inching towards 300,000, and could this week cross the last peak hit in May before it descends again.

2 Bajaj Auto Earnings

THE DOMESTIC automobile industry bore the greatest brunt of the global chip shortage in the December quarter. Weaker festival sales also hurt volumes. Sharp rise in commodity prices may also hit operating margins.

Two-wheeler major Bajaj Auto, which declares its quarterly results on Wednesday, may also feel the pinch. The company has reported a 3.2% quarter-on-quarter growth in sales volumes, with improving three-wheeler share in the overall mix. It has raised prices and cut cost. A Reliance Securities report also expects a decent bottom line despite higher commodity costs, due to better exports at a favourable exchange rate and lower tax rates.

Yet, analysts see margins falling sequentially by about 200 basis points due to continuing raw material supply problems. The sector faces near-term challenges with the onset of the third wave of the pandemic and the supply constraints.

Higher raw material costs may dent Bajaj Auto's margins in Q3

Consolidated PBDIT as % of sales



3 ICICI Bank Earnings

ICICI BANK will announce its December-quarter earnings on Saturday. Most large lenders are expected to show improved business performance during the quarter, pumped up by better asset quality trends. For ICICI Bank, both net interest margins and loan growth could stay stable with steady contribution from the small business and retail borrowers.

Analysts at Kotak Institutional Equities have forecast slippages of around 2% but expect asset quality stress to remain lower on improving business performance.

The bank is better placed than its peers on pre-provision operating profit growth, which also appears to be driving its stock prices. ICICI Bank shares gained nearly 6% in the December quarter, against a 5.4% fall in the sectoral benchmark, the BSE Bankex.

However, investors will watch out for the business risks arising from the third wave of the pandemic.

ICICI Bank stock has outperformed peers, thanks to better operating metrics

BSE share prices of ICICI Bank vs S&P BSE Bankex (rebased to 100 as of 30 September 2021)



4 China GDP

CHINA'S ECONOMY had a strong run in the first half of 2021, owing to the low-base effect and strong exports. But the economy then began to slow down, getting embroiled in a property crisis sparked by financial troubles at Evergrande Group. Slowing industrial output and supply disruptions also acted as headwinds, as did the country's strict zero-covid strategy. As such, the gross domestic product growth could slow down to slightly above 3% in the December quarter from 4.9%, multiple analysts said. The data is due on Monday.

Even with the slowdown, the full-year growth could still be above 8%. The real worry is for 2022 as the unresolved power and property crisis could drag growth further down to around 5%. The impact of interest rate cuts by the People's Bank of China in December could take time to kick in. Strong measures to keep the pandemic at bay ahead of the Winter Olympics will also pose a risk to economic growth.

5 Australian Open

THE FIRST Grand Slam of 2022 begins today in Melbourne. A 10-day dramatic run-up ended on Sunday in a court clearing the deportation of men's No.1 Novak Djokovic from Australia. The Serb's contempt for covid-19 vaccines has cost him a shot at a possible 10th Australian Open title and 21st Grand Slam—both of which would have been records.

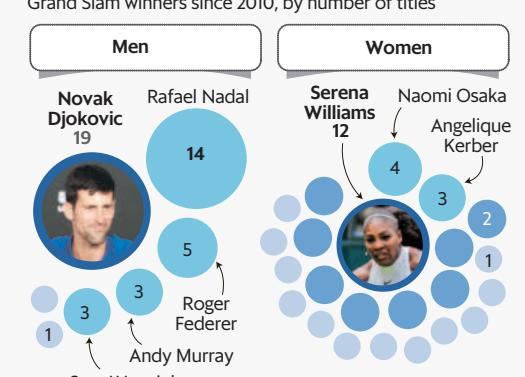
The exit of the most dominant player of the past decade opens up the singles contest to other favourites, led by Spaniard Rafael Nadal and Russian Daniil Medvedev.

In the women's contest, too, the player with the most wins in the past decade, Serena Williams, is not playing. A victory for No.1 Ashleigh Barty would make her the first Australian to win the tournament in 44 years. But women's singles hasn't quite matched the dominance of Nadal and Djokovic in recent years. The Australian Open will set the tone for the rest of 2022; will we get more consistent winners this year?

tanay.sukumar@livemint.com

Just two players have won most of the men's Grand Slams in past decade

Grand Slam winners since 2010, by number of titles



Source: ESPN

AHMED RAZA KHAN/MINT

PEANUTS by Charles M. Schulz



Monday, January 17, 2022

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Will new policies cut J&K's investment chill?

►P12



Head Office: Deloitte Global
CEO Punit Renjen

►P16

SENSEX 61,223.03 ▲ 0.00

NIFTY 18,255.75 ▲ 0.00

DOLLAR ₹74.15 ▲ ₹0.00

EURO ₹84.97 ▲ ₹0.00

OIL \$86.34 ▲ \$0.00

GOLD ₹47,851 ▲ ₹0.00

Company bond sales slow on rising yields

State governments bonds offering higher returns edge out corporates

Gopika Gopakumar
gopika.g@livemint.com
MUMBAI

India Inc. may have to offer higher returns on fresh domestic bond issuances to investors as they compete with state government bonds offering higher yields, experts said.

Rising yields are already causing a decline in corporate bond issuances. Since last November, the yield on three-year AAA-rated corporate paper has increased by 43 basis points to 5.74%, and that on five-year AAA paper by 36 basis points to 6.35%. As a result, market participants saw a sharp drop in corporate bond issuances while state development loans have increased in the past few months.

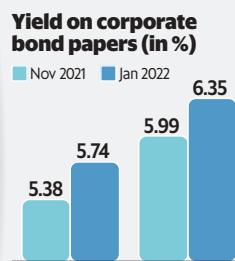
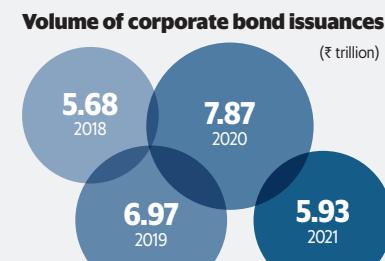
Data provided by Prime Database showed that the volume of corporate bond issuances dropped to ₹5.93 trillion in 2021 from ₹7.87 trillion in 2020.

To be sure, the government's borrowing costs have risen despite surplus liquidity in the banking system, with the yield on the benchmark 10-year government bond increasing from about 6.1% in April to 6.58% in January.

"Corporate bonds issuances have seen a drop amid rising G-sec rates.

SQUEEZED OUT

The value of corporate bond issuances dropped to ₹5.93 trillion in 2021 from ₹7.87 trillion in 2020, while the yields climbed by up to 43 basis points



Kalpana Pathak

kalpana.p@livemint.com

MUMBAI

Rising raw material costs are crimping corporate profitability as many companies are unable to hike prices to fully offset costs, especially because of sharp increases in metal and energy prices.

While consumer durables and packaged goods companies expect to pass on costs to customers through calibrated price increases between 5% and 10% in the next few months, not all companies can wield such pricing power.

"We will wait till the end of the fourth quarter to see how demand pans out. We have hiked prices over the past year. We are also expecting metal prices to cool," a senior executive at a manufacturer said on the condition of anonymity as the company is in the so-called silent period ahead of its quarterly earnings announcement.

Global commodity prices rose sharply through most of the second half of 2020 and the first half of 2021 as the strong post-covid recovery in China fuelled demand for metals and fuels.

Indian hot-rolled coils (HRC) or flat steel prices dou-

Rhik Kundu

rhik.k@livemint.com

NEW DELHI



Packaged goods firms may pass on costs to customers through calibrated price increases over the next few months.

MINT

Procedural delays hold back Jet's revival plans

DON'T MISS



Government directs arms to appeal arbitration awards judiciously

The Centre has directed its arms not to unnecessarily appeal every arbitration award without realistic probability of success in order to avoid project delays and cost overruns as often such appeals are lost and the government ends up paying more in terms of interest and penalty. ►P5

Indian Oil to invest ₹7,000 crore in new city-gas supply projects

Indian Oil Corp. Ltd plans to invest ₹7,000 cr in new city-gas distribution (CGD) projects, the state-run firm said on Sunday, adding that it has secured nearly 33% of the demand potential in the recently-concluded eleventh CGD bidding round held by the Petroleum and Natural Gas Regulatory Board. ►P4

Open-source e-commerce platform may be launched soon: DPLIT's Jain

The Open Network for Digital Commerce, an open-source e-commerce platform that all online retailers can use, is expected to be launched soon, according to Anurag Jain, secretary of the department for the promotion of industry and internal trade (DPIIT). ►P2

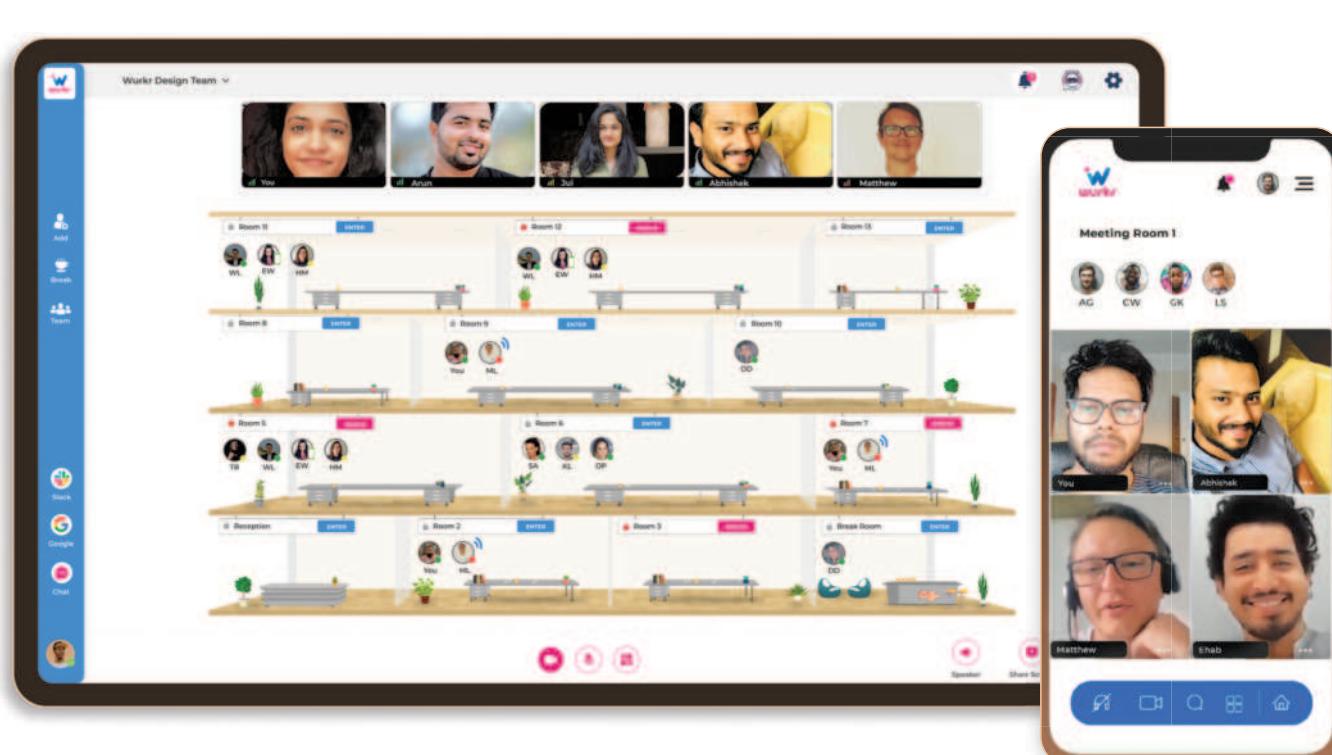
Kuwait, one of the world's wealthiest countries, is becoming uninhabitable

Global warming is smashing temperature records all over the world, but Kuwait—one of the hottest countries on the planet—is fast becoming uninhabitable. In 2016, thermometers hit 54 degrees Celsius, the highest reading on Earth in last 76 years. Last year in June, they breached 50 degrees Celsius again. ►P10

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STRAIGHT FORWARD
SHASHI SHEKHARRespond to this column at
feedback@livemint.comIT'S GOING TO BE A
TOUGH BATTLE FOR
ALL PARTIES IN UP

The coalition led by Akhilesh Yadav is trying to storm the fort of the Bharatiya Janata Party (BJP), and it has created sudden unanticipated equations. Is the old battle of Mandal versus Kamandal going to be fought this time again in the state? For the moment, it seems so. Yogi Adityanath, the chief minister of the state, by repeatedly visiting Ayodhya, tried to send the same message: Only the saffron party should get the credit for the construction of the Ram temple. Deputy chief minister Keshav Prasad Maurya also raised the issue of Mathura and tried to give a new colour to the mixture of religion and politics. Shortly before this, Prime Minister Narendra Modi had inaugurated a grand new Viswanath Dham. The message is clear, the BJP will try to win the elections with the help of a cocktail of religion and development.

Those who believe that the ruling party is relying on religion only are wrong. Official figures show that till now a total of 4.3 million poor people have been given houses in UP. Nearly 150 million are getting 5 kg extra foodgrain per unit per month. There is also a claim of providing 450,000 full-time jobs and 350,000 contractual jobs. Around 250,000 people have also been given jobs under the One District One Product scheme. Under the Saubhagya scheme, 14.1 million houses have been given free electricity connections along with free gas connections to 16.7 million. The state government claims that arrears of ₹1.5 trillion have been paid to sugarcane farmers, including the amount that has been due since the previous government. Is this enough?

In a vast state like UP, there is bound to be a lapse somewhere, no matter which party or leader is in power. One cannot ignore the issues like the terror of stray cattle that sometimes eat out the entire crop, inflation, unemployment etc. The opposition has left no stone unturned to prove the employment figures given by the government are just empty. BJP dissidents and opposition leaders are saying the government is somewhat anti-Brahmin. A few government officials were also blamed for ignoring elected representative since they belonged to the chief minister's caste. Yogi Adityanath worked very hard, and there is no allegation of corruption against him, but the problem did not stop here. Swami Prasad Maurya, Dara Singh Chauhan, Dham Singh Saini, and 11 MLAs resigned and tried to prove that the government is anti-Dalit and anti-backwards. BJP spokespersons were labelled as defectors and opportunists, but it could not be denied that five years ago the same leaders were also used by the saffron party to win elections.

First, the farmers' movement and now this wholesale defection has changed the shape of political current. Akhilesh Yadav is trying hard to bring the most backward caste with him. He already has the confidence of Muslims and Yadavs. Now the only thing needed is the support of a large section of the most backwards, to overcome the current situation. It is also to be noted here that Akhilesh Yadav has done all this on his own. Earlier his father and both the uncles used to play the role of mentor and strategist. In this election, he has emerged as the undisputed 'supremo' of his party. He has also learned the art of headline management. BJP ministers and MLAs were therefore asked to resign one by one. Due to this, despite the ban on rallies, he remained in the day-to-day narrative. However, is this enough for him to win the election?

This question cannot be answered right now. The Bahujan Samaj Party and its leader Mayawati seem to be calm, but the party has already distributed more than 70% of tickets. The number of these people who win will also play a big role in the formation of the next government. Similarly, in the first list of 125 people released by the Congress, 50 are women. Among them is the mother of the rape victim of Unnao and Anganwadi worker of Shahjahanpur. This experiment is certainly better in comparison to religion and caste equations, but perhaps the party leaders themselves do not believe in it. This is why four out of seven Congress MLAs have switched sides so far. Here one should not make the mistake of assuming that because of defection the saffron party has become so weak that it is now unable to form the government. With the work of Yogi, the party has the country's most popular leader Narendra Modi behind him, a well-organized organization, and ample resources, but the uncertainty remains. The party has to work harder to keep its clan together.

Poet Jigar Moradabadi once said about *Ishq* (love): *Ik Aag ka daria hai aur doob ke jana hai* (it's a river of fire and you have to drown). Politicians may have to go through such difficult experiences in this election.

Shashi Shekhar is editor-in-chief, Hindustan. The views expressed are personal.

Covid vaccination drive completes one year, over 1.57 bn shots administered



According to health ministry officials, more than 93% of the adult population has received at least one dose.

and added that the role of our doctors, nurses and healthcare workers is exceptional.

"When we see glimpses of people being vaccinated in

remote areas, or our healthcare workers taking the vaccines there, our hearts and minds are filled with pride," he said. The prime minister asserted that

India's approach to fighting the pandemic will always remain science based. Health infrastructure is also being augmented to ensure that fellow citizens get proper care, he said, asking people to keep following all covid-19 related protocols.

In a tweet, Union Health Minister Mansukh Mandaviya said India crossed the landmark milestone of administering 100 million vaccine doses on 1 April last year. As many as 250 million vaccine doses were administered on 25 June, crossed 500 million covid-19 vaccine dose on 6 August and 750 million on 13 September, he said.

The drive was rolled out on 16 January last year with healthcare workers getting inoculated in the first phase. Vaccination of front-line workers started from 2 February.

The next phase of covid-19 vaccination commenced from 1 March for people aged above 60 and those aged 45 and above with specified co-morbid conditions. Vaccination of all people aged above 45 started from 1 April last. The government then decided to expand the ambit of the inoculation drive by allowing everyone above 18 to be vaccinated from 1 May. The next phase of covid-19 vaccination commenced 3 January

for adolescents in the age group of 15-18 years.

India started administering the precaution dose of covid vaccine to healthcare and front line workers, which include polling personnel deployed in the five poll-bound states, and co-morbid people aged 60 and above from 10 January in a bid to stymie the spread of Omicron.

The health ministry has claimed that India's vaccination programme has been one of the most successful and largest such drives when compared with many developed western nations with a significantly low population base to vaccinate.

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NEW DELHI

The countrywide vaccination drive against covid-19 on Sunday completed one year, during which more than 1,567.6 million vaccine doses were administered.

According to health ministry officials, more than 93% of the adult population has received at least one dose, while over 69.8% have been fully vaccinated. The Centre will issue a postal stamp late on Sunday to mark the completion of one year of the inoculation drive.

Lauding India's covid-19 vac-

cination drive as it completes a year, Prime Minister Narendra Modi on Sunday said it has added great strength to the fight against the pandemic and has resulted in saving lives and protecting livelihoods.

When the pandemic first struck, not much was known about the virus. However, our scientists and innovators immersed themselves in developing vaccines, he noted. India feels proud that our nation has been able to contribute to fighting the pandemic through vaccines, Modi tweeted.

"I salute each and every individual who is associated with the vaccination drive," he said,

and added that the role of our doctors, nurses and healthcare workers is exceptional.

"When we see glimpses of people being vaccinated in

remote areas, or our healthcare workers taking the vaccines there, our hearts and minds are filled with pride," he said. The prime minister asserted that

Covax is now past billion jabs mark, says WHO

Bloomberg
feedback@livemint.com

A cargo of vaccines that arrived in Rwanda pushed Covax, the programme created to deliver covid-19 inoculations more equitably, over the one-billion mark in shots delivered so far, the World Health Organization (WHO) said.

The secretary exuded confidence over the growing startup fraternity in the country and their contribution to the economy and said that startups would be the key to the country's prosperity.

"I see the biggest energy coming from startups. They are the companies of the future, and this is the movement that will take India towards the top of the world in the next 25 years," Jain said.

Innovation has always been a key feature in India, and the combination of knowledge and innovation helps bring disruption, which in turn leads to "much higher growth", the secretary contended.

Jain also pointed out that India produced more than 40 unicorns in 2021, which is more than double the number in China during the same period, which stood at 20.

India has around 82 unicorns. The startup fraternity should nurture 75 more startups in 2022, Goyal said during the inaugural ceremony of the weeklong programme.

According to the ministry, India has more than 61,000 recognized startups spread across 55 industries, with 45% of them emerging from tier-2 and tier-3 cities.

focused on big businesses.

He added that youth unemployment rate in the country touched 23%, among the highest globally, even before the covid-19 pandemic started. Workers, farmers and small businesses are seeing negative growth, he added.

While India's GDP is estimated to grow 9.2% in 2021-22, Basu said since this comes after a contraction of 7.3% in 2019-20 due to the pandemic, the average growth rate over the last two years is 0.6% per annum.

The National Statistical Office (NSO) in its first advance estimate has projected a GDP growth of 9.2% in April 2021 to March 2022 fiscal year while the Reserve Bank of India has forecast 9.5% expansion during the same period.

The World Bank has been the most conservative projecting 8.3% growth while Organisation for Economic Cooperation and Development has pegged GDP expansion at 9.7%.

Open Network for Digital Commerce may be launched soon, says government official

Rituraj Baruah
rituraj.baruah@livemint.com
NEW DELHI

The Open Network for Digital Commerce (ONDC), an open-source e-commerce platform that all online retailers can use, is expected to be launched soon, according to Anurag Jain, secretary of the department for the promotion of industry and internal trade (DPIIT).

Work is in progress on the concept, the secretary noted in an interview on Friday. He, however, refrained from giving a timeline for the launch. It "will come out hopefully soon, as and when the preparations are complete, and approvals are received," Jain said.

Several suggestions were made for the structure of ONDC at a panel discussion during the Startup India Innovation Week, held from 10-16 January, and the department will consider these, the secretary said.

All seller and buyer platforms will work through one open protocol and can connect through ONDC. ONDC will do digital commerce and retail business what Unified Payments Interface did to the payments ecosystem



Open Network for Digital Commerce is expected to result in cost savings for sellers and provide better prices to consumers.

CONCEPTION STAGE

SEVERAL suggestions were made for ONDC's structure at a discussion during the recent Startup India Innovation Week

ALL seller and buyer platforms will work through one open protocol and can connect through ONDC

ONDC may do digital commerce and retail business what Unified Payments Interface did to the payments ecosystem

the country, he added.

The open network will empower both consumers and sellers, Jain said.

"If such an open network comes, it ends the monopoly of big closed-loop

minister Piyush Goyal, held as part of the just-concluded Startup India Innovation Week, Jain said. The government will discuss these suggestions, he said.

The department received several suggestions from stakeholders in the ecosystem, including from global venture capital funds, during the roundtable chaired by Union commerce and industry

minister Piyush Goyal, held as part of the just-concluded Startup India Innovation Week, Jain said. The government will discuss these suggestions, he said.

The IT industry had grown spectacularly on its own and many of the top companies grew at a time when India did not focus on creating a favourable ecosystem for startups, the minister contended.

The department for promotion of industry and internal trade (DPIIT) will provide the assistance needed by the IT industry to grow rapidly and contribute to India's export of services, Goyal said.

The meeting was attended by Nasscom president Debajani Ghosh, Infosys chief executive officer (CEO) Salil Parekh, Tech Mahindra CEO and managing director C.P. Gurnani, Wipro chairman Rishad Premji, and Krishnan Ramanujam, president and head of business and technology services at Tata Consultancy Services.

Business leaders should focus on high-tech products, for which the central government would provide the assistance needed by the industry, Goyal said in the vir-

ual meeting over the weekend. The central government would go all out to help the industry get top-class facilities, he said.

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'India recovering but is facing stagflation'

PTI
feedback@livemint.com
NEW DELHI

India's overall macroeconomic situation is in recovery mode but the growth is concentrated at the top, which is worrying, former World Bank chief economist Kaushik Basu said.

Amid rising inflationary trends, including the sharp increase in retail inflation last month, Basu, who has also served as chief economic adviser to the Indian government during the UPA rule, said the country is facing stagflation and "very carefully curated policy interventions" are required to address the situation.

Currently, Basu is a professor of economics at the Cornell University in the US.

While the aggregate economy is growing, "the bottom half of India" is in recession, he said and noted that it was sad the country's policy over the last few years has been largely

the last two years is 0.6% per annum.

The National Statistical Office (NSO) in its first advance estimate has projected a GDP growth of 9.2% in April 2021 to March 2022 fiscal year while the Reserve Bank of India has forecast 9.5% expansion during the same period.

The World Bank has been the most conservative projecting 8.3% growth while Organisation for Economic Cooperation and Development has pegged GDP expansion at 9.7%.

Okinawa powers the change to drive the present towards a sustainable future, with the vision – Made in India, Made for India

The success of Okinawa Scooters, one of the highest-selling electric two-wheeler brands in India, has put all the arguments of the feasibility of electric two-wheelers in India to rest

OkinawaAutotech was born with a "vision to create a greener and cleaner environment for present and future generations." The company was founded by Jeetender Sharma in 2015 with a mission to drive India's present towards a sustainable future by taking the best from the past and applying it to present requirements to recreate the future. Thus creativity, passion and inventiveness are an intrinsic part of the Okinawa DNA. Okinawa Autotech is the first electric two-wheeler (EV) company to get FAME-II approval from the government under the Make in India campaign.

Okinawa is spearheading remarkable changes in the creation of a complete EV ecosystem in India. A veteran in the automobile industry with extensive experience in quality and new product development, process management and supplier development, the MD and Founder of Okinawa Autotech is a mechanical engineer whose leadership and vision in shaping the Indian electric two-wheeler manufacturing industry is widely recognised. Responsible for driving the vision, strategy and growth at Okinawa Autotech, Sharma's career began in 1996 with LML India, from where he went on to work with Honda 2 Wheelers during its inception and worked in the different verticals of quality, new model development and also worked closely with R&D for new products, heading the supplier quality assurance operations of all the plants of Honda 2 Wheelers in India. He was also responsible for the development of the supplier base in South East Asia.

Inspired by what he had witnessed during his visit to Okinawa Island in Japan and realising that the chief reason behind the longevity of the people of that region was because of low pollution levels, Sharma returned to India with the dream of making India a carbon neutral or carbon negative nation. His belief was that if this could happen in other parts of the world then why not in our own country. Together with his wife Dr Rupali Sharma, Chairperson and Co-founder of Okinawa Autotech, who switched her profession from medicine to being an entrepreneur, the duo began their journey of revolutionising EV mobility in India by setting up Okinawa's corporate base in Gurugram, with a manufacturing unit in Bhiwadi, Rajasthan. The first two years were spent on market research, understanding customer requirements and challenges, developing the entire supplier base, forming a prototype, testing the vehicle's endurance and

taking care of other parameters. The first prototype was tested for 25,000 kilometres on different road conditions. Based on the results, Okinawa improved its prototype and launched its first product, a high-speed scooter – RIDGE - in 2017.

"The first step we took was to break the several prevalent myths about electric two-wheelers among consumers and other stakeholders," says Jeetender Sharma. "Some of these myths were around the possible speed of electric vehicles, 'Cycle waala bhi

mere se aagey nikal jaata hai' (even a cyclist overtakes me)," was what a teenager in a village in Haryana told Sharma. Other questions included, "the range anxiety – waapas ghar pahuch payenge? (will we be able to get home? in short, how far does it travel on a recharge cycle), the performance of the product (weight-carrying capacity, travelling on rough Indian roads), and if when approaching a flyover does the pillion rider have to get down from the scooter in order for it to ascend the flyover? These were several issues faced by us during our research days," says Sharma.

"With these insights, we came out with our first electric two-wheeler, which was India's first high-speed electric vehicle that could touch a maximum speed of 55 km/h, covering up to 90 kilometres on a charge cycle and offered a loading capacity of up to 150 kilograms," adds Rupali. With a keen eye for detail, Rupali has been on a constant mission to make affordable high-quality EVs that are within the reach of every Indian. Nurturing a futuristic yet business-like approach, to upscale their enterprise further and more effectively, has been an exciting roller coaster ride for this doctor turned entrepreneur.

"We started offering products varying from low-speed to high-speed electric scooters. Over the years, we widened our range and shifted from lead-acid to 100% lithium-ion battery-equipped variants. At our facility, we make electric two-wheelers equipped with indigenously-developed components – more than 95% localised parts like li-on battery pack, chassis, plastic parts, permanent magnet BLDC motors and other features such as mobile charging, keyless start and app connectivity, which make our vehicles AI/IOT enabled. At present, we have our first high-speed electric motorcycle in the pipeline. It will be a motorcycle which will be 100% made in India. We manufacture and sell our products through our network of

over 400 dealers across India and our business strategy revolves around innovating our products to offer maximum localisation and high quality," Jeetender Sharma explains. Driving innovation within the company, Rupali has jointly been at the helm of the company's achievements. "The company started with only two people and now we are a family of 450, thanks to the trust and confidence of our people in us. We are the only EV company in the world to conquer the Khardung La Pass where the scooter went to a height of

more than 18,000 feet covering 1,350 kilometres in just 10 days! This was only possible with the lithium-ion detachable batteries that make charging Okinawa Scooters as easy as charging mobile phones," she says.

As Chairperson of Okinawa Autotech, Rupali, who is an avid reader with a keen interest in cross-cultural diversity, is of the belief that a customer-centric approach will be key in promoting products, services and solutions that are environment friendly and pollution free.

Jeetender Sharma ensures that the engineering teams constantly modernise to produce top resonating vehicles. "India is the fastest growing economy in the world, however it needs to progress at a much faster rate. The next generation buyers (millennials) put more emphasis on innovation and need a machine that can match the pace and excitement of their generation. Moreover, every ride should be comfortable and enjoyable while

I believe that every entrepreneur should be passionate towards his dreams and stalwartly work towards a focused target. People believe what they see, I see what I believe in

Jeetender Sharma
Founder and MD,
Okinawa Autotech Pvt. Ltd

“ Okinawa became the first electric two-wheeler company to break all myths about electric two-wheelers. We were the first ones to conquer Khardung La Pass, a height of 18,000 feet covering 1,350 kilometres in just 10 days, building a prodigious conviction and confidence amidst customers of Okinawa

Dr. Rupali Sharma
Chairperson and Co-founder,
Okinawa Autotech Pvt. Ltd

mint

Brand
Studio

OKINAWA

Okinawa: A vehicle for the masses

Determined to bring quality electric two-wheelers to the common man of India, Okinawa Autotech Pvt. Ltd., a 100% Indian electric two-wheeler manufacturing company, is steadfastly working towards achieving the future of a clean and green environment. Established with the goal of making India a major player in the electric two-wheeler market, the company is headed by MD and Founder, Jeetender Sharma and Chairperson and Co-founder Dr Rupali Sharma.

Reinforcing its commitment to the government's Atmanirbhar Bharat programme, Okinawa has positioned itself as a trusted name for Indian families as it is created for all age groups over every spectrum of society. It's a family brand and caters to the masses. Today Okinawa has more than 1.5 lakh vehicles already running successfully on Indian roads, this has only been possible due to the company's dedication and its customer's trust in the organisation.

The enviable product range of electric two-wheelers

All Okinawa products go through stringent, durability and reliability tests. As a result, the customer gets a complete package, which includes quality, comfort, style, affordability and eco-friendliness, ensuring that people do not miss anything when they switch from IC engines to electric two-wheelers. All products are equipped with indigenously-developed components. At present, Okinawa has

six electric scooters in its portfolio, which are a mix of lithium-ion slow-speed and lithium-ion high-speed scooters. In the low-speed range, Okinawa Autotech offers Okinawa R30, Lite, and Dual. Its three high-speed products are Okinawa Ridge+, Praise Pro, and iPraise+. The company is also planning to launch two more new high-speed two-wheelers this year.

Salient features that usher in change

- High-speed charging
- Detachable lithium-ion battery
- High-speed – up to 70 km/h
- Long distance range - up to 140km/charge
- Enhanced safety
- Cost-effective vehicles
- Low maintenance
- Wide power range
- ECO App/IOT-enabled – "Intelligent Scooter"





S&P BSE Sensex	
CLOSE 61,223.03	1-WEEK CHANGE (%) 2.47
1-MONTH CHANGE (%) 5.34	3-MONTH CHANGE (%) -0.14
6-MONTH CHANGE (%) 15.72	1-YEAR CHANGE (%) 23.47

Nifty 50	
CLOSE 18,255.75	1-WEEK CHANGE (%) 2.49
1-MONTH CHANGE (%) 5.37	3-MONTH CHANGE (%) -0.45
6-MONTH CHANGE (%) 15.15	1-YEAR CHANGE (%) 25.08

Nifty 500	
CLOSE 15,730.40	1-WEEK CHANGE (%) 2.49
1-MONTH CHANGE (%) 4.57	3-MONTH CHANGE (%) -0.25
6-MONTH CHANGE (%) 15.15	1-YEAR CHANGE (%) 30.33

Nifty Next 50	
CLOSE 43,551.75	1-WEEK CHANGE (%) 1.69
1-MONTH CHANGE (%) 1.52	3-MONTH CHANGE (%) -2.34
6-MONTH CHANGE (%) 12.03	1-YEAR CHANGE (%) 26.90

Nifty 100	
CLOSE 18,485.70	1-WEEK CHANGE (%) 2.39
1-MONTH CHANGE (%) 4.81	3-MONTH CHANGE (%) -0.67
6-MONTH CHANGE (%) 14.88	1-YEAR CHANGE (%) 25.49

S&P BSE Mid-cap	
CLOSE 26,085.24	1-WEEK CHANGE (%) 2.40
1-MONTH CHANGE (%) 2.39	3-MONTH CHANGE (%) -2.30

S&P BSE Small Cap	
CLOSE 30,951.28	1-WEEK CHANGE (%) 3.06
1-MONTH CHANGE (%) 5.47	3-MONTH CHANGE (%) 3.54

MINT SHORTS

Wall Street's big banks set to tap corporate bond market

Wall Street's biggest banks could hit the corporate bond market after they report quarterly results in an effort to raise money before the Federal Reserve knocks borrowing costs higher. JPMorgan Chase & Co. credit research analysts Kabir Caprihan and Nikita Dyatlov expect big banks to borrow a combined \$24 billion to \$32 billion following their earnings reports. Citigroup Inc., Wells Fargo & Co. and JPMorgan itself all announced results this past week. "We do think the bias is on the upside and will not be surprised if we see closer to \$35-\$38 billion," the analysts wrote in a note on Tuesday. Even if banks decide to sell bonds next week, issuance may down due to Martin Luther King Jr. Day on Monday and an earnings blackout period. United Airlines Holdings Inc., American Airlines Group Inc. and Netflix Inc. are on tap to report next week, which may impact bond prices.

BLOOMBERG



The first two weeks of 2022 have brought a 10% correction for the biotechnology industry.

Rough start to 2022 for meme stocks, De-SPACs, and biotech

Meme stocks, blank-cheque companies and high-flying biotech names that were all the rage at the start of 2021 are now running cold. The first two weeks of the year have brought a 17% tumble for a group of stocks that went public via merger with blank-cheque firms and a 10% correction for the biotechnology industry. The De-SPAC Index, a group of 25 stocks that went public by merging with a SPAC, has slumped 17% to start the year, descending into a string of fresh record lows. Another casualty of the market's choppy start to 2022 are meme stocks, the group of companies that saw a parabolic rise this time last year. GameStop Corp., the stock that gripped the market, has lost more than a fifth of its value to start the year and is mired in its longest losing streak since early August. Weakness is apparent in the biotechnology industry and stands out for trading of the equal-weighted SPDR S&P Biotech ETF (XBD). The ETF has slumped 10% this year after its worst year ever.

BLOOMBERG

Pallavi Pengonda
pallavi.pengonda@livemint.com

Hindustan Unilever Ltd (HUL) will announce its December quarter (Q3FY22) results on Thursday and investors are expected to closely track management commentary on rural demand. Recall that while announcing Q2 results, HUL had said recent industry trends hint at rural demand moderation, which need to be monitored.

Q3 volume growth expectations are sequentially lower, but product price increases would likely support revenue growth. "Expect 9% revenue growth (for HUL), which would be pricing-led with volume growth lagging at 2%," said analysts at Jefferies India Pvt. Ltd.

As other fast-moving consumer goods (FMCG) companies declare their Q3 results, investors can expect a similar theme of subdued volume growth and higher pricing to play out. Aggregate sector revenue growth is expected to be lower sequentially. "HPC & Foods' (FMCG firms) volume growth rates have visibly slowed (JM Financial estimates 1-2% versus 5% in Sep-Q), with some offset from higher pricing to pass-on some commodity costs pressure," said analysts at JM Financial Institutional Securities Ltd. "While this leads to revenue growth deceleration in staples, two-year CAGR may not be too different versus (Q2) due to higher price component," the brokerage said. CAGR is compound annual growth rate.

Marico Ltd is expected to be one of the best performers on revenue growth. In its pre-quarter update, it said Q3 consolidated revenue growth was in the low teens. Marico's December quarter domestic volumes are expected to be flat year-on-year (y-o-y) versus an 8% growth in Q2. On two-year revenue CAGR, both Marico and Dabur India Ltd are expected to perform relatively better than peers.

Nestle India Ltd could sustain double-digit growth, even as raw material inflation dents margins, according to Jefferies'

Growth moderation

Year-on-year revenue growth for FMCG firms in Q3 is expected to be lower sequentially, but two-year CAGR is similar.



Note: Data for aggregate FMCG firms under JM's coverage; Q3FY22 numbers are estimates; CAGR is compound annual growth rate.

Source: Company, JM Financial, Mint Research SATISH KUMAR/MINT

analysts. The brokerage expects 8% y-o-y revenue growth for Britannia Industries Ltd, which would largely be pricing-led even as volumes remain flat.

On the profitability front, continued commodity inflation could compress y-o-y gross margins, though sequential performance is likely to improve. Savings in advertising and promotion spends may help net profit. Overall, management commentary on demand conditions,

SUBDUED EXPECTATIONS

Q3 volume growth forecasts are lower sequentially but product price hikes can boost revenue

FMCG stock valuations have corrected from their highs in keeping with demand worries

GROSS margin pressures would continue for a while until input prices soften meaningfully

especially rural market; margin prospects and price hikes are key factors to track.

Meanwhile, FMCG stock valuations have corrected from their highs in keeping with demand worries. Bloomberg data shows that shares of HUL, Dabur India, Britannia, and Marico trade at 52.8 times, 47 times, 45.4 times, and 42 times each of their FY23 estimated earnings, respectively.

In the near-term, the Omicron coronavirus variant poses a threat and some regions have imposed curbs to contain its spread.

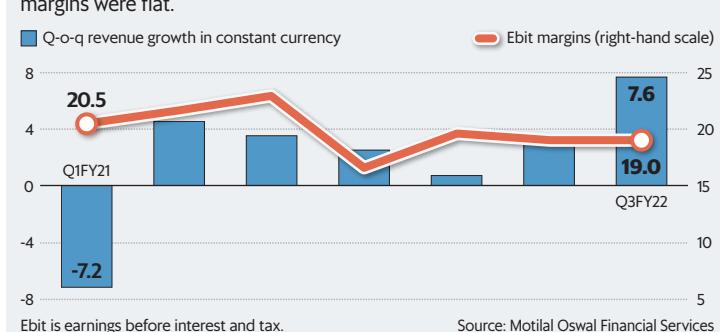
In general, analysts expect the FMCG sector to see consistent recovery over 2022, supported by minimal potential impediments due to covid-19.

"While we are witnessing a covid surge, consumer behaviour shifts are no longer as dramatic as in the first two waves. The only impact we see are for (1) HUL's personal care business, which could again see a slowdown as consumer mobility falls, and (2) Dabur's healthcare business, which could see strong growth in consumption in this phase," said analysts from Credit Suisse Securities (India) Pvt. Ltd in a report last week.

How rural demand shapes up remains key. Gross margin pressures would continue for a while until input prices soften meaningfully, analysts said. These factors may keep investors cautious on FMCG stocks in the near future. "While staple companies face weak earnings outlook in the near term, FY23 could be a year of turnaround," said Jefferies' analysts.

Report card

HCL Tech's sequential revenue growth in Q3 was at a multi-year high, but margins were flat.



Source: Motilal Oswal Financial Services SATISH KUMAR/MINT

HCL's Q3 revenue rosy, but margin a sore point

Harsha Jethmalani

harsha.j@livemint.com

HCL Technologies Ltd's December quarter earnings performance was a mixed bag. Its fastest revenue growth in many years came with uninspiring margin performance. In constant currency terms, revenue grew 7.6% sequentially, driven by a sharp rebound in its products and platforms vertical and spillover of deals from the September quarter. In a conference call with analysts, HCL's management said fiscal third-quarter revenue growth was the highest in the past 47 quarters.

What is more, last quarter, HCL signed eight large services and as many product deals spanning financial, technology and healthcare services. At the end of December, the total value contract of its new deals was \$2.1 billion, an increase of 64% from a year ago. The management said the company's deal pipeline is strong and broad-based across markets and verticals.

Meanwhile, HCL's Ebit margin of 19% was flat compared with the preceding three months, lower than the consensus estimate of 19.4%. The management indicated that margins in its key revenue generator—the IT Services business segment—declined about 2 percentage points quarter-on-quarter from 18.9% to 17.7%. Analysts said factors such as costs on salary increment, retention and recruitment, and transition weighed on margins. HCL's management said it expects margins to be under pressure for the next few quarters. For FY22, the Ebit margin could be at the lower end of the margin guidance of 19-21%. "The margin outlook on IT Services was below estimate as HCL struggles to absorb the impact of an adverse supply scenario. While it will be raising prices across accounts, we expect the margin to stay at the lower end of its current guidance for FY23 before recovering in FY24," analysts at Motilal Oswal Financial Services Ltd said in a report.

To be sure, shares of HCL trade at a discount to peers. Bloomberg data shows the stock trades at 23.5 times FY23 estimated earnings compared with Infosys (30.5 times), TCS (32.9 times), and Wipro (25.4 times). As such, given HCL's margin outlook, the gap in valuations of its shares vis-à-vis peers could sustain

FY23 before recovering in FY24," analysts at Motilal Oswal Financial Services Ltd said in a report.

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the Budget session of Parliament beginning 31 January.

Separately, the government is mulling changes in income tax laws to bring cryptocurrencies under the tax net.

China property crisis gets to biggest builder

Bloomberg
feedback@livemint.com

Country Garden has failed at a fundraising effort.

Bloomberg-compiled data show.

Founding chairman Yeung Kwok Keung transferred his controlling stake to his daughter Yang Huiyan in 2005. She is now the firm's vice chairman and is the richest woman in China, according to a Bloomberg Billionaire Index.

The firm is viewed as a bellwether for contagion risk, as unprecedented levels of stress in the offshore credit market threaten to drag good credits down with bad.

Since taking the top spot from China Evergrande Group in 2017, Country Garden has remained the nation's largest developer in China by contracted sales. It employs more than 200,000 people.

Headquartered in the southern city of Foshan in Guangdong province, the firm—like China Evergrande Group—has focused in recent years on building housing developments in lower-tier cities.

It has relied heavily on access to funding in the offshore credit market, like many peers that binged on debt to fuel growth. It has the largest pool of outstanding dollar bonds among China's biggest property firms, excluding defaulters, with some \$11.7 billion out-

Budget likely to consider levying TDS/TCS on crypto trading

PTI
feedback@livemint.com
NEW DELHI

The government could consider in the upcoming budget levying TDS/TCS on sale and purchase of cryptocurrencies above a certain threshold, and such transactions should be brought within the ambit of specified transaction for the purpose of reporting to income tax authorities, Nangia Andersen LLP Tax Leader Aravind Srivatsan said.

Also, a higher tax rate of 30% should be levied on the income arising from the sale of cryptocurrency, similar to winnings from lottery, game shows, puzzle, etc., he said.

Srivatsan told PTT that India currently has the highest number of crypto owners globally, at 100 million.



India currently has the highest number of crypto owners globally, at 100 million.

at



Challenge arbitration awards carefully: Govt

Govt urges state units to be realistic and avoid project delays, cost overruns

Rajeev Jayaswal
letters@hindustantimes.com
NEW DELHI

The government has asked its arms, including state-run firms, not to appeal every arbitration award without the realistic probability of success to avoid project delays and cost overruns as often such appeals are lost, and the government ends up paying more in terms of interest and penalty, two people aware of the development said.

This is part of the government's recent guidelines to implement projects expeditiously and efficiently as public expenditure is key to accelerating growth and creating jobs, the people cited above said, requesting anonymity. Like the previous year, the forthcoming budget on 1 February will bank on infrastructure projects to boost the pandemic-hit economy, said one of the people cited above, who works in the finance ministry. Budget 2021-22 enhanced capital expenditure by 34.5% to ₹5.54 trillion. The government also expects ₹11 trillion National Infrastructure Pipeline (NIP) to boost growth.

The covid-19 outbreak in March 2020, followed by a 68-day nationwide hard lockdown, saw India's gross domestic product (GDP) shrink 24.4% in the first fiscal quarter ended June 2020, followed by a 7.4% contraction in the next quarter. It, however, saw a V-shaped recovery on the back of a ₹20.97 trillion stimulus package and policy reforms announced in March 2020. A 0.5% growth was reported in the third quarter, followed by a 1.6% expansion in the fourth quarter ended 31 March



This is part of the government's recent guidelines to implement projects expeditiously and efficiently as public expenditure is key to accelerating growth and creating jobs.

2021. The latest official estimates project India's GDP growth at 9.2% in 2021-22.

The latest guidelines issued earlier this month have removed several hurdles in project management right from conceptualization of a project to land acquisition and award of a contract, said the second person, who works in a public sector company. The guidelines allow the award of a contract even on the basis of a single bid, provided the process is objective, non-restrictive, and the price quotes reflect the market value. "These guidelines are general in nature and have been framed after about two years of deliberations with various departments and agencies, including the Central Vigilance Commission and the Comptroller and Auditor General of India. It aims to execute public projects within

the approved cost and time frame, without getting involved in unnecessary legal disputes," said the finance ministry official.

There are disputes and litigation with contractors while implementing projects. Instead of resorting to legal recourse, either in a court or an arbitration tribunal, both the parties should resolve disputes through discussion and mediation. Arbitration should be the last recourse. Unless a victory is certain, an appeal against the arbitration award should be avoided, the official said.

"It is perceived that at times appeals are made to postpone the issue and shift personal accountability. Such a casual approach has caused more harm to the exchequer because of huge compensation and interest costs and has also tarnished the image of the government," the official said.

IOC to invest ₹7,000 crore in new CGD projects, leads in 11th bidding round

Rituparna Baruah
rituparna.baruah@livemint.com
NEW DELHI



Indian Oil Corp. Ltd said it has secured nearly 33% of the demand potential in the eleventh CGD bidding round of PNGRB. REUTERS

Indian Oil Corp. Ltd plans to invest ₹7,000 crore in new city gas distribution (CGD) projects, the state-run company said on Sunday, adding that it has secured nearly 33% of the demand potential in the recently-concluded eleventh CGD bidding round held by the Petroleum and Natural Gas Regulatory Board (PNGRB).

"The nearest competing bidder was left with less than 20% of the demand potential in the bidding round in which Indian Oil bagged nine out of the 15 high potential geographical areas. With this substantial win in the 11th bidding round, Indian Oil and its associates would service almost 28% of the combined CGD potential in the three rounds of bidding till now, which is far ahead of the next major player," the com-

pany said in a statement.

Indian Oil has expanded its presence in Jammu, Pathankot, Sikar, Jhalgaon, Guntur (Amravati), Thoothukudi, Tirunelveli, Kanyakumari, Madurai, Dharmapuri and Haldia (East Mednepore) districts, which have high-demand customers

both piped natural gas (PNG) and compressed natural gas (CNG). "Indian Oil plans to invest over ₹7,000 crore in these new CGD projects, over and above the ₹20,000 crore already planned for its CGD vertical," it added.

"Our concerted efforts to expand the gas business across the length and breadth of the

country reflects our commitment to realize the government's vision of raising the share of natural gas to 15%. Gas will play a significant role in India's march towards a low-carbon future as part of its Pancharatna' pledge during COP-26 summit to reduce total carbon emissions by one billion tonnes from now till 2030," said Shrikant Madhav Vaidya, chairman, Indian Oil.

"With our intelligently aggressive approach in the latest CGD bidding process, we have been able to secure nine high market potential GAs that cover 26 districts spread across the country. With this, Indian Oil is poised to emerge as a dominant player in the Indian CGD market." After the eleventh round of CGD bidding, the public sector energy major, and its two joint venture companies, is now present in 49 regions and 105 districts across 21 states and Union territories.

HC bars unauthorized use of Shine brand

Staff Writer
feedback@livemint.com
NEW DELHI

The Delhi high court has passed an interim order restraining the unauthorized use of Shine, the portal venture of HT Media, publisher of *Hindustan Times* and *Mint*. This includes using the 'Shine' trademarks and the unauthorized reproduction of, and infringement of copyright

in, the contents and "look and feel" of the website. The court also directed the Cyber Cell of New Delhi to probe the illicit activities of rogue defendants, besides directing internet service providers to block access to the websites through which they have been operating.

Shine is a career management website that provides opportunities for job seekers and helps users build skills, while acting as a one-stop destination for recruiters to find up-skilled companies.

These rogue defendants have been advertising themselves as representatives of the company and have accepted payment for arranging jobs or job interviews on behalf of HT Media. The company then filed a commercial suit before the high court of Delhi, seeking a permanent injunction and damages for infringement and illegal and unauthorized adoption of the 'Shine' trademark and copyright vested in the website.



On Saturday, Prime Minister Narendra Modi announced that the country will celebrate 16 January as National Startup Day. PTI

National Startup Day validates new govt's role in growth of economy

PTI
feedback@livemint.com
NEW DELHI

National Startup Day is a validation of the role of startups in the growth of the country's GDP and strengthening India's position at a global stage, and will encourage young talent to see entrepreneurship as a primary career option, according to industry experts.

On Saturday, Prime Minister Narendra Modi announced that the country will celebrate 16 January as National Startup Day, as he termed startups the "backbone" of new India and the engine that will power the nation's economic growth in the run-up to the 100th year of Independence.

"National Startup Day is a validation of the role of startups in the growth of the country's GDP and strengthening India's position at a global stage. This initiative will not only make startups mainstream but also encourage young talent from seeing entrepreneurship as a primary career option," Varun Saxena, founder and chief executive officer of short video platform Bolo Live, said.

The acknowledgment is a big morale booster for entrepreneurs—the new job creators of the country, he added.

ValPro director Neha Khanna highlighted that the startup ecosystem has seen maturity over the last decade, and new-age ventures are contributing significantly to the economy in multiple ways. The contribution of startups include by way of large infusion of FDI in an asset class outside

of public markets, export of products and services by the country, larger base of retail investors borne out of employees with respectable salaries and wealth creation tools such as Esops and being a key consumption market in the global economy.

The Prime Minister, during his address, had noted that 42 unicorns—companies valued at over \$1 billion—had come up in India last year and that startups are "changing the rules of the game".

He had added that the golden era of India's startups is starting now, and that the country is rapidly moving towards hitting a century of unicorns—a hallmark of self-reliant and self-confident India.

Mayank Kumar, co-founder and MD of edutech firm upGrad, said while India is already a talent powerhouse, this move will further encourage millions to innovate and find solutions to business and societal challenges, thus making the country a global leader.

Pranav Dangi, founder and CEO of The Hosteller, said National Startup Day will help startups stay motivated on their path and push them to perfect services with the knowledge that the government acknowledges their hard work and creative visions. "We hope to see more focus on small and middle-tier startups that will benefit greatly from the exposure and consideration. The startup market in India is not only booming but exactly at that precipice where this positive and supportive environment will propel growth in exponential numbers," he added.

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RESERVE BANK OF INDIA

www.rbi.org.in

Redressal of complaints against entities regulated by RBI/any Department of RBI

Entities regulated by Reserve Bank of India (RBI) are required to provide expeditious resolution to complaints received from their customers.

Complaints not resolved to the satisfaction of the customers or complaints not responded to within 30 days of lodgment can be filed on the **RBI's Complaint Management System (CMS) Portal at <https://cms.rbi.org.in>**. Complaints can also be filed at "Centralised Receipt and Processing Centre (CRPC), 4th Floor, Reserve Bank of India, Sector -17, Central Vista, Chandigarh - 160017" through physical means or by email at crpc@rbi.org.in.

All the maintainable complaints are taken up for resolution under the "Reserve Bank - Integrated Ombudsman Scheme, 2021" (RB-IOS) if the entity complained against falls under the ambit of RB-IOS. Complaints against entities outside the ambit of RB-IOS are handled by Consumer Education and Protection Cells (CEPCs). The RB-IOS, list of entities falling under RB-IOS and those outside its ambit and the addresses of CEPCs are available on the CMS Portal.

Information on grievance redress mechanism of RBI can also be obtained at 14448, a toll-free number currently available from 9:30 am to 5:15 pm on Monday to Friday (except bank holidays).

2. Deposit Insurance and Credit Guarantee Corporation (DICGC)

(For complaints against DICGC, members of public can lodge the complaint at following address/e-mail Id)

Deposit Insurance and Credit Guarantee Corporation (DICGC)

The General Manager

DICGC, Complaint Redressal Cell

RBI Building, 2nd Floor, Opp. Mumbai Central Railway Station

Mumbai - 400 008.

Complainant can also approach Smt. Sangita E, Deputy General Manager on Telephone No. 022-23026400 Ext. No. 8204 or through e-mail dicgc.complaints@rbi.org.in

Important Information

Note 1: Before lodging any complaint under the RB-IOS/CEPC, the complainant must approach the concerned regulated entity (viz. his bank, NBFC and/or the payment system participant, etc.) with the grievance. If the grievance is not redressed within 30 days or if complainant is not satisfied with the reply given by the regulated entity, he/she can approach the RBI-Ombudsman / CEPC anytime within one year of receipt of such reply from the concerned bank / NBFC / system participant. In case no reply is received from the bank / NBFC / system participant, RBI-Ombudsman can be approached anytime within one year and one month from the date of representation to the entity.

Note 2: For written/email complaints, the complainant MUST necessarily indicate his/ her name, address and present contact number along with full details of the complaint.

Appeal against decision of RBI-Ombudsman

Appeal against the decision of RBI-Ombudsman can be filed online on CMS Portal or sent to the Appellate Authority, Reserve Bank of India, Consumer Education and Protection Department, Central Office, 1st Floor, Amar Building, Sir P M Road, Fort, Mumbai 400 001 ([E-mail aaoa@rbi.org.in](mailto:aaoa@rbi.org.in)) within 30 days of receipt of the communication of the RBI-Ombudsman's decision, only if the complaint is closed under the appealable Clauses of the Scheme.



Corporate borrowing from banks has been muted in the past couple of years, with firms repaying about ₹2 tn debt in the period.

MINT

Domestic bond market borrowing costs may rise for India Inc.

FROM PAGE 1

an increase of ₹10,000 crore. Meanwhile, companies are tapping cheaper funding sources, such as external commercial borrowings, or ECBs.

Recently, Reliance Industries Ltd raised ₹4 billion in the largest foreign bond issuance. It raised \$1.5 billion at a coupon rate of 2.875%; \$1.75 billion at 3.625%; and \$750 million at 3.75%.

The sale was considered the tightest ever implied credit spread over the respective US Treasury across each of the three tranches by an Indian corporate.

For the past couple of years, corporate borrowing from banks has been muted, with companies repaying an estimated ₹2 trillion of debt in the period.

However, lenders are hopeful that lending to companies will recover as capital expenditure plans stabilize over the next few quarters.

In addition, borrowers who turned to the commercial paper market due to abundant liquidity would return once interest rates rise, the lenders said.

"The costs of funds for larger and higher-rated companies have declined with the spread between AAA corporate bond and G-Sec at multi-year lows. While the fiscal deficit inched up during the pandemic in 2021, most large corporations benefited from market-share gains, better pricing and lower costs, which led to improved profitability and cash flows. The credit spread for low credit rating borrowers, however, continued to rise through 2021," Nomura said in an 11 January note to clients.

The brokerage expects interest rates in India to trend higher this year.

"Our rates team expects the 10-year government bond yield to rise to 6.75% by end-2022 and further to 7% by 2023, up from 6.5% currently. The yields are likely to move higher on the back of global liquidity tightening, higher rates and higher government deficits. There can be some support from the potential inclusion of India in the global bond index," it said.

'Our first principle is to build a brand that has a purpose'

Varuni Khosla
varuni.k@livemint.com
NEW DELHI

Apratim Majumder, chief marketing officer at Good Glamm Group, believes direct-to-consumer brands must build brands with a purpose. That's what he has set out to do for the company he joined last June. Born in July 2020 as a beauty products company selling the MyGlamm brand online, it recently acquired the digital content platform POPxo and BabyChakra. The company intends to enter the male grooming and baby products categories. In an interview, Majumder said building great brands requires discipline and consistency. Edited excerpts:

How has the company evolved since you joined less than a year ago?

A lot has happened since. When I joined, it was a \$100 million valuation



company. We have now expanded and created The Good Glamm Group. We also have The Good Glamm Data company. There have been many acquisitions (Baby Chakra, ScoopWhoop, MissMalini). One of the major changes has been the scale that we've been able to achieve in the last several months.

How do you plan to build brands like MyGlamm or St Botanica?

The first thing that we needed to do, and we are still doing it, is to define the purpose of each brand that we have. It's an evolving process. It's about answering why these brands exist and how they can improve the lives of the consumers that they are serving. It's about defining what the brand standards are.

Is this any different from building brands for traditional FMCG firms?

The basics of building brands obviously don't change, though the medium can change. So, we have to build brand awareness, standards for

what the brand's purpose is. And for that to happen, we have to tell people a story that needs to be consistently built over time. People are being bombarded with so many different brands and stories all the time online.

We haven't even scratched the surface when it comes to D2C in this country. There is only one way from here, which is up.

Consumers of D2C brands are fickle. So how do you build brand loyalty in that case?

Loyalty is difficult to build in the D2C platform, and our first principle is

that you have to build a brand or start trying to build a brand with a purpose. There is enough evidence to prove that brands with purpose are solving for particular consumer angst. If we are rooted in that, it becomes a lot easier for us to gain the consumer's attention because we are more relevant and solving real problems. That is how we define big brands, brands with loyalty and with strong equity.

We haven't even scratched the surface when it comes to D2C in this country. There is only one way from here, which is up.

Apratim Majumder
CMO, Good Glamm Group

the bit more difficult because of the number of messages that brands are sending out. The key here is to be consistent. If you look at big brands, most have built themselves over consistency. We have to be exceptionally disciplined to ensure that we build the brands with consistency. That will eventually lead to loyalty.

Of course, products play a massive role. Most people today switch brands because of the product experience. So that's again something we are exceptionally focused on. We have to have products that are the best in the market.

Are there plans to expand your offline presence, too?

We also have a strong focus on offline. At present, we have 30,000 points of sale, and by March 2022, we are looking at having 100,000. One way to build trust with our customers is through the MyGlamm website with things like Tell MyGlamm what you want. And that's where we actually make products that are customized, and it's not just marketing. We use data and technology and reach out to customers to tell us their needs and we solve them through their inputs. If I am able to solve a problem that a consumer has with regard to beauty, then I think that the chances of my loyalty being more are higher.

How does the acquisition of so many little content sites by Good Glamm help you as a marketer?

It is a marketer's dream because it just gives us the opportunity of interacting with consumers when they are reading what they love to read, so it's not interruptive advertising in that sense anymore. Advertising fundamentally is interruptive when you're consuming content, and then an ad comes right in. From a business point of view, we are the largest content to commerce company, which means we also have the lowest consumer acquisition costs because of the content that we have consumers for already.

Scan the code to watch Mint's Brand Talk interviews.



Brent crude has jumped 11% this year to over \$86 a barrel, extending last year's gain of 50%.

REUTERS

Oil prices may rise even more on tight supply, says Vitol

Bloomberg
feedback@livemint.com

The world's biggest independent oil trader said crude prices—already up more than 10% this year—could rise even more because of tight supplies.

"These prices are justified," Mike Muller, head of Asia for Vitol Group, said Sunday. "Strong backwardation is very much justified," he said, referring to a bullish pattern

stan and Europe—to cut back on consumption, the oil market hadn't reached that point.

What's happening with gas "serves to remind us that people will abstain from buying expensive energy at some point," he said on a webinar hosted by Dubai-based consultancy Gulf Intelligence. "The question is at what point that affects the oil market."

The White House will probably release more oil from its Strategic Petroleum Reserve

than the 50 million barrels it announced in November, Muller said. President Joe Biden took that step to cool gasoline prices, which are around their highest in seven years in the US.

"The market's saying: 'More, please,'" Muller said when asked about supplies.

He said China's zero-tolerance policy toward covid-19

would probably ensure there's no omicron outbreak there big enough to significantly hit the country's use of oil products.

"We're nowhere near seeing a major demand hit in China," said Muller, who's based in Singapore. "The data is still not troublesome."

Procedural delays hold back Jet's revival India Inc weighs price hikes

FROM PAGE 1



The new promoters of Jet Airways have made several periodic announcements since last June about restarting the airline but are yet to bring in funds.

rock consortium.

The consortium has proposed to pay ₹1,183 crore to creditors over five years from the proceeds of the sale of assets and cash flow.

Last month, the Jalan-Kalrock consortium said that the airline plans to restart operations at the earliest with six narrow-body planes this year, after the revalidation of its air operator permit.

To be sure, the new promoters of Jet Airways have made several periodic announcements since last June about restarting the airline but are yet to bring in funds.

Murari Lal Jalan didn't respond to email queries.

A spokesperson for State Bank of India, one of the banks with the largest exposure to the airline, didn't respond to emails.

However, a member of the airline's monitoring committee, which oversees its day-to-day operations and management, told Mint that stakeholders are optimistic about the carrier's revival despite the delay.

"Companies were unable to fully pass on soaring input costs, especially key metals and energy prices. Flat steel prices were 48% higher

FROM PAGE 1

FY23, albeit settle above historical levels," said Jefferies India in a 10 January note that assumes FY23 steel price of ₹58,000 and coking coal price of ₹230 per tonne. Aluminium rose 60% in the 10 months to October but is down 7% since then to ₹2,913.

India's corporate sector is facing margin pressure for the first time in 12 quarters as companies cannot entirely pass on the rise in input costs to consumers, rating agency Crisil said.

Corporate profitability, as defined by the earnings before interest, taxes, depreciation and amortization (Ebitda) margin, likely narrowed 100-120 basis points (bps) from a year earlier and 70-100 bps sequentially in the quarter ended December, Crisil's analysis of 300 companies (excluding those in the financial services, oil and gas sectors) showed.

"Companies were unable to fully pass on soaring input costs, especially key metals and energy prices. Flat steel prices were 48% higher

on-year in the third quarter, while aluminium was up 41%. The price of Brent crude surged nearly 79%, while those of spot gas and coking coal rocketed almost 5.4 times and 2.4 times, respectively, on-year," said Hetal Gandhi, director, Crisil Research.

For the first nine months of this fiscal, the Ebitda margin widened 80-100 bps from a year ago to 22-24%, aided by the low base of last year.

Ebitda profit growth should moderate to 10-12%, against 47% clocked in the first half of this fiscal, Crisil said.

Corporate revenue is estimated to rise 16-17% to ₹9.1 trillion is the first nine months of the fiscal, driven by surging commodity prices, Crisil said.

"Though revenue growth is in line with expectations, the underlying reasons have changed over the past three quarters. While volume growth continued to under-

perform, price hikes provided some offset," Crisil added.

In the consumer segment, leading packaged consumer goods companies effected price hikes of 6-8% in the first half of this fiscal, and prices likely remained high even in the current reporting quarter.

"With the sector facing record-high unprecedented inflation (10-year high), it has taken a toll on Hindustan Unilever Ltd's volume growth. In some

packs, the company has resorted to grammage cuts to indirectly take price hikes. This will lead to optimally low volume growth despite the same number of packs being sold," said Edelweiss Research in a 12 January report.

Overall, such an inflationary environment across the board puts pressure on consumer's wallets and, hence, volume growth is impacted across the staples industry especially in rural areas, it added.

MINT SHORTS

Jet fuel price hiked by 4.2% while petrol, diesel remain unchanged

New Delhi: Jet fuel or ATF price on Sunday was hiked by 4.2%—the second increase in rates this month warranted by firming international oil prices, but petrol and diesel prices remained unchanged for the 72nd day in a row. Aviation turbine fuel (ATF) price was hiked by ₹3,232.87 per kilolitre, or 4.25%, to ₹79,294.91 per kl in the national capital, according to a price notification of state-owned fuel retailers. PTI

MINT

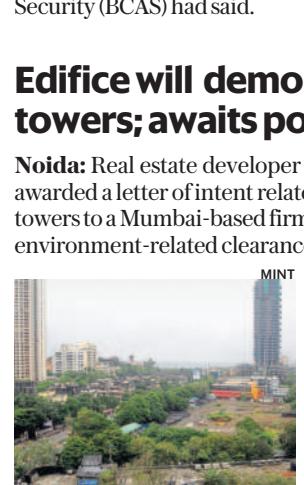


AAI yet to procure single body scanner for its 100-plus airports

New Delhi: The centre-run Airports Authority of India (AAI) is yet to procure and install a single body scanner for its 100-plus airports across the country, government officials said. Aviation security

regulator BCAS had in April 2019 directed 84 hypersensitive and sensitive airports across the country to install body scanners by March 2020, replacing existing door frame metal detectors, handheld scanners and pat-down searches of passengers to detect metallic objects. "Walk-through metal detectors and hand-held metal detectors cannot detect non-metallic weapons and explosives. Body scanners detect both metallic and non-metallic items concealed on the body," the circular of Bureau of Civil Aviation Security (BCAS) had said.

PTI



Edifice will demolish Noida twin towers; awaits pollution clearance

Noida: Real estate developer Supertech on Sunday said it has awarded a letter of intent related to demolition of its illegal twin towers to a Mumbai-based firm, which has sought pollution and environment-related clearances from the Noida Authority. The beleaguered company said the letter of intent was awarded on Saturday to demolition expert firm Edifice Engineering of Mumbai under the supervision of real estate consultant CBRI and Noida Authority, in compliance with the orders of the Supreme Court.

PTI

PM Modi will address WEF's Davos Agenda '22 event today



New Delhi: Prime Minister Narendra Modi will address heads of states at the World Economic Forum's Davos Agenda 2022 event on the critical challenges facing the world today and how to tackle them. This is the first global platform this year for world leaders to come together to share their visions for the year ahead at a time a fresh wave of the coronavirus is gripping many nations. PM Modi will deliver his state-of-the-world special address via videoconferencing at the virtual event.

STAFF WRITER

Hindustan Times to host India's biggest school quiz on 23 January

New Delhi: Hindustan Times is set to host India's biggest online school quiz on 23 January for grades 1 to 12. The quiz, aptly named ClassAct, will culminate with the grand finale on Republic Day 2022 at 3 pm. Registration for the quiz is free with Amazon vouchers worth ₹1.25 lakh being up for grabs. All participants will receive a certificate of participation from HT. The quiz will broadly be divided into two categories—the junior category, comprising students of grades 1 to 5 and the senior category, comprising students of grades 6 to 12.



HT

Haryana's new 75% quota law with max ₹30,000 pay comes into effect

New Delhi: As the law in Haryana, that provides 75% reservation in private sector to job seekers came into effect, deputy chief minister Dushyant Chautala said it will open new avenues of employment. The Haryana State Employment of Local Candidates Act, 2020, applies to jobs offering a maximum wage of ₹30,000. PTI

CORONA ISN'T OVER REMEMBER TO FOLLOW ALL COVID PRECAUTIONS



Wear a mask properly
Wear your mask before
stepping out of the house.



Wash your hands frequently
Wash your hands regularly with
soap or use sanitizer for atleast
20 seconds.



Practice social distancing
Avoid going to crowded places,
and remember to maintain a
minimum distance of 6 feet.

"According to experts, Omicron spreads very rapidly, but there is no need to panic. Continue to wear your mask and remember to follow all covid norms."

- Arvind Kejriwal



m MINT SHORTS**Fintech firms want finance minister to further liberalize tax regime**

New Delhi: The fintech industry has urged finance minister Nirmala Sitharaman to further liberalize the tax regime for financial sector startups in the forthcoming budget, arguing that it has an immense potential to promote financial inclusion and generate significant employment opportunities. The finance minister is scheduled to present union budget 2022-23 in Parliament on 1 February.

PTI

Mercedes-Benz aims to increase sales of EVs in India

New Delhi: With plans afoot to locally assemble its all-electric sedan EQS in India, luxury carmaker Mercedes-Benz is looking to accelerate sales of electric vehicles in the country, according to a senior company official. Mercedes-Benz India plans to bring to the market the locally assembled EQS electric sedan in the fourth quarter of 2022 to add to the all-electric SUV EQC, which was launched as a fully imported unit in October 2020.

PTI

GSK rejects \$68 bn Unilever bid for consumer health care goods unit

London: The pharmaceutical giant GlaxoSmithKline said on Saturday it has rejected an unsolicited \$68.4 billion bid from Unilever for its consumer health care goods unit, a joint venture it controls in a partnership with Pfizer. The London-based company said in a statement posted to its website that a series of three bids made by Unilever last year—the last on 20 December—were all rejected “on the basis that they fundamentally undervalued” the unit and its future prospects.

AP

Microsoft discloses malware attack on Ukraine govt networks

Boston: Microsoft said late Saturday that dozens of computer systems at an unspecified number of Ukrainian government agencies have been infected with destructive malware disguised as ransomware, a disclosure suggesting an attention-grabbing defacement attack on official websites was a diversion. The extent of the damage was not immediately clear.

AP

Rakesh Jhunjhunwala-backed Arrivae plans to raise more funds; appoints CEO

Anuj Suvarna
anuj.s@livemint.com
BENGALURU

Arrivae, a made-to-order home interiors platform and home renovation company that has appointed Rajan Malhotra as its chief executive officer, is set to raise additional capital from two new investors, founder Yash Kela said in an interaction with VCCircle.

The funding round will be twice times higher than the previous round in which Arrivae raised \$7 million from Rakesh Jhunjhunwala, Kela said.

The company plans to use the fresh capital to build the platform and team, and to scale the business.

“We have grown 7% month-on-month for the last 16 months and would like to keep this momentum up,” Kela said.

VCCIRCLE



Yash Kela, the founder of Arrivae, said the funding round will be twice higher than the previous round of \$7 million.

by Singularity Furniture Pvt. Ltd. offers custom interior design solutions from demand mapping to installation supported by in-house technology. The company has a presence in 19 cities through 35 stores.

Kela is also the founder of Singularity AMC, which invests in Series B and D stage firms.

Recently, there has been some investor interest in the furniture and home improvement segment.

In September, Design Café raised \$25 million (₹166 crore) in its extended Series B funding round, led by existing investor WestBridge Capital and joined by Sixth Sense Ventures. In the same month, interior design platform HomeLane raised \$50 million (₹371 crore) in a Series E round of funding, led by IIFL AMC’s late-stage

tech fund, Oman India Joint Investment Fund (OIJIF II), and Stride Ventures.

To reach this goal, the company needs to scale and increase the total retail locations.

The company targets customers in tier-I and tier-II cities whose home value is between ₹50 lakh and ₹2 crore.

On 15 December, Arrivae raised ₹50 crore (around \$7 million) in a round led by the Havells Group with participation from Emerge Capital and existing investors.

In October, VCCircle

reported, the furniture maker had raised ₹50 crore in a round led by Jhunjhunwala, with the participation of the Enam family, Siddharth Yog, the founder of Xander Group, Anand Jain, the chairman of Jai Corp, Harsh Jain, the founder of Dream II, and Ramesh S. Damani, the chairman of DMart.

Arrivae aims to have ₹500 crore in revenue by fiscal year 2024, for which it needs to cater to 500 homes a month

Arrivae, which is operated

by Singularity Furniture Pvt. Ltd. offers custom interior design solutions from demand mapping to installation supported by in-house technology. The company has a presence in 19 cities through 35 stores.

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declined, but some stores have seen an increase in demand for laptops. At Vijay Sales, laptop sales increased again. Overall sales have decreased by 10% compared to last month,” said Nilesh Gupta, director of the firm. Mint had earlier reported that notebook demand in 2022 will be driven by commercial and government orders to support the return to work.

There has been a shortage of several key products over the last two to three months, including iPhones, which are only being supplied to large retailers, according to Khurana. For brands such as Mi, products are available only for a week. Stocks have also been hit by a chip shortage. Sub 15K smartphones are in short supply and 80% of them are now being supplied to online stores. Brands are also prioritizing premium smartphones

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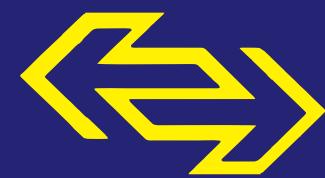
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CCTV cameras and Panic
Buttons enabled to ensure
women's safety



Pink Seats for Ladies

FLAG-OFF CEREMONY

By

Shri Arvind Kejriwal
Chief Minister, Delhi

in the august presence of
Shri Kailash Gahlot
Transport Minister, Delhi

Date : 17 January 2022

Time : 12:00 Noon

Venue: DTC, Indraprastha Depot





Big tech companies brace for technology regulation wave

Unlike in the past, this new scrutiny could have an impact on the bottom line of technology companies

Sam Schechner
feedback@livemint.com

Big tech companies are facing the biggest expansion in potential technology regulation in a generation. And while the jury is out on whether all that sound and fury will signify anything, for the first time there are signs that the big-tech backlash could have a substantive impact.

New laws under consideration in Europe, Asia, and the US could put sharp limits on how big tech companies can treat smaller competitors and restrict their use of artificial intelligence (AI) like facial recognition.

Some proposals could ban common practices such as companies giving their own products a boost in their own rankings, something that could have an operational impact, executives and analysts say.

At the same time, regulators globally are advancing dozens of investigations related to competition and privacy that could lead to more than just speeding tickets for tech giants.

Under consideration, according to regulators and executives, are orders or settlements that could cut off trans-Atlantic data flows, kneecap some kinds of digital advertising, delay major product changes or force ongoing oversight of activities.

To be sure, regulation so far has had little effect on Silicon Valley's bottom line or valuations.

The market value of five of the world's largest tech companies is \$9.31 trillion, up close to fourfold from five years ago, nearly double the growth for the S&P 500 index in that time.

But that could be changing. The fresh wave of scrutiny has already made it more difficult for the companies to cash in on potential growth from acquisitions, says Mark Mahaney, head of internet research at Evercore Inc.'s research arm.

In November, the UK's Competition and Markets Authority directed Meta Platforms Inc.'s Facebook to sell animated-images company Giphy, saying the acquisition would limit competition among platforms



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and UK advertisers. Facebook says the deal benefits consumers, and it has appealed.

Tech companies are making other changes, too. Facebook announced in November that it would shut down its facial-recognition system in part because of potential regulations.

"There's definitely a sense of there being a new momentum" for regulation, says Sinéad McSweeney, Twitter Inc.'s global vice president for public policy, noting that in recent weeks the company has had to implement new legislative requirements in at least six countries. "It's on a whole new level."

Alphabet Inc.'s Google, for

instance, has agreed to work closely with the Competition and Markets Authority on its plan to remove cookies, which track online activity, from its Chrome browser. Now Google executives are looking at how to build new appeals processes for content removals on the YouTube video service, and reworking how it handles user and partner information internally, says Kent Walker, senior vice president of global affairs.

"There's an awful lot on the table right now," Mr. Walker says. "It's a challenging exercise because, in many cases, the compliance times are short, and we actually have to start to prepare now for rules before

the ink is dried."

While technology companies say they agree that their industry needs new regulation, they are pushing back against some specific proposals—in part because of the impact they might have. Some technology executives, such as Twitter's Ms. McSweeney, say they worry requirements in proposed online-content rules could encourage companies to remove content they merely disagree with, chilling free speech.

Google's Mr. Walker says he is concerned that the definition of an online marketplace in one bill could

force the company to notify websites each time their ranking changed in the search engine, a virtually impossible task.

For their part, advocates for more regulation worry that the big tech companies could emerge unscathed from the newest wave of regulation. Gabriel Weinberg, founder and chief executive of DuckDuckGo, maker of a privacy-centric search engine, says that three European Union (EU) antitrust decisions against Google, and more than \$9 billion in fines, have done little to pare the search leader's market position. (Google says that its compliance with the EU decisions has led to significant changes in its operations that have helped competitors.)

Now Mr. Weinberg is concerned that policy makers are placing more emphasis on passing laws than on making sure regulators have the know-how and tools to properly implement new requirements to, say, treat rivals equitably.

"I think something will get passed. I'm pretty hopeful it will," Mr. Weinberg says. "But it looks like the devil's in the details of actually moving the market."

Policy makers say they are confident they can make it work. Cédric O, junior minister for digital affairs for France, which holds the presidency of the EU's council of member states for the first half of this year, says he's confident that the EU can pass effective laws and must seize the momentum.

He also says he's going to the US to lobby for trans-Atlantic rules to protect children who use social media,

following articles in The Wall Street Journal's Facebook Files series that found that Instagram made some teenage girls feel worse about themselves.

"I think there's a European and probably international consensus that Big Tech has an impact on the economy and on democracy and should be regulated," Mr. O says. "There's a desire to act that's shared everywhere."

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At the same time, regulators are advancing dozens of investigations related to competition and privacy



The four captives were safe and unharmed. AP

Texas synagogue hostages freed by FBI rescue team

Konrad Putzier
feedback@livemint.com

Four hostages who were held most of Saturday in a synagogue in Colleyville, Texas, were freed by an elite FBI rescue team that flew to the area from the East Coast, law-enforcement officials said.

At a news conference Saturday night, authorities said all four people held captive, including the synagogue's rabbi, were safe and unharmed, and the hostage taker who had entered the building more than 10 hours earlier was dead.

Matt DeSarno, special agent in charge for the Federal Bureau of Investigation's Dallas Field Office, said the bureau had dispatched its specialized hostage rescue team from Quantico, Va., to the scene on Saturday.

The situation, which began Saturday morning during services when police got reports of a gunman entering Congregation Beth Israel near Fort Worth, showed signs of progress Saturday afternoon when a male hostage was released uninjured. After hours of negotiations, the FBI rescue team breached the synagogue, freeing the remaining three captives. Officials didn't say how the hostage taker died.

"It's very likely this

THE WALL STREET JOURNAL

S o m e

200 law-

enforcement

ment officers had rushed to the scene of the hostage situation, authorities said, with several different SWAT teams working on the situation through the day before the elite FBI team took over.

Colleyville is a city in the Dallas-Fort Worth metropolitan area of around 30,000. Congregation Beth Israel is a Reform Jewish congregation and was founded in 1999, according to its website.

In a statement late Saturday, President Biden thanked law-enforcement members who worked on the rescue, adding: "Let me be clear to anyone who intends to spread hate—we will stand against anti-Semitism and against the rise of extremism in this country."

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Kuwait, one of the world's wealthiest oil exporters, is fast becoming unlivable

Bloomberg
feedback@livemint.com

Trying to catch a bus at the Malyia station in Kuwait City can be unbearable in the summer. About two-thirds of the city's buses pass through the hub, and schedules are unreliable. Fumes from bumper-to-bumper traffic fill the air. Small shelters offer refuge to a handful of people, if they squeeze. Dozens end up standing in the sun, sometimes using umbrellas to shield themselves.

Global warming is smashing temperature records all over the world, but Kuwait—one of the hottest countries on the planet—is fast becoming unlivable. In 2016, thermometers hit 54C, the highest reading on Earth in the last 76 years. Last year, for the first time, they breached 50 degrees Celsius (122 Fahrenheit) in June, weeks ahead of usual peak weather. Parts of Kuwait could get as much as 4.5C hotter from 2071 to 2100 compared with the historical average, according to the Environment Public Authority, making large areas of the country uninhabitable.

For wildlife, it almost is. Dead birds appear on rooftops in the brutal summer months, unable to find shade or water. Vets are inundated with stray cats, brought in by people who've found them near death from heat exhaustion and dehydration. Even wild foxes are abandoning a desert that no longer blooms after the rains for what small patches of green remain in the city, where they're treated as pests.

"This is why we are seeing less and less wildlife in Kuwait, a target that falls far

short of the 45% reduction needed to meet the Paris Agreement's stretch goal of limiting global warming to 1.5C by 2030. The nation's \$700 billion sovereign wealth fund invests with the specific aim of hedging against oil, but has said that returns remain a priority as it shifts to more sustainable investing. "Compared with the rest of the Middle East, Kuwait lags in its climate action," said Manal Shehabi, an academic visitor at Oxford University who studies the Gulf nations. In a region that's far from doing enough to avoid catastrophic global warming, "climate pledges in Kuwait are [still] significantly lower."

Sheikh Abdullah Al-Ahmed Al-Sabah, head of the EPA, told COP26 that his country was keen to support international initiatives to stabilize the climate. Kuwait also pledged to adopt a "national low carbon strategy" by mid-century, but it hasn't said what this will involve and there is little evidence of action on the ground.

That prompted one Twitter user to post pictures of wilted palm trees, asking how his government had the nerve to show up. Jassim Al-Awadhi is part of a younger generation of Kuwaitis increasingly worried about their country's future. The 32-year-old former banker quit his job to push for a change that experts argue could be Kuwait's key to addressing global warming: revamping attitudes toward transportation. His goal is to get Kuwait to embrace public transport, which today consists only of the buses that are mostly used by migrant workers with low-paying jobs who have no choice but to put up

with the heat.

It's an uphill struggle. Though Kuwait has among the world's highest carbon-dioxide emissions per capita, the idea of ditching their cars is completely foreign to most residents in a country where petrol is cheaper than Coca-Cola and cities are designed for automobiles.

The London School of Economics, which conducted the only comprehensive survey of climate opinions in Kuwait, found older residents remain skeptical of the urgency, with some speaking of a conspiracy to hobble Gulf economies. In a public consultation, everyone over 50-years-old opposed plans to build a metro network like those already operating in Riyadh and Dubai. And the private sector sees climate change as a problem that requires government leadership to solve. "When I tell companies let's do something, they say it's not their business," Al-Awadhi said. "They make

me feel I'm the only one who has problems with transport."

That's partly because most Kuwaitis and wealthy residents are shielded from the effects of rising temperatures. Homes, shopping malls and cars are air-conditioned, and those who can afford it often spend summers in Europe. Yet, the heavy reliance on cooling systems also increases the use of fossil fuels, leading to ever hotter temperatures.

The situation is much worse for those who can't escape the heat, mainly laborers from developing countries. Though the government prohibits peak afternoon outdoor work during the hottest summer months, migrant workers are often seen toiling in the sun. A study published in Science Direct last year found that on extremely hot days, the overall number of deaths doubles, but it triples for non-Kuwaiti men, more likely to take on low-paid work. It's a cycle that's all too clear to Saleh Khaled Al-Mis

bah. Born in 1959, he remembers growing up when homes rarely had air conditioners, yet felt cool and shaded, even in the hottest months. As a child, he played outside through months of cooler weather and slept on the roof in the summers; it's too hot for that now.

Children spend most of the year indoors to protect them from either burning sun or hazardous pollution, something that's contributed to deficiencies in vitamin D—which humans generate when exposed to the sun—and respiratory ailments.

Temperature changes in the 2040s and 2050s will have an increasingly negative impact on Kuwait's creditworthiness, according to Fitch Ratings. Yet despite the growing risks, squabbling between the Gulf's only elected parliament and a

government appointed by the ruling family has made it difficult to push through reforms, on climate or anything else.

"The political deadlock in Kuwait just sucks the oxygen out of the air," said Samia Alduaij, a Kuwaiti environmental consultant who works with the U.K.'s Centre for Environment, Fisheries and Aquaculture Science and UNDP. "This is a very rich country, with a very small population, so it could be so much better."

So far, there's been little progress on plans to produce 15% of Kuwait's power from renewable sources by 2030, from a maximum of 1% now.

Oil is so abundant that it's burned to generate electricity, as well as fuel the 2 million cars on the road, contributing to air pollution. Some power plants have switched to gas, another fossil fuel that's relatively cleaner but can leak methane, a powerful greenhouse gas. Consumption of electricity and water, heavily subsidized by the government, is among the world's highest per capita, and it's proven politically toxic to even hint at cutting those benefits. "That obviously leads to a lot of waste," said Tarek Sultan, vice chairman of Agility Public Warehousing Co. When fossil-fuel powered electricity is subsidized, solar technologies that can provide viable solutions get priced out of the competition," he said.

Even if the world manages to cut emissions quickly enough to stave off catastrophic global warming,

countries will have to adapt to more extreme weather. As it stands, experts say Kuwait's plan is nowhere near enough to keep the country livable.

If it starts now, said Nadim Farajalla, director of the climate change and environment program at University of Beirut, a lot can be done in the coming decades, but that would need to include protection against rising sea levels, making cities greener and buildings less energy intensive. It also needs to focus on transport, a leading cause of CO2 emissions.

Khaled Mahdi, secretary general of Kuwait's Supreme Council for Planning and Development, said the government's adaptation plan is aligned with international policies. "We clearly identify roles and responsibilities, and all the challenges in the country," he said, though he admitted that "implementation is the usual challenging issue."

If the government is dragging its feet, young Kuwaitis like Al-Awadhi aren't.

His advocacy group Kuwait Commute is starting small by campaigning for bus stop shelters to protect passengers from the sun. National Bank of Kuwait, the country's biggest lender, recently sponsored a bus stop designed by three female graduates. Still, like much of the private sector, they remain outside the decision-making process.

"I think I'm finally making progress," said Al-Awadhi, who hopes that getting more Kuwaitis to ride buses will fuel enough demand to improve the service. But "it has to be driven by the government. It's the chicken before the egg."

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Unlike countries from Bangladesh to Brazil that are struggling to balance environmental challenges with teeming populations and widespread poverty, Kuwait is OPEC's number 4 oil-exporter. BLOOMBERG

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TWEETS & QUOTES



Santosh Meena
Head of Research,
Swastika Investmart

Market is likely to remain
volatile ahead of new all
time high amid Q3 earn-
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Budget expectations.



Piyush Goyal
@PiyushGoyal

Trailblazing years of Startup
India have transformed our
ecosystem and are enabling
startups to become the
backbone of New India.



Bill Ackman
CEO, Pershing Square
Capital Management

Fed is losing its battle
against inflation &
must raise its key
interest rate by a
50 bps in March to
restore its credibility.



Paul Krugman
@paulkrugman

Monopoly is a real issue and
problem in the US economy. It
is not, however, a major
reason for the acceleration of
inflation in 2021, nor can a
crackdown on monopoly do a
lot to bring inflation down.

GAIL director held in bribery case

The CBI has arrested E. S. Ranganathan, director (marketing) of GAIL, in a case of alleged bribery of over ₹50 lakh for giving discounts to private companies buying petrochemical products marketed by the Maharatna PSU, officials said Sunday. The CBI had unearthed the alleged bribery scam involving Ranganathan, middlemen, and businessmen and arrested five individuals on Saturday, they said.

"Cash of ₹1.29 crore (approx), and gold jewellery and other valuables (having app value of ₹1.25 crore) recovered during searches from the premises of said accused (Ranganathan)," CBI Spokesperson R.C. Joshi said.

It is alleged that Ranganathan was collecting bribes from prospective beneficiaries of discounts to private companies buying petrochemical products marketed by the Maharatna PSU, officials said.

PTI



ABFRL's database has been made public. ISTOCK

ABFRL faces data breach on its portal

Aditya Birla Fashion and Retail Ltd (ABFRL) is facing a data breach on its portal, and the company is investigating the incident. Meanwhile, the company has assured that it will have no operational or business impact on its operations.

The company has engaged forensic security experts to investigate the data breach incident where over 5.4 million email addresses were released online from the portal of the Aditya Birla Group-owned company.

"ABFRL is investigating an information security incident that entailed unauthorised access to its e-commerce database," said an ABFRL spokesperson while confirming the incident. However, he also added that there has been no operational or business impact.

"As a pro-active measure, the company has reset passwords of all customers and enabled OTP (one-time password) based authentication and taken further steps to secure access to customer and employee information," he said. According to the reports, ABFRL's database has been made public by a hacker group known as ShinyHunters.

PTI

India1 aims to roll out 20,000 ATMs

PO-bound India1 Payments Ltd, which is currently rolling out 300-400 ATMs in a month, is hopeful of deploying over 20,000 such machines in next 4-5 years to ensure cash availability to customers in semi-urban and rural areas, its managing director and chief executive officer K. Srinivas said on Sunday.

"The hike in interchange fees by RBI coupled with various structural growth drivers, including expected increase in cash withdrawal transactions, will accelerate White Label ATMs deployments in the country," he said.

The ATMs which are set up, owned and operated by non-bank entities are known as White Label ATMs (WLAs).

At present, the Bengaluru-headquartered company operates a network of 10,300 WLAs and deploys its ATMs under the brand name of "india1ATMs".

It is the second largest ATM brand in the semi-urban and rural areas after State Bank of India (SBI).

PTI

OMICRON EFFECT



Chennai wears a deserted look during a full lockdown imposed by the Tamil Nadu government to curb the spread of covid on Sunday.

Metro Brands Q3 net profit up 54.6%

Footwear retail chain Metro Brands has reported a 54.63% jump in consolidated net profit to ₹100.85 crore for the third quarter ended December.

The company had posted a net profit of ₹65.22 crore during the October-December quarter of the previous fiscal, Metro Brands Ltd (MBL), earlier known as Metro Shoes, said. Its total revenue from operations was up 59.02% at ₹483.77 crore during the quarter under review against ₹304.21 crore in the corresponding period of the previous fiscal. MBL's total expenses rose 47.26% to ₹362.59 crore in Q3 FY 2021-22, compared to ₹246.21 crore in the year-ago period.

MBL chief executive officer Nissan Joseph said it was the best quarterly revenue, ebitda (earnings before interest, taxes, depreciation, and amortization) and PAT in the history of the company.

PTI



Mall owners will stand by their tenants as they did in the last two waves. MINT

Mall owners likely to offer some relief

Industry body SCAI on Sunday said mall owners will stand by their tenants as they did in the last two waves and are likely to offer relief to retail stores, food outlets and multiplexes amid the fresh covid pandemic wave. Shopping Centres Association of India (SCAI) is an industry body, representing the owners of shopping malls and centres.

SCAI director Abhishek Bansal said some of the retailers have started approaching the property owners, raising their concerns over the impact on their business after the restrictions imposed by local authorities after a sudden surge in the pandemic cases.

"This is the third time it is happening, and developers and shopping centres have stood with their tenants and retailers in the last two waves. They will again stand with their partners in this third wave also, so that everyone tide over this situation," Bansal said.

PTI

Oil India sells 20% stake in US shale venture for \$25 million

Oil India subsidiary sold its entire stake in Niobrara shale asset to its venture partner

PTI
feedback@livemint.com
NEW DELHI

State-owned Oil India Ltd (OIL) has exited from a US shale oil venture, selling its 20% stake to its venture partner for \$25 million—the second exit of an Indian firm from the US shale business in two months.

"Oil India (USA) Inc (wholly owned subsidiary of OIL) divested its entire stake in Niobrara shale asset, USA," a regulatory filing by the company said, adding the consideration received was \$25 million.

OIL and Indian Oil Corporation (IOC) had together in October 2012 bought a 30% stake in Houston-based Carrizo Oil & Gas's Niobrara shale asset in Colorado for \$82.5 million. While OIL had acquired 20%, IOC bought 10% in Carrizo's Niobrara basin acreage assets through their respec-

tive subsidiaries. The total investment of \$82.5 million included an upfront cash payment of \$41.25 million and a carry amount of \$41.25 million, linked to Carrizo's future drilling and development cost. The stake was sold to Verdad Resources LLC, which is the operator of the asset. Originally, OIL acquired the 20% interest in the liquid-rich shale asset in the Denver-Julesburg Basin from Carrizo Oil & Gas, Inc. Carrizo sold its entire stake in the Niobrara

asset to Verdad Resources LLC in January 2018. As a result, Verdad became the new operator of the asset. Haimo Oil & Gas holds the remaining 10% stake in the project. The move by OIL follows the exit by Reliance Industries Ltd (RIL) from US shale.

OIL and IOC had together in October 2012 bought a 30% stake in Houston-based Carrizo Oil & Gas's shale asset in Colorado for \$82.5 mn

In November last year, RIL said its wholly-owned subsidiary Reliance Eagleford Upstream Holding, LP has signed an agreement with Ensign Operating III to divest its interest in upstream assets in the Eagleford shale play of Texas. With this, RIL has divested all its shale gas assets and exited the shale gas business in North America.

The firm had previously divested its entire stake in the Marcellus shale blocks. State gas utility GAIL (India)

Ltd continues to hold a 20% stake in Carrizo's Eagle Ford shale acreage, which it had acquired in 2011. OIL, in the filing, said its subsidiary Oil India (USA) Inc had reported a net profit of \$279,000 on a revenue of \$4.27 million in the fiscal year ending 31 March 2021.

Goa tops Indian travellers' bucket list



As per the survey, 61% of Indians would prefer to go local.

MINT

A majority of Indians would prefer to go local and explore domestic destinations instead of international ones this year with Goa topping the bucket list followed by Manali, according to OYO Travelpedia.

OYO Travelpedia, the annual

consumer survey by OYO to study travel intent and expectations among its user base across some of its core markets, including India, Indonesia and Europe, took responses of nearly 3,000 people in December 2021. As per the survey, 61% of Indians would prefer to go local and explore domestic destinations, while 25 per cent would like to try international as well as domestic trips in 2022.

Despite the excitement to travel, 80% of respondents said safety continues to be key concern amid the pandemic and arrival of booster dose would give them the reassurance to travel. As far as the favourite destination in concerned, Goa topped a third of the respondents' 2022 bucket lists, it said. "This is followed by Manali, Dubai, Shimla and Kerala," hospitality chain OYO said adding other international destinations on Indian travellers' bucket list include Maldives, Paris, Bali and Switzerland.



The gross office leasing grew to 9.4% last year from 8.1% in the previous year.

MINT

Co-working firms lease more space

Co-working operators expanded their portfolio aggressively last year and took on a lease 21% more office area across the top 8 cities to meet the rising demand of flexible workspaces from corporates amid the covid pandemic, according to Cushman & Wakefield.

The leasing of office spaces by co-working operators across eight major cities increased to 4.91 million square feet in 2021 from 4.05 million square feet in the previous year. These eight cities are Bengaluru, Hyderabad, Pune, Mumbai, Delhi-NCR, Chennai, Kolkata and Ahmedabad.

Cushman and Wakefield India in its quarterly Office Market Beat report highlighted that the share of the co-working segment in the gross office leasing grew to 9.4% last year from 8.1% in the previous year.

Across eight major cities, the co-working players provided on lease 78,869 seats or desks in the 2021 calendar year to occupiers, mainly to corporates. In 2020, the report said that 37,759 seats were given on lease to corporates in six cities. In India, the major co-working, including managed office space, operators are WeWork, Smartworks, The Executive Centre, Simpliwork Offices, among others.

PTI

Djokovic leaves Australia after losing a shot at tennis history

Novak Djokovic has left Australia after his anti-vaccination stance cost him a potential payday of A\$2.875 million (\$2.1 million) and a shot at tennis history.

The Serbian boarded a flight from Melbourne Airport late Sunday night, local media reported, after the nation's Federal Court upheld a decision to revoke his entry permit over fears his presence would strengthen anti-vaccination sentiment. It wasn't up to the court to decide on the merits of the decision, only whether it was illogical or legally unreasonable, chief justice James Allsop said on Sunday.

"I respect the Court's ruling and I will cooperate with the relevant authorities in relation to my departure from the country," Djokovic said in an emailed statement. "I will now be taking some time to rest and to recuperate." It's a blow to Djokovic's hopes of winning a record 21st Grand Slam singles title and its sizable prize money. The world's top ranked player has won the Australian Open the past three years.

BLOOMBERG



The Serbian player said he was extremely disappointed.

REUTERS

PMC Bank merger awaits approval

The proposed merger of debt-ridden Punjab and Maharashtra Cooperative Bank with Unity Small Finance Bank (USFB) is being examined and the process of amalgamation will start after the government approval, sources said.

Various aspects of the scheme of amalgamation have been examined and the government would soon send its suggestions, if any, to the RBI, sources said.

The RBI in December extended the restrictions on Punjab and Maharashtra Cooperative (PMC) Bank for another three months till the end of March 2022 as all necessary process on the draft scheme for the takeover was not complete.

As per the Banking Regulation Act, the draft scheme of amalgamation is required to be placed before the government for its sanction and the centre may sanction the scheme without any modifications or with such modifications as it may consider necessary.

PTI

REPORTAGE | TALKING POINTS | IDEAS | INSIGHT | THE BOTTOMLINE

WILL NEW POLICIES CUT J&K'S INVESTMENT CHILL?

A flurry of corporate promises, in the last three months, have raised hopes but challenges remain



The government hopes to set up 292 new industrial zones, whose locations have been finalized—150 of them in Jammu and the remaining in Kashmir.

Javaid Naikoo
feedback@livemint.com
SRINAGAR

They all look deserted—the roads, the spacious compounds, the rows of factory buildings with their sloping roofs and dour, near-windowless brick walls. The Lassipora Industrial Growth Centre (IGC) in Pulwama district of Jammu and Kashmir (J&K), 25 km southwest of Srinagar, houses 400 industrial units including 25 large cold storages, intended to encourage agribusiness, especially in apples. And yet, on a weekday afternoon, there are hardly any signs of activity. “Our situation typifies the state of J&K’s industry,” said Haji Muzaffar Ahmed, president, IGC, Lassipora. “Work is hampered by both the erratic power supply and the 20 km distance from the nearest national highway, which makes our transportation costs very high.”

A dramatic industrial transformation was expected once Articles 370 and 35A of the Indian Constitution were abrogated on 5 August 2019, taking away J&K’s special status. The central government held that the special status had been a hurdle for J&K’s industrial development. Non-Kashmiris could now own land and immovable property in the state, unlike before, which would encourage them to invest.

Will the promises turn into reality? The state of Lassipora seems to suggest that nearly two and a half years after the abrogation, little has changed. Why are industrialists from outside the UT shy of big-ticket investments? We will come to this later. First, let us check out what the larger corporates plan.

PROMISES GALORE

A flurry of investment promises came in the last three months.

JSW Steel, in October last year, committed to setting up a ₹50 crore facility to make 120,000 metric tonne per annum of colour-coated steel at the Lassipora estate. In a ceremony, home minister Shah handed over the land allocation papers to Sajjan Jindal, chairman and managing director of the JSW group.

Apollo Hospitals has declared that it will set up a 250-bed hospital in Jammu at an investment of about ₹200 crore. “It will later be expanded to 500 beds,” a spokesperson said. Sources in the administration also claimed that both the Tata Group and Reliance Industries had shown some interest in investing in sectors such as information technology, tourism, skill development, horticulture and

defence.

In late December, addressing a real estate summit in Jammu, lieutenant governor Manoj Sinha mentioned that hefty proposals have been submitted for J&K’s real estate sector alone. At the same summit, the National Real Estate Development Council (Naredco) signed 39 memoranda of understanding (MoUs) for ₹18,300 crore of investment—19 of them in the residential sector, the remaining in commercial. A second such summit is proposed for May 2022.

Since then, the Dubai-headquartered

Emaar Group has announced its intention to build a 500,000 square feet mall in Srinagar, while leading retailer, the Lulu Group, also from Dubai, has said it will set up a ₹200 crore food processing and logistics unit. A number of other Dubai-based giants—the Al Maya Group, MATU Investments, GL Employment Brokerage, Century Financial, Noon E-commerce and Magna Waves—have also signed memoranda of understanding with the local government, though the details of their proposals are not known.

REALITY CHECK

However, for all the incentives offered and commitments made, hardly any industrial unit owned by a non-Kashmiri has yet been set up since the abrogation.

The reasons are longstanding: the Valley has frequent power outages; the distances over which raw materials and finished products have to be transported, as Haji Muzaffar Ahmed noted, is a problem. The mountainous terrain, the relatively small local market, and the political uncertainty, with the ever-present threat of terrorism and violence are the other headwinds. Roads are not only in bad shape, but many of them, including the Jammu-Srinagar national highway—the Valley’s only road link with the rest of India—remain snowbound and closed for long stretches in winter.

The clampdown imposed after the abrogation, when communication links remained suspended for months, followed by the lockdowns and restricted activity due to the covid-19 outbreaks in 2020 and 2021, have made matters worse.

Indeed, a recent report by the Federation Chamber of Commerce and Industry, Kashmir (FCCI), maintained that J&K had suffered losses of ₹40,000 crore and 100,000 jobs due to the clampdown and subsequent lockdowns. The first J&K Global Investors’ Summit, initially set for October 2020, was postponed to mid-2021, following lack of sufficient interest, and later, following the renewed covid-19 outbreak, abandoned.

“Leave aside the political situation, or even the bureaucratic set up, it is very challenging for beginners to get an entry into Kashmir,” said Saba Bhat, a Kashmiri by birth, who runs a software firm and a construction company in Delhi. “I would like to start something in Kashmir, but non availability of raw materials at the price at which they can be obtained in Delhi is a major bottleneck. The finished product will not be able to compete on price. Selling is also a problem because the

There is a push to improve the power situation in the UT. Transmission lines are being overhauled and power substations upgraded.

In late December, addressing a real estate summit in Jammu, lieutenant governor Manoj Sinha mentioned that hefty proposals have been submitted for J&K’s real estate sector alone. At the same summit, the National Real Estate Development Council (Naredco) signed 39 memoranda of understanding (MoUs) for ₹18,300 crore of investment—19 of them in the residential sector, the remaining in commercial. A second such summit is proposed for May 2022.

Since then, the Dubai-headquartered

**mint
SHORT STORY**

WHAT

An industrial transformation was expected once Articles 370 and 35A of the Indian Constitution were abrogated, taking away J&K’s special status. However, the going has been slow.

NOW

A host of announcements, set to improve ease of doing business, have been made. Corporates, ranging from real estate to food processing industries, have promised investments.

BUT

Historical headaches remain. There is threat of political disturbance. Also, the Valley has frequent power outages and there are issues in transporting raw materials, finished products.

THE ROAD AHEAD

Despite the setbacks of the last decade, the J&K economy has not done too badly. The gross state domestic product (GSDP) increased at a CAGR of 8.51% between 2015-16 and 2020-21 to reach ₹1.76 trillion (\$24.28 billion), according to the India Brand Equity Foundation (IBEF), a trust established by the department of commerce, ministry of commerce

and industry of the government of India. J&K’s net state domestic product (NSDP) increased at a CAGR of 8.61% from 2015-16 to 2020-21 to touch ₹1.49 trillion (\$20.49 billion).

Unemployment, however, remains very high at 15% as of 15 January, more than double the national rate of 7.1%, according to the Centre for Monitoring Indian Economy (CMIE).

Though results are still not visible on the ground, the union territory government has been pushing to improve both the power situation and connectivity. Transmission lines are being overhauled and power substations upgraded. From the abrogation up to July 2021, 52 new power projects have been inaugurated. Four new national highway projects, estimated to cost ₹3,612 crore, have been promised, while the 8.5 km long road tunnel between Qazigund and Banihal, which reduces travel time between Jammu and Srinagar by 90 minutes, has finally opened.

The 356 km railway line from Jammu to Srinagar and Baramulla, in the making since 2002, is expected to complete its final Katra to Banihal stretch and become operational by August 2022, which will connect the Valley to the rest of the country by rail for the first time.

The government has also acquired a 6,000-acre land bank, spread across both Jammu and the Valley, to house the new industries it expects to draw, nearly half of which has already been transferred to the department of industries and commerce for leasing. It hopes to set up 292 new industrial zones, whose locations have been finalized—150 of them in Jammu and the remaining in Kashmir. It insists that requests for land allotment, on a 99-year lease, will be cleared within a time bound period. Separately, to help industries acquire private land, it has expressed willingness to allow conversion of agricultural land into non-agricultural.

Delhi-based economist Megha Nath is optimistic. “Let’s give J&K another chance,” she said. “Investors entering J&K should start with products which have a large local market, so that marketing is not a worry, or go into services like tourism or health. I also hope the new industrial areas the government has earmarked are close to main roads which will keep investors’ transport costs in check.”

Applications worth ₹31,000 crore from investors in various industries have been received by the union territory government so far.



Here's all NRIs should know about investing in mutual funds in India

Several platforms allow NRIs to invest in India from their country of residence through a fully online process

Navneet Dubey
navneet.d@livemint.com

NRIs can invest in mutual funds in India, although they are subject to certain special rules when it comes to tax and foreign exchange. Several platforms allow NRIs to invest in India from their country of residence in a fully online process such as Kuvera, Clear and Scripbox. However, some mutual fund houses do not take mutual fund applications from the US or Canada because of the heavy paperwork involved under the FATCA (Foreign Account Tax Compliance Act). Fund houses that allow US/Canada residents to invest in India include some AMCs that allow US/Canada resident investments are L&T MF, Nippon India MF, PPFAS MF and UTI MF. The investments are subject to certain terms and conditions.

How to invest: First, NRIs must open an NRE (non-resident external) account or NRO (non-resident ordinary) account to invest in mutual funds in India. You can park your foreign earnings in India in Indian Rupees through the NRE account. You can park your Indian earnings in India in Indian Rupees through the NRO account. Anup Bansal, chief investment officer, Scripbox said, "NRE is a rupee account from which funds are freely repatriable, while NRO account is a rupee account which is usually non-repatriable. However, NRO funds could be remitted abroad subject to limits (up to \$1 million in a year) and conditions under liberalized remittance scheme (LRS) scheme. The NRE account can be opened with funds remitted from abroad only, but NRO accounts may be opened with your local funds or funds remitted from abroad."



TDS applicable on redemption of mutual fund units by NRI

(in %)	STCG	LTCG
Debt MF	30	20*
Equity MF	15	10
Dividends	20**	

STCG: Short-term capital gains
LTCG: Long-term capital gains

*With indexation benefit

**Along with a surcharge in case of incomes above ₹50 lakhs and a 4% health and education cess.

PARAS JAIN/MINT

Complete your KYC: NRIs must complete their KYC requirements before investing in mutual funds in India. The NRI must submit the duly filled KYC form and attested KYC documents by courier/post to the Sebi registered intermediaries who are completing the KYC such as a mutual fund distributor or registered investment advisor. Online platforms may have enabled webcam based KYC in some cases. Raj Kholia, managing director, MyMoneyMantra.com said, "An NRI has to submit a recent photograph, certified copies of permanent

account number (PAN) card, proof of residence outside India, passport copy and a bank statement for verification purposes. In some cases, the NRI may have to visit the Indian embassy in the country of residence for in-person verification. The KYC form will also enquire whether the funds will be repatriable or not." Further, suppose you give someone POA (Power of Attorney) to operate investment procedures on your behalf. In that case, you and the POA need to sign the KYC documents. Once KYC is complete, the NRI can invest in mutual funds and give redemption

orders online. However, NRIs should be mindful of the exchange rate risk involved. Indian mutual funds mostly invest in rupee denominated assets and hence the value of such investments declines if the rupee falls against other currencies. This affects the total returns that NRIs get from their mutual fund investments. However, there are fund-of-funds that invest in markets outside India also. These operate on par with other mutual funds in India.

Taxation: The NRI tax rate is not

different from what Indian residents have to pay. But the tax rules for NRIs are different when it comes to the redemption of mutual funds. NRI investments are subjected to Tax deduction at Source (TDS) when redeemed. The TDS is 30% on Short Term Capital Gains (STCG) in non-equity mutual funds and 20% on Long Term Capital Gains (LTCG) in non-equity mutual funds. For equity mutual funds, the corresponding STCG and LTCG TDS rates are 15% and 10% respectively. On dividends, the TDS is 20% along with a surcharge in case of incomes above ₹50 lakh and a 4% health and education cess. The mutual fund's redemption procedure for NRIs varies across AMCs. "The mutual fund house will credit the redemption amount (investment + capital gains, if any) after deducting appropriate taxes to your specified NRE/NRO account," said Gupta. AMCs accepting investments from NRIs in US and Canada in their mutual fund schemes must comply with FATCA requirements. Under FATCA, it is obligatory for mutual fund houses to share transactions of US citizens, including NRIs, with the US government under Foreign Account Tax Compliance Act. CRS applies similar requirements to NRIs from other countries.

"FATCA ensures that US citizens do not evade taxes on their overseas investments. The AMCs share client transaction details with the Indian government, which shares them with the US government. To comply with this, some AMCs may allow their US and Canadian NRI clients to invest only through the offline route and may impose additional declarations," said Gupta. However, NRIs can take advantage of the double taxation avoidance agreement (DTAA) if there is an agreement with the country of their residence. As per DTAA, the NRIs can pay tax in either country or both countries and claim tax relief from the country of their residence. "Around 90 countries have a DTAA treaty with India," said Bansal.

In last year's budget, a new provision was inserted to provide for a higher tax deduction at source (TDS) rate from payments to persons who have not filed their returns of income (non-filers). The TDS to be applied in such cases is the higher of twice the normal applicable TDS rate or 5%.

Non-filers are persons who have not filed their returns of income for two years preceding the year of deduction where returns of income are due, and if TDS deducted from their income has been ₹50,000 or more in each of these 2 years. On 1 July 2021, the applicable years would be the financial years 2018-19 and 2019-20, since the tax returns for the financial year 2020-21 would be due only by 31 December 2021 or later.

Exemption is provided for certain types of payments from applicability of this provision. Payment of salaries, provident fund, winnings from lotteries, winnings from horse races, and income from securitization trusts, and withdrawals from a bank in cash, have been exempted from this requirement of higher TDS. Similarly, payments to a non-resident who does not have an establishment in India is also exempt from these provisions.

To facilitate such verification by tax deductors, as to whether tax is required to be deducted at a higher rate or not, the CBDT has created an online facility for checking whether this provision would apply or not to taxpayers, with a list of such taxpayers to whom these provisions would apply. A search can be done by the PAN of the person from whom TDS is being deducted. For this purpose, a taxpayer has to log in to use this facility through his Tax Deduction Account Number (TAN).

There are certain provisions of the tax law, which require tax deduction by an individual from payments made for personal purposes. These require one-time online filing and payment of TDS return, without the requirement of having to obtain a TAN or file a quarterly TDS return.

These provisions are those for payments for purchase of an immovable property exceeding ₹50 lakh (requiring TDS of 1%), payment of monthly rent exceeding ₹50,000 (requiring TDS of 5%), and payments to contractors, payment of professional fees, commission or brokerage exceeding ₹50 lakh (requiring TDS of 5%). In such cases, the government has consciously evolved a separate procedure to facilitate one-time TDS payments by such individuals, without having to go through the cumbersome procedure of obtaining a TAN and filing TDS returns every quarter. Such persons, however, are now forced to obtain a TAN, or else they cannot access the utility to check whether TDS is required to be deducted at a higher rate or not. Therefore, the concessional compliance granted by one provision of TDS law is undone by the requirement of compliance with another procedural requirement of TDS law.

This seems all the more evident from the fact that if this requirement of higher deduction were to apply, the TDS on payment of rent would be 10% instead of 5%. This is required to be deducted for the entire year once from the last month's rent. This would be impossible to do, since such last month's rent would normally be only 8.5% of the entire year's rent, as compared to the TDS required of 10% of the entire year's rent. Instead of paying rent, the tenant would have to ask the landlord to pay him back the excess of TDS over the last month's rent, which most landlords would refuse to return. It is therefore essential that such tax deductors are provided an exemption from the requirement of deducting such higher TDS in respect of these 3 types of payments, as the government's intention clearly is not to burden them with the large amount of compliance that a regular tax deductor has to undergo. This can be done by introducing a clarificatory amendment in the forthcoming budget, or by issuing a circular clarifying that the higher TDS requirement does not apply to TDS being deducted in respect of these 3 types of payments. This alone will ensure that the next time you make a payment for purchase of a property or pay rent for your house, you do not have to go through the procedure of finding out whether you have to deduct a higher TDS and figuring out how it would be possible to do it, particularly in case of rent.

Gautam Nayak, partner, CNK & Associates LLP.

Three ways in which you can save tax through your parents

Shipra Singh
shipra.singh@livemint.com

fall outside the tax ambit or have considerably lower taxable income.

MAKE A GIFT TO PARENTS

You can transfer your surplus to your parents under a gift deed and make investments in their name.

Basic tax exemption limit for senior citizens is ₹3 lakh, while super senior citizens aged 80 years and above get tax-free income of up to ₹5 lakh.

Further, interest income of up to ₹50,000 earned on deposits made in banks or post offices is exempt from tax for senior citizens. Even if your



to your income for taxation. However, Sailesh Kumar, partner, Nangia & Co said if you have right over such income or power to control such investment, then such investment shall be considered to be revocable transfer and their income may be clubbed with yours.

BUY HEALTH INSURANCE FOR PARENTS

Under Section 80D, you can claim a tax deduction of up to ₹25,000 on premiums paid towards a health insurance policy bought for your parents who are aged below 60 years of age. For senior citizen parents, the deduction limit is

₹50,000.

CLAIM HRA EVEN IF NOT LIVING ON RENT

If you live with your parents in a house owned by them, you can claim house rent allowance (HRA) tax exemption by paying them rent. The condition is that you should actually pay them rent and not have even partial ownership in that house. With the introduction of Annual Information Statement (AIS), the rent that you pay to your parents will appear on their AIS, which means that furnishing bogus rent receipts will be known by the tax department and get you under the taxman's radar.

Best home loan rates

A home loan is probably the biggest loan that one takes. Not only in terms of the loan amount, but also tenure, which can be 15 years or more. The total final amount that one pays can be double of what was borrowed. But a home loan is among the cheapest loans available, and usually it is the only way a person can buy a house. A home loan is called a 'good' loan because it helps you acquire a tangible asset that can appreciate over the long term. It makes sense to buy a house if you plan to live in it. Given the fact that the construction of several housing projects in India continues to be delayed or stalled by many years, financial advisers say that one should buy a ready-to-move-in house. Here's a look at the lowest home loan interest rates of some leading banks.

Loan amount = ₹30 lakh. Tenure = 20 years

Lender	Interest rate (%)	EMI (₹)	Processing fee
Bank of Maharashtra	6.40-9.55	22,191-28,062	Processing fee waived up to 31 March 2022 under festive offer
Union Bank of India	6.40-7.40	22,191-23,985	0.50% of the loan amount (max. ₹15,000) + GST
Bandhan Bank Ltd.	6.4-11.5	22,191-31,993	Up to 1% of the loan amount subject to minimum of ₹5,000
Bank of Baroda	6.50-8.10	22,367-25,280	Up to 0.50% of loan amount (min. ₹8,500 and max. ₹25,000) + GST
Bank of India	6.50-8.85	22,367-26,703	0.25% of loan amount (Min. ₹1,500 and Max. ₹20,000)
Indian Bank	6.50-7.50	22,367-24,168	0.20% to 0.40% (max. ₹50,000)
Punjab & Sind Bank	6.50-7.60	22,367-24,352	Nil processing fees till 31 March 2022
IDFC Bank Ltd.	6.5-10.25	22,367-29,499	Up to ₹10,000
Kotak Mahindra Bank Ltd	6.55-7.20	22,456-23,620	Up to 2% of the loan amount + GST and other applicable statutory levies
State Bank of India	6.70-6.90	22,722-23,079	Full waiver
HDFC Ltd	6.70-7.65	22,722-24,444	For salaried: Up to 0.50% of loan amount or ₹3,000, whichever is higher + taxes
ICICI Bank Ltd.	6.70-7.55	22,722-24,260	0.50%-2.00% of loan amount or ₹1,500, whichever is higher + GST
IDBI Bank Limited	6.75-9.90	22,811-28,752	Up to ₹20,000 + taxes
Punjab National Bank	6.75-8.80	22,811-26,607	Full waiver of processing fees from 1 Jan 2022 to 31 March 2022
Axis Bank Ltd.	6.75-7.10	22,811-23,439	Up to 1% of the loan amount subject to minimum of ₹10,000

Data taken from banks' websites as on 13 January 2022. EMI range is indicative and calculated on the basis of interest rate range; it may include other charges and fees. Actual applicable interest rate may vary based on the credit profile of the loan applicant.

Source: MyMoneyMantra.com

Parizad Sirwala

I am an individual resident with salary income in India. Additionally, I earn money from an organization in Geneva through content writing. It is not tax deducted. How should I treat this income?

—Ashish

It is assumed that you are not paying taxes in any other country on the same income.

Further, assuming that you qualify as an ordinary resident of India, income received by you from the Geneva organization towards content writing, will be taxable in your hands. The classification of the income would depend upon the contractual arrangements, periodicity of income, volume of transaction for which you receive the income, etc. In case it is established that there is an employer-employee relationship between you and the Geneva organization, the income received by you shall be chargeable to tax as salary income. However, in case the contractual arrangement is in the nature of professional fees, the income received by you shall be taxed as income from self-assessment tax.

For AY 2021-22, I have filed my ITR exactly as per AS and claimed refund but IT department has taken TDS less than shown in 26AS &

ASK MINT
TAXATION

business or profession.

In case the income is in the nature of professional income, depending on the gross receipts/income level—applicability of tax rates (i.e. normal or presumptive), applicability of GST, requirement of maintaining books of accounts, tax audit, etc. should also need to be evaluated. Tax on the above income should be discharged by you through the prescribed advance tax instalments/self-assessment tax.

Do you have a personal finance query? Send in your queries at mintmoney@livemint.com and get them answered by industry experts.



the details contained in the said table along with the computation provided in the intimation to understand the reason for reduction of refund.

Further, in order to claim the remaining refund, if the mistake is apparent from record, you should file an online rectification application under section 154 of the Act against the said intimation. You may refer the online rectification user manual available on the income tax portal for the purpose of filing the said online rectification application. Once the rectification application is processed successfully, the balance refund would be issued by the tax authorities.

In case, the matter is not resolved through above rectification request, further course of actions such as appeals, grievance may be evaluated, subject to the prescribed time frames.

Parizad Sirwala is partner and head, global mobility services, tax, KPMG in India.

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BEYOND THE TAX BOOK

GAUTAM NAYAK

Respond to this column at feedback@livemint.com

TDS IS CHARGED AT HIGHER RATES FROM NON-FILERS

In last year's budget, a new provision was inserted to provide for a higher tax deduction at source (TDS) rate from payments to persons who have not filed their returns of income (non-filers). The TDS to be applied in such cases is the higher of twice the normal applicable TDS rate or 5%.

Non-filers are persons who have not filed their returns of income for two years preceding the year of deduction where returns of income are due, and if TDS deducted from their income has been ₹50,000 or more in each of these 2 years. On 1 July 2021, the applicable years would be the financial years 2018-19 and 2019-20, since the tax returns for the financial year 2020-21 would be due only by 31 December 2021 or later.

Exemption is provided for certain types of payments from applicability of this provision. Payment of salaries

OUR VIEW



India's green cover has advanced far too slowly

The 2021 update of our forest survey has reported modest gains over two years. We must aim for faster progress. Let carbon capture play a supportive role in attaining net zero emissions

At first glance, the latest *India State of Forest Report* is heartening. Since the count of 2019, we have gained tree coverage of 2,261 more square kilometres overall, according to the Forest Survey of India's 2021 update released last week by the ministry of environment, forests and climate change. Most of this was forest expansion, reported at 1,540-sq-km. With 809,000-sq-km of Indian territory and hence almost a quarter of our official map now climate-friendly, our green cover has advanced. A country that had a Gandhian Chipko Andolan to save trees well before the current hurly-burly over carbon exhaust versus capture, however, must hold itself to finer standards and look at the report's data more closely, lest we miss the wood for the boughs. If net deforestation is not an official worry (some critics dispute the readings), at least the pace of advancement should worry us. At 0.22% over the two years since 2019's estimate, our forest sprawl has slowed to a crawl, compared to the 0.94% growth found in 2017 by this biennial survey. When New Delhi set a target of 33% forest cover under the Indian Forest Policy of 1988, we had no emission-neutrality aim. After the CoP-26 summit held in Glasgow, we actually do, and so laxity on this front imposes an increasingly material cost.

Disputants of official metrics argue that our scanners label forests on satellite scans a tad too easily. So, what does the survey's data sliced by arboreal density show? 'Open' forests, which include plantations such as those of coconut or coffee, have expanded modestly. But sadly, our somewhat thicker 'moderately dense' forests have seen a decline. Natural coverage, with its wealth of flora and fauna, has retreated across

large swathes. The blame for these losses, most acute in our northeastern states, lies with both human activities and natural calamities. Very dense jungles (with a canopy cover of 70% or more) have fared relatively well, the report says, thanks to conservation efforts in reserve forest and other areas under protection. This may sound like a relief, as thick vegetation does the best job of absorbing carbon from the air. However, such green saturation makes up less than a seventh of the 713,789-sq-km of India deemed to be forested now. Dense expansion needs to be paced up steeply if we are to make effective progress. Moreover, this must be done even as forests themselves turn vulnerable to the effects of a warming planet. The Himalayas' leaf cover, ecologists warn, has already begun to display signs of stress at various altitude belts. In this context, activists have opposed any tweaks of the Forest Conservation Act of 1980 that may ease the diversion of forest land for other uses. India's recent refusal to sign a pledge at CoP-26 to "halt and reverse deforestation and land degradation by 2030" drew some criticism too, but New Delhi had a valid objection to cross-border trade being mixed up with green goals.

Even so, as global warming at its trajectory recorded last year would threaten the planet's future, forestation must play an effective role in our climate strategy. Emission clamps on the use of fossil fuels, after all, are not the be-all and end-all of mitigation. Globally, forests are said to absorb a net 7.6 billion tonnes of CO₂ every year. But India's 2015 commitment to adding a carbon sink of 2.5-3 billion tonnes by 2030 looks not just like an equivocal aim, sans baseline data, but an ambition overleap. Even if the 'carbon stock' held by Indian trees has risen, our leafy shield just isn't moving fast enough.

MANU JOSEPH



is a journalist, novelist and creator of the Netflix series 'Decoupled'

Why does the security guard check your air ticket before you walk into a terminal building? It is a practice across all Indian airports. What is he looking for? What people show him is a printed copy of a flight booking or an image of it on their phone. How does the guy know whether what you show him is really a ticket? He does not have a scanner to read the barcode.

He is not like the hotel security guard in a fancy-dress costume who is made to do some dance with his hands. The guy outside the terminal building is armed and can get very serious; he is a cop of the Central Industrial Security Force (CISF), a paramilitary police force. If one of his motives is to dissuade a person from leaving a suitcase bomb inside the airport, how does checking printouts help? Wouldn't a terrorist fake a ticket, or even buy a real ticket? They have the budget for that. If the idea is to use spurious behavioural theories to spot suspicious characters, who look nervous or sweat profusely or

exhibit other traits of people who are up to no good, half of all Indians would probably qualify inadvertently in any situation.

The guards serve a far less glorious purpose than securing the nation—they pretend to secure the nation. Also, the only practical work they accomplish is to discourage unemployed Indians from throning airport terminals to bid farewell to their relatives. But you can dissuade Indians from bidding farewell to passengers at the airport in simpler ways, like getting them married, or charging a hefty visitors' fee, many times more than the meagre ₹100 that some airports charge. Or impose a heavy fine on those caught loitering in the terminal without a visitors' pass. This system has worked very well in controlling entourages at Indian railway stations.

Making thousands of trained guards check tickets outside airport terminals all day and night is among the most useless things our government does. The CISF has requested scanners to read air tickets in a more meaningful way. Even so, what it strives to do with more meaning is still a useless act that can be achieved by much cheaper means. So what if it is useless, you could argue, why should anyone be productive? Isn't being productive merely another way of wasting time in a

universe that has no meaning anyway? This columnist probably takes this argument more seriously than most columnists. But still, it is not a good argument for a reason that is as important as the truth that life itself has no meaning. The meaninglessness of life is very different from the meaninglessness of a guy pretending to check a printout.

There is a difference between doing nothing and enacting a farce. Doing nothing has personality; it is ancient, pleasurable and a defiance of the modern consecration of being busy. A farce, on the other hand, is something bereft of intelligence, an organized way of stealing the time of other people who may want to waste it in other ways.

You can argue that the CISF guards don't exactly waste your time because even in a scenario where you breeze into the terminal, you will get caught in other queues. But my complaint is against being made an extra in a governmental farce; to be forced to stand in a line that has no meaning, to feel the dumbness of inching ahead in a

meaningless moment; to show a ticket for no good reason; and to be a part of a system that makes well-trained young men and women stand for many hours bearing heavy arms just because they are available to be used in this manner by their bosses who did not have better ideas. Why can't these guards instead be playing a sport, as part of their training? They could be hiking, running, swimming, bowling—all in the national interest. Instead, they are made to spend the best days of their able lives standing there, ruining their spines, and doing something boring and useless. There is pettiness in this, an ancient Indian stinginess often seen in the powerful, a systemic denial of joy to others who have no power to demand it.

Outside India, I have not seen this form of ticket-checking through glances. I do accept I've not been to all nations, and there could be other countries where they deploy a paramilitary outfit to perform a farce. But that does not change what it says about India. As Indians, we go through many forms of

farce everyday. Cops erect barricades on the road to make vehicles go in a slow zig-zag fashion as they sit chatting on the pavement on plastic chairs. What I want to know is, from where do they get the chairs? Are they officially issued? When they set out to work, do their wives pack them with the lunchbox?

When I am zig-zagging, I want to believe that the cops make do this because they have got some deep intelligence tip-off, and that they are sitting on the pavement on their plastic chairs and gossiping only to lower the guard of terrorists.

It is not as though the private sector is more substantive. Outside every hotel and mall, that malnourished former farmer who opens the boot of your car and looks for two seconds, it is as though he has X-ray vision.

Habituated to farce all our Indian lives, we don't protest. We inch along, join queues, submit to checks. Sometimes, I try to look suspicious to the guard outside the airport, or when I am in a car outside a hotel, as the fancy-dress guard examines the boot. I pretend to have a pistol under my shirt. But no one has bothered. If you are a more serious person than me, maybe you should launch a serious protest. Let us not forget why farce exists. It absolves an authority from doing something that is not a farce.

MY VIEW | THE INTERSECTION

The co-evolution of genes and culture is revolutionizing policy

Insights from evolutionary biology can explain how we got here and what we must do to be better



NITIN PAI
is co-founder and director of The Takshashila Institution, an independent centre for research and education in public policy

underpins 'survival of the fittest'. Fitness in the biological sense is about improved chances of surviving and producing offspring. After studying social animals—humans being the epitome of this category—Wilson and his colleagues determined that 'selection' operates not only at the level of individuals but also at the level of groups.

The idea that 'survival of the fittest' applies to clans, tribes, communities and nations is dramatic, not least because it lets the natural sciences barge into the faculty of social sciences. It pulls the rug from under the feet of philosophers, sociologists and political scientists whose disciplines are constructed on, well, thin air. Evolutionary biologists, on the other hand, not only rely on data but offer theories that are falsifiable. Leaving academic contests aside, the notion that human society consists of groups in competition for survival can be deeply wrenching to our liberal sensibilities. As Wilson showed, nature has no obligation to conform to the human sense of right and wrong. It simply is.

A lot of people have reservations about applying evolutionary theories to human societies because of the gross inequities perpetrated in the late 19th and early 20th centuries, when racism, colonialism, eugenics and genocide were 'scientifically' justified using self-serving interpretations of biology. That risk remains, and science to an ideologue is like a lamp post for a drunkard; useful for the support it provides rather than the light it sheds. Even so, with Wilson and his successors accumulating persuasive evidence for group selection, no free society can reject it for the risk of abuse.

Interestingly, the forces of individual and group selection often pull in opposing directions. Within a group, a selfish individual is more likely to succeed than an altruistic one. Think of tax evaders, draft dodgers and people who disappear just before it's their turn to buy a round of drinks. But in competition among groups, those whose members are better at cooperating are more successful. For

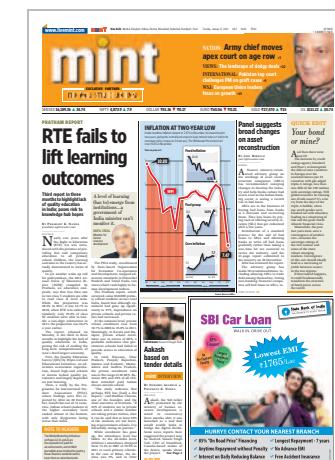
instance, groups where everyone steps up to fight at the risk of their lives are more likely to prevail over those whose members shirk responsibility. The differences in balance between selfishness and altruism can explain the trajectory of human society, religion and politics.

The other profound idea that followed Wilson's work is that of culture-gene co-evolution. On one hand, cultures compete and are also subject to natural selection, and on the other, they influence and are in turn influenced by our genes. The human digestive system, for instance, has evolved to consume cooked food; but humans neither have an innate knack for cooking nor have any adaptations for it. Cooking is a cultural acquisition. Studies over the past few decades have shown that cultures compete, the ones best adapted to the environment survive and influence which genes get passed on. Besides, cultural evolution is faster and works horizontally across a generation (like barefoot people adopting footwear), while genetic evolution is slower because it works vertically over several generations.

The wrong conclusion to draw from evolutionary biology is that everything is biologically pre-determined and that biology justifies our actions. Neither is true. The fact that today's world has so much diversity—genetic, ethnic, religious, cultural and political—suggests that chance, choice and course play important roles in shaping outcomes. Biology might tell us how our moral compass works, but we are free to travel in the directions of our choice. Morality need not be subordinate to biology.

To quote Wilson again: "Humanity, I argue, arose entirely on its own through an accumulated series of events during evolution. We are not predestined to reach any goal, nor are we answerable to any power but our own. Only wisdom based on self-understanding, not piety, will save us. There will be no redemption or second chance vouchsafed to us from above. We have only this one planet to inhabit and this one meaning to unfold."

10 YEARS AGO



JUST A THOUGHT

Forests are the world's air-conditioning system—the lungs of the planet—and we are on the verge of switching it off.

PRINCE CHARLES

MY VIEW | MODERN TIMES

Why are printouts checked outside airport terminals?

MANU JOSEPH



is a journalist, novelist and creator of the Netflix series 'Decoupled'

Why does the security guard check your air ticket before you walk into a terminal building? It is a practice across all Indian airports. What is he looking for? What people show him is a printed copy of a flight booking or an image of it on their phone. How does the guy know whether what you show him is really a ticket? He does not have a scanner to read the barcode.

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GUEST VIEW

Account aggregators are ready to widen Indian access to credit

The sharing of personal financial data while ensuring data privacy will enable easy loans for individuals and small firms



AMITABH KANT
is chief executive officer, Niti Aayog

The Pradhan Mantri Jan Dhan Yojna (PMJDY) revolutionized the financial services system for the most deprived section of society. The scheme is a step towards holistic financial inclusion, with features like no minimum balance requirement for a bank account, direct cash transfer enablement, access to Rupay Debit Cards and pension. As we complete 7 years of this initiative, its success needs to be celebrated for bringing more than 430 million beneficiaries, with ₹1.451 trillion in balances, under the banking system.

Citizens getting easy and affordable access to credit and insurance holds the key to holistic financial inclusion. According to an International Finance Corporation report on *Financing India's MSMEs*, 80% of the addressable credit demand of small firms is met by informal financial sources.

That has been a key focus of the PMJDY mission as its next step towards financial inclusion. At present, individuals need to have physical collateral and must often run from pillar-to-post with bank statements, stamped documents from notaries, tax returns, and cash-flow statements to get a loan. Since the financial records of individuals are scattered across different organizations, it becomes challenging for them to consolidate all these statements while applying for credit. For instance, deposit receipts are stored with banks, life-insurance documents are with, say, the Life Insurance Corporation, and mutual fund investment details with asset-management companies.

Complementing the PMJDY, India recently unveiled the account aggregator (AA) network to overcome the challenges of access to micro-credit for individuals and micro, small and medium enterprises (MSMEs). An account aggregator enables the safe sharing of financial records, after the consent of the individual has been obtained, with financial service providers for access to small sums of formal credit. For example, when an individual or business applies for a bank loan, then an AA can obtain the applicant's consent and collect information on bank accounts and other financial assets to share with other financial institutions that are part of the AA network. With access to financial records, lenders can establish eligibility for a loan. Since the financial data gets shared electronically by institutions via the AA, counterfeit documents are not an issue.

If a hotel owner wants to take a loan to renovate a property, s/he can share bank statements of the past five years with the lender. With these details, the lender will be able to determine the owner's creditworthiness and provide micro-credit.

The AA network is thus a paradigm shift from physical collateral to information collateral. It will unlock access to affordable credit in a streamlined and trustworthy way. This will reduce the transaction cost of and time taken to sanction loans, make



lower-sized loans more feasible for banks, and empower them to provide personalized loans and more innovative financial products.

An AA is a Reserve Bank of India (RBI)-regulated entity (with a non-banking financial corporation-AA license). The system has three components: Financial information users (FIUs), financial information providers (FIPs), and account aggregators. The AA acts as an intermediary that collects information from FIPs that hold a user's financial data, like banks, and shares it with FIUs, such as lending agencies. The future plan is to make all financial data related to taxes, pension, investment and insurance available on the network.

Protection of user privacy is ingrained in the network. It has been developed on a consent mechanism that requires the individual's permission to share data with an FIU. The consent method is designed on the principles of our Data Empowerment and Protection Architecture (DEPA), a policy proposed by Niti Aayog. Second, data shared on the AA network is end-to-end encrypted. It is encrypted by the sender and can be decrypted only by the recipient. Third, AAs are not allowed to store, process and sell the customer's data. These design principles ensure that ownership of the data lies with individuals and is not monetized, so no conflict of interest arises when data is shared across the AA platform to provide better financial services. This is fundamentally different from the design principles of big global technology companies that have consumer data reside with them for monetization.

The goal should be to scale and expand adoption of the AA platform in India. All stakeholders in the AA

ecosystem need to play a pivotal role in this. Four apps—Finvu, OneMoney, CAMS Finserv and NADL—have operational AA licences. Three more have received in-principle approval from RBI (PhonePe, Yodlee and Perfios) and are expected to launch apps soon. AAs should focus on marketing and create awareness of the services they provide. The growth of these apps will lead to the growth of the entire AA ecosystem. Secondly, as all four apps are available only on Android smartphones, AAs should develop intuitive apps for feature phones. If AA network services are made available on feature phones, it will prove transformational by catering to a substantial group of individuals and enterprises. Thirdly, eight major banks—State Bank of India, ICICI Bank, Axis Bank, IDFC First Bank, Kotak Mahindra Bank, HDFC Bank, IndusInd Bank and Federal Bank—have joined the network. The process to on-board other FIPs, like the goods and services tax network (GSTN), insurance companies, National Pension System, etc, needs to be fast-tracked. Plans for non-financial players like health and telecom companies to join the network should also be accelerated. Fourthly, any technical glitches on the platform should be quickly resolved to build trust in the AA ecosystem.

Technology platforms born in India—Aadhaar, Unified Payments Interface, the Government e-Marketplace, DigiLocker and GSTN—are jewels in the Indian technology landscape and examples of how technology can be leveraged for citizen services. The AA network can be a new feather in the cap that would help India formalize credit and boost economic growth in the post-covid era.

These are the author's personal views.

RAJRISHI SINGHAL



is a policy consultant, journalist and author. His Twitter handle is @rajrishi singhal.

Indian economic administrators and bankers have their eyes fixed on Washington as they await the US Federal Reserve's next action because it is bound to have spillover effects on India's economy. The entire global economy is also on a cliff's edge as it waits for the Fed to start pulling its levers. India was stung by similar actions by the US central bank in 2013, and might therefore be doubly cautious this time. But, in focusing just on the Fed, we might be ignoring another emerging epicentre of an imminent global geo-economic and geopolitical storm.

A recent blog from the multilateral financial institution International Monetary Fund alerted emerging economies on impending volatility as the US Fed starts tightening its monetary policy. Some Wall Street banks even expect the Fed to accelerate the pace of rate hikes to choke off rising inflationary expectations. The World Bank's flagship report, *Global Economic Prospects*, also has a note of warning: "[Emerging market and developing economy] policy makers also face the challenges of heightened inflationary pressures, spill-overs from prospective advanced-economy monetary tightening, and constrained fiscal space."

The world has a reason to be fixated with the Fed's tightening intentions. The ripple effects can roil markets and economies, especially those left weakened and vulnerable by the pandemic's economic shock. Yet, people seem to be paying scant attention to another set of signals emerging from China's central bank, the People's Bank of China (PBOC), which has indicated a desire to move in the opposite direction and actually loosen its monetary policy. While opinion might differ on the extent to which PBOC's policies will impact the global economy, India should be prepared for a two-speed global economy: Tightening by the US Fed and gradual Chinese loosening.

The PBOC began December by reducing the reserves that banks have to keep with the central bank by 50 basis points (its second during the year), which released additional liquidity into the system, following it up with a 5-basis-points cut in benchmark lending rates and then injecting additional liquidity through market operations. The result: commercial banks were forced to reduce lending rates. New bank lending in China during 2021

touched 19.95 trillion yuan, or \$3.1 trillion, which is higher than the UK's gross domestic product. China-watchers expect some more PBOC action during this year. What shape it will take is anybody's guess, but PBOC sent out an unambiguous message in its 2022 work conference: "Using multiple monetary policy tools, [PBOC] will keep the liquidity adequate at a reasonable level, ensure a stable growth of aggregate credit, increase support for the real economy, and keep the growth of money supply (M2) and the aggregate financing to the real economy (AFRE) generally in line with nominal GDP growth... and keep the exchange rate basically stable at an adaptive and equilibrium level."

The question is: Should India worry about China's moves or keep its attention focused only on the US Fed? One thing is worth noting here: despite all the rhetoric, China is among India's leading trade partners, sometimes the largest and sometimes second-largest after the US. This is not going to change anytime soon and

China's rate actions are only making money cheaper for its manufacturing sector. Hence, it might make sense to keep one eye peeled on the PBOC's Beijing headquarters.

The decisive steps by China's central bank send out a deeper signal of its willingness to move in completely opposite directions

from other advanced economies if its actions benefit citizens.

Increasingly, China's contrarian moves indicate a desire to position itself as the second pole of what has effectively become a unipolar world. China appears eager to step into the vacuum created by the 1988-91 break-up of the Soviet Union. And though Vladimir Putin is actively seeking a return to former glory for Russia, universally

acknowledged as a formidable nuclear power, the country's lack of financial muscle hobbles Moscow's aspirations.

China's bold ambitions, in contrast, have been evident for some time now. Consider the March 2021 meeting between the Chinese (represented by top diplomat Yang Jei-

chi and state councillor Wang Yi) and the US (by secretary of state Antony Blinken and national security adviser Jake Sullivan): After the American delegation delivered an expected diatribe against China's suppression of human rights and aggression in international waters, the Chinese side let it rip for over 15 minutes, against the usual protocol of limiting opening statements to two minutes. China's top diplomat Yang Jei-

chi asked the US to set its own human rights record straight, referring to Black Lives Matter, and added that the US should stop pushing its own version of democracy to the rest of the world: "...the problem is that the United States has exercised long-arm jurisdiction and suppression and overstretched the national security through the use of force or financial hegemony, and this has created obstacles for normal trade activities, and the United States has also been persuading some countries to launch attacks on China."

Without judging who was right or wrong, diplomat Yang's bellicosity is an indication of how China may engage with India on the border problem or other sticking points. It might make sense, perhaps, to shift our attention away from the Metaverse to the Sinoverse being constructed in the neighbourhood.

MINT CURATOR

Spying on Big Tech may work better than splitting firms up

A bill in the US aims at forcing platforms to part with user data



PARMY OLSON
is a Bloomberg Opinion columnist covering technology



Haugen's Facebook revelations whetted US public appetite for more

such content. But what if Facebook's algorithms don't always work that way? What if people visit YouTube expressly [to confirm absurd beliefs]? "What's happening is people are arriving on YouTube by seeing something on Twitter or Facebook, and they're actually searching for it," said Nate Persily, a professor of law at Stanford Law School who designed the framework on which PATA is based. Regulators and advocacy groups can't pressure Facebook to change anything if they don't know exactly why so many people have viewed QAnon or anti-vaccine posts on those sites, Persily said. That's why evidence-gathering is so critical. "Right now we only have glimpses," added the professor.

For all its revelations, Haugen's research dump barely scratched the surface of the most troubling activity on social media. It couldn't show exactly how a minority of people made posts about a stolen election go dangerously viral ahead of the 6 January insurrection in the US last year. To find the precise activity around those outliers, researchers need huge amounts of current and historical data, including information on how people hop between different social media platforms.

This would be an unprecedented glimpse into a world that social media firms have never wanted people to see. PATA, and a similar proposal in Europe that has a better chance of passing given congressional gridlock, could divulge data even more intricate than what researchers obtained from Facebook before 2018. That's when the company shut researchers out of studying user activity on the site in the wake of the Cambridge Analytica privacy scandal. Even with the limited insights researchers could glean then, more than 130 studies on Facebook's side effects and activities were published before that shutdown. No similar insights into user behaviour have ever been provided by YouTube or TikTok.

Online platforms and Meta in particular will argue that they have bent over backward to be transparent, even publishing regular transparency reports. But civil society groups and researchers have long rolled their eyes at their lack of useful detail. That's no surprise. Few businesses would willingly reveal their toll on human well-being. But being forced to look at the problem is the first step to solving it.

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MY VIEW | GENERAL DISEQUILIBRIUM

India should be ready for an evolving two-speed world

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Indian economic administrators and bankers have their eyes fixed on Washington as they await the US Federal Reserve's next action because it is bound to have spillover effects on India's economy. The entire global economy is also on a cliff's edge as it waits for the Fed to start pulling its levers. India was stung by similar actions by the US central bank in 2013, and might therefore be doubly cautious this time. But, in focusing just on the Fed, we might be ignoring another emerging epicentre of an imminent global geo-economic and geopolitical storm.

A recent blog from the multilateral financial institution International Monetary Fund alerted emerging economies on impending volatility as the US Fed starts tightening its monetary policy. Some Wall Street banks even expect the Fed to accelerate the pace of rate hikes to choke off rising inflationary expectations. The World Bank's flagship report, *Global Economic Prospects*, also has a note of warning: "[Emerging market and developing economy] policy makers also face the challenges of heightened inflationary pressures, spill-overs from prospective advanced-economy monetary tightening, and constrained fiscal space."

The world has a reason to be fixated with the Fed's tightening intentions. The ripple effects can roil markets and economies, especially those left weakened and vulnerable by the pandemic's economic shock. Yet, people seem to be paying scant attention to another set of signals emerging from China's central bank, the People's Bank of China (PBOC), which has indicated a desire to move in the opposite direction and actually loosen its monetary policy. While opinion might differ on the extent to which PBOC's policies will impact the global economy, India should be prepared for a two-speed global economy: Tightening by the US Fed and gradual Chinese loosening.

The PBOC began December by reducing the reserves that banks have to keep with the central bank by 50 basis points (its second during the year), which released additional liquidity into the system, following it up with a 5-basis-points cut in benchmark lending rates and then injecting additional liquidity through market operations. The result: commercial banks were forced to reduce lending rates. New bank lending in China during 2021

Our strategy must consider countervailing effects from the monetary policies of both the US and China

China's rate actions are only making money cheaper for its manufacturing sector. Hence, it might make sense to keep one eye peeled on the PBOC's Beijing headquarters.

The decisive steps by China's central bank send out a deeper signal of its willingness to move in completely opposite directions

from other advanced economies if its actions benefit citizens.

Increasingly, China's contrarian moves indicate a desire to position itself as the second pole of what has effectively become a unipolar world. China appears eager to step into the vacuum created by the 1988-91 break-up of the Soviet Union. And though Vladimir Putin is actively seeking a return to former glory for Russia, universally

acknowledged as a formidable nuclear power, the country's lack of financial muscle hobbles Moscow's aspirations.

China's bold ambitions, in contrast, have been evident for some time now. Consider the March 2021 meeting between the Chinese (represented by top diplomat Yang Jei-



The purpose-led leader

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In the 100th edition of this column, Deloitte's Punit Renjen talks about the importance of mental health and home-office

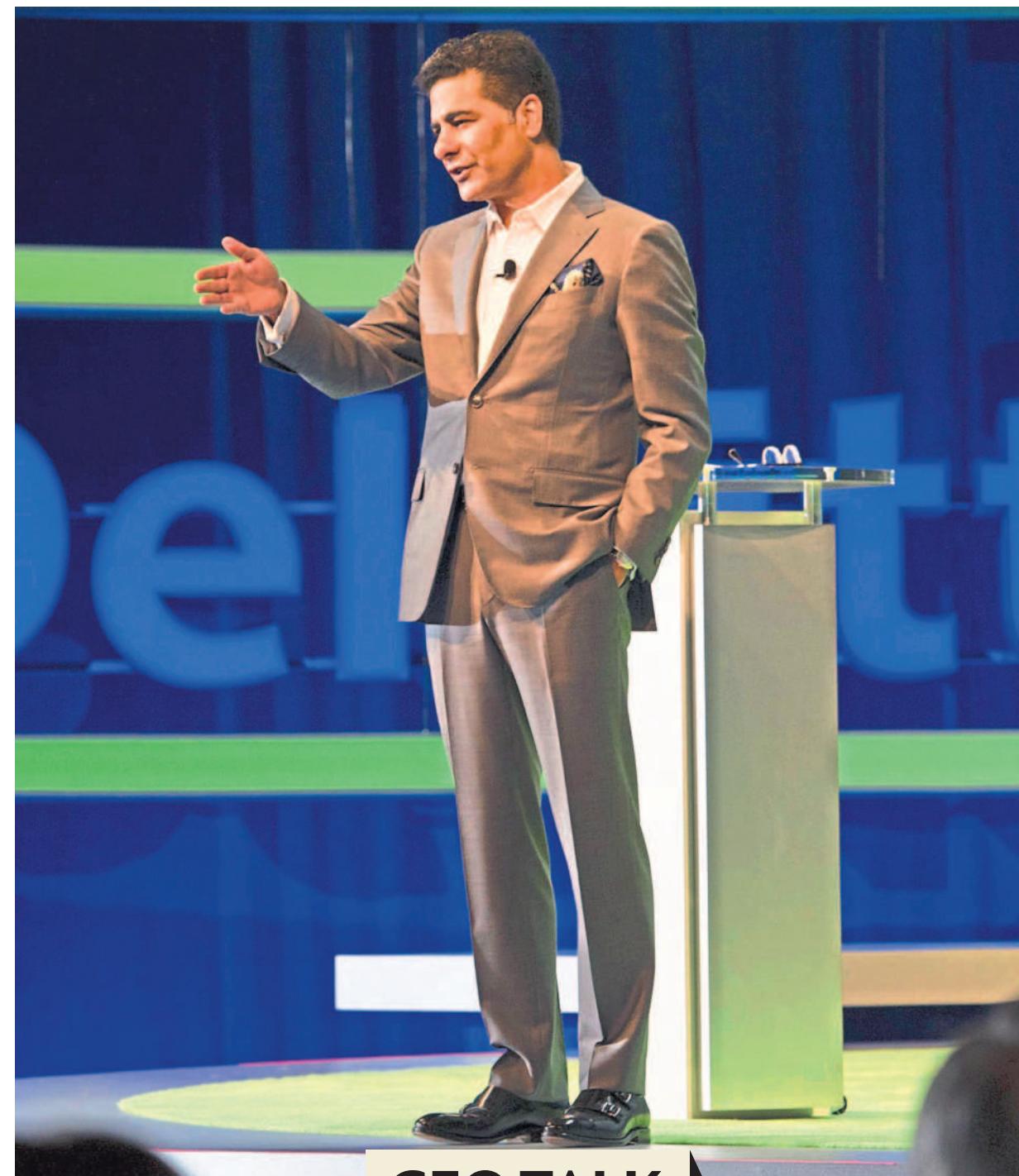
The 100th edition of Head Office takes me to one of the best designed home-offices I have toured so far. I am looking, through my camera, at the top floor of a family home in Portland, Oregon, in the US. It is a dark and cold winter morning outside, but well-lit and warm indoors. The space has the two most common work-settings in any C-suite: a large desk for private work, with a bookshelf behind and plants next to it. Facing the desk is the second setting: sofa and a coffee table, ideal for socialization. And then there is one more setting, overlooked in workspaces—a space for quiet contemplation, in the form of an Eames armchair and footstool, a modern design classic.

This is the home-office of 69-year-old Punit Renjen, the global CEO of Deloitte. It is one of the big four professional service firms, encompassing accounting, audit, consulting services. Deloitte recorded over \$50 billion in revenues for the financial year ending May 2021, and has a headcount of 350,000 professionals, spread across 150 countries.

Renjen begins the virtual tour by explaining the design logic of the space. On the bookshelf is a Saregama Caravan radio, which plays Indian music. Next to his desk is a poster of the Bollywood classic, *Mother India*. "It reminds me constantly as to where I'm from," says the Haryana-born Renjen, who emigrated to the US in the 1980s on a Rotary Foundation scholarship, to study management at a university in Oregon, and stayed on ever since. He joined Deloitte as a junior consultant over three decades ago, became a partner in the 1990s, and was appointed as its global CEO in 2015, part of a growing cohort of successful Indian-origin leaders heading multinationals.

Renjen's home-office is more personalized than most such spaces. An extensive collage of family photos lines the staircase leading up to the home office. The most frequent occupants of the sofa are his wife and his dog, he says. Treasured possessions include his "pride and joy", a clay eagle made by his son as a child. The Eames chair is a favourite spot for reading.

The home was first occupied by the Renjen family 25 years ago. The top floor was remodelled into a workspace over two decades ago, when Renjen started using it mainly on weekends and evenings. Since the pandemic, this has been his primary workspace; he effectively works out of a purpose-built C-suite at home.



CEO TALK

The ideals and beliefs that drive Punit Renjen

ON LEGACY: I want to be able to look back at what I've done at Deloitte and have a sense of pride that I actually made a difference, that I didn't drop the baton, that I kept the legacy of 176 years going.

ON ACCOMPLISHMENT: One of my favourite things to do nowadays is to read the obituary section in *The New York Times*. I really enjoy that because it gives me a sense of what somebody has achieved. It also gives me a sense of my own mortality.

ON HIRING YOUNG TALENT: If I want to hire and retain the very best individuals, I must have a credible response to their two big asks, around (Deloitte's) purpose and around climate change.

last global millennial survey, 48% of Gen Zs and 44% of millennials reported being anxious or stressed all or most of the time. I want that to sink in. That was before the pandemic, before these closures, the health issues, work from home, lockdowns, job losses," he says, adding that Deloitte is leading a global consortium of companies to create a "comprehensive and powerful alliance around mental health". There are societal, human and economic benefits of taking workplace mental health seriously, he explains.

The rhetoric sounds great, but how does one eliminate workplace stress in a client-facing business? "You cannot eliminate stress, but you can mitigate stress," he says, in "strategic and tangible ways". This includes communicating regularly with senior leadership about mental health issues to acknowledge its seriousness, and instituting policies such as not sending emails over the weekend, which Renjen says he is doing.

The biggest testimony is the role of mental health in his own professional life. Renjen decided to take a sabbatical just when he was being considered for partnership. "I was working every weekend, I was totally burnt out, I put on a lot of weight." At his father's suggestion, he requested the firm for a sabbatical for a



(clockwise from left) Punit Renjen during an event; with Prime Minister Narendra Modi in 2020; and delivering the commencement address at Willamette University in 2019.

few months, during which he "travelled, went back to India to visit family, played a lot of golf and met his future wife."

He didn't make partner that year, and "for many years after that I second-guessed myself whether I made the right decision or not. But in retrospect, looking back, it was the best decision I made. It gave me a chance to recharge," he says. Small wonder then he chose to create a site for self-renewal in his home-office with the Eames chair.

THE BRAND LEGACY

If Renjen's space is purpose-built, his vocabulary is about being purpose-led. Purpose comes up in conversation in every possible way.

In the context of resilience through the pandemic: "We grew at exceptional rates. Part of the reason is that we are a purpose-led organization. We serve our clients, create a tangible, measurable attribute of impact for them, we take care of our people, and we give back to the communities that we live and work in."

In the context of what is important to younger members of the workforce: "They say they want to be associated with an organization that is purpose-led."

In the context of his communication to his team: "I write two or three times a month, to all 15,000 partners across the globe. That message is called 'Living Our Purpose'. I just sent out message number 219. It is a reminder that we are purpose-driven. Every message has a link to the core elements of what we are trying to do, from a values and strategy standpoint."

In the context of one of his favourite

books, the late Harvard Business School professor Clayton M. Christensen's *How Will You Measure Your Life?*: "He talks about the three parts to purpose", which include finding happiness in one's career and in relationships, and living a life of integrity.

His commitment to this higher ideal is visible, but firms such as Deloitte are prone to accounting scandals and fraud, undermining this rhetoric, he admits. "We do 175,000 audits, give or take, every year. The others in the profession do similar numbers. When you have an organization that large, there are, from time to time, issues that come up. We're not perfect. I realize that. But we are trying our level best, I assure you, to try and do the right thing. Not only because it is something that has been entrusted to us, but because it is good for our business. It impacts the most precious asset, our brand," he says.

I log off with three conclusions. First, the importance of having a third work-setting, where one can renew oneself. Second, the benefits of operating from a space where one can be authentic. Finally, by showing us that he can run a global business wearing a fleece jumper from his home office, Renjen demystifies the cult of the CEO and the C-suite. Renjen works remotely, but he is not distant.

This demystification is what *Head Office* has tried to pursue for over 10 years.

Aparna Piramal Raje meets heads of organizations every month to investigate the connections between their workspace design and working styles.

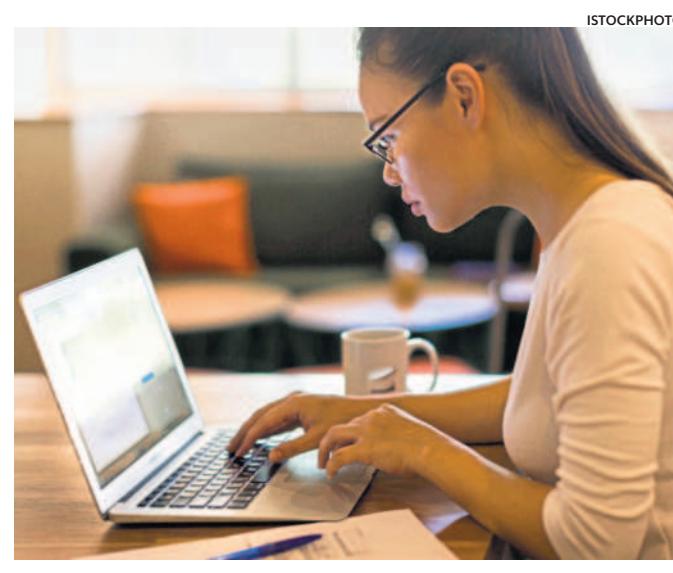
EXTRACT

The one vital point your CV is missing

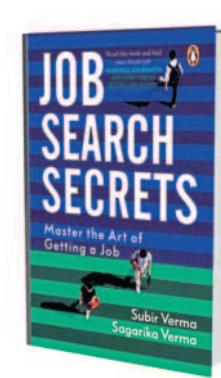
Subir Verma & Sagarika Verma

Searching for a job is always stressful. The majority of job seekers experience stress, nervousness, anxiety and tension during their search for a job, regardless of their work experience, their current compensation level or the industry of their choice. There will be many factors at play that are not in their control, such as a bad economy, hiring freezes, unexpected corporate mergers, buyouts, etc. However, one of the main reasons for stress during the search for a job is the candidate's lack of confidence, which comes from a lack of planning for the search and a lack of practice at it.

It is time to take a step back and think about your own approach to this before cursing yourself or blaming your lack of success on the companies you are applying to. Even before you apply, you must have your job search strategy ready. A well-planned approach will not only help take you through the process faster, but will also make it less stressful.



ISTOCKPHOTO



Job Search Secrets:
Master The Art of Getting a Job
By Subir Verma and Sagarika Verma; Penguin Random House India; 256 pages, ₹250.

THE FIRST STEP
The first step is to decide what you really want to do. Selecting a career based on what others are doing (or under peer and social pressure) may give you the desired results in the short term, but long-term success and self-fulfilment will always be missing. In India, many parents want to fulfil their dreams through their chil-

dren. Parents usually advise their kids to become what they could not become themselves. It is also common to see parents asking their children to emulate the success of the children of their relatives or neighbours. Parents always want the best for their kids, and there is nothing wrong with this. However, when it comes to career advice, most parents have

limited knowledge. For example, traditionally, the most popular career choice for a commerce student in India has been chartered accountancy; for a science student engineering and medicine; for the arts students, the creative fields, management or the civil services. If you just copy others to make your parents happy, you will end up pressuring yourself. A career

choice that follows another's will not give you the excitement, happiness and passion to excel in the long term. It is equally true that many of us choose our careers without much thought. In fact, many a time we simply accept whatever comes our way. However, you should not blame yourself if you have chosen a career in this way. As a young job aspirant, you had limited exposure, experience and knowledge of the options available. What you really want to do in life is worth ruminating on. A career should be selected on the basis of certain parameters, which will act as the foundation on which you will build it. Your entire career trajectory will be shaped by your one decision.

To decide on your long-term career options, you must consider the following: Your educational qualifications; your behavioural attributes; your SWOT (strengths, weaknesses, opportunities, threats) analysis; and your interests, likes and dislikes.

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